

UNIVERSITY OF NIGERIA, NSUKKA
FACULTY OF THE SOCIAL SCIENCES
DEPARTMENT OF PUBLIC ADMINISTRATION
AND LOCAL GOVERNMENT

A BUSINESS PLAN
SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT OF THE COURSE CED342
(BUSINESS CREATION AND GROWTH)

TOPIC:

TAILORING AND FASHION DESIGNING

BY

CHIBUZOR CHIEMELIE CHIGOZIE

REG NO:2014/192621:

LECTURER: DR. MRS. NWAOGA T.C

JULY, 2017

TITLE PAGE

TAILORING AND FASHION DESIGNING

DEDICATION

This work is dedicated to Almighty God,

TABLE OF CONTENTS

PART ONE.....1

Executive Summary.....1.

PART TWO.

Background.....3

Introduction.....3

Vision and Mission Statements.....3

Ownership.....3

Services Rendered.....3

Legal Form and Ownership of Business.....3

Location of the Business.....3

Industry Trend and Analysis.....3

Business Strategy.....3

Key Success Factors.....4

PART THREE

3.0 PRODUCTION

Costing.....5

market,customer and competition.....5

customers/market segmentation.....5

PART FOUR

MARKETING

Marketing plan6

Promotion strategy.....6

Marketing strategy.....6

Market Positioning Strategy.....	7
----------------------------------	---

PART FIVE.

TECHNICAL ANALYSIS

The Project.....	9
Making Process.....	9
Service Flow Chart.....	9
Machinery, Equipment, and other Requirements.....	9

PART SIX

6.0 Management and Organisational Plan.....	10
Shareholders/Directors.....	10
Management Team.....	10
Organisational Structure.....	10
Organisation’s Values and Norms.....	10

PART SEVEN

7.0 Legal, Regulatory, Social, and Environmental Issues.....	11
Legal Issues.....	11
Regulatory and Environmental Issues.....	11

PART EIGHT

8.0 Risk Analysis, Contingency Plan and Exit Strategy	
Risk Analysis and Mitigants.....	13
SWOT Analysis.....	13
Contingency Plan And Exit Strategy.....	13

PART NINE

Financial Plan	
Equipments, Machinery, and Other Needs to Produce the Service.....	14
Working Capital Projection.....	15

Start Up Capital Needed.....	16
Financing Plan.....	16
Loan Repayment and Interest Payment Schedule.....	16
Schedule of Depreciation (Annual).....	17
Cash Flow Projection.....	18
Balance Sheet.....	20

PART TEN

10.0 Other Considerations and conclusion.	
Economic Justification.....	21
Commercial Viability.....	21
Conclusion and Recommendations.....	21.

PART ONE

1.0 EXECUTIVE SUMMARY

As the 10 becomes the new 18 and 50 the new 35 in this s21st century Consumers are craving new and different products, actively seeking new fashion-forward items on each shopping expedition **Emily vanders** specializes in clothing selections and exclusive personal style services, which include a detailed Style Assessment, will ensure that our customers are well dressed gears to provide high quality gowns and any other dress styles like both modern an traditional Ankara They can then select their choice cloth by either feeling in the store or seeing on the webpage and select a model for their gowns.we will carry Ready-to-Wear (RTW) designer and casual/contemporary apparel & accessories for women, and will be the exclusive Nigerian home of the Italian line, Pitti Uomo. MaxMini, and other south African native modern combination

1.11 NAME OF BUSINESS:

The name of the business is

Emily vanders fashion

1.12 LEGAL FORM OF BUSINESS:

It is a sole proprietorship business

1.13 CONTACT ADDRESS:

No 5 university road university of Nigeria nsukka Nigeria.

1.14 TEL: 08062957000

E-MAIL: emeliebuzors@yahoo.com

1.15 TYPE OF BUSINESS:

It is a service provider business.

