

SHEBY MIX TRANSPORT

Business Plan

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EXECUTIVE SUMMARY

Who We Are

Sheby Mix Transport ("Sheby Mix Investment Limited" or "The Company") is a unique and old hauling company in Southern parts of Tanzania, located in Mtwara Municipal Council. It is a freight trucking company that will provide long and short haul trucking services. Sheby Mix Transport will be owned by Sheby Mix Investment Company Limited under its President and CEO Mr. Shabani Bushiri, who has extensive experience in the transportation industry and trucking business.

Initially, Sheby Mix Transport will focus on transporting freight within Tanzania regions before extending the business channels to other East African Countries. One of the keys to success in the trucking industry is to find a niche and dominate it, which is why ultimately Sheby Mix Transport will specialize in Tanzania deliveries.

The Company seeks to raise interest in its freight trucking business and to seek out financial and practical support. By showing that the Company has a well-thought-out plan, it believes that business people and financial institutions will recognize the potential in this endeavor and will support it. Sheby Mix Transport would appreciate your serious consideration of this business plan.

Sheby Mix Transport can be launched for approximately 3.99 Million USD, largely representing the cost of a conventional truck with a sleeper. Start-up costs will be minimal as it is initially targeting to serve local clients especially from Mtwara, Lindi and Ruvuma Regions before encompassing to other Tanzania regions. The Company expects to fund the start-up costs through a loan and company equity.

Within three years, Sheby Mix Transport will seek to expand by hiring employees and purchasing additional trucks.

What We Sell

In the beginning, the Company will travel wherever necessary to obtain business but plans to ultimately specialize in South-West deliveries.

Sheby Mix Transport will be especially attractive to companies in need of delivery services in the South-Western part of the country as many drivers are not interested in tackling this area. This is largely because of the tolls, poor parking and heavy traffic. The Company will specialize in these types of deliveries.

At the onset of the operation, Sheby Mix Transport will operate one truck and will directly provide freight hauling services to retailers, product distributors & others.

Who We Sell To

Sheby Mix Transport intends to operate as a general carrier of merchandise for companies and individuals, especially in Southern parts of Tanzania. As such, it is difficult to determine the average customer of the Company as Sheby Mix Transport will have the licensure and the ability to effectively move almost any type of agricultural and industrial goods.

Initially, Sheby Mix Transport will focus specifically on transporting industrial goods and all agricultural inputs and end products. By serving as leading transportation company, Sheby Mix Transport will provide a more affordable shipping solution for new and growing companies that will not opt to purchase their own trucks.

Objectives

Over the first three years of operations, Sheby Mix Transport will seek to meet the following objectives:

- Obtain start-up funding (essentially, all trucks that will be required)
- Purchase a conventional truck with a sleeper
- Achieve strong annual revenue within the first year
- By year 3, purchase additional trucks and hire additional drivers

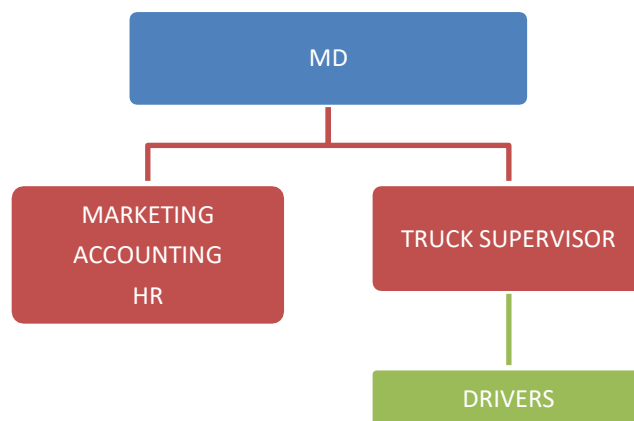
Management

Sheby Mix Transport as founded by Mr. Shabani Bushiri, who has extensive experience in the transportation and trucking industries. Through his expertise, he will bring the operations of the business to profitability within its first year. Mr. Shabani Bushiri owns 40% of Sheby Mix Investment Company Ltd and he is well respected by the trucking professionals with whom he has worked.

Management chart

The business operational layout is pivotal to the success of Sheby Mix Transport business operations. There will be a General Truck Supervisor that will be stationed permanently at Plot No. 46, Mikocheni Light Industrial Area, Kinondoni - Dar es Salaam Office to coordinate and supervise loading. He will also coordinate the drivers and give daily feedback to management.

The truck supervisor will also submit daily loading waybill to the accountant to compute accounting records and draft weekly invoice to Nestle for processing. Apart from providing accounting support. The truck supervisor will also coordinate routine maintenance of the fleet and handle unexpected repair developments with respect to the trucks.



