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Introduction

The name of the business is "regaNET Technologies Cyber Cafe". The nature of business is Cyber Cafe. We will mainly provide service to public whereas they are given access to "Personal Computer" to complete their preferred task with a small service charge in hourly basis. The computers can be used for purpose of surfing Internet, doing projects or assignment and even to play computer games. Else than giving access to computer, we also will provide extra services related to technologies which described more detailed on "Working Strategies" This is a sole proprietorship which is owned by only one person named Regan Rajan. The business will be located at Taman Puchong Intan.

Mission

Our main mission is to provide an effective and saving way for customers to use computer on their desired way. We will provide highest number of computer and a large space for customers to use computer according to their need comfortably. Our large number of computers will promise "No waiting" for customer to use computer. They can walk in and use the computers whenever they need. We will provide best service and the price is reasonable for customers.

Vision

Our vision is to provide much larger space and increase the numbers of computers. We will move forward to increase our branches and provide more reliable service for customer with full of technology support.

Objective

Our objective of coming up with this brilliant idea is to save people's time and money. We know that all the time worth of cash and we clear in our concept to provide best service. Else than that, we want people to have large working space with a familiar and easy environment which encourages more people to use computer.

Operational Plan

The business will be developed by own. Developing a business is preferred better than acquiring other's business. This is because Cyber Cafe is highly related to technology as the computer need to be very up to date with recent technologies installed. If another Cyber Cafe is acquired, their computers will be old and not up to date causing it to work slowly and wasting the time of our customers. People now days are rushing toward time and very careful to not waste their time in waiting a computer to load slowly. And we personally believe that people will rush toward time and business should rush toward technology so the customers will chase you to do business with as long as your up to date technology saves their time. The customer will be returning when they are happy and satisfied with our fast and good service. Else than that, acquiring a business and updating the old stuffs to new one will cost high and it is a waste to do so. We will be having only a limited capital and very careful in utilizing our funds in the best manner that will be profitable for the business and not wasting our funds.

Business Location Analysis

The business is planned to be developed at Taman Puchong Intan. This location was careful analyzed. In this location, there is no other Cyber Cafe. This location is very near and close to LDP Highway. The road opposite the business location is connecting straight to LDP Highway. This makes the road to be busy and vehicles passes by very actively. This is an advantage for the business as the business will get free public exposure and advertisement as many people pass by the road and will see the our Sign Board. The attractive part is, most school busses pass by this road to approach the highway and the business place is exposed to student's view and they will definitely drop a visit when they need to use computers for their projects/assignment or to play games.

The school bus was mentioned in here because in Taman Puchong Intan, 62 percent of the population is school students while 13 percent is College and Higher Institute students. Most of the people are teenagers aged around 12 to 24 and they are being highly targeted as our potential customers. The location is getting more population as new apartment is being built at the North side of Taman Puchong Intan. The increasing numbers of houses are promising a very strategic place for our business. Besides that, the

income stream for people in this area is very around RM 1400 to RM 8,000. And the household income is predicted as RM 4,000. This shows that the people here are capable to pay for our service and it will not bother them to pay our charge per hour basis.

In the environment analysis, the business location has adequate parking space and road connecting to LDP Highway and Puchong Indah. Our distance from competitors is fairly right. More detailed view of our competitor's location is included in "Competitors Analysis" page.

Working Strategic

Our main business is to provide computer access to people who need to use computer for their own task either to surf internet, play games, type documents, and work on project papers or assignment. The charge for all the activities are similar whereas RM 3.00 per hour. The major different of our business compared to our competitors is that we are more advanced into technology and we are more saving in the term of time. What we mean by the word "save of time" is there will be no wasting of extra time.

