Pablo & Sergio

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Beltly

Task 1.
Our company: Beltly is a manufacturing company dedicated to the production of belts with a 3D printer.

Name: Beltly

Mission Statement: Producing custom-made belts for every occasion and every person.

Stakeholders:

- Employees: At Belty we have employees dedicated to security, production, revision and programming of the printers, customer attendance, advertisement and transportation. They are paid a proper salary and they work in perfect conditions.
- Customers: Every person who uses a belt in her life could be a Beltly customer, we have products for men and women and custom-made, we ensure a good customer service in our online shop, where they could ask any doubt they have and there will be people who could help them. They are interested in the quality and price of the belts.
- Owners: Shareholders buy shares and they expect the company to grow, in order to make money.
- Suppliers: We have suppliers of the different materials we'll use for the belt production as suppliers of the 3D printers. They are interested in the on-time payment of the products and on having regular orders, every week the different suppliers will bring their products to our offices, so we can start working on producing the belts.
- Local Communities: Local communities of the main towns where we are settled are interested in our company because of the employment rate and pollution. However, our belts are produced with 3d printers so the pollution is minimum.
- Governments: They benefit from the taxes we pay.

Task 2.

Beltly is a manufacturing company that corresponds to the group 3159, according to the NAICS. The 4 most successful companies in this sector in Spain are: Mayoral Moda Infantil SAU, Diagomoda SLU, Bimba & Lola SL and Industrias y confecciones SA.

We calculate the CR4 following this equation:

$$CR_4 = \frac{p_1 q_1}{\sum p_i q_i} \times 100 + \frac{p_2 q_2}{\sum p_i q_i} \times 100 + \frac{p_3 q_3}{\sum p_i q_i} \times 100 + \frac{p_4 q_4}{\sum p_i q_i} \times 100 =$$

9,46%+7,03%+6,5%+5,08%= 28,07%

With this data, we can conclude that Apparel Accessories and Other Apparel Manufacturing ins a competitive industry because the CR4 is lower than 40%. In this particular case, 28.07, which makes it quite competitive.

Task 3.

Searching for some companies that are in the same industry as ours, we observe that there are many limited liability companies as well as public limited companies. Some examples we can see in Spain are the following:

Mayoral Moda Infantil SAU- Public limited company
Bimba & Lola- Limited Liability company
San Patrick SL- Limited liability company
Buenos Liberto SA- Public limited company

For our company (Beltly) we think we can be benefited from a private limited company legal form of business. This is because we have just started and our company is not that big, is in fact more of a family business. Beltly shares will not be offered to the general public. As a consequence of being a corporate business owners can benefit from a limited liability.

Due to the fact of being a private limited company, the full name of the company is Beltly ltd.

Task 4.

SWOT table of our business

Strengths	Weaknesses

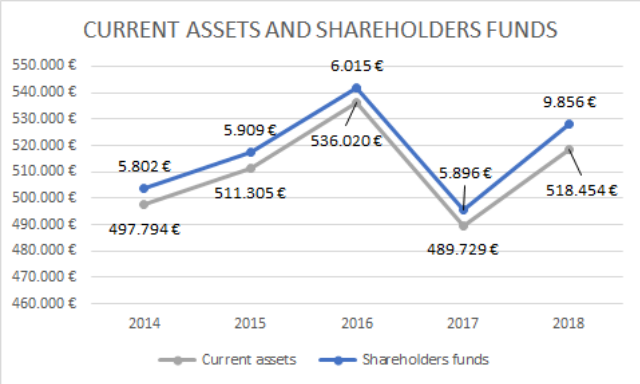
Our products are innovative and our customers are always satisfied and the prices are reasonable . We have regular customers. Our technology and equipment is modern and we have a good delivery system.	Our financial situation is not splendid, so we can't afford to pay as many employees as we would like in order to make all the possible profit. We are not well known across the country yet, we do not have money to finance big advertisements campaigns.
Opportunities Open new shops and factories Becoming an international company and exporting our products to other countries starting with the European Union.	Threats New competitors in the industry are growing every day. Covid-19 may cause another lockdown and our profits may be affected by it.

Business strategy:

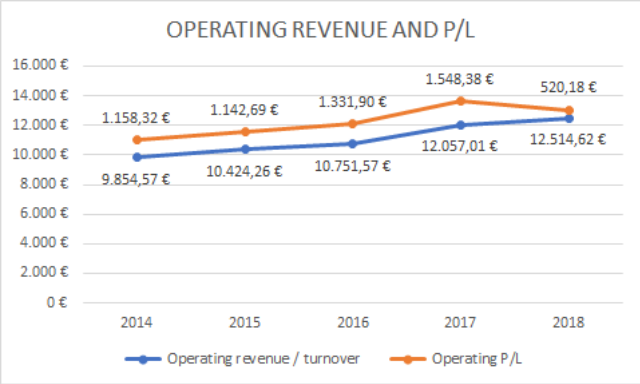
We have decided to go with a product differentiation strategy. This is because our belts are nothing alike any other belts you can come across with. This is due to the fact that the belts are custom-made, so the client can make it every size they want and can even design it at their own liking. This is the characteristic that differentiate us from our competitors, and why our customers pay a bit more for the products. However, the products are not high end, and we want to maintain it that way in order to have more range of potential customers.

