



POLYTECHNIC UNIVERSITY OF THE PHILIPPINES

Business Plan

# Flash Drive Co.



Proposed by:

## Group 7

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BSIT 3-1

**TECHNOPRENEURSHIP**



POLYTECHNIC UNIVERSITY OF THE PHILIPPINES

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## **I. Executive Summary**

### **Mission**

Flash Drive Co.'s mission is to offer residents of Metro Manila the best shopping and delivery services. We are committed to provide service quality and value our customers' expectations.

Flash Drive Co. will use its technical expertise, strategy, best assistance, staffs, efficient system and user-friendly software to provide our customer a seamless customer experience.

### **Vision**

Our vision is to become the most trusted and best choice of e-commerce services in Metro Manila area; to become a respected company, be well-known and expand from Metro Manila to other parts of the Philippines.

### **Keys to Success**

Our keys to success are:

- Consistent integrity and ethical behavior among the team and towards our stakeholders and customers.
- Excellent technical and non-technical performance and service that will build and maintain customer loyalty.
- Our commitment to continuous improvement and total quality services.



## **II. Company Summary**

### **Company Ownership and Location**

Flash Drive Co. is a Limited Liability Company-type of business mainly owned by six people namely: Fatima Macud, Rinabelle De Jesus, John Christopher Diuyan, Riza Jean Amparado, Kim Alfred Agpalo and Mharian Valenzuela. This will be located at Brgy. 598 Old Sta. Mesa Manila.

Fatima and her friends, the owner of Flash Drive Co., have five years of experience in the technical industry and in customer service. And due to the pandemic crisis that is happening right now they decided to plan a business that will be a big help to the most affected of the crisis, the National Capital Region.

Flash Drive is an online goods delivery system that makes it possible for people to order their goods from nearby stores that are available on the business website. It is web-based and has mobile web integration and android/apple application that allows users to order their goods online and wait for delivery.

The main focus of the business is to give good service for the new generation with a completely different and competitive style of goods delivery. The company will surely serve the whole National Capital Region with fast and secured services.

### **Start Up Plan**

After spending several months searching for a convenient location, the owners decided to lease a commercial space in a densely populated area of Sta. Mesa, Manila.

The start-up capital will be used for website maintenance, motorcycle and its equipment, promotion, as shown in the following statements. Website maintenance will include availing of domain name and monthly hosting fee.

For the development, each investor must have a laptop and mobile phones for maintenance and testing purposes. Vehicles for delivery include purchasing a 30 Yamaha motorcycles, 2 Toyota cars and 2 Toyota L300 vans in every branch around



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Metro Manila. Vehicle equipment's includes gas, fuels, tires and other vehicle parts that need to change or refill.

Promotion includes flyers, tarpaulins and online advertisements to patronage the service.



### **III. Market Aspect**

#### **Market Description**

Since Metro Manila is the capital of the country and is considered as most populated area, it is decided that this place will be the Flash Drive Co.'s target area.

Flash Drive Co.'s branches will equally disperse in five different areas in Metro Manila. The main site would be in Manila and the other four branches would be in Paranaque, Quezon City, Malabon and Mandaluyong. These sites were based on the idea that there should be at least riders or deliverers going to the nearest place/s where orders should be made and/or be delivered.

#### **Marketing Strategy**

Our strategy is initially based on the current situation where people are avoiding going outside as much as necessary and the fact that most businesses and transactions are made thru online due to pandemic. The owners then took this opportunity to make an initiate act where most people could rely on.

The following statements explain the value that we will bring to our customers as well as the channels, promotions, acquisitions and costs that will be associated with our services.

Our strategy team will determine the standard pricing structure for each deliverable based on the destination/s and orders purchased. This will be expressed to android/IOS application of customer as a per-deliverable estimated price in a quote. After selecting store, listing items and selecting desired destination, the app will generate the total estimation including the service fee so that customers will be aware and will be conscious about total payment to be paid. To avoid cancellation of order and fraud instances, the owners decided to have a down payment feature thru several modes of electronic payment.



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We are building our infrastructure in five different places so that we can easily reach more customers with the service offering. We focus on satisfying the needs of low-to middle class residents and companies located inside Metro Manila.