Normal concept of Cyber Cafe is, people pay for an hour and use the computer and walk away. If they paid for one hour and accessed the computer to do their task for 40 minutes, and they walk away means they have just wasted their money worth for the rest 20 minutes. And we are strict that we want to save our customer's money. In our concept, the person will walk in and pay for one hour computer access (RM3.00) and we will load one hour (60 minutes) computer access to a Smart Card and hand it out to the customer. The customer can simply sit on any available computer in our premise and insert the Smart Card into its reader. This will start the countdown for the user. If he or she used the PC for 40 minutes only, the rest 20 minutes will still available in the Smart Card. So, did he waste his extra 20 minutes? Absolutely not because he can still walk in any time later and insert the Smart Card and use our computer for the rest 20 minutes that is available for him. His or her money, RM 3.00 is really worth and fully used for one hour.

This is our strategic of doing business and encourages our customers to return to us because when they have balance access time in their card, sure they will return to use it and there are a lot of chances that they will purchase more access time. Our customers

will not walk away to our competitors. In the term of arranging our customers, we do request our customers to buy the Smart Card before they can actually start using our service. The Smart Card is named "regaNET Access". The card is sold for RM 5.00. This will give us a chance to calculate our total customers up to date based on total sold cards.

Pricing List of our Products and Services

   a) Services

- Computer Access (per hour)   RM   3.00
- Black & White Printing (per page)   RM   0.50
- Color Printing (per page)   RM   1.50
- Full color Printing (per page)   RM   2.00
- Document Scanning – Image Format   RM   1.50
- Document Scanning – OCR Editable Format   RM   3.50
- Photo Scanning – 3R (per photo)   RM   2.00
- Photo Scanning – 5R (per photo)   RM   4.50
- Document Copying (Photostat per page)   RM   0.10
- Document Faxing within State (per page)   RM   1.00
- Document Faxing within Malaysia (per page)   RM   2.50
- Document Faxing International (per page)   RM   5.50
- Burning Documents/Files into CD-R/CD-RW   RM   4.00

   b) Products

- regaNET Access (per Smart Card)   RM   5.00
- Floppy Disk (per unit)   RM   1.00
- Compact Disc Recordable : CD-R (per unit)   RM   2.00
- Compact Disc Rewritable : CD-RW (per unit)   RM   8.00
- Thumb/Pen Drive 128MB (per unit)   RM   66.00
- Thumb/Pen Drive 256MB (per unit)   RM   99.00
- Thumb/Pen Drive 512MB (per unit)   RM 188.00

Our Strength

First of all, no one can deny that we will be equipped with high number of computers that will be our main strength as we will never put our customer in a situation to wait for a computer to be available. They walk in and access the computer then simply walk out with satisfaction. Our Cyber Cafe will be first in this Puchong area to provide Group Discussion rooms for our customers to come as a group and sit in a room and discuss about their work without disturbance. Our concept of "Save the time" will be appreciated by our customers whereas there are given access time worth of their money. And they will definitely walk in again happily to get our services.

Our Weakness

Our competitors are nearly located to our customer targeted area. What we mean here is our customers around Puchong Intan, Puchong Indah and Puchong Perdana can be easily exposed to our competitors within this area. The business itself has an weakness in its strategic whereas the "regaNET Access" card system is new and people are not used to it. Loading your money into card and use the access time anytime is seemed to be very interesting method and very strategic but not to deny that this is the first time a Cyber Cafe will be giving a try to this method. This unusual method maybe confusing to our customer and there is also a chance for them to feel uneasy to follow this new method although it's promising on saving time and money. Besides that, one of our basic step to access our computers is the customer got to have a 'regaNET Aceess' card with him. If he does not have it, then he needs to buy it for RM 5. This seemed to be a little heavy price for school students that we are targeting as our main customers. However, we have a much planned marketing style that can help us to overcome this problem within a short period. Our business strength will definitely helps us to overcome these weaknesses and our future will be bright opening for more new services and products.

Our Opportunity

This seemed to be very benefiting us as our opportunity is very bright because our main targeted customers are students. In our business location, the student population is high as students need to spend lots of their time with computers. Either they to do their

project works or play games for time pass, regaNET Techologies Cyber Cafe is the right place for them. Most students handed out with projects or assignments that need to be completed with help of books or computers. Student prefers digital library rather than the classic library because they know that seeking through books will take lot of their time while alternatively surfing through internet and searching for articles is much faster. People now days are willing to spend their money to save their time. Our business will take this opportunity to grow better than ever as time goes by.

