

EGYTANZ BULB TECHNOLOGY LIMITED

BUSINESS PLAN FOR MANUFACTURING OF BULB

1.0 Executive Summary

EGYTANZ BULB TECHNOLOGY LIMITED is a company incorporated in Tanzania with Certificate of Incorporation No. 171054141 dated 28th December, 2023. The main objective is to manufacture bulbs, the company has identified **Mtwara Road, Vikindu Area, Coast region**; the area is an ideal location, highly suitable for the kind of manufacturing business we want to establish.

The identified space is big enough.....square meter facility to fit into the design of the kind of bulb manufacturing company that we intend to launch.

EGYTANZ BULB TECHNOLOGY LIMITED will be involved in manufacturing different colors and sizes of bulbs and of course other electric light bulbs. We are set to service a wide range of clientele in Tanzania and around East Africa.

The management of EGYTANZ BULB TECHNOLOGY LIMITED is aware that there are several bulb manufacturing companies in Tanzania and also some of the bulbs are being imported from Asia, which is why we spent time and resources to conduct a thorough feasibility study and market survey so as to be positioned to favorably compete with all our competitors.

EGYTANZ BULB TECHNOLOGY LIMITED will at all times demonstrate her commitment to sustainability, both individually and as a firm, by actively participating in our communities and integrating sustainable business practices wherever possible. The management will ensure that it is

accountable to the highest standards by meeting our customers' needs precisely and completely whenever they patronize our products.

EGYTANZ BULB TECHNOLOGY LIMITED is a company owned by two investors from Egypt.

1.1 The Project Promoters

The project is being promoted by **EGYTANZ BULB TECHNOLOGY LIMITED** a registered company in Tanzania whose shareholders are as follows:

Name of Shareholders	% of Ownership	Nationality
WAEEL AHMED MAHMOUD ELSHEIKH	50	Egypt
MOHAMED AWNY ELSAYED GHONIM	50	Egypt

1.2 Project location

The project is located **Mtwara Road, Vikindu Area, Mkulanga District, Coast region;**

2.0 Our Products and Services

EGYTANZ BULB TECHNOLOGY LIMITED is engaged in bulbs manufacturing of a wide range of clients and of course to make profits, which is why we will ensure we go all the way to give our clients and potential clients options.

The management for EGYTANZ BULB TECHNOLOGY LIMITED will do all that is permitted by Tanzania law to achieve our business goal, aim and objective of starting the business. Our product offerings are listed below;

- Light bulb
- Electric lamp bulb
- Lamp bulbs and tubes

2.1 Our Mission and Vision Statement

Our vision is to be the preferred brand for all our existing and even potential customers. We intend to become a national name within 5 years of starting our bulbs manufacturing business here Vikindu ,Mkulanga, Coast region .

To be able to achieve this vis, EGYTANZ BULB TECHNOLOGY LIMITED intends to put plans and structures in place that will allow us build a solid business structure. The board of directors intend to use targeted awareness campaigns to generate more awareness about our bulb business.

2.2 Our Business Structure

Due to our desire in building a standard bulb manufacturing business here in Tanzania, we intend to ensure that we get it right from the beginning with our business structure and hire employees that are not only competent but hardworking to be able to handle all the various tasks and responsibilities that will come with the different job positions.

The kind of picture that we intend to build as regards our bulb business that will allow us stand out and compete favorably against our competitors in the industry has seen us gathering a strong management team. Our management team is composed entirely of experienced professionals who have thorough knowledge of the industry and know how best to ensure that we achieve all our goals and objectives.

We do not intend to run a conventional business and as such we would not be hiring employees as a conventional business would. To this effect therefore, we will be hiring more employees to take on the different roles and tasks that the new positions will likely bring here at EGYTANZ BULB TECHNOLOGY LIMITED;

Given that, we have decided to hire qualified and competent hands 65 employees to occupy the following positions;

2.3 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; developing a climate for offering information and opinions.
- 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
- 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.
- Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
- Defines job positions for recruitment and managing the interviewing process
- Carries out induction of new team members
- Responsible for training, evaluation and assessment of employees
- Responsible for arranging travel, meetings and appointments
- Oversees the smooth running of the daily office activities.

