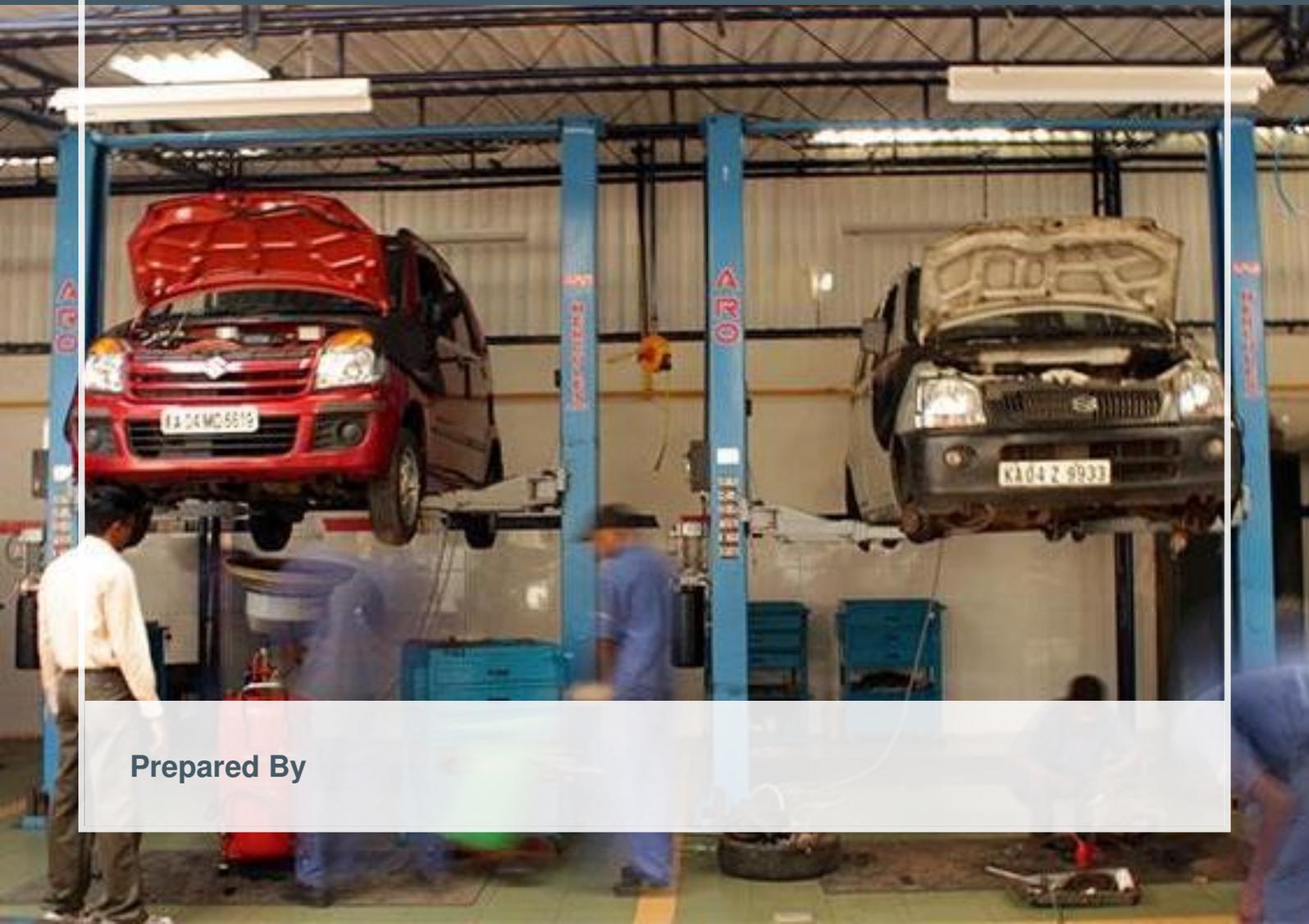




NLD Recovery and Repairs

BUSINESS PLAN

Providing high quality automotive support in Zambia.



Prepared By

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Executive Summary

NLD Recovery and Repairs is a new modern vehicle repair centre in Lusaka. We have rented a facility that is big enough to offer mechanical repairs, bodywork repairs, recovery and parts sourcing. We will offer this service to both private and commercial customers to support their vehicles which are essential to everyday life in Zambia.

