

A SHOE MANUFACTURING BUSINESS PLAN

1.0 Business Overview

The any human you find in any street in the United States of America, and in any developed countries and of course the average person you found in developing and undeveloped countries would put on one form of footwear or the other.

Shoes cum footwear could be pure leather, synthetic leader, fabric or rubber. This goes to show that there is indeed a very large market for shoes in our world; hence loads of investors cum aspiring entrepreneur are pitching their tent in the shoe & footwear manufacturing industry.

Businesses in the shoe and footwear industry manufacture footwear for men, women and children. They are involved in manufacturing shoe and footwear in different forms such as rubber and plastic footwear, protective footwear (Safety boots), house slippers and slipper socks.

Companies in this line of business also manufacture men's or women's footwear specifically designed for casual, formal and work environments et al. These products also include men's or women's shoes with rubber or plastic soles and leather or vinyl uppers.

Research conducted by IBISWORLD shows that the Shoe & Footwear Manufacturing industry in the United States has a low level to moderate level of concentration. The US shoe and footwear manufacturing industry is concentrated: the top 50 companies account for more than 95 percent of sales.

New Balance and Allen Edmonds who are considered to be the two dominant players in the industry are estimated to account for an estimated 35.3 percent of the revenue generated in industry. This low-to-moderate concentration reflects a fragmented market that has a mix of a few large companies and many small industry operators specializing in higher valued-added footwear.

The largest global footwear companies, such as Nike and Adidas, manufacture nearly all of their products outside of the country. This practice has increased over the past few years as large manufacturers discontinue production in the United States, instead focusing domestic activities on design and wholesale of footwear.

The industry is responsible for the employment of well over 10,416 people. Experts project the shoe and footwear manufacturing industry to grow at a -2.7 percent annual rate. In the United States, men's footwear accounts for about 50 percent of sales, women's for about 20 percent, and athletic and other footwear for about 30 percent. The establishment in this industry that has a dominant market share in the United States of America are; New Balance and Allen Edmonds.

Over and above, the shoe and footwear manufacturing industry is a profitable industry and it is open for any aspiring entrepreneur to come in and establish his or her business; you can choose to start on a small scale in small shoe and footwear making workshop or you can choose to start on a large scale with a standard shoe and footwear manufacturing factories both in the United States of America and in countries in Asia where you can get cheaper labor and raw materials.

2.0 Executive Summary

Micah Smith® Shoes & Footwear, Inc. is a standard and registered shoe & footwear manufacturing company that will be located in Little Rock Arkansas; in an ideal location highly suitable for the kind of business we want to establish. We have been able to lease a facility that is big enough (a 20 thousand square foot facility) to fit into the design of the kind of standard shoe and footwear manufacturing company that we intend launching.

Micah Smith® Shoes & Footwear, Inc. will manufacture a wide range of footwear for men, women and children. We will be involved in manufacturing shoe and footwear in different forms such as rubber and plastic footwear, protective footwear (Safety boots), house slippers and slipper socks. We are set to services a wide range of clientele not just in the United States of America, but also all parts of the world.

We are aware that there are several large and small shoes and footwear manufacturing companies all around the United States of America, which is why we spent time and resources to conduct a thorough feasibility studies and market survey so as to be well positioned to favorably compete with all our competitors.

Micah Smith® Shoes & Footwear, Inc. will ensure that all the shoes and footwear that leaves of factory are of the highest quality and highly durable and affordable. We want to build a business with a wide range of clientele base cut across people of different financial status. We have a CRM software that will enable us manage a one on one relationship with our customers no matter how large the numbers of our customers' base may grow to.

Micah Smith® Shoes & Footwear, Inc. will at all times demonstrate her commitment to sustainability, both individually and as a firm, by actively participating in our communities and integrating sustainable business practices wherever possible.

We will ensure that we hold ourselves accountable to the highest standards by meeting our customers' needs precisely and completely whenever they patronize our products. We will cultivate a working environment that provides a human, sustainable approach to earning a living, and living in our world, for our partners, employees and for our customers.

Micah Smith® Shoes & Footwear, Inc. is a family business that is owned by Micah Smith and his immediate family members. Micah Smith has a Diploma in shoe and footwear Making and a B.Sc. in Business Administration, with well over 15 years of experience in the shoe and footwear manufacturing industry, working for some of the leading brand in the United States. He will be bringing in his vast hands – on experience to build Micah Smith® Shoes & Footwear, Inc.

