

**UNIVERSITY OF NIGERIA, NSUKKA
FACULTY OF ARTS
DEPARTMENT OF MASS COMMUNICATION**

**BUSINESS PLAN ON
FASHION AND DESIGN**

**AN ASSIGNMENT SUBMITTED IN PARTIAL FULFILMENT FOR
THE REQUIREMENT OF THE COURSE: CED 342
(BUSINESS DEVELOPMENT AND MANAGEMENT)**

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LECTURER: DR. MRS. CHINYERE NWAOGA

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CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made on

[07, 02, 2017]

BETWEEN

the Disclosing Party, (the "Chi Fashion Industry"); and

the Receiving Party, (the "Receiving Party"),

collectively referred to as the "Parties".

RECITALS

- A. The Receiving Party understands that the Disclosing Party has disclosed or may disclose information relating to the business, which to the extent previously, presently, or subsequently disclosed to the Receiving Party is hereinafter referred to as "Proprietary Information" of the Disclosing Party.

OPERATIVE PROVISIONS

1. In consideration of the disclosure of Proprietary Information by the Disclosing Party, the Receiving Party hereby agrees: (i) to hold the Proprietary Information in strict confidence

and to take all reasonable precautions to protect such Proprietary Information, (ii) not to disclose any such Proprietary Information or any information derived therefrom to any third person, (iii) not to make any use whatsoever at any time of such Proprietary Information except to evaluate internally its relationship with the Disclosing Party, and (iv) not to copy or reverse engineer any such Proprietary Information. The Receiving Party shall procure that its employees, agents and sub-contractors to whom Proprietary Information is disclosed or who have access to Proprietary Information sign a nondisclosure or similar agreement in content substantially similar to this Agreement

2. Without granting any right or license, the Disclosing Party agrees that the foregoing shall not apply with respect to any information after five years following the disclosure thereof or any information that the Receiving Party can document (i) is or becomes (through no improper action or inaction by the Receiving Party or any affiliate, agent, consultant or employee) generally available to the public, or (ii) was in its possession or known by it prior to receipt from the Disclosing Party as evidenced in writing, except to the extent that such information was unlawfully appropriated, or (iii) was rightfully disclosed to it by a third party, or (iv) was independently developed without use of any Proprietary Information of the Disclosing Party. The Receiving Party may make disclosures required by law or court order provided the Receiving Party uses diligent reasonable efforts to limit disclosure and has allowed the Disclosing Party to seek a protective order.
3. Immediately upon the written request by the Disclosing Party at any time, the Receiving Party will return to the Disclosing Party all Proprietary Information and all documents or media containing any such Proprietary Information and any and all copies or extracts

thereof, save that where such Proprietary Information is a form incapable of return or has been copied or transcribed into another document, it shall be destroyed or erased, as appropriate.

4. The failure of either party to enforce its rights under this Agreement at any time for any period shall not be construed as a waiver of such rights. If any part, term or provision of this Agreement is held to be illegal or unenforceable neither the validity, nor enforceability of the remainder of this Agreement shall be affected. Neither Party shall assign or transfer all or any part of its rights under this Agreement without the consent of the other Party.

[Disclosing Party]

[Receiving Party]

Name: Chi Fashion Industry.

Name: _____

Address: No. 23 Okpara Avenue Enugu

Address: _____

[07, 02, 2017]

Date: _____

1.0 EXECUTIVE SUMMARY

0 Executive Summary

Overview

Chi fashion industry is clothing boutique that will open in Enugu, which means "the clique" "circle of friends" in Enugu, defines the boutique and its essence of inclusion. Chi clothing selections and exclusive personal style services, which include a detailed Style Assessment, will ensure that our customers are well dressed. Chi is a woman-owned business currently organized as a Sole Proprietorship.

Clothing for stylish women

Chi fashion will carry Ready-to-Wear (RTW) designer and casual/contemporary apparel & accessories for women, and will be the exclusive to women in Enugu Environment

Chi fashion will provide services such as Style Assessments, alterations, personal shopping, and special ordering to customers during store hours and by personal appointments. Style Concierges who are trained within the image industry will be available to customers on a daily basis. Chi innovative Style Assessments and educational emphasis in helping women develop their personal styles will enhance our reputation as a truly unique boutique.

The business will require a start-up capital of ₦5 816 040 made up of ₦ 2 822 400 for fixed assets and ₦ 2 993 640 for working capital.

The competitive edge of the business over its competitors lies in her ability to produce exceptional style clothing for women in Enugu.

There will be good advertising media for our product to be made known to the public. We intend to develop and enlarge our business in few years to come. We will conduct research on our product and hold workshop to enlighten our workers and the entire public on the need for style clothing

The financial projections and tables show that the business would be financially stable and liquid by the time it matures with good profits after tax.

