UNIVERSITI TEKNOLOGI MARA SABAH CAMPUS

FUNDAMENTAL OF ENTREPRENEURSHIP (ETR 300)

CAPSICUM FARM ENTERPRISE

PREPARED BY:

TERANS BIN THADEUS (200611055)

ELLINAH BINTI RASHID (2006139327)

EXNIKOL JAIKOL (2006139383)

EZRANITA JOHN (2006139383)

FREDERICA BINTI GIMPEH (2006189319)

02 OCTOBER 2009



FUNDAMENTAL OF ENTREPRENEURSHIP

TABLE OF CONTENT

No.	TITLE	PAGE
	PREFACE	i – vi
1.0	INTRODUCTION	1
2.0	BUSINESS PLAN PURPOSES	2
3.0	COMPANY BACKGROUND	3
	3.1 Company Logo	4
	3.1.1 Meaning of the color	
	3.1.2 Meaning of the image	
4.0	PARTNER BACKGROUND	5
	4.1 Partnership Terms Agreement	10
5.0	LOCATION OF PROJECT	13
	5.1 Business Address	
	5.2 Location Plan	
	5.3 Map Location	15
	5.4 Layout Plan for Office and Field	16
	5.5 The Main Buildings to be erected	17
6.0	MARKETING PLAN	20
	6.1 Product Description	
	6.2 Marketing Objectives	22
	6.3 Target Market	23
	6.3.1 Geographic Segmentation	
	6.3.2 Different types of Market	
	6.4 Market size	24
	6.5 Competition	25
	6.6 Market Share	27
	6.6.1 Market Share (before entering market)	
	6.6.2 Market Share (after entering market)	28
	6.7 Marketing Strategy	29
	6.7.1 Product Strategy	
-	6.7.2 Price Strategy	30



FUNDAMENTAL OF ENTREPRENEURSHIP

	6.7.3 Place Strategy	31	
	6.7.4 Promotion	32	
	6.8 Sales Forecast	35	
	6.8.1 Sales Forecast for Capsicum Maximum production in a year.	36	
	6.8.2 Sales Forecast for Minimum production in a year.	38	
	6.8.3 Sales Analysis	40	
	6.8.4 Other Vegetative Plantation	41	
	6.9 Marketing Budget	42	
	6.10 Marketing Short term and Long term Planning	43	
	6.10.1 Short term planning		
	6.10.2 Long term planning		
7.0	OPERATION PLAN	44	
	7.1 Introduction		
	7.2 Objective	45	
	7.3 Process Planning	46	
	7.3.1 Activity Chart for Producing Capsicum		
	7.3.2 Steps of Production Capsicum using Black Plastic Technique	47	
	7.3.3 Steps of Production Capsicum using Under Camp Technique	51	
	7.3.4 Steps of Production Capsicum (alternatives)	55	
	7.3.5 Overhead Requirement	57	
	7.3.6 Process Flow Chart	58	
	7.4 Operation Layout	59	
	7.5 Material Planning	60	
	7.5.1 List of Raw Material		
	7.5.2 Bills of Raw Material	63	
	7.5.3 Amount of Raw Material per Unit in a Year (both two phases)	64	
	7.5.4 The Purchases Forecast for Raw Material per Year	65	
	7.6 Machine and Equipment Planning	66	
	7.6.1 Machine and Equipment cost		
	7.7 Manpower Planning	69	
	7.7.1 Remuneration Table of Operation		



FUNDAMENTAL OF ENTREPRENEURSHIP

	7.7.2 List of Operations Personnel and Organization Chart	70
8.0	7.7.3 Task Description	71
	7.8 Business and Operation Hours	72
	7.8.1 Operational Hours	
	7.8.2 Workers Working Schedule	73
	7.9 Operation Budgets	74
	ADMINISTRATION PLAN	75
	8.1 Introduction	
	8.1.1 Introduction to the organization	
	8.1.2 Key to Success	77
	8.1.3 Administrative Strategies	78
	8.2 Manpower Planning	79
	8.2.1 Organization Chart	80
	8.3 Job Descriptions	81
	8.4 Job Schedule of Remuneration	84
9.0	8.4.1 Workers incentives Scheme	85
	8.5 List of Office Equipment	87
	8.5.1 Contribution of Assets	88
	8.5.2 Plan of Office and Platform	89
	8.6 Administration Budget	91
	FINANCIAL PLAN	92
	9.1 Introduction	
	9.2 Financial Objectives	
	9.3 Input for the Project	93
	9.3.1 Projected Administrative	
	9.3.2 Projected Sales and Purchases	94
	9.3.3 Collection for Sales and Repayment	
	9.3.4 Economic Life of Fixed Asset and Depreciation Method	95
	9.3.5 Working Capital	
	9.3.6 Ending Stock for Raw Material and Finished Good	
	9.3.7 Business Background	96



1.0 INTRODUCTION

Nowadays, people tend to have taste of spice in their meal. Chili is a good fruits that fulfill their needs of spicy in their meal. However, people or society itself begins to care about their health. With the fact that Chili is one of the factor for 'appendix' disease (especially children), people become more sensitive in taking Chili especially for their children. With that problem exist; we observe it as an opportunity to open business in Capsicum production with five people in partnership. Capsicum is actually 'Lada Benggala' in malay name which rich in nutrient, for instance it contain vitamin C and vitamin A. In addition, children like Capsicum because of it moderate sweet taste and delicious when mix together with souses.

We named our company as *Capsicum* Farm Enterprise which focuses on Lada Benggala / *Capsicum* production. The location of our business is at Kundasang, Ranau. We decide that 10th January 2010 as our date of commencement.

We have chosen this food industry business by other certain factor, which is it has Better market coverage and a lot of demands especially around Kundasang; Lada Benggala/ Capsicum have a high price in a market according to its grade; Kundasang is the main attraction for group of vegetable's trader as well as individual and family in Sabah and; received supplies of fertilizers with a low cost from Koperasi Pembangunan Desa and Pertanian.

The future prospect of our business is to increase second year sales by 5% and third year sales by 8%. In viewing our business potential, we believe that *Capsicum* productions have a high potential in business since the government want to encourage business in agriculture.