

# **SK-II MEN**

## **BUSINESS DEVELOPMENT PLAN**

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## 1. Executive Summary

This business plan is made to invite our potential business partners to join our SK-II MEN Strategic Partnership, which is to cooperate with us in the launch of SK-II Men in mainland China's market.

This report will emphasize on the market analysis in men's skin care industry and analyzing on our potential consumers and existing competitors. Also, marketing strategies and financial planning including the sales and revenue forecast, and budgeting in details are mainly focused in this plan. Moreover, the risk management are also mentioned. Furthermore, the 1-year and 5-year plan of action of SK-II Men are shown in this business plan.

## 2. Company Profile

### 2.1 About SK-II

We are SK-II, a Procter & Gamble beauty brand. As a luxury skincare line which launched over 25 years ago in Japan, our business has been widely expanded to the whole of Asia, setting up outlets in China, Hong Kong, Taiwan, Korea, Malaysia and Singapore. Our lines' signature ingredient, Pitera, a yeast extract which naturally occurs during the fermentation process of sake contains vitamins, amino acids, minerals, and organic acids that work together to allow the skin's natural surface rejuvenation process to function at its prime. We built up our strong brand image of high end skincare products and emphasis on rejuvenation.

### 2.2 About SK-II Men

We have our business entered China since 1998 and we successfully gained the high end market. Up to now, we are only producing skincare products for ladies and this industry is saturated with extremely fierce competition. Therefore, we are now setting up a new product line – **SK-II Men**. The percentage of male using skincare products is now very low in China. Given its massive population, it is undeniable that there is a huge potential market of males' skincare products. This industry is still under its developing stage so that we want to enter it earlier and consolidate our market share. We will manufacture our own men's skincare products and co-operate with our partners in China to sell the new products. With the successful entry of SK-II Men, we do have the confident to build up a more professional and comprehensive



skincare image, so that to enlarge our market shares in China.

### 3. SK-II Strategic Partnership

#### 3.1 Brief Introduction

We are trying to launch our new product line SK-II Men. Since some male customers express that they feel embarrassed to buy our products in existing SK-II counters with the females, we would like to seek appropriate partners to help us sell our men's products. Famous high end menswear retail shops will be considered to be our best partners. We will set up our SK-II Men prestigious counters in the chosen shops. Well-trained salespersons will be appointed to those shops to help promote the products. Of course, our partners will have a considerable amount of benefits in return. We will sign a contract with the chosen partners in regard to this arrangement.

#### 3.2 Our Requirements

We do have a few requirements for our potential partners, which includes the followings:

1. Our potential partners should be local high end menswear retailers with prestigious brand in mainland China.
2. A minimum number of 10 retail shops in first tier cities in China is required
3. Monthly turnover should not be less than RMB 5 million

#### 3.3 Benefits

Our partners will receive 30% of the net profit of SK-II Men as commission monthly. In addition to the commission, as an incentive for being our partner in the first year, each partner will receive RMB 1 million as bonus if they can fulfill our basic year sales requirement, RMB 10 million. Besides, the selling of SK-II MEN, a high-end male grooming product, will definitely bring in a considerable customer flow to our partners' shop which can help to boost their sales.

### 4. Market Analysis

#### 4.1 Global and China market

The total sales amount in the china's cosmetic market is approaching HK\$40 billion, which is more than 9% growth in a year. On the other hand, the sales of male

skincare product in the world increased more than 50%. Analysts forecast that the male skincare product is becoming a new star in the china market.

Both the new survey from AC Nielsen and the report from New York Times show that men are becoming more alert on their appearance. Since men are relying more on skincare, the consumption on male grooming product is having a surprisingly increase and this pushes the rapid growth of the global cosmetic product market. With no different to china, the development of male grooming trend leads to a hot sale of male grooming products. The average sales of male cosmetic products are increasing 20 to 30% every year. Some forecasts show that the demand of male grooming product in China market will have a growth of 96% in the coming 5 years.

## **4.2 General environment**

International brands are now entering the china market. For example, in 2004, Shanghai Jahwa international corporation limited (上海家化国际商贸有限公司) took up all the sales responsibility of personal grooming products and perfume series of Adidas under COTY in mainland china. Compare to the female skincare products, the development of male skincare products in china is far from mature and there are still high potential development areas. Many famous foreign brands like Estee Lauder (雅诗兰黛), Shiseido(资生堂), L'Oreal (欧莱雅) and P&G(宝洁) are still doing their male grooming business in China at the developing stage. Looking from the surface of the market, the competition among local brands, joint venture and foreign brands of grooming products is becoming tenser. Most of the foreign brands are getting into the high end market. Local brands rarely target on the high end customer groups and can only gain more by selling more at a cheaper price.

