

NULL CLAWS SDN BHD

No. 8, Jalan Cindai Jaya,
Taman Cindai Jaya,
08000 Sungai Petani,
Kedah Darul Aman
(Phone/Fax) 04-8080008



BUSINESS PLAN

NULL CLAWS SDN BHD

BY

Chan Zhi Cheng
Charles Ronald Raj A/L Dorairaj
Khor Chia Sing
Siew Jing Yee
Wan Pei Ling
EMAIL: sales@nullclaws.byethost3.com

Business Plan prepared April 2015

By Chan Zhi Cheng, Charles Ronald Raj A/L Dorairaj, Khor Chia Sing, Siew Jing Yee, and Wan Pei Ling

Copyright @ 2015

ALL RIGHTS RESERVED. No part of this Business Plan may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, graphic, electronic, mechanical, photocopying, recording, scanning, or otherwise, without the prior consent of the authors.

DECLARATION

We here 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 contributions has been made by each group member in completing the Entrepreneurial project.
- (4) The word count of this Entrepreneurial Project is 23,975.

Name of Student:	Student ID:	Signature:
1. Chan Zhi Cheng	11ABB02750	_____
2. Charles Ronald Raj A/L Dorairaj	09ABB06954	_____
3. Khor Chia Sing	11ABB05138	_____
4. Siew Jing Yee	11ABB01271	_____
5. Wan Pei Ling	12ABB04086	_____

Date: 3rd April 2015

ACKNOWLEDGEMENT

First and for all, we would like to express our appreciation to University Tunku Abdul Rahman (UTAR) for giving us this chance to conduct this business plan. From this business plan, we know the importance of having an efficient business plan to proceed in a business and we have applied all of our knowledge that we learned in completing this business plan. Besides that we had also learn on how important it is to have a good team work and we have all grown to become mature as we have expose ourselves to the actual business world.

Next, we would like to express our sincere thanks to our supervisor, Cik Nur Syaheeda Binti Aziz, for assistance and productive comments as well as inspiring us in booming out this business plan. The remarks and inspirations of Cik Nur Syaheeda Binti Aziz have inspired us to complete the business plan.

Besides, we would like to express our gratitude to our Entrepreneurial Project Coordinator, Miss. Ng Yin Kuan for her absolute information and advises in this business plan. With the absolute information from Miss. Ng Yin Kuan, we have able to complete this business plan efficaciously.

We would like to appreciate every party or individuals who had given their help and assistance during the period of our business plan. Their hard work guidance will not be over and done by us.

Last but not least, we would like to take this opportunity to heartfelt thanks and appreciation to our families for their moral support and helping in assisting us in succeeding our business plan.

Thank You.

TABLE OF CONTENT

	Page
Copyright Page	ii
Declaration	iii
Acknowledgement	iv
Table of Contents	v - ix
List of Tables	x - xi
List of Figures	xii - xiii
List of Charts	xiv
List of Financial Statements	xv
List of Appendices.....	xvi

1.0 EXECUTIVE SUMMARY.....	1
1.1 The Opportunity	1
1.2 The Description of the Business	1
1.3 Competitive Advantage	1
1.4 The Target Market	2
1.5 The Management Team	2
1.6 Brief Summary of the Financial Projections	2 - 3
1.7 Description of What the Business Needs	3

1.8 Exit Strategy for Investors.....	3
2.0 THE BUSINESS.....	4
2.1 The Description of the Business.....	4
2.1.1 The name, logo, and location of the propose business.....	4- 5
2.1.2 Nature of the business/Products or services offer	6
2.1.3 Company missions and objectives.....	6
2.2 The Opportunity.....	7
2.2.1 Problem to solve or need to be filled.....	7 - 8
2.2.2 How the proposed business solves the problem or fills the need.....	8 - 9
2.3 Competitive Advantage.....	10
2.3.1 Description of the business model.....	10 - 18
2.3.2 How the business will create sustainable competitive advantage.....	18 - 21
2.4 Current Status and Requirements.....	21
2.4.1 Description of where the business stands today and what the business needs to move forward.....	21 - 23
3.0 INDUSTRY ANALYSIS.....	24
3.1 Industry Description.....	24
3.1.1 Industry trends.....	24 - 35
3.1.2 Industry size.....	25 - 26
3.1.3 Industry attractiveness.....	27 - 28

3.1.4 Profit potential.....	28 – 33
3.2 Target Market.....	33 – 34
3.3 Competitive Position within Target Market.....	35
4.0 MARKETING PLAN.....	36
4.1 Product Feasibility Analysis.....	36
4.1.1 Full description of the product offer.....	36 - 39
4.1.2 Concept testing.....	40
4.2 Pricing Strategy.....	40 - 42
4.3 Channels of Distribution.....	42 - 44
4.4 Promotions and Advertising.....	44 - 45
5.0 PRODUCTION PLAN.....	46
5.1 Manufacturing Process.....	46
5.2 Availability of Qualified Labour Pool.....	47 - 49
5.3 Physical Plant.....	49 - 50
5.4 Machineries and Equipment.....	50 - 51
5.5 Name of Suppliers of Raw Materials.....	51 - 52
5.6 Quality Control.....	52 - 55
5.7 Customer Support.....	55 - 56
6.0 MANAGEMENT TEAM.....	57
6.1 Management Team.....	57 - 62

6.2 Board of Advisor.....	63
6.3 Key Professional Service Provider.....	63 – 64
7.0 COMPANY STRUCTURE, INTELLECTUAL PROPERTY, AND OWNERSHIP.....	65
7.1 Organizational Structure.....	65 - 69
7.2 Legal Structure.....	69
7.3 Intellectual Property.....	70
8.0 FINANCIAL PLAN.....	71
8.1 Capital Requirements for the Next 3 Years.....	71 – 75
8.2 Overview of Financial Projections.....	76 - 84
8.3 Pro Forma Income Statement (3 years).....	85
8.4 Cash Flow Projections (3 years).....	86
8.5 Pro Forma Balance Sheet (3 years).....	87
8.6 Payback and Exit Strategy.....	88 - 89
9.0 CRITICAL RISK FACTORS.....	90
9.1 Management Risks.....	90
9.2 Marketing Risks.....	91 - 93
9.3 Operating Risks.....	93 - 94
9.4 Financial Risks.....	94
9.5 Intellectual Property Infringement.....	95

9.6 Contingency Plan.....	95 - 98
References.....	99 - 102
Appendices.....	103 - 154

LIST OF TABLES

	Page
Table 1.1: Summary of the Financial Projections	16
Table 2.1: Projected Milestone	21
Table 3.1: Malaysian Small Kitchen Appliances Materials	24
Table 3.2: Year of Establishment and Locations of Indirect Competitors	25
Table 3.3: Porter's 5 Forces Analysis on Small Kitchen Appliances Industry Attractiveness	27
Table 3.4: Competitive Analysis Grid	35
Table 5.1: Designation of Labour Pool	47
Table 5.2: Job Scope for Each Designation	48
Table 5.3: Machineries and Equipment's Cost	50
Table 5.4: Production Cost	51
Table 8.1: General Cost	71
Table 8.2: Operation Cost	72
Table 8.3: Lorry	72
Table 8.4: Yearly Expenses	73
Table 8.5: Production Tools	73
Table 8.6: Production Equipment	74
Table 8.7: Public Holiday and Overtime (OT) Cost Based on 10% of Production Cost	79

Table 8.8: Salaries for Three Years	79
Table 8.9: EPF (KWSP) 13% Paid by Company in First Three Years	80
Table 8.10: Rate of SOCSO Paid by Company in First Three Years	80
Table 8.11: Salary after SOCSO and EPF	81
Table 8.12: Salary Expenses for Foreign Workers	83
Table 8.13: Total Salary Expenses	83
Table 8.14: Depreciation on Operation Cost (Straight line method) 10%	84
Table 8.15: Net Present Value (NPV) and Payback Period	88

LIST OF FIGURES

	Page
Figure 2.1: Logo of the Company	4
Figure 4.1: Hook-and-Loop	36
Figure 4.2: Hook	37
Figure 4.3: Loop	37
Figure 4.4: Glove and Hand-guard	37
Figure 4.5: The Front of Hand-guard	37
Figure 4.6: The Back of Hand-guard	37
Figure 4.7: Gloves Attach with Hand-guard by Using Hook-and-Loop	38
Figure 4.8: Coating Part	38
Figure 4.9: Gloves with Hook-and Loop	38
Figure 4.10: White Coated Gloves	39
Figure 4.11: Indirect Distribution Channel	42
Figure 4.12: Direct Distribution of Channel	43
Figure 5.1: Manufacturing Process Flow	46
Figure 5.2: Floor Plan	50
Figure 5.3: Quality Control Procedures	52
Figure 6.1: Management Team	57
Figure 7.1: Organizational Chart	65

Figure 8.1: Beginning Inventory, Ending Inventory, Production Rate, and
Sales Estimation for Three Years

78

LIST OF CHARTS

	Page
Pie Chart 3.1: How often do you cook?	29
Bar Chart 3.1: Is there any reasons lead you do not often cook?	29
Pie Chart 3.2: Do you encounter any incidents in kitchen such as burns, cuts, break stuff and etc.?	30
Pie Chart 3.3: Would you feel ticklish or have phobia of touching raw material such as raw meat or uncooked fish?	30
Pie Chart 3.4: Would you fear of holding and handling hot substance by bare hand?	31
Pie Chart 3.5: Did students have any complain about the safety problem?	31
Pie Chart 3.6: During cooking class, did students encounter any incidents such as burns, cuts, break stuff and etc.?	32
Pie Chart 3.7: Prevent accidents happen at surrounding at the kitchen area is important.	32
Pie Chart 3.8: Are you willing to spend on a protective glove in heat resistance, which helps prevent from getting cut or burn during cooking?	33

LIST OF FINANCIAL STATEMENTS

	Page
Financial Statement 1: Pro Forma Income Statement	85
Financial Statement 2: Cash Flow Projection	86
Financial Statement 3: Pro Forma Balance Sheet	87

LIST OF APPENDICES

	Page
Appendix 1: Business Location	103
Appendix 2: Questionnaire	104 - 108
Appendix 3: Response of Survey for Null Claws	109 - 125
Appendix 4: Code of Federal Regulations Title 21	126 - 127
Appendix 5: Test Report of Protective Gloves	128 – 130
Appendix 6: Defect Report	131 – 132
Appendix 7: Company Website, YouTube Channel, and Facebook Page	133 – 134
Appendix 8: Business Registration Form	135 – 136
Appendix 9: Form 13A, Form 48A, Form 6, Form 9, Form 49 Form 8A, Form TM 5	137 – 151
Appendix 10: Total Utilities Fees	152
Appendix 11: Proof of Finding Supplier	153 - 154

1.0 EXECUTIVE SUMMARY

1.1 The Opportunity

Our product is designed to address the safety problems in kitchen such as cut by knife, burn, and slipping plate and bowl. Besides, we are also targeting on those people who are fear of touching raw meat and raw fish as our product can prevent them from touching the raw ingredients directly and reduce the embarrassment in cooking. Our product is also washable so it could cope with the hygienic problem of preparing food ingredients.

1.2 The Description of Business

Our company is focusing on producing and selling safety products for kitchen area. The first product of Null Claws is a glove that is both cut and heat resistance with a plastic guard that could prevent customers from accidentally scald or burn. The plastic guard is to provide double protection for cut by knife. In addition, our product includes anti-slippery function to avoid slipping when holding plate and bowl.

1.3 Competitive Advantage

Null Claws's competitive advantages are based on strong positioning, first mover advantage, and differentiation.

1.4 The Target Market

Our company target markets are individual such as chefs, housewives, and the beginners who just started to learn cooking, corporate such as the cooking classes, culinary schools or universities, intermediaries such as AEON, and Parkson.

1.5 The Management Team

The founder of our company is Mr. Stanley Choo Zhan Hui. The management team of Null Claws Company consists of five members, Ms. Wan Pei Ling is the operation manager, Ms. Khor Chia Sing is the product development manager, Ms. Chan Zhi Cheng is the human resource manager, Ms. Siew Jing Yee is the marketing manager, and Mr. Charles Ronald Raj is the finance manager.

1.6 Brief Summary of the Financial Projections

Table 1.1: Summary of the Financial Projections

Income Statement:

	1 st Year	2 nd Year	3 rd Year
Gross Profit	427,627.04	1,258,874.70	2,433,267.42
Expenses	(618,755.20)	(1,173,430.04)	(2,250,473.35)
Profit after Expenses	(191,128.16)	85,444.66	182,794.07
Tax	-	(18,458.44)	(36,954.82)
Net Profit/(loss)	(191,128.16)	66,986.22	145,839.24

Cash Flow Statement:

	1 st Year	2 nd Year	3 rd Year
Cash Available	1,581,865.16	4,347,745.67	9,955,464.61
Cash Disbursement	(1,490,676.45)	(4,203,461.73)	(9,682,641.83)
Net Cash Flow	91,188.71	144,283.94	272,822.78

Balance Sheet:

	1 st Year	2 nd Year	3 rd Year
Fixed Cost	105,345.00	93,640.00	81,935.00
Current Asset	234,165.59	592,215.56	1,071,248.56
Total Assets	339,510.59	685,855.56	1,153,183.56
Capital	400,000.00	208,871.84	275,858.06
Current Liabilities	130,638.75	409,997.50	731,486.25
Net Profit/(Loss)	(191,128.16)	66,986.22	145,839.24
Total Owner's Equity	339,510.59	685,855.56	1,153,183.56

1.7 Description of What the Business Needs

Each founder will be contributing RM 40,000 in the business with a total of RM 200,000 for business startup. The capital will be mainly used in purchasing raw materials and also other registration of the business and application of Investment Tax Allowance.

1.8 Exit Strategy for Investors

Our exit strategy would be to progress the company to a level that it will be sold over to a larger organization or indirect competitors in the future. The proceedings would be used to settle any access debts and the balance would be divided among all investors.

2.0 THE BUSINESS

2.1 The Description of the Business

2.1.1 The name, logo and location of the proposed business

The name of our company is Null Claws Sdn Bhd, which mainly produce and selling kitchen protection product. The word Null means that having or associated with the value zero means “nothing” or immunity. The word Claws in here represents ‘hand’ and means a mechanical device resembling a claw, used for gripping or lifting. We plan to show a concept that provides an appliance that able to protect customers’ hand and improve the safety as well as protections for customers who are having activities in the kitchen area frequently.

Figure 2.1: Logo of the Company



The above figure is our logo design. The logo is designed in a simple form where there is a hand holding a fire sphere which shows that the hand is well protected with fire and able to provide safety. The symbol of fire with orange in colour represents heat and danger that might harmful to our body, while the sphere represents the glove that able to protect users’ hand and avoid from heat and danger.

Furthermore, the symbol of the hand that holding on fire sphere represents our customers who are able to handle and pick up things with high temperature without any getting injuries when they use our product. The word “Null Claws” displayed is our company’s name.

Our operating factory-office located in Taman Cindai Jaya, Sungai Petani. Sungai Petani is a town in Kedah, which is the north part of Malaysia. Sungai Petani basically can be known as the largest town in Kedah followed by the state capital, Alor Setar. One of the reasons for us to choose Sungai Petani as our operating factory-office is because our material suppliers are located around this area which helps us to save a lot of time and costs. The location of the factory only requires a short drive from North-South Highway toll plaza Sungai Petani which could be an advantage for us in our logistics management. Furthermore, the strategic location also enables us to deliver our products to Rani Transport Sdn Bhd, which is our outsourced distribution company. This also can help to avoid extra charges to us by Rani Transport Sdn Bhd as they come and load the products. Other than that, there is public transportation available such as a bus terminal and railway station which is nearby to the factory location. This could probably provide convenience transportation to managers and employees commuting as well as help to solve the problems which might encountered by other potential business partners or other visitors. Besides, there are also some facilities available nearby the factory such as an industrial zone, restaurant, residential zone and private clinic. This could also be convenient to the employees when they needed.

Other than that, inside the factory area, there is a spacious loading bay which allows the truck to load and unload the raw materials or finished products. Moreover, the spacious loading bay also enables the load and unloads process to become more efficient and effective in time saving. The operating hours for our factory is from 9am to 6pm with a lunch time in between. In short, our total operating hours will be 8 hours daily. However, overtime will be scheduled whenever there is higher demand in the market. These are the reasons that we choose Sungai Petani instead of other regions to set up our manufacturing factory and operating factory-office.

(Please refer Appendix 1 for more information of the location)

2.1.2 Nature of business/Product or services offer

Null Claws is a company that mainly specialized in assembling, packing and distributing the kitchen products to the retailers or other business partners. The idea and design of our products will be based on safety. Cooking is one of the most common and daily activities which housewives, chefs, and bakers that have to carry out every day. On the other hand, cooking college and culinary school are the places where it provides teenagers or students to learn cooking and baking. Thus, cooking college and culinary school is also the target for us to expand our product. By using our product, this can increase the safety of the students and ease their learning progress.

The first product of Null Claws will be a protective glove which helps customers to avoid getting cut or burn. The product is designed to provide safety for every person that cooks, especially for housewives, chefs, and students in cooking college and culinary school. Besides that, this product also includes heat resistance features which prevent customers from scald or burn. In addition, our product includes anti slippery feature which could avoid slipping when holding things.

2.1.3 Company missions and objectives

Our vision is to be the Malaysia leading new generation of kitchen safety provider. Null Claws produces kitchen protection products aiming to provide customers a safer environment in the kitchen area in order to for them have a wonderful or enjoyable cooking experience. Null Claws' mission is to ensure that kitchen protection products able to become a trend in Malaysia. First, we only sell products that meet the standard approval and guaranteed qualities. Second, we understand users' needs and make on it. At last, we succeed adequate turnover to finance growth and to create value for our stakeholders.

The main objectives for Null Claws' are achieving 60% product awareness among the prospective customers, to succeed 30% turnover to finance growth and to create value for our stakeholders and creating products with the concept of safety, protective, modern and innovative.

2.2 The Opportunity

2.2.1 Problem to solve or need to be filled

Cooking is happening every day in all families and restaurants. People could spend most of their time in kitchen such as housewife and chefs to cook for family or customers. Kitchen safety is an absolute concern as there are many dangers, such as hot stove, hot water, fire, and knife. According to the information we found at ROSPA (The Royal Society for the Prevention of Accidents) website, the place where the most accidents happened is living or dining room, but the most serious accidents happen in the kitchen and on the stairs (Accidents to Children, n.d.). Below are the problems that our product can solve.

One of the most common incidents happened in kitchen is cut by knife, especially a dull knife. This incident could happen on anyone who are cutting food ingredients, no matter is a beginner or an experienced chef. According to the National Hospital Ambulatory Care Medical Survey, there are 42 per cent of hand injuries at emergency department are made up by lacerations and cuts. It also ranked fifth in the top reasons for emergency room visits. Cuts can be a lot worse than you can imagine as they can severe tendons and nerves, crippling people for life. It also can cause phobia on people who were being cut by knife frequently and consequently.

The other main incidents that happened in kitchen are scald and burns. Statistic shows that there are more than 100,000 people go to the hospital emergency room are due to scalding injuries in each year (Elie, 2011). Kitchen and bathroom is the place where majority of scald and burns occur. Hot items can be everywhere in kitchen. People can get scalded by items like wok, pot, hot plate and rice cooker because food needs heat to be cooked. Besides, people may also face difficulty in cutting meat that is still hot. Cutting hot ingredient with bare hand can scald our hands.

There are also people who fear of touching ingredients such as raw meat and raw fish. It is common as there are many people that have slight fear of things. These phobias are called Carnophobia, means fear of meat, and Ichthyophobia, which means fear of fish. Thus, this can be an obstacle for them to learn cooking as they need to

avoid touching these raw fish and meat, especially those who love cooking but they have this kind of phobia.

The hygiene in kitchen is also an important issue. Human palms contained millions of bacteria, as each job you do it will gathered on your hand. People usually cut food with bare hand and the bacteria on your hand can easily transfer to the food. Other than that, the other incident that could happen in kitchen is slipping plate and bowls to the floor when people hold them with wet hand.

2.2.2 How the proposed business solves the problem or fills the need

The safety in kitchen should be enhancing in order to reduce the incidents that could happen in kitchen. From the problems, we can see the opportunity to introduce our first product which is protective glove that is heat resistance, cut resistance and anti-slippery.










Our protective glove is designed to be a glove to protect the whole palm and not only the fingers. The reason we make it as a glove is because we want to provide full protection for our palm and also make it more flexible and easier for people to move their hand. The hand guard is also adjustable to fit with different sizes of hand palm so that people can feel more comfortable when wearing it.

With this glove design, the problem of fear to touch meat or fish can be reduced as the glove can prevent them from touching the ingredients with their bare hand and at the same time they are able to cut the ingredients very well. The protective glove has form a layer of protection to reduce the sense of touching the raw meat and fish and make it more acceptable for people to hold the meat and fish. Besides, it also can avoid the odour of some materials like chilli, meat, onion, and garlic that transfer to our hand and also prevent the materials from getting into our nails. Our product is washable. Therefore, it can also provide a more hygiene way to cut the food materials. The other benefit of our hand guard is it has an anti-slippery function. This function allows people to hold things better even when the glove is wet. We provide a multi-functional glove which enables our customers to move faster and safer when cooking in the kitchen.

Our team are committed to creating high quality designs for our protective glove to fit the needs of our customer effectively. We aim to help reduce the kitchen incidents happened in Malaysia so that people can always cook in a safer condition and to ease them in cooking process.

2.3 Competitive Advantage

2.3.1 Description of the business model

<p>Key Partners </p> <p><u>Hand-Guard Supplier</u> OEE Shopping Enterprise</p> <p><u>Gloves Supplier</u> Pearl Glove (M) Sdn. Bhd.</p> <p><u>Hook-and-Loop Seller</u> KHglobalsale</p> <p><u>Logistics Company</u> Rani Transport Sdn. Bhd.</p>	<p>Key Activities </p> <ul style="list-style-type: none">- Product assembly- Quality checking and inspection- Packaging and labeling	<p>Value Proposition </p> <ul style="list-style-type: none">- Prevent from being injured or phobia during cooking- Advocate a culture that use protective gloves when cooking	<p>Customer Relationships </p> <ul style="list-style-type: none">- Personal assistance- Community	<p>Customer Segments </p> <p><u>Individual</u></p> <ul style="list-style-type: none">- Chef- Housewife- Beginner who starts cooking <p><u>Corporate</u></p> <ul style="list-style-type: none">- Culinary school/ Cooking class- Culinary university
	<p>Key Resources </p> <p><u>Tangible Asset</u></p> <ul style="list-style-type: none">- Facility and equipments- Labor forces <p><u>Intangible Asset</u></p> <ul style="list-style-type: none">- Patent- Trademark- Relationship with suppliers- Relationship with retailers		<p>Channels </p> <ul style="list-style-type: none">- Null Claws office- Null Claws company website- Retailers	
<p>Cost Structure </p> <ul style="list-style-type: none">- Parts and materials purchasing- Operation costs- Research and Development costs- Transportation outsourcing costs- Other expenses		<p>Revenue Streams <u>Revenue Stream Type</u> </p> <p>Asset sales</p> <p><u>Pricing Methods</u></p> <ul style="list-style-type: none">- Fixed selling price (individual customer segment)- Volume dependent-pricing (corporate customer segment and retailer) <p><u>Payment Methods</u></p> <p>Cash, Cheque, Bank-in</p>		

Business Model Canvas helps us to develop a business model for our business. It provides us guidance on how to operate our business in which could lead us to success in a competitive and dynamic business environment.

Key Partners

The key partners comprised of two main subcategories which can be defined as suppliers and logistics companies:

I. Suppliers

Suppliers possess with enormous impacts on our business. Our suppliers will be including plastic guard, Hook-and-Loop and gloves with heat resistant, cut resistant, and anti-slippery. They help us to ease pressures in the production process in which they supply the parts of our product and we only have to assemble those parts together. The reasons that motivate us to establish partnerships because we as the start-up firm are lacks in capital resources and we are unable to do all the production by ourselves that requires more employees and expensive machines. Besides that, they could help us in reducing the risks of producing wrong or defective product parts due to the facts that they are the experts in those particular fields. The collaborations with them would really help us to build our own business. Thence, we need to establish and maintain a good and indestructible long term relationship with them.

II. Logistics Company

For the same reason that we do not have excess capital resources to purchase more trucks for the delivery to different state, so we need to find logistics company to help us to solve this problem. All we need to do is deliver our products to them in order to reduce the logistic expenses as possible, and the rest leave it to them. They provide convenience to us to deliver our products in a great amount to our retailers directly who located in different states within Peninsular Malaysia. Therefore, it is essential for us to establish a good business relationship with them.

Key Activities

The key activities that we are involved will be including product assembly, quality checking, packaging and labeling, and product selling. We will assemble the part that supplied by our key suppliers into finished goods which called as Null Claws. Then, we will be engaged in a series of product quality control activities; for example, the employees will be assigned to do the checklist such as check the status of the hand-guard and gloves, to ensure that our product will be adhere to a defined set of quality standards. These quality control activities can help us in reducing the product malfunction proportion and increasing the customer confidence towards our product. After that, we will be selling Null Claws with product packaging and labeling to the targeted customers at our main factory-office and also our website.

Key Resources

I. Tangible Assets

Our tangible assets will be included labour forces, appropriate equipment, and facilities. The labour forces would be referring to those employees who are assigned to do the tasks of assembling, packaging, and labeling. The shop lot has multiple purposes which are used as an main factory-office to meet with customers and also function like a factory to do the repackaging and labeling that need to include our company logo on the packaging. With that, we then can finalize on our product to reduce our costs to a minimum level by maximizing the use of the shop lot and it can help us to lower down the product selling price per unit.

II. Intangible Assets

The patent and trademark are the intangible assets that we possess in the future. We are planning to register the patent for our product design to protect us from being imitated by other competitors in the future. Besides that, we are also planning to register our company name which is Null Claws Sdn. Bhd. as trademark to differentiate our company from numerous companies that available in the market. Another intangible asset that we are striving for is the indestructible

relationships with the intermediaries or retailers. We seek to maintain and enhance the long term relationships with them which including Parkson, and AEON at first and then Tesco and Giant in the future. A good long term relationship with them could guarantee us on our product sales as well as our product able to approach to more people in their outlets.

Value Proposition

Value is what we want to deliver to our customers and it is the reason why the customers should choose and purchase our product. The following statements are the values that we proposed to our customers:

I. Prevent from being Injured or Phobia During Cooking

The most important value that we wish to deliver to our customers is preventing them from being injured or phobia when they are cooking. Accidents like being cut or burn often happen to the chefs or housewives when they are busy for cooking and they need to take care of few things at the same time; for example, sometimes they have to get their dishes away from the stoves during in the middle of cutting meats or vegetables. The accidents may be happen if they are in a hurry for getting the things done. Besides that, some people may have phobias, for example, Carnophobia and Ichthyophobia, which scare or feeling awful when touching the raw meats or fish with their bare hands. With our protective glove which covers the whole palm, they will have no worry on that anymore.

II. Advocate a Culture that Use Gloves with Glove when Cooking

Perhaps we can advocate a culture that everyone needs which is the tendency to ensure the safety of their well-being. In such we should cultivate the importance of safety in each kitchen users. A doctor has the culture of wearing gloves while doing checkups and surgery to provide hygiene culture in their field. In that context of kitchen, it should possess the culture of safety and hygiene in handling their food materials.

Customer Relationships

I. Personal Assistance

We provide the best-fit personal assistance to our customers according to their needs. There will be few friendly and well-trained staff which happen to be us, the 5 management personnel, are available to help and assist the customers throughout the sales processes and other processes in our factory-office. Besides that, we also are willing to provide product demonstration and information for the customers in order to solve their doubts and questions.

II. Community

In order to approach to our customers more effectively, we are planning to establish our own company website. Customers can gain the massive product information on our company website. Besides that, they are able to leave their feedback and opinions for us regarding our products. Therefore, we can modify and improve our products continuously based on the customers' opinions and feedback.

Channels

I. Null Claws Factory-office

Since we are a start-up firm, we do not have excess capital resources to separately buy or rent another shop lot to sell our products. Therefore, the shop lot will be like a factory-office that we use to assemble the products as well as meet our clients and serve them. We will put some advertisements like flyers and banners around our shop in order to attract the interested prospects to come over to our shop. We can promote our products to them and show them the product demonstration if they do not really understand what our product is about. We then can persuade them to purchase our product immediately after the product demonstration. Other than that, we also can get the direct responses from the prospects regarding to our products so that we could keep on modify and improve our products.

II. Null Claws Company Website

We are planning to launch our own company website that visitors are allowed to search for the product-related information in a way of more detailed. They can watch the demonstration videos about how to use our product and the functions of our product in our website. Besides that, we also open a section in our website to let the customers to voice out their opinions and review our product based on their experiences. For the purpose which is to approach to more customers, we also make our website available with phone number and email to our customers.

III. Intermediaries

Retailers are the most important clients for us because they usually purchase our products in a large quantity. So, we are target the kitchen utensil sector from department stores, for example, AEON and Parkson. After our company has been established, we will target on Tesco and Giant to sell our product. Since they are expected to be accounted a quite large proportion of our sales, therefore we are planning to give some discounts which is 10% and it is the price that lower than those prices we sell to the customers directly. This price discount is able to encourage them to purchase and stock our products.

Customer Segments

I. Individuals

The individuals that we target are chefs, housewives, and the beginners who just start to learn cooking. As we know, chefs and housewives might be busy of cutting stuff and holding some hot stuffs at same time, whereas the beginners might be in a fluster manner when they need to get some hot stuff away from stoves during the progress of cutting. Null Claws can provide them the protection and away from being cut and burn for any reasons that may cause the injuries.

II. Corporate

We target Null Claws to the corporate-level like the cooking classes and culinary schools or universities. There are involved with many individuals who cook,

therefore, they could purchase in a quite large amount of Null Claws from us for the students. This could account some sales of Null Claws for us. The students can learn their culinary arts or cooking lessons in a safety manner without worry that they might get injured during the lessons.

Cost Structure

I. Parts and Materials Purchasing

We purchase the parts that required for our product directly from the suppliers that we choose. The parts that we purchase from suppliers will be including gloves with heat resistant, cut resistant, and anti-slippery, and plastic guards. The budget for the gloves will be control under RM 13.00 whereas the budget of plastic guards will be control under RM 0.80. Besides that, we also control the budgets of materials such as Hook-and-Loop with RM 0.30 and hot glue stick with RM 0.60 per stick.

II. Operation Costs

The operation costs will be comprised of rental, water and electricity utilities, employee wages, machine maintenance costs, and costs of office supplies. Rental of our main factory-office will be the fixed cost which is RM 1500 per month. Besides that, we will hire and pay wages for 6 management personnel, 1 supervisor, 1 employee as lorry driver and 3 employees who work as assembly and packaging line workers. Although we mainly outsource to other logistics company, we also prepare 1 lorry with 1 ton just for delivery to Klang to the logistics company to reduce transportation costs and also for the urgent delivery purpose. Therefore, it may be incurred the costs like fuel costs, toll fees and road tax.

III. Research and Development Costs (R&D Costs)

We strive to get more outstanding products under Null Claws Sdn Bhd in order to provide the kitchen appliance with superb safety by having multiple functions to the customers and adding customer values. We set two years' time for ourselves

to introduce some new and innovative kitchen appliances to the market. While developing for new products, we also can modify and improve our current product through research and development for the latest technology and knowledge. R&D is important for us to survive and remain competitive in the dynamic business market.

IV. Transportation Outsourcing Costs

We are planning to outsource the transportation process to other logistics company. In the early stage of our business, we do not have enough capital resources to purchase trucks that used for the delivery of the products to the retailers from different states such as in Perak, Johor, Terengganu, Kelantan, Kuala Lumpur, and Selangor. Therefore, outsourcing of Logistics Company is the most suitable option for us. The logistics company that we consider to collaborate is Rani Transport Sdn. Bhd. which located in Klang. We are planning to transport our products to them and they will help us to distribute it to our retailers from different states within Malaysia. We will try to bargain the lowest price for the transportation service in order to lower down the costs as much as possible.

Revenue Streams

Revenue streams can be referring to the ways on how we generate money from our customers. The type of revenue stream is the assets sale in which refer to, we sell our product, Null Claws, to our customers. We have proposed different pricing tactics for different customer segments. For the individual segments, we offer our product to the customers within segments by setting fixed selling price without discounts due to the fact that they usually purchase in a very less quantity of items. While for the corporate segments, and intermediaries, we offer our product to them by setting a pricing decision in which is more than 30 units purchased will get 10% discount in the total amount that they need to pay in one-time-transcript. This pricing method can encourage them to purchase in bulk or purchase more of our product in one transaction. There are few payment methods that the retailers or intermediaries can be made which are cash, cheque payment, and bank-in payment based on their preferences, whereas we are strictly only

accept the cash payments from the individual customers and corporate-customers. The remaining cash inflow will be save for the organizational growth in the future after paid for the costs and expenses incurred which stated in the cost structure.

2.3.2 How the business will create sustainable competitive advantages

The competitive advantages of Null Claws Sdn Bhd will be analysed through SWOT analysis.

Strengths

I. Product Positioning

Our product will enter the market with a strong positioning because of the 3 main functions that we can provide within a single product which are the heat resistant, cut resistant, and anti-slippery. When people think of having a glove, they will think of Null Claws in their mind which match to their needs and also provide extra features to them for only a single product price. Moreover, our product can be attractive and small in size which it can be bring anywhere without using extra space in your bag. This is due to our product is detachable into two parts, the gloves and the hand guard. Besides that, in the future we will make sure that every online purchase; our customers will have their product ready in front of their doorstep within 14 working days after we received their payments.

II. Differentiation

One of the competitive strength for our company is that the product that we sold is one of a kind because of the ability that it can provide to the users. Our Null Claws has the ability to protect the users from cutting themselves during the cooking period. Besides that, it also has a combination of heat resistant, cut resistant, and anti-slippery functions on the glove. When cutting ingredients, at the same time our product can be used to handle hot stuff such as boiling pots and to slice meat that are just cook. Moreover, the common unfavourable action in the kitchen is to handle slippery objects such as fish and watery substance, Null

Claws makes the difference by providing anti-slippery functions on the gloves. This makes us different from the other product that available in the market as Null Claws makes up a multipurpose product which can bring more convenient to the users.

III. First Mover Advantage

According to the research we have done, we will have the first-mover advantage because in the same industry which is the kitchen safety industry, we are the first one to introduce the protective glove with the hand guard ability product in the market. In which, more people will be attracted to our new products rather than the existing products in the market. Our Null Claws is the best combination of a product that could bring convenience to the consumers.

