

LR RICE RETAILING

COLLEGE OF ECONOMICS, MANAGEMENT AND
DEVELOPMENT STUDIES

An Enterprise Development Project
Submitted to the Faculty of the
College of Economics, Management
and Development Studies
Cavite State University
Indang, Cavite

APPROVED:

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Date

In partial fulfillment
of the requirements of the degree of
Bachelor of Science in Business Management
(Major in Marketing)



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LR rice retailing
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ABSTRACT

LASTIMOSO, CANDELARIO AND RODERNO, RODERICK, LR Rice Retailing: An Enterprise Development Project, Bachelor of Science in Business Management Major in Marketing, Cavite State University, Indang, Cavite, March 2000. Adviser: Mrs. Ma. Corazon Buena.

The enterprise, LR Rice Retailing, was established by Candelario L. Lastimoso and Roderick V. Roderno at Mahogany Market, Tagaytay City from October 15, 1999 to February 15, 2000 in order to apply the skills and gained knowledge in business management to actual business situation. Specifically, it aimed to identify and adopt the marketing strategies in the operation of rice retailing and dealership; determine the profitability of distributing and retailing of rice grains; and identify problems encountered in the operation of the project and suggest possible solutions.

An initial capital of P45,000.00, was equally shared by the partners for the four-month operation. About P34,400.00 was allocated for the purchase of various classes of rice such as Super Maharlika, Pure Sinandomeng, Long Grain, St. Isidore and Red Baron, which have been offered for store retailing and non-store retailing or dealership. The remaining capital was used for materials and equipment amounting to P4,050.00, P2,850.00 for operational expenses and P3,700.00 for emergency funds.

The entrepreneurs decided to add some basic grocery items to attract more customers and generate more income. In the second month of operation, entrepreneurs spent P4,465.00 for the grocery items. The money was taken from the profit gained from rice during the first month of operation. Partners realized that adding some basic grocery items was effective.

During the four months of operation, the project spent a total of P274,600.00 for 287 cavans of rice and P14,965.00 for grocery goods. The sales was P312,964.00 for rice and P12,788.00 for grocery goods with a gross profit of P44,778.00. The operating expenses amounted to P21,950.00 realizing a net income of P23,113.00. The return on investment (ROI) was 51 percent which indicates that for every P1.00 worth of capital invested, there was a return of 51 centavos for the four months of operation. Moreover, the return on assets 34 percent was obtained which means that for every P1.00 worth of capital invested, there was a return on asset of 34 centavos for the four-month operation.

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