**Glitter King** Adorn Great

I Santhosh Nagendran, managing director of the company Glitter King which has got a tagline Adorn Great. This is company which is going to be implemented all over Canada initially and later on can be implemented all over world as it has got global market. The products and services that we are concentrating in this business are gold jewels and other gold related products with services required for that.

**Background**

The love towards the personal adornment for people exist since 11,000 BC. People using ***jewelry*** as their adornment medium in the last 5,000 years. In most cultures, jewelry can be understood as a status symbol because of its material property, pattern, meaningful symbols. Jewelry has been made to adorn nearly every body parts from hairpins to toe rings. It is being used by both the sexes and different age groups which may vary greatly between cultures. Adult women have been the most consistent wearers of jewelry.

Most cultures at some point have had a practice of keeping large amounts of wealth stored in the form of jewelry. Numerous cultures store wedding [**dowries**](https://en.wikipedia.org/wiki/Dowry) in the form of jewelry or make jewelry as a means to store or display coins. Alternatively, jewelry has been used as a currency or trade good an example being the use of [**slave beads**](https://en.wikipedia.org/wiki/Slave_beads)**.**

Many items of jewelry, such as [**brooches**](https://en.wikipedia.org/wiki/Brooch) and [**buckles**](https://en.wikipedia.org/wiki/Buckle), originated as purely functional items, but evolved into decorative items as their functional requirement diminished.

Jewelry can also symbolize group membership (as in the case, of the [**Christian**](https://en.wikipedia.org/wiki/Christianity)[**crucifix**](https://en.wikipedia.org/wiki/Crucifix) or the [**Jewish**](https://en.wikipedia.org/wiki/Judaism)[**Star of David**](https://en.wikipedia.org/wiki/Star_of_David)) or status (as in the case of [**chains of office**](https://en.wikipedia.org/wiki/Livery_collar), or the Western practice of [**married**](https://en.wikipedia.org/wiki/Marriage) people wearing wedding rings).

Wearing of [**amulets**](https://en.wikipedia.org/wiki/Amulet) and [devotional medals](https://en.wikipedia.org/wiki/Devotional_medal) to provide protection or ward off evil is common in some [**cultures**](https://en.wikipedia.org/wiki/Culture). These may take the form of symbols (such as the [**ankh**](https://en.wikipedia.org/wiki/Ankh)), stones, plants, animals, body parts (such as the **Khams**), or [**glyphs**](https://en.wikipedia.org/wiki/Glyph) (such as stylized versions of the [**Throne Verse**](https://en.wikipedia.org/wiki/Throne_Verse) in [**Islamic art**](https://en.wikipedia.org/wiki/Islamic_art)).

Jewelry has been used to denote status. In ancient Rome, only certain ranks could wear rings; later, [sumptuary **laws**](https://en.wikipedia.org/wiki/Sumptuary_law) dictated who could wear what type of jewelry. This was also based on rank of the citizens of that time. Cultural dictates have also played a significant role. For example, the wearing of earrings by Western men was considered effeminate in the 19th century and early 20th century. More recently, the display of body jewelry, such as [**piercings**](https://en.wikipedia.org/wiki/Body_piercing), has become a mark of acceptance or seen as a badge of courage within some groups but is completely rejected in others. Likewise, [**hip hop**](https://en.wikipedia.org/wiki/Hip_hop) culture has popularized the slang term [**bling**-**bling**](https://en.wikipedia.org/wiki/Bling-bling), which refers to ostentatious display of jewelry by men or women.

