

**Rouhollah
Mojtahedzadeh¹⁾**

1) Faculty of Management,
Multimedia University,
Cyberjaya, 63100, Malaysia
E-mail: rll_mojtahedzadeh@
yahoo.com

ENTREPRENEURSHIP AND CONCEPTUAL BUSINESS PLAN IN IRAN

Abstract: *This paper presents a model to conduct an empirical study on Business Plan in Iran. A business plan is a formal statement of a set of business goals. Developing Conceptual business plan for the specific case study is the main of this study. Any investment opportunity needs a good and real research which should be in different categories of market, economy and finance issues. This research will give an overview to the entrepreneur which will be the investor of the company to decide better. It is hoped that this paper can provide an academic source for both academicians and managers due to investigate the conceptual Business Plan in Iran.*

Keywords: *Entrepreneurship; Business Plan; Iran; Business Plan in Iran*

1. ENTREPRENEURSHIP

1.1 Definition/ characteristics

The act of an entrepreneur is called entrepreneurship which is undertaking the risk of an unknown new business or developing part of a mature existing organization to transform innovations to economic goods. The word entrepreneur is originally from French language, and it was used for French leaders of military expedition during 16th century. According to Oxford English Dictionary, entrepreneur is a person who undertakes an enterprise as an intermediary contractor between labor and capital for production. An entrepreneur identifies a new opportunities for business and exploit it through organizing all the existing resources to accomplish an output which effects the interaction of the existing sector. The first use of this word in economy was by Richard Cantillon referring an economic activity in late 17th century. By his translation, an entrepreneur is a person who buys factor services at certain price with a view for selling its products at

uncertain prices. According to Jean Baptist Say, a French economist, an entrepreneur is an agent who unites the factors of production and then he finds the value of the productions, the reestablishment of the entire capital that he employs, the value of wages, the interest and the rent which he should pay, as well as his profits. He may or may not supply capital but he must have judgment perseverance, and the knowledge of the business world; as well as possessing the art of superintendence and administration. (*Guide to Management Ideas and Gurus*, Tim Hindle, *the Economist*)

This element has great potentials to accelerate economy growth and reduce unemployment through job creation and self-employment opportunities. As many other elements in economy, entrepreneurship's effects and importance is more visible in developing countries than developed countries. In the 20th century, the understanding of entrepreneurship owes much to the work of economist Joseph Schumpeter in the 1940s and other Austrian economists such

as Carl Menger, Ludwig von Mises and Friedrich von Hayek. In Schumpeter, an entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation.

Entrepreneurship employs what Schumpeter called "the gale of creative destruction" to replace in whole or in part inferior innovations across markets and industries, simultaneously creating new products including new business models. In this way, creative destruction is largely responsible for the dynamism of industries and long-run economic growth. The supposition that entrepreneurship leads to economic growth is an interpretation of the residual in endogenous growth theory and as such is hotly debated in academic economics. An alternate, description posited by Israel Kirzner suggests that the majority of innovations may be much more incremental improvements such as the replacement of paper with plastic in the construction of a drinking straw.

For Schumpeter, entrepreneurship resulted in new industries but also in new combinations of currently existing inputs. In this case the innovation, the car, was transformational but did not require the development of a new technology, merely the application of existing technologies in a novel manner. For Schumpeter, the entrepreneur did not bare risk: the capitalist did. For Frank H. Knight (1921) and Peter Drucker (1970) entrepreneurship is about taking risk. The behaviour of the entrepreneur reflects a kind of person willing to put his or her career and financial security on the line and take risks in the name of an idea, spending much time as well as capital on an uncertain venture. Knight classified three types of uncertainty.

- Risk, which is measurable statistically (such as the probability of drawing a red color ball from a jar containing 5 red balls and 5 white balls).
- Ambiguity, which is hard to measure statistically (such as the probability of

drawing a red ball from a jar containing 5 red balls but with an unknown number of white balls).

- True Uncertainty or Knightian Uncertainty, which is impossible to estimate or predict statistically (such as the probability of drawing a red ball from a jar whose number of red balls is unknown as well as the number of other colour balls).