## **4.3 Target market and customers**

A survey shows that 60% of the male working in cities uses skincare products every day. A salesman from Adidas said that the skincare concept of male was reinforcing. The average daily sales amount increased from RMB 1000 to more than RMB 2000 now. However, although it is becoming more common, the product variety of male grooming products is relatively low. Most of them are face cleaning and hand cream. Products like eyes cream and moisture retaining products can be rarely seen. Since there is only a little choice on male grooming products, some of them would use female grooming products instead. From 2006, a new trend appears on cosmetic and skincare products, especially the rapid development on anti-oxidation products. In the future years, there must be a more keen competition in all consumer groups, product functionalities and communication channels. Following by the new direct sales law, there will be more foreign cosmetic brands entering the china market.

In such a market, male with age ranging from 25 to 40 years old with middle to high disposable income will be our target customers. They would choose high end grooming products and they have stable economic background to support their continuing purchasing behavior. On top of that, female falling into the similar age group would also be our target customers as they usually buy grooming products for men. The situation will be clearer when the male market is becoming more mature. Customers will distinguish between male and female grooming products and the male market will have a significant growth comparatively. This is because the spending on skincare products from Chinese people is still relatively low. Information shows that the average spending on skincare products per person is only HK\$ 28 per year, while it is 36 to 70 US dollars in well developed countries. The gap is obvious and it thus implies that male grooming product is a large market with enormous potential demand in china.

## **4.4 Market Competition:**

### **4.4.1 Foreign Competitors:**

L'Oréal is the world's largest cosmetics and beauty company. It made €15.8 billion consolidated sales in 2006. L'Oréal has 19 global brands such as Maybelline, Shu Uemura, The Body Shop, etc. The major competitive brands which produce men's products are Biotherm, Lancôme. Biotherm is a prestigious skin care brand whose tag line is "Be Healthy. Be Beautiful." It is founded in 1985 and become one of the leading brands in men's skin care market. Biotherm entered China market since 2002. Takeshi Kaneshiro (Jin Cheng Wu) is the spokesperson of Biotherm. Lancôme is a leading international manufacturer and marketer of perfume, cosmetic and skin care products. It is a prestige cosmetics division of L'Oréal. Lancôme entered China market since 2005 and is focus on high-end market.

Clinique is one of the world's largest suppliers of prestige makeup and fragrance products. It was launched by Estée Lauder Inc. and premiered to the public in 1968. The range targeted at men consists of products in three main categories: Skin Care, Shaving, and Grooming. Basic Skin Care consists of the men's version of the Clinique 3-Step process: Facial Soap Scruffing Lotions and M-Lotion. Clinique's shaving line includes pre-shave exfoliating scrubs, Electric Shave Primer, shaving creams, gels, and



oils. Clinique's grooming products include Hair Maximizing Shampoo and also a hair maximizing styling serum. It is, however, a fact that Clinique's M-Lotion for men is identical to its Dramatically Different Moisturizing Lotion for women. The sole difference lies in the packaging.

Shiseido is another powerful competitor. It is a major Japanese hair care and cosmetics producer and the oldest cosmetics company in the world. Aupres is a line of prestige cosmetics and skincare products made and sold exclusively in China, designed for the needs of Chinese women. Since 2001, Shiseido has developed a line of skincare, Aupres JS (Jun Shi), specially formulated for men in China. The men's product line Aupres JS includes shaving cream, face wash which doubles as shaving foam, aftershave lotion, moisturizers, anti-wrinkle creams, eye products, and self tanners.

Hugo Boss AG is a fashion house based in Metzingen, Germany, which specializes in high-end apparel. The company's products, divided over three brands, are available throughout the world in 103 countries and more than 5,002 retail stores. Today, Hugo's sub-brands for men include: Boss Black/Boss Black Selection, Boss Green, Boss Orange, Hugo, and Baldessarini. However, all fragrance brands (Hugo, Hugo Boss and Baldessarini) are owned by Procter & Gamble. Nowadays, Hugo Boss has more than 60 stores in China.

