

EXECUTIVE SUMMARY

PT Wakaa Food Indonesia (WFI) is a new company in the food industry which offers a new alternative product: a gluten free snack. By consuming our product consumer will reduce the risk of being affected by metabolic syndrome/disease, such as continuous headache, constipation, and also more degenerative disease such as deprivation in nervous system, liver and other organs. The first launched product is gluten free chocolate sandwich biscuit, which has two variants: Vanilla Cream Filling and Strawberry Cream Filling.

Currently, gluten-free foods are still dominated by imported products with limited distribution channel. The consumer said that gluten free cookies taste really different from the gluten cookies. Capturing this condition as an opportunity, WFI comes as the first local manufacturer of gluten-free snack in Indonesia that provides gluten free snack for children who have gluten sensitive and health conscious person. The gluten free cookies will be taste as delicious as gluten cookies.

WFI generic strategy is Focus Differentiation. Having its narrow target market, the company will be specialized in gluten free products. The differentiation will be embedded in the company value chain. Start from high selection for inbound logistic, specialized production line only for gluten free product to eliminate gluten contamination possibilities, wide modern trade channel, establishing relationship with consumer and providing consultation for them.

WFI applies Offensive Marketing strategy to create market penetration and gain market share. The primary target market is health conscious mother from SES A & B whose children is gluten sensitive between 5 to 15 years of age. Our marketing objectives for the first 5 years are educating consumer about Gluten Free diet and

the benefit for their health, making product as consumer choices for gluten sensitive and health conscious people, establishing relationship with consumer through community, and creating consumer loyalty.

Operation department will focus on providing high quality and safe products for the consumers. Chosen raw materials and suppliers are used, gluten-free dedicated production lines and flexible operational are designed to ensure the food safety and availability of products in the market with optimum cost. Operational capacity is designed to accommodate new product developments over the time.

To support WFI goals and objective, HR department will provide HR policies to support the business. HR will improve employee skills through various employee development program and will create positive working environment through its strategic and competitive compensation and benefit policy.

The estimate initial start up capital for WFI is IDR 11.5 Bio. The funds will be invested to acquire land and building, to purchase machines, equipments and other necessary tools. The start up financing consists of shareholder equity and shareholder loan. For its capital budgeting, shareholder loan will be capped in 30% of initial start up capital. In most likely scenario the expected time to achieve the payback is 5.50 years, its expected NPV is 9.82 Bio and expected IRR is 17.34% (above the company cost of capital). Based on projection performed, it is concluded that WFI is feasible to run.