Weaknesses

I. Low Capital

At start, we might face problem in promoting our product as we start up as a small business as a small distributor. We can gain profits but not much because of the parts purchasing and operation costs which include transportation costs that incurred in our business. We only operate the assembly and packaging department and this could bring down our profit as we outsource the parts of our product from various suppliers. We need to rely on the suppliers to survive currently but we believe that once we have achieve a sustainable market position, we can manage to be the manufacturer of our own for the raw materials and produce the gloves and hand guard in our own factory.

II. Continuous Research and Development

The time that we set on the research and development department will be 2 years. In these 2 years, there will be non-stop of innovative product being produce no matter it is a success or a failure product. This will incurred a high maintenance cost for this department but in order to achieve the best quality of product to our

customers, we will still need the expertise from this department to boost up our sales and profits.

Opportunities

I. Campaigns and Fairs

Incoherence to the product, we will be organizing campaign and fairs to educate the people to use our gloves during every section of cooking, synonymous to the doctors or dentists during their working hours in their surgery room or having a checked up with the patients. Every doctors and dentists will have to wear their gloves while working in order to preserve the hygiene purposes to the patients. Why not we also implement such culture to the users in kitchen to be hygiene as well? By using our gloves, the rate of injury and phobia can be lowered down during cooking in the kitchen. Null Claws promote safety issues in the kitchen as well. To make it a culture in the kitchen to wear safety gloves can be a great opportunity for the new generation and also to bring prosperity to our company. The new generation will not know that it is a culture to not wear gloves in the kitchen unless they are taught during young. So, this could be the selling point for our company to encourage safer users in the kitchen.

II. Strategic Alliance

There are few intermediaries of our choice to be our strategic alliance in promoting our product which are AEON and Parkson. With these channels, we see the greater opportunity to market our product as their market is concentrated. There will be many customers visiting their stores every day and it will be one of the best ways of expanding our market faster rather than only rely on our own marketing effort.

Threats

I. Chef and housewife will prefer cooking with bare hands.

We believe that in the near future, there might be chefs and housewives that thought wearing gloves to cook might obstruct them to cook freely and this could

be a bit of disturbance when they want to wash anything with their glove on. To overcome this statement, we will strengthen the trust of them to apply and use glove while cooking is the best choice that they can do. They refuse to follow these rules because previously no rules or people ever make them to do so but we will teach and advise them that safety is very important in the kitchen. Slowly and then they will start to apply this rules and when they thought of the danger of not using gloves, they will change their mind.

2.4 Current Status and Requirements

2.4.1 Description of where the business stands today and what the business needs to move forward

Null Claws will help users to be safe in handling hot and sticky food material as well as to protect our fingers while cutting of chopping activity. This to be marketed product is much more new and unique in the customer minds. This is because it is a new invention that will absorb in people's mind as we are the first mover of this business and this will be another new designation for the industry.

Projected Milestone

Table 2.1: Projected Milestone

No.	Events	Beginning date	Ending date	Duration
1.	Protocol designation	16-08-14	16-08-14	1 days
2.	Business plan	15-08-14	01-03-15	6 and a half months
3.	Propose business to banker & investor	06-03-15	06-03-15	1 days
4.	Funding approved and received	07-03-15	06-04-15	1 month
5.	Business registration from Suruhanjaya Syarikat Malaysia (SSM)	07-04-15	07-04-15	1 days
6.	Factory renovation	03-05-15	18-05-15	15 days

7.	Web hosting	20-05-15	20-05-15	1 days
8.	Start of mass production	01-06-15	-	-
9.	Advertising and promotion	01-07-15	-	-
10.	1st year accounting year	01-06-15	31-05-16	1 year
11.	2nd year accounting year	01-06-16	31-05-17	1 year
12.	3rd year accounting year	01-06-17	31-05-18	1 year
13.	Financial breakeven for Null Claws	01-06-15	31-05-18	3 years
14.	Promotional sales (1st season)	01-12-15	31-12-15	1 month
15.	Promotional sales (2nd season)	01-12-16	31-12-16	1 month

Before we reach the stage where our business is about to launch to the market, first we need to undergo some procedures in order to make the business to run smoothly in the future. We must first set on the location of our factory-office because any business must start of somewhere. This factory-office is working as the headquarters for our business; we will be located at Sungai Petani because we need to cover a smaller cost in terms of transportation. Besides that, we will outsource the web registration, designation, database and maintenance in accordance for promoting Null Claws.

Strategic alliance is one of our strategies to gain market value in the industry of kitchen appliances. We will look for an opportunity to get alliance with AEON and Parkson to sell our products in all of their outlets in Malaysia. This can greatly enhance the awareness of our product among the consumer who visit these outlets every day.

We will then start to advertise and promote on our products to the area surrounding of our factory-office. We will need to print out the materials such as flyers and pamphlets to be distributed to the residential area. We will need more people or consumer to know our product well before they could purchase it.

Besides that, we also need to recruit employees for our factory-office. The workers that we will hire will consist of normal employees at the assembly section and operators for the machinery. Skilled workers also needed to supervise the others and to stand by at the factory-office in case the machine break down and need immediate repair.

While one of the concerned parts for our investor/banker, our company first product's financial breakeven year will be projected on May 2018. Our projection for 1st year will suffer loses of RM191, 128.16, 2nd year profit will be RM66, 986.22, and 3rd year profit will be RM145, 839.24.

3.0 INDUSTRY ANALYSIS

3.1 Industry Description

3.1.1 Industry trends

Malaysian Small kitchen appliances industry had reached great heights around the years in improvement towards new technology and style. As having healthiness active promotions in 2013 by the Malaysian government to influence higher consumers awareness, consumers have actually have the interest in making sure there is effectiveness in clean and safety by them while preparing their meal (Euromonitor, 2013).

Malaysia small kitchen appliances manufacturers nowadays emphasize on the product finishing, design and quality for products produced under own-brand (MATRADE, 2014). Hence, the companies have combined the use of wide range of materials such as plastic, rubber, metal, cloth, leathers and many other plastic materials.

Table 3.1: Malaysian Small Kitchen Appliances Materials

Plastic	<ul style="list-style-type: none"> • Mass low cost applications • Easy and user friendly
Glass	<ul style="list-style-type: none"> • More presentable • High maintenance • Easily breakable
Metal	<ul style="list-style-type: none"> • Fairly heavy • Easy to work with heat • Exports of high quality and in large volume • Ancient technology in Malaysian kitchen appliance industry
Rubber	<ul style="list-style-type: none"> • Moderate hardness, light to moderate weight • Allows limitless palette of design options (such as finishing, staining, lacquering, painting, laminating etc.)

Source: Developed from research.

For our Null Claws protective glove, various aspects of materials is used. Our main material is plastic and rubber material. The reason for not using metal element is because of the heat resistant. As we know Null Claws is actually a product for hand protection from injury and heat. Metal is a great inductor and a good absorber of heat. This is where rubber and plastic comes in play. Our materials had been identified to be resistant for heat over 80°C. On the other hand plastic and rubber material is light weighted and would not be a burden while we are using this product in the kitchen.

However, most of the Malaysian companies in kitchen appliances industry are more to functional purpose. There are a small group of kitchen appliances manufacturers that focus on hand guard protector. The purpose of their hand guard is to protect their finger. In accordance to that, our product has an additional feature that is heat resistance. This is because many individual does multitasking while cooking. It would be a messy thing if they have to put the guard while cutting and removing it while carrying their kitchen ware. Our product protects from sharp injuries as well as burn injuries that occur in kitchen.

3.1.2 Industry size

There is only a small group of manufacturers and suppliers of kitchen safety glove available in Malaysia. The few groups of main manufacturers and suppliers we found are as bellows:

Table 3.2: Year of Establishment and Locations of Indirect Competitors

No.	Indirect Competitors	Establishment	Location
1.	Pearl Glove (M) Sdn Bhd	2008	Sungai Petani, Kedah
2.	Safetyware Sdn Bhd	1983	Simpang Ampat, Penang
3.	ESD Glove Sdn Bhd	2001	Kuala Lumpur
4.	Azka Aqeela (M) Sdn Bhd	2010	Kuala Lumpur

Source: Developed from research.

Pearl Glove (M) Sdn Bhd is a company that specialize in designing, developing and manufacturing industrial work glove in Malaysia. They have six types of product series, which include Synergy, Plain ESD, Classic, Versatile, Micro-Grip, and Robust. Their cut-resistant and heat-resistant gloves are under the Robust series, and all of their gloves are eco-friendly as they used water based formulation and processes.

Safetyware Sdn Bhd is a holding company that specialized in producing personal protective equipment's and a wide range of instruments. It is also involved in glove manufacturing, safety shoe manufacturing, safety apparels manufacturing and signage manufacturing. Safetyware company also produces different types of cut-resistant glove but most of them are not mainly designed for household and kitchen use.

ESD Glove Sdn Bhd is a glove manufacturer in Malaysia. This company specialized in producing latex glove but they did also produce cut-resistant glove. The other indirect competitor, Azka Aqeela (M) Sdn Bhd, is also selling cut-resistant glove, but it main products are custom made uniform, graduation uniform, military uniform, and restaurant uniform. The cut-resistant gloves provided by these two companies are for general purpose, but not purposely designed for food handling use.

These competitors are expanding their product line to cut-resistant glove but not focusing in it. Besides, most of the cut-resistant gloves are designed for food handling industrial work and general purpose only, not for kitchen safety usage.

Therefore, we conclude that the companies that we mentioned above are our indirect competitors because they are offering products that are close with our product. The main feature of our product is the glove with cut-resistant and heat resistant, which specially made for household or kitchen use. We designed the product according to the needs of our target customer such as beginners to cooking, housewives, and chefs to provide them a comfortable glove that can ensure their safety when cooking in kitchen.

3.1.3. Industry attractiveness

Table 3.3: Porter's 5 Forces Analysis on Small Kitchen Appliances Industry
Attractiveness

Competitive Forces	Industry Threats Level			Attractiveness of Industry
	Low	Medium	High	
Bargaining Power of Suppliers			X	Less Attractive
Bargaining Power of Buyers	X			Attractive
Threats of New Entrants		X		Moderate
Threats of Substitute Product	X			Moderate
Competitive Rivalry among Competitors	X			Attractive

I. Bargaining Power of Suppliers

- Bargaining power of suppliers is high
- Supplier of plastic and glove is not only supply to us, they have their loyal customer
- We might start off with a high price over the supplier but in future we ensure the price will reduce because we will increase our purchase order on the quantity
- We will look for alternatives of suppliers rather than stick to only one supplier for each product segments

II. Bargaining Power of Buyers

- Bargaining power of buyers is low
- Our product is only one exist in the current market
- Potential substitute product have insufficient capabilities as our product
- Null Claws win over other product by the product differentiation

III. Threats of New Entrants

- Threats of new entrants is moderate
- Barrier of entry is rather high because there are less introduction of such appliances in the market in Malaysia
- If the existing company wish to follow our path, they might be a strong competition to us as we are not the manufacturer of our own

IV. Threats of Substitute Product

- Threats of substitute product is low
- The existing product for either hand-guard or heat resistant glove are selling at the price around the same as our product
- Our product which contain more abilities is selling at cheaper price

V. Competitive Rivalry among Competitors

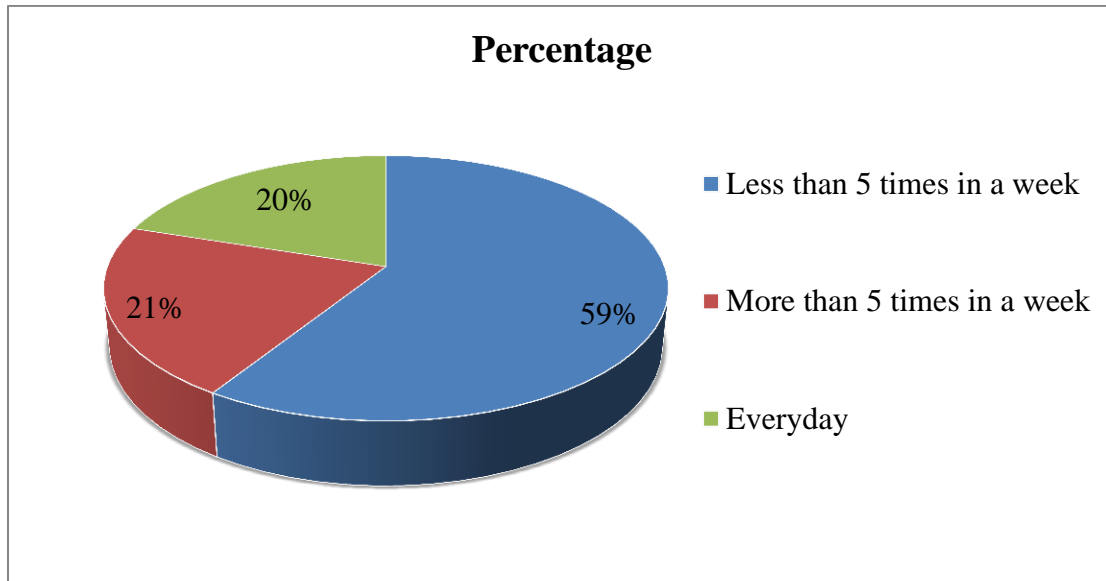
- There are no direct competitor as we are the first launched to the market
- Our product is different from the others as it also create awareness to the users of the culture of applying glove wearing in the kitchen
- The growth of the kitchen appliances industry is slow, we need not fight to gain the market share in the market
- The introduction of our product will definitely boost the market share and become the current trend

3.1.4 Profit potential

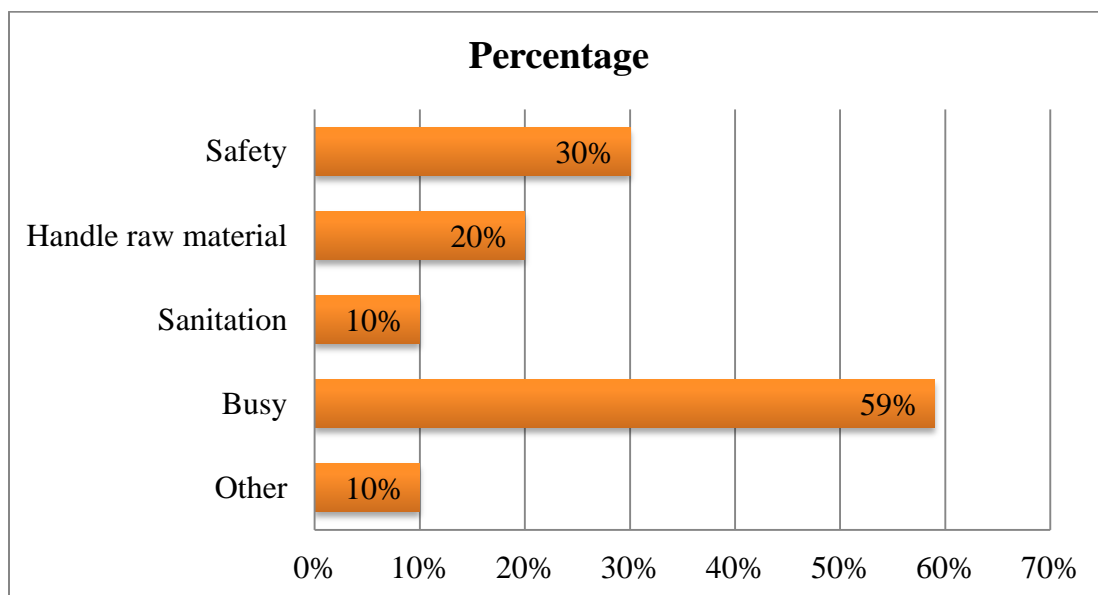
We have distributed our survey to 300 qualified respondents from culinary school and individual which including housewives, chefs, students, employees and others. According to our survey, there is 59% of the respondents stated that they cook less than 5 times in a week due to 59% of respondents are busy in their daily life. In addition, there are 91% of the respondents stated they had been encounter an incidents in kitchen area such as burns, cuts, break stuff and etc., and 62% of the respondents strongly agree and agree that they will feel ticklish or have phobia of touching raw material. Plus, there is 82%

of strongly agree and agree from respondents that they fear of holding and handling hot substance by bare hands.

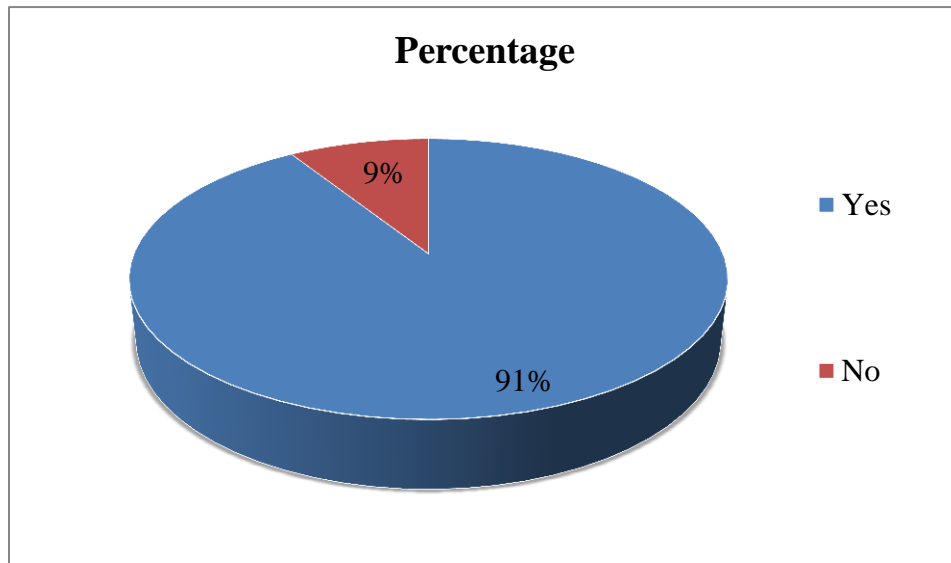
Pie Chart 3.1: How often do you cook?



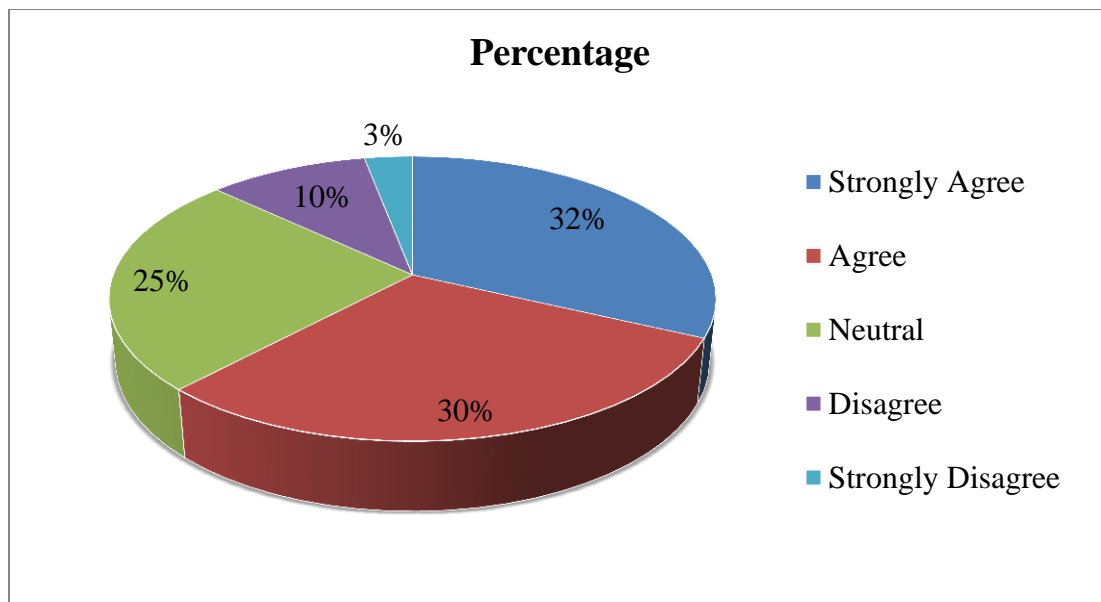
Bar Chart 3.1: Is there any reasons lead you do not often cook?



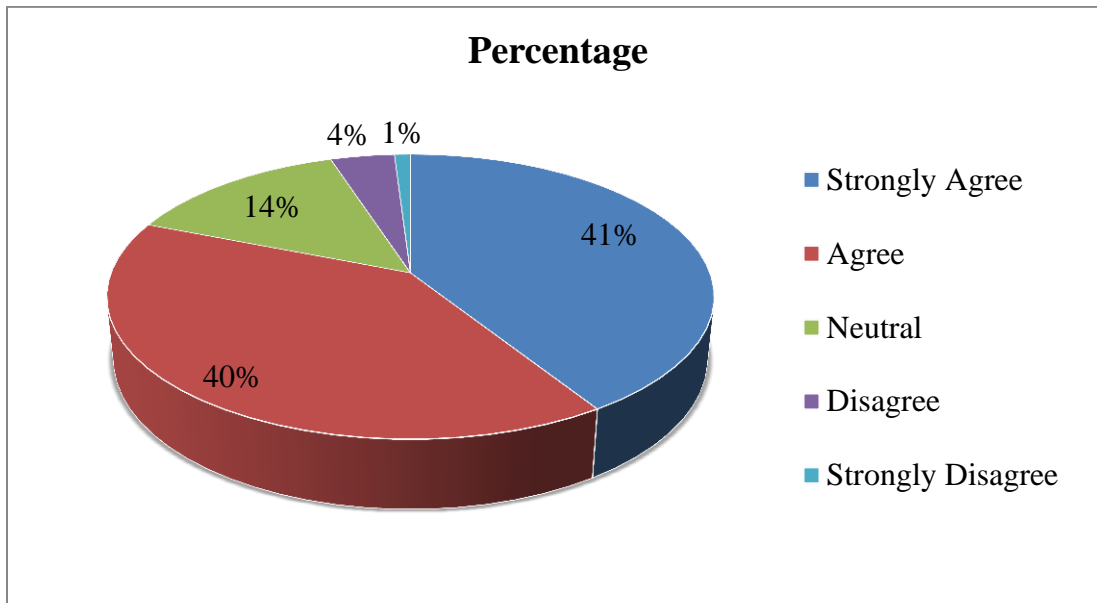
Pie Chart 3.2: Do you encounter any incidents in kitchen such as burns, cuts, break stuff and etc.?



Pie Chart 3.3: Would you feel ticklish or have phobia of touching raw material such as raw meat or uncooked fish?

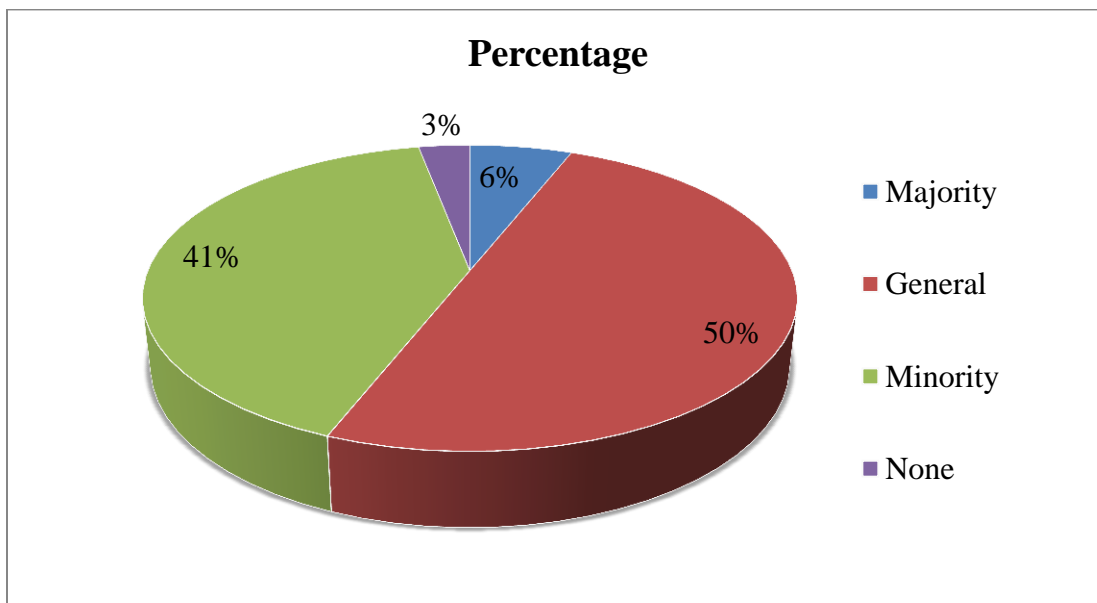


Pie Chart 3.4: Would you fear of holding and handling hot substance by bare hand?

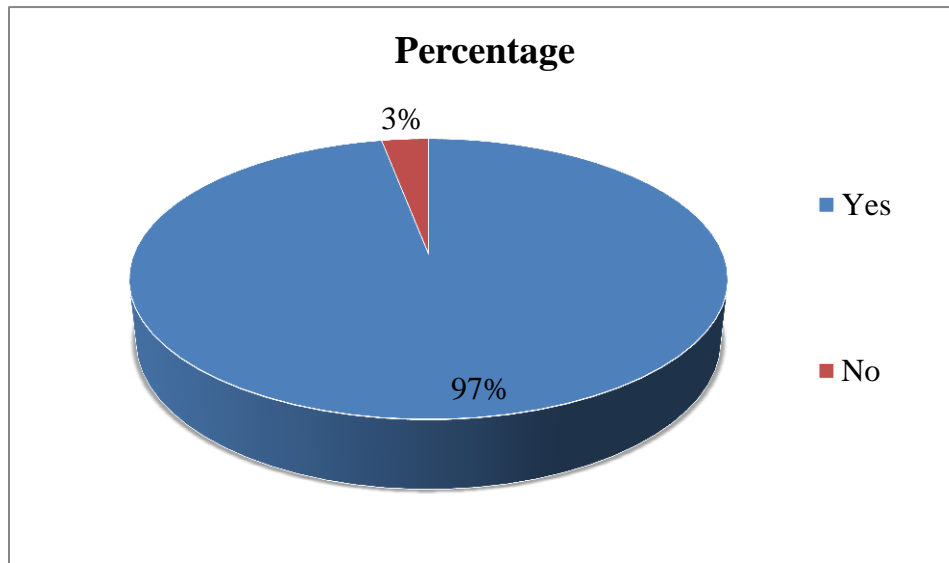


Furthermore, under 300 respondents, there are 34 respondents under the culinary school category are required to answer extra few more questions. According to the result, there is 56% state that students have complained about the safety problem and 97% of students did encounter incidents such as burns, cuts, break stuff and etc. during cooking class.

Pie Chart 3.5: Did students have any complain about the safety problem?

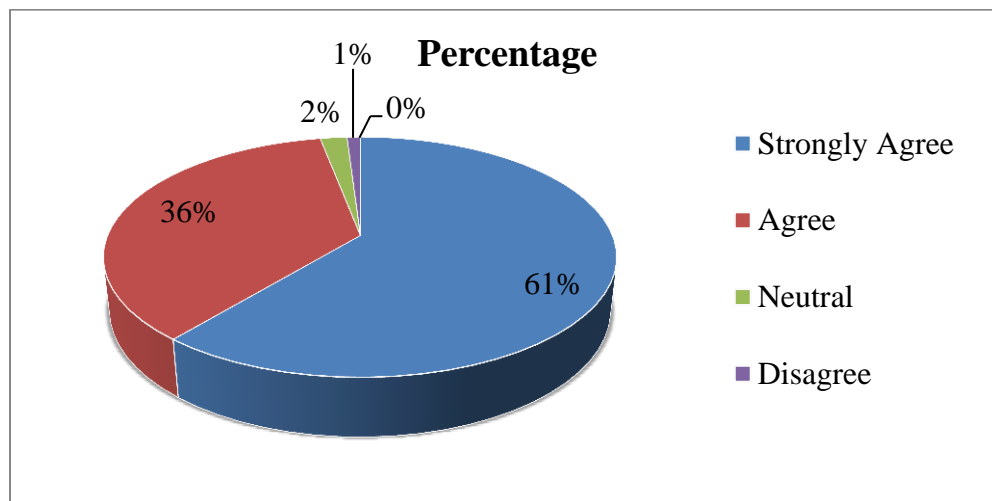


Pie Chart 3.6: During cooking class, did students encounter any incidents such as burns, cuts, break stuff and etc.?

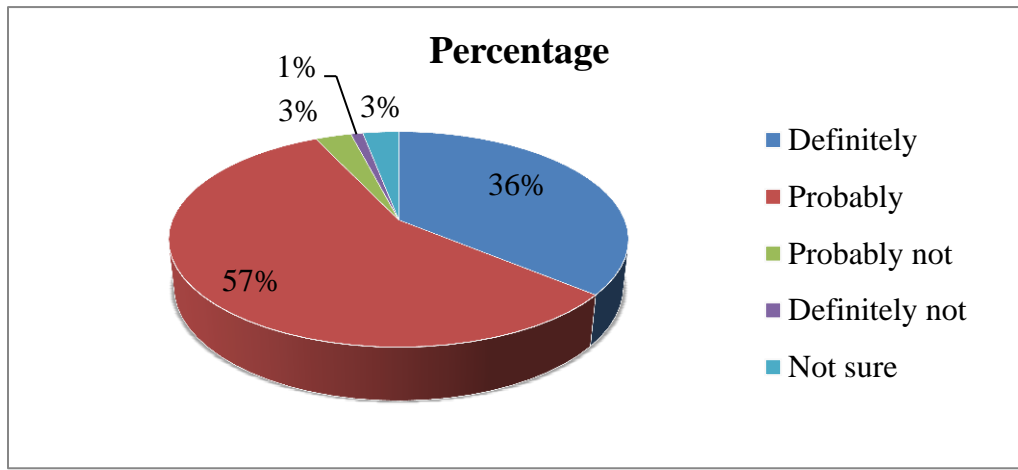


Throughout the survey, out of 300 respondents, 97% of the respondents strongly agree and agree that it is important to prevent accidents happen in the kitchen area. Thus, there are 57% of the respondents are probably willing to purchase the protective glove in heat resistance, which helps prevent from getting cut or burn during cooking. Data also shows that 36% of respondents are definitely willing to purchase the protective glove.

Pie Chart 3.7: Prevent accidents happen at surrounding at the kitchen area is important.



Pie Chart 3.8: Are you willing to spend on a protective glove in heat resistance, which helps prevent from getting cut or burn during cooking?



In a nutshell, due to high concern about the safety issues in the kitchen area, this could help us to improve on our sales and increase the market share to make us to stay ahead from our competitors.

(Please refer Appendix 2 and Appendix 3 for full questionnaire and full survey response)

3.2 Target Market

From the previous chapter, we have stated that there will be two types of customer segments included in our target market. The two types of customer segments refer to individual and corporate.

I. Individual

The individual customer segments comprised of chef, housewives, and the beginners who just start learning to cook. The reason why we targeted on chefs is because they usually spend quite a long period of time in working at the kitchen. So, they may put themselves at risks of facing accidents or injured during their works even though they are good in cutting or taking something hot away from the stoves at the same time. Using protective glove by the chefs able to increase the hygienic level and it can fulfil the concerns of their customers on the

expectations of hygiene. The restaurant customers can set their minds at rest without worry of hygiene problems when they dine in. Besides that, housewives might be busy to do few things like they have to do the cooking while taking care of their children at the same time and this is why we are targeting on them. This may lead to a situation in which the housewives may be distracted and it could make them get injured in the middle of the cooking. Last but not least, beginners who start learning to cook are also one of our target customers. Most of these beginners tend to accidentally hurt themselves when they are cutting or taking something hot away from stoves. Therefore, our product can provide protection and convenience to all of these targeted customers to protect them from being injured and then leaving scars on their skins during cooking process. They can easily get our product by simply visit to our shop or from our website.

II. Corporate

In this context, the corporate that we refer here as to those cooking classes and culinary schools or universities. Those places usually involved a large amount of individuals who are related and interested in cooking. As we market to those corporate, it means that we can reach to more potential customers who in turn are related to our product. The individuals who involved in this corporate segment usually occupied more by the students or learners. Therefore, our product is suitable for them to help in their courses by providing protection and increase the safety level in the kitchen. The safety issue is very important especially when knives are involved because cuts can be a lot worse than we can imagine. Since those places normally involved a quite large number of cooking-related individuals, it can brings another meaning that we can gain more sales of our product from them. The management from the cooking classes and culinary academies may purchase our product in bulk for their students or learners. One of our values which is advocate a culture that use protective glove when cooking can be achieved by marketing to those cooking classes and culinary academies. We hope that we are able to deliver and cultivate successfully this culture to them through our product offerings.

3.3 Competitive Position within Target Market

Table 3.4: Competitive Analysis Grid

Name	Deglon Finger Guard	Jamie Oliver Finger Guard	HIS Professional Heat Resistant Gloves	Jolly Green Products Heat Resistant Gloves	Null Claws
Product features	Stainless steel guard, welded ring easily adjusts to middle finger, durable, ergonomically shaped	Unique hinged design lets you bend and straighten your fingers while wearing guard, flexible, soft-grip loops	Heat resistant, one size fits all	Heat resistant up to 425 degrees Fahrenheit, no slip design, no staining or smell	Detachable plastics hand-guard with gloves that have heat resistant and anti-slippery features, ergonomically shaped
Brand-name recognition	Moderate	Moderate	High	High	Low
Access to distribution channels	Moderate	High	High	High	Moderate
Quality of products	Moderate	Moderate	High	High	High
Year of Establish	2009	2010	2011	2014	2015
Market Position	Contender	Contender	Contender	Market Leader	New Entrant
Product Customization	No	Yes	No	No	Yes

4.0 MARKETING PLAN

4.1 Product Feasibility Analysis

4.1.1 Full description of the product offer

Our product, Null Claws consists of two parts which are cut and heat-resistant glove and also the cut-resistant hand-guard. We design this product which the hand-guard can be removable from the glove as well as it can be attach to the glove if needed. The two different part of the hook-and-loop will be glued respectively to the glove and hand-guard, so the users can easily take off or attach the hand-guard from the gloves. One side of the hook-and-loop which named as Loop will be glued at the both sides of the gloves since some of our customers may be the left-handed while the others are the right-handed. While the other side of the hook-and-loop which is named as Hook will be attach to the hand-guard, so our customers can attach the hand-guard to the gloves according to their preferences. Now, they have no worries about on that issue anymore because our product is suitable for all the people.

