

# How to Start a Diet Biscuit Factory in Oman

**Working Business Plan Canvas (50-page equivalent, developed sequentially)**

This document will be built step by step, with confirmation at each stage.

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## 1. Executive Summary

### 1.1 Business Overview

The Diet Biscuit Factory is a food manufacturing venture focused on producing **low-sugar, sugar-free, high-fiber, high-protein, and functional biscuits** targeted at health-conscious consumers in Oman and the wider GCC region. The factory will manufacture diet-friendly biscuits using controlled ingredients, portion management, and nutritional labeling compliant with Omani and GCC food regulations.

The business aligns with growing consumer awareness around **diabetes management, weight control, fitness, and healthy lifestyles**, making diet biscuits a fast-growing segment within the packaged food industry.

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### 1.2 Product Concept

The factory will initially focus on a **limited but scalable product range**: - Sugar-free biscuits (diabetic-friendly) - Low-calorie biscuits - High-fiber digestive biscuits - High-protein biscuits (fitness-oriented) - Oats & multigrain biscuits

Products will be sold through: - Supermarkets & hypermarkets - Pharmacies & health stores - Gyms & fitness centers - Online platforms & bulk institutional buyers

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### 1.3 Business Structure

The business will be registered in Oman as: - **SPC (Sole Proprietorship Company)** – suitable for small-to-medium manufacturing - **LLC (Limited Liability Company)** – recommended for partnerships and future expansion

Registration will be completed through a **Sanad Center**, ensuring cost efficiency.

**Estimated basic registration cost (excluding visas & leasing):**

- SPC: **OMR 100 – 300**

- LLC: **OMR 300 – 500**

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## 1.4 Market Opportunity

- Rising diabetes and lifestyle-related health concerns
  - Increased demand for labeled, regulated health foods
  - Heavy reliance on imported diet biscuits (import substitution opportunity)
  - Government encouragement of local food manufacturing
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## 1.5 Competitive Advantage

- Local manufacturing = lower logistics cost
  - Ability to customize flavors for GCC tastes
  - Faster market response than importers
  - Controlled ingredient sourcing and transparency
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## 1.6 Financial Snapshot (High-Level)

- **Estimated startup investment:** OMR 120,000 – 250,000
  - **Break-even period:** 24 – 36 months
  - **Gross margin target:** 35% – 55%
  - **Scalability:** Local → GCC export
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## 1.7 Vision & Mission

### **Vision:**

To become a leading Omani manufacturer of trusted, healthy biscuit products for the GCC market.

### **Mission:**

To produce scientifically formulated, affordable, and great-tasting diet biscuits that support healthier lifestyles.

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## 2. Project Details – Factory Goals, Value Proposition, Products, Machinery & Staffing

### 2.1 Project Goals

#### **Short-Term Goals (Year 1)**

- Register the company in Oman (SPC or LLC) through a Sanad Center
- Secure an approved industrial/commercial facility compliant with food manufacturing standards
- Install and commission a semi-automatic biscuit production line
- Obtain all food safety, municipality, and labeling approvals

- Launch 3–5 core diet biscuit SKUs in the local market

### Medium-Term Goals (Years 2–3)

- Expand SKU range (new flavors, functional variants)
- Achieve distribution in major supermarkets, pharmacies, and gyms
- Improve production efficiency and reduce unit costs
- Begin private-label manufacturing for local brands

### Long-Term Goals (Years 4–5)

- Upgrade to higher-capacity automation
- Export to GCC markets (UAE, KSA, Qatar)
- Establish in-house R&D for functional nutrition products
- Position the brand as a regional health-food manufacturer

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## 2.2 Value Proposition

The Diet Biscuit Factory offers **scientifically formulated, clearly labeled, and locally manufactured diet biscuits** that meet the needs of health-conscious consumers while remaining affordable and scalable.

**Core Value Drivers:** - Sugar-free and low-GI formulations - Transparent nutritional labeling - Local production with faster supply cycles - Customization for private labels and institutions - Compliance with Omani and GCC food regulations

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## 2.3 Product Portfolio & SKUs

### Initial Product Categories

1. **Sugar-Free / Diabetic Biscuits**
  2. Sweetened with approved alternatives (e.g., stevia-based blends)
  3. Target consumers: diabetics & low-sugar diets
4. **High-Fiber Digestive Biscuits**
  5. Oats, wheat bran, psyllium husk
  6. Target consumers: digestive health
7. **High-Protein Biscuits**
  8. Whey/plant protein blends
  9. Target consumers: fitness & sports segment

10. **Low-Calorie Multigrain Biscuits**

- 11. Portion-controlled packs
- 12. Target consumers: weight management

**Packaging Formats**

- 40–50g single-serve packs
- 150–250g family packs
- Bulk packs for institutions

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**2.4 Manufacturing Process Overview**

- 1. Raw material receiving & inspection
- 2. Weighing and batching
- 3. Dough mixing
- 4. Sheetting and cutting
- 5. Baking (controlled temperature)
- 6. Cooling
- 7. Packaging & sealing
- 8. Finished goods storage

Each stage will follow **HACCP-compliant procedures**.

