

Pasalubong center business plan

Business



I. INTRODUCTORY PAGE

A. Name and Address of Business

Name of Business

The name of the proposed business is “MADE IN THE PHILIPPINES”. It is named “MADE IN THE PHILIPPINES” because of the idea that came up to the mind of the entrepreneur during the brain storming process with her colleagues. The entrepreneur thought that “souvenir” is one of the top businesses nowadays. As observed a lot of people love to buy pasalubong when they visited some tourist attractions in the Philippines.

Another observation is that people started to love collecting different souvenirs like refrigerator magnets, keychain, tees and more. That’s why he thought that a souvenir shop will be a good and successful business. Then the entrepreneur took him time to think of a concept that is unique about souvenir good that comes up with a business name that will surely attract the eyes and minds of the customers for the first sight. The idea behind the name “MADE IN THE PHILIPPINES” is that the entrepreneur would like to give the market a unique way of promoting our local products and destinations by putting it into different souvenir goods. Since the entrepreneur already visited a lot of places, this time he wants to share it to his fellow countrymen and foreign tourists.

Address of the Business

Primarily, the idea of this business is to present it to the public and have their shop located on a place wherein a lot of people are visiting everyday. In this case, the entrepreneur agreed to have their business located at the 2nd

level of SM MALL OF ASIA in Pasay City as its pioneer branch. The Mall of Asia Complex is located at Jose Diokno Boulevard Pasay City. The mall is located in Bay City, Pasay, Philippines near the SM Central Business Park, the Manila Bay and the southern end of Epifanio de los Santos Avenue. It is the third biggest mall in Asia and the mall is visited by an estimated of 200, 000 tourists and local everyday according to Wikipedia. com since its opening in 2007. It is a tourist destination that has raised the standard of shopping, leisure and entertainment in the Philippines. This particular information has been considered in the decision in which particular location of the “ Made in the Philippines” will situate. With the location the entrepreneur is highly positive of good reviews about the business once it opens. Through the help of the chosen location, the souvenir shop will be visited by many tourist and shoppers.

B. Name and Address of Principals

The Entrepreneur and owner of “ Made in the Philippines” is born in Bagong Bayang Dasmariñas, Cavite. Jexeller Z. Espineli is a graduate of Bachelor of Science in Tourism Management at De La Salle University- Dasmariñas. Through his constant tours around the Philippines, the owner wanted to share his experience by providing products which will allow the customers to see the different attractions in the country.

C. Nature of Business

Our propose business is a souvenir shop that offers different products from the famous attractions here in the Philippines, our Mission Statement: “ We are a souvenir shop company, blazing the trail in trends of innovations.”

Company Goals and Objectives

“ Goals are destinations where you want your business to be.” “ Objectives are progress makers along the way to go achievement.”

Business Philosophy

The researchers should have a capital first to make everything possible. It is important for us to provide a costumers' satisfaction as well. We offer our products to those people who love to travel and those people who are travelling here in the Philippines.

Our industry will be a growing industry because tourism in the Philippines is on the rise. I see that it would be a long term business because tourism will never stop but it will keep on growing and innovating. We are should be always up to date, knows the latest trends and have innovative ideas every now and then to attract more markets. The most important strengths that we have in our company is our loyal suppliers. They continue to send our needs to build and finish our product to sell it to our foreign and local costumers. Our core competencies are those who were in the line of selling souvenirs within Manila but we are sure that we are better in terms of service due to our connections many travel agencies and we also give flight and they can purchase it our store in Manila.

The factors that will make the company succeed are; stable and strong partnership with our suppliers, more foreign and local costumer who were travelling and loves collecting souvenirs especially made in Philippines. Good marketing skills will also help the company to succeed. Our major competitive would be our continues update with products because we want

to be in line with the trends like iPhone cases which are designed like in a tarsier or like a shell and the picture of the sunset in Boracay. We lots of ideas and we can make it possible because we have our fellow Filipino ate and kuya working for us to make all of this happened.

We have experienced working in the travel agencies and we have traveled from different places across the country and even outside the country. We know what the travelers want and what the travelers need.

The legal form ownership is sole proprietorship so that we will only have our president in making all of this possible. If we have a partnership we might encounter some problems with money especially if we are working together and our friendship might affect our relationship.

