

## **BUSINESS PLAN**

### **For A PRINTING AND MANUFACTURING OF EDUCATIONAL PRODUCTS, STATIONERY & OFFICE SUPPLY UNIT**

**(Text books, Exercise Notebooks, Magazines, Government Reports, Brochures, Posters,  
Calendars, Diaries and Manuals etc.)**

**By**

**CHAMWINO PRINTING TECHNOLOGIES LIMITED**



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## 1. Industry Overview

The Country Commercial Printing and Manufacturers Market Size according to renowned various researches are estimated at:

- Government sector \$ 2,000,000 annually
- Private sector \$ 1,000,000 annually.

The commercial printing market in the new capital city of Dodoma is poised for remarkable growth over the next five years. Technological proliferation, along with rising applications, is anticipated to encourage the demand in the city. It is expected that most of government departments and corporations that have moved from Dar es Salaam to Dodoma to utilize printed materials to keep their image and services in the public eye. This aspect of printing is expected to continue an upward trend in the future.

- Increased demand for promotional materials from the retail, food, and beverage industries is driving the market. The commercial printing market is being driven majorly by several promotional activities such as print advertising. Retail businesses that understand their target markets are including print advertising as part of an overall marketing strategy.
- Introduction of eco-friendly practices, reducing the printing industry's impact on the environment drives the market. The market is experiencing major changes in activities and processes, such as slowly being replaced by sustainable systems. Several new initiatives are being implemented for printing industries by taking the major environmental impacts into prime consideration.

### Key Market Trends

#### The Advertising Segment Expected to Witness Significant Growth

- The growing need for advertising in enterprises across the country, along with extensive technological proliferation, currently represents the key factors driving the market growth. Organizations and companies are increasingly adopting commercial printers, as they are more cost-effective and efficient for bulk printing.
- The advertising sector has gained high traction in digital advertising. The increase in digital advertising significantly impacted the market for commercial printing in the advertising sector.
- Further, Soft signage is gaining popularity at a constant speed. Thus, more banners, including giant 5m wide prints or less, more straightforward signs, are seen in 2021.
- Factors, such as the inception of new technologies, changing lifestyles, rise in e-commerce, and urbanization, are driving the growth of the printing market in the Dodoma city and across the country.

### Competitive Landscape

The commercial printing market is fragmented due to the presence of many country and regional players. Due to the overcapacity of firms and pricing pressures, the market appears to be extremely competitive in nature. However the giant printers mostly based in Dar es

Salaam find it at least for the next five years as uneconomical to move their investments to Dodoma which puts Chamwino Printing Technologies Limited at an advantage.

## **2. Executive Summary**

Chamwino Printing Technologies Limited and has been supplying quality printing in Tanzania since its inception. The company now provides services to many large corporations, financial institutions and leading Tanzanian businesses. We have proven our ability to provide quality printed materials within expected delivery times. Chamwino Printing Technologies Limited has also been relied upon to produce items with critical and short lead times, or other challenging circumstance, and our commitment to our clients has ensured that these requirements have been met. This project document gives details on a business proposal by Chamwino Printing Technologies Limited for which the company aims at strengthening its current printing unit by procuring Digital Printing Machine, 3 D Printing Machine, Latest type setting computers and software, color printing Machine (Komoro), Automatic binding Machine and Lino-Matic (Automatic) machine for printing exercise books all valued at USD 506,000 or Tshs 1,163,800,000 in form a term loan from NBC Bank for a period of five years.

Chamwino Printing Technologies Limited is hereby applying for a Certificate of Incentives from the Tanzania Investment Centre (TIC) under Section 17 of the Tanzania Investment Act and Part IV of the Investment Regulations 2002.

CHAMWINO PRINTING TECHNOLOGIES LIMITED is a neighborhood Printing and manufacturing of stationery and office supply that is located in a centralized area in-between a busy educational and government department's district and business offices district in Dodoma. We conducted our feasibility studies and market survey and we came to the conclusion that Dodoma is the right location for the company to locate our printing and manufacturing of printing and manufacturing business.

We are in the printing and manufacturing business to make profits and at the same to give our customers value for their money. We want to give people who patronize our printing and manufacturing of stationary and office supply products the opportunity to choose from a wide range of office supplies and stationery.

We will engage in printing and manufacturing of office supplies, stationery, books (including e-books), newspapers, magazines and other periodicals and we will also trade books, religious goods (including books), textbooks and other merchandise.

We are aware that there are several small stationery stores and chains of stationery stores all around Dodoma, which is why we spent time and resources to conduct our feasibility studies and market survey so as to enable us locate the printing and manufacturing business in an area that will support the growth of the business and also for us to be able offer much more than our competitors will be offering.

