

**JUA SHOES COMPANY LIMITED,
P. O. BOX 34359,
DAR ES SALAAM, TANZANIA**

**PRE-FEASIBILITY STUDY REPORT ON:
INVESTMENT IN A PROJECT FOR MANUFACTURING SHOES**

**Presented To:
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**JUA SHOES COMPANY LIMITED
Strategic Pre-Feasibility Report**

**JUA SHOES COMPANY LIMITED,
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JUA SHOES COMPANY LIMITED

Business Profile: Pre-feasibility Study Report

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1. Executive Summary

Company & Project concept

JUA SHOES COMPANY LIMITED is limited Company incorporated in Tanzania under the Company Act of 2002. The Company was incorporated **22th January 2025**, and bears Certificate of Incorporation # **181459018**. Company implements project which is under production of **Manufacturing of Shoes**.

JUA SHOES COMPANY LIMITED will be located at **Dar es Salaam Region, Temeke District, Plot No. 2989, At Mtoni Area**.

Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and investors.

Company Goals and Objectives:

In Summary **JUA SHOES COMPANY LIMITED** aims to;

A Project for **Manufacturing of Shoes** in **Dar es Salaam Region, Temeke District, Plot No. 2989, At Mtoni Area**.

- Manage **JUA SHOES COMPANY LIMITED** by human resource policies which encourage and reward individual and unified effort and achievement, provide training and personal development opportunities and create a working environment in which staff can feel a real sense of job involve.
- Build relationships with investors in Manufacturing Industry Sector,
- Achieve levels of profit sufficient to provide for reinvestment and suitable returns to shareholders and investors
- Seek to comply with all statutory legislation and other external relevant authorities. Define and keep under review Company policy, allowing flexibility for local requirements.
- Adopt best commercial practice and ethical standards in dealing with clientele, suppliers of goods and services and other contacts

Purpose of Business Plan

This document is prepared to the serve the purpose as a Pre-feasibility study report for **JUA SHOES COMPANY LIMITED** for investment in **Manufacturing of Shoes** for packaging. But also, the Pre-feasibility study

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report shall be submitted to TIC for an award of Certificate of Incentives. The implementation of this project will comprise the following activities: -

- Construction of a warehouse building which will accommodate Installation of Machines and Equipment for this project.
- Procurements Machineries and Equipment's for this project.
- Equipping the project will all necessary modern furniture and facilities

The project promoter, the project will be managed and operated by **JUA SHOES COMPANY LIMITED** is owned by a Chinese company from China with the following share distribution.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
HUIYU HU	Chinese	40%
MINGWEI LIN	Chinese	60%

Company Legality, the legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, Tax Identification Number. Justify that **JUA SHOES COMPANY LIMITED** is operating within the ambit of the law of the Land

Project Organization Structure, the management of **JUA SHOES COMPANY LIMITED** constituted by the following organization set up: - **Board of Directors, General Manger** who is responsible on the supervision on the entire operations of the Company, a company **accountant, a Production Manager** who will be directly responsible for all matters pertaining manufacturing.

Investment Structure, the project is estimated to cost **\$500,000**, the money covers building structures but also allocated fund include investment in, building structure, Machineries and Equipment, furniture and fittings, pre expenses and working Capital. The equity contributed by the shareholders is **\$500,000** equivalent to 100%. However, a financial policy of the Company state that the profits generated will be re-invested

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Forecasted financial Information, Financial information of ***JUA SHOES COMPANY LIMITED*** is projected within five years. The company projected profit and Loss, account show a respectable turnover (for reference you shall see table on page 18 and 19)

2. Statement of Purpose

This Profile is drawn for the purpose of seeking **CERTIFICATE OF INCENTIVES** from the **TANZANIA INVESTMENT CENTRE** and pre –feasibility study report for manufacturing Carton Papers and Cardboard.

2.1 Purpose of Investment

This document is prepared to the serve the purpose as a feasibility study for **JUA SHOES COMPANY LIMITED** for **Manufacturing of Shoes** in Dar es Salaam. The implementation of the project will compromise of the following: -

- Construction of a warehouse building which will accommodate Installation of Machines and Equipment for this project.
- Installation of machines in the Manufacturing Plant whereby the **Shoes** will be manufactured
- Procurements Machineries and Equipment for this project.
- Equipping the project will all necessary modern furniture and facilities
- Procurement semi –processed raw materials
- Employing more than 50 people.

2.2. Investment financing plan

The company expect to invest **\$500,000** from shareholders’ funds. Profits generated from business operation will be re-invested. Table below show the assumptions how the investment financing plan will look like.

