

MWANZA SALAMA COMPANY LIMITED

BUSINESS PLAN

FOR

MANUFACTURING INDUSTRY

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1 The Company

1.1 Executive Summary/Preamble

Mwanza Salama will be a Tanzanian Manufacturing Industry Business Company, with very high potential for growth. This manufacturing industry company will be developed **Plot No, 611 Nyamhongolo Area, Ilemela District, Mwanza region, Tanzania** under international management expert with collaborations with local experts.

Project development will be done in 3 years at a total of USD 600,000 of which 500,000 will be in the first year

Mwanza July 02, 2024,
Dar Es Salaam
Corvanden Doel
Consultant

1.2 Introduction of the Company

MWANZA SALAMA COMPANY LIMITED

Mwanza Salama Company Limited is incorporated in Tanzania under Companies Act, 2002 as a private company limited by shares, with certificate NO: 174205914 dated 29th April, 2024.

MWANZA SALAMA COMPANY LIMITED is engaged in the manufacturing industry business of Mattress. Across Mwanza.

Owners' Experience

All owners have a direct experience toward the manufacturing industry business and have different experience that can assist in the prosper of the business.

ZHANG YIYUN and CHEN DAOFENG –both have leadership skills, driving skills, and both are Directors of the Company.

THE BUSINESS

Vision

“To become the leading supplier of mattress and related products in the Africa”

Mission

To provide high quality and affordable mattress and related products through latest communication techniques and excellent customer service with maximum customers satisfaction as our highest priority.

Project Objectives

- ✓ The principal activity of the Company is mattress industry.
- ✓ Main goal is to provide a variety of mattress and related products.
- ✓ Promotion of the use of mattress product.

MWANZA SALAMA COMPANY LIMITED's core values

- ✓ We believe the customer comes first;
- ✓ The company management is focused to ensure customer delight,
- ✓ Superior quality of delivery, and increased customer profitability.

- ✓ Our operations all over the Mwanza, we practice an enduring value system based on open culture, honest and fair business, and personal conduct, earning the confidence and trust of our Associates and Customers.
- ✓ We practice transparency with all agencies that we are involved with.

- ✓ Value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.
- ✓ Integrity and Transparency
- ✓ Team Spirit & Responsibility
- ✓ Quality & Excellence
- ✓ Knowledge, Understanding & High Standards
- ✓ Passion & Innovation
- ✓ Accountability

Location

The location of the company being in **Plot No, 611 Nyamhongolo Area, Ilemela District, Mwanza region, Tanzania**. The warehouse and office are to be located within the vicinity of the Nyamhongolo Area, Ilemela District, Mwanza This location is of keen importance due to its proximity to the customers, in which many of our customers, clients and other related with the industry are within Mwanza City.

INDUSTRY ANALYSIS

Includes micro and macro variables that can affect MWANZA SALAMA COMPANY LIMITED operation in short run and not within the power of our management, these variables are as follows

Political Situation Analysis

Politically there are factors that can affect the running of our business; these are government policy, especially those which put some limitation to this kind of Business. *On the other hands*, the stability of the government which provide a good ground for our businesses to perform operation smoothly.

Economic Analysis

Also economic of Tanzania can affect our business positively and/or negatively. Tax, is the one of the factors that can affect the business since it reduces the purchasing power of our expected customers, taxes charged in Tanzania including VAT, and PAYE. On the other hands, GDP of the country may create a favourable condition of our business, since statistics shows the growth of Tanzanian GDP at rate of 7% per annum which is a good sign as when purchasing power of our customers will be high.

Social Analysis

It includes the tastes and demands of the people towards our products we

offer. These factors are as, a population growth which has a good sign to our business as number of customer increase, also most people in Tanzania are healthy youths who are not highly skilled, and hence it means that there will be a high availability of cheap labor for our business.

Technology Analysis

Development of technology in Tanzania provides an opportunity for our business to prosper because it provides a room for the use of social media. }

The threat of new entrants

For our business of coffee and coffee products the threat of new entrants is high as there is no differentiation as all businesses sell the same products, all business including ours sell coffee and coffee products.

The threat of substitutes

The clear substitutes for our seafood product are beef and chicken. The substitutes are of lower price than the seafood hence increasing the threat of substitution to our businesses.

✓ The bargaining power of buyers

The bargaining power of consumers is low as there is a high number of buyers who purchase in a low quantity, the information level of consumers is low and there is low chance of consumers to go directly to local suppliers' coffee and coffee products.