3.0 Our Product Offering

Micah Smith® Shoes & Footwear, Inc. is in the shoe and footwear manufacturing industry to manufacture a wide range of footwear for men, women and children. We will be involved in manufacturing shoe and footwear in different forms such as rubber and plastic footwear, protective footwear (Safety boots), house slippers and slipper socks.

We are set to services a wide range of clientele not just in the United States of America, but also all parts of the world and of course to make profits, which is why we will ensure we go all the way to give our clients and potential clients options.

We will do all that is permitted by the law of the United States to achieve our business goal, aim and ambition of starting the business. Our product offerings are listed below;

- Manufacturing of rubber and plastic footwear
- Manufacturing of house slipper
- Manufacturing of athletic shoes
- Manufacturing of ballet slipper
- Manufacturing of cleated athletic shoes
- Manufacturing of other footwear

3.1 Our Vision Statement

Our vision is to become the leading brand in the shoe and footwear manufacturing industry in Arkansas and to establish a one stop shoe and footwear manufacturing company.

3.2 Our Mission Statement

Our mission is to establish a world – class shoe and footwear manufacturing company whose products will not only be retailed in the United States of America, but also be exported to other countries of the world.

3.3 Our Business Structure

Micah Smith® Shoes & Footwear, Inc. do not intend to start a shoe and footwear manufacturing business like the usual small scale shoe and footwear craft shops around the street corner; our intention of starting a shoe and footwear manufacturing company is to build a standard and one stop shoe and footwear manufacturing company in Little Rock Arkansas.

Although our shoe and footwear manufacturing company might not be as big as Nike, Puma, Adidas, Clarke®, New Balance and Allen Edmonds et al, but we will ensure that we put the right structure in place that will support the kind of growth that we have in mind while setting up the business.

We will ensure that we hire people that are qualified, honest, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders (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.

In view of that, we have decided to hire qualified and competent hands to occupy the following positions;

- Chief Executive Officer (Owner)
- Factory Manager
- Human Resources and Admin Manager
- Merchandize Manager
- Sales and Marketing Manager
- Shoes and Footwear Designers and Making Experts
- Accountants / Cashiers
- Customer Services Executive

4.0 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; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.
- 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 fixing prices and signing business deals

- 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
- Reports to the board.

Admin and HR Manager

- Responsible for overseeing the smooth running of HR and administrative tasks for the organization
- 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.
- Updates job knowledge by participating in educational opportunities; reading professional publications; maintaining personal networks; participating in professional organizations.
- Enhances department and organization reputation by accepting ownership for accomplishing new and different requests; exploring opportunities to add value to job accomplishments.
- Defining job positions for recruitment and managing interviewing process
- Carrying out staff 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.

Factory Manager:

- Responsible for managing the daily activities in the shoe and footwear manufacturing factory

- Ensures that proper records of shoes and footwear are kept and warehouse does not run out of finished products
- Ensure that the factory is in tip top shape and easy to locate
- Interfaces with third – party suppliers (vendors) of raw materials (leather, synthetic leather, rubber, shoe soles, fabrics, gum, shoe polish and shoe dyes et al)
- Control shoe and footwear distribution and supply inventory
- Supervise the workforce in the shoe and footwear manufacturing factory.

Merchandize Manager

- Manage vendor relations, market visits, and the ongoing education and development of the organizations' buying teams
- Help to ensure consistent quality of shoe and footwear making raw materials are purchased and used for the manufacturing of shoes and footwear
- Responsible for the purchase of shoes and footwear raw material for the organizations
- Responsible for planning sales, monitoring inventory, selecting the merchandise, and writing and pricing orders to vendors
- Ensures that the organization operates within stipulated budget.

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 purchases
- Identify, prioritize, and reach out to new partners, and business opportunities et al
- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Develop, execute and evaluate new plans for expanding increase sales

- Document all customer contact and information
- Represent the company in strategic meetings
- Help increase sales and growth for the company

Shoe and Footwear Designers and Making Experts

- Responsible for designing and manufacturing of rubber and plastic footwear
- Responsible for designing and manufacturing of house slipper
- Responsible for designing and manufacturing of athletic shoes
- Responsible for designing and manufacturing of ballet slipper
- Responsible for designing and manufacturing of cleated athletic shoes
- Responsible for designing and manufacturing of other footwear

Accountant / Cashier:

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensuring compliance with taxation legislation
- Handles all financial transactions for the organization
- Serves as internal auditor for the organization

Client Service Executive

- 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 customers on the phone, uses every opportunity to build client's interest in the company's products and services
- Manages administrative duties assigned by the human resources and admin manager 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 customers when they make enquiries

5.0 SWOT Analysis

Micah Smith® Shoes & Footwear, Inc. is in business to become one of the leading shoe and footwear manufacturing companies in the United States of America and we are fully aware that it will take the right business concept, management and organization – structure to achieve our goal.