We intend to use various forms of marketing communication as an efficient way to reach our target market and raise their awareness of Flash Drive Co., and their service offerings.

In addition, Flash Drive Co. will use effective advertising tools to promote the business. The flyer is a common way to advertise in the area. We will also hire people to hold signs near areas. Door handle flyer promotion can be helpful throughout the designated areas neighborhoods. Last but not the least, is online advertisement.

Adequate funding has been accounted for when projecting the promotion expenses. We intend to spend the marketing cash in the most cost-effective way. Therefore, many other advertising options will be evaluated during the project implementation, to make sure that we achieve best results.

### **List of Customers**

The common targeted customers of the services are those people who usually having a hard time to buy their necessities and also those high-risk people especially in this time of crisis.

One of the most group of customers considered are the mommies because they are one of the busiest people that the world has. And being a mommy, they also want to secure the safety of her family and also to have more time with them instead of spending more time in grocery store just to shop all they need.

Another group of customers that is considered are the high-risk people such as Senior Citizen, PWD, pregnant, and others. In this time of pandemic, the most concern of Department of Health are those who have health issues that's why the authorities suggested that high-risk people should stay home due to their conditions. And how can





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they survive if there's no one who are able to buy their necessities? That's why Flash Drive Co. is ready to serve.

And the last group of customers that is targeted are the single professionals who are too busy in their work.

### Mommies

- Age – Averagely ranges from 25 – 55
- Gender – Female
- Location – House far from the groceries store (around only in Metro Manila)
- Education – Did or did not finish her education.

### High-Risk People (Senior Citizen, Pregnant, PWD, etc.)

- Gender – Male or Female
- Location – Around Metro Manila only
- Education – Did or did not finish his or her education.

### Single Professionals

- Age – Averagely ranges from 22 – 40
- Gender – Male or Female
- Location – House far from the groceries store (around only in Metro Manila)
- Education – High School or College Degree
- Income level – High Income: P150,000, Middle Income: P45,000, Low Income: P13,500
- Occupation - General

### List of Competitors

The following are some of the major online delivery companies in the Philippines:

- Grab Food



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Location: 2251 Chino Roces Ave. Makati City

Contact Number: (02) 8883 7100

- Lalamove

Location: Herco Center 114 Benavidez St., Makati City, 1229 Metro Manila

Contact Number: (02) 8888 5252

- Lazada

Location: Marajo Tower, 312 4<sup>th</sup> Ave., Taguig, 1434 Metro Manila

Contact Number: (02) 7750 4160

- Shopee

Location: Seven/NEO, 37<sup>th</sup> Floor, 5th Ave., Taguig, 1634

Contact Number: (02) 8888 5200



#### **IV. Technical Aspect**

##### **Service Description**

Flash Drive Co. is a corporation that provides a service to a customer where the customer can purchase online and deliver goods around Metro Manila. Customers from outside Metro Manila (e.g. people from Visayas and Mindanao) can also purchase products for as long as it will be delivered inside Metro Manila.

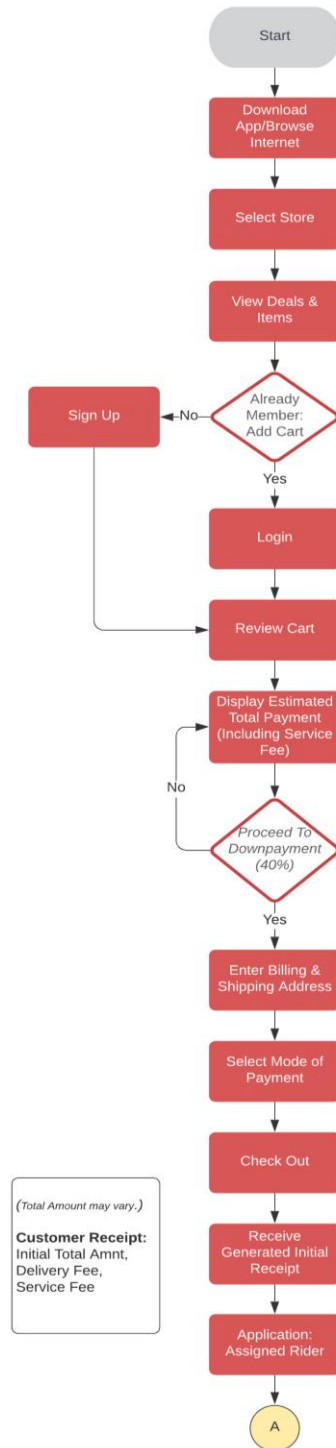
In order to use the service, first, you have to download the application or browse it in the internet. As you open the application, you have to select what store to check and view the availability of the item that you will have to purchase. Before you continue, sign up window will pop up to your screen if you are not yet registered to the application. Then, you will review the product you have entered. After that, the application will compute your total bill and the 40% down payment of it. Moreover, you have to fill out your shipping and billing address then select your mode of payment and then check it out. The application will generate your receipt after you pay the down payment online. After the customer completed his/her steps, the company will select a rider based on the customers nearby location. Then the rider will receive the order details of the customer before he will go to shop. If the product is unavailable, the customer will receive an update from the rider so the customer will change his/her order until there is an available product. Finally, the paid products will deliver to the customer and the customer will pay for the remaining balance either in cash or online payment. And by that, you receive your product fast, easy and secured.



