



Moorey Handicrafts

Business Plan

2021 - 22

Good Crafts for Good Relations.

Information provided in this business plan is unique to this business and confidential; therefore, anyone reading this plan agrees not to disclose any of the information in this business plan without prior written permission of the Company

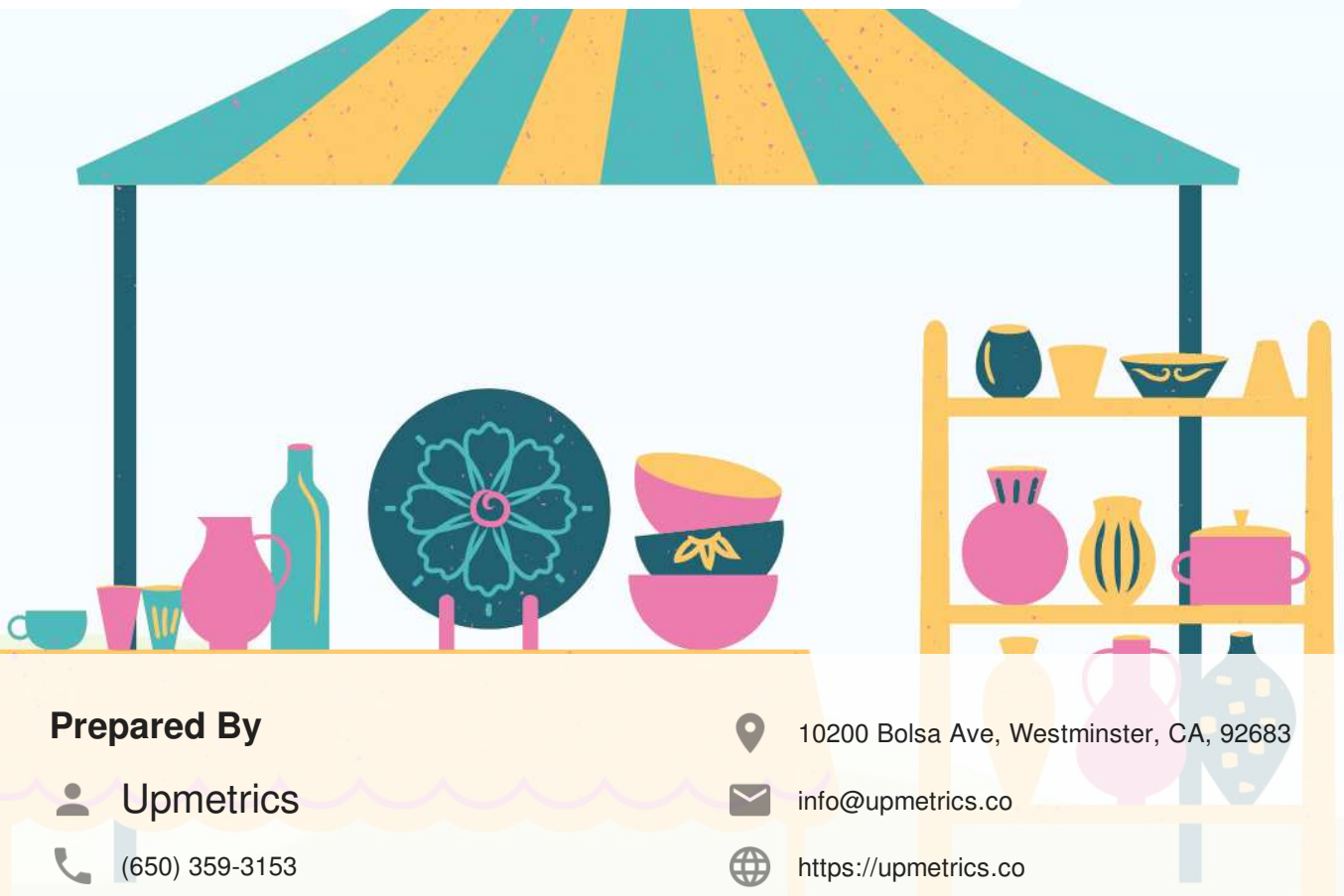


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1.