✓ The bargaining power of suppliers. The number of suppliers is high as local supplies are in abundant and the supplying cost from one supplier to another is low hence suppliers have low bargaining power.

✓ The competition existing among firms There is low product differentiation and the number of sellers is high. However, as our products are to be sold with low price, we believe we will have a competitive edge over our competitors. Our competitors are the seller of coffee and also farmers of coffee like what we are doing.

MARKETING PLAN.

TARGET MARKET.

Our target market are all consumers of mattress and related products in Tanzania

mainland and Zanzibar with our main target being the zonal city of Mwanza, Dodoma city, Mbeya city, coastal city of Dar es salaam, Arusha and Zanzibar respectively. The segments of our target are large scale consumers which consist of hotels, restaurants and supermarkets and the small-scale consumers who are individuals themselves or families.

MARKET OBJECTIVE.

The marketing objective is to be able to reach our planned market share by the end of the year 2025.

MARKETING PHILOSOPHY.

The company's marketing philosophy is based on the customers satisfaction where we will make sure the customers are fully satisfied with our services as products, from the packaging of the mattress, the quality of the mattress and the delivery service which will supply to customer location and the after-sale service which will include providing mattress products.

MARKETING STRATEGIES.

Pricing strategies.

The company will be using penetrative pricing method, this aims to capture the consumers who are currently served by other supplies who have higher prices, so we will have the lowest price in the market which is also a competitive advantage. Sales and distribution strategies. The distribution strategy will be using different outlets in every district for closeness to individual consumers and delivery to their location for the large-scale consumers. The sales will be cash based for first time small scale individual buyers where credit will be offered depending on the frequent of purchasing mattress from our company and for the large-scale consumers it will be credit based.

Promotion strategies.

The promotion strategies we will use are;

Travelling display.

The company's transport van will be used to advertise the business as it will display the mattress, logo of the company and promotional poster.

Manufacturing magazines.

The manufacturing magazines which serve for different types of recipes which include mattress.

Manufacturing Television programs

The television programs on Star TV and ITV and other programs on Clouds TV, Wasafi TV for them to promote our company and them to use our products in their programs.

RESEARCH AND DEVELOPMENT PLAN.

Our research and development plan will include keeping up with any new information regarding the international required standards and national required standards of the quality of mattress. Purchasing of automated machinery which will do all the necessary manufacturing processing, and packaging which will reduce the human errors.

OPERATION PLAN.

LOCATION.

The location of the company being in **Plot No, 611 Nyamhongolo Area, Ilemela District, Mwanza region, Tanzania.** The warehouse are to be located within the vicinity of **Plot No, 611 Nyamhongolo Area, Ilemela District, Mwanza region, Tanzania.** This location is of keen importance due to its proximity to the manufacturing, in which many of our customers, clients and associates are within MWANZA City.

LEGAL ASPECTS.

The company has been fully registered firstly by the business registration and licensing agency (BRELA) as a limited company, and other regulations required would be to register to the Tanzania bureau of standards (TBS) and has been registered to the Tanzania revenue authority as taxpayer hence having tax payer identification number.

ORGANIZATIONAL PLAN FORM OF THE ORGANIZATION.

KEY PERSONNEL

The key personnel of the company are,

The chief executive officers

- ✓ Is responsible with leading of the company and ensuring implementation of the strategies of the organizations as well as achieving the target of the organization.
- ✓ WORK EXPERIENCE; the chief executive officer has to have a work experience of 5 years in relevant fields.
- ✓ REPORTS TO; the Board of Directors
- ✓ The Chief Executive office is responsible to supervises Sales Manager,

Administrative and Finance Manager, and Purchases and Processing Manager.

- ✓ The educational level for the Chief Executive Officer is a degree in commerce, or degree in industrial manufacturing.

Sales Manager.

- ✓ This manager will mainly deal in supervising the salesman who marketing our products directly to the final consumers.
- ✓ The working experience for sales manager is 3 years.
- ✓ The sales manager is responsible to report to the CEO
- ✓ The educational level for Sales manager is Degree in Marketing

Administration and finance manager.

- ✓ The manager's responsibility is to authorize all movements of funds in the organization as well as all administrative offices such as clerical, secretarial and official works.
- ✓ HE/SHE is also responsible to supervise the secretary, clerical staffs and the organization accountant.
- ✓ The work experience of the organization accountant is 3 years.
- ✓ The administration and finance manager are responsible to report to the CEO. The education level required for the post is a finance, accounting or business administration degree.

