

**JKL TELECARE SDN BHD**

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**BUSINESS PLAN**

**JKL TELECARE SDN BHD**

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Business Plan prepared August 2014  
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DECLARATION

We hereby declare that:

- (1) This UBTZ3016 Entrepreneurial project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this Entrepreneurial project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the Entrepreneurial project.
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## 1.0 EXECUTIVE SUMMARY

### 1.1 The Opportunity

**Memory lapses** are a common problem among the golden age community and working adults with hectic lifestyle. **Variety and complexity of prescribed medication** causes confusion among patients. **Poor adherence to medications** affects an individual's health. These are the problems that JKL Telecare Sdn Bhd intends to solve through the use of its Automated Pill Dispenser, PD1.

Problems are potential opportunities. The company delivers values to its customers by solving the problems that they are facing in their daily lives and at the same time earning profits. Besides sustaining the operation of the business, part of the profit will be used for product development to improve the living quality of users.

### 1.2 The Description of the Business

JKL Telecare Sdn Bhd will be manufacturing automated pill dispensers under its own brand name which are known as PD1. "PD" stands for pill dispenser and "1" represents first generation. The Automated Pill Dispenser, PD1 will be able to remind users on medication and dietary supplements intake, improves medication adherence, and improves health by promoting patient compliance. Ultimately, PD1 will improve users' quality of life and provides acquaintances and caregivers with a "peace of mind".

### 1.3 Competitive Advantage

JKL Telecare Sdn Bhd's competitive advantages include **low-cost leadership** and **differentiation**.



## 1.4 The Target Market

JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1's target market includes the **golden age community** who are 65 years of age and above, **working adults** with busy schedule, **individuals with polypharmacy needs**, and **individuals with dietary supplement regimen**.

## 1.5 The Management Team

The five co-founders of JKL Telecare Sdn Bhd formed the management team of the company. Ms. Joanne Looi is appointed as the Managing Director, followed by Mr. Lee Fu Qiang who is the Deputy Managing Director and also the Finance Manager. Ms. Liew Hui Sieng is assigned as the Human Resource Administration Manager. Ms. Khor Mei Ling is the Production and Quality Control Manager; and Ms. Lee Yee Teen is assigned as the Sales and Marketing Manager.

## 1.6 Brief Summary of the Financial Projections

Statement of Comprehensive Income

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
Gross Profit/(Loss)	420,000.00	483,000.00	531,300.00
Expenses	(411,282.14)	(435,120.14)	(472,210.14)
Net Profit before Interest and Tax	8717.86	47,879.86	59089.86
Loan Interest	(21,000.00)	(21,000.00)	(21,000.00)
Tax	-	6,451.17	9,141.57
Net Profit/(Loss)	(12,282.14)	20,428.69	28,948.29

## Statement of Cash Flow

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
Net Cash Flows from Operating Activities	51,144.00	59,961.00	63,530.32
Net Cash Flows used in Investing Activities	(67,261.44)	NIL	NIL
Net Cash Flows from Financing Activities	679,000.00	(21,000.00)	(21,000.00)

## Statement of Financial Position

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
Fixed Assets	60,535.30	53,809.16	47,083.02
Current Assets	662,882.56	701,843.56	744,313.89
Current Liabilities	35,700.00	47,506.17	54,302.07
Non-current Liabilities	300,000.00	300,000.00	300,000.00

### 1.7 Description of What the Business Needs

Ms. Joanne Looi and Mr. Lee Fu Qiang, each contributed RM 140,000 to JKL Telecare Sdn Bhd's capital while Ms. Khor Mei Ling, Ms. Lee Yee Teen, and Ms. Liew Hui Sieng contributed RM 40,000 respectively to the company's fund. This amounted to a total capital of RM 400,000. The capital will be used in the procurement of machineries and equipment, office equipment, and furniture and fittings.

### 1.8 Exit Strategy for Investors

The chosen exit strategies for the investors of JKL Telecare Sdn Bhd are **liquidation** and **acquisition**. Liquidation involves the sale of company's assets to minimize the losses of the company's stockholders in the long run. Acquisition involves the purchase of stocks and assets.

## 2.0 THE BUSINESS

### 2.1 The Description of the Business

#### 2.1.1 The name, logo, and location of the propose business

The name of the proposed business is JKL Telecare Sdn Bhd. It was named according to the sequence of the initial alphabets in each co-founders' name. As we aim to be the embodiment of excellence in the Malaysian Telecare Industry, we chose to include the business's industry category, which is the word 'Telecare' into the company name to provide a direct and clear acknowledgement on the nature of the business. As the company is registered as a private limited company in Malaysia, the use of 'Sdn Bhd' is necessary for business identification as stated in the Companies Act 1965 (CA 65).

Figure 2.1 JKL Telecare Sdn Bhd's Logo



Blue was chosen as the signature color for the company logo because blue is often associated with commitment, sincerity, reliability, and inspiration. These characteristics match our mission in providing affordable, reliable, and innovative telecare products. There is a hint of gray in the company's logo to enhance the reliability of JKL Telecare Sdn Bhd.

The administrative office and the manufacturing plant of JKL Telecare Sdn Bhd are located in the same building, where it is situated within the Menglembu-Lahat Industrial Area in Ipoh, Perak. The address of the business is No. 75288, Pinji Estate, 31400 Lahat, Perak. The location will provide the company with great availability of labor force and convenience in the distribution of products as it is a pivot point to towns such as Batu Gajah, Lahat, Pengkalan, Pasir Puteh, and Kledang in Perak as well as easy access to the North-South Expressway through the Jelapang exit.

### **2.1.2 Nature of business/Products or services offer**

JKL Telecare Sdn Bhd was formed by its five co-founders- Joanne Looi, Khor Mei Ling, Lee Fu Qiang, Lee Yee Teen, and Liew Hui Sieng and it is registered as a private limited company in Malaysia. The estimated date for the commencement of the business will be on the 1<sup>st</sup> of January 2015. The company will be manufacturing automated pill dispensers under its own brand name during the start-up stage of the business. Further development on other types of telecare products will be conducted and manufactured subsequently in the future.

The company was recently conceived and it is still in the pre-commencement stage. Initial financing was arranged through a loan from a local financial institution and the founders' personal savings. After considering the advantages and disadvantages of each business form, we chose to set up JKL Telecare as a private limited company by shares mainly on the advantages it offers to the nature of the business.

As a private limited company, the profit of the business will be taxed according to the corporate tax rate which is lower than the individual tax rate. The business will gradually involve the use of advanced machineries and technologies in future. Therefore, we need to have a greater access to raise capital for the business. Obtaining a loan under private limited company will enjoy a lower interest rate. Moreover, its separate legal entity allows the continual existence of the company, even if its founders, shareholders, or directors transfer partially or entirely of their shares to qualified personnel, die or leave the company.

JKL Telecare Sdn Bhd intends to be the embodiment of excellence in the Malaysian Telecare Industry by offering a range of affordable, reliable, and innovative products to the customers. Besides that, efficient customer services such as customers' care and support will be provided to deliver more values to the customers. The company will aim for business expansion to Southeast Asia, or even globally in future. However, within the first five years, the company will focus on its primary market, which is the Malaysian Telecare Market.

### **2.1.3 Company missions and objectives**

#### **Vision**

To become the embodiment of excellence in the Malaysian Telecare Industry by delivering values and maintains a good relationship with our customers through our products and services.

#### **Mission**

To promote better quality of lives by providing affordable, reliable and innovative telecare products while providing outstanding services to our customers.

## Objectives

Well-defined, realistic, and significant objectives are crucial in providing the strategic direction of a company. The objectives of JKL Telecare Sdn Bhd are as follow:

- To offer products that meet the expectation and changing needs of our customers and provide efficient customer services.
- To establish and increase the awareness among Malaysians on the conveniences of telecare products in their daily lives.
- To increase our revenue by 10 percent each year and maintain a healthy balance sheet each year.
- To achieve less than 5 percent defection rate in our production within 5 years.
- To create an employee friendly environment and maintain the employee retention rate at a minimum rate of 75 percent.

## **2.2 The Opportunity**

### **2.2.1 Problem to solve or need to be filled**

The Automated Pill Dispenser, PD1 which manufactured by JKL Telecare Sdn Bhd is able to solve the following problems:

#### **2.2.1.1 Memory Lapses**

Memory lapses are a common problem among the golden age community and working adults with hectic lifestyle. Memory lapses among the golden age community is often due to old age, side effects from medications, trauma, vitamin deficiencies or other brain disorders while for the working adults, stress, overwork, inadequate rest, and perpetual distractions are the causes that affect memory (“Forgetfulness”, 2013). As JKL Telecare Sdn Bhd’s Automated Pill Dispenser, PD1 requires a certain conscience in using it and it is solely an assistant in the usual medicine and supplement regimen; we concentrate in the discussion of normal memory problems such as memory lapses instead of diseases or disorders that involves serious mental deterioration and distortion such as Alzheimer and Amnesia.

The commonly known memory lapses include transience-forgetting information or events after a period of time, absentmindedness-forgetting to do something at a prescribed time, blocking-difficulty in retrieving information, misattribution-occurs when the parts of an event are remembered clearly but not the details such as time, venue, and person involved, suggestibility-occurs when the mind registered events that did not happen in reality as real memories, bias-perceptions in the mind are filtered by personal biases such as experiences and beliefs, and persistence-difficulty in eliminating traumatic or negative memories (“Forgetfulness-7 Types of Normal Memory Problems”, 2012).

Majority of the golden age community are found to have memory lapses due to old age. It is generally comprehend that as an individual gets older, he or she will tend to be more forgetful. In the case of golden age community, although blocking

and misattribution are often related to aging, we can actually include transience, absentmindedness, suggestibility, and bias to the kind of memory lapses suffered by most of them (“Forgetfulness-7 Types of Normal Memory Problems”, 2012). Memory lapses could cause medication errors as a patient might be uncertain about his medicine consumption which involves-completely forgotten to take his medication, or having false memory on medicine consumption.

Besides the golden age community, most of the working adults in today’s world are found suffering from small and frequent memory lapses due to their busy lifestyles. Stress often comes along with hectic lifestyle. Cortisol, the stress hormone, will increase when an individual is constantly under stress and pressure. Subsequently, this causes damage to the brain overtime. Stress will also cause an individual in having difficulties to concentrate something which then leads to memory lapses (Smith, Robinson, and Segal, 2013). Moreover, they are living in a more complicated life where the nature of a job needs to put in great concentration while experiencing information overload. This causes them in letting slip of their medicine and dietary supplement regimen from memory. When the level of medical adherence and compliance in an individual is low, it might cause inefficiency of the medicine or supplement in solving ailments, improving their health or sometimes, may cause deterioration in their ailments.

#### **2.2.1.2 Variety of Medicine**

Variety and complexity of prescribed medication will most probably cause confusion among patients. When there is confusion among patients, the risk of medication error increases. Medication error will greatly affect an individual’s health condition and safety. The use of multiple medications at the same time can be referred as polypharmacy. Polypharmacy is defined as the constant use of multiple medications, whether prescription or over-the-counter (OTC) by a single patient or unnecessary use of multiple medications (Stawicki & Gerlach, 2009).



Commonly, polypharmacy is caused by an individual's health status. Chronic diseases such as diabetes, renal insufficiency, hypertension, and cardiovascular disorders often occur together and these diseases are the contributors of polypharmacy (Rasu, Manley, Crawford & Balkrishnan, 2007). Subsequently, these diseases contribute to secondary diseases which increase the amount of drugs being prescribed to the patients (Veehof, Steward, Haaijer-Ruskamp, Meyboom-de Jong, 2000).

Medication for chronic diseases usually takes a long period of time. In a survey conducted by Zainuddin, Abdullah, Din, Yeow, and Loo in 2011 on the elderly's health awareness in an industrially developing country, it is found that across three states in Malaysia with a total of 150 respondents aged 40 years and above, there is a very high percentage of respondents who are 40 years and above have one or more diseases. This group of people comprises 85.8 percent of the total respondents.

### **2.2.1.3 Medication Adherence**

A low level of adherence to medications is a serious matter and it has attracted many researchers in studying this problem. According to Sabaté, medication adherence can be defined as "the degree of a patient complies and agrees with the recommendations and suggestions from health care provider" (as cited in Ramli, Ahmad & Paraidathathu, 2013). In a study by Ambrosioni, Leonetti, Pessina, Rappelli, Trimarco & Zanchetti, poor patients' adherence to medication is affected by demographic characteristics, severity of diseases, complexity of medication regime, drug classes relating acceptability and adverse effects to medication, memory lapses, and the lack of understanding on the characteristics of the disease (as cited in Ramli et. al., 2013).

Poor adherence to medication will limit treatment efficiency, increase of healthcare expenditure, increase morbidity and mortality rates. As an example, patients that do not adhere to hypertension treatments are found to have greater risk of serious unfavorable outcomes, including blindness, stroke, heart diseases, and

kidney failure (Piette, Heisler, Ganocz, McCarthy & Valenstein, 2007). The seriousness of poor adherence to medical regimens in Malaysia was raised in 2006, after the publishing of the results of a study by Hassan et. al., which showed that 55.8% of drugs prescribed by physicians were not taken as directed (2006).

### **2.2.2 How the business solves the problem or fills the need**

JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1 is able to solve the problem of memory lapses in taking medicines and dietary supplements by reminding users the prescribed time for taking medicines and dietary supplements. PD1 enables users in avoiding the occurrence of forgetting their medications or dietary supplements intake. This ensures that every prescribed medication and supplement is taken and they are taken on time. Indirectly, PD1 reduces medication errors and provides certainty to the user and also his or her caregivers.

As the frequency of taking medicines and supplements on time increases, this will increase the efficiency of medicines in curing ailments and efficiency of supplements in preventing ailments which will affect an individual's health condition. Ultimately, PD1 assists a user in improving his or her health and the quality of life. All of the benefits that PD1 is able to offer increases medication adherence and improves patients' compliance. High levels of adherence to medication reduces the spending on healthcare, reduces morbidity, and rate of mortality.

PD1 will also increase the probability of users in taking the correct amount of prescribed medicines and dietary supplements as PD1 comes with 14 compartments. In the case of the golden age community with slight disability, regardless of physical disability or serious memory lapses, this can be achieved if only the automated pill dispenser was filled by caregivers or guardians. Subsequently, it reduces the rate of medication error which will affect an individual's health condition as PD1 also serves as an organizer to store multiple pills. As long as the users filled in their automated pill dispenser according to the prescribed amount, occasions where mixing up of pills can be significantly reduced.

The benefits that PD1 is able to offer do not limit on the location as it is portable and suitable for travelling purposes. The compartments provide travelers with convenience in storing various types of pills besides serving as a medication and supplement intakes reminder. In addition, PD1 provides acquaintances and caregivers with a “peace of mind” and certainty as it provides assistance to individuals with needs in medication and supplements taking. Ultimately, PD1 improves the users’ quality of life.

## 2.3 Competitive Advantages

### 2.3.1 Description of the business model

A business model illustrates how an organization transforms its resources into profitable products and services as well as how an organization delivers values to its customers.

Figure 2.2 JKL Telecare Sdn Bhd’s Business Model

<b>Key Partners</b> <ul style="list-style-type: none"> <li>Suppliers</li> <li>Logistic Companies</li> <li>Business Associates</li> </ul>	<b>Key Activities</b> <ul style="list-style-type: none"> <li>Purchasing</li> <li>Assembling</li> <li>Quality Checking</li> <li>Packaging</li> <li>Distributing</li> </ul>	<b>Value Propositions</b> <ul style="list-style-type: none"> <li>Automated Pill Dispenser, PD1</li> <li>Memory Lapses</li> <li>Variety of Medicine</li> <li>Medication Adherence</li> </ul>	<b>Customer Segments</b> <ul style="list-style-type: none"> <li>Golden Age Community</li> <li>Working Adults</li> <li>Individuals-Polypharmacy</li> <li>Individuals- Dietary Supplements Regimen</li> </ul>
	<b>Key Resources</b> <ul style="list-style-type: none"> <li>Tangible Assets</li> <li>Intangible Assets</li> </ul>		<b>Channels</b> <ul style="list-style-type: none"> <li>Pharmacies</li> <li>Medical Equipment Supplier</li> <li>Online Buying Sites</li> <li>Clinics</li> <li>Personal Care Stores</li> </ul>
<b>Cost Structure</b> <ul style="list-style-type: none"> <li>Purchasing of Raw Materials, Machineries and Equipment</li> <li>Manufacturing Process</li> <li>Employees</li> </ul>		<b>Revenue Streams</b> <ul style="list-style-type: none"> <li>Selling PD1</li> <li>Price Penetration</li> <li>Price Discount</li> </ul>	<b>Customer Relationships</b> <ul style="list-style-type: none"> <li>Customer Support- Warranty and Care Line</li> <li>Affordability, Reliability, Innovation</li> </ul>

Source: Developed for research.

### 2.3.1.1 Key Partners

The key partners of JKL Telecare Sdn Bhd are the various suppliers of raw materials, machineries and equipment, logistic companies, and business associates.

#### (I) Suppliers

The key suppliers of JKL Telecare Sdn Bhd will be the suppliers of raw materials for the manufacturing of its principal product, which is the Automated Pill Dispenser, PD1 and the suppliers of machineries and equipment in the manufacturing process. One of the essences to the company's long-term survival and growth is having firm relationships with suppliers.

During the startup stage of the business, the company has constraints in manufacturing the raw materials needed or specifically, the main components needed for the assembling of the PD1. The constraints are in terms of the financial ability of the company and the management's capability in handling complicated processes during the startup stage. Hence, the company will be purchasing the raw materials needed from various suppliers. As the company will be practicing just-in-time strategy, the company might require quick delivery of raw materials from the suppliers. (Refer to Chapter 5 for the list of suppliers)

Besides that, suppliers of the machineries and equipment are important to the company. Apart from supplying the machineries and equipment, majority of them will also be providing the company with maintenance services. Maintenance is needed periodically to maintain the productivity and efficiency of the machineries and equipment. Smooth flow of the manufacturing process is dependent on the condition of the machineries and equipment. (Refer to Appendix 6 for the list of machineries and equipment needed)

The company needs to maintain good relationships with the suppliers to get the most out from the suppliers. In the aspect of raw materials, the company could get better price from the suppliers. The company could also obtain innovative updates

for its product development from the suppliers. This will enable the company to come out with better products and to have competitive advantages in terms of quality, pricing, and technology breakthrough among the competitors.

As for the aspect of machineries and equipment, by having good relationships with the suppliers, JKL Telecare Sdn Bhd could enjoy good or prioritized services from the suppliers. In other words, they will cooperate and coordinate closely with the maintenance schedule of the company and this will ensure that matters related to the manufacturing process are carried out on time.

One of the ways that JKL Telecare Sdn Bhd will use to maintain good relationships with the suppliers is to stay loyal with the suppliers that are able to supply the company with components that are compatible with the order of the company. Timeliness is another aspect that worth of paying attention to. The company will make payments within the credit terms allowed by the suppliers to avoid unnecessary charges. Orders of raw materials and requests on maintenance services from the company will be communicated clearly to avoid misunderstandings and redundant matters.

## (II) Logistic Companies

JKL Telecare Sdn Bhd will outsource its logistic activities to external logistic companies in the distribution of the Automated Pill Dispensers, PD1. Requests on logistic services will be arranged three days earlier. This is to ensure that the logistic companies have ampler time to arrange their transportation for the distribution of goods whereas the company will have sufficient time for packing and double checking on the orders of the customers. Systematic arrangement of the logistic activities is able to save the cost incurred on both parties and also the time taken to distribute the goods. Speed in distribution in both the distribution of raw materials by suppliers and the speed of fulfilling the orders of the dealers could be a competitive advantage towards the company.

### (III) Business Associates

The business associates that JKL Telecare Sdn Bhd will be dealing with are a law firm and an accounting and business consultancy firm. These professional service firms will assist the company in its daily operational activities. The law firm will provide legal advices to the company while accounting and business consultancy firm provides accounting and financial consulting services.

By personalized the relationship of the company as a whole with these professional service providers, it will bring them closer to the company. Personalization of the relationship can be done by constantly providing major updates of the company such as the changes in the management team and the manufacturing of new products to the respective person-in-charge. This is to create a firmer relationship with them besides informing them with the changes. Greeting cards and/or greetings through phone calls or meetings will be given to them on occasions.

#### **2.3.1.2 Key Activities**

The key activities of JKL Telecare Sdn Bhd include procuring of raw materials, assembling of automated pill dispenser, and packaging, marketing the products before distributing the finished product. However, quality control involves in majority of these activities and it is the most crucial activity in a single manufacturing flow. The company aims to promote better living quality by providing affordable, reliable and innovative telecare products to the customers.

Therefore, quality checking at different stages in the manufacturing process is needed to achieve the company's mission and one of its objectives, which is to achieve less than 5 percent defection rate in the production within five years. Quality checking for JKL Telecare's Automated Pill Dispenser, PD1 involves three stages in a single manufacturing flow. (Refer to Chapter 5 on quality control procedures)

The company purchases raw materials from suppliers and then assembles the automated pill dispenser in its manufacturing plant. The finished products will be packed and distributed to our channels of distribution. Before sending the products out from the manufacturing plant, double checking on the condition of each automated pill dispenser and the amount of customers' order before sending them out are the essential procedures.

### **2.3.1.3 Resources**

JKL Telecare Sdn Bhd's resources include tangible resources and intangible resources.

#### **(I) Tangible Resources**

Employees are the assets of the company. They are also the tangible resources of JKL Telecare Sdn Bhd. The company needs skilled employees in both its management and technical team. Training will be provided to all employees before they are qualified to join the actual field of work. The training syllabus will be prepared by the company's Human Resources Administration Manager.

As an effort in expressing gratitude towards the contributions of the employees, the company will view employees' safety as its utmost priority and create an employee friendly environment where employees feel safe to work and the basic amenities in the company are taken well care of such as comfortable chairs for the employees and quality food in the cafeteria.

Another tangible resource that the company possesses is its machineries and equipment. Without machineries and equipment, the company would not be able to assemble its product and the existence of the company will be insignificant.

## (II) Intangible Resources

JKL Telecare Sdn Bhd's intangible resources are the patent and trademark that the company will be applying for its Automated Pill Dispenser, PD1. These provide the company with exclusive rights in using and merchandising the company's own products while create legal barriers towards counterfeiting activities. However, intellectual property protection will just serve as a basic protective measure. In the long run, the company must maintain a sturdy relationship with the existing customers and constantly generate relationship with new customers at the same time by offering them great values and effective solutions towards related problems that they are facing in their daily lives. This approach is more effective in ceasing threats from competitors in the long run.

### **2.3.1.4 Value Propositions**

The customers of JKL Telecare Sdn Bhd gain values from the company through the benefits that the product offers, which is the Automated Pill Dispenser, PD1. The company's mission is to promote better living quality by providing affordable, reliable and innovative telecare products while providing outstanding services to our customers. This is how the company delivers values to the customers and thus, benefiting the customers.

The Automated Pill Dispenser, PD1 will be selling at a price that has its advantage among global competitors and at the same time, the features and quality of the pill dispensers are comparable with the products offer by other competitors. The main benefit that the customers could gain by using JKL Telecare's Automated Pill Dispenser, PD1 will be improving the living quality of users.

PD1 reduces medication errors where the patient is uncertain in his medicine consumption which could involves-completely forget to take his medication, having false memory in medicine consumption, and etcetera. It also increases the level of medical adherence and compliance in an individual. This will substantially increase



the efficiency of medicines or supplements in curing ailments and avoid the deterioration of health condition due to low medication adherence. Indirectly, this will lead to a lower expenditure in healthcare and reduces the rates of morbidity and mortality.

Apart from the benefits that the Automated Pill Dispenser, PD1 offers, it also solves the following problems:

- (I) Memory lapses where individuals tend to forget to take their medicine or supplement, uncertain about whether they have taken their medication and having false memory on medication and supplements taking.
- (II) Confusion that caused by variety of medicine and supplement. Individuals could not remember the right prescribed dosage and the prescribed time for each type of medicine or supplement especially when multiple pills are involving in medication.
- (III) Improves medication adherence by reminding users the time for medication and supplement which will lead to an improved health condition of users.

#### **2.3.1.5 Customer Relationships**

JKL Telecare Sdn Bhd positions itself as a company that will become the embodiment of excellence in the Malaysian Telecare Industry by delivering values and maintains a good relationship with the customers through affordable, reliable, and innovative telecare products and outstanding customers support. Through the vision of the company, there are three values that the company emphasizes.

(I) Affordability

JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1 will be selling at a price of RM 428. Compared with the pill dispensers that offer by the company's global competitor who are also the dominant players in the global telecare industry, the company has competitive advantage in terms of price. Tunstall Americas's automated pill dispenser costs USD 595 whereas PiVoTell Limited is selling at a price of £ 102.

Despite the selling price for PD1 might be slightly expensive to the Malaysian customers but the features and the quality offered is worth of the price. The survey conducted on PD1 shows that majority of the respondents, with a high percentage of 83 percent think that PD1 is a good product while 40 percent of the respondents are interested in the product and 37 percent said that they would probably buy PD1. The company is passionate in seeking alternatives to optimize production cost. The company has an advantage in pricing because of the lower costs in terms of manufacturing plant rental, wages, and the costs of raw materials.

(II) Reliability

JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1, assists individuals in medicines and supplements taking. This provides dependability and assistance to the users. Therefore, the product must be safe and stable to use. From the procurement of quality components to the stages of quality checking, the company is committed in reducing defection rate and increase customer satisfaction.

