

Ologu - home accessories

Design products, richly crafted, fairly traded

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Product

An attractive product, seducing, something you 'need' to have when you see it. Or something to give as a present. Something to remember. Ologu's style is distinguishing, a match (or clash?) of pure design and precious crafts, cutting edge. The total range consists of 3 product groups with about 30 products each:

- living: products to live with, to feel at home with; a mix of big and small items; from vase to sidetable
- table: products to enjoy, regardless of the food; from teapot to spoon
- personal: products to carry with you at all times; from bag to notebook

Market and Customers

Ologu's consumer is a demanding and conscious shopper, making specific choices, shopping from a discount level to the luxury segment. Expressing his identity through things he surrounds himself with. More and more aware of sustainable issues. Market researchers describe similar values for the fast growing group 'Cultural Creatives'. The home accessories market in the Netherlands is about €1,1 billion, with an average expenditure of around €320 per household per year.

Competition

Competitors are all (brands in) home accessories in the high segment of the market. Competition is predominantly on style and reputation (of the brand, the shop or the designer). Sustainability is an upcoming issue in this market, fair trade is hot. It is seen as added value, though hardly any sustainable of fair trade brand exists in the high segment. But new initiatives are started. Some are backed by media and celebrities. In fashion some brands are successfully growing. In home accessories and design products the initiatives are mainly very young or small. The established fair trade sector has a traditional reputation in the market and has difficulties changing this. Big retail chains are looking for ways to show their social responsibility in their assortment.

Competitive Advantage

The concept of Ologu is unique, combining European design and crafts from various cultural backgrounds, combining products and stories. Its style is exclusive, valuable and consistent in all products and promotion. The positioning is in the high segment of the market, where products and brands are chosen for their style, reputation, stories. Fair trade is an added value for customers. It's one of the driving forces for Ologu.

Innovation

The design, brand and commercial approach coupled with valuing the crafts techniques and fair trade background of the producers is an innovative approach in this sector.

Growth Strategy

Selling an exclusive range of products through high end retailers establishes Ologu as a high quality design brand. The aim is to generate a positive result and next to that to attract bigger customers to start cooperating on private label activities. These activities will be on a slightly lower level in the market. They generate a bigger and more steady order flow and better financial results, even though margins will be smaller.

Development Impact

Ologu opens up a market for fair trade crafts producers, to make their businesses grow, be independent and provide income to workers and community. By developing products jointly, based on their special crafts, their unique skills are highlighted and valued. Environmentally the production processes should not be harmful to the local environment, but the first focus is on the social side: generating income so producers can improve their living standards themselves.

Key Facts	
Financing Need	\$180.000
Country	Ghana
Sector	Manufacturing - home decorations
Stage	Established
Year of Establishment	2006

	2007	2008	2009	2010
Sales	\$10.000	\$20.000	\$50.000	\$650.000
Net profit after tax	\$2.400	\$5.100	\$13.500	\$189.000

Number of employees	2	4	8	20

Investments needed:	
Fixed Assets Purchases	\$60.000
Working Capital	\$120.000
Total Financing Need	\$180.000
How to be financed:	
Own Contribution	\$20.000
Loans (debt)	\$60.000
External Share Capital	\$100.000
Grant(s) / Other sources	\$0

Entrepreneur & Management

Peter Carl is very experienced in the sector of design and lifestyle products, also in a fair trade context. He knows the sector from various roles: entrepreneur, consultant, designer. He is founder, general and creative director of Ologu. The team will also have a commercial/sales person, a manager finance and operations and a person for buying and logistics. As designer and consultant Peter has developed innovative products and brand concepts with excellent sales results for various companies. Advised producers and exporters in developing countries on how and what to sell on the European market. As entrepreneur he founded a company that develops, imports and sells custom made corporate gifts from fair trade producers.

This vast experience plus Peter's ambition and commitment to Ologu are a good starting point. Qualified and enthusiastic team members are indispensable and will be searched soon.

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