A.P. Asher: specialization or division of labor necessitates an entrepreneurial function the crux of which is to coordinate different economic activities, this view on entrepreneurship was very narrow and it reduced the entrepreneurship activities to no more than a managerial function. According to David Ricardo, a contemporary of J.B. Say: the foremost motive of a risk taker is to amass capital and capital accumulation is economic development. J.S Mill viewed the word entrepreneur as organizer who was paid for his non-manual type of work. According to him, extra ordinary skills acted as the bedrock in production process that ought to be possessed by the entrepreneur.

F.B. Hawley, 1882, contemplated risk taking as a prime characteristic feature of the entrepreneur which was comparable to the elementary agents of production like land, labor, and capital. All classical and neoclassical economists believed in the significance of entrepreneurial action but did not incorporate the term 'entrepreneur' into their theories and thus entrepreneurship remained as a clandestine factor.

With J.A. Schumpeter, the term entrepreneur had received a wide acclaim. He defined the entrepreneur as an innovator who carries out new combinations to initiate the process of economic development through introduction of new products, new markets, and conquests of new source of raw materials and establishment of a new organization of industry. He said, "the carrying out of new combination we call

enterprise, the individuals whose function is to carry them out we call entrepreneurs". He has put emphasis on profit, which are the product of innovation and the prime mover of economic development. According to Schumpeter," the process of development is a deliberate and continuous phenomenon which is actively promoted by the escort service of a change agent who provides economic leadership. This change agent is what is called entrepreneur. A more generally held theory is that entrepreneurs emerge from the population on demand, from the combination of opportunities and people well-positioned to take advantage of them.

1.2 Promotion of entrepreneurship

Given entrepreneurship's potential to support economic growth, it is the policy goal of many governments to develop a culture of entrepreneurial thinking. This can be done in a number of ways: by integrating entrepreneurship into education systems, legislating to encourage risk-taking, and national campaigns. An example of the latter is the United Kingdom's Enterprise Week, which launched in 2004. Outside of the political world, research has been conducted on the presence of entrepreneurial theories in doctoral economics programs. Dan Johansson, fellow at the Ratio Institute in Sweden, finds such content to be sparse. He fears this will dilute doctoral programs and fail to train young economists to analyze problems in a relevant way. Many of these initiatives have been brought together under the umbrella of Global Entrepreneurship Week, a worldwide celebration and promotion of youth entrepreneurship, which started in 2009 entrepreneurship.

1.3 Entrepreneurship development programmers (EDP)

In order to bring about entrepreneurial growth, the policy makers and financial institutions started thinking in terms of

imbuing entrepreneurship culture through training interventions. Thus, entrepreneurship Development Programme (EDPs) emerged and the pioneering effort in this regard were taken (Mohanty, 2006). Entrepreneurs choose a level of personal, professional or financial risk to pursue opportunity. They tend to identify a market opportunity and exploit it by organizing their resources effectively to accomplish an outcome that changes existing interactions within a given sector. Business entrepreneurs are viewed as fundamentally important in the capitalistic society. Some distinguish business entrepreneurs as either "political entrepreneurs" or "market entrepreneurs," while social entrepreneurs' principal objectives include the creation of a net social benefit.

Other entrepreneurs are necessity entrepreneurs. Entrepreneurship, particularly among women in developing countries (Minitti, 2010) seems to offer an improvement in the standard of living as well as a path out of poverty. Entrepreneurship is now growing at nearly three times the rate among women as it is among men.

1.4 Who are entrepreneur and what is his role?

Successful entrepreneurs are those who notice to notice to the possibilities more than other people. They do not miss them and more important they are then able to find the means to turn these possibilities into action to make something novel and useful (Kickual et.al, 2007). Social entrepreneurs act within a market aiming to create social value through the improvement of goods and services offered to the community. Their main aim is to help offer a better service improving the community as a whole and are predominately run as non profit schemes. To support this point Zahra et al (2009: 519) said that "social entrepreneurs make significant and diverse contributions to their communities and societies, adopting

business models to offer creative solutions to complex and persistent social problems”. Examples of socially run businesses include the NHS and also the 'Love One Water' drinks brand.

2. FINANCIAL BOOTSTRAPPING

Financial bootstrapping is a term used to cover different methods for avoiding using the financial resources of external investors. Bootstrapping can be defined as “a collection of methods used to minimize the amount of outside debt and equity financing needed from banks and investors”. The use of private credit card debt is the most known form of bootstrapping, but a wide variety of methods are available for entrepreneurs. While bootstrapping involves a risk for the founders, the absence of any other stakeholder gives the founders more freedom to develop the company. Many successful companies including Dell Computers were founded this way.