Figure 4.1: Hook-and-Loop



Source: *Hook and Loop Black Velcro 10mm Wide*. (n.d.). Retrieved from <http://www.craftwholesaleuk.co.uk/hook-and-loop-black-velcro-10mm-wide.html>

Figure 4.2: Hook

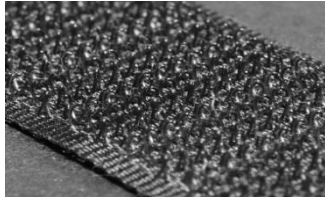


Figure 4.3: Loop



Source: *Hook and loop fastener* (2015). Retrieved from en.wikipedia.org/wiki/Hook_and_loop_fastener#/Hook

Hand-guard is one of the parts of our product. The purpose of offering hand-guard in our product is to avoid the direct contact between the knife and the coated hand if the hand of users accidentally is being cut. This is because the users may feel the pains although they do not bleed from the cuts due to the fact that the knife has been tap on their hands and that is the reason of why the hand-guard are incorporate in our product.

The materials that is being used in hand-guard are PP/PE durable strong plastic. It can help to protect the users' hands while slicing, chopping, and dicing. The weight of the hand-guard is 3g and it is attached with Hook of the Hook-and-Loop. It is very easy to use; the users can easily attach the hand-guard and gloves and easily adjust the position of the hand-guard according to their lengths of fingers.

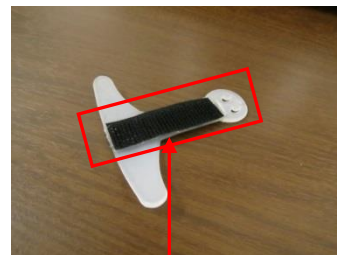
Figure 4.4: Glove and Hand-guard



Figure 4.5: The Front of Hand-guard



Figure 4.6: The Back of Hand-guard



The Hook of Hook-and-Loop

We will provide three different sizes of gloves which are S, M and L size in order to fulfil the different needs of our customers. Our gloves can be consider as divided into two different parts which are knitted fabric part and coating part. The knitted fabric part comprises the yarns are including ultra-high molecular weight polyethylene (UHMWPE) of better known as Dyneema, glass fibre yarn, Spandex or Lycra, and Nylon. While for the coating part, it comprises of synthetic latex and black Nitrile foam. According to Code of Federal Regulations Title 21 (CFR), Nitrile rubber is a substance under basic component of single and repeated use food contact surfaces. The weight of the gloves depends on its size and its average weight approximately $73g \pm 5g$ per pair. Besides that, the total weight of our product will not exceed more than 90g after attach with the hand-guard and also the Hook-and-Loop. So, the users will not feel too heavy when they are wearing the gloves while preparing the dishes.

(Please refer Appendix 4 for information about CFR)

Figure 4.7: Gloves Attach with Hand-guard by Using Hook-and-Loop



Figure 4.8: Coating Part



Synthetic latex and black Nitrile foam

Figure 4.9: Gloves with Hook-and Loop



The Loop of Hook-and-Loop

There are many benefits that can be provided to the users to protect their hands while cooking. Our gloves are providing excellent cut resistant, puncture resistant and tear resistant, abrasion resistant and the maximum cut level is 5, which is the highest level. This gloves are 15 times stronger than those steels and it also 40% stronger than Kevlar. Besides that, the glove is soft and also flexible enough for the users in order to provide the maximum dexterity and comfort to them. The users can hold the hot cooking pots or bowls up to 80°C for around 10 seconds or more with this lighter and thinner glove. The gloves also provide the cooling sensation which can adapt to the temperature of the users' skin.

Our gloves are specially coated with black Nitrile foam in order to provide an excellent grip, softness as well as flexibility with added padding which is for extra protection and comfort to the users. Nitrile foam coating does not penetrate to the inner sides of the gloves which are unlike to those conventional PU-coated gloves and it ensures the excellent softness and comfort for the users. The users can always wash the gloves for the hygiene purpose and extended wear as well.

In the coming future, we will communicate with our gloves supplier in order to develop different colour and make them available on our products and help us to cater the different colour preferences of our customers. For example, we will try to launch the white colour of the gloves which is look more clean and acceptable to the public.

Figure 4.10: White Coated Gloves



Source: *Nitrile Coated Gloves.* (2015). Retrieved from
<http://www.pearlglove.com.my/index.php/products/nitrile-coated-gloves>

4.1.2 Concept testing

We are decided to apply concept testing on our products before the launching of Null Claws to the market. Concept testing is a process of evaluating target customer responses to our idea through a series of analysis which based on those quantitative and qualitative practices in order to help us to reduce the risks or failures as much as possible before launching to the market. We have distributed 300 sets of surveys to individuals as well as culinary schools to evaluate their responses.

The individuals that involved in conducting of the survey are including students, housewives, chefs, employees, and others. From the surveys, there are 273 out of 300 people are encountered incidents such as burns and cuts in the kitchen before and 37% which is 107 people are definitely will purchase our product as well as 57% which is 170 people will consider to do the purchase.

Besides that, we also know that most of the students which are 33 out of 34 people are encountered injuries such as burns and cuts during the cooking class from the results of the survey. There are 9 culinary schools are definitely would like to purchase our product and 19 culinary school will consider to purchase our product too. As a result of the combination from those individuals and culinary schools, it showed the good sign for us to introduce and launch our product in the market. Besides that, the other respondents are relying on other factors such as price, convenience, durability and so forth to make the purchase decision.

We need to modify and refine our product design or idea which based on their preferences, so that we can cater and fulfil their needs, preferences and expectations. It is apparent that through the surveys which we have conducted, we should produce and market this product to them as a solution to solve their problems.

(Please refer Appendix 5 for test report of protective gloves)

4.2 Pricing Strategy

I. Pricing Method

As a new start-up firm, we have to consider a suitable pricing method to provide us a reasonable price to charge on our customers. This is an important

way to make our customers to feel that our product is worth paying yet make us survive in this dynamic business environment. The pricing method that we considered is cost-based pricing. We decided to set our product's price by including the production costs and add with our profit margins, which are around 60% for direct channel and about 45% for indirect channel. Although this is hard for us to predict the initial sales volume as well as calculate the production costs, we will try the best to perform both tasks in order to operate our firm at lucrative profits within 3 years' time.

II. Market Penetration Pricing

We plan to implement market penetration pricing strategy during the initial stage of our product. We have to try the best to minimize all the costs that may happen or incurred during in the process of production, advertising, transaction and so on, in order to offer our product to the targeted customers and channel members at reasonable price. Reasonable price for a superior small kitchen appliance definitely will catch the attention from the target customers, channel members as well as the public. We believe that we can build our company reputation, reach to a higher volume of sales, and achieve penetration of our new product in the market, if we able to implement this pricing strategy well.

III. Discount Pricing

i. Trade Rate Discount

This is a pricing strategy which offer discount and it is mainly for the intermediaries. They are the retailers of our product, including the kitchen utensil sector from department stores, for example, AEON and Parkson. They can purchase our product in RM 19.98 per unit rather than in RM22.20. The price of RM 19.98 is the selling price that 10 % lower than the selling price that we sell to our individual and corporate-customers. This method can induce them to stock more of our product in their store due to the lower selling price and they can mark up the price as they wish. Other than our sales volume will be stimulated, this pricing strategy also can help us in building relationship with our retailers. This is a win-win situation for us and our retailers because of the lower selling price.

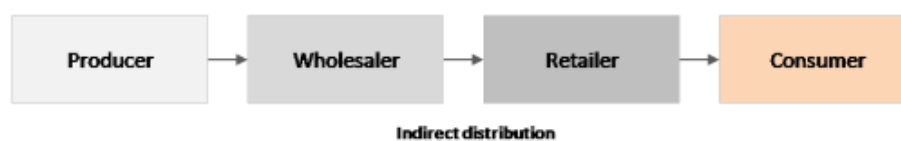
ii. Quantity Discount

Individual-customers and corporate-customers are also the targeted customers. Therefore, we also apply discount pricing strategy for them. They will be given certain discount on their purchase if they purchase a certain units of our product in one sales receipt. If they purchase, for example, 50 units of our product in a single transaction, 10% discount will be given in the total amount that they purchased as rewards purpose. This method able to encourage them to purchase in bulk, especially for those corporate-customers.

4.3 Channels of Distribution

This chapter will highlight the channels of distribution that our company selected and rationale of selection. Due to distribution channel management is hard to change in a short time, thus it is critical to our business management and we have to choose wisely at first. Hybrid marketing channel is the channel that our company chooses to use for our distribution management. According to Moriarty R.T. and Moran U.'s study (as cited in Pondent C.S., n.d.), the term "hybrid marketing channels" refers to a business' use of more than one marketing channel to market its products.

Figure 4.11: Indirect Distribution Channel



Source: *Types of Distribution Channels* (2014). Retrieved from <http://www.entrepreneurial-insights.com/place-four-ps-marketing-mix/>

The figure above shows the indirect channel of distribution. We will assign with few suppliers to produce the part of our products according to their material category. For instance, one of the manufacturers (Pearl Glove Sdn. Bhd.) will be mainly responsible for producing the glove, the other manufacturers (OEE Shopping Enterprise & KHglobalsale) will focus on providing the guard and Hook-and-Loop

respectively. The main reason for us to separate the raw materials with few suppliers is to reduce the production cost. Furthermore, by having high production of products, we could have high bargaining power of buyer towards the suppliers. In addition, it is also an advantage for our company to have other suppliers to provide the raw materials in case the current supplier has a shortage on supplying the raw materials.

The suppliers will be in charge of transferring the raw materials to our material warehouse. Once the raw materials are delivered to our material warehouse, we will check to ensure that there are no damaged raw materials. Then, assemblies of the product will be carried out. After the final product is assembled, Rani Transport (the logistic company that we assigned) will deliver it to those respective retail outlets in different states (such as, Perak, Johor, Kuala Lumpur and Selangor). Before shipping the product, our company will conduct a series of product quality control activities.

Our retailers mainly target on the kitchen utensil sector from department stores, for example, AEON and Parkson. The reason we are targeting those retailers is because we believe they will account a large proportion of sales and able to ensure our product to reach more potential customer in different locations. By doing this selling strategy, we can cooperate with our retailers which can provide feedback to us on improving our products which is mentioned by the customers.

In contrast, we will collaborate with the retailers such as AEON and Parkson so that the profit margin can be increased since we do not assigned our products to the specialize distributors. The selling price matter is also another issue that we have to consider. When we distribute to the retailers directly, it can help us to save the distribution costs and thus the selling price can be reduced in order to attract more customers to buy it.

Figure 4.12: Direct Distribution of Channel



Source: *Types of Distribution Channels*, (2014). Retrieved from <http://www.entrepreneurial-insights.com/place-four-ps-marketing-mix/>

We are also planning to set up the direct distribution channel to distribute our products. The Null Claws factory-office also welcomes the potential channel members and customers to visit so that we can show them product demonstration and promote our product to them.

The company website provided a platform to let customers search for the product-related information and able to watch the demonstration video online and voice out their opinion and review our product based on their experience. In addition, customers can approach to our company to make purchases through email, contact number, Twitter, Facebook page. In the future, we will develop our own online shopping option in our company website which provides a platform for customers to view and purchase the products online. This is convenient for the customer to purchase the products without going out from home and can save time especially for the customers who are busy in their working life.

4.4 Promotion and Advertising

Promotion is one of the key elements of the marketing mix and deals with one or two-way communication that takes place with the consumer (“Promotion & Advertising Strategy” n.d.). Advertising is a form of communication designed to deliver the product information to customer, create the awareness regarding the existence of the product, and also persuade potential customers to purchase the product.

We decide to print out the advertising sources such as flyers and banners and put around our shop in order to attract the interested prospects to come over to our shop. The flyers will be distributed to the near residential areas which surround our factory-office. We will cooperate and communicate with the retailers by setting up banners beside our product selling sections so that it is easy to grab customers’ attentions.

Besides, we will set a few road shows to promote and demonstrate the product to the passers. At the same time, we will distribute some coupon and voucher to attract their attention and interest. We believe that it is the effective short-term

technique to persuade our target end users. It is because some price conscious customers are willing to spend their time to claim the savings as we are offering incentives for people who want to save money. It is one of the great techniques in price competition. In this way we are able to attract new customers or to develop customer loyalty.

Other than that, we also will organize online advertising to promote our product. Online advertising can help to reduce the cost in delivering the product information to customer. We can promote our product on social networking sites such as Facebook and Twitter. This can help us to reach large number of customers easily. It is simple and customer can drop down their message to us if they have anything to ask. We can update the products' information on our social networking website and customers can get the latest information as well.

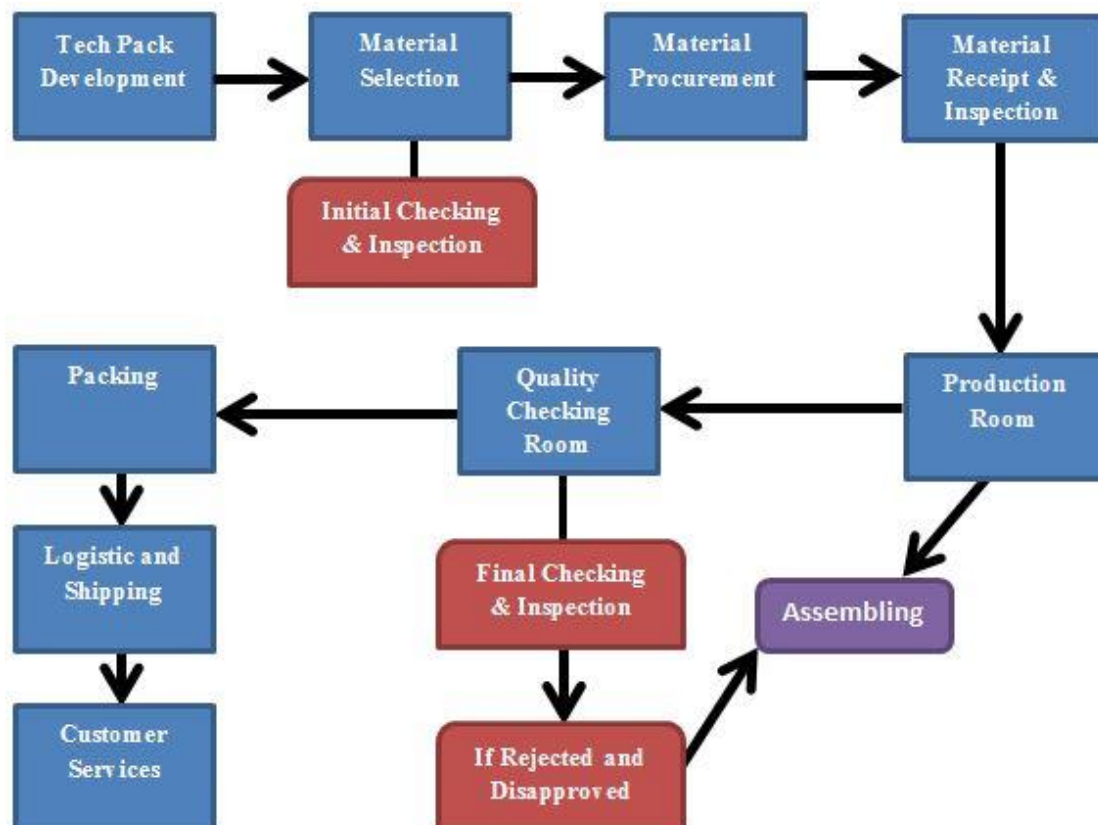
In the future, we decide to carry out the advertising by setting up the advertisement at the billboard on the busy road such as South-North Highway and some junctions where there are high flows of vehicles. So, this advertising strategy can reach to more people in different cities. Moreover, we also will advertise our product on radio station in future to create awareness to the listener about the existence of our product.

5.0 PRODUCTION PLAN / OPERATION PLAN

5.1 Manufacturing Process

Our product is divided into two parts, which are the glove and the guard. The glove is made of heat resistance and cut resistance materials while the guard is made of hard plastic which is also cut resistance. Both of these items are delivered to our factory to do the final touching which are the assembling process and the repackaging process.

Figure 5.1: Manufacturing Process Flow



5.2 Availability of Qualified Labour Pool

For the labour pool of our first organizational structure, we start of as a small company and the amount of workers needed are limited. Due to the size of our factory, we only hired those who are capable and this could minimize the amount of capital that we needed to invest.

We start off as a small enterprise (SME) which we also are considered entrepreneur on our own. According to statistic.com in Malaysia, a company which contained full time employees less than 100 will be considered as a small enterprise.

In our company, we have total of 7 permanent employees included the 5 of us to filled up the management team position. While the assembly line we will hired foreign workers to do our daily routine. The number of foreign workers varies from month to month based on the production activities and the number of sales that we received. Besides that, the percentage of turnover rate of foreign workers will be high too as they will find it hard to sustain in a company if the works is not suitable for them. On the first year, our staffing structure will be as followed:

Table 5.1: Designation of Labour Pool

No. / Title	Designation	Min. Requirements	No. of vacancies
1.	Management Team	Bachelor Degree	5
2.	Company Advisor/ Founder	Bachelor Degree	1
3.	Supervisor/ Quality Control	Diploma	1
4.	Assembly Workers	Foreign Worker Agency	NA

For the job recruitment, we will post for job vacancy on the websites like JobStreet.com and look for who that interested. Later on, we will conduct screening process to look for the best candidate that suit that particular position. However, the salary might be vary depends on the current situation of our company at the beginning of the period.

Table 5.2: Job Scope for Each Designation

No./Title	Designation	Job Scope	Monthly Salary (RM)
1.	Company Advisor/ Founder	<ul style="list-style-type: none"> • Acted as the consultant of the company • In charged of the research and development of existing product • Participate in building relationship with the supplier • Monitors operational activities and evaluate the effectiveness of the activities carried out • Advises the management team on the decisions they made and provide teamwork spirit • At least 3 years of experience on the specific field/ industry 	4000
2.	Supervisor/ Quality Control	<ul style="list-style-type: none"> • To supervise and provide appropriate training to the workers in the Assembly Line • To assign task to the workers accordingly to their capabilities • Evaluate the performance of the workers and take disciplinary actions if necessary • Resolve complaints if any from the customers • At least 2 years of experience on the specific field/ industry 	2000
3.	Assembly Workers	<ul style="list-style-type: none"> • Responsible of all the job required in the production line • Responsible to act accordingly to what task they had been assigned • To handle the task on the repackaging and finished goods department 	900

We will apply SOCSO that the government provided for each of the employees and aside from that we all provide extra insurance which is the Foreign Workers - Plus from Allianz Malaysia for the purpose to protect them while on work as we need our workers to test the glove using heat substances, for the foreign worker that we import from Nepal through the foreign worker agency.

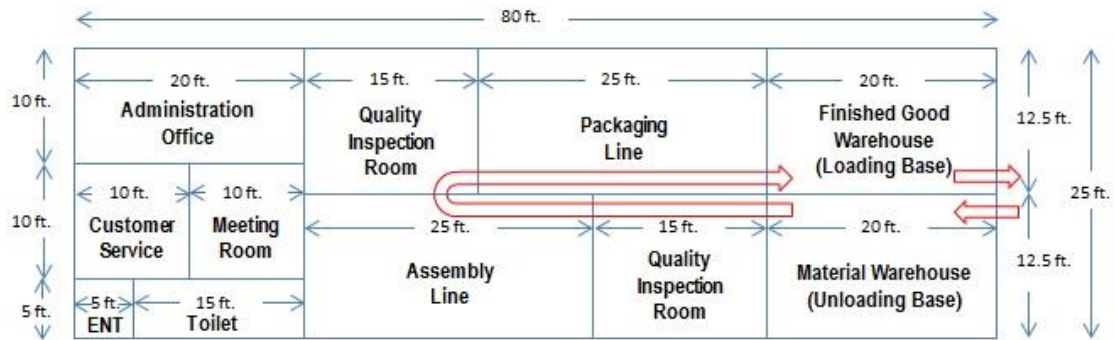
Foreign Worker Agency

For our foreign workers who are mainly working at the assembly line, we will outsource an agency by the name Agensi Perkerjaan Jenni Sdn. Bhd. which is located in Subang Jaya, to help us on importing workers from Nepal to our factory. After research activities, we find that those from Nepal are cheaper compare to other countries and the reason to find a third party to handle such cases is because we could use the expertise to handle the documentary issues with the government. This can avoid unnecessary expenses (cost to maintain a relationship with the government) in a long term calculation. The total payment that Jenni Sdn. Bhd. charged for our service is RM3000 yearly which includes all the insurance, levy, government processing fees and Visa service fees.

5.3 Physical Plant

Our factory-office is categorized into 4 functional parts which are the administration office with customer service department, unloading base and the loading base, quality inspection room with assembly line, and the quality inspection room with packaging line. First of all, our administration office is the operational part of the whole factory which controls all the movement in the factory including the workers where else the customer service will focus mainly on dealing with customers. Next to the customer service department will be the meeting room where we use to held meeting and meet with customers. On the unloading base, we will use this department to load the two parts of our product which are the glove and the guard before sending it to quality inspection room for first stage checking. After the first inspection, approved materials will be sending to the assembly line, where we will start to do the assembly process by matching the glove and the guard together before move on to the second quality inspection area. Then, packing of the products will be right after the second inspection is completed. Any defect items found in the first quality inspection room will be packed as returned goods and moved to the loading base. After all the process has been done, finished goods will be send to the loading base where our staffs will load those boxes to our vehicle and transport them to the particular outlets for sale. Below is the floor plan for our factory and the flow that move during the operational day.

Figure 5.2: Floor Plan



5.4 Machineries and Equipment

Table 5.3: Machineries and Equipment's Cost

No.	Item	Price (RM)	Quantity (Unit)
1.	Air Conditional	1480	2
2.	Admin Table	150	8
3.	Office Meeting Table	500	1
4.	Printer, Fax, Scanner, Photocopy Machine	700	1
5.	Stationary	250	Lump sum
6.	Office Phone	20	5
7.	Computer	1500	6
8.	Document rack	30	8

9.	Office chairs	55	8
10.	CCTV System (Package)	1250	1
11.	Alarm System	300	1
12.	Fire Extinguisher	280	3
13.	Garbage Bin	8	5
14.	Water Dispenser	350	1
15.	Punch Card Machine	270	1
16.	First-aid Kit	40	1
17.	Company T-shirt	25	15
18.	Business Card	0.17	400
19.	Broom and Dustpan	10	5
20.	Plastic Chair	6	20

Table 5.4: Production Cost

The production tools are varied based on the number of workers hired and production volume.

No.	Production tools	Price (RM)
1.	Hot glue gun	30
2.	Hot glue sticks	0.60
3.	Pliers-type Stapler	38
4.	Stapler bullets	8

5.5 Names of Suppliers of Raw Materials

For the selection of raw material suppliers, we have set some criteria to help us in choosing the right suppliers. The criteria include quality certification, delivery service to our factory, price, and match with our product requirement.

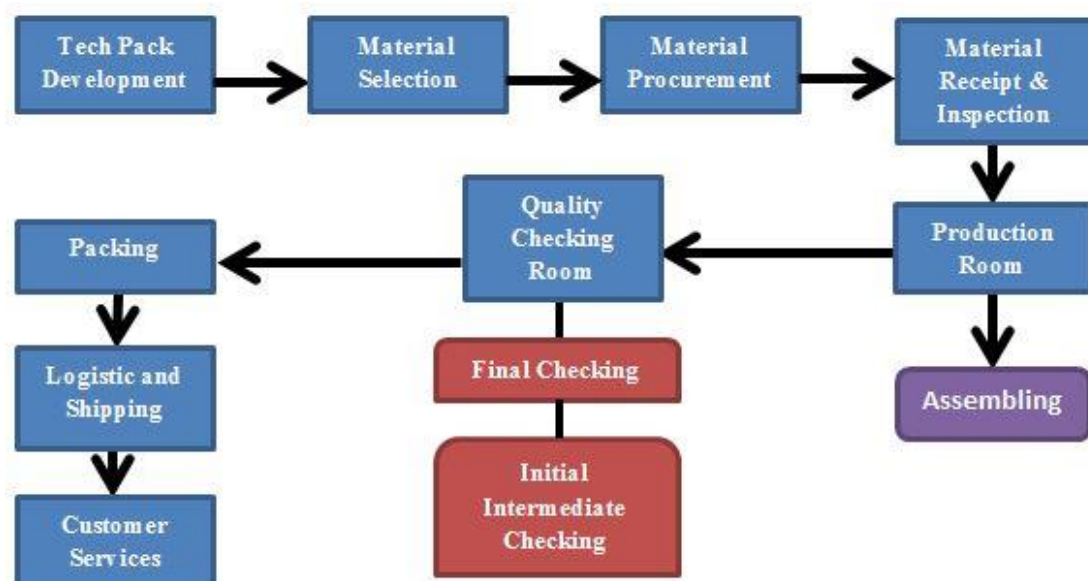
There are three main raw materials we will be using for assembling which include heat and cut resistance glove, hook and loop, and plastic guard. The suppliers that we have found for our main raw materials are as follow:

- I. Heat and cut resistance glove - Pearl Glove (Malaysia) Sdn. Bhd
Address: Lot 22, Jalan Lapan, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah, Malaysia.
- II. Plastic Guard - OEE Shopping Entrepriase
Address: 111A, Jalan Susur Perdana Tengah, Taman Bukit Perdana, 83000 Batu Pahat, Johor.
- III. Hook and Loop - KHglobalsale
Address: Kepong Baru, Kuala Lumpur.

5.6 Quality Control

The excellence of Null Claws would be measure by a sequence of control through test control, random and sudden inspection to sustain the quality guarantee guidelines. This would not only give us a sureness to supply advance quality products but it will also provide a promise of high quality, competitive pricing and on time delivery of goods to all our customers who enjoy the growth of their business with the products that we supply to them. The following detail is an overview of the quality control procedures taken during the production of gloves:

Figure 5.3: Quality Control Procedures



Tech Pack Development

Tech pack development is the much information that is needed to enhance the quality of the production. The relevant information is such as the material selection, time order information such as the quantity needed, delivery deadline, and type of materials needed. Besides that tech pack also will contain the technical information from the colour printing till the sculpture for checking. The other sort of information such as the quality control parameters, shipping and logistic information is also included. These tech pack information would be delivered to all departments beforehand to make the necessary preparations.

Material Selection

Material selection is one of the most important principles in our product. The material selected should be very good in terms of quality and the durability. Each material will have to go through a severe assessment by our quality control department each time before the procurement. The outline of types of material and the aspect needed for our product such as the heat resistant and the cut proof should be considered in a serious way. Besides that they should always in search of best and new materials that will suit Null Claws.

Material Procurement

Material Procurement is responsible for the buying of new goods or the materials needed to make those goods in affordable rates from dependable sources without negotiating on excellence, steadiness and attractive appeal. In this stage they also manages inventory through clearance. Some materials may be required to be purchased and the purchase department deals with that matter vigorously and timely applying all possible sources to get these raw materials.

Material Receipt & Inspection

As our raw materials will be manufactured readily it is important to have an inspection upon arrival of material to the factory. Each time the materials are receive, all activity should be documented to make an efficient in the initial quality control inspection.

Furthermore, in this process there would be a quality control checklist for every material. Our quality control inspectors will have the power to reject any material that does not suit the checklist.

(Please refer Appendix 6 for sample of defect report)

Assembling

The materials will transferred to the assemble department to assemble the compartments. These packages are distributed to assembling workers who have been provided with hot glue gun and accessories for producing premium quality of gloves. During this process, the quality control inspectors are to make sure the products complete all the process as needed in the criteria. The strength, colour, size, durability and other characteristics of gloves are checked and controlled with the help of tech packs developers.

Final Inspection

Before going on to packaging, the products will be inspected seriously with all quality control measures taken to maintain the quality and the consistency of the production in the product. There will be final evaluation checklist that should be filed by the authorities in order to maintain the agreement of interior quality control criteria and customer requirements.

Packing

The packaging is done in boxes as how the customers want. Our normal packaging means is by sizes. Each size will be fitted in one box to avoid confusion. It is important to fit the right size to each box to make sure it is disclose with safety upon reaching the destination without damage. The right way of placing and the quantities of products are checked, calculated and verified thoroughly by our staff.

Logistic and Shipping

In our knowledge quality guarantee of products is not only about the production of goods but also providing an efficient delivery time without damage. Our logistic department ideal job is to make preparations right after receiving the confirmed clients demand. As our goods are mainly transported by using trucks, we

have enclosed a tracking device to ensure the goods are received on time without delay.

Customer Service

We provide full customer services relating to any aspect of our gloves and other products. We promise the quality of all our products and work carefully with our customers in refining the product excellence and sustaining the desires of our customers.

5.7 Customer Support

Website

Our company will set up an official website which is <http://nullclaws.byethost3.com> to assist customers by providing them the latest information and also the existing information that they needed. Without coming in person to our company, customers can choose the easier way which they can easily log in to our website and search for the information they need. With the website set up, we also can recruit customers to join our membership club and with an account they register, they can get personal e-mail to know that we are having special offer on certain dates. The sites also contain a simple survey form for the customers to fill up in case they have any feedback they can provide us with. On the site we can also include link of a short clip to show a demonstration on how our products works. From time to time, we can do a R&D process which is the improvement to our product just by sending out questionnaires to the member who registered.

After-sales Service

After sales service is provided by our staff to the customers no matter the customers are loyal customers or new customers. Our after sales service can be a warranty that we offer to the customers and also to service them in term of providing a quick demo on how to use the product. This is to make sure that the customer will use our product to the best of its functions and produce the best results to them. The warranty that we provide can last up to one-month-warranty period. This period is given for the customers in case there is a necessary to exchange for any defect item of

our products. With such services, we believe that it will strengthen the relationship between the customers with us. It can also show that we are eager to help customer no matter what the condition is.

Demo

Demo or demonstration is where our staff will perform demo of our products on road show and also on those booths that we set up for sales in the hypermarket. At this booth, we will ask the passer-by customers to come have a look on our product while performing how to use our products on the spot to show the effectiveness of the glove to protect our hand either from heat resistance or cut resistance. Besides that, on the same time, we will sell the products on our booth as well. So it is a double event, which is selling of product and giving out free lessons or demonstration to attract the customers to buy one for them. Last but not least, we also provide online short clip of our demo at <https://www.youtube.com/watch?v=TwYIfvRpPM>.

(Please refer Appendix 7 for screenshot of our website, demo short clip, and Facebook)

6.0 MANAGEMENT TEAM

6.1 Management Team

The top management team position of Null Claws Sdn. Bhd. is hold by five members who are Ms Khor Chia Sing, Ms Siew Jing Yee, Ms Wan Pei Ling, Ms Chan Zhi Cheng, and Mr Charles Ronald Raj. Each of them is experienced in carrying out business activities as well as having the knowledge and abilities to manage the company.

Figure 6.1: Management Team



Operation Manager

Ms Wan Pei Ling will be assigned to be the company operation manager. By pursuing in Bachelor of Business Administration (HONS) Entrepreneurship, she has the knowledge in managing the company and lead to success.

Ms Wan has lots of working experiences such as being an ambassador, sale assistance, and promoter in different companies which are exposed in different field. Throughout the experiences that she gained, strong leadership skills can be developed and also the ability to perform a wide range of duties has been obtained as well. This can enable her to have a better understanding on the operation of business activities, to determine the business opportunity, and get to know the risks in earlier stage as a benefit to the company.

Ms Wan believed that efficiency and effectiveness is the main tool for the company's operations to run well and smooth. She always does her best to make sure that the process is on the track and keep on checking for the quality of product. This can ensure that the production of the company could run smoothly and problems can be detected in early stage so that corrective actions can be taken when needed. Thus, losses and costs can be reduced while the efficiency of productions can be improved.

Her profession and responsibility drives her to continually monitor and improve the overall performance of the operation so that company's operation can run well. Ms Wan could lead her operation team in managing the production line as well. This may include the production activities like, production from raw materials into final goods, machinery matters and also different operational issues that may arise during the production.

Throughout the knowledge and experiences that Ms Wan had, we could believe that she is the most suitable candidate to perform this position. She will also try her best to work hard in this position so that it can bring more benefits to the company.

Product Development Manager

Ms Khor Chia Sing is hired as the product development manager in Null Claws Sdn. Bhd. She had done her Bachelor of Business Administration (HONS) Entrepreneurship in University Tunku Abdul Rahman (UTAR).

Ms Khor will work as a product development manager that could be a critical role in developing the new products which are potentially high demand in the market as well as building the new trend in the existing market. Ms Khor had her own make-up artist business and teaching classes when she was studying in university. These creativeness's play an important role in enhancing the business and coming out with new ideas.

Besides, she also worked as a beauty consultant during her undergraduate industrial training in a cosmetics company. The experiences that she gained during her internship are facing different customers with different problems that she had to solve. Thus, she could manage to understand their problems and find innovate and effective solutions to solve their problems. This could improve Ms Khor's ability in viewing the market and also understand the customers' needs. It is always important for a product developer in understanding the customers' needs so that appropriate and high demand products can be created and first mover advantage can be gained throughout the innovation of the new product development. It is crucial for Ms Khor to have the knowledge of competitive intelligence in increasing the awareness of market trends, market demands and market expectations.

Ms Khor understands that a product manager's key role is strategic and innovate but not tactical. The main tasks for her to perform in this position are, making improvements to the existing products, develop and innovate the new product that meets the customers' needs, keep updating with the latest information that flow in the market and take the fastest response to the information in order to move faster than other competitors to gain first mover advantage.

So, we could believe that Ms Khor can handle this position well and she can develop her creativity and broaden view to understand the market and also create the business opportunity that benefits the company.

Human Resources Manager

Ms Chan Zhi Cheng will be the human resources manager in Null Claws Sdn. Bhd. She is a degree holder in Bachelor of Business Administration (HONS) Entrepreneurship. During her study in university, she was elected as the vice chairperson and secretary in the clubs and societies. As a result, she has good reporting skills, communication skills and interpersonal skills. These skills could be an advantage of her by having the ability to manage the human resources matters and affairs of the company, motivate the employees as well as the task which assigns the right people in the right position.

On the other hand, Ms Chan also has the traits and characteristics that required performing the human resource manager position. In fact, she is independent enough in managing the tasks as well as handling the employees' matters. Other than that, she is also good in understand and analyse the characteristics and personality of different employees. This could help her to have a better understanding of the employees' abilities, skills and knowledge which could help her in assigning the employees into different positions with the relevant skills and knowledge. Thus, this can make sure that the greatest contributions and better outcomes can be delivered and beneficial to the company.

In short, her job scope is basically to maintain and enhances the company's human resources activities by planning, implementing, and evaluating employee relations. Furthermore, she also has to understand well about the human resources policies, programs, and practices.

Last but not least, Ms Chan also has to carry out and develop different policies and programs such as employees' benefits, rewards and bonus and other benefits that could serve as a motivational tool. By implementing the motivational tool, this could encourage the employees to work harder and hence will contribute more to the company. Thus, the company can be built and keep growing by having the good commitment from the employees.

