

**PROJECT NAME: PALM OIL PRODUCTION AND PROCESSING**

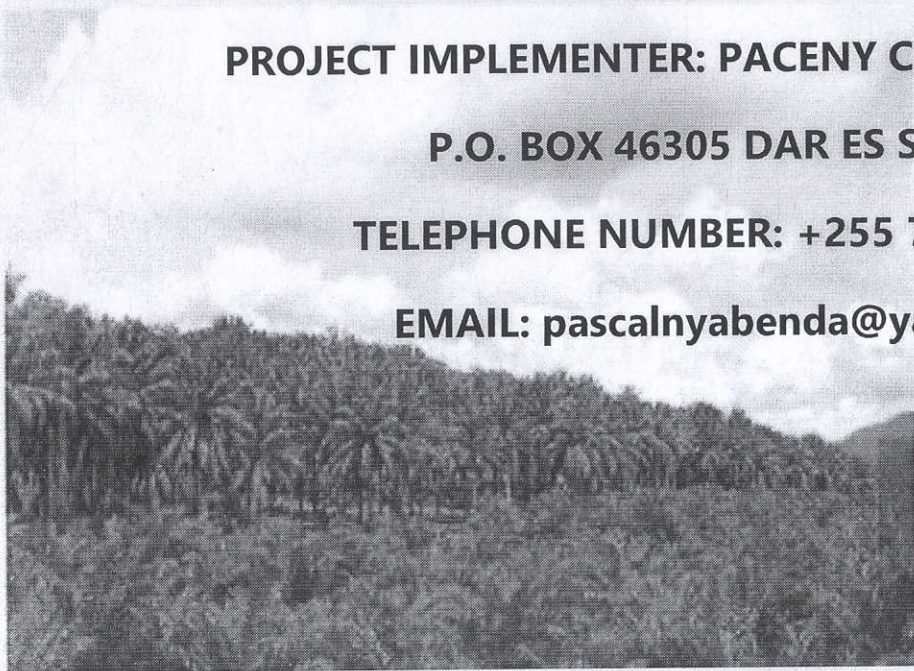
**PROJECT LOCATION: UVINZA, KIGOMA**

**PROJECT IMPLEMENTER: PACENY COMPANY LIMITED**

**P.O. BOX 46305 DAR ES SALAAM**

**TELEPHONE NUMBER: +255 748 059 687**

**EMAIL: [pascalnyabenda@yahoo.com](mailto:pascalnyabenda@yahoo.com)**



## Table of Content

### Introduction

1. Industry Overview
2. Executive Summary
3. Our Products and Services
4. Our Mission and Vision Statement
5. Business structure
6. SWOT Analysis
7. Market Analysis
8. Our Target Market
9. Sales and Marketing Strategy
10. Cashflow Forecast
11. Publicity and Advertising Strategy
12. Our Pricing Strategy
13. Conclusion

## **1. Industry Overview**

The oil palm processing industry is an industry that thrives in the African continent and in some parts of Asia. Kigoma is one of the regions in east Africa that have players in this industry. Although locals in rural communities run this type of business on a small scale who operate standard oil palm plantation and palm oil processing businesses.

They produce just for local use due to low level of production.

Palm kernel is gotten from palm trees and it is the palm kernel that is processed into palm oil. Palm oil is considered to be one of the healthy and vitamin packaged oils that is highly suitable for cooking. In Tanzania particularly Kigoma region, palm oil is used for several delicacies and even for frying. Palm oil is also used in making soap and body creams.

The oil palm plantation line of business is indeed thriving and pretty much active in Africa, Asia and South America (places with good numbers of African communities). This line of business is responsible for the employment loads of people directly and indirectly all around the world.

## **2. Executive Summary**

Paceny Company limited is a duly registered Company by the Registrar of Companies under the Companies Ordinance Cap No 212 of the laws of Tanzania with Incorporation registration **No 152056133**.

Paceny Company limited is in the process to start the oil palm plantation business that will be based at Uviza-Kigoma, Tanzania. We are registered under the Tanzania Investment Centre (TIC). Although we intend starting out on a small scale by cultivating oil palm trees on 375 hectares of land, but that will not in any way stop us from maximizing our potential in the oil palm plantation line of business.

We hope to grow the business from cultivating oil palm in 375 hectares of land to 1000 hectares of land and also owning our palm oil processing plant and exporting palm oil to other countries in Africa and the world at large.

