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Monday, September 7, 2020 12:00 PM

• TASK 1

Our company is a manufacturing company that it is included in the sector 31-33 of the NAICS, in particular, subsector 3252: "Resin, Synthetic Rubber, and Artificial S Manufacturing".

This industry group we are going to work in comprises one of the most important and innovating sectors nowadays. In fact, we are going to focus on a particular sector: synthetic materials segment.

The synthetic materials segment produces a wide variety of finished products as well as raw materials, including common plastic materials such as polyethylene, polypropylene (PVC), and polystyrene. Among products into which these plastics can be made are loudspeakers, toys, PVC pipes, and beverage bottles. This industry segment also produces resins for mixing and blending on a custom basis. Motor vehicle manufacturers are particularly large users of synthetic materials.

These times have been unfortunate to everybody. This pandemia has hit us hard and we did not expect that 10 months ago. However, these days we tend to think in terms of about those minorities who are suffering. We are talking about people who are unable to communicate efficiently in normal circumstances, such as deaf people.

Related to its production, the main product which is required is the PLA, Polylactic Acid, can be entirely produced by 3D-printing. Furthermore, its price is affordable and it does not require any specific circumstances as temperature or heating.

Our data and characteristics are available in <http://www.eis.uva.es/~biopolimeros/alberto/pla.htm>.

Although this information is entirely in Spanish, we have found this website helpful and useful so as for our customers to have an idea about how our product is made or used.

According to the aforementioned research which was made by the 'Escuela Técnica Superior de Ingenieros Industriales' from the UVA, the material which is used is, at least, better than the masks which are currently used. Additionally, it is a biodegradable mask (as well as transparent).

So if you are thinking of helping minorities and you are keen on protecting the environment, do not think twice when choosing NARMORE INC.

- Our company's name is **NARMORE Ltd.**
- Our mission statement is: **"We protect you transparently so as to let the world breathe"**
- **STAKEHOLDERS:**

Employees: Our team consists of nearly 30 people aiming to help others worldwide

Customers: Especially minorities, from deaf people who are capable of reading lips, to teachers and students, or any other people, who may have problems in their communication.

Owners or shareholders: Pablo Moreno and Javi Narro

Suppliers: -"NaturePlast" (Export Manager: a.klimek@natureplast.eu)

- [Fred Zhang ChemFine International Co., Ltd](#)

Government: Government will help us giving us a grant so as to improve and develop our product as soon as possible, as well as supervising our progress and activity during our truthful work.

These are the main stakeholders of our business. Nonetheless, we are also helping our local community by solving the communication issues within the minorities and providing a better environment to our local area. Thus, the more profit we obtain, the more jobs we will be able to provide to our community.

• TASK 2

While the research we have made so as to properly study not only the sector we are going to work in, but also the industries we are going to compete with, we have found that might help us developing and improving our business.

First of all, in our country, **Spain**, the sector we are going to work in, the total sales in 2019 were of **10 million**. Hence, we have calculated the CR4 of the four most important companies that contribute to this sector, which are:

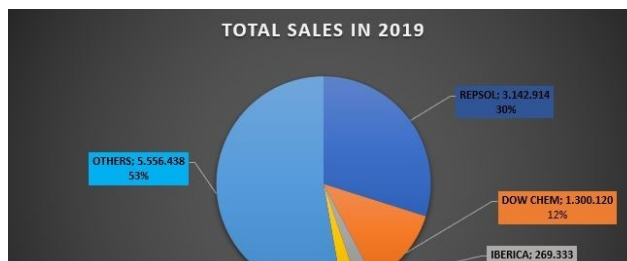
-REPSOL QUÍMICA S.A
 -DOW CHEMICAL IBERICA SL
 -SABIC INNOVATIVE PLASTICS ESPAÑA S.C.P.A
 -MAIER SCOOP

All in all, we have come through the fact that REPSOL QUÍMICA S.A and DOW CHEMICAL IBERICA S.L contributed the most to the sector:

Repsol Química S.A, with 3.152.914 million euros in sales out of 10 million leads the sector with 31,24 %
Dow Chemical Iberica S.L takes the second place with 1.300.120 million sales, which equals to the 12,88 %
Sabic Innovative Plastics España S.C.P.A contributes with 269.333 euros, which results in 2,67 %
Maier SCOOP's sales were of 258.004 out of 10 million, that is to say, the 2,56 %.

In order for us to have an idea about the impact that these businesses have on the sector we are going to work in, we have self-made an estimated graphic about the total sales taking into account the number of the four most important businesses.

We would like to point out that the percentages are not exactly the ones that we have aforementioned, but they are really close and they are also useful for us to have an idea of the situation.





SALES' DISTRIBUTION AMONG OUR SECTOR'S BUSINESSES IN 2019

If we add all the percentages, we face the percentage of 49,35 %, which makes this sector an oligopoly.