(III) Innovation

With the commitments of JKL Telecare Sdn Bhd's management team in providing the best to its customers and the aim in becoming the embodiment of excellence in the Malaysian Telecare Industry, the quality of the company's

core product, the Automated Pill Dispenser, PD1, is comparable to those offers by the global competitors.

The company is passionate in exploring opportunities to upgrade the technology and the facilities in order to offer better quality products and to achieve lower production cost. The company has plans to apply for 1-InnoCERT by 2017. It is an initiative by the Malaysian Government to encourage small and medium enterprises (SMEs) in adopting technology.

If JKL Telecare Sdn Bhd has successfully applied for the 1-InnoCERT certification, the company will obtain guidance on innovative systems, processes, and innovation standardized business models. Priority in development programs and financial assistance will also be provided to the company. All these advantages of the 1-InnoCERT certification will definitely assist the company in product development and hence, improving the quality of the products offered.

Moreover, the company will also apply for ISO 9001:2015 and ISO 14001:2004 certifications by 2018. These certifications will provide international recognition on the quality and standards of JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1.

Apart from the three values above, the company provides support to its customers through customer care line and warranty card. Through these supports, the company could interact with the customers. Besides collecting for feedbacks on the strength and weakness of the automated pill dispenser, the company is able to have better understanding on the needs and expectations of the users. This will assist the company in manufacturing products that are able to provide more satisfaction to the customers.

### **2.3.1.6 Channels**

The channels of distribution of the JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1 includes pharmacies, medical equipment suppliers, online buying sites, clinics, and personal care stores. The ultimate customers of the company are able to purchase PD1 through the channels selected throughout Malaysia.

In the buying intention survey conducted by the management team on PD1, it is found that 25 percent of the respondents expect to find PD1 in pharmacies, 22 percent in medical equipment suppliers, 20 percent in online buying sites, 19 percent in clinics, and 14 percent from personal care stores.

Therefore, in the first month of the commencement of the business, priority in the distribution of the automated pill dispensers will be given to those channels that have more potential. An analysis will be conducted after three months of the commencement of the business and a subsequent during the sixth month. This is to monitor the sales pattern of the automated pill dispensers. Adjustments on the allocated units will be done base on the sales pattern and demand of customers.

### **2.3.1.7 Customer Segments**

The customer segments of JKL Telecare Sdn Bhd include the golden age community, working adults, individuals who practice polypharmacy, and individuals with dietary supplements regimen.

The golden age community that is focused in the discussion of customer segment is those who are 65 years and above. In Malaysia, the golden age community is expected to grow three folds, leading Malaysia in becoming an aging nation. Generally, it is widely perceived that as an individual gets older, he or she will tend to be forgetful. Therefore, the company aims in improving the living quality of individuals from this age group and increase the chances of them living independently.

As for the working adults, it is found that most of them are suffering from small and frequent memory lapses due to their hectic lifestyle and stress at work. Stress and pressure will affect the efficiency of brain in registering events in the long run. Besides that, individuals who practice polypharmacy might face confusion in medicine and supplement intakes. This group of customers comprise of the golden age community as well as those from other ages who have needs in adhering with long-term medication.

Individuals with daily dietary supplement regimen are one of the company's customer segments. The increase awareness of Malaysians in health maintenance has increased over the years. The demand in dietary supplements has increased significantly and more Malaysians are consuming more supplements in each day. The problem that they might face will be the storage of supplements when they are out for work or when they are travelling.

(Refer to Chapter 3.2 for more on the customer segments of PD1).

### **2.3.1.8 Cost Structure**

The cost structure of JKL Telecare Sdn Bhd comprises of the procurement of raw materials, the manufacturing process, and employees' salaries and wages.

#### **(I) Procurement of Raw Materials**

Majority of the cost of JKL Telecare Sdn Bhd is on the procurement of raw materials. As a start-up business, JKL Telecare Sdn Bhd will not be manufacturing the components; instead, the company will purchase the raw materials or components from various suppliers. In JKL Telecare Sdn Bhd, the management emphasized very much on the values that the customers will be receiving. Hence, the company will only purchase quality components although it could be cheaper in the purchasing of lower quality components. The

procurement of raw materials will be done 80 percent on cash and 20 percent on credit.

(II) Manufacturing Process

During the manufacturing process, it involves the use of utilities such as electricity. It also involves labor cost and packaging cost. Before the operation of the business, part of the capital will be used in the procurement of machineries and equipment. The machineries and equipment need regular maintenance and service to maintain their productivity and efficiency.

(III) Employees' Salaries and Wages

Employees are part of the administrative and manufacturing processes which assist the company in gaining revenue while delivering values to the customers. In JKL Telecare Sdn Bhd, there will be a total of 10 labor workers being hired and 5 management personnel which made up of the 5 co-founders of the company. Salaries for the management personnel will be set at RM 2,000 per month while the labour cost is fixed at RM 7 per hour. These contributed a large portion to the cost structure of the company.

### **2.3.1.9 Revenue Streams**

Revenue streams are the ways JKL Telecare Sdn Bhd gains revenue. Through the selling of Automated Pill Dispenser, PD1, besides delivering values to the customers, the company is gaining revenue to fund other activities in the company such as the research and development of the product. PD1 will be selling at a price of RM 428 per unit. The revenue gained by the company will be able to cover the costs incurred during the manufacturing process. The pricing methods that will be used for PD1 will be price penetration and price discount. These incentives will enhance the attractiveness of PD1 and hence, generating more revenue by selling more units.

### **2.3.2 How the business will create sustainable competitive advantages**

JKL Telecare Sdn Bhd will be using the SWOT analysis to analysis the competitive advantages of the company.

#### **2.3.2.1 Strength**

(I) Differentiation

The company's product, Automated Pill Dispenser, PD1 differentiates itself from those offers by competitors through its product features. First of all, PD1 by JKL Telecare is portable and suitable to use during travelling. Second, it has a distance alarm where it will prevent users from leaving it behind during outings. Third, it has the Global System for Mobile (GSM) monitoring which will send short text messages to the users or caregivers at three situations- time for medicine and supplement intake, missed dosage if the particular compartment is not emptied within 60 minutes, and low battery notification. These make PD1 different from other automated pill dispensers offer by competitors.

Apart from the product features of PD1, the company attempts to build customer loyalty and educating consumers on the advantages that PD1 could offer. Outstanding customer services are also one of the focuses in the company besides offering customers with affordable and quality products. The company will be in a very firm competitive position if it has a wide base of loyal customers. Assuming that there is a new entrant in the Malaysian Telecare Industry in near future, having loyal customers will assist the company in securing its position in the market. It creates a barrier to the new entrants in the industry.

(II) Low-cost

The price of PD1 is much lower than those offered by the company's global competitors. JKL Telecare's Automated Pill Dispenser, PD1 will be selling at a price of RM 428. Other automated pill dispensers with comparable features in the market are ranged from RM 700 to RM 1800. However, as a new entrant to this emerging industry in Malaysia, the company will be using price penetration strategy to attract the attention of customers and to increase the awareness of customers on the existence of this beneficial product.

The company will be practicing just-in-time (JIT) method for its raw materials and this will reduce the cost incurred significantly. Compared to the United States and the United Kingdom where the global competitors are located, the company enjoys lower labor cost and cheaper rental in Malaysia.

Although the company is selling PD1 at a much lower price than its competitors and has affordability is one of the core values, JKL Telecare Sdn Bhd targets to further reduce the cost and increase the efficiency of production. The company aims to offer further versions of quality automated pill dispenser at lower prices in the near future in order to approach more customers and spread the benefits of automated pill dispenser to more people.

#### **2.3.2.2 Weakness**

JKL Telecare is a new start-up company in an emerging industry in Malaysia, which is the telecare industry. As a new start-up, the company is exposed to several disadvantages.

First, the company has smaller amount of capital compared to the competitors. This has restricted JKL Telecare Sdn Bhd in the procurement of advanced machineries and equipment that are able to optimize the cost of production and to



manufacture better products for the satisfaction of the customers. During the start-up stage, the company would not be able to compete with its competitors who have long establishment in the market and achieved economies of scale especially in the United States and the United Kingdom.

Second, the limitation in capital will also restrict the company's means of marketing. Successful marketing activities could be expensive and it would be a burden to a start-up business like JKL Telecare Sdn Bhd. However, this limitation has alternatives to overcome such as partnering with the company's dealers in promoting the product and exploiting the power of the Internet.

Third, the company does not have well-established relationships with authorities of the related industries, suppliers, supporting societies, and so on so forth. Fourth, inexperience in handling internal management and technical system is also a weakness of the company. Considerable time needed to push all the operational activities to a stable level.

Fifth, as a new start-up, the company does not have brand name recognition on its product, which is the automated pill dispenser, PD1 in the beginning stage of the product development. With brand name recognition, customers will trust more on the product, it provides certainty to customers. Therefore, the company needs to rely on effective marketing efforts to build its brand name recognition.

### **2.3.2.3 Opportunity**

Problems are potential opportunities. Memory lapses are a common problem among the golden age community and working adults with hectic lifestyle. Memory lapses could cause medication errors as a patient might be uncertain about his medicine consumption which involves-completely forgot to take his medication, or having false memory on medicine consumption. When the level of medical adherence and compliance in an individual is low, it might cause inefficiency of the medicine or supplement in solving ailments, improving their health or sometimes, may cause deterioration in their ailments.

Variety and complexity of prescribed medication will most probably cause confusion among patients. When there is confusion among patients, the risk of medication error increases. Medication error will greatly affect an individual's health condition and safety. In addition, poor adherence to medication will limit treatment efficiency, increase of healthcare expenditure, increase morbidity and mortality rates. The company is committed in solving the problems that individuals met with during the intake of medicines and dietary supplements.

The problems above create opportunities for the company to solve while gaining revenue. Besides that, the opportunities that the company has include the initiative of the Malaysian Government in the recent years in encouraging more people to involve in entrepreneurship and the use of technology in improving the productivity of the business. Multiple programs such as the 1-InnoCERT Certification and various entrepreneurship funds are the efforts of the government in encouraging the establishment of more small and medium enterprises (SMEs).

#### **2.3.2.4 Threat**

JKL Telecare Sdn Bhd faces threat from both new entrants and existing firms. New entrants might realized the opportunity in the Malaysian Telecare Industry and compete with the company since the industry is still an emerging industry with less competitors. While existing firms might have better technologies and greater financial capabilities, they might realized the opportunities in this industry and come out with better products that JKL Telecare Sdn Bhd might need considerable time in achieving that.

Therefore, the marketing means of JKL Telecare Sdn Bhd will also focus on creating and building customers loyalty by providing affordable, reliable, and innovative products, in the combination of excellent customer service. The speed on building brand name recognition in the Malaysian Telecare Industry is a crucial aspect in the marketing activities.

## **2.4 Current Status and Requirement**

### **2.4.1 Current status**

Before the commencement of JKL Telecare Sdn Bhd, the following will be accomplished:

- Engagement with a service by a Licensed Company Secretary to assist in the registration of JKL Telecare Sdn Bhd.
- Application of name search for JKL Telecare Sdn Bhd and the registration of the company under the Companies Commission of Malaysia.
- Raising capital and funds through a loan from a financial institution in Malaysia and personal savings of each founder.
- Formation of a management team that comprises of five co-founders with roles and responsibilities delegated according to each's experiences and abilities.
- Researches on the Malaysian Telecare Market and Industry.
- Identification of the target market and drafted a comprehensive marketing plan.
- Creation of a business model that could provide the company with sustainable competitive advantages.
- Drafted the standard operation procedures for the production process, quality control methods, and customer service.
- Renovation of the manufacturing plant and furnishing the main office.
- Drafted a financial plan on the operations of the company for a period of 3 years.
- Opened accounts with raw material suppliers and machineries and equipment suppliers.
- Recruitment of employees and training of employees.
- Registration of Employees Provident Fund (EPF), Social Security Organization (SOCSO), and with the Inland Revenue Boards of Malaysia.

### 2.4.2 Projected milestones

Milestones represent the significant achievements and events of a company. The table below describes the business activities that JKL Telecare Sdn Bhd has accomplished and the milestones that JKL Telecare Sdn Bhd will be achieving within a 5-year period.

Table 2.1 Projected Milestones of JKL Telecare Sdn Bhd from 2015 to 2019

Year	Activity(s)
2015	<ul style="list-style-type: none"> <li>• Commencement of the business.</li> <li>• Launch and manufacture JKL's first generation of automated pill dispenser, PD1.</li> <li>• Apply patent for the automated pill dispenser, PD1 and trademarked JKL's logo.</li> </ul>
2016	<ul style="list-style-type: none"> <li>• Establish a Research and Development Department to increase the variety and improve the quality of telecare products offered.</li> <li>• Create an online store to reach more customers.</li> </ul>
2017	<ul style="list-style-type: none"> <li>• Apply for 1-InnoCERT.</li> <li>• Launch and manufacture JKL's second generation of automated pill dispenser, PD2.</li> </ul>
2018	<ul style="list-style-type: none"> <li>• Apply for ISO 9001:2015 and ISO 14001:2004 certifications.</li> <li>• Achieve breakeven in the business.</li> </ul>
2019	<ul style="list-style-type: none"> <li>• Apply automated production on 50% of the total production process.</li> <li>• Market expansion to Southeast Asia.</li> </ul>

## 3.0 INDUSTRY ANALYSIS

### 3.1 Industry Description

Telecare includes the use of information and communication devices or sensors to provide health and social care from a distance to individuals especially towards the golden age community and people with chronic disease. However, there is no clear boundary or specific definition of the telecare industry as it often overlapped with other types of healthcare services. The vast variety of devices and technologies combined with care services that are in line with the definition of telecare are categorized into three generations based on their complexity.

Figure 3.1 Trends of the Global Telecare Industry

First Generation	<ul style="list-style-type: none"> <li>• Social alarms</li> <li>• User-activated devices found in community alarm services-use telephone unit and an attachment with a button that can be triggered in case of emergency.</li> <li>• Example: Push button, Pendant or Pull-chord alarms.</li> </ul>
Second Generation	<ul style="list-style-type: none"> <li>• More advanced-social alarms are automated-self-triggered rather than the user initiates the alarm.</li> <li>• Involves sensors that are able to monitor spaces at home, key symptoms before disease breakout, and lifestyle.</li> <li>• Example: Smoke and fire detectors.</li> </ul>
Third Generation	<ul style="list-style-type: none"> <li>• Most advanced-data are collected and recorded daily through multiple sensors-then analysed on a regular basis and assess the need for help and support.</li> <li>• Example: Front door open/close detectors, bed/chair occupancy.</li> </ul>

Source: Developed for research.

Technologies improve the quality of life and enable users with extra care such as the golden age community and patients with chronic diseases to maintain their interest in taking care of themselves, allowing them to live independently for a longer period of time.

### **3.1.1 Industry Trends**

According to a report on “Telecare Technology for an Ageing Society in Europe: Current State and Future Developments” by Meidert, Früh, and Becker (2014), they have pinpointed several expected future trends in the telecare industry.

(I) The use of mobile health will increase.

As the usage of mobile devices such as smart phones, tablets, and wireless technology increases steadily in the recent years, the use of mobile health is gaining more attention and importance towards both patients and healthcare providers. Mobile health is also known as mHealth. The applications provide information about diseases, medicines, and medical devices and able to track symptoms and send alerts (Deloitte Centre for Health Solutions, 2012).

Nearly 90 percent of the world population has access to the Internet and more than 5 billion people have a mobile phone (Hampton, 2012). Mobile health is a cheap and effective method in spreading health information by the United Nations, governments, nongovernmental organizations, and academic institutions (Hampton, 2012) while enabling users to have better understanding in their health condition.

(II) The increasing usage in personal digital assistants (PDA), monitoring devices or applications.

The functions of personal digital assistants (PDA) in future includes keeping records of an individual's health condition for monitoring purpose and act as a tool to communicate with those health professionals. Alarms might be integrated into the devices to ease the process of seeking assistance when it is needed.

(III) Interaction between existing devices increases and multitasking of one device.

Through interactive interfaces such as the Internet, the interaction between existing products is expected to improve and simplify. Data that are collected in several devices can be linked to obtain a more comprehensive data on an individual's health condition. This means that in near future, it will no longer be necessary to install several telecare devices; instead, one device or system which is capable of multitasking is needed.

(IV) Devices are more user-friendly and economic.

The size of devices is expected to shrink and sold at affordable prices. Overall, majority of the devices will be user-friendly. The production cost and selling price will be reduced as the demand for telecare products increases.

(V) Devices will be used for prediction and prevention.

One of the ultimate goals for the development of telecare products will be the ability to predict and prevent diseases. It involves the change in attitude towards healthy living where prevention is better than cure. This is feasible through the increasing trend in spreading health information through mobile phones and the use of health tracking apps in smartphones.

(VI) Product extension into other fields of use.

The current devices are mainly for home use. It is expected that mobile devices, tele-diagnostics, and other tele-services will be used by both patients and healthcare providers in communicating their health statuses and care that should be paying attention at. Devices that only applied for one specific group of individuals currently will be able to adapt more groups in future.

### **3.1.2 Industry Size**

Throughout our study on the global telecare industry, we found that majority of the reports mentioned that the definition of telecare is rather ambiguous. It is difficult to find extensive data solely on the telecare industry itself. Therefore, the exact size of the telecare industry is not known.

Baum and Abadie (2013) stated that there are unclear conceptual and market frontiers from an industry point of view; while from a provider point of view, there are fuzzy boundaries between health and social care; as from a user point of view, there are problems distinguishing the types of user.

The Malaysian Telecare Industry is an emerging industry. There are limited studies on this industry. In Malaysia, alarms for the golden age community often found and categorized in the field of social security. The use of monitoring sensors and devices is currently uncommon. The size of the Malaysian Telecare Industry is not known.

Majority of the reports found are related to the European Countries. The global telecare market is forecasted to grow more than two folds from 2010 to 2015, which is from £6.2 billion to £14.3 billion. The European Telecare Industry is expanding at a very fast pace because the European governments strongly support and invested heavily in the industry. The European Telecare Industry is currently highly fragmented and small (Deloitte, 2012).



### 3.1.3 Industry Attractiveness

To determine the attractiveness of the Malaysian Telecare Industry, our company has applied the use of Porter Five Forces.

Competitive Force	Threat to Industry Profitability		
	Low	Moderate	High
Threat of new entrants			✓
Bargaining power of suppliers	✓		
Bargaining power of buyers	✓		
Threat of substitutes		✓	
Rivalry among existing firms	✓		

Source: Developed for research.

The Malaysian Telecare Industry is rather young. It is an emerging industry. The telecare industry is highly fragmented and relatively small in developed countries such as the United Kingdom (Deloitte, 2012). With our limited knowledge in this industry, we could not identify any local direct competitor towards JKL Telecare Sdn Bhd at this moment. Tunstall Group Limited and PivoTell Limited are well-established telecare companies in the United Kingdom and they are the few dominant players in the global telecare industry. They are our foreign direct competitors as their dispensers can be found in the online platform.

(I) Threat of New Entrants

The threat of new entrants in the Malaysian Telecare Industry is high. As a start-up, it is tough for JKL Telecare Sdn Bhd to achieve economies of scale due to the constraints in funds and market uncertainty during the start-up stage of the business. The Malaysian Telecare Industry is an emerging industry if compared to those in developed countries such as the

United Kingdom and the United States of America. Hence, we do not have any solid case study to prove that Malaysia is one of the potential markets for telecare products.

The capital requirement to enter the telecare industry is relatively high. Therefore, it will be difficult for us as a small scale company to accelerate our business activities and developments during the first few years. Although this industry is currently uncommon in Malaysia, but better-funded local competitors with a sturdy base in technology might be able to enter the industry easily and imitate what the existing industry occupants are doing or even surpass the achievements of the earlier entrants in just a short period of time.

(II) Bargaining Power of Suppliers

The bargaining power of suppliers in the industry is low. Through our researches, we found that there are multiple suppliers that are able to supply sufficient quantities of the electronic components needed for our automated pill dispenser, PD1. The prices and services they offered are comparable. Switching costs in this industry will be low. If we are not satisfied with the electronic components that are provided by our existing suppliers, we could easily switch to others.

(III) Bargaining Power of Buyers

The bargaining power of buyers in the Malaysian Telecare Industry is low. Our automated dispenser, PD1 faced direct competition from those foreign dominant players in the telecare industry such as Tunstall Group Limited and PivoTell Limited. However, the pill dispensers that they are offering are too expensive to Malaysians. JKL Telecare Sdn Bhd offers pill dispensers with compatible features at a much lower price than those available in the market.

(IV) Threat of Substitutes

The threat of substitutes in this industry is moderate. In other words, it means that the products of other industries might be able to serve as substitutes to the products manufactured or sold in the focal industry. Consumers might use their mobile phones to set timer for medication and supplement intakes. Despite JKL Telecare's automated dispenser, PD1 is much cheaper, majority of the Malaysians are price sensitive consumers.

(V) Rivalry among Existing Firms

The intensity of the rivalry among existing firms in the telecare industry in Malaysia is considered as low. There is no local competitor that is directed towards JKL Telecare Sdn Bhd was identified but we are competing with large global companies that have established recognition in the industry.

As a conclusion, the Malaysian Telecare Industry is attractive and favourable to us. According to a report by Deloitte in 2012, "As technology is advancing at a pace, the potential for technology to make home care more effective, convenient, and personalized is still widely underdeveloped". This indicates that we have ample opportunities to grow and expand our business in this industry.

### **3.1.4 Profit Potential**

Globally, the telecare market is estimated to rise from £ 6.2 billion in 2010 to £ 14.3 billion in 2015 (Deloitte, 2012). With our limited knowledge, there are a limited number of studies on the Malaysian Telecare Market as it is an emerging industry in Malaysia. Most of the reports found are published by the European Bodies. The definition of telecare in market reports is relatively ambiguous due to the varied perspectives by different researches which make it difficult to find data exclusively dealing with the Telecare market segment (Baum & Abadie, 2013).

In Malaysia, it is difficult to identify the development in its telecare market. It is a market where Malaysians are currently less aware and exposed to. However, developed countries such as the United States of America and the United Kingdom; they have long established the use of telecare products. Despite the unclear development of this market in Malaysia, we think that it has a huge profit potential in a few years' time.

Technology in telecare has the capability in allowing more individuals to be taken care of in their own homes by providing them supports in handling their needs in caring more effectively and independently. It is primarily a social care support tool. The use of technology such as smart phones, tablet, and mobile apps has accelerated and transformed the trend of telecare products. The latest telecare devices such as Mobile Telecare and Video-based Telecare transformed the traditional home-based telecare services into services with visual communication between its users and its family members or caregivers (Deloitte, 2012).

The percentage of smart phone users in Malaysia has been increasing from 14 percent in 2010 to 26 percent in 2012. The percentage has increased by two folds. Among 35 percent of those individuals who were using feature phones in 2012, majority of them said that they have intention to switch into smartphones in the same year, a quarter in 2013, and the rest will only switch by 2014 or later on (Malaysian Communications and Multimedia Commission [MCMC], 2012). With the increasing number of smartphone users, if joined with the awareness of Malaysians' towards healthcare, the Malaysian telecare market will be in demand one day.

The dependency ratio of old age in Malaysia is expected to double by 2040 compared to the ratio in 2010, which is from 7.4 to 16.6. Due to the increasing number of the golden age community in Malaysia, the working age population, 15 to 64 years have to adapt the changes in an aging society (DOSM, 2013, Chart 3). As telecare products could assist an individual in taking care of him or herself independently, we see that it is an opportunity. The working population could introduce the use of telecare products or services to those in the golden age community to assist them in their daily lives.

## **3.2 Target Market**

JKL Telecare Sdn Bhd's automated pill dispenser, PD1 is targeted to the following target markets- the golden age community, working adults, individuals who are practicing polypharmacy, and individuals with daily dietary supplement regimen.

### **3.2.1 Golden Age Community**

One of the target markets for JKL's automated pill dispenser, PD1 is the golden age community in Malaysia. We focus on the age group 65 years and above and they are tagged as the golden age community in our research. The population of this age group in Malaysia is increasing from year to year. According to the data on the Population Projection by age group in Malaysia from 2010 to 2040, the population of individuals who are 65 years and above is expected to increase by 6.4 percent, from 5.0 percent in 2010 to 11.4 percent in 2040. In other words, the golden age community is expected to increase more than three laps, from 1,425,100 in 2010 to 4,405,100 in 2040, transforming Malaysia into an aging nation. This also indicates that our target market will continue to grow, at least within these 25 years, from 2015 to 2040 (Department of Statistics Malaysia [DOSM], 2013, Table 1).

Majority of the golden age community are found to have memory lapses due to old age. It is generally comprehend that as an individual gets older, he or she will tend to be more forgetful. In the case of golden age community, although blocking and misattribution are often related to aging, we can actually include transience, absentmindedness, suggestibility, and bias to the kind of memory lapses suffered by most of them ("Forgetfulness-7 Types of Normal Memory Problems", 2012). Memory lapses could cause medication errors as a patient might be uncertain about his medicine consumption which involves-completely forgot to take his medication, or having false memory on medicine consumption. With the assistance of PD1, we aim to reduce the worries among the golden age community and reduce the possibilities of them in forgetting their medication and dietary supplement taking. This will also leave their acquaintances with a peace of mind.