#### **4.4.2 Local Competitors**

GaoFu(GF) is a local men's skin care brand under Shanghai Jahwa since 1992. However, its sales performance was not good until 2002. In 2003, GF finished its revolution and redefine its market position to the middle to high market and invited Tony Leung as its spokesperson.

## 5. Marketing Strategy

### 5.1 Marketing Mix

#### 5.1.1 Product and Price

##### Products



#### Face Scrub 100ml (RMB 450)

Sweeps away dead skin cells and oil. Preps skin for close shaving.

##### FEATURES AND BENEFITS:

Revives and smoothes skin by removing dead flakes, builds up of oil. Lifts beard hairs; clears the way for a closer shave; helps reduce ingrown hairs. Contains fine bead granules. Won't damage skin.

##### HOW TO USE:

Apply before using Face Soap and before shaving. Wet skin, rub until Scrub turns white; rinse off.

#### M Protect SPF25 80ml (RMB 650)

Essential hydration plus UV protection. Soothes, improves skin's condition. For all skin types.

##### FEATURES AND BENEFITS:

Lightweight, oil-free. Essential hydration plus UV protection. Won't cause allergic reactions.

##### HOW TO USE:

Apply AM and PM on exfoliated skin, after the appropriate lotion.







## **SSFM Lip Balm 5g (RMB450)**

Protects, soothes, and moisturizes dry lips.

### **FEATURES AND BENEFITS:**

UVB protection, Vitamin E, and softens provide hydration and protection for lips. Tasteless and colorless formula is easy to apply and makes lips feel soft and comfortable, never greasy.

### **HOW TO USE:**

Apply to lips as needed to hydrate, soothe or prior to sun exposure.

## **M Lotion 50ml (RMB 550)**

Soothes and replenishes lost moisture in dry skin areas. Relieves tenders just-shaved skin. Apply on clean, exfoliated skin. Suitable for normal to dry skin.

### **FEATURES AND BENEFITS:**

Moisturizes normal to dry skin. Absorbs quickly; relieves tight-feeling, tenders just-shaved skin. Skin looks healthier and fresher.

### **HOW TO USE:**

Apply AM and PM on exfoliated skin, after the appropriate lotion.

## Perfume Spray (RMB750) 100ml

A hint of citrus. Has a unique, cool, refreshing scent which goes beyond ordinary men's fragrances.

### FEATURES AND BENEFITS:

A true floral fragrance, yet light and refreshing.

### HOW TO USE:

Spray it on.



## Daily Anti-Fatigue Moisturizer 100ml (RMB 800 )

### FEATURES AND BENEFITS:

Give your face an instant energy boost! This moisturizing lotion combines pure ginseng and vitamins to reduce the visible signs of fatigue and help the skin look re-energized.

### HOW TO USE:

Apply AM and PM on skin.

## 5.1.2 Promotion

### Spokesperson

We are planning to invite Andy Lau as our spokesperson. Andy Lau has taken part in more than 100 films, and has a huge fan base in China with the success of both his movie performance and his music career. His healthy and gentle image matches our high-end products.

### Advertisement

We will produce a series of advertisement campaign with our spokesperson Andy Lau including TV commercials, magazine ads etc. We are planning to broadcast our TV commercials in CCTV and the major TV stations in the first tier cities e.g. BTV. As for the magazine promotion, we will pose some plain advertisement in various fashion and business magazines targeting at the higher income male group e.g. Esquire(时尚先生) **“Road shows”**

By organizing “Road shows”, we mean that we will set up temporary counters in big shopping malls for a day or two. We will invite the people in the shopping mall to try our products to raise the awareness of our brand.

## 5.1.3 Place

We are now recruiting partners to be our distribution channels and sell our products in their shops. But besides that, SK-II MEN will also be sold in various existing SK-II counters.

## 5.2 Year Plan

### 5.2.1 One Year Plan

1. To raise brand awareness through various advertisement campaigns.
2. To start business in the first tier cities.
3. To sell SK-II MEN in 50% of existing SK-II counters.
4. To recruit about four partners to join our scheme.
5. To open 30 counters in our partners’ menswear retail shops.

### 5.2.2 Five Year Plan

1. To expand our business in the second tier cities.
2. To diversify our products to match men’s needs.
3. To sell SK-II MEN in at least 90% of existing SK-II counters.
4. To recruit about ten partners to join our scheme.
5. To open 100 counters in our partners’ menswear retail shops.