We are quite aware that there are several large and small scale shoes and footwear manufacturing companies all over the United States of America and even in the same location where we intend locating ours, which is why we are following the due process of establishing a business.

We know that if a proper SWOT analysis is conducted for our business, we will be able to position our business to maximize our strength, leverage on the opportunities that will be available to us, mitigate our risks and be well equipped to confront our threats.

Micah Smith® Shoes & Footwear, Inc. employed the services of an expert HR and Business Analyst with bias in the manufacturing industry to help us conduct a thorough SWOT analysis and to help us create a business model that will help us achieve our business goals and objectives. This is the summary of the SWOT analysis that was conducted for Micah Smith® Shoes & Footwear, Inc.;

- **Strength:**

Our core strength lies in the high quality of our finished shoes and footwear, the power of our team and the state of the art and well – equipped shoe and footwear manufacturing factory that we own. We have a team of highly trained and experienced shoes and footwear designers and makers and support staff members that can go all the way to produce top notch shoes and other footwear.

We are well positioned in the heart of Little Rock – Arkansas and we know we will attract loads of clients from the first day we open our shoe and footwear manufacturing company for business.

- **Weakness:**

A major weakness that may count against us is the fact that we are a new shoe and footwear manufacturing company and we don't have the financial capacity to compete with multi – million dollars shoe and footwear manufacturing companies such as Nike, Puma, Adidas, Clarke®, New Balance and Allen Edmonds et al when it comes to manufacturing shoes and footwear at a rock bottom prices. So also, we may not have enough cash reserve to promote our shoe and footwear manufacturing company the way we would want to do.

- **Opportunities:**

The fact that we are going to be operating our shoe and footwear manufacturing company in Little Rock – Arkansas provides us with unlimited opportunities to sell our furniture to a large number of individuals and corporate organizations.

We have been able to conduct thorough feasibility studies and market survey and we know what our potential clients will be looking for when they visit our shoe and footwear manufacturing workshop or showroom; we are well positioned to take on the opportunities that will come our way.

- **Threat:**

Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing / spending power. Another threat that may likely confront us is the arrival of a new shoe and footwear manufacturing company in same location where ours is located. So also, unfavorable government policies may also pose a threat for businesses such as ours.

6.0 MARKET ANALYSIS

- **Market Trends**

One common trend in the shoe and footwear manufacturing industry is that the demand for its product is driven by fashion, demographics, and of course consumer disposable income. The profitability of individual shoe and footwear manufacturing companies depends on their ability to design and market shoe models that effectively target consumers' tastes and preferences.

Large shoes and footwear companies have economies of scale in distribution and marketing and small scale shoes and footwear companies can compete successfully by crafting customized shoes and footwear based in their client's preference.

Going forward, shoes and footwear brands will have to position themselves to cater to a stronger middle class market. It has been projected that by the year 2030, the majority of the world's

population will be part of the middle class, primarily due to a drop in the amount of people living in extreme poverty.

With this development, there will be influx of new consumers and this will put pressure on product developers to meet their unfamiliar preferences and needs. Developed economies placing their products in emerging markets will also have to adjust their pricing strategies to compete with local low-price manufacturers.

Lastly, as part of marketing strategies, shoe and footwear manufacturing companies now ensure that they have showrooms at different locations where they display their shoes and footwear. As a matter of fact, it is even cheaper to purchase directly from these showrooms established by shoe and footwear manufacturing companies as against purchasing from shoe and footwear retail cum departmental stores. It is a strategy that helps them increase sales and income for their business.

- **Our Target Market**

Perhaps it will be safe to submit that the shoe and footwear manufacturing industry is amongst one of the industries that has the widest range of customers; almost everybody on planet earth need one form of footwear or the other. It is pretty difficult to find someone in the United States and of course in other developed countries that don't have shoes and other footwear.

In view of that, we have positioned our shoe and footwear manufacturing company to service the clientele in the United States of America and other parts of the world. We have conducted our market research and feasibility studies and we have ideas of what our target market would be expecting from us.