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**TABLE 1
FINANCING**

<i>Financing</i>	\$
Long-term liabilities	
Long-term Equity	200,000
Owner's equity	
Cash	200,000
Contributed asset value	100,000
Total	500,000

**TABLE 2
INVESTMENT COST PLAN**

<i>COST INVESTMENT STRUCTURE</i>	\$
Current assets	
Working capital	100,000
Opening inventory	50,000
Other	10,000
Property and equipment	
Land	50,000
Building	25,000
Equipment	20,000
Furniture and fixtures	3,000
Leasehold improvements	2,000
Plant	150,000
Motor Vehicles	40,000
Other_____	50,000
Total assets	500,000.00

2.3 Summary of the Expected Results

1. Project Overview

This project aims to establish a shoe manufacturing business in Tanzania, producing high-quality footwear for local and regional markets. The focus will be on affordability, durability, and stylish designs to cater to different consumer needs, including casual, formal, and safety shoes.

2. Objectives

- Establish a local shoe manufacturing plant.
- Reduce reliance on imported footwear.
- Create employment opportunities.
- Utilize locally available raw materials, such as leather.
- Supply affordable, high-quality shoes to Tanzanian and East African markets.

3. Market Analysis

- **Target Market:** Middle- and low-income consumers, corporate clients, school students, and industrial workers.
- **Competition:** Imported footwear from China, Turkey, and Ethiopia dominate the market. However, locally made shoes can compete on price and quality.
- **Demand Drivers:** Population growth, increasing fashion consciousness, and government support for local industries.

4. Production & Operations

- **Raw Materials:** Locally sourced leather, rubber, synthetic materials, and imported accessories.
- **Technology & Equipment:** Modern shoe-making machines for cutting, stitching, molding, and finishing.
- **Workforce:** Skilled and semi-skilled workers, including designers, machine operators, and marketing staff.

5. Investment & Financial Requirements

- **Estimated Budget:** USD 500,000.
- **Funding Sources:** Personal savings, bank loans, government grants, and investors.
- **Revenue Streams:** Direct sales, bulk orders, and online sales.

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6. Challenges & Risks

- Competition from imported shoes.
- High production costs due to machinery and raw material sourcing.
- Limited technical skills in shoe manufacturing.
- Market acceptance and brand establishment.

7. Growth & Expansion Plans

- Establishing retail outlets in major cities like Kariakoo.
- Exporting to neighboring countries.
- Diversifying product lines to include sportswear and luxury footwear.

3. BUSINESS DESCRIPTION

JUA SHOES COMPANY LIMITED is a limited company incorporated in Tanzania under the Company Act of 2002. The company was incorporated **22th January 2025**, and bears Certificate of Incorporation # **181459018**. The company implements a project which is in the industry sector.

The company will be responsible for various activities, including operating and managing manufacturing activities.

3.1.1. Legal Status

Legal certificates and documents such as Memorandum and Article of Association, certificate of incorporation, business license, Tax Identification Number, and value added tax certificates justify that **JUA SHOES COMPANY LIMITED** is operating within the ambit of the law of the land.

3.1.2. Mission and Vision

The company vision is ***"To become Tanzania's leading shoe manufacturer, recognized for innovation, quality, and sustainability, while contributing to economic growth, job creation, and the expansion of locally made footwear across Africa."***

The current mission of the company is ***"To manufacture high-quality, affordable, and durable footwear using locally sourced materials, empowering Tanzanian industries, creating employment opportunities, and reducing reliance on imported shoes while meeting the diverse needs of consumers in Tanzania and beyond."***

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3.1.3. Project Promoters

The project promoter, the project will be managed and operated by **JUA SHOES COMPANY LIMITED**. The Company is owned by Chinese nationals. Current shareholding status is hereby shown below.

NAME OF SHAREHOLDERS	NATIONALITY	SHARES%
HUIYU HU	Chinese	40%
MINGWEI LIN	Chinese	60%

3.1.4. Operations

The project will be managed and operated by **JUA SHOES COMPANY LIMITED**. The Company is finalizing acquisition of operation permits and Tax exemption clearance for machineries and equipment to start the implementation of the project. Management will establish sound operating guidelines to conduct the day-to-day operations of this project.

3.1.5. Project Location

The project shall be implemented at constructed warehouses, administration block which will be very spacious to accommodate project of this nature. The project shall be located at **Dar es Salaam Region, Temeke District, Plot No. 2989, At Mtoni Area.**

3.1.6. Postal Address

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4. Core Activities of the company

JUA SHOES COMPANY LIMITED will be dealing with establishing and operating the following facilities;

4.1.1. Construction of warehouse facilities

In the first phase of the implementation of this project, the Company shall construct warehouse which shall be used to accommodate installation of Machineries and Equipment's.