## 6. Financial Plan

### 6.1 One Year Plan and Five Year Plan

Budget Plan for the New Product Line - SK II Men		
	Yr. 1	Yr. 5
<b>Sales</b>	¥80,000,000.00	¥144,743,508.00
<b>Less: Cost of Goods Sold</b>		
Production Cost	¥11,500,000.00	¥23,876,584.21
<b>Gross Profit</b>	¥68,500,000.00	¥120,866,923.79
<b>Less: Operation Cost</b>		
Labour Cost	¥4,000,000.00	¥5,093,550.00
Advertisement	¥23,000,000.00	¥33,674,300.00
Transport Cost	¥1,000,000.00	¥1,464,100.00
Contract Fee	¥2,000,000.00	¥2,928,200.00
<b>Less: Sundry Expenses</b>		
Miscellaneous expenses	¥700,000.00	¥891,371.25
<b>Profit Before Taxes</b>	¥37,800,000.00	¥76,815,402.54
<b>Less: Taxes</b>		
Taxes	¥11,340,000.00	¥23,044,620.76
<b>Profit / Loss</b>	¥26,460,000.00	¥53,770,781.78
<b>Less: Commission to Partners</b>		
Commission	¥7,938,000.00	¥16,131,234.53
First Year Bonus	¥4,000,000.00	¥0.00
<b>Net Profit / Net Loss</b>	¥14,522,000.00	¥37,639,547.24

## 6.2 Financial Plan for Potential Partners

Budget Plan for Partners		
	Yr. 1	Yr. 5
<b>Commission to Partners</b>		
Commission	¥7,938,000.00	¥16,131,234.53
First Year Bonus	¥4,000,000.00	¥0.00
<b>Revenue to Partners</b>	¥11,938,000.00	¥16,131,234.53
<b>Less: Expenses to Partners</b>		
Decorations	¥300,000.00	¥150,000.00
Inventories	¥2,000,000.00	¥2,928,200.00
Miscellaneous expenses	¥400,000.00	¥400,000.00
<b>Net Gain</b>	¥9,238,000.00	¥12,653,034.53
<b>Number of Partners participated</b>	4	8
<b>Net Gain Per Partner</b>	¥2,309,500.00	¥1,581,629.32

### Expected Sales

The turnover rate of cosmetic and skincare products in China is estimated to be increased 13% annually.<sup>1</sup> Sales revenue of SK-II Men will be 13% higher in second year, and 2% additional increase in sales revenue annually will be estimated in the foreseeable future. Our target sales in first year are 80 million RMB and in fifth year 144.7 million RMB, which is nearly 80% increases compared with the first year's performance.

### Cost of Goods Sold

Production of SK-II Men is located in Japan, and all relative costs are converted from Japanese Yen to Chinese RMB. 7.5 million RMB will be spent on the manufacturing process and 4 million RMB will be particularly spent on labors. Labor cost refers to the statistics released Japanese Government.<sup>2</sup>

### Labor Cost

<sup>1</sup> 2007 年中國化粧品市場分析及投資諮詢報告

<sup>2</sup> The Ministry of Health, Labour and Welfare in Japan



Labors in China are mainly salesperson. Salary of labors refers to the average salary in retailing industry in 2005<sup>3</sup> and other cost like training cost, overtime pay and commission.

#### **Advertisement**

SK-II Men will be advertised on media broadcast and magazine. Media advertisement will be published on CCTV 1, 4 regional TV Broadcasts and “Road Show” which accounts for 10 billion RMB. 3 million RMB will be spent on magazine advertisement and 10 million RMB will be paid to advertising firm.

#### **Contract Fee**

Contract fee includes hiring a lawyer to deal with contractual arrangement and brand name registration, which totally accounts for 2 million RMB.

#### **Taxes**

Several taxes such as 25% profit tax, 30% Goods and Products Tax and other tax will be paid.

#### **Commission to Partners**

30% of profit will be assigned to partners as commission. In addition, as SK-II Men is newly promoted to the market, partners who can record 10 million RMB sales in the first year can get the 1 million RMB of extra bonus.

#### **Net Gain per Partner**

We estimate that each year we will invite one more company as our strategic partners. However, other than the 1 million extra bonuses, the net gain per partner will still continue to grow.

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<sup>3</sup> 中國國家統計局

## 7. Risk Assessment

Introducing a new product line in China is risky. Still less we are going to introduce a men’s skincare product line into a traditional society with developing stage, risk exist in different factors.

