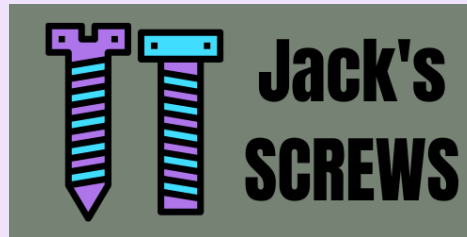


Business Plan

4-Product | 3-Year

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Jack's Screws

When you need that screw for that job!

Business Plan

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Jack's Screws

When you need that screw for that job!



Overview 4-Product | 3-Year

Market Niche: Hardware stores (local/smaller) servicing the DIY market

Product or Service Description:

- Buyer Persona:**
- | | |
|------------------------------------|----------------------|
| 1. Store owner or buyer | 5. Open to new ideas |
| 2. Provides great service | 6. |
| 3. Wants to attract new customers | 7. |
| 4. Wants to add value to customers | 8. |

Jack's Screws will provide pre-packaged packs of screws, nuts, bolts, washers, and nails to local/smaller hardware stores, providing point of sale dispensing units for counter-tops and shelf-tops.

Great branding, good pricing, and consistent stock levels will make Jack's Screws the brand of choice.

- | | | | |
|--|--|--|-----------|
| 1. Screws (100g)
Various sizes of SCREWS: Repackaging into smaller packets from bulk supply. | 2. Bolts, Nuts & Washers (100g)
Various sizes of BOLTS, NUTS & WASHERS: Repackaging into smaller packets from bulk supply. | 3. Nails (100g)
Various sizes of NAILS: Repackaging into smaller packets from bulk supply. | 4. |
|--|--|--|-----------|

Business Objectives

- Build a screws, nuts, bolts, washers, and nails supply business.
- Set up a small packaging workshop
- Achieve sales of 500,000 in Year 1
-

USP

Unique Selling Proposition

Great Service, Great Pricing, Shelves Always Stocked!

MARKETING PLAN

Personally visit all the local hardware stores and sell at Retail less 25%, allowing for acceptable margin for hardware stores. Use Facebook to promote Jack's Screws and the local hardware stores stocking Jack's Screws. Develop a detailed Marketing Plan, using the AfriBizKid Marketing Plan.

- Market research to check on types, sizes, quantities, and prices (retail)
- Speak to hardware store owners/buyers to get acceptance of Jack's Screws
- Run Facebook ads
- Design and develop point-of-sale units to display Jack's Screws

SALES PLAN

Visit all hardware stores once a week to take stock and supply from previous week's stock take and orders received.

- Weekly visits, if not more often, as needed.
- Ensure enough stock is carried to supply demand.
-
-

YEAR 1

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	21,300	31,950	42,600	53,250	53,250	53,250	53,250	53,250	53,250	53,250	53,250	53,250
CUMULATIVE REVENUE	21,300	53,250	95,850	149,100	202,350	255,600	308,850	362,100	415,350	468,600	521,850	575,100
GROSS MARGIN	7,100	10,650	14,200	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750
GROSS MARGIN %	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%
CUMULATIVE GROSS MARGIN	7,100	17,750	31,950	49,700	67,450	85,200	102,950	120,700	138,450	156,200	173,950	191,700
NET MARGIN	3,600	7,150	10,700	14,000	14,000	14,000	13,750	13,750	13,750	13,500	13,500	13,500
NET MARGIN %	16.9%	22.4%	25.1%	26.3%	26.3%	26.3%	25.8%	25.8%	25.8%	25.4%	25.4%	25.4%
Break-Even Analysis	10,500	10,500	10,500	11,250	11,250	11,250	12,000	12,000	12,000	12,750	12,750	12,750
Sales Over/Under	10,800	21,450	32,100	42,000	42,000	42,000	41,250	41,250	41,250	40,500	40,500	40,500
CUMULATIVE NET MARGIN	3,600	10,750	21,450	35,450	49,450	63,450	77,200	90,950	104,700	118,200	131,700	145,200