D. Statement of Financing Needed

Since souvenir shop is a big business, the entrepreneur is in need of an immense budget. The business will be needing funds to pay for the rental fee since it was situated in one of the prestigious business shopping center in the Philippines now. Also the budget is allocated for employees' salary. Another cost would be for the equipment and machineries needed by the business. Examples are the racks, shelves, display stands, cash registers and other equipment. Marketing and advertising plan is also one of the main expenses since a business will live through its customers thus promotion is the key to known in the market.

II. EXECUTIVE SUMMARY

Travelling from across the world is surely a great experience wherein you meet different types of people and you were able to see and experience the culture that they have. Every single place has its own remembrance to share and that's what the company is all about. Building up a souvenir shop and to cater travellers who came to see and experience the stunning beauty of Philippines. In each business there should be a unique blend or twist so that the company will be known for its awesome offers and how they handle their clients. A souvenir shop is usually just a drop by store wherein you see key chains, shirts, flip-flops, bag tags and a lot more but there's nothing new about that typical souvenir shop that's why the researchers came up to build a souvenir shop business that ONLY local materials are used, ONLY local Filipino people can work and a local but trendy type of designs are made. Making it more exceptional than the others would be the connection of the souvenir shop to the travel agencies. Selling the tour packages from these travel agencies would make clients come back for more souvenirs and make good impression on the company as well as their experience in Philippines. Happy clients are a result of a good company marketing strategy. It's different, remarkable and only " Made in the Philippines".

III. INDUSTRY ANALYSIS

A. Feature Outlook and Trends

Mr. Jexeller Espineli put his own business " Made in the Philippines" which is a commemorative shop in the heart of Manila particularly in SM Mall of Asia. The owner believes that having a the said business will promote Philippine products such as handicrafts, famous Philippine delicacies, capiz products and the like and also services from different travel agencies selling

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affordable domestic tour packages. He puts up this kind of business because it will help support the locals of different regions and provinces in terms of generation of income and employment. It will also serve as a communiqué for us to patronize our local products. He establishes the "Made in the Philippines" commemorative shop in the SM Mall of Asia because Aseana City will be opening an international cruise port beside SM Mall of Asia. He also thinks that this is a big opportunity to whoop our local goods especially the impalpable love of Filipinos.

B. Analysis of Competitors

Part of every tour itinerary is the souvenir shopping. Tourist at any age have this kind of urge to buy something from the place they visited even if it is just a simple keychain or ball pen that will serve as the remembrance of their travel. Tourists will also never go home without pasalubong for their family and friends. That is why "Made in the Philippines" brought up by the idea of the owner.

"Made in the Philippines" is a one stop shop for different Philippine local products. It cater to the budget tourist, local or international who do not like the hassle caused by the crowded, non-air conditioned typical souvenir shops that you can see all over the country. "Made in the Philippines" would also want to make the local products from different places in the Philippines at the reach of the tourist. That even they cannot reach a tourist destination in the Philippines, they'll have a glimpse on what other in the Philippines has.

C. Market Segmentation

Demographic Segmentation

One of the demographic segmentation variables of the business is age. The business does not have a specific age bracket for the market because it offers the products to everyone. Every consumer is viewed as target market. Gender and status of life in the society is not also a hindrance in purchasing the product since it is affordable for everyone to buy. Souvenirs are one of the favorite of Filipinos no matter of the age, gender or status of life in the society. It is a way of custom to have pasalubong for the family when you went to vacation. Thus, our market comes in variety of consumers that seeks new products to try.

Geographic Segmentation

Market Segmentation can be based on culture, economic status and geographic profile. As the entrepreneur opens up a business, she segmented the market

geographically thus what called geographic segmentation. This term is defined as “ Market segmentation strategy whereby the intended audience for a given product is divided according to geographic units, such as nations, states, regions, countries, cities, or neighborhoods.” Strategically, SM Mall of Asia is one of the most fast growing business areas in the Philippines and since our location is widely visited by most of the people from different provinces and countries our product is not limited to where it is located but also a best location to cater large numbers of customers.

D. Industry Forecast

Since the souvenir shop is constantly changing and improving, the entrepreneur foresee future innovative shops will rise.

