

EXECUTIVE SUMMARY

Batik, which is one of the nation's culture heritage, can be defined as the art of colouring cloth using the wax as the color barrier. In ancient times, the process of batik dyeing using natural materials found in nature such as leaves, bark and wood. However, nowadays, the use of natural dyes has been abandoned and replaced with the use of synthetic dyes so that the natural dye batik marginalized. This condition leads to reduce demand for natural dye batik. The impact of that is the lack of well-being of batik craftsmen in Bantul area because they can not depend of batik. Other impacts of the development of synthetic dyes batik is environmental pollution, especially in batik central areas of the river Pekalongan. So, PT GAN is founded with the vision of "Advancing a natural dye batik for the welfare of society and the environment at the location of the batik center". With this vision, the mission of the company is "Enhancing shareholder wealth, batik craftsmen and employees and to improve the quality of the environment in the location of batik center".

The Business Plan is structured as a group to see that the natural dye batik shift to synthetic dyes is due to the lack of marketing and promotion to consumers so that consumers lack information about the natural dye batik products and how to get the product. The existence of a positive response from the public, especially middle-and upper-class workers is shown from the increased selection and use of environmentally friendly products. We see this as an opportunity that is promising at the request of a natural dye batik products. Therefore, PT GAN take the role as mediator in the supply and market the product to the public.

The scope of activity of PT GAN is the design, distribution and sales through the establishment PARAHITA outlets, which the company positioned itself as a pioneer distributor of the first natural dye batik in Indonesia. Therefore PT GAN choose the generic strategy of focus differentiation as we are dedicated to the sales of natural dye batik product and service. PARAHITA batik products have two advantages that provide a natural dye batik products with designs that can be accepted by the market and eco-friendly and provide excellent service in customized product process. To support these advantages, PT GAN create a networking with batik artisans in Bantul and Pekalongan, where they have superior skills but have not been able to distribute their works to consumers. This network is one of the advantages offered by the

company for the suppliers involved so that by applying the concept of quanshi network, the company can secure the supply of natural dye batik product quality and environmentally friendly, as well as utilized supply chain of the source / supplier that has been available so that helped the company progress enjoyed by the whole community in batik central locations, especially batik artisans.

To achieve the vision and mission of the company, each division to run its functional strategies appropriate goals and objectives set by management. Marketing Division conduct market research on market behavior and marketing communication activities through advertising in order to build brand and increase PARAHITA product sales awereness. Division of Operational pursuing a strategy to build a network of suppliers and to provide guidance to improve the quality and capability of the supplier in accordance with the increase in sales PARAHITA batik. Division of Human Resources is focused on the activities of Knowledge Management Center which aims to support the operational and marketing activities in providing facilities and infrastructure for training and development needs of both internal employees and suppliers. Finance Division provides support in financing the initial investment and working capital funding up to a sensitivity analysis performed for the business activities can be run as expected and able to deliver the economic benefits of the investment returns and yields are above average risk-free investment.

Of the feasibility study we have done, PT. GAN has an initial investment of Rp 12 billion, could yield a positive NPV and (MIRR) of 38,89% (above the value of the WACC calculation / level of return expected by investors in the retail industry type). In addition to profits from the sale of batik PARAHITA, this business plan also provides benefits for the batik craftsmen and surrounding communities in benefit economically from the use of natural dyes as follows:

- ♣ Saving the use of dyes and wax that is reusable and safe for using natural dyes.*
- ♣ Eco Saving for batik waste pollution reaches nearly 4 thousand liters in the first year, which can be avoided due to the use of natural dyes.*