Marketing Manager

Ms Siew Jing Yee, who is going to take over the marketing manager position, was graduated with a Bachelor of Business Administration (HONS) Entrepreneurship

in University Tunku Abdul Rahman. Throughout her university life, she was appointed as a committee member in a society and also took part in organizing many different events. As a result, she could be a better candidate in performing this position.

Ms Siew has good interpersonal role and experienced in understanding the market as well as analyse the market condition. Good interpersonal skills can enable her to have good relationship with external parties. This could be an advantage for her to have a better idea in designing the marketing strategies to promote the new or existing products into the market and also the way to grab the customers' attention and being notified to the products that are produced by our company.

Moreover, Ms Siew also has played an important role in deciding the packaging, size, and also the product attributes which will serve as the options that could encourage the customers to purchase the products. For example, attractive packaging and convenient size of product can attract the customers who are seeking for new feeling toward the products and also able to convenient them as well as their life.

Other than that, Ms Siew is going to be responsible for the marketing activities of the company's products and customer support issues. She has to study the market conditions that are happening in the market and also to monitor the competitors' actions. It is because marketing and promotional strategies are important when competing with competitors. Effective and well-developed marketing and promotional strategies should be implement at the right time, especially during new product introductions such as giving promotion and running road shows during certain events can help to gain awareness of the customers and gain advantage from it. Thus, higher sales can be achieved by implementing the appropriate and effective marketing and promotional strategies.

In a nutshell, Ms Siew could probably be the most appropriate person in performing this role. She will keep learning and working hard to ensure that the products can be well known by the customers in the market and the product information can be delivered to the potential buyer effectively and successfully.

Finance Manager

Mr Charles Ronald Raj pursued his Bachelor of Business Administration (HONS) Entrepreneurship in University Tunku Abdul Rahman and graduated in Year 2015. When he joins this company, he is assigned to become the finance manager of Null Claws Sdn. Bhd. During his study in university, Mr Charles was elected as the treasurer of Entrepreneurship Society so he has good capability in managing accounts. Hence, he has the experiences in performing the financial tasks and also managing the financial activities in the company.

Mr Charles has the comprehensive knowledge and deep understanding of financial processes which allows him to involve in company financial planning, budgeting, financial checking and evaluating to ensure that business activities are going smooth and in the path within the company. Moreover, he is also aware of the financial events in business around the world and keeps updating on these information's. This could be an advantage as he understands the economic status, differences in business activities, financial markets, and what happens in a different market from different regions. It could be another advantage as he will serve the company better by providing the insights from the financial and economic view. Through his knowledge and experiences, this could convince and persuade us that he is capable and eligible to hold the finance manager post.

Therefore, Mr Charles's job scopes include compiling the company annual financial statement, and analysing the future uncertainty and economic conditions. He is matured, steady and has accurate judgments, these traits can allow him to contribute more to the company and ensure that the company will continuously success in reaching its financial objectives.

In conclusion, Mr Charles is the best candidate among others in performing this role. It is because Mr Charles is the Bachelor Degree holder and also he has deep knowledge in the financial field as well as passion towards understanding the financial activities that are happening all around the world.

6.2 Board of Advisor

In our company, our founder, Mr Stanley Choo Zhan Hui, will play the role as our business advisor. Mr Stanley is in the best position in taking this role because he is the founder of this company and he has rich experience in the same field. He has the right to advice the management team on the business operation and business decision.

Mr Stanley is graduated in Bachelor of Business Administration (HONS) Entrepreneurship from University Tunku Abdul Rahman (UTAR). He has 9 years of experiences working in glove industry. He has been working in Top Glove Company as one year of Regional Sales Executive, two years of National Sales Executive and three years of National Sales Manager. After 6 years of working in Top Glove Company, Mr Stanley has joined a partnership with his friend Mr Danny Tan in an innovative start-up, GloveStars. He became the co-founder and board member of the GloveStars Company, which is founded by Mr Danny Tan. He remained in that position for 3 years until he founded this company, Null Claws.

He is very familiar with the management and operation of the company in producing gloves and delivering the services. Therefore, our founder, Mr Stanley, is highly capable and experienced person to guide and advise our team in running this business. We will fully respect and take in his advises before making decisions in the business.

6.3 Key Professional Service Provider

Accounting Firm

Whenever the issues of accounting and financial are concerned in our business, we are only those laymen. Therefore, we choose to seek for help from those who are the professional on this relevant field. The firm that we are planning to seek help for is Tan Cheah & Co. The services that are provided by Tan Cheah & Co including taxation, financial statement audit, internal audit, and so forth (Tan Cheah & Co, n.d.). Therefore, we can ease the administrative burdens as well as engage ourselves in those tax commitments properly that we may encounter in our business

with the helps from the professional firm. The details of Tan Cheah & Co are as follow:

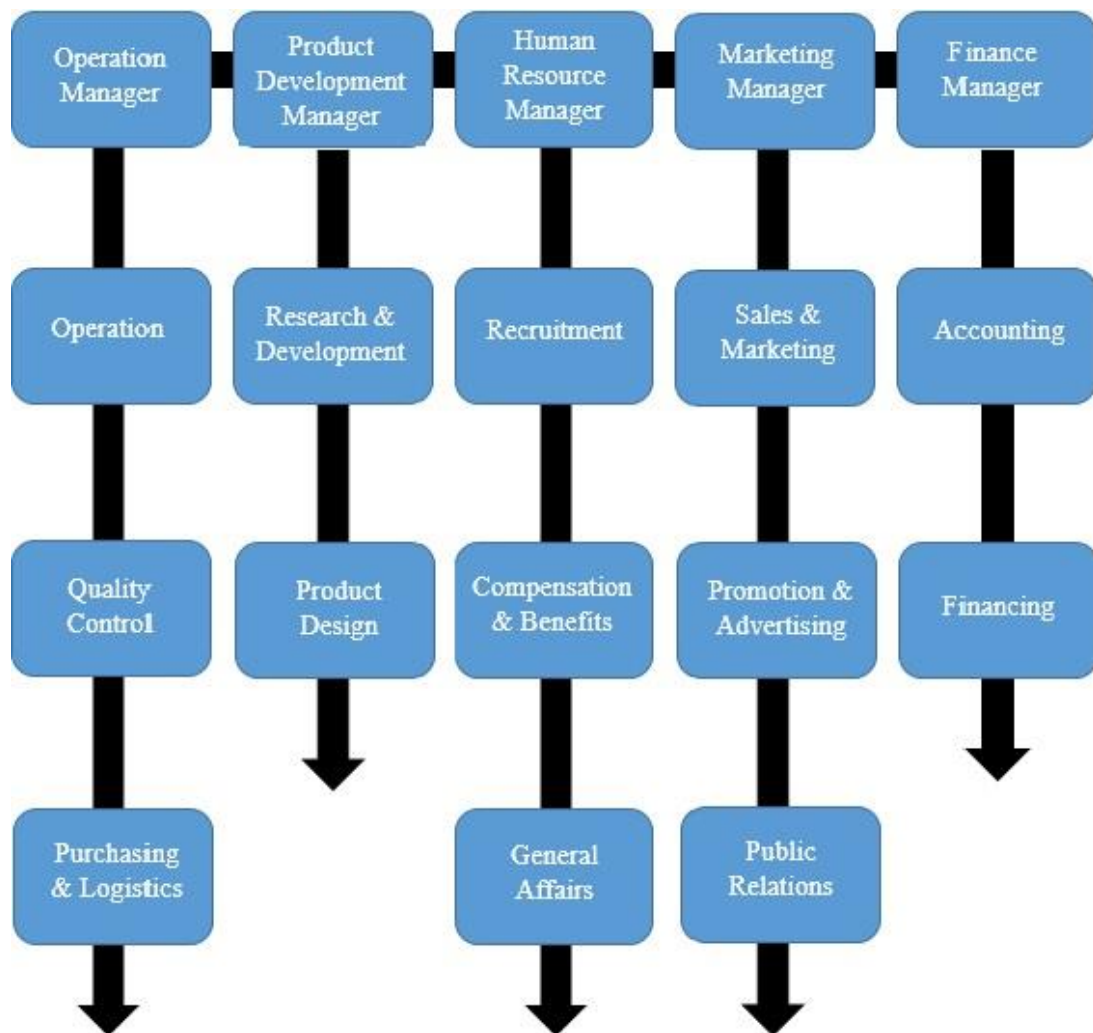
Address : No. 232, 1st Floor, Unit 2, Jalan Lagenda 9, Lagenda Heights,
08000 Sungai Petani, Kedah Darulaman, Malaysia.
Tel : 604-420-1109
Fax : 604-420-1108
E-mail : mail@tancheah.com.my

7.0 COMPANY STRUCTURE, INTELLECTUAL PROPERTY, AND OWNERSHIP

7.1 Organizational Structure.

Organizational chart:

Figure 7.1: Organizational Chart



Description of organizational structure:

Operation Manager

Operation Manager is whom that is in-charged of three activities in the organization which are the operation of the production line, quality control of the product produced and also the purchasing and logistics of the company as a whole.

First, we talk about the operation part of the company. As an operation manager, he or she is responsible to manage the operation of the company as from the point where the two parts of the product arrives and does the quality checking before send them to the assembly line. Operation part is very important in the organization as it oversees the amount of profits that the company will earn. Besides that, any failed products that customer bought will damage their trust towards the reputation of Null Claws.

Quality control is also an essential step that must be taken in order to complete the whole production process. Quality checking is divided into two parts in our company which is Quality Checking 1, which is done right after the parts of assemble has arrived and Quality Checking 2 after the assembly of the product is done. Operation Manager will ensure our company will face less deficit from the item that are send to us by our supplier and defect items can be immediately return to the supplier. Other than that, we will try minimize to reach a scale of zero error when assembling the product, which then needs to be sending out to the retailers.

Purchasing and logistics are the processes that need to be handling by Operation Manager as well. These processes include ordering the parts from chosen supplier and to close deal with them at the best price. Logistics have two part of process which is internally and externally. Internally is to handle the arrangements and layouts of the company. Externally is to manage the shipping process of our products to the retailers. Since we are using our own transportation, this will make the process goes easier where the route can be set accordingly.

Product Development Manager

The job scope of Product Development Manager is to do research on how to improvise and makes our product more durable in the future. This research can helps the company to gain more profits by reducing the cost of production and also heighten

the trust of our customers that our product are reliable and long-last. Besides that, Product Development Manager also needs to develop new products that are from the same industry as what we are doing with the Null Claws gloves with hand-guard. This is to expand the line of our products by producing more kitchen safety appliances to the consumers.

Moreover, Product Development Manager is responsible of the product design and thinks of ways to beautify it. The product design includes of the design of the repackaging process after sometimes the product is in the market, pattern and colour of the products which will make it more attractive to the consumers or maybe it can be customize according to the hand size of the consumers and many more innovative ideas. Through these activities, from time to time we hope to bring a new outlook to the customers and also apply the differentiation strategy against the competitors that will soon trying to imitate our products.

Human Resource Manager

Human Resource Manager is responsible to deals with the recruitment process where we will be hiring foreign workers from other country. There will be complicated procedure that our company will have to deal among the agency and the government, so the Human Resource Manager will manage these problems. Most importantly, that he or she is capable of finding a good agency that can supply us with good workers and have good history in providing semi-skilled workers that are enable to understand and communicate with us. Communication is very important and if we are unable to communicate with them, our production line will face issues in completing our assembling and quality checking processes.

Compensation and benefits are very important to all the employees of the company no matter the management team or the foreign workers. Both will be very concern about this issue and if this problem is not stated clearly or mentioned to the workers, it might create misunderstanding and arguments in the future. We will not want this to happen and creates conflict among the working environment. Compensation can be in form of direct financial and whoever that performs well in the company will be awarded with a raise. As our organization structure is kind of small, which only divided into three categories, the chance of getting promoted will be very less.

The last thing a Human Resource Manager do is to create and maintain a general affair with all the connections that we have such as the employees and also all of the outsourcing agencies. A well maintained relationship is important that after a few years of relation, we could get a better discount in purchasing process and also to build up the reputation of Null Claws. Having good relation with the workers also builds a trust within them towards the management team and this could actually reduce the rate of turnover in the organization.

Marketing Manager

Sales and marketing are what Marketing Manager has to do in the company. This process includes many other sub processes and there will be many steps that he or she needs to take in order to complete the job. Sales are similar to the importance of marketing, without marketing there will be no sales and vice versa. High sales will determine the successfulness of the marketing event done by the manager. In addition, it also determine the life of the company through the amount of profits that can be earn through the daily sales.

Marketing skills by a manager can be seen through the promotion and advertising that he or she has organized. Valuable promotion with effective advertising is very important to attract new customers and the existing consumers to our products. Marketing Manager must know every single details of the product before introducing it to the customers. This is to create the sense of confidence and the customers can put their trust on you. Through the promotional activities, marketing manager can distribute the news on the Null Claws company official website and there will be a demo, teaching how to use the product.

Public relation is in the meaning of the community and the customers. It is good to put concern on the community service and the relationship with the customers. This could bring up the reputation of the company. In the future, marketing managers can implement a community service program by sponsoring an amount of our products to a particular cooking competition to increase the awareness of the safety precaution in the kitchen and also to create a name where everyone could recognize. While on the other hand, building relationship with the loyal customers will then implement the strategy of word-of-mouth to spread the news of our product and increase the number of customers in the direct channels for our company.

Finance Manager

Accounting is a part of an organization and is it a very sensitive issue. Any mistake and error done in this part can bring a huge effect to the company profitability. This is why a finance manager should always be cautious in handling and dealing with the money transaction by the company. The accounts of sales and expenses must be check regularly from time to time in order to avoid any last minute problems when it comes to the end of each month.

Financing is also part of the Finance Manager jobs. He or she will have to maintain and controls the cash flow and it is best to illustrate it on a graph. This graph should be posted in the company office room itself in order to remind the management team of the growth of the company. It is also important for a manager to know the financial risk that we are having and will be having in the future. Besides that, forecast must be done to calculate the rate of effectiveness and efficiency that our company are currently operating and if there is any space for us to improve.

7.2 Legal Structure

Null Claws Sdn. Bhd is formed as a Private Limited Company. This is because our initial start-up capital is high including the expenses. Besides that we had choose this company incorporation as our share capital is among 5 shareholders. Setting up a limited company would offer protection against liable debts and risk of personal bankruptcy. This means even the owner's status is affected by monetary issue, the business will still go on.

Furthermore another advantage of Limited company is the opportunity for expansion is higher as the capital is much easier to be raised from financial institutions. In addition to this, we will also enjoy better tax benefits through limited obligation. We will be bounded to pay the corporation tax base on our taxable profit and will be omitted from high personal income tax rates. To any range, being a private limited company will have the potency to make you more trustworthy to possible customers, associates or stakeholders. The registration of the company will be follow assimilated and administrated by the Companies Act 1965.

7.3 Intellectual Property

Trademark

Our company name which is Null Claws Sdn Bhd together with our company logo will be register for trademark in order to avoid customer confusion as well as distinguish our products from other products that available in the marketplace. We also can prevent the issues of misuse of our company name by the other competitors and therefore, it provides us a protection for the company.

Patent

In future, we will go for patent registration for our product design. The reason of patent registration for our product design is to protect our product design being imitated or copied by other competitors. It also can prevent other competitors to manufacture, use or sell our product without our permission or consent within Malaysia. Besides that, the patent also grants us to exploit the product design for a certain period of time which is 20 years from the date of filing. Therefore, we will continue to renew the patent to grant us a protection until the maximum time period of 20 years if we are success to register patent for our product design.

(Please refer Appendix 8 and Appendix 9 for sample of business related forms)

8.0 FINANCIAL PLAN

8.1 Capital Requirements for the Next 3 Years

The total fund required is RM 400,000 for starting capital. Investor will invest in RM 200,000 and each entrepreneur will invest in RM40, 000 with a total up of RM200, 000.

Besides all the investor and entrepreneur fund, we will seek for government and relevant organization funding and incentives in Malaysia which recommended by Malaysian Rubber Board for our hand guard. This funding and inducements will only be our backup plan for capital obligation thus it will not include in our monetary projection. Following will be parties that we will submit the inducement submission:

- Malaysian Investment Development Authority (MIDA)
- Ministry of Entrepreneur and Co-operative Development (MeDC)
- Amanah Ikhtiar Malaysia (AIM)

Start-up cost: 1. General cost + 2. Operation cost + 3. Lorry

Table 8.1: General Cost

No	Items	Price (RM)	Quantity (Units)	Total (RM)
1.	Domain name registration fees	45	1	45
2.	Trademark registration fees	2580	1	2580
3.	Telephone	100	1	100
4.	Internet deposit	100	1	100
5.	Electricity	400	2	800
6.	Water deposit	100	1	100
7.	Rental deposit	1500	2	3,000
8.	Renovation	5000	-	5000
9.	Business card	0.17	400	68
10.	Company T-shirt	25	15	375
	Total			12,168

Table 8.2: Operation Cost

No.	Items	Price (RM)	Quantity (units)	Total (RM)
1.	Rental	1500	1	1500
2.	Office Meeting Table	500	1	500
3.	Employee wages-Founder/Advisor	4000	1	4000
4.	Employee wages-Managers	3000	5	15000
5.	Employee wages-Supervisors	2000	1	2000
6.	Employee wages-Assembly Line	900	6	5400
7.	Air conditioner (2 horse)	1480	2	2960
8.	Stationery	250	Lump Sum	250
9.	Computer	1500	6	9000
10.	Printer/scanner/fax/photocopy machine	700	1	700
11.	Water dispenser	350	1	350
12.	Office Phone	20	5	100
13.	First-aid kit	40	1	40
14.	Admin Table	150	8	1200
15.	Punch card machine	270	1	270
16.	Garbage bin	8	5	40
17.	CCTV System	1250	1	1250
18.	Document Rack	30	8	240
19.	Office Chair	55	8	440
20.	Plastic Chair	6	20	120
21.	Alarm System	300	1	300
22.	Fire Extinguisher	280	3	840
23.	Broom and Dustpan	10	5	50
24.	Slide Projector and screen	1500	1	1500
	Total			48,050

Table 8.3: Lorry

No.	Items	Price (RM)	Quantity (Units)	Total (RM)
1.	Lorry	69,000	1	69,000
	Total			69,000

Total start-up cost = 12,168 + 48,050 + 69,000

= 129,218

Table 8.4: Yearly Expenses

No.	Items
1.	Material cost
2.	Logistic expenses
3.	Employee salary
4.	Employee Provident Fund
5.	Public holiday and OT cost
6.	Online store development and maintenance
7.	Rental
8.	Utilities
9.	Cleaning expenses
10.	Maintenance for fire extinguisher
11.	Insurance
12.	Audit consultation fees
13.	Lawyer consultation fees
14.	Marketing and advertising
15.	R&D
16.	Production tools
17.	Production equipment
18.	Allowance for petrol and toll
19.	Depreciation (10%)
20.	Schedule waste management
21.	Miscellaneous
22.	Road Tax
23.	Lorry Insurance
24.	Lorry Maintenance
25.	SOCOSO

The production tools are varied based on number of workers hired.

Table 8.5: Production Tools

No.	Production tools	Price for each/ each set (RM)
1.	Hot Glue Gun	30
2.	Hot Glue Sticks	0.60
3.	Pliers-Type Staplers	38
4.	Stapler Bullets	8

Hand pallet truck is assumed its lifetime for 1 year. The durability of hand pallet truck is 1200 units per truck.

Table 8.6: Production Equipment

No.	Production equipment	Price for each (RM)	1st year (RM)	2nd year (RM)	3rd year (RM)
1.	Production Rate	-	70,810 units	222,136 units	494,845 units
2.	Hand Pallet Truck	1370	2	3	5
	Total Cost		2740	4110	6850

The equipment needed and it's cost according to production rate for:

Year 1

	Items	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Total Qty	Total Cost
Equipment cost	Hot Glue Gun	2				1				1			1	5	150
	Hot Glue Sticks	333	366	403	443	488	536	570	649	714	785	844	950	7081	4248.6
	Pliers-Type Staplers	1											1	2	76
	Stapler Bullets	6	6	7	7	8	9	10	11	12	13	14	16	119	952
															5426.6

Year 2

	Items	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Total Qty	Total Cost
Equipment cost	Hot Glue Gun			1	1		1		1	1	1	1	1	8	240
	Hot Glue Sticks	1045	1150	1245	1391	1505	1683	1827	2037	2210	2464	2676	2982	22215	13329
	Pliers-Type Staplers						1				1			2	76
	Stapler Bullets	17	19	21	23	25	28	30	34	37	41	45	50	370	2960
															16605

Year 3

	Items	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Total Qty	Total Cost
Equipment cost	Hot Glue Gun	1	1		1	1	1		1	1	1	1	1	10	300
	Hot Glue Sticks	3100	3267	3427	3600	3776	3971	4166	4376	4591	4827	5065	5320	49486	29691.6
	Pliers-Type Staplers	1				1				1			1	4	152
	Stapler Bullets	52	54	57	60	63	66	69	73	77	80	84	89	824	6592
															36735.6

8.2 Overview of Financial Projections

Inflation rate

As our country continuously growing, there will be a steady inflation rate now on and to be forecast that the rate will be the same for the future 3 years' time. According to our Prime Minister, Datuk Seri Najib Abdul Razak, the rate is estimated of 4.0% to 5.0% growth this year as the new tax (GST) will be implemented (Reuters, 2014). Thus, the expenses will be calculated with an inflation rate of 6% each year. The expenses are as followed:

1. Material cost
2. Utilities (Internet, Electricity, Water, Calls)
3. Insurance
4. Marketing and Advertising
5. Maintenance of Fire Extinguisher
6. Petrol and Tolls
7. Miscellaneous

Production Rate, Sales Forecast and Inventory

Assumptions and remarks for production planning and sales estimation:

- With the forecast from our sales and production cost, we will generate 25% from direct channel and 75% from indirect channel. As our production will eventually achieve economies of scale in 3 years' time, we will be selling the product at the same price and we will slowly increase the price by that time which are RM22.20 per glove on the direct while indirect channel will have be selling at RM19.98 after deducting 10% from the actual pricing.
- Government policy on GST mention that any business revenue that reach RM500, 000 and above should register for GST. We would not include and register for GST in our product pricing because the three years of our revenue are still below RM500, 000.
- In calculation of 3 years Pro Forma Income Statement, all of our closing stock is assumed selling to indirect channel which is multiply by RM19.98 for each glove.
- For the fiscal year 2015 till 2017, our actual production and sales volume is calculated based on Qualitative Method. The first two year, each month is forecasted by adding 10% from the volume of one month before. For third year, each month is forecasted

by adding only 5% from the volume of one month before because we have established a stable channel for our sales. Hence, we need not boost our sales volume by 10% at the third year.

- The box that is filled with yellow colour is the adjustment that we do to the actual production based on the level of inventory. As our factory-office do not prepare warehouse or storage facilities, it is best that the inventory level is kept at the minimal level.
- At the December of 1st year, our closing stock should be 92 units, we will take out 50 units of the product for end year event and the ending closing stock will be 42 units.
- At the December of 2nd year, we will also organize event as the same as in the 1st year but this year we will take out double the amount of previous year, which is 100 units for the event. So, the supposing ending stock is 235 units minus 100 units for the event and end up the closing stock is 135 units.
- At the December of 3rd year, we are not planning for any end year event because our brand should be achieving a certain stage of brand recognition.
- There is an agreement of net (total after discount) 30 days with our supplier and retailers. Therefore, it is expected that the total outstanding is to be paid in full and received in full within 30 days after the goods is received both by us and the retailers.

Figure 8.1: Beginning Inventory, Ending Inventory, Production Rate, and Sales Estimation for Three Years

Items	Jan	Feb	Mac	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total Qty	Total Cost
Beginning Inventory		23	48	76	107	140	177	18	63	112	167	26	958	
Production Planning	3330	3663	4029	4432	4875	5363	5899	6489	7138	7852	8637	9501	71210	
Actual Production	3330	3663	4029	4432	4875	5363	5699	6489	7138	7852	8437	9501	70810	973633
Sales	3307	3638	4001	4402	4842	5326	5859	6444	7089	7798	8578	9485	70768	
Ending Inventory	23	48	76	107	140	177	18	63	112	167	26	42	1000	
Items	Jan	Feb	Mac	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total Qty	Total Cost
Beginning Inventory	42	114	193	81	177	33	149	27	167	22	192	29	1226	
Production Planning	10451	11496	12646	13910	15301	16831	18515	20366	22403	24643	27107	29818	223486	
Actual Production	10451	11496	12446	13910	15051	16831	18265	20366	22103	24643	26757	29818	222136	3238749
Sales	10379	11417	12558	13814	15196	16715	18387	20225	22248	24473	26920	29712	222043	
Ending Inventory	114	193	81	177	33	149	27	167	22	192	29	135	1320	
Items	Jan	Feb	Mac	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total Qty	Total Cost
Beginning Inventory	135	52	79	67	67	30	56	46	50	20	55	58	717	
Production Planning	31309	32874	34518	36244	38056	39959	41957	44055	46257	48570	50999	53549	498345	
Actual Production	31009	32674	34268	35994	37756	39709	41657	43755	45907	48270	50649	53199	494845	7645353
Sales	31092	32647	34279	35993	37793	39683	41667	43750	45938	48235	50646	53179	494903	
Ending Inventory	52	79	67	67	30	56	46	50	20	55	58	77	659	

Table 8.7: Public Holiday and Overtime (OT) Cost Based on 10% of Production Cost

No.	Items	1 st year (RM)	2 nd year (RM)	3 rd year (RM)
1.	Production Cost	973,633	3,238,749	7,645,353
2.	Public Holiday (10%)	97,363.3	323,874.9	764,535.3
3.	OT Cost (10%)	97,363.3	323,874.9	764,535.3
	Total	194,726.6	647,749.8	1,529,070.6

Salary, EPF and SOCSO**Table 8.8: Salaries for Three Years**

No.	Position	Salary for 1 st Year (RM)	Salary for 2 nd Year (RM)	Salary for 3 rd Year (RM)
1.	Product Development Manager	3000	3240	3564
2.	Marketing Manager	3000	3240	3564
3.	Operation Manager	3000	3240	3564
4.	Finance Manager	3000	3240	3564
5.	Human Resource Manager	3000	3240	3564
6.	Supervisor	2000	2160	2376
7.	Advisor / Founder	4000	4320	4752
	12 Months	21,000 x 12	22,680 x 12	24,948 x 12
	Total	252,000	272,160	299,376

The table above shows the salary of all the management employees who work in our company in the first three years. There will be salary increment for 8% in the second year and 10% in the third year of working in our company. There will have no salary increase for foreign workers because they are restricted with Jenni's contract.

Employees Provident Fund is a compulsory savings scheme in Malaysia. Its primary aim is to provide a measure of security for old age retirement to its members. According to the Employees Provident Fund Act 1991, employers must register their employees with the EPF within 7 days of employment. Our company will register the EPF account for all employees except foreign workers and intern student. Under the law of Employees Provident Fund (EPF) Act 1991, employers need to provide minimum of 13% for employees with monthly wages of RM 5,000 and below, while employees need to pay minimum of 11% of the employees' monthly wages for EPF.

Besides EPF, our company is also paying SOCSO for the workers. The Social Security Organization (SOCSO) is aimed to protect workers who earning wages not exceeding RM3, 000 per month with two social security schemes. Once covered, workers remain covered irrespective of their wages. The maximum contribution is based on wages of RM3, 000 per month. The table below shows the company KWSP and SOCSO expenses with the employee salary increment each year.

Table 8.9: EPF (KWSP) 13% Paid by Company in First Three Years

No.	Position	1 st Year (RM)	2 nd Year (RM)	3 rd Year (RM)
1.	Product Development Manager	390	421.20	463.32
2.	Marketing Manager	390	421.20	463.32
3.	Operation Manager	390	421.20	463.32
4.	Finance Manager	390	421.20	463.32
5.	Human Resource Manager	390	421.20	463.32
6.	Supervisor	260	280.80	308.88
7.	Advisor / Founder	520	561.60	617.76
	12 Months	2730.00 x 12	2948.40 x 12	3243.24 x 12
	Total	32,760	35,380.80	38,918.88

Table 8.10: Rate of SOCSO Paid by Company in First Three Years

No.	Position	1 st Year (RM)	2 nd Year (RM)	3 rd Year (RM)
1.	Product Development Manager	51.65	51.65	51.65
2.	Marketing Manager	51.65	51.65	51.65
3.	Operation Manager	51.65	51.65	51.65
4.	Finance Manager	51.65	51.65	51.65
5.	Human Resource Manager	51.65	51.65	51.65
6.	Supervisor	35.85	37.65	41.15
7.	Advisor / Founder	51.65	51.65	51.65
	12 Months	345.75 x 12	347.55 x 12	351.05 x 12
	Total	4149.00	4170.60	4212.60

Table 8.11: Salary after SOCSO and EPF

No.	Position	1 st Year (RM)	2 nd Year (RM)	3 rd Year (RM)
1.	Product Development Manager	2558.35	2767.15	3049.03
2.	Marketing Manager	2558.35	2767.15	3049.03
3.	Operation Manager	2558.35	2767.15	3049.03
4.	Finance Manager	2558.35	2767.15	3049.03
5.	Human Resource Manager	2558.35	2767.15	3049.03
6.	Supervisor	1704.15	1841.55	2025.97
7.	Advisor / Founder	3428.35	3706.75	4082.59
	12 Months	17,924.25 x 12	19384.05 x 12	21,353.71 x 12
	Total	215,091.00	232,608.60	256,244.52

Foreign Workers

Our company will hire foreign workers to perform the assembling, packaging and quality control tasks. These foreign workers will be recruited from Agensi Perkerjaan Jenni Sdn. Bhd, which is an agency company that engaged in recruiting foreign labour. Our company will hire workers from Nepal as the cost is cheaper compared to workers from other countries. The payment we need to pay for Jenni Sdn. Bhd. is RM3000 yearly which includes all the insurance, levy, government processing fees and Visa service fees. Besides, the salary for each foreign worker is RM900 per month according to the Malaysia Minimum Wages Policy. The number of foreign workers we hired is according to our production rate. The tables below calculate the yearly salary expenses of our company for foreign workers in the first three years.

Number of foreign workers needed and it cost for:

1st year:

Items	Jan	Feb	Mac	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
No. of workers needed	3	3	3	3	4	4	4	4	5	5	5	7	50
Salary per month	900	900	900	900	900	900	900	900	900	900	900	900	10800
Total workers cost	2700	2700	2700	2700	3600	3600	3600	3600	4500	4500	4500	6300	45000

2nd year:

Items	Jan	Feb	Mac	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
No. of workers needed	7	7	8	9	9	11	11	12	13	15	16	17	135
Salary per month	900	900	900	900	900	900	900	900	900	900	900	900	10800
Total workers cost	6300	6300	7200	8100	8100	9900	9900	10800	11700	13500	14400	15300	121500

3rd year:

Items	Jan	Feb	Mac	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
No. of workers needed	19	20	20	21	23	24	24	25	27	28	29	31	291
Salary per month	900	900	900	900	900	900	900	900	900	900	900	900	10800
Total workers cost	17100	18000	18000	18900	20700	21600	21600	22500	24300	25200	26100	27900	261900

Table 8.12: Salary Expenses for Foreign Workers

No.	Items	1 st year (RM)	2 nd year (RM)	3 rd year (RM)
1.	Number of workers hired	50	135	291
2.	Salary	45,000	121,500	261,900
3.	Service charge	3,000	3,000	3,000
	Total	48,000	124,500	264,900

Table 8.13: Total Salary Expenses

No.	Position	1 st year (RM)	2 nd year (RM)	3 rd year (RM)
1.	Permanent workers	215,091.00	232,608.60	256,244.52
2.	Foreign workers	48,000	124,500	264,900
	Total	263,091.00	357,108.60	521,144.52

Assumptions and remarks:

- The product cost for glove, plastic guard, and hook and loop is estimated at RM12.80, RM0.75, and RM0.20 each and total up RM13.75 for material cost. Assume that the material cost will increase according to inflation rate and suppliers did not register for GST.
- Our rental on Sungai Petani is RM1, 500 and total up RM18, 000 annually. The rental contract will signed based on 3 years basis which it include the condition of any raise of rental fees within the contracted the 3 years period is prohibited.
- For the delivery service, we will outsource to a company called Rani Transport which based in Klang, Selangor. The logistic expenses is estimated RM4, 800 per month. The quotation will be increased as the sales and production is increasing gradually year by year. Thus, we will increase the estimated logistic expenses to 21% for 2nd year and 30% for 3rd year.
- The toll and petrol fee is assumed to be RM200 per month in the 1st year, RM300 per month in the 2nd year, and RM400 per month in the 3rd year due to inflation rate.
- Utilities that included electricity, phone bill, water and Internet are estimated to be RM6854 per year. The utilities will be increased 6% in the second year and third year. (Please refer Appendix 10 for table of utilities fees)

- Company will purchase a basic insurance for permanent employee which estimated of RM 100 per person.
- The marketing and advertising will give a budget of RM3, 000 per month and RM36, 000 per year. For other miscellaneous, it is appropriate to given RM400 per month and total RM4, 800 per year.
- Assume that the depreciation of fixed assets is calculated in straight-line method with 10% each year.
- The cost for our website domain name is RM45 per annum.
- The audit consultation fees are assume to be RM5, 000 and will not fluctuate with inflation rate. According to the last update from government new budget issued, for small and medium enterprises, the tax rate for chargeable income of up to RM500, 000 is proposed to be reduced to 19%. The remaining chargeable income is proposed to be subjected to tax at a rate of 24%. The proposals are effective from YA 2016.
- Our research and development cost will estimated RM15, 000 for first year and incremented in 20% each year. 2nd year will be RM18, 000 and 3rd year will be RM21, 600.

The value of lorry is RM69, 000, road tax for four-tons lorry is RM90, and insurance for lorry is RM2, 000. Assume the maintenance for lorry is RM1, 200.