### **3.2.2 Working Adults**

Besides the golden age community, most of the working adults in today's world are found suffering from small and frequent memory lapses due to their busy lifestyles. Stress often comes along with hectic lifestyle. Cortisol, the stress hormone, will increase when an individual is constantly under stress and pressure. Subsequently, this causes damage to the brain overtime. Stress will also cause an individual in having difficulties to concentrate something which then leads to memory lapses (Smith, Robinson, and Segal, 2013). Moreover, they are living in a more complicated life where the nature of a job needs to put in great concentration while experiencing information overload. This causes them in letting slip of their medicine and dietary supplement regimen from memory. When the level of medical adherence and compliance in an individual is low, it might cause inefficiency of the medicine or supplement in solving ailments, improving their health or sometimes, may cause deterioration in their ailments.

### **3.2.3 Individuals with Polypharmacy Needs**

Individuals who are practicing polypharmacy are among our target markets. This target market comprises of the golden age community as well as those from other ages but with long-term and multiple medication needs. Polypharmacy can be defined as the constant use of multiple medications, whether prescription or over-the-counter (OTC) by a single patient or unnecessary use of multiple medications (Stawicki & Gerlach, 2009). Complicated and multiple prescribed medication will most probably cause confusion among patients. According to Veehof, Stewart, Haaijer-Ruskamp, and Meyboom-de Jong, the golden age community consumes more medication than those who are in the younger age groups. The risk of medication error increases with the use of medicine. Medication error will greatly affect an individual's health condition and safety. Therefore, PD1 can serve as an assistant in eliminating confusion among those who are on polypharmacy.

### **3.2.4 Individuals with Dietary Supplement Regimen**

Besides that, individuals with daily dietary supplement regimen are also on our target market. Today, there is an extensive variety and broad range of dietary supplements in the Malaysian market. This market in Malaysia has been growing steadily at a rate of 8 percent to 10 percent annually for the past ten years since 2002 and Malaysians' expenditure on supplements are extremely high, ranging from RM 50 to RM 500 per month. This indicates that there is more demand in supplements among Malaysians and reflects the attitude of Malaysians in maintaining their health (Stanton, Emms, & Sia, 2011). Majority of the Malaysians take preventative measures to maintain their health and wellness. As there are more Malaysians consuming supplements and more supplements in each day, we see opportunity in this group of individuals. PD1 will be able to provide them convenience in storing and carrying different types of supplements based on their desire dosage each day and preventing them from missing any intakes.

### 3.3 Competitive Position within Target Market

With our limited knowledge, JKL Telecare Sdn Bhd does not have any local direct competitors being identified at the moment. The Malaysian Telecare Industry is considered as an emerging industry. The global competitors of JKL Telecare Sdn Bhd will be Tunstall Healthcare and PivoTell Limited. Both of these companies are the dominant players in the global telecare industry especially in the United States and the United Kingdom where both of these countries have well-establishment on telecare products and they are widely use in enabling the golden age community to live independently for a longer time.

#### 3.3.1 Competitive Analysis Grid

Table 3.1 Competitive Analysis Grid of JKL Telecare Sdn Bhd

Criteria	PD1	e-pill Med Smart (MD2)	PiVoTell Advance Dispenser	IVPILLDALL
<b>Company Name</b>	JKL Telecare Sdn Bhd	Tunstall Americas	PiVoTell Limited	IVATION
<b>Product Features</b>	Advantage	Moderate	Advantage	Moderate
<b>Brand-name Recognition</b>	Low	High	High	Average
<b>Access to Distribution Channels</b>	Advantage	Advantage	Advantage	Moderate
<b>Product Quality</b>	High	High	High	Average
<b>Selling Price</b>	Advantage	Disadvantage	Disadvantage	Moderate
<b>Market Position</b>	New Start-up	Market Leader	Market Leader	Contender

Source: Developed for research.

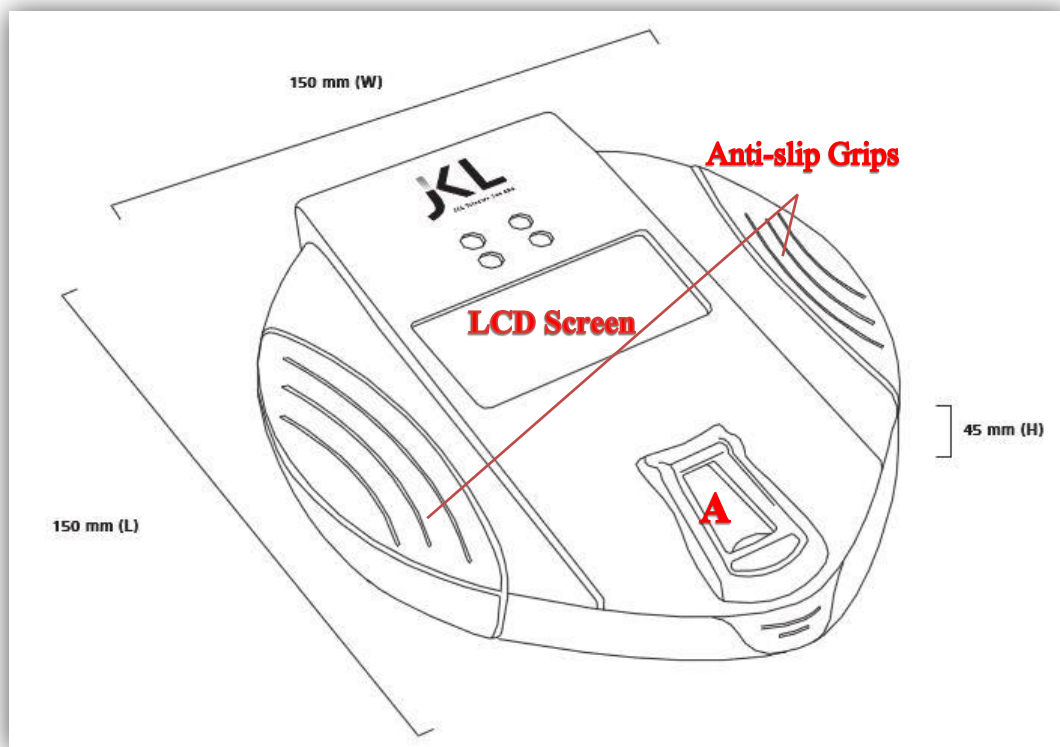


## 4.0 MARKETING PLAN

### 4.1 Product/Service Feasibility Analysis

#### 4.1.1 Description of the Product or Service Offer

Figure 4.1 Design of JKL Telecare's Automated Pill Dispenser, PD1



JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1 has the following features:

- (I) It has a rotatable tray with 14 compartments that could hold up to 10 pills of the standard size of Aspirin. When it is time for medication and

supplement intake, the particular tray with pills will rotate to the opening of the pill dispenser, which is labelled as 'A' in the figure above. Users are required to turn over the automated pill dispenser to remove the pills from the dispenser. The compartments also serve as a pill organizer when it involves multiple pills.

- (II) It has a maximum dispensing rate of 6 times in a period of 24 hours. Users are able to set the time interval of the alarm based on the requirements of their medications and supplements intake. For instance, if a user set a dispensing rate of 6 times in a day, it means that the alarm will be triggered in the basis of every four hours. Below is a table on the dispensing rate and time interval.

Table 4.1 Dispensing Rate versus Time Interval

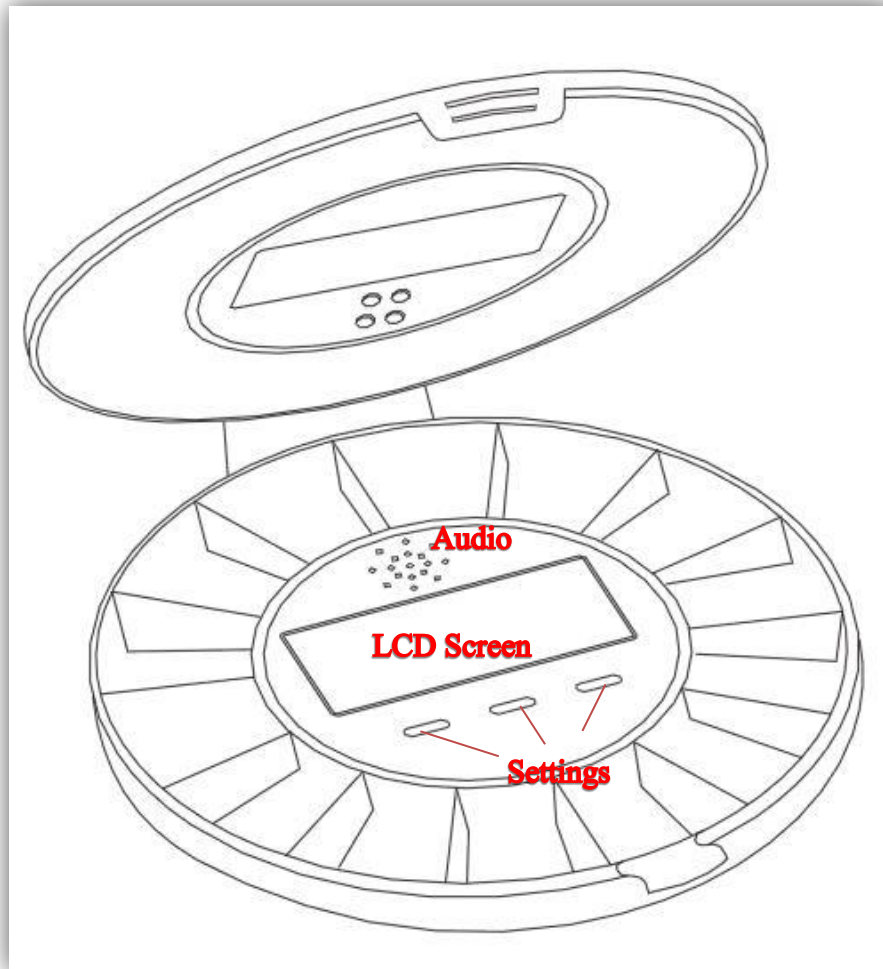
Dispensing Rate (Times)	Time Interval (Hours)
1	24
2	12
3	8
4	6
6	4

Source: Developed for research.

- (III) It has a loud audio alarm, Light Emitting Diode (LED) light for night use, and a large Liquid Crystal Display (LCD). As one of our target markets includes the golden age community, loud audio alarm is needed for those who suffer from light hearing impairment as well as for the purpose of easy hearing. The large LCD screen is to enable users to read the date, time, and dispensing rate set easily, without straining much on the eyes.

- (IV) Since PD1 is a portable device, it operates on four rechargeable 1.5 Volts Alkaline Batteries.
  
- (V) When it is time for medication or supplement intake, the dispenser will beep for one minute with increasing tone. If the content in the compartment was not emptied within the one minute, the dispenser will snooze for another one minute after ten minutes of the actual time set. The steps will be repeating until the reset button was pressed once or until a short text message was being sent to the two saved numbers of users or caregivers.
  
- (VI) PD1 also includes the Global System for Mobile (GSM) monitoring system. It can save up to two numbers where the users are able to decide which two mobile phone numbers to add in. This feature enables caregivers to monitor the medication and supplement taking of the actual user although they might not be in the same location.
  
- (VII) The monitoring system will send short text messages in three situations- actual times for medication or supplement intake, missed dosage if the compartment is not emptied within 60 minutes, and when the dispenser is low in battery.
  
- (VIII) There is also a distance alarm that will prevent users from leaving their dispenser behind. Since PD1 is made portable, there will be a possibility where the user will forget to bring his or her dispenser along. Users are able to set a distance between 3 metres and 25 metres. The distance set will determine the distance of the alarm before it is being wandered off.

Figure 4.2 Interior Design of JKL Telecare's Automated Pill Dispenser, PD1



Source: Developed for research.

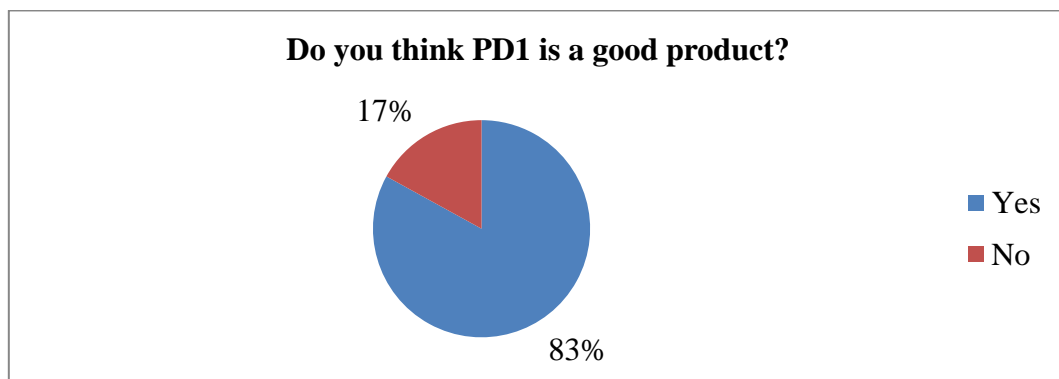
- (IX) The refilling of PD1 is required to be done manually. For users with slight inconvenience or disability, they need the assistance of caregivers or family members to help with the refilling for safety purpose.
- (X) Anti-slip grips on both left and right sides of the pill dispenser for easy and firm gripping.

- (XI) PD1 is 150mm in length, 150mm in width, and 45mm in height. It weights around 45o grams. The size and the weight of PD1 make it suitable for travelling. It also comes with a 12 month warranty.

#### 4.1.2 Concept Testing and Buying Intention Survey

A combination of concept testing and buying intention survey was conducted to explore the market's opinion towards JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1. A concept statement was attached to a questionnaire which comprise of 8 questions are distributed to 400 respondents across the 14 states of Malaysia. The participants of the survey are required to read through the concept statement before penning their answers based on the questions asked. The respondents are from various age level, income group, and education background and they are from different occupations, from students to lawyers, doctors, and etcetera. The results of the survey are as below:

Chart 4.1: Do you think that PD1 is a good product?



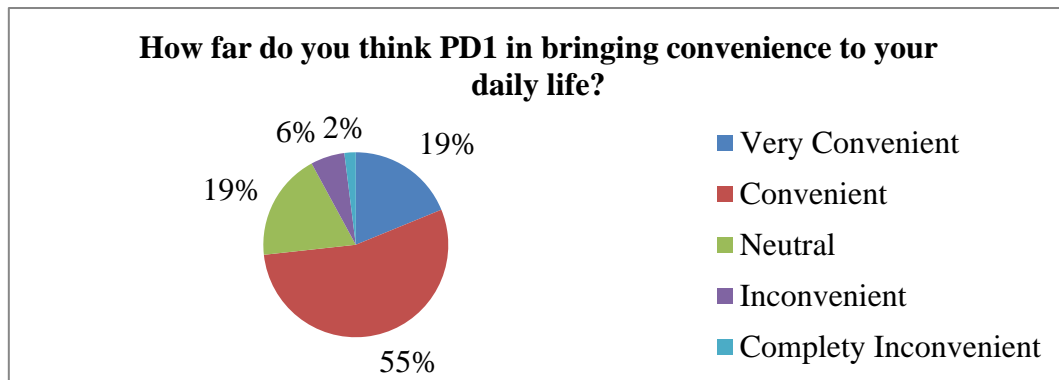
Source: Developed for research.

**Result:** 83 percent of the respondents responded that PD1, JKL Telecare's Automated Pill Dispenser is a good product.

The second question in the questionnaire is about suggestions on making PD1 a better product. After analysing the suggestions from the respondents, several sound suggestions were taken into consideration in improving PD1.

- (I) Develop a free smart phone application that is able to track the location of the automated pill dispenser since it has already equipped with a distance alarm.
- (II) Child proof locks to avoid easy access of children.
- (III) Lighter in weight
- (IV) Further reduce the selling price.

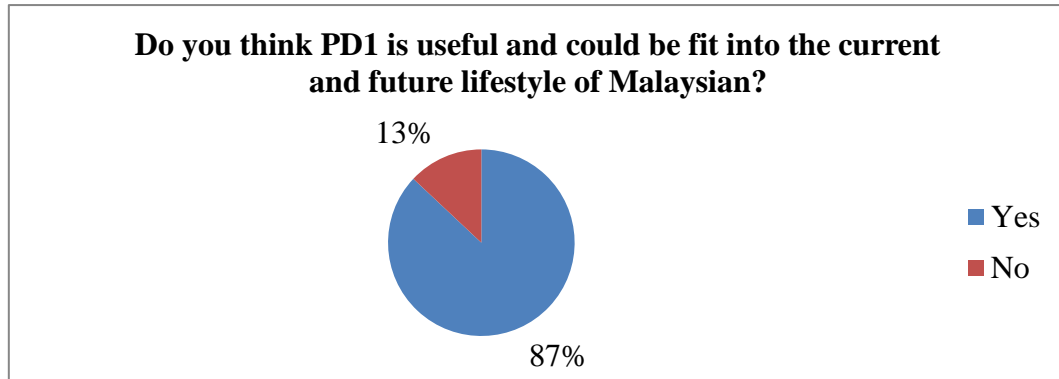
Chart 4.2: How far do you think PD1 in bringing convenience to your daily life?



Source: Developed for research.

Result: More than half of the respondents think that PD1 will provide them with convenience in their daily lives. 19 percent of them think that PD1 will definitely provide them with high levels of convenience. Compared to those who agree with the convenience of PD1, the percentage for inconvenient and completely inconvenient only comprise of 8 percent, which is a huge disparity between two figures of different stances.

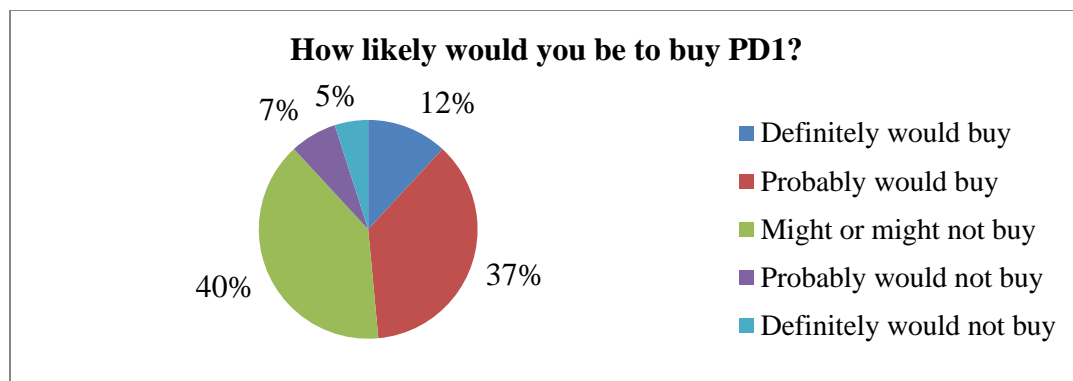
Chart 4.3: Do you think PD1 is useful and could be fit into the current and future lifestyle of Malaysian?



Source: Developed for research.

Result: Majority of the respondents, with a high percentage of 87 percent, agree that PD1 is useful and could be fit into the current and future lifestyle of Malaysian. Only 13 percent of the respondents disagree with the statement.

Chart 4.4 How likely would you be to buy PD1?

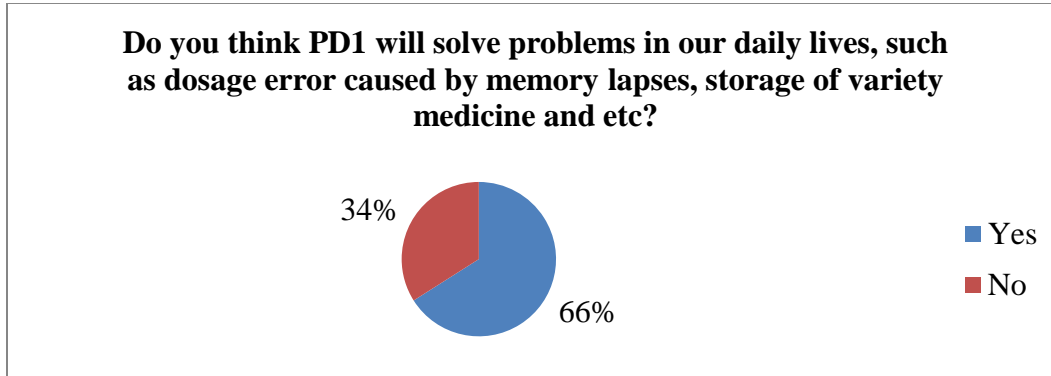


Source: Developed for Research

Result: A large percentage of the respondents responded that they might or might not buy. This shows that they have relatively large interest in PD1 but there are certain factors that put them into consideration such as the selling price of PD1 while 37

percent of them will most probably purchase PD1. Only 5 percent of the total respondents show no interest in buying PD1.

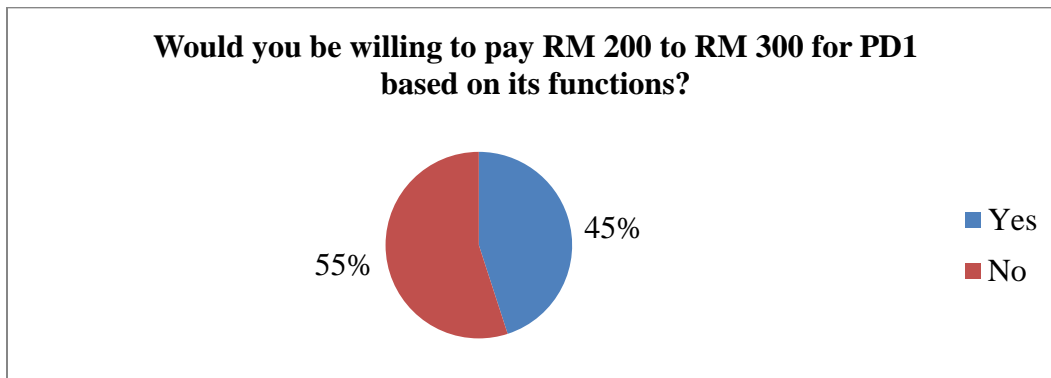
Chart 4.5 Do you think PD1 will solve problems in our daily lives, such as dosage error caused by memory lapses, storage of variety medicine and ecterea?



Source: Developed for research.

Result: 66 percent of the respondents think that PD1 will solve problems in their daily lives. 34 percent doubted on PD1 in solving problems in their daily lives.

Chart 4.6 Would you be willing to pay RM 200 to Rm 300 for PD1 based on its functions?

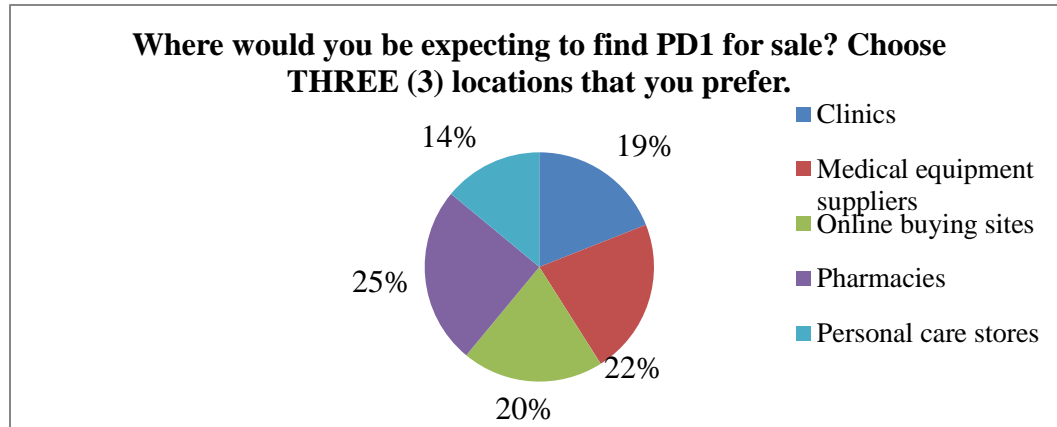


Source: Developed for research.



Result: 45 percent commented that they would be willing to pay RM 200 to RM 300 for PD1 based on its functions. The rest 55 percent commented that it might be too expensive to them. This result indicates that Malaysian consumers are price sensitive.

Chart 4.7 Where would you be expecting to find PD1 for sale?



Source: Developed for research.

Result: 25 percent prefers pharmacies. 22 percent expects to find from the medical equipment suppliers. 20 percent expects to find PD1 from online buying sites. 19 percent prefers clinics and the rest of the 14 percent prefers personal care stores.

All these indicate that PD1 is on the right track in delivering values to the customers and solving problems in their daily lives. From the results of the survey, it shows that majority of the consumers are very interested in JKL Telecare's Automated Pill Dispenser.

However, due to the pricing, despite it costs much lower than those of the competitors, the consumers doubted. Therefore, the sales and marketing manager of the company has major responsibility in enhancing the interest of customers. Effective marketing plan is needed to secure the sales of PD1 and most importantly, create customer loyalty. Loyal customers are less price-sensitive and it will be a barrier to new entrants to the industry.

## **4.2 Pricing Strategy**

Pricing is a significantly critical aspect of a business and it is also an essential element in business planning. In order to achieve the objective of maximizing profit, several pricing strategies can be used to adapt with the shifts in marketing strategies, conditions of market, and product life cycles.

### **4.2.1 Penetration strategy**

In introductory stage, our company attempt to promote products and services for its new market and gain the market share in order to pursue the objective of quantity maximization by means of a low price. Such strategy also known as the value based pricing which means able to generate optimum sales aims to encourage customer to switch the new product with relatively lower price set on the product to attract more potential customers in purchasing the product. Additionally, this strategy not only building up the customer database based on information system but also facilitates the brand recognition as well as enhances company reputation at the same time cut down the cost of overhead on production line as well.