Plant Manager:

- Responsible for overseeing the smooth running of the bulbs manufacturing plant
- Part of the team that determines the quantity, colors and sizes of compact fluorescent light bulbs and other electric light bulbs to be produced
- Maps out strategies that will lead to efficiency amongst workers in the plant
- Responsible for training, evaluation and assessment of plant workers
- Ensures that the factory meets the expected safety and health standard at all times.
- Interfaces with third – party suppliers (vendors) of raw materials
- Controls distribution and supply inventory
- Supervises the workforce in the factory.

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
- Models demographic information and analyze the volumes of transactional data generated by customer purchases
- Identifies, prioritizes, and reaches out to new partners, and business opportunities et al

- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
- Develops, executes and evaluates new plans for expanding sales
- Documents all customer contact and information
- Represents the company in strategic meetings
- Helps to increase sales and growth for the company Bulbs

Light Bulbs Machine Operator

- Responsible for operating machines used in the manufacturing and packaging of bulbs,
- 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 management with financial analyses, development budgets, and accounting reports
- 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 products and services
- Manages administrative duties assigned by the manager in an effective and timely manner
- 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
- Distributes mails in the organization

3.0 SWOT Analysis

EGYTANZ BULB TECHNOLOGY LIMITED is in business to become one of the leading in light bulbs manufacturing companies in the whole of East Africa and we are aware that it will take the right business concept, management and organizational structure to achieve our goal.

We are quite aware that there are several bulbs manufacturing companies all over the East Africa region, which is why we are following the due process of establishing a business. We know that if 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.

EGYTANZ BULB TECHNOLOGY LIMITED employed the services of an expert HR and Business Analyst with bias in manufacturing to help us conduct a thorough SWOT analysis and to help us create a Business model that will help us achieve our business goals and objectives.

This is the summary of the SWOT analysis that was conducted for EGYTANZ BULB TECHNOLOGY LIMITED;

Strength:

EGYTANZ BULB TECHNOLOGY LIMITED core strength lies in the quality of our products, the power of our team and the state of the art manufacturing plant that we own. We have a team of highly trained staff that can produce durable products. We are well positioned in the heart of Dar es Salaam and

Coast region and we know we will attract loads of clients from the first day we open our business.

Weakness:

A major weakness that may count against us is the fact that we are a new bulb manufacturing company in Tanzania and we don't have the financial capacity to compete with multi – million dollars companies based in Asia who exports bulbs to Tanzania. So also, we may not have enough cash reserve to promote our bulbs manufacturing company the way we would want to.

Opportunities:

The fact that we are going to be operating our compact bulbs manufacturing company in Vikindu Area provides us with unlimited opportunities to sell our products to a large number of individuals and corporate organizations.

We have been able to conduct thorough feasibility studies and market survey and we know what our potential clients will be looking for when they visit our bulbs manufacturing plant; we are well positioned to take on the opportunities that will come our way.

Threat:

Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing / spending power. Another threat that may likely confront us is

the arrival of a new bulbs manufacturing company in same location where ours is located. So also, unfavorable government policies may also pose a threat for businesses such as ours.

4.0 MARKET ANALYSIS

Market Trends

If you are conversant with the trends in the Bulbs Manufacturing industry, you will agree that the industry has benefited from improved construction activity over the last half a decade. Revenue from generic and non – energy saving electric light bulbs has been falling due to product standardization, with increasing competition from low-cost, low-priced imports produced in China and elsewhere.

Economic recovery and increasing manufacturing activity and of course the introduction of energy saver light bulbs have helped boost sales. Operators have altered their current business procedures to correspond with new laws and profit margins are projected to remain tight due to volatile raw material costs.

On the other hand, the light bulbs and similar products segment has been growing steadily and its sales are becoming more significant to the overall performance of the industry.

The light bulbs manufacturing landscape has seen tremendous changes in the last 20 years; it has grown from the smaller enterprise to a more organized and far reaching factory. This trend has benefited them in such a

way that they can comfortably sell their electric light bulbs and related products nationally and also export them to other countries of the world.