Management Chart

Operational process flow

	<p>Managing Director</p>	<ul style="list-style-type: none"> • Will be responsible for managing the drivers, coordinating loading and offloading processes, truck servicing and maintenance, keeping all accounting documentations such as invoicing, recording and payment.
	<p><i>Truck Supervisor</i></p>	<ul style="list-style-type: none"> • <i>Will be responsible for daily loading coordination and management of the drivers and ensuring the trucks are well managed.</i>
	<p><i>Marketing Manager</i></p>	<ul style="list-style-type: none"> • He/she would be responsible for sourcing customers for the company, expanding the company’s market and overall sales. • He would be reporting to the Managing Director.
	<p><i>Accountant</i></p>	<ul style="list-style-type: none"> • <i>He/She will be responsible for liaising with the truck supervisor for daily truck loading records.</i> • <i>He/she will also be responsible, for submitting invoice, ensuring prompt payment by client.</i> • <i>Keeping all financial records, making all financial transactions such as truck servicing and maintenance payment, truck part purchase etc</i>
	<p><i>Drivers</i></p>	<ul style="list-style-type: none"> • <i>Drivers are the nerve-center of the trucking business.</i> • He would be responsible for product transportation from factory to buyer’s company. He would be also responsible for other company’s general logistic. • The driver will be responsible for: driving long distances, reporting to a dispatcher any incidents encountered on the road, following all applicable traffic laws, inspecting the trailer before & after trips, & keeping log of their activities.

Market Need

Large established companies tend to have their own truck fleets, but many smaller companies outsource the freight transportation function. The latter vary in the scale of their operations, even large companies have a steady demand for reliable transportation solutions. Sheby Mix Transport will actively solicit such customers to meet this need.

Market research also shows that customers in the trucking industry are price sensitive, and they value on-time deliveries, special handling capabilities, and less-than-truck load orders. Customer referrals also strongly influence the buying decisions of these customers. Sheby Mix Transport has taken this into consideration as it prepares its marketing plan.

Competitive Edge

Sheby Mix Transport offers the following advantages to customers:

- **Quality Service.** Customers will be provided with courteous, prompt, and dependable service. The Company will develop a reputation for timely deliveries and intends to build upon that.
- **Competitive rates.** The Company will be able to provide competitive rates to customers because of its low-cost inputs.
- **Package handling.** By maintaining dependable and safe equipment, Sheby Mix Transport will ensure that there is no damage to customer's cargo.
- **Experience.** Another major competitive advantage for the Company is the vast industry experience and solid reputation of its owner, Mr. Shabani Bushiri.

Most importantly, Sheby Mix Transport will establish a competitive edge through its dogged focus on on-time deliveries. Software systems, communication systems, operational choices and marketing materials will all be oriented around this goal. By making customers more assured of on-time delivery with Sheby Mix Transport than with competitors, they will be more likely to hire the Company, as they can never be sure when a few hours can make an incredible difference to their potential revenues or expenses.

Company

Company Overview

1.3. About Sheby Mix Investment Ltd

Sheby Mix Transport ("Sheby Mix Investment Ltd" or "The Company") is a new Tanzanian Investment Company, located in Mtwara Municipal Council.

From 2013, Sheby Mix boasts of a vehicle fleet of over 90 trucks and Lorries which were almost new before deciding to shift into a gypsum market

Our fleet at a glance;

1. 50 Units of 30 tons Scania Trucks
2. 20 Units of 10 tons Tata and Eicher Trucks
3. 20 Units of 7 tons Tata and Eicher Trucks

Supplied by Scania Tanzania Limited and Tata Africa Holdings our fleet meet high international safety standards and our drivers are guided by our policy of 'Safety First' Sheby Mix drivers have undergone training in defensive driving making us amongst the top transport safety team.

We have all our trucks fitted with GPS tracking systems which enable tracking of cargo as it is moved from one point to another. All our drivers adhere to high road safety standards contributing to incident and accident free, efficient and timely transportation of cargo.

Sheby Mix Transport is a business to be operated under this company as a freight trucking project that will provide long and short haul trucking services along East and Central Africa (Kenya, Uganda, Rwanda, Burundi, Sudan and DRC Congo and multiple routes within Tanzania)

Sheby Mix Transport aims to be one of the best freight trucking business on the Sub Saharan countries, specifically the East and Central Africa. Initially, the Company will specialize in Southern of Tanzania (Mtwara, Lindi & Ruvuma) deliveries

The Company seeks to raise interest in its freight trucking business and to seek out financial and practical support. By showing that the Company has a well-thought-out plan, it believes that business people and financial institutions will recognize the potential in this endeavor and will support it. Sheby Mix Transport can be launched for approximately \$20,000, largely representing the cost of conventional truck with a sleeper.

