



Diploma in Business Study (BA111)

FUNDAMENTALS OF ENTREPRENEURSHIP (ENT 300)

Individual Assignment: Business Plan

Business Model: Printing Service

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Executive Summary

Ink by Baby is designed as an Internet printing services / printing shop that focuses on decreasing the total printing price structure, in addition to facilitating business-to business transactions for printing presses and the graphic design industry. Ink by Baby will also have a competitive advantage by providing services such as website creation and e-commerce, which have become important for any business presence. Ink by Baby plans to set up and run an Internet print shop with facilities that are considerably cheaper than the rates of its rivals, thus offering superior quality. By integrating its website and graphic art services, Printing Solutions would allow both start-up and existing companies to reduce their printing and e-commerce costs.

1.0 Introduction

1.1 Business Description



Business's Name:	Ink by Baby
Business Address:	G-19&20, Ground Floor,, 12, Persiaran Anggerik Vanilla, 40460 Shah Alam, Selangor
Telephone Number:	03-7848 7555
Form of Business:	Sole Proprietorship
Business Activity:	Printing Services
Date of Registration:	27 th February 2019
Date of commencement:	5 th March 2019
Name of Bank:	CIMB Bank
Account Number:	7067203077

1.2 Owner Description



Name:	Norfazlana Matnor
I/C Number:	920619105262
Age:	28 years old
Marital Status:	Married
Address:	B-04-4, Bam Villa Condominium Jalan Pria, Taman Maluri, Cheras, 53700 Kuala Lumpur
Telephone Number:	011 11387905
Email:	fazzmatnor@gmail.com
Academic Qualification:	<ul style="list-style-type: none">➤ Diploma in Business Study➤ Bachelor in International Business➤ Master in Marketing
Course Attended:	<ul style="list-style-type: none">➤ Marketing Plan Course➤ Marketing Seminars➤ Marketing Training and Development
Working Experience:	<ul style="list-style-type: none">➤ Supervisor at F&C Sdn Bhd➤ Assistant Branch Manager at Mr. DIY Sdn Bhd➤ Manager at VME Materials Sdn Bhd
Present Occupation:	Marketing Executive at SACC Marketing Sdn Bhd

