

1.0 Industry Overview

Motor Vehicles assembling facilities basically assemble cum manufacture cars and automobile chassis. Referred to as automakers, they typically produce cars, trucks, motor cycles and other movable motors (compact and subcompact cars, midsize sedans, large trucks, cars and luxury cars), including electric cars. The manufacturing of light trucks (e.g. vans, pickups and SUVs), heavy trucks, three wheelers, tri-cycles and motorcycles is also included in this industry.

1.1 Market Overview

The African automotive market is valued at USD 30.44 billion in 2021, and it is expected to reach USD 42.06 billion by 2027, registering a CAGR of 5.55% over the forecast period (2022 - 2027). The COVID-19 pandemic impacted the market very badly, and the majority of markets in the region have not recovered, and the demand is still lagging behind the pre-COVID levels. The demand for new vehicles across the African region has increased until 2018. In 2019, due to a slowdown in the economy, the sales of new vehicles decreased by 4% to 1.17 million units, as compared to 1.22 million units in 2018. Passenger cars accounted for 73.81%, while commercial vehicles accounted for 26.18%.

However, demand across major countries like Egypt, etc., is providing momentum and is likely to continue over the forecast period, creating a positive outlook for the market. Although there was a decline in the overall sales of new vehicles, commercial vehicles in 2019 increased by 0.33% to 308,319 units, compared to 307,301 units sold in 2018. In 2020, Egypt witnessed an increase in new vehicle sales by 26.55% to 231,238 units compared to 182,713 units sold in 2019.

The African market has one of the highest growth prospects across the world. Multinational vehicle manufacturers currently setting up production plants in Angola, Ethiopia, Ghana, Kenya, Namibia, Nigeria, Rwanda, South Africa, and other countries are a clear indicator that there is potential to boost manufacturing for the automotive market in this region. South Africa, Egypt, Morocco, and Algeria have sizeable automotive assembly and manufacturing sectors.

Contract manufacturing is another major growth factor for companies that have franchises to manufacture for the OEMs. For instance, Kenya Vehicle Manufacturers, where the government has shares, hold franchises for Mercedes-Benz, Volkswagen, and Chrysler. Another local company, AVA, assembles medium and heavy commercial vehicles for Mitsubishi and Fuso and Scania, Toyota, Hino, and Tata.

East Africa's automotive industry seem to be attracting some business investment, boosting growth opportunities for the region's automotive paints

and coatings market. Despite the disruptive effects of COVID-19, a few original equipment manufacturers (OEMs) and local investors have unveiled either new production plants or distribution centers that could increase vehicle ownership in East Africa, hence influencing demand trends for automotive paints.

For example, Indian car manufacturer Tata Motors has recently unveiled a brand new car, a compact SUV-Tata Nexon, in the Tanzanian market, with the company describing the country's automotive market as "a fast-growing vehicle market and an opportunity for users to contribute to the preservation of the environment." Statistics show the car market in Tanzania increased by 5.3% last year in the midst of the corona virus pandemic compared to 2019.

Research conducted by VICHWA Brands (T) Corporation Limited in Tanzania Automobiles Assembling shows that the largest proportion of industry establishments are located in Kibaha town, 35 kilometers west of Dar es Salaam, Tanzania, GFA-GF Vehicle Assemblers is the first modern age vehicle assembly plant, another new assembly plant project located at TAMCO-Kibaha Industrial Estate, Coast Region which is a result of Agreement signed between Tanzania and Poland aimed at mechanizing agricultural sector in Tanzania through use of URSUS tractors. The project is implemented with the technical expertise from URSUS S.A of Poland. The project involves procurement of 2,400 tractors in the form of SKD and CKD from Poland, Tractors Assembly Plant which so far 822 tractors in the form of semi-knocked down (SKD) have been delivered to Tanzania. 705 tractors and implements have been assembled and sold to customers.