Executive Summary

Business Overview

Mission & Vision Statement

Business Model

Objectives

Our Corporate Social Responsibility In Action

Our Core Values

Keys To Success

Guiding Principles

Business Target



REMEMBER

Before you think about how to start a Handicraft business, you must create a detailed Handicraft business plan. It will not only guide you in the initial phases of your startup but will also help you later on.

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Business Overview



TIP

Both locally and internationally, people are fond of purchasing products made in the United States. The United States has cemented its status as a global leader in consumer goods, product innovation, production, among other spheres. The United States is equally blessed with a highly dexterous workforce who are especially active in the production of handicrafts

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Mission & Vision Statement



TIP

We are envisioned towards becoming the most preferred handicraft company brand in the United States through the provision of quality handbags, chairs, shoes, and locally made pots. We are out:

- To inspire each of our clients on the importance of sustainab

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Business Model



TIP

The company adopts the B2C business model. The handicrafts have been designed to serve the needs of the clients both locally and abroad. The company enters into a strategic agreement with companies that serve as distributors as well as private individuals who would love to obtain the company's handicrafts.

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Objectives



The following are the aims and objectives of the company. We have chosen to split the objectives of the company into financial and non-financial objectives. Moore Products LLC will have the following goals and objectives:

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- To provide uniquely made handbags, shoes, chairs, and locally-made pots to the target market locally and internationally.
- To orchestrate the influx of our handicrafts into the market and become the preferred alternative to the bigger brands

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Non-Financial Objectives

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- Increase the number of clients by 30% over the next three years of operations
- To generate an estimated revenue of \$42,000 by 2021
- To maintain the monthly and yearly increase in revenue generated by the business

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Financial Objectives

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Our Corporate Social Responsibility In Action



At Moore Products LLC, we understand that our business decisions and the methods by which we engage our key stakeholders affect not only our organization, but also in a profound manner, the people, cities, and settings that support our corporate lives as well as our businesses.

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Our Core Values



TIP

There are a set of core values, which are at the base of everything that we do and all that we believe in. These guide us to deal with every aspect of any issue we might encounter in our personal and professional lives. These values help us grow inside and outside, personally, and as an organization.

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Keys To Success



TIP

We have come to make this business a successful business as we aim to record huge success within three years of being in the business. Our target markets are majorly all corporate entities within and outside Texas. To achieve success in our business, we will work with the following keys.

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Guiding Principles



TIP

In our business, we will uphold values such as:

- Service efficiency
- Unique Solution
- Honesty

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Business Target

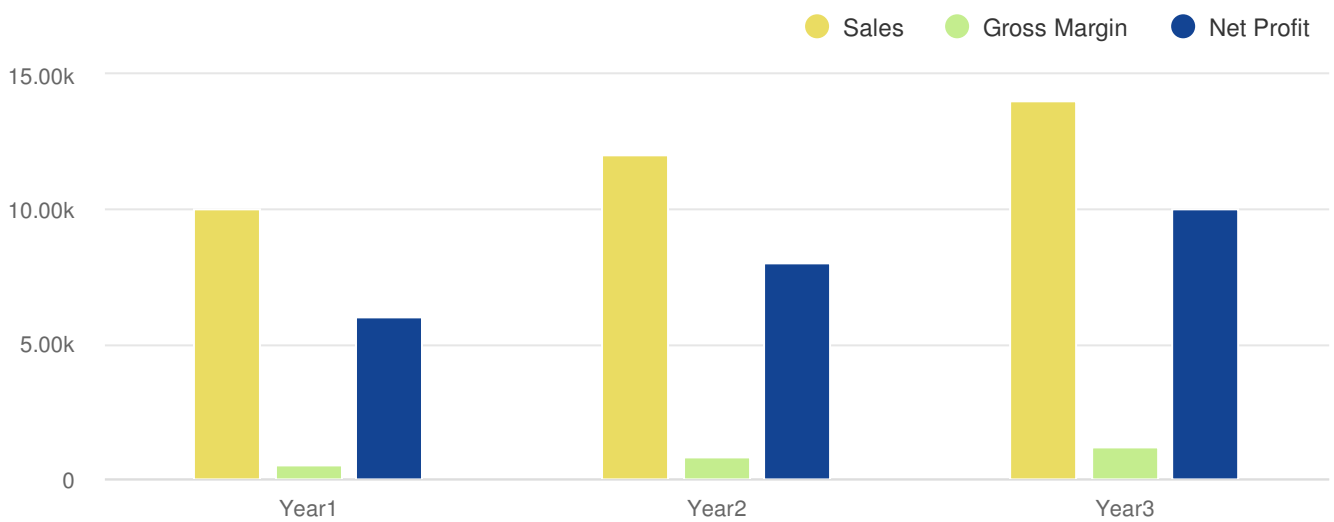


Our main business targets are summarized in the following column chart.

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3 Year profit forecast



Financial Year	Sales	Gross Margin	Net Profit
Year1	10000	500	6000
Year2	12000	800	8000
Year3	14000	1200	10000

2.

Business Description

Company Conceptualization

Registered Name and Corporate Structure

Company Ownership

Company Location And Resources

Funding Required

Company Conceptualization



TIP

We have established the company to create a market for products that are manufactured in the United States locally. Also, it is part of the United States 2030 Vision to promote the local industries to the world, as well as attracting international investors to start their industrial projects/factories here in the United States by providing them some business advantages. We a

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Registered Name and Corporate Structure



TIP

Moore Products LLC is incorporated according to the corporate laws of the United States. Moore Products LLC has not commenced its operations at the time of writing this business plan. In the long run, we will apply for trademark protection as we secure funding to protect our unique trade identities to continually distinguish ourselves from other platforms in the same i

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Company Ownership



TIP

Jordan Smith is the founder of the company. At the beginning of the company's operations, he will be the only one involved in the activities. He is an experienced Sales and Marketing professional. However, he has considerable experience in project management, operations management, negotiations, vendors, and stakeholders' management. He is a creative, forward

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Company Location And Resources



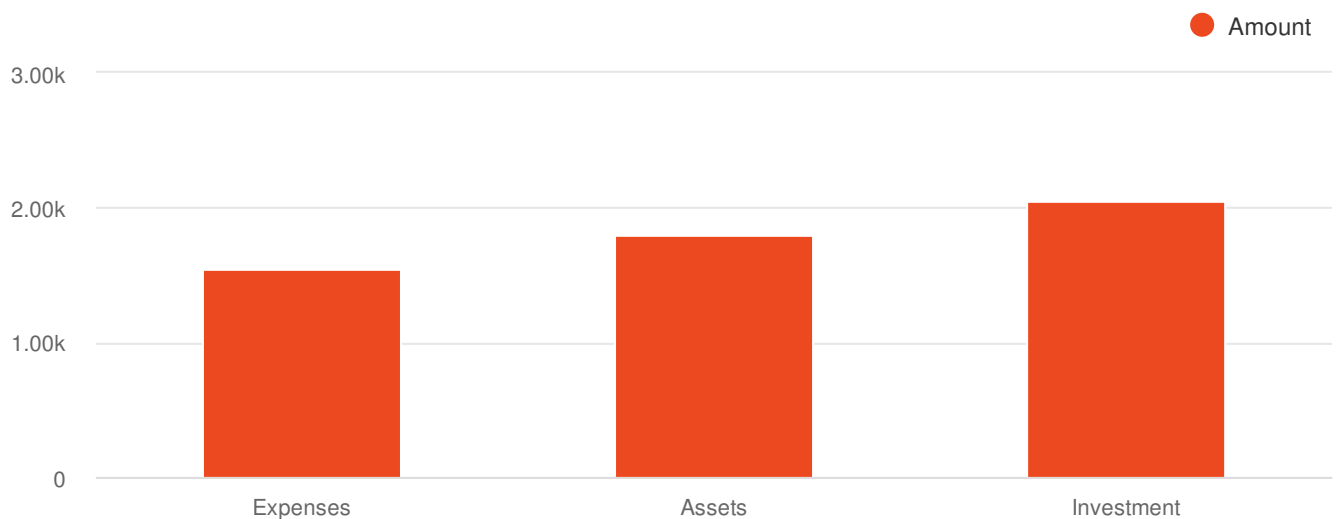
The company is based in the United States. Despite the effect of COVID-19, the United States economy is growing astronomically. The company's location is perfect for our type of business, and the founder is already very familiar with the intrinsic quirks of the company's location. The company targets everyone who is able to acquire our handicrafts all over the United States but