We ensured that our facility is easy to locate and our outlet is well secured and equipped with the various payment of options available in Tanzania.

Beyond retailing quality and affordable items in our stationery store, we will ensure that our customer care is second to none in the whole of Dodoma. We know that our customers are the reason why we are in business which is why we will go the extra mile to make them satisfied and get what they are looking for whenever they visit our store.

Chamwino Printing Technologies Limited will ensure that all our customers are given first class treatment whenever they visit our printing and manufacturing unit. We have a CRM software that will enable us manage a one on one relationship with our customers no matter how large the number of our customer base may grow to.

We will ensure that we get our customers are involved in the selection of brands that will be on our racks and also when making some business decisions that will directly or indirectly affect them. CHAMWINO PRINTING TECHNOLOGIES LIMITED is owned by shareholders who have acumen to succeed in the printing and manufacturing of stationery and office supplies industry whose names and shares are as follows:

1. Masegesa Magira Magoma -20.6%
2. Ziporah Noel Kanza - 0.1%
3. Magori Kehawga Nyongo - 10%
4. Theodory John Mhina - 0.1%
5. Dharmendra Kumar Nayak - 1%

### 3. Our Products and Services

*Chamwino Printing Technologies Limited* is going to operate a standard and registered printing and manufacturing unit of stationery and office supply business that will acquire a wide range of products category from both locally and internationally in Tanzania.

We are in the printing and manufacturing of stationary and office supply industry to provide quality products and give our customers value for their money. Below are some of the products and services that we will offer in our printing and manufacturing unit

#### (i) Security and Confidential Printing

Chamwino Printing Technologies Limited is often relied upon by our clientele for our business ethics and trust. We understand the importance of confidentiality and direct and indirect costs involved with security items and information. We also offer secure warehouse storage at Chamwino Printing Technologies Limited.



#### (ii) Commercial & Colour Printing



Chamwino Printing Technologies Limited has provided high quality color printing since its inception. Our range of presses enables cost effective, quality results over a

range of sizes and volumes. Printing plates produce image directly from computer, and as such each is an original master providing the very best in image clarity.

**(iii)Forms and Carbonless Printing**

Forms printing are a specialty area of Chamwino Printing Technologies Limited. Our range of presses enables variable sizes and cost effective options for any volume print run.



**(iv)Standard & Specialty Finishing Services**



Chamwino Printing Technologies Limited has a comprehensive range of automated finishing equipment enabling us to handle all standard finishing requirements in-house. This enables our production planners to tailor the print of the job to suit our folding equipment etc. which aids cost efficiency and quality control. Very few specialist services are required to be performed by outside suppliers.

**(v) Professional Finishing Services**

**Post Press**

- Guillotine
- Die Cutting
- Casemaking



#### 4. Our Mission and Vision Statement

Our vision is to establish a one stop printing and manufacturing business in Dodoma and in other cities and towns in Tanzania where we intend opening chains of stationery stores. To become the most reliable, creative and innovative printing, branding and promotional items company in East and Central Africa

- Our mission is to establish a stationery store and office supply business that will make available a wide range of office supplies and stationery from top brands at affordable prices to the residents of Dodoma and other cities and towns in Tanzania where we intend opening our outlets and selling our franchise. Our mission is to provide you with the highest quality products and services possible in a timely fashion at a competitive price.
- We promise to listen to you and help you achieve your business goals. We will always be there with honest, expert advice and quick friendly customer service.

#### 5 Investment and Business Structure

CHAMWINO PRINTING TECHNOLOGIES LIMITED intention is to consolidate its printing and manufacturing unit and stationary / office supply business and to build a standard retail chain outlets that will be a one – stop shop for stationery and offices supplies which is why we will ensure that we put the right structures in place that will support the kind of growth that we had in mind while setting up the business.

The total investment is USD 2,699,000 or Tshs 6,207,700,000 and the proposed new investment cost is estimated at USD 506,000 or Tshs 1,163,800,000 and the rest is the company's equity contribution distributed as presented in Appendix 1 and as summarized below:

| <b>COMPANY INVESTMENT in Tshs</b>                                 |  | <b>APPENDIX 1</b> |                      |
|---|--|-------------------|----------------------|
|   |  | <b>USD</b>        | <b>Tshs</b>          |
| <b>Exchange rate</b>  |  | <b>1</b>          | <b>2300</b>          |
| <b>NEW ASSETS</b>   |  |                   |                      |
| <b>Digital Printing Machine</b>                                   |  | <b>150,000</b>    | <b>345,000,000</b>   |
| <b>3 D Printing Machine</b>                                       |  | <b>50,000</b>     | <b>115,000,000</b>   |
| <b>Latest type setting computers and software</b>                 |  | <b>28,000</b>     | <b>64,400,000</b>    |
| <b>5 color printing Machine (Komoro)</b>                          |  | <b>100,000</b>    | <b>230,000,000</b>   |
| <b>Automatic binding Machine</b>                                  |  | <b>58,000</b>     | <b>133,400,000</b>   |
| <b>Lino-Matic (Automatic) machine for printing exercise books</b> |  | <b>120,000</b>    | <b>276,000,000</b>   |
| <b>Total New Assets</b>   |  | <b>506,000</b>    | <b>1,163,800,000</b> |
| <b>Working capital</b>  |  | <b>1,396,000</b>  | <b>3,210,800,000</b> |
| <b>Preoperational expenses</b>                                    |  | <b>222,000</b>    | <b>510,600,000</b>   |