These two companies are often referred to as the two, or the Kibaha Two. The report further stated that the number of international Automobile companies from different part of the world have been eyeing Tanzania for setting up Assembling Plants.

Three-wheelers rick-shaw assembling plant is not a Green business and despite the fact that the industry seems saturated, there is still room big enough to accommodate new investors who are ready to come up with innovative ideas. The automobile manufacturing industry is a profitable industry and it is open for accredited investors to come in and establish their plant.

2.0 Executive Summary

Vichwa Brands Assembling Facility is a locally registered assembling Motor Vehicle Assembling Plant Company that will be located in Ukonga, Mazinini, Ilala District of Dar es Salaam, Region of Tanzania and we have been able to secure the license, permits and a facility in a good location to operate the envisaged investment.

We will be involved in the assembling of cars, trucks, three wheelers rick-Shaw, motor cycles(compact and subcompact s, midsize sedans, large cars and luxury cars), including electric cars et al for a wide range of clientele not only in the United the United Republic of Tanzania, but all across East Africa, SADAC and the globe.

We are quite optimistic that our values and quality of products will help us drive our assembling plant business to enviable heights and also help us attract the number of clients that will make the business highly profitable. We will be dedicated to establishing good business relationship with our clients by giving them value for their money and reasons for them to purchase our cars, trucks, three wheelers-rick Shaw and motor cycles repeatedly.

We are quite aware that in order to get people and organizations to purchase and make use of our brand, we must continue to produce quality end products and that is exactly what we will do. We are open to the use of latest technology in the car assembling facility if business. No doubt our excellent customer service and the quality and durability of the cars, trucks, trailers, three wheelers-rick Shaw and motor cycles we assemble position us to export of our end products to other countries of the world.

Our client's best interest will always come first, and everything we do will be guided by our values and professional ethics. We will ensure that we hold ourselves accountable to the highest standards by meeting our client's needs precisely and completely.

Vichwa Brands Assembling Facility is owned and managed by Victor Godfrey Wambura, Maria Gratia Muikila and their immediate family members. Victor and Maria are both accredited investor and a notable Tanzania Diaspora figure living in Canada with high interest to invest in the Tanzania automobile industry. Victor and Maria will build the business with competent automobile engineers and technicians from within and Outside Tanzania

3.0 Our Products and Services

Vichwa Brands (T) Corporation Limited was registered in 10th June 2022, under the United Republic of Tanzania's companies Act No. 12 of 2002 with the aim of maximizing profits in the three wheelers-Rick Shaw, motor cycles, car and automobile manufacturing industry. We want to compete favorably with leading assembling facility in Tanzania which is why we have put in place a competent team of automobile engineers and technicians that will ensure that every assembled end products (three wheeler-rick Shaw, motor cycle, car, truck etc that we roll out from our facility meets and even surpass our customers' expectations.

We will work hard to ensure that Vichwa Brands Assembling Facility is not just accepted in Tanzania but also in other countries of East Africa, SADC and the world. Our products are listed below;

- Three wheelers-Rick Shaw, motor cycles
- Compact and subcompact cars
- Midsize sedans
- Large cars
- Luxury cars
- Trucks and Trailers

4.0 Our Mission and Vision Statement

- We want to build assembling facility whose three wheelers; motor cycles, cars, trucks and trailers will not only be seen on road in Tanzania but all across the globe.
- Our mission as Motor Vehicle assembling company is to develop a highly successful Three-wheelers rick-shaw assembling facility and business that is known to assemble durable and affordable automobiles for both the rich and the general populace; we want to be listed amongst the top 50 Three-wheelers rick-shaw brands in the world.

4.1 Our Business Structure

We know that the success of any business lies in the foundation on which the business is built on, which is why we have decided to build our assembling facility on the right business foundation.