The overall business goal of Paceny Company limited is to become the number one oil palm plantation and palm oil processing plant in Tanzania and other countries of the world where we intend exporting our palm kernel and palm oil.

As a business, we are willing to go the extra mile to invest in effective oil palm cultivation tools and equipment and also to hire efficient and dedicated employees. We

have been able to secure permits from all relevant departments both at local and state level in Uvinza-Kigoma region.

Paceny Company limited is set to redefine how oil palm plantation business should be run, not just in Uvinza district, but also in the whole of the Tanzania. It is for these reasons that we have put plans in place for continuous training of all our staff.

The demand for palm kernel, palm oil and other products from the palm tree is not going to plummet any time soon because there will always be people who can't cook without palm oil and cottage companies who need palm oil as their raw material et al, which is why we have put plans in place to continue to explore all available market around the communities where we intend marketing our produce.

In the nearest future, we will ensure that we create a wide range of distribution channels all across Tanzania, the East African and the World at large.

Paceny Company limited will at all times demonstrate her commitment to sustainability, both individually and as a business, by actively participating in our communities and integrating sustainable business practices wherever possible. We will ensure that we hold ourselves accountable to the highest standards by meeting our customers' needs precisely and completely.

### **3. Our Products and Services**

Paceny Company limited aim to be a leading commercial farm in the region that is committed to cultivating organic and non – organic oil palm trees for both the Tanzania's market and the global market.

We are in this line of business to make profits while creating more employment, and we will ensure that we do all that is allowed by the law of Tanzania to achieve our business goals and objectives. These are the areas we will concentrate on in our oil palm plantation and if need arises, we will definitely cultivate related crops;

- Cultivation of variety of oil palm trees (organic and non – organic)
- Production of palm oil

### **4. Our Mission and Vision Statement**

- Our vision is to own the largest private palm tree plantation in the whole of East Africa and to engage in wholesale distribution of palm oil and related products all across Tanzania and to export palm oil to other countries of the world.

- Our mission is to establish a world class oil palm plantation and palm oil processing business that in our own capacity will favorably compete with leaders in the industry. We want to build a business that will be listed amongst the top performing businesses in the region.

## **5. Our Business Structure**

As part of our plan to build a top flight oil palm plantation business in Kigoma Municipal –Uvinza district, we have perfected plans to get it right from the onset which is why we are going the extra mile to ensure that we have competent employees to occupy all the available positions in our company.

We will ensure that we only hire people that are qualified, honest, hardworking, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders.

In view of that, we expect to hire qualified and competent hands to occupy the following positions at Paceny Company limited;

- Chief Executive Officer
- General Farm Manager
- Human Resources and Admin Manager
- Sales and Marketing Officer
- Accountants / Cashiers
- Field Workers

## **6. SWOT Analysis**

Because of our drive for excellence, we were able to engage some of the finest business consultants in Kigoma region-Tanzania to look through our business concept and together we were able to critically examine the prospect of the business and to access ourselves to be sure we have what it takes to run a standard oil palm plantation business that can compete favorably in the oil palm plantation line of business.

In view of that, we were able to take stock of our strengths, our weakness, our opportunities and also the threats that we are likely going to be exposed to in Tanzania. Here is a of what we got from the critically conducted SWOT Analysis Paceny limited Company;

- **Strength:**

Our strength lies in the fact that we are going to be cultivating our oil palm in a very fertile land. We also expect to start the state of the art palm oil processing facility that will position us to meet the demand of palm oil in Tanzania and the world at large even if the demand tripled over night or if we have a massive order to meet an emergency need.

We are not ignoring the fact that our team of highly qualified and dedicated workers will also serve as a strength for our organization.

- **Weakness:**

We do not take for granted the fact that we have weaknesses. The fact that we are cultivating oil palm and also setting up a palm oil processing business in a region with other palm oil processing businesses might likely pose a challenge for us in breaking into the market in Tanzania.

In essence our chosen location might be our weakness. But nevertheless, we have plans to launch out with a big bang. We know with that; we will be able to create a positive impression and we have a proper handle when it comes to building on already gathered momentum.

- **Opportunities:**

The opportunities available to us are unlimited. Loads of people make use of palm oil on a daily basis and all what we are going to do to push our palm kernel, palm oil and byproducts to them is already perfected. Uvinza-Kigoma region is just ideal for our oil palm plantation business because the land is ideal for farming palm trees, plus there is a large market for palm kernels.