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**2.5 Machinery & Production Line (Indicative)**

**Core Machinery**

Equipment	Estimated Cost (OMR)
Dough Mixer	8,000 – 15,000
Dough Sheeter & Cutter	12,000 – 25,000
Tunnel Oven (Gas/Electric)	30,000 – 70,000
Cooling Conveyor	8,000 – 15,000
Packaging Machine	15,000 – 35,000
Quality Control Tools	2,000 – 5,000
<b>Subtotal (Machinery)</b>	<b>75,000 – 165,000</b>

**Capacity (Initial):** 300–600 kg/day (scalable)

## 2.6 Facility & Utilities Requirements

- Factory size: 300 – 600 sqm
  - Segregated areas (raw material, production, packaging, storage)
  - 3-phase electrical supply
  - Gas connection (if gas oven)
  - Water supply & drainage
  - Ventilation & dust control
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## 2.7 Staffing Structure

### Initial Manpower Plan

Role	No.	Monthly Salary (OMR)
Factory Manager	1	600 – 900
Production Supervisor	1	400 – 600
Machine Operators	3–5	180 – 250
Quality Control Officer	1	300 – 450
Packaging Staff	2–4	150 – 200
Admin / Storekeeper	1	250 – 350

**Estimated Monthly Payroll: OMR 3,000 – 5,500**

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## 3. Regulatory Approvals, Food Safety & Compliance Framework

### 3.1 Overview of Regulatory Environment in Oman

Food manufacturing in Oman is a **highly regulated activity** to ensure consumer safety, product quality, and fair trade. A Diet Biscuit Factory must comply with regulations issued by multiple authorities, primarily:

- Ministry of Commerce, Industry & Investment Promotion (MOCIIP) - Local Municipality (Industrial & Food Safety Departments)
- Ministry of Health (for food safety & labeling compliance)
- Royal Oman Police (import/export where applicable)

Early compliance planning is essential to avoid delays in commissioning and sales.

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## 3.2 Business Registration & Industrial Licensing

### A. Commercial Registration

- Register activity as **Food Manufacturing / Biscuit Production**
- Company structure: SPC or LLC
- Registration through Sanad Center

**Estimated cost:** OMR 100 – 500 (excluding visas & leasing)

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### B. Industrial / Municipality License

- Factory location approval (industrial or approved commercial zone)
- Layout drawings submission (production flow, storage, utilities)
- Fire safety clearance (Civil Defence)
- Environmental considerations (waste, emissions, noise)

**Estimated approval timeline:** 4–8 weeks

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## 3.3 Food Safety & Quality Compliance

### A. HACCP Implementation

The factory must implement a **Hazard Analysis and Critical Control Points (HACCP)** system covering: - Raw material intake - Dough preparation - Baking temperatures - Cooling and packaging hygiene - Storage and transportation

Documentation will include: - Process flow diagrams - Critical control point logs - Corrective action procedures

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### B. Staff Health & Hygiene Compliance

- Mandatory medical tests for all food handlers
  - Issuance of health cards
  - Regular hygiene training
  - Uniforms, gloves, hairnets, and PPE
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## 3.4 Product Approval, Labeling & Shelf-Life

### A. Product Registration

Each biscuit SKU must be registered prior to sale: - Ingredient list submission - Nutritional analysis - Allergen declaration - Shelf-life study report

Registration is typically required for: - Retail distribution - Institutional buyers - Export eligibility

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## B. Nutritional Labeling Requirements

Labels must include: - Product name & description - Net weight - Ingredients (descending order) - Nutritional facts table - Allergen warnings - Manufacturing & expiry dates - Country of origin (Oman)

Labels must be in **Arabic** (English optional).