1.18 START-UP CAPITAL

Personal savings	=	300,000
Loan from bank,	=	600,000
Grants from Friends	=	600,000

1.21 COMPETITIVE EDGE

Our competitive edge lies on our efficiency in producing and making new designs with exceptional styles with traditional attaches what we will have over all competitors is dedication to providing an approachable atmosphere with top-notch customer service. Our unique selling proposition is the integrated concept of personal style services: from events and bios that educate shoppers on designers, to personalized Style Assessments, on-site alterations, and our own unique Style Concierges and wardrobe accessories. In contrast to many other designers, emelie vanders will become a corporate member of the Association of Image Consultants so that our Style Concierges learn from the nation's best on image consulting.

PART 2

2.0 GENERAL INTRODUCTION

Emily vanders fashion was inspired by creativity and due to the preference of fashion by our modern age. Both in the scenes of the young and Adults. According to observations in the area studies there are few establishments that would be able to meet up with this demand. People within has to take their dress design to far known outside the neighbourhood to satisfy their need, the location being students environment ,its estimated that our business being situated within will meet their demands and increase their tastes and excitement after our service.

2.1 VISION

. To make, design To provide women with clothing selections and exclusive personal style services, which include a detailed Style Assessment, will ensure that our customers are well dressed that offers a comfortable and approachable environment To showcase quality,well-constructed fashions from prominent and

cutting-edge designers To offer a variety of beautiful and high-end fashion accessories To help women and men of learn what clothing and styles go best with their unique personalities To generate buzz and sales through top-notch exclusive services

2.2 MISSION

Providing the best admirable trends of unique creativity in the fashion world.

2.3 KEY SUCCESS FACTORS

Our success factors includes,

Having a good location in a high-shopping area

Quality product and good relationships with vendors

.Outstanding customer service

hosting fashion parties and awards

2.4 INHERENT RISKS

consumer confidence (influenced by global terrorism, tension & uncertainty

Continuous changes in demographics, tastes and fashions

2.5 BUSINESS OWNERSHIP

This is a sole proprietorship business owned by **Chiemelie Chibuzor Chigozie**

2.6 LOCATIONAL FACTORS

The clothing company is located at Nsukka ; what informed the choices of this location are

Availability of good road network and ease of market access

It is situated beside a tertiary institution which enables students to be served to them efficiently.

It is located within an open area within the town for easy location by first timers.

Our company is also registered under Google maps to enable easy location for our local and foreign customers.

2.7 AVAILIABLE MARKET

According to the social and environmental assessment analysis carried out students who specialized in modelling also demands new designs They will be available to assist customers with their Style Assessments, wardrobe planning, special orders and personal shopping. If a customer is pressed for time, she simply calls Emily vanders to set up an appointment and there will be someone there to greet and assist her beyond normal business hours,

PART THREE

3.0 PRODUCTION

Emily vanders will provide the following designs
Creative modern Italian apparels
Ankara (Nigeria,Ghana,ivory coast and south African style base precisely)
Gowns, shirts (male and female unique styles)

3.1 COSTING

The costing of materials of the clothing company is majorly on five areas

Importation

Materials

Fuelling

Online blogging cost and maintainance

3.2 MARKET,CUSTOMER AND COMPETITION

Emily vanders fashion as one of her lead directors who has worked in the fashion industry for more than 7 years. Her experience includes working with apparel retailers, clothing wholesalers, garment manufacturers, and fashion designers. She understands the fashion industry and knows how to spot the latest trends. While there is no guarantee a competitor will locate within our area, we have no doubt in our fashion sense, outstanding customer service and quality products

Our supplier relationships and exclusive product offerings will prevent future competitors from entering the market as a competitor. Also, it takes time to build a retail store, and by the time a competitor attempts to compete with us directly, we will have already established a strong customer base

3.3 CUSTOMERS/MARKET SEGMENTATION

Based on demographic segmentation our target is basically on young people between 18-35,35-50 year of age . However, we do realize that we will likely attract some younger women with our peripheral products (creative stlish Ankara gowns and beach shirts with Chinese neck, etc.). Moreover, we expect a portion of our products to catch on with the younger generations. It's important that we do not offer products that are exclusive to the older audience