Taking this data into account, it can be concluded that our sector is composed by a market structure in which a few firms dominate. Although almost half of the sales are Química S.A and Dow Chemical Iberica S.L, it is possible for any small firm in the market to operate.

Therefore, we, as a small business, see the opportunity to accomplish our goals due to the fact that, conversely to the other businesses, not only are we contributing to minorities, but also to the environment thanks to the biodegradable materials our masks are made of.

• TASK 3

We have incorporated the business, that is to say our business is a corporation. Furthermore, we are a Private Limited Company. We have decided to be a corporation of owners, are able to enjoy. Moreover, while the ownership is divided into shares, as a Private limited company we can trade our shares privately, instead of offering them public.

Besides, whenever we have a problem related to debts, the liability of us, as shareholders, is limited to our investment in the corporation. In other words, suppliers have personal incomes of the shareholders.

Another characteristic that led us to decide to create a Private Limited Company is the aforementioned liability.

We only have to worry about those investments that we have self-made, if we decided to ask for a 30,000 euros credit and, due to any unfortunate circumstance, we would not be legally obliged to respond to any legal claim of the suppliers.

On the other hand, if we would have chosen our company as a Public limited company, we would not have been able to obtain that unlimited liability.

Additionally, a complex requirement, directly related to the minimum capital required, must be fulfilled so as to develop our hypothetical Public Limited Company, and, taking into account, as we have just set up our business.

Currently, at least 60.000 € are required to set up a Public Limited Company, whereas at least 3.000 € are required so as to set up a Private Limited Company. Thus, we are in a situation that is not suitable enough for us to found a Public Limited Company, due to the minimum capital needed.

• TASK 4

SWOT ANALYSIS

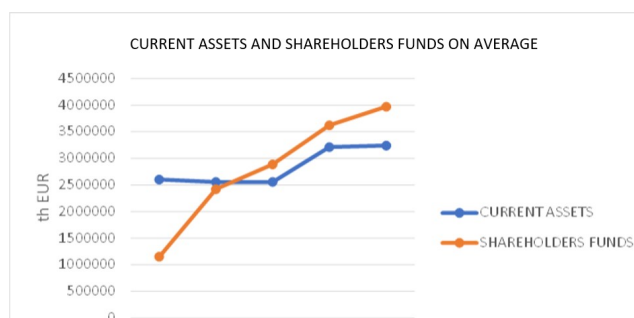
<p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> Take advantage of the pandemic situation and the laws introduced so as to contain it (compulsory use of the mask) Increasing environmental awareness among population 	<p>THREATS:</p> <ul style="list-style-type: none"> Customized masks are emerging with so much force in nowadays market that they are more attractive to people than our masks. Decreasing demand due to the arrival of a vaccine. Highly competitive sector, it will be difficult for us to reach a good position against established businesses (Repsol, Dow Chemical, etc.).
<p>STRENGTHS:</p> <ul style="list-style-type: none"> Powerful starting due to nowadays context Protection of the environment while protecting people Production cost of our product is much lower than in the other companies we are competing with Biodegradable masks which fulfill environmentally friendly requirements made by an increasing sector of the society. Biodegradable masks which fulfill environmentally friendly requirements made by an increasing sector of the society. 	<p>WEAKNESSES:</p> <ul style="list-style-type: none"> Due to its style, they can be not as attractive to people, who might prefer other styles. By the end of the pandemic, our product will not be as useful as currently.

We are going to use a low cost strategy, not only because of the extremely necessity in our society nowadays, which requires all society to wear a mask, but also due to our philosophy, which stands with the words humanity, environment and transparency.

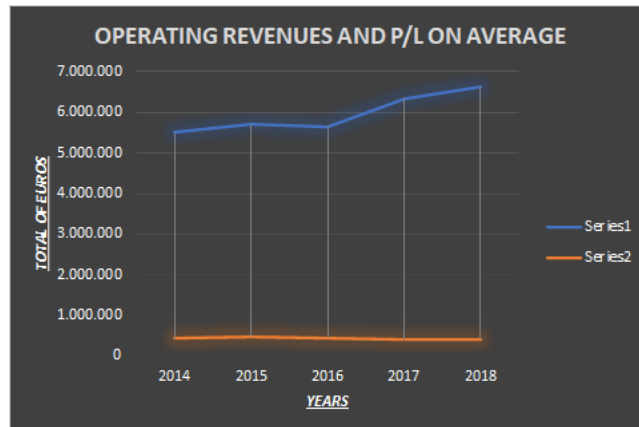
Moreover, our production cost is not expensive at all, so we do not see the need in selling our product at expensive prices if our main purpose is to help the world.

