

## EXECUTIVE SUMMARY

In 2012 the total lubricant consumption of medium and small scale coal mining company in East Kalimantan Province is approximately 13,7 million litres per year. Almost all of the types of lubricant bought in a big scale drums package and not in the bulk container. This mining company does not receive technical services and maintenance recommendation from their current lubricant suppliers.

This becomes an opportunity to supply good quality lubricants along with robust system which can increase the efficiency of the mining equipments usage. PT BMS has a monitoring system which includes an accurate lubricant analysis lab, a monitoring system, and also oil specialist analysis to provide recommendation.

PT BMS is a bulk lubricant distributor company which increases its efficiency of the mining equipments operation. PT BMS will supply bulk lubricant in Skid Tank , ISO tank, and IBC. PT BMS also has realtime tracking system facilities to monitor delivery of the lubricant and sensors to monitor lubricant condition. With these facilities and robust technical analysis system, PT BMS offers CVP to help mining companies to improve their equipment Mechanical Availability (MA) and to reduce their Maintenance Cost per Hour (MCPH).

The target Market of PT BMS is medium and small scale coal mining companie which are located in East Kalimantan Province. Those companies need lubricant technical services. However they are not provided by their current lubricant suppliers.

PT BMS will have an exclusive partnership with PT Shell Indonesia to become an authorized shell distributor for medium and small scale coal mining companies in East Kalimantan. The warehouse of PT BMS will appoint third party to be responsible for all its operation in the warehouse, i.e is PT Puninar Infinite Raya. Storage and

management cost will be charged based on the level of stock. The delivery process will be conducted by third party logistic companies who are experienced in operating its business in East Kalimantan mining area, i.e. is PT Puninar Jaya and PT Kamadjaja. Warehouse location will be chosen near the warehouse of Shell East Kalimantan.

The organisation structure of PT BMS consists of 3 departments: Sales & Marketing Department, Operation Department, and Human Resources & Finances Department.

The employee candidates who will be recruited are persons with high competencies. Salary offered to employees is above the average of the companies on the same industry.

The Capital structure is 100% equity, which is comprised of the founders of the total 60 percent of shares with capital paid up 1 billion rupiah and 40 percent of shares owned by Angel investor with capital paid up 3.81 billion rupiah.

With an initial investment of Rp 4.81 billion, capital cost 26%, NPV Rp 9.3 billion, and IRR 70% indicate that this business plan is feasible.