4.1.2. Industry Plant

This consist installation of machineries and equipment and Fixtures and fittings which shall be used for Manufacturing of **Shoes**

4.2. Technical requirements of the project

The project implementation shall require some of technical facilities among others include: -

1. Raw Materials

- **Leather** – Locally sourced cow, goat, or synthetic leather.
- **Rubber & EVA Foam** – For soles, midsoles, and outsoles.
- **Textile & Synthetic Materials** – Used for lining, uppers, and insoles.
- **Adhesives & Dyes** – High-quality bonding agents and colorants.
- **Metal & Plastic Components** – Eyelets, buckles, zippers, and reinforcement materials.

2. Machinery & Equipment

- **Cutting Machines** – For leather, rubber, and fabric cutting.
- **Sewing Machines** – Heavy-duty stitching machines for assembling uppers.
- **Sole Pressing Machines** – To attach soles to the upper with adhesives or stitching.
- **Molding Machines** – To shape and design rubber soles and heels.
- **Edge Trimming & Polishing Machines** – For finishing and smoothing edges.
- **Heat Press Machines** – For branding and imprinting designs.
- **Drying & Setting Chambers** – To ensure adhesives and finishing materials dry properly.
- **Quality Control Tools** – Measuring devices, durability testing equipment, and stitching testers.

3. Production Process

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1. **Design & Pattern Making** – Creating shoe prototypes and production patterns.
2. **Material Cutting** – Using precision cutting machines.
3. **Stitching & Assembling** – Sewing upper parts together and reinforcing key areas.
4. **Sole Attachment** – Bonding or stitching the sole to the upper.
5. **Finishing & Quality Control** – Trimming, polishing, and inspecting each shoe.
6. **Packaging & Distribution** – Labeling, boxing, and preparing shoes for sale.

4. Skilled Workforce Requirements

- **Shoe Designers** – For style, structure, and comfort designs.
- **Machine Operators** – Skilled in cutting, stitching, and molding machines.
- **Shoe Technicians** – Experts in assembling and finishing footwear.
- **Quality Control Experts** – Ensuring durability and compliance with standards.
- **Marketing & Sales Team** – To promote and distribute products.

5. Factory & Infrastructure Needs

- **Production Floor** – At least 300 - 500sqm for equipment and workflow.
- **Storage Facilities** – For raw materials and finished products.
- **Power Supply & Backup** – Stable electricity and generators for continuous operation.
- **Waste Management System** – Proper disposal and recycling of production waste.

5. MANUFACTURING SHOES

5.1 MANUFACTURING OF SHOES IN TANZANIA

Shoe manufacturing in Tanzania presents a significant business opportunity due to the high demand for quality, affordable footwear. The industry is currently dominated by imports, but local production can help reduce dependency on foreign goods while creating jobs and supporting the economy. With the availability of raw materials such as leather and rubber, Tanzania has the potential to establish a strong domestic footwear industry.

The production process involves design, material sourcing, cutting, stitching, sole attachment, and finishing before distribution. Essential machinery includes cutting machines, stitching equipment, and sole molding presses. Setting up a factory requires adequate space, reliable power, and skilled labor, including shoe designers, machine operators, and quality control specialists.

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Challenges include competition from imported shoes, high production costs, and the need for skilled workers. However, opportunities exist in targeting school shoes, industrial footwear, and casual wear. Growth strategies include securing bulk orders from institutions, expanding retail networks, and leveraging digital marketing to reach more customers. With the right investment and strategic approach, shoe manufacturing in Tanzania can become a profitable and sustainable venture.

5:2 IMPORTANCE OF MANUFACTURING SHOES IN TANZANIA

The establishment of **Shoes** manufacturing industry in Tanzania brings numerous economic, social, and developmental benefits. Below are key areas highlighting its importance.

- **Economic Growth & Job Creation** – Establishing a local shoe manufacturing industry creates employment opportunities across various sectors, including production, marketing, and distribution, reducing unemployment and boosting economic development.
- **Reduction of Imports & Trade Balance Improvement** – Locally produced shoes reduce dependency on imported footwear, saving foreign exchange and promoting self-sufficiency in the Tanzanian economy.
- **Utilization of Local Resources** – Tanzania has abundant raw materials, such as leather from its livestock industry and rubber from local sources. Shoe manufacturing adds value to these resources and supports related industries like tanning and textile production.
- **Affordable & High-Quality Products** – Locally made shoes can be designed to meet the specific needs of Tanzanians at competitive prices, making footwear more accessible and durable compared to some imported alternatives.
- **Support for Industrialization & Government Initiatives** – The Tanzanian government promotes local manufacturing through policies that encourage industrial growth, providing incentives such as tax reductions and funding opportunities for local businesses.
- **Export Potential & Regional Market Expansion** – A strong local shoe industry can expand to export markets in East Africa and beyond, enhancing Tanzania’s position in the regional trade network and increasing revenue.
- **Skill Development & Innovation** – Investing in shoe manufacturing fosters the growth of technical skills, craftsmanship, and innovation in design and production, leading to a more competitive industry.