Task 5.

1.



2.



Task 6.
We are going to do a ratio study for Bimba y Lola, which is a major competitor in our industry.
Starting with the liquidity ratios we calculate the current ratio and the acid test ratio.
The current ratio of the company is the following:

$$Current\ ratio\ = \frac{Current\ assets}{Current\ liabilities}$$ = 79.639724÷39.273.741 = 2.03

The company has a high opportunity cost because the current ratio is higher than 2. This means they could spend more money in fixed assets in order to gain more profits.

The acid-test ratio is the following:

$$\frac{Current\ assets\ -\ Stock}{Current\ liabilities}$$ =(79.639724-?) ÷ 39.273.741 =

We haven't been able to find stock data of this company, so we cannot come to any conclusion about the short term liquidity of Bimba & Lola.

Moving on to the efficient ratios we calculate the receivables turnover.

$$Receivables\ turnover = \frac{Operating\ revenue}{Accounts\ receivables}$$ = 180.987.930 ÷ 25419653 =7.12

This means that Bimba y Lola collects its receivables turnovers from their costumers 7.12 times on average.

Continuing with solvency ratio we calculate the times interest earned ratio and the debt to total assets ratio.

$$Times\ interest\ earned\ ratio = \frac{Operating\ P/L}{Financial\ expenses}$$ = 23.939.344 ÷ 99.102 = 241,56

This indicates the company's ability to meet interest payments as they come due. Bimba y Lola's interest earned ratio of 241.56 means that their interest expense is properly covered at 251.56 times

$$Debt\ to\ total\ assets\ ratio\ \left(DAR\right) = \frac{Total\ debt}{Total\ assets}$$ = 8.400.000 ÷ 137.350.206 = 0.06

This means that Bimba y Lola had 6 cents of debt for every euro of assets.

Furthermore, we find the profitable ratios, which are the following:

$$ROA = \frac{Profits\ or\ Losses\ for\ the\ period}{Total\ assets}$$ = 19.867.544 ÷ 137.350.206 = 0.145

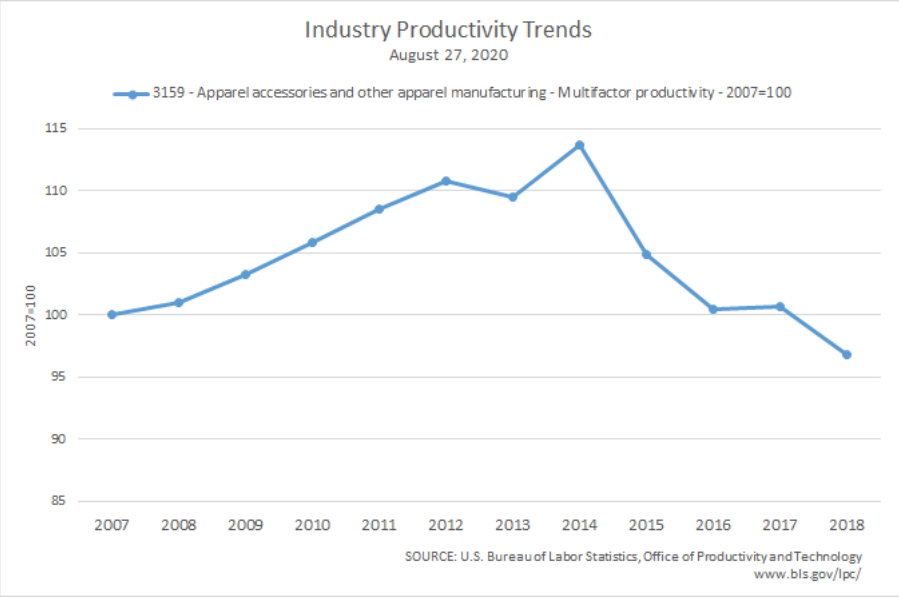
This means that Bimba y Lola earned 14.5 cents for every euro of their total assets.

$$ROE = \frac{Profits\ or\ Losses\ for\ the\ period}{Shareholders'\ funds}$$ = 19.867.544 ÷ 89.235.232 = 0.22

This means that Bimba y Lola earned 22 cents for every euro their owners invested.

Task 7:

The graphic shows the productivity trends of the industry our company is competing, which is the group 3159 of manufacturing industries according to the North America Industry classification system.



In the graphic we can see how , from 2007 to 2015, the productivity increases considerably. This was probably because of the appearance of new technologies, a better organization system and the workers skills and experience being improved every year. From 2015 to 2018, the productivity lowers.

Task 8.
Here is the link to see the dashboard:
Dashboard

Task 9.