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Lampshades

Feasibility Study. Prepared by
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The points of view expressed in this study reflect the author opinion.

Summary

The present study examines the feasibility of a lampshade manufacturing business to be located in a Lebanese village or small town.

Family members could participate in the business. For example, the wife or other family members could help in gluing, ironing, sewing, purchasing the materials, etc...

The initial investment required for the equipment and working capital amounts to 3 394 \$US. In the study, we considered a loan of 2 000 \$US, while the remaining 1 394 \$US are invested by the owner.

The projections are conservatively estimated based on possible market demand. The results show a net income of 4 219 \$US in the first year or 352 \$US per month growing to around 9 780 \$US in the fifth year or 815 \$US.

A best-case scenario is developed considering higher sales growth rates and higher turnovers. In this case, the net income increases to 5 419 \$US in the first year or 452 \$US per month and grows to around 12 948 \$US in the fifth year or 1 079 \$US.

A worst-case scenario shows a net income of 2 328 \$US or 194 \$US per month during the first year and growing to 4 355 \$US in the fifth year or 363 \$US.

The study shows that the business could be a highly profitable family business. In order to achieve satisfactory profitability, there are important success factors such as the talent and skills of the owner, the quality of service, good finishing of the lampshades, and competitive pricing, etc...