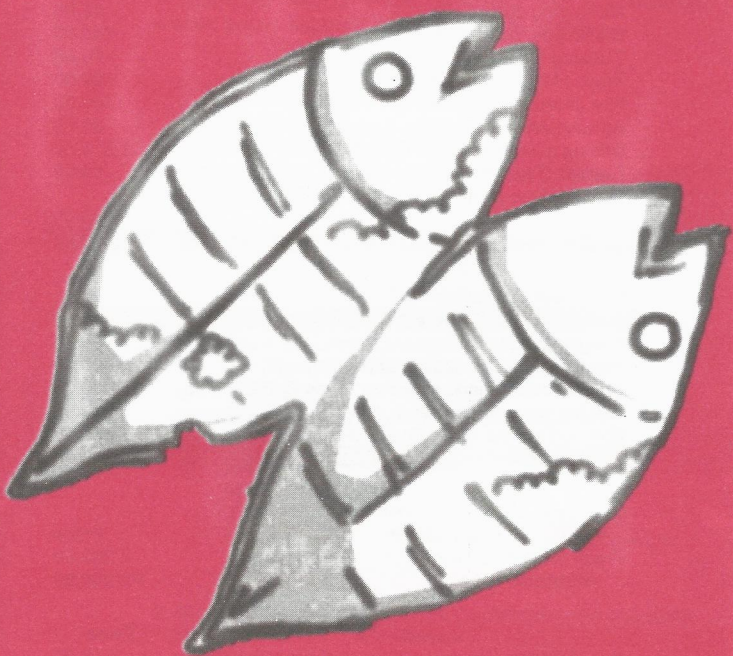


Starting A Business



**SMOKED BONELESS
BANGUS**

Starting a Business

Smoked fish or *Tinapa*, a native Filipino delicacy, is a fish cooked/preserved through the process of smoking. It has a two-stage processes : the brining part, which gives the fish a good salty taste and also makes it moist; and the smoking part, which cooks the fish and gives it the smoky flavor.

I. ESTIMATED INVESTMENT COSTS

A. Cost of Utensils

Utensils	Cost
Cutting board	P 60.00
Strainer bowl, 8 pcs @ P155/pc.	1,240.00
Knife	110.00
Wooden spoon	50.00
Measuring cup	45.00
Big basins, 5 pcs @ P150/pc.	750.00
Cooking tongs	70.00
Trays (12x8 inches), 8 pcs @ P75/pc.	600.00
Fire charcoal, 20 packs @ P10/pack	200.00
Sawdust/Wood shavings, 2 sacks @ P30/ sack	60.00
Brining container, 5 pcs @ P 275/pc.	1,375.00
Fishnet, 5 meters @ P17/meter	85.00
Polyethelyne plastic (.002" thick),@ P20/pack of 100s	20.00
Subtotal	P 4,665.00

B. Cost of Equipment

Equipment	Cost
Weighing scale for fish	900.00
Plastic sealer (for sealing of plastic bags)	800.00
Smokehouse (made to order), 2 pcs @ P2,500/pc.	5,000.00
Electric stove or gas stove, 1 pc.	900.00
Bamboo sieves, 8 pcs @ P200/pc.	1,600.00
Subtotal	P9,200.00

C. Cost of Raw Materials/Ingredients

Item	Price
Fresh milkfish 20 kilos @ P110/kilo	2,200.00
Subtotal	P2,200.00

Ingredients	Price
Salt, 1.5 kilos (for every 20 kilos of fish) @ P10/kilo	P 15.00
Water	8.00
Subtotal	P 23.00

ESTIMATED INVESTMENT COST	P16,088.00
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- Prices are based on 2009 prices in wet markets.

II. PROCEDURE

A. Deboning:

1. Clean and rinse the fish thoroughly. The fish needs to be gutted and rinsed in cold running tap water.
2. Place the fish on its side on a clean cutting surface. Using a sharp knife, cut straight down into the fish, just behind the gills until the blade touches the backbone.
3. Rotate the knife so that the blade is laying flat against the backbone, parallel to the cutting surface. The sharp edge should be toward the tail.
4. Using a gentle back-and-forth sawing motion, cut along the backbone all the way down the fish to the tail, under the fillet.
5. Repeat the same for the other side after turning the fish over. Now the backbone has been removed and the ribs and pin bones need to be removed next.
6. Cut the rib cage bones away from the fillet by slicing between them and the meat of the fillet.
7. Remove the tiny pin bones by pulling them out with a pair of needle-nose pliers or tweezers. If they are not visible, feel for the tips of the bones with your fingers.

B. Brining Process

1. Prepare brine solution i.e., mixture of water and salt. For 20- kilograms fresh fish, use 4 gallons of water and 1.5 kilos of salt.
2. Place the fish in the brine solution for 30 minutes. Be sure that the fish is submerged completely.
3. Boil the brine solution for at least 5 minutes. Boiling the brine solution aids in maintaining the firmness of the fish.