Market Trend

The current market style for Cyber Cafe businesses is, people walk in pay money and use computer then walk out. But our business is turning it trendy whereas, people walk in and use computer then walk out. The only rule is they must have adequate access time before using the computer and they can buy the access time in advance. In another point of view, this service style is also known as prepaid service. All they need to do is pay money and load access time and have it along with them as they walk in to use the computer. As you can analyze the current market, Prepaid Style is current trend of market which being loved mostly by teenagers and students who is our business's main targeted customer. They believe Prepaid Style saves their money better than the other option. This trend was started up by Prepaid Mobile Phone Line (Celcom^{TM}), and followed up by Prepaid Fixed Phone Line (Telekom^{TM}), Prepaid Internet Service (TM Net^{TM}), Prepaid Toll Payment System (Touch 'n Go), and now regaNET Technologies Cyber Cafe introduces its Prepaid Computer Access Time. We are eager in developing more trendy services and products that can attract more customer to do business with us in future to ensure our coming days as successful days.

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^{TM} Trade Mark (TM) of Respected owners and/or organizations

Competitors Analysis

Our main competitor which is almost close to our Business area is "Indah Cyber Cafe". They are located at Puchong Indah which is neighbour location of Puchong Intan (our business area). In their service, the Gaming Computers and Internet Computers are separated. And the price is also varies for both as for gaming they charge RM 2.50 and for internet they charge RM 3.00. The main disadvantage of their business is they are having very limited space which makes their users uneasy to walk in. The second is, their computers is very limited as only 16 computers available at a time and 8 of it is Gaming computer and the rest 8 of it is Internet computer. Customers find it annoying to wait for their turn to use the pc and very unhappy that they do not getting access to the computer immediately when they need it. Third disadvantage is they have separated the Gaming Computers with Internet Computers which have limited their numbers of computer unexpectedly being a trouble for customers.

Second competitor is located at Puchong Perdana and their business name is "Puchong Perdana Cyber Cafe". Talking about this competitor, first disadvantage of them is their price which is not similar and not reasonable for current market as they charge RM 3.50 for per hour. Advantage of them is, they allow internet surfing and playing game on same computer. They have total of 20 computer arranged in their premises. They might be looking very attractive. But at the root of their service, they provide very poor service as their computers break down so often. And each time of our visit, at least 5 of their computers will be out of order and not accessible by customers. Most customers complained that their computers crashes down while they are using it to type important document or prepare need data which do not have back-up. And when the computer crashes middle of their work, the business is not providing any liability. They promise no guarantee for your working data and no option for money back or service replacement when the unexpected situation happens. Many potential users stay away from this competitor as they know the bad side of this business. It is predicted that soon the business will be going lost if they do not recover their weakness.

Third competitor is located at Puchong Perdana also named "Vicra Computer Centre". They do not call it as a cyber cafe but it's actually a learning centre. After knowing the weakness of "Puchong Perdana Cyber Cafe", the owner of "Vicra Computer

Centre" had opened their door for people to access internet through their computers with a reasonable charge of RM 3.00 per hour. All activity such as typing documents, browsing internet, and emailing is allowed but gaming activity is strictly not allowed. The disadvantage of their business in the term of Cyber Cafe is, they do not have adequate computers as they only provide 5 computers to access internet.

