

BUSINESS PLAN 2024

SUKI FOOD COMPANY LIMITED

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1. Executive Summary

Company Name: **Suki Food Company Limited**

Incorporation Number: **177 122 831**

Location: Kwakisali Hamlet, Kwazoka Village, Vigwaza Ward, Pwani, Tanzania

Industry: **Food Manufacturing**

Products: **Milk Powder and Candy**

Annual Production Capacity: **200 Tons**

Project Area: **13,000 Square Meters**

Investment Capital: **800,000 USD**

Objective: We, **SukiFoodCompanyLimited** aim to establish ourselves as a top producer of milk powder and candy in Tanzania, prioritizing affordable and high-quality products.

Sector: As a company in the food manufacturing sector, we aim to leverage our strategic location and meet the growing market demand to cultivate a loyal customer base. This approach will enable us to strengthen customer loyalty and capitalize on the increasing demand for high-quality, locally produced food products.

Products: Our focus will be on producing milk powder and candy, with a combined annual production capacity of 200 tons.

Production Breakdown:

- Milk Powder: 100 tons per year
- Candy: 100 tons per year

By establishing a strong presence in Tanzania, we aim to build brand recognition, cultivate customer loyalty, and establish efficient operations. Our expansion strategy is designed to drive sustainable growth, position us competitively, and reinforce our commitment to becoming a leading player in the East African market.

2. Investment Costs and Sources of Finance

Total Investment: **800,000 USD**

Equity Investment: 800,000 USD (investors' capital)

Investment Category	Amount (USD)
Land/Building	100,000
Plant/Machinery	300,000
Vehicles/Transportation	100,000
Raw Materials	150,000
Working Capital	150,000
Total Investment	800,000

3. Sources of Supply for Inputs

The company will source raw materials both locally and internationally to ensure quality, cost effectiveness, and reliability.

Milk Powder: Raw materials will be sourced from local dairy farms and international suppliers.

Candy : Raw materials will be sourced from Tanzanian suppliers for sugar and flavorings, with international suppliers as a backup to ensure consistent quality and availability.

Packaging Materials: will be procured from local packaging Manufacturers to minimize costs and secure reliable timely delivery.

4. Job Creation

Suki Food will create significant employment opportunities directly and indirectly prioritizing local hiring.

The following roles will be filled:

Management: 5 positions

Production: 20 positions

Packaging: 6 positions

Quality Control: 6 positions

Sales and Distribution: 5 positions

Total Employment: **42** full time positions

5. Marketing Plan

Target Market:

The target Market are local markets, wholesalers, retailers, supermarkets, event promoters, as well as opportunities for expansion into East African markets.

Value Proposition:

High-quality milk powder and a diverse range of affordable candies that incorporate local flavors.

Objectives:

- Achieve 40% brand awareness in year one. - Target 20% sales growth within 18 months. - Establish partnerships with more than 200 local retailers.

Strategies:

- **Product:** Varied packaging for milk powder and candies. - **Pricing:** Competitive pricing with promotions.
- **Promotion:** Utilize radio, local newspapers, social media, and community events , instore Sampling, discount campaigns, and partnerships with wholesalers and distributors to increase product reach.
- **Distribution:** Strong urban presence and explore e-commerce options.
Product Lines and Pricing Strategy

1. Milk Powder :

Product & Weight	100 tons	Quantity by%	Selling Price / Unit (USD)	Total (USD)
Milk Powder 250g	40%	160,000	1	160,000
Milk Powder 500g	30%	60,000	3.5	210,000
Milk Powder 1kg	30%	30,000	9	270,000
Projected Revenue				640,000

2. Candy :

Product & Weight	100 tons	Quantity by%	Selling Price / Unit (USD)	Total (USD)
Candy 250g	50%	200,000	2	400,000
Candy 500g	50%	100,000	4	400,000
Projected Revenue				800,000

Total Projected Revenue: 1,440,000 USD

6. Implementation Schedule

Timeline: 12 months

1. Months 1–4: Facility construction.
2. Months 4–6: Machinery installation, procurement of raw materials, hiring and training.
3. Months 6–9: Initial production and quality testing.
4. Months 10–12: Marketing, distribution setup and launch.

7. Financial Projections

Initial revenue:

- Year 1 revenue from milk powder: \$640,000
- Year 1 revenue from candy: \$800,000
- Total Year 1 Revenue: \$1,440,000

Year	Projected Revenue (USD)	Operating Costs (USD)	Net Profit (USD)	Profit Margin
Year 1	1,440,000	740,000	700,000	48.6%
Year 2	1,728,000	777,000	951,000	55.0%
Year 3	2,073,600	815,850	1,257,750	60.6%
Year 4	2,488,320	856,643	1,631,677	65.6%
Year 5	2,985,984	899,475	2,086,509	69.9%

8. Production Capacity

Production Capacity: Suki Food Company Limited is positioned to have an annual production capacity of 200 tons for both milk powder and candy combined.

9. Conclusion

Suki Food Company Limited is well positioned to become a significant player in Tanzania's food manufacturing industry. With strong local sourcing, a clear marketing plan, and efficient production capacity, the company anticipates robust growth and profitability, enhancing food security and creating employment opportunities in Tanzania.