As far as we are concerned, the more expensive our masks are, the less masks will be sold. Currently, average people do not spend too much money on items which in this particular case, silk masks, for example), mostly due to the current economic crisis and the incoming one. Thus, as many people have limited resources, not using a mask is riskier and could mean less sales, and, therefore, no revenue.

• TASK 5



2014 2015 2016 2017 2018
YEARS



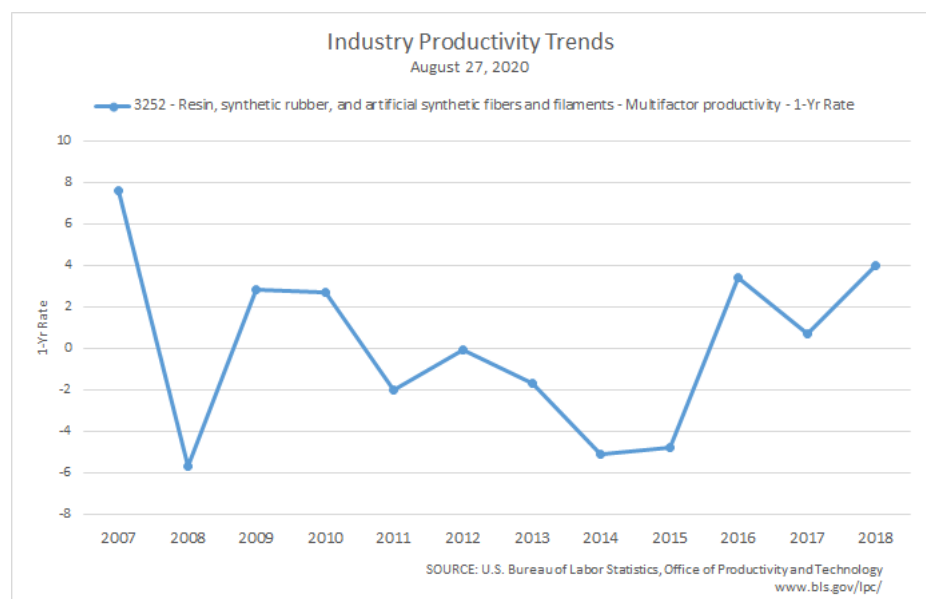
• **TASK 6:**

The following ratios have been calculated using the data obtained from SABI, concretely data which correspond to the most recent year, 2019, and the subject of strongest competitors from our sector: **Dow Chemical Iberica S.L.**

Current ratio	359,296/225,957=1,59	For every euro of current liabilities, the business has €1,59 of current assets.
Acid test ratio	(359,296-35,189)/225,957=1,43	For every euro of current liabilities, €1,43 is held in liquid assets.
Receivables turnover	1,142,845/116,003=9,85	The business gathers its receivables 9.85 times in one year.
Debt to total assets ratio (DAR)	225,957/531,037=0,42	The company had €0,42 of debt for every euro of assets (Equivalently, each euro of assets has been financed, in 2019, with €0,42 of debt).
Times interest earned ratio	32,653/1,275=25,61	A times interest ratio of 25.61 means that the company's interest expense is well covered at 25.61 times.
ROA	26,177/531,037=0,05	The company earned €0,05 on every euro of total assets.
ROE	26,177/287,773=0,09	The company earned €0,09 on every euro invested by its owners.

• **TASK 7:**

Here we can find the Multifactor productivity graph obtained from [Multifactor productivity from the US Bureau of Labor Statistics](#) and which focuses on the digit number: 3252) which covers our sector "Resin, synthetic rubber, and artificial synthetic fibers and filaments". The data are taken within each following year: and 2019.



COMMENT:

-At first, it can be seen that between 2007 and 2008, the Multifactor productivity decreased, which means that, after the 2007, the technology did not have nowadays and the resources in our industry were highly affected. However, our 2008 was a turning point in the trend which had taken place the year before

-Between 2008-2009, our industry had a great recover and people started to rethink and to rely on our sector. That's the reason of the growth during those increase, this would not be the trend which followed in the next years.

Indeed, the Multifactor productivity would slightly decrease between 2009 and 2010 which would lead to the decreasing tendency until 2015, even reaching the interval of years studied (2007-2018). This could have to do with the economic recovery which was taking place in several countries in Europe which were a products which have to do with our sector. The less products are sold, so the less is produced, and, thus, the less primary materials (for the chemical industry sector).

-Nonetheless, in terms of Multifactor productivity, the situation did not behave as expected before, and throughout the lastest years until 2018, we can observe. Indeed, we could not have found information about the multifactor productivity in 2020 so far, but we are sure that the chemical industry will have a great impact on the economy, due to the extreme importance that nowadays our sector has (So as to manufacture sanitary tools, for example).

- TASK 8:

Link for the Dashboard: <https://public.tableau.com/profile/moreno7965#!/vizhome/EMPRESAEXCEL1/Dashboard1?publish=yes>