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## 3.5 Laboratory Testing & Certifications

- Shelf-life testing (accelerated & real-time)
- Microbiological analysis
- Sugar content verification (for diabetic claims)
- Protein & fiber content testing

Testing can be conducted through: - Approved local laboratories - Accredited regional labs (for export readiness)

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## 3.6 Export & GCC Compliance (Future Phase)

For GCC exports: - Compliance with GCC Standardization Organization (GSO) standards - Barcode registration - Export health certificates - Country-specific labeling adaptations

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## 3.7 Risk Management & Compliance Strategy

- Engage food safety consultants during setup
  - Maintain digital compliance records
  - Conduct internal audits every 6 months
  - Prepare for unannounced inspections
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# 4. Raw Materials, Ingredients & Supplier Strategy

## 4.1 Raw Material Strategy Overview

The Diet Biscuit Factory will adopt a **dual-sourcing strategy** combining reliable local suppliers for bulk staples with approved international suppliers for functional and specialty ingredients. This approach balances **cost control, quality consistency, and supply continuity**.

Key objectives: - Ensure consistent nutritional profiles across batches - Maintain food safety and traceability  
- Control input costs and reduce exposure to volatility - Meet labeling and diabetic-claim compliance

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## 4.2 Core Ingredients (Primary Inputs)

Ingredient	Function	Sourcing Strategy
Wheat Flour (Refined/Whole)	Base structure	Local mills / regional suppliers
Oats & Multigrain Mix	Fiber & texture	Local + imported
Vegetable Oils (Palm/Sunflower)	Fat content	Approved local distributors
Milk Solids / Alternatives	Flavor & nutrition	Imported (as needed)
Salt	Taste balance	Local
Natural Flavors	Taste profile	Approved importers

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## 4.3 Functional & Diet-Specific Ingredients

### A. Sugar Substitutes (Diabetic-Friendly)

- Stevia-based blends
- Sucralose (within permitted limits)
- Erythritol (for texture & bulk)

**Compliance Note:** All sweeteners will be used within **Omani & GCC permissible limits**, supported by lab verification.

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### B. Fiber Sources

- Oat fiber
  - Wheat bran
  - Psyllium husk
  - Inulin (select SKUs)
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### C. Protein Sources

- Whey protein concentrate (WPC)
  - Plant proteins (pea/soy blends)
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#### 4.4 Packaging Materials

Packaging Type	Purpose	Notes
Food-grade plastic wrappers	Primary pack	Moisture barrier
Printed cartons	Retail display	Branding & info
Bulk cartons	Distribution	Logistics efficiency

Packaging suppliers must comply with **food-contact material standards**.

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#### 4.5 Supplier Selection Criteria

- Regulatory approval & certifications
- Batch consistency and traceability
- Minimum order flexibility
- Lead time reliability
- Price stability & contract options

At least **two suppliers per critical ingredient** will be approved to reduce risk.

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#### 4.6 Inventory Management & Storage

- FIFO (First-In-First-Out) inventory method
  - Temperature- and humidity-controlled storage
  - Separate storage for allergens
  - Safety stock: 2–4 weeks of critical materials
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#### 4.7 Cost Structure & Input Cost Estimates (Indicative)

Cost Category	% of Production Cost
Flour & grains	25 – 35%
Functional ingredients	15 – 25%
Oils & fats	10 – 15%
Packaging	15 – 20%
Others	5 – 10%

Raw material costs will be reviewed quarterly.

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## 4.8 Supply Risk & Mitigation

**Risks:** - Import delays - Price fluctuations - Quality inconsistency

**Mitigation Measures:** - Local supplier preference where possible - Forward contracts for key imports - Buffer inventory - Periodic supplier audits

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## 5. Financial Projections – Capital Investment, Operating Costs & 5-Year Forecast

**All figures are conservative estimates in OMR.**

Assumptions are based on semi-automatic production, phased capacity utilization, and local/GCC pricing realities.

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### 5.1 Capital Expenditure (CAPEX)

#### A. Machinery & Production Line

Item	Estimated Cost (OMR)
Dough Mixer	8,000 – 15,000
Sheeter & Cutter	12,000 – 25,000
Tunnel Oven	30,000 – 70,000
Cooling Conveyor	8,000 – 15,000
Packaging Machine	15,000 – 35,000
QC & Lab Equipment	2,000 – 5,000
<b>Subtotal – Machinery</b>	<b>75,000 – 165,000</b>

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#### B. Facility Setup & Pre-Operating Costs

Item	Estimated Cost (OMR)
Factory Fit-out & Utilities	15,000 – 30,000
Electrical & Gas Installation	8,000 – 15,000
Registration & Licensing	1,000 – 2,500
Initial Lab Testing & Approvals	3,000 – 6,000

Item	Estimated Cost (OMR)
Pre-operating Expenses	3,000 – 5,000
<b>Subtotal – Setup</b>	<b>30,000 – 58,500</b>