### **4.2.2 Price Discount Strategy**

#### **(I) Quantity Discount**

Offering the percentage when consumer purchase in the bulk volume discount in order to encourage a large order instead of a series of small ones for instance our company will offer a discount if buyer purchase a year-long supply chain. This increases the size and value of customer orders and helps to improve inventory management and putting up sales signs.

(II) Seasonal or Periodic Discount

Our company will be giving discount in a price reduction designed to encourage buyers to purchase merchandise before an upcoming change of seasons. Company grant purchase discounts to special groups of buyers for instance drugstore offered a 10 percent discount on all purchases to establish a faithful clientele and to generate repeat business. Also, indicate simultaneously increase profit margin and reduce incur operating cost.

(III) Trade Discount

A trade discount is functional discounts that are giving to distribution channel members who provide marketing service for the manufacturers or retailers. This strategy not only maintains relationship between each party but also facilitate in saving the cost of production. Moreover, trade discounts are also able to assist in the improvement of goodwill of the company where discounts are offered to businesses and individuals by the company.

### **4.3 Channels of Distribution**

Channels of distribution involves the combo of several organizations where the vendors markets their products to individuals or users as well as downstream process of a supply chain in order to deliver finished goods or services to customers efficiently and effectively. The channel distribution is a structured network of company engaged in the distribution of products and services. Hybrid distribution structures can be designed which through direct channel or indirect channel in order to integrated into the marketing strategy. Marketing manager have the responsibility to examined the various of marketing activity, distribution functions they perform as well as selection and management of after sales services.

#### **4.3.1 Indirect Distribution Channel**

Our company will be including one or more intermediaries in the route. Retailer channel include retailers that are in the middle of the producer and the customers. Products shift from the manufacturers, to the retailers, and then ended up with the ultimate customers. Majority of the retailers has a large chain of stores and could carry out their wholesaling activities effectively while creating efficient logistical partnerships with the manufacturers. Besides, our company also rely on the agents to sell to either industrial distributors or directly to industrial users since we do not have sufficient capital on our own sales force. The agent industrial distributor channel is also suitable for manufacturer who introduce new products or enter new markets without using own salespeople.

In addition, we will allocate suppliers to manufacturer the component of our product based on raw material category. Production line on cost reduction overhead is the main reason why we distribute the part of the product to manufacture as well as able to compare in term of price and quality as well. The supplier will assign the part of the component to our warehousing, this moves will coordinating the distribution of finished goods to an intermediaries and consumers as well. The assembly line worker will start to setting up the component in the form of completion product, after that is

will disseminate the product through the logistics management transportation activity to respectively retailer outlet in Peninsular Malaysia. The company will make assured the quality of the product able to function well before the shipping the product to the retail store or the end of consumers.

Moreover, retailers are intermediaries who are engaged primarily in selling products to end users who purchase the products for their own consumption. Our retailers are mainly focus on pharmacies and medical equipment suppliers. This is because these sectors have the sufficient technical knowledge or skill to use the product, then able to educate the consumer who purchase and how to operate our product effectively. Consumer can provide the feedback or response to retailer so those information data able to facilitate or improve our product in future in order to fulfil the customer's expectation.

In a nutshell, distribution strategy can provide an important means of competitive advantage as part of the interaction between a company, suppliers and customers in the delivery of values to the customers.

#### **4.3.2 Direct Distribution Channel**

Internet can act as a direct channel distribution management of our product between manufacture and consumers. Our target is focus on golden age community, working adult, individual with medical and supplement requirement. Therefore, the online shopping is convenient option for our consumers to purchase out products through our official website. Once, the consumer log in our website to purchase our product this will provide the information of the consumer condition or preference toward our product. The advantage of online purchase on saving time and cost consume, it allows the company have the interactive graphic data of the product for its consumer purchase's behaviour. This will help the management team enable to better control, plan, implement the transaction hence it will reduces our operating cost. The product will be delivered to the consumer through the courier service for those

who consumer might not have time to go the particular pharmacy, they can straight away purchase our product through the online purchase system.

The benefits of providing direct channel distribution includes the ability to target potential customers more effectively and reaching them regardless of their location. Overhead costs can also be reduced while varieties of specialty products can be shown to the customers with engaging pictures and detailed descriptions on the product's features and benefits to our end customers. Nevertheless, The Internet offers existing and potential customers anywhere in the world the convenience of making inquiries or placing orders as well as reflects the changing way customers carry out research on websites and take account of opinions on product review sites, forums and social networking sites.

## **4.4 Promotions and Advertising**

Effective promotion and advertising strategies will bring a company long term success, profitability for company and customer development. Thus, it is important to choose the right promotion and advertising methods to promote a product and to compete in the market. There are many ways to promote a business.

### **4.4.1 Sales Promotion**

Sales promotion is able to increase the sales of the product or services. It is one of the most persuasive promotional methods in introducing or presenting new product to customers.

(I) Coupon and Voucher

Coupons will be distributed by mail, coupon envelopes, magazines, newspapers, internet and mobile device such as smart phone. This is the best way in distributing coupons to more customers. Price sensitive customers are eager to spend time in waiting for the chances of them saving a little money and to claim the savings. Through this method, the company is able to attract new customers and to develop customer loyalty since it is also a way of advertising. It increases the rate of product and brand exposure to consumers.

(II) Discount

Discount is needed to attract customers, to compete with competitors and others. Most of the customers will always be searching for product discount. Majority of the Malaysians are price conscious. Therefore, this method could be effective in the Malaysian market.

#### **4.4.2 Outdoor Advertising**

Trade show is a platform for companies from related industry to present and promote their new and innovative products to customers. It is good for the company to take part in trade shows. Besides promoting the product to customers and assisting the growth of the business, it is a way for the company to assess updates from other companies. It is important to spend as much time as possible to communicate with our potential customer, supplier or other contact in trade show. Some of the visitors may have ideas and insights on the product. Thus, this provides an opportunity to the company in interacting with potential customers and seeks for opinion directly from them. It is an easier way to understand the needs and wants of consumers.

#### **4.4.3 Print Media**

Print media are portable, lightweight and longstanding publications printed on paper such as books, newspaper and magazines. The company will try to get a little coverage from the magazines. The company will promote the company itself and also its product through magazines. In addition to magazines, it will also be advertised on the few major newspapers such as The Star, Berita Harian, Sin Chew Jit Poh, and others. It is the best way to reach the local customers of older ages and it provides a sense of credibility and reliability to the customer on the company's product. Certain customers might have more interest in reading printed materials instead of reading or using electronic ones.

#### **4.4.4 Online Advertising**

Internet advertising cost is relatively low compared to other methods of advertising. There are two methods of online advertising-social networking advertising and website.



(I) Social Network advertising

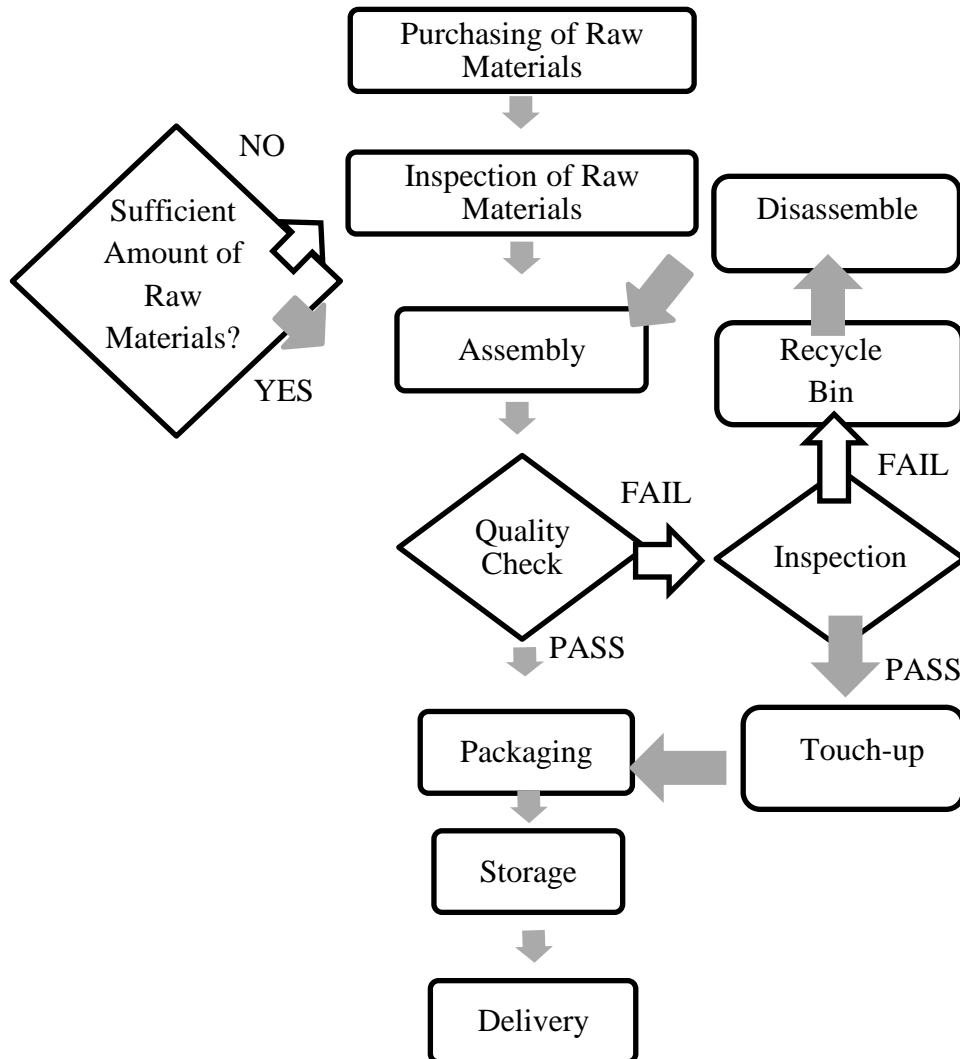
Social networking sites such as Facebook allows vendors to display advertisements that will appear on the sides of users' homepage. For enquiries on the dealers of the company, customer can choose to message or comment in the chat box of the company's Facebook chat box. Latest updates on products, promotions, news, and events are able to reach the customers fast and efficiently using Facebook.

(II) Website

The Automated Pill Dispenser, PD1 will also be selling on the company's own webpage. However, JKL Telecare Sdn Bhd will only launch the company website by 2016. Other than selling PD1 on the company's own webpage, the company will also consider to sell on some established trading website such as Living Social to increase the awareness of customers on the company's product. Living Social can be accessed on apps for smart phones or the website on personal computer. Living Social delivers and refreshes the information on discounted items every day for the viewing and purchasing of customers. Instant purchase can be done directly on the app or website easily. It is also equipped with a sharing function where individuals can send links to their friend. As a conclusion, there are advantages of using website because of the accessibility of targeting customers. Wider base of customers can be approached in just a short period of time.

## 5.0 PRODUCTION PLAN

### 5.1 Manufacturing Process



The manufacturing process starts with the purchasing of raw materials. JKL Telecare Sdn Bhd will be purchasing all the raw materials needed to assemble the Automated Pill Dispenser, PD1 from various suppliers. The company will be

adopting just-in-time (JIT) strategy for the raw materials, where the right amount of raw materials will be available to fulfil the production demand. This is to reduce the cost that the company will be binding with the raw materials. When the quantity of the raw materials has fallen to the minimum stock level, reordering of raw materials is necessary. The condition of the raw materials will be inspected.

The manufacturing process will be followed by the assembly stage after the inspection of raw materials. Finished goods will be going through another round of quality checking. Inspection will be done on each unit to ensure that the quality of each Automated Pill Dispenser, PD1 is guaranteed. During this stage, units that fail to pass the quality checking will be sent to another round of inspection. These units will be sent for touching up if they require minor adjustment while those that need major fixing will be sent to a recycle bin for disassembly and will be undergoing the assembling process again.

The last stage of manufacturing process involves the packing, storing, and distribution of JKL Telecare's Automated Pill Dispenser, PD1. The warehouse will be located in JKL Telecare Sdn Bhd's manufacturing plant. Distribution of the automated pill dispensers will be carried out according to customers' orders. The company will be engaging logistic services from external logistic companies.

## **5.2 Availability of Qualified Labour Pool**

JKL Telecare Sdn Bhd will be situated within the Menglembu-Lahat Industrial Area in Perak. This location provides the company with sufficient labour force as it is a pivot point to towns such as Batu Gajah, Lahat, Pengkalan, Pasir Puteh, and Kledang in Perak. Menglembu, Lahat, Pengkalan, Pasir Puteh, and Kledang are towns that have concentrated population in Southern Ipoh with constant population growth due to the developments in these areas. JKL Telecare Sdn Bhd planned to hire a total of 10 labors for the manufacturing processes whereas the management work force will comprise of the five co-founders of the company. This sums up a total of 15 employees in the company, which categorized the company as a small-sized business. The employees will be paid according to local employment rates.

Despite being a new startup company with no reputation in the operating environment, we could only show our passion towards the welfare and benefit of employees through the company's objectives. The company is committed in creating an employee-friendly environment, where they are able to work in a place that emphasizes workplace safety, and the importance of having a close relationship among the staff and their superiors.

## **5.3 Physical Plant**

The office and the manufacturing plant of JKL Telecare Sdn Bhd will be located in the same building and same location. The manufacturing plant is a 46,850 square feet factory equipped with an office. The manufacturing plant consists of a raw material warehouse where incoming and unused raw materials will be stored, an assembly area for the manufacturing of JKL Telecare's Automated Pill Dispenser, PD1, a quality control room for the final quality inspection of the products, a packaging department, and a finished goods warehouse where it will be attached to the loading bay to provide convenience in the distribution of products. Apart from that, there will be a

meeting room and an administrative office. Cafeteria, toilets, and *surau* are provided for the employees.

Figure 5.1 JKL Telecare Sdn Bhd's Physical Plant Layout



Source: Developed for research.

## 5.4 Machineries and Equipment

(Refer to Appendix 6 for the List of Machineries and Equipment)

## 5.5 Names of Suppliers of Raw Materials

JKL Telecare Sdn Bhd will purchase the raw materials from various established electronic component suppliers and assemble the parts in the manufacturing plant.

The suppliers that we chose from offer competitive prices for bulk buying of quality components, well established in the market with good reputation, and offer outstanding services in terms of delivery and customer service.

**(I) Arizona Microchip Technology (Malaysia) Sdn Bhd**

Address: Suite C-9-3, Block C, Plaza Mont Kiara 2, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur.

Tel: (+603) 6201 9857

Fax: (+603) 6201 9859

**(II) Arrow Electronics**

Address: No. 608, Block A, Kelana Jaya, 47301 Petaling Jaya, 47301 Selangor.

Tel: (+603) 7804 6313

Fax: (+603) 7804 6213

**(III) Astana Digital**

Address: No 137A, Jalan 8/1, Seksyen 8, Bandar Baru Bangi, 43650 Selangor.

Tel: (+603) 8920 1296

**(IV) Cytron Technologies Sdn Bhd**

Address: 7M, Jalan Kuchai Maju 2, Dynasty 2, Off Jalan Kuchai Lama, 58200, Kuala Lumpur.

Tel: (+6012) 480 1982

**(V) RS Components**

Address: A-10-3A, Empire Office, Empire Subang, Jalan SS 16/1, 47500 Subang Jaya, Selangor.

Tel: (+603) 5021 5888/1300 30 1133

Fax: (+603) 5021 5880/5881

**(VI) Vital System Technology Private Limited**

Address: 19-B (2<sup>nd</sup> Floor), Jalan Todak 3, Bandar Seberang Jaya, Seberang Jaya, 13700 Perai, Pulau Pinang.

Tel: (+604) 398 9871

**5.6 Quality Control**

In JKL Telecare Sdn Bhd, every automated pill dispenser manufactured will be sent for inspection and quality checking. There will be three stages of inspection going on in every complete manufacturing flow.

**(I) Initial Stage**

The initial stage of quality control involves the checking on the quality and condition of raw materials. Without quality raw materials, the quality of the company's products will be greatly affected. Negotiations with respective suppliers will be done immediately after the discovery of low quality components.

**(II) Intermediate Stage**

The intermediate stage of quality control occurs during the assembling of automated pill dispensers. This will be done randomly to check for minor deflections or errors in between the assembly flow. Units with deflection will be rectified before proceeding with the next step.

**(III) Final Stage**

The final stage of quality control will be the last round of quality checking before packaging. This is the most crucial checking among the other two stages because this will determine the condition of the automated pill dispensers that the customers' will

be receiving. At this stage, defective units will be inspected by the product engineer and a decision will be made in between touching up the units for minor rectifiable defects and recycling the units that found to have major defects.

## **5.7 Customer Support**

One of the objectives of JKL Telecare Sdn Bhd is to provide customers with outstanding customer service and support. This is also part of the company's mission. The company will provide support to the customers through warranty and customer care line. Fast and sound reply will be given to the customers shortly after the company received their feedback and enquiries.

### **5.7.1 Warranty**

JKL Telecare Sdn Bhd's Automated Pill Dispenser, PD1 comes with a warranty period of 12 months. It will be effective from the date of purchase. Each of the automated pill dispenser will be checked before proceed with packaging. However, this will not absolutely avoid defective products. It will only reduce the rate of defection when they reach the hands of the company's ultimate customers or also known as the end users.

A warranty card will be inserted into the packaging of the Automated Pill Dispenser, PD1. Customers can send back the defective units to the company for repairing without charges during the warranty period. A brand new automated pill dispenser will be replacing the defected unit if the time required to repair a dispenser exceeds two weeks. Customers are just required to pass the defected dispenser back to the dealer with the warranty card.



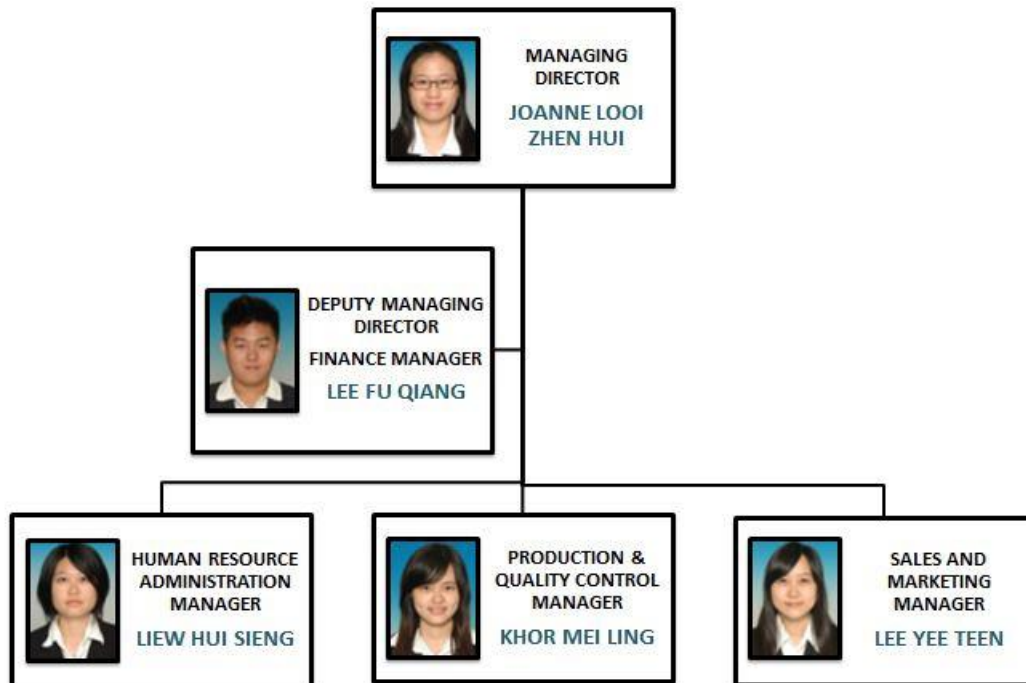
### **5.7.2 Customer Care Line**

Customers who encounter minor problems on the functions of the automated pill dispenser are able to seek help from the company's consultants through the customer care line, which is also the company's telephone number during operation hours, which is from Monday to Friday, 9am to 6pm, and 9am to 12pm on Saturdays. Customers who have enquiries related to JKL Telecare Sdn Bhd's dealer or product can also contact the company through the customer care line.

## 6.0 MANAGEMENT TEAM

### 6.1 Management Structure

Figure 6.1 JKL Telecare Sdn Bhd's Management Team



Source: Developed for research.

#### (I) Managing Director

Ms. Joanne Looi Zhen Hui is appointed to be the company's Managing Director. She is a graduate from the Bachelor Degree of Business Administration (Hons) Entrepreneurship. She has the knowledge and skills required to manage a business. Her leadership skills will lead a team of individuals in achieving a target or success. Besides that, her strong ability in making decisions matches the basic requirements of being a Managing

Director. She has working experience in the administrative field and this will enhance her ability in holding the position of a Managing Director.

(II) Deputy Managing Director cum Finance Manager

Mr. Lee Fu Qiang graduated from the Bachelor Degree of Business Administration (Hons) Entrepreneurship. He is assigned as the Finance Manager of the company because of his extensive knowledge and experience in accounting and finance. He has various experiences in handling the funds of clubs and societies during his days in college. He is sensitive about money matters and always aware of the changes in the financial environment of industries and businesses. His ability and knowledge in handling accounts and finances has led him to be the best candidate for the position of Finance Manager.

(III) Human Resource Administration Manager

Ms. Liew Hui Sieng is assigned as the Human Resource Administration Manager of the company. Her pleasant personality enables her to communicate and interact well with others. She is good in handling tasks systematically and these have led her to be the most suitable candidate for the position of Human Resource Administration Manager. She is friendly and able to work well with others. She is a charismatic person and able to unite individuals. These will ease her tasks in managing the human resources in the company as well as the administrative work in the company.

(IV) Production and Quality Control Manager

Ms. Khor Mei Ling is assigned as the Production and Quality Control Manager. She graduated from the Bachelor Degree of Business Administration (Hons) Entrepreneurship and has working experience in handling stocks and inventories. She is a person who is sensitive and always emphasizes on the quality of the products that she used. She has high awareness on product quality. Therefore, she is the best candidate for the

Production and Quality Control Manager as this is a position that requires an individual who is always careful and will strive for the best.

(V) Sales and Marketing Manager

Ms. Lee Yee Teen is also a graduate from the Bachelor Degree of Business Administration (Hons) Entrepreneurship. She has excellent communication and negotiation skills. This enables her to build corporate relationships with the various stakeholders of the company easily. Apart from that, she is passionate and an extrovert. She has high interest in making friends from different backgrounds and has no fear in an unfamiliar environment. She is also sensitive about the trends surrounding her. Her characteristics have led to be the best candidate as the Sales and Marketing Manager.

## 6.2 Key Professional Service Providers

(I) Law Firm

Name: Adham & Associates  
Address: No. 12A, Jalan Lapangan Terbang Off Jalan Raja Dr.  
Nazrin Shah, 31350 Ipoh, Perak.  
Tel: (605) 3124236  
Fax: (605) 3136486

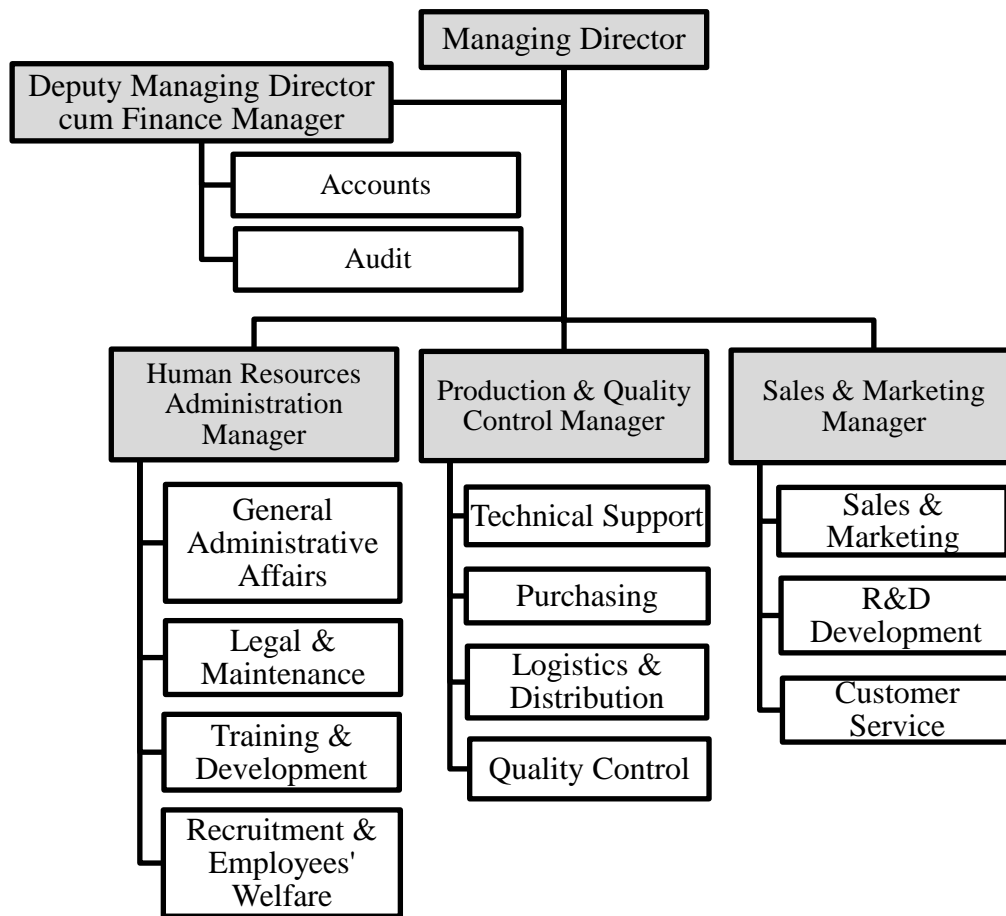
(II) Accounting Firm and Business Consultants

Name: CW Management and Consultancy Services  
Cheah Ling & Co.  
Address: 11A, Hala Bendahara 1, 31650 Ipoh, Perak.  
Tel: (605) 2411566  
Fax: (605) 2411567

## 7.0 COMPANY STRUCTURE, INTELLECTUAL PROPERTY, AND OWNERSHIP

### 7.1 Organizational Structure

Figure 7.1 JKL Telecare Sdn Bhd's Organizational Structure



Source: Developed for research.