4.1 Our Target Market

Perhaps it will be safe to submit that the electric light bulbs manufacturing industry has the widest range of customers; electric light bulbs are used in every facility.

Because of that, we have positioned our bulbs manufacturing company to service construction companies and other manufacturing companies all around Dar es Salaam and every other location where we intend distributing our products.

We have conducted our market research and feasibility studies and we have ideas of what our target market would be expecting from us. We are in business to manufacture a wide range of bulbs and other electric light bulbs for the following clients;

- Facility managers
- Households
- Companies
- Home remodeling companies
- Construction companies
- Electrical and lighting material dealers

Our Competitive Advantage

A close study of the bulbs manufacturing industry reveals that the market has become much more intensely competitive over the last decade. As a matter of fact, you have to be highly creative, customer centric and proactive if you must survive in this industry. We are aware of the competition and we are prepared to compete favorably with leading bulbs manufacturing companies.

One thing is certain; we will ensure that we manufacture a wide range of bulbs and other electric light bulbs to meet international standards. One of our business goals is to make EGYTANZ BULB TECHNOLOGY LIMITED a one-stop bulbs manufacturing company in East Africa.

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 set 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.

4.2 SALES AND MARKETING STRATEGY

Sources of Income

EGYTANZ BULB TECHNOLOGY LIMITED is in business to manufacture and retail a wide range of bulb lamps and other electric light bulbs to clients in Tanzania and neighboring countries.

We are in the bulbs manufacturing industry to maximize profits and we are going to go all the way out to ensure that we achieve our business goals and objectives. EGYTANZ BULB TECHNOLOGY LIMITED will generate income by selling various lamp bulbs

Sales Forecast

One thing is certain, when it comes to bulbs manufacturing business, if your plant is well located and you have good business network, you will always attract customers cum sales and that will surely translate to increase in revenue generation for the business.

We are well positioned to take on the available market in Tanzania and neighboring countries and we are quite optimistic that we will meet our set target of generating enough profits from our first year of operation and grow the business and our clientele base beyond Tanzania to EAS and SADC.

Marketing Strategy and Sales Strategy

Before choosing a location for EGYTANZ BULB TECHNOLOGY LIMITED, we conducted a thorough market survey and feasibility studies in order for us to penetrate the available market and become the preferred choice for stakeholders in and around Southern New Jersey – New Jersey.

We hired experts who have good understanding of the electric light bulbs manufacturing industry to help us develop marketing strategies that will help us achieve our business goal of winning a larger percentage of the available market in Tanzania and neighboring countries.

In summary, EGYTANZ BULB TECHNOLOGY LIMITED. will adopt the following sales and marketing approach to win customers over;

- Introduce our lamp bulbs manufacturing company by sending introductory letters alongside our brochure to home remodeling companies, construction companies, households and key stake holders in Dar es Salaam
- Ensure that we manufacture a wide range of bulbs and related products
- Make use of attractive hand bills to create awareness and also give direction to our plant
- Position our signage/flexi banners at strategic places around Dar es Salaam
- Engage in roadshows within our neighborhood to create awareness for our bulbs manufacturing company
- List our business and products on yellow pages ads (local directories)
- Leverage on the internet to promote our business
- Engage in direct marketing and sales
- Encourage the use of Word of mouth marketing (referrals)
- Join local chambers of commerce and industries with the aim of networking and marketing our products.

4.3 Publicity and Advertising Strategy

Despite the fact that our lump bulbs manufacturing company is well located, we will still go ahead to intensify publicity for the business.

EGYTANZ BULB TECHNOLOGY LIMITED. has a long – term plan of opening our retail outlets in various locations all around Dar es Salaam and key cities in Tanzania which is why we will deliberately build our brand to be well accepted in New Jersey before venturing out.

