

EXECUTIVE SUMMARY

Woods play significant role in human life. However, human tend to take woods for granted thus do not pay much attention to its continuity. As the deforestation rate increases, people start to think about the damages that may impact human life. The authorities around the world (including Indonesia) start to prevent further destruction by tightening the regulation, hence shortages in wood supply. Considering the various shortcomings in the industry, Prof. Dr. Ir. Bambang Subiyanto; Dr. Ir. Bambang Prasetya, APU; Ir. Subiyakto Msc.; Ir. Sudiyono, Ah.t.; and Ir. Moh. Gofar, Scientists from Lembaga Ilmu Pengetahuan Indonesia (LIPI) invent bamboo composite with Patent No: ID POO28883 by 2nd Aug 2011 as wood's substitute. Bamboo is used as raw material because they are easy to grow and has large number of supply. In addition, bamboo life cycle is shorter compared to Jati or Sengon (two types of timber commonly used in furniture industry).

This business plan will set up a company under the name PT. Globalindo Bambu Nusantara (PT. GBN) with a vision to become pioneer in bamboo composite industry in Indonesia and continuously offering customer with high quality products. The company will use focus cost strategy that offers cheaper cost structure which will impact the Cost of Goods sold which will then lead to good quality product but lower price. The company has a marketing division, operations, human resources, and finance. For the marketing division, the goal is to introduce the products to customer, increase company values through profits, increase awareness of customer about bamboo products, as well as build brand awareness in the minds of the consumer. The company will target furniture industry which produces products for middle market. PT. GBN positioning is a high quality composite product with comparable

strength and durability to Tectona Grandis with lower price and eco-friendly production process. For pricing, the company will use value pricing strategy which will produce products with lower cost while maintaining product quality.

Operation division, will buy Dendrocalamus asper (betung bamboo) from trusted main supplier. The general strategy of PT. GBN operating division refers to company generic strategy focus cost strategy. To make sure that the product availability, the company uses average capacity strategy during the production process. The company will have warehouse for storage and truck to deliver end products to customers. The company selects Cibinong to establish office, factory and central warehouse.

Human Resources division aims to ensure the organization's capability to achieve the goals and objectives by opening new field of work for local people. HR division will provides training programs for employee development to ensure continuous skill growth over the years which will then push the company growth along with it. Implementation of performance appraisal system and compensation system will take place to balance the employee performance with their compensation and benefit, hence increasing employee attrition level.

Financially, PT. GBN has strategies and policies that focus on the purpose of maximizing shareholder value with the sustainable and profitable investment.

Business feasibility analysis results show NPV of Rp 3,827,067,899, payback period 5 years and 7 months, and MIRR 19,09% (higher then Cost of Capital = 18,12%).

This would conclude that Bamboonesia business is feasible.