- **Threat:**

The threat that is likely going to confront us is the fact that we are competing with already established oil palm plantations and palm oil processing businesses in Uvinza and Kigoma at large and also there are other entrepreneurs who are likely going to launch similar business within the location of our business.

Another threat that we are likely going to face is unfavorable government policies and economic downturn. Usually economic downturn affects purchasing / spending powers and unfavorable government policies can hinder exporting of palm products to other countries of the world.

## **7. Market Analysis**

- **Market Trends**

It is a common trend in this business to find oil palm plantations positioning their business in locations and communities where they can have access to arable farmland and cheap labor. If you make the mistake of positioning this type of business in a location where you would have to pay huge amount to secure good farm land, then you would have to struggle to make profits and maintain your overhead and logistics.

So also, another trend in this line of business is that most oil palm plantation businesses also run palm oil processing plant and they look beyond the market within their locations or even Burundi and Rwanda remain their major targets.

## **8. Our Target Market**

When it comes to retailing palm oil and its byproducts, there is indeed a wide range of available customers. In essence, our target market can't be restricted to just a group of people, but to all those who make use of palm oil for cooking and also all those who make use of palm kernel and palm oil as raw materials in their cottage industries. We have conducted our market research and we have ideas of what our target market would be expecting from us.

We expect to engage in retailing and wholesale distribution cum exporting of palm products to the following groups of people;

- Palm oil processing plants who don't own their own oil palm plantation
- Households who make use of palm oil for cooking
- Restaurants and canteens that make use of palm oil for cooking
- Tanzania Africans communities who live abroad countries like the united states of America, Canada, and Europe
- Small scale businesses that make use of oil palm byproducts as part of their raw materials.

### **Our competitive advantage**

The fact that the government of Tanzania is willing to support entrepreneurs who are into crop cultivation cum oil palm cultivation means that the business is open to all and sundry hence it is expected that there will be high – level competition in the industry. There is hardly any community where palm trees can easily be cultivated that you won't

find several oil palm plantations and oil processing businesses especially on a small scale. We know that gaining a competitive edge requires a detailed analysis of the demographics of the surrounding area and the nature of existing competitors. And even if you are successful at first, new competitors could enter your market at any time to steal your regular customers; hence we will not hesitate to adopt successful and workable strategies from our competitors.

We are going to be one of the very few oil palm plantations with a standard palm oil processing plant in Uvinza-Kigoma that will also engage in wholesale distribution of oil palm byproducts across Tanzania and also export palm oil to other countries of the world.

Another competitive advantage that we have is the vast experience of our management team, we have people on board who understand how to grow a business from scratch to profitability.

Lastly, our employees will be well taken care of, and their welfare package will be among the best within our category in the industry, meaning that they will be more than willing to build the business with us and help deliver our goals and achieve all our aims and objectives. We will also give good working conditions and commissions to freelance sales agents that we will recruit from time to time.

## **9. Sales and Marketin Strategy**

- **Sources of Income**

Paceny Company limited is established with the aim of maximizing profits in the oil palm plantation line of business both in uvinza and of course in any countries of the world. Paceny Company limited will generate income by simply selling and exporting;

- Palm kernel
- Palm oil
- Palm tree byproducts

## 10. Cashflow Forecast

### SCHEDULE I

CASH FLOW PROJECTIONS	IN TZS ' 000		SCHEDULE V		
(Detailed Cash flow projections shown as Schedule VIII)					
Opening cash	5,000	39,150	12,750	-4,650	-12,972
Purchases	0	0	0	0	0
Operating Expenses as per Schedule I	27,000	26,400	17,400	16,122	25,200
Provisional tax and drawings	0	0	0	0	0
Capital expenditure	288,850	0	0	6,000	0
Interest on bank loan	0	0	0	14,000	0
Loan processing	0	0	0	0	0
Loan repayment	0	0	0	16,000	40,000
<b>Total Outflows</b>	<b>315,850</b>	<b>26,400</b>	<b>17,400</b>	<b>52,122</b>	<b>65,200</b>
<b>NET CASH FLOWS</b>	<b>39,150</b>	<b>12,750</b>	<b>-4,650</b>	<b>-12,972</b>	<b>-12,172</b>

