

EXECUTIVE SUMMARY

Recently, the scarcity of residential land in big cities has an impact to their citizens' style of living. There is a friction from the landed residential house into the vertical housing such as apartments and flats. In 2012, the total growth of apartments in Jakarta reached 16%, and industrial growth of Indonesia's household furniture 10% per year with total of IDR 27 trillion from 2010 through 2012.

The need of comfortable with appropriate furniture is becoming a compulsory, especially for small space occupants, such as apartment. This will also bring the national furniture industry to a gladden growth. PT. Fureco Indonesia (Fureco) is a company which brings innovative products as a solution to the needs of the comfortable and appropriate furniture in a confined area. Fureco will bring a concept of "multi compact and space saving furniture". This multi compact furniture's concept arises from an idea that Fureco's product will cover two or more activities with one product and also accommodate space as a storage. Therefore the space required to put the goods or other furniture as well could be saved. In addition, this concept will also offer a more eco-friendly furniture.

Fureco will use strategy of focus differentiation, since its products will serve special need from consumer segment who lives in studio type apartment in Jabodetabek and has an issue of space limitation. This consumer segment has never been a target of major players in Indonesia furniture industry. By optimizing its strategy, Fureco will have its competitive advantage in serving this segment better than any other company.

As an initial strategy, Fureco will launch the first product called TIME (it stands for tempat Tidur dan MEja) and the second product called SOMA (stands for SOfa and MejA). TIME will cover the activities of sleeping and working as a queen size bed which able to transform into a working or study desk. In its application, these products will be made with the integrated composition such as; eco-friendly wood materials, MDF Boards; the high quality and specific stainless steel spring hinge;

and also Fureco's specific techniques and precise calculation that will ensure our product excellence for years. Fureco will offer its customers the efficiency of living space and the maximum living value.

Fureco realizes that it will not be so simple to create barriers to entry into the furniture industry. In consequence, Fureco will try to continue to create innovative and creative production along with continuous improvement through our 'Simply Creative' corporate culture. Our first-year sales target will be 898 units and it will be predicted increasing by 40% in subsequent years. In Fureco's Business Plan, the second product development will be scheduled in the sixth year or sooner according to the market's demand. Fureco has initial investment of IDR 6,12 billion with payback period of time within 2 years 2 month and has the Net Present Value is IDR 27 billion, with an internal rate of return (IRR) of 23%.

By offering a compelling value for financial returns, we are confident that Fureco is a feasible Business Plan to be implemented; hence Fureco also invites professional investors to participate in this business as it generates value to the shareholders.