Business Equipments and Arrangement

Needed equipments,

1) 40 Computers:
   - o 5 Computers for Discussion Room 1
   - o 5 Computers for Discussion Room 2
   - o 5 Computers arranged straight at right side
   - o 5 Computers arranged straight at left side
   - o 10 Computers arranged rounded at center
   - o 1 Computer for Black & White Printing
   - o 1 Computer for Color Printing
   - o 1 Computer for Photo scanning
   - o 1 Computer for Document scanning
   - o 1 Computer for CD-R/CDRW Burning
   - o 1 Computer for East Reception
   - o 1 Computer for West Reception
   - o 1 Computer for Manager Room
   - o 2 Computer kept spare for Back-Up purpose
2) 1 Internet Server Gateway
3) Photostat Machine
4) Fax Machine
5) Network stuffs including Hub and Cables
6) 2 Ceiling Air Conditioner (2 Horse Power)
7) Furniture

Arrangement,
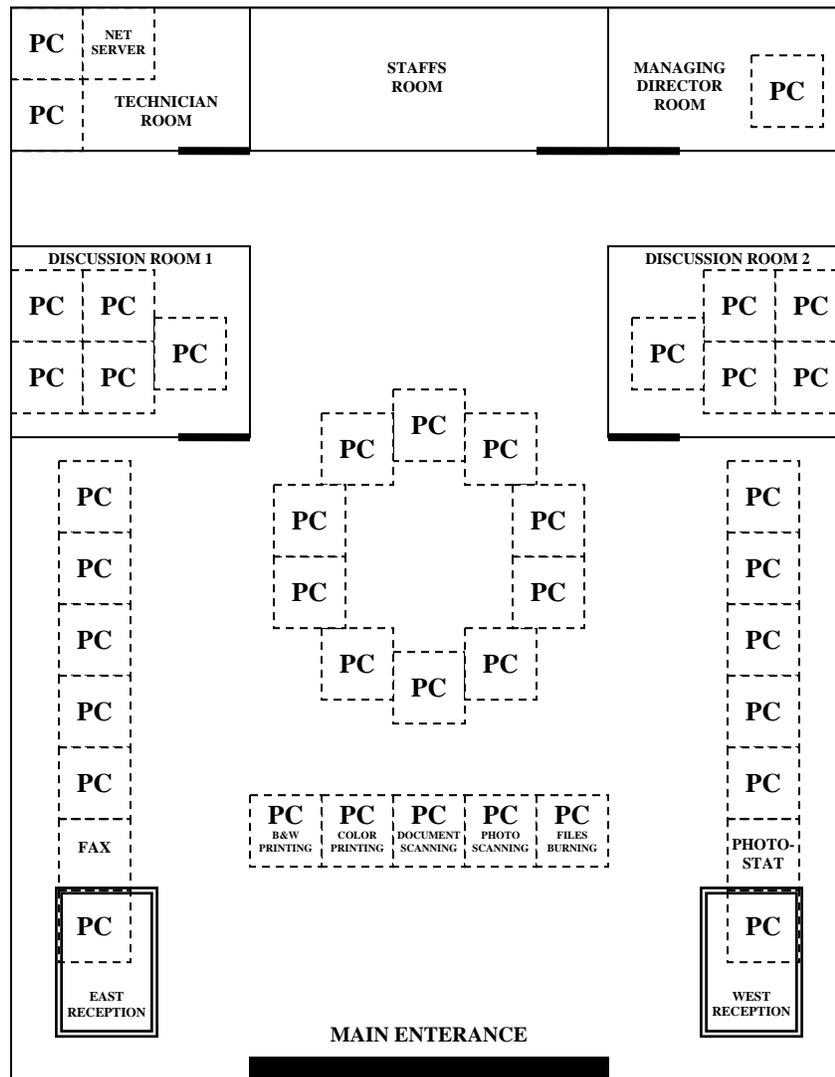
Marketing Plan

As described detailed before, our main customer target area is Taman Puchong Intan. The area is small and houses are arranged in good order. Therefore, we prefer to distribute pamphlets around this area, to every house in this housing area. This is the most effective and cost saving way to advertise. We are very careful in not over floating the advertisement by investing much on advertisement. We want our capital to be invested in very good manner to avoid any wasting either in marketing and advertisement sections.