The operations manager.

- ✓ The manager's responsibility is to oversee the processing process and seeds purchasing process from our main suppliers.
- ✓ He is responsible to supervise the processing team, the drivers, and the purchasing team.
- ✓ The work experience of the manager is 3 years.
- ✓ The operations manager is responsible to report to the CEO.
- ✓ The education level required for the post is a degree manufacturing

processing, or a chemical or industrial engineer.

The human resource manager.

- ✓ The manager's responsibility is to recruit staffs of the organization, training the staffs, reimbursement to workers and any other issues relating to the staff's concerns.
- ✓ He is responsible to supervise the all the staffs to ensure they abide to their responsibilities.
- ✓ The work experience of the manager is 3 years.
- ✓ The human resource manager reports to the CEO.
- ✓ The education level required for the post is degree in human resource management or public administration.

CRITICAL RISK ASSESSMENT.

In general risks that Mwanza Salama Company Limited is associated can be classified to be either.

Strategic risk.

- ✓ That is associated with operating and effective strategies of our business in the industry.

Credit risk.

- ✓ Risks associated with collection of our receivables from our credit customers such as hotels.

Financial risk.

- ✓ Risks in doing transactions in our business and the whole financial system. Since our business is finance only by equity.

Operational risk.

- ✓ Risks associated with operations of the day-to-day activities and administration s of the business.

Compliance risks.

- ✓ Risks associated with complying the regulations and laws of the country. Market/environmental risks that our business has very control over such as natural disasters like floods and earthquake. Specific Expected risks which will affect the business and problems.

- ✓ Increase in transport cost due to increase in the price of fuel
- ✓ Bad debts resulting from failure of our debtors to pay
- ✓ Power cut off at the office and in the warehouse that will increase the cost.
- ✓ Accidents during operations to drivers and even workers who farm and cultivating coffees.
- ✓ Resistance from environmentalist such as municipal councils How risks and problems will be solved.
- ✓ Insurance covers for our vehicles and our employees against accidents during operations.
- ✓ And for credit risks, bad debts insurance policy will be taken and reduce credit period to our credit customers.
- ✓ Efficient utilization of environment such as proper disposal of coffee's wastes after cleaning.

Buy and installation of generators that will provides lights and power to refrigerators in case of power cuts in the warehouse and other equipment

Providing discounts to customers who pay their outstanding debts before the credit period in order to avoid bad debts

Minimizing overhead costs so as the actual costs to be equal to the projected costs to avoid the operational risks

**DEVELOPMENT IMPACT;
ECONOMIC IMPACTS**

As the business conducts its activities it is legally obligated to pay taxes and fines (of which the business is not planning to do any unlawful acts) to the government, hence this is an indirect positive impact since through this the government may be able to provide social services to the public.

The byproducts of this business are mattress which will be sold large and small customers for the final consumptions.

The business is also employing some individuals such as managers, salesman and so on, that will help to reduce the unemployment rate in the country.

SOCIAL IMPACT;

Since the mattress are accommodate to all classes in the society, this will improve the quality of life to individuals and since its natural product directly from the plantation

The business is also doing campaigns to advocate on the important of using mattress to the society that will increase our annual sales.

The business is also maintaining a good relationship with the community by practicing corporate citizenship, corporate involvement and corporate investment such as providing charities to the societies

ENVIRONMENTAL IMPACT;

As the products of this business will be cleaned and cut, the remaining materials of the mattress will be sold to the manufacturer of different products in order to keep the environment clean and friendly to the society. The business pays some monthly cleaning fees to the municipal councils in the country so as to comply with the country policy “Tunza Mazingira Yakutunze.”

The business in collaboration with environmentalists and also NEMC (National Environment Management Commission) is conducting campaigns on how to protect the environment, as the business will act as a basis to the other businesses with the same nature as ours and find ways to come up with more innovative ways on how to conduct this business as the world is constantly changing.

Managing Director

PERSONALDETAILS

NAME:	ZHANG	YIYUN
SEX:		Male
		Chinese
NATIONALITY:		15/02/1981
LANGUAGEWRITTENANDSPOKEN		Chinese and English

Director

PERSONALDETAILS

NAME:	DAOFENG CHEN
SEX:	Male
NATIONALITY:	Chinese
DATEOFBIRTH:	16/10/1978
LANGUAGEWRITTENANDSPOKEN	Chinese and English