The funding requirements of the business will be obtained from equity contribution, bank loan, venture capital and help from others.

From the point of view of findings, the proposed project is technically feasible, viable financially, enables job creation and wealth creation. The project also offers good business benefits and is therefore highly recommendable.

2.1 Start-up Summary

This business plan will be used for three purposes:

1. To map out all the necessary components to create a successful and well-run boutique
2. To provide management with a blueprint to follow
3. To secure financing through private institutions and investors

Start-up costs include inventory for the first month, and are estimated at N132,700 of which the owner will inject 31.4%. Current owner investments are documented at approximately N41,700, of which N12,700 is in savings and checking. An additional injection of approximately N8,700 will occur by July 15 of Year

2.1 General Business Overview

Chi Fashion will generate awareness and sales by utilizing PR tactics and the referral networks of personal stylists. Additionally, Chi Fashion will meet our customers where they are, focusing on how women approach shopping by obtaining mentions and reviews in the top fashion publications, travel guides and local papers.

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With over 12 years experience in marketing and retail, owner Erua Chinelo has gathered the expertise to complement and grow the business. Our advisory team holds expertise in retail accounting, retail merchandising, legal contracts, fashion and design. A detailed project plan has been created and all tasks are on schedule. Buying for the Fall/Winter season was completed in April, and store design and marketing elements are currently being finalized

2.2 Promoters, Shareholders and Board

- The promoters of the Chi Fashions are Arua chiamaka chinelo, Ignetus Nwanle, John Edua, Godwin Onye, Arua chiamaka chinelo being the owners of the firm, we will control and be in charge of affairs.
- Management structure and areas of responsibility for the day to management of the business, we will need good hands to help in management. The hired hands will complement in the area of fetching water to be used for production, mixing the chemicals thoroughly, stirring, typing of accounts, fliers, security men, distributing the products (sales agents), cleaning the environment and driving. The table below shows the staff management compliments of the firm.

Positions of the Staff	Number of Staff
Group managing director	1
Typist/cashier	2
Account manager	1
Sales agents	2
Security men	2
Workers	5
Cleaners	2
Driver	1
Total	16

- Shareholders and Board: To finance the required investment outlay or the required start-up capital, the promoters plan to raise the equity capital of ₦2,500,000 while ₦3,316,040 will be gotten from loan and shareholders.

Financial Plan

S/N	Source	Amount (₦)
1.	Equity contribution	2,500,000
2.	Bank loan	2,000,000
3.	Venture capitalist	1,316,040

2.3 ADVISERS

Names	Types	Address	Contact details
Dr. Emeka Ifedi	Financial	No. 7 Chime Avenue Enugu	amuzie@yahoo.com
Eze Nwoke	Financial	No. 67 Independence layout Enugu	09086862194
Bar. Kelechi Igwe	Legal	No. 23 Okpara Avenue Enugu	0805643123

2.4 LEGAL ISSUES

Chi Fashion plans to commence or start operations as a partnership. We plan to register our company with the appropriate department at the local government quarters and medical association. Attempts will also be made to register and get all the necessary permit and licenses. We have gotten a lawyer, in the person of Igwe Kelechi, who will advise us and help us legalize our business.

2.5 LOCATION AND FACILITIES

Okpe fasion is located at Independence Layout Enugu

Nsukka. Reasons for the choice of location are:

- **Nearness to Institute of Management and Technolog**
- Availability of land to contain expansion of the business.
- Nearness to the markets where buyers can order in bulk
- Existence of good road networks to other nearby towns, and the University community.
- Ease of market access and nearness to firms, organizations and churches.
- - Availability of cheap and reliable labour.

2.6 PRODUCTS AND SERVICES

Chi Fashion will carry Ready-to-Wear (RTW) designer diffusion lines and casual/contemporary apparel & accessories for women. Chi Fashion will carry three main RTW lines (Herr Frau, Hocken & Weekend MaxMini) along with various American & European labels such as Catherine the Great, Language, Vince, James Perse and James Jeans.

Chi Fashion will also carry designer fashion accessories such as Jamin Puech handbags, Achoo Panto scarves and wardrobe accessories such as Tosca Delicate, sachets, lint brushes and various Chi Fashion branded items.

APPAREL LINES

- Herr Frau PF Line
- Weekend MaxMini
- Hocken
- Catherine the Great
- Tosca
- Goat
- Twelfth Street
- James Jeans
- AG Jeans
- Vince
- Trina Turk
- Philosophy di Alberta Ferretti

ACCESSORIES

- Wardrobe Accessories:
 - o Lint Brushes
 - o Tosca Laundry Soap
 - o Stylist-in-a-box
 - o Sachets
 - o Hangers
- Fashion Accessories:
 - o Local designer jewelry
 - o Jamin Puech Handbags
 - o Belts, Scarves, Gloves, Hats
 - o Ilux and Tanjane Lingerie

Costs and Sales

The cost for fashion products are built around each unique design

- i. Cost of raw materials for the production of each fashion line
- ii. Cost of equipments used in the production.
- iii. Salaries of our workers.