Table 8.14: Depreciation on Operation Cost (Straight line method) 10%

	1 st Year		2 nd Year		3 rd Year	
	Acc. Depr	Book Value	Acc. Depr	Book Value	Acc. Depr	Book Value
Operation Cost (RM48,050)	4,805	43,245	9,610	38,440	14,415	33,635
Lorry (RM69,000)	6,900	62,100	13,800	55,200	20,700	48,300
Total	11,705	105,345	23,410	93,640	35,115	81,935

8.3. Pro Forma Income Statement (3 years)

Financial Statement 1: Pro Forma Income Statement

	Year 1	2015	Year 2	2016	Year 3	2017
	Direct (RM)	Indirect (RM)	Direct (RM)	Indirect (RM)	Direct (RM)	Indirect (RM)
Sales (in units)	17,692	53,076	55,511	166,532	123,726	371,177
Direct: unit price RM 22.20	392,762.40		1,232,344.20		2,746,717.20	
Indirect: unit price RM 19.98	1,060,458.48	1,453,220.88	3,327,309.36	4,559,653.56	7,416,116.46	10,162,833.66
(-) COGS						
Opening stock	-		839.16		2,697.30	
Material cost	973,633.00	RM13.75	3,238,749.00	RM14.58	7,645,353.00	RM15.45
Logistic expenses	52,800.00		63,888.00		83,054.40	
Less: Closing stock	(839.16)	(1,025,593.84)	(2,697.30)	(3,300,778.86)	(1,538.46)	(7,729,566.24)
Gross Profit		427,627.04		1,258,874.70		2,433,267.42
Expenses						
General Cost	12,168.00		-		-	
Employee salary	263,091.00		357,108.60		521,144.52	
SOC SO	4,149.00		4,170.60		4,212.60	
Employee Provident Fund	32,760.00		35,380.80		38,918.88	
Public Holiday and OT Cost	194,726.60		647,749.80		1,529,070.60	
Online Store Domain Name	45.00		45.00		45.00	
Rental	18,000.00		18,000.00		18,000.00	
Utilities	6,854.00		7,265.24		7,701.15	
Insurance	600.00		600.00		600.00	
Audit Consultation Fees	5,000.00		5,000.00		5,000.00	
Marketing & Advertising	36,000.00		36,000.00		36,000.00	
R&D	15,000.00		18,000.00		21,600.00	
Production tools	5,426.60		16,605.00		36,735.60	
Production equipment	2,740.00		4,110.00		6,850.00	
Allowance for petrol and toll	2,400.00		3,600.00		4,800.00	
Depreciation: 10%	11,705.00		11,705.00		11,705.00	
Miscellaneous	4,800.00		4,800.00		4,800.00	
Road tax	90.00		90.00		90.00	
Lorry Insurance	2,000.00		2,000.00		2,000.00	
Lorry Maintenance	1,200.00	(618,755.20)	1,200.00	(1,173,430.04)	1,200.00	(2,250,473.35)
Gross Profit - Expenses		(191,128.16)		85,444.66		182,794.07
Add: Depreciation		-		11,705.00		11,705.00
Taxable income		-		97,149.66		194,499.07
Tax (19%)		-		(18,458.44)		(36,954.82)
Profit after tax		-		78,691.22		157,544.24
Less: Depreciation		-		(11,705.00)		(11,705.00)
Net Profit Loss		(191,128.16)		66,986.22		145,839.24

8.4. Cash Flow Projection (3 years)

Financial Statement 2: Cash Flow Projection

	2015		2016		2017	
Cash on Hand (400,000-129218)		270,782.00		91,188.71		144,283.94
Gross Profit		1,311,083.16		4,256,556.96		9,811,180.67
Total Cash Available		1,581,865.16		4,347,745.67		9,955,464.61
Cash Disbursement						
Company tax	NIL		18,458.44		36,954.82	
Material cost	842,994.25		2,959,390.25		7,323,864.25	
Logistic expense	52,800.00		63,888.00		83,054.40	
Employee salary	263,091.00		357,108.60		521,144.52	
SOCSSO	4,149.00		4,170.60		4,212.60	
Employee Provident Fund (KWSP)	32,760.00		35,380.80		38,918.88	
Public Holiday and OT Cost	194,726.60		647,749.80		1,529,070.60	
Online store domain name	45.00		45.00		45.00	
Rental	18,000.00		18,000.00		18,000.00	
Utilities	6,854.00		7,265.24		7,701.15	
Insurance	600.00		600.00		600.00	
Audit consultation fees	5,000.00		5,000.00		5,000.00	
Marketing & Advertising expense	36,000.00		36,000.00		36,000.00	
R&D	15,000.00		18,000.00		21,600.00	
Production tools	5,426.60		16,605.00		36,735.60	
Production equipments	2,740.00		4,110.00		6,850.00	
Allowance for petrol and toll	2,400.00		3,600.00		4,800.00	
Miscellaneous	4,800.00		4,800.00		4,800.00	
Road tax	90.00		90.00		90.00	
Lorry Insurance	2,000.00		2,000.00		2,000.00	
Lorry Maintenance	1,200.00	(1,490,676.45)	1,200.00	(4,203,461.73)	1,200.00	(9,682,641.83)
Net Cash Flow		91,188.71		144,283.94		272,822.78

8.5 Pro Forma Balance Sheet (3 years)

Financial Statement 3: Pro Forma Balance Sheet

	2015		2016		2017	
	Acc. Depr	NBV	Acc. Depr	NBV	Acc. Depr	NBV
ASSETS						
Fixed Asset						
Operation cost (RM48,050)	4,805.00	43,245.00	9,610.00	38,440.00	14,415.00	33,635.00
Lorry (RM69,000)	6,900.00	62,100.00	13,800.00	55,200.00	20,700.00	48,300.00
<i>Total Fixed Cost</i>		105,345.00		93,640.00		81,935.00
Current Asset						
Inventory	839.16		2,697.30		1,538.46	
Account Receivable	142,137.72		445,234.32		796,887.32	
Cash/Bank	91,188.71		144,283.94		272,822.78	
<i>Total Current Asset</i>		234,165.59		592,215.56		1,071,248.56
Total Asset		339,510.59		685,855.56		1,153,183.56
LIABILITIES AND OWNER'S EQUITY						
Current Liabilities						
Account Payable	130,638.75		409,997.50		731,486.25	
Accrued Salaries and Wages	-		-		-	
<i>Total Current Liabilities</i>		130,638.75		409,997.50		731,486.25
Owners' Equity						
Capital Investment	400,000.00		208,871.84		275,858.06	
Net Profit/Loss	(191,128.16)		66,986.22		145,839.24	
<i>Total Owner's Equity</i>		208,871.84		275,858.06		421,697.31
Total Liabilities And Owner's Equity		339,510.59		685,855.56		1,153,183.56

8.6 Payback and Exit Strategy

Payback

Table 8.15: Net Present Value (NPV) and Payback Period

Year	Cash Flow (RM)	Discount Rate	$(DR+1)^t$	Net Present Value (RM)
0	(400,000)	10%		(400,000)
1 st	91,188.71	10%	1.10	82,898.83
2 nd	144,283.94	10%	1.21	119,242.93
3 rd	272,822.78	10%	1.33	205,129.91
				7,271.67

$$\text{Payback} = \text{RM } 7,271.67 - \text{RM } 205,129.91 / \text{RM } 205,129.91$$

$$= 2.96 \text{ Years} / 3 \text{ Years}$$

As our payback period is at the end of 3rd year, we will only distribute the dividend to our investor starting on the 4th year onwards.

$$\text{Return Of Investment:} \quad \text{RM } (191,128.16) / \text{RM } 400,000 = (47.78 \%)$$

$$\text{RM } 66,986.22 / \text{RM } 400,000 = 16.75 \%$$

$$\text{RM } 145,839.24 / \text{RM } 400,000 = 36.46\%$$

Exit Strategy

Assuming when the Null Claws Sdn. Bhd. is eventually not running on a consistent phase, we had planned to sell off this business. In this strategic acquisition, the buyers or a potential competitor purchases our business. The idyllic purchaser is someone who has more expertise and concern on the operational side of the business, and can scale it in an effective. In order to have a smooth way in dealing with this strategy is to position our business to be a desirable procurement as in can be very profitable.

Companies buy other companies for all types of motives, from using a new procurement as a speedy route to growth over buying out the competition. Thus it is important to ensure our company is maintained in terms of value.

The price of selling the ownership will be based on the market value of our company and the proceedings will be used to cover up our excess debts and the balance would be divided among investors.

9.0 CRITICAL RISK FACTORS

9.1 Management Risks

I. Arising of Disputes among the Management Personnel

As we know, different people may have different points of view or opinions on the same issues. Therefore, disputes or conflicts can be arising between the management team when it comes to make decision for an issue. This situation could left us as well as company into a vulnerable position if we handle disputes or conflicts management inappropriately. This is because the negative disputes or conflicts remain unresolved for a long period of time, it could give a reason for the management personnel to leave their jobs or even the worst, dissolve the business partnership. Finally, it leads to a situation in which we will be facing difficulties in achieving the mission, vision, and goals that we set for the company.

II. Lacking of Experience, Capabilities, Skills, and Personal Connections

In the early stage of starting a business, we as a fresh management team may lack of some relevant experience, capabilities, business skills, and personal connections in that particular field of business. Those things that we lack of are essential and important for us to operate and grow our business in a competitive business environment. For instance, we may facing difficulties to obtain stable supply of the material from the supplier because we still haven't make ourselves acquainted with that particular supplier during the time when that supplier choose to supply to other competitors over us. Besides that, lacking of experience, capabilities, and business skills could put our business in a danger or vulnerable position because we do not know how to handle or predict those uncertainties that can turn into the threats for our business. Hence, these are the weakness or risks that we may need to confront at the early stage when we start our business.

9.2 Marketing Risks

I. Low Brand Recognition

Nowadays, there is highly competitive environment in the market for all the products either food or non-food products. Thus, the new formation of our company as well as the new development of our new product also could face a highly competitive market with other existing competitors that could be the leader in the entire field or industry. From the potential obstacles that might face by our company, one of the most significant problems that we might face is low brand recognition for our new innovative product. The customer might not familiar with our brand name as compared to other competitors' products and brands. Other potential competitors might also the leader in the entire product category, for example, when we think of coffee, then we will go for Nescafe, when we think of instant noodles then we will buy Maggie. This is the effect of strong brand recognition and also the threat to our new innovated product. Well reputation, larger capital, high market shares and superior customer's data, skilful and knowledgeable in retaining their customer loyalty are the advantages for the competitors to stay ahead of us since we are just a new company producing the new innovated product. Due to the new developed product, consumers may perceive risks and unfamiliar with our product. Product features, durability, reliability and quality also can be the doubts for customers before purchase our product. Hence, it is a challenging issue that our company needs to concern in choosing appropriate strategies to penetrate into the market and try to attract more customers to contribute to our sales.

II. High Marketing Costs

From the point above, it is stated about the low brand recognition. This issue will exist because our brand is new to the market as well as the industry. Thus, our company should put more effort on marketing and advertising to raise the awareness from marketers towards our brand. Advertisements should be posted in newspapers or magazines, broadcasting on radio and television, making an

advertisement on a billboard or having road show and a setup booth in each shopping centre. These are the strategies for our company to introduce our new brand and new products to the consumers with the fastest and most direct way. In fact, these options will also cost our company a huge amount of money in advertising costs. Throughout the advertisement in newspapers, media and road show, customers can be more familiar with our products and brands. Furthermore, they can also have a better understanding with our products the features, speciality, durability or other benefits. Promotion strategies can be implemented as the penetration strategies because it is the most direct way to raise customers' awareness as well as to attract customers to purchase the product. Demonstration of the usage of the product can be shown during the road show in the supermarket, free gifts or special discount can be entitled to those who purchase during the road show. These are the effective strategies for our company to overcome the low brand recognition issues, but these could probably increase our marketing costs. Since our company is just new developed, it is a problem for us to afford such a high cost in marketing and advertising. So, the marketing manager has to analyse all the aspects and find out the most appropriate solutions to overcome the problems as well as bringing the greatest benefits to the company.

III. Inappropriate Marketing Entry Strategy

Our products are considered as brand new product in Malaysia. Failure in the selection of an appropriate pricing, marketing, or distribution strategy can be a potential risk for our company. Whenever failure of choosing appropriate strategies is suffering, this could cause a high cost for our company in running the entire programs or any other activities that are designed for the entire strategy. Thus, it is important in choosing the suitable marketing strategies to build customer awareness as well as persuading the customer to purchase the products. Other than that, inappropriate choosing of marketing and distribution strategy will also cause an ineffective in the quality of our products and service which might affect the confidence from our customers. The poor distribution strategy may cause the misunderstanding between our company with other retailers or

marketing partners. They might get the wrong information regarding the products or they might probably face problems during the ordering made. Various problems might occur if we did not choose the strategies well and monitor the performance and progress from time to time. In a nutshell, when a new developed product is introduced to the market, marketing and distribution strategies must be chosen very well in order to ensure that the new product is well introduced to the market and can attract the customers' attention as well as contribute a sale to our company. Marketing manager should put an eye on selecting the strategies to ensure that there are no costs adding to our company.

9.3 Operating Risk

I. Lack of Training and Development

Every employee is compulsory to undergo training and development activities to ensure that they are well-known of the product that we are producing. So each of them must pass through our training program and sit for a test provided by our Human Resource Manager before starting to work under our company. That is the basic requirements that are set by our company to make sure our employees will not make any mistakes and face any accident during the working hours. Once they start to work, we will start to count down to six months to provide a second test.

II. Poor Supervisor Performance

The position of a supervisor is not easy in our company. He or she has to be responsible to build a good relationship with all the employees. Any feedbacks or complaints from the employee will first be handling by the supervisor before it will be submit to the top management. Top management will then discuss it during the monthly meeting and make decision on how to solve the problem. A poor performance from the supervisor not only will affect the sales of the company, it will also bring down the morale of the whole assembly line in the company.

III. Foreign Workers Loyalty

Foreign workers are not easy to handle and in some cases, there are even workers that run away from the company without any prior notice. This could cause us a huge loss because the foreign worker might use our service to pay for bringing them to Malaysia and then they could run away and find their own job. We will be suffering for the agency fees and we will not have the services that we paid for. Moreover, there will be a communication barrier between the management and the employees where misunderstanding can occur which will lead to conflict to happen within the company which will be bad if it affects all of the employees to strike.

9.4 Financial Risk

I. Poor Planning

As we launch our product, we need a large amount of capital to fit in all the aspects we need to survive the business. The sufficient capital is needed to have enough cash flows to pay our creditors to all the other financial accountabilities. The level of financial risk, not only have the considerations in how less the business's day to day operations themselves and more to the amount of debt a corporate incurs to fund those operations. As the business owes more debt, the most it will affect the default financial obligations. It is impossible to not take excessive money needs from other sources therefore as the level of debt increases, the financial risk increases. One of the strange reason rises due to unpredictability and damages in the financial market caused by access activities in stock prices, currencies, interest rates and more. In many other occasions we may face financial risk. For instance during inflation period, where in this economic downturn we may face a low profit down turn as customer purchasing power may reduce. In this period we may face difficulties to pay out our fixed external cash flow as regardless our company going on profit we have to pay out our financiers.

9.5 Intellectual Property Infringement

I. Arising Of Counterfeit Products

As we launch our product in the market, there may be some competitors tends to imitate or copy our product design and features exactly the same. Thus, they may manufacture, distribute or sell without our permission or consent which could costs us a lot, for example, a decrease in our product sales. Those competitors will try to produce the similar product with lower quality and sell it with cheaper price to grab the customer attention. If there is something bad happened about the counterfeit product, it can be bring a negative brand image for our company although we are not the one who selling the counterfeit product because the customers will think that our products are same with those counterfeit products. As a result, the customers will lose confidence to purchase our product and, even worse, our company reputation may get damages which can costs us a lot of efforts, time and money to build it again because of the counterfeit products.

9.6 Contingency Plans

Management Risks

In order to reduce the happenings of disputes or conflicts to the minimum within office, we need to draft and establish company policy, rules, and standard operating procedures for all the employees as well as the management team. All of us have to follow the policies, rules, and standard operating procedures which stated in black-and-white, so that we can always refer them as guidance and work in a fair and square environment since all the things are clearly defined.

While for the issues of lacking of experience, capabilities, skills, and personal connections, we need to consider comprehensive methods to overcome those issues. First, we are planning to let our management team to attend some talks, seminars, and business-skill-related courses, for example, negotiating skills courses, leadership development programs, and management skills courses in order to learn and enhance those essential

skills that are required for our business. Those essential skills that can be learn and enhance from these courses including problem solving skills, communication and negotiation skills, project management skills, conflict management skills and so forth. We will be able to adapt more easily to this dynamic business environment, deals with those shortcomings and uncertainties, only if we possess with these robust skills.

Marketing Risks

We can increase our brand recognition by conducting marketing analysis. Questions will be distributed to our potential customers. This is the fastest and direct way for us to understand the customers about their preferences, preferred advertising strategies, purchasing attitude as well as their premier consideration when purchasing a product. These are the information that we can get by distributing the questions to the customers. Free gift could be given after the customer to fill up the form and that could be an appreciation for the cooperation from the customers and also the way for the customer to have a better figure with our new brand and new product.

Throughout the information that we get, analysis should be done and the marketing manager should choose the most effective and most appropriate strategies for our new product to penetrate into the existing market. Thus, our product can remain competitive with other competitors' products in the existing market by choosing the appropriate marketing strategies and advertising channel.

Other than that, we will also try to make an analysis and narrow down our target market into a manageable size. The market testing strategy will be implemented before we launch our product officially. We are trying to target specific people by providing them certain advertisement and promotion to test their response and brand awareness towards our product. For example, there are many new social websites and they will offer a free service, and online advertising available. In this way, we can directly reach our potential customer by advertising, giving discount, voucher and coupon. They can print out the voucher or redeem the voucher during a time limit to get our product with a special price. When our product appears more and more times to the potential customer, it will increase our product brand recognition and profits.

Moreover, we also can try to have collaboration strategies with other potential partners such as certain well-known restaurants or dining place. We can offer our product to them with the special price; their chef can use and test it. If the product is really useful, they could help us to promote it to their friends from other restaurants or other place. Thus, higher market shares can be gained throughout the collaborative strategies with the business partners to gain more sales for our company.

Operating risk

In order to run the test that is given by our Human Resource Manager, the employee will attend an hour test which consists of both practically and theoretically test. Practical test is consisting of how they assemble the products measured by how long it takes for them to complete the task given. Basically, we need to hit our daily amount of product produced in one day to complete all the orders taken. Theoretical test is mainly testing the employees on the quality checking of the raw materials and semi-finished goods. In this part, it is needed to properly check for any defect items before it will be assemble or to pack it before send it to the particular retailers where employee must know how to fill in the checklist that we provided for quality control purposes.

In order to have a proper and experience supervisor in our company to supervise the daily routine taken by our employees, it is compulsory to test the supervisor on his or her capabilities. So, the interview and hiring session of our company supervisor will be a tough one compares to the other company because we hope for the best and that the supervisor will be able to perform at his or her best for our company. Training courses and seminars will be provided to the supervisor to improve on the capabilities and the knowledge on maintaining a good relationship with the employees under him or her. Rewards will be granted based on the performance of the supervisor.

In order to capture the heart and loyalty of the employees, we have decided to provide them with extra health care service if needed such as dental and vision plan. In addition, we will provide employees with an extra plan which is the savings plan for them. This plan is similar to SOCSO plan provided by the government but only things different is that, we can help the foreign workers to save a percentage of their salary and post them

back to their home country if their families need the money. This could prevent the employee to spend more than they can save and have a secure plan to assist their families back at their home country.

Financial risk

In reducing the financial risk, it is important to make sure to have a systematic system in ensuring the cash flow goes and comes out in a strategic way. It is the responsibility of the financial and accounting department to plan and execute the monetary flow in transactions. A proper financial planning will eventually lead a company from deficit. It is also important for financial department not to load debts unnecessarily unless it's really needed.

In accordance to cope with inflation, it is important to have few savings to be stored for emergency purpose. In this context we would reserve 3 to 4 months operating cost in reserve to cope the loss. Another plan that could be done is acquiring hard assets that will preserve the worth as the purchasing power declines. Besides that we would try to increase the prices little by little, even one or two percentage. This is because when there is inflation, it would not hit the consumers with a big increase all at once.

Intellectual Property Infringement

We are planning to get registration of our trademark as well as patent in order to prevent this arising of infringement from competitors. Trademark is a property that able us to differentiate ourselves from other competitors at the marketplace as well as give us protection on our company name and logo. Besides that, we can protect our product designs from being copy or imitate by other competitors through patent registration. If we are successfully register trademark and patent for our company and product designs, we can take legal actions and claims for damages from those infringements of competitors if detected any counterfeit products available in the market. They are the exclusive rights for us to protect ourselves among many competitors in order to survive and sustain in this industry.

REFERENCES

- Allen, S. (n.d.). *Pricing Strategy*. Retrieved December 17, 2014, from <http://entrepreneurs.about.com/od/salesmarketing/a/pricingstrategy.htm>
- Ayrouth, E. (2011, July 10). *Your Kitchen is Trying to Kill You -- Injury Statistics [INFOGRAPHIC]*. Retrieved August 17, 2014, from <http://www.foodbeast.com/2011/10/07/your-kitchen-is-trying-to-kill-you- injury-statistics-infographic/>
- Azka Aqeela (M) Sdn. Bhd.. (n.d.). *Metrosources*. Retrieved August 12, 2014, from <http://malaysia.metrosources.com/directory/azka-aqeela-m-sdn-bhd-c4927>
- Culbertson, F. (1995, July 17). *The Phobia List*. Retrieved August 17, 2014, from <http://phobialist.com/>
- ESD Glove Sdn. Bhd.. (n.d.). *Metrosources*, Retrieved August 12, 2014, from <http://malaysia.metrosources.com/directory/esd-glove-sdn-bhd--c12792>
- Euromonitor International. (2014, May). *Food Preparation Appliances in Malaysia*. Retrieved August 19, 2014, from <http://www.euromonitor.com/food-preparation-appliances-in-malaysia/report>
- Friesner, T. (2014, May 8). *Pricing Strategies*. Retrieved December 17, 2014, from <http://www.marketingteacher.com/pricing-strategies/>
- Hagerty, J. R. (2012, May 29). *For Appliance Makers, Less Is More. The Wall Street Journal*. Retrieved February 15, 2015, from <http://www.wsj.com/articles/SB10001424052702303879604577410193241593100>

Indirect Food Additives: Polymers, 21 C.F.R. § 177. 1480. (2014). Retrieved March 16, 2015, from <http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfcfr/CFRSearch.cfm?fr=177.1480>

Intellectual Property Corporation of Malaysia. (n.d.). *Trade Mark: General Information*. Retrieved January 10, 2015, from <http://www.myipo.gov.my/web/guest/cap-umum>

Intellectual Property Corporation of Malaysia. (n.d.). *Patent: General Information*. Retrieved January 10, 2015, from <http://www.myipo.gov.my/web/guest/paten-maklumat-umum>

Khglobalsales Fashion Store. (n.d.). *VELCRO Non-Adhesive TAPE 25mm x 25meter (HOOK & LOO (end 11/5/2015 6:15:00 PM))*. Retrieved July 27, 2014, from <http://www.lelong.com.my/velcro-adhesive-tape-25mm-x-25meter-hook-loop-1-set-tp010-011-khglobalsales-156746286-2015-11-Sale-P.htm>

Kitchen and Dining. (n.d.). Retrieved September 15, 2014 from http://www.amazon.com/kitchen-dining/b/ref=sv_hg_3?ie=UTF8&node=284507

Malaysia salary. (2014, November 10). *Salary Calculation for 2015 in Malaysia*. Retrieved January 22, 2015, from <http://www1.malaysiasalary.com/salary/salary-calculation-for-2015-in-malaysia.html>

Malaysia's No.1 Property Website. (n.d.). *For Rent*. Retrieved July 14, 2014, from <http://www.iproperty.com.my/propertylisting/3347874/sungai-petani-industrial-land-forrent>

Marc. (2014, August 9). *Marketing Mix | Place in Four P's*. Retrieved September 18, 2014, from <http://www.entrepreneurial-insights.com/place-four-ps-marketing-mix/>

Pearl Glove. (n.d.). *ROBUST™ 83-302: Features & Benefits*. Retrieved December 28, 2014, from <http://www.pearlglove.com.my/index.php/products/download/robust>

Pondent, C. S. (n.d.). *Explanation of Hybrid Marketing Channels / eHow*. Retrieved November 19, 2014, from http://www.ehow.com/facts_7571447_explanation-hybrid-marketing-channels.html

Porter's Five Forces - Assessing the Balance of Power in a Business Situation. (n.d.). Retrieved January 27, 2015 from http://www.mindtools.com/pages/article/newTMC_08.htm

PROMOTION & ADVERTISING STRATEGY. (n.d.). Retrieved October 23, 2014, from http://www.marketing-made-simple.com/articles/promotional-strategy.htm#.VQ_HtPmUd0M

Rani Transport. (n.d.). *Standard Transport Rates*. Retrieved November 15, 2015, from www.ranilorry.com/rates001.htm

Reuters (2014). *HIGHLIGHTS-Malaysia's 2015 budget*. Retrieved January 27, 2015, from <http://uk.reuters.com/article/2014/10/10/malaysia-economy-budget-idUKMYBUDGET20141010>

Robbins, S. (2005, June 27). *Exit Strategies for Your Business*. Retrieved January 11, 2015, from <http://www.entrepreneur.com/article/78512>

Safetyware Group. (n.d.). *Products*. Retrieved August 16, 2014, from <http://www.safetyware.com.my/products.php>

S. Ramakrishnan. (2015, Jan 30). *A high-income nation with low-wage workers. Malaysiakini*. Retrieved February 12, 2015, from <http://www.malaysiakini.com/letters/287802>

Tan Cheah & Co.. (n.d.). *Contact Us*. Retrieved January 3, 2015, from http://www.tancheah.com.my/?page_id=30

Yatim, M. A. (2009, June 22). *Malaysia Kitchen Programme*. Retrieved January 19, 2015, from www.matrade.gov.my/en/malaysian-exporters/services-for-exporters/export-promotion/malaysia-kitchen-programme

2015 Budget Highlights. (2014, October 10). Retrieved January 13, 2015, from <http://www.kpmg.com/MY/en/IssuesAndInsights/ArticlesPublications/Documents/2014/Budget%202015.pdf>

Appendix 1: Business Location

For Rent

Taman Cindai Jaya, Sungai Petani

RM 1,500

TAMAN CINDAI JAYA, JALAN CINDAI JAYA 4, SUNGAI PETAN, Kedah

2,000 sq. ft. \ RM 0.75 psf

Gallery



OCBC Bank

For (RM)

amount you spent

on home, you get (RM)

rebate.

[Find out more](#)

Property Description

Property Feature

QuikPro No: UP3347874
Reference No: OPL0311760
Property Type: Industrial Land
Land Area: 2000 sq. ft.
Built-Up: 2,000 sq. ft.

Rental Price: **RM 1,500**
Rental Price psf: RM 0.75
Maintenance Fee: RM 0
Posted Date: 28/11/2014

Property Details

available

Appendix 2: Questionnaire

FYP Survey Questionnaire

Please read the following description before answering the survey.

Concept Description:

Null Claws is a protective glove which helps customers to avoid from accidentally get cut or burn. The product is designed to provide safety for every person that cooks especially for housewives, chefs, students in cooking college and culinary school. Besides that, this product also include heat resistant which prevent customer from accidentally scald or burn. In addition, our product include antiskid to avoid slipping when holding things. We produce our product in order to provide a safer environment for the user at the kitchen area.

Please select the following statement for research purpose. *

- ☐ Individual
- ☐ Culinary School

1. Please specific which category you belong:

- ☐ Housewives
- ☐ Chefs
- ☐ Students
- ☐ Employees
- ☐ Other:

2. Gender*

- ☐ Male
- ☐ Female

3. Age*

4. Ethnic Group*

- ☐ Chinese
- ☐ Malay
- ☐ Indian
- ☐ Other:

5. How often do you cook?*

- ☐ Less than 5 times in a week
- ☐ More than 5 times in a week
- ☐ Everyday

6. Is there any reasons lead you do not often cook?*

(Can choose more than one)

- ☐ Safety
- ☐ Handle raw material
- ☐ Sanitation
- ☐ Busy
- ☐ Other:

7. Do you encounter any incidents in kitchen such as burns, cuts, break stuff and etc.??*

- ☐ Yes
☐ No

8. If Yes, how recently do you encounter these incidents?

- ☐ Always
☐ Sometimes
☐ Rarely

Please rate how much you agree or disagree with the statements.*

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
9. Prevent accidents happen at surrounding at the kitchen area is important.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
10. Would you feel ticklish or have phobia of touching raw material such as raw meat or uncooked fish?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
11. Would you fear of holding and handling hot substance by bare hands?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12. When wearing gloves, your palms will sweat rapidly?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
13. It would be great to have a protective glove, which helps prevent from getting cut or burn during cooking that it could ensure the safety.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14. It would be helpful if there is a protective glove when preparing the meal or during cooking.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. Are you willing to spend on a protective glove, which helps prevent from getting cut or burn during cooking?*

- ☐ Definitely
- ☐ Probably
- ☐ Probably not
- ☐ Definitely not
- ☐ Not sure

16. How much would you willing to spend on a protective glove?*

- ☐ Less than RM 20
- ☐ RM 20-RM 25
- ☐ RM 26-RM 30
- ☐ More than RM 30

17. Would you recommend this protective glove to a friend or associate?*

- ☐ Yes
- ☐ No

18. What is your priority consideration on buying a protective glove?*

(Can choose more than one)

- ☐ Price
- ☐ Appearance and Features
- ☐ Durability
- ☐ Material Used
- ☐ Convenience

19. Which of the following sales promotions is(are) appealing to you?*

(Can choose more than one)

- ☐ Rebates
- ☐ Prizes
- ☐ Coupons
- ☐ Freebies

20. Through which of the following channels would you like to get our product from?*

- ☐ Retailers (E.g. AEON & Parkson)
- ☐ Online Purchase
- ☐ Direct Channel (E.g. Null Claws office)

21. Which of the following advertising media(s) would you favor the most?*

- ☐ Flyers
- ☐ Outdoor advertising (E.g. Bus, Taxi)
- ☐ Newspapers
- ☐ Radio
- ☐ Magazines
- ☐ Billboards
- ☐ Social media
- ☐ Others

A feasibility study to investigate possible outcomes of Null Claws directed towards culinary school.

1. Did students have any complain about the safety problem?*

- ☐ Majority
☐ General
☐ Minority
☐ None

2. During cooking class, did students encounter any incidents such as burns, cuts, break stuff and etc.?"

- ☐ Yes
☐ No

3. If Yes, how recently do students encounter these incidents?

- ☐ Always
☐ Sometimes
☐ Rarely

Please rate how much you agree or disagree with the statements.*

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
4. It would be convenience if there is a protective glove, which helps students prevent from getting cut or burn during cooking.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. Concern about the safety surrounding at the kitchen area is important.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. As a culinary school, do you think it is necessary to provide/purchase a safety product to protect students' safety?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. It is important that the protective glove we provide are capable of solving students' problems or at least meet their needs.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8. As a culinary school, we would likely to increase our purchase if discounts and allowances are given.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. As a culinary school, are you willing to spend on a protective glove, which helps students prevent from getting cut or burn during cooking?*

- ☐ Definitely
- ☐ Probably
- ☐ Probably not
- ☐ Definitely not
- ☐ Not sure

10. Would you recommend this protective glove to industry partners?*

- ☐ Yes
- ☐ No

11. What is your expectation of a protective glove which use in the kitchen area?*

(Can choose more than one)

- ☐ Convenience
- ☐ Functions
- ☐ Durability
- ☐ Sanitation

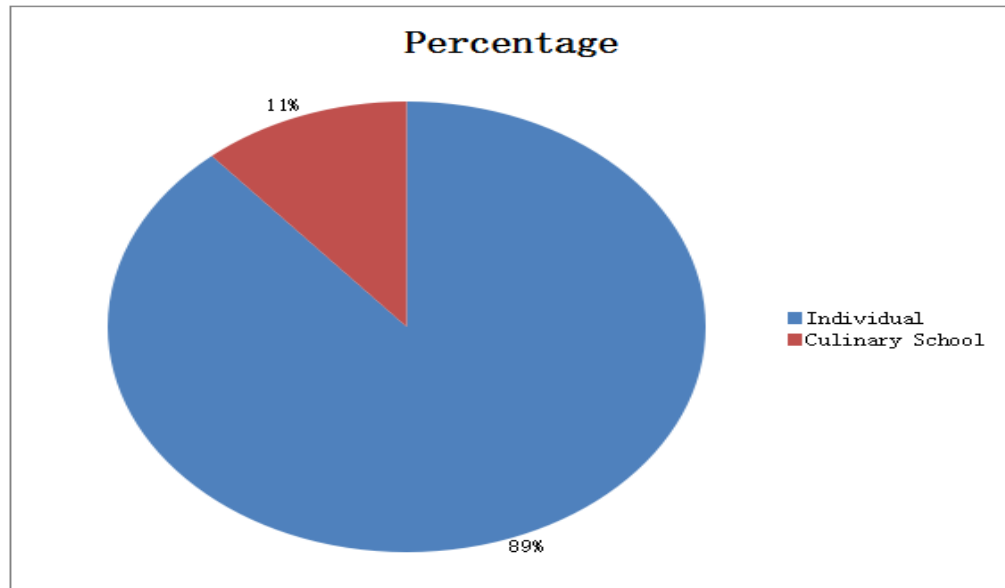
12. As a culinary school, which of the following trade promotion is/are appealing to you?*

(Can choose more than one)

- ☐ Temporary Price Reduction
- ☐ Coupons
- ☐ Rebates
- ☐ Premiums
- ☐ Sampling

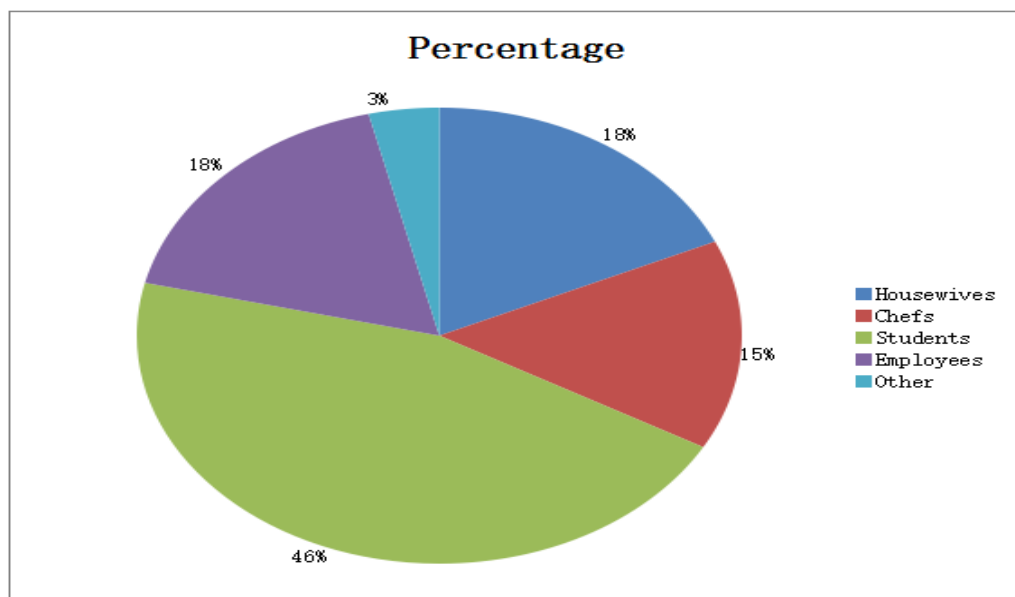
Appendix 3: Response of Survey for Null Claws

Please select the following statement for research purpose.