There are different types of bootstrapping:

- Owner financing
- Minimization of the accounts receivable
- Joint utilization
- Delaying payment
- Minimizing inventory
- Subsidy finance
- Personal Debt

3. WHAT IS BP (BUSINESS PLAN?)

Running a Business in today’s rapidly changing world is a considerable challenge. In fact, if adequate planning and control measures are not established early, most entrepreneurs will soon find their business getting out of control. To prevent this, it is necessary to put together a well thought- out, well- researched business

plan in a small business blueprint for survival. “A business plan is a comprehensive, written description of the business of an enterprise. It is a detailed report on a company's products or services, production techniques, markets and clients, marketing strategy, human resources, organization, requirements in respect of infrastructure and supplies, financing requirements, and sources and uses of funds. The business plan describes the past and present status of a business, but its main purpose is to present the future of an enterprise. It is normally updated annually and looks ahead for a period of usually three to five years, depending on the type of business and the kind of entity.” (Unctad, 2002). In fact, writing a business plan is the fundamental starting point for all entrepreneurial efforts. Time has proven itself to be one of the single most controllable factors relevant to the success or failure of any business (Entrepreneur’s guidebook, 2001). A business plan is an organizing tool used to simplify and clarify business goals and strategies, which might otherwise appear complex and intimidating. BP helps to have a guideline for the business and force owners to have objectives and unemotional look at the business proposal.

There are different ways of organizing and writing business plans in various books, researches and experts. Although the way of writing or the titles are different but there are some essential elements of business plan which are the same as below

- Introductory section or executive summary
- Company products and services
- Marketing plan
- Financial plan

A business plan is a formal statement of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals. It may also contain background information about the organization or team attempting to reach those goals. The business goals may be

defined for for-profit or for non-profit organizations. For-profit business plans typically focus on financial goals, such as profit or creation of wealth. Non-profit and government agency business plans tend to focus on organizational mission which is the basis for their governmental status or their non-profit, tax-exempt status, respectively—although non-profits may also focus on optimizing revenue. In non-profit organizations, creative tensions may develop in the effort to balance mission with "margin" (or revenue). Business plans may also target changes in perception and branding by the customer, client, taxpayer, or larger community. A business plan having changes in perception and branding as its primary goals is called a marketing plan. Business plans should include some numbers. But those numbers should appear mainly in the form of a business model that shows entrepreneurial team has thought through the key drivers of the venture's success or failure.

Developing Conceptual business plan for the specific case study



3.1 Introductory section (executive summary) of Mineral Water

Under the introductory section which will be the general company's description. In this part of BP there are mission statement, company's goals and objectives, even the description of the industry. What business will the company be in and what will do? Any investment opportunity needs a good and real research which should be in

different categories of market, economy and finance issues. This research will give an overview to the entrepreneur which will be the investor of the company to decide better. Before proceeding further formulate a clear mission statement for the enterprise is necessary. Developing the mission is often the most valuable part of the dynamic planning process since it can change or reconfirm the direction of the business. Missions are intended to provide a sense of purpose and act as a tool for communicating where the business is heading. Shareholders, employees and business partners can be better motivated and support the mission if they know what it is. (Unctad, 2002) This business plan is developed for evaluating of investment in a mineral water production and packaging company in Iran. The mission of this company is to reach the international market of this area. Investigations indicate the high demand of mineral water in the whole country especially in big cities and the places with more tourism. There is an opportunity in the market of other near countries. Development of this product is under the influence of product price; the geographical environment including rural, urban and tourism; and the price of machines and market development for selling this product. The investigation shows the positive investment on this product in Iran without considering the machines Return of Investment (ROI) will be 12,000,000 product and 15010 million rial of money for investment.

Running this business needs 21 months and should be follow as the table 1.