While for areas out of Puchong Intan, we believe that we will get enough exposure and publicity normally without doing any advertisement. This is because; our location is naturally strategic whereas the road is connecting straight to LDP Highway. And most often, vehicles around Puchong Intan, Puchong Indah, ,Puchong Perdana and Puchong Permai passes by the route to approach LDP Highway as the road has no traffic lights blocking or slowing their route. Peoples here prefer this route better than other routes because most of them not willing to wait at traffic lights in the alternative routes. People passes by this route will definitely get to know that our Cyber Cafe exist at Pcuhong Intan and they will drop by to access computer when they need.

Basically to use our computers, customers need to buy the regaNET Access smart card. The cost of this card is RM 3.00 and we are planning to sell it at price of RM 5.00. But this will be an advantage for our business because people not willing to buy a card for RM5.00 to access a computer for one hour which cost them another RM3.00. So, we want to turn this disadvantage into advantage by taking a risk. We will be providing these smart cards at price of RM 1.00 for limited time to our first 500 customers. The business will expend the number if we managed to get the customers within a short period. 'First 500 customers will get offer to buy the regaNET Access card for RM1.00 and not RM5.00'. Doesn't it sound interesting? Our organization knows this as the best trick to encourage people to rush in to do business with us. Anyway, by giving these 500 cards at price of RM 1.00 each, the business actually losing RM2.00 net cost per card. Estimated lost of RM 1,000.00 by giving this free offer, but the business itself is fully capable of recovering this lost amount when the first 500 customers do business with us. Losing RM2.00 and getting RM3.00 is logic to recover our lost and this lost is just for the first business we do with them. For the next hours, when the customers pay another RM3.00, this money will be our solid profit. In general, this marketing step is fully risky and much needed for our business to promise a long run in this Cyber Cafe business. Our future is clear, at the same time the risk is also clear.

Besides this, we also plan to give away free access time for our royal customers. This step is to encourage our customers to continue doing business with us. For customers who had bought access time of 24 hours, we will award them with bonus access time of 1 hour. So, when they bought their 24th hour access time, the system will

automatically load another 1 hour into their card. The bonus is for every 24th hour of their purchase. The bonus will repeat as they continue to do business with us. Based on our calculation, giving one hour free access time worth of RM 3.00 for every 24th hour purchase will defiantly not lose the computer in the term of fund. 24 x RM 3.00 = RM 72. Awarding the money RM 3.00 back to customer after the business gained RM 72.00 from the customer is not a hassle for the company. It is a logic math calculation.

We will be implementing this marketing styles and tricks to ensure our business continues going well in great manner and promising a very bright future for our business developments.

Financial Plan

List of needed capital for equipments, furniture, and expenses,

✧ Computer[1]	40 Units	RM	60,000.00	
✧ Internet Server Gateway	1 Unit	RM	3,000.00	
✧ Black & White Printer	1 Unit	RM	500.00	
✧ Color Printer	1 Unit	RM	1,500.00	
✧ Scanners	2 Units	RM	1,000.00	
✧ Photostat Machine	1 Unit	RM	2,700.00	
✧ Fax Machine	1 Unit	RM	700.00	
✧ 2.0 Horse Power ceiling Air-Cond	2 Units	RM	3,400.00	
✧ Network[2]	All settings	RM	1,000.00	
✧ regaNET Access Application	1 license	RM	1,300.00	
✧ Furniture	Complete Set	RM	12,000.00	
✧ regaNET Access Smart Card	500 Units	RM	1,500.00	
✧ Storage Products[3]	Adequate Units	RM	1,500.00	
✧ Internet Access from TM Net	1 Connection	RM	660.00	/month
✧ Predicted Utilities Charge		RM	1,500.00	/month
✧ Workers salary	4 Staffs	RM	4,000.00	/month
✧ Technician salary	1 Staff	RM	1,300.00	/month
✧ Premise Rental		RM	1,500.00	/month
Total Estimated Cost		**RM**	**99,060.00**	
All computer equipments (Trade Loan 1)		RM	66,000.00	
All electrical equipments (Trade Loan 2)		RM	6,800.00	
Furniture (Trade Loan 3)		RM	12,000.00	
One time Expenses (Owner's Capital)		RM	5,300.00	
Predicted Monthly Expenses (Term Loan)		RM	8,960.00	
Total Capital		**RM**	**99,060.00**	