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Funding Required

Startup cost



Cost distribution

Amount

Expenses	1550
Assets	1800
Investment	2050

The detailed startup requirements and expenses are given in the table below.

Start-up Expenses	Amount
Legal	\$75,500
Consultants	\$0
Insurance	\$62,750

Start-up Expenses	Amount
Rent	\$22,500
Research and Development	\$42,750
Expensed Equipment	\$42,750
Signs	\$1,250
TOTAL START-UP EXPENSES	\$247,500
Start-up Assets	\$0
Cash Required	\$322,500
Start-up Inventory	\$52,625
Other Current Assets	\$222,500
Long-term Assets	\$125,000
TOTAL ASSETS	\$121,875
Total Requirements	\$245,000
START-UP FUNDING	\$0
START-UP FUNDING	\$273,125
Start-up Expenses to Fund	\$121,875
Start-up Assets to Fund	\$195,000
TOTAL FUNDING REQUIRED	\$0
Assets	\$203,125
Non-cash Assets from Start-up	\$118,750
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$118,750
Cash Balance on Starting Date	\$121,875
TOTAL ASSETS	\$0
Liabilities and Capital	\$0
Liabilities	\$0
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0

Start-up Expenses	Amount
TOTAL LIABILITIES	\$0
Capital	\$0
Planned Investment	\$0
Investor 1	\$312,500
Investor 2	\$0
Other	\$0
Additional Investment Requirement	\$0
TOTAL PLANNED INVESTMENT	\$695,000
Loss at Start-up (Start-up Expenses)	\$313,125
TOTAL CAPITAL	\$221,875
TOTAL CAPITAL AND LIABILITIES	\$221,875
Total Funding	\$265,000

3.

Products and Services

Products and Services



REMEMBER

Before starting a handicraft business, you must take many things into consideration such as you must consider what types of handicraft products will you be providing to your customers. Deciding your services is extremely important since it helps you plan other components of your business so make sure to consider it before you think about how to start a handicraft business. [Read More](#)



TIP

Moore Products LLC is actively involved in the provision of top-quality handicrafts. Among the list of handicrafts that are provided by our company are handbags, shoes, chairs, and locally-made pots. All our products will be uniquely made to represent quality which the United States is known for. [Read More](#)

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Products and Services

Handicrafts



Shoes



Bags



Pots



Pillows



Arts



Cooking Tools

4.

Market Analysis

The United States Market

Model Types Insights

SWOT Analysis

Porters' Five Force Analysis

Route To The Market



REMEMBER

The most important component of an effective handicraft business plan is its accurate marketing analysis. If you are starting on a smaller scale, you can do marketing analysis yourself by taking help from this handicraft business plan sample or other handicraft business plans available online.

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The United States Market



TIP

The North American handicrafts market reached a value of around US\$ 218 Billion in 2018. Looking forward, the market is projected to reach a value of US\$ 402 Billion by 2024, registering a CAGR of nearly 11% during 2019-2024.