5.3 SHOES MANUFACTURING INDUSTRIES IN TANZANIA

1. Expected Competitors

The shoe manufacturing industry in Tanzania is still in its early stages, but as demand grows, several competitors are likely to emerge from both local and international sources. Here are the primary types of competitors:

- **Local Manufacturers:**
 - **Tanzanian Leather Industries Limited (TLI)** and **Salama Shoes** are some of the established local players, and new entrants are expected as the sector grows. They will continue to dominate the local market, particularly in affordable, durable footwear.
 - Smaller, emerging shoe manufacturers will also contribute to competition, especially in the affordable and school shoe markets.
- **International Competitors:**
 - **Imports from China, India, and Turkey** will remain a significant source of competition, particularly due to their ability to offer lower-priced shoes due to mass production capabilities.
 - **Brands like Bata and other international footwear giants** may also become more competitive as they increase their presence in East Africa, providing direct competition for local manufacturers, especially in terms of quality, brand recognition, and product variety.
- **Informal Sector Producers:**
 - Many small-scale, informal manufacturers, such as street vendors and local cobblers, will continue to serve niche markets, offering handmade or custom shoes at lower prices.

2. Expected Outcomes

The growth of the shoe manufacturing industry in Tanzania will lead to several key outcomes:

- **Increased Local Production:**

A rise in the number of shoe manufacturing businesses will reduce the country's dependency on imported shoes, leading to greater self-sufficiency in footwear production.
- **Job Creation:**

Establishing shoe factories will lead to significant job opportunities across various sectors, from manufacturing and design to sales and distribution, helping reduce unemployment.

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- **Economic Growth:**
With a reduction in footwear imports and an increase in local production, there will be savings in foreign exchange, improved trade balance, and higher local industry revenues.
- **Innovation and Quality Improvement:**
As competition intensifies, local manufacturers will innovate in terms of product design, quality, and production efficiency to stay competitive, leading to improved products in the market.
- **Potential for Export Markets:**
Tanzanian manufacturers, after establishing a strong local presence, may tap into regional markets, particularly in East Africa, where there is growing demand for affordable, locally-made footwear.

3. Way Through: Strategies for Success

To thrive in the competitive landscape and achieve the expected outcomes, shoe manufacturing companies in Tanzania must adopt the following strategies:

- **Leverage Local Raw Materials:**
By utilizing locally sourced leather, rubber, and other materials, manufacturers can lower production costs and offer competitive prices, while supporting the local economy and reducing dependence on imports.
- **Invest in Technology & Machinery:**
Upgrading production facilities with modern machinery for cutting, stitching, and molding will improve efficiency, reduce costs, and enable manufacturers to produce higher-quality footwear.
- **Focus on Design & Branding:**
Developing unique and appealing designs, especially for school shoes, casual wear, and safety footwear, will help establish a strong brand identity and attract a loyal customer base. Effective marketing strategies, including online platforms, will help build brand recognition.
- **Enhance Training & Skill Development:**
To tackle the shortage of skilled labor, manufacturers should invest in training programs for workers to improve their technical capabilities in shoe design, production, and quality control.
- **Form Strategic Partnerships:**
Local manufacturers should consider partnerships with schools, businesses, and government institutions to secure bulk orders for uniforms, work shoes, and other types of footwear.
- **Improve Distribution Channels:**
Establishing retail outlets in major cities and exploring e-commerce options will help manufacturers reach a wider audience, including international customers in the East African region.
- **Sustainability Practices:**
As environmental concerns grow, adopting sustainable manufacturing practices (such as

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eco-friendly materials and energy-efficient production methods) will attract environmentally conscious consumers and enhance the industry's global competitiveness.

5.4 PROJECT JUSTIFICATION

The proposed project is under management of **JUA SHOES COMPANY LIMITED** is in line with Tanzania Government efforts in attempt to revamp the Manufacturing Industry and Processing sector. This has also been noted of recent drive of attracting investors in Tanzania in order to maximize her annual earnings from investment and also compete effectively with regional competitors. This also has been complemented by following measures

- i. The government is making a critical review of all existing laws and regulations, taxation and policies with ultimate aim of improving and creating conducive environment for private sector Investment, tourism sector is inclusive.
- ii. In 2007/2008 the Government reviewed the existing Industry and trade Policy, taking into consideration the social economic base and the dynamism of manufacturing industry in Tanzania.
- iii. In depth studies have been carried out in the following area
 - SMEs development study
 - Trade Integration Strategy, 2009-2013

Regarding the initiative undertaken by **JUA SHOES COMPANY LIMITED** sponsors, is justified by the following facts.

