



BUSINESS PLAN

OSAJU COMPANY LIMITED

(SETTING UP A PRESTRESSED CONCRETE POLE MANUFACTURING FACTORY)

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1. Industry Overview

Introduction

Prestressed concrete poles are essential infrastructure components used in a variety of applications, including utility distribution, telecommunications, and transportation. These poles are characterized by their enhanced strength and durability, which is achieved through the application of prestressing techniques. This overview examines the current state of the prestressed concrete pole industry, including market dynamics, technological advancements, key players, and future trends.

Market Dynamics

a) Demand Drivers:

- **Urbanization and Infrastructure Development:** Rapid urbanization and infrastructure development, particularly in emerging economies, drive the demand for prestressed concrete poles. They are used extensively in street lighting, power distribution, and telecommunications networks.
- **Durability and Maintenance:** Prestressed concrete poles offer superior durability and require less maintenance compared to traditional concrete poles, making them a preferred choice in areas prone to severe weather conditions and heavy loads.
- **Cost Efficiency:** The long lifespan and low maintenance costs of prestressed concrete poles contribute to their cost efficiency, making them attractive to both public and private sector projects.

b) Challenges:

- **High Initial Costs:** The production of prestressed concrete poles involves specialized technology and materials, leading to higher initial costs compared to non-prestressed alternatives.
- **Technological and Manufacturing Complexity:** The manufacturing process for prestressed concrete poles is complex, requiring precision in the application of prestressing techniques and quality control measures.
- **Environmental Impact:** The production of concrete, including prestressed varieties, has environmental implications due to carbon emissions and resource use. Industry players are increasingly focusing on sustainable practices and alternative materials to mitigate these impacts.

Technological Advancements

a) Manufacturing Techniques:

- **Advanced Prestressing Methods:** Innovations in prestressing technology, such as high-strength steel cables and improved anchoring systems, enhance the load-bearing capacity and performance of concrete poles.
- **Automation and Quality Control:** Automation in manufacturing processes and advancements in quality control systems have improved the consistency and reliability of prestressed concrete poles.

b) Materials Innovation:

- **Sustainable Materials:** There is a growing focus on incorporating recycled and eco-friendly materials into concrete mixes to reduce the environmental footprint of prestressed concrete poles.
- **Enhanced Durability Additives:** The development of additives and treatments that improve the resistance of concrete to environmental factors, such as moisture and chemicals, is ongoing.

Key Players

The prestressed concrete pole industry is characterized by the presence of few key players who operate at national wide with joint venture with **Tanzania Concrete Poles Manufacturing Company Limited**, A government own subsidiaries deal with procurements of concrete poles.

Future Trends

- **Sustainability:** The industry is expected to focus increasingly on sustainability, with advancements in eco-friendly materials and manufacturing processes aimed at reducing the environmental impact of concrete production.

- **Smart Poles:** Integration of smart technology into concrete poles, such as sensors and communication systems, is anticipated to grow. These smart poles can support infrastructure monitoring and smart city applications.

- **Emerging Markets:** As developing economies continue to invest in infrastructure, there will be significant growth opportunities for prestressed concrete poles in Tanzania.

Conclusion

The prestressed concrete pole industry is a vital segment of the infrastructure sector, driven by the need for durable and efficient structural solutions. With ongoing technological advancements, a focus on sustainability, and expanding global markets, the industry is poised for continued growth. Stakeholders must navigate challenges related to cost and environmental impact while capitalizing on emerging opportunities to drive future development.

2. Executive Summary

Osaju Company Limited is in process of setting up a prestressed concrete poles factory at Morogoro. OCL has been able to secure a standard facility on a 6-acre land in Morogoro. We are set to compete in the highly competitive Prestressed concrete poles Manufacturing industry.