We in the shoe and footwear manufacturing industry to manufacture a wide range of shoes and footwear for the following people;

- Men
- Women
- Children
- Babies

Our Competitive Advantage

A close study of the shoe and footwear manufacturing industry reveals that the market has become much more intensely competitive over the last decade. As a matter of fact, you have to be highly creative with your designs and market approach, customer centric and proactive if you must survive in this industry.

We are aware of the stiffer competition and we are well prepared to compete favorably with other leading shoe and footwear manufacturing companies in the United States and the globe.

Micah Smith® Shoes & Footwear, Inc. is launching a standard shoe and footwear manufacturing company that will indeed become the preferred choice of residence of Little Rock Arkansas and every other location where our showrooms and outlets will be opened.

Our shoe and footwear manufacturing company is located in an ideal property highly suitable for the kind of manufacturing company that we want to run. We have enough parking space that can accommodate well over 30 cars / trucks per time.

One thing is certain, we will ensure that we manufacture a wide range of shoe and footwear products in our factory at all times. It will be difficult for customers to visit our shoe and footwear showroom and not see the type of shoe and footwear that they are looking for.

One of our business goals is to make Micah Smith® Shoes & Footwear Inc; a one stop shoe and footwear manufacturing company. Our excellent customer service culture, showrooms, online store, various payment options and highly secured facility will serve as a competitive advantage for us.

Lastly, our employees will be well taken care of, and their welfare package will be among the best within our category (*startups shoe and footwear manufacturing companies*) in the industry meaning that they will be more than willing to build the business with us and help deliver our set goals and achieve all our aims and objectives. We will also give good working conditions and commissions to freelance sales agents that we will recruit from time to time.

7.0 SALES AND MARKETING STRATEGY

- **Sources of Income**

Micah Smith® Shoes & Footwear, Inc. is in business to manufacture and retail a wide range of shoes and footwear in the United States of America and other parts of the world. We are in the shoe and footwear manufacturing industry to maximize profits and we are going to go all the way out to ensure that we achieve our business goals and objectives.

In essence, our source of income will be the manufacturing and retailing of a wide range of shoes and footwear at affordable prices. Micah Smith® Shoes & Footwear, Inc. will generate income by selling the following products;

- Manufacturing of rubber and plastic footwear
- Manufacturing of house slipper
- Manufacturing of athletic shoes
- Manufacturing of ballet slipper
- Manufacturing of cleated athletic shoes

- Manufacturing of other footwear

Sales Forecast

One thing is certain when it comes to shoe and footwear manufacturing business, if you are into the manufacturing or various types of shoes and footwear, you will always attract customers cum sales and that will sure translate to increase in revenue generation for the business.

We are well positioned to take on the available market in the United States of America and of course the rest of the world and we are quite optimistic that we will meet our set target of generating enough income / profits from the first six month of operations and grow the business and our clientele base.

We have been able to critically examine the shoe and footwear manufacturing industry and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. The sales projection is based on information gathered on the field and some assumptions that are peculiar to startups in Little Rock – Arkansas.

Below are the sales projection for Micah Smith® Shoes & Footwear, Inc., it is based on the location of our business and other factors as it relates to shoe and footwear manufacturing start – ups in the United States;

- **First Fiscal Year-** \$350,000
- **Second Fiscal Year-** \$750,000
- **Third Fiscal Year-** \$1 million
- **Marketing Strategy and Sales Strategy**

Before choosing a location for Micah Smith® Shoes & Footwear, Inc. we conduct a thorough market survey and feasibility studies in order for us to be able to be able to penetrate the available market and become one of the preferred choice for consumers not only in Little Rock – Arkansas, but also throughout the United States and the globe. We have detailed information and data that we were able to utilize to structure our business to attract the numbers of customers we want to attract per time.

We hired experts who have good understanding of the shoe and footwear manufacturing industry to help us develop marketing strategies that will help us achieve our business goal of winning a larger percentage of the available market in the United States of America.

