

UNIVERISTY OF WALES TRINITY SAINT DAVID LONDON

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Business plan presentation
CEMENTFIX LIMITED

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-CEMENTFIX LIMITED - MAIN NFORMATIONS

- It is a start-up business aiming to become the main supplier of ready-mixed concrete in Dagenham, Essex;
- There are 2 equal shareholders; both had invested £250.000;
- The concrete plant had been purchased new and it has a capacity of 55 cubic meters per day;
- 4000 square meters of land had been leased on long-term(60 YEARS)
- There are no existing credit accounts or loans
- All assets had been purchased
- The shareholders are not intending to have their dividends paid for the next 2 years



ORGANIZATIONAL STRUCTURE

- 2 DIRECTORS
- 1 QUALITY AND CONTROL MANAGER
- 1 SITE-MANAGER
- 1 PLANT ENGINEER
- 3 PLANT OPERATIVES
- 6 HGV DRIVERS
- 1 COMPANY SECRETARY
- 1 RECEPTIONIST

THE PREMISES

The office is based in Dagenham, Essex, at the plant's location. The total area of the site it is 4500 square meters and it is divided in 4 sections:

- production area where the plant is installed
- administrative area consisting off: reception, meeting room and 1 office
- loading area: authorized personnel use only
- parking area: 12 parking lots for staff and customers

THE PRODUCT



THE PRODUCT



My business plan is represented by a start-up business named CEMENTFIX LIMITED. This private limited company will provide 1 single product, ready-mx cement for private and commercial clients across the local area of Dagenham, Essex.



Ready-mix cement is a basic product required in the construction industry for various projects such as: building, restoration, structural engineering, driveways, walls/foundations. It can be said that the construction industry needs ready-mix concrete for developing any kind on project, no matter how big and small.



My business idea is focused on the fact that the top companies providing this product only operates on a large scale and the delivery waiting times are increased. Even if they provide top quality, the prices are high. My company will only operate on a local level but we are aiming to become the top supplier in a matter of 2 years of trading.



THE ASSETS

The concrete plant, ELKOMIX-60
QUICK MASTER which was
purchased, delivered and installed
for a total cost of £280.000



6 Heavy Good Vehicles

Marketing data

- CEMENTFIX LIMITED is aiming to provide on-site solutions for extensive commercial projects where a mobile concrete ready-mix plant is required.
- Deliveries can be arranged online, through our website or via telephone
- The customers will be able to choose specific dates and times for the delivery and to process the order, the invoice will have to be paid in full, up-front for new customers and for regular customers, there is the option of paying only a 10% deposit payment up-front and the rest of the payment can be arranged on delivery, in cash or by bank transfer.
- Payments can be processed over the telephone, where customers can pay with their credit or debit cards into the company's merchant account.
- Intensive marketing campaign will be launched for 6 months with possibility of extension, if required



ADVERTISING

- LOCAL NEWS PAPERS AND MAGAZINES
- ONLINE VIA GOOGLE SEARCH ENGINE
- PROMOTED WEBSITE
- FLYERS DELIVERED IN ALL LOCAL SHOPS
- PROMOTED ONLINE THROUGH YELL.COM, CHECKATRADE.CO.UK, GUMTREE.CO.UK, FACEBOOK AND TWITTER
- PROMOTIONAL BANNERS IN MAIN JUNCTIONS WITHIN A RADIUS OF 10 MILES
- MARKET SEGMENTATION WILL INCLUDE BOTH MAN AND WOMAN AGED BETWEEN 18 AND 65, EMPLOYED, HOME-OWNERS



Business Strengths

- Improving the product rather than expanding the business;
- Constant focus on improving the supply chain;
- De-centralized management model;
- Strong operational capabilities;
- Competitive costs per quantity;
- Specific, realistic business targets;
- Excellent customer service, fast and reliable staff;
- Qualified personnel able to determine the exact quantity of product required



Business Weaknesses

- Inability to purchase materials on credit;
- Inability to access funds from external sources: banks, credit lenders, credit unions;
- not owning the site- the land and annexes are leased for 50 years by agreement;
- inability to raise capital from investors;
- no real interest in the business from the stakeholders;



Opportunities

- realistic leverage by producing better quality than mass-production organizations;
- privately-owned ready-mix companies can process orders faster than mass-production organizations;
- digitalization;
- product standardization;
- accessing a start-up loan for capital investments;



Business Threats

- increased financial costs due to the economic climate
- environmental emissions of co2
- environmental incidents
- increased costs for electricity, water, waste management and recycling
- decreased demand from U.E based companies due to BREXIT rules and regulations after 30th of October 2019



FINANCIAL INFORMATION

- we are looking to reduce the risks as much as possible, therefore, based on this business plan, we will be 2 equal shareholders, each of us holding 50% of the company's shares. Each of us will invest Gbp 250.000 to start up the business. We are not considering any loans as raising capital for a new business it is risky and hard to achieve.
- In the future, as a matter of expansion, we are looking to access funding after the first 2 years of trading.
- We aim to plan and manage the business according to an honest assessment of risks which is due to be updated regularly once we will start trading at full potential.
- We have considered all eventualities and all possible outcomes in case the business will fail.



FINANCIAL INFORMATION

- We are unable to supply the business with materials unless paid in advance. We have not yet found a supplier of aggregates willing to enter a contract with CEMENTFIX LIMITED and arrange a credit account. While the company benefits of not paying interest rates, we must always have available funds for purchases of aggregates. A separate account had been created to support and facilitate the business at operational level for the next 2 years.
- We have conducted SWOT AND PESTEL analysis which showed that the business is feasible for trading without incurring losses.
- , our main goal is maximizing profits but for a start-up business the return on investment is more important than the liquidities. We are looking to grow our business and reinvest profits in it . Shareholders will choose to not have their dividends paid for as long as required.



INVESTORS

It is our conclusion that a potential investor would highly benefit the company in :

- Decreasing return on investments
- Increasing in profits and liquidity
- Expanding the business to a wider area
- Installing a secondary plant for commercial customers
- Buying 2 mobile concrete plants for private and commercial customers