Osaju Company Limited will manufacture prestressed concrete poles and deliver them to Tanzania Concrete Poles Manufacturing Company under MOU. Our business goal is to become one of the leading Prestressed concrete poles Manufacturing in Tanzania and we will make sure that we do all we can to compete favorably with leaders in the industry.

Our workers are going to be selected from a pool of highly experienced civil engineers, technicians and tradesmen with different areas of expertise as it relates to our service offerings.

We will make sure that we take all the members of our workforce through the required trainings that will position them to meet the expectation of the company and to compete with leading Prestressed concrete poles Manufacturing in Tanzania.

At Osaju Company Limited, 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.

Promoters have a combined experience that can help them build Osaju Company Limited to favorably compete with other prestressed concrete poles businesses in Tanzania.

3. Our Products and Services

Osaju Company Limited is established with the aim of maximizing profits in the industry. We want to compete favorably with the leading ready companies in Tanzania which is why we have put in place a competent quality assurance team that will ensure that every prestressed concrete pole manufactured from our plant meets and even surpasses our customers' expectations.

Our service offerings are listed below.

- Manufacturing prestressed concrete poles in different sizes
- Delivering prestressed concrete poles to end users

4. Our Mission and Vision Statement

- Our vision is to establish a standard and all – round prestressed concrete poles manufacturing company whose brand will not only be accepted in in Tanzania.

Our Business Structure

Osaju Company Limited intends starting small in Morogoro, Tanzania, but hopes to grow big in order to compete favorably with leading prestressed concrete poles manufacturing companies in Tanzania.

We are aware of the importance of building a solid business structure that can support the kind of world class business we want to own.

At Osaju Company Limited we will ensure that we hire people that are qualified, hardworking, creative, customer centric and are ready to work to help us build a prosperous business that will benefit all the stakeholders (the owners, workforce, and customers).

As a matter of fact, profit-sharing arrangement will be made available to all our senior management staff and it will be based on their performance for a period of ten years or more as agreed by the board of trustees of the company. In view of the above, we have decided to hire qualified and competent hands to occupy the following positions;

- Chief Executive Officer
- Plant Manager (Senior Civil Engineer)
- Human Resources and Admin Manager
- Sales and Marketing Executive
- Accountant
- Civil Engineers/Tradesmen
- Client Service Executive

5. 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
- Responsible for providing direction for the business
- Creating, communicating, and implementing 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

Plant Manager (Senior Civil Engineer):

- Oversees operations in the prestressed concrete poles manufacturing plant
- Serves as project manager of the organization; works directly with employees
- Develops strategic plan by studying technological, and financial opportunities; presenting assumptions; recommending objectives.
- Accomplishes subsidiary objectives by establishing plans, budgets, and results measurements; allocating resources; reviewing progress; making mid-course corrections.

- Maintains quality service by establishing and enforcing organization standards.
- Maintains professional and technical knowledge by attending educational workshops; reviewing professional publications; establishing personal networks; benchmarking state-of-the-art practices; participating in professional societies.
- Make certain that the technical department perform efficiently, coordinate employee efforts, and facilitate communications between management and handymen
- Ensures that the organization work in line with international best practices.

Admin and HR Manager

- Responsible for overseeing the smooth running of HR and administrative tasks for the organization
- Regularly hold meetings with key stakeholders to review the effectiveness of HR Policies, Procedures and Processes
- 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.
- Defining job positions for recruitment and managing interviewing process
- Carrying out induction for new team members
- Responsible for training, evaluation and assessment of employees
- Responsible for arranging travel, meetings and appointments
- Oversee the smooth running of the daily office activities.

Sales and Marketing Manager

- Manage external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones
- Model demographic information and analyze the volumes of transactional data generated by customer
- Identifies development opportunities; follows up on development leads and contacts
- Writing winning proposal documents, negotiate fees and rates in line with organizations' policy
- Responsible for handling business research, market surveys and feasibility studies for clients
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Create new markets cum businesses for the organization
- Empower and motivates the sales team to meet and surpass agreed targets

Accountant/Cashier:

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports
- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting for one or more properties.

- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensuring compliance with taxation legislation
- Handles all financial transactions for Osaju Company Limited
- Serves as internal auditor for Osaju Company Limited

Civil Engineers/Tradesmen

- Responsible for manufacturing concrete Poles in plants
- Responsible for operating and maintaining equipment
- Handle other related job as instructed by the Plant Manager.

Client Service Executive

- Welcomes clients and potential 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 creative director in an effective and timely manner
- Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information is supplied to clients when they make enquiries

6. SWOT Analysis

Osaju Company Limited engaged manufacturing of prestressed concrete poles manufacturing that can favorably compete in the highly competitive concrete poles industry in Tanzania.

Part of what the team of business consultant did was to work with the management of our organization in conducting a comprehensive SWOT analysis for Osaju Company Limited Here is a summary from the result of the SWOT analysis that was conducted on behalf of Osaju Company Limited;

Strengths

- **Durability and Strength:** Prestressed concrete poles are known for their superior strength and durability, which enhances the manufacturer's reputation for producing high-quality products.
- **Cost-Effectiveness:** The use of prestressed concrete allows for longer spans and reduced material costs compared to traditional concrete poles, which can be a selling point for cost-conscious clients.
- **Technological Expertise:** Advanced technology and manufacturing processes, including prestressing techniques, position the company as a leader in innovation within the industry.
- **Customization Capabilities:** Ability to produce custom-sized and -shaped poles to meet specific client needs, enhancing customer satisfaction and broadening market appeal.
- **Strong Supply Chain:** Established relationships with raw material suppliers and reliable logistics can ensure a steady supply of materials and timely delivery of products.

Weaknesses

- **High Initial Investment:** Significant capital is required for advanced manufacturing equipment and technology, which can be a barrier to entry or expansion.
- **Complex Manufacturing Process:** The production of prestressed concrete poles involves complex procedures that require skilled labor and can lead to higher production costs.
- **Maintenance and Upgrades:** Continuous maintenance and periodic upgrades of manufacturing facilities and technology are necessary to stay competitive, which can be costly.
- **Limited Market Awareness:** If the company is new or relatively unknown, it may face challenges in gaining market recognition and credibility.
- **Regulatory Compliance:** Adhering to stringent industry standards and regulations can be resource-intensive and may require ongoing adjustments to processes.

Opportunities

- **Infrastructure Growth:** Increasing investment in infrastructure projects, such as roads, bridges, and power distribution networks, provides a growing market for prestressed concrete poles.
- **Sustainability Trends:** Rising demand for sustainable and environmentally friendly prestressed concrete poles materials can be leveraged by promoting the eco-friendly aspects of concrete poles.
- **Geographic Expansion:** Expanding into new geographic markets, both domestically and internationally, can open up additional revenue streams and reduce reliance on a single market.
- **Technological Advancements:** Adoption of new technologies and innovations in manufacturing processes could enhance product quality, reduce costs, and improve efficiency.
- **Partnerships and Collaborations:** Forming strategic alliances with prestressed concrete poles firms, government agencies, and other stakeholders can create new business opportunities and enhance market reach.

Threats

- **Economic Fluctuations:** Economic downturns or fluctuations in prestressed concrete poles industry demand can impact sales and profitability.
- **Competitive Market:** The presence of established competitors and new entrants in the market may lead to price wars and reduced profit margins.
- **Raw Material Costs:** Volatility in the prices of raw materials (e.g., cement, steel) can affect production costs and profit margins.
- **Regulatory Changes:** Changes in industry regulations or standards can require adjustments in manufacturing processes or compliance, potentially leading to increased costs.
- **Environmental Concerns:** Increased scrutiny on environmental impact and sustainability practices could pose challenges if the company does not adopt or emphasize green practices.