### SCHEDULE II

PROJECTED INCOME STATEMENT	IN TZS ' 000				
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Sales	(6,000)	0	0	43,800	66,000
Less Cost of Sales	0	0	0	0	0
Gross Profit	(6,000)	0	0	43,800	66,000
Less Operating costs	27,000	26,400	17,400	16,122	25,200
Loan processing	0	0	0	0	11,794
Depreciation	0	0	0	0	0
Interest on Loan	0	0	0	14,000	0
Total Costs	27,000	26,400	17,400	30,122	36,994
Net Profit for the period	(33,000)	(26,400)	(17,400)	13,678	29,006
Net Profit carried forward	(33,000)	(26,400)	(17,400)	13,678	29,006

### SCHEDULE III

PROJECTED BALANCE SHEET	SCHEDULE VII			
	YEAR 1	YEAR 2	YEAR 3	YEAR 4
<b>Fixed Assets</b>				
		IN TZS ' 000		
Land and buildings	11,800	11,800	11,800	11,800
Furniture and Fittings	21,500	21,500	21,500	21,500
Motor vehicles	0	0	0	0
Less Depreciation	0	0	0	0
<b>Net Fixed Assets</b>	<b>45,100</b>	<b>45,100</b>	<b>45,100</b>	<b>45,100</b>
<b>Current Assets</b>				
Stock	0	0	0	0
Debtors	0	0	0	0
Cash and Bank	39,150	12,750	(4,650)	(12,972)
<b>Total Current assets</b>	<b>39,150</b>	<b>12,750</b>	<b>(4,650)</b>	<b>(12,972)</b>
Capital work in progress	288,850	288,850	288,850	294,850
<b>TOTAL ASSETS</b>	<b>373,100</b>	<b>346,700</b>	<b>329,300</b>	<b>326,978</b>
<b>REPRESENTED BY</b>				
Owners Contribution	56,100	56,100	56,100	56,100
Retained Profit	(33,000)	(59,400)	(76,800)	(63,122)
New Investment	350,000	350,000	350,000	334,000
<b>TOTAL FINANCING</b>	<b>373,100</b>	<b>346,700</b>	<b>329,300</b>	<b>326,978</b>

## SCHEDULE IVA

CASHFLOW PROJECTION FOR THE TWELVE MONTHS													
All amounts in ' 000 TZS													
Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
<b>PARTICULARS</b>													
<b>Cash Inflows:</b>													
Cash collections	-	-	-	-	-	-	-	-	-	-	-	-	0
New Investment	350,000												
<b>Total Cash Inflows</b>	<b>350,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>350,000</b>
<b>Cash Outflows:</b>													
Salaries and wages	850	850	850	850	850	850	850	850	850	850	850	850	10,200
Security	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Communications	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Transport	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Farm maintainance expense	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Stationaries	50	50	50	50	50	50	50	50	50	50	50	50	600
Fertilizers&utilities	350	350	350	350	350	350	350	350	350	350	350	350	4,200
Leased Equipments	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Drawings& dividends	-	-	-	-	-	-	-	-	-	-	-	-	0
Capital expenditure	288,850												288,850
<b>Total Operating Expenses</b>	<b>290,850</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>312,850</b>
Net Cash Movement	59,150	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	37,150
Cash at Start	5,000	64,150	62,150	60,150	58,150	56,150	54,150	52,150	50,150	48,150	46,150	44,150	5,000
<b>Closing Balance</b>	<b>64,150</b>	<b>62,150</b>	<b>60,150</b>	<b>58,150</b>	<b>56,150</b>	<b>54,150</b>	<b>52,150</b>	<b>50,150</b>	<b>48,150</b>	<b>46,150</b>	<b>44,150</b>	<b>42,150</b>	<b>42,150</b>