Establish industrial units producing mineral water required to receive the necessary permits, including permits required for construction of industrial units from the Department of Industry and Agriculture of the province or the licensing of water utilization Province Water and Sewage also be obtained

Table 1

Activity	First year												Second year											
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
License	<input checked="" type="checkbox"/>																							
Land	<input type="checkbox"/>																							
Buying machineries	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Building	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Installation facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>											
Installation machineries	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>											
Obtaining first round	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>													
Obtaining other rounds	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																				

3.2 Company Products and Services

Drinking mineral water, and delicious product packaged drinking water with physical properties, chemical, microbiology and organizational is defined directly from springs or dug around, get comes from the underground floors. This type of drinking water, health benefits and should not be exposed to any outside refinement is in the relevant standards. Product must be in place of mineral water springs are packaged in special circumstances of health. Mineral water product is divided into two categories:

- A sparkling water
- A drinking water without gas

Countries worldwide with regard to social conditions, and various industrial and agricultural wastewaters and pollutants from human activities, specific standards for drinking water have been prepared. Many elements of these standards globally and consonants are the same or similar.

3.2.1 Products Specifications

Bottled mineral water is generally considered more pure than tap water in developing countries. There are various

definitions on mineral water in different countries; however there are usually common aspects found in those definitions. In Iran according to the definition of Institute of Standards and Industrial Research Institute of the Ministry of Industries, natural mineral water is a water that has minerals, partial elements and particles or other compounds as obtained directly from springs or sports dug in underground strata, has health and medical characteristics and finally, has been examined and approved by concerned specialists. Some of the mineral waters have different temperatures and in others, there are low temperatures and some others the temperature goes as high as to boiling point. Mineral waters have common characteristics including exciting from one spot by pressure or floating out from few points in a certain limit. They float upward inside the ground and have sources in depth. In addition, one might consider intermediate limits between genuine mineral water and ordinary drinking waters such as well and river waters with intermediate chemical and medical specifications.

In general, warm and cool mineral waters might have three different sources, superficial, deep and mixed origins.

Studying the spot of exiting minerals shows that generally water floats upwards with pressure and springs from the gaps close to surface. According to the studies made on earth surface by Adams, there are features and breakage gaps on earth surface that make water float possible up to 1800 meters depth. According to King's theory, the depth might reach to approximately 30 Kilometers in different types of hard lands. In Iran, drinking water is supplied from traditional sources including wells, springs and dams, while its quality is controlled periodically by Ministry of Health. Here, commercially available bottled mineral water is considered as healthy and standard drinking water. Now, there are more than 100 registered manufacturers providing and packaging drinking water in Iran, although, some are inactive. In Iran, during the recent years, using bottled mineral water has been increased as a predominant source of drinking water, particularly in urban population and travelers. Some 70% of the earth is covered with water. But nearly all is unavailable for human consumption without being processed first. The oceans make up for 97% and the polar ice shields hold another 2%. Only about 1% is soft water from lakes rives and underground sources, but even from that tiny amount an increasing part is unsafe for human consumption. All over the world, water is one of the most popular drinks. Its popularity with consumers increased over the last couple of years dramatically. Water is truly the essence of life. It makes up about 60% of an adult's body, while a child's body consists of up to 75% of water. A loss of 3% of total body water will cause fatigue and 10% is seriously life threatening. Depending on climate, diet, and body, the human being should drink about 1.5 to 3 l of water.

The existing minerals that specify chemical compounds of water are usually constructors of the physical characteristics as well. Sulfur waters might have low or

high opaqueness as caused from the source place of because of being exposed to air and/or finally, after deposition of colloid-sulfur. The sulfured hydrogen might ext the water in different stages. Mineral waters mostly are colorless; however in some cases they might have some color due to their minerals. As, the chloride waters are salty due to their sodium, iron mineral water look concentrated and magnesium waters are bitter. Over 3'300 brands of mineral water is in more than 130 countries. Water contains various minerals - some good for your health, others less so. Explore the different ingredients of bottled waters.

- Acidity (pH)
- Total Dissolved Solids (TDS)
- Aluminum (Al)
- Arsenic (As)
- Borondioxyde (BO₂-)
- Bromine (Br-)
- Calcium (Ca⁺⁺)
- Chloride (Cl-)
- Cobalt (Co)
- Carbondioxyde (CO₂)
- Chromium (Cr-)
- Copper (Cu⁺⁺)
- Fluoride (F-)
- Germanium (Ge)
- Hardness
- Hydrogencarbonate (HCO₃-)
- Iodine (I)
- Iron (Fe⁺⁺)
- Lithium (Li+)
- Magnesium (Mg⁺⁺)
- Manganese (Mn+)
- Nitrate (NO₃-)
- Potassium (K+)
- Rubidium (Rb)
- Silica (SiO₂)
- Sodium (Na+)
- Strontium (Sr⁺⁺)
- Sulphate (SO₄--)
- Zinc (Zn⁺⁺)

Limits in the following table some toxic organic chemicals in drinking water have been introduced.