- The sponsors have a special invested interest in production of **Shoes** and they have several years of experience.

Therefore, the establishment and operation of production of **Shoes** and processing facility will boost and at the same time strength manufacturing industry sector in Tanzania. The Company's marketing strategy and intention is to have a wide products base which focuses both to ordinary consumers and Industrial use.

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5:5 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT

The proposed project will result into the following social and economic impacts:

1. Social Impact

• **Job Creation & Poverty Reduction:**

One of the most significant social benefits of shoe manufacturing in Tanzania is the creation of jobs. Establishing shoe factories leads to direct employment in production, design, and quality control, as well as in the distribution, retail, and sales sectors. This helps reduce poverty by providing stable income for local workers, particularly in regions with high unemployment rates. The industry can also have an indirect impact by creating additional employment opportunities in related sectors, such as transportation and raw material suppliers.

• **Skill Development:**

The shoe manufacturing sector offers opportunities for workers to acquire new skills in design, production, machine operation, and quality control. This contributes to human capital development, enabling individuals to become more employable and develop technical expertise. Over time, this also raises the skill level of the broader labor force in Tanzania, benefiting other industries.

• **Improved Access to Affordable Footwear:**

Local production ensures that footwear becomes more affordable and accessible, especially for low-income households. The availability of affordable shoes is crucial for children, students, and workers who require durable and quality footwear for school, work, and daily life. This can improve overall well-being, as proper footwear is important for health and mobility.

• **Gender Empowerment:**

The manufacturing industry, particularly in regions where women have limited economic opportunities, can serve as a platform for gender empowerment. Many shoe manufacturing facilities may employ women, giving them a chance to earn an income and support their families, thus contributing to the social empowerment of women in Tanzanian communities.

2. Economic Impact

• **Boost to the Local Economy:**

Manufacturing shoes locally reduces Tanzania's reliance on imported footwear, saving foreign exchange and contributing to the nation's economic self-sufficiency. By keeping the money within the local economy, it helps to stimulate other industries, such as leather production, textile manufacturing, and transport. The increased output from the shoe industry can also create a ripple effect, boosting demand for local services and raw

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materials, and expanding the broader industrial base.

- **Export Revenue Potential:**

With proper branding, quality control, and market access, Tanzanian-made shoes could find a ready market in other East African countries and beyond. Exporting footwear can bring in significant foreign revenue, improving Tanzania's trade balance and providing a pathway for economic growth. The East African Community (EAC) presents a strong regional market for Tanzanian shoes.

- **Small & Medium Enterprise (SME) Growth:**

Shoe manufacturing also stimulates the growth of small and medium-sized enterprises (SMEs). For example, small businesses involved in producing parts (e.g., soles, laces), shoe repair services, or retailing footwear, can emerge around the manufacturing sector. This growth in SMEs fosters entrepreneurship and creates a diversified economy.

- **Government Revenue Generation:**

As the industry expands, it will lead to higher tax revenues for the government, both from businesses and individuals employed in the sector. This increase in government revenue can be reinvested into infrastructure, education, healthcare, and other social programs, further boosting the national economy.

- **Fostering Industrialization:**

The shoe manufacturing sector is part of Tanzania's broader push towards industrialization. It aligns with the government's development goals, such as the "Tanzania Industrialization Agenda," which seeks to move the country from a predominantly agricultural economy to a more diversified one. Shoe manufacturing is an essential part of this transition, helping Tanzania to move up the value chain in production.

- **Development of a Local Supply Chain:**

By relying on local raw materials like leather, rubber, and textile fabrics, shoe manufacturing supports the growth of a domestic supply chain. This minimizes dependence on foreign imports and encourages local industries to thrive. It also strengthens agricultural and processing industries, as they provide key materials for shoe production.

6. OPPORTUNITY DRIVERS

6.1 Increased demand

Increased demand for locally **manufactured shoes** in Tanzania is driven by several factors, including growing population, urbanization, and rising incomes. As more people seek affordable and durable footwear, there is a shift toward locally produced shoes, reducing reliance on imports. The government's push for industrialization and self-sufficiency, along with improved quality and availability, further fuels this demand. Local manufacturers have the opportunity to meet this growing need by expanding production, diversifying product offerings, and tapping into regional export markets. The increasing demand creates a promising market for Tanzanian shoe manufacturers, contributing to both economic growth and job creation.