Costs of Equipment

S/N	Chemicals	Quality Needed	Amount (N)
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1.	1. Fabric Chalk	7	18,000
2.	2. Industrial iron	3	15,000
3.	3. Measuring tape	4	20,000
4.	4. Pencil	1	3,000
5.	5. Pointer	1	2,000
6.	6. Local iron	1	1,000
7.	7. Rack	2	450
8.	8. Scissor	5	170
9.	Pressing machine with vacuum table	1	60,620
10	Total (year)	6000 litres	720,000

Cost of Sewing materials in Apparel Industry

S/N		Quality Needed	Amount (N)
1.	Over lock machine (twine needle four threaded machine)	3	1,400
2.	Over lock machine (one needle)	4	160,000
3.	Zigzag sewing machine (one needle)	5	2,5000
4.	Top and bottom cover stitch flat bed machine (three needle)	7	3,000
5.	Three needle covering machine	6	8,000
6.	Button hole m/c (for woven fabric)	3	400
7.	Button sewing machin e	4	1,200
8.	Over lock machine (twine needle four threaded machine)	7	2,000
9.	Over lock machine (one needle)	4	970
10	Total (month)		79,470
	Total (Year)		953,640

Cost of Fixed Capital Investments

S/N	Fixed Assts	Amount (₦)
1.	10 rooms accommodation	100,000
2.	Dedicated Bore hole	100,000
3.	Delivery Van	500,000
4.	Standby Generator	100,000
5.	Gee Pee Tanks (2)	60,000
6.	Electricity Bill	18,000
7.	Miscellaneous items	500,000
8.	Total	1,378,000

Cost of Sewing materials in Apparel Industry, continued

S/N	Equipment	Quantity needed	Unit price (₦)	Price of quantity needed
1.	Lock stitch sewing m/c (one needle with vertical trimmer wiper and reverse feed)	2	1	10,000
2.	Lap seaming m/c (for back tape attaching)	2	3,000	6,000
3.	Lock stitch sewing m/c (one needle with vertical trimmer wiper and reverse feed)	1	1,900	1,900
4.	Lock stitch m/c (twin needle feed),	1	4,000	4,000
5.	Interlock machine (twine needle)	6	1	12,000
6.	Lock stitch machine (single needle with variable top feed with automatic thread trimmer)	1	45,000	45,000
7.	Lock stitch m/c (single needle with automatic thread trimmer)	4	1,000	4,000
8.	Lock stitch m/c (single needle sewing machine)	50	100	5,000
9.	Lock stitch machine (two needle with split needle bar sewing)	2	155,000.00	310,000
10.	Lock stitch m/c (twin needle feed)	48,500	15	735,000

11.	Button hole sewing m/c (for knitted fabric),	20	100	2,000
12	Button covering stitch belt loop making m/c (kansai m/c),	150.000	2	150,000
14	Linking machine	100	50	2500
16	Total	55,247	69,550	1,444,400

Salaries of Staff of Chi fashion line

S/N	Positions	No. of staff	Amount salary per staff (N)	(N) Total
1.	Group managing director	1	192,000	192,000
2.	Account manager	1	120,000	120,000
3.	Cashier	1	120,000	120,000
4.	Typist	1	120,000	120,000
5.	Workers	5	96,000	384,000
6.	Sales agents	2	60,000	120,000
7.	Driver	1	72,000	72,000
8.	Security	2	48,000	96,000
9.	Cleaners	2	48,000	96,000
10.	Grand Total	16	876, 000	1,320,00

Therefore, the start-up capital required is calculated below;

S/N	Names	Total cost (N)
1.	Cost of sewing materials	720,000
2.	Cost of clothing materials	953,640
3.	Cost of fixed assets	1,378,000
4.	Cost of sewing machine equipment	1,444,400
5.	Salary of works	1,320,000
6.	Grand total	5,816,040

2.7 LONG TERM AIM OF THE BUSINESS

To create a service-based company whose primary goal is to exceed customer's expectations.

To increase the number of client's served by 20% per year through superior service.

To develop a sustainable start-up business.

To develop enough cash flow to pay all salaries as well as grow the business

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2.8 SWOT ANALYSIS

SWOT analysis carried out on the project reveals the following.