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[1] Computer's Unit price is RM 1,500 (including Smart Card reader and all needed hardware & license)
[2] Network settings including all cabling works and arrangement
[3] Storage products such as Floppy disk, CD-R, CD-RW, and Thumb/Pen Drives for sales

Arrangement of loan,

The business's total needed capital is RM 99,060.00. regaNET Technologies Cyber Cafe has its own way to arrange this sum of fund. The company will request for trade loan from 3 distributors, apply for term loan with bank and the owner, Regan Rajan, himself will bring down his own capital into this business.

The first trade loan will be applied for all computer equipments such as computers, printers, scanners, and internet server gateway. The distributor that we will this trade loan from is "Sri Computers". Their price list is attached at the reference section of this document. The Sri Computers will provide a trade loan of RM 66,000.00 by providing us all computers equipments.

The second trade loan will be requested for all electrical equipments such as fax machine, Photostat machine, and air conditioners. The loan provider is "Mars Copier" who is leading distributor for Photostat and Fax Machines here locally in Puchong. They will be providing the equipments including Air Conditioner for the business estimated price of RM 6,800.00. The business will be capable to pay monthly for this trade loan for the term of 5 years in total. Trade loan was selected as best option for this because the business wanted to decrease its "Term Loan" amount.

The third trade loan is for all the furniture set in the business premise. The cost of all the premises is calculated as RM 12,000.00. This loan will be provided to our business by "Courts Mammoth". It is a leading firm for furniture purchases through monthly installation which is trade loan.

The business will be capable to pay monthly for these trade loans for the term of 5 years in total. Trade loan was selected as best option for this because the business wanted to decrease its "Term Loan" amount. If these amount was put to Term Loan, the total term loan amount will be very high and there is lots of chances for the bankers to refuse to provide the Term loan.

For the one time expenses such as Network Settings, regaNET Application license, storage products, and regaNET Access Smart Cards, the owner Regan Rajan will turn him own capital down to this business. This ensures the owner has his own contribution of capital in starting up this business. These expenses are calculated as RM

5,300.00 and this much of money will be the owner's own money turned to this business as capital.

On the other hand, for the predicted monthly expenses such as Internet access fee, utilities charges, workers salary, technician salary, and rental of premise, a term loan will be applied. The total monthly expenses for one month are computed as RM 8, 960.00. Making the figure round to RM 10,000.00 by adding another RM 1,040.00 as liquid cash for the immateriality cash transactions such as small amount of stationery and worker's added allowance. The monthly expenses are calculated as RM 10,000.00 for the business. The business is predicted to be stably established within 3 months of the business launch. These 3 months is predicted as an enough period for the customer to get used to our new innovative style of Cyber cafe (regaNET Access Time using Smart Card). In conclusion, the total expenses for the first 3 months are RM 30,000.00. Therefore the business will be applying for term loan for the amount of RM 30,000.00 from respected banks.

In general, the trade loans and term loans was separated and planned carefully because the business is very strict in collecting the capital fund effectively using the available adequate resources. We want to decrease the load of loans on this business by applying loans from more than one loan providers.

Conclusion

With adequate cash flow and perfectly planned working strategies together the marketing techniques, it is clear to us that this will be a profiting business in long run. The business said to be an long run business because we will never lose our customers and we are promised that customers will return back to us to do business with us as long as we are capable of providing new innovative services and products. Anyway, the business is not a short run business because the customers need an enough time to get used to this new style of accessing computer and the business it self need an adequate period of time for it to exposure the capability of the business in term of moving into more trendy styles.

Soft Copy

The soft copy is attached in a Compact Disc (CD) below.

Reference

Brochures, Pamphlets, quotations, and price list collected from our suppliers are attached together in next few pages. It includes map of Puchong Intan for location analysis.