

## Business Plan Lubanza Trading Company Ltd

### Cooler & Refrigerator Assembly Project

Prepared for: Lubanza Trading Company Limited

Location: HEPZ, Morogoro Road, Ubungo – Dar es Salaam, Tanzania

Brand Name: GLACIA

Date: September 2025

#### 1. Executive Summary

Lubanza Trading Company Limited, with more than 20 years of experience in cooler management, is expanding into local assembly of commercial coolers, refrigerators, and deep freezers.

The project will operate under the brand GLACIA and will be located at HEPZ, Ubungo, benefiting from tax incentives and strategic positioning.

With existing partnerships with Tanzania Breweries Ltd (TBL), Serengeti Breweries Ltd (SBL), and SBC (Pepsi), the business has a ready client base and a proven track record in cooler servicing and branding.

#### 2. Company Overview

- Company Name: Lubanza Trading Company Limited
- Established: 2004
- Headquarters: Dar es Salaam, Tanzania
- Core Business: Cooler management (PM, breakdowns, deployment, branding)
- Key Clients: TBL, SBL, SBC (Pepsi)
- Brand for Assembly Line: GLACIA

#### 3. Project Description

The project aims to establish a cooler, refrigerator, and deep freezer assembly line at HEPZ, Ubungo.

##### Products:

- Commercial glass-door beverage coolers
- Chest deep freezers
- Household refrigerators

**Business Model:**

- Import CKD/SKD kits from global suppliers (China, Turkey, India).
- Assemble locally at HEPZ.
- Distribute through B2B contracts, retail outlets, and exports.

**4. Market Analysis**

**Industry Outlook:**

- Tanzania's refrigeration and cooling market is growing at 7–10% annually.
- Rising demand from beverages, hospitality, supermarkets, and households.
- East Africa imports a majority of refrigeration products, creating space for local assembly.

**Target Market:**

1. **Commercial Clients:** Breweries, beverage companies, supermarkets, hotels.
2. **Households:** Affordable refrigerators for middle-income families.
3. **Export Markets:** Kenya, Uganda, Rwanda, Burundi, South Sudan.

**Competitive Advantage:**

- Over 20 years of experience in cooler management.
- Established long-term relationships with breweries.
- Cost savings from local assembly compared to full imports.
- Ability to offer custom-branded solutions.

**5. Operations Plan**

**Location:**

- HEPZ, Morogoro Road, Ubungo – benefiting from SEZ incentives (tax breaks, VAT exemptions).

**Facilities & Capacity:**

- Factory space: 1,000 sqm.
- Production capacity: 100 units per shift (~25,000 annually at single-shift operation).
- Facilities include assembly hall, warehouse, QC/testing lab, offices.

**Workforce:**

- Technical staff: 20–30
- Management & administration: 10–15
- Sales & distribution: 5–10

**Supply Chain:**

- CKD/SKD kits imported.
- Local sourcing for packaging, branding, and insulation foam where possible.

**6. Marketing & Sales Strategy**

**Branding:**

- Launch GLACIA as the proprietary brand.
- Offer custom branding for breweries and large corporate clients.

**Sales Channels:**

- Direct B2B contracts with breweries and beverage companies.
- Retail distribution through appliance dealers.
- Online sales/e-commerce platforms.

**Promotion:**

- Leverage brewery partnerships for endorsements.
- Participate in trade fairs & expos (e.g., Dar es Salaam International Trade Fair).
- Advertising through digital and print media.

**7. Financial Plan**

**Startup Costs (Estimates):**

- Factory setup & renovation: USD 250,000
  - Machinery & assembly equipment: USD 350,000
  - First batch of CKD kits (1,000 units): USD 400,000
  - Working capital & operations: USD 150,000
- Total Initial Investment: ~ USD 1.15 Million**

**Revenue Projections (USD):**

- Year 1: 10,000 units → 3.5M revenue
- Year 2: 15,000 units → 5.2M revenue
- Year 3: 25,000 units → 8.5M revenue

**Profitability:**

- Gross margin: 25–30%
- Break-even: 2–3 years

**8. Risk Analysis & Mitigation**

- Import Dependency: Diversify suppliers.

- **Competition:** Focus on quality and after-sales service.
- **Currency Fluctuations:** Hedge through forward contracts.
- **Regulatory Risks:** Ensure full compliance with TISEZA/HEPZ requirements.

#### 9. Implementation Timeline

- **Q4 2025:** Finalize suppliers, secure financing.
- **Q1 2026:** Factory setup & machinery installation.
- **Q2 2026:** Trial production (500–1,000 units).
- **Q3 2026:** Full production rollout.

#### 10. Conclusion

Lubanza Trading Company Limited, under its GLACIA brand, is strategically positioned to transform the refrigeration market in Tanzania and East Africa.

The assembly factory will not only strengthen the company's existing partnerships but also promote local industrialization, job creation, and reduced import dependency, in alignment with Tanzania's economic growth vision.