STRENGTHS	WEAKNESSES
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- The location of the business entails easy access to the target customers.	- Initial problems of adequate capital t
Fashion line is of highest quality	- Limited experience and expertise of proprietor in balancing the accounts and finance in business hereby employing a cashier/typist.
- The company/business have very good plans to allow and accept expansion.	- The business plan to address the weakness through hiring of the appropriate skilled hands and retaining the service of experts in some areas where the partners are lacking.
OPPORTUNITIES	THREATS
- The company will make use of every available opportunity which will make her have an advantage over her competitors. - The possibility and probability of the business growing out the future to render goods and services abroad.	- There is still the challenges to attract people to her product. - Increased competition. - Low initial demand.
- This business hope to exploit these opportunities.	- To checkmate these threats, the company will embark on serious awareness, promotion and campaigns that will project our products into limelight.

MARKET ANALYSIS

Fashion industry in Enugu metropolis is growing on a steady base. There are various economic forces that affect apparel retailers. Consumer confidence is the most important; people don't shop when they are not feeling good. Unemployment also has an effect, in that fewer women out in the workforce means less disposable income for high-end quality clothing. Thus, the large discounters are now working with top designers to bring designer apparel to the masses. Although they can't compete on quality, their continued development of the trend could have a direct impact on retailers who sell designer clothing during tough economic times. Fortunately, the luxury goods market, of which Chi fashion line is a part due to the high-end brands of the fashion line.

3.1 TARGET MARKET

The target market segment strategy will not be significantly different to address the two different groups. Both groups, regardless of income typically belong to the same group of religious congregations. Therefore, to reach the different groups does not require a distinctly different strategy. What differentiation it will require is different menu offerings needed to satisfy the different groups. The upper-end menu items are cost prohibitive for the middle class target segment.

3.2 TARGET COMPANY REVENUE

The main company revenue is sales from the products.

S/N	Product	Annual contracts	Price per bottle(N)	Total Amount (N)
1	Fashion line	24	300.000.00	6,000,000
2	Specialized custom made designs	24	3000.00.00	6,000,000
	Grand Total			12,000,000

We will pay out debts,/loans from the sales revenue.

3.3 MARKET TRENDS

Recent Changes: Observations have shown that there recent changes in fashion trend in Enugu metropolis

. There is need to meet up with the increasing demand of new fashions with the increasing population because the populace’s demand is not met with the existing “fashions” already in the market.

Future Prediction: For example in Enugu with it with the increasing population via establishment of industries and tertiary institutions

With this example, it is rational to expect and believe that the demand of fashion will continue to grow for years to come based on the increasing member of tertiary institutions and business ventures in the State

Projected Demand for our Fashion line

S/N	Years	Annual rate growth
0	Based year (0) 2017	0.5%
1.	2018	0.5%
2.	2019	0.5%
3.	2020	0.5%
4.	2021	0.5%
	Total	25%
	Average	0.5%

Projected Demand for specialized custom made designs

S/N	Years	Annual rate growth
0	Based year (0) 2017	0.5%
1.	2018	0.5%
2.	2019	0.5%
3.	2020	0.5%
4.	2021	0.5%
	Total	25
	Average	0.5%

3.4 PROFILE OF COMPETITORS

The major competitor is Antonio collections.

Antonio collections is a fashion boutique shop located , College Road, Shop 12, Nwanyi Bu Ihe Plaza, Abakpa Nike, Enugu, Enugu ,they offer a wide range of imported clothes from Dubia,China and Hong kong

3.5 COMPETITIVE ADVANTAGES

S/N	Antonio collections.	Chi fashion line
1	Deals on imported products	Makes a specialized fashion line
2	Sells highly expensive but low quality products	Designs high quality fashion lines with affordable prices
4.	The owner is not educated	The owners are educated
5	Sole proprietor	Partnership

3.6 BENEFITS TO CLIENTS/CUSTOMERS

Our fabrics are produced in mass volume, vastly reducing the unit cost for premium quality. We will also uses various printing and embroidery techniques to incorporate your custom screen and illustration designs, such as silk screen application, sublimation printing, foil screening, heat pressing, digital printing and embroidery.

4.0 MARKETING/SALES STRATEGY

4.1 Marketing Strategies

Chi fashion provides professional women with upscale designer clothing and exclusive personal services. Our main competitive advantage is the unique Style Assessment and education emphasis in helping women develop their personal style. Chi fashion for a grouping or circle of friends, a "clique." Building on the meaning of "klike," circles are part of the logo, which defines the boutique, and its essence of inclusion. Style Studio is added to the overall name to suggest that women can come to the boutique to learn about themselves and experiment with their personal style.

4.2 Revenue Sources

The revenue sources of the company is mainly sales revenues i.e. revenue from sales of products. The second source of revenue is individual donations.

