

Executive Summary

As the number of buildings and roads increasing, it affects on the condition of soil. Deposit of water inside soil decreasing and if the condition happens continuously it will give bad impact to ecosystem overall. One of ways to overcome the problem is by using permeable material to cover the soil.

Permeable Ceramic Paving (PCP) is environmental friendly permeable material to cover soil because it helps increasing water deposit inside soil. The main raw material of PCP is feldspar and quartz sand that is acquired from Banjarnegara, Central Java. There are many feldspar deposits in Banjarnegara that have not been utilized properly. PT EGO Indonesia uses feldspar as raw material and utilizes it properly and give benefit to societies in Banjarnegara by giving them raw materials for local ceramic industry derived from production-waste. PCP is targeted for B2B, which are *developers* for housing, real estate, office, and etc.

There is potential industry for permeable material as one part of property industry. Property industry has good prospects to grow. This industry is in *mature* stage, but there is increasing *demand* so the industry is still attractive.

PT EGO Indonesia will be located in Cikarang, Jawa Barat, and applying generic strategy *focus differentiation*. It is also supported by its competitive advantage to have environmental friendly value, many deposit of feldspar in Banjarnegara, and quality of product better compare to its competitors.

As first step, PT EGO Indonesia is using *offensive strategy* as PCP is new product in the market and firstly introduced by the company. The company will use frontal-attack approach in order to grab competitor's market. This is conducted by giving higher product value than competitor and also by performing well-planned promotion activity.

PT EGO Indonesia use *average capacity strategy* as this strategy allows flexibility changing capacity due of uncertainty of new product. To continue improving the quality produced, we use *Kaizen* as it continues improvement by not just developing the product but also overall elements in production gradually, organized, and continuous. As the generic strategy is focus differentiation, the company focus on emphasizing its R&D activity development as core value.

From human resource, it has important role by supporting effectiveness on working, and also competencies development of talents. To reach the effectiveness and efficiency on operational level, the company gives on-the-job training to give them experiences about working environment. As for managerial level, the company gives managerial knowledge

and soft skills training to create reliable and good talents to manage company well in the future.

From finance, the objective of the company is to increase growth of company continuously and increase sharehoder's value. This business will be funded from equity Rp 30,5 bio; Rp 13 bio from Venture Capitalist and Rp 17,5 bio from Founder. Feasibility analysis shows NPV Rp 15,8 bio, IRR 56,4% and *discounted payback period* 4,14 years. From this condition we can see that this business is feasible because it can generate great value for shareholder.