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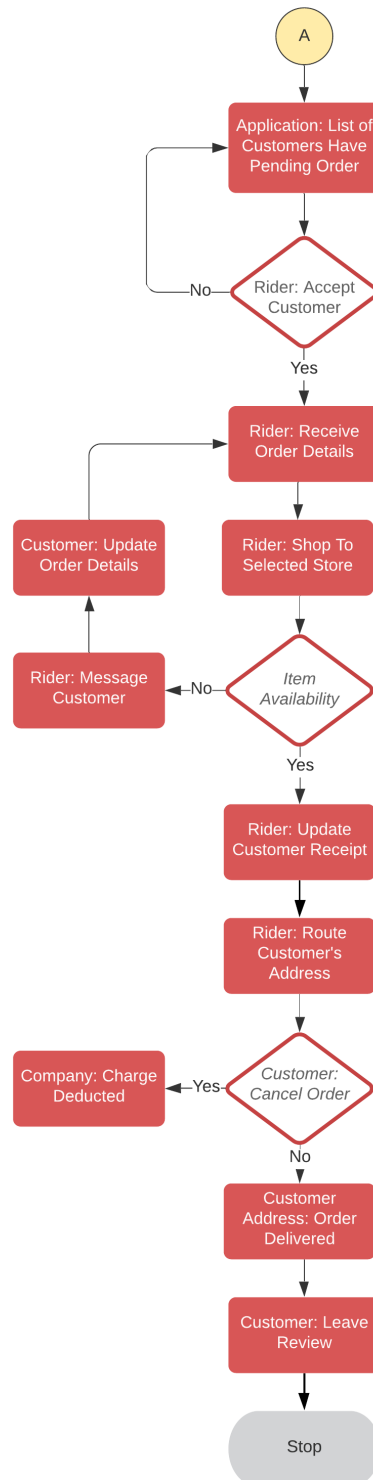
### Production Input and Process