### 7.1 The Political and Legal Factors

They are still under development in China. The unstable environment and complicated legal system bring risks to our investment. In addition, regulations about the product safety should be cautiously tackled as the problem of product safety in China has become a critical issue.

### 7.2 Traditional Way of Thinking

Although China is under a high speed of development, traditional mindset still exists. There are still many people thinking that skincare products are only for women, education will, then, be provided to the customers so as to change their way of thinking. Therefore, investment in promotion and education is inevitable.

### 7.3 Illegal Imitation

Tort is a risk threatening our sales in china. Duplicated designs and packages of products are easily found, and pirated goods with bad quality will indeed damage our brand image. Customers with high educational level can easily recognize our product, but for those who have not been well educated, they will be easily cheated if they have in lack of knowledge and exposure to grooming products. Supervision is thus necessary to safeguard our business.

## Appendix

Table 1: Growth in Male Deodorants Outpaced Female Deodorants in 2003

Deodorants:	Value Sales 2002 US\$(mill)	Value Sales 2003 US\$(mill)	Growth 2002-2003
Male Targeted	649	719	11%
Female Targeted	705	742	5%

Table 2: Regional Growth in Personal Care Categories

	Number of countries	Value Sales 2002 US\$(mill)	Value Sales 2003 US\$(mill)	Growth 2002-2003

# SK-II MEN

Asia Pacific	16	24,245	24,594	1%
Emerging Markets	14	5,803	6,582	13%
Europe	17	41,252	42,825	4%
Latin America	7	9,394	10,337	10%
North America	2	45,224	44,941	-1%

## Methodology

The study's findings are based on sales value of products determined by retail purchase data from 56 countries, spanning Asia Pacific, Emerging Markets, Europe, Latin America and North America (See Table 3) and accounting for more than 95% of the world's GDP (Gross Domestic Product) and more than 75% of the world's population. To get a complete view of the Personal Care market in these 56 countries, ACNielsen included trends from nearly 60 Personal Care categories and then grouped these categories into nine larger product areas for a higher-level analysis: Baby Care, Cosmetics, Hair Care, Personal Paper, Dental Care, Body Cleansing & Moisturizing, Face Cleansing & Moisturizing, Sun Care and Hair Removal.

Table 3: Countries Included

Region	Countries Included
Asia Pacific	Australia, Bangladesh, China, Hong Kong, India, Indonesia, Japan, South Korea, Malaysia, New Zealand, Philippines, Singapore, Sri Lanka, Taiwan, Thailand, Vietnam
Europe	Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom
Emerging Markets	Bulgaria, Czech Republic, Egypt, Hungary, Morocco, Poland, Romania, Russia, Saudi Arabia, Slovakia, South Africa, Tunisia, Ukraine, United Arab Emirates
Latin America	Argentina, Brazil, Central America <sup>1</sup> Chile, Colombia, Mexico, Puerto Rico  <sup>1</sup> includes Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama
North America	Canada, United States



## Detail financial plans

Budget Plan in the First Year for the New Product Line - SK II Men				
		RMB ¥	RMB ¥	RMB ¥
<b>Sales</b>				
1	Sales Revenue			¥80,000,000.00
<b>Less: Cost of Good Sold</b>				
<b><u>Production Cost</u></b>				
2	Manufacturing Cost			
2.1	Research and Design	¥3,000,000.00		
2.2	Experiment and Laboratory	¥3,000,000.00		
2.3	Material Cost	¥1,500,000.00	¥7,500,000.00	
3	Labour Cost			
3.1	Labour's Salary	¥2,000,000.00		
3.2	Training Cost	¥1,000,000.00		
3.3	Other Cost for Labour	¥1,000,000.00	¥4,000,000.00	¥11,500,000.00
<b>Gross Profit</b>				¥68,500,000.00
<b><u>Less: Operation Cost</u></b>				
4	Labour Cost			
4.1	Labour's Salary	¥2,000,000.00		
4.2	Training Cost	¥1,000,000.00		
4.3	Other Cost for Labour	¥1,000,000.00	¥4,000,000.00	
5	Advertisement			
5.1	Ad. in Media Broadcast	¥10,000,000.00		
5.2	Ad. In Newspaper / Magazine	¥3,000,000.00		
5.3	Payment to Advertising Firm	¥10,000,000.00	¥23,000,000.00	
6	Transport Cost			