(I) Managing Director

A Managing Director plays a crucial role in determining the success of an organization. He is the highest ranking officer in an organization and responsible in management and administration. He is also the bridge between the Board of Directors and employees. The responsibilities of a managing director includes developing and reviewing the company's vision, mission, and policy, formulating strategies which incorporate goals and objectives of the organization for profitable growth, and monitoring the overall performance of each department while building an effective and efficient management team. Apart from that, he is also the spokesperson of the organization, representing the organization in handling press and media. The managing director has to establish good working relationship with stakeholders and initiates collaborative arrangements with other organizations to achieve the goals of organization. Identifying and evaluating potential risks that might occur in the company's finances, goodwill, image, property and taking appropriate measures to manage risks are also part of the responsibilities of a managing director.

(I) Deputy Managing Director cum Finance Manager

The Deputy Managing Director cum Finance Manager is responsible in ensuring that the organization has a healthy financial status. He searches for potential funds to support operational activities such as research and development while securing sufficient funds for the organization's daily operation. Apart from that, he has the authorization in approving expenditures and budgets. Subsequently, he needs to allocate funds to different departments according to their approved financial requirements and closely monitor the cash flow of the company. One of the major roles of a finance manager is to make sure that the organization is adhered with the appropriate policies in bookkeeping and accounting and provide a comprehensive financial report for the viewing of the Board of Directors. He has to make reasonable and prudent judgements on the financial figures. Moreover, he

has to ensure that the organization is complying with all the legislation that involves in taxation, loan, shares, and credit payments.

(II) Human Resources Administration Manager

Human Resources Administration Manager's responsibilities range from providing professional human resources management to the administration support of the organization. One of the major responsibilities is to prepare timely and accurate delivery of payroll, employees' benefits, and employee development programs. The manager has to deal with the recruitment and termination of employees, administer paid time off, and manage every employee's leaves entitlement. He facilitates employees' benefit plan and ensure that employees' welfare is well taken care of. He is required to manage employees' related records and reports. Besides that, a human resources administration manager has to manage with the general administrative affairs of the company. This includes processing business reports and invoices, performing schedule activities for the maintenance of the organization, preparing standards and ad hoc reports. Moreover, the manager has to provide support to the legal aspect of the company and prepare related reports accordingly. Providing clerical support, and prepare meeting minutes for the viewing of the Board of Directors are also responsibilities of a human resource administration manager.

(III) Production and Quality Control Manager

The roles of a production and quality control manager include technical expert, purchaser, logistics and warehouse manager, and quality control personnel. He is responsible in scheduling a strict checking on the machineries and equipment involved in the production processes and performing tests on the machineries to ensure that they are in good condition. To assist the organization in achieving economies of scale, the manager has to update himself with the latest technology advancement and to find solutions in reducing the production cost while

improving the quality of the products manufactured. He has to build and maintain good relationship with suppliers for further trade negotiations and search for other suppliers to get better but cheaper raw materials. Besides that, the manager is responsible in maintaining the amount of raw materials available in the warehouse as well as keeping an eye of the stocks available in the warehouse. Delegating distribution channels is also part of the roles of a production and quality control manager.

The manager is required to formulate production schedules and duty assignments. He needs to ensure that the products are manufactured on time and set production goals in a timely basis based on the production ability of the production plant. Since the production department involves certain knowledge in technical works, it is important that he assists the human resources administration manager in hiring and training employees for the production department. He has to cooperate with the finance manager in setting budget for the production process. In the aspect of quality control, the manager is responsible in ensuring that the products meet the quality standards set by the management and constantly improvise the production process to achieve cost effectiveness. He has to ensure that the production plant complies with the workplace safety requirements.

(IV) Sales and Marketing Manager

A sales and marketing manager is responsible in developing and implementing effective marketing and sales plans to achieve sales goals. To increase the market share of a product in the market, he needs to plan for advertising and promotional activities as well as recommending strategies for price, product, and packaging. He needs to conduct market research and formulate marketing strategies to meet the changing market needs and customers' expectation in staying competitive in the market. He is also responsible in providing sales forecast and formulating sales and marketing budget after analysing the expenditures needed to carry out marketing activities. Another important role of



a sales and marketing manager is to ensure that there is a consistent image reflected throughout the products, promotional techniques, and events organized.

The sales and marketing manager assists the production and quality control manager in determining sales territories by opening new accounts across the country, sales quotas, and goals. In addition, he will be representing the company at trade shows or fairs to promote the product. The sales and marketing manager will also require working with the production and quality control manager in preparing manuals for the product. Preparing periodic sales reports indicating sales volume, potential sales, and potential expansion areas during meetings is also a responsibility of a sales and marketing manager. Apart from all the responsibilities above, the sales and marketing manager is responsible in assisting the research and development activities because he is the one who knows about the market needs well. The customer service department will be under the control of sales and marketing manager.

## **7.2 Legal Structure**

### **7.2.1 Legal Form of Organization**

JKL Telecare Sdn Bhd will be incorporated as a company limited by shares. Therefore, the company name, “JKL Telecare” will attach with the abbreviation “Sdn Bhd” for identification purpose as stated in Section 22(4) of Companies Act 1965. As a company limited by shares, JKL Telecare is restricted on transferring the company’s shares except with directors’ approval, number of members are not allowed to exceed fifty people, prohibited in the invitation to the public to subscribe shares of the company, and ban in the invitation of the public to deposit money with the company (Companies Commission of Malaysia, 2014).

First, company limited by shares provides protection on all five JKL Telecare shareholders’ personal assets except the capital invested into the company. The shareholders are not liable for any liabilities of the company provided there is no fraud or other malpractice.

Second, JKL Telecare is allowed to issue additional shares to new investors while existing members are allowed to sell or transfer their existing shares, wholly or partially to others but subjected to the directors’ approval (Private Limited Company, n.d.).

Third, company limited by shares provides greater stability in long-term operation and planning. Except dissolving the company, other factors such as transferring of shares, death and resignation of members will not affect the existence of the company.

Fourth, the income of JKL Telecare will be tax according to the corporate tax rate instead of charging on the income of each member.

Every matter associated with a company in Malaysia is legally bind with the Companies Act 1965 which stated the regulations, rules, and order that every company must strictly adhere with.

## 7.2.2 Ownership Structure of the Business

At the time of the incorporation of JKL Telecare Sdn Bhd, 400,000 shares of RM 1.00 each were authorized. The five co-founders of the company held all the shares. The two main shareholders of JKL Telecare Sdn Bhd will be Ms. Joanne Looi Zhen Hui and Mr. Lee Fu Qiang, holding 35 percent of shares each. The other founding members, Ms. Khor Mei Ling, Ms. Lee Yee Teen, and Ms. Liew Hui Sieng are holding 10 percent of shares each.

Table 7.1 JKL Telecare Sdn Bhd's Ownership Structure

<b>Major Shareholder</b>	<b>Type of Share Held</b>	<b>% of Total Issued</b>	<b>Number of Shares Held</b>	<b>Value of Each Share (RM)</b>	<b>Total (RM)</b>
Joanne Looi Zhen Hui	Ordinary	35%	140,000	1.00	140,000
Lee Fu Qiang	Ordinary	35%	140,000	1.00	140,000
Khor Mei Ling	Ordinary	10%	40,000	1.00	40,000
Lee Yee Teen	Ordinary	10%	40,000	1.00	40,000
Liew Hui Sieng	Ordinary	10%	40,000	1.00	40,000
<b>Total Shares Authorized</b>		100%		<b>Capitalization</b>	400,000

Source: Developed for research.

### **7.3 Intellectual Property**

JKL Telecare Sdn Bhd will be applying for trade mark to protect its logo in Malaysia after the commencement of the business on the 1<sup>st</sup> of January 2015. Besides providing an exclusive right in the usage of company's logo in trades, it also represents quality. JKL Telecare Sdn Bhd aims to be the embodiment of excellence in the Malaysian Telecare Industry; trade mark will surely provide addition incentive to the company.

The registered trade mark will be effective for 10 years upon the application date and it is renewable every 10 years. If there are cases of intellectual property infringement, JKL Telecare has the rights to take legal action under the Trade Mark Law against those who use the registered logo without the company's consent. The requirements, rules, and regulations regarding trade mark are stated in the Trade Marks Act 1976 (Intellectual Property Corporation of Malaysia [MyIPO], 2014).

In addition, JKL Telecare Sdn Bhd will also apply patent for its automated pill dispenser, PD1, in terms of its design and features. By applying for patent, it grants the owner of the patent, which is the company, JKL Telecare, the exclusive right to block others from manufacturing, using, and/or selling the patented invention in Malaysia (MyIPO, 2014).

Without the consent and permission from the patent owner, it is said that one has conducted intellectual property infringement if he had manufactured, used, and/or sold JKL's patented PD1. A patent is protected for a period of 20 years from the date of filing. The requirements, rules, and regulations regarding patent are stated in the Patents Act 1983 (MyIPO, 2014).

## 8.0 FINANCIAL PLAN

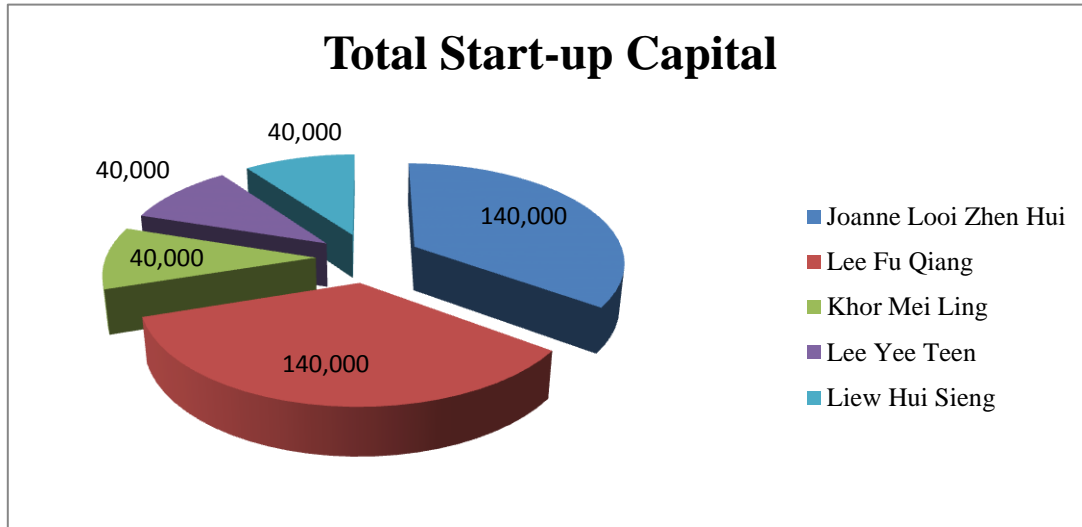
### 8.1 Capital Requirements for the Next Three (3) Years

#### 8.1.1 Ownership Structure

Major Shareholder	Type of Share Held	% of Total Issued	Number of Shares Held	Value of Each Share (RM)	Total (RM)
Joanne Looi Zhen Hui	Ordinary	35%	140,000	1.00	140,000
Lee Fu Qiang	Ordinary	35%	140,000	1.00	140,000
Khor Mei Ling	Ordinary	10%	40,000	1.00	40,000
Lee Yee Teen	Ordinary	10%	40,000	1.00	40,000
Liew Hui Sieng	Ordinary	10%	40,000	1.00	40,000
<b>Total Shares Authorized</b>		<b>100%</b>		<b>Capitalization</b>	<b>400,000</b>

## 8.1.2 Total Start-up Capital

Chart 8.1 Total Start-up Capital of JKL Telecare Sdn Bhd



Source: Development of research.

## 8.1.3 Total Fixed Assets

Note 1				
Machinery & Equipment				
	Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)
1	HP 800 Elite Tower Standard Desktop (Intel i5 Ivy Bridge Processor, 4GB, 500 GB HDD)	1,904	1	1,904
2	PRINTER Zebra GX430 portable printer (300dpi), WITH ETHERNET PORT	3,375	1	3,375
3	CGM with Bracket and installation	370	1	370
4	Motorola Symbol 2D Scanner	1,395	1	1,395
5	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
6	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
7	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
8	Spring Balancer	300	3	900
9	ESD Work station	4,500	1	4,500
10	ESD Chair (HTHB #5045-001-BU ESD Clean Room Low Chair c/w Adjustable Backrest and Global Wheel)	680	1	680
11	Ionizer with 3 Set Fan Equipped and Lighting System	1,800	1	1,800
12	Air-gun	95	1	95
13	Air Regulator	320	1	320
14	ESD Solvent Dispenser EP-6 6oz	25	1	25
15	ESD Unica Bin - 8840(Small) 100mm x 90mm x 55mm	9	7	60
16	ESD Unica Bin - 8801(medium) 235mm x 148mm x 122mm	30	7	210
17	ESD Unica Bin - 8802(large) 346mm x 209mm x 145mm	48	7	333
18	HP Compaq LA2206x 21.5 inch LED Backlit LCD Monitor	474	1	474
19	Trolley	1,200	3	3,600
<b>Total</b>				<b>35,040</b>

Note 2			
Tools & Implement			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	Mountz TLS0135 Minor Torque Driver	558	1,674
<b>Total</b>			<b>1,674</b>
Note 3			
Furniture & Fittings			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	Component Cabinet of 10 Drawers and Holder, Size : 49"X30"X28"	7,050	7,050
2	Emerald #EP2516 ESD Conductive Container, Size: 46mm (Dia) x 48mm (L),(350pcs/box)	2,275	2,275
3	Wire Shelving 4 ft Length x 2 ft depth x 5 ft Height	1,800	5,400
<b>Total</b>			<b>14,725</b>
Note 4			
Office Equipment			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	ESD Safe Black Bin	150	2,250
2	To add wiring for Democrat tester and Assembly station	8,277	8,277
3	To add LAN Point for Democrat tester	5,295	5,295
<b>Total</b>			<b>15,822</b>
<b>Total fixed assets</b>			<b>67,261</b>

### 8.1.4 Yearly Expenses

Table 8.2 Yearly Expenses of JKL Sdn Bhd from Year 2015 to 2017

Expenses	2015 Year To Date (RM)	2016 Year To Date (RM)	2017 Year To Date (RM)
Advertisement	5,000	2,500	2,500
Bonus	-	-	15,000
Wages	271,200	293,800	311,256
Depreciation	6,726.14	6,726.14	6,726.14
Water & Electricity	38,400	44,160	48,576
Medical Fee	350	204	157
Printing & Stationery	200	200	200
Rental	84,000	84,000	84,000
Secretarial & Disbursement	500	-	-
Telephone Charges	3,000	3,450	3,795
Tools & Implements	206	-	-
Trademark	1,500	-	-
Patent	200	-	-
<b>Total</b>	<b>411,282.14</b>	<b>435,120.14</b>	<b>472,210.14</b>

## 8.2 Overview of Financial Projections

### 8.2.1 Assumptions and Remarks

1. JKL Telecare Sdn Bhd's capital equipment is acquired during the pre-commencement of production period with a total amount of RM 67,261. The capital equipment was purchased for one production line. The capital equipment comprises of 4 types of fixed assets:

a) Machinery @ RM 35,040.24

b) Office Equipment @ RM 15,822

c) Tools & Implement @ RM 1,674

d) Furniture & Fittings @ RM 14,725

2. Sales during the first year are forecasted to be 6000 units at RM 428 each. The sales are assumed to be increase at a rate of 15 percent in year 2 and 10 percent during year 3. All sales are made with cash. JKL Telecare Sdn Bhd is a new company and there will be no credit term or credit policy enforced at the moment. No credit term means delay in payment is not allowed.

3. Cost of sales is as the following:

Material cost @ RM 357/unit
Freight charges @ RM 1/ unit

The purchases of materials are 80 percent on cash and 20 percent with 1 month credit.

4. The depreciation of fixed assets such as machinery, office equipment, tools and equipment and furniture and fittings is apportioned at 10 percent per annum on straight line basis.

5. Salaries for the management personnel will be set at RM 2,000 per month. It is assumed that there will be no increment in salary for three months. On the other hand, each production labour is assumed to produce 50 units per month by using 3.6 hours per unit. 10 production labours are hired. The labour cost is fixed at RM 7 per hour.



6. Advertisement cost of the company for the first year will be RM 5,000 to assist in promoting brand awareness for the company. The following next two years will decrease to RM 2,500 each year.
7. There is no bonus for the first two years. During the third year, RM3, 000 will be distributed as bonus to each management personnel due to the improvement of company's performance. Bonus will be given once a year only.
8. The loan interest of RM 300,000 for bank is charged at 7% per annum. The interest is repaid at RM1, 750 monthly.
9. The medical fees apportioned for three years are RM 350, RM 204, and RM 157 respectively.
10. The printing & stationery fees are allocated RM 200 each year for office use.
11. Rental will be RMv7, 000 per month.
12. Secretarial & Disbursement (Registration of business and license) is only incurred during the first year at RM 500.
13. Telephone charges in the first year will be RM3000. The telephone charges are assumed to be increase at 15 percent in the second year and 10 percent in the third year.
14. Tools and implements are assumed to only incur in the first year for RM206.
15. Trademark charge is assumed to be in the first year for RM 1, 500.
16. The total utilities charges are RM 38 and RM 400 for the first year. The total utilities charges are assumed to increase at a rate of 15 percent in year 2, which is in 2016 and 10% for year 3, which is in 2017.
17. Corporate Income Tax Rate in Malaysia is 24 percent.
18. Patent fees for the first year will be RM200.

### 8.3 Pro Forma Income Statement (3 years)

#### Financial Statement 8.1 Pro Forma Statement (2015 to 2017)

JKL TELECARE SDN BHD			
FORECASTED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED			
	2015	2016	2017
	YEAR TO DATE	YEAR TO DATE	YEAR TO DATE
	RM	RM	RM
<b>SALES</b>			
SALES	2,568,000.00	2,953,200.00	3,248,520.00
<b>COST OF GOODS SOLD</b>			
	***Just in time , So no closing and opening stock		
OPENING STOCK	-	-	-
PURCHASES	2,142,000.00	2,463,300.00	2,709,630.00
CLOSING STOCKS	-	-	-
FREIGHT CHARGES /COURIER	6,000.00	6,900.00	7,590.00
	2,148,000.00	2,470,200.00	2,717,220.00
<b>GROSS PROFIT/(LOSS):</b>	<b>420,000.00</b>	<b>483,000.00</b>	<b>531,300.00</b>
<b>OTHER INCOMES</b>			
OTHER INCOMES	-	-	-
	420,000.00	483,000.00	531,300.00
<b>EXPENSES</b>			
ADVERTISEMENT	5,000.00	2,500.00	2,500.00
BONUS	-	-	15,000.00
WAGES	271,200.00	293,880.00	311,256.00
DEPRECIATION	6,726.14	6,726.14	6,726.14
WATER & ELECTRICITY	38,400.00	44,160.00	48,576.00
MEDICAL FEE	350.00	204.00	157.00
PRINTING & STATIONERY	200.00	200.00	200.00
RENTAL	84,000.00	84,000.00	84,000.00
SECRETARIAL & DISBURSEMENT	500.00	-	-
TELEPHONE CHARGES	3,000.00	3,450.00	3,795.00
TOOLS & IMPLEMENTS	206.00	-	-
TRADEMARK	1,500.00	-	-
PATENT	200.00	-	-
	411,282.14	435,120.14	472,210.14
NET PROFIT BEFORE INTEREST AND TAX	8,717.86	47,879.86	59,089.86
(-) LOAN INTEREST	21,000.00	21,000.00	21,000.00
NET PROFIT BEFORE TAX	(12,282.14)	26,879.86	38,089.86
(-) CORPORATE TAX (24%)	-	6,451.17	9,141.57
<b>NET PROFIT FOR THE YEAR</b>	<b>(12,282.14)</b>	<b>20,428.69</b>	<b>28,948.29</b>

## 8.4 Cash Flow Projections (3 years)

### Financial Statement 8.2 Cash Flow Projections (2015 to 2017)

JKL TELECARE SDN BHD						
FORECASTED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED						
	2015		2016		2017	
	RM	RM	RM	RM	RM	RM
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
NET PROFIT		(12,282.14)		26,879.86		38,089.86
DEPRECIATION	6,726.14		6,726.14		6,726.14	
INTEREST	21,000.00		21,000.00		21,000.00	
PAYMENT FOR TAX LIABILITIES	-		-		(6,391.18)	
INCREASE IN TRADE PAYABLE	35,700.00	63,426.14	5355	33,081.14	4105.5	25,440.46
NET CASH FLOWS FROM OPERATING ACTIVITIES		51,144.00		59,961.00		63,530.32
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
PURCHASE OF MACHINERY AND EQUIPMENT	(67,261.44)		NIL		NIL	
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(67,261.44)		NIL		NIL
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
INJECTION OF CAPITAL FROM OWNERS	400,000.00		NIL		NIL	
PROCEEDS FROM BANK LOAN	300,000.00		NIL		NIL	
INTEREST PAYMENT	(21,000.00)		(21,000.00)		(21,000.00)	
NET CASH FLOWS FROM FINANCING ACTIVITIES		679,000.00		(21,000.00)		(21,000.00)
INCREASE/(DECREASE) IN CASH		662,882.56		38,961.00		42,530.32
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		NIL		662,882.56		701,843.57
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		662,882.56		701,843.57		744,373.89

## 8.5 Pro Forma Balance Sheet (3 years)

### Financial Statement 8.3 Pro Forma Balance Sheet (2015 to 2017)

JKL TELECARE SDN BHD			
FORECASTED STATEMENT OF FINANCIAL POSITION AS AT			
	2015	2016	2017
	RM	RM	RM
<b>FIXED ASSETS</b>			
MACHINERY	35,040.24	35,040.24	35,040.24
OFFICE EQUIPMENT	15,822.20	15,822.20	15,822.20
FURNITURE & FITTINGS	14,725.00	14,725.00	14,725.00
TOOLS	1,674.00	1,674.00	1,674.00
	67,261.44	67,261.44	67,261.44
ACCUMULATED DEPRECIATION @ 10% NBV	6,726.14	13,452.28	20,178.42
	60,535.30	53,809.16	47,083.02
<b>CURRENT ASSETS</b>			
CASH AT BANK- PBB	662,882.56	701,843.56	744,313.89
<b>CURRENT LIABILITIES</b>			
TAX LIABILITIES	-	6,451.17	9,141.57
TRADE CREDITORS	35,700.00	41,055.00	45,160.50
<b>NET CURRENT ASSETS</b>	<b>627,182.56</b>	<b>654,337.39</b>	<b>690,011.82</b>
	<b>687,717.86</b>	<b>708,146.55</b>	<b>737,094.84</b>
<b>FINANCED BY CAPITAL</b>			
EQUITY	400,000.00	400,000.00	400,000.00
RETAINED EARNINGS	(12,282.14)	8,146.55	37,094.84
	387,717.86	408,146.55	437,094.84
<b>NON CURRENT LIABILITIES</b>			
LOAN	300,000.00	300,000.00	300,000.00
	<b>687,717.86</b>	<b>708,146.55</b>	<b>737,094.84</b>

## 8.6 Payback Period and Exit Strategy

### 8.6.1 Net Present Value (NPV) and payback period

Consumer Price Index (CPI) is used to assess the changes of price associated with the living cost in a country. It may also be defined as the headline inflation. According to the Department of Statistic Malaysia (2014), the Consumer Price Index (CPI) from January until June in 2014 is 3.4 percent. Hence, 3.4 percent is used as the inflation rate to calculate the Net Present Value (NPV).

**Standard Present Value Formula shown as following:**

#### Cash Flow

$$\text{Present value} = \text{Future Value} \times \frac{1}{(1+i)^n}, i=3.4\%$$

Table 8.1 Payback Period from the Year 2015 to 2017

n	Cash Flow(RM)	Discounting factor = $\frac{1}{(1+i)^n}$	Present Value
0	(67,261)	1	(67,261)
1	(16,117)	0.9671	(15,587)
2	38,961	0.9353	36,440
3	42,530	0.9046	38,473
		NPV	(7,935)

Source: Developed for research.

Total net present value is RM (7,935) in three years, from 2015 to 2017.

The time value of money is ignored in payback period. Therefore, the Net Present Value (NPV) as calculation formula is generally preferred. Based on the table shown above, there is no profit during the first three years of the business. It is said that there is no payback period from 2015 to 2017.

### **8.6.2 Exit Strategy**

There are two exit strategies that were chosen by the company- liquidation and acquisition.