North America's handicrafts market is currently being driven by sev [Read More](#)

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Model Types Insights



TIP

The global handbag market size was valued at USD 47.0 billion in 2018 and is anticipated to witness significant growth in the forecast period. The rising women workforce, along with increasing brand awareness, is driving the demand for the product over the world. Over the past few years, demand for handbags has increased due to the growing availability of designer [Read More](#)

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SWOT Analysis

Strengths

- Project & Operations Management
- Vendor and Stakeholders Management
- Availability of raw materials in the local market, especially, Houston
- Interpersonal & Communications skills
- Capability to attract vast audiences with diverse product needs online
- Power of customer relationship management by collecting data of buyers and sellers registered with the company
- Generation of the reports and statistics that can make the company better and address its weaknesses and threats

Weaknesses

- Non-availability of Sales & Marketing Personnel
- Non-availability of the IT personnel
- Supply chain, local & international transportation
- Our intellectual property protection
- There are numerous stock lovers still out there whose main purpose is to scam investors
- The sellers being able to enforce the payment method of their choice, which is a favorite among the scammers
- Shipping may be one of the biggest problems

Opportunities

- Providing an online platform to market for Saudi made products locally & internationally
- Variety of products categories
- The target audience is local & worldwide
- Ensure customers' satisfaction throughout the procurement and transportation process
- Manufacturers can offer their product at a static price and offer it on buying it now
- Buyers can straightaway buy the product without having to wait
- Opportunity to secure dominance of the United States and other countries

Threats

- Contract establishment & Management
- Customers' intellectual property protection
- New competitors with the same business idea entering the market
- One of the biggest threats is the scammers and the phishers who use an online business name to scam people
- Online users distrusting the services provided by these companies and never coming back
- Seamless integration of seller and buyer

Porters' Five Force Analysis



TIP

The company has been in operation before the writing of this business plan but the company still requires funding from investors. The threat of new entry applies to the companies who are newcomers to the industry. The company may also be considered a startup company and this implies this threat applies to us too. Jordan Smith is very familiar with the business environment.

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The Threat Of New Entry

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TIP

In that our business is modeled to build on the influx of handicrafts into the US market, there are other artisans who are experts and highly skilled at making shoes, bags, pots, and chairs. The competition in the industry is double-phased; with local artisans as well as the established companies which are actively involved in the provision of the same products. The competition is

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Competitive Rivalry

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TIP

Our prices are reasonably structured to be within the confines of fair prices chargeable in the industry. We have no plan to increase these charges but rather to promote the rate at which our target market purchases our products. This is why our handicrafts have been made available at cost-effective prices. The economy is fair and this has influenced the purchasing power of our customers.

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Buyer Power

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TIP

Our suppliers in the industry are the companies that supply the needed materials that are used in our production. These suppliers are scattered all over Houston. These suppliers often determine our pricing as the company's pricing is determined by a lot of factors including the prices of the suppliers of the various materials which are used in the manufacturing process. No

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Supplier Power

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TIP

The threat of substitution cannot be overlooked in analyzing the possible success or otherwise of our company. There is really no substitute that completely replaces our product offering in the market. The impact of this threat on our company low.

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Threat Of Substitution

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Route To The Market



TIP

To maximize our distribution efficiency, and not over or underproduce, we need to employ a management system to house customers' goods and keep track of what it contains with precision and accuracy. The management team adopts

- **An Organized Store:** This is to make sure that all storage lo

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Marketing Plans

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Growth Plan

Activity	Description	Timeline	Strategies
Product Development	<ul style="list-style-type: none"> • Sourcing the needed raw materials and actively engaging in production • Forging partnerships with our delivery agent • Partner with the needed suppliers of the needed materials • Acquire funding 	Year 1	<ul style="list-style-type: none"> • Provide the shoes, bags, chairs, and pots both online and offline • Develop a standard mode of operation • Pitch business ideas to acquire funds
Market Expansion	<ul style="list-style-type: none"> • Expand operations by integrating our products in more online marketplaces • Reach out to our target market through both online and offline strategies • Expand delivery services • Introduce new product lines 	Year 1 - 3	<ul style="list-style-type: none"> • Improve on the developed model of operations to accommodate growth changes • Introduce aggressive marketing campaigns to enhance visibility • Acquire bigger warehouses to store products • Recruit more employees towards business growth • Gradually add more products to our product mix
Diversification	<ul style="list-style-type: none"> • Introduce new product lines 	Year 3 & UP	<ul style="list-style-type: none"> • Plan & execute the operational techniques of the new divisions

5.