We are aware that there are garages operating in our area but we believe the customer experience and full range of services from recovery through to parts sourcing will give us a competitive advantage in the market. Key staff involved in the project have over 30 combined years working in the industry giving high quality experience.

Mission Statement

At NLD Recovery and Repairs, our mission is to fill the gap in demand for quality recovery and repair services ensuring that while satisfying these critical needs, a good profit is made at no increased cost to our customers.

Our business will be able to cover a wider geographic spread of customers due to the recovery part, and this should lead to additional work for the mechanical repairs, bodywork repairs and parts sourcing.

Vision Statement

Our vision at NLD Recovery & Repairs is to be among the most trusted repair centres in Zambia within the first 3 years of our operations starting. This will be driven by the high professionalism, fuelled by a dedicated workforce committed to the accomplishment of the vision and ideals of our business.

Target Market

Our target market will be all vehicles with a X radius of our base in Lusaka.

We will target both private and commercial work and with at least 80,000 registered vehicles, many 2nd hand from Asia and Europe, it provides a large potential opportunity.

Business Target

Turnover and profit targets.

3 Year profit forecast

● Sales ● Gross Margin ● Net Profit

Year1

Year2

Year3

Financial Summary	Year 1	Year 2	Year 3
Revenue			
Total Expenses			
EBITDA			
EBIT			

Company Summary

NLD Recovery and Repairs will be run by Dan Mukuta who has 10 years experience working in both Lusaka and Livingstone. Mr Mukuta will service as the head mechanic and oversee all aspects of the business. He will be supported on the body repair side of the business by Paul Nduba, who has 12 years experience in paint repair and body work damage. Finally Alan Ndomi will be on staff to support with the electrical side of the business. We view this as being especially important as the complexities of modern vehicles is more on the electrical side than the mechanical.

We will ensure that all our customers are given first-class treatment whenever they visit our facility or we meet them on recovery. We will ensure that we get our customers involved and fully informed on the work required for their vehicle and where possible give options at different price points.

NLD Recovery and Repairs will demonstrate commitment to sustainability, both individually and as a firm, by actively participating in our communities and integrating sustainable business best practices wherever possible.

We will ensure that we hold ourselves accountable to the highest standards by meeting our customers' needs precisely and completely whenever they use our services. We will cultivate a working environment that provides a human, sustainable approach to earning a living, and living in our world, for our partners, employees, and for our customers.

Business Structure

Although we are a new business we have the structure in place that will support the kind of growth that we have in mind while setting up the business. We intend to be able to deliver good profit margins for our investors as well as offering good services and prices to our customers. We believe we can do this because of the complete range of services we offer.

We will ensure that we hire people that are qualified, honest, customer-centric, and are ready to work to help us build a prosperous business that will benefit all the stakeholders (the owners, workforce, and customers).

Dan as the chief mechanic will be responsible for managing the business and the direct contact with customers will allow him to respond flexibly.