4.3 Sales Strategy

To overcome seasonality concerns, Chi fashion will carry 20 percent of merchandise in fashion and wardrobe accessories. Additionally, Chi fashion will provide alterations, personal shopping services and special ordering for our customers. Special Orders are a huge benefit as Chi fashion obtains full-price sell-through and there is no floor space needed to sell the article. Chi fashion will have a website presence where fashionable customers throughout the country can go to learn more about the boutique, the Style Assessment, how to wear certain items for day, evening and weekend, and make personal shopping appointments.

4.4 PRICING

Determining Price for services

S/N	Items	Amount(₦)
1	Fixed Assets	1,378,000
2	Equipments	1,444,400
3	Clothing lines	720,000
4	Salaries	1,320,000
	Total	4,862,400

∴ Total amount ÷ number of services

$$₦ 4,862,400 \div 30,000 = ₦162,08$$

Determining Price for clothing lines

S/N	Items	Amount(₦)
1	Fixed Assets	1,378,000
2	Equipments	1,444,400
3	Clothing materials	953,640
4	Salaries	1,320,000
	Total	5, 096,040

4.5 Marketing and Communication Strategy

If you were to overhear women talking in a dressing room, you would more than likely hear them comment on something they've tried on and question how they should wear it or what it will go with in their closet. Research has shown that women are stressed, have little time to shop, and would generally like help in determining the right clothes and styles to wear.

. Even women who can afford a professional stylist feel helpless and often jokingly request that their stylist come to their home every morning to help them get dressed. In our strategy we will approach retail shopping uniquely by evaluating purchases based on product and company information derived from both personal and expert sources.

Market Segmentation

The Primary Customer

The primary Chi Fashion customer is a professional woman with a household income over N100K. Her main characteristics are listed below:

Demographics

- Professional woman (ages 30-55)
- Household income over N100,00
- College-educated
- Lives in a higher-income neighborhood in Enugu

Psychographics

- Looks for bargains (seasonal fashion) but willing to spend money on quality, core items
- Would like more time or help in understanding what clothing is right for her
- She wants to look her best because she wants to feel good about herself as well as make a good impression at her job

Clothes Shopping Behaviors

- Looks for classic, basic items each season, with 1-2 trendy items
- She cares about how she presents herself, enjoys fashion, and looks for quality over quantity

Customer needs, expectations and buying patterns

The Chi Fashion customer loves to shop and enjoys going to boutiques. She is knowledgeable about designer fashions and tends to shop for seasonal wardrobes twice a year plus picks up various fashion and basic pieces throughout the year. Many times she shops to "browse." By offering fashionable accessories and wardrobe organization items, Chi Fashion will be able to grab a larger share of her wardrobe budget. She is used to coming into the store and browsing through the clothing items and trying on what interests her. She expects a warm and comfortable environment and nice dressing rooms. She enjoys being left alone but also

enjoys the special touches of personal shopping assistance and having the ability to special order items. She wants fun and catered shopping events in the evening and also enjoys receiving special notices on sales and participating in trunk shows to garner more savings.

ton to facilitate their sales.

5.0 RESEARCH AND DEVELOPMENT

5.1 Technological Roadmap

Based on the feed back, from consumers, a team of researcher are created. This team will research on the existing product and other relation product in the market through knowing what the competitors offers and how to improve the product to influence the market in future. The strength of the product is analysed, market opportunity is also analysed. The initiation of training programme, that will enable the personnel to acquire the skills needed for the development of the product.