6.2 Uniqueness location of the project

JUA SHOES COMPANY LIMITED's project will be one of the major Manufacturing Industry and Processors in Tanzania. And location of the Project shall be in **Dar es Salaam Region, Temeke District, Plot No. 2989, At Mtoni Area**. The location of this project provides an opportunity to **JUA SHOES COMPANY LIMITED** to capture easily the market around Morogoro, Dar es Salaam, Dodoma, Mwanza, Arusha and Singida and other nearby regions

6.3 Government Policy

The Government of Tanzania has made the policy that intends to improve and promote Manufacturing Industry. This sector employs many people and it is a key driver towards transforming and developing the national economy.

6.4 Government Incentives package

In 1997 Tanzania Government enacted Investment law that offers and guaranteed reasonable incentives to both local and foreign investors.

7. Analysis of Strengths, Weaknesses, Opportunity and Threats

Table below present the analysis of the company's Strengths, Weaknesses, Opportunities and Threats (SWOTS)

<p>Strengths</p> <ul style="list-style-type: none"> ▪ It has a strong equity financing ▪ Strong management and well paid personnel ▪ Has a will to expand ▪ Access to reliable high technology 	<p>Weaknesses</p> <ul style="list-style-type: none"> ▪ Not yet emphasize on the marketing
<p>Opportunities</p> <ul style="list-style-type: none"> ▪ Good government suitable facilitative policy ▪ Raising investments real estate sector ▪ Government development power supply project in Tanzania 	<p>Threats</p> <ul style="list-style-type: none"> ▪ Unawareness of the new entrants in the Industry in the same location ▪ Increment of inflation ▪ Presence of fake suppliers of the same products.

The company has prepared for the action plans by doing the following:

1. Reinvestment of Profits

Reinvesting a portion of annual profits back into the business to finance expansion, improve machinery, and increase production capacity.

Establishing a reserve fund for unexpected financial challenges.

2. Collaboration with Financial Institutions

Securing Loans: Partnering with local and international banks to secure low-interest business loans for expansion, machinery acquisition, and operational needs. Institutions like: Tanzania Investment Bank (TIB), CRDB Bank, NMB Bank

Flexible Repayment Options: Negotiating favorable loan terms to align repayment schedules with cash flow projections.

8. Marketing Information

8.1. Marketing Strategy

8.1.1. Overview

The success of **JUA SHOES COMPANY LIMITED** will be achieved by providing high tech products, providing friendly service and employing an aggressive marketing plan to build customer traffic. Today's market requires more than just products and service to make a **JUA SHOES COMPANY LIMITED** successful. **JUA SHOES COMPANY LIMITED** will constantly strive to enthusiastically win more customers by being proactive rather than reactive in our marketing efforts.

Management will endeavour to create and maintain a positive, appealing image for the customers. This image will be consistently portrayed throughout all marketing channels and sales promotions. The following exemplifies some of the tactics we will use to drive more sales.

8.1.2. Customer Database

JUA SHOES COMPANY LIMITED will aggressively seek to build a database of Customers. Customers will have an opportunity to be included in the database so they can participate in sales promotions such as birthday or anniversary cards; email notification of upcoming specials; coupons; etc. The database will be gathered and maintained on special software **JUA SHOES COMPANY LIMITED** will gather names in a variety of manners including staff requests; business card drop for free lunch; guests' sign up book with promotional signage; menu insert promotion; etc.

8.1.3. Advertising

JUA SHOES COMPANY LIMITED will adopt an aggressive advertising strategy. Outdoor signage for **JUA SHOES COMPANY LIMITED** will describe outdoor and changeable copy advertisement and elaborate design signage depends upon lease space restrictions; designed within allowable limits to achieve maximum exposure.

JUA SHOES COMPANY LIMITED will utilize both traditional non-traditional methods of advertising. Management's viewpoint on advertising is state in your own words, the philosophy **JUA SHOES COMPANY LIMITED** will adopt towards the use of traditional advertising such as radio, newspaper, billboards or television.

8.1.4. Costing and Pricing

The costing and pricing is done by the management of **JUA SHOES COMPANY LIMITED**. The costing takes into consideration various aspects depending on the cost which has already been incurred, inflation factor and Operating costs. The project promoters of the company are in business for long time i.e. they are business oriented personnel.