(I) Liquidation

JKL Telecare Sdn Bhd chose liquidation as its exit strategy. This strategy enables the business to sell its tangible assets either partially or entirely to generate cash for the business or to minimize the losses of all stockholders.

(II) Acquisition

Acquisition involves the purchase of stocks and assets by another company. It can be dealing with cash or stock, or a combination of both. In this strategy, the acquirer may perform changes in the management team of the acquired company as well as the acquired company's operational activities, employees in the company, and business nature.

## **9.0 CRITICAL RISK FACTORS**

### **9.1 Management Risk**

#### **9.1.1 Turnover rate of employees**

One of the problems that experienced by most of the employers in Malaysia is the high turnover rate of employees. According to the findings in the 2013 General Industry Total Rewards Survey conducted by Towers Watson, the employee turnover rate in the Malaysian General Industries has increased from 12.3 percent in 2012 to 13.2 percent in 2013, where manufacturing experienced the highest turnover rate among other form of businesses (“Average Salary Increase,” 2013).

For JKL Telecare Sdn Bhd, our production line requires skilled and trained labours. With a high turnover rate of employees, it will greatly affect the efficiency, productivity, and quality of our production processes as well as increase the expenses of JKL Telecare in employees’ training and development programs. High turnover rate of employees will also affect team dynamics among the employees.

#### **9.1.2 Lack of experience**

JKL Telecare Sdn Bhd is founded by five graduates from the Bachelor Degree of Entrepreneurship. As young and inexperienced entrepreneurs, we are lacking of exposure to the realities of the ever changing business nature and networks of related stakeholders within the industry. Starting up a business is challenging. Many unforeseen problems might arise along the operation of business as a consequence to the changes in the company internally and also the external environment. With

experience, it enhances one's ability and capability. In terms of management, experienced personnel will have great advantage in the business arena.

## **9.2 Marketing Risk**

### **9.2.1 Low Brand-name Recognition**

JKL Telecare Sdn Bhd is a start-up company in an emerging industry in Malaysia. Therefore, our automated pill dispenser, PD1 will not have any brand-name recognition during the start-up stage. Brand-name recognition provides consumers with confidence in purchasing or using a product. It also reflects a product's quality. Often, consumers will prefer to purchase products that have brand-name recognition because the perceived risk is lower.

Our company needs a period of time, combines with suitable marketing and advertising techniques to establish JKL Telecare's brand name recognition. Low brand-name recognition will result in difficulty in entering a market. Building the brand name of JKL Telecare and creating trust among the consumers towards our products in the Malaysian Telecare Industry are the challenges of JKL Telecare Sdn Bhd.

## **9.3 Financial Risk**

### **9.3.1 Economic Factors and Government Regulations**

Due to the economic condition which is dynamic in nature, financial risk is unavoidable. JKL Telecare Sdn Bhd might have to face financial risks in its business operation. Economic factors will most probably affect JKL Telecare's financial



planning. Inflation is one of the times where consumers will restrict their spending. Besides causing a drop in our sales, it will eventually cause a strain to our cash flow. If the economic condition does not recover, our company might be facing financial losses. Government regulations that are not favourable to the peoples' income and industry will also impact our company financially. For instance, the implementation of Government Service Tax (GST) by 2015 might slightly affect our business.

### **9.3.2 Credit Risk**

Credit risk increases when a company's total liability increases. JKL Telecare Sdn Bhd might encounter credit risk as it needs a relatively high capital in maintaining and expanding its operations. Assuming that our business grows, the management of the company might request for a longer credit term and credit limit from the bank. Hence, this increases credit risk.

## **9.4 Intellectual Property Infringement**

New competitors often imitate one's product if they observe the potential of an industry through its sales performance. When it involves counterfeiting a product without the consent of a patent and/or trademark owner, it is said that intellectual property infringement has been performed. Despite with the protection over JKL Telecare's logo and features of its automated pill dispenser, PD1, there will always a risk of competitors conducting fraudulent activities related to JKL Telecare Sdn Bhd's intellectual properties. This will affect our brand reputation negatively.

## **9.5 Contingency Plan**

### **9.5.1 Management risk**

One of the JKL Telecare Sdn Bhd's objectives is to create an employee friendly environment and maintain the employee retention rate at a minimum rate of 75 percent. High turnover rate of employees will reduce the efficiency of JKL Telecare's operation and production. To maintain the rate of employee retention, we have to apply the essence of performance management and provide employees with channels to voice out their opinions healthily.

Employees are assets of a company. Without employees, the operating activities of a company could not be carried out. Besides focusing in the profitability and interest of the company, it is also important in knowing the needs of employees to encourage employees' loyalty. Employees' welfare must be taken into consideration when formulating company policies. Close relationship between managers and subordinates will also assist in retaining employees.

To gain experiences and exposures, every individual in the management must have the initiative in improving themselves. This could be achieved through participating trade shows, trade forums, professional courses, and etcetera. Besides expanding each's network, these will be a platform to exchange information and updates from other companies.

### **9.5.2 Marketing Risk**

Low brand-name recognition will not be a long-term issue to JKL Telecare Sdn Bhd. The Malaysian Telecare Industry is an emerging industry. Therefore, there will be many uncertainties regarding the potential market in the beginning. To establish brand-name recognition, we must first set the direction of the company. JKL Telecare Sdn Bhd aims in improving the quality of people's lives by providing affordable, reliable, and innovative telecare products while providing outstanding services to customers.

Subsequently, marketing analysis can be conducted periodically to understand the needs and expectations of customers and to ensure that we are aiming at the right group of customers and to explore more potential markets. Targeting at the wrong market and using the wrong marketing techniques will result in wastage of resources. Not every marketing strategy is effective for all the target markets. Therefore, we need to have insights and strong understandings towards the trend of current and future consumer markets.

In short, strong brand image projected from the combination of effective marketing techniques and the product quality itself. Strong brand image will be one of the assets of a company. Appropriate and clear marketing direction will shorten the time needed to establish strong brand-name recognition.

### **9.5.3 Financial Risk**

To reduce financial risk, the accounting department as well as the directors of JKL Telecare Sdn Bhd will have to carefully review and revise the cash flow and expenses of the company in a regular basis. This is crucial in identifying those unnecessary expenses. Instead of spending funds on unnecessary activities, it is better to allocate the resources available to other aspects of the company's operation. Appropriate allocation of resources will lead to a more efficient company, maximizing its potential, reducing wastage of resources, and more importantly, reducing financial risk.

Formulating suitable financial strategies to overcome the impact of economic factors is one of the ways in combating financial risk. The strategies must be flexible to provide space for financial manoeuvre and take account on possible future events. Besides that, JKL Telecare Sdn Bhd's financial capability must be assessed before making any decision in terms of the company's credits. There must be sufficient cash on hand and healthy financial plan to ensure the viability of JKL Telecare Sdn Bhd in the long run.

#### **9.5.4 Intellectual property protection**

By applying intellectual property protections such as trademark and patent to JKL Telecare Sdn Bhd's logo and product, these provide us with the exclusive rights in using and merchandising our own products while create legal barriers towards counterfeiting activities. However, intellectual property protection will just serve as a basic protective measure. In the long run, our company must maintain a sturdy relationship with the existing customers and constantly generate relationship with new customers at the same time by offering them great values and effective solutions towards related problems they are facing in their daily lives. This approach is more effective in ceasing threats from competitors in the long run.

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## Appendix 1: Brochure of JKL Telecare Sdn Bhd's Automated Pill Dispenser (PD1)

Automated Pill Dispenser (PD1)  
by JKL Telecare Sdn Bhd



**"Your Smart Medication  
Reminder"**





**Features**

- Rotatable tray with 14 compartments.
- Capacity: 10 standard Aspirin pills.
- Maximum dispensing rate: 6 times per day.
- Loud audio alarm.
- LED light for night use.
- Large LCD display.
- Operate on four (4) rechargeable 1.5V Alkaline Batteries.
- When it is time for medication or supplement intake, the dispenser will beep for 1 minute with increasing tone.
- **GSM** monitoring. Sends short text messages up to 2 saved numbers at three (3) situations- time for medication or supplement intake, missed dosage if the compartment is not emptied within 60 minutes, and low battery.
- Distance alarm to prevent from leaving the dispenser behind.
- Product dimensions: 150mm (L) × 150mm (W) × 45mm (H)
- Product weight: 450g
- 12 month warranty.

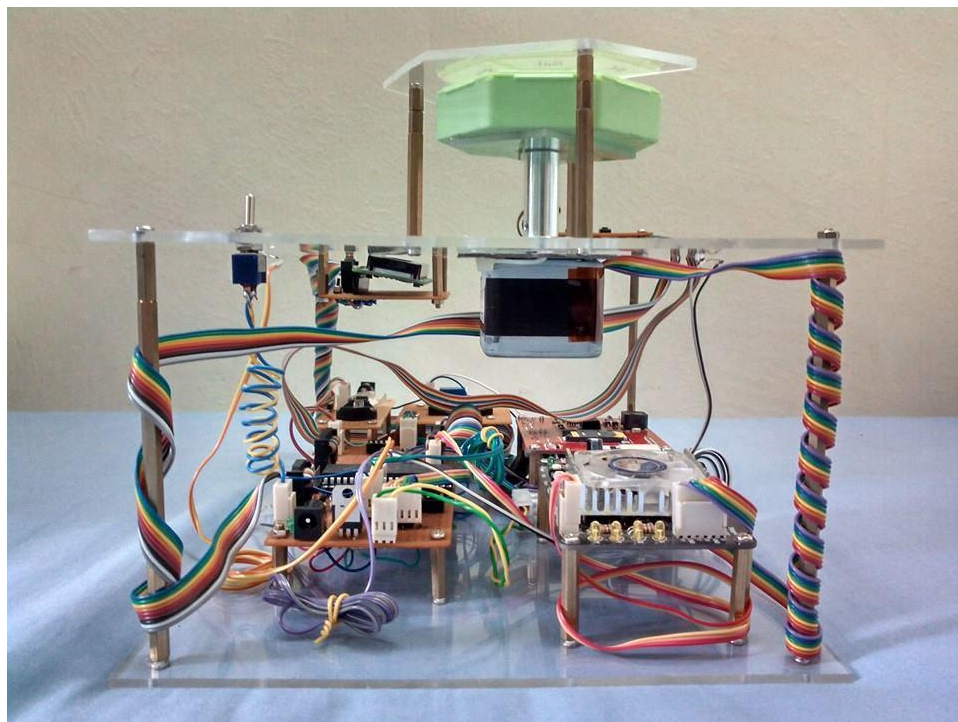
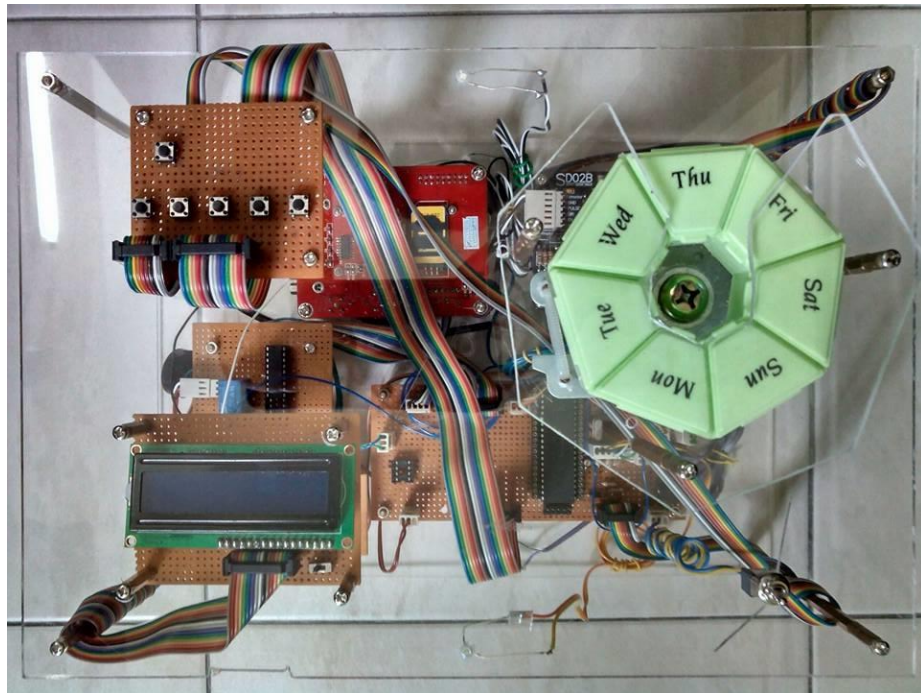
**Benefits**

- Provides acquaintances with a "peace of mind" and certainty.
- Improves quality of life.
- Improves medication adherence.
- Avoids medication errors.
- Improves health by promoting patient compliance.
- Ideal for both medication and supplement intake.
- Suitable for travelling purpose.

JKL Telecare Sdn Bhd  
No 75288, Pinji Estate,  
31400 Lahat, Perak.  
Tel: +605-3218888  
Fax: +605-3218889



Appendix 2: Pictures of Product Prototype



Appendix 3: Concept Statement of JKL Telecare Sdn Bhd's Automated Pill  
Dispenser, PD1



**Automated Pill Dispenser (PD1) by  
JKL Telecare Sdn Bhd  
“Your Smart Medication Reminder”**

**Product**

JKL Telecare Sdn Bhd will be manufacturing an automated pill dispenser which will be known as PD1. This dispenser will be sold throughout the clinics, pharmacies, and personal care stores in Malaysia. Below are the features of PD1:

- Portable- suitable for travelling.
- Rotatable tray with 14 compartments which are able to hold up to 10 pills each.
- Maximum dispensing rate of 6 times per day.
- Loud audio alarm and LED light for night use.
- Large digital display.
- Operate on four (4) rechargeable 1.5 V Alkaline Batteries.
- When it is time for medication or supplements intake, the dispenser will beep for 1 minute with increasing tone.
- Free monitoring. Sends short text messages up to 2 saved numbers at three (3) situations- time for medication or supplement intake, missed dosage, and low battery.
- Product dimension: 150mm (L) × 150mm (W) × 45mm (H)
- Product weight: 450g

## **Target Market**

PD1 will be targeted towards the golden age community, working adults with busy schedule, and also individuals with medical and supplements requirement.

## **Why PD1 by JKL Telecare Sdn Bhd?**

With PD1, taking medication and supplements on time will not be a problem, even when the user has a busy daily schedule. This automated pill dispenser, PD1 will help in promoting patient compliance, reducing medication non-adherence, and avoiding errors in medication. It also provides caregivers or loved ones with a “peace of mind” with its monitoring feature.

## **Special Features**

PD1 comes with a distance alarm. There will be a customizable sensitivity range which allows the user to determine the distance that they can wander off before the alarm is being triggered.

## **Management Team**

JKL Telecare Sdn Bhd is led by its co-founders, Joanne Looi, Kelly Khor, Lee Fu Qiang, Liew Hui Sieng, and Jovey Lee. All of the co-founders are graduates from the Bachelor Degree in Entrepreneurship.

## Appendix 4: Questionnaire on Concept Testing and Buying Intention Survey

**Automated Pill Dispenser (PD1) by  
JKL Telecare Sdn Bhd**

We are a group of enthusiastic young entrepreneurs that would like to venture into a new manufacturing business. We would like to conduct a survey on our product. The purpose of this questionnaire is to survey the appeal and desirability of our product in the market.

Your responses are important in helping us in this survey. All the information will be kept strictly confidential. Please complete the questions below and thank you for participating in this survey. Your effort is greatly appreciated by us.

**Instructions: This survey is attached with a concept statement of our product, an automated pill dispenser which is known as PD1. Participants are advised to read through the concept statement before proceeding with the questions. This survey should only take 10 minutes of your time.**

---

1) Do you think PD1 is a good product?

Yes  No

2) Do you have any suggestion for making PD1 better? If yes, please state:

---

3) How far do you think PD1 in bringing convenience to your daily life?

Very Convenient  
 Convenient  
 Neutral  
 Inconvenient  
 Completely Inconvenient

4) Do you think PD1 is useful and could be fit into the current and future lifestyle of Malaysian?

Yes  No

5) How likely would you be to buy PD1?

- Definitely would buy
- Probably would buy
- Might or might not buy
- Probably would not buy
- Definitely would not buy

6) Do you think PD1 will solve problems in our daily lives, such as dosage error caused by memory deficiency, storage of variety medicine and etcetera?

- Yes
- No

7) Would you be willing to pay RM 200 to RM 300 for PD1 based on its functions?

- Yes
- No

8) Where would you be expecting to find PD1 for sale? Choose **THREE (3)** locations that you prefer.

- Clinics
  - Medical equipment suppliers
  - Online buying sites
  - Pharmacies
  - Personal care stores
-

**Demographic Profile**

Age:

- 20 and below
- 21-30
- 31-40
- 41-50
- 51-60
- 61-70
- 71-80
- 80 and above

Gender:

- Male
- Female

Occupation: \_\_\_\_\_

State (i.e. Perak): \_\_\_\_\_

Income range per month:

- Less than RM 2000
- RM 2001 - RM 3000
- RM 3001 - RM 4000
- RM 4001 - RM 5000
- RM 5001 - RM 6000
- RM 6001 - RM 7000
- RM 7001 – RM 8000
- RM 8001 and above

Highest education level:

- Secondary
- Diploma
- Advanced Diploma
- Bachelor Degree
- Master Degree
- Doctorate Degree

---Thank You for Your Participation---

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## Appendix 5: Resumé of the Management Team

**RESUMÉ**

NAME: Joanne Looi Zhen Hui  
ADDRESS: 132A, Persiaran Wira Jaya Timur 23, Taman Gunung View, 31350 Ipoh, Perak.  
TEL. NO: 012-5218390  
EMAIL: joanne2mayi15@hotmail.com  
CITIZENSHIP: Malaysian  
RACE: Chinese  
DATE OF BIRTH: 05/09/1991  
MARITAL STATUS: Single

**PROFILE**

Joanne Looi is a charismatic person, has the passion to work and knows how to get others to work. She has pleasant personality and interpersonal skills. Apart from that, she is highly motivated in self-improvement, and confident in taking up responsibilities. She is also a gregarious person, able to complete tasks assigned independently or cooperate well with others.

**RELEVANT SKILLS**

- Computer knowledge and skills (Microsoft Words, Excel, Power Point)
- Excellent problem solving skills
- Well time management
- Excellent leadership



**EDUCATION BACKGROUND**

Name of Institution	Course	Year	Results
SJK © Yuk Choy, Ipoh	UPSR	1998-2003	7As
SMJK © Ave Maria Convent, Ipoh	PMR,SPM	2004-2008	7As, 9As
SMJK © Sam Tet, Ipoh	STPM	2009-2010	2.5
University Tunku Abdul Rahman	Bachelor Degree in Business Administration (Hons) Entrepreneurship	2011-2014	2.8

**CERTIFICATION (IF APPLICABLE)**

-NIL-

**EMPLOYMENT HISTORY**

Name of Company	Year	Position	Salary (RM)	Reason of Leaving
SSF Home Deco	2010-2011	Admin Clerk Customer Service	1000	Continue Tertiary Study
Purple Cane	2013	Sales Assistant	400	*Part-time

**LANGUAGES PROFICIENCY**

Language(s)	Rating (Written) 1-5	Rating (Spoken) 1-5
Mandarin	5	5
English	4	4
Malay	4	4

**HIGHLIGHTS**

Courses Attended: - Power Selling  
 (2012-2014) - The Effective Leader  
 - Motivational Program for Youth  
 - Business Ethics

Talks Attended: - Entrepreneurial Talk Series by Mr Chan KeeSiak  
(2012-2014) - Social Entrepreneur Talk by Professor Albert Teo

Positions Held: - Secretary of One-to-One Interaction Day by  
Entrepreneurship Society (2013)  
- Sub-Editor of SMJK © Sam Tet Editorial Board (2010)  
- Secretary of the Choir Club (2010)  
- Vice President of Science and Math Society (2009)

# RESUMÉ

NAME: Khor Mei Ling  
ADDRESS: 2, LintangSepakat 1, Taman Bandar Baru, 14000 Bukit Mertajam, Pulau Pinang.  
TEL. NO: 017-5748887  
EMAIL: kml0826@hotmail.com  
CITIZENSHIP: Malaysian  
RACE: Chinese  
DATE OF BIRTH: 26/08/1992  
MARITAL STATUS: Single



## PROFILE

Khor Mei Ling is able to work in a team efficiently. She has great level of initiatives, assertiveness and self-direction. She is willing to learn and has good communication and interpersonal skills. She is also able to carry out task given and able to work in a team efficiently.

## RELEVANT SKILLS

- Basic computer knowledge and skills (Microsoft Words, Excel, Power Point)
- Well time management
- Average in both spoken and written English, Malay, Mandarin
- Possesses valid driving license- class B2& D

**EDUCATION BACKGROUND**

<b>Name of Institution</b>	<b>Course</b>	<b>Year</b>	<b>Results</b>
SJK Sin Ya, Alma, Bukit Mertajam, Pulau Pinang	UPSR	1999-2004	5A 2B
SMK Jalan Damai	PMR, SPM	2005-2009	6A 3B
Tunku Abdul Rahman College	Diploma	2010-2012	CGPA : 3.7000
University Tunku Abdul Rahman	Bachelor Degree in Business Administration (Hons) Entrepreneurship	2012-2014	CGPA : 3.2000

**CERTIFICATION (IF APPLICABLE)**

-NIL-

**EMPLOYMENT HISTORY**

-NIL-

**LANGUAGE PROFICIENCY**

<b>Language(s)</b>	<b>Rating (Written) 1-5</b>	<b>Rating (Spoken) 1-5</b>
Mandarin	5	5
English	4	4
Malay	4	4

**HIGHLIGHTS**

Courses Attended: - Business Grammar  
(2012-2014) - The Effective Leader  
- Motivational Program for Youth  
- Study Skills

Talks Attended: - Entrepreneurial Talk Series by Mr Chan KeeSiak  
(2012-2014) - Social Entrepreneur Talk by Professor Albert Teo

- Positions Held:
- Road Safety Campaign
  - Secretary of Community Sociology (2010)
  - Secretary of the Fire Fighters Cadet (2009)
  - Committee member of the Chinese Orchestra (2007-2009)
  - Treasurer of Art Club (2007)

# RESUMÉ

NAME: Lee Fu Qiang  
ADDRESS: 6B, Jalan Zoo, Taman  
TheanTeik, 11500 Ayer  
Itam, Penang.  
TEL. NO: 017-4418693  
EMAIL: fuqiang\_92@hotmail.com  
CITIZENSHIP: Malaysian  
RACE: Chinese  
DATE OF BIRTH: 13/03/1992  
MARITAL STATUS: Single



## PROFILE

Lee Fu Qiang is willing to learn. He has good communication and interpersonal skills. He is responsible, highly motivated, and confident in carrying out the task given either independently or in group. Besides that, he has the passion for continuous personal growth, great level of initiative, assertiveness, and self-direction.

## RELEVANT SKILLS

- Computer knowledge and skills (Microsoft Words, Excel, Power Point)
- Excellent problem solving skills
- Well time management
- Leadership

**EDUCATION BACKGROUND**

<b>Name of Institution</b>	<b>Course</b>	<b>Year</b>	<b>Results</b>
SJK(C) Shang Wu Primary School	UPSR	1999-2004	7A
SMJK(C) Chung Ling High School	PMR, SPM	2005-2009	9A1B
Tunku Abdul Rahman College	Diploma in Business Administration	2010-2012	3.5
University Tunku Abdul Rahman	Bachelor Degree in Business Administration (Hons) Entrepreneurship	2012-2014	3.0

**CERTIFICATION (IF APPLICABLE)**

-NIL-

**EMPLOYMENT HISTORY**

<b>Name of Company</b>	<b>Year</b>	<b>Position</b>	<b>Salary</b>	<b>Reason of Leaving</b>
G2 Company	2009-2011	Sampling brand ambassador	RM 640	Study
YoongOon	2011-2012	Promoter	RM 800	Study
Great Eastern	2012-2013	Part time agent	RM 1000	Study

**LANGUAGE PROFICIENCY**

<b>Language(s)</b>	<b>Rating (Written) 1-5</b>	<b>Rating (Spoken) 1-5</b>
Mandarin	5	5
English	4	3
Malay	4	3

**HIGHLIGHTS**

Courses Attended: - Business Grammar

- (2012-2014)
- The Effective Leader
  - Motivational Program for Youth
  - Study Skills
- Talks Attended:
- (2012-2014)
- Entrepreneurial Talk Series by Mr Chan KeeSiak
  - Social Entrepreneur Talk by Professor Albert Teo
- Positions Held:
- Treasurer of Art Club (2005-2009)
  - Treasurer of Chess Club (2005-2009)
  - Committee Member of the School Band (2005-2006)
  - Committee Member of the Cadet (2006-2008)
  - Member of Shaolin Club (2008-2009)
  - Class Representative of Tunku Abdul Rahman College (2010-2012)
  - Treasurer of Community Service Programme (2010-2012)
  - Leader of ACCA- TARC Business Game 2011



# RESUMÉ

NAME: Lee Yee Teen

ADDRESS: No. 10, Taman Dahlia 1,  
JalanLencong Barat, 05400  
AlorSetar, Kedah.