|                              |  |                  |                      |
|------------------------------|--|------------------|----------------------|
| <b>Existing Assets</b>       |  |                  |                      |
| Land and Buildings           |  | 615,000          | <b>1,414,500,000</b> |
| Machinery & Equipment        |  | <b>400,000</b>   | <b>920,000,000</b>   |
| Vehicles                     |  | <b>160,000</b>   | <b>368,000,000</b>   |
| Office equipment & furniture |  | <b>15,000</b>    | <b>34,500,000</b>    |
| <b>Total Existing</b>        |  | <b>575,000</b>   | <b>1,322,500,000</b> |
| <b>TOTAL ASSETS</b>          |  | <b>2,699,000</b> | <b>6,207,700,000</b> |

Chamwino Printing Technologies Limited will purchase machinery and equipment worth USD 608,695.65 or Tshs 1, 400, 000,000 through a term loan from the NBC Bank. The term loan facility is assumed to attract an interest rate not exceeding 8% per annum in Tshs terms, both the principal and interest to be repaid during and within five years of initial operations. The company also will mobilize a working capital of USD 1,396,000.

### 5.1 Operational Costs

The main operational costs for the printing and office supply unit will be Raw Material(Paper rolls) Purchasing costs which have been estimated at 25% of turnover, Customs and port charges estimated at 1.0% of turnover , Marketing and distribution costs 2.0% of turnover and Travelling and accommodation estimated 3.0% of Turnover other utility costs.

## 6. MANAGEMENT AND ADMINISTRATION

We will ensure that we only hire people who are ready to work to help us build a prosperous business that will benefit all our stakeholders.

As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of five years or more especially when we start selling our franchise or running chains of stationery stores. In view of that, we have decided to hire qualified and competent hands to occupy the following positions;

- General Manager
- Accountant / cashier -
- Marketing & Sales Managers
- Production Manager
- Store keeper
- Admin and Human Resource Manager
- IT manager
- Laborers (skill & non – skill)

## **6.1 Job Roles and Responsibilities**

### **General Manager**

- Increases management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives; assigning accountabilities; planning, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.
- Responsible for fixing prices and signing business deals
- In charge of providing direction for the business
- Creates, communicates, and implements the company's vision, mission, and overall direction – i.e. leading the development and implementation of the overall company's strategy.
- In authority of signing checks and documents on behalf of the company
- Evaluates the success of the company

### **Store keeper**

- Responsible for managing daily activities in the store
- Ensures that the store facility is in tip top shape and conducive enough to welcome customers
- Checks stocks; placing and expediting orders; evaluating new products
- Interfaces with third – party providers (vendors)
- Controls the sales floor inventory
- Ensures that goods and products are properly arranged
- Supervise the entire sales staff and workforce
- Handle any other duty as assigned by the GM

### **Production Manager**

- Manages vendor relations, market visits, and the ongoing education and development of the company's' buying teams
- Helps to ensure consistent quality of stationery and office supplies on our rack
- Responsible for the purchase of stationery for the company
- Responsible for planning sales, monitoring inventory, selecting the merchandise, and writing and pricing orders to vendors

### **Sales and Marketing Manager**

- Manages external research and coordinate all the internal sources of information to retain the company's' best customers and attract new ones
- Models demographic information and analyze the volumes of transactional data generated by customer purchases
- Identifies, prioritizes, and reaches out to new partners, and business opportunities et al
- Answerable to supervising implementation, advocate for the customer's needs, and communicate with clients
- Changes, execute and evaluate new plans for expanding sales
- Documents all customer contact and information
- Helps to increase sales and growth for the company

### **Admin and Human Resource Manager**

- Manages the company website
- Handles ecommerce aspect of the business
- Responsible for installing and maintenance of computer software and hardware for the company
- Manages logistics and supply chain software, Web servers, e-commerce software and POS (point of sale) systems
- Manages the company's CCTV
- Handles any other technological and IT related duties.
- Handle all Human Resources aspects

### **Accountant/Cashier**

- Responsible for preparing financial reports, budgets, and financial statements for the company
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
- In charge of financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensures compliance with taxation legislation
- Handles all financial transactions for the company
- Serves as internal auditor for the company

### **Laborers**

- Responsible for cleaning the store at all times
- Ensures that machinery and equipment are clean
- Operates the machinery and equipment efficiently
- Handles any other duty as assigned by the store manager

## **7. SWOT Analysis**

Our intention of starting just one outlet of our printing and manufacturing stationery store in Dodoma is to test run the business for a period of up to 5 years to know if we will invest more money, expand the business and then open other stores all over the country and perhaps also sell franchise.