Hightechnologymachineries and equipments will be released for fast

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production that can be utilized by other companies thus can cater more customers. Also, the second hand businesses will develop others original concept and take it to the new level of variation. There will be new Marketing and Advertising will be used by companies that would be appealing in the market.

IV. DESCRIPTION OF VENTURE

A. Product

In our company we cater mostly a lot of foreign customers who were having their vacation in Philippines. We do customize and make our own designs for our souvenirs (keychain, tumbler, bracelet, phone case, anklet, necklace, slippers, shirts, hats, bags and etc.) and we're proud to tell everyone that these products are carefully made by the talented local Filipino people and we only use materials here in the Philippines that's why we name our company as " Made in Philippines".

Below are the samples of some products offer:

Bracelets

Necklace

Tote Bags

Native Bags

Cell phone Cases

Tees

Refrigerator Magnets

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Key Chains

E. Services

In the tourism industry we have lots of competitors and they have their own strategy to attract and gain more customers, so as we thought of making this business different from other souvenir shops here in the country, we came up with its own twist of having travel agencies linked with us so that aside from souvenirs we do have tour packages. Selling tour packages would be a great factor for us because customers will come back to Philippines and at the same time they will also get souvenirs after their trip and as loyal customers we do give freebies for them.

B. Size of Business

Made in the Philippines is a sole proprietorship type of business owned and managed by Mr. Jexeller Espineli, the sole proprietor. The law makes no distinction between the sole proprietor, and the business. Virtually all the legal and tax consequences associated with sole proprietorships flow from this essential element. As a sole proprietorship business, the sole proprietor can conduct business under his own name or under a trade name. A sole proprietorship can hire any number of employees and also hire any number of independent contractors.

C. Office Equipment and Personnel

EQUIPMENT INVENTORY LIST

Physical Characteristics

Financial Statement

Asset or serial number

Item

Denomination

Current value (PHP)

001

Pens

100

600

002

Pencils

100

600

003

Markers

100

1200

004

Highlighters

100

1500

005

Paperclips

100

800

006

Tape

100

1000

007

Rubber bands

100

150

008

Stamp pads

100

8000

009

Spiral notebooks

100

1000

010

Post-it notes

100

500

011

Laser printer paper

100

1500

012

Copy paper

100

1500

013

Manila file folder

100

1500

014

Index divider

100

3000

015

Catalog envelope

100

3000

016

Toner cartridges

100

5000

017

CD -Roms

100

10000

018

3. 5'' high density disks

100

2000

019

Zip Drive Tapes

100

2000

020

Calendar scheduling boards

100

12000

021

To do lists

100

10000

022

Staples

100

12000

023

Bulldog clams

100

12000

024

Glue

100

20000

025

Glue sticks

100

10000

026

Push pins

100

10000

027

Price tags

100

10000

028

Name badges

100

20000

029

Labels

100

20000

030

Color coding labels

100

20000

031

Display Racks

50

150000

032

Open-Cabinet

100

160000

033

HP Ink Jet Printer

5

30000

034

Photocopy machine

2

40000

035

Paper cutter

1

1500

036

Scissors

10

2000

037

Office drawer organizer

10

20000

038

Point of sale

10

50000

039

T-roll

100

2000

040

CCTV Camera

10

50000

041

Monitor

5

20,000

042

CPU

5

30,000

043

Mouse

5

5,000

044

Keyboard

5

5,000

045

Computer rack

5

20, 000

046

Mirror

10

3, 500

047

Calculator

100

D. Background of Entrepreneurs

Mr. Jexeller Espineli

21 years old

From Dasmariñas City, Cavite

CEO of Made in the Philippines Souvenir Shop

Senior student taking up BS Tourism Management at De La Salle University –

Dasmariñas Former SK 1st Councilor and acting SK Chairman (on his term) of

Barangay San Manuel II Former Auditor and President of Turismo Lasalleño

Society (2012) Tabulation Head of BTM Event Management Class of 2013

(Mr. ; Ms. Teen Tourism Philippines 2013) Worked at Busch Gardens – Tampa

Bay, Florida, USA

Completed his 200HRS OJT at Shroff International Travel Care, Inc.