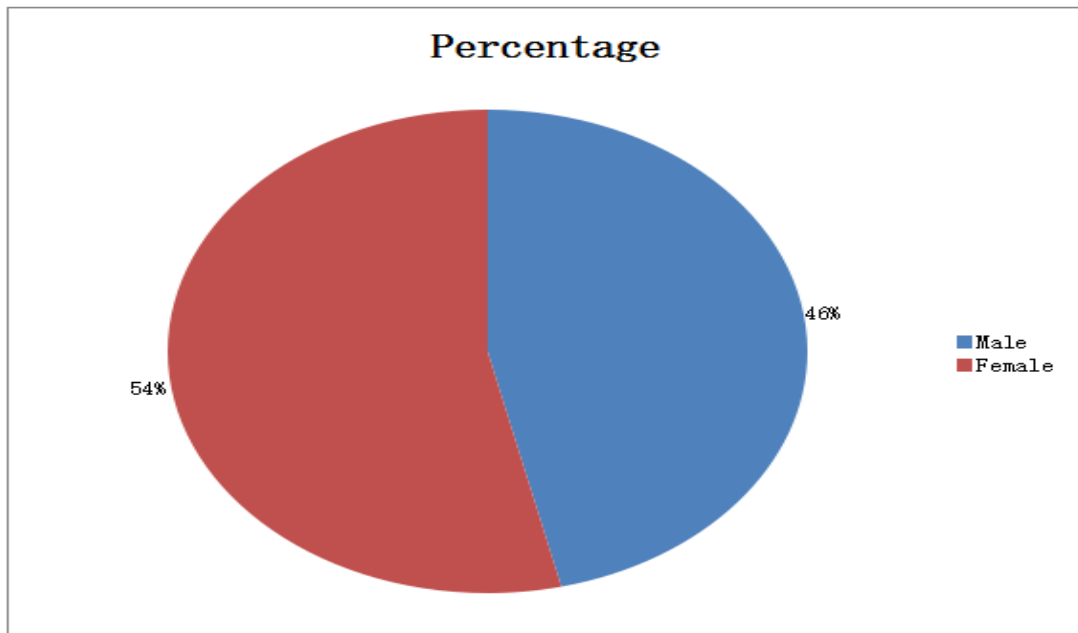
Source: Developed For Research

Please specific which category you belong:



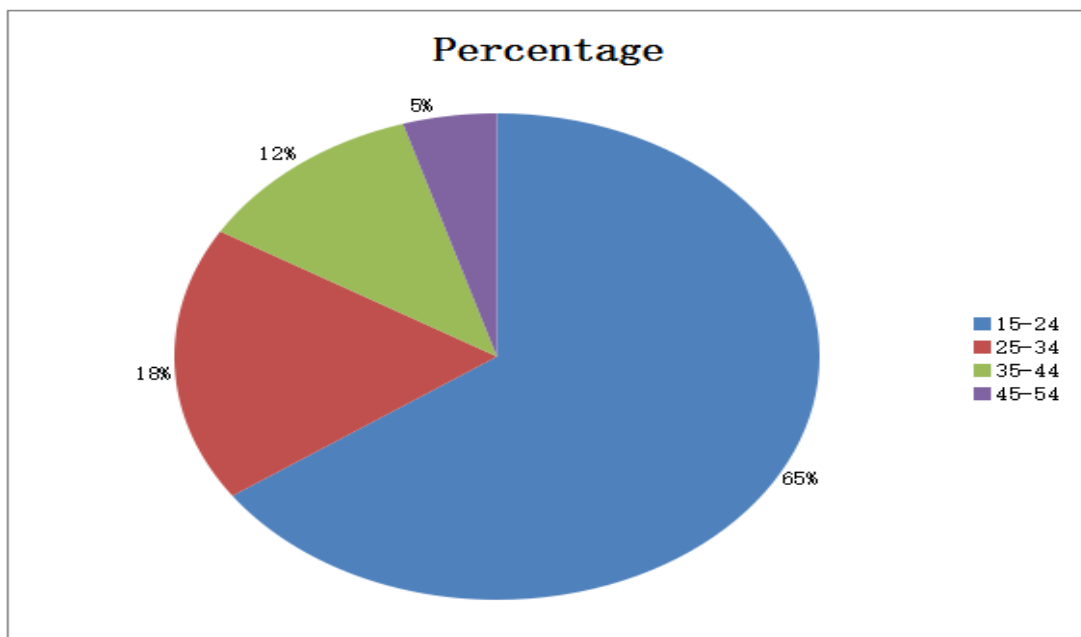
Source: Developed For Research

Gender



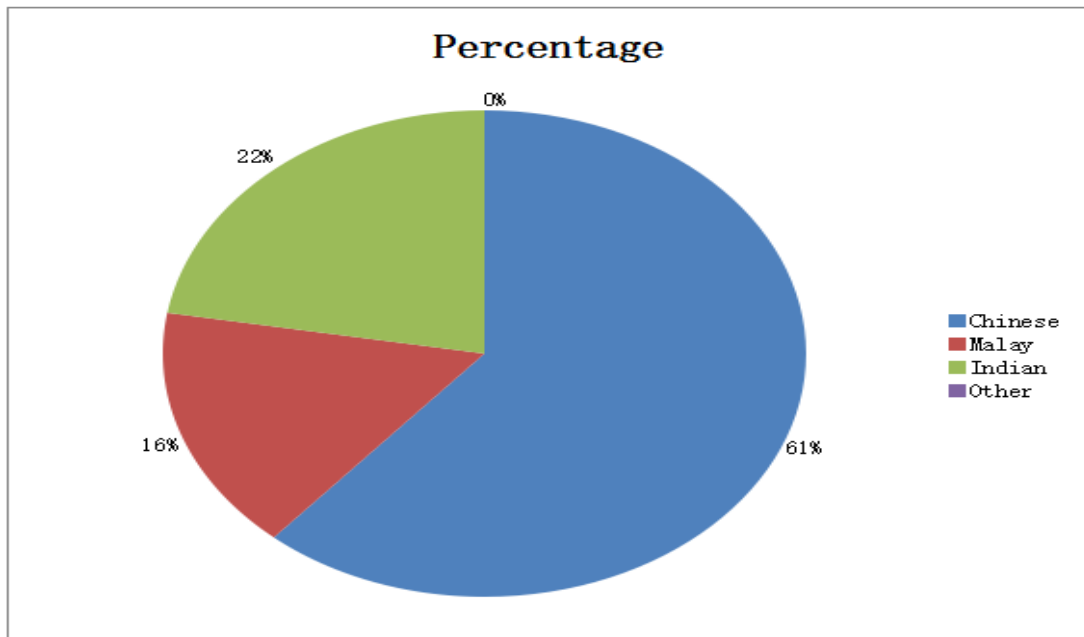
Source: Developed For Research

Age



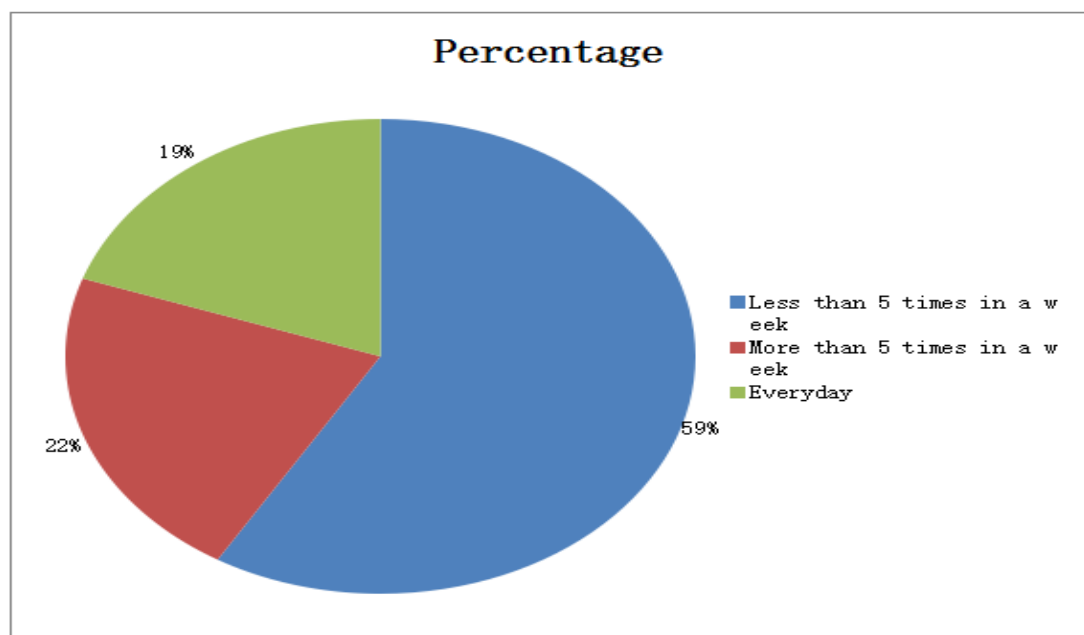
Source: Developed For Research

Ethnic Group



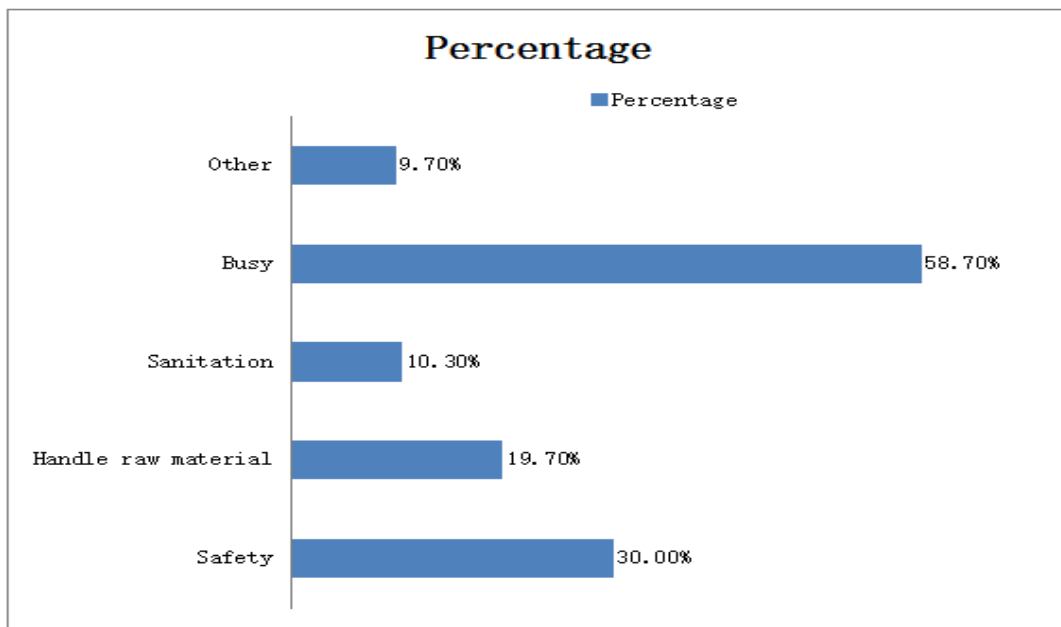
Source: Developed For Research

How often do you cook?



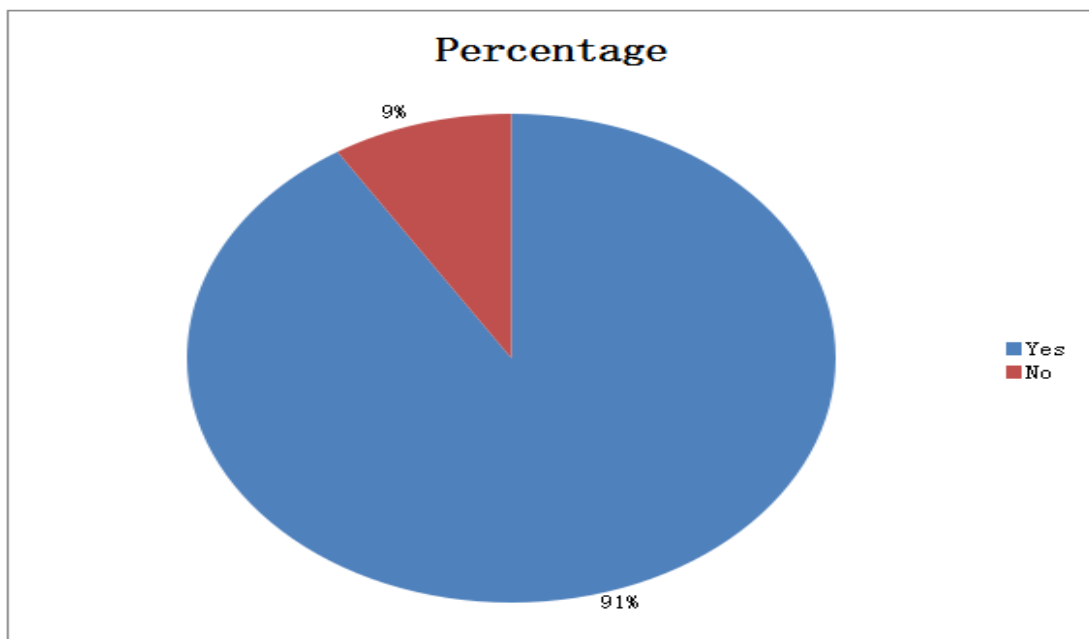
Source: Developed For Research

Is there any reasons lead you do not often cook?



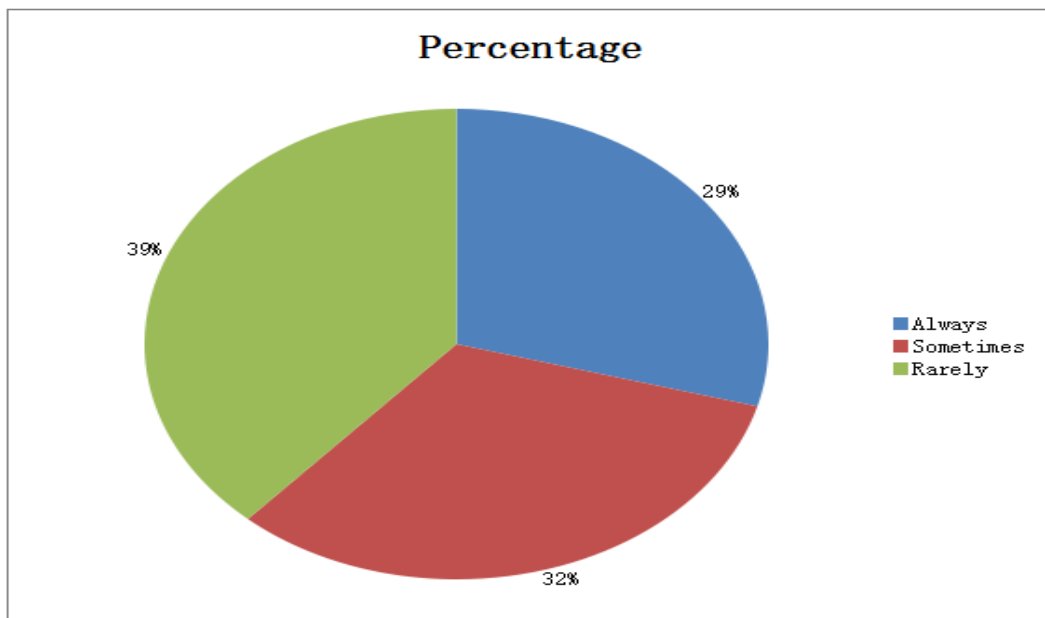
Source: Developed For Research

Do you encounter any incidents in kitchen such as burns, cuts, break stuff and etc.?



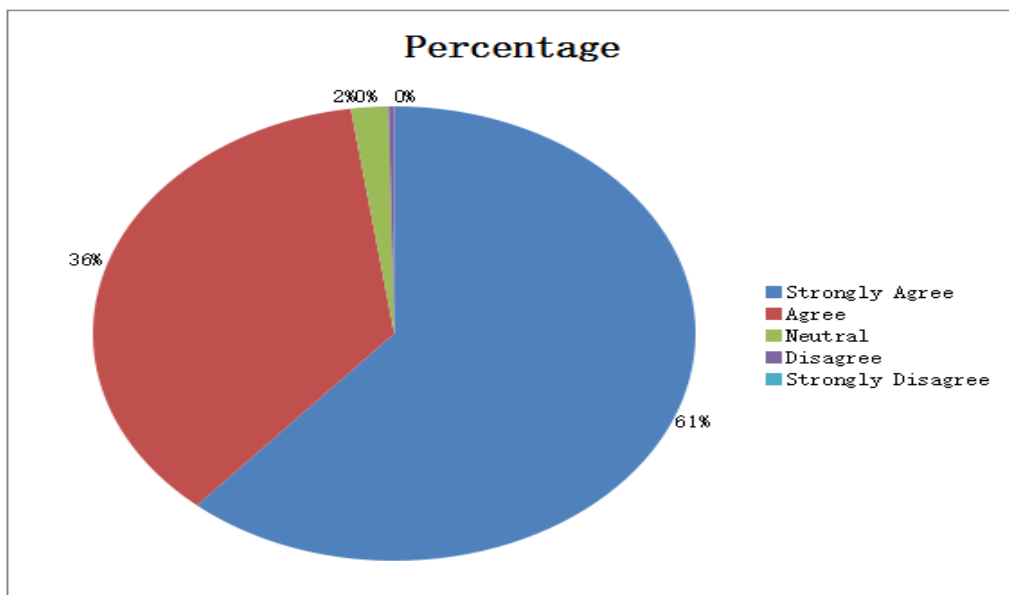
Source: Developed For Research

If yes, how recently do you encounter these incidents?



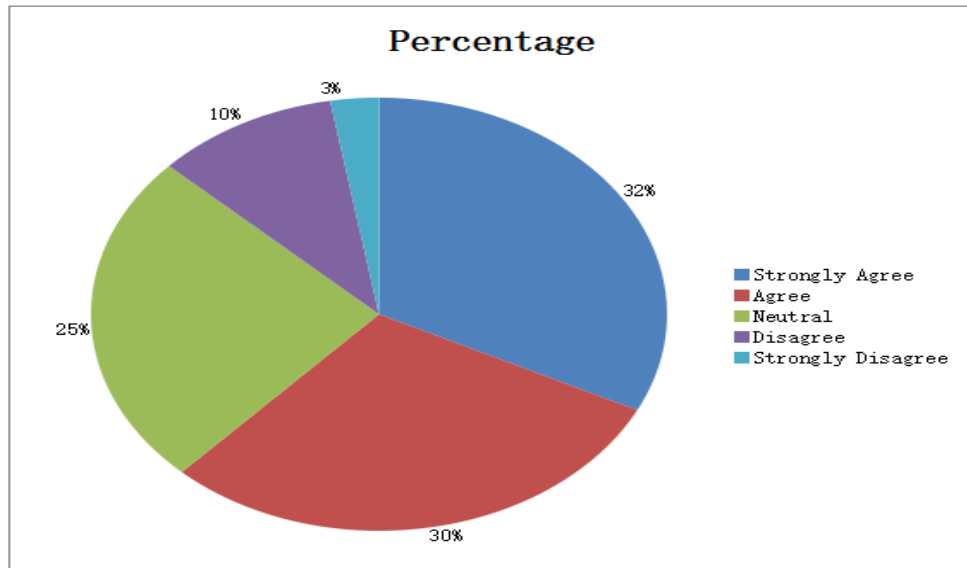
Source: Developed For Research

Prevent accidents happen at surrounding at the kitchen area is important. [Please rate how much you agree or disagree with the statements.]



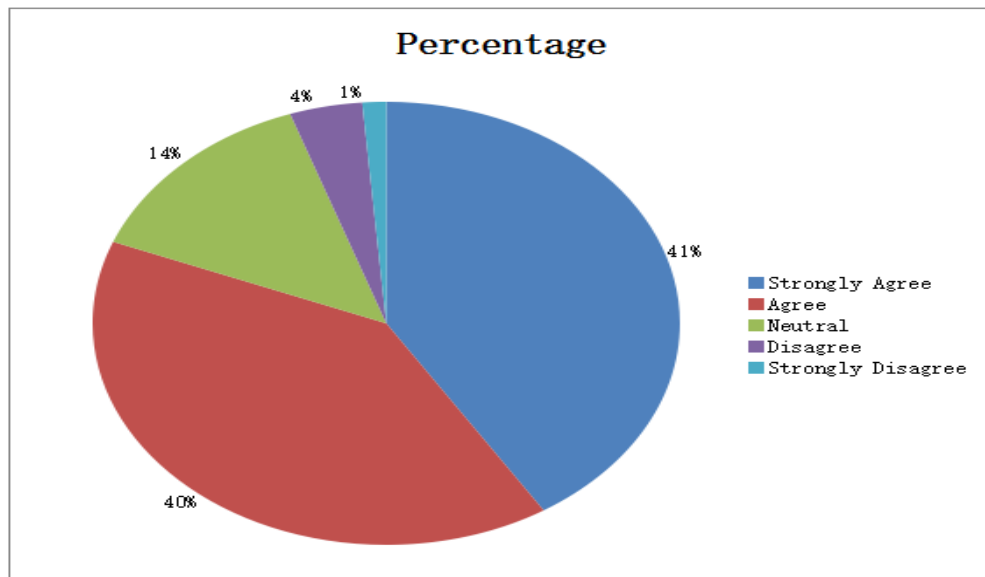
Source: Developed For Research

Would you feel ticklish or have phobia of touching raw material such as raw meat or uncooked fish? [Please rate how much you agree or disagree with the statements.]



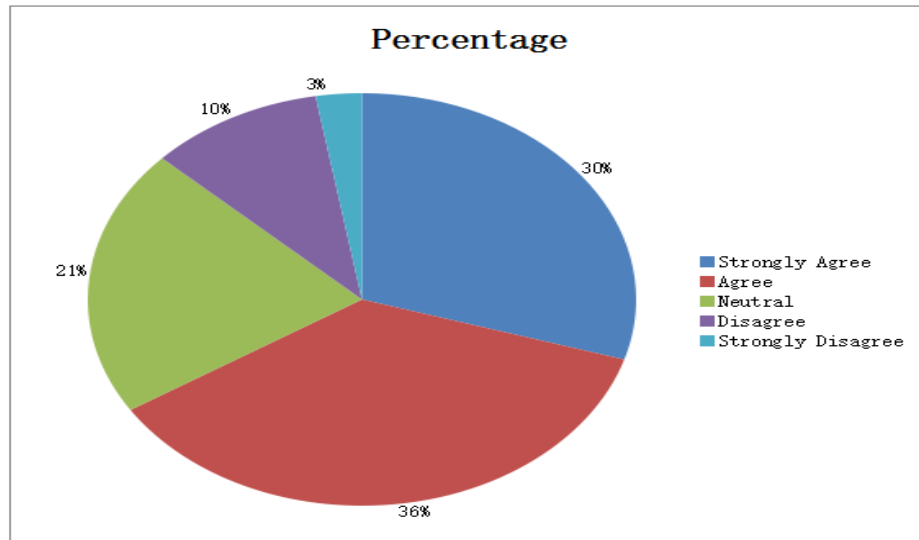
Source: Developed For Research

Would you fear of holding and handling hot substance by bare hands? [Please rate how much you agree or disagree with the statements.]



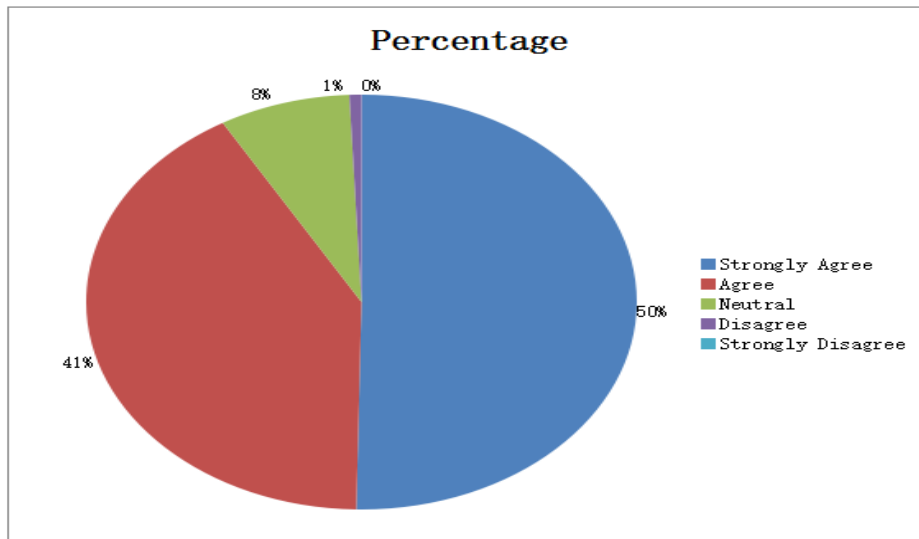
Source: Developed For Research

When wearing gloves, your palms will sweat rapidly? [Please rate how much you agree or disagree with the statements.]



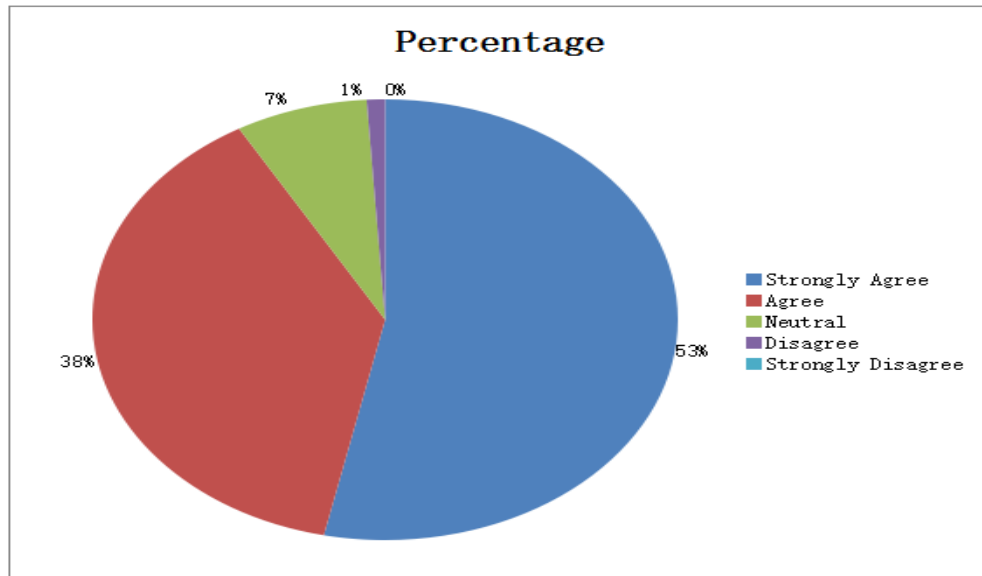
Source: Developed For Research

It would be great to have a protective glove, which helps prevent from getting cut or burn during cooking that it could ensure the safety. [Please rate how much you agree or disagree with the statements.]



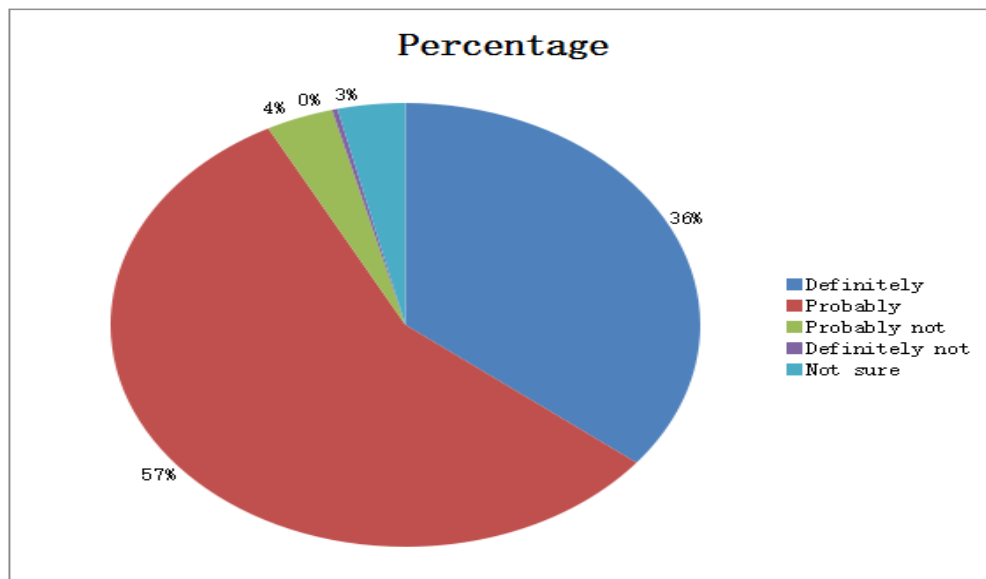
Source: Developed For Research

It would be helpful if there is a protective glove when preparing the meal or during cooking. [Please rate how much you agree or disagree with the statements.]



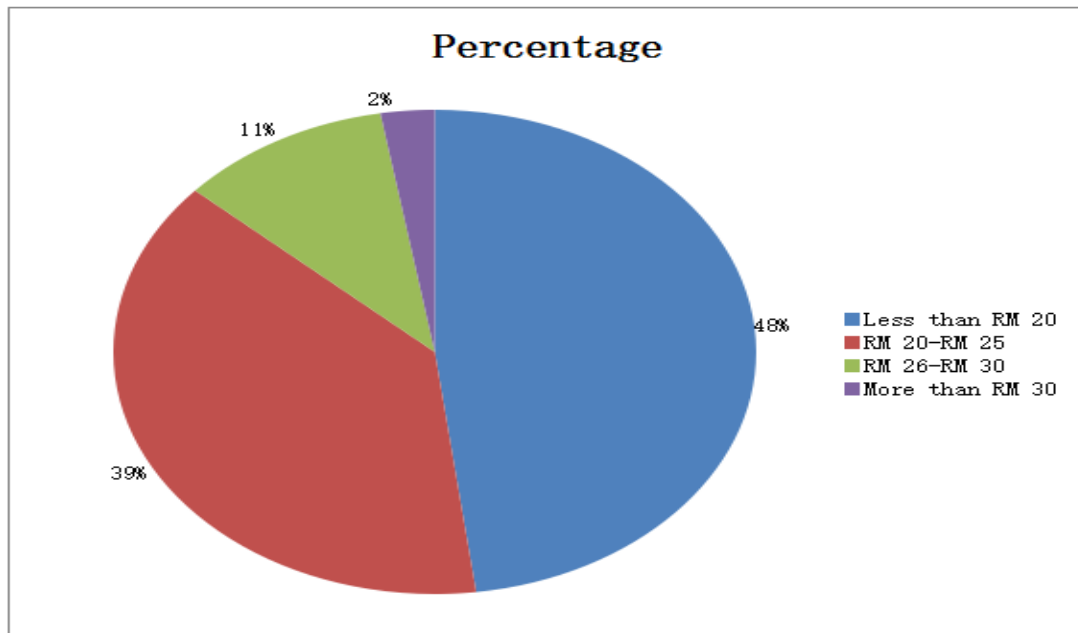
Source: Developed For Research

Are you willing to spend on a protective glove, which helps prevent from getting cut or burn during cooking?



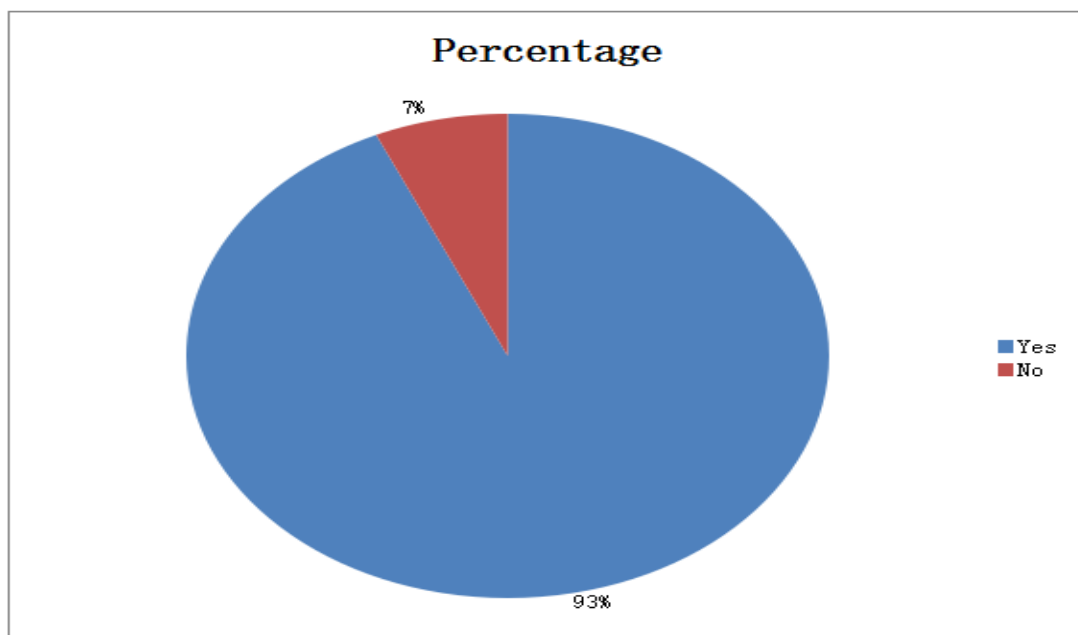
Source: Developed For Research

How much would you willing to spend on a protective glove?