We are quite aware that there are several stationery stores all over the country and even in the same location where we intend locating ours, which is why we are following the due process of establishing a business.

We know that if a proper SWOT analysis is conducted for our business, we will be able to position our business to maximize our strength, leverage on the opportunities that will be available to us, mitigate our risks and be well equipped to confront our threats.

Chamwino Printing Technologies Limited employed the services of an expert HR and Business Analyst with bias in retailing to help us conduct a thorough SWOT analysis and to

help us create a Business model that will help us achieve our business goals and objectives. This is the summary of the SWOT analysis that was conducted for Chamwino Printing Technologies Limited.

- **Strength:**

Our location, the business model we will be operating (one stop physical printing and manufacturing of various stationery and office supply), varieties of payment options, wide range of office supplies and stationery from local and international manufacturing brands and our excellent customer service culture will definitely count as a strong strength for Chamwino Printing Technologies Limited.

- **Weakness:**

A major weakness that may count against us is the fact that we are among many printing and manufacturing business in Dodoma and we don't have the financial capacity to engage in the kind of publicity that we intend giving the business that is why we are seeking for a loan to buy the new machinery and equipment.

- **Opportunities:**

The fact that we are going to be operating our stationery store and office supply business in one of the busiest government business and educational district with the right demographic composition in Dodoma provides us with unlimited opportunities to sell our items to a large number of people. We have been able to conduct thorough feasibility studies and market survey and we know what our potential customers will be looking for when they visit our store.

- **Threat:**

We are quite aware that just like any other business, one of the major threats that we are likely going to face is economic downturn. Another threat that may likely confront us is the arrival of a new stationery store in the same location where ours is located or even the arrival of a mall where office supply and stationery are retailed.

## 8. MARKET ANALYSIS

- **Market Trends**

One notable trend in the printing and manufacturing of stationery and office supply industry is the ever-changing consumer behavior and of course increasing competition from e-commerce and alternative retailers like mass merchandisers et al. This trend is part of what is responsible for the decline in the revenue generated by stationery stores.

Although these trends are forecast to continue over the next 5 years, some stationery stores will benefit from increasing demand for new technologies, such as e-readers.

Beyond every reasonable doubt, our printing and manufacturing stationery Store Company will successfully flow with the trend and keep up with consumer and technology trends and will definitely fare well in the coming years.

If you keep tab with stationery store and office supply business, you would have noticed that it is now a common phenomenon for stationery stores to leverage on technology to

effectively predict consumer demand patterns and to strategically position their stores to meet their needs; in essence, the use of technology help retailers to maximize supply chain efficiency.

Another common trend in the printing and manufacturing stores industry is the pricing system. Apart from having varieties of items in a stationery store, one of the easiest ways for players in this line of business to sell their supplies is to ensure that the prices of their items are a bit lower than what is obtainable elsewhere.

## 8.1 Our Target Market

When it comes to supply of office and school stationery, there is indeed a wide range of available customers. So our target market can't be restricted to just a group of people, but all those who reside in the locations where our printing unit and stationery stores are. One thing is certain; we will ensure that we only retail quality and affordable items in our store.

In view of that, we have positioned our printing and supply of stationery and office supply products business to service offices and the residents of Dodoma and every other location where our stationery stores and office supply business will be located all over Tanzania.

We have conducted our market research and our target market would be; -

- Publishers
- TIE (TANZANIA INSTITUTE OF EDUCATIO)
- Higher Institutions
- Ministries
- Schools (private and government)
- Offices
- Corporate Houses
- Business People
- Government officials