Table 2. Limits of organic chemicals in the product

Article Name	Maximum allowed (micrograms L)
Aldrin-dialdrin	0.03
Chlordane	0.2
2-4 Dichlorophenoxy acetic acid	30
DDT (Dichloride biphenyl Trichloro Ethan)	2
1,2-dichloroethane	30
1,2-dichloroethane	50
Heptachlor and heptachlor epoxide	0.03
Hexachord benzene	1
Lindane	2
methoxychlor	20
P.A.H	0.2
Alachlor	20
Aldicarb	10
Atrazine	2
Bentazone	30
Carbofuran	5
Chlorotoluron	30
1,2-dibromo 3-chloropropane	1
1,2-dichloropropane	20

There are some standards that the product should follow are:

- Drinking water containers must be packed non-penetration
- Type of plastic containers for packing type should be allowed and disposable
- Drinking water should be labeled containing the following characteristics:

The phrase "drinking water", Net weight or volume contained in the system in a country where the product sold, the factory producing brand with trademark formed of these materials (physical test results and chemicals)

Mineral water packaged drinking waters settled their alternative is a result of any drinking water (no smell, taste, flavor and sediment) can replace a similar

product to be used. To replace any goods required for daily supply of water body has not been achieved. Consumption of mineral water or drinking water from water supply Tbyytrn ways humans is needed. Daily water supply needed can be limited through the water in some other goods, such as to ensure daily water supply through the use of other beverages such as carbonated drinks, fruit juice or water for more than 90 percent of their forms. It should be noted that the ability to replace these products not one hundred percent water supply and also cost them more.

3.3 Marketing Plan

No matter how good the product and the service, the venture cannot succeed without effective marketing. And this begins with careful, systematic research. It is very dangerous to assume that we already know about the intended market. It is needed to do market research to make sure the right track. Use the business planning process as opportunity to uncover data and to question marketing efforts. Most important factor in decision making for investment in a business - like drinking mineral water production - estimated demand for products and demand growth prospects in the future. All technical and financial planning as well as project-related results based on the estimated demand for the product and it is performed. Generally be said that the consumption of mineral water in the country is short-lived and only in recent years that some companies have taken action to supply this product. But in developed countries consume packaged drinking water refers to the years beyond. Industrial production and packaging of mineral water in your childhood is over time is predicted growth in demand for this product being in the Iranian market. The purpose of market analysis study and analyze the consumption level and the level of product supply in a defined geographical area and

factors affecting demand and supply product range. For analysis of demand for mineral water three levels of analysis has been considered; Regional market, national market and international markets (exports). The analysis of the product supply situation in the country's production and imports will be examined. In addition, this section tries to factors affecting product demand in general be analyzed.

Table 3 Annual production of drinking mineral water and domestic consumption in the country (cubic meters)

Total amount of production	Internal consumption	Year
3870000	1935000	70
4644000	2322000	71
5572800	2786400	72
6687360	3343680	73
8026862	4012416	74
9629798	4814899	75
11555758	5778790	76
13866910	6933455	77
16640292	8320146	78
19968350	9984175	79
23962020	11981010	80
28754424	14377212	81
34505309	17252654	82

Considering population growth, urban development, water resources, lack of response stored in dams and the existing problems in treated water distribution network in recent years, resulting in low quality water has been welcomed by some countries as well as Arabic and Persian Gulf lack of fresh water reserves in these

countries, demand for packaged drinking mineral water has increased considerably the result of various industrial units to create packaging and product supply packaged drinking water market is. Process of mineral water consumption in Iran during 1370- 1383 are summarized in the below table. Production of mineral water in Iran exports had direct communication that defines the amount and distribution of domestic consumption according to studies, somewhat equivalent to exports was. Due to lack of access to accurate statistics and documentary production unit level and trend of consumption of mineral water in Iran can export rate during the past years examined. (Source: Department of Industry, 1385)

Although mineral water consumption more common in large urban centers has been taking this product, but in small towns and rural areas also are growing.