The Company expects to fund the start-up costs through a loan and personal contributions. Within three years, Sheby Mix Transport will seek to expand by hiring employees and purchasing additional trucks.

Our Client List

Sheby Mix, has experience of more than 4 years on Transport services. We have served Tanzania's leading Brands in the past, that gives us the confidence and experience to do better on providing transportation services. Our past clients to mention a few includes

- RUNALI Cooperative Union
- Smart Builders Limited
- Transit & Domestic Cargo for Small and Medium Traders
- Dangote Cement (T) Limited

Mission Statement

Sheby Mix Transport's mission is to earn the reputation as one of the leading freight trucking companies in Tanzania.

The Company will simplify freight transport for local businesses, becoming their "partner" in efficient and reliable delivery. Sheby Mix

Transport will use:

- On-time, accurate deliveries from destination to destination; and
- Partnerships with other trucking companies, distribution centers and warehousing businesses to achieve its goals.

Locations and Facilities

Initially, the project will use the existing company's office at Plot No. 46, Mikocheni Light Industrial Area, Kinondoni - Dar es Salaam and will equip all required personals for running hauling and logistic company. This is because trucking companies require little equipment and personnel to start. As the business grows, Sheby Mix Transport will obtain space that provides a traditional office for employees to comfortably work as well as space to house and park its trucks.

Products and Services

Products and Services

Sheby Mix Transport will provide freight trucking services.

In the beginning, the Company will travel wherever necessary to obtain business but plans to ultimately specialize in Tanzania deliveries before extending to other East African Countries. Sheby Mix Transport will be especially attractive to companies in need of delivery services in the Southern part of the country as many drivers are not interested in tackling this area. This is largely because of the tolls, poor parking and heavy traffic. The Company will specialize in these types of deliveries.

At the onset of the operation, Sheby Mix Transport will operate One Hundred trucks and directly provide freight hauling services to manufacturers, retailers, product distributors & others.

A few keys to maintaining a successful trucking operation are to:

- Find a niche and dominate it
- Have an inbound load for every outbound load
- Ensure that customers can easily and quickly place orders for shipping merchandise short or long distances throughout the local and regional area

Sheby Mix Transport plans to do all of these things. Initially, all transportation services will be handled exclusively a small team to be built. When additional employees are hired, trucks will be operated by qualified, well-trained drivers with spotless records. Drivers will also be safety trained and re-tested for knowledge of laws as they change.

A dedicated suite of software and communication systems will also be put in place to allow for the logistical management.

Competitors

On its face, Sheby Mix Transport will face some stiff competition. An analysis of the road freight industry/ market shows that there are many professional & private companies/ operators as well as casual & parttime companies & owners that exist in Tanzania.

Despite the competition, Sheby Mix Transport:

- Provides great value for the money
- Is a full-time operation
- Has extensive experience
- Specializes in difficult Southern regions deliveries & therefore can capture a significant sector of the market.

Although there are major players in the industry, the market itself remains highly fragmented. According to the online data there are numerous companies providing different kinds of trucking services.

As the Company grows and Sheby Mix Transport begins penetrating to the market its competition will be freight delivery companies with a comparable truck fleet.

The industry is geographically oriented such that most of Sheby Mix Transport's clients will in the massively come from Southern regions, however, by taking on accounts with clients in other regions, The Company will have additional opportunities to expand their services, increase revenue, and reduce operating costs. For example, a pickup and delivery in or near the driver's last delivery destination reduces the Company overhead of a truck returning to Mtwara with an empty trailer.

Competitive Advantages

In addition to competing with other trucking companies, including national carriers, Sheby Mix Transport will compete with rail and air cargo transportation. However, for the distances it intends to travel, and due to the few rail lines over the countries it intends to operate, trucking is at an advantage.

From the weaknesses outlined from the existing competitors, Sheby mix Transport will focus on winning the market by investing much on the following areas:

- i. **Load Sensor Technology:** Load sensor is a newly introduced technology yet to be adopted by many haulage and logistic company. It allows haulage companies to monitor date and time of loading activities, measures and monitors weight of content, Notification/ alert system, Access to monitor all information online, loading events, Unloading events, location of events, real time location of vehicle. This will aid in efficient management of Sheby Mix Transport's trucks.
- ii. **Management Structure:** Our goal is to build a Haulage and Logistics company that its operations will cover the whole of East and middle Africa countries and extend through African nations. The market is big, so we plan to be big. Hence, we are very keen about standards, business cultures, core values, budgeting, record keeping, administration, leadership, customer service etc. We are to build a surviving company with strict business processes and procedures.
- iii. **Human Resource:** This is one cardinal area where several haulage and logistics company get it wrong. Several Haulage companies hire based on demand; and because the demand for drivers may be unpredictable, they respond with carry out all due diligence. Drivers are the life wires of haulage businesses. Your driver can make or mar your business therefore, at Sheby Mix Transport, recruitment will be a top managerial priority. We shall ensure our drivers are licensed and well-trained to drive the particular vehicle. We shall also put a place an incentive system. Drivers who make more trips than the expected average will get an incentive. There will also be rewards for road safety (speed limits, no accidents or traffic violations), cleanliness of the vehicle, and keeping to recommended maintenance and service routines.
- iv. **Maintenance:** As simple as it sounds. Many haulage companies take this for granted. Majority do not have a routine maintenance time. Maintenance are done when trucks breakdown. At Sheby Mix Transport, we believe the level of maintenance and quality of servicing the truck receives would go a long way to promote the life span of the truck. We shall put in place a systematic routine maintenance time. We shall also enter a monthly retainer with a mechanic who will be willing and able to provide 24/7 services and who would be willing to

travel over long distances in case any of our trucks breaks down on a trip. When our trucks increase to 5 trucks we will employ an in-house mechanic or team of mechanics to handle maintenance and repairs.

- v. **Security and Tracking Monitoring:** Several haulage and logistics company limit the work of a vehicle tracker to simply tracking truck location. Fortunately, Security and tracking features on trucks can and will be utilized in running the business. This tool will aid in tracking truck location, average speed, mileage, fuel use, routes taken and many more interesting

MARKET

Market Overview

The commercial trucking industry serves as a key link between raw material suppliers, manufacturers, wholesalers, distributors, and retailers in most industries. According to the African Development Bank Group (AfDB), the industry includes dry van, flatbed, refrigerated and bulk/tank trucking over short-haul (up to 100 miles), medium-haul (100 to 250 miles), and long-haul (250 miles and up).

The African economy depends on trucks to deliver nearly 80 percent of all freight transported annually in the African Countries accounting for \$671 billion worth of manufactured and retail goods transported by truck in the East and Central Africa alone. The East African Transport Strategy and Regional Road Sector Development Program, reports there is an estimated 15.5 million trucks operating in the East Africa. One out of nine are independent owner operators and there are over 1,000 companies in Tanzania. Of those, 82% own and operate less than 6 or fewer trucks.

In Tanzania over 95% of operators are private companies with public operators accounting for less than 5%.

Operators from neighboring countries compete in the market for back-hauls. The international operators tend to have larger fleet sizes and operate the largest vehicle configurations. It is estimated that there are about 50 companies in the international market with fleets of 300 to 500 trucks.

The major national road transport association is Tanzania Truck Owners Association, located in

Dar es Salaam; number of memberships counts approximately 270 operators, and additionally more than 200 operators not belonging to the association.

Market Segments

The market analysis table covers likely market segments within the seven states which Sheby Mix Transport will serve;

i. Raw Material Suppliers

Shipping large quantities of materials to and from large manufacturers in the East and Central Africa countries such as Kenya, Uganda, Rwanda, Burundi, Sudan and DRC Congo and multiple routes within the country regions. These materials generally do not require refrigeration or temperature control. Manufacturers maintain some on-site storage for these supplies and generally have some flexibility as to when deliveries can be received, except when projections are mistaken and supplies drop low. Packaging supplies also must be shipped to manufacturers and are included in this group.

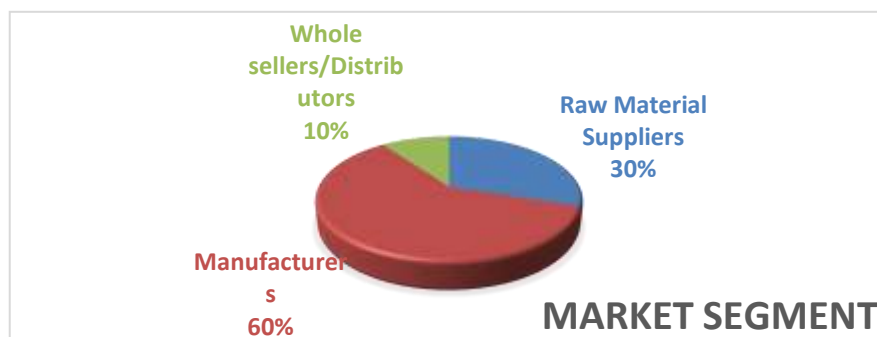
ii. Manufacturers

Often outsource the distribution of their goods to businesses that specialize in serving one the type of retailer or business. Their packaged goods are often shipped to only one wholesaler/distributor, creating a regular business in shipping between the two locations.