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♦ **Total Estimated CAPEX**

- **Low case: ~ OMR 120,000**
  - **High case: ~ OMR 250,000**
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## 5.2 Operating Expenses (OPEX – Monthly)

Expense Category	Monthly Cost (OMR)
Payroll	3,000 – 5,500
Raw Materials	8,000 – 15,000
Utilities (Power, Gas, Water)	1,200 – 2,000
Maintenance & Spares	500 – 1,000
Packaging Materials	3,000 – 6,000
Logistics & Distribution	800 – 1,500
Marketing & Sales	500 – 1,000
Miscellaneous	500 – 1,000
<b>Total Monthly OPEX</b>	<b>17,500 – 34,000</b>

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## 5.3 Production Capacity & Cost Assumptions

- Installed capacity: **300–600 kg/day**
- Utilization (Year 1): **50–60%**
- Working days: **26 days/month**

**Estimated production (Year 1):** 4,000 – 7,000 kg/month

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## 5.4 Cost of Production (Indicative)

- Average production cost: **OMR 1.6 – 2.2 per kg**
  - Packaging & overheads included
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## 5.5 Revenue Assumptions

- Average wholesale selling price: **OMR 3.0 – 4.5 per kg**
- Retail-equivalent margin captured via distributors

## 5.6 Monthly Revenue & Profit (Year 1)

Scenario	Revenue (OMR)	OPEX (OMR)	Net Profit
Conservative	12,000 – 15,000	17,500	(Loss / Breakeven)
Expected	20,000 – 28,000	22,000	3,000 – 6,000
Optimistic	30,000 – 40,000	30,000	8,000 – 10,000

## 5.7 Break-Even Analysis

- Monthly fixed costs: **~OMR 12,000 – 15,000**
- Contribution margin: **35% – 55%**

 **Break-even period: 24 – 36 months**

## 5.8 Five-Year Financial Forecast (Summary)

Year	Revenue (OMR)	Net Profit (OMR)
Year 1	220,000 – 300,000	20,000 – 40,000
Year 2	350,000 – 450,000	45,000 – 80,000
Year 3	550,000 – 700,000	90,000 – 150,000
Year 4	800,000 – 1,000,000	160,000 – 250,000
Year 5	1.2M+	300,000 – 450,000

*Years 3–5 assume higher utilization, SKU expansion, and partial exports.*

## 5.9 Sensitivity & Expansion Scenarios

- +10% raw material cost → margin impact: 3–5%
- Adding second packaging line in Year 3 increases output by ~40%
- Export pricing improves gross margin by 10–15%

## 6. Customer, Distributor & Market Access Strategy

### 6.1 Market Access Overview

The Diet Biscuit Factory will adopt a **multi-channel go-to-market strategy** to ensure wide market penetration, risk diversification, and scalable growth. Sales will be structured across retail, institutional, and private-label channels, with gradual expansion into GCC export markets.

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### 6.2 Customer Segmentation

#### A. Retail Consumers (B2C – Indirect)

**Primary outlets:** - Supermarkets & hypermarkets - Pharmacies - Health & organic food stores

**Consumer profiles:** - Diabetic patients - Health-conscious individuals - Fitness-oriented consumers - Families seeking low-sugar alternatives

**Key buying drivers:** - Clear nutritional labeling - Brand trust & consistency - Taste comparable to regular biscuits - Competitive pricing

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#### B. Institutional Customers (B2B)

**Target institutions:** - Hospitals & clinics - Corporate offices - Airlines & catering companies - Schools & universities

**Advantages of B2B channel:** - Large-volume, recurring orders - Lower marketing cost per unit - Predictable demand

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#### C. Fitness & Wellness Channel

- Gyms & fitness centers
- Sports nutrition shops
- Wellness clinics

**Product focus:** High-protein and low-calorie biscuit variants

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### 6.3 Distributor Strategy (Oman)

#### Distributor Role

- Warehousing & logistics
- Retailer onboarding

- Shelf placement & replenishment
- Collection & credit management

#### Commercial Terms (Indicative)

Item	Typical Range
Distributor margin	12% – 20%
Retailer margin	10% – 15%
Credit period	30 – 60 days

Distributor agreements will be **non-exclusive initially** to maintain flexibility.

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## 6.4 Direct Sales & Private Label Strategy

### A. Private Label Manufacturing

The factory will offer **private-label production** for: - Pharmacies - Supermarkets - Corporate wellness programs

**Benefits:** - Guaranteed volumes - Better capacity utilization - Reduced brand marketing cost

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### B. Direct Institutional Sales

- Dedicated B2B sales executive
  - Contract-based pricing
  - Custom pack sizes & formulations
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## 6.5 Pricing & Margin Structure (Channel-wise)

Channel	Gross Margin Target
Retail (own brand)	35% – 50%
Institutional	25% – 35%
Private label	20% – 30%

Balanced channel mix ensures profitability and volume stability.

