

EXECUTIVE SUMMARY

PURPOSE

The purpose of this plan is to set out a strategic plan for investment to expand the business by around 60% - to turnover of £700,000 – over the next three years. The initial steps to achieve this will be by purchasing of larger premises, improving production facilities and introducing a new range of staircases.

BACKGROUND

The company's audited turnover for year ending 31 March 2004 was just under £400,000, with profits of £39,500, and turnover for this year is on target for £445,000 with increased profits.

The company has outgrown its present facilities and needs more space, firstly, to meet the demand for its traditional joinery work, and, secondly, because it is also planning to introduce a new range of staircases which it has developed.

MARKET

The market for traditional joinery has been buoyant for a number of years and the company are confident that this will continue to sustain growth in their existing windows and doors sales. However, they have seen a need for a different approach to staircase design and have developed a concept which research has shown has some considerable appeal amongst architects and house designers.

OPPORTUNITY

The new staircase range represents a different concept, in offering a choice of various styles that can be constructed to suit almost any building situation. This offers architects, house designers and builders the opportunity to specify a wide range of alternative options to the standard flight of stairs at very little extra cost. As far as the company is aware there is no other manufacturer offering this service on the scale proposed.

OBJECTIVES

The objective of the company is to become a leading quality supplier of traditional joinery within the London & South-East region. The target for Year 1 is to achieve turnover of £525,000 with profits of £45,000, growing to £700,00 in Year 3 with profits of £90,000. In Year 1, the company intends to update its profile and spend £30,000 on proactive marketing, including a new website, direct mail and new sales literature.

SUCCESS POINTERS

The company has carried out some research on the new designs for its staircase range and the indications for this, together with expressions of interest from the trade have been very favourable. With their established track record and reputation for quality and customer care, the company are confident of success with this new venture.

FINANCIAL REQUIREMENTS

The company is looking for funding of £170,000 to fund the move to new premises and invest in new equipment in order to streamline and expand the existing business as well as develop the new staircase range.

It is anticipated that the bank will wholly or part finance the required sum. Alternatively, the company is also willing to consider funding from an investor in return for a minor shareholding.