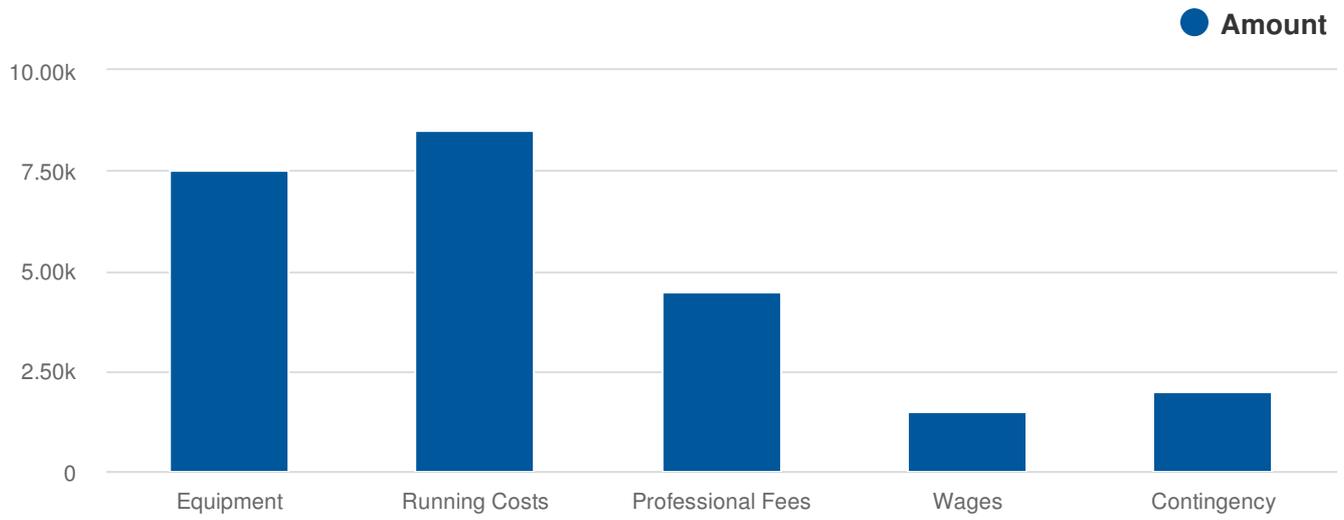
The key positions for the business are:

- Chief Mechanic
- Body work and paint specialist
- Auto electrical specialist.

As we grow the business we can look to hire additional staff to increase the volume of work.

Startup summary

Startup cost



Cost distribution	Amount
Equipment	7500
Running Costs	8500
Professional Fees	4500
Wages	1500
Contingency	2000

Products and services

We are a full service auto break down, recovery, repair and parts business set up to service a wide range of corporate and individual clients and of course to make profits, which is why we will ensure we will offer the widest range of services available.

We will ensure that we do all that is permitted by the law of the Zambia to achieve our aim and ambition of starting the business. Our product offerings are listed below:

Features



Breakdown recovery

As we have a tow truck to put into the business we are in a position to help customers at the roadside or recover the vehicle for further work at our premises.



Mechanical repair

We will offer mechanical repair on all makes and models of car.



Paint and body work

Offering repairs through accident or deterioration in vehicle conditions.



Parts supply

This will support our business for mechanical and body repairs but also offer customers the opportunity to order and purchase their own parts.

Market Analysis

Market Trends

Transport is an essential part of productive living in Zambia, a country three times the size of the UK. As much of the country's economic opportunities can be found in rural areas with sometimes difficult terrain, reliable and well maintained private and commercial vehicles are an absolute necessity for key industries including farming and mining.

The road network in Zambia is well developed, out of an estimated 91,000kms of road network around 23% is paved and the rest is unpaved. Due to the hot climate as well as long journeys from town into the aforementioned rural areas, vehicles can suffer excessive wear and tear. As a result, high quality repair garages equipped with modern tools and hardware to increase efficiency are a necessity.

Further, with 40% of all imported used cars from Europe, Japan and the United States finding new homes on the African continent, parts sourcing is a potentially lucrative service considering the lack of official dealerships and service centres. Together with effective marketing and promotion, this climate presents ample scope to establish a thriving business serving locals and repatriating members of the diaspora alike.

Up to date data is difficult to obtain but taken from <http://zambiamtc.opendataforafrica.org/mqjhwj/registered-motor-vehicles-in-zambia> the following statistics are:

Registered motor vehicles by category

(number of units)