3.3.1 Customers

Identifying targeted customers, their characteristics, and their geographic locations, otherwise known as their demographics. The description will be completely different depending on whether the plan is to sell to other businesses or directly to consumers. If the plan is to sell a consumer product, but sell it through a channel of distributors, wholesalers, and retailers, there should be carefully analyzed both the end consumer and the middle businesses. The sources of drinking water in Iran are springs, rivers and ground water. Most of bottled in Iran is provided from springs and ground water. Mineral water generally contains inorganic, trace elements and other minerals. The city of Tehran has more than 6.7 million people and it has annual domestic water consumption over 800 million cubic meters. There are more than 100 registered manufactures which provide and pack drinking water in bottles. The consumption of bottled water has been increased

particularly in urban population and travelers in Iran during the recent years. Bottled water sometimes can be contaminated to chemical and biological agents. Mineral water consumption of the product reaches the public. Different companies according to their financial power distribution networks used to give them different. Thus multi-layer client may be facing in the market. Domestic market factors affecting demand for drinking water include:

- The price of drinking water,
- Population,
- income
- substitute goods prices (the price of other drinks)
- temperature,
- Total travel and tourism
- Number of manufacturers and their marketing efforts to sell products

Factors affecting demand for drinking water overseas are also:

- Price of similar products abroad,
- foreign income,
- exports,
- Exchange Rates,
- Population
- Temperature
- marketing efforts of companies exporting

3.3.2 Competitors

Number of potable mineral water producers has grown considerably. This should be direct competitors to manufacturers of alternative drinks, mineral water - such as types of fruit juices, beverages. Some of them are the indirect competitors which can affect the mineral water market. Nabeghlavi, winner of Golden Brand 2008 plans to enter Belorussia and Iran this year. "The strategy that we chose is market development", Avtandil Svimonishvili, General Director of Nabeghlavi told the FINANCIAL. Company is one of the

leading exporters of Georgian mineral waters.

Table 4 The most important competitors in this industry

1	Kolak Shargh	50,000,000
2	Kohyar	3,000,000
3	Naghsh	1,000,000
4	Iran Natural Spring Water	9,300,000
5	Damavand Natural Spring Water	83,455,000
6	Langroud Food Production	1,795,000
7	Kohrang Spring Water	94,500,000
8	Cheshmeh Tabiat Bojnord	44,000,000
9	Dasht Morghab Company	5,500,000
10	Sepidan Cheshmeh	14,000,000
11	Mazandaran Natural Spring Water	20,000,000
12	Khoshgovar Mashhad	134,400,000
13	Shirin Vatan Company	15,000,000
14	Cheshmeh Noush Aftab Company	3,000,000
15	Khoshgovar	1,000,000
16	Siroup Company	4,420,000
17	Dozadaran Doab Company	10,000,000
18	Saman	7,000,000
19	Shahdab Roudan Company	7000
20	Cheshmeh Bonab	6,600,000
21	Joshan Abgharb Company	20,000,000
22	Damash Gilan	54,000,000
23	Zarin Noushin Alborz	6,600,000
24	Mehrdad Rai	4,500,000
25	Amolo	4,500,000
26	Aroum Piranous Beverage and Spring Water	18,0000
27	Aftab Aoromiyeh	55,0000
28	Silvana Natural Spring Water	20,000

In 2008, it had 24% growth in revenues compared to 2007 data. "Mineral

waters are for everyday use. Therefore there was no dramatic fall of demand”, Svimonishvili says. “Iran is potentially a very attractive market. There are 70,000,000 people living in Iran and numbers are growing. Another interesting fact is that aerated mineral water is a new product in Iran. According to the studies conducted in Arabian countries, the use of mineral lacking water has caused hair falling in many people. It was quite unnatural for countries like Iran. Nabeghlavi which is rich in mineralization would be very convenient for these people. More and more citizens are anxious about healthy lifestyle and it works well for us. In addition to this, as you might know Iranians are eating a lot of meat. Nabeghlavi is very good for digestion too. So, I think Naeghlavi is well well-matched for Iran”.