This SWOT analysis provides a snapshot of the internal and external factors that could influence the operations and strategy of a prestressed concrete poles manufacturer.

7. MARKET ANALYSIS

- **Market Definition:** Prestressed concrete poles are used in various applications such as power transmission, telecommunications, and street lighting. They offer enhanced durability and load-bearing capacity compared to traditional concrete poles.

- **Industry Size and Growth:** Tanzania is experiencing steady economic growth, with increasing investment in infrastructure projects. This growth is driving demand for durable prestressed concrete poles materials, including prestressed concrete poles. As urbanization and industrialization accelerate, the market for prestressed concrete poles is expected to expand.

Key Trends:

- **Infrastructure Development:** Significant investments in infrastructure, including roads, bridges, and energy projects.
- **Urbanization:** Rapid urban growth increasing the need for robust infrastructure.
- **Technological Adoption:** Growing interest in modern prestressed concrete poles materials and techniques.

Market Segmentation**Geographic Segmentation:**

- **Urban Centers:** Major cities such as Dar es Salaam, Dodoma, and Arusha are experiencing rapid growth and infrastructure development, creating high demand for prestressed concrete poles.
- **Rural Areas:** Rural electrification and infrastructure projects are also driving demand in less developed regions.

Application Segmentation:

- **Power Transmission:** High demand due to ongoing electrification projects and the expansion of the national grid.
- **Telecommunications:** Increasing need for poles to support telecom infrastructure as mobile and internet services expand.
- **Lighting:** Demand for street lighting and outdoor illumination in both urban and rural areas.

Customer Segmentation:

- **Government Agencies:** Major clients for public infrastructure projects, including roads, utilities, and street lighting.
- **Prestressed concrete poles Companies:** Require prestressed concrete poles for various prestressed concrete poles and infrastructure projects.
- **Utilities Providers:** Electric and telecommunications companies involved in infrastructure development and maintenance.

Competitive Landscape**Key Players:**

- **Local Manufacturers:** Few established companies in Tanzania.

Competitive Strategies:

- **Local Production:** Emphasizing the benefits of locally manufactured products, such as reduced lead times and lower transportation costs.
- **Product Differentiation:** Offering customized solutions and high-quality products to stand out in the market.
- **Pricing:** Competitive pricing strategies to attract price-sensitive customers while ensuring profitability.

Market Share:

- **Market Leaders:** Local firms with established networks and experience.
- **Emerging Players:** New entrants focusing on innovation or niche markets.

Market Demand and Supply

Demand Drivers:

- **Government Projects:** Increased government investment in infrastructure development, including rural electrification and urban infrastructure.
- **Urban Expansion:** Growing urban areas requiring new infrastructure for power, communication, and lighting.
- **Technological Advancements:** Adoption of modern prestressed concrete poles practices and materials.

Supply Chain:

- **Raw Materials:** Key inputs include cement, steel, and additives. Ensuring a stable supply of these materials is crucial for production.
- **Manufacturing:** Requires investment in modern technology and skilled labor to maintain quality and efficiency.
- **Distribution:** Effective logistics are essential for delivering products across various regions of Tanzania, including remote areas.

Market Opportunities and Challenges

Opportunities:

- **Infrastructure Development:** Government and private sector investments in infrastructure projects offer significant growth potential.
- **Rural Electrification:** Ongoing initiatives to expand electricity access in rural areas create additional demand for prestressed concrete poles.
- **Sustainability:** Growing emphasis on durable and sustainable prestressed concrete poles materials aligns with the benefits of prestressed concrete.

Challenges:

- **Economic Fluctuations:** Economic instability or fluctuations could impact infrastructure spending and market demand.
- **Raw Material Costs:** Volatility in the prices of raw materials can affect production costs and profit margins.
- **Regulatory Compliance:** Meeting local prestressed concrete poles standards and regulations may require continuous adjustments and investments.