iii. Wholesalers/Distributors

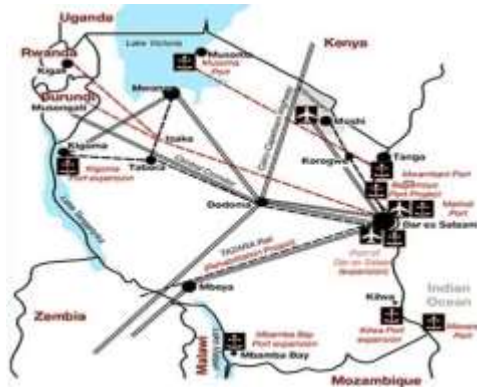
That serve large retailers assemble truckloads of goods from the many manufacturers they serve. While they often have their own trucks or distribution means, some of these firms do not either because they are smaller or because they attempt to limit their investment in assets.

Others may require additional trucking support when they are operating at capacity but not prepared to expand their shipping capacity.



Market Needs

According to Tanzania transport sector report, at least 95% of all shipments are delivered by truck. This means that all goods shipped in the Tanzania are primarily shipped and delivered by truck. leaving an overwhelming need for drivers and companies to deliver said goods.



Hoover's, a provider of comprehensive industry data, writes that "demand is driven by consumer spending and manufacturing output. The profitability of individual companies depends on efficient operations. Large companies have advantages in account relationships, bulk fuel purchasing, fleet size, and access to drivers. Small operations can compete effectively by providing quick turnaround, serving a local market, or transporting unusually sized goods.

Large established companies tend to have their own truck fleets, but many smaller companies outsource the freight transportation function. The latter vary in the scale of their operations, but have a steady demand for reliable transportation solutions. Sheby Mix Transport will actively solicit such customers to meet this need.

Market research shows that customers in the trucking industry are price sensitive, and they value on-time deliveries, special handling capabilities, and less-than-truckload orders. Customer referrals also strongly influence the buying decisions of these customers. Sheby Mix Transport has taken this into consideration as it prepares its marketing plan.

Market Trends

Tanzania's transport sector rose by 55% in value during 2009–2014, from USD1.3b to USD2.1b, contributing 4.4% to the country's GDP. Main growth drivers include the increase in the number of passengers carried and freight handled through road transport.

As the economy grows, the demand for goods will continue to increase, and more truck drivers will be needed to keep supply chains moving. Trucks transport most of the freight in Tanzania, so as households and businesses increase their spending, the trucking industry will continue grow.

As fuel prices rise, some companies may switch their shipping to rail to lower costs. However, rail is unlikely to take much market share away from trucks, because even with high diesel prices for truck fuel, trucks are more efficient for short distances. Additionally, many products need to be delivered within the short time frame that only trucks can operate.

Key Customers

Sheby Mix Transport intends to operate as a general carrier of merchandise for companies and individuals, especially in Tanzania. As such, it is difficult to determine the average customer of the Company as Sheby Mix Transport will have the licensure and the ability to effectively move almost any type of merchandise.



Sheby Mix Transport will initially focus specifically on being an independent contractor to transportation companies in Maryland and the surrounding area. By serving as an independent contractor, the Company can provide a more affordable shipping solution for new and growing companies than purchasing their own trucks. Sheby Mix

Transport will also serve larger trucking companies who simply don't have enough drivers for delivery but at the same time, is not interested in hiring additional full-time employees.

After the first 2 years, the Company will concentrate specifically on the East Africa Countries with a range of customers that require freight delivery services. Sheby

Mix Transport will enter into its own contracts and begin to directly provide freight hauling services to retailers, product distributors & others.

Strategy and Implementation

Marketing Plan

Overview

Sheby Mix Transport intends to maintain a marketing campaign that will ensure maximum visibility for the business in its targeted market. Below is an overview of the marketing strategies and objectives of Sheby Mix Transport:

- Establish relationships with freight brokerages and transportation companies in need of freight delivery services within the targeted market.
- Develop an online presence by developing a website and placing the Company's name and contact information with online directories.

Positioning

The strategy of Sheby Mix Transport is to consolidate excellent customer service with timely deliveries and a competitive pricing structure.

Key components of the Company's initial strategy can be summarized as follows:

- Establish independent contractor status with various companies.
- Deliver freight wherever needed until Sheby Mix Transport is financially able to specialize in all regions within Tanzania boundaries.

The Company's main source of advertising will be the internet, referrals, and repeat business.

Pricing

Pricing most of the time is usually fixed by the organization we are providing the service for a long period of time. Although the pricing rate differ from one client to another. The price is majorly determined by the location the product will be transported to, as different locations have different prices and the long the distance the price increases. Before deciding to service any company, we ensure the price offered is sufficient to offset all bills which include driver's payment, maintenance, manager's fee, TRA Charges, and other anticipated expenses. Once all these are covered and there is a minimum profit margin of between 6,590\$ to 7,460\$ each truck for a month, then we are set to enter into a business relationship with the prospect.