PART 4

MARKETING

4.1 MARKETING PLAN

Fashion industry is a solid business with ever-changing styles and ever-present consumer demand This is important so as to accurately target marketing effort in such a way as to yield best result. Segmentation can be by way of industry; production process- which considers the production process adopted by the customers; financial muscle making – whereby cognizance is given to different financial capabilities of customers; location – which consider level of consumption that varies with location as a good segmenting tool, i.e. the preferences of customers may vary with their location, i.e. rural and urban dwellers usually differ

in their taste and demographic attributes – which considers age, health, etc. specifically, segmentation as adopted here looks at the following:

film producers

trade fair exhibition

students

4.2 PROMOTION STRATEGY

By gift giving during key holidays (Christmas, Valentine's & Mother's Day) and utilize assessments to assist gift givers in purchasing the appropriate gift Integrate style personalities and other key information into customer database and develop customer segments Create awareness of assessment through emails to customers In-Store: List the style personality numbers on each merchandise tag to generate interest and awareness of the Style Assessment Provide overview of Style Assessment in dressing rooms Tailor merchandise offerings to specific Style personalities Events and Hold monthly Style Assessment workshops.

4.3 MARKETING STRATEGY

Emily vanders will be extra-prudent and prepared to make greater investments in promotions and resources to do observation visits, conduct preliminary market tests, and increase their visibility by taking part in trade shows and other activities. Industry specialists strongly advise using specialized brokers to increase one's chances of success Mass manufacturing and rapid creative copying of fashion catwalk designs means that many of us can afford innovative looks at high street prices without the couture price tag. Foremost, we intend to showcase our brand, our clothing and provide customers with the ability to purchase items online. As the site progresses, we will include features such as fashion advice, designer interviews, newsletters, and Internet-only specials. Eventually, we hope to establish and nurture an online social community where

women can gather and discuss topics of the day, network and share clothing secrets. Emily vanders believes in bringing the best service to our customers

4.4 MARKET POSITIONING STRATEGY

We will create a leading edge profile through our position as the most trendy clothing industry, through the outlines below we will enumerate how we would want to be seen by our customers;

Our service delivery would be effective and efficient with quality and outstanding designs and outfit.

As a company that has the customer's interest, in forms of pricing and quality at heart.

PART FIVE

TECHNICAL ANALYSIS

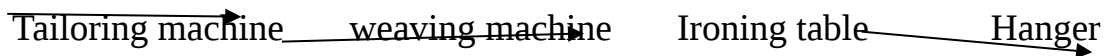
5.0 THE PROJECT

Emily vanders will sell a combination of widely recognized name brands as well as clothing lines from select fashion designers. We will closely follow generational fashion trends as well as our own customers' purchasing preferences. Moreover, we will tailor our inventory to meet the needs of our clientele. Solely focusing on the styles, colors and fits to flatter figure will be our specialty. While apparel, such as fashion clothing, casual wear, jeans and formal wear will be our main staple, we will also offer some accessories such as belts, scarves, and hats. Profits will be earned via the sale of our merchandise. Our pricing structure will remain flexible, as we will implement suggested retail pricing on common brands as well as the standard practice of keystone prices.

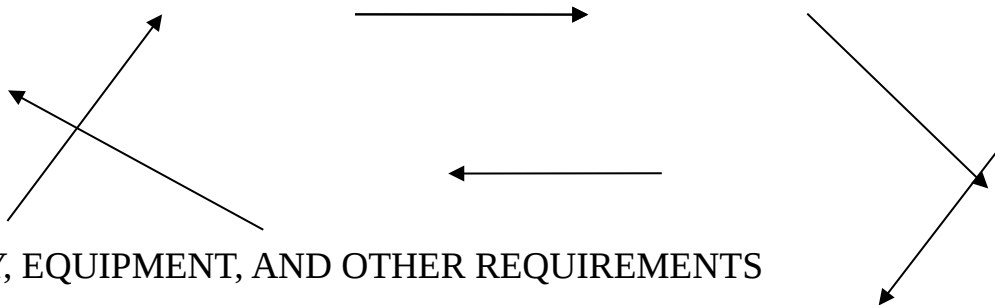
5.11 MAKING PROCESS

Before the dress is being made ,the materials would already be in place ,the sizes are being noted on a note pad nearby recording the height, and body measurement garments are inspected for stains before working on it.