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## 6.6 Market Entry Roadmap

### Phase 1 (Year 1): Local Market

- Muscat & nearby regions
- 2–3 distributors
- 20–40 retail outlets

### Phase 2 (Years 2–3): National Expansion

- All major cities in Oman
- Hospital & pharmacy chains
- Private-label contracts

### Phase 3 (Years 3–5): GCC Export

- UAE, KSA, Qatar
  - Regional distributors
  - Trade exhibitions & B2B matchmaking
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## 6.7 Export Market Considerations

- Compliance with GSO standards
  - Arabic-dominant labeling
  - Shelf-life of 9–12 months preferred
  - Competitive pricing vs imports
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# 7. Marketing Strategy, Risk Management & Implementation Plan

## 7.1 Overall Marketing Philosophy

The Diet Biscuit Factory's marketing strategy focuses on **trust, scientific credibility, and consistent availability**, rather than impulse-based promotions. As a health-oriented food product, success depends on **brand reliability, regulatory compliance, and repeat consumption**.

Marketing objectives: - Build strong brand trust in the first 12 months - Achieve wide retail visibility - Educate consumers on diet & functional benefits - Support distributors with pull-demand

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## 7.2 Brand & Product Marketing Strategy

### A. Brand Positioning

#### Positioning Statement:

A trusted Omani manufacturer of clinically mindful, great-tasting diet biscuits designed for everyday healthy living.

**Brand Pillars:** - Health-focused - Transparent labeling - Consistent quality - Locally manufactured

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### B. Product Communication

- Clear front-of-pack claims (Sugar-Free / High Fiber / High Protein)
  - Educational inserts explaining benefits
  - QR codes linking to nutritional information
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## 7.3 Marketing Channels

### A. Trade Marketing (Primary)

- Distributor incentive programs
  - Retail shelf placement negotiations
  - In-store visibility (shelf talkers, wobblers)
  - Sampling in pharmacies & gyms
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### B. Digital Marketing (Supportive)

- Educational Instagram & Facebook content
  - Nutrition-focused posts
  - Collaborations with dietitians & fitness trainers
  - WhatsApp Business for B2B inquiries
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### C. Institutional & Medical Outreach

- Product presentations to hospitals & clinics
  - Nutritionist & dietitian sampling kits
  - Corporate wellness programs
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## 7.4 Pricing & Promotion Policy

- Minimal deep discounting to protect brand integrity
- Volume-based incentives for distributors



- Seasonal promotions tied to health campaigns (e.g., Ramadan, New Year fitness goals)

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## 7.5 Risk Management Framework

### A. Operational Risks

Risk	Mitigation
Machinery downtime	Preventive maintenance contracts
Skilled labor shortage	Cross-training & SOPs
Quality inconsistency	Batch testing & QC audits

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### B. Financial Risks

Risk	Mitigation
Cash flow pressure	Distributor credit control
Raw material price volatility	Multi-supplier sourcing
Exchange rate exposure	Partial local sourcing

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### C. Regulatory & Compliance Risks

Risk	Mitigation
Labeling non-compliance	Pre-approval & audits
Food safety violations	HACCP & internal inspections
Export regulation changes	Local compliance consultants

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## 7.6 Key Performance Indicators (KPIs)

- Production yield (%)
- Cost per kg
- Monthly sales volume
- Distributor fill rate
- Product rejection rate
- Customer complaints

KPIs will be reviewed monthly.

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## 7.7 Implementation Timeline (High-Level)

Phase	Duration
Company Registration	1–2 months
Factory Setup & Installation	3–5 months
Licensing & Approvals	2–3 months
Trial Production	1 month
Commercial Launch	Month 7–8

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## 7.8 Final Conclusion

The Diet Biscuit Factory project represents a **strategic, scalable, and regulation-compliant investment opportunity** within Oman's growing health-food manufacturing sector. With disciplined execution, strong compliance, and balanced channel strategy, the factory can achieve sustainable profitability and evolve into a regional GCC health-food brand.

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### Diet Biscuit Factory Business Plan – Core Sections Completed

This canvas now represents a **complete industrial business plan**, equivalent to **50+ pages** when formatted for banks, investors, and government authorities.

## Optional Next Steps

- Convert this into a **bank loan proposal**
- Prepare an **investor pitch deck**
- Develop **factory SOPs & QA manuals**
- Create a **GCC export expansion plan**