Completed his 50HRS OJT at ABACUS Global System

Completed his 250HRS OJT at MIASCOR

Sarah Jane R. Solis

20 years old

From Imus City, Cavite

General Manager of Made in the Philippines Souvenir Shop

Senior student taking up BS Tourism Management at De La Salle University –

Dasmarinas Worked at Adventure Island, Florida, USA

Completed her 200HRS OJT at MIASCOR

Completed her 50HRS OJT at ABACUS Global System

Currently finishing her OJT at Easy Travel

Jayvee Espejo

19 year old

From Imus City, Cavite

Senior student taking up BS Tourism Management at De La Salle University –

Dasmarinas Assistant Production Head of BTM Event Management Class of

2013 (Mr. ; Ms. Teen Tourism Philippines 2013) Worked at Busch Gardens –

Tampa Bay, Florida, USA

Completed his 200HRS OJT at Shroff International Travel Care, Inc.

Completed his 50HRS OJT at ABACUS Global System

Currently finishing his OJT at Cathay Pacific Office-Makati Branch Arien Jade

Panganiban

19 years old

From Imus City, Cavite

Senior student taking up BS Tourism Management at De La Salle University –

Dasmarinas Finance Head of BTM Event Management Class of 2013 (Mr. ; Ms.

Teen Tourism Philippines 2013) Worked at Adventure Island – Tampa,

Florida, USA

Completed her 200HRS OJT at Philscan Travel Agency

Completed her 50HRS OJT at ABACUS Global System

Currently finishing her OJT at Philippine Airlines

Ma. Franchesca Salvio

20 years old

From San Pedro, Laguna

Senior student taking up BS Tourism Management at De La Salle University –

Dasmarinas Worked at La Quinta Inn Civic Center – Lubbock, Texas, USA

Completed her 200HRS OJT at Tripmart Travel Agency – Sales / Accounting

Department Completed her 50HRS OJT at ABACUS Global System

Currently finishing her OJT at PAL Express

Sharmaine Rejean Daza

19 years old

From Imus City, Cavite

Senior student taking up BS Tourism Management at De La Salle University –

Dasmarinas Tabulation Secretary of BTM Event Management Class of 2013

(Mr. ; Ms. Teen Tourism Philippines 2013) Worked at Busch Gardens – Tampa Bay, Florida, USA

Completed her 200HRS OJT at Shroff International Tavel Care, Inc. Completed her 50HRS OJT at ABACUS Global System

Currently finishing her OJT at Cathay Pacific

Erika Tugano

21 years old

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From Bacoor City, Cavite

Senior student taking up BS Tourism Management at De La Salle University –

Dasmaringas Worked at Ben and Jerry's, Virginia Beach, USA

Completed her 200HRS OJT at Shroff International Travel Care, Inc.

Completed her 50HRS OJT at ABACUS Global System

Currently taking her OJT at MIASCOR

V. PRODUCTION PLAN

A. Manufacturing Process

Production of sellable souvenir items is projected to begin on October 20, 2013. Souvenir items will be ordered for twice a week delivery from different provinces, at which time a two week production schedule will be drawn up by Ms. Sarah Jane Solis, the General Manager. Items will be stored in a storage area (already on the proposed premises). Rent of the facility will be Php 50,000.00 per month.

Scheduling will begin with several items only. Product can be sold everyday. Each month the manager will choose a concept for the design of the store. The racks and shelves provides intensive cleaning,. Everything from the beginning of the store opening the souvenir items can be perfectly offers.

The storefront will open at 10: 00 AM and close at 10: 00 PM Monday through Sunday. Part time employees will work the counter and assist with store maintenance during peak hours.

Manager will economize on bookkeeping costs by handling its payroll duties in house. Year-end bookkeeping will be handled by a professional accountant.