2.0 Product and Services Description

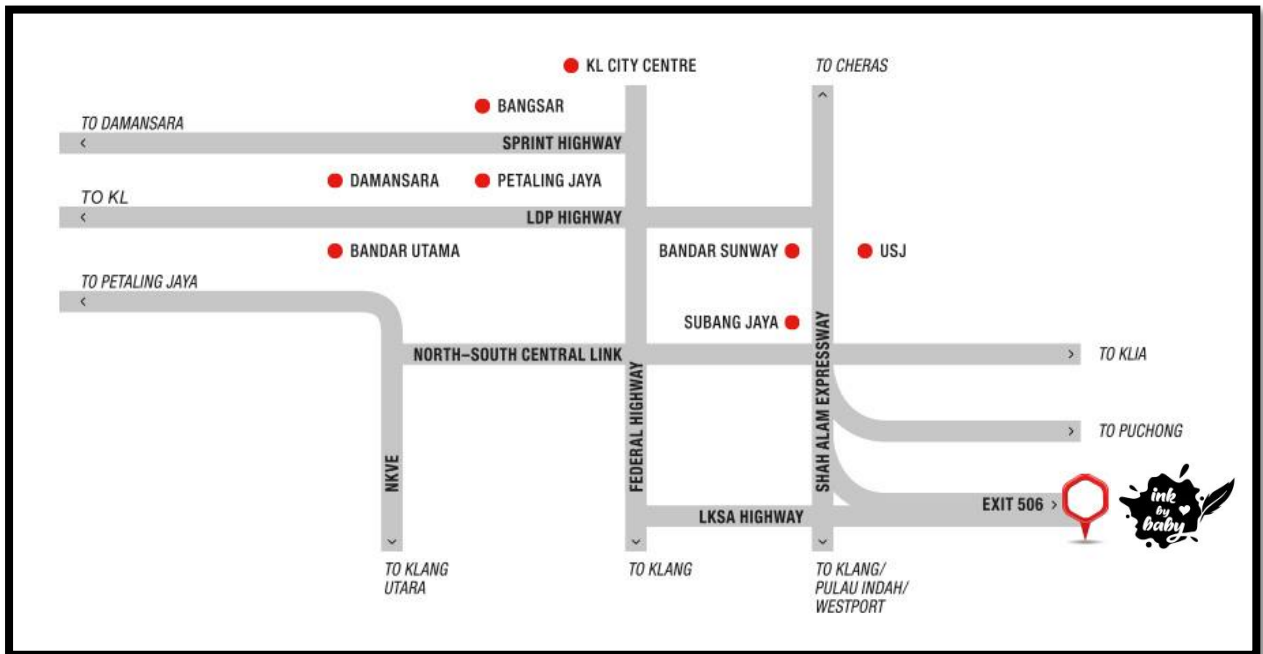
2.1 Nature of Business

The printing industry prints items from newspapers, magazines and books to brochures, stickers, directories, postcards, memo pads, company order forms, certificates, maps, t-shirts and packaging. The industry also consists of establishments providing related services to printers, such as embossing, binding, finishing and prepress services. Commercial lithographic printing establishments, which print newspaper articles, catalogues, pamphlets and advertising, make up the largest segment of the industry, accounting for approximately 40% of jobs and 32% of total establishments. Establishments that primarily offer digital printing, which is the most technologically advanced printing method, constitute the smallest segment of the industry-about 3% of total employment. Much of the work in this segment is characterized by low volume, often by very small shops or self-employed workers. Fast printing is another segment of the printing industry. Quick printing establishments generally provide short-term printing and copying with quick turnaround times.

2.2 Product / services description

As a printing company, Inks by Baby's main activity is the printing of newspapers , magazines and other periodicals, books and brochures, music and music manuscripts, maps, posters, advertising catalogues, and so on. In addition, we also provide direct printing on textiles, plastic , glass, metal , wood and ceramics and printing on labels or tags. Hence, in order to compete better in the market, Ink by Baby decided to offer digital printing in our services. Digital printing means to methods of printing from a digital-based image directly to a variety of media. It usually refers to professional printing where small-run jobs from desktop publishing and other digital sources are printed using large-format and/or high-volume laser or inkjet printers.

2.3 Location of Business



2.4 Picture of Building and Shop Lot's Interior Design



Shop Lot Area



Interior Design Of The Shop

3.0 Administration Plan

3.1 Vision

Our mission is to provide outstanding service and to deliver on our promises. We will aim to offer tailored solutions to all our clients' printing needs and add value to our clients' businesses. The Ink by Baby's staffs is dedicated to providing great service and building long-term relationships with our clients. We will be judged not only by our words, but also by our actions.

3.2 Mission

Ink by Baby is committed to being known as a benchmark of outstanding quality, not just in the printing sector, but across all industries. We pride ourselves on delivering results that count on everything we set out to do, and we are continuously trying for successful outcomes in all areas of our business.

3.3 Organization Chart



3.4 Schedules of Remuneration

	Position	Quantity	Basic Salary (RM)	EPF 13% (RM)	SOCSSO 1.75% (RM)	Total (RM)
1	Director of Procurement	1	5 000	650	87.50	5 737.50
2	Printing Services Manager	1	4 400	572	77.00	5 049
3	Production Co-ordinator	1	4 100	533	71.75	4 704.75
4	Pre-press Designer	2	3 800	494	66.50	4 360.50
5	Technical Administrator	1	3 500	455	61.25	4 016.25
6	Financial and Admin Support	1	3 500	455	61.25	4 016.25
7	Colour Printer and Finisher	2	2 200	286	38.50	5 049
8	Digital Printing Operator	2	2 200	286	38.5	5 049
9	Clerk	1	1 200	156	21	1 377
	TOTAL					<u>35 343</u>

3.5 List of Office Machineries

ITEM	QUANTITY	PRICE (RM)	TOTAL (RM)
Computer	2	1000	2000
Printer	2	150	300
Telephone	1	95	95
TOTAL			<u>2 395</u>

3.6 List of Office Equipment

ITEM	QUANTITY	PRICE	TOTAL
Table	5	150	750
Chair	8	90	720
File Cabinet	3	95	285
TOTAL			<u>1 755</u>

3.7 List of Motor Vehicles

ITEM	QUANTITY	PRICE (RM)	TOTAL (RM)
Van (Toyota)	1	71 800	71 800
TOTAL			<u>71 800</u>

3.8 Monthly Expenses

ITEM	TOTAL (RM)
Shop Rental	3 500
Water	200
Electricity	650
Internet	280
Fuel	250
TOTAL	<u>4 880</u>

3.9 Preliminary Expenses

ITEM	TOTAL
Shop Rental (1+1)	7,000
Water	150
Electricity	250
Internet	150
Business Registration	60
Insurance & Road Tax	850
TOTAL	<u>8 460</u>

3.10 Administration Budget

PARTICULAR	FIXED ASSETS	MONTHLY EXPENSES	OTHERS	TOTAL
<i>FIXED ASSET</i>				
Office Machineries	2 395			2395
Office Equipment	1 755			1 755
Motor Vehicles : TOYOTA	71 800			71 800
<i>WORKING CAPITAL</i>				
Salary		35 343		35 343
Utilities (Water, Electricity, internet)		1 130		1 130
Shop Rental		3 500		3 500
Fuel		250		250
<i>OTHER EXPENSES</i>				
Deposit (Shop, utilities)			7 550	7 550
Business Registration			60	60
Insurance Road Tax			850	850
TOTAL				<u>124 633</u>

4.0 Marketing Plan

4.1 Target Market

We are using behavioural segmentation that focus on income level in setting up our target market. Our printing shop was suitable for moderate and higher level of income because we are providing premium printing services which produce from high quality raw materials. Other than that, our business also use geographic segmentation which specific to the location of Kota Kemuning, Shah Alam.