In other to continue to be in business and grow, we must continue to manufacture and sell the shoes and footwear that are available in our showrooms which is why we will go all out to empower or sales and marketing team to deliver. In summary, Micah Smith® Shoes & Footwear, Inc. will adopt the following sales and marketing approach to win customers over;

- Open our shoe and footwear manufacturing company and showroom in a grand style with a party for all.
- Introduce our shoe and footwear manufacturing company by sending introductory letters alongside our brochure to organizations, households and key stake holders in Little Rock – Arkansas and other parts of the United States
- Ensure that we manufacture a wide range of shoes and footwear
- Make use of attractive hand bills to create awareness and also to give direction to our shoe and footwear showrooms
- Position our signage / flexi banners at strategic places around Little Rock – Arkansas
- Position our greeters to welcome and direct potential customers
- Create a loyalty plan that will enable us reward our regular customers
- Engage on road shows within our neighborhood to create awareness for our shoe and footwear manufacturing company and showroom.
- List our business and products on yellow pages ads (local directories)
- Leverage on the internet to promote our business
- Engage in direct marketing and sales
- Encourage the use of Word of mouth marketing (referrals)

8.0 Publicity and Advertising Strategy

Despite the fact that our shoe and footwear manufacturing company and showroom is well located, we will still go ahead to intensify publicity for the business. We are going to explore all available means to promote our shoe and footwear manufacturing company.

Micah Smith® Shoes & Footwear, Inc. has a long term plan of opening our showrooms in various locations all around Little Rock Arkansas and other key cities in the United States and Canada which is why we will deliberately build our brand to be well accepted in Little Rock – Arkansas before venturing out. As a matter of fact, our publicity and advertising strategy is not solely for winning customers over but to effectively communicate our brand.

Here are the platforms we intend leveraging on to promote and advertise Micah Smith® Shoes & Footwear, Inc.;

- Place adverts on community based newspapers, radio stations and TV stations.

- Encourage the use of word of mouth publicity from our loyal customers
- Leverage on the internet and social media platforms like; YouTube, Instagram, Facebook ,Twitter, LinkedIn, Snapchat, Badoo, Google+ and other platforms to promote our business.
- Ensure that our we position our banners and billboards in strategic positions all around Little Rock – Arkansas
- Distribute our fliers and handbills in target areas in and around our neighborhood
- Contact corporate organizations, households, landlord associations and schools by calling them up and informing them of Micah Smith® Shoes & Footwear, Inc. and the shoes and footwear products we manufacture and sell
- Advertise our shoe and footwear manufacturing company and showroom in our official website and employ strategies that will help us pull traffic to the site
- Brand all our official cars and trucks and ensure that all our staff members and management staff wears our branded shirt or cap at regular intervals.

9.0 Our Pricing Strategy

Aside from quality, pricing is one of the key factors that gives leverage to shoe and footwear manufacturing company, it is normal for consumers to go to places (shoe and footwear manufacturing companies and showrooms) where they can get shoes and other footwear at cheaper price which is why big player in the shoe and footwear manufacturing industry like Nike, Puma, Adidas, Clarke®, New Balance, Allen Edmonds and co will always attract loads of corporate and individual clients.

We know we don't have the capacity to compete with Nike, Puma, Adidas, Clarke®, New Balance and Allen Edmonds et al, but we will ensure that the prices and quality of all the shoes and footwear products that we manufacture and are available in our showroom are competitive with what is obtainable amongst shoe and footwear manufacturing companies within our level.

10.0 Payment Options

The payment policy adopted by Micah Smith® Shoes & Footwear, Inc. is all inclusive because we are quite aware that different customers prefer different payment options as it suits them but at the same time, we will ensure that we abide by the financial rules and regulation of the United States of America.

Here are the payment options that Micah Smith® Shoes & Footwear, Inc. Will make available to her clients;

- Payment via bank transfer

- Payment with cash
- Payment via Point of Sale Machine (POS)
- Payment via online bank transfer
- Payment via check
- Payment via bank draft

In view of the above, we have chosen banking platforms that will enable our client make payment for farm produces purchase without any stress on their part. Our bank account numbers will be made available on our website and promotional materials to clients who may want to deposit cash or make online transfer for the purchase of our products.

11.0 Start – Up Expenditure (Budget)

In setting up any business, the amount or cost will depend on the approach and scale you want to undertake. If you intend to go big by renting / leasing a big facility, then you would need a good amount of capital as you would need to ensure that your employees are well taken care of, and that your facility is conducive enough for workers to be creative and productive.

This means that the start-up can either be low or high depending on your goals, vision and aspirations for your business.