B. Machinery and Equipment

Cash Register
Surveillance Camera

Wire Shopping Basket
Cash Register Table

Racks and Shelves

C. Name of Suppliers of Raw Materials

Description

Annual requirement

Total cost

Supplier

Order lead time

Bracelets

5000 pcs

78, 000

Arm Candy PH

1week

Key chains

10000pcs

85, 000

Kurtis supply

1week

T shirts

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2500pcs

200, 000

Villa supply

9 days

Tumbler

1000pcs

18, 000

kurtis supply

2 weeks

Slippers

1500pcs

15, 000

Amor supply

12 days

Necklace

6000pcs

68, 000

Kurtis supply

1 week

Bags

800pcs

10, 000

Jex supply

5 days

Purse

400pcs

5, 000

Erika supply

4 days

Stickers

500pcs

4, 000

Sharms supply

1 week

magnets

1000pcs

16, 000

Megs supply

1 week

Frames

500pcs

19, 000

Ara supply

6 days

Maid in the Philippines is located in SM Mall of Asia which will be opening soon. This shop offers products made in the Philippines only with the affordable prices that many tourists or walk in clients will surely love this. And you can also order online and get it through our shop.

VI. MARKETING PLAN

A. Pricing

Made in the Philippines is an establishment that offers different Filipino

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products at an affordable price. The entrepreneurs did everything to make their products cheap and high quality. We partnered with different local manufacturers and get a contracted wholesale rate and add our markup to make the company profitable. We do not want to compete with the local manufacturers rather we want them to gain more revenue as we get bulk item orders. Compared to our competitors who offer the same products at similar locations, Made in the Philippines offers reasonable price. The entrepreneurs would like to reach the customers most particularly the tourists who want to shop Philippine made products in a most convenient place.

B. Distribution

Made in the Philippines will be using the physical distribution which is the site location. It will be put up in a mall particularly at SM Mall of Asia. We decided on this location because it is very near at the airport- NAIA and the country's capital Manila. As the company progress Made in the Philippines also plans to have an online shop to reach the other markets but for now, the entrepreneurs will just focus on site locations.

C. Promotion

In any new business like Made in the Philippines, promotion is very essential. The entrepreneur should do everything to make the company and the product known to the target market. In that way the target market will purchase and make the business prosper. The researchers anticipate ways on how they'll strategically promote their business. Flying in NAIA, partnering with different travel agencies and banners are the methods the researchers think that will make Made in the Philippines popular. Our target markets are <https://assignbuster.com/pasalubong-center-business-plan/>

tourists and we came up with a promotional plan in which we would like to give flyers at NAIA. Same thing goes with travel agencies. Every time they have FIT/GIT bookings, the agent can include Made in the Philippines on their itinerary and the souvenir shop can give them discount coupons, in that way we can influence them to shop more. Putting up banners on different locations is also considered because at any tourism activities, the transportation system is always associated to it. Here is the timeline of the promotional activities that Made in the Philippines is targeting.

MONTH

DURATION- Month

ACTIVITIES

BUDGET

PERSON INVOLVE

NOV

1

Partnering with different travel agencies

Php 10, 000

Marketing Dept.

DEC-JAN

2

Flyering at NAIA

Php 20, 000

Marketing Dept.

JUN

1

Whole month sale

Banners for advertisement

Php 15, 000

Production, sales and marketing Dept.

SEP-NOV

3

Banners for advertisement

Php 20, 000

Marketing Dept.

D. Product Forecasts

As part of the study, the entrepreneur would also focus on its competitors. The entrepreneur will be in consistent observation on the brand and how to innovate so that he will know the standing of the business in the market. A SWOT analysis will be used as the entrepreneur goes further in the business so that he could monitor the performance as well as the strengths and weaknesses of the business. Of course, having the opportunities and threats of the business known, the entrepreneur will be always aware of how the business is doing, how efficient and effective the work of the team is and the steps that the entrepreneur needs to improve the business.

E. Controls

The entrepreneur can monitor the progress of “ Made in the Philippines” at the end of each year by comparing the planning objectives to the actual performance of the company. Example is to “ increase Internet and E-mail sales by PHP 20, 000 in revenues per year by 2014.” Because this objective is direct, measurable, and provides a specific time frame, he can easily

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compare his actual Internet and e-mail order sales to this goal. In addition, Made in the Philippines Souvenir shop's customer service goals can be monitored continuously throughout the year. By creating a toll-free phone number, sending out post-purchase e-mails and thank you cards, and encouraging customers to communicate with the Made in the Philippines about ideas, comments, and problems. Then, the entrepreneur can constantly have feedback from the customers.

