



Institut Libanais de Développement Économique & Social
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Mosaics

Etude de faisabilité préparée par
Nada Boulos, économiste.

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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 mosaics business to be located in a Lebanese village or small town.

Family members could participate in this business. For example, the wife, son or daughter could help in cutting the stones, setting them and/or gluing them, or following up with clients, etc...

The initial investment required for the equipment and working capital amounts to 2 876 \$US. In the study, we considered a loan of 1 500 \$US, while the remaining 1 376 \$US are invested by the business owner.

The projections are conservatively estimated based on average market levels. The results show a net income of 5 045 \$US, or 420 \$US per month, in the first year growing to around 10 806 \$US, in the fifth year, or 900 \$US per month.

A best-case scenario is developed considering higher turnovers and growth. Moreover, in this scenario, it is assumed that the premises are owned by the investor and thus there is no rent expense. In this case, the net income increases to 9 321 \$US in the first year or 777 \$US per month and grows to around 19 630 \$US in the fifth year or 1 636 \$US per month.

A worst-case scenario with lower sales turnover and growth shows a net income of 2 003 \$US or 167 \$US per month during the first year and growing to 4 119 \$US in the fifth year or 343 \$US per month.

The study shows that the business could be a profitable and sustainable family business. There are important success factors such as the skills, talent and creativity of the mosaic artisan, the quality of service, public relations, establishing good channels of distribution for example, through furniture or art galleries, and competitive pricing.