

GONDI GOLDEN FURNITURE™ FURNITURE BUSINESS PROPOSAL

INTRODUCTION

My name is Mr. Linus Gondi Hamuel, Fourty four (44) years or age. I hail from plateau state. But residing in the FCT Abuja.

ACADEMIC BACKGROUND

I am a senior secondary school certificate holder, I did my secondary education in the year 1977 - 1983 from the prestigious Government secondary school Danbatta, in kano state.

PAST JOB EXPERIENCE

As a young boy growing up I had passion for furniture manufacturing and carpentry art work. I would shuffle school to the workshop and study the art of wood making and furniture manufacturing, I admired how tables and chairs were constructed from simple wood to beautifully designed finished products of household furniture. As my passion grew I decided to join the industry to Start a carpentry business that focuses on the high-end market, with quality furniture and modern designs. Hence I have been in the industry of furniture manufacturing and carpentry since I graduated from school.

CURRENT BUSINESS

As I mentioned earlier I have been in to furniture manufacturing ever since I graduated from school. I am an expert in home and office furniture manufacturer, principally involved in design, manufacture and sale of home/ office furniture products with my enterprise name being Hamuel and sons Furniture Inc. It is an abuja based corporation that has provide carpentry services to residences and home builders in its targeted market. Hamuel and sons Furniture Inc. Started in 1990 by myself.

SUCCESS RECORDED SO FAR

It is an established fact that furniture is a major part of our lives cum facilities; there is hardly any facility that you will come across that you won't find a piece of furniture in it. This goes to show that the furniture manufacturing industry is indeed an important sector of the economy of any country.

Our mission is to be a recognized leader and preferred carpentry service provider for customers; by delivering unequaled carpentry services through a highly qualified staff of trained professionals, with total commitment to integrity and excellence.

Most of our customers are mainly wholesalers, retailers, chain stores and traders. And we have designed

furnitures and supplied to major malls and showroom business owners within the FCT and its environs, that includes Nasarawa state and towns within its locality.

Over the years We strive to offer elegant home furniture products at better rates, quality and delivery time. The results are virtually beyond one's expectations, giving our customers exceptional satisfaction that is simply our commitment. Another success worth mentioning is that I have trained over 50 youths in furniture manufacturing and have gainfully stayed self employed amongst other successes achieved.

CHALLENGES

The furniture manufacturing industry is indeed a lucrative one. However, it is such that requires plenty of capital to start. This type of business needs loads of manpower as well as capital to run. This is essentially because it requires not just man power but also certain Hand tools and equipments that will enhance the smooth production of the furniture piece, and you will agree with me that Furniture making include lots of processes, From sourcing for the raw materials to preparing the materials and what have you, production costs in Nigeria is usually a challenge

There's an increasing demand for smart furniture in offices, with the aim of boosting productivity, while still creating modern aesthetics for ambience. Furniture is, undoubtedly, part of interior design, but its more than just decor, thus a major challenge to meet up.

Despite the uptake in Nigeria manufacturing as a whole over the past year, furniture manufacturers face a set of challenges that will make it difficult to compete in the coming years. While some of these obstacles apply to manufacturing in general, furniture manufacturing is especially sensitive to price fluctuations, customer demand, and a stiffly competitive environment.

The top challenges I am currently facing are Finances to cater for the operation costs, skilled labour shortages, increasing costs of tools and Raw materials. and fluctuating customer demand.

OUR PRODUCTS AND SERVICES

Hamuel and sons Furniture Inc. is in the furniture manufacturing industry to manufacture both home and office furniture; to service a wide range of clients and of course to make profits, which is why we will ensure we go all the way to give our clients and potential clients options.

Our product offerings are listed below;

Manufacturing of household furniture (living room, dining room and bedroom furniture, upholstered, coffee tables, sofa tables, end tables, sofas, love seats, chairs, bookshelves, ottomans, display cabinets, consoles, Drawer chests, cabinets, foot stools, side stools, tables, wardrobes, cupboards, TV stands, and what have you.

- Manufacturing stationary sofas/ sofa-sleepers
- Manufacturing metal household and office furniture
- Manufacturing custom architectural woodwork and other fixtures
- Manufacturing showcases, partitions, shelving and lockers

As stated above, we specialize in the installation of wood frames, shelves, cabinetry, staircases, banisters, and other parts associated with the practice of carpentry. The enterprise works directly for residence/ property owners as well as home builders and general contractors that will subcontract work to the Company. Other services include : Wood Frame Maintenance and Inspection

The Carpentry Contractor will also generate revenue from ongoing maintenance and repair fees from its installations. This revenue will allow the Company to remain profitable regardless of the overall economic climate,

Creating furniture for offices, hotels, schools, hospitals, airports, recreational centers such as pools/ bars or daycares,

As stated before, there are many state and local ordinances that require building and home owners to have regular inspections and maintenance of their properties regarding structural integrity. By virtue of the law, the market will always provide a steady income stream to market agent.

PRODUCTION COST

Now that the country is tilting toward 'Made In Nigeria' and encouraging the consuming public to support the local industries, production costs in Nigeria is usually a challenge for almost every Furniture business, In production, most equipments and materials are not easily sourced here a number of them have to be brought in - this is an expense. Next cost, is power issues, especially with the recent Hike in electricity tariff, a number of Furniture piece require electrical equipment for their complete manufacturing hence adds to the cost of production.

Training staff, sourcing for your raw materials, transportation/ delivery costs, certifications etc. all these add up, which lead eventually to an expensive/ pricy finished product

The cost of producing Different types of furniture varies especially with the Covid-19 pandemic.. Cost of materials are high as such has affected our production cost as well.