Our client list is shown below

| Company Name                               | Address   | Job Description  |
|--|---|--|
| WIZARA YA ELIMU<br>NA MAFUNZO YA<br>UFUNDI | S.L.P. 9121<br>DAR ES SALAAM<br>SIMU: 2110146,<br>2110150/2 | UCHAPISHAJI<br>MTIHANI WA<br>TAIFA KIDATO<br>CHA PILI<br>MWAKA: 2013 |
| “OWM” TAMISEMI                             | S.L.P. 1923   | UCHAPISHAJI  |

|                |  |  |
|----------------|--|--|
|                | DODOMA<br>SIMU:<br>026-2-2323164,<br>23233176<br>NUKUSHI:<br>026-2-2322116<br>2322146                | MTIHANI WA TAIFA<br>DARASA LA NNE<br><b>MWAKA:</b> 2013-2014   |
| “OWM” TAMISEMI | S.L.P. 1923<br>DODOMA<br>SIMU:<br>026-2-2323164,<br>23233176<br>NUKUSHI:<br>026-2-2322116<br>2322146 | UPIGAJI PICHA NA<br>UCHAPISHAJI WA<br>FOMU ZA TSM 9<br>ZENYE ALAMA YA<br>MFICHO KWA<br>WANAFUNZI WA<br>DARASA LA VII<br>MIKOA YOTE YA<br>TANZANIA BARA<br><b>MWAKA:</b> 2014 |
| “OWM” TAMISEMI | S.L.P. 1923<br>DODOMA<br>SIMU:<br>026-2-2323164,<br>23233176<br>NUKUSHI:<br>026-2-2322116<br>2322146 | UCHAPISHAJI WA<br>NYARAKA ZA<br>UCHAGUZI WA<br>SERIKALI ZA<br>MITAA<br><b>MWAKA:</b> 2014  |
| Company Name   | Address  | Job Description  |
| BARAZA LA      | S.L.P. 3070  | UCHAPISHAJI WA   |

|                                      |  |   |
|--------------------------------------|--|---|
| MITIHANI LA<br>ZANZIBAR              | ZANZIBAR<br>SIMU:<br>024-24223298<br>NUKUSHI:<br>024- 2232827                | MTIHANI WA<br>MAJARIBIO STD VII<br>NA KIDATO CHA<br>PILI<br>MWAKA: 2013- 2014                     |
| BARAZA LA<br>MITIHANI LA<br>ZANZIBAR | S.L.P. 3070<br>ZANZIBAR<br>SIMU:<br>024-24223298<br>NUKUSHI:<br>024- 2232827 | UCHAPISHAJI WA<br>MTIHANI WA WA<br>TAIFA DARASA LA<br>NNE<br>MWAKA: 2013- 2014                    |
| BARAZA LA<br>MITIHANI LA<br>ZANZIBAR | S.L.P. 3070<br>ZANZIBAR<br>SIMU:<br>024-24223298<br>NUKUSHI:<br>024- 2232827 | UCHAPISHAJI WA<br>MTIHANI WA WA<br>TAIFA DARASA LA<br>SABA<br>MWAKA: 2013- 2014                   |
| BARAZA LA<br>MITIHANI LA<br>ZANZIBAR | S.L.P. 3070<br>ZANZIBAR<br>SIMU:<br>024-24223298<br>NUKUSHI:<br>024- 2232827 | UCHAPISHAJI WA<br>MTIHANI WA WA<br>TAIFA KIDATO CHA<br>PILI<br>MWAKA: 2013- 2014                  |
| TUME YA<br>MABADILIKO YA<br>KATIBA   | S.L.P. 1681<br>DAR ES SALAAM<br>SIMU: 22-2133425<br>NUKUSHI:<br>22-2133442   | UCHAPISHAJI WA<br>RASIMU YA<br>KWANZA NA YA<br>PILIYA KATIBA<br>MPYA YA JAMHURI<br>YA MUUNGANO WA |

### **Our competitive advantage**

Chamwino Printing Technologies Limited has launched a standard printing and manufacturing of stationery and office supply business that will indeed become the preferred choice for offices in Dodoma.

Our stationery store is located in a corner piece property on a busy road directly opposite one of the largest residential estates and office district in Dodoma and few meters away from a busy educational and government district. We have enough parking spaces that can accommodate well over 10 cars per time.

One thing is certain, we will ensure that we have a wide range of quality and affordable items available in our store at all times. It will be difficult for customers to visit our store and not see the items that they are looking for. One of our business goals is to make Chamwino Printing Technologies Limited a one stop stationery store and office supply business.

Our highly experienced and qualified management, customer service culture, online store, various payment options and highly secured facility with enough packing space will also serve as a competitive advantage for us.

Lastly, all our employees will be well taken care of, and their welfare package will be among the best within our category in the industry. It will enable them to be more than willing to build the business with us and help deliver our set goals and achieve all our business aims and objectives.

## **9. SALES AND MARKETING STRATEGY**

### **• Sources of Income**

Chamwino Printing Technologies Limited is established with the aim of maximizing profits in the printing and Manufacturing of stationary and office supply products and we are going to go all the way to ensure that we do all it takes to sell a wide range of printing and manufacturing related products to a wide range of customers.