C. Smoking Process

1. Strain the cooked fish and arrange in bamboo sieves. Be sure that excess water is drained completely.
2. Partially sundry fish for 30-45 minutes. Make sure to cover fish with fishnet to avoid contamination.
3. Prepare smokehouse using charcoals and sawdust *kusot* as fuel.
4. Put fish in bamboo sieves inside the smokehouse and cover. Smoking time varies according to fish size or dryness of fish. Longer smoking time makes storage longer.
5. Remove fish from bamboo sieves and let them cool in room temperature.
6. Weigh and wrap in plastic bags, then seal.

SMOKED BONELESS BANGUS

- Assumptions: Fish Smoking is done for 22 days / month,
 - Daily Production is 20 kgs.
- Sources:
 - Sustainable Livelihood Options for the Philippines – An Information Kit (Coastal Ecosystem). Department of Environment and Natural Resources (DENR).
 - Department of Science and Technology – Industrial Technology Development Institute

Smoked Fish can be produced anytime because a wide variety of fish species like *Lapad*, *Tunsoy*, *Banak*, *Kabasi*, *Hasa-Hasa*, *Galunggong* and *Tamban* is available throughout the year and can be processed using the same technology. Except for *Tunsoy*, *Galunggong* and *Tamban* all other species command higher price.

III. ESTIMATED COSTING AND PRICING (FOR 1 KILOGRAM OF TINAPA)

A. Product Costing

Direct Cost

Particulars	Cost
Raw material	P110.00
Ingredients used for 1 kg.	1.00
Packaging material for 1kg.	.20
Labor	19.10
Total Direct Cost	P130.30

Indirect Cost

Particulars	Cost
Water (P220 consumption for 20 kgs/22 days)	.50
Electricity (P750 consumption for 20 kgs/22 days)	1.70
Contingency Cost (10% of Direct cost)	13.03
Total Indirect Cost	P15.23

Production Cost

Particulars	Cost
Total Direct Cost	Php 130.30
Add: Total Indirect Cost	15.23
Estimated Production Cost per kilo	Php 145.53

B. Product Pricing

Particulars	Cost
Production cost per kg.	P145.53
Add: 25% mark-up of the Production Cost	36.38
Estimated Selling Price per Kilogram	P181.91

Market Price per kilogram **P180.00-250.00**

The higher the volume of production per day (more than 20 kgs.), the lower the production cost, thus further increasing the mark-up to more than 25%. The higher the mark-up, the higher the profit margin.

If price per kilo is lower compared with the existing market price, increase mark-up to 25% or more.

IV. REGISTRATION REQUIREMENTS

1. Business Name Registration

Department of Trade and Industry (DTI)

Validity : 5 years

- a) 2/F, Atrium of Makati Bldg. Makati Avenue
corner Paseo de Roxas St., Makati City
Tel. No. (632) 864.0847 / 501.5135
 - b) 2/F Park N’Ride, Lawton, P. Burgos Ave., Dr.
Basa St. Ermita, Manila
Tel. No.: (632) 536.7153
 - c) G/F, Highway 54 Plaza, EDSA
Mandaluyong City (across SM Megamall)
Tel. No.: (632) 706.1767
 - d) 5/F Araneta Square Mall
Monumento Circle, Caloocan City
Tel. Nos.: (632) 332.0854/ (632) 332.0829
- DTI Provincial Office in the province where the
business is located

2. Mayor's Permit/ Residence Certificate and Sanitary Permit

Local municipality or provincial municipality where the business is located

Validity : 1 year

3. BFAD Certificate

Bureau of Food and Drugs (BFAD)

Civic Drive, Filinvest Corporate City

Alabang, Muntinlupa City

Tel. Nos. : (632) 807.0721 / 842.5606

Email : bfad@bfad.gov.ph

BFAD Regional Office where the business is located

Validity : 1 year

V. FINANCING

People's Credit and Finance Corporation (PCFC)

2/F Accelerendo Building
395 Sen. Gil Puyat Ave. Makati
Tel. Nos. (632) 897.8521/752.3745
Fax No. (632) 325.0448/49
Email: info@pcfc.ph
Website: www.pcfc.gov.ph

National Livelihood Development Corporation (NLDC)

4/F Hanston Building, F. Ortigas Jr. Road
Ortigas Center, Pasig City
Tel. No. (632) 914.7290 to 97 or 631.2955/57
Email: nlsf-info@nlsf.gov.ph

VI. TECHNICAL ASSISTANCE

Department of Science and Technology – Industrial Technology Development Institute (DOST-ITDI)

DOST Compound, Gen. Santos Ave. Bicutan
Taguig, Metro Manila
Tel. Nos.: (632) 837.2071 to 82
Telefax: (632) 837.6156
Email: rtid@dost.gov.ph

Technology Resource Center (TRC)

103 J. Abad Santos cor.
Lopez Jaena Sts., Little Baguio
San Juan, Metro Manila
Tel. No.: (632) 727.6205
Website : www.tlrc.gov.ph

Bureau of Fisheries and Aquatic Resources

Philippine Coconut Authority (PCA) Bldg.
Elliptical Road corner M. Marcos Avenue, Quezon City
Tel. Nos : (632) 929.9597 / (632) 929.8074
Email: webmaster@bfar.da.gov.ph