SALES STRATEGY

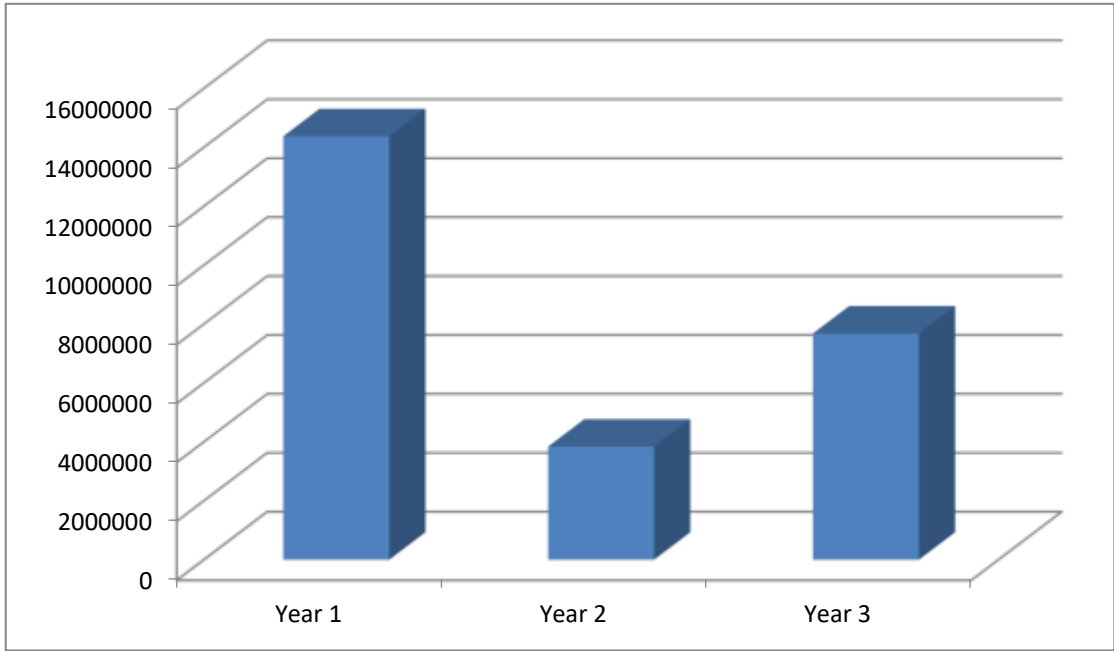
Personal Selling: we shall be using personal selling to drive product sales. We are using this marketing communication mix because of the type of product we are selling and the type of consumers we are dealing with. Our core target group is comprised of corporate organizations who will require considering the number of trucks we have and their condition before considering doing business with us. Hence, personal selling is a better form of reaching this prospect and it will aid in clarifying on questions or concern the client may have.

SALES FORECAST

Our focus for the first two years is to transport only local goods. We plan to start hauling goods outside Tanzania in the third year of our business operations. A minimum of two trips will be done a week. A minimum total of eight in a month. A trip cost range between 1,293.9 to 1,473\$. A minimum total of 11,980.2\$ will be generated in a month. A minimum revenue of 143,762.4\$ is expected per year for each truck.

Our projection is to purchase a total of 200 trucks in the third year of business operations. This will increase our revenue by 70%.

SALES PROJECTION FOR THE FIRST 3 YEARS IN \$



Promotion

Sheby Mix Transport will focus its promoting strategy on the following areas:

- **Web Presence**-Establishing a strong web presence with an informative website.
- **On-Time Reputation**-Building and maintaining an on-time reputation that commands revenue per mile slightly over the industry average
- **Target Market**-Targeting other transportation companies in need of assistance with freight delivery
- **Emphasis on service** – Sheby Mix Transport will differentiate itself by providing premium services to its customers. It will establish new business by offering competitive prices and flexibility for our clients needs.
- **Build a relationship-oriented business** – Building long-term relationships with customers will be a strong attribute of Sheby Mix Transport. Customers can trust that they will be provided the delivery services they require.