Chamwino Printing Technologies Limited will generate income by Printing and supply of Manufacturing of following items;

- Provision of color printing services
- Manufacturing of Exercise books and envelopes including customize and stationery and Office supplies and other related merchandise such as
  - Stationery for small or home office
  - Plain paper (for printer)
  - Notebooks, ruled paper, binder books,
  - Scrapbook, art book, Ruler, Glue, Sticky tape + dispenser
  - Plastic pockets, Manila folders, Storage pockets, Arch folders
  - Folder dividers, Hanging files, Filing trays, Sticky labels (e.g. Avery) for addressing or filing, Post-Its/yellow stickies

- Envelopes, Rubber stamps

## 10. Sales Forecast

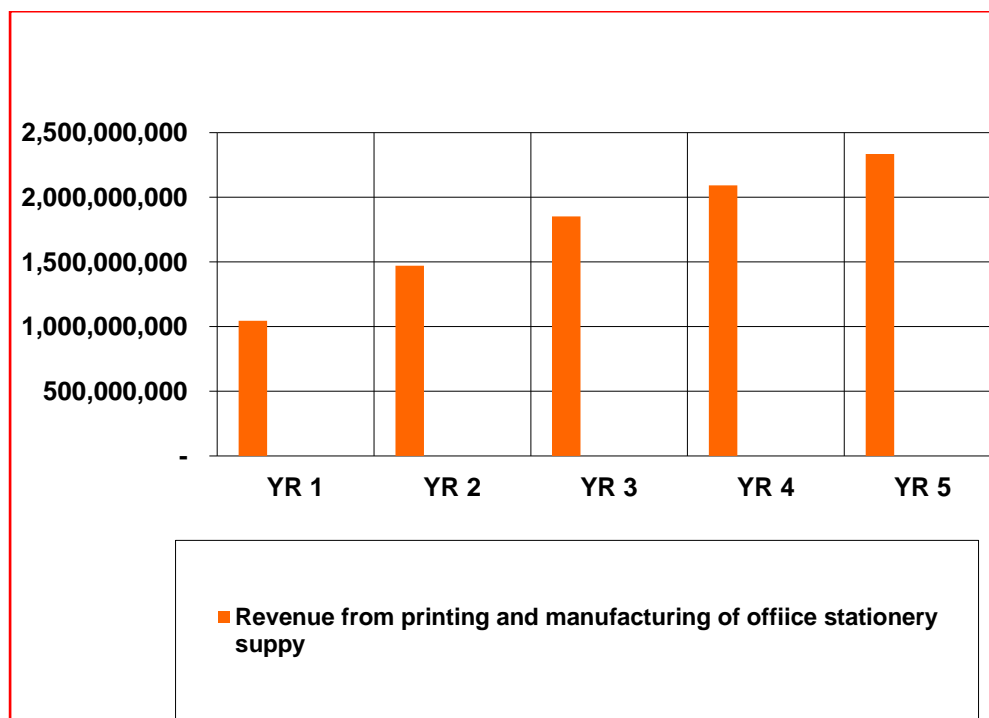
It is important to state that our sales forecast is based on the data gathered during our feasibility studies, market survey and also some of the assumptions readily available on the field.

One thing is common with the stationery printing and manufacturing of office supply business, the larger a supply chain outlet, the larger the number of customers that will patronize them. Although we may not be as large as the biggest in Tanzania, but we will ensure that within our capacity we will make available a wide range of items from different brands both locally and internally.