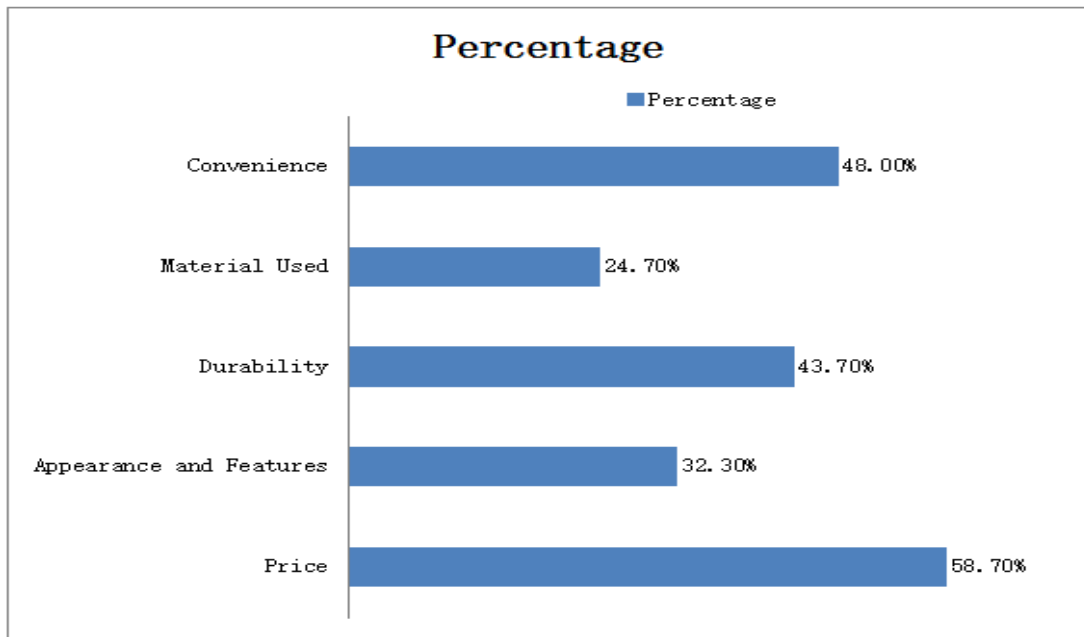
Source: Developed For Research

Would you recommend this protective glove to a friend or associate?



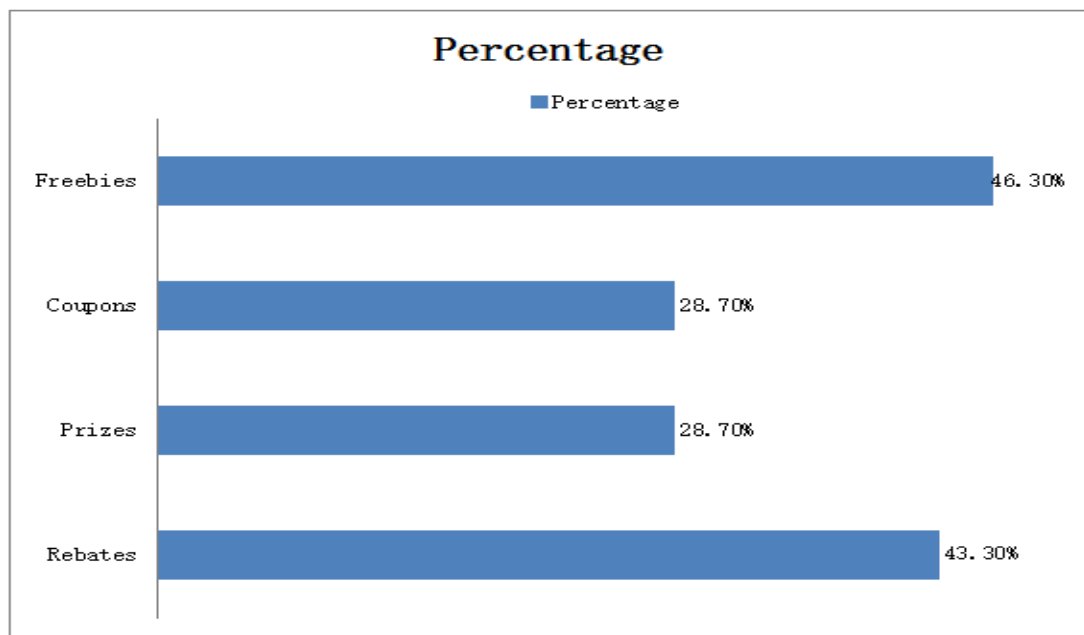
Source: Developed For Research

What is your priority consideration on buying a protective glove?



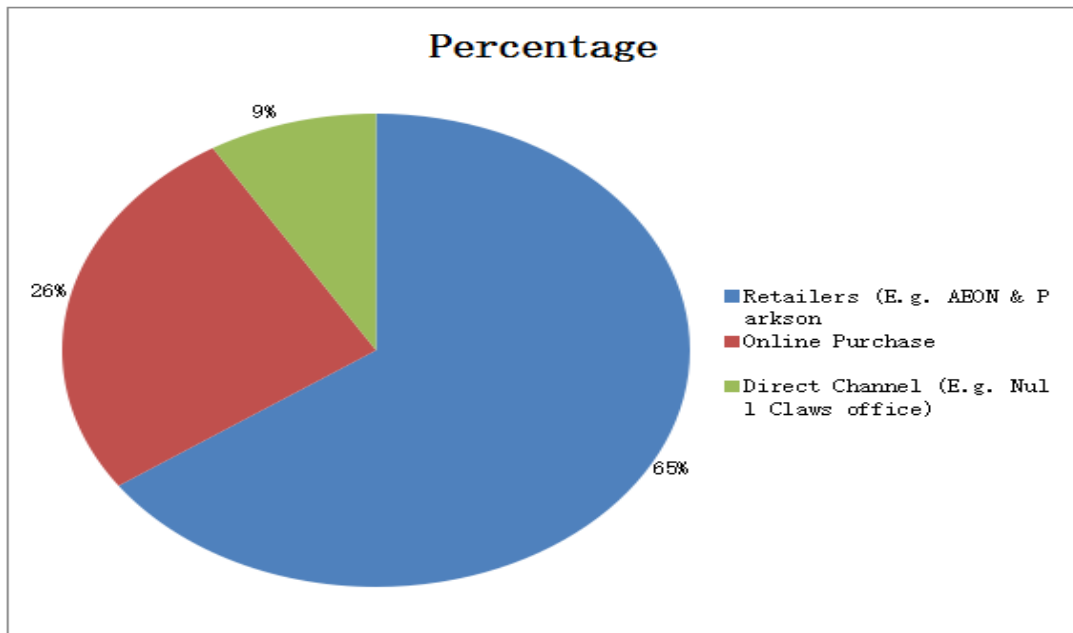
Source: Developed For Research

Which of the following sales promotions is (are) appealing to you?



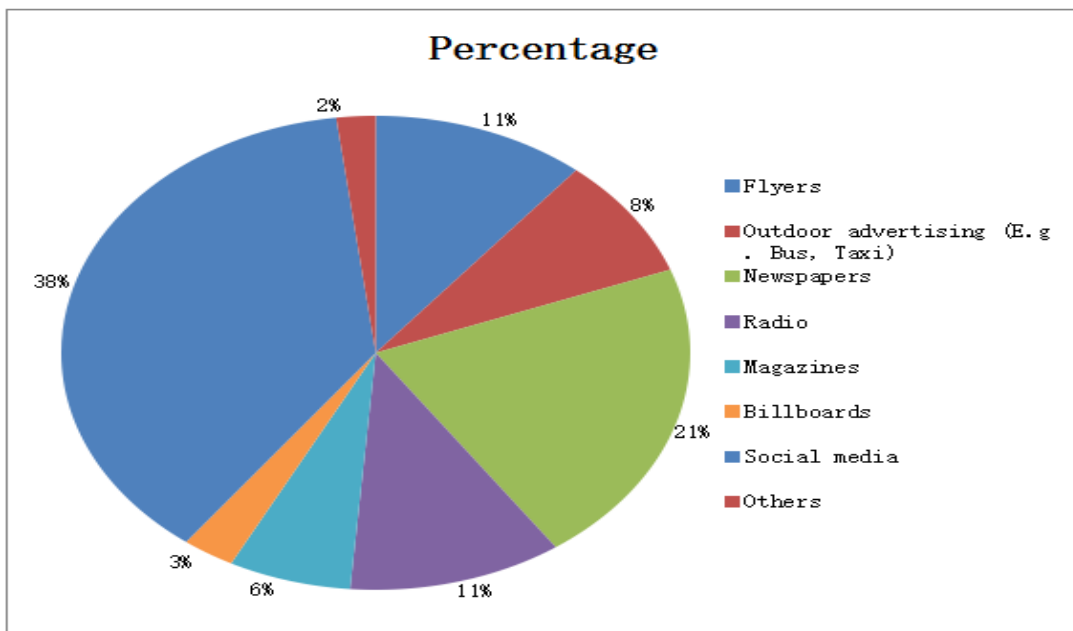
Source: Developed For Research

Through which of the following channels would you like to get our product from?



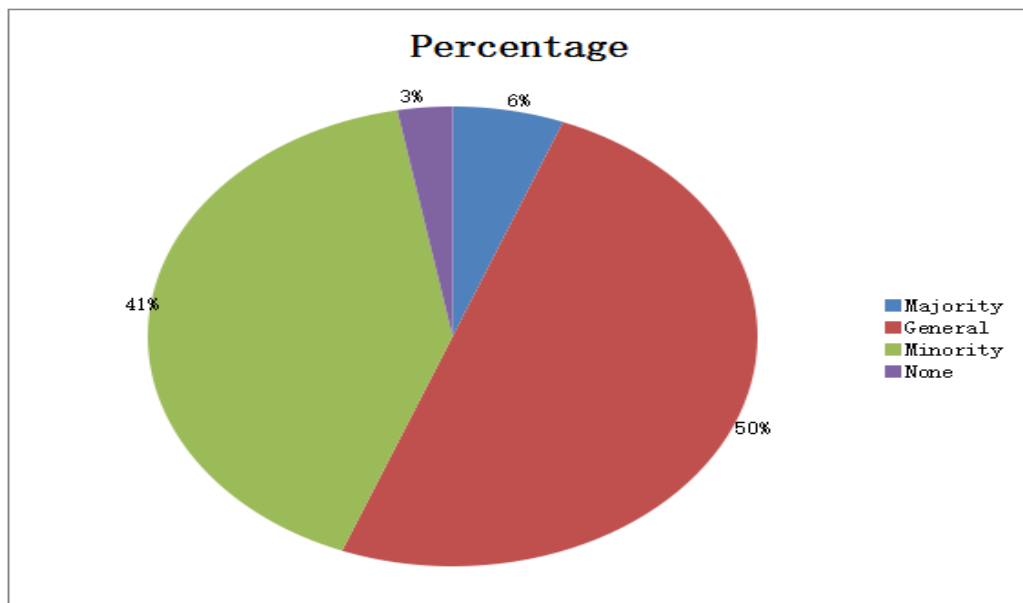
Source: Developed For Research

Which of the following advertising media(s) would you favour the most?



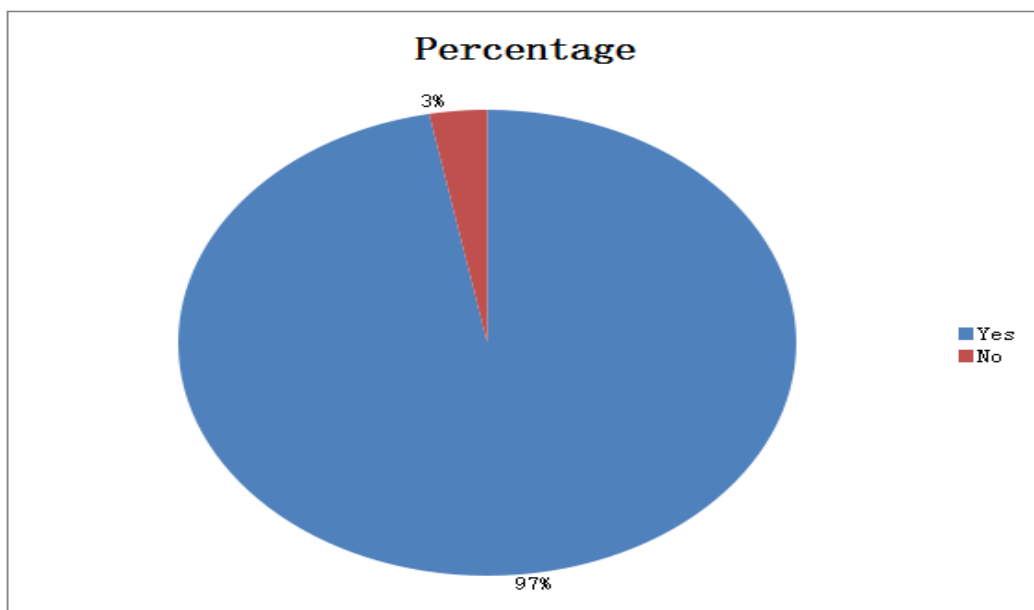
Source: Developed For Research

Did students have any complain about the safety problem?



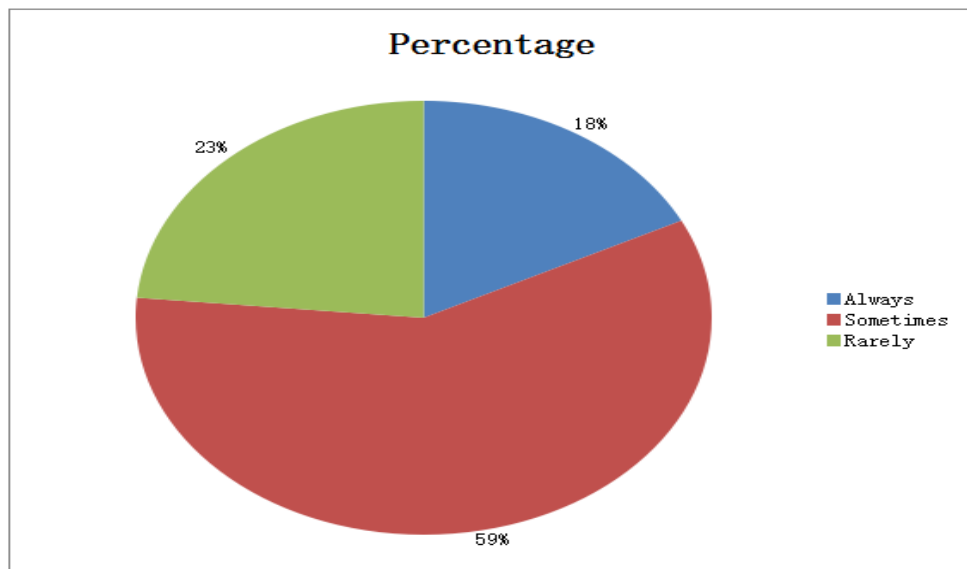
Source: Developed For Research

During cooking class, did students encounter any incidents such as burns, cuts, break stuff and etc.?



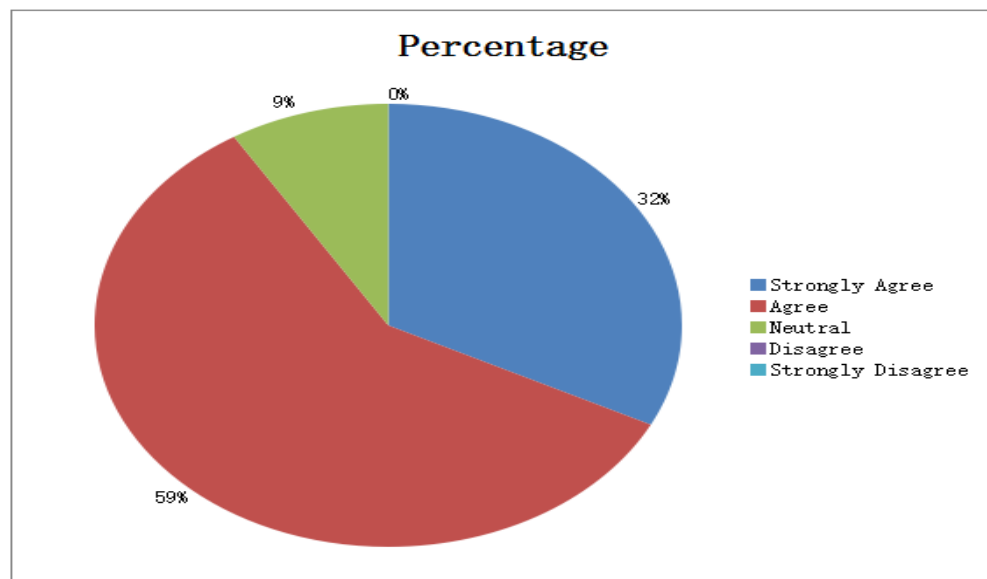
Source: Developed For Research

If Yes, how recently do students encounter these incidents?



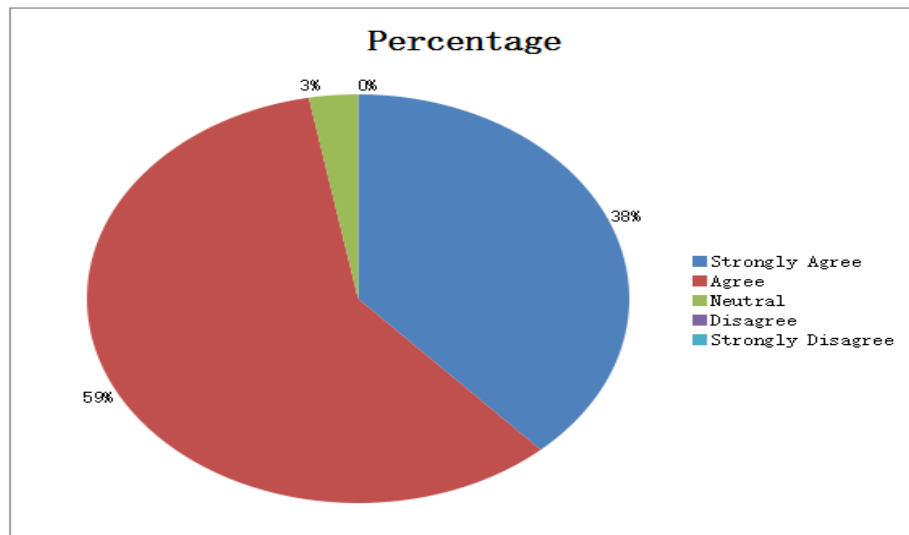
Source: Developed For Research

It would be convenience if there is a protective glove, which helps students prevent from getting cut or burn during cooking. [Please rate how much you agree or disagree with the statements.]



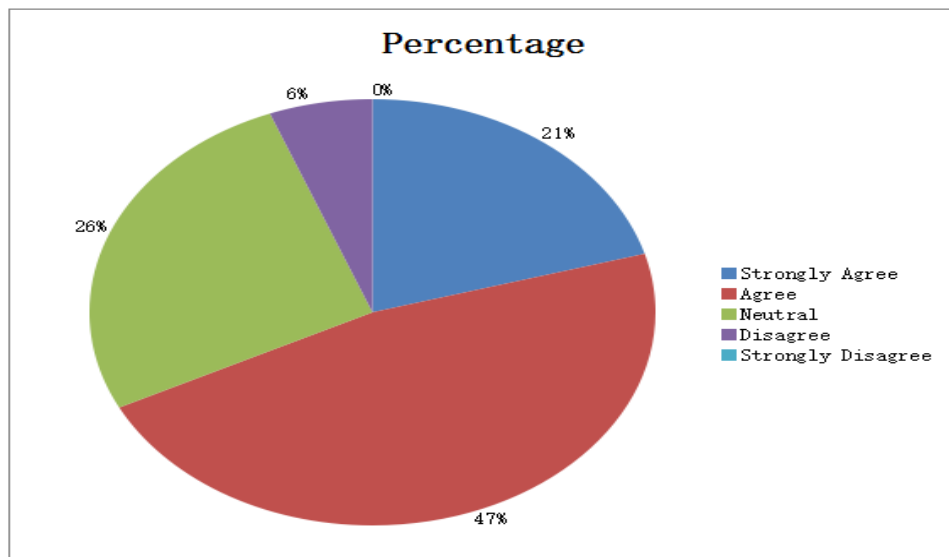
Source: Developed For Research

Concern about the safety surrounding at the kitchen area is important. [Please rate how much you agree or disagree with the statements.]



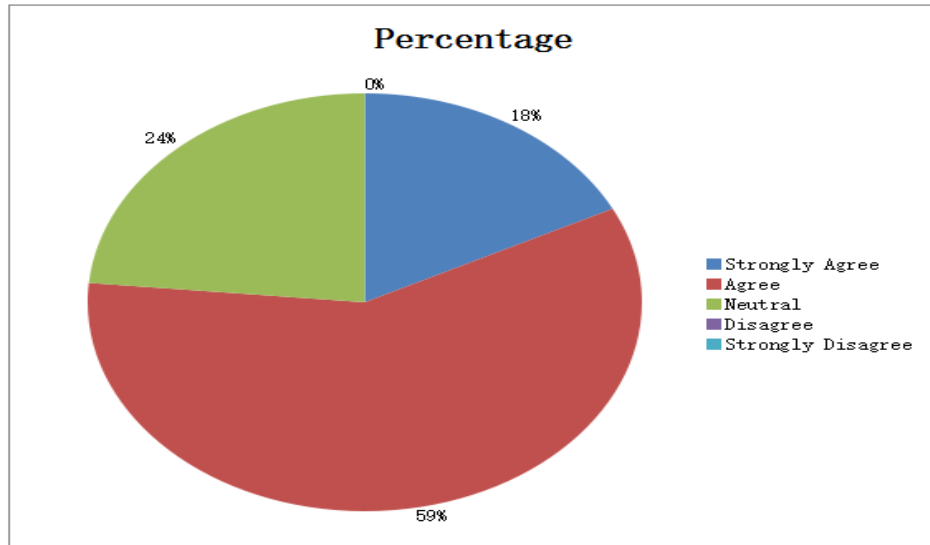
Source: Developed For Research

As a culinary school, do you think it is necessary to provide/purchase a safety product to protect students' safety? [Please rate how much you agree or disagree with the statements.]



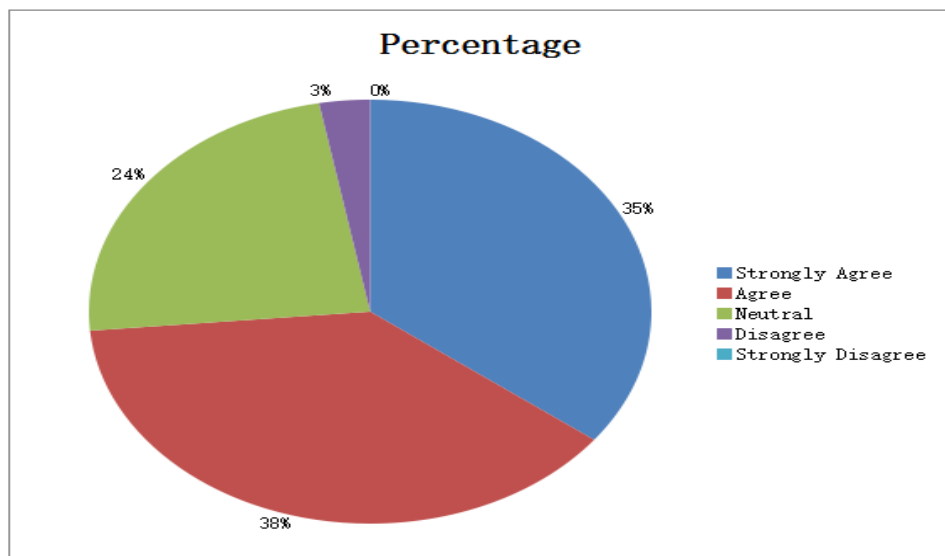
Source: Developed For Research

It is important that the protective gloves we provide are capable of solving students' problems or at least meet their needs. [Please rate how much you agree or disagree with the statements.]



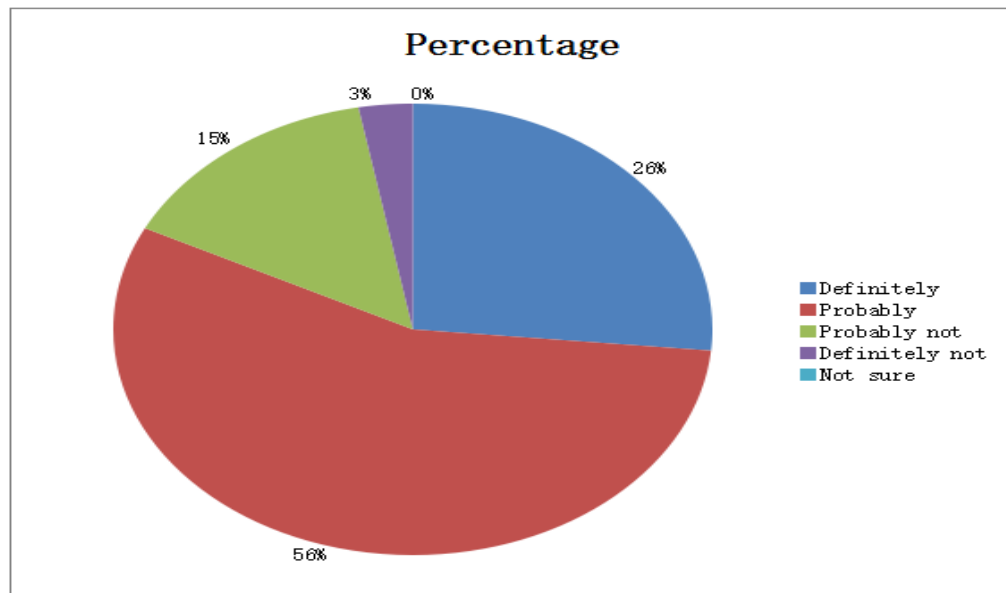
Source: Developed For Research

As a culinary school, we would likely to increase our purchase if discounts and allowances are given. [Please rate how much you agree or disagree with the statements.]



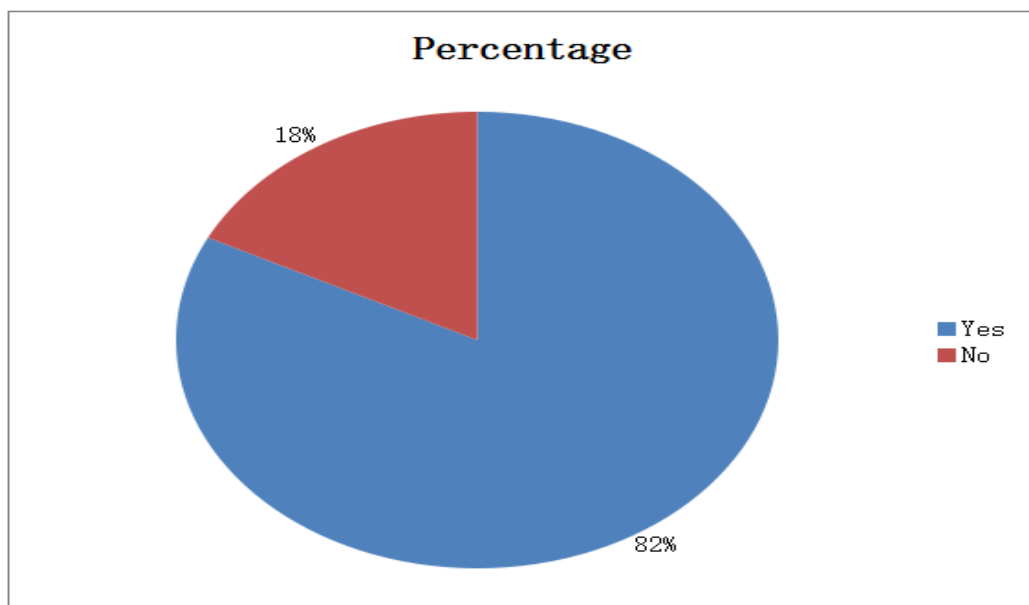
Source: Developed For Research

As a culinary school, are you willing to spend on a protective glove, which helps students prevent from getting cut or burn during cooking?



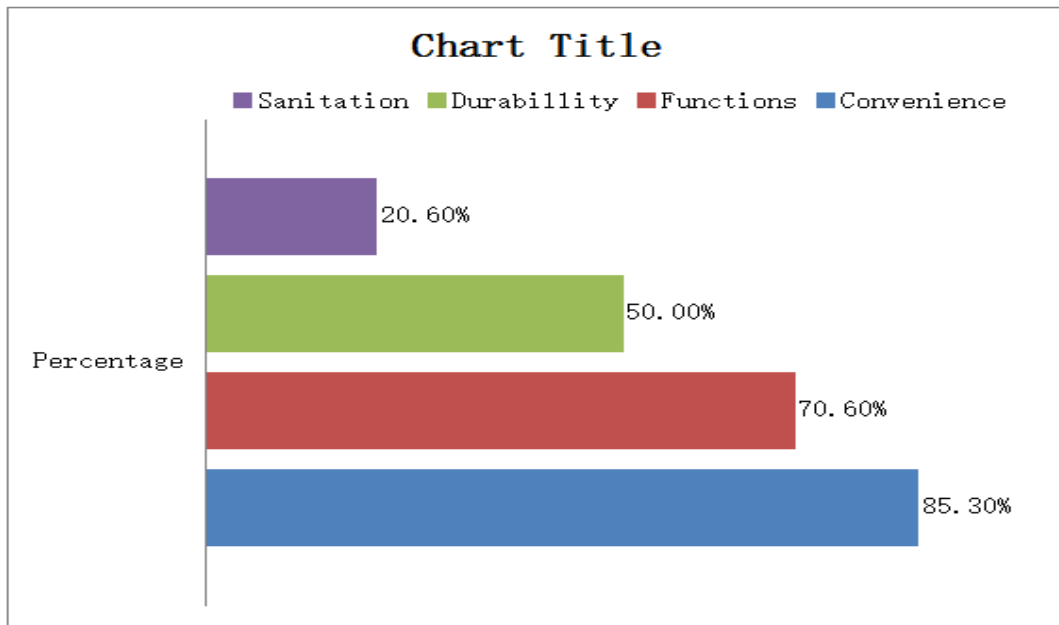
Source: Developed For Research

Would you recommend this protective glove to industry partners?



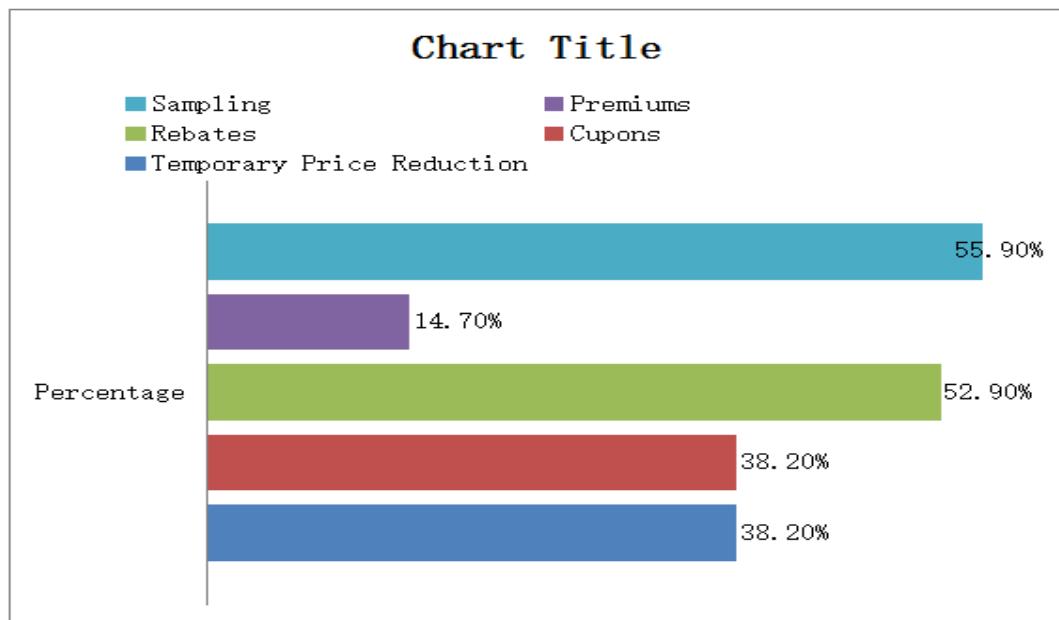
Source: Developed For Research

What is your expectation of a protective glove which use in the kitchen area?



Source: Developed For Research

As a culinary school, which of the following trade promotion is/are appealing to you?



Source: Developed For Research

Appendix 4: Code of Federal Regulations Title 21


U.S. Food and Drug Administration
 Protecting and Promoting Your Health

[A to Z Index](#) | [Follow FDA](#) | [En Español](#)

[SEARCH](#)

[Home](#) | [Food](#) | [Drugs](#) | [Medical Devices](#) | [Radiation-Emitting Products](#) | [Vaccines, Blood & Biologics](#) | [Animal & Veterinary](#) | [Cosmetics](#) | [Tobacco Products](#)

CFR - Code of Federal Regulations Title 21

[FDA Home](#) | [Medical Devices](#) | [Databases](#)

New Search [Help](#) | [More About 21CFR](#)

TITLE 21--FOOD AND DRUGS
 CHAPTER I--FOOD AND DRUG ADMINISTRATION
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 SUBCHAPTER B--FOOD FOR HUMAN CONSUMPTION (CONTINUED)
 PART 177 [INDIRECT FOOD ADDITIVES: POLYMERS](#)

Subpart A [Reserved]

Subpart B--Substances for Use as Basic Components of Single and Repeated Use Food Contact Surfaces

[§ 177.1010](#) - Acrylic and modified acrylic plastics, semirigid and rigid.
[§ 177.1020](#) - Acrylonitrile/butadiene/styrene co-polymer.
[§ 177.1030](#) - Acrylonitrile/butadiene/styrene/methyl methacrylate copolymer.
[§ 177.1040](#) - Acrylonitrile/styrene copolymer.
[§ 177.1050](#) - Acrylonitrile/styrene copolymer modified with butadiene/styrene elastomer.
[§ 177.1060](#) - n-Alkylglutarimide/acrylic copolymers.
[§ 177.1200](#) - Cellophane.
[§ 177.1210](#) - Closures with sealing gaskets for food containers.
[§ 177.1211](#) - Cross-linked polyacrylate copolymers.
[§ 177.1240](#) - 1,4-Cyclohexylene dimethylene terephthalate and 1,4-cyclohexylene dimethylene isophthalate copolymer.
[§ 177.1310](#) - Ethylene-acrylic acid copolymers.
[§ 177.1312](#) - Ethylene-carbon monoxide copolymers.
[§ 177.1315](#) - Ethylene-1, 4-cyclohexylene dimethylene terephthalate copolymers.
[§ 177.1320](#) - Ethylene-ethyl acrylate copolymers.
[§ 177.1330](#) - Ionomeric resins.
[§ 177.1340](#) - Ethylene-methyl acrylate copolymer resins.
[§ 177.1345](#) - Ethylene/1,3-phenylene oxyethylene isophthalate/terephthalate copolymer.
[§ 177.1350](#) - Ethylene-vinyl acetate copolymers.
[§ 177.1360](#) - Ethylene-vinyl acetate-vinyl alcohol copolymers.
[§ 177.1380](#) - Fluorocarbon resins.
[§ 177.1390](#) - Laminate structures for use at temperatures of 250 deg. F and above.
[§ 177.1395](#) - Laminate structures for use at temperatures between 120 deg. F and 250 deg. F.
[§ 177.1400](#) - Hydroxyethyl cellulose film, water-insoluble.
[§ 177.1420](#) - Isobutylene polymers.
[§ 177.1430](#) - Isobutylene-butene copolymers.
[§ 177.1440](#) - 4,4'-Isopropylidenediphenol-epichlorohydrin resins minimum molecular weight 10,000.
[§ 177.1460](#) - ~~Melamine-formaldehyde resins in molded articles.~~
[§ 177.1480](#) - Nitrile rubber modified acrylonitrile-methyl acrylate copolymers.
[§ 177.1500](#) - Nylon resins.
[§ 177.1520](#) - Olefin polymers.