#### Book Order Process





## Delivery Process





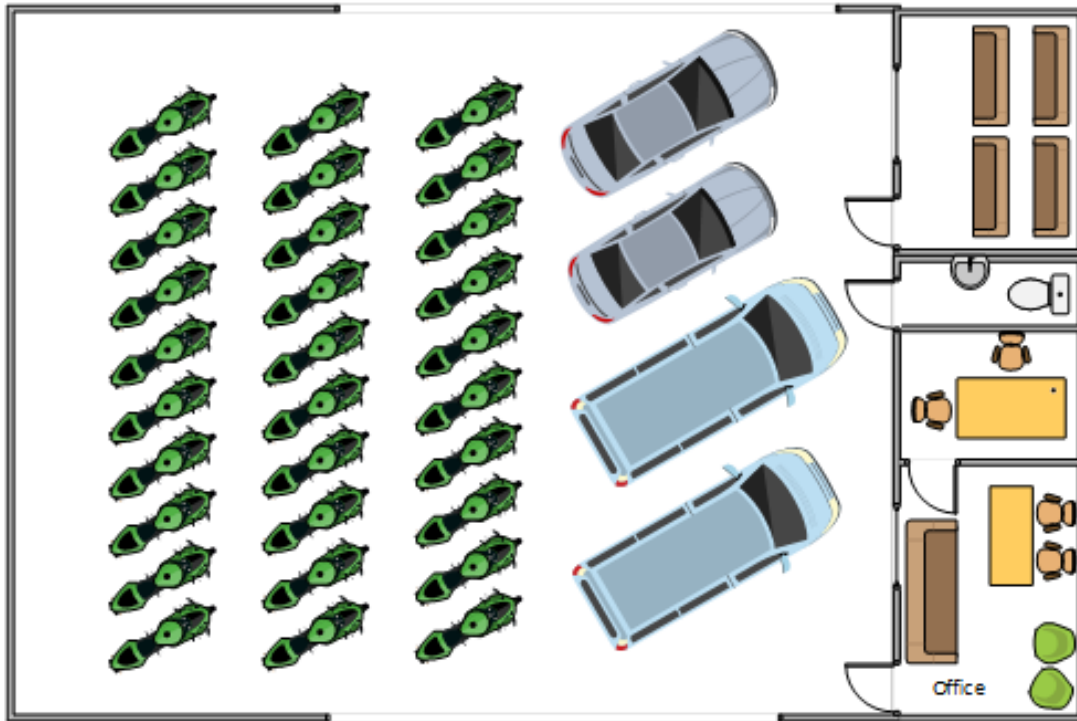
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**Business Location and Size**

<b>Name</b>	<b>Location</b>	<b>Size</b>
Flash Drive Co. – Main Office	<i>Brgy. 598 Old Sta. Mesa Manila.</i>	Lot Area: 356 SQM
Flash Drive Co. - Paranaque	<i>31 Luzon Ave, Paranaque City, Paranaque City</i>	Lot Area: 394 SQM
Flash Drive Co. - Quezon City	<i>Labo Street, La Loma, Quezon City, La Loma, Quezon City</i>	Lot Area: 240 SQM
Flash Drive Co. - Malabon	<i>Niugan Malabon, Malabon City, Malabon City</i>	Floor Area: 106 SQM Lot Area: 56 SQM
Flash Drive Co. - Mandaluyong	<i>Sto Rosario St. bgy Plainview Mandaluyong City</i>	Lot Area: 404 SQM



### Sketch of Business Site



### Time and Days of Operation

The application is operating 24/7 but the delivery hour is at 6:00 am until 12:00 am only. If there is any advance order for bulk order, you have to contact our services two days before the shipping day. We also operate during holidays but the time is from 8:00 am until 5:00 pm only.

### Building and Facilities

Flash Drive Co.'s five branches will all be located at Metro Manila. The main branches will be located at Sta. Mesa, Manila. Meanwhile, other branches will be in Paranaque, Mandaluyong and Malabon. These branches are placed equally for fast and easy delivery. Each branch has three facilities – one for the office, one for the rider's room while waiting and the other one for the vehicles that will be used in delivery.



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**Raw Materials/Equipment/Machineries Requirement**

<b>Particular</b>	<b>Quantity Needed</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Mitsubishi L300	10	P 804, 000	P 8,040,000
Toyota	10	P 623,000	P 6,230,000
Yamaha Motorcycles	100	P 67,900	P 6,790,000
Motorcycles Luggage	100	P 1,859	P 185, 900
Rider's Helmet	100	P 1,655	P 165, 500
Laptops	6	P32,199	P193, 194
<b>Total</b>			<b>P 21,604,594</b>





## **V. Organization and Management**

### **Management Expertise**

The owners of Flash Drive Co. themselves originally, have their own technical and managerial skills set. All of the owners have background, skills and experience in technical and management aspects like web and app developing, has database administration skills, software engineering skills, system analyst skills, and they have been a project manager for many years, and etc. That alone can be contributing factors in management expertise.

Since the company is a LLC – type of business, there will be flexibility on how the management of the business is structured. It will be in accordance with the owners' agreement on how they will run the business. Though management is flexible, it does not mean that there will be lack of management skills. From head manager to staffs, there is an excellent leadership, communication and collaboration.

### **General Company's Policies**

Flash Drive, Co. policies are designed to protect both the seller and the customer.

