

# Business proposal

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Business proposal Leather boxing gloves require an elaborate and long process to manufacture the end. They require cotton, and synthetic fabric in order for the gloves to be ready for use. The concentration or less of cotton required would vary depending on the use of such gloves. If the gloves are for hitting the boxing bags lesser cotton are needed, for pads, more cotton would be put inside the synthetic fabric and most cotton would be used if the gloves are for spurring (Ballard 9). Thus, as a prospective entrant into the business, the most reliable and important material to consider is the availability of cotton, from the manufacturers. If the farmers produce more cotton then prices would be lesser to acquire for subsequent production. It is important to note and mention that the leather that would be needed or required is the aniline leather which must have been buffed- a term referred to as full grain. This is so because the texture and finesse of such leather would be subtle to ensure the hands of boxer do not ruffle or hurt during contact or impact to a boxing bag. Waxed linen thread would be useful and beneficial to ensure the tilts fix and form well and perfectly. However, cotton polyester threads would be used to sew the cotton inside while linen threads would be used for tilts. The cotton fillers would be used, but a variety in the concentration would be considered depending on the use of the gloves. Direct labour cost would be divided thrice, the first is the sorting of cotton in terms of finesse. This requires manual laborers who would charge a range of \$250-\$300 per barrel. The second is the sewing stage where people use machines and would charge \$350 per barrel of cotton which would produce 200 pairs of gloves (Golomb 7). The last stage is the finishing where synthetic fabric is waxed and polished by professionals according to world standards. These specialists would charge \$400 and the gloves would be

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ready for market.

The overhead costs incurred would be in transporting the finished goods to the prospective markets. This is so because gloves are sold by sporting agencies such as Adidas, thus, the company would incur services of Adidas as selling agents. It goes without saying that as a company, we would pay agency cost to Adidas or any other sports company because they would sell our merchandise on our behalf. Thus, their wages and pay would not only be based on commission thus, their wages would be overhead cost.

Customers usually require highly polished synthetic covers because they are easy to customize in terms of brands or names. Thus, as a prospective entrant, having highly polished, spotless executive or top quality gloves would put me in a good market position. The sales price would be informed by the price of cotton in a direct proportionality (Horn and Spetzler 4). For a long term outlook, having own cotton farm and refinery would be a cutting edge and cost saving. In brief, the customer demands skew in the direction of having customized gloves such as printing their names or logos in the gloves. It is a demand to have highly polished synthetic fabrics of good class which would be easier to customize in terms or writing or branding their logos.

Table of prospective costs for the business proposal considering that most of these retails stores have their inbuilt manufacturing plants and production houses. Thus, below is an overview of the production budget of the professional boxing gloves per barrel of cotton. The money is in USD (\$) company

Cost of full labour

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overhead costs

Cost of fillers

Costs of threads

Costs of synthetic fabrics

Cost of cotton

Cost of equipment such as sewing machines

Prices of selling the gloves

Cost of logistics such as registration of the business license from government

Dicks sporting store

450

300

250

170

210

450

150

2000

100

Adidas

470

350

300

190

200

470

130

2200

100

Nike

490

330

290

180

220

500

170

2100

120

As a prospective entrant into the business, I would also wish to get a breakdown of the costs both operational and overhead. The amount is in USD (\$). The increase in prices of the commodities brought to my production plant or house are due to the logistical costs such as transportation costs. activity

Buying finished cotton

buying already processed thread

buying already processed fillers

buying already processed synthetic fabrics

growing cotton

price at the production firm

300

500

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440

450

300

price if brought to my production plant

350

540

470

500

270

Below is a table of costs for labour from the manufacturing of the materials through to the finishing and polishing department or people.

activity

labour cost of cotton harvesting and processing

labour cost of threads sifting and sorting

labour cost of stitching synthetic fabric with the fillers

labour cost of the sewers and tailors to stitch the gloves

labour cost of polishing and customization of the gloves

labour cost of graffiti design and logos

price of outsourcing expertise

400

330

260

450

370

300

price of having own staff and experts from own company

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350

300

230

400

350

300

Work cited

Ballard, Willie L. " Protective glove." U. S. Patent No. 5, 295, 269. 22 Mar. 1994.

Golomb, John C. " Boxing glove." U. S. Patent No. 4, 603, 439. 5 Aug. 1986.

Horn, Eric M., and Robert F. Spetzler. " Treatment options for third ventricular colloid cysts: comparison of open microsurgical versus endoscopic resection." *Neurosurgery* 62. 6 (2008): E1384.