- Wardrobe produced at 250,000
- Set of couches produced at 300,000

- Bedframe produced at 120,000
- Dining table produced at 185,000
- Kitchen cabinets produced at 145,000
- Office desk & Drawers produced at 115,000
- Office seatings/ Chairs produced at 75,000 per one
- Side/ coffee table produced at 45,000
- Center table produced at 90,000
- Foot stool produced at 10,000

SELLING COST

Our pricing Strategy

Aside from quality, pricing is one of the key factors that gives leverage to furniture manufacturing companies, it is normal for consumers to go to places (furniture manufacturing companies and showrooms) where they can get home and office furniture at cheaper price, hence we will ensure that the prices and quality of all the furniture products that we manufacture and are available in our showroom are competitive with what is obtainable amongst furniture stores within our level and are also a value for the money being paid. Below is our selling costs of the different products we manufacture at Hamuel and sons Furniture Inc.

- Wardrobe sold at 290, 000
- Set of couches sold at 350, 000
- Bedframe sold at 150, 000
- Dining table sold at 220,000
- Kitchen cabinets sold at 185,000
- Office desk & Drawers sold at 130,000
- Office seatings/ Chairs sold at 100,000 per one
- Side/ coffee table sold at 65,000

- Center table sold at 115,000
- Foot stool sold at 15, 000

(C) PROFIT

WHAT I NEED THE MONEY TO FUND AND WHY

Furniture is, undoubtedly, part of interior design, but its more than just decor hence, a major reason why I need funding is to meet up with the growing demands of customer by developing a product range that differentiates itself from competitors' products: my products will be more modern, smart-looking and smooth. When I get the Funding I will make use of professional and modern carpentry machines. My products will be presented in an attractive showroom with the marketing material, which I look forward to creating.

Below is a breakdown of what I need the money to fund:

On a rough estimate I will require sixteen million Naira in the following areas

EQUIPMENT

The need to get up to date equipment in furniture manufacturing is key, I intend to invest a reasonable amount in getting professional and modern equipments that will enable me and my team to improve our work flow, risk management and liquidity. Which will in turn allow me to hold on to my working capital and use it for other important business activities. the modern woodworking trade is highly technical and relies on advanced equipment and highly skilled operators. Advanced furniture makers use automated machinery, such as computerized numerical control (CNC) machines, to do much of the work with great accuracy. Along side other important equipments like Drilling machines, Hammer, saw, Circular Saw, Hand Saw, Tape Measure, Jigsaw, Power Drill, Chisels, Marker or Pencil, Smooth Bar, Pinches, Jack Plane, Spokes have, Screw Driver etc..

WORKING MATERIALS

continuing investment in contemporary furniture working materials will help me improve skills, design, creativity, research, innovation, and new technologies can result in new products which are in line with the changing population structure, lifestyles and trends, as well as with new business models and supplier-consumer relationships.

It's of great importance that much investment is made in working materials such as wood, Nails, Fibre and leather for making couches, Gums, iron, foams, glass, and what have you.

FACILITIES AND RENT

Cost of acquiring a workshop and showroom especially in Abuja is a hard nut but remains paramount as long as visibility and promotion criteria are to be considered.. Here I look forward to expanding and acquiring a more larger space for the company, I also intend renting a showroom office to display all the products and services Gondi Golden Furniture Inc. Are producing.

I intend furnishing the show room with some basic amenities like airconditioner, lighting, running water, a decently decorated reception and ambience, Television and cable TV and what have you.

SALARY (STAFF SALARY)

- Chief Executive Officer (Owner)
- Workshop Manager
- Human Resources and Admin Manager
- Sales and Marketing Manager
- Carpenters and Furniture Markers
- Accountants / Cashiers
- Customer Services Executive
- Drivers to transport furniture to display centers, departmental stores, institutions and companies.
- Cleaners

NEEDS FOR THE MONEY

Publicity and Advertising Strategy

Despite the fact that our furniture manufacturing company and showroom is well located, we will still go ahead to intensify publicity for the business. We are going to explore all available means to promote our furniture manufacturing company.

Gondi Golden Furniture™ Furniture Inc. has a long term plan of opening our showrooms in various locations all around The F CT Abuja and Nasarawa state which is why we will deliberately build our brand to be well accepted in Abuja before venturing out.

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 Gondi Golden™ Furniture, Inc.;

Place adverts on community based newspapers, radio stations and TV stations.

Encourage the use of word of mouth publicity from our loyal customers

Leverage on the internet and social media platforms like; YouTube, Instagram, Facebook ,Twitter, LinkedIn, and other platforms to promote our business.

Ensure that our we position our banners and billboards in strategic positions all around Abuja metropolis and locality within Nasarawa state

Distribute our fliers and handbills in target areas in and around our neighborhood

Contact corporate organizations, households, landlord associations and schools by calling them up and informing them of Gondi Golden™ furniture Inc. and the furniture products we manufacture and sell

Advertise our furniture manufacturing company and showroom in our official website and employ strategies that will help us pull traffic to the site

Brand all our Delivery trucks and ensure that all our staff members and management staff wears our branded shirt or cap at regular intervals.

EXPANSION PLAN

Our expansion plan includes the expectations that the business will aggressively expand during the first three years of operation. We intend to implement marketing campaigns that will effectively target homeowners, building owners, and home developers within the target market.

Management anticipates that its largest client base will come from the residential arena. As time

progresses, the Company may engage more complicated industrial and high-end commercial framing and related carpentry installations.