The tools and equipment that will be used are nearly the same cost everywhere, and any difference in prices would be minimal and can be overlooked. As for the detailed cost analysis for starting a shoe and footwear manufacturing business; it might differ in other countries due to the value of their money. This is the key areas where we will spend our start – up capital on;

- The Total Fee for Registering the Business in the United States of America – **\$750.**
- Legal expenses for obtaining licenses and permits as well as the accounting services (software, P.O.S machines and other software) – **\$3,300.**
- Marketing promotion expenses for the grand opening of Micah Smith® Shoes & Footwear, Inc. in the amount of \$3,500 and as well as flyer printing (2,000 flyers at \$0.04 per copy) for the total amount of **\$3,580.**
- The total cost for hiring Business Consultant – **\$2,500.**
- The total cost for payment of insurance policy covers (general liability, workers' compensation and property casualty) coverage at a total premium – **\$9,400.**
- The total cost for long – term leasing of a standard warehouse and showroom – **\$250,000**

- The total cost for remodeling the warehouse and showroom – **\$20,000.**
- Other start-up expenses including stationery (**\$500**) and phone and utility deposits – (**\$2,500**).
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – \$100,000
- The total cost for Start-up inventory (purchase of footwear making tools and equipment and the purchase of footwear making raw materials inclusive) – **\$250,000**
- The total cost for counter area equipment – **\$9,500**
- The total cost for store equipment (cash register, security, ventilation, signage) – **\$13,750**
- The total cost for the purchase and installation of CCTVs: \$10,000
- The cost for the purchase of office furniture and gadgets (Computers, Printers, Telephone, TVs, Sound System, tables and chairs et al): **\$4,000.**
- The total cost of launching a Website: **\$600**
- The total cost for our opening party: **\$7,000**
- Miscellaneous: **\$10,000**

We would need an estimate of **\$950,000** to successfully set up our shoe and footwear manufacturing business in Little Rock – Arkansas. Please note that this amount includes the salaries of all the staff for the first month of operation.

Generating Funding / Startup Capital for Micah Smith® Shoes & Footwear, Inc.

Micah Smith® Shoes & Footwear, Inc. is a family business that is solely owned and financed by Micah Smith and his immediate family members. We do not intend to welcome any external business partners, which is why we have decided to restrict the sourcing of the start – up capital to 3 major sources.

These are the areas we intend generating our start – up capital;

- Generate part of the start – up capital from personal savings
- Source for soft loans from family members and friends
- Apply for loan from my bank.

12 .0 Sustainability and Expansion Strategy

The future of a business lies in the numbers 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 (company), then it won't be too long before the business close shop.

One of our major goals of starting Micah Smith® Shoes & Footwear, Inc. is to build a business that will survive off its own cash flow without the need for 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 manufacture durable and quality shoes and footwear and to retail our wide range of quality shoes and footwear a little bit cheaper than what is obtainable in the market and we are well prepared to survive on lower profit margin for a while.

Micah Smith® Shoes & Footwear, Inc. will make sure that the right foundation, structures and processes are put in place to ensure that our staff welfare is 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.

As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of six years or more. 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.

Check List / Milestone

- Business Name Availability Check: **Completed**
- Business Registration: **Completed**
- Opening of Corporate Bank Accounts: **Completed**
- Securing Point of Sales (POS) Machines: **Completed**
- Opening Mobile Money Accounts: **Completed**
- Opening Online Payment Platforms: **Completed**
- Application and Obtaining Tax Payer's ID: **In Progress**
- Application for business license and permit: **Completed**
- Purchase of Insurance for the Business: **Completed**

- Leasing of facility and remodeling the facility (shoe and footwear manufacturing factory and showroom): **In Progress**
 - Conducting Feasibility Studies: **Completed**
 - Generating capital from family members: **Completed**
 - Applications for Loan from the bank: **In Progress**
 - Writing of Business Plan: **Completed**
 - Drafting of Employee's Handbook: **Completed**
 - Drafting of Contract Documents and other relevant Legal Documents: **In Progress**
 - Design of The Company's Logo: **Completed**
 - Graphic Designs and Printing of Packaging Marketing / Promotional Materials: **In Progress**
 - Recruitment of employees: **In Progress**
 - Purchase of shoe and footwear making machines and equipment: **Completed**
 - Purchase of the Needed furniture, racks, shelves, computers, electronic appliances, office appliances and CCTV: **In progress**
 - Creating Official Website for the Company: **In Progress**
 - Creating Awareness for the business both online and around the community: **In Progress**
 - Health and Safety and Fire Safety Arrangement (License): **Secured**
 - Opening party / launching party planning: **In Progress**
 - Compilation of our list of shoes and footwear products that will be manufacturing: **Completed**
 - Establishing business relationship with vendors – supplier of shoe and footwear making raw materials, key stakeholders and suppliers of shoes and footwear.
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