We want to build a dedicated workforce that will ensure that our customers are satisfied when they purchase our end products i.e. three wheelers-rick Shaw, motor cycles, cars, trucks and trailers. We aware that it takes a business with the right employees and structure to achieve all what we have set to achieve, which is why will be putting structures and processes in place that will help assemble accepted standard and durable end products of three wheelers, motor cycles, cars, trucks, trailers and run the business on auto pilot.

We will employ various employees to man the various service units of Vichwa Brands assembling Facility. They will occupy the following positions;

- Chief Executive Officer
- Plant Manager
- Human Resources and Administration Manager
- Sales and Marketing Manager
- Automobile Assembling Engineers/Technicians
- Accountants/Cashiers
- Customer Services Executive/Front Desk Officer

5.0 Job Roles and Responsibilities

Chief Executive Officer – CEO:

- 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.
- Creates, communicates and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for fixing prices and signing business deals
- Responsible for providing direction for the business
- Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization
- Reports to the board

Admin and HR Manager

- Responsible for overseeing the smooth running of HR and administrative tasks for the organization
- Maintains office supplies by checking stocks; placing and expediting orders; evaluating new products.
- Defines job positions for recruitment and managing interviewing process
- Carries out induction for new team members
- Responsible for training, evaluation and assessment of employees
- Arranges travel, meetings and appointments
- Oversees the smooth running of the daily office activities.

Plant Manager:

- Responsible for overseeing the smooth running of the Three-wheelers rickshaw assembling plant
- Part of the team that determines the quantity, colors and sizes of Three-wheelers rickshaw that are to be produced
- Maps out strategy that will lead to efficiency amongst workers in the plant
- Responsible for training, evaluation and assessment of automobile engineers and other plant workers
- Ensures that the steady flow of both raw materials to the plants and easy flow of finished products through wholesale distributors to the market

- Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
- Guarantees that the factory meets the expected safety and health standard at all times.
- Controls distribution and supply inventory
- Supervises the workforce in the assembling plant.

Sales and Marketing Manager

- Manages external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones
- Identifies, prioritizes, and reaches out to new partners, and business opportunities et al
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Develops, executes and evaluates new plans for expanding increase sales
- Documents all customer contact and information
- Represents the company in strategic meetings
- Helps to increase sales and growth for the company

Automobile Engineers/Technicians

- Responsible for operating machines used in the assembling of Three-wheelers rick-shaw
- Ensures that only well tested and durable Three-wheelers rick-shaw are rolled out from the assembling plant
- Handles any other duty as assigned by the plant manager or supervisor

Accountant/Cashier:

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects.
- Responsible for 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 organization
- Serves as internal auditor for the organization

Client Service Executive/Front Desk Officer

- Welcomes guests and clients by greeting them in person or on the telephone; answering or directing inquiries.
- Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provides the client with a personalized customer service experience of the highest level
- Through interaction with clients on the phone, uses every opportunity to build client's interest in the company's automobile brand
- Consistently stays abreast of any new information on the company's products, promotional campaigns etc. to ensure accurate and helpful information is supplied to clients
- Receives parcels/documents for the company
- Distribute mails in the organization

6.0 SWOT Analysis

We are building a standard car assembling facility business with three wheelers-rick Shaw, motor cycles, cars, trucks and trailers that can compete with other leading brands which is why we have decided to subject our business idea to SWOT Analysis.

VICHWA Brands Assembling Facility is to engaged in business to become one of the leading assembling facility in Tanzania and we are fully aware that it will take the right business concept, management and organizational structure to achieve our goal.

We are quite aware that there are other motor vehicles and automobile assembling facilities all over the Tanzania, 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 equipped to confront our threats.

VICHWA Brands Assembling Facility will employ the services of an expert HR and Business Analyst with bias in the motor vehicles, three wheelers/tri cycle-rick Shaw, motor cycles and automobile industry 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.