Conversely, the jewelry industry in the early 20th century launched a campaign to popularize [**wedding** **rings**](https://en.wikipedia.org/wiki/Wedding_ring) for men, which caught on, as well as [**engagement rings**](https://en.wikipedia.org/wiki/Engagement_ring) for men, which did not, going so far as to create a false history and claim that the practice had medieval roots. By the mid-1940s, 85% of weddings in the U.S. featured a double-ring ceremony, up from 15% in the 1920s. Religion has also played a role in societies influence. Islam, for instance, considers the wearing of gold by men as a social [**taboo**](https://en.wikipedia.org/wiki/Haraam), and many religions have edicts against excessive display. In Christianity, the New Testament gives injunctions against the wearing of gold, in the writings of the apostles Paul and Peter. In Revelation 17, "the great whore" or false religious system, is depicted as being "decked with gold and precious stones and pearls, having a golden cup in her hand." For Muslims it is considered [**haram**](https://en.wikipedia.org/wiki/Haraam) for a man to wear [**gold**](https://en.wikipedia.org/wiki/Gold).

So, my objective is to manufacture Quality Conscious, Aesthetic, Perfection and Business Ethical ***Gold Jewells*** and to obtain retail market globally.

**Problems in the existing system**

In the real world there are different categories of jewelry types they are

* [**Earrings**](https://en.wikipedia.org/wiki/Earring)
* [**Fascinator**](https://en.wikipedia.org/wiki/Fascinator)
* [**Hairpin**](https://en.wikipedia.org/wiki/Hairpin_(fashion))
* [**Hatpin**](https://en.wikipedia.org/wiki/Hatpin)
* [**Sarpanch**](https://en.wikipedia.org/wiki/Sarpech)**or**[**Aigrette**](https://en.wikipedia.org/wiki/Aigrette)
* [**Crowns**](https://en.wikipedia.org/wiki/Crown_(headgear)) **etc. which are made up of different collections namely,**
  + Antique Collections
  + Temple Collections
  + Occasion Specific
  + Fancy Collections and so on…

Most of the time, people have their dream model in their minds and even some have thought of designing their own model by themselves, but they are disappointed when they are stepping to the shops ending up with different models or stuffs without 100% satisfaction. All the time the stores will be keeping the set range of jewelry types and designs which are not unique and constant throughout the places. There will be delay in processing the orders and the customers should compromise in quality and service.

**Solution**

Our idea is to bring all together. We will be providing the customers with 400,000 designs that they would haven’t imagined putting all kind of categories, designs and jewelries on a screen at our retail stores.

And to be one step ahead to keep customer satisfaction, the customers themselves can become designers at our place. They can design their own dream design with the help of designer software installed at the screens available at the stores which will be obviously user friendly with options of pick and place., etc.

Ultimate aim is 100% customer satisfaction.

 UVP - Quality Consciousness, Perfection, Uniqueness of Design, Aesthetics and Business Ethics.

With the help of the resources available with us, we would try to deliver the products with estimated time of delivery - 2days may be lesser. We also have a plan of implementing good finance rates, exchange rates and précised cuts.

To give more explanation about the device that we are going to implement in our retail store will be unique and different. It will be a HMI (Human Machine Interface) which will act as an input and output, with which we can get the user willing designs where there are large number of pick and place type designs already exist and with some more options, the customers can themselves begin to start designing, if the design looks outstanding then it will be uploaded to the device and will be sent for the stocking for the rest of the customers.

With the help of these type of execution most of the customers will be loving to step into our store and will be more profitable.

**Products by our team**

As we discussed earlier, our concept will be down to down gold products initially. There are variety of ornaments and objects that can be worn anywhere in the body part. It covers the hair pins to toe rings and it is completely up to the customers that they are going to buy depending on their need. Our store will be more specific for concept oriented and occasional wears. If the customer think about some desired attire they can be converted into the same when they are here in our place. We even implementing the products for the customers which comes under royal fields. Where this place is only for royal families which allows us to sell our exclusive products like golden footwear, gold vehicle, gold dress, and also with the concept of customized products we do construction work using gold products say for example golden bed, golden dinning, golden bathroom, golden hall and what not.

The only thing that we expect from the customers is they should be clear in their concept and need. If someone in this category exist then we will be right one for you.