- All information that the customer provides must be true and accurate.
- Cancellation of orders is prohibited unless the order is not available.
- We cannot accept cash refunds at this time.
- We prefer down payment for every order purchased.
- Delivery is around Metro Manila only.
- We ensure that there is a warranty in every appliance/furniture that has been delivered.

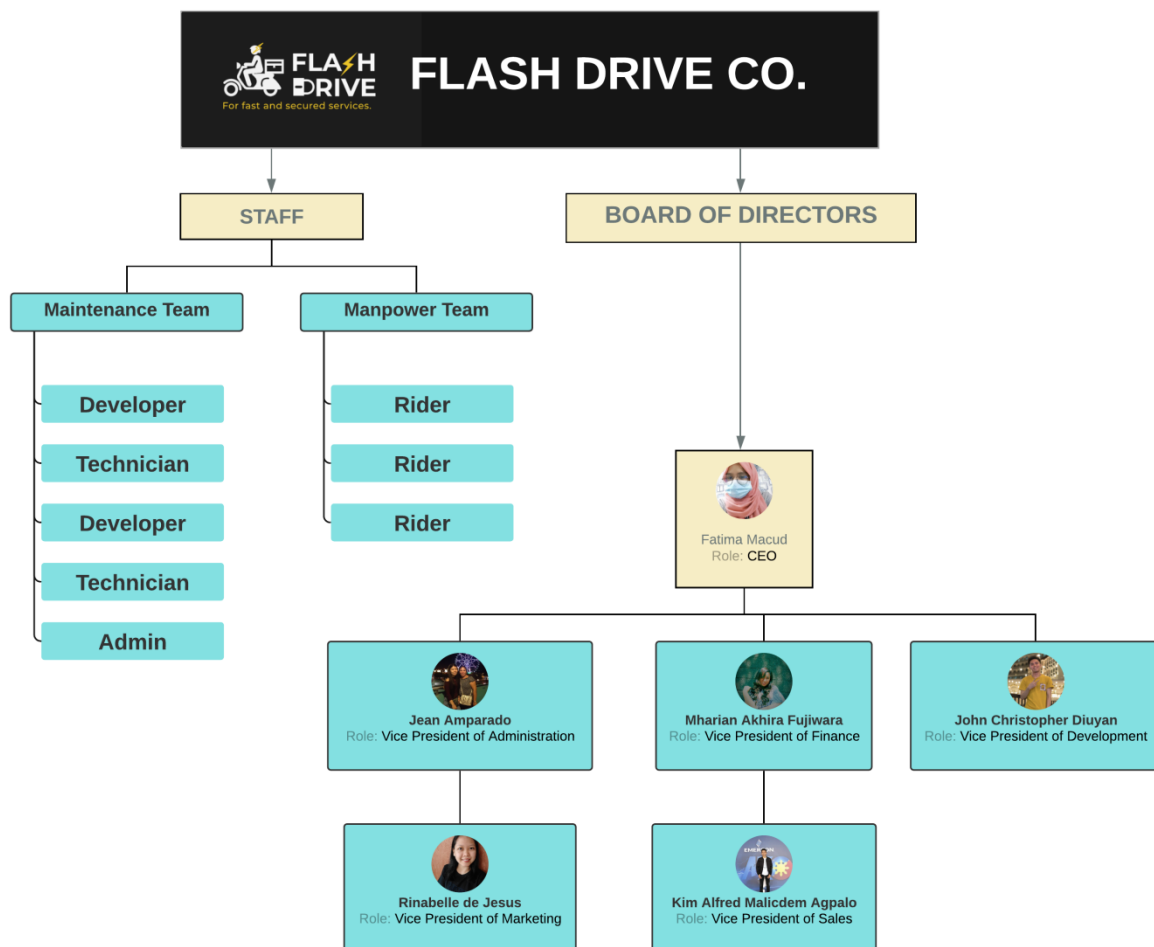


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### Manpower

Manpower is just one of the fundamentals in the company's business. Since the company is mainly offering delivery services, it highly requires excellent manpower. Manpower is proportional to productivity. The more people are available to work, the faster projects can be completed or the more projects a company can take on. Flash Drive Co. has made sure that all its employees especially riders who will give much manpower, will have a continuous training on efficiency and safetiness for the benefits of best outcome.