Here is the result we got from the SWOT analysis that was conducted on behalf of VICHWA Brands Assembling investment Facility;

- **Strength:**

VICHWA Brands Assembling Facility is centrally located in a densely populated un-surveyed industrial area in Ukonga, Ilala District of Dar es Salaam Region in

Tanzania; our location is in fact one of our major strength. We have imported state of the art for motor vehicles, three wheelers-tri cycle and motor cycles assembling equipment and we are also expected to be one of the very few assembling facility in the whole Dar es Salaam region that assembles both India, Chinese, Japanese and other countries Complete Knocked Down Manufactured parts to the quality movable products of three wheelers, motor cycles, car, trucks and trailers.

Another strength that counts for us is the power of our team; our workforce and management. We have a team of experts in the Three-wheelers rick-shaw and car assembling business, a team of hardworking, highly creative and dedicated individuals.

- **Weakness:**

VICHWA Brands Assembling Facility is a new business which is owned by Tanzania diaspora, and we may not have the financial muscle to sustain the kind of publicity we want to give our business. As a new business, we are also quite aware that it will take time for us to build trust with our clients.

- **Opportunities:**

We are strategically located in one of the busiest industrial areas in Ilala District of Dar es Salaam region in Tanzania and we are open to all the available opportunities that the city has to offer. Our business concept also positions us to be a one stop outlet in the assembling facility business. The truth is that there are no standard assembling facilities within our area; for types of products we want to assemble the closest facility to our proposed location is in another region-Coast. In a nutshell, we do not have any direct competition within our target market area.

- **Threat:**

Some of the threats that are likely going to confront VICHWA Brands Assembling Facility is unfavorable government policies, seasonal fluctuations, and downturn in the economy which is likely going to affect consumer spending and of course emergence of new competitors within the same location where our plant is located.

7.0 MARKET ANALYSIS

7.1 Market Trends

If you have ever taken your time to study three wheelers-rickshaws, motorcycles, cars, truck and trailers patronage and usage in the Tanzania and other markets of East Africa and SADC regions, you will have noticed that Tanzanian especially

the low and middle class make use of mobility using three wheelers -rickshaws, motor cycles and cars that are manufactured in other continents.

This goes to show that there is a thriving business for local Assemblers of three wheelers -rickshaws, motor cycles and cars in the Tanzania and in the regional markets of East Africa and SADC regions.

Three wheelers -rickshaws, motor cycles and cars assembling business responds to the increase in household spending and increase in the earning power of people.

In Tanzania and in most developing countries of the world, three wheelers-rickshaws, motor cycles and cars with low fuel consumption and easy manuvability are highly selling. This is why most assembling facilities will ensure that they get it right with their fuel consumption and other factors that will help them sell their Three-wheelers rick-shaw.

8.0 Our Target Market

Those who purchase three wheelers, motor cycles and cars cut across all genders above 18 years with the business, financial generation means; hence the target market for assembling facility business is all encompassing. We are in business to whole sale and retail a wide range of brand new locally assembled three wheelers, motor cycles and cars to the following groups of people;

- Shuttles vendors
- Students
- Low and Middle Class Families
- Upper Class Families
- Corporate Organizations
- Government Agencies
- Celebrities

Our Competitive Advantage

Three wheelers, motor cycles and Car assembling facility is a highly creative industry. We aware of this which is why we decided to come up with a business concept that will position us to become one the leaders in Tanzania market and beyond

Our competitive edge is that we are standard assembling facility that can boast of having some of the finest automobile engineers and technicians. We will ensure that only durable and efficient three wheelers, motor cycles and cars are rolled out from our Three-wheelers rick-shaw assembling facility. We can confidently say that the location of our facility will definitely count as a positive for us amongst any competitor that might start motor vehicles assembling business in the same location.

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.

9.0 SALES AND MARKETING STRATEGY

- **Sources of Income**

VICHWA Brands Assembling Facility is established with the aim of maximizing profits in the Three-wheelers rick-shaw assembling line of business and we are going to do all it takes to attract clients on a regular basis.