* Gold jewels (Initial plan)
* Silvers (Can be added further)
* Platinum (Can be added further)
* Diamonds (Can be added further)

The above-mentioned fields are our target for another five years. As to start with some trigger point, we are starting it with gold as a scratch and later on we will be concentrating on silvers, diamonds, platinum, ruby, etc. once when we reach a good market and attain a target revenue, to go beyond we will be starting the production of above mention products. We also have a plan of combination of metals, which itself have a good benefit including astrological acclamation it is good to have a combination of metals, with that concept in the mind we will be producing the models like, gold jewels with diamonds; gold with silver; gold with platinum; platinum with diamond, etc.

And other sort of metal combinations as the customers wish to wear and so on.

**Service provided**

Whatever may be the product w are selling or whatever may be the quality and price, but the most important thing in the business is the service that is required for the products that we have chosen. Only if the opt services provided by the company more the users of it becomes.

For our products these are the services which are demanding by itself and we have added some more to make it so special and effective, and they are

* Self designing
* Best exchange rates
* Quality tests
* Financing

The first service to attract the customers we are using the self-designing feature where the customer themselves can design their own models, if anyone feel hard to use the screens set specifically for the designing, they can use a paper and a pen to expose their designs and it could be forwarded to the further stages. This service to the customer will be most unique one and attiring one in the market.

The second service will be the best gold rate and exchange rates with us. As we do proper interpretation and projection techniques, we could do a better live price and we also welcome the customers who love to exchange their existing gold or other sort of ornaments with best rate because as we are also producing it on our own, we can give them a best rate of trade.

Quality test is quite normal in every store, where at some point we need to show the customers the purity or quality of the product that they trade in. this service is not only for the customers but also for selling people (us) too. Because we will be using the testing instruments most of the time. So it should be precise to 100% because it may change the business to either way. So to make it more precise and accurate, frequent calibration is needed which can be done manually with some technical people or can be done automatically with the help of some other instruments which will be performing the calibration process for the other instruments needed.

Financing include period financing for products that the customer buys, chits and other sort of financial terms involved in it. And we are also concentrating on gold loans with less interest rates etc.

And other sort of services will be help centers, to ask about the queries of particular product or metal, the range of the items the purity, quality work involved and staffs like that. Accessories point, where you can buy all sort of jewel related parts, modification of weight, height and some other problems you are facing. For delivering the orders placed by the customers, on request home delivery is also possible.

**SWOT Analysis**

* High Quality jewelry at competitive prices and having large number of designs (400,000).

Our biggest strength will be the designs that we have. Our concept artists and the designers will already put their effort to be unique from each and every single model. And we will try to be never out of stock.

* 100% customer satisfaction when it matters service, satisfaction, price, relationship, innovative designs both by the company and the customers, management, deals, current rates, Etc.

Service will be the best at our place, where we are going to train each and every single employee to that level to treat the customers as king and will be able to explain any sort of questions and queries of the customers. If there are any issues in calculation of the jewel or pricing or purity of the jewel, every employee in our store should have the capability to explain them. There will not be any compromise at employee knowledge.

* Challenges are deep accounting, keen noticing of things happening around, file maintenance, updating prices, current trends and models.

Instead of stating is a weakness, there will be lot of challenging things to be faced by us. The first and foremost is accounting and book keeping. As we are dealing with numbers lot of the time, we should be capable of solving the calculations quickly and the employees should also be ease of using the numbers with them. The gold price will be changing every hour, keeping track of it will also be another challenge. All kind of people will be appearing to the store so we should be so mindful handling them and we should have good observation on things happening around us.

More concentration should be made on security department as we are dealing with big money and expensive ornaments and metals, we should be alert every time or 24\*7 monitoring is needed.

* We could also add up all sort of Jewells for example silvers, diamonds, platinum, and other sort of precious stones, Etc.