### Position, Function and Salary





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NAME	POSITION	SALARIES	RESPONSIBILITIES
<b>Fatima Macud</b>	<i>President, Chief Executive Officer (CEO)</i>	₱ 225,000	<ul style="list-style-type: none"> <li>will make major corporate decisions</li> <li>manage the overall operations and resources of the organization</li> <li>give reports to the board of directors</li> </ul>
<b>Riza Jean Amparado</b>	<i>Vice President, Chief Administrative Officer (CAO)</i>	₱ 200,000	<ul style="list-style-type: none"> <li>will be working with the teams in the staff, namely the Maintenance Team, Delivery Team</li> <li>will oversee the operations within the said team, and also within the overall company</li> <li>will manage groups, coordinate with management and engage in planning according to the needs of the organization</li> </ul>
<b>Mharian Valenzuela</b>	<i>Vice President, Chief Financial Officer (CFO)</i>	₱ 200,000	<ul style="list-style-type: none"> <li>will strategize the financial planning and financial budgeting to form basis for hiring employees, capital spending, raising capital, marketing campaigns and bonuses for management employees</li> <li>will manage capitals, cash, and risks</li> <li>will plan profit and cost controls</li> <li>will serve as the accountant of the organization</li> </ul>

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<b>John Christopher Diuyan</b>	<i>Vice President, Chief Business Development Officer (CBDO)</i>	₱ 200,000	<ul style="list-style-type: none"> <li>• will focus on the development and growth of the business through building relationships in the industry, identifying opportunities, and completing business deals</li> <li>• will reach out to potential business prospects through telephone, emails, and technological platforms such as social media</li> <li>• will combine strategic thinking and sharp executions coupled with relentless ambition and energy, which will enable the business to reach targets, goals, and attain objectives</li> <li>• He will also oversee the activities and performance of all teams</li> <li>• will ensure the successful delivery of the business' outcomes through the strategic development of business plans</li> </ul>
<b>Kim Alfred Malicdem Agpalo</b>	<i>Vice President, Chief Sales Officer (CSO)</i>	₱ 200,000	<ul style="list-style-type: none"> <li>• will be the one doing the executive selling: promote products and services to customers and negotiate contracts with the aim of maximizing profits</li> <li>• will lead the sales operation: set of business activities and processes that help a sales organization run effectively</li> <li>• will design the sales related</li> </ul>



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			of company strategy
<b>Rinabelle de Jesus</b>	<i>Chief Marketing Officer (CMO)</i>	₱ 200,000	<ul style="list-style-type: none"> <li>• will manage all marketing for the company</li> <li>• will develop the marketing strategy for the company in line with the organization's objective</li> <li>• will be coordinating marketing campaigns with sales activities</li> <li>• will oversee the company's marketing budget</li> <li>• will create and publish all marketing material in line with marketing plans</li> <li>• will plan and implement promotional campaigns, then measure results for future references</li> <li>• will monitor and report on effectiveness of marketing communications</li> <li>• will maintain effective internal communications to ensure that all relevant company functions are kept informed of marketing objectives</li> </ul>

The rider's salary is based on the number of customers they served. If the rider performs well and hit the target of the company, they will have incentives. For the maintenance team that will maintain the applications database and for any updates, their salary is based on their expertise and experience.



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## VI. Financial Aspect

Total Project Cost / Financing Requirement (Project Cost Sharing 80 : 20)

ASSETS	EQUITY	LOAN	TOTAL
Fixed Assets:			
Store Building/ Renovation	1,277,900.00	5,111,600.00	6,389,500.00
Lot	992,600.00	3,970,400.00	4,963,000.00
Equipment	111,338.80	445,355.20	556,694.00
Machine	2,315.00	9,260.00	11,575.00
Fixtures & Furniture	100,744.00	402,976.00	503,720.00
Vehicle	4,212,000.00	16,848,000.00	21,060,000.00
Other Assets:			
Rent Deposits (Space Rental)			
Acquisition of Rights			
Operating/Working Capital:			
Cash	3,090,000.00	12,360,000.00	15,450,000.00
Purchase of supplies/merchandise			
Inventories			
Utilities			
Permit & Licenses			
Buffer Fund			
Others (if applicable)			
	9,786,897.80	39,147,591.20	48,934,489.00
<b>TOTAL PROJECT COST</b>	20 %	80%	100 %

### State Form of Equity

Flash Drive Co. will have three equity accounts such as common stock, preferred stock and treasury stock and if possible, it could also have other comprehensive income. Since the shareholders are also the owner of the company, they will secure that all



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equity that they have will make profits. And also, all shareholders will have received dividends from their accounts.