6.1	Inbound Transport	¥500,000.00		
6.2	Internal Transport	¥500,000.00	¥1,000,000.00	
7	Contract Fee			
7.1	Counsel Fee	¥2,000,000.00	¥2,000,000.00	¥30,000,000.00
<b>Less: Sundry Expenses</b>				
8	Miscellaneous expenses		¥700,000.00	¥700,000.00
<b>Profit Before Taxes</b>				
				¥37,800,000.00
<b>Less: Taxes</b>				
9	Taxes (30% of P.B.T)			¥11,340,000.00
<b>Profit / Loss</b>				
				¥26,460,000.00
<b>Less: Commission to Partners</b>				
10	Commission (30% of Profit)		¥7,938,000.00	
11	First Year Bonus		¥4,000,000.00	¥11,938,000.00
<b>Net Profit / Net Loss</b>				
				¥14,522,000.00

## Budget Plan in the Fifth Year for the New Product Line - SK II Men

	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5
<b>Sales</b>	¥80,000,000.00	¥90,400,000.00	¥103,960,000.00	¥121,633,200.00	¥144,743,508.00
<b>Less: Cost of Good Sold</b>					
Production Cost	¥11,500,000.00	¥14,294,500.00	¥16,960,424.25	¥20,123,543.37	¥23,876,584.21
<b>Gross Profit</b>	¥68,500,000.00	¥76,105,500.00	¥86,999,575.75	¥101,509,656.63	¥120,866,923.79
<b>Less: Operation Cost</b>					
Labour Cost	¥4,000,000.00	¥4,400,000.00	¥4,620,000.00	¥4,851,000.00	¥5,093,550.00
Advertisement	¥23,000,000.00	¥25,300,000.00	¥27,830,000.00	¥30,613,000.00	¥33,674,300.00
Transport Cost	¥1,000,000.00	¥1,100,000.00	¥1,210,000.00	¥1,331,000.00	¥1,464,100.00
Contract Fee	¥2,000,000.00	¥2,200,000.00	¥2,420,000.00	¥2,662,000.00	¥2,928,200.00
<b>Less: Sundry Expenses</b>					
Miscellaneous expenses	¥700,000.00	¥770,000.00	¥808,500.00	¥848,925.00	¥891,371.25
<b>Profit Before Taxes</b>	¥37,800,000.00	¥42,335,500.00	¥50,111,075.75	¥61,203,731.63	¥76,815,402.54
<b>Less: Taxes</b>					
Taxes	¥11,340,000.00	¥12,700,650.00	¥15,033,322.73	¥18,361,119.49	¥23,044,620.76
<b>Profit / Loss</b>	¥26,460,000.00	¥29,634,850.00	¥35,077,753.03	¥42,842,612.14	¥53,770,781.78
<b>Less: Commission to Partners</b>					
Commission	¥7,938,000.00	¥8,890,455.00	¥10,523,325.91	¥12,852,783.64	¥16,131,234.53



First Year	¥4,000,000.00	¥0.00	¥0.00	¥0.00	¥0.00
Bonus					
<b>Net Profit</b>	¥14,522,000.00	¥20,744,395.00	¥24,554,427.12	¥29,989,828.50	¥37,639,547.24
<b>/ Net Loss</b>					

Budget Plan for Partners						
	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	
<b>Commission to Partners</b>						
Commission	¥7,938,000.00	¥8,890,455.00	¥10,523,325.91	¥12,852,783.64	¥16,131,234.53	
First Year Bonus	¥4,000,000.00	¥0.00	¥0.00	¥0.00	¥0.00	
<b>Revenue to Partners</b>	¥11,938,000.00	¥8,890,455.00	¥10,523,325.91	¥12,852,783.64	¥16,131,234.53	
<b>Less: Expenses to Patners</b>						
Decorations	¥300,000.00	¥150,000.00	¥150,000.00	¥150,000.00	¥150,000.00	
Inventories	¥2,000,000.00	¥2,200,000.00	¥2,420,000.00	¥2,662,000.00	¥2,928,200.00	
Miscellaneous expenses	¥400,000.00	¥400,000.00	¥400,000.00	¥400,000.00	¥400,000.00	
<b>Net Gain</b>	¥9,238,000.00	¥6,140,455.00	¥7,553,325.91	¥9,640,783.64	¥12,653,034.53	
<b>Number of Partners participated</b>	4	5	6	7	8	
<b>Net Gain Per Branch</b>	¥2,309,500.00	¥1,228,091.00	¥1,258,887.65	¥1,377,254.81	¥1,581,629.32	