



De La Salle University - Dasmariñas
GRADUATE PROGRAM

**ESTABLISHMENT OF A
TRANSPORTATION COOPERATIVE IN
DASMARINAS, CAVITE, PHILIPPINES**

TS50

**A Project Feasibility Study Presented to the
Faculty of the Graduate School of Business
De La Salle University-Dasmariñas
Dasmariñas, Cavite, Philippines**

**In Partial Fulfillment of the
Course Requirements for the Degree
Master in Business Administration**

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ABSTRACT

TITLE : Establishment of a Transportation
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Cavite.

SUMMARY

The rapid urbanization of Cavite plus the increase of population due to migration has increased the demand for transportation in Dasmariñas. This need is expected to grow since Dasmariñas will soon become a city. It is therefore on this note that the proponent made a study on the establishment of a transportation business.

To establish the project's viability, studies were made on the organization and management, marketing, technical and financial consideration.



ORGANIZATION AND MANAGEMENT

The form of business enterprise for the proposed project is a cooperative. This is because the proponent is one of the founding members of the existing cooperative in the area " Buklod Multi - Purpose Cooperative." The study will serve as the basis for establishing its own transportation business which is the next project of the cooperative. It will be registered with the Cooperative Development Authority so it would have a legal personality. To run the business, it will have a manager, cashier, secretary/receptionist, dispatcher, driver, inspector, and security guard. The driver and inspector may serve as the mechanic of the business. An accountant will be hired on a retainer basis only.

MARKETING ASPECT

The number of residents in Cityhomes that are working in Manila has been increasing. From 513,450 in 1995, it increased to 1,331,190 in 1998 and is expected to increase in 2003 by 2,670,225. The proposed business will provide 141,120 seats initially and will increase to 302,400 after five years. The target market will be the members of the cooperative. Lower fare, clean and well maintained facilities, quality of service and profit sharing are some of the strategies to attract more members.



TECHNICAL ASPECT

The office and garage of the said business will be in the heart of Cityhomes Resortville. Eight Mitsubishi L-300 cars will be acquired at the first year of operation. Additional two cars will be acquired every year. First trip will be at 4:30 AM and last trip at 8:30 PM. In the morning, passengers will be headed from Cityhomes to Lawton or Ayala and vice versa in the afternoon. A ticket will be issued upon payment of fare.

FINANCIAL ASPECT

The initial investment for the project is P4,777,300. Funds will come from the members' equity and through loans and grants amounting to 3,000,000 and 2,000,000, respectively. To determine the profitability and viability of the project, the short term and long term equity ratio, asset utilization and average profitability ratios were taken for a five year time frame.

SOCIO - ECONOMIC ASPECT

The cooperative is recognized as a social and economic institution for national development. It demonstrates the concept of sharing of power and resources. It also encourages participation and empowerment of members.



Aside from alleviating the shortage in transportation, the project will provide employment to individuals. Members of the coop will enjoy lower fare prices as well as profit sharing.

