

NIA OT FOODS LIMITED

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Proposal and Expression of Interest

Nia OT foods limited is an agro-processing, food packaging and marketing and a food research start-up venture created by Theophilus Owusu a determined and dedicated individual who has three years working experience in the field of agriculture. As a plantation manager, I have built a lot of network and competency in food production and plantation management due to my skills, knowledge and ability to connect with others. My passion and vision have helped to create this endeavour.

NIA OT Foods Limited produces fruits, vegetable, herbs, spices and bee products. With passion and dedication, we take our time to grow all products on our own farms, so we can deliver the highest quality to individuals and companies. At NIA OT Foods, we serve our clients with the best products at the best price.

Our aim is to provide affordable and quality foods to improve global food security. By producing and processing foods sustainably, we can curb undernourishment and increase food availability. NIA OT Foods LTD. is building long-term partnerships and contributing to development in communities of operation.

By focusing on high quality products delivery, availability, affordability, a wide range of products and continuous development of employees, Nia OT is projected to grow and increase revenue to a \$200000 five years while maintaining a high gross margin on sales, strengthening cash management and working capital.

The location of Nia OT is desirable as it is situated in a rural community where we can mobilize labour, get access to land and contribute to community development, with an easy link to market. This will enable us cut down cost and sell at a great price with quality products, giving clients a wide range of food products at a glance. Our chosen target market with young and old aged above 16 years who use herbs, spices and bee products for food and health enhancers will account for about 80% of our market with the 20% being industries who use herbs, spices and bee products as raw materials.

A review of our competitors shows that we will be competing with a number of establishments across the country. These businesses focus on different target markets, pricing structures, and marketing approaches. With our consistent high-quality products, services and pricing. We have the edge in attracting customers by delivering a wide range of products with good customer service in one convenient location. Our concrete marketing plan will distinguish us as a food production and processing choice.

As a start up, we estimate the company requires \$15515.57 to launch its processed products on the market and operate until we have a positive cash flow, out of this amount, we have invested \$3103.11

to start the initial process of the business establishment. Of the \$15515.57 in start-up funds \$12067.66 is targeted for the initial expenses, the remaining \$3447.90 is needed to pay for the general operating expenses. We will grow from a one-acre production to a 160-acre production capacity in four years. This will enable us increase our processing capacity from 8 tonnes in sales volume of herbs and spices to 450 tonnes.

Nia OT will generate sales revenue by selling fresh vegetables, moringa powder, dried moringa leaves, moringa tea bags with different flavours, ginger powder and chips, honey and bee wax. We are forecasting a \$8513.22 net profit selling 8 tonnes of herbs, spices and bee products in our second operational year, \$13488.63 in our third operational year. We will realise these amounts because, we will be expanding, building more market and increasing our processing capacity. We will be selling to households, restaurants and other companies locally and abroad. In a three-year period, we will engage 206 people in the business development and employ 87 people directly in various sections of the company (production, processing, transport, marketing and technical officers).

In other to reach our desired goals and objectives, Nia has to focus on developing its farms and raw materials section in the first five years of operation by ploughing back 60% of the total revenue back into that section in the first three years whiles, the rest goes into expansion of processing capacity and marketing. It will then be narrowed down to 50% after the three years for an extra two years, to enable us meet our target growth.

To start the journey to achieving this feat Nia OT has to be able to raise and inject an initial capital of \$15515.57 to build a complete system together with documentation to enable us market our product locally and internationally. This amount covers farm set –up, processing setup (equipment and infrastructure) and all necessary documentation needed to market our product.

We also have to establish great distribution channels, put together good human resource, invest in machinery and structures and advertise effectively to establish a great brand. A period of 8 years will be used. With the first four years used in internal and product development (farm setup, out grower schemes setup, building networks, distribution channels, and marketing) whiles the next four years will be focused on advertisement and brand developments (supporting events, doing massive campaigns and introducing a wide range of value-added products).

NIA OT currently has two full time workers and one part time worker. We currently engage the services of hired labour in our operations when needed and pay them on either daily rate or on contract charge depending on the nature of engagement. Currently the labour force comprises of experienced and skilled experts and the engagement of hired labour to execute the required tasks.

Nia OT is the answer to an increasing demand for quality fresh and processed fruits, vegetables, herbs, spices and bee products that meet the demands of all users from industry to ready consumers.

REVENUE MODEL

We are going to make money through cash and carry purchase sales of our produce to consumers and also subscribe our retained customers on to a platform so they can select from herbs, spices, fruits and vegetables that is available, their preferred blends and quantity to be delivered weekly to them so they can pay when delivered. These revenue models will enable us retain more customers and also get a steady cash flow for running our business.

SWOT ANALYSIS

STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> • Excellent location • Strong network with experts • Good production and setup plan • Experienced team • Good customer relationship 	<ul style="list-style-type: none"> • High start up cost • Difficulty accessing quality inputs • Difficulty in delivering produce • Missing some expertise due to high cost of engagement
OPPURTUNITIES	THREATS
<ul style="list-style-type: none"> • Growing demand for vegetables • A growing elite class • Urbanization and development • Efficient production technologies • New marketing strategies 	<ul style="list-style-type: none"> • Competition from farms with large funding • Similar farms • Financing gaps • Changing climate • Pests • Competing land uses

MARKETING PLAN

PRODUCT

Nia OT currently produces and markets fresh vegetables such as cabbage, lettuce, carrot, sweet pepper, okra, cucumber, spring onions, garden eggs, bulb onions, dry moringa leaves and moringa powder . We are also involved in the marketing of spices and herbs such as ginger and cloves. Our products are produced with adherence to good agriculture practices so we therefore produce quality and health foods and deliver it to our customers wherever they are relieving them of the stress involved in going to the market to acquire.

PRICING STRATEGY

Even though NIA OT plans on delivering premium quality we hope to set our prices at the current average market prices other competitors are selling their products, to give our consumers and clients great value for their money and convenience of purchasing our product. Over time we will increase our prices in correspondence to the value added to our products and our operational cost. We will sell to our hotels and restaurant clients in kilos with prices averaging with current commodity prices with cost of transportation and operational cost factored and we will also adopt a similar approach with our household clients. With our wholesalers and retailers, we will sell to them at current market prices with factored cost of transportation. We will adopt this pricing strategy because we are an emerging business now building a business reputation and a customer base.

PROMOTION STRATEGY

NIA OT plans of using word of mouth to inform people in our communities of operation and people in other places where we go about our products and operations, taking of contacts of people to ask from time to time if they are in need of our produce, interactions with potential clients in the market about our products and our interest in doing business with them, through online ads, print media and

campaigns once in a while we can also reach some customers who are beyond our advertising reach, by participating in events and trade fairs we can showcase our products for people to see, buy, develop interest and build contacts. This is a strategy to increase consumer awareness and create a demand for our product to ensure its long-term success.

DISTRIBUTION STRATEGY

We hope to distribute our products to customers through personal delivery with motorbikes, a van and a tricycle. Some agents who will be involved to ensure our produce are delivered and sold are local vegetable wholesales and retailers. Because our market is composed of customers all over, it is will be a good strategy to adopt to ensure convenience of accessing the product. Our plan is to set community vegetable markets also at vantages in communities in the future as we grow to ensure a more direct link to our consumers and provide easy accessibility.

CUSTOMER RELATIONS

We offer loyalty purchase discount, feedback address and customer interaction desk, free insights and education on vegetable benefits and recipes on our websites and social media handle platforms, ceremonial wishes of our clients. We do this to maintain a long-lasting relationship with our clients, address their concerns and take feedback from them for better product delivery and business growth

NIA OT FOODS PROCESSING CENTER CONSTRUCTION BUDGET

COMPONENTS	COST (\$)
Processing structure construction	5171.86
Processing equipment	3447.90
Processing center furniture	851.98
Energy to power processing equipment	1379.16
Water source	1723.95
Labour	1034.37
Certification	354.79
Miscellaneous	1551.56
Total	15515.57