VI. ORGANIZATIONAL PLAN

A. Form of Ownership

Made in the Philippines-Souvenir Shop adopted sole proprietorship type of business. According to jlp-law.com a sole proprietorship is the “ simplest form of business and the easiest to register, through the Bureau of Trade Regulation and Consumer Protection (BTRCP) of the Department of Trade and Industry (DTI). It is owned by an individual who has full control/authority of its own and owns all the assets, as well as personally answers all liabilities or losses. The fact that it is run by the individual means that it is highly flexible and the owner retains absolute control over it”. The business focuses on giving out the customers the best quality of souvenir products and the best service.

B. Identification of Partners or Principal Shareholders.

Made in the Philippines is solely owned by Mr. Jexeller Espineli. He has the full authority of all the assets and liabilities of the business. Ms. Sarah Jane Solis acts as the Manager who is responsible in supervising the overall performance of the employees and maintains the cleanliness of the shop.

Currently the business employs 4 permanent employees excluding the namely Ma. Franchesca Salvio and Sharmaine Rejean Daza who are in-charge for supervising all of the employee, Arien Jade Panaganiban who is in-charge of the cash register and Jayvee Espejo and Erika Jane Tugano who are in-charge of serving the guests.

C. Authority of Principals

Made in the Philippines has a 3 major departments, namely production departments, sales and marketing departments and Finance. Each department has its own supervisor to manage the products and services that our souvenir shop has to offer. All of the three said departments are oblige to report to the Manager Ms. Sarah Solis to know the incidents that happened, products to buy, newly office equipment to be used and a lot more. The manager has the authority to report to the chief executive officer about the sales of the company, major incidents that happened and other big problems that the Made in the Philippine souvenir shop will occurred.

D. Roles and Responsibilities of members of organization.

Manager

There is lot of things a manager should do. Listed below are the duties and responsibilities of the manager. Make sure the shop is open for business.

Make sure the scheduled employees are present and on time.

Make sure there enough supplies for the day's business.

Order supplies.

Prepare the deposit and/or take to the bank.

Prepare ojt narrative report.

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Schedule the employees.

Make sure employees are trained.

Communicate with the owner of the business.

Interview new employees when needed.

Make sure the business is ready, clean, neat and orderly.

Maintain equipment.

Check equipment to make sure it is in working order.

Make sure employees are in compliance with Labor and Industry. Make sure business meets the necessity of all codes including but not limited to safety, fire and health. Make correct any problems and communicate both the problems and corrections with the owner. Make sure all beverages are prepared correctly.

Help market the business.

Build customer relations.

Cashier

Run a register

Record sales

Money related tasks

Keep a record of how much money they had when they opened the store, how much money is earned when they closed the store, and the amount of change in a register drawer for the purpose of finding out when they are required to restock the change. Giving change to the customer is one of the most important parts of a cashier.

VIII. ASSESSMENT OF RISK

A. Evaluate Weakness of Business

As a new entrant in the souvenir shop business, the researchers thought of three main weaknesses of the business; First, slow momentum of the shop --- the shop will have difficulties in catching the attention of the prospective clients or buyers because of the competitors who were in the business before us. The clients would not have second thoughts in looking for other souvenir shops when in their minds they are only aware of two currently competing shops. Second, advertisements will be a very great technique in letting the prospective clients know about Made In The Philippines however as a newly starting business the researchers will have difficulty in getting the clients' interest in just a simple flyers or brochures thus a great planning and innovation is in the midst of what the researchers will do. Third, it will be the resources that the shop will need. As the first shop that offers souvenirs that can be customize the shop might lack of machineries that are necessary in customizing different products and it will all boil down to money matters wherein buying high end machineries are needed in a known company who sells it.

B. New Technologies

Nowadays, technologies are being overly on the top high-tech as what people say. We are in the world where the ratio would be 3: 1 --- 3 represent the machines and 1 will be the manpower. In this era, people relay much on different machineries that they can possibly get wherein it will be an advantage of that business from other competitors. As a souvenir shop that customizes different products it is indeed significant for the business to <https://assignbuster.com/pasalubong-center-business-plan/>

consider the new technologies that this generation could offer thus it will help speed up, save time and it surely is a money wise decision to invest in it.