CFR - Code of Federal Regulations Title 21

[FDA Home](#) [Medical Devices](#) [Databases](#)


New Search

[Help](#) | [More About 21CFR](#)

[Code of Federal Regulations]
 [Title 21, Volume 3]
 [Revised as of April 1, 2014]
 [CITE: 21CFR177.1480]

TITLE 21--FOOD AND DRUGS
 CHAPTER I--FOOD AND DRUG ADMINISTRATION
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 SUBCHAPTER B--FOOD FOR HUMAN CONSUMPTION (CONTINUED)

PART 177 -- INDIRECT FOOD ADDITIVES: POLYMERS

Subpart B--Substances for Use as Basic Components of Single and Repeated Use Food Contact Surfaces

Sec. 177.1480 Nitrile rubber modified acrylonitrile-methyl acrylate copolymers.

Nitrile rubber modified acrylonitrile-methyl acrylate copolymers identified in this section may be safely used as components of articles intended for food-contact use under conditions of use D, E, F, or G described in table 2 of 176.170(c) of this chapter, subject to the provisions of this section.

(a) For the purpose of this section, nitrile rubber modified acrylonitrile-methyl acrylate copolymers consist of basic copolymers produced by the graft copolymerization of 73-77 parts by weight of acrylonitrile and 23-27 parts by weight of methyl acrylate in the presence of 8-10 parts by weight of butadiene-acrylonitrile copolymers containing approximately 70 percent by weight of polymer units derived from butadiene.

(b) The nitrile rubber modified acrylonitrile-methyl acrylate basic copolymers meet the following specifications and extractives limitations:

(1) Specifications. (i) Nitrogen content is in the range 16.5-19 percent as determined by Kjeldahl analysis.

(ii) Intrinsic viscosity in acetonitrile at 25 deg. C is not less than 0.29 deciliter per gram as determined by ASTM method D1243-79, "Standard Test Method for Dilute Solution Viscosity of Vinyl Chloride Polymers," which is incorporated by reference. Copies may be obtained from the American Society for Testing Materials, 100 Barr Harbor Dr., West Conshohocken, Philadelphia, PA 19428-2959, or may be examined at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to:
http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

(iii) Residual acrylonitrile monomer content is not more than 11 parts per million as determined by gas chromatography.

(iv) Acetonitrile-soluble fraction after refluxing the base polymer in acetonitrile for 1 hour is not greater than 95 percent by weight of the basic copolymers.

(2) Extractives limitations. The following extractive limitations are determined by an infrared spectrophotometric method titled, "Infrared Spectrophotometric Determination of Polymer Extracted from Borex 210 Resin Pellets," which is incorporated by reference. Copies are available from the Center for Food Safety and Applied Nutrition (HFS-200), Food and Drug Administration, 5100 Paint Branch Pkwy., College Park, MD 20740, or available for inspection at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to:
http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Copies are applicable to the basic copolymers in the form of particles of a size that will pass through a U.S. standard sieve No. 6 and that will be held on a U.S. standard sieve No. 10:

(i) Extracted copolymer not to exceed 2.0 parts per million in aqueous extract obtained when a 100-gram sample of the basic copolymers is extracted with 250 milliliters of demineralized (deionized) water at reflux temperature for 2 hours.

(ii) Extracted copolymer not to exceed 0.5 part per million in n- heptane extract obtained when a 100-gram sample of the basic copolymers is extracted with 250 milliliters of reagent grade n- heptane at reflux temperature for 2 hours.

(c) Acrylonitrile copolymers identified in this section shall comply with the provisions of 180.22 of this chapter.

(d) Acrylonitrile copolymers identified in this section are not authorized to be used to fabricate beverage containers.

[42 FR 14572, Mar. 15, 1977, as amended at 42 FR 48544, Sept. 23, 1977; 47 FR 11843, Mar. 19, 1982; 47 FR 16775, Apr. 20, 1982; 49 FR 10109, Mar. 19, 1984; 54 FR 24898, June 12, 1989; 61 FR 14481, Apr. 2, 1996]

Page Last Updated: 09/01/2014

Note: If you need help accessing information in different file formats, see Instructions for Downloading Viewers and Players.


[Accessibility](#) | [Contact FDA](#) | [Careers](#) | [FDA Basics](#) | [FOIA](#) | [No Fear Act](#) | [Site Map](#) | [Transparency](#) | [Website Policies](#)

U.S. Food and Drug Administration
 10903 New Hampshire Avenue
 Silver Spring, MD 20993
 Ph. 1-888-INFO-FDA (1-888-463-6332)
 Email FDA

Combination Products
 Advisory Committees
 Science & Research
 Regulatory Information



U.S. Department of Health & Human Services

Appendix 5: Test Report of Protective Gloves



CTC Shanghai
5F Annex Dragon Pearl Plaza
2123 Pudong Avenue
Shanghai 200135, P.R. CHINA
ctcshanghai@ctcgroup.com

TEST REPORT

Report No.: SH80912-13



TESTING
CNAS L4577

May 22, 2013
Page 1/3

APPLICANT:

Pearl Glove (Malaysia) Sdn. Bhd.

Aaron Khoo

Plot 528, Tingkat Perusahaan 4B, Prati Industrial Estate,

Free Trade Zone, Prati, 13600 Penang Malaysia

Tel: 604-397 5868 / 604-399 4168

Fax: 604-397 4168

E-MAIL: aaron.khoo@pearlglove.com.my

Test(s) requested : — Product Category : — Product Type : —
 Sample description: HPPE / UHMWPE Cut Resistant Gloves Coated with Nitrile
 Style / Article no.: Robust™ / DY-NBR Buyer: —
 Ref No.: — Exported to: —
 Date of receipt of application form: May 15, 2013
 Date of receipt of sample: May 15, 2013
 End use: — Testing period: May 15, 2013 – May 22, 2013
 Number of sample(s): SEVERAL PAIRS OF SAMPLES Service required: REGULAR

1. Conclusion:

Testing	Result	Combine / Separate Test Item(s)	Failed Test Item(s)
Abrasion resistance	Level 4	(S01)	—
Blade cut resistance of glove	Level 5	(S01)	—
Tear resistance of glove	Level 4	(S01)	—
Puncture resistance of glove	Level 2	(S01)	—

Note: P: Pass F: Fail

Comments:

For the submitted sample, the Abrasion resistance of glove got level 4; the Blade cut resistance of glove got level 5; the Tear resistance of glove got level 4, the Puncture resistance of gloves got level 2 according to EN388 standard.

Approved by

Original Signed

Henry YAN
Lab Supervisor

The report is issued by CTC Shanghai under its General Conditions printed overleaf. The results shown in this report refer only to the sample(s) tested. Except by special arrangement, the test items will not be retained by CTC Shanghai for more than 6 months.
 The test report shall not be reproduced, except in full, without the written approval of the testing laboratory.
 China National Accreditation Service for Conformity Assessment (CNAS) has accredited this laboratory under the China National Accreditation Service for Conformity Assessment (CNAS) for specific laboratory activities as listed in the CNAS directory of accredited laboratories. The results shown in this report were determined by this laboratory in accordance with its terms of accreditation.



CTC Shanghai
5F Annex Dragon Pearl Plaza
2123 Pudong Avenue
Shanghai 200135, P.R. CHINA
ctcshanghai@ctcgroups.com

TEST REPORT

Report No.: SH60912-13



TESTING
CNAS L4577
May 22, 2013
Page 2/3

APPLICANT:
Pearl Glove (Malaysia) Sdn. Bhd.

2. Label(s) on the sample(s):

Sample(s)	Size	Style / Article no.:	Sub-sample(s)	Component(s)	Colour
(01)	—	Robust™ / DY-NBR	(a)	Palm	Black

3. Sample(s) description assigned by laboratory:

Test Item	Sample(s)	Combine / Separate sub-sample(s)
(S01)	(01)	(a)



4. Testing result:

4.1 EN 388

TEST METHOD		Test item(s)	Requirement	P/F	
		(S01)			
1	Blade cut resistance of glove *	Index (I)			
	(EN 388:2003 §6.2)				
	Sequence	Test 1	Test 2		
	1	52.5	59.2		
	2	56.5	65.7		
	3	52.0	51.7		
	Average (I):	53.6	58.9		
	Lowest average value (I) :	53.6		---	
	Performance Level :	5		---	---
	2	Tear resistance of glove *			
(EN 388:2003 §6.3)					
Lowest value of four tests (N):		108	---		
	Performance Level :	4	---	---	
3	Puncture resistance of glove *				
	(EN 388:2003 §6.4)				
	Lowest value of four tests (N):	83	---		
	Performance Level :	2	---	---	
4	Abrasion resistance of glove *				
	(EN 388:2003 §6.1)				
	Lowest value of four tests :	>8000	---		
	Performance Level :	4	---	---	

* Refer to the below page for details of the performance level of glove.

Note: P: Pass F: Fail

The report is issued by CTC Shanghai under its General Conditions printed overleaf. The results shown in this report refer only to the sample(s) tested. Except by special arrangement, the test items will not be retained by CTC Shanghai for more than 6 months.
The test report shall not be reproduced, except in full, without the written approval of the testing laboratory.
China National Accreditation Service for Conformity Assessment (CNAS) has accredited this laboratory under the China National Accreditation Service for Conformity Assessment (CNAS) for specific laboratory activities as listed in the CNAS directory of accredited laboratories. The results shown in this report were determined by this laboratory in accordance with its terms of accreditation.



CTC Shanghai
5F Annex Dragon Pearl Plaza
2123 Pudong Avenue
Shanghai 200135, P.R. CHINA
ctcshanghai@ctccorp.com

TEST REPORT

Report No.: SH80912-13



TESTING
CNAS L4577
May 22, 2013
Page 3/3

APPLICANT:
Pearl Glove (Malaysia) Sdn. Bhd.

Table of Performance Level for Glove

Test Item	Performance Level					
	0**	1	2	3	4	5
Abrasion Resistance (EN 388:2003 §6.1) Number of cycles (minimum)	< 100	100	500	2000	8000	—
Blade Cut Resistance (EN 388:2003 §6.2) Index (I) (minimum)	< 1.2	1.2	2.5	5.0	10.0	20.0
Tear Resistance (EN 388:2003 §6.3) Force (N) (minimum)	< 10	10	25	50	75	—
Puncture Resistance (EN 388:2003 §6.4) Force (N) (minimum)	< 20	20	60	100	150	—

** Performance level 0 means the glove fails below the minimum performance level for the given individual hazard.

- End of report -

The report is issued by CTC Shanghai under its General Conditions printed overleaf. The results shown in this report refer only to the sample(s) tested. Except by special arrangement, the test items will not be retained by CTC Shanghai for more than 6 months. The test report shall not be reproduced, except in full, without the written approval of the testing laboratory. China National Accreditation Service for Conformity Assessment (CNAS) has accredited this laboratory under the China National Accreditation Service for Conformity Assessment (CNAS) for specific laboratory activities as listed in the CNAS directory of accredited laboratories. The results shown in this report were determined by this laboratory in accordance with its terms of accreditation.

Appendix 6: Defect Report

DEFECT REPORT																																										
ORDER NO:	DATE:	VEHICLE NO:																																								
<div style="display: flex; justify-content: space-between; margin-bottom: 20px;"> <div>DAILY CHECK</div> <div>√ BOX IF APPLICABLE</div> </div> <div style="margin-bottom: 20px;"> <u>BOXES</u> </div> <div style="margin-bottom: 20px;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1. ANY DAMAGE TO THE BOX</td> <td style="width: 10%; text-align: center;">[</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: center;">]</td> </tr> <tr> <td>2. CORRECT AMOUNT OF BOXES DELIVERED</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> <tr> <td>3. MISSING OF ITEMS IN THE BOXES</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> </table> </div> <div style="margin-bottom: 20px;"> <u>GLOVES</u> </div> <div style="margin-bottom: 20px;"> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1. ANY TORNAGE ON THE GLOVES</td> <td style="width: 10%; text-align: center;">[</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: center;">]</td> </tr> <tr> <td>2. IRREGULAR SIZES OF THE GLOVES</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> <tr> <td>3. FADING COLOR OF THE GLOVES</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> <tr> <td>4. BROKEN PART OF BUTTON ON THE GLOVES</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> <tr> <td>5. MISSING OF GLOVES IN THE PACKAGING</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> </table> </div> <div> <u>PROTECTIVE GUARD</u> </div> <div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1. SCRATCHES ON THE PROTECTIVE GUARD</td> <td style="width: 10%; text-align: center;">[</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: center;">]</td> </tr> <tr> <td>2. BROKEN PART OF BUTTON ON THE GUARD</td> <td style="text-align: center;">[</td> <td></td> <td style="text-align: center;">]</td> </tr> </table> </div>			1. ANY DAMAGE TO THE BOX	[]	2. CORRECT AMOUNT OF BOXES DELIVERED	[]	3. MISSING OF ITEMS IN THE BOXES	[]	1. ANY TORNAGE ON THE GLOVES	[]	2. IRREGULAR SIZES OF THE GLOVES	[]	3. FADING COLOR OF THE GLOVES	[]	4. BROKEN PART OF BUTTON ON THE GLOVES	[]	5. MISSING OF GLOVES IN THE PACKAGING	[]	1. SCRATCHES ON THE PROTECTIVE GUARD	[]	2. BROKEN PART OF BUTTON ON THE GUARD	[]
1. ANY DAMAGE TO THE BOX	[]																																							
2. CORRECT AMOUNT OF BOXES DELIVERED	[]																																							
3. MISSING OF ITEMS IN THE BOXES	[]																																							
1. ANY TORNAGE ON THE GLOVES	[]																																							
2. IRREGULAR SIZES OF THE GLOVES	[]																																							
3. FADING COLOR OF THE GLOVES	[]																																							
4. BROKEN PART OF BUTTON ON THE GLOVES	[]																																							
5. MISSING OF GLOVES IN THE PACKAGING	[]																																							
1. SCRATCHES ON THE PROTECTIVE GUARD	[]																																							
2. BROKEN PART OF BUTTON ON THE GUARD	[]																																							

- | | |
|-----------------------------------|----------|
| 3. IRREGULAR SIZES OF GUARD | [] |
| 4. MISSING OF A PART ON THE GUARD | [] |

REMARKS

QUANTITY OF DEFECT ITEMS:

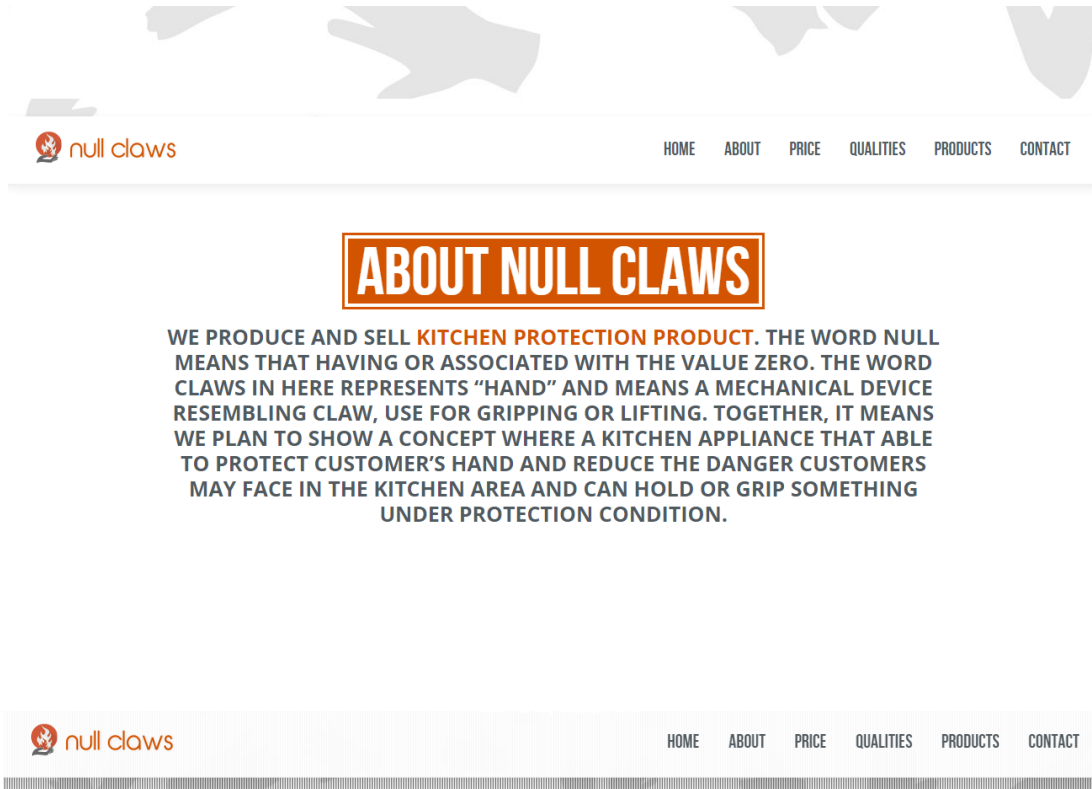
QUANTITY OF DELIVERED ITEMS:

PERSON IN CHARGE OF THE DELIVERY:

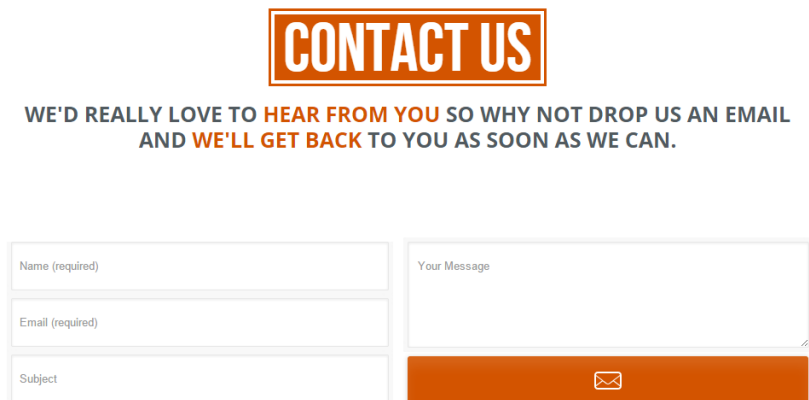
SIGNATURE:

Appendix 7: Company Website, YouTube Channel, and Facebook Page

Company Website

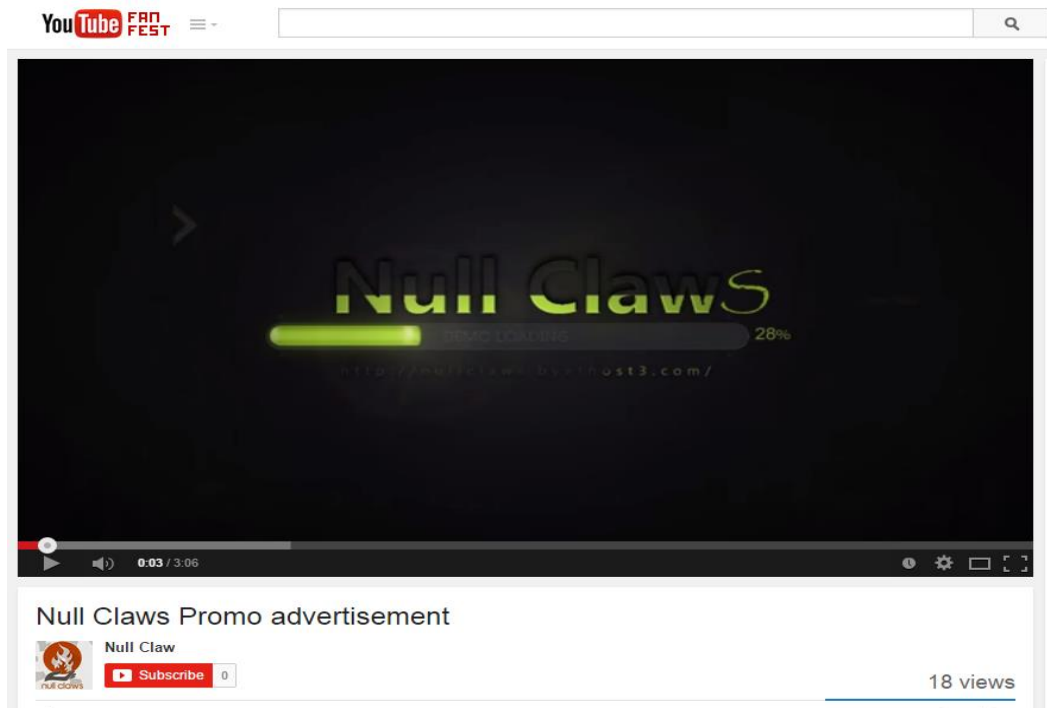


The screenshot displays the 'ABOUT NULL CLAWS' page of the company website. The header features the 'null claws' logo on the left and a navigation menu with links for HOME, ABOUT, PRICE, QUALITIES, PRODUCTS, and CONTACT on the right. The main content area has a large orange-bordered box with the title 'ABOUT NULL CLAWS'. Below this, a paragraph explains the company's mission: 'WE PRODUCE AND SELL KITCHEN PROTECTION PRODUCT. THE WORD NULL MEANS THAT HAVING OR ASSOCIATED WITH THE VALUE ZERO. THE WORD CLAWS IN HERE REPRESENTS "HAND" AND MEANS A MECHANICAL DEVICE RESEMBLING CLAW, USE FOR GRIPPING OR LIFTING. TOGETHER, IT MEANS WE PLAN TO SHOW A CONCEPT WHERE A KITCHEN APPLIANCE THAT ABLE TO PROTECT CUSTOMER'S HAND AND REDUCE THE DANGER CUSTOMERS MAY FACE IN THE KITCHEN AREA AND CAN HOLD OR GRIP SOMETHING UNDER PROTECTION CONDITION.'

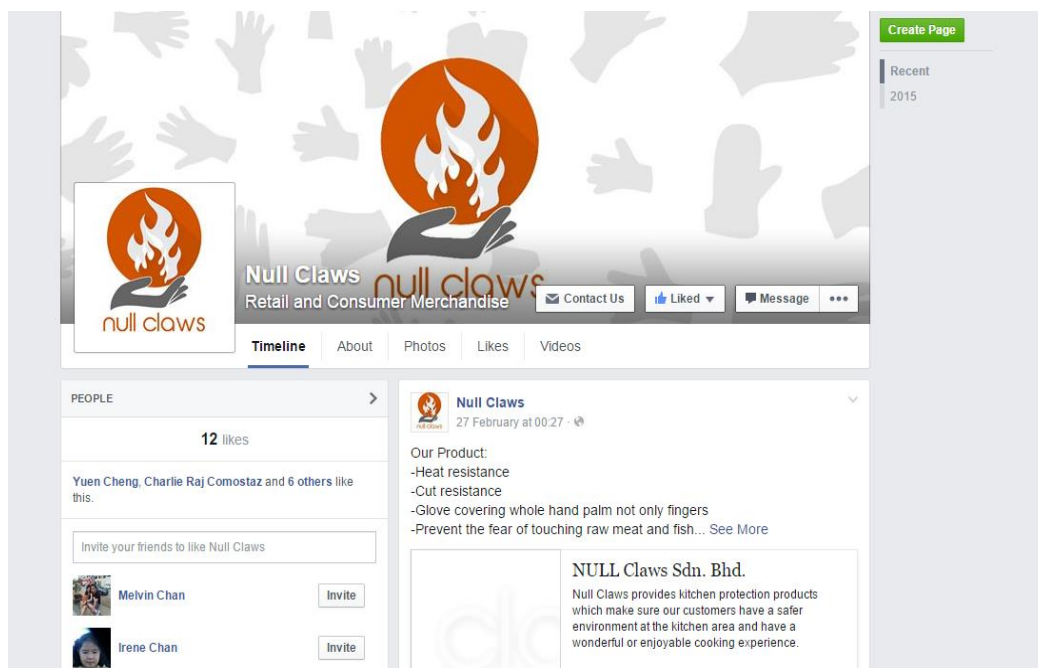


The screenshot displays the 'CONTACT US' page of the company website. The header is identical to the previous page. The main content area features a large orange-bordered box with the title 'CONTACT US'. Below this, a paragraph states: 'WE'D REALLY LOVE TO HEAR FROM YOU SO WHY NOT DROP US AN EMAIL AND WE'LL GET BACK TO YOU AS SOON AS WE CAN.' At the bottom, there is a contact form with three input fields on the left: 'Name (required)', 'Email (required)', and 'Subject'. To the right of these fields is a larger text area labeled 'Your Message'. A prominent orange button with a white envelope icon is positioned at the bottom right of the form.

YouTube Channel



Facebook Page



Appendix 8: Business Registration Form

15

PENDAFTARAN PERNIAGAAN		
*MAKLUMAT PEMILIK (Isikan nama seperti di dalam MYKAD/MYPR)		
NAMA PEMILIK	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
NO. MYKAD/MYPR	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
TARIKH LAHIR	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
KERAKYATAN	<div style="display: flex; justify-content: space-between;"> <div> WARGANEGARA <input type="checkbox"/> PENDUDUK TETAP <input type="checkbox"/> </div> <div> <small>(Nyatakan negara asal)</small> </div> </div>	
BANGSA	<div style="display: flex; justify-content: space-between;"> <div> MELAYU <input type="checkbox"/> CINA <input type="checkbox"/> INDIA <input type="checkbox"/> </div> <div> LAIN-LAIN <input type="checkbox"/> <small>(Nyatakan bangsa)</small> </div> </div>	
ALAMAT KEDIAMAN	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
BANDAR	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
POSKOD	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
NO. TELEFON	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
PENGESAHAN PEMILIK TUNGGAL/RAKAN KONGSI		
<small>(Dijelaskan setiap pemilik tanggungjawab kongsi mengikut butiran dan menandatangani ibu jari kanan di atas bonang ini)</small>		
<small>Saya/kami yang bertandatangan di bawah mengesahkan semua kenyataan yang dibuat dalam bonang ini adalah benar dan mengesahkan bahawa saya/kami adalah pemilik tunggal/rakan kongsi bagi perniagaan ini.</small>		
BIL.	NAMA DAN NO. MYKAD/MYPR	TANDATANGAN/CAP IBU JARI KANAN
TARIKH PERMOHONAN <div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>		
UNTUK KEGUNAAN PEJABAT <small>Saya adalah Orang Yang Bertanggungjawab (OYB) menyerahkan butir pendaftaran perniagaan yang dinyatakan di atas.</small>		
BIL.	NAMA DAN NO. MYKAD/MYPR	TANDATANGAN/CAP IBU JARI KANAN

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 No :
7. The nature of the business carried on or to be carried on by the company :
8. (a) Name of promoters :

<u>Name</u>	<u>I/C No.</u>
(i)	
(ii)	

(b) Other comments :

NOTE :

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

Use additional sheets if necessary.

Form 48A

P.U. 173/88
COMPANIES REGULATIONS, 1988
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, 1966
(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 have 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 consent to act as director of..... (Nama Syarikat) .

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 abovenamed 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 / 1996:s.13]

Copyright © PNMS-LawNet, 2006. All rights reserved.

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)

Copyright © PHMB-LawNet, 2008. All rights reserved.

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]

Copyright © PNMB-LawNet, 2008. All rights reserved.

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*

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

MANAGERS AND SECRETARIES*

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

<https://www.ssm.com.my/eda/efcom/mind/pua0173y1966sc070.htm>

1/2

£ 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) 10 / 1980:s.13]

Copyright © PHMB-LawNet, 2008. All rights reserved.

[illegible]

- page 147 of 154

Form TM 5

INTELLECTUAL PROPERTY CORPORATION OF MALAYSIA
 TRADE MARKS REGISTRY
 TRADE MARKS ACT 1976
 TRADE MARKS REGULATIONS 1997
 APPLICATION FOR REGISTRATION OF A MARK
 [Subregulation 18(1)]

TM 5

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 trade marks under section 24, please specify the number of series in this box:

Note: Any application made for a series of trade marks exceeding two trade marks 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.)

.....

<p>4. Class:</p>
<p>5. List of goods or services: <i>(Goods or services falling within more than one international class are subject to separate applications. Please use a separate sheet if necessary.)</i></p> <p>.....</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p>6. Full name and address of applicant:</p> <p>Name :</p> <p>Address :</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>NRIC No./Company Registration No./Passport No.:</p> <p><i>(as a personal reference number)</i></p> <p><i>If the applicant is a partnership, please state the full names of all the partners.</i></p> <p><i>If the applicant resides abroad, please provide an address for service in Malaysia (Column 7).</i></p>
<p>7. Full name and address of agent (if any):</p> <p>Name :</p> <p>Address :</p> <p>.....</p> <p>.....</p> <p>.....</p> <p><i>Note: If this is the address for service, please file Form TM 1 together with this Form.</i></p>
<p>8. Agent's Registration No. (if known):</p>
<p>9. Agent's own reference:</p>

<p>10. International Convention priority claim: <i>If priority date is claimed under International Convention or a bilateral arrangement, please give details below and attach the relevant documents.</i></p> <p>Convention country in which the trade mark was first filed:</p> <p>Date: No. (If any):</p>
<p>11. Date of first use of the mark in Malaysia (If any):</p>
<p>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.</p> <p>An agent signing this Form on behalf of the applicant shall satisfy himself as to the truth of the declaration.</p> <p>Signature:</p> <p>Name of signatory (In block letter):</p> <p>Telephone No.: E-mail:</p> <p>Date:</p> <p><i>Note: If the applicant is a partnership, please state the full names of all the partners.</i></p>

IN THE MATTER of the *Trade Marks Act, 1976* and
the *Trade Marks Regulations, 1997*

and

IN THE MATTER of application for the Registration of
a Mark in Malaysia.

STATUTORY DECLARATION

I _____ (a), [NRIC No. _____ (b)] of full age and care of
_____, (c).

Malaysia, do solemnly and sincerely declare that:

- 1) I am _____ (d) (Company Registration No. _____ (e), Malaysia
(hereinafter referred to as the "Applicant") and I am duly authorized to make this Statutory Declaration on behalf of the
Applicant. The facts deposed herein are true to the best of my knowledge, information and belief.
- 2) The Applicant is the bona fide proprietor of the mark, a representation of which appears below and the Applicant is
entitled to be registered as the proprietor of the same in Class(s) _____.

(representation of trademark)

3) The Applicant hereby appoints _____ of _____ to be the Trade Mark
Agents for the filing, prosecution and registration of the above mark and all other matters related thereto.

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

Subscribed and solemnly declared by the)
abovenamed, _____)

this day of _____)

At _____)

Before me,
Commissioner for Oaths

- a. insert name of declarant
- b. I.C. or passport number
- c. insert address of declarant
- d. insert designation of declarant
- e. insert name of company

Appendix 10: Total Utilities Fees

1st Year

	Jan	Feb	Mac	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Electricity	300	300	300	300	300	315	315	315	315	320	320	320	3720
Water Bill	12	12	12	12	12	12	12	14	14	14	14	14	154
Phone Bill	90	90	90	90	90	100	100	100	100	110	110	110	1180
Internet Bill	150	150	150	150	150	150	150	150	150	150	150	150	1800
Total	580	597	571	552	552	577	577	579	579	594	594	594	6854

2nd Year


	Jan	Feb	Mac	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Electricity	325	325	325	325	325	330	330	330	330	335	335	335	3950
Water Bill	14	14	14	14	14	14	14	15	15	15	16.12	16.12	175.24
Phone Bill	110	110	110	110	110	110	110	110	110	110	120	120	1340
Internet Bill	150	150	150	150	150	150	150	150	150	150	150	150	1800
Total	599	599	599	599	599	604	604	605	605	610	621.12	621.12	7265.24

3rd Year

	Jan	Feb	Mac	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Electricity	340	340	340	340	350	350	350	350	360	360	360	360	4200
Water Bill	16	16	16	16	16	16	17	17	17	18	18.05	18.1	201.15
Phone Bill	120	120	120	120	120	120	130	130	130	130	130	130	1500
Internet Bill	150	150	150	150	150	150	150	150	150	150	150	150	1800

Appendix 11: Proof of Finding Supplier

Supplier Company Stamp and Signature

 **UNIVERSITI TUNKU ABDUL RAHMAN**
Wholly Owned by UTAR Education Foundation (Company No. 578227-M)

11th December 2014

To Whom It May Concern

Dear Sir/Madam

Permission to Conduct Survey

This is to confirm that the following students are currently pursuing their *Bachelor of Business Administration (Hons) Entrepreneurship* program at the Faculty of Business and Finance, Universiti Tunku Abdul Rahman (UTAR) Perak Campus.

I would be most grateful if you could assist them by allowing them to conduct their research at your institution. All information collected will be kept confidential and used only for academic purposes.

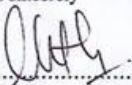
The students are as follows:


<u>Name of Student</u>	<u>Student ID</u>
Khor Chia Sing	11ABB05138
Chan Zhi Cheng	11ABB02750
Charles Ronald Raj A/L Dorairaj	09ABB06954
Siew Jing Yee	11ABB01271
Wan Pei Ling	12ABB04086

If you need further verification, please do not hesitate to contact me.

Thank you.

Yours sincerely


.....
Mr Oon Kam Hoe
Head of Department,
Faculty of Business and Finance
Email: oonkh@utar.edu.my


.....
Cik Nur Syaheeda Binti Aziz
Supervisor,
Faculty of Business and Finance
Email: syaheeda@utar.edu.my

Address: 9, Jalan Bersatu 13/4, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia Postal Address: P O Box 11384, 50744 Kuala Lumpur, Malaysia
Tel: (603) 7958 2628 Fax: (603) 7956 1923 Homepage: <http://www.utar.edu.my>

Pictures of Us with Protective Glove Supplier