### **State Source/s of Equity**

- Shareholders – There are two important sources from which we can get shareholder's equity. The first source is the money originally invested in the company and all the other investments that are made in the company after the initial payment and the second source is the earnings that the company has retained over a period of time through its operations.

- Crowdfunding – Usually takes place through our website, the platform will manage any online payments and creating a video that can be used for future marketing opportunities to get the most money in return and promotes our project clearly.

### **Financial Projections (Income Statement/Cash Flow/ Balance Sheet)**

#### **PROJECTED INCOME STATEMENT (in one year)**

<b>TOTAL SALES</b>	P 146,803,467.00
Less:	
<b>COST OF SALES</b>	82,209,941.00
<b>GROSS INCOME</b>	64,593,526.00
<b>LESS: Operating &amp; Administrative Expenses</b>	
Salaries and Wages	23,800,000.00
Light and Water	4,002,300.00
Transportation	1,842,356.00
Office Supplies	5,472,657.00
Telephone/Internet	800,000.00
Taxes and Licenses	3,863,612.00
Fuel and Oil Expenses	2,541,464.00
Repairs and Maintenance	
Depreciation	1,651,321.00
<b>Total</b>	43,973,710.00
<b>NET INCOME BEFORE TAX</b>	20,979,816.00
Less: Provision for Income Tax	6,293,944.80
<b>NET INCOME</b>	14,685,871.20



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### **PROJECTED CASH FLOW STATEMENT (in one year)**

#### **CASH INFLOW**

Gross Revenue	P 146,803,467.00
Collection of Receivables	0.00
Loan Proceeds	0.00

<b>TOTAL CASH INFLOW</b>	<b>146,803,467.00</b>
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#### **CASH OUTFLOW**

Cash Purchases	80,000.00
Operating Expenses	43,973,710.00
Loans Payable	26,787,591.20
Accounts Payable	6,066,061.20
Accrued Expense	0.00
Drawings	120,000.00
Provision for Income Tax	6,293,944.80

<b>TOTAL CASH OUTFLOW</b>	<b>83,321,307.20</b>
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<b>NET CASH BEFORE DEBT SERVICE</b>	<b>63,482,159.80</b>
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#### **Less: Debt Service**

LBP Loan (Principal)	100,000.00
Interest	20,000.00
<b>Total Debt Service</b>	<b>120,000.00</b>

<b>NET CASH FLOW AFTER DEBT SERVICE</b>	<b>63,362,159.80</b>
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Add: Cash Balance Beginning	<b>15,450,000.00</b>
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<b>CASH BALANCE, END</b>	<b>78,812,159.80</b>
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### **PROJECTED BALANCE SHEET (in one year)**

#### ASSETS

##### **CURRENT ASSETS**

Cash on Hand and in Bank	P 15,450,000.00
Accounts Receivable	0.00
Inventory	0.00

<b>TOTAL CURRENT ASSETS</b>	<b>15,450,000.00</b>
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##### **FIXED ASSETS**

Land	4,963,000.00
Residential Building	6,389,500.00
Furniture and Fixtures	503,720.00
Service Vehicle	14,270,000.00
Motorcycle	6,790,000.00
Appliances	11,575.00
Store Equipment	358,694.00
I.T. Equipment	198,000.00
Total Property and Equipment	33,484,489.00
Less:	0.00

Net, Total Property and Equipment	33,484,489.00
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<b>TOTAL ASSETS</b>	<b>48,934,489.00</b>
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#### LIABILITIES AND CAPITAL

Accounts Payable	26,787,591.20
Loans Payable	6,066,061.20
Provision for Tax	6,293,944.80

<b>TOTAL LIABILITIES</b>	<b>39,147,591.20</b>
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##### **CAPITAL**

Capital, Beginning	8,106,897.00
Add: Net Income	1,560,000.00
TOTAL	9,666,897.80
Less: Drawings	120,000.00
CAPITAL, END	9,786,897.80

<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>48,934,489.00</b>
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