Distribution

Sheby Mix Transport's deliveries will feature:

- Low Distribution Costs
- Fast Delivery
- Optimal Payload Utilization
- Quick Turnaround Times
- Proper Route Planning and Analysis
- Fuel Efficiency

Milestones

Milestone	Due Date	Details
Obtain Funding	January - July 2022	Obtain necessary funding to purchase a truck
Purchase Truck	August,2022- January 2023	Purchase truck necessary to make first delivery
Make First Delivery	February 2023	Contracts will be quickly established to make deliveries

SWOT Analysis

Strengths

1. Extensive owner experience and knowledge of the trucking industry.
2. Competitive pricing
3. Long-term contracts with major trucking companies
4. Premium quality service and on-time delivery

Weaknesses

1. Start-up funding needed
2. Currently limited to 1 truck
3. Initially limited to independent contracting with larger transport companies

Opportunities

1. Increase sales opportunities beyond other transportation companies
2. Strategic alliances offering resources for referrals and marketing
3. Ability to grow quickly because of increases in market demand
4. Take advantage of the fact that many trucking companies do not like to travel in the Northeast

Threats

1. Likely entry of potential new competitors
2. Possible new regulations
3. Rising costs of fuel, maintenance and repairs
4. Possible winters with weather that makes driving a truck difficult/impossible

Competitive Edge

Sheby Mix Transport offers the following advantages to customers.

Quality Service. Customers will be provided with courteous, prompt, and dependable service. The Company will develop a reputation for timely deliveries and intends to build upon that.

Competitive rates. The Company will be able to provide competitiverates for our customers because we have low cost inputs.

Package handling. By maintaining dependable and safe equipment, Sheby Mix Transport will ensure that there is no damage tocustomer's

cargo.

Experience. A major competitive advantage for the Company is the vast industry experience and solid reputation of its owner, John Smith.

Most importantly, Sheby Mix Transport will establish a competitive edge through its dogged focus on on-time deliveries. Software systems, communication systems, operational choices and marketing materials will all be oriented around this goal. By making customers more assured of on-time delivery with Sheby Mix Transport than with competitors, they will be more likely to hire the Company, as they can never be sure when a few hours can make an incredible difference to their potential revenues or expenses.

Marketing Activities

Sheby Mix Transport intends to use a multitude of marketing strategies to promote and expand its freight trucking business. The Company will maintain a listing in the Yellow Pages, create marketing campaigns within local newspapers, and promote the business through word of mouth advertising.

The Company also intends to maintain a website that allows customers to contact them directly over email for more information regarding freight trucking services and pricing quotes. As the Company expands, the website will be upgraded to include higher levels of functionality and support.

As an extra incentive for customers and potential customers to remember the name, The Company plans to distribute coffee mugs, T-shirts, pens, and other advertising specialties with the Company name.

The Company will develop two compelling brochures: one to promote sales to other trucking companies and later, one that promotes the Company's direct services.

Overall, Sheby Mix Transport will also rely heavily on word of mouth/ referrals from satisfied customers to maintain steady contract work.

Strategic Alliances

The Company will form strategic alliances with other trucking companies in need of freight delivery services. Sheby Mix Transport will serve as an independent contractor for these companies and hopes to call on them asThe Company starts to take on its own direct customers.

Additionally, The Company intends to continually develop a number of referral and contractual relationships with retailers, distribution companies,and freight brokers.

Risk Management

S/N	RISK	MITIGATION MEASURES
1	Dishonest drivers	<ol style="list-style-type: none">1. A keen attention will be paid to hiring. This is a key high success factor. Our hiring process will be thorough.2. Development of several incentive programmes and initiatives to encourage honesty, professionalism and upholding business values.
2	Dishonest mechanic	<ol style="list-style-type: none">1. Having worked in the industry for some years. We have been able to identify good mechanics. Hence, we will leverage on my existing relationship with good mechanics.
3	High accident risk	<ol style="list-style-type: none">1. Proper third-party insurance is strictly important for every truck before usage.2. In the two years, our operations will be limited to Tanzania alone to further reduce chances of accident occurrence mainly due to bad roads before exposure to further risk from inter-state travel.
4	Poor management	<ol style="list-style-type: none">1. We intend to leverage on past success experience and to create new improvements to improve overall management processes.

FINANCIAL PLAN

Budget Table

PARTICULAR	AMOUNT (US \$)
Trucks	3,100,000.0
Furnitures	4,320.0
Pre-operating Expenses	46,264.0
Working capital	1,634,493.0
TOTAL	4,785,077.0

DEPRECIATION

FIXED ASSETS	RATE	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Vehicles	25%	3,100,000	775,000	775,000	775,000	775,000	775,000
Pre-operational Expenses	20%	3,456	691	691	691	691	691
TOTAL		3,103,456	775,691	775,691	775,691	775,691	775,691

PERSONEL PLAN

S/N	Designation	No of personnel year 1	YEAR 1 total salary	No of personnel year 2	YEAR 2 total salary	No of personnel year 3	YEAR 3 Total salary	TOTAL
1	Managing Director	1	4,800,000	1	4,800,000	1	5,400,000	15,000,000
2	Truck Supervisor	1	3,600,000	1	3,600,000	1	3,600,000	10,800,000
3	Managers	1	3,000,000	2	6,000,000	3	9,000,000	18,000,000
	Driver	100	240,000,000	150	360,000,000	200	700,000,000	1,300,000,000

