

CHALK MAKING: THE FEASIBILITY REPORT

INTRODUCTION

Chalk making is an industry full of opportunities due to growing demand for chalk. Chalk is used in schools and colleges for writing on blackboards; it is also used by tailors, carpenters and furniture makers, surveyors, construction workers, fabricators etc. It is relatively easy to make chalk in large quantity because the start-up costs and the requirements are not overwhelming. Chalk making is a viable project and the profitability is very for the discerning investors.

DESCRIPTION OF THE PROJECT

The project is a small scale manufacturing unit. The chalk making facility can be located anywhere in Nigeria the needed raw materials are readily available in the market at affordable prices. It is a practical business that can be done anywhere with no special skills and training; the project is not affected by power failure or lack of electricity and fuel scarcity because power or electricity is not needed to produce chalk. Chalk making can be done full-time as an entrepreneur or on a part-time basis.

MARKET DESCRIPTION

Chalk making industry in recent time is showing great signs of growth and improvement with increased demand for chalk. Availability of raw materials, low start-up capital, low risk of production, high demand for chalk and good market potential are some of the factors that contribute to the sustained growth of the industry. With a population of over 180 million people and schools (primary, secondary, tertiary, vocation, continuing education centre etc) scattered everywhere the demand for chalk is expected to double in no time.

PRODUCT DESCRIPTION

Chalk is a porous sedimentary carbonate rock, soft and white. It is made by combining Plaster of Paris (POP) and Calcium Carbonate in the right proportion and formulation. Coloured chalk is made by adding water-soluble colour to the formulation. To produce chalk you need a Chalk Mould which is a hollow container into which the liquid solution is poured to give chalk when it hardens. You also need packaging materials in the form of branded cartons or nylon bags to package the chalk.

PROJECT FINANCE

240 holes rubber chalk mould with clamps = N35,000

Plaster of Paris (POP) 40kg = N2150

Calcium Carbonate 25kg = N750

Empty Packet = N18

350g of POP and Calcium Carbonate = 300 sticks of chalk

3kg of POP and 1kg of Calcium Carbonate = 3600 sticks of chalk

40kg of POP and 13.33kg of Calcium Carbonate = 48000 sticks of chalk

ORGANIZATION PLAN

The chalk making business is usually a sole proprietorship business with one single owner who owns and runs the business and is personally responsible its day-to-day activities. He oversees the production function, marketing function, personnel management function and other miscellaneous functions in the organization. Only the business owner can start making the chalk and as the business grows more workers can come in. No license is required to produce chalk but as your business grows you may want to register it.

MARKETING PLAN

The marketing strategies should involve identifying the customers, how you will market to them, how you will connect with them and attract sales. The main

users of chalk are schools, colleges, institutions etc. effort will be made to sell directly to these main users. Market women and men, retailers, wholesalers and bookshops will also be targeted. We intend to compete favourably with our competitors by appropriately pricing our products and ensuring good quality control.

FINANCIAL MANAGEMENT

Funds for this project will be sourced from personal savings. Profits generated will be re-invested into the project for sustained growth and expansion. Financial assistance and low-interest loans will be sourced from Bank of Industry, cooperative societies and other financial institutions. Adequate steps will be taken to prevent employee theft which is the largest contributor to loss for most small businesses. External theft like break-ins, robberies and other acts by outside sources will be controlled and measures put in place to check financial losses.

CONCLUSION

From this report it can be seen that chalk making is a viable and profitable business. It can be done full-time or part-time; it is good for opportunity seekers, pensioners, investors, civil servants, young graduates and people looking for extra source of income.