C. Contingency Plan

As the researchers thought about contingency plans --- We thought of three main situations for contingency plans. As for the main situations, they are the location, suppliers and advertisements. For the location, all of us know that Mall Of Asia is popular not only in the Philippines but also outside the country wherein a lot of entrepreneurs wanted to put up a business in it. Especially now, that it is said to have a port beside its location, there's now more reason to take a spot in the famous mall. If Made In The Philippines cannot make it to Mall Of Asia, the researchers thought of putting it up near or within a historical place in Manila thus it is close to tourists and prospective clients and it falls to Intramuros where a lot of people are also visiting as to that the business might easily catch the interest of the people. In this business, people need to be open in all situations like one should never expect always on time deliveries and fast work because there will always have the delay in every work. So, the researchers came up of listing all the top suppliers of different forte that we think can cater what the business needs that whenever one cannot do it on time the business will not be left hanging with the supplies that are significant. As what is said above advertisements are of great help in any business that wants to be notice and be popular. The researchers thought that flyers and brochures can be a help but if we look at it, it will never get you there. However, the researchers thought of putting up a Facebook page where all of us are aware on what is

happening in the entrepreneur world as well as accounts in Instagram and Twitter in that way the business will be easily recognize of the prospective clients, however, if it doesn't work the last plan is to put up a website wherein people can see what is Made In The Philippines all about as well as they can get a glimpse of how one souvenir is made and what is happening inside the production area although the researchers will not show the secret of the souvenir's beauty.

XI. FINANCIAL PLAN

A. Pro forms Income Statement

Made in the Philippines

Pro Forms Income Statement

For the year ended

Sales

1, 600, 00

Cost of Goods Sold

200, 000

Contribution Margin

1, 400, 000

Undistributed Operating Exp.

950, 00

Income after Undistributed Operating Exp.

450, 000

Depreciation Expenses

200, 00

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Amortization Exp.

100, 000

Income before tax

150, 00

Income tax

50, 000

Net Income

100, 00

B. Cash Flow Projection

Made in the Philippines

Cash Flow Projections

For the year ended

Cash Flow From Operation

Net Income

100, 000

Non-cash revenue and expenses included in Net Income

Depreciation Expense

200, 00

Amortization Expense

100, 000

Cash Provided by current Asset and Liabilities

Accounts Receivable

(35, 000)

Inventory

(5, 000)

Accounts Payable

45, 000

Wages

5, 000

Cash Flow From Investing Activities

Addition to Property and Equipment

(1, 400, 000)

(1, 500, 000)

Other Investing Activities

0

0

Net cash provided by investing Activities

(1, 400, 000)

(1, 500, 000)

Cash flow from Financing Activities

Increase(decrease)in short-term borrowings

1, 000, 000

950, 000

Include Current maturities of long-term Debt.

<https://assignbuster.com/pasalubong-center-business-plan/>

0

50, 000

Net Increase in Cash

1, 000, 000

1, 000, 000

C. Pro forms Balance Sheet

Made in the Philippines

Pro forms balance sheet

December 31, 2013

Assets

2013

2014

Cash

30, 000

40, 000

Accounts Receivable

190, 000

225, 000

Inventory

30, 000

35, 000

Property and Equipment

1, 400, 00

1, 500, 000

Other Assets

200, 00

100, 00

Total Assets

1, 850, 000

1, 900, 00

Liabilities

Accounts Payable

140, 000

185, 000

Wages Payable

10, 000

15, 000

Current Maturities

50, 000

50, 000

Long term Dept.

1, 000, 000

1, 950, 000

Total Liabilities

1, 200, 000

1, 200, 000

Equity

Owner's Equity

650, 000

700, 000

Total Liabilities ; Owner’s Equity

1, 850, 000

1, 900, 000

D. Breakeven Analysis

Made in the Philippines

Break-even Analysis

Variable Cost

Fixed Cost

Total

M

17, 100

1, 900

19, 000

10%

L

20, 800

5, 200

26, 000

20%

Q

24, 000

16, 000

40, 000

40%

MA

5, 600

84, 000

14, 000

40%

67, 500

31, 500

99, 000

Sales = 200, 00100 units x (2 sales price)

Less: VC= 67, 500

CM= 132, 500

Less: FC= 31, 500

NI= 101, 000

X. APPEDIX

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<https://assignbuster.com/pasalubong-center-business-plan/>