Once after reaching certain set points (check points) our next target will be increasing the revenue of the company which can be made only through increasing the sales and to make that happen we are planning to implement different forms of jewels which are made up of silvers, diamonds, platinum and other expensive metals like white gold etc. Hence by adding these stuffs as an add on to our existing products, the number of customers stepping in will be increased and also the reach of the company will also be bigger.

* Similar retail stores with the same concept or even more can become quicker as ours is available globally so we should explore a lot and try to stick with price skimming and premium pricing strategies.

The biggest threat in every field is imitation. Whatever the new concepts origin, there are several clever minds in this world to copy the same, it may be the theme, role, service, product, place etc., anything in this world can be copied so for that, the only thing we can do is work on the research and development to make some improving on our own system or to implement some new techniques as well to increase the market than the competitors. And other thing that we can do is to follow some of the strategies. Price skimming will be the matching solution for this conflict because when the concept is newer customers don’t have many ways to explore so the customers will obviously walk-in to our stores, and the idea is to get a good profit at a short notice.

**Market**

* Jewelry market is available globally and according to 2017 statistics - China, U.S, India and Middle east countries leads the market sales where China made history with the overall sales of $111.5 Billion USD.

For the retail market, the above-mentioned countries are leading in the market. When a person starts his or her jewelry business in these countries then there are lots of possibility for his to success in his business. But our idea is to implement the idea in Canada initially but after achieving some revenue point, our idea can be implemented in any of the above-mentioned countries. Our future business is to reach $100 Billion USD in china down the line after 10 years.

* And in production perspective the following countries leads every year with different ranks, China, Australia, Russia, South Africa, U.S, Canada and Peru.

These are the countries where the gold mines are wild in production. When we get the raw material in any of the above-mentioned countries the cost will be cheaper and the quality will also be great. But as we are placing our production and sales as same place that is in Canada, and it is also located in the list of large production of Gold, we can give away in competitive price to the customers.

* The death rate of our market is very low because, as for as people’s crush towards the adornment exist, our market does exist.
* Apart from this our target customers are adult women who have been the most consistent wearers of jewelry.

Our market will be live still the human being has lust towards adornment especially the last women exist in this world. And even if we fail in any of our concept or market, we could end up with no loss or gain as we can resale the gold as it has the good resale value and it has very low chances of depreciation. Even we could reach at higher places as it does not need much marketing as itself has a good market, so we could save a lot of money spending towards the Marketing.

**Operating** **Plan**

Operating plan is nothing but the plan of our business how will it be working down from the product flowing form the point of production to the hands of customers and it is done by two ways,

* Stocking

Stocking means making the existing models and designs proposed by our team and we have a strong believe in our 400,000 designs which is going to be really awesome.

* Ordering

Ordering means the user designed models. When a customer gives us a customized design, and to make that design happen, we have this team to make it possible. This part of our business will be our special concept.

* + Stocks (Already existing Models)
* Production (Handmade & Machine cut)

Production is the exact place where the real production of our ornaments is made. It is basically made by two types, they are handmade and machine made.

* Weighing & testing

With the help of high précised and calibrated instruments, we use to weigh each and every single parts of the jewel and the specification sheets and attached with them for reference.

* Packaging

The jewels are not only made here but also taken care. With the help of high safety covers and boxes, every jewel are taken care with protection.

* Transportation

The transportation helps a lot for transporting the jewels back and forth from production line to stores and vice versa if in case any damage or other relevant service required.

* Display

Displaying of the jewel in the real store all around Canada. To make this one thing happen every other precious step are taken process

* + Ordering (Customized Models)
* Model received from users digitally

The digital screens will be placed at the customer point of view in the stores. So when the user comes and designs the models it will be sent automatically to the extraction team for further processing.

* Sent to makers (Extraction of design)

When the design created by the user is received, the extraction team will process it with their own style of making understanding for the production team, like making the dyes ready for that particular model.

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* Ttransportation & Delivery

The transportation helps a lot for transporting the jewels back and forth from production line to stores and vice versa if in case any damage or other relevant service required. Home delivery may be included if on request.