REVENUE STATEMENT

PARTICULAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Sales	7,050,240	14,100,480.00	14,664,499.20	15,251,079.17	15,861,122.33
DIRECT COSTS					
Purchase of Trucks	3,100,000.0	3,100,000.0	3,100,000.0	3,100,000.0	
Freight & Duty	775,000.0	775,000.0	775,000.0	775,000.0	
Furnitures	4,320.00	-	-	-	
SUB TOTAL	3,879,320.0	3,875,000.0	3,875,000.0	3,875,000.0	-
OPERATING EXPENSES					
Administrative Expenses	69,305	72,770.25	76,408.76	80,229.20	84,240.66
Marketing cost	2,160	2,376.00	2,494.80	2,619.54	2,750.52
Salaries & Wages	14,826	17,791.20	18,680.76	19,614.80	20,595.54
Fuel	1,192,320	2,384,640	1,192,320	1,192,320	1,192,320
Legal and Professional fees	3,024	3,175.20	3,333.96	3,500.66	3,675.69
Audit & Accountancy	2,074	2,177.28	2,286.14	2,400.45	2,520.47
Bank Loan	1,086,736	1,086,736	1,086,736	1,086,736	1,086,736
Postage & stationeries	1,080	1,134.00	1,190.70	1,250.24	1,312.75
Insurance (8%)	310,000	334,800.00	361,584.00	390,510.72	421,751.58
Bank charges	3,888	4,471.20	5,141.88	5,913.16	6,800.14
Other expenses	82,080	123,120.00	147,744.00	177,292.80	212,751.36
SUB TOTAL	2,767,493	4,033,191	2,897,921	2,962,388	3,035,455
Profit before Depreciation	403,427	6,192,289	7,891,578	8,413,692	12,825,668
Depreciation	775,691.2	775,691.2	775,691.2	775,691.2	775,691.2
Profit before Tax	(372,264)	5,416,598	7,115,887	7,638,000	12,049,976
Corporate Income Tax (30%)	-	1,624,979.31	2,134,766.11	2,291,400.13	3,614,992.94
Profit After Tax	(372,263.76)	3,791,618.40	4,981,120.92	5,346,600.31	8,434,983.53
Accumulated Profit	(372,264)	3,419,354.64	8,400,475.56	13,747,075.87	22,182,059.40

CASHFLOWS

Capital expenditure	YEAR 0	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Source						
Profit before interest and depreciation		522,649,042	601,199,080	625,173,426	650,093,608	675,995,122
Loan	-	-	-	-	-	-
Equity	1,760,000,000	-	-	-	-	-
Total sources	1,760,000,000	522,649,042	601,199,080	625,173,426	650,093,608	675,995,122
Applications						
Capital expenditure	1,760,000,000					
Working Capital & Others						
Tax	-	151,237,213	174,802,224	181,994,528	189,470,582	197,241,037
Sub-Total	1,760,000,000	151,237,213	174,802,224	181,994,528	189,470,582	197,241,037
Total applications	1,760,000,000	151,237,213	174,802,224	181,994,528	189,470,582	197,241,037
Net working capital	-	371,411,829	426,396,856	443,178,899	460,623,026	478,754,085
Accumulated cash	-	371,411,829	797,808,685	1,240,987,584	1,701,610,609	2,180,364,695

YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
702,914,454	730,889,033	759,957,174	790,157,996	821,531,311
-	-	-	-	-
-	-	-	-	-
702,914,454	730,889,033	759,957,174	790,157,996	821,531,311
205,316,836	213,709,210	222,429,652	231,489,899	240,901,893
205,316,836	213,709,210	222,429,652	231,489,899	240,901,893
205,316,836	213,709,210	222,429,652	231,489,899	240,901,893
497,597,618	517,179,823	537,527,522	558,668,097	580,629,418
2,677,962,312	3,195,142,135	3,732,669,657	4,291,337,754	4,871,967,172

PAYBACK PERIOD

YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Profit before Tax	504,124,042	582,674,080	606,648,426	631,568,608	657,470,122
Depreciation	18,525,000	18,525,000	18,525,000	18,525,000	18,525,000
Profit After Tax	352,886,829	407,871,856	424,653,899	442,098,026	460,229,085
Net Profit	352,886,829	407,871,856	424,653,899	442,098,026	460,229,085
Accumulated Profit	674,886,829	1,082,758,685	1,507,412,584	1,949,510,609	2,409,739,695