8.1.5. Customers

JUA SHOES COMPANY LIMITED is targeting to all regions in Tanzania and outside of Tanzania specifically targeting the following customers: **Wholesale and retail of shoes suppliers.**

8.1.6. Products

As it has been explained in preamble chapters, **JUA SHOES COMPANY LIMITED** will set project which will be indulging in Producing **SHOES** in Tanzania

8.2 Marketing Plan

The company has both short term and long-term marketing plan:

The short-term marketing plan includes:

- Participating in business show case exhibitions
- Building sustainable long-term relationship with manufacturers who use other raw materials for production of different products.
- Training of sales staff sales and Marketing.

Long Term Plans includes:

- Join to the network of **Shoes Manufacturing Companies** to market and exploit more business opportunities
- Investing Market Research and Development

9. Management & Administration

9.1. Management

The management team of **JUA SHOES COMPANY LIMITED** planned to be constituted by the following management team:-

9.1.1. Board of Directors

JUA SHOES COMPANY LIMITED be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in **JUA SHOES COMPANY LIMITED**, The Company which shall manage this project.

9.1.2. Country Director

Immediate after Board of Director the shall be a **Country Director** who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staff's welfares and report them to the board of directors.

9.1.3. Production Manager

Production Manager will be employed who expected to have an extensive background in the industry. As the production Manager will be directly responsible for all processing functions.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily processing within this project.

9.1.4. Accountant/cash

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of **JUA SHOES COMPANY LIMITED** but also keeping books of accounts properly.

9.1.5. Management Agreements

Management Agreements will be executed between **JUA SHOES COMPANY LIMITED** and other team managers. The purpose of these agreements is to define the expectationsof both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

9.1.6. Confidentiality Agreements

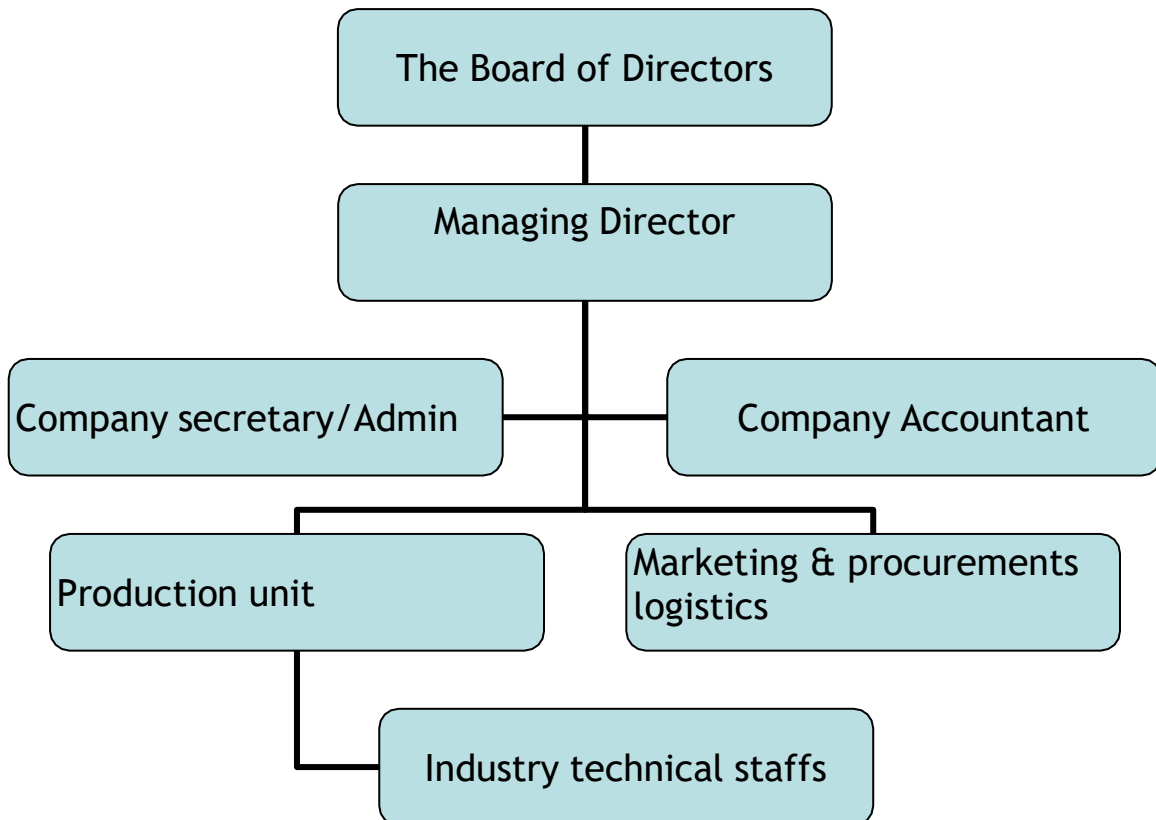
JUA SHOES COMPANY LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our

**JUA SHOES COMPANY LIMITED,
P. O. BOX 34359,
DAR ES SALAAM, TANZANIA**

products, operating systems, policies and procedures. Having a confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees that we take our business seriously.

