

## EXECUTIVE SUMMARY

This is a plan on exploring business opportunity of oil palm shell briquette used for household fuel. PT Nusantara Energi Mandiri (called Company) producing oil palm shell briquette brand named as BRIKA. Company offers starter packs (BRIKA 1 kg bundled with UB-03 stove) and refill packs (BRIKA pack size 1 kg and 10 kg). Value to consumers which offered by Company are affordable price, product availability and safe use. The value proposition Company want to offer are low price and product availability.

The targeted consumer segments are medium to low income communities in the rural area, occupation mainly is housewives, which Company aim to get 5% share of it. In the 1<sup>st</sup> year (2012) marketing activity cost for Rp 5,471 million, generates Rp 391 million net marketing contribution and create marketing ROI of 7%. In 10 years marketing ROI will achieve 3,665% in 2021.

In term of production capacity strategy, Company chose lead capacity in order to avoid stock out since product availability is one of key positioning. Operations topology is high volume, low variety, low variation in demand and low visibility. Plant built on the 1,120 m<sup>2</sup> space, while warehouse placed on 1,316 m<sup>2</sup>, both of them located in Gunung Putri, Kabupaten Bogor, West Java.

The organization structured into 3 departments (Sales & Marketing; Operations; Finance, Accounting, HR & GA). Majority of employee are low-skilled worker who work in daily specialized job.

Initial investment required is Rp 8,464 million. Capital is 100% paid in capital in cash with cost of equity 22%. The weighted average IRR value is 72%.