1		2		3		4
---	--	---	--	---	--	---



5.12 SERVICE FLOW CHART



MACHINERY, EQUIPMENT, AND OTHER REQUIREMENTS

S/N	Investment(Equipment and others)	Quantity	Life Span
1	Building	1 plot	10 years
2	Tailoring Machine:	6	ears
	i.weaving Machine	7	10 years
	ii. Electric iron	4	10 years

S/N	Investment(Equipment and others)	Quantity	Life Span
	iii. Ironing table	7	10 years
	iv. Generator (5kVA)	2	10 years
	v. Hangers	2 dozens	5 years
	vii. Pegs and safety pins	2 dozens	6 months

PART SIX

6.0 MANAGEMENT AND ORGANISATIONAL STRUCTURE

6.10 SHAREHOLDERS/DIRECTORS

The key board member is Chiemelie Chibuzor but tactically operated by the four people who are delegated to serve as directors.

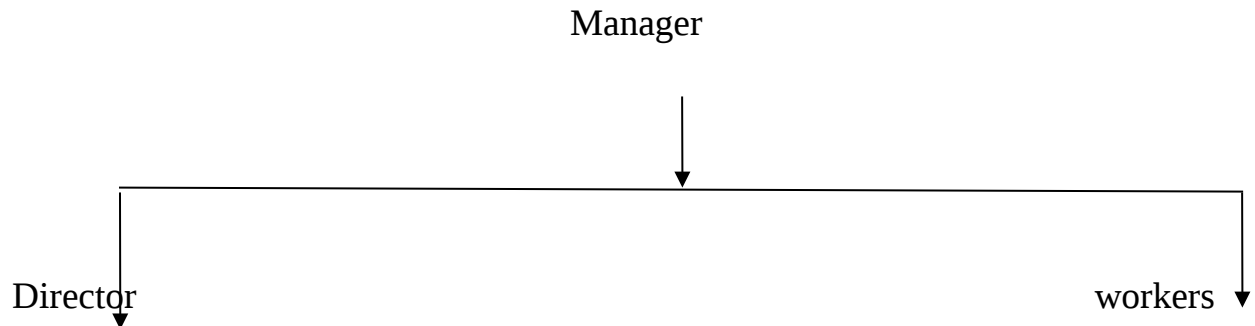
6.12 MANAGEMENT TEAM

A. As at when writing this plan, the qualification and training of the key members are:

Entrepreneurial training(fashion boutique)
 Fashion designing business school
 B.sc holder fine arts(specialty :textile designing)

Undergraduate B.sc public administration specialty Management and fashion experience

6.13 ORGANISATIONAL STRUCTURE



6.16 ORGANISATION'S VALUES AND NORMS

To offer the best service to her customers.

To always maintain their integrity through quality service delivery.

Always available to her customers.

To see their customers' as the drivers of the business.

PART SEVEN

7.0 LEGAL, REGULATORY, SOCIAL, AND ENVIRONMENTAL ISSUES

7.11 LEGAL ISSUES

Emilyvanders plans to begin operations after registering the business name with the department at the state Government Headquarters for the operations of fashion designing complex.

7.12 REGULATORY AND ENVIRONMENTAL ISSUES

A. Regulatory Issues: The only regulatory and environmental issue is the disposal of solid waste (pieces of materials) . The company will comply with the environmental regulatory rules and regulations and relevant industrial safety requirements.

B. Environmental Issues

I. By-products of the service

Perchloroethylene (a chemical used for removing stain from fabrics).

iii. Treatment and Disposal of By-Products

Since the by-products cannot be recycled, they will be disposed according to the regulations set by the Ministry of Environment.

iv. Certificate

As at when writing this plan, the certificate has not been obtained.