9.1.7 Organization Structure

The management of **JUA SHOES COMPANY LIMITED** is planning to have the following organization structure.



10. Conclusion

- Revenue will be contributed to the Government through various taxes.
- The project will offer continuous direct employment to almost **1100** people and create other indirect employment to other people.
- The company looks technically feasible and financially viable. It is therefore recommended that the project be supported.

JUA SHOES COMPANY LIMITED

CASH FLOWS PROJECTION FOR FIVE YEARS FROM 2024 TO 2029

	Pre-Startup EST	,2023	2024	2025	2026	2027	Total
Cash on Hand (beginning of month)	\$ -	\$ 500,000	\$ 500,000	\$ 1,900,000	\$ 3,340,000	\$ 4,924,000	\$ 11,164,000
CASH RECEIPTS							
Cash Sales			\$ 1,000,000	\$ 1,000,000	\$ 1,100,000	\$ 1,210,000	\$ 4,310,000
Collections fm CR accounts		\$ -	\$ 400,000	\$ 440,000	\$ 484,000	\$ 532,400	\$ 1,856,400
Estimated Capital for startup	\$ 500,000		\$ -	\$ -	\$ -	\$ -	\$ 500,000
Loan							\$ -
TOTAL CASH RECEIPTS	\$ 500,000	\$ -	\$ 1,400,000	\$ 1,440,000	\$ 1,584,000	\$ 1,742,400	\$ 6,666,400
Total Cash Available (before cash out)	\$ 500,000	\$ 500,000	\$ 1,900,000	\$ 3,340,000	\$ 4,924,000	\$ 6,666,400	\$ 17,830,400
CASH PAID OUT							
Purchases other fixed		\$ -	\$ 7,200	\$ 7,920	\$ 8,712	\$ 9,583	\$ 33,415
Purchases vehicles		\$ 80,000	\$ -	\$ 41,000	\$ -	\$ -	\$ 121,000
Gross wages (exact withdrawal)		\$ 15,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 255,000
Payroll expenses (taxes,		\$ 4,500	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 86,100
Supplies (office & oper.)		\$ 1,000	\$ 1,100	\$ 1,210	\$ 1,331	\$ 1,464	\$ 6,105
Repairs & maintenance		\$ 1,250	\$ 1,375	\$ 1,513	\$ 1,664	\$ 1,830	\$ 7,631
Advertising		\$ 150	\$ 165	\$ 182	\$ 200	\$ 220	\$ 916
Car, delivery & travel		\$ 1,800	\$ 1,980	\$ 2,178	\$ 2,396	\$ 2,635	\$ 10,989
Accounting & legal		\$ 4,500	\$ 4,950	\$ 5,445	\$ 5,990	\$ 6,588	\$ 27,473
Rent		\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 180,000
Telephone & internet		\$ 120	\$ 132	\$ 145	\$ 160	\$ 176	\$ 733
Utilities		\$ 150	\$ 165	\$ 182	\$ 200	\$ 220	\$ 916
Insurance		\$ 21,200	\$ 21,412	\$ 21,626	\$ 21,842	\$ 22,061	\$ 108,141
Taxes (real estate, etc.)		\$ 240	\$ 240	\$ 240	\$ 240	\$ 240	\$ 1,200
Interest		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 375,000
Miscellaneous		\$ 200	\$ 220	\$ 242	\$ 266	\$ 293	\$ 1,221
SUBTOTAL	\$ -	\$ 241,110	\$ 230,339	\$ 273,282	\$ 234,400	\$ 236,710	\$ 1,215,840
Loan principal payment		\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 2,431,681
Capital purchase (land)		\$ 100,000					\$ 4,829,946
Capital purchase (excavators)		\$ -	\$ 1,000,000	\$ 100,000	\$ -	\$ -	\$ 9,538,892
Owners' Withdrawal			\$ -	\$ -	\$ 10,000,000	\$ 12,500,000	\$ 18,736,684
TOTAL CASH PAID OUT	\$ -	\$ 1,091,110	\$ 1,980,339	\$ 1,123,282	\$ 10,984,400	\$ 13,486,710	\$ 36,753,042
Cash Position (end of month)	\$ 500,000	\$ (591,110)	\$ (80,339)	\$ 2,216,718	\$ (6,060,400)	\$ (6,820,310)	\$ (18,922,642)