As a matter of fact, our publicity and advertising strategy is not solely for winning customers over but to effectively communicate our brand. Here are the platforms we intend leveraging on to promote and advertise EGYTANZ BULB TECHNOLOGY LIMITED.;

- Place adverts on community based newspapers, radio and TV stations
- Encourage the use of word of mouth publicity from our loyal customers
- Leverage on the internet and social media platforms like YouTube, Instagram, Facebook, Twitter, LinkedIn, Snapchat, Google+ and other platforms to promote our business.
- Ensure that we position our banners and billboards in strategic positions all around Dar es Salaam
- Distribute our fliers and handbills in target areas in and around our neighborhood
- Advertise our bulbs manufacturing company in our official website and employ strategies that will help us pull traffic to the site
- Brand all our official cars and trucks and ensure that all our staff wear our branded shirt or cap at regular intervals.

4.3 Our Pricing Strategy

When it comes to the prices of all our bulbs and other electric light bulbs, we will ensure that we peg our prices to what is obtainable in the electric light bulbs manufacturing industry in Tanzania.

Although, we have plans to sell our products a little bit below the average prices of similar products so as to gain entrance and acceptability from the available market. The average price per unit US\$1 and annual production capacity is 700,000 units.

5.0 INVESTMENT AND FINANCING US\$ 870,000

For the project to be a reality a total investment amounting to **US\$870,000** the summary is found in schedule.

EGYTANZ BULB TECHNOLOGY LIMITED COST STRUCTURE

PARTICULAR	US\$
Land and Buildings	250,000.00
Machinery & Equipment	400,000.00
Motor Vehicles	100,000.00
Furniture & Fixtures	5,000.00
Pre exp	10,000.00
Others	5,000.00
Working Capital	100,000.00
TOTAL	870,000.00

(i) Land and Building: US\$ 250,000,

The project is going to construct project buildings, including services office

(ii) Machinery and Equipment: US\$400,000

Some US\$ 400,000 is anticipated to be spent on the purchase of various project machinery and equipments.

(iii) Motor Vehicles: US\$100,000

The project will need **5 vehicles** at the estimated cost of **US\$100,000**. These vehicles will be used in overhauling various types of goods and prod

(iv) Office Furniture and Equipment: US\$ 5,000

This investment cost item has been estimated to cost US\$ 5,000. It will consist of office tables, chairs, telephone, fax, machines, file cabinets, sofa chairs etc.

(v) Pre-Operational Expenses: US\$ 10,000

These will come to about US\$10,000 and they cover things like company registration, expenses spent bin exploring the viability of the project, especially the market/client identification exercise done in those countries targeted to be served. This Pre-operational coast item also covers the architectural designs of project buildings and other engineering services. Also included under this item are issues like consultancy fees, legal fees and recruitment and training costs of personnel.

(vi) Initial Working Capital: US\$ 100,000

Calculations as well as assumptions for working capital requirements are as shown in the working capital schedule.

5.1 FINANCING PATTERN

The financing pattern being considered is that project will be financed by shareholders

5.3 Sources of Technology

Machines to be imported from China or India

5.4 IMPLEMENTATION

Project implementation is expected to be relatively very short once TIC approval is received. Currently, the supplier of the trucks has already been identified and supply is awaiting instructions from the project promoters. In this respect, delivery can be done in less than 18 months once we finalize financing sources.

5.5 PROJECT OPERATING COSTS

In order to realize its intended objective the project will have to meet the operating costs estimated to be 75% of total revenue.

6.0 FINANCIAL ASPECTS FOR THE PROJECT

(i) Projected Profit and Loss Statement

The schedule below shows the projected income for the 5 years period. The position depicted is that the project earns profit throughout its

life. Accumulated after tax profits grow from. **US\$ 157,500** to **US\$877,646** in the 5th year

**EGYTANZ BULB TECHNOLOGY LIMITED PROJECTED INCOME & EXPENDITURE
STATEMENT US\$**

	1	2	3	4	5
Revenue	700,000	735,000	771,750	810,338	850,854
Operating Expenses:	455,000	477,750	501,638	526,719	553,055
Profit before Depreciation & Interest	245,000	257,250	270,113	283,618	297,799
Depreciation	20,000	20,000	20,000	20,000	20,000
Gross Profit	225,000	237,250	250,113	263,618	277,799
Tax (30%)	67,500	71,175	75,034	79,085	83,340
Profit After Tax	157,500	166,075	175,079	184,533	194,459
Accumulated Profit	157,500	323,575	498,654	683,186	877,646

(ii) Projected Cash Flows

The project's cash flows are shown in schedule vii. They depict a good liquid position right from the first year. Cash accumulation builds up from **US\$ 177,500** in the first year to **US\$ 977,646** at the end of 5th years of the project's operations.