Financial Plan

Important Assumptions

Break-even Analysis

Projected Profit and Loss

Projected Cash Flow

Projected Balance Sheet

Business Ratios



REMEMBER

The last component of a handicraft business plan is an in-depth financial plan. The financial plan crafts a detailed map of all the expenses needed for the startup and how these expenses will be met by the earned profits. It is recommended that you use [our financial planning tool](#) for guiding you through all financial aspects needed to be considered for starting a handicraft [Read More](#)



TIP

The company will be financed by Jordan Smith himself and he will control the direction of the business to make sure that it is expanding at the forecasted rate. As for the handicraft business start-up, no equity funding or outside loans will be required. With the help of financial experts, Jordan has developed the following financial plan for his handicraft start-up business, which [Read More](#)

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Important Assumptions

The financial projections of the company are forecast on the basis of the following assumptions. These assumptions are quite conservative and are expected to show deviation but to a limited level such that the company's major financial strategy will not be affected.

	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10,00%	11,00%	12,00%
Long-term Interest Rate	10,00%	10,00%	10,00%
Tax Rate	26,42%	27,76%	28,12%
Other	0	0	0

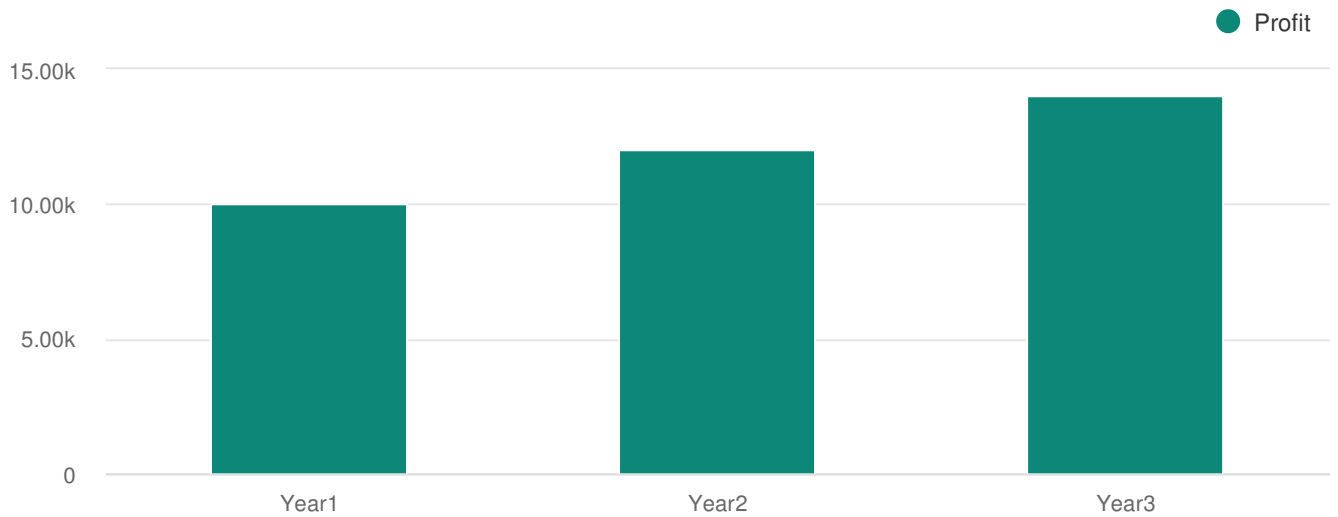
Brake-even Analysis

Monthly Units Break-even	5530
Monthly Revenue Break-even	\$159 740
Assumptions:	
Average Per-Unit Revenue	\$260,87
Average Per-Unit Variable Cost	\$0,89
Estimated Monthly Fixed Cost	\$196 410