Conclusion

The market for prestressed concrete poles in Tanzania is driven by significant infrastructure development, urbanization, and government initiatives. While there are substantial opportunities for growth, including rural electrification and increased urban infrastructure, challenges such as economic fluctuations and raw material costs must be managed effectively. Manufacturers should focus on leveraging local production advantages, investing in technology, and building strong relationships with key stakeholders to succeed in this evolving market.

8. Our Target Market

Before starting our prestressed concrete poles manufacturing company in Tanzania, we conducted a market survey and feasibility studies and we are certain that there is a wide range of prestressed concrete poles companies and other players in the prestressed concrete poles value chain that need our products.

Our Competitive Advantage

There are favorable conditions for growth in the Prestressed concrete poles Manufacturing industry and as a result of this, survival in the industry will require that you build on existing knowledge and broaden your skill base. More prestressed concrete poles manufacturing companies are coming up and they are using the services of existing franchise in the business to boost their competitive edge and exposure in the industry.

We are quite aware that to be highly competitive in the Prestressed concrete poles Manufacturing industry means that you are not only expected to deliver reliable prestressed concrete poles, but you must be able to meet set targets. No one would want to hire your services if don't always meet up with target.

Our Competitive Advantage lies in the power of our team; our workforce. We have a team of certified and highly trained civil engineers and technicians et al, a team with excellent qualifications and experience in various niche areas in the prestressed concrete poles manufacturing industry. Aside from the synergy that exists in our carefully selected workforce, our services will be guided by best practices in the industry.

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 objectives.

9. SALES AND MARKETING STRATEGY

We are mindful of the fact that there are stiff competitions in the Prestressed concrete poles Manufacturing industry, hence we have been able to hire some of the best marketing experts to handle our sales and marketing. 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 equipped to meet their targets.

Osaju Company Limited is set to make use of the following marketing and sales strategies to attract clients;

- Introduce our business by sending introductory letters alongside our brochure to prestressed concrete poles and real estate companies and key stake holders in and around Arlington Heights, Texas.
- Promptness in bidding for prestressed concrete poles supply contracts from prestressed concrete poles companies and real estate companies
- Advertise our business in relevant business magazines, newspapers, TV and radio station.
- List our business on yellow pages ads (local directories)
- Attend relevant international and local expos, seminars, and business fairs et al
- Leverage on the internet to promote our business
- Engage direct marketing approach
- Encourage word of mouth marketing from loyal and satisfied clients

Sources of Income

Osaju Company Limited is established with the aim of maximizing profits in the Prestressed concrete poles Manufacturing industry and we are going to ensure that we do all it takes to meet and surpass the expectations of our clients.

Osaju Company Limited will generate income by;

- Manufacturing Prestressed concrete poles
- Delivering Prestressed concrete poles to end users

10. Startup Expenditure (Budget)

From our market survey and feasibility studies, we have been able to come up with a detailed budget for establishing a standard prestressed concrete poles manufacturing company in Tanzania and here are the key areas where we will spend our startup capital;

- Cost of Plat and Equipment's – \$1,000,000.
- Cost of Land – \$50,000.
- Cost of Construction – \$650,000.
- Working Capital for 3 months – \$500,000.

Going by the report from the market research and feasibility studies conducted, we will need about Two Million Two hundred and fifty thousand (\$2,200,000) U.S. dollars to successfully set up a medium scale but standard prestressed concrete poles manufacturing company in the Tanzania.

11. Sustainability and Expansion Strategy

The future of a business lies in the number of loyal customers that they have, the capacity and competence of the employees, their investment strategy and the business structure. If all of these factors are missing from a business, then it won't be too long before the business closes shop.

One of our major goals of starting Osaju Company Limited is to build a business that will survive off its own cash flow without 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 offer our prestressed concrete poles a little bit cheaper than what is obtainable in the market and we are prepared to survive on lower profit margin for a while.

Osaju Company Limited 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 re – training of our workforce is at the top burner.

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.