Starting a Business

Tuyo is a tagalog word meaning dried. The process of salting and drying preserves the fish that can be stored for months. Salted fish drying is seasonally done for six months, pertaining to the summer season when there is only little amount of rain and the producers have ample time to dry and preserve the fish.

I. ESTIMATED INVESTMENT COSTS

A. Cost of Utensils

<table>
<thead>
<tr>
<th>Utensils</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strainer Bowl, 10 pcs @ P 155.00 each</td>
<td>P 1,550.00</td>
</tr>
<tr>
<td>Measuring cup</td>
<td>45.00</td>
</tr>
<tr>
<td>Big Basins, 6 pcs @ P 150.00 each</td>
<td>900.00</td>
</tr>
<tr>
<td>Cooking Tongs</td>
<td>70.00</td>
</tr>
<tr>
<td>Trays (12x8 inches), 8 pcs @ P 75.00 each</td>
<td>600.00</td>
</tr>
<tr>
<td>Brining Container, 6 pcs @ P 275.00 each</td>
<td>1,650.00</td>
</tr>
<tr>
<td>Polyethylene plastic (.002' thick), 100 pcs @ P 30.00 per pack of 100s</td>
<td>30.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>P 4,845.00</strong></td>
</tr>
</tbody>
</table>

B. Equipment

<table>
<thead>
<tr>
<th>Equipment</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighing scale for fish (1-10kgs)</td>
<td>P 900.00</td>
</tr>
<tr>
<td>Plastic Sealer (for sealing of plastic bags)</td>
<td>800.00</td>
</tr>
<tr>
<td>Wire screen mesh (12 m. cut in half) @ P 35.00/meter</td>
<td>420.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>P 2,120.00</strong></td>
</tr>
</tbody>
</table>

C. Raw Materials/Ingredients

<table>
<thead>
<tr>
<th>Item</th>
<th>Price/ kl.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Tunsoy fish, 60 kilos @ P 70.00/kilo</td>
<td>P 4,200.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>P 4,200.00</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item</th>
<th>Price/ kl.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salt, 6.5 kls. (for every 60 kls. of fish) @ P 9.00/kilo</td>
<td>P 58.50</td>
</tr>
<tr>
<td>Water</td>
<td>15.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>P 73.50</strong></td>
</tr>
</tbody>
</table>

**Estimated Total Investment Cost** = P 11,238.50

*Based on 2009 prices
**Sources of prices:
- Paco, San Andres, and Sta Ana Wet Markets (for fresh fish and ingredients); Landmark, SM Department Store, Binondo shops/stores (for utensils and equipments)

II. PROCEDURE

1. Thoroughly wash the Tunsoy fish with clean and fresh water. Place in a strainer for 20 minutes to drain.
2. Prepare the brine solution (i.e., mixture of water and salt). For a 60-kg fish, use 6.5 kls. of salt and 8 gallons of water.
3. Soak the fish in the brine solution for three hours.
4. Transfer the fish into a strainer to drain.
5. Rinse the fish thoroughly under running water to wash off excess salt.
6. Place brined fish in a single layer on a 6-m. wire screen mesh.
7. Cover the fish with the other half of the wire screen to protect it from flies and dust.
8. Dry under the sun for two to three days depending on the size of the fish. It is advisable to dry the fish under the sun for three to four hours in the morning and air dry in room temperature to prevent rapid rate of drying.
9. Turn the fish over every hour or two for even drying. A well-dried fish is light in weight and the meat is tender.
10. Weigh, pack, seal, and store the fish at room temperature.

Assumptions:
- Salted fish drying is done for 22 days/month.
- 60-kg. fish produces 40-kg. of salted dried fish.

Sources on procedures:
- Sustainable Livelihood Options for the Philippines - An Information Kit (Coastal Ecosystem). Department of Environment and Natural Resources (DENR)
- Department of Science and Technology (DOST) - Industrial Technology Development Institute

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

A. Product Costing

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Material (1kg. Fresh Fish)</td>
<td>P 70.00</td>
</tr>
<tr>
<td>Ingredients used</td>
<td>1.31</td>
</tr>
<tr>
<td>Packaging Material</td>
<td>.75</td>
</tr>
<tr>
<td>Labor Cost* (P362/day min. wage / 60kgs. produced / day x 1 worker)</td>
<td>6.37</td>
</tr>
<tr>
<td><strong>Total Direct Cost</strong></td>
<td><strong>P 78.43</strong></td>
</tr>
</tbody>
</table>

B. Product Pricing

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production cost per kilogram</td>
<td>P 87.09</td>
</tr>
<tr>
<td>Add: 25