EGYTANZ BULB TECHNOLOGY LIMITED PROJECTED CASH FLOW

	-	1	2	3	4	5
SOURCES:						
Profit before interest and depreciation	-	245,000	257,250	270,113	283,618	297,799
Equity	870,000					
Total Sources	870,000	245,000	257,250	270,113	283,618	297,799
Applications:						
Capital expenditure	760,000	-	-	-	-	-
working Capital & Others	110,000					
Cash	-	177,500	186,075	195,079	204,533	214,459
Tax	-	67,500	71,175	75,034	79,085	83,340
Sub total	870,000	245,000	257,250	270,113	283,618	297,799
Total applications	870,000	245,000	257,250	270,113	283,618	297,799
Accumulated cash		177,500	363,575	558,654	763,186	977,646

(iii) Projected Balance Sheet

The project's owners' equity grow from US\$ **870,000** in the first year to **US\$ 1,747,646** at the end of 5th years of the project's operations

EGYTANZ BULB TECHNOLOGY LIMITED PROJECTED PROJECTED BALANCE SHEET US \$

	0	1	2	3	4	5
Fixed Assets	-					
Opening balance	-	760,000	740,000	720,000	700,000	680,000
Total Long-term Assets	-	760,000	740,000	720,000	700,000	680,000
Less depreciation	-	20,000	20,000	20,000	20,000	20,000
Closing balance	-	740,000	720,000	700,000	680,000	660,000
Working capital	110,000	110,000	110,000	110,000	110,000	110,000
Accumulated cash	-	177,500	363,575	558,654	763,186	977,646
Total assets	110,000	1,027,500	1,193,575	1,368,654	1,553,186	1,747,646
Financed by						
Equity	870,000	870,000	870,000	870,000	870,000	870,000
Accumulated profit	-	157,500	323,575	498,654	683,186	877,646
Total equity	870,000	1,027,500	1,193,575	1,368,654	1,553,186	1,747,646
Total equity and debts	870,000	1,027,500	1,193,575	1,368,654	1,553,186	1,747,646

(iv) Payback Period

Total investment is **US\$870,000** cash accumulation in year 5 is **US\$977,646** which is more than the initial investment by **US\$107,645**.

The project payback Period is within five years

EGYTANZ BULB TECHNOLOGY LIMITED PAYBACK PERIOD: US\$

Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	157,500	20,000	177,500	177,500
2	166,075	20,000	186,075	363,575
3	175,079	20,000	195,079	558,654
4	184,533	20,000	204,533	763,186
5	194,459	20,000	214,459	977,646

7.0 ECONOMIC ASPECTS OF THE PROJECTS

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole country viz.

(i) Employment Opportunities

Employment and poverty reduction are among the major concern of the Central and the Local Government authorities. It is gratifying to note that **EGYTANZ BULB TECHNOLOGY LIMITED** is going to provide additional employment to **38** people. This is a significant contribution coming from investors.

(ii) Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax.

(iii) Foreign Exchange Earning

Project will thus earn foreign currency for the United Republic of Tanzania.

8.0 CONCLUSION AND RECOMMENDATION

8.1 Conclusion

- (i) The project is profitable and contributes to government revenue by way of taxes.
- (ii) The project has a sound after tax internal rate of return
- (iii) The project provides employment to **38** people 33 of whom are national Tanzanians.
- (iv) The project is an encouraging sign to prove that we have investors who have confidence in this country. Tanzania so much so that they are ready to invest such large sums of investment despite the odds of the sector in question.

8.2 RECOMMENDATION

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implement and be given all the support required by all the concerned Government Ministries and Agencies, including the Tanzania Revenue Authority, TRA and the Tanzania Investment

Centre – (TIC). The project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

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