Pandesal is a Spanish word for “salt bread”. It is a rounded bread usually eaten by Filipinos during breakfast. It is made of flour, eggs, lard, yeast, sugar, and salt. It has a soft, powdery texture, and is eaten in a number of ways combined with sandwich spreads. Despite the literal meaning of its name, the taste of pandesal varies from bland to slightly sweet.

I. ESTIMATED INVESTMENT COST

A. Cost of Utensils*

<table>
<thead>
<tr>
<th>Utensils</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measuring cups/ spoons</td>
<td>P 70.00</td>
</tr>
<tr>
<td>Stainless steel</td>
<td>49.00</td>
</tr>
<tr>
<td>Stainess bowl # 32</td>
<td>260.00</td>
</tr>
<tr>
<td>Dough cutter</td>
<td>53.50</td>
</tr>
<tr>
<td>Plancha</td>
<td>64.75</td>
</tr>
<tr>
<td>Cheesecloth</td>
<td>25.50</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>P 522.75</strong></td>
</tr>
</tbody>
</table>

B. Equipment*

<table>
<thead>
<tr>
<th>Equipment</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighing scale</td>
<td>P 379.00</td>
</tr>
<tr>
<td>Dough kneader</td>
<td>83,853.00</td>
</tr>
<tr>
<td>Oven (8 planza thermostat)</td>
<td>45,738.00</td>
</tr>
<tr>
<td>Working table</td>
<td>15,246.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>P 145,216.00</strong></td>
</tr>
</tbody>
</table>

C. Raw Materials/Ingredients*

<table>
<thead>
<tr>
<th>Item</th>
<th>Baker’s %</th>
<th>Kilogram</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bread flour</td>
<td>100</td>
<td>30 kg.</td>
<td>1,128.00</td>
</tr>
<tr>
<td>Water</td>
<td>55</td>
<td>500 g</td>
<td>...</td>
</tr>
<tr>
<td>Refined sugar</td>
<td>18</td>
<td>120 g</td>
<td>186.00</td>
</tr>
<tr>
<td>Vegetable shortening</td>
<td>5</td>
<td>50 g</td>
<td>84.00</td>
</tr>
<tr>
<td>Salt</td>
<td>1</td>
<td>10 g</td>
<td>60.00</td>
</tr>
<tr>
<td>Instant yeast</td>
<td>19</td>
<td>7 g</td>
<td>69.00</td>
</tr>
<tr>
<td>Bread crumbs</td>
<td>.25</td>
<td>g</td>
<td>45.00</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>P 1,572.00</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Based on February 2009 prices.

**Estimated Total Investment Cost**

**P147,310.75**

II. PROCEDURE

One of the methods in bread making is the straight-dough method. The procedures are simple and can be done in your own home.

1. Preheat oven at 175°C.
2. Mix all ingredients.
3. Knead the dough, place in bowl, cover with damp cheesecloth and leave for two hours.
4. Punch dough to remove air.
5. Divide the dough into 16 equal portions (about 550 g. per piece).
6. Form each dough piece with approximate length of 30 inches and roll in breadcrumbs.
7. Rest dough for 45 minutes.
8. Cut dough into 20 equal portions (about 27.5 g. per piece).
9. Roll in breadcrumbs and arrange on baking trays in cut side up manner.
10. Proof until double in size in warm and moist proofing cabinet (about 32-34°C with 85% relative humidity).
11. Bake for 12-15 minutes or until golden brown.

III. ESTIMATED COSTING AND PRICING

A. Product Costing

**Direct Cost**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Materials (30kg. flour)</td>
<td>P 1,128.00</td>
</tr>
<tr>
<td>Ingredients used</td>
<td>444.00</td>
</tr>
<tr>
<td><strong>Total Direct Cost per kilogram</strong></td>
<td><strong>P 1,572.00</strong></td>
</tr>
</tbody>
</table>

**Indirect Cost**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor Cost (P382/day based on minimum wage)</td>
<td>P382.00</td>
</tr>
<tr>
<td>Transportation Cost</td>
<td>100.00</td>
</tr>
<tr>
<td>Water and Electricity</td>
<td>100.00</td>
</tr>
<tr>
<td>Contingency Cost (10% of direct cost)</td>
<td>157.00</td>
</tr>
<tr>
<td><strong>Total Indirect Cost per kilogram</strong></td>
<td><strong>P 739.00</strong></td>
</tr>
</tbody>
</table>

**Estimated Total Investment Cost**

**P147,310.75**

B. Product Pricing

**Production cost per kg.**

P 0.86

Add: 10% markup of the production cost 0.09

**Selling price per piece**

P 0.95

**Market price per piece**

P 1.00

* The higher the volume of production per day (i.e., more than 2,700 pcs.), the lower the production cost, thus increasing the markup to more than 10%.

