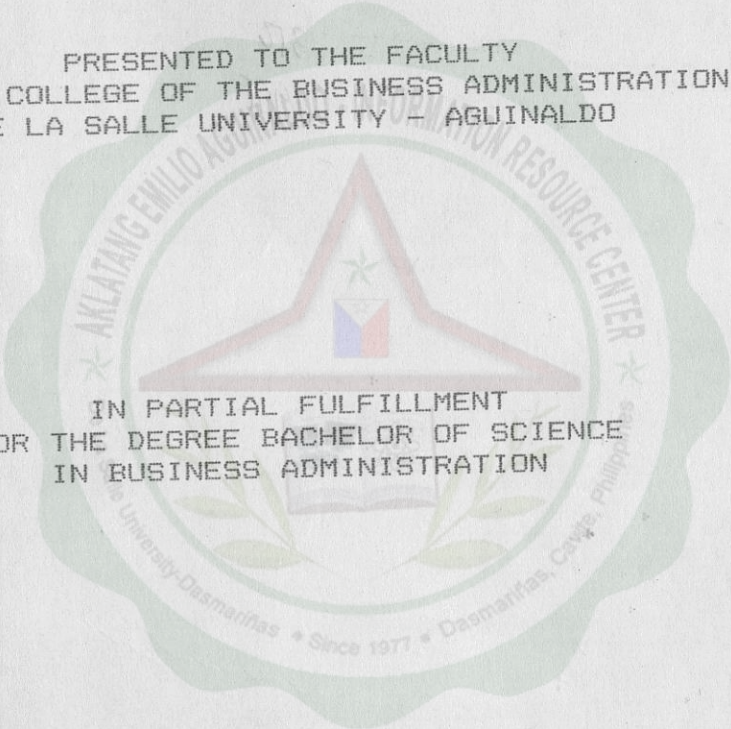


A PROJECT FEASIBILITY STUDY ON THE ESTABLISHMENT OF
INDUSTRIAL SALT MANUFACTURING
in Calatagan, Batangas

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PRESENTED TO THE FACULTY
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IN PARTIAL FULFILLMENT
FOR THE DEGREE BACHELOR OF SCIENCE
IN BUSINESS ADMINISTRATION

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ABSTRACT

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SUMMARY:

Introduction

Saltmaking is an old industry. It was started by the people living around the Manila Bay, even before the coming of the Chinese traders. The method, then, was very primitive, but it has undergone variable evolution towards a more efficient method today.

The "Tagalog type" of method utilizes the solar heat energy in the process called "Crystallizing beds". From the famous regions around the Manila bay, particularly Las Pinas, Rizal, Bacoor, Kawit, Cavite and Obando, Bulacan, the method was adopted purely or with some modification in various parts of the country today.

Management Aspect

The business is organized as a sole proprietorship form of organization. It is easy to operate because the owner himself will act as a manager and has an entire control of its operation.

The feasibility study covers the preparation from its initial stage up to the normal operation. In this case, ten (10) months are needed prior to start up operation after the registration of the business.

Marketing Aspect

The project has adopted "VMS Industrial Salt Manufacturing" as the business name. The business operates according to the existing trade practices. Quality of the product and the goodwill to the customers are given priority in order to satisfy them and get the patronizing behavior.

VMS will be producing industrial grade of salt for users having a 100 % mark-up from the production cost.

Technical Aspect

The proposed project site will be at Calatagan, Batangas but the sales office shall be maintained at Manila. The production processes involves the method of evaporation, concentration, crystallization, washing or draining of salt and packaging. 750 square meters of land will be acquired by the owner for the saltfarm.

Financial Aspect

The proposed study needs a total of P1,200,000 to finance the whole project. The financing scheme is 40 % loan, which is equivalent to P480,000, with an annual interest of 48 % payable in 5 equal payments for five years. While the remaining 60 % which is P720,000 shall be provided by the owner.