10.0 Sales Forecast

We are well positioned to take on the available market in Tanzania, East Africa and SADC regions and we are quite optimistic that we will meet our set target of generating enough income from the first six months of operation and grow our business and our clientele base.

We have been able to critically examine the three wheelers, motor cycles and cars assembling market and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. Below are the sales projection for VICHWA Brands Assembling facility, it is based on the location of our business and of course the wide range of three wheelers, motor cycles and cars that we will be rolling out from our assembling facility;

- **First Year:** U\$3 Million
- **Second Year:** U\$6 Million
- **Third Year:** U\$10 Million

N.B: This projection was done based on what is obtainable in the three wheelers, motor cycles and cars assembling line of business and with the assumption that there won't be any major economic meltdown. Please note that the above projection might be lower and at the same time it might be higher.

- **Marketing Strategy and Sales Strategy**

The marketing strategy for VICHWA Brands Assembling Facility is going to be driven basically by unique three wheelers, motor cycles and cars brand, excellent customer service, honesty and efficiency. We will ensure that we build a loyal customer base. We want to drive sales via the output of our brands and via referral from our satisfied customers.

VICHWA Brands Assembling Facility is strategically located and we are going to maximize the opportunities that are available in our location. Our sales and marketing team will be recruited based on their vast experience in the industry

and they will be trained on a regular basis so as to be well equipped to meet their targets.

Our goal is to grow VICHWA Brands Assembling facility to become the leading three wheelers, motor cycles and cars assembling company in Tanzania and beyond which is why we have mapped out strategies that will help us take advantage of the available market and grow to become a major force to reckon with in the three wheelers, motor cycles and cars assembling industry.

VICHWA Brands is set to make use of the following marketing and sales strategies to attract clients;

- Introduce our three wheelers, motor cycles and cars assembling facility business and brand by sending introductory letters alongside our brochure to corporate organizations, government agencies, three wheelers, motor cycles and cars dealership, households and key stake holders in all over Tanzania, East Africa and SADC regional markets
- Print out fliers and business cards and strategically drop them in offices, libraries, public facilities and train stations et al.
- Use friends and family to spread word about our business
- Post information about our company and our car brands on bulletin boards in places like bars, automobile exhibition centers, libraries, and local coffee shops et all
- Leverage on referral networks such as agencies that will attract clients who would need our Three-wheelers rick-shaw brand
- Advertise our Three-wheelers rick-shaw assembling Plant Company in relevant auto magazines, newspapers, TV and radio stations.
- Attend relevant expos, seminars, and automobile business fairs et al to market our Three-wheelers rick-shaw brands
- Engage in direct marketing approach
- Join local chambers of commerce and industry to market our Three-wheelers rick-shaw brand.

11.0 Publicity and Advertising Strategy

VICHWA Brands Assembling Facility is set to create a standard for three wheelers, motor cycles and cars assembling business in Ukonga, Ilala, Dar es Salaam region and throughout the United Republic of Tanzania and beyond which is why we will apply best practices to promote our three wheelers, motor cycles and cars brand. Good enough there is no hard and fast rule on how to advertise the Three-wheelers rick-shaw brand.

We will ensure that we leverage on all advertising techniques to promote our three wheelers, motor cycles and cars business. Here are the platforms we intend leveraging on to promote and advertise VICHWA Brands Assembling Facility:

- Encourage our loyal customers to help us use Word of Mouth mode of advertisement (referrals)
- Advertise our Three-wheelers rick-shaw assembly plant business in relevant automobile magazines, local newspaper, local TV and local radio stations
- Promote our business online via our official website
- List our business on local directories (yellow pages)
- Sponsor relevant community programs
- Leverage on the internet and social media platforms like; Instagram, Facebook, twitter, et al to promote our Three-wheelers rick-shaw brand
- Install our billboards on strategic locations in and around all regions of Tanzania
- Direct coupon mailing approach
- Engage in road show from time to time in target communities
- Distribute our fliers and handbills in target areas

12.0 Our Pricing Strategy

Our pricing system is going to be based on what is obtainable in the three wheelers, motor cycles and cars assembling line of business, we don't intend to sell our three wheelers, motor cycles and cars more (except for special orders /customized three wheelers, motor cycles and cars) and we don't intend to sell less than our competitors are selling.