**Financials**

As we are dealing with the retail stores, there is less possibility for the credit. As soon as we sell the product we will be paid. But there are lots of chances for us to owe money from the gold suppliers and there will be operating expenses present, so the cash flow will be good for us.

To make justification for the Cash flow of the business, the following parameters like Gross margin, revenue, break even, Fixed cost etc., were showed in the upcoming slides with some rough calculations with some set parameters like (Unit sales, Price etc.,)

* Cost of goods (Gold)

1gm = ~$46.25 for 24Kt (99.99%)

Production = Labour + Making Cost (Electricity, Instruments, Maintenance, Rent, Transportation and others)

= $(0.5+0.25+0.5+0.5+1+1)

= ~$3.75

* Cost price for 1gm = Actual Cost of the material + Production Cost

= $46.25+$3.75

= ~$50

* Selling Price = CP + (Profit% \* CP) where Profit% is set by us (Let us take 30% in this case)

SP = $50 + (.3\*50)

= $65/gm

* Revenue = Units Sold \* SP

Units sold is 10 Tonne = 10,000,000gm/year

Revenue = 10,000,000 \* 65 = $650,000,000/year

* Cost of goods sold per year = CP\*Units Sold

= $50\*10,000,000

= ~$500,000,000

* Gross Margin/Year = Revenue – Cost of Goods sold

= $650,000,000 - $500,000,000

= ~$150,000,000

* Gross Margin% = Gross Margin/Revenue

= $150 Million/$650 Million

= 23.07%

* Fixed Cost per = Rent, administration cost, Management Cost, Sales & Marketing Costs

= $4.5/gm

* Projected Fixed Cost/year = Units Sold \* Fixed Cost

= 10,000,000\*4.5

= $45Million

* Breakeven Point = Fixed Cost/Gross Margin%

= $45 Million/0.2307

= ~$195Million

So, according to the calculation it is clear that our business will be breaking even after ***6months*** from start of the business.

The above mentioned are the sample and projected values of the data’s which were collected from various jewelry stores and made it, here below this I have made a projection of Revenue, Profit and expenses for five years and it seems to be quite good to start the business,

**Team**

* Two different teams will be existing in the production lines, for existing models and for processing the orders received. Specially meant for quick processing.
* Separate teams for maintenance, handmade designs making, machine made, weighing and testing, calibration, accounting, service engineers, marketing, sales, staffing, transport, packaging, repairs and support, help centres and accessories.
* Including all the employees it should be around 18,000 employees as we are concentrating on both the production and retail department. The production will be in conventional hand made and machine made so we really need lot of people to work day and night.
* Our ultimate goal is to process the order and to deliver any sort of product in 2 business days.

The above-mentioned points are the strength of our team and we will be working hard to reach our goal successfully if we get the quoted amount from the investors and other mode of money as needed.

**Risks**

* As we are dealing with big money and expensive ornaments, high security is needed at several places like in production, transportation, stores, etc.
* All the measuring instruments at the production and sales line should be calibrated every single day because it should be more precise.
* Every employee should be more concern about the environment they are working that they don’t miss anything and should have a good knowledge about the ornaments they are dealing with.
* We should be more conscious in security department by implementing burglar alarms, metal detectors, high quality cameras and monitoring.
* Price update of gold every hour
* Stocking and maintenance.

The above mentioned are some of the risk factors that we will be facing when we are starting to work on this. We should be concentrating more on the security department and we should make every employee to have good knowledge in gold market and we should also train them to have so.

**Conclusion**

* The quoted figure to start the business from the scratch will be ***$195 million*** and I have got another $95million as equity.
* It has good market all around the world, profitable business and the death rate of the business is very low. Best long run.
* As our business also concentrates on the employment prospective it will be good to the society as well.

So, I request the investors to provide me $100 million to make a good profitable business.