4.2 Market Size

Population = 48 000

Target Market = 10% x 48 000 = 4 800 customer

Target Market per day = 4 800/ 30 days = 160 days

Sales per Day = 160 x RM 10 = RM 1 600

Sales per Month = RM 1 600 x 30 = RM 48 000

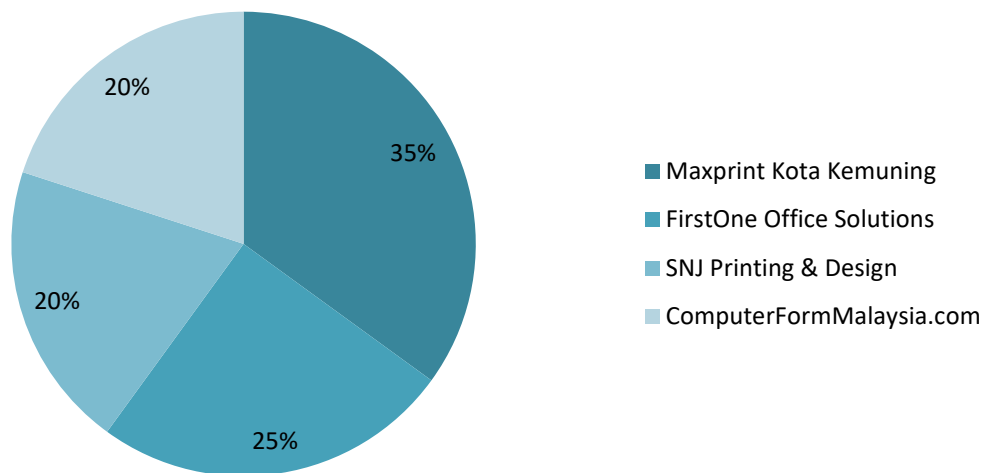
Sales per Year = RM 20 100 x 12 = RM 576 000

4.3 Market Share

Before enter the market

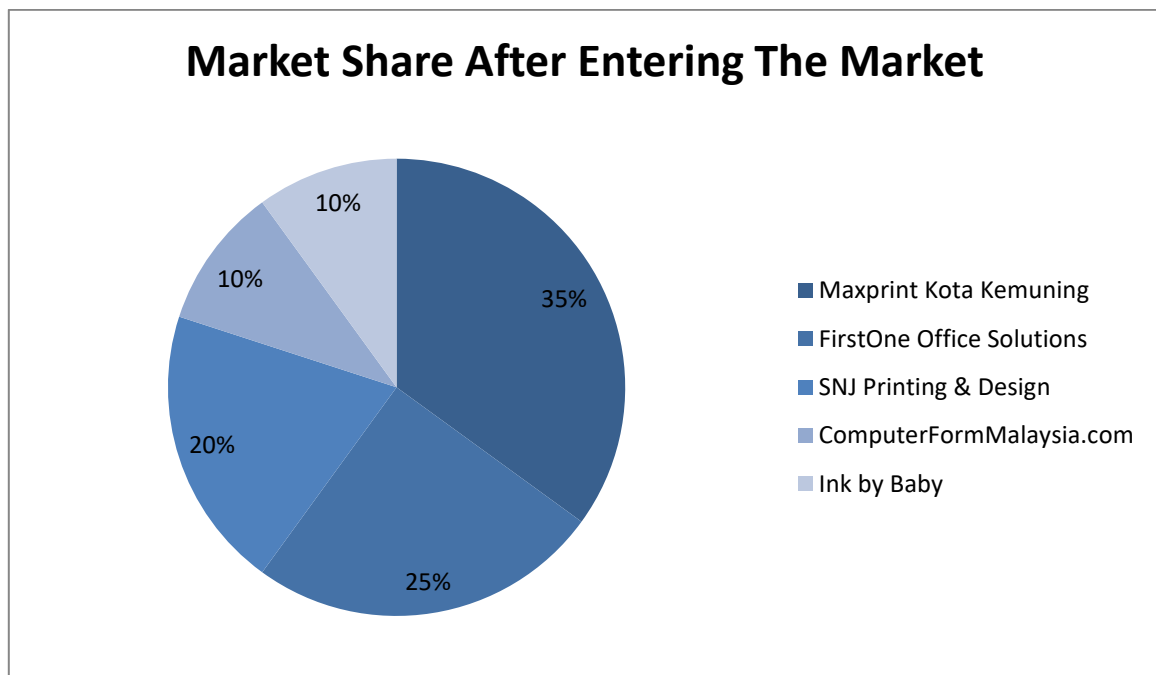
Competitors	Percentage	Market Share
Maxprint Kota Kemuning	35%	C
FirstOne Office Solutions	25%	120 000
SNJ Printing & Design	20%	96 000
ComputerFormMalaysia.com	20%	96 000
Total	100 %	480 000