## SCHEDULE IVB

CASHFLOW PROJECTION FOR THE TWELVE MONTHS													
All amounts in ' 000 TZS													
Month	13	14	15	16	17	18	19	20	21	22	23	24	TOTAL
<b>PARTICULARS</b>													
<b>Cash Inflows:</b>													
Cash collections	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>Total Cash Inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>
<b>Cash Outflows:</b>													
Rent													0
Salaries and wages	850	850	850	850	850	850	850	850	850	850	850	850	10,200
Security	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Communications	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Transport	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Farm maintainance expense	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Stationaries	50	50	50	50	50	50	50	50	50	50	50	50	600
Fertilizers&utilities	650	650	650	650	650	650	650	650	650	650	650	650	7,800
Drawings& dividends													0
Capital expenditure													0
<b>Total Operating Expenses</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>24,200</b>
Net Cash Movement	0	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(24,200)
Cash at Start	42,150	42,150	39,950	37,750	35,550	33,350	31,150	28,950	26,750	24,550	22,350	20,150	42,150
<b>Closing Balance</b>	<b>42,150</b>	<b>39,950</b>	<b>37,750</b>	<b>35,550</b>	<b>33,350</b>	<b>31,150</b>	<b>28,950</b>	<b>26,750</b>	<b>24,550</b>	<b>22,350</b>	<b>20,150</b>	<b>17,950</b>	<b>17,950</b>

## SCHEDULE IVC

### ROJECTION FOR THE TWELVE MONTHS

													All amounts in ' 000 TZS											
Month	25	26	27	28	29	30	31	32	33	34	35	36	TOTAL											
<b>PARTICULARS</b>																								
<b>Cash Inflows:</b>																								
Cash collections	-	-	-	-	-	-	-	-	-	-	-	-	0											
<b>Total Cash Inflows</b>	-	-	-	-	-	-	-	-	-	-	-	-	0											
<b>Cash Outflows:</b>																								
Salaries and wages	850	850	850	850	850	850	850	850	850	850	850	850	10,200											
Security	250	250	250	250	250	250	250	250	250	250	250	250	3,000											
Communications	100	100	100	100	100	100	100	100	100	100	100	100	1,200											
Transport	200	200	200	200	200	200	200	200	200	200	200	200	2,400											
Farm maintainance expenses													0											
Stationaries	50	50	50	50	50	50	50	50	50	50	50	50	600											
Fertilizers&utilities	650	650	650	650	650	650	650	650	650	650	650	650	7,800											
Drawings& dividends													0											
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	0											
<b>Total Operating Expenses</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>25,200</b>											
Net Cash Movement	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(2,100)	(25,200)											
Cash at Start	17,950	15,850	13,750	11,650	9,550	7,450	5,350	3,250	1,150	(950)	(3,050)	(5,150)	17,950											
<b>Closing Balance</b>	<b>15,850</b>	<b>13,750</b>	<b>11,650</b>	<b>9,550</b>	<b>7,450</b>	<b>5,350</b>	<b>3,250</b>	<b>1,150</b>	<b>(950)</b>	<b>(3,050)</b>	<b>(5,150)</b>	<b>(7,250)</b>	<b>(7,250)</b>											

## SCHEDULE IVD

### ROJECTION FOR THE TWELVE MONTHS

													All amounts in ' 000 TZS											
Month	37	38	39	40	41	42	43	44	45	46	47	48	TOTAL											
<b>PARTICULARS</b>																								
<b>Cash Inflows:</b>																								
Cash sales	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	43,800											
<b>Total Cash Inflows</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>3,650</b>	<b>43,800</b>											
<b>Cash Outflows:</b>																								
Rent																								
Salaries and wages	850	850	850	850	850	850	850	850	850	850	850	850	10,200											
Security	250	250	250	250	250	250	250	250	250	250	250	250	3,000											
Communications	100	100	100	100	100	100	100	100	100	100	100	100	1,200											
Transport	200	200	200	200	200	200	200	200	200	200	200	200	2,400											
Farm maintainance expenses													0											
Stationaries	50	50	50	50	50	50	50	50	50	50	50	50	600											
Fertilizers&utilities													322											
Drawings& dividends			4,000			4,000			4,000			4,000	16,000											
Capital expenditure	14,000												14,000											
<b>Total Cash Outflow</b>	<b>16,100</b>	<b>2,100</b>	<b>6,100</b>	<b>2,100</b>	<b>2,100</b>	<b>6,100</b>	<b>2,100</b>	<b>2,100</b>	<b>6,100</b>	<b>2,100</b>	<b>2,100</b>	<b>13,222</b>	<b>62,322</b>											
Net Cash Movement	(12,450)	1,550	(2,450)	1,550	1,550	(2,450)	1,550	1,550	(2,450)	1,550	1,550	(9,572)	(18,522)											
Cash at Start	(7,250)	(19,700)	(18,150)	(20,600)	(19,050)	(17,500)	(19,950)	(18,400)	(16,850)	(19,300)	(17,750)	(16,200)	(7,250)											
<b>Closing Balance</b>	<b>(19,700)</b>	<b>(18,150)</b>	<b>(20,600)</b>	<b>(19,050)</b>	<b>(17,500)</b>	<b>(19,950)</b>	<b>(18,400)</b>	<b>(16,850)</b>	<b>(19,300)</b>	<b>(17,750)</b>	<b>(16,200)</b>	<b>(25,772)</b>	<b>(25,772)</b>											