### Revenue and Profitability Projections

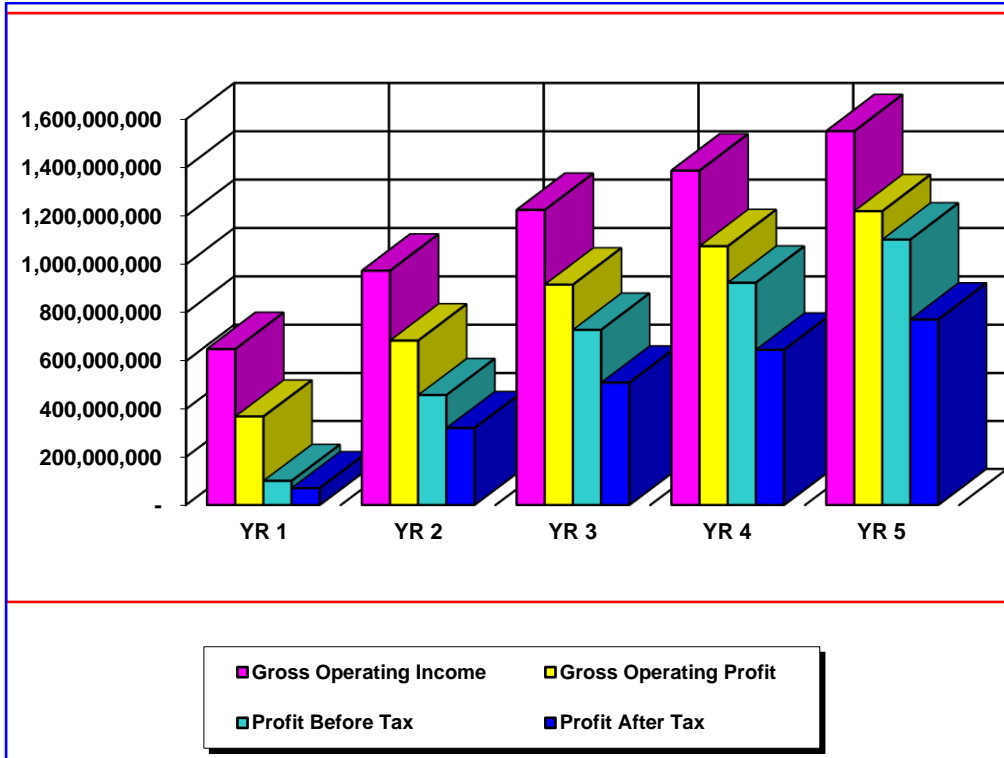
Revenue from all printing works, office supply and stationery services will start from Tshs 1,046,500,000 in the first year, Tshs 1,472,000,000 in the second year, Tshs 1,851,500,000 from the third year, Tshs 2,093,000,000 in the fourth year and Tsh 2,334,500,000 in the fifth year as summarized in *Appendix 4 B*.

**Figure 1: Projected Revenue from various sources in TZS**



As shown in the Projected Income Statement (*Appendix 6*).

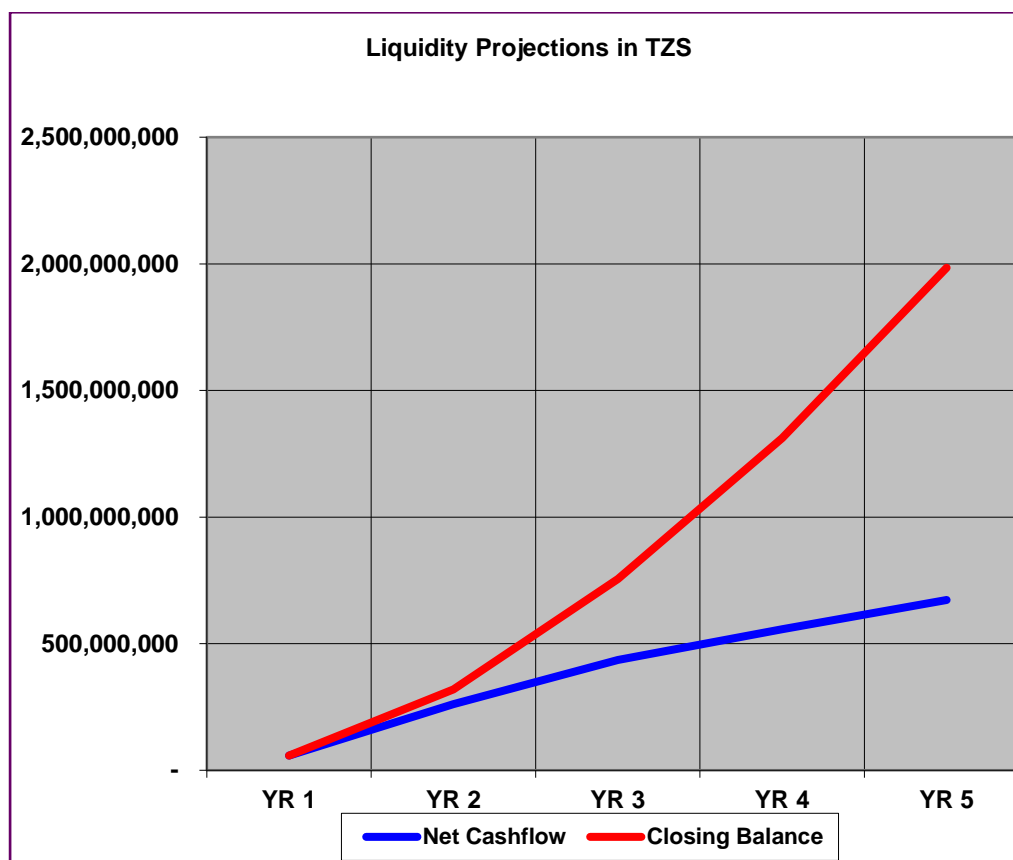
**Figure 2: Projected financial performance in Tshs**



### 10.1 Business Liquidity

The proposed business is profitable. It generates cash from the first year of operations with a net cashflow of Tshs 57,920,400. Positive net cashflow are projected to be recorded in each year of operation. At the end of the projected period of five years the business is projected to have a total closing balance of Tshs 1,984,489,076. Cashflow projections are shown in *Appendix 8*.