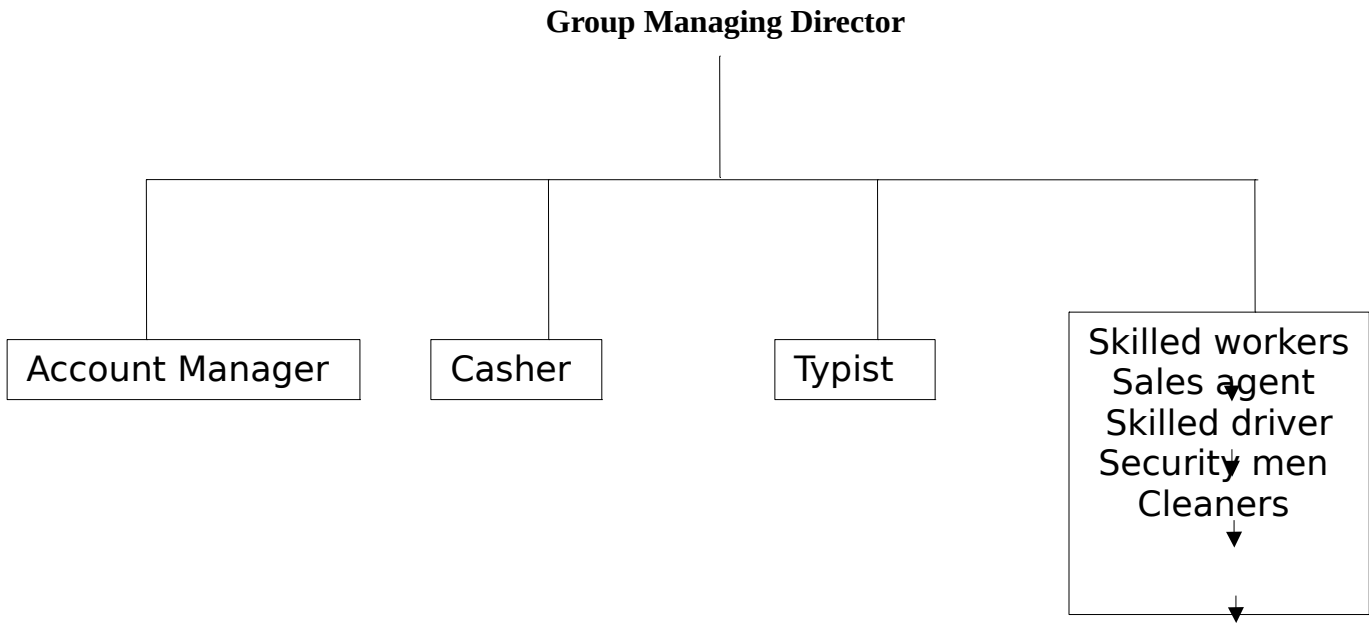
5.2 TECHNICAL PARTNERS

Below are all the partners and the nature of their involvement.

S/N	Partners	Nature of involvement
1.	Abel,Eze,Joseph, okezie\	Promoters
2.	Bar. Uguke	Legal Adviser
3.	Engr. Agam Ekele	Financial Adviser
4.	Dr. Nwafor Nwite	Financial Adviser

6.0 STAFFING AND OPERATIONS

6.1 Management Organogram



This is the management organ gram for our organization: Gentle Care Antiseptic and Liquid Soap.

6.2 STAFFING

The employees we will engage in work in our organization are (11) eleven in number, altogether with the starters of the business are (16) sixteen in number i.e. (11) eleven employed and (5) five who are the promoters of the business.

Positions of the Staff	Number of Staff	Skills
Group managing director	1	Skilled

Accounts manager	1	Skilled
Cashier	1	Skilled
Typist	1	Skilled
Workers	5	Skilled
Sales agents	2	Semi-skilled
Driver	1	Skilled
Security men	2	Non-skilled
Cleaners	2	Non-skilled
Total	16	

The group managing directors, typist, cashier, accounts manager, and the workers are the skilled workers because they must have attained a good level of education and have passed a very good training in soap and antiseptic making.

The driver and the sales agents are the skilled and semi-skilled workers because the driver must have a good experience in driving which should be stated in his (C.V) Curriculum Vitae, while the sales agents must have a good convincing advertising spirit, they must at least be able to speak to a very good extent of English language which can convince the University of Nigeria students patronize our product.

6.3 STAFFING NEEDS

In the business, the population of the workers are (20) twenty in number and each worker have their specific roles in the business.

The Roles of the Workers

- Group managing director: He is in charge of the affairs of the company
- Account manager: He is in charge of all the calculations of the company.
- Cashier: He handles all the cash transaction of an organization.

- Typist: This worker types and revises material such as correspondence, reports and may verify totals on report reforms using a typewriter or computer and word processing software.
- Workers: This worker assembles raw materials for preparing, mixing, measuring and processing crude resources.
- Sales agent: This worker carries the finished product of the antiseptic and liquid soap all around the campus for sales.
- Driver: He drives the company vehicle in other to deliver the goods to retailers and buyers.
- Security men: These workers help to guard the entrance of the company to prevent the undesirables and unwanted guest to come in.
- Cleaners: These workers keeps the surrounding of the company neat and clean.

The workers are also compensated for their hardwork at the end of the month.

S/N	Position	No. of Staff	Monthly Salary per Staff (₦)	Annual Salary per staff (₦)	Total
1.	Managing Director	1	16,000	192,000	192,000
2.	Account Manager	1	10,000	120,000	120,000
3.	Cashier	1	10,000	120,000	120,000
4.	Typist	1	10,000	120,000	120,000
5.	Workers	5	8,000	96,000	384,000
6.	Driver	1	6,000	72,000	72,000
7.	Sales Agents	2	5,000	60,000	120,000
8.	Security men	2	4,000	48,000	96,000
9.	Cleaners	2	4,000	48,000	96,000
10.	Total	16	73,000	876,000	1,320,000

6.4 Training Plans

There would be no needs for training since our staff are already trained professionally.