PART EIGHT

8.0 RISK CONTINGENCY ANALYSIS

S/N	Risks	Mitigants
1	. Competition from others in the same business line /Emerging competition	. Low cost service, home delivery and customer care service Continuous high quality designs, special delivery packages
2	. Inadequate power supply	. A stand by generator to supply the needed power
4	Inadequate start up demand.	Promotion and advertising campaigns.

SWOT ANALYSIS:

Strengths:

Experience and understanding of the fashion industry, developing a couture line and a ready-to-wear, off-the-rack line more accessible to buyers with average incomes. This is a strength because it allows the designer's name to reach a larger audience of potential customers and the brand to make more sales. For example, Giorgio Armani includes high-priced couture and a ready-to-wear line available through Armani Exchange

. Weakness

contingency costs not planned for, inadequate knowledge of designers on tastes of customers or designers or lack of presence in a particular region, and also Tardiness in efficiency by workers during the making process lateness to work etc

Opportunities:

Nsukka is now developing and has good road networks she has also loosened commercial restrictions and has become a more open source for labour, materials and import/export commercial transactions. Technological advancements in machinery are also opportunities when the technology makes production or

distribution faster or increases its scale, such as machines that cut more garment pieces at a time.

Threats:

Politics and economies are primary sources of threats to a brand in the fashion industry. Trade embargoes, political unrest in an area of raw material supply and economic downturns that lead to restricted consumer spending are all threats to the accessibility of raw materials, brand exposure and name recognition, distribution and consumer purchasing. Establishment of similar projects in the area could add pressure on the sales if the prices are not competitive or the quality of service not being comparable.

CONTINGENCY PLAN AND EXIT STRATEGY

No exit is planned ,the business is a continuous activity in a situation where the business is failing our blue prints will be reviewed based on the skill and competence of our workers and also on customer loyalty will be restructured

PART NINE

FINANCIALS

9.0 EQUIPMENTS, MACHINERY, AND OTHER NEEDS TO PRODUCE THE SERVICE

S/N	Investment (Equipments and others)	Quantity	Unit cost (₦)	Total cost (₦)
1	Building	1 plot	1,000,000.00	1,000,000.00
2	Equipments and Machine:			
	Washing machine	2	86,500.00	173,000.00
	Ironing table	2	7,800.00	15,600.00
	Pressing Iron	2	3,500.00	7,000.00
	Stand-byGenerator (5KVA)	1	80,000.00	80,000.00
	Hangers	2 dozens	3,300.00	6,600.00
	Safety pins and pegs	2 dozens	1120.00	2240.00
	Working capital			73,000.00
	Total Investment			1,357,440.00

9.2 PRELIMINARY AND PRE-OPERATING EXPENSES

Item	Amount (₦)
Company incorporation	25,000.00
Travelling expenses	18,500.00
Preparation of business plan	5,000.00
Total	48,500.00

9.3 WORKING CAPITAL FORECAST

	Year 0	Year 1	Year 2	Year 3
Working capital items	(₦)	(₦)	(₦)	(₦)
Material supply	42,500.00	49,700.00	52,000.00	57,850.00
Purchase of threads and machine oil and chemicals	30,500.00	32,000.00	38,750.00	43,300.00
Repairs	.....	12,000.00	17,000.00	21,600.00
Working capital	73,000.00	93,700.00	107,750.00	122,750.00

	Year 0	Year 1	Year 2	Year 3
Working capital items	(₦)	(₦)	(₦)	(₦)
Increase or decrease in working capital	-----	20,700.00	34,750.00	49,750.00

9.4 START UP CAPITAL NEEDED

S/N	Item of Expenditure	Amount (₦)
1	Fixed asset investment (equipment, Machinery, and other equipments)	700,000.00
2	Working Capital	73,000.00
3	Pre-operating Expenses	40,000.00
	Initial Total Investment Outlay	811,300.00

9.5 FINANCING PLAN

S/N	Source of Fund	Amount (₦)
1	Owners' capital	300,000.00
2	Bank Loan	600,000.00

S/N	Source of Fund	Amount (₦)
3	Family and Friends	600,000.00
	Total	1,500,000.00

9.6 LOAN REPAYMENT AND INTEREST PAYMENT SCHEDULE

Year	Loan (₦)	Interest (₦)	Annual Instalment (₦)	Loan Repayment (₦)	Loan Bal c/f (₦)
1	600,000.00	23,000.00	.....	.....	500,000.00
2	600,000.00	46,000.00	.....	240,000.00	546,940.00
3	600,000	11,570.00	.....	242,940.00 0	.....