TEL. NO: 017-5369158

EMAIL: jovey@hotmail.co.uk

CITIZENSHIP: Malaysian

RACE: Chinese

DATE OF BIRTH: 28/03/1992

MARITAL STATUS: Single



## PROFILE

Lee Yee Teen is a positive, confident and conscientious person, capable of working as a motivated team member or independently adopting a practical approach using own initiative. Besides, she is also trustworthy, hardworking and reliable. She has pleasant personality and open minded. Apart from this, she is highly motivated in self-improvement, and fully responsible completing all task given.

## RELEVANT SKILLS

- Computer knowledge and skills (Microsoft Words, Excel, Power Point)
- Able to work as part of a team
- Honesty and responsibility
- Tolerant and Caring for the employees and business partner

**EDUCATION BACKGROUND**

<b>Name of Institution</b>	<b>Course</b>	<b>Year</b>	<b>Results</b>
SJK © KeatHwa (H)	UPSR	1999-2004	4A2B1C
SMK St. Michael	PMR,SPM	2005-2009	3A- 2B+2B2C1E
TARC	Diploma	2010-2012	2.3
University Tunku Abdul Rahman	Bachelor Degree in Business Administration (Hons) Entrepreneurship	2012-2015	2.2

**CERTIFICATION (IF APPLICABLE)**

-NIL-

**EMPLOYMENT HISTORY**

-NIL-

**LANGUAGE PROFICIENCY**

<b>Language(s)</b>	<b>Rating (Written) 1-5</b>	<b>Rating (Spoken) 1-5</b>
Mandarin	4	4
English	3	3
Malay	3	3

**HIGHLIGHTS**

Courses Attended: - Business Ethics

(2013-2014) - Successful Negotiation

Talks Attended: - Time Management: How to be an Effective People

(2013-2014) -Entrepreneurship Talk 2014

-Entrepreneurial Talk Series by Mr Chan KeeSiak

- Career Talk

- Positions Held:
- Helper of the Most Number of Paper Boats Folded in a Day (2013)
  - Committee Member of the *Koperasi* Club (2008-2009)
  - Treasurer of the Business and Trading Society (2008-2009)

# RESUMÉ

NAME: Liew Hui Sieng  
ADDRESS: No. 12, T 1, Jalan 6, Taman Kota Paloh, 86000 Kluang, Johor.  
TEL. NO: 016-5636382  
EMAIL: hui\_sieng@hotmail.com  
CITIZENSHIP: Malaysian  
RACE: Chinese  
DATE OF BIRTH: 17/11/1990  
MARITAL STATUS: Single



## PROFILE

Liew Hui Sieng is a positive, confident and conscientious person, capable of working as a motivated team member or independently adopting a practical approach using own initiative. Besides, she is also trustworthy, hardworking and reliable. She has pleasant personality and open minded. Apart from this, she is highly motivated in self-improvement, and fully responsible completing all task given.

## RELEVANT SKILLS

- Computer knowledge and skills (Microsoft Words, Excel, Power Point)
- Able to work as part of a team
- Honesty and responsibility
- Good interpersonal and communication skills

**EDUCATION BACKGROUND**

Name of Institution	Course	Year	Results
SJK © Yu Ming	UPSR	1997-2002	4A3B
SMK Paloh	PMR,SPM	2003-2008	5B3C, 3A5B3D
SMK Paloh	STPM	2009-2010	2B2C
University Tunku Abdul Rahman	Bachelor Degree in Business Administration (Hons) Entrepreneurship	2011-2014	2.7

**CERTIFICATION (IF APPLICABLE)**

-NIL-

**EMPLOYMENT HISTORY**

Name of Company	Year	Position	Salary	Reason of Leaving
Yoyo Native Food	2010-2011	Promoter	RM 700	Study
Hock Hua Tonic Private Limited, Singapore	2009-2010	Clerk	RM 3000	Study
Ecosave	2008-2009	Sales Assistant	RM 600	Study
Bakery Shop	2007	Sales Assistant	RM 400	Study

**LANGUAGE PROFICIENCY**

Language(s)	Rating (Written) 1-5	Rating (Spoken) 1-5
Mandarin	4	4
English	3	3
Malay	3	3

**HIGHLIGHTS**

Courses Attended: - Study Skills

(2013-2014) - Taking Responsibility: Take Charge!

Talks Attended: - Time Management: How to be an Effective People  
(2013-2014) -Entrepreneurship Talk 2014  
-Entrepreneurial Talk Series by Mr Chan KeeSiak  
- Career Talk

Positions Held: - Treasurer of Science Society (2008)  
- Vice President of Sixth Form Society (2010)  
- President of the Basketball Club (2005)

## Appendix 6: List of Machineries and Equipment

NO.	ITEM	QUANTITY UNIT(S)
1	Hewlett-PackardEliteDesk 800 G1 TowerDesktop(Intel® 4 <sup>th</sup> Generation Core™ i5 Processor)	1
2	Hewlett-PackardCompaq LA2206×21.5-inch LED Backlit LCD Monitor	1
3	Zebra GX430 Portable Printer (300dpi) with Ethernet Port	1
4	CGM-4200 Automatic Finger Fixture with Bracket and Installation	1
5	Motorola Symbol 2D Scanner	1
6	Ingersoll Rand VersaTec Electrostatic Discharge (ESD) Safe Electric Screwdriver Torque Range: 0.5in.lbs to 10.44 in.lbs	1
7	Spring Balancer	3
8	Electrostatic Discharge Workstation	2
9	Electrostatic Discharge Chair	8
10	Ionizer with 3 Fans Equipped and Lighting System	1
11	Air-gun and Air Regulator	1
12	Electrostatic Discharge Solvent Dispenser 6oz	1
13	UNICA Electrostatic Discharge Bin- Small, Medium, Large	Each size 7
14	Storage Rack-Wire Shelving 4ft(L)×2ft(D)×5ft (H)	3
15	Trolley	3
16	Electrostatic Safe Black Bin	15
17	Electrostatic Tweezers	1
18	Hand Tool-Electrostatic Discharge Screwdrivers	2
19	Hand Tool-Socket 1/4 and 5/16	1 each
20	MountzMinor Torque Driver	3
21	Component Cabinet c/w 10 Drawers and Holder Dimension: 49" × 30" × 28"	1
22	Electrostatic Discharge Conductive Container Dimension: 46mm (D) × 48mm (L)	350

## Appendix 7: Notes to the Financial Statements from 2015 to 2017

**Year 2015**

Note 1				
Machinery & Equipment				
	Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)
1	HP 800 Elite Tower Standard Desktop (Intel i5 Ivy Bridge Processor, 4GB, 500 GB HDD)	1,904	1	1,904
2	PRINTER Zebra GX430 portable printer (300dpi), WITH ETHERNET PORT	3,375	1	3,375
3	CGM with Bracket and installation	370	1	370
4	Motorola Symbol 2D Scanner	1,395	1	1,395
5	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
6	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
7	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
8	Spring Balancer	300	3	900
9	ESD Work station	4,500	1	4,500
10	ESD Chair (HTHB #5045-001-BU ESD Clean Room Low Chair c/w Adjustable Backrest and Global Wheel)	680	1	680
11	Ionizer with 3 Set Fan Equipped and Lighting System	1,800	1	1,800
12	Air-gun	95	1	95
13	Air Regulator	320	1	320
14	ESD Solvent Dispenser EP-6 6oz	25	1	25
15	ESD Unica Bin - 8840 (Small) 100mm x 90mm x 55mm	9	7	60
16	ESD Unica Bin - 8801 (medium) 235mm x 148mm x 122mm	30	7	210
17	ESD Unica Bin - 8802 (large) 346mm x 209mm x 145mm	48	7	333
18	HP Compaq LA2206x 21.5 inch LED Backlit LCD Monitor	474	1	474
19	Trolley	1,200	3	3,600
			<b>Total</b>	<b>35,040</b>



Note 2			
Tools & Implement			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	Mountz TLS0135 Minor Torque Driver	558	1,674
			Total 1,674
Note 3			
Furniture & Fittings			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	Component Cabinet c/w 10 Drawers and Holder, Size : 49"X30"X28"	7,050	7,050
2	Emerald #EP2516 ESD Conductive Container,Size: 46mm (Dia) x 48mm (L),(350pcs/box)	2,275	2,275
3	Wire Shelving 4 ft Length x 2 ft depth x 5 ft Height	1,800	5,400
			Total 14,725
Note 4			
Office Equipment			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	ESD Safe Black Bin	150	2,250
2	To add wiring for Democrat tester and Assembly station	8,277	8,277
3	To add LAN Point for Democrat tester	5,295	5,295
			Total 15,822
Total fixed assets			67,261

Note 5													
Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sales @ RM428/unit	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	214,000	2,568,000
Note 6													
Cost of Sales(JIT method)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Material cost @ RM357/unit	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	2,142,000
Freight Charges @ RM1/unit	500	500	500	500	500	500	500	500	500	500	500	500	6,000
	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	179,000	2,148,000

<b>Purchases</b>													
Cash purchases (80%)	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	142,800.00	1,713,600.00
Credit purchases (20%)		35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	35,700.00	392,700.00
	142,800	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	178,500	2,106,300
												bal c/d	35,700.00

Note 7						
Depreciation	Cost	Addition/ (Disposal)	Total Asset	Bal b/f	Depn	NBV
Machinery & equipment @ 10%	35,040	-	35,040	-	3,504	31,536
Office equipment @ 10%	15,822	-	15,822	-	1,582	14,240
Furniture & fittings @ 10%	14,725	-	14,725	-	1,473	13,253
Tools & implements @ 10%	1,674	-	1,674	-	167	1,507
	67,261	-	67,261	-	6,726	60,535

Note 8	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Wages													
Salaries for management personnel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Labour	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	12,600	151,200
	22,600	22,600	22,600	22,600	22,600	22,600	22,600	22,600	22,600	22,600	22,600	22,600	271,200
Note 9	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Advertisement 5000	1,500			1,500			1,000			1,000			5,000
	1,500	-	-	1,500	-	-	1,000	-	-	1,000	-	-	5,000
Note 10	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Loan Interest	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	21,000
Note 11	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Medical Fee	-	-	200	-	-	-	-	-	150	-	-	-	350
Note 12	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Printing & Stationery	200	-	-	-	-	-	-	-	-	-	-	-	200
Note 13	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Rental	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000
Note 14	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Secretarial & Disbursement (Registration business & license)	500	-	-	-	-	-	-	-	-	-	-	-	500
Note 15	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Telephone Charges	250	290	299	289	246	240	213	229	199	235	245	265	3,000
Note 16	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Tools & Implements	206	-	-	-	-	-	-	-	-	-	-	-	206

Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)
ESD Tweezer	\$ 45.00	1	\$ 45.00
Handtool -T8 Wiha T-8 ESD Screwdriver	\$ 35.00	1	\$ 35.00
Handtool -T10 Wiha T-10 ESD Screwdriver	\$ 39.00	1	\$ 39.00
Handtool-socket 1/4	\$ 45.00	1	\$ 45.00
Handtool-socket 5/16	\$ 42.00	1	\$ 42.00
		<b>Total</b>	<b>206</b>

Note 17	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Trademark	1,500	.	.	.	.	.	.	.	.	.	.	.	1,500
Note 18	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Water & Electricity	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	38,400
Note 19	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Patent	200	.	.	.	.	.	.	.	.	.	.	.	200

**Cash Flow Forecast-2015**

<i>Cash Flow Forecast - 12 Months</i>							
Month:	Pre-Start	1	2	3	4	5	6
<b>Receipts</b>							
Cash sales	0	214,000	214,000	214,000	214,000	214,000	214,000
Initial capital from owners	400,000	0	0	0	0	0	0
Loans received	300,000	0	0	0	0	0	0
<b>Total Receipts</b>	<b>700,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>
<b>Payments</b>							
<b>Cost of sales</b>							
Purchases (cash and credit) note 6	0	142,800	178,500	178,500	178,500	178,500	178,500
Freight Charges @ RM1/ unit		500	500	500	500	500	500
<b>Expenses</b>							
Wages	0	22,600	22,600	22,600	22,600	22,600	22,600
Advertisement	0	1,500	0	0	1,500	0	0
Loan interest	0	1,750	1,750	1,750	1,750	1,750	1,750
Medical fee	0	0	0	200	0	0	0
Printing & Stationery	0	200	0	0	0	0	0
Rental	0	7,000	7,000	7,000	7,000	7,000	7,000
Secretarial & Disbursement	0	500	0	0	0	0	0
Telephone	0	250	290	299	289	246	240
Tools & Implements	0	206	0	0	0	0	0
Trademark	0	1,500	0	0	0	0	0
Water & Electricity		3,200	3,200	3,200	3,200	3,200	3,200
Patent	0	200	0	0	0	0	0
Capital purchases	67,261	0	0	0	0	0	0
<b>Total Payments</b>	<b>67,261.44</b>	<b>182,206.00</b>	<b>213,840.00</b>	<b>214,049.00</b>	<b>215,339.00</b>	<b>213,796.00</b>	<b>213,790.00</b>
<b>Cashflow Surplus/Deficit (-)</b>	<b>632,738.56</b>	<b>31,794.00</b>	<b>160.00</b>	<b>(49.00)</b>	<b>(1,339.00)</b>	<b>204.00</b>	<b>210.00</b>
<b>Opening Cash Balance</b>	<b>0.00</b>	<b>632,738.56</b>	<b>664,532.56</b>	<b>664,692.56</b>	<b>664,643.56</b>	<b>663,304.56</b>	<b>663,508.56</b>
<b>Closing Cash Balance</b>	<b>632,738.56</b>	<b>664,532.56</b>	<b>664,692.56</b>	<b>664,643.56</b>	<b>663,304.56</b>	<b>663,508.56</b>	<b>663,718.56</b>

7	8	9	10	11	12	Totals
214,000	214,000	214,000	214,000	214,000	214,000	2,568,000
0	0	0	0	0	0	400,000
0	0	0	0	0	0	300,000
<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>214,000</b>	<b>3,268,000</b>
178,500	178,500	178,500	178,500	178,500	178,500	2,106,300
500	500	500	500	500	500	6,000
22,600	22,600	22,600	22,600	22,600	22,600	271,200
1,000	0	0	1,000	0	0	5,000
1,750	1,750	1,750	1,750	1,750	1,750	21,000
0	0	150	0	0	0	350
0	0	0	0	0	0	200
7,000	7,000	7,000	7,000	7,000	7,000	84,000
0	0	0	0	0	0	500
213	229	199	235	245	265	3,000
0	0	0	0	0	0	206
0	0	0	0	0	0	1,500
3,200	3,200	3,200	3,200	3,200	3,200	38,400
0	0	0	0	0	0	200
0	0	0	0	0	0	67,261
<b>214,763.00</b>	<b>213,779.00</b>	<b>213,899.00</b>	<b>214,785.00</b>	<b>213,795.00</b>	<b>213,815.00</b>	<b>2,605,117.44</b>
<b>(763.00)</b>	<b>221.00</b>	<b>101.00</b>	<b>(785.00)</b>	<b>205.00</b>	<b>185.00</b>	<b>662,882.56</b>
<b>663,718.56</b>	<b>662,955.56</b>	<b>663,176.56</b>	<b>663,277.56</b>	<b>662,492.56</b>	<b>662,697.56</b>	<b>7,931,738.72</b>
<b>662,955.56</b>	<b>663,176.56</b>	<b>663,277.56</b>	<b>662,492.56</b>	<b>662,697.56</b>	<b>662,882.56</b>	<b>8,594,621.28</b>

**Year 2016**

Note 1			
Machinery & Equipment			
Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)
HP 800 Elite Tower Standard Desktop (Intel i5 Ivy Bridge Processor, 4GB, 500 GB HDD)	1,904	1	1,904
PRINTER Zebra GX430 portable printer (300dpi), WITH ETHERNET PORT	3,375	1	3,375
CGM with Bracket and installation	370	1	370
Motorola Symbol 2D Scanner	1,395	1	1,395
Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
Spring Balancer	300	3	900
ESD Work station	4,500	1	4,500
ESD Chair (HTHB #5045-001-BU ESD Clean Room Low Chair c/w Adjustable Backrest	680	1	680
Ionizer with 3 Set Fan Equipped and Lighting System	1,800	1	1,800
Air-gun	95	1	95
Air Regulator	320	1	320
ESD Solvent Dispenser EP-6 6oz	25	1	25
ESD Unica Bin - 8840(Small)	9	7	60
ESD Unica Bin - 8801(medium)	30	7	210
ESD Unica Bin - 8802(large)	48	7	333
HP Compaq LA2206x 21.5 inch LED Backlit LCD Monitor	474	1	474
Trolley	1,200	3	3,600
		<b>Total</b>	<b>35,040</b>

Note 2														
Tools & Implement														
	Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)										
1	Mountz TLS0135 Minor Torque Driver	558	3	1,674										
			<b>Total</b>	<b>1,674</b>										
Note 3														
Furniture & Fittings														
	Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)										
1	Component Cabinet c/w 10 Drawers and Holder, Size : 49"X30"X28"	7,050	1	7,050										
2	Emerald #EP2516 ESD Conductive Container,Size: 46mm (Dia) x 48mm (L),(350pcs/box)	2,275	1	2,275										
3	Wire Shelving 4 ft Length x 2 ft depth x 5 ft Height	1,800	3	5,400										
			<b>Total</b>	<b>14,725</b>										
Note 4														
Office Equipment														
	Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)										
1	ESD Safe Black Bin	150	15	2,250										
2	To add wiring for Democrat tester and Assembly station	8,277	1	8,277										
3	To add LAN Point for Democrat tester	5,295	1	5,295										
			<b>Total</b>	<b>15,822</b>										
<b>Total fixed assets</b>				<b>67,261</b>										

Note 5													
Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sales @ RM428/unit	246,100	246,100	246,100	246,100	246,100	246,100	246,100	246,100	246,100	246,100	246,100	246,100	2,953,200
Note 6													
Cost of Sales(JIT method)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Material cost @ RM357/unit	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	2,463,300
Freight Charges @ RM11/unit	575	575	575	575	575	575	575	575	575	575	575	575	6,900
	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>205,850</b>	<b>2,470,200</b>



<b>Purchases</b>														
Cash purchases (80%)	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	164,220.00	1,970,640.00	
Credit purchases (20%)	35,700.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	41,055.00	487,305.00	
	199,920	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	205,275	2,457,945	
													bal ofd	41,055.00

<b>Note 7</b>						
<b>Depreciation</b>	<b>Cost</b>	<b>Addition/ (Disposal)</b>	<b>Total Asset</b>	<b>Bal b/f</b>	<b>Depn</b>	<b>NBV</b>
Machinery & equipment @ 10%	35,040	-	35,040	31,536	3,504	28,032
Office equipment @ 10%	15,822	-	15,822	14,240	1,582	12,658
Furniture & fittings @ 10%	14,725	-	14,725	13,253	1,473	11,780
Tools & implements @ 10%	1,674	-	1,674	1,507	167	1,339
	67,261	-	67,261	60,535	6,726	53,809

Note 8														
Wages	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
Salaries for management personnel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000	
Labour costs	14,490	14,490	14,490	14,490	14,490	14,490	14,490	14,490	14,490	14,490	14,490	14,490	173,880	
	24,490	24,490	24,490	24,490	24,490	24,490	24,490	24,490	24,490	24,490	24,490	24,490	293,880	
Note 9														
Advertisement	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	800			800			450			450			2,500	
Note 10														
Loan Interest	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	21,000	
Note 11														
Medical Fee	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	-	-	-	-	150	-	54	-	-	-	-	-	204	
Note 12														
Printing & Stationery	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	200	-	-	-	-	-	-	-	-	-	-	-	200	
Note13														
Rental	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000	
Note14														
Telephone Charges	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	287	280	297	298	268	302	290	299	286	270	300	273	3,450	
Note 15														
Water & Electricity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	3,680	44,160	

**Cash Flow Forecast-2016**

<i>Cash Flow Forecast - 12 Months</i>							
Month:	Pre-Start	1	2	3	4	5	6
<b>Receipts</b>							
Cash sales	-	246,100.00	246,100.00	246,100.00	246,100.00	246,100.00	246,100.00
<b>Total Receipts</b>	-	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>
<b>Payments</b>							
<b>Cost of sales</b>							
Purchases (cash and credit) note 6	-	199,920.00	205,275.00	205,275.00	205,275.00	205,275.00	205,275.00
Freight Charges @ RM1/ unit	-	575.00	575.00	575.00	575.00	575.00	575.00
<b>Expenses</b>							
Wages	-	24,490.00	24,490.00	24,490.00	24,490.00	24,490.00	24,490.00
Advertisement	-	800.00	-	-	800.00	-	-
Loan interest	-	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00
Medical fee	-	-	-	-	-	150.00	-
Printing & Stationery	-	200.00	-	-	-	-	-
Rental	-	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Telephone	-	287.00	280.00	297.00	298.00	268.00	302.00
Water & Electricity	-	3,680.00	3,680.00	3,680.00	3,680.00	3,680.00	3,680.00
<b>Total Payments</b>	-	<b>238,702.00</b>	<b>243,050.00</b>	<b>243,067.00</b>	<b>243,868.00</b>	<b>243,188.00</b>	<b>243,072.00</b>
<b>Cashflow Surplus/Deficit (-)</b>	-	<b>7,398.00</b>	<b>3,050.00</b>	<b>3,033.00</b>	<b>2,232.00</b>	<b>2,912.00</b>	<b>3,028.00</b>
<b>Opening Cash Balance</b>	-	<b>662,882.56</b>	<b>670,280.56</b>	<b>673,330.56</b>	<b>676,363.56</b>	<b>678,595.56</b>	<b>681,507.56</b>
<b>Closing Cash Balance</b>	-	<b>670,280.56</b>	<b>673,330.56</b>	<b>676,363.56</b>	<b>678,595.56</b>	<b>681,507.56</b>	<b>684,535.56</b>

7	8	9	10	11	12	Totals
246,100.00	246,100.00	246,100.00	246,100.00	246,100.00	246,100.00	2,953,200.00
<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>246,100.00</b>	<b>2,953,200.00</b>
205,275.00	205,275.00	205,275.00	205,275.00	205,275.00	205,275.00	2,457,945.00
575.00	575.00	575.00	575.00	575.00	575.00	6,900.00
24,490.00	24,490.00	24,490.00	24,490.00	24,490.00	24,490.00	293,880.00
450.00	-	-	450.00	-	-	2,500.00
1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	21,000.00
54.00	-	-	-	-	-	204.00
-	-	-	-	-	-	200.00
7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	84,000.00
290.00	299.00	286.00	270.00	300.00	273.00	3,450.00
3,680.00	3,680.00	3,680.00	3,680.00	3,680.00	3,680.00	44,160.00
<b>243,564.00</b>	<b>243,069.00</b>	<b>243,056.00</b>	<b>243,490.00</b>	<b>243,070.00</b>	<b>243,043.00</b>	<b>2,914,239.00</b>
<b>2,536.00</b>	<b>3,031.00</b>	<b>3,044.00</b>	<b>2,610.00</b>	<b>3,030.00</b>	<b>3,057.00</b>	<b>38,961.00</b>
<b>684,535.56</b>	<b>687,071.56</b>	<b>690,102.56</b>	<b>693,146.56</b>	<b>695,756.56</b>	<b>698,786.56</b>	<b>8,192,359.72</b>
<b>687,071.56</b>	<b>690,102.56</b>	<b>693,146.56</b>	<b>695,756.56</b>	<b>698,786.56</b>	<b>701,843.56</b>	<b>8,231,320.72</b>

**Year 2017**

	Note 1			
	Machinery & equipment			
	Item description	Item Unit Cost MYR	Total Qty	Equipment Purchased cost (MYR)
1	HP 800 Elite Tower Standard Desktop (Intel i5 Ivy Bridge Processor, 4GB, 500 GB HDD)	1,904	1	1,904
2	PRINTER Zebra GX430 portable printer (300dpi), WITH ETHERNET PORT	3,375	1	3,375
3	CGM with Bracket and installation	370	1	370
4	Motorola Symbol 2D Scanner	1,395	1	1,395
5	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
6	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
7	Ingersoll Rand #EL1007B Electric Screwdriver Torque Range : 0.5in.lbs to 10.44 in.lbs	5,000	1	5,000
8	Spring Balancer	300	3	900
9	ESD Work station	4,500	1	4,500
10	ESD Chair (HTHB #5045-001-BU ESD Clean Room Low Chair c/w Adjustable Backrest	680	1	680
11	Ionizer with 3 Set Fan Equipped and Lighting System	1,800	1	1,800
12	Air-gun	95	1	95
13	Air Regulator	320	1	320
14	ESD Solvent Dispenser EP-6 6oz	25	1	25
15	ESD Unica Bin - 8840 (Small)	9	7	60
16	ESD Unica Bin - 8801 (medium)	30	7	210
17	ESD Unica Bin - 8802 (large)	48	7	333
18	HP Compaq LA2206x 21.5 inch LED Backlit LCD Monitor	474	1	474
19	Trolley	1,200	3	3,600
			<b>Total</b>	<b>35,040</b>

Note 2			
Tools & Implement			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	Mountz TLS0135 Minor Torque Driver	558	1,674
			Total 1,674
Note 3			
Furniture & Fittings			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	Component Cabinet c/w 10 Drawers and Holder, Size : 49"X30"X28"	7,050	7,050
2	Emerald #EP2516 ESD Conductive Container,Size: 46mm (Dia) x 48mm (L),(350pcs/box)	2,275	2,275
3	Wire Shelving 4 ft Length x 2 ft depth x 5 ft Height	1,800	5,400
			Total 14,725
Note 4			
Office Equipment			
	Item description	Item Unit Cost MYR	Equipment Purchased cost (MYR)
1	ESD Safe Black Bin	150	2,250
2	To add wiring for Democrat tester and Assembly station	8,277	8,277
3	To add LAN Point for Democrat tester	5,295	5,295
			Total 15,822
<b>Total fixed assets</b>			<b>67,261</b>