6.5 Operations

S/N	Physical requirements of the business	
1	Premises	An accommodation of five rooms, with wide environment and giant fence round it.
2	Equipments	Lock stitch machine (two needle with split needle bar sewing) Lock stitch m/c (twin needle feed) Button hole sewing m/c (for knitted fabric), Button covering stitch belt loop making m/c (kansai m/c), Linking machine
3	Production facilities	Lock stitch sewing m/c (one needle with vertical trimmer wiper and reverse feed) Lap seaming m/c (for back tape attaching) Lock stitch sewing m/c (one needle with vertical trimmer wiper and reverse feed) Lock stitch m/c (twin needle feed),
4	Infrastructure	We will have a dedicated pipe borne water;
5	Communication facilities	There will be a telephone, cell phone and email address for easy communication within and outside the company.
6	Cost involved	The total money needed to start-up and run the business for one year is ₦5,816,040, broken down into; foods for outdoor = ₦953,640; foods for indoors = ₦720,000; fixed assets = ₦1,378,000; equipments = ₦1,444,400; and salaries = ₦1,320,000

7.0 FINANCIAL PROJECTIONS

7.1 KEY ASSUMPTIONS

Table: Expenses on Utility projected

S/N	Utilities	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)	Year 4 (₦)	Year 5 (₦)
1	Water	25,000	30,000	35,000	40,000	45,000
2	Electricity	18,000	20,000	22,000	24,000	26,000
	Total	43,000	50,000	57,000	64,000	71,000

Other Expenses

Expected expenses likely to be incurred in the course of running the project and supply goods to customers are shown in the table below.

S/N	Types of Expenses	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)	Year 4 (₦)	Year 5 (₦)
1	Vehicle maintenance	50,000	60,000	70,000	80,000	90,000
2	Advertising, printing of fliers, etc.	60,000	65,000	70,000	75,000	80,000
3	Fueling of generator	200,000	205,000	210,000	215,000	220,000
4	Fueling of vehicle	60,000	62,000	64,000	66,000	68,000
5	Miscellaneous	130,000	140,000	150,000	160,000	170,000
	Total	500,000	532,000	654,000	596,000	628,000

Table: Financing Plan

S/N	Source	Amount (₦)
1	Equity Contribution	2,500,000
2	Bank loan	2,000,000
3.	Venture capital	1,316,040
	Total	5,816,040

Table: Interest and Payment Schedule

S/N	Loan (₦)	Repayments(₦)	Interests (₦)	Loan balance(₦)
1	2,000,000	1000,000	120,000	1,000,000
	1,316,040	500,000	60,000	816,040
2	1,000,000	1,000,000	3240,000	Nil
	816,040	816,040	100,000	Nil

7.2 PROFIT AND LOSS ACCOUNTS

Particulars	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Expected Sales	12, 060,000	12,300,000	12,600,000
	120,000	123,000	126,000
Less 1% Discount			
Net Sales	11,880,000	12,177,000	12,474,000
Cost of equipments	3,118,040	1,763,640	1,853,640
Utilities	43,000	50,000	57,000
Other expenses	500,000	532,000	57,000
Salaries	1,320,000	1320,000	1,320,192
Total Expenses	4,981,040	3,665,640	3,794,832
Profit before tax and	(9,883,960)	(12,300,000)	(12,600,000)
Less interest	180,000	340,000	Nil
Profit before tax	(11,880,000)	(12,300,000)	(12,600,000)
Less 10% tax	Nil	Nil	Nil
Profit after tax	(11,880,000)	(11,960,000)	12,600,000
Net profit	(10,063,960)	(11,960,000)	(12,600,000)

7.3 BALANCE SHEET PROJECTION

	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Fixed Assets			
Equity equipment and others	2,993,640	2,993,640	2,993,640
Net Fixed Assets	2,993,640	2,993,640	2,993,640
Current Assets			
Production facilities	1,763,640	1,763,640	1,853,640
Operating balance before debtors	-	-	-
Cash in and/Bank	4,212,720	6,150,360	7,606,360
Total of Current Assets	5,886,360	7,914,000	9,460,000
Long Term Liabilities:			
Capital (Equity)	2,500,000	2,500,000	2,500,000
Bank loan	2,000,000	1,000,000	Nil
Venture capital	1,316,040	816,040	Nil
Total of Long Term Liabilities	5,816,040	4,316,040	2,500,000
Current Liabilities			
Loan Repayment	1,680,000	2,156,040	Nil
Total of current liabilities	1,680,000	2,156,040	Nil
Total Liabilities	7,496,040	6,472,080	2,500,000

7.4 CASH FLOW PROJECTION

	Year 1 (₦)	Year 2 (₦)	Year 3 (₦)
Cash in			
Equity	2,500,000	2,500,000	2,500,000
Bank loan	2,000,000	1,000,000	-
Venture capital	1,316,040	816,040	-
Net profits		(10,063,960)	
Total cash in	5,816,040		2,500,000
Cash Out			
Equipments and others	2,993,640	-	-
Working capital	2,993,640	3,993,640	4,993,640
Loan repayment	1,680,000	2,156,040	-

Total Cash OUT	7,667,280	6,149,640	4,993,640
Closing Balances	4,212,720	6,150,360	7,606,360

8.0 SALES PIPELINE

Major business customers are stated below.

