

**BUSINESS PLAN/PROGRAM
D & N LUMBER SUPPLIES
CY 2025-2026**

I. INTRODUCTION

D & N Lumber Supplies owned by Mr. Edgardo P. Lampad located at Brgy. Rizal, Socorro, Surigao del Norte is a Lumber Dealership business that aims to provide high quality wood products to cater the needs of the community within the locality for construction, furniture, and others. The business will source lumber from the reputable PLPT and PTPR Suppliers with unwavering commitment, material excellence, customer-centric service, and sustainability.

D & N Lumber Supplies will also install its Annex Store in Brgy. Nueva Estrella Socorro, Surigao del Norte in which the lumber will be sourced out from our approved Lumber Supply Contracts pursuant to the Section 7 of DAO 08, Series of 1994.

II. OBJECTIVES

1. To establish a sustainable lumber dealership within the Municipality of Socorro, Surigao del Norte and outside locality that provides quality lumber products while ensuring strict environmental compliance and excellent customer service; and
2. Provide a lumber and wood-related products to the locality to be used in the construction and/or home improvement projects offering retail sales to consumers; and
3. Provide employment opportunities for local workers in the community and achieve a steady increase in revenue of the municipality.

III. PRODUCTION PROGRAM

A. Source

The lumber source will come from the legitimate PTPR and PLPT Suppliers with a Lumber Supply Contract and agreement with D&N Lumber Supplies to secure the right lumber at competitive price, and ensuring compliance to environmental laws, rules, and regulations.

The D&N Lumber Supplies will also be sourcing its lumber materials from their approved Lumber Dealer in Brgy. Rizal to its Annex Store in Brgy. Nueva Estrella thru an approved Lumber Supply Contract pursuant to Section 7 of DAO 08, Series of 1994 which states that “small-scale lumber retailers may secure their lumber supply contracts from other subsisting lumber dealers”.

Hence, the aforesaid lumbers will be sold at the lumberyards of the shops in Brgys.

Rizal and Neuva Estrella which will be sold to the public depending in the demand.

B. Processing Schedule

The lumber delivered from the legal sources will be displayed with the marketable prices. The yards shall be exclusively deal of buying and selling of lumber that will require from its legitimate suppliers. The Proprietor will forecast market trends and anticipate changes in supply in demand of lumber materials, while remaining competitive in the market.

IV. EMPLOYMENT PROGRAM

The Proprietor will employ three (3) hired labors to handle routine works like loading, checking, and unloading.

V. COST REDUCTION PROGRAM

The Proprietor will focus on optimizing production processes, minimizing waste, improving supply chain management, utilizing energy efficient equipment, and implementing lean manufacturing practices to reduce costs across all stages of lumber production, from raw material sourcing to finished product delivery.

Key areas to target in cost reduction program:

Waste reduction:

- Exploring options to use wood waste as fuel for heating or as a raw material for other products.

Production process optimization:

- Regularly servicing machinery to ensure optimal efficiency and prevent unexpected downtime.

Supply chain management:

- Securing better pricing on raw materials by leveraging purchasing power and exploring alternative suppliers;
- Optimizing stock levels to minimize storage costs and prevent unnecessary overstocking; and
- Exploring efficient transportation routes and load sizes to reduce logistics costs.

Energy efficiency:

- Investing in energy-efficient machinery and motors; and
- Switching to LED lighting systems to reduce energy consumption;

Workforce efficiency:

- Enabling workers to perform multiple tasks to improve flexibility and reduce labor costs;
- Tracking employee productivity to identify areas for improvement; and
- Promoting a culture of continuous improvement and cost-consciousness within the workforce

Important considerations when implementing a cost reduction program:

Quality control:

- Ensure that cost-saving measures do not compromise the quality of the final product.

Sustainability:

- Prioritize environmentally friendly practices while aiming for cost reductions.

Data analysis:

- Utilize data analytics to identify key areas for improvement and track the effectiveness of cost reduction initiatives.

VI. WASTE UTILIZATION PROGRAM

To avoid wastes derived from the business operation, the Proprietor will aim to minimize waste generated during wood processing by collecting and reusing wood byproducts like sawdust and offcuts for fuel wood, thereby reducing environmental impact and maximizing resource efficiency.

Other waste with no value shall be deposited to the Material Recovery Facility (MRF) of the concerned BLGU and LGU.

VII. POLLUTION PROGRAM

The provision of RA 9003 will always be considered to maintain safe, healthy workplace free of pollution.

VIII. FINANCIAL PROGRAM

The Proprietor ensures that the business has enough money to operate and be profitable. If the demand of the lumber increase, thus, requiring more capital investment for expansion, a loan maybe considered to apply to any financial institution. The Proprietor will implement risk management strategies to protect his investments and minimize potential loses.

Submitted by:



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Proprietor