

PEANUT BRITTLE

(PFSO)

A Project Feasibility Study Presented
to the Faculty the College of Business Administration
De La Salle University-Aguinaldo
Dasmarinas, Cavite

In Partial Fulfillment
of the Requirements for the Degree of
Bachelor of Science in Business Administration

By

RODERICK P. OCTAVIANO
GINA AURA A. PALACIOS
RHOMINA F. RODRIGUEZ

1994



FEASIBILITY STUDY ABSTRACT**TITLE:** Production of Peanut Brittle in Tagaytay City**AUTHOR:** Roderick P. Octaviano

Rhomina F. Rodriguez

Gina Aura A. Palacios

TYPE OF DOCUMENT: Feasibility Study**NAME AND ADDRESS OF INSTITUTION:** De La Salle University-Aguinaldo, Dasmariñas, Cavite**DEGREE:** Bachelor of Science in Business Administration**YEAR COMPLETED:** 1994**NO. OF PAGES:** 4**SUMMARY:****I. ORGANIZATIONAL AND MANAGEMENT ASPECT**

The production of peanut brittle is a small-scale business. The chosen form of business organization is a single or sole-proprietorship.

There will be four (4) personnel, the manager who owns the business; the salesperson who will be assigned in selling the product; the worker who will be incharge of the production; and the helper. Employee will be given just compensation.

II. MARKETING ASPECT

The target market of the business will be the tourists, the people who resides near the business



sight and the industrial users.

Also, the supply and demand of the product was being discussed in this chapter. The trade practices of the company. In terms of the advertising and promotion of the product the business will be using bill boards, attractive decorations and the most important is the high quality that the business can offer.

III. TECHNICAL ASPECT

In this aspect the physical and chemical properties of the product are being discussed. The business will use a single-detached building. The raw materials of the product are sugar, peanuts, margarine, baking soda and salt. The operation will be located in the area of Tagaytay. Machineries and equipment will be purchased for the production of the product.

IV. FINANCIAL ASPECT

The initial proposed capital for the production of peanut brittle is P250,000.00. The initial proposed capital is sub-divided as follows: fixed capital P107,440.00, working capital P58,402.00, pre-operating expenses P5,000.00 and the remaining P79,158.00 will be for the contingency plans of the business.



V. SOCIO-ECONOMIC ASPECT

The proposed project can offer job for the unemployed person, give fair wages and incentives to the workers. The business contribute to the government by means of taxes from operation.

TABLE OF CONTENTS

	Page
PRELIMINARIES	
Title Page	
Approval Sheet.....	i
Abstract.....	ii
Acknowledgement.....	v
Dedication.....	vi
Table of Contents.....	vii
List of Tables.....	ix
List of Figures.....	x
CHAPTER	
I INTRODUCTION	
Background of the Study.....	1
Statement of the Problem.....	6
Objectives.....	7
Significance of the Study.....	8
Scope and Delimitation.....	9
Definition of Terms.....	10
Review of Related Literature	
Foreign Study.....	11
Local Study.....	12
Methodology.....	12
Research Design.....	12
Subject.....	13
Research Procedure.....	13
Research Instrument.....	13
Sources of Data.....	13
Statistical Treatment.....	14
II PROJECT SUMMARY.....	16
III ORGANIZATIONAL AND MANAGEMENT ASPECT	
Form of Business Organization.....	17
Personnel Specification.....	20

De La Salle University - Aguinaldo

VIII

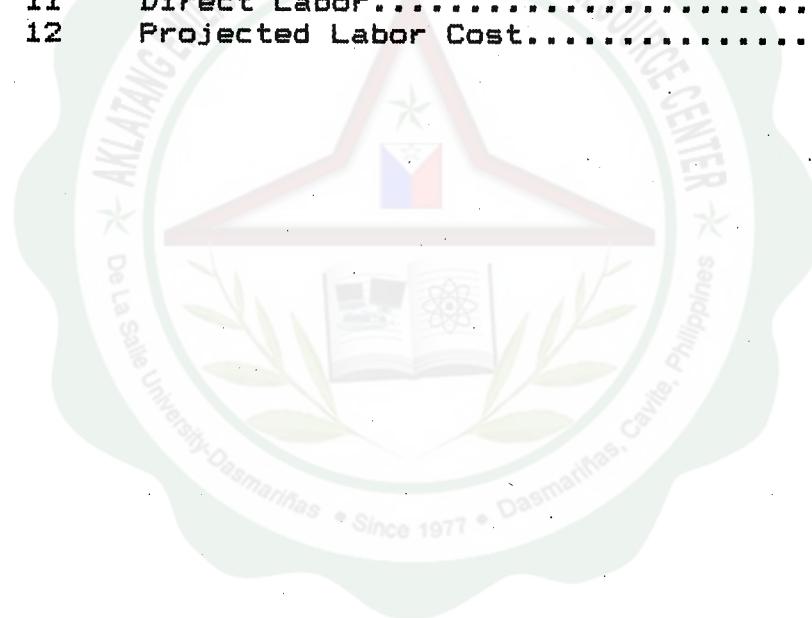
Page

Hiring of Personnel.....	21
Salary and Wages Administration.....	22
IV MARKETING ASPECT	
Market Description.....	24
Analysis of Supply and Demand.....	24
Historical Demand Data.....	24
Historical Supply Data.....	27
Trade Practices.....	29
Marketing Program.....	30
Pricing Policies.....	31
Channel of Distribution.....	32
Advertising and Promotion.....	32
V TECHNICAL ASPECT	
Product Description.....	34
Manufacturing Process.....	34
Location.....	35
Machinery and Equipment.....	38
Building Structures and Specification.....	39
Raw Materials.....	39
Utilities.....	42
Waste Disposal.....	43
VI FINANCIAL ASPECT	
Total Project Cost.....	44
Sources of Financing.....	44
Financial Assumptions.....	44
Projected Statements.....	45
Break Even Analysis.....	47
Return on Investment.....	47
Financial.....	47
VII SOCIO-ECONOMIC ASPECT.....	
VIII CONCLUSION AND RECOMMENDATION.....	
REFERENCES.....	50
APPENDICES.....	51



LIST OF TABLES

Table	Page
1 Historical Demand.....	25
2 Projected Demand.....	26
3 Historical Supply.....	27
4 Projected Supply.....	28
5 Demand-Supply Gap and Market Share.	29
6 Distribution of Target Share.....	30
7 Sales Forecast.....	31
8 Machinery and Equipment.....	38
9 Estimated Unit and Cost of Office Equipment.....	38
10 Raw Materials Price/Unit.....	41
11 Direct Labor.....	41
12 Projected Labor Cost.....	42



LIST OF FIGURES

Figures	Page
1 Paradigm Model.....	2
2 Organizational Chart.....	18
3 Functional Chart.....	19
4 Gantt Chart.....	23
5 Channel of Distribution.....	32