9.7 SCHEDULE OF DEPRECIATION (ANNUAL)

S/N	Item of Depreciation	Initial value (₦)	Scrap Value (₦)	Life Span	Depreciation (₦)

S/N	Item of Depreciation	Initial value (₦)	Scrap Value (₦)	Life Span	Depreciation (₦)
1	Tailoring machine	86,500.00	60,000.00	10 years	2,650.00
2	Ironing table	7,800.00	3,750.00	10 years	405.00
3	Electric pressing iron	3,500.00	1,100.00	3 years	800.00
4	Generator	80,000.00	43,000.00	10 years	3,670.00
5	Computer and office equipment	40,000.00	29,000.00	10 years	1,150.00
6	Furniture	5,000.00	1,350.00	10 years	365.00
Total Depreciation					13,890.00

9.8 CASH FLOW PROJECTION

Funding plan and statement

The funding plan is as follows

Personal Savings = 300,000

Loan from bank, = 600,000

Grants from Friends = 600,000

Funding requirement

The funding requirement for the project is 1,500,000 on equity.

Projected income statement

	2017	2018	2019
Turnover	2,000,000	2,200,000	2,400,000
Cost of sales	1,500,000	525,000	550,000
Gross profit	1,500,000	1,475,000	1,145,000
Operating expenses			
Salaries and allowances	696,000	730,800	765,600
Awards	15,000	15,750	16,500
Electricity	20,000	21,000	22,000
Fuel	20,000	21,000	22,000
Gas	30,000	31,500	33,000
Fashion parties	20,000	21,000	22,000
Depreciation	13,000	13,650	14,300
Total expenses	804,000	844,200	884,400
Net profit	696,000	730,800	765,600

Note: Turnover is estimated to increase at the rate of 10% while cost of sales and operating expenses are expected to increase at the rate of 5%

9.9 Projected Cash-Flows Statement

	2017	2018	2019
Owners contribution	1,500,000		
Total sales (turnover)	2,000,000	2,200,000	2,400,000
Total cash inflows	3,500,000	2,200,000	2,400,000
Cash outflows			
Fixed asset acquisition	800,000	840,000	880,000
Cost of sales	500,000	525,000	550,000
Less depreciation	680,000	695,000	705,000
Total outflow	1,980,000	2,060,000	2,135,000
Net cash flow	19,799,965	20,599.978	21,349,976

Profitability analysis

Return on owners' contribution (equity)

$$\text{Roc} = \frac{\text{Net profit}}{\text{Owners contributions}} \times 100$$

$$1. \quad \frac{696,000}{1,500,000} \times 100 = 46.4\%$$

$$730,800 \times 100$$

$$2. \quad \frac{1,500,000}{1} = 48.72\%$$

$$\frac{765,600}{1,500,000} \times 100 = 51.04\%$$

9.10 BALANCE SHEET

Balance Sheet Assets	Year 1(₱)	Year 2 (₱)	Year 3 (₱)
fixed Assets:			
Land, Machinery, and Others	600,000.00	600,000.00	600,000.00
Less. Cum. Depreciation	13,890.00	27,780.00	41,670.00
Total Fixed Assets (A)	613,890.00	627,780.00	641,6970.00

PART TEN

OTHER CONSIDERATIONS AND CONCLUSION

10.11 ECONOMIC JUSTIFICATION

The clothing company will provide 20 new jobs, thereby contributing positively to the socio-economic environment by offering new opportunities in the area.

10.12 COMMERCIAL VIABILITY

The commercial viability of the business is very glaring. It has been found viable as shown in the projections.

10.13 CONCLUSION AND RECOMMENDATIONS

The business venture being viable can implemented since the projections shows high profitability based on the studies carried out in the area.