Projected Profit and Loss

	Year 1	Year 2	Year 3
Sales	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
Expenses			
Payroll	\$138 036	\$162 898	\$187 760
Sales and Marketing and Other Expenses	\$1 850	\$2 000	\$2 150
Depreciation	\$2 070	\$2 070	\$2 070
Leased Equipment	\$0	\$0	\$0
Utilities	\$4 000	\$4 250	\$4 500
Insurance	\$1 800	\$1 800	\$1 800
Rent	\$6 500	\$7 000	\$7 500
Payroll Taxes	\$34 510	\$40 726	\$46 942
Other	\$0	\$0	\$0
Total Operating Expenses	\$188 766	\$220 744	\$252 722
Profit Before Interest and Taxes	\$105 205	\$146 040	\$186 875
EBITDA	\$107 275	\$148 110	\$188 945
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$26 838	\$37 315	\$47 792
Net Profit	\$78 367	\$108 725	\$139 083
Net Profit/Sales	30,00%	39,32%	48,64%

Profit Yearly



Financial Year

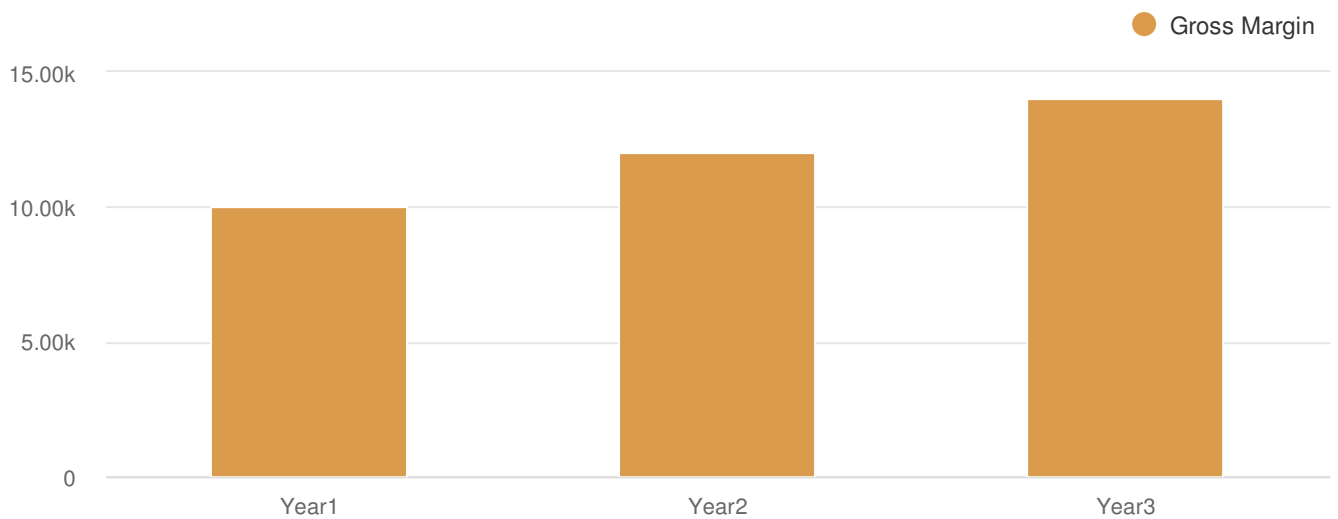
Profit

Year1	10000
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Year2	12000
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Year3	14000
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Gross Margin Yearly