S/N	Name of Customers	Size of Deal per annum	Probability % of getting sales
1.	Students in UNEC		40%
2.	Students in ESUT		20%
3.	Lecturers		15%
4.	OGBAETE MARKET		15%
5.	Churches, primary and secondary schools		10%

9.0 FUNDING REQUIREMENTS

9.1 Sources of Funds

The sources of fund are shown in the table below.

S/N	Source of Fund	Amount (₦)
1	Owner's fund	₦2,500,000
2	Bank loan	₦2,000,000
3	Venture capital	₦1,316,040
	Total	₦5,816,040

9.2 Purpose of the Fund

The fund is required for the following;

- ✓ Equipments
- ✓ Staffing

- ✓ Foods for outdoor services
- ✓ Foods for indoor services
- ✓ Fixed assets.

9.3 Risk Analysis and Mitigants

To avoid business disruption, solutions and care is taken to avoid inherent risks. Every project has to be subjected to risk analysis just like this project. Appropriate mitigants are always readily available as shown in the table below.

S/N	Identified Risks	Mitigants
1	Possibility of chemical pouring on workers	The service of first and the medical experts.
2	Irregular water supply	A big water reservoir will be constructed to harvest all the rain during the rainy seasons and will be used during dry season.
3	Accidental fire outbreak	Availability of fire extinguisher
4	Health hazard such as food pioson	Available waste disposals
5	Theft	Provision of optimum security.
6	Breakage	Careful handling
7	Bad debts	Services are base on cash

9.4 Contingency Plan

The contingency plan of our business will be that about ₦500,000 will be kept incase there is any uncertainty. The money will be used when unforeseen circumstances occurs.

9.5 Exit Strategy

The co-owners intend to launch and grow Fashion line for many years into the future. In the event that our investors require repayment of their initial investments, plus a large return on

their investments, we will seek a partner to buyout the investors' shares. Another alternative is a management buyout, which will be agreed upon in advance. In the long term, we will position Chi Fashion as a profitable business that will be an appealing acquisition for any number of retail chains

10.0 Other Consideration, Conclusion and Recommendation

10.1 Economics Justification

The Nigerian fashion and retail industry is growing rapidly with available market. The burgeoning fashion sector is enjoying an unprecedented level of exposure that translates into a unique opportunity for designers. Nigerian designers are becoming regular features on some of the world's runways and gaining footholds with celebrities including Michelle Obama and Beyoncé to name a few. Today the question "Who are you wearing?" might just bring up names such as Duro Olowu, Maki Oh, or Jewel by Lisa. There is huge economic benefits for would be investors.

10.2 Commercial Viability

That of this project is very clear. The project is finally found to be viable commercially through projections, profits, and cash flow position.

10.3 Conclusion and Recommendation

Fashion in Nigeria has always been diverse, reflecting its many ethnic groups, religions, and cultures. Recently, the Nigerian fashion industry has developed more participants, exposure, structure, presence, earnings, and training. Many now work in the industry as clothing designers, fashion models, clothing stylists, fashion photographers, makeup artists, hair

stylists, cosmetologists, and fashion journalists. Magazines devoted to fashion in Nigeria are now common. Nigeria's New Fashion Week has grown in attendance, with long streets dedicated to fashion retailers in the major cities of Nigeria. The international world is now beaming the spotlight on Nigerian fashion. Nigerian publications such as Flair West Africa(formerly called True Love Magazine), Genevieve, TW and Arise; websites like Stylehousefiles.com, Bellanaija.com, Ladybrille.com, Fashionafrica.com, Shopliquorice.blogspot.com, continue to showcase and promote the best of Nigerian fashion. Even in Diaspora and online, Nigerian fashion is daily celebrated. Nigerian fashion has created countless female entrepreneurs and has improved the Nigerian economy by creating jobs and new enterprise opportunities

11.0 APPENDIX

Since our business hasn't started, there will be few items on our appendix.

- Photocopy of the business organization will be attached here.
- Photocopy of curriculum vitae of the products will be attached here.
- Photocopy of driver's licenses
- Full list of our business advisers
- Photocopy of all supporting documents will be attached here.
- Photocopy of the financial projections will be attached here.