

EXECUTIVE SUMMARY

Plastic pollution is the main concern of the world nowadays. A huge amount of plastic pollution is entering the ocean everyday as a consequence of our habit in using single use plastic. Indonesia contribute single use plastic pollution to the ocean by 3.2 million tons every year.

Some community and franchised chained restaurants in Indonesia started to ban plastic straw as their contribution to plastic waste reduction. Customers still need straw to consume their cold drinks for some reasons and also for convenience during travelling. PT Edible Ecoware Straweed (StraWeed) sees this as a business opportunity by provide a solution to replace plastic straw with environmentally friendly ingredient, such as seaweed.

Straweed innovation is feasible since in US already the similar industry, but still limited in availability, so there will be opportunity to export straweed if Indonesia market already full. On other side there is also patent for edible bioplastic seaweed, as a starting point to modify and avoid from payment due to patent issue. Feasibility straweed in Indonesia also supported by abandon seaweed that not be usaged optimally at this moment. Tehnology will also feasible by modificate current equipment for plastic straw with new raw material seaweed.

StraWeed chooses focus differentiation as its generic strategies as it will operate differently compared to plastic straw producers. The business would not aim for profit during its introduction period with Product Lifecycle, but targeting an accelerated sales growth until customers are convenient with StraWeed and entry barrier for new players is established. Then StraWeed will take a 15% margin afterward.

The company will be located in Jababeka Industrial Park in Kendal, Jawa Tengah Province. This location is selected to have shortest distance to the seaweed community in Jepara, for export orientation in near future, and a low labor cost.