Financial Year

Gross Margin

Year1	10000
-------	-------

Year2	12000
-------	-------

Year3	14000
-------	-------

Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
SUBTOTAL CASH FROM OPERATIONS	\$47 143	\$53 651	\$59 359
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
SUBTOTAL CASH RECEIVED	\$47 143	\$53 651	\$55 359
Expenditures from Operations			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
SUBTOTAL SPENT ON OPERATIONS	\$35 296	\$39 549	\$43 582
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
SUBTOTAL CASH SPENT	\$35 296	\$35 489	\$43 882
Net Cash Flow	\$11 551	\$13 167	\$15 683
Cash Balance	\$21 823	\$22 381	\$28 239

Projected Balance Sheet

Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$184 666	\$218 525	\$252 384
Accounts Receivable	\$12 613	\$14 493	\$16 373
Inventory	\$2 980	\$3 450	\$3 920
Other Current Assets	\$1 000	\$1 000	\$1 000
TOTAL CURRENT ASSETS	\$201 259	\$237 468	\$273 677
Long-term Assets			
Long-term Assets	\$10 000	\$10 000	\$10 000
Accumulated Depreciation	\$12 420	\$14 490	\$16 560
TOTAL LONG-TERM ASSETS	\$980	\$610	\$240
TOTAL ASSETS	\$198 839	\$232 978	\$267 117
Current Liabilities			
Accounts Payable	\$9 482	\$10 792	\$12 102
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$9 482	\$10 792	\$12 102
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$9 482	\$10 792	\$12 102
Paid-in Capital	\$30 000	\$30 000	\$30 000
Retained Earnings	\$48 651	\$72 636	\$96 621
Earnings	\$100 709	\$119 555	\$138 401
TOTAL CAPITAL	\$189 360	\$222 190	\$255 020
TOTAL LIABILITIES AND CAPITAL	\$198 839	\$232 978	\$267 117
Net Worth	\$182 060	\$226 240	\$270 420

Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
Percent of Total Assets				
Accounts Receivable	5,61%	4,71%	3,81%	9,70%
Inventory	1,85%	1,82%	1,79%	9,80%
Other Current Assets	1,75%	2,02%	2,29%	27,40%
Total Current Assets	138,53%	150,99%	163,45%	54,60%
Long-term Assets	-9,47%	-21,01%	-32,55%	58,40%
TOTAL ASSETS	100,00%	100,00%	100,00%	100,00%
Current Liabilities	4,68%	3,04%	2,76%	27,30%
Long-term Liabilities	0,00%	0,00%	0,00%	25,80%
Total Liabilities	4,68%	3,04%	2,76%	54,10%
NET WORTH	99,32%	101,04%	102,76%	44,90%
Percent of Sales				
Sales	100,00%	100,00%	100,00%	100,00%
Gross Margin	94,18%	93,85%	93,52%	0,00%
Selling, General & Administrative Expenses	74,29%	71,83%	69,37%	65,20%
Advertising Expenses	2,06%	1,11%	0,28%	1,40%
Profit Before Interest and Taxes	26,47%	29,30%	32,13%	2,86%
Main Ratios				
Current	25,86	29,39	32,92	1,63
Quick	25,4	28,88	32,36	0,84
Total Debt to Total Assets	2,68%	1,04%	0,76%	67,10%
Pre-tax Return on Net Worth	66,83%	71,26%	75,69%	4,40%
Pre-tax Return on Assets	64,88%	69,75%	74,62%	9,00%
Additional Ratios				
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.
Activity Ratios				

	Year 1	Year 2	Year 3	Industry Profile
Accounts Receivable Turnover	4,56	4,56	4,56	N.A.
Collection Days	92	99	106	N.A.
Inventory Turnover	19,7	22,55	25,4	N.A.
Accounts Payable Turnover	14,17	14,67	15,17	N.A.
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
Debt Ratios				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
Liquidity Ratios				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	0,45	0,48	0,51	N.A.
Current Debt/Total Assets	4%	3%	2%	N.A.
Acid Test	23,66	27,01	30,36	N.A.
Sales/Net Worth	1,68	1,29	0,9	N.A.
Dividend Payout	0	0	0	N.A.