## SCHEDULE IV E

### PROJECTION FOR THE TWELVE MONTHS

All amounts in ' 000 TZS													
Month	49	50	51	52	53	54	55	56	57	58	59	60	TOTAL
<b>PARTICULARS</b>													
<b>Cash Inflows:</b>													
Cash collections	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
<b>Total Cash Inflows</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>5,500</b>	<b>66,000</b>
<b>Cash Outflows:</b>													
Salaries and wages	850	850	850	850	850	850	850	850	850	850	850	850	10,200
Security	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Communications	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Transport	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Farm maintenance expenses													0
Stationaries	50	50	50	50	50	50	50	50	50	50	50	50	600
Fertilizers&utilities	650	650	650	650	650	650	650	650	650	650	650	650	7,800
Drawings& dividends			10,000			10,000			10,000			10,000	40,000
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>Total Cash Outflow</b>	<b>2,100</b>	<b>2,100</b>	<b>12,100</b>	<b>2,100</b>	<b>2,100</b>	<b>12,100</b>	<b>2,100</b>	<b>2,100</b>	<b>12,100</b>	<b>2,100</b>	<b>2,100</b>	<b>12,100</b>	<b>65,200</b>
Net Cash Movement	3,400	3,400	(6,600)	3,400	3,400	(6,600)	3,400	3,400	(6,600)	3,400	3,400	(6,600)	800
Cash at Start	(25,772)	(22,372)	(18,972)	(25,572)	(22,172)	(18,772)	(25,372)	(21,972)	(18,572)	(25,172)	(21,772)	(18,372)	(25,772)
Closing Balance	(22,372)	(18,972)	(25,572)	(22,172)	(18,772)	(25,372)	(21,972)	(18,572)	(25,172)	(21,772)	(18,372)	(24,972)	(24,972)

**N.B:** This projection is done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown and there won't be any major competitor offering same product and customer care services as we do within same location. Please note that the above projection might be lower and at the same time it might be higher.

#### • Marketing Strategy and Sales Strategy

we conducted a thorough market survey and feasibility studies in order to be able to penetrate the available market in Tanzania and the international market. We have detailed information and data that we were able to utilize to structure our business to attract the number of customers we want to attract per time.

In summary, Paceny Company limited will adopt the following sales and marketing approach to sell our produce;

- Introduce our oil palm plantation business by sending introductory letters to residents, merchants and other stakeholders both in Tanzania and abroad.
- Advertise our products in community-based newspapers, local TV and radio stations
- List our business and products on yellow pages ads (local directories)
- Leverage on the internet to promote our product cum business

- Engage in direct marketing and sales

### **11. Publicity and Advertising Strategy**

Notwithstanding the fact that our oil palm plantation business is a standard one that can favorably compete with other leading oil palm businesses in Tanzania and in any part of the world, we will still go ahead to intensify publicity for all our brand. We are going to explore all available means to promote Paceny Company limited Oil Palm Company.

### **12. Our Pricing Strategy**

Our pricing system will conform to what is obtainable in the industry but we will ensure that within the first few years, our palm tree byproducts will be sold a little bit below the average prices when compared to other palm oil retailing businesses in Tanzania. We have put in place business strategies that will help us run on low profits for a period of 6 months; it is a way of encouraging people to buy into our brand.

- **Payment Options**

The payment policy adopted by Paceny Company limited is all inclusive because we are quite aware that different customers prefer different payment options as it suits them but at the same time, we will ensure that we abide by the financial rules and regulation of the government of Tanzania.

Here are the payment options that our will make available to her clients;

- Payment via bank transfer
- Payment with cash
- Payment via online bank transfer
- Payment via check

### **13. Conclusion**

One of our major goals of starting our business is to build a business that will survive off its own cash flow without the need for injecting finance from external sources once the business is officially running. We know that one of the ways of gaining approval and winning customers over is to retail our palm products a little bit cheaper than what is obtainable in the market and we are well prepared to survive on lower profit margin for a while.