**Figure 3: Liquidity projections in ‘Tshs**



The business is projected to attain a payback period of *9 years and 4 months* as indicated in *Appendix 9*. Break-even revenue is projected at Tshs 730,451,390 with a break-even capacity utilisation of 69.80% as indicated in *Appendix 10*.

**10.1 CAPACITY:** Per month as estimated from All forms of Printing & manufacturing Works, Office Supply products and Stationery Services as follows: –

| CAPACITY: ESTIMATED QUANTITY OF PRODUCTION / SALES AS PER MONTH & YEAR |                                      |                |          |
|--|--------------------------------------|----------------|----------|
| S/N  | Items                                | Unit Per Month | Per Year |
| 1  | SCHOOL TEXT BOOKS MANUFACTURE        | 10,000         | 120,000  |
| 2  | ADVERTISING MATERIAL                 | 10,000         | 120,000  |
| 3  | CORPORATE & BANK FORMS               | 1,000          | 12,000   |
| 4  | MANUFACTURING OF NOTE PADS           | 2,000          | 24,000   |
| 5  | MANUFACTURING OF EXERCISE BOOKS      | 5,000          | 60,000   |
| 6  | CUSTOMISE ENVELOPS                   | 3,000          | 36,000   |
| 7  | PHOTOCOPY PAPER                      | 3000           | 36,000   |
| 8  | Stationery for small or home office  | 3000           | 36,000   |
| 9  | Plain paper (for printer)            | 3,000          | 36,000   |
| 10   | Notebooks, ruled paper, binder books | 3,000          | 36,000   |

|            |  |        |         |
|------------|--|--------|---------|
| 11         | Scrapbook, art book, Ruler, Glue, Sticky tape + dispenser  | 1,000  | 12,000  |
| 12         | Plastic pockets, Manila folders, Storage pockets, Arch folders   | 1,000  | 12,000  |
| 13         | Folder dividers, hanging files, filing trays, Sticky labels (e.g., Avery) for addressing or filing, Post-Its/yellow stickies | 3,000  | 36,000  |
| 14         | File & folders   | 3000   | 36,000  |
| 15         | Annual Calendar  |        | 5,000   |
| 16         | Annual Diary   |        | 15,000  |
| Total Qty: |  | 51,000 | 632,000 |

## 10.2 Internal Rate of Return (IRR)

Through the Discounted Cashflow (*DCF*) method (*Appendix 11*) the proposed investment is projected to realise an Internal Rate of Return (*IRR*) of 11.80% which is above the applied cost of capital of 8%. This demonstrates that the project is financially viable.

**The business is more sensitive to changes in capacity utilization than to similar changes in operational costs.** *However efforts should be made to control both capacity utilization and operational costs at all times, or adjusting selling prices to reflect changes in operational costs*

## 11. Economic and Social Benefits

The successful expansion and operation of printing services and office supply and stationery by *Chamwino Printing Technologies Limited* will have substantial economic benefits to the country. In summary the benefits to be realized include the following:

- (i) Introduction of an additional printing and office supply and stationery in the printing industry and consequently improving printing services in the country.
- (ii) Provision of income to over **16 employees** to be directly involved in the printing industry business thus contributing to reduction of poverty. The income to be earned will help in improving the standard of employees.

- (iii) Expanded tax base to the Treasury and Local Government authorities and generation of substantial income to the Government. It is projected that by the end of the projected period of five (5) years, **Chamwino Printing Technologies Limited** through the printing industry business alone will contribute a total of TZS 851,828,909 in corporate tax, an annual average of TZS 170,365,782.

## 12. Conclusions and Recommendations

This project document gives details on a business proposal by CHAMWINO PRINTING TECHNOLOGIES LIMITED for which the company aims at strengthening its current printing unit by procuring Digital Printing Machine, 3 D Printing Machine, Latest type setting computers and software, color printing Machine (Komoro), Automatic binding Machine and Lino-Matic (Automatic) machine for printing exercise books all valued at USD 506,000 or Tshs 1,163,800,000 in form a term loan of Tshs 1,400,000,000 from NBC Bank for a period of five years.

Through the various parameters, which have been considered, it has been established that the proposed business is financially viable. In view of the above it is hereby recommended to execute the business proposal.

In view of the above intended investment, *Chamwino Printing Technologies Limited* is hereby applying for a *Certificate of Incentives* from the Tanzania Investment Centre (TIC) under Section 17 of the Tanzania Investment Act and Part IV of the Investment Regulations 2002.

It is therefore we request and wish that the Tanzania Investment Centre (TIC) provide the necessary support to the company by approving this application for *Certificate of Incentives*.

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