* If price per kilogram is lower compared with the existing market price, increase the markup to more than 10%.

IV. REGISTRATION REQUIREMENTS

1. **Business Name Registration**
   - Department of Trade and Industry (DTI) within NCR
     a) 12/F Trafalgar Plaza, 105 H.V. Dela Costa St. Salcedo Village, Makati City
     Tel. No.: 811.8232 loc. 208
     b) 2/F Park N’Ride, Lawton, P. Burgos Ave., Dr. Basa St., Ermita, Manila
     Tel. No.: 536.7153
     c) G/F Highway 54 Plaza, EDSA (across SM Megamall), Mandaluyong City
     Tel. No. 706-1767
     d) 5/F Araneta Square Mall
        Monumento Circle, Kaloocan City
        Tel. Nos. 332.0854 / 332.0829

2. **Mayor’s Permit/Residence Certificate and Sanitary Permit**
   - Municipality or City where the business is located.

3. **Tax Identification Number (TIN)**
   - Bureau of Internal Revenue (BIR)
     BIR National Office Bldg., Agham Road, Diliman
     Quezon City
     Tel. No.: (632) 981.7000
     BIR Regional or District Office where the business is located.

4. **BFAD Certificate**
   - Bureau of Food and Drugs (BFAD) within NCR
     Civic Drive, Filinvest Corporate City
     Alabang, Muntinlupa City
     Tel. Nos.: (632) 807.0721/ 842.5606
     BFAD Regional Office where the business is located.
V. FINANCING

GSIS Family Bank (GFB) Micro Finance Lending Program
GSIS Family Bank
165 Real St., Pampanga, Las Pinas City
Tel. Nos.: (632)873.0915/ 873.0379/ 873-0469 loc. 122
(Direct lending for individual borrower)

Livelihood Development Program for Overseas Filipino Workers (LDPO)
National Livelihood Development Corporation (NLDC)
4/F, Hanston Building, F. Ortigas Jr.,
Road Ortigas Center, Pasig City
Tel. Nos.: (632)914.7290 to 97 or 631.2955/57

Microfinance 1 (MF1) Program/ Opportunity Ka-Partner
Microfinance 2(OK-MF 2) Program
Opportunity Microfinance Bank
OMB Building, Robinsons Homes East,
Commercial Arcade-1, Robinsons Homes East,
Circumferential Road, Barangay San Jose, Antipolo City
Tel. No.: 630.0141 local 130/ 224
(Direct Lending for individual borrower)

Microfinance Program
People’s Credit and Finance Corporation
2F, Accelerando Bldg., 395 Sen. Gil Puyat Avenue, Makati City
Tel. No.: (632) 752.3745 local 130
(Retail Lending is through partner microfinance institutions.)

Balikatan Sa Kaunlaran / Quendancor Program for Micro Enterprises (QP-ME)
Philippine Microenterprise Development Foundation (PMDF)
G/F Melendres Bldg., F. Manalo St., Pasig City
Tel. No.: (632)641.2207/ 642.3895
(Direct Lending for group borrower)

SME-Financing For Receivables of Suppliers’ Transactions (SME-FIRST)
Small Business Corporation
17° and 18th/F, Antel Corporation Centre,
139 Valero Street, Salcedo Village, Makati City
Tel. No.: (632)751.1888
(Direct lending for individual borrower with an asset size of P500,000-P1M)

VI. TECHNICAL ASSISTANCE

Department of Trade and Industry – Cottage Industry Technology Center (DTI-CITC)
20 Russet St., SSS Village, Marikina City
Tel. No.: (632) 942.3974/ 948.2875/ 941.4516
Fax : (632) 942.0107
Email : citc_dti@yahoo.com

Department of Science and Technology – Science and Technology Information Institute (DOST-STII)
Gen. Santos Ave., Upper Bicutan, Taguig, Metro Manila
Tel. Nos.: (632)837.2191 to 95
Telefax : (632)837.7520
www.stii.gov.ph

Technology Resource Center (TRC)
103 J. Abad Santos St.,
Little Baguio, San Juan
Tel. No.: 727.6205 loc. 200
www.trc.dost.gov.ph

Ultima Entrepino
Nutrition Foundation of the Philippines Bldg.
107 E. Rodriguez Sr. Avenue, Quezon City
Tel. Nos.: 742.7866/ 411.1349/ 742.0826