Note 5													
Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sales @ RM428/ unit	270,710	270,710	270,710	270,710	270,710	270,710	270,710	270,710	270,710	270,710	270,710	270,710	3,248,520

Note 6													
Cost of Sales(JIT method)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Material cost @ RM357/unit	225,803	225,803	225,803	225,803	225,803	225,803	225,803	225,803	225,803	225,803	225,803	225,803	2,709,630
Freight Charges @ RM17/unit	633	633	633	633	633	633	633	633	633	633	633	633	7,590
	226,435	226,435	226,435	226,435	226,435	226,435	226,435	226,435	226,435	226,435	226,435	226,435	2,717,220

Purchases													
Cash purchases (80%)	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	180,642.00	2,167,704.00
Credit purchases (20%)	41,055.00	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	45,160.50	537,820.50
	221,697.00	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	2,705,524.50
												bal c/d	45,160.50

Note 7						
Depreciation	Cost	Addition/ (Disposal)	Total Asset	Bal b/f	Depn	NBV
Machinery & equipment @ 10%						
Office equipment @ 10%	35,040	-	35,040	28,032	3,504	24,528
Furniture & fittings @ 10%	15,822	-	15,822	12,658	1,582	11,076
Tools & implements @ 10%	14,725	-	14,725	11,780	1,473	10,308
	1,674	-	1,674	1,339	167	1,172
	67,261	-	67,261	53,809	6,726	47,083

Note 8													
Wages	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Salaries for management personnel	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Labour costs	15,938	15,938	15,938	15,938	15,938	15,938	15,938	15,938	15,938	15,938	15,938	15,938	191,256
	25,938	25,938	25,938	25,938	25,938	25,938	25,938	25,938	25,938	25,938	25,938	25,938	311,256

Note 9													
Advertisement 2500	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	800			800			450			450			2,500

Note 10													
Bonus	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Lee Fu Qiang	-	3,000	-	-	-	-	-	-	-	-	-	-	3,000
Khor Mei Ling	-	3,000	-	-	-	-	-	-	-	-	-	-	3,000
Liew Hui Seng	-	3,000	-	-	-	-	-	-	-	-	-	-	3,000
Jovey Lee	-	3,000	-	-	-	-	-	-	-	-	-	-	3,000
Joanne Looi	-	3,000	-	-	-	-	-	-	-	-	-	-	3,000
	-	15,000	-	-	-	-	-	-	-	-	-	-	15,000

Note 11	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Loan Interest	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	21,000
Note 12													
Medical Fee		120	37										157
Note 13													
Printing & Stationery	200												200
Note 14													
Rental	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000
Note 15													
Telephone Charges	295	302	324	311	316	299	306	322	357	291	332	341	3,795
Note 16													
Water & Electricity	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	4,048	48,576



**Cash Flow Forecast-2017**

<i>Cash Flow Forecast - 12 Months</i>							
Month:	Pre-Start	1	2	3	4	5	6
<b>Receipts</b>							
Cash sales	-	270,710.00	270,710.00	270,710.00	270,710.00	270,710.00	270,710.00
<b>Total Receipts</b>	-	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>
<b>Payments</b>							
<b>Cost of sales</b>							
Purchases (cash and credit) note 6	-	221,697.00	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50
Freight Charges @ RM1/ unit		632.50	632.50	632.50	632.50	632.50	632.50
<b>Expenses</b>							
Wages	-	25,938.00	25,938.00	25,938.00	25,938.00	25,938.00	25,938.00
Advertisement	-	800.00	-	-	800.00	-	-
Bonus	-	-	15,000.00	-	-	-	-
Loan interest	-	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00
Medical fee	-	-	120.00	37.00	-	-	-
Printing & Stationery	-	200.00	-	-	-	-	-
Rental of office	-	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
Telephone	-	295.09	302.24	323.56	310.74	316.25	298.53
Water & Electricity	-	4,048.00	4,048.00	4,048.00	4,048.00	4,048.00	4,048.00
Corporate tax 2016		6,451.17	-	-	-	-	-
<b>Total Payments</b>	-	<b>268,811.76</b>	<b>280,593.24</b>	<b>265,531.56</b>	<b>266,281.74</b>	<b>265,487.25</b>	<b>265,469.53</b>
<b>Cashflow Surplus/Deficit (-)</b>	-	<b>1,898.24</b>	<b>(9,883.24)</b>	<b>5,178.44</b>	<b>4,428.26</b>	<b>5,222.75</b>	<b>5,240.47</b>
<b>Opening Cash Balance</b>	-	<b>701,843.56</b>	<b>703,741.80</b>	<b>693,858.56</b>	<b>699,037.00</b>	<b>703,465.26</b>	<b>708,688.01</b>
<b>Closing Cash Balance</b>	-	<b>703,741.80</b>	<b>693,858.56</b>	<b>699,037.00</b>	<b>703,465.26</b>	<b>708,688.01</b>	<b>713,928.48</b>

7	8	9	10	11	12	Totals
270,710.00	270,710.00	270,710.00	270,710.00	270,710.00	270,710.00	3,248,520.00
<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>270,710.00</b>	<b>3,248,520.00</b>
225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	225,802.50	2,705,524.50
632.50	632.50	632.50	632.50	632.50	632.50	7,590.00
25,938.00	25,938.00	25,938.00	25,938.00	25,938.00	25,938.00	311,256.00
450.00	-	-	450.00	-	-	2,500.00
-	-	-	-	-	-	15,000.00
1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	21,000.00
-	-	-	-	-	-	157.00
-	-	-	-	-	-	200.00
7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00	84,000.00
305.78	322.47	356.67	290.87	331.50	341.30	3,795.00
4,048.00	4,048.00	4,048.00	4,048.00	4,048.00	4,048.00	48,576.00
-	-	-	-	-	-	6,451.17
<b>265,926.78</b>	<b>265,493.47</b>	<b>265,527.67</b>	<b>265,911.87</b>	<b>265,502.50</b>	<b>265,512.30</b>	<b>3,206,049.67</b>
<b>4,783.22</b>	<b>5,216.53</b>	<b>5,182.33</b>	<b>4,798.13</b>	<b>5,207.50</b>	<b>5,197.70</b>	<b>42,470.33</b>
<b>713,928.48</b>	<b>718,711.70</b>	<b>723,928.23</b>	<b>729,110.56</b>	<b>733,908.69</b>	<b>739,116.19</b>	<b>8,569,338.04</b>
<b>718,711.70</b>	<b>723,928.23</b>	<b>729,110.56</b>	<b>733,908.69</b>	<b>739,116.19</b>	<b>744,313.89</b>	<b>8,611,808.37</b>

Appendix 8: Form 13A, 6, 48A, 9, 49, TM5, PF1

P.U. 173/66

COMPANIES REGULATIONS, 1966

SECOND SCHEDULE (Regulation 3)

FORM 13A. Request For Availability Of Name.

FORM 13A

Companies Act 1965

(Section 22 (6))

REQUEST FOR AVAILABILITY OF NAME

Our Ref.....

Reference No. (Leave Blank)

.....

SECTION A: TO BE COMPLETED BY APPLICANT

IN BLOCK LETTERS

† PROPOSED NAME..... (MAXIMUM 50 CHARACTERS)

PURPOSE..... N-NEW INCORPORATION F-REGISTRATION OF FOREIGN COMPANY C-CHANGE OF NAME NAME OF APPLICANT:  ADDRESS OF APPLICANT:  TELEPHONE No:  REQUEST DATE: .....	TYPE..... S-LIMITED BY SHARES G-LIMITED BY GUARANTEE  U-UNLIMITED COMPANY   ..... Signature of Applicant
---	--

† If proposed name requires further clarifications, the applicant is required to fill up Section C.

SECTION B: FOR THE REGISTRY'S USE ONLY

SEARCH RESULT  AVAILABIILITY: ... /..... /.....  A-AVAILABLE R-REJECTED S-SUBJECT TO QUERY  REMARKS:	DATE PROCESSED:...../...../..... PROCESSED BY: ..... DATE ENTERED: ... /..... /..... ENTERED BY.....
--	---

SECTION C: TO BE COMPLETED BY APPLICANT

CLARIFICATION

1. Single letters included in the name stand for:
2. If the proposed name is not in Bahasa Malaysia or English, please clarify:
3. If the proposed name contains a proper name, state whether it is the name of a director of the company or the proposed company:
4. If proposed name is similar to that of a related or associated corporation †, state whether written consent has been obtained from the said corporation (please attach consent):
5. If the proposed name is a trade mark, state whether written consent has been obtained from the owner (please attach consent):
6. If the proposed name is to be used for change of name of an existing corporation, state the following:  
Existing name: .....  
Company: .....
7. The nature of the business carried on or to be carried on by the company.....  
(Am. P.U.(A) 80 /1993:s.5)
8. Other comments:  
(Am. P.U.(A) 80 /1993:s.5)

Notes:

† For definition of "related corporation "and "associated corporation", please see Companies Act 1965, and International Accounting Standards respectively.

Use additional sheets if necessary.

[Ins. P.U.(A) 16 / 1986:s.13]

FORM 6

P.U. 173/66

COMPANIES REGULATIONS, 1966

SECOND SCHEDULE (Regulation 3)

---

**FORM 6. Declaration Of Compliance.**

FORM 6

Companies Act 1965

(Section 16 (2))

Company No.

--	--

DECLARATION OF COMPLIANCE

..... (NAME OF COMPANY)

I, .....,\*I/C No./ Passport No . .....,

Of..... sincerely declare the following:

1. I am the person named in the articles as the first secretary

Of.....(Name of Company).

2. All the requirements of the Companies Act 1965 and of the Companies Regulations in respect of matters precedent to the registration of the company and incidental to its registration have been complied with.

3. As from the date of its incorporation, the registered office of the company will be situated at ..... in the State of..... Post Code.....

4. The first directors named in the articles of the company are as follows:

# Name	Address	I/C No./ Passport No.	Date of Birth

5. The principal objects for which the company is incorporated are as follows:

1 . .....

2 . .....

3 . .....

6. The authorised capital of the company is RM ..... divided into .....shares of RM ..... each.

Declared at ..... this..... day of.....

.....

(Name)

(\*Licence No./ Prescribed

Body Membership No.)

---

\*Strike out whichever is inapplicable.

# If the director is of the female gender, insert "(f)" against her name.

(Subs. P.U.(A) 313 /1998:s.3)

FORM 48A

P.U. 173/66

COMPANIES REGULATIONS, 1966

SECOND SCHEDULE (Regulation 3)

---

**FORM 48A. Statutory Declaration By A Person Before Appointment  
As Director, Or By A Promoter Before Incorporation Of  
Corporation.**

FORM 48A

Companies Act, 1965

(Section 16 (3A) and 123 (4))

Company No.

STATUTORY DECLARATION BY A PERSON BEFORE  
APPOINTMENT AS DIRECTOR, OR BY A PROMOTER  
BEFORE INCORPORATION OF CORPORATION  
..... (NAME OF COMPANY)

I,..... \*I/C No. /\*Passport

No. .... of..... do solemnly and sincerely declare that

-

(1) I am not an undischarged bankrupt.

(2) I have not been convicted whether within or without Malaysia of any offence

(a) In connection with the promotion, formation or management of a corporation;



(b) Involving fraud or dishonesty punishable on conviction with imprisonment for three months or more, or

(c) Under section 132, 132A or under section 303, within a period of five years preceding the date of this declaration.

(3) I have not been imprisoned for any offence referred to in paragraph (2) hereof within the period of five years immediately preceding the date of this declaration.

\* (4) I am an undischarged bankrupt but has been granted leave by the court under section 125 to act as a director of..... (Name of corporation).

\* (5) I have been granted leave by the court under section 130 to be director of..... (Name of corporation) or a promoter of a proposed corporation..... (Name of proposed corporation) or both a director of..... (Name of corporation) and a promoter of..... (Name of proposed corporation). I attach herewith an office copy of the court order.

(6) I hereby consents to act as director of..... (Name of corporation).

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the † Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named.....  
at..... in the State of ..... this.....  
day of ..... ,19.....

Before me

.....

---

This Statutory Declaration shall be lodged with the Registrar of Companies and the Official Receiver.

\* Strike out whichever is inapplicable.

† If the declaration is made in another country, it must be made under the law relating to statutory declaration of oaths prevailing in that country.

[Subs. P.U.(A) 16 / 1986:s.13]

**FORM 9**

**P.U. 173/66**

**COMPANIES REGULATIONS, 1966  
SECOND SCHEDULE (Regulation 3)**

**FORM 9. Certificate Of Incorporation Of Private Company.**

FORM 9

Companies Act 1965

(Section 16(4))

Company No.

**CERTIFICATE OF INCORPORATION OF PRIVATE COMPANY**

This is to certify that ..... is, on and from  
the .....19 ..... incorporated under the  
Companies Act 1965, and that the company is \* ..... and that the  
company is a private company.

Given under my hand and seal,  
at ..... this ..... day  
of.....,19.....

.....  
Registrar of Companies

\*Insert whether company is  
(a) a company limited by shares;  
(b) an unlimited company.

[Subs. P.U.(A) 16 / 1986:s.13]

## FORM 49

P.U. 173/66

COMPANIES REGULATIONS, 1966  
SECOND SCHEDULE (Regulation 3)**FORM 49. Return Giving Particulars In Register Of Directors,  
Managers And Secretaries And Changes Of Particulars.**

FORM 49

*Companies Act, 1965*

(Section 141(6))

Company No.

--

RETURN GIVING PARTICULARS IN REGISTER OF DIRECTORS, MANAGERS AND  
SECRETARIES AND CHANGES OF PARTICULARS

..... (NAME OF COMPANY)

## DIRECTORS\*

<i>Full Name §</i>	<i>National Race †</i>	<i>Date of Birth</i>	<i>Residential Address</i>	<i>Business Occupation (if any)</i>	<i>Particulars of other Directorships £</i>	<i>Nature of Appointment, or Change and Relevant Date #</i>	<i>Identity Card No. / Passport No. ¶</i>

## MANAGERS AND SECRETARIES\*

<i>Office in Company</i>	<i>Full Name §</i>	<i>Nationality/ Race †</i>	<i>Residential Address</i>	<i>Other Occupation (if any)</i>	<i>Nature of Appointment or change and Relevant Date</i>	<i>Identity Card No. / Passport</i>

					#	No. ¶
--	--	--	--	--	---	-------

Dated this..... day of ..... 19.....

-----  
Signature of @Director/@ Secretary

Footnotes to Form 49

\*Where a director is also a manager or secretary his particulars are to be given under each of the headings "Directors" and "Managers and Secretaries"

§ Insert full name and any former name of the officer concerned. If the director is of the female gender insert "(f)" against her name. In the case of a person appointed as an alternate to another director insert "alternate to (name of director)" against his name.

† If Malaysia, state whether the officer is a Malay, Chinese, Indian or others.

£ Insert particulars of any other directorship of public companies or companies which are subsidiaries of public companies held by the director, but not particulars of directorships held by a director in a company that is a related corporation of that company. Where a person is a director in one or more subsidiaries of the same holding company, it is sufficient to disclose that the person is the holder of one or more directorships in that group of companies and the group may be described by the name of the holding company with the addition of the word "Group". If no other directorships, state so.

# Insert in relation to a new officer "Appointed w. e. f. ." or "In place of *name of former officer*". Insert in relation to a former officer "Died on . Resigned w. e. f. ." "Removed on....." or as the case may be "Retired on....." "RELEVANT DATE SHOULD BE INSERTED.

If there is a change in the other prescribed particulars, state nature of change and relevant date.

¶ State also the relevant type code of the identity card/passport after the relevant numbers i. e. Blue I/C-(B), Red I/C-(R) Military I/D-(Z) , Police I/D-(M) , Passport-(P) .

@ Strike out whichever is inapplicable.

Note-A complete list of directors or managers shown as existing in the last particulars delivered should always be given. A note of the changes since the last list should be made in column #.

[Subs. P.U.(A) 16 / 1986:s.13]

INTELLECTUAL PROPERTY CORPORATION OF MALAYSIA

TRADE MARKS REGISTRY

TM 5

TRADE MARKS ACT 1976

TRADE MARKS REGULATIONS 1997

APPLICATION FOR REGISTRATION OF A MARK

[Sub regulation 18(1)]

Applicant's\* or Agent's\* file reference.....

*\* Delete whichever not applicable*

1. Application is hereby made for the registration of a:

trade mark  defensive trade mark  certification trade mark

*Note: Please tick the box appropriate to the kind of mark which registration is desired. In the case of a trade mark, please attach a copy of the oath, sworn statement or statutory declaration evidencing that the applicant is the true owner. In the case of a certification trade mark, please attach a copy of the rules governing its use. In the case of a defensive trade mark, please attach a copy of the statement of case verified by a statutory declaration.*

*[Please enclose five (5) copies of the Form with the application]*

2.Representation of mark:

*Note: If the space provided is insufficient, the representation may be made on a separate sheet and firmly attached to this Form. Please ensure that the representation is clear and comply fully with regulation 34 and the size of the trade mark shall not exceed 10 x 10 cm.*

If the mark is coloured and is to be limited according to the colour, please tick this box:

If the application is for a series of trademarks under section 24, please specify the number of series in this box:

*Note: Any application made for a series of trademarks exceeding two trademarks is subject to an additional fee of RM50.00 per trade mark.*

3. Limitations, etc.:

*(Insert below any conditions, disclaimers or other limitations to which the registration will be subjected to. If the mark contains or consists of a word or words in non-Roman characters or in a language other than English language or the national language, please provide a certified transliteration and translation as appropriate.)*

.....

.....

.....

.....

4. Class:

5. List of goods or services:

*(Goods or services falling within more than one international class are subject to separate applications. Please use a separate sheet if necessary.)*

.....  
.....  
.....  
.....

6. Full name and address of applicant:

Name :  
.....

Address: .....  
.....  
.....  
.....

NRIC No. /Company Registration No./Passport  
No.: .....

*(as a personal reference number)*

*If the applicant is a partnership, please state the full names of all the partners.*

*If the applicant resides abroad, please provide an address for service in Malaysia (Column 7).*

7. Full name and address of agent (if any):

Name : .....

Address : .....

*Note: If this is the address for service, please file Form TM 1 together with this Form.*

8. Agent's Registration No. (If known): .....

9. Agent's own  
reference: .....

10. International Convention priority claim: *If priority date is claimed under International Convention or a bilateral arrangement, please give details below and attach the relevant documents.*

Convention country in which the trade mark was first filed: .....

Date: ..... No. (If any):.....



11. Date of first use of the mark in Malaysia (if any):.....

12. Declaration: I/We claim to be the bona fide proprietor of the mark whose registration is applied for and, where the mark has not been used in Malaysia, that the application is made in good faith and that I am/we are entitled to be registered as the proprietor of the mark.

An agent signing this Form on behalf of the applicant shall satisfy himself as to the truth of the declaration.

Signature: .....

Name of signatory (in block letter): .....

Telephone No.: ..... E-mail: .....

Date:.....

*Note: If the applicant is a partnership, please state the full names of all the partners.*



NAMA PENUH MAJIKAN (HURUF BESAR)  
EMPLOYEE NAME (CAPITAL LETTERS) \_\_\_\_\_

**(C) MAKLUMAT PERNIAGAAN / BUSINESS DETAILS**

ALAMAT PERNIAGAAN  
BUSINESS ADDRESS

POSKOD  
POSTCODE

NEGERI  
STATE

ALAMAT BERDAFTAR  
(SEKIRANYA BERBEZA  
DENGAN  
PERNIAGAAN)  
REGISTERED ADDRESS

POSKOD  
POSTCODE

NEGERI  
STATE

ALAMAT SURAT  
MENYURAT  
MAILING ADDRESS

POSKOD  
POSTCODE

NEGERI  
STATE

E-MEL  
EMAIL

NAMA PEGAWAI  
NAME OF OFFICER

JAWATAN  
DESIGNATION

NO. TELEFON  
1  
TELEPHONE NO. /  
NO. TELEFON BIMBIT  
MOBILE NO.

NO. MyKad

NO. FAKSIMILI  
FAX NO.

**(D) MAKLUMAT PEMILIK / PENGARAH SYARIKAT / RAKAN KONGSI/PEMEGANG JAWATAN UTAMA / COMPANY OWNER / DIRECTOR**

NAMA  
NAME

JAWATAN  
DESIGNATION

NO. K/P/PASPORT  
NO.  
PASSPORT  
NO.

WARGANEGARA  
CITIZENSHIP

TARIKH LANTIKAN  
DATE OF APPOINTMENT

NO. AHLI KWSP  
AMBIENT NO.

**(E) NAMA DAN ALAMAT TEMPAT PERNIAGAAN LAIN ATAU CAWANGAN / OTHER ADDRESS OR BRANCH**

NAMA NAME	ALAMAT ADDRESS

NOTA : JIKA RUJUKAN TIDAK MENCUKUPLI, SILA SERTAKAN LAMPIRAN BERSAMA PERMOHONAN INI.  
NOTE : IF SPACE IS INSUFFICIENT, PLEASE USE SEPARATE ATTACHMENT TOGETHER WITH THIS FORM.

Sila hubungi 03-8822 0000 untuk sebarang pertanyaan mengenai permohonan ini.

NAMA PENJAJ MAJIKAN (HURUF BESAR) EMPLOYER NAME (CAPITAL LETTERS)			
<b>(F) MAKLUMAT MAJIKAN ORANG GAJI DOMESTIK / EMPLOYER DETAILS FOR DOMESTIC SERVANT APPLICATION</b>			
NAMA MAJIKAN EMPLOYER NAME			
NO. K.P/PASPORT ID ALAMAT KEDIAMAN/ PERNIAGAAN RESIDENTIAL / BUSINESS ADDRESS			
POSKOD POSTCODE	NEGERI STATE		
NO. TELEFON RUMAH HOME TELEPHONE NO	NO. TELEFON PEJABAT OFFICE TELEPHONE NO		
NO. TELEFON BIMBIT MOBILE TELEPHONE NO	NO. FAKSIMILE FAX NO		
SAYA SUDAH / BELUM DIDAFTARKAN SEBAGAI SEORANG MAJIKAN. NO. RUJUKAN MAJIKAN KWSP SAYA IALAH I AM CURRENTLY REGISTERED / NOT REGISTERED WITH EPF. THE EMPLOYER REGISTRATION NO. IS		BILANGAN ORANG GAJI DOMESTIK	
<b>(G) MAKLUMAT ORANG GAJI DOMESTIK / DOMESTIC SERVANT DETAILS</b>			
NOTA: JIKA RUJUKAN TIDAK MENYUKUPI, SILA LENGKAPKAN DAN SERTAKAN PERMOHONAN YANG BERASINGAN.			
NAMA ORANG GAJI DOMESTIK DOMESTIC SERVANT NAME			
NO. K.P/PASPORT ID			
TANDATANGAN ORANG GAJI DOMESTIK DOMESTIC SERVANT SIGNATURE	TARIKH DATE		
<b>(H) PENGESAHAN MAJIKAN / EMPLOYER DECLARATION</b>			
NOTA: RUJUKAN INI PERLU DILENGKAPKAN BAGI SEMUA JENIS PENDAFTARAN MAJIKAN.			
1. SAYA MENGESAKAN SEMUA MAKLUMAT DAN DOKUMEN YANG DIBERIKAN ADALAH SAIH DAN BENAR. I HEREBY CONFIRM THAT ALL THE INFORMATION AND DOCUMENT GIVEN IN THIS APPLICATION IS TRUE AND CORRECT.			
TANDATANGAN MAJIKAN / WAKIL MAJIKAN EMPLOYER SIGNATURE	JAWATAN DESIGNATION	COP RASMI SYARIKAT COMPANY SEAL	TARIKH DATE
Sila hubungi 03 - 9222 8000 untuk sebarang pertanyaan mengenai permohonan ini.			
			V220111113 <b>3</b>

## Appendix 10: Employee's Registration Form (PERKESO)



**BORANG 2**  
**BORANG PENDAFTARAN PEKERJA**

PERATURAN-PERATURAN (AM) KESELAMATAN SOSIAL PEKERJA 1971  
(PERATURAN 10, 12(4) dan 12A)

NOMBOR KOD MAJIKAN								
2	2	3	3	4	4	5	6	8

Sila gunakan HURUF BESAR, Dakwat Hitam sahaja dan rujuk catatan di belakang Borang ini.  
Di bawah ini saya berikan nama nama dan butir-butir pekerja perusahaan ini sebagaimana dalam Seksyen 2(5) Akta.

Nombor Kad Pengenalan Baru (Sila nyatakan No. Kad Pengenalan Lama, Jika ada) (1)	Nama Pekerja (Seperti dalam Kad Pengenalan) (2)	Tarikh Lahir (3)			Jantina (4)	Keturunan (5)	Tarikh Mula Bekerja (6)			Perkerjaan (7)	Bagi Kegunaan PERKESO (8)					
		H	B	T	L/P		H	B	T							
880808029007	KELVIN TAN KUA	0	8	8	L		0	1	0	2	1	3	AUDIT JUNIOR			
Lama.	N O M I N O															
Lama.																
Lama.																
Lama.																
Lama.																
Lama.																
Lama.																
Lama.																



Appendix 12: Business Cards