YEAR 2

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	56,000	67,200	78,400	89,600	100,800	112,000	112,000	112,000	112,000	112,000	112,000	112,000
CUMULATIVE REVENUE	56,000	123,200	201,600	291,200	392,000	504,000	616,000	728,000	840,000	952,000	1,064,000	1,176,000
GROSS MARGIN	18,725	22,470	26,215	29,960	33,705	37,450	37,450	37,450	37,450	37,450	37,450	37,450
GROSS MARGIN %	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%
CUMULATIVE GROSS MARGIN	210,425	232,895	259,110	289,070	322,775	360,225	397,675	435,125	472,575	510,025	547,475	584,925
NET MARGIN	11,225	14,970	18,715	22,210	25,955	29,700	29,450	29,450	29,450	29,200	29,200	29,200
NET MARGIN %	20.0%	22.3%	23.9%	24.8%	25.7%	26.5%	26.3%	26.3%	26.3%	26.1%	26.1%	26.1%
Break-Even Analysis	22,430	22,430	22,430	23,178	23,178	23,178	23,925	23,925	23,925	24,673	24,673	24,673
Sales Over/Under	33,570	44,770	55,970	66,422	77,622	88,822	88,075	88,075	88,075	87,327	87,327	87,327
CUMULATIVE NET MARGIN	156,425	171,395	190,110	212,320	238,275	267,975	297,425	326,875	356,325	385,525	414,725	443,925

YEAR 3

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	117,500	123,375	129,250	135,125	141,000	146,875	152,750	158,625	164,500	176,250	176,250	176,250
CUMULATIVE REVENUE	117,500	240,875	370,125	505,250	646,250	793,125	945,875	1,104,500	1,269,000	1,445,250	1,621,500	1,797,750
GROSS MARGIN	39,223	41,184	43,145	45,106	47,067	49,028	50,989	52,950	54,912	58,834	58,834	58,834
GROSS MARGIN %	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%	33.4%
CUMULATIVE GROSS MARGIN	624,148	665,331	708,476	753,582	800,649	849,677	900,666	953,617	1,008,528	1,067,362	1,126,196	1,185,029
NET MARGIN	27,223	29,184	31,145	32,856	34,817	36,778	38,489	40,450	42,412	46,084	46,084	46,084
NET MARGIN %	23.2%	23.7%	24.1%	24.3%	24.7%	25.0%	25.2%	25.5%	25.8%	26.1%	26.1%	26.1%
Break-Even Analysis	35,949	35,949	35,949	36,698	36,698	36,698	37,447	37,447	37,447	38,196	38,196	38,196
Sales Over/Under	81,551	87,426	93,301	98,427	104,302	110,177	115,303	121,178	127,053	138,054	138,054	138,054
CUMULATIVE NET MARGIN	471,148	500,331	531,476	564,332	599,149	635,927	674,416	714,867	757,278	803,362	849,446	895,529

Bulk stock is purchased and then repackaged into smaller packages for point-of-sale displays.

Created by: Jack Thabane

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Revision: 00

Date: 12/15/2020

Business Plan

Year 1

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Jack's Screws

When you need that screw for that job!



1. Screws (100g)

Various sizes of SCREWS: Repackaging into smaller packets from bulk supply.

Screws (10kg)	20,000
	0
	0
	0
Packaging 100 bags	2,000
TOTAL COST	22,000
Batch Size	100
UNIT COST	220
Mark Up	50.0%
UNIT SELL PRICE	330
GROSS MARGIN	110
GROSS MARGIN %	33.3%
UNIT SELL PRICE (INPUT)	0

2. Bolts, Nuts & Washers (100g)

Various sizes of BOLTS, NUTS & WASHERS: Repackaging into smaller packets from bulk supply.

Bolts, Nuts & Washers (10kg)	30,000
	0
	0
	0
Packaging 100 bags	2,000
TOTAL COST	32,000
Batch Size	100
UNIT COST	320
Mark Up	50.0%
UNIT SELL PRICE	480
GROSS MARGIN	160
GROSS MARGIN %	33.3%
UNIT SELL PRICE (INPUT)	0

3. Nails (100g)

Various sizes of NAILS: Repackaging into smaller packets from bulk supply.

Nails (10kg)	15,000
	0
	0
	0
Packaging 100 bags	2,000
TOTAL COST	17,000
Batch Size	100
UNIT COST	170
Mark Up	50.0%
UNIT SELL PRICE	255
GROSS MARGIN	85
GROSS MARGIN %	33.3%
UNIT SELL PRICE (INPUT)	0

4.