Be that as it may, we have put plans in place to offer discount once in a while and also to reward our loyal customers especially when they refer clients to us. The prices of our three wheelers, motor cycles and cars will be same as what is obtainable in the open market.

- **Payment Options**

The payment policy adopted by VICHWA Brands Assembling Facility will all be 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 United Republic of Tanzania.

Here are the payment options that VICHWA Brands Brand will make available to her clients;

- Payment via bank transfer
- Payment via online bank transfer
- Payment via check
- Payment via mobile money transfer
- Payment via bank draft

In view of the above, we have chosen banking platforms that will enable our client make payment for our Three-wheelers rick-shaw without any stress on their part. Our bank account numbers will be made available on our website and promotional materials.

13.0 Startup Investment Expenditure (Budget)

We have been able to pull cash that will be enough for us to successfully launch a standard Three-wheelers rick-shaw assembling facility in our proposed location at Ukonga.

These are the key areas where we will spend our startup capital on;

- The Total Fee for Registering the Business in Tanzania U\$ 750.
- Legal expenses for obtaining licenses and permits – U\$3,500.
- Marketing promotion expenses (2,000 flyers at U\$0.04 per copy) for the total amount of U\$13,580.
- The cost for hiring Business Consultant – U\$5,000.
- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium – U\$30,800.
- The cost of accounting software, CRM software and Payroll Software – U\$10,000
- The total cost for leasing standard plant facility- U\$500,000.
- The total cost for facility remodeling – U\$700,000.
- The amount needed for phone and utility deposits – U\$3,500
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – U\$400,000
- The cost for Start-up inventory – U\$150,000
- The cost for store equipment (cash register, security, ventilation, signage) – U\$13,750
- The cost for automobile tool box and equipment – U\$50,000
- The cost for the purchase of furniture and gadgets (Computers, Printers, Telephone, TVs, Credit card machine, POS, tables and chairs et al) – U\$4,000.
- The cost of Launching a Website – U\$600
- Miscellaneous: U\$100,000

We would need an estimate of three million five hundred thousand US dollars (U\$3.5 million)) to successfully launch our Three-wheelers rick-shaw assembling plant business in Ukonga, Ilala Dar es Salaam, Tanzania.

Generating Startup Capital for VICHWA Brands

VICHWA Brands Assembling Facility will be owned and managed by Richard Nixon and his immediate family members. They are the sole financiers of the business which is why they decided to restrict the sourcing of the startup capital for the business to just three major sources.

These are the areas we intend generating our start – up capital;

- Generate part of the startup capital from personal savings and sale of directors stocks

- Generate part of the startup capital from friends and other extended family members
- Generate a larger chunk of the startup capital from the bank (loan facility).

N.B: We have been able to generate about U\$1.5 million (Personal savings \$1 million and soft loan from family members U\$500,000) and we are at the final stages of obtaining a loan facility of U\$2 million from our bank. All the papers and documents have been duly signed and submitted, the loan has been approved and any moment from now our account will be credited.

14. Sustainability and Expansion Strategy

One of our major goals of starting VICHWA Brands Assembling Facility 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 ensure that we roll out durable and highly competitive Three-wheelers rick-shaw from our Three-wheelers rick-shaw assembling plants.

At VICHWA Brands Assembling Facility, we will make sure that the right foundation, structures and processes are put in place to ensure that our staff welfare are well taken of. Our company's corporate culture is designed to drive our business to greater heights and training and retraining of our workforce is at the top burner.

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 ten years or more. We know that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.