The table 4 shows the most important competitors in this industry:

3.4 Financial Analysis

Financial planning is a critical activity for every business irrespective of its age and size. For new enterprises, the preparation of financial projections is integral to the business planning process. For larger companies, financial planning forms part of annual budgeting and play an important role in long-term planning, business appraisals, corporate development etc. Financial planning is a key element of the business plan. Financial planning is an integral part of the overall business management concept. All decisions and assumptions make will be reflected in the financial projections which are to be included in the business plan. If company introduces new products, change the focus to new markets; refurbish machinery, change human resource policies, and change the advertisement mix, etc., each one of these actions will eventually have an impact on the financial statements. (Unctad, 2002). Analyze financial information infrastructure in major

decision making to accept or reject an investment project or a specific plan provides. The main purpose of the infrastructural investment in each project should be to achieve economic benefit, because otherwise the company or organization can survive without the costs to the government or other sectors of society is not possible. The purpose of financial analysis and project design costs estimated in comparison with revenues from economic activity and concluded the economic or rational being non economies emerge. Estimated cost of the project involves identifying the different cost centers, projects and estimated costs needed for any of these centers is. Of course, much of the cost centers, projects have been identified other cost centers - such as depreciation costs or financing costs - the cost is defined based on these centers. Results of past and ongoing operations will support the credibility of the business plan. A proven track record is persuasive evidence of chances of continuing success. Most probably can creating and maintaining financial records since the inception of the business. (Unctad, 2002)

This section reports the results of financial analysis is presented. Based on this analysis has been shown that investment for the production of mineral water. Financial analysis requires estimates of costs emerge. Cost centers in this report have been based on financial analysis include:

1. Cost of raw materials
2. Manpower costs
3. Cost of energy
4. Cost of production equipment and machinery
5. Cost of public facilities and equipment supporting production
6. Cost of land and building
7. Cost of machineries

3.4.1 Estimated cost of capital and raw material

The purpose of working capital is the amount of money that the organization needs to be able to handle short-term costs and commitments such as buying raw materials, employee salaries, overhead costs such as energy and communications costs and operational costs for the short introduction and product promotion, distribution and cope with product sales. Estimates of capital expenditures

necessary raw materials, energy, manpower and operating expenses are estimated plan.

In technical analysis and capacity planning raw material requirements plan is estimated. According to the information mentioned cost of raw materials for production are estimated in the below table. Costs are estimated to cost the day. It is worth noting that all the raw materials needed to plan within the country are to be provided.

Table 5. - Estimate Of The Cost Of Primary Materials (Total Cost In Iranian Rial)

Estimate Of The Cost Of Primary Materials (Total Cost In Iranian Rial)									
	Primary Material	Unit	Usage in Unit	Waste		Annual Usage		Price	Total Cost
				In Unit	Percentage	Amount	Unit		
1	PET	Gram	34	1	2.9%	420	TON	11,500,000	4,830
2	Polyethylene granules	Gram	1.8	0.2	11.11%	24	TON	10,500,000	252
3	Mastherbech	Gram	0.68			8.16	TON	14,000,000	114
4	Masterbech	Gram	0.036			0.43	TON	12,000,000	5
5	Label	Piece	1			12,000	PACK OF 1000	90,000	1,080
6	Nylon	Gram	5			60	TON	17,000,000	1,020
7	Total								7,301

4. CONCLUSION

The aim of this paper was to carry out a theoretical and practical study on the Entrepreneurship and conceptual Business Plan in Iran. The main contribution of this paper was to persuade managers to take a serious attention on Entrepreneurship and Business Plan in Iran. Investigating this plan led us to lucrative outcomes. Any investment opportunity needs a good and real research which should be in different categories of market, economy and finance issues. This research will give an overview to the entrepreneur which will be the investor of the company to decide better. This business plan is developed for

evaluating of investment in a mineral water production and packaging company in Iran. The mission of this company is to reach the international market of this area. Investigations indicate the high demand of mineral water in the whole country especially in big cities and the places with more tourism. There is an opportunity in the market of other near countries. Development of this product is under the influence of product price; the geographical environment including rural, urban and tourism; and the price of machines and market development for selling this product. Due to lack of studies on the above addressed problem in this research conceptual Business Plan in Iran, attempts are being made to investigate.

This study, theoretically reviewed prior literatures on the same problem in other countries. The aim was to shed some light on the research problem. A survey is designed in order to conduct an empirical research for examining survey's hypotheses. It is hoped that the important facts addressed in this paper will be a means whereby managers and researchers

will be able to investigate the Business Plan in the Iranian Industry with better awareness. Ultimately, According to the estimation in all levels including products, market and financial, it seems that the business plan shows positive. Running this business according to the cost-benefit analysis is significant.

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