	0
	0
	0
	0
	0
TOTAL COST	0
Batch Size	1
UNIT COST	0
Mark Up	0.0%
UNIT SELL PRICE	0
GROSS MARGIN	0
GROSS MARGIN %	0.0%
UNIT SELL PRICE (INPUT)	0

Sales Forecast

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Screws (100g)	20	30	40	50	50	50	50	50	50	50	50	50
Bolts, Nuts & Washers (100g)	20	30	40	50	50	50	50	50	50	50	50	50
Nails (100g)	20	30	40	50	50	50	50	50	50	50	50	50
	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MONTHLY UNITS	60	90	120	150	150	150	150	150	150	150	150	150

Revenue Forecast

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Screws (100g)	6,600	9,900	13,200	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500
Bolts, Nuts & Washers (100g)	9,600	14,400	19,200	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Nails (100g)	5,100	7,650	10,200	12,750	12,750	12,750	12,750	12,750	12,750	12,750	12,750	12,750
	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL MONTHLY REVENUE	21,300	31,950	42,600	53,250	53,250	53,250	53,250	53,250	53,250	53,250	53,250	53,250
CUMULATIVE TOTAL REVENUE	21,300	53,250	95,850	149,100	202,350	255,600	308,850	362,100	415,350	468,600	521,850	575,100

Profit & Loss

Year 1	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
REVENUE	21,300	31,950	42,600	53,250	53,250	53,250	53,250	53,250	53,250	53,250	53,250	53,250
TOTAL COST OF SALES	14,200	21,300	28,400	35,500	35,500	35,500	35,500	35,500	35,500	35,500	35,500	35,500
Screws (100g)	4,400	6,600	8,800	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Bolts, Nuts & Washers (100g)	6,400	9,600	12,800	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Nails (100g)	3,400	5,100	6,800	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
	0	0	0	0	0	0	0	0	0	0	0	0
GROSS MARGIN	7,100	10,650	14,200	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750
GROSS MARGIN %	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%	33.3%
CUMULATIVE GROSS MARGIN	7,100	17,750	31,950	49,700	67,450	85,200	102,950	120,700	138,450	156,200	173,950	191,700
TOTAL INDIRECT COSTS	3,500	3,500	3,500	3,750	3,750	3,750	4,000	4,000	4,000	4,250	4,250	4,250
My Salary	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Petrol for Car	1,000	1,000	1,000	1,250	1,250	1,250	1,500	1,500	1,500	1,750	1,750	1,750
NET MARGIN	3,600	7,150	10,700	14,000	14,000	14,000	13,750	13,750	13,750	13,500	13,500	13,500
NET MARGIN %	16.9%	22.4%	25.1%	26.3%	26.3%	26.3%	25.8%	25.8%	25.8%	25.4%	25.4%	25.4%
Break-Even Analysis	10,500	10,500	10,500	11,250	11,250	11,250	12,000	12,000	12,000	12,750	12,750	12,750
Sales Over/Under	10,800	21,450	32,100	42,000	42,000	42,000	41,250	41,250	41,250	40,500	40,500	40,500
CUMULATIVE NET MARGIN	3,600	10,750	21,450	35,450	49,450	63,450	77,200	90,950	104,700	118,200	131,700	145,200

Only me working, plus parents car used to visit hardware stores and to deliver stock.



Start Up Costs

Total Start Up Costs **57,500**

Make Point-of-Sale Units (x10)	52,500
Design	2,500
Manufacture (10 units)	50,000
	0
	0
	0
<enter Start Up cost type>	0
	0
	0
	0
	0
	0

Packing Area	5,000
Work Bench	5,000
	0
	0
	0
	0
<enter Start Up cost type>	0
	0
	0
	0
	0
	0

<enter Start Up cost type>	0
	0
	0
	0
	0
	0
	0
	0
	0
	0
	0

SWOT Analysis

INTERNAL	Strengths
	1. Small and agile
	2. Lower than competitor mark-ups, so can beat existing supplier pricing
	3. Great point-of-sale units for 'in-your-face' point-of-sale marketing
	4.
	5.

Weaknesses
1. Small, so can't sustain margin pressure, if brought about by competitors
2. Unknown brand to start off.
3.
4.
5.

EXTERNAL	Opportunities
	1. Wider area, greater coverage of more hardware stores
	2. Direct supply to DIY handymen (but, risk of upsetting hardware store channel)
	3.
	4.
	5.

Threats
1. Other small competitors start up and compete in my market.
2.
3.
4.
5.

SWOT Actions

1. Always keep stock, and manage stock levels WITHIN hardware stores.
2. Offer GREAT customer service to hardware stores and their owners and buyers.
3. Maintain supply channels (maintain more than one supplier)
4.
5.

6.
7.
8.
9.
10.

Graphical Outputs