Market Share Before Entering The Market



After enter the market

Competitors	Percentage	Market Share
Maxprint Kota Kemuning	35%	48 000
FirstOne Office Solutions	25%	48 000
SNJ Printing & Design	20%	48 000
ComputerFormMalaysia.com	10%	48 000
Ink by Baby	10%	48 000
Total	100 %	480 000



4.4 Sales forecast

MONTH	SALES (RM)	PURCHASE(RM)
January	480 000	4 510
February	480 000	4 510
March	480 000	4 510
April	480 000	4 510
May	480 000	4 510
June	480 000	4 510
July	480 000	4 510
August	480 000	4 510
September	480 000	4 510
October	480 000	4 510
November	480 000	4 510
December	480 000	4 510
Year 1	5 760 000	54 120
Year 2 (25%)	7 200 000	67 650
Year 3 (40%)	8 064 000	75 768

4.5 Marketing Strategy: 4P's

1) Product

Ink by Baby offer several types of printing services in order to meet the customers' demands. The printing services are divided into two categories; black and white printing and coloured printing. Both type of printing services provide comes with three different set. Set A is printing and binding, Set B is printing and laminating while Set C includes printing, binding and laminating.

2) Price

In terms on stating the price for the services offered, Ink by Baby decided to apply competition based on price in order to compete with other rivalry. In order to make this successful, as a new comer, Ink by Baby has to make sure to lower their prices as compared to other competitors to penetrate the market. For example, Maxprint Kota Kemuning offers similar services as the Set A for RM12 but Ink By Baby only offers it for RM10 to attract more customers.

3) Promotion

To enhance our target market, Ink by Baby mainly using social media platform to promote our business. As the technology improves every second, most of the targeted clients have access through the Internet that makes us easier to be reached by them. Besides that, we also using the physical method of marketing such as fliers and banner to attract the customers' attention.

4) Place

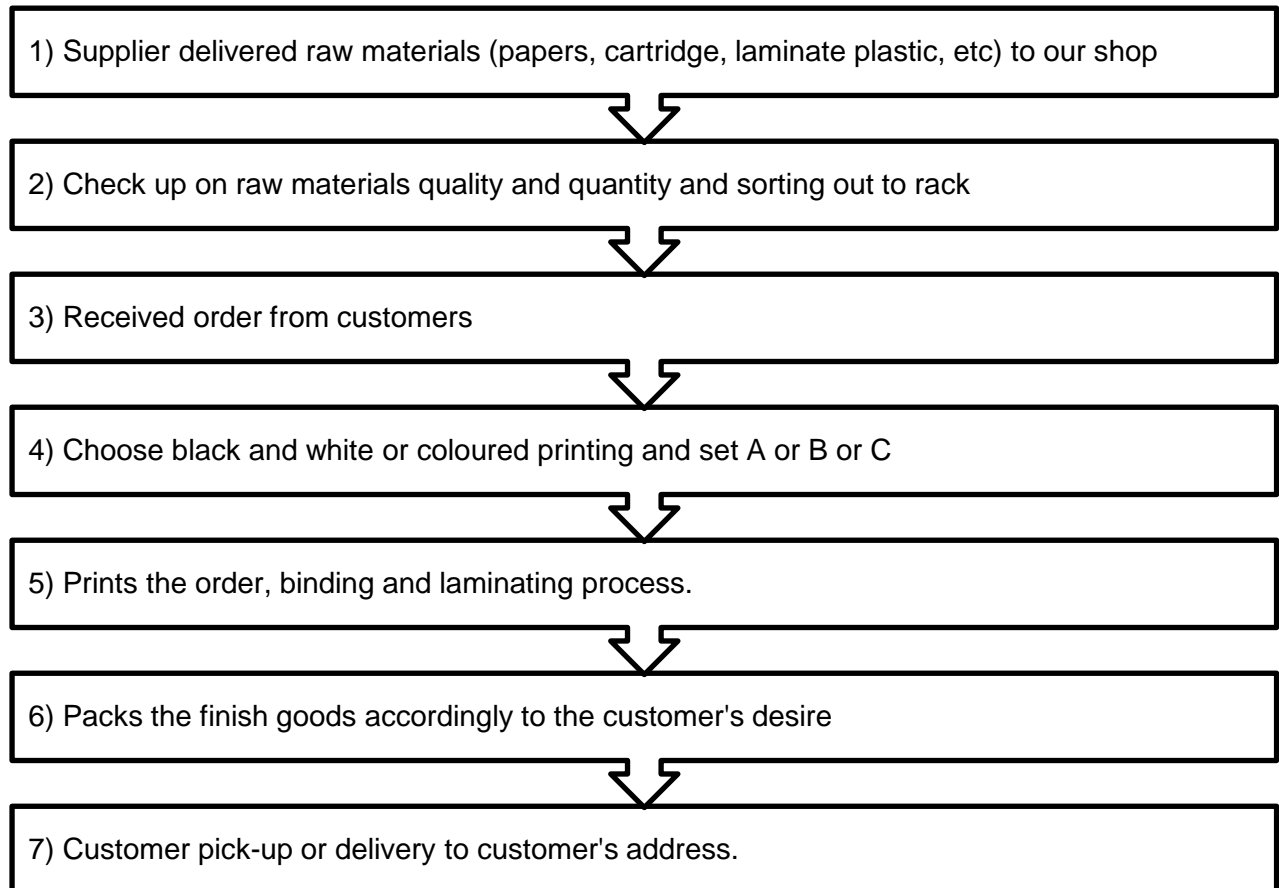
For the distribution channel, Ink by Baby using selling directly to customers and selling through E-Intermediaries. The selling directly to customers is targeted for the customers who prefer to go to the physical store by themselves while the selling through E-Intermediaries is for client that prefer purchasing through online and having their orders delivered to them.

4.6 Marketing Budget

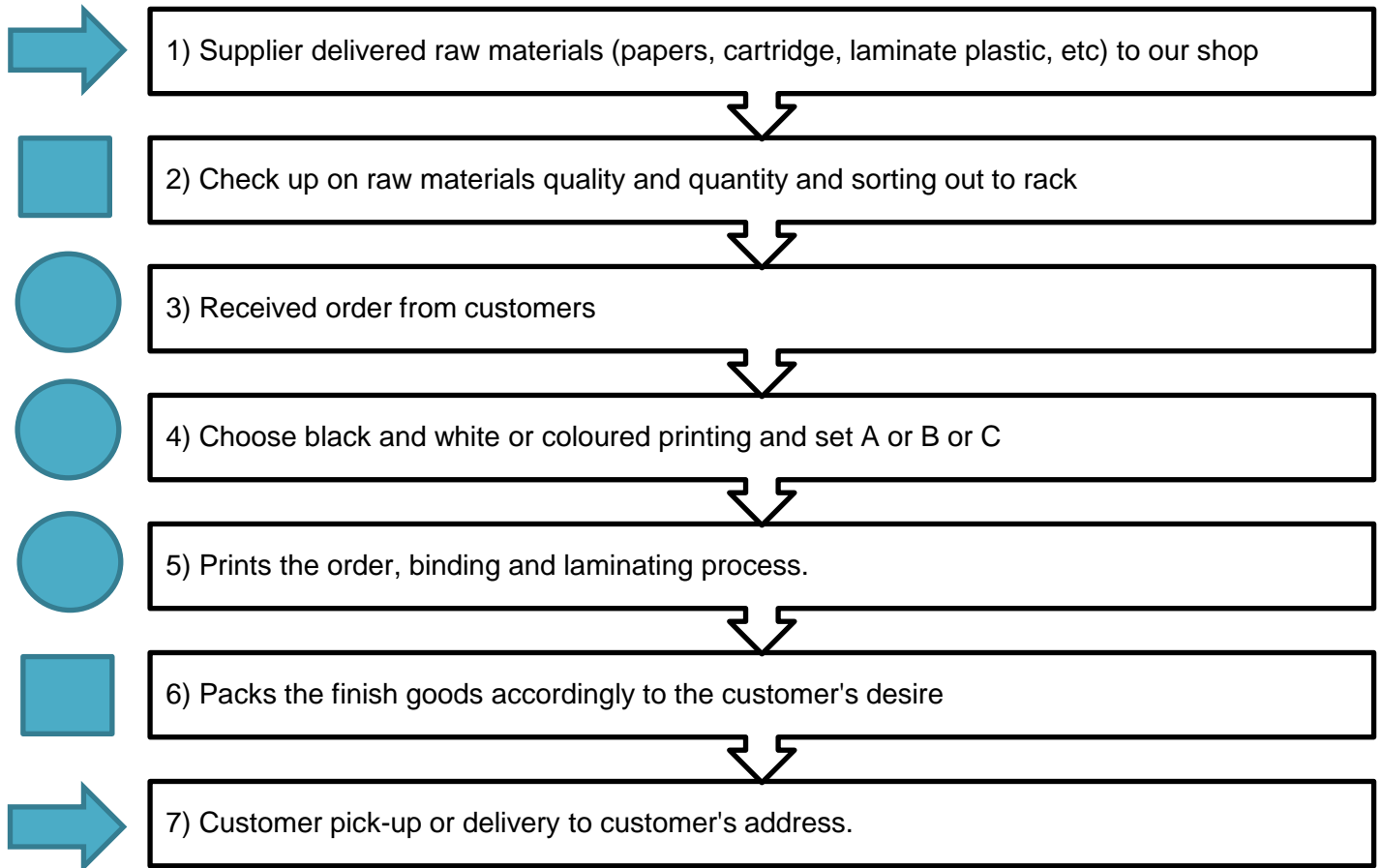
Item	Fixed Asset	Monthly Expenses	Others	Total
Fixed asset				
Toyota Hiace	71 800			71 800
Working Capital				
Social Media Advertisements		350		350
Fuel		250		250
Other Expenses				
Grand Opening			400	400
Business card			300	300
Banner			300	300
Fliers			200	200
Insurance and road tax			850	850
TOTAL	71 800	500	2 050	74 450

5.0 Operation Plan

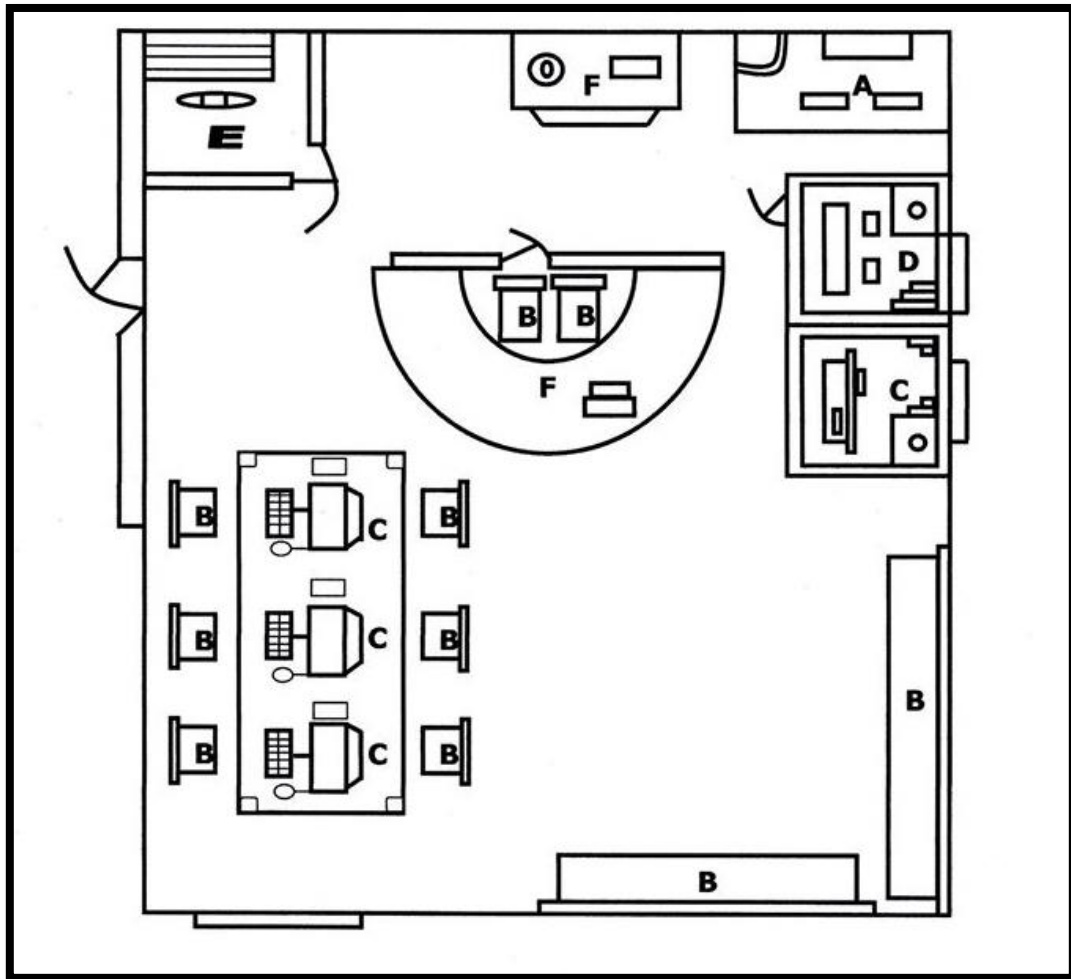
5.1 Activity Chart



5.2 Flow Chart



5.3 Operation Layout



5.4 Production Planning

Calculation output per day:

Average sale forecast / month = RM 48 000

Price per unit = RM 10

Number of output / month = RM 48 000 / RM10

= 4 800 units

Amount of output per day = 4 800/ 30 days

= 160 units

5.5 Material Planning

Raw Material	Quantity required	Price / Unit (RM)	Total Price (RM)
A4 paper	20 boxes	45	900
Cartridge	10 sets	210	2 100
Binding comb	10 boxes	21	210
Laminate paper	10 boxes	15	150
Disposable paper box	200 set	5	1 000
Cloth Tape	10 packs	5	50
Staples	5 boxes	20	100
Total			4 510

5.6 Machine and Equipment Planning

No.	Machine and equipment	Quantity (units)	Price per unit (RM)	Total price (RM)
1.	Computer	4	750	3 000
2.	Colour-Printer	2	500	1 000
3.	Photocopy machine	2	2 300	4 600
4.	Stapler Gun	2	35	70
5.	Paper cutter	1	75	75
6.	Laminator	2	75	150
7.	Binding Comb Machine	1	100	100
8.	Puncher	2	10	20
5.	Stationaries	1 set	100	100
TOTAL				9 115

5.7 Business and Operation Hour

Business Hour	9:45am-10:15pm
Operation Hour	10am-10pm

5.8 Operation Budget

ITEMS	FIXED ASSETS	MONTHLY EXPENSES	OTHERS	TOTAL
FIXED ASSET				
Machine and Equipment	9 115			9 115
Toyota Hiace	71 800			71 800
WORKING CAPITAL				
Material Requirement		4 510		4 510
Fuel		150		150
OTHER EXPENSES				
Insurance and Road Tax			850	850
Total	80 915	4 660	850	86 425

6.0 Financial Plan

6.1 Administrative, Marketing and Operation Budget

ADMINISTRATIVE EXPENDITURE	
Fixed Assets	RM
Land & Building	
Furniture & Fitting	
Office Machineries	2,395
Office Equipment	1,755
Toyota Hiace	71,800
Working Capital	
Salary	35,343
Utilities (Water, Electricity, Internet)	1,130
Shop Rental	3,500
Fuel	250
Other Expenditure	
Other Expenditure	8460
Pre-Operations	
Deposit (rent, utilities, etc.)	
Business Registration & Licences	
Insurance & Road Tax for Motor Vehicle	
Other Expenditure	
TOTAL	124,633

MARKETING EXPENDITURE	
Fixed Assets	RM
Toyota Hiace	71,800
Working Capital	
Social Media Advertisement	350
Fuel	250
Other Expenditure	
Other Expenditure	2050
Pre-Operations	
Deposit (rent, utilities, etc.)	
Business Registration & Licences	
Insurance & Road Tax for Motor Vehicle	
Other Expenditure	
TOTAL	74,450

OPERATIONS EXPENDITURE	
Fixed Assets	RM
Machine and equipment	9,115
Toyota Hiace	71,800
Working Capital	
Raw Materials	4,510
Carriage Inward & Duty	
Salaries, EPF & SOCSO	
Fuel	150
Other Expenditure	
Other Expenditure	
Pre-Operations	
Deposit (rent, utilities, etc.)	
Business Registration & Licences	
Insurance & Road Tax for Motor Vehicle	850
Other Expenditure	
TOTAL	86,425

6.2 Project Implementation Cost & Source Of Finance

Ink by Baby PROJECT IMPLEMENTATION COST & SOURCES OF FINANCE						
Project Implementation Cost			Sources of Finance			
Requirements		Cost	Loan	Hire-Purchase	Own Contribution	
Fixed Assets					Cash	Existing F. Assets
Land & Building						
Furniture & Fitting						
Office Machineries		2,395			2,395	
Office Equipment		1,755			1,755	
Toyota Hiace		71,800				71,800
Toyota Hiace		71,800				71,800
Machine and equipment		9,115	5,000		4,115	
Toyota Hiace		71,800				71,800
Working Capital 1 months						
Administrative		40,223	40,223			
Marketing		600			600	
Operations		4,660	3,160		1,500	
Pre-Operations & Other Expenditure		11,360	7,360		4,000	
Contingencies 10%		28,551	20,551		8,000	
TOTAL		314,059	76,294		22,365	215,400

6.3 Proforma Cash Flow Statement

Ink by Baby PRO-FORMA CASH FLOW STATEMENT

MONTH	TOTAL YR 1	YEAR 2	YEAR 3
<u>CASH INFLOW</u>			
Capital (Cash)	22,365		
Loan	76,294		
Cash Sales	5,760,000	7,200,000	8,064,000
Collection of Accounts Receivable			
TOTAL CASH INFLOW	5,858,659	7,200,000	8,064,000
<u>CASH OUTFLOW</u>			
Administrative Expenditure			
Salary	424,116	445,322	467,588
Utilities (Water, Electricity, Internet)	13,560	14,238	14,950
Shop Rental	42,000	44,100	46,305
Fuel	3,000	3,150	3,308
Marketing Expenditure			
Social Media Advertisement	4,200	4,410	4,631
Fuel	3,000	3,150	3,308
Operations Expenditure			
Cash Purchase	27,060	33,825	37,884
Payment of Account Payable	24,805	27,060	33,825

Carriage Inward & Duty			
Salaries, EPF & SOCSO			
Fuel	1,800	1,890	1,985
	10,510	11,036	11,587
Other Expenditure			
Pre-Operations			
Deposit (rent, utilities, etc.)			
Business Registration & Licences			
Insurance & Road Tax for Motor Vehicle	850	850	850
Other Pre-Operations Expenditure			
Fixed Assets			
Purchase of Fixed Assets - Land & Building			
	13,265		
Purchase of Fixed Assets - Others			
Hire-Purchase Down Payment			
Hire-Purchase Repayment:			
Principal			
Interest			
Loan Repayment:			
	12,716	12,716	12,716
Principal			
	5,341	5,341	5,341
Interest			
	0	0	0
Tax Payable			
TOTAL CASH OUTFLOW	586,222	607,086	644,275
CASH SURPLUS (DEFICIT)	5,272,437	6,592,914	7,419,725
BEGINNING CASH BALANCE		5,272,437	11,865,350
ENDING CASH BALANCE	5,272,437	11,865,350	19,285,075

6.4 Proforma Income Statement

Ink by Baby PRO-FORMA INCOME STATEMENT			
	Year 1	Year 2	Year 3
Sales	5,760,000	7,200,000	8,064,000
Less: Cost of Sales			
Opening stock			
Purchases	54,120	67,650	75,768
Less: Ending Stock			
Carriage Inward & Duty			
Gross Profit	5,705,880	7,132,350	7,988,232
Less: Expenditure			
Administrative Expenditure	482,676	506,810	532,150
Marketing Expenditure	7,200	7,560	7,938
Other Expenditure	10,510	11,036	11,587
Business Registration & Licences			
Insurance & Road Tax for Motor Vehicle	850	850	850
Other Pre-Operations Expenditure			
Interest on Hire-Purchase			
Interest on Loan	5,341	5,341	5,341
Depreciation of Fixed Assets	45,733	45,733	45,733
Operations Expenditure	1,800	1,890	1,985
Total Expenditure	608,230	646,869	681,352
Net Profit Before Tax	5,151,770	6,553,131	7,382,648
Tax	0	0	0
Net Profit After Tax	5,151,770	6,553,131	7,382,648
Accumulated Net Profit	5,151,770	11,704,902	19,087,550

6.5 Proforma Balance Sheet

Ink by Baby PRO-FORMA BALANCE SHEET			
	Year 1	Year 2	Year 3
ASSETS			
Non-Current Assets (Book Value)			
Land & Building			
Furniture & Fitting			
Office Machineries	1,916	1,437	958
Office Equipment	1,404	1,053	702
Toyota Hiace	57,440	43,080	28,720
Toyota Hiace	57,440	43,080	28,720
Machine and equipment	7,292	5,469	3,646
Toyota Hiace	57,440	43,080	28,720
Other Assets			
Deposit			
	182,932	137,199	91,466
Current Assets			
Stock of Raw Materials	0	0	0
Stock of Finished Goods	0	0	0
Accounts Receivable			
Cash Balance	5,272,437	11,865,350	19,285,075
	5,272,437	11,865,350	19,285,075
TOTAL ASSETS	5,455,369	12,002,549	19,376,541
Owners' Equity			
Capital	237,765	237,765	237,765
Accumulated Profit	5,151,770	11,704,902	19,087,550
	5,389,535	11,942,667	19,325,315
Long-Term Liabilities			
Loan Balance	63,578	50,863	38,147
Hire-Purchase Balance			
	63,578	50,863	38,147
Current Liabilities			
Accounts Payable	2,255	9,020	13,079
TOTAL EQUITY & LIABILITIES	5,455,369	12,002,549	19,376,541

6.6 Financial Ratio Analysis

Ink by Baby FINANCIAL RATIO ANALYSIS			
	Year 1	Year 2	Year 3
<u>LIQUIDITY</u>			
Current Ratio	2,338	1,315	1,475
Quick Ratio (Acid Test)	2,338	1,315	1,475
<u>EFFICIENCY</u>			
Inventory Turnover	-0	1	1
<u>PROFITABILITY</u>			
Gross Profit Margin	100.95^	99.95%	99.06%
Net Profit Margin	89.44%	91.02%	91.55%
Return on Assets	94.43%	54.60%	38.10%
Return on Equity	95.59%	54.87%	38.20%
<u>SOLVENCY</u>			
Debt to Equity	1.22%	0.50%	0.27%
Debt to Assets	1.21%	0.50%	0.26%
Time Interest Earned	964	1,226	1,381

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Figure 2: Coloured Printer



Figure 3: Photocopier

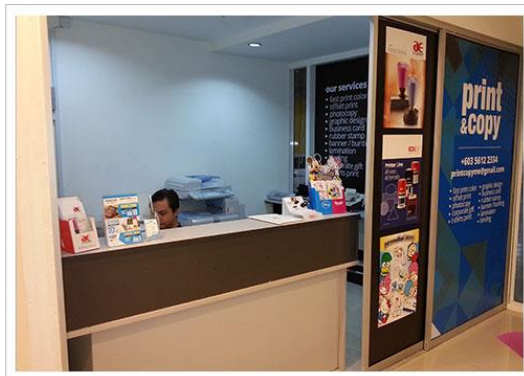


Figure 4: Payment Counter