

FEASIBILITY ABSTRACT

I. Title : A Feasibility Study On Tricycle "sidecar" Builders

II. Total No. of Pages:

III. Authors: Antonio, Peter Tom

Camanag, Widmark

Melo, Michael Jayson

IV. School: De La Salle University - Aguinardo

Dasmarinas, Cavite

V. Summary:

A. Management Aspect

The proposed project is a small scale business with a capital investment of P 500,000.00/financed by Mr. Peter Tom Antonio. The business is organized as a sole proprietorship considering the amount of capital and personnel it requires. The organization as a whole are composed of the manager/owner, the accounting clerk, the sales representative and the three workers. The three workers will be given a monthly salary of 3,000 pesos and the sales representative will have a 15% commission for every sidecar he can sell. The pre-operating activities shall be undertaken for the period of eleven months.

B. Marketing Aspect

Based on the surveys and personal interviews of the researchers, this sidecar making business is still profitable until now cause more commuters are growing in Dasmarinas.

There are two manufacturers in the municipality concentrating only on producing galvanized type of sidecars but this business concentrates on semi-special type of sidecars. The offering price of the business is 17,000 pesos / unit which will increase 10% yearly while the existing price of semi-special type is 18,500 pesos per unit. The terms of payment is on cash basis. The business will sell the product directly to the customers or by the help of the sales representative. There is a great demand in this business rather than supply, so it is not difficult for the project to penetrate the local market in Dasmarinas. The business projected to produced 48 units of sidecar for the first year operation and 70 units on the fifth year which projected a sale of P 1,742,300 pesos. In this case, the business can expand more and bigger in the future years.

C. Technical Aspect

The AMC Tricycle "sidecar" Builders is located in Dasmarinas Cavite, corner University Avenue and Aguineldo Hi-way. The area of the plant is 150 square meters. The raw materials are coming from the different markets and suppliers in Dasmarinas, Imus, Bacoor, Etc. There is no shortages in the kinds of materials to be use in the production of sidecar bodies. The waste materials of the business like pieces of metals and steels will be sold to junk shop. The workers of the business are all hired directly. The manufacturing process of the business are

building of chassis, drawing and cutting, bending and welding, buffing and sanding, washing, painting, upholstery and alignment to the motorcycle.

D. Financial Aspect

The beginning capital of the business is P 500,000 pesos in order to operate the business or to acquire the technical requirements and the pre-operating activities. All manufacturing costs, operating expenses, production and price per unit are expected to increase by 10% rate annually. The net income for the first year is P 35,824.00, second year is P 70,212.00, third year is P 110,842.00, fourth year is P 165,456.00 and on the fifth year is P 229,631.00, so there is an increase in net profit of the business for the five years operation. The amount to be receive from the sales of waste materials will be an additional income for the business.

E. Socio-Economic Aspect

✓ This business will have a direct contribution to the government by paying taxes per annum. ✓ It will help the commuters in the municipality minimize hot and inconvenience feelings while travelling by making this sidecars as a transportation vehicles in time. ✓ This business can help minimize the unemployment rate because some individuals will benefit from the project. The researchers realized that this project will help the economic development here in Dasmariñas, Cavite which the business will serve.