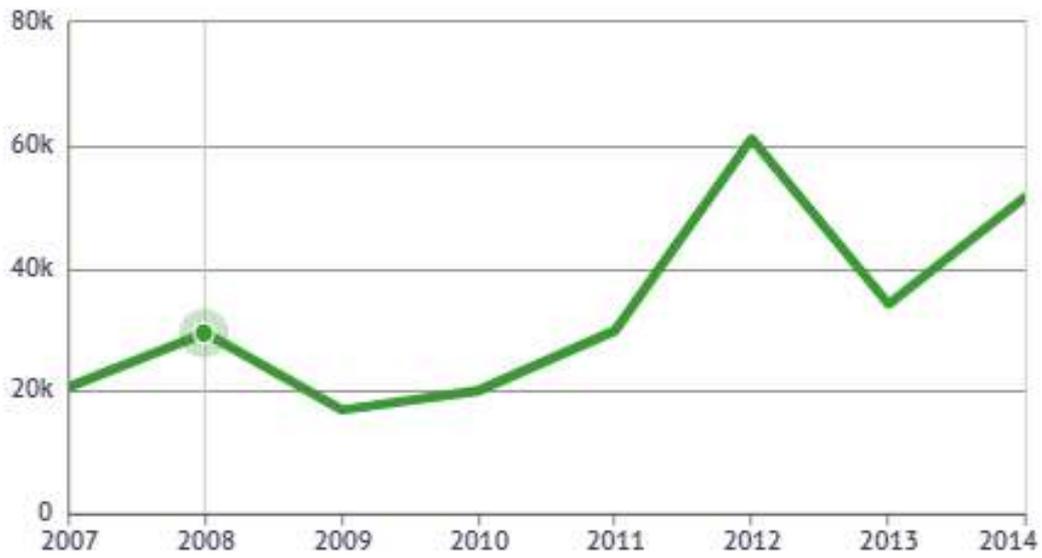
Light passenger vehicle	51,544	
Heavy load veh (GVM > 3500Kg)	7,106	
Light load vehicle (GVM 3500Kg or l...)	6,780	
Motorcycle (less than 3 wheels)	3,000	
Heavy passenger vehicle	929	
Trailer	725	
Agricultural tractor	387	
Motor Tricycle	37	
Agricultural trailor	12	



In addition the trend for more vehicle ownership is clear:

Light passenger vehicle

(number of units)



Light vehicles as can be seen above is the single largest sector by number of units and the trend has been increasing.

SWOT Analysis

Our analysis of our business is:

Strengths

- Experienced staff
- Range of complementary services.
- Equipment already to invest into the business.
- Premises suitable for the full range of services.

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Weaknesses

- New business we need to promote to win custom
- Existing business are well established with their own client base
- Initial costs while we build our client base.

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Opportunities

- Rising vehicle ownership provides a greater pool of customers.
- Modern cars get progressively more complicated limiting amateur repairs.
- Providing the full range of services we can offer customers an easy choice.
- The parts ordering service will bring customers to our premises giving us the chance to win additional business.

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Threats

- Just like any other business, one of the major threats that we are likely going to face is an economic downturn.
- There is a threat of competing garages starting to offer both recovery and parts ordering.
- Changes in government policy for transport, perhaps pushing away from private use of vehicles towards more public transport.

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Strategy & Implementations

Sales Strategy

Our business is new so we will need to intensify publicity for the business during the start up phase. We are going to explore all available means to promote our business.

As a matter of fact, our publicity and advertising strategy is not solely for winning customers over but to effectively communicate our brand. Here are the platforms we intend leveraging on to promote and advertise:

- Encourage the use of word of mouth publicity from our loyal customers.
- Leverage on the internet and social media platforms like; Instagram, Facebook, Twitter, Google+, and other platforms to promote our business.
- Ensure that we position our advertising material as widely as possible.
- Distribute our fliers and handbills in target areas in and around our neighbourhood
- Contact corporate organizations, households, and inform them of the services we offer.
- Advertise our parts sourcing business to bring additional business opportunities.
- Brand all our official cars and trucks and ensure that all our staff members and management staff wear our branded PPE and clothing when appropriate.

Pricing Strategy

Aside from quality and service, pricing is one of the key factors that gives leverage to our business, it is normal for consumers to go to places work carried out at the cheapest price. By offering the full range of services it means the customer will be less likely to shop around due to convenience.

With a new set up we have the capacity to compete with the existing businesses because we offer a full range of services where many competitors are more limited. The addition of the parts sourcing is key in attracting new customers, and being first in their mind for our full range of services.

Financial Plan

Important Assumptions

	Year 1	Year 2	Year 3
Plan Month			
Current Interest Rate			
Long-term Interest Rate			
Tax Rate			
Other			

Brake-even Analysis

Monthly Units Break-even	
Monthly Revenue Break-even	
Assumptions:	
Average Per-Unit Revenue	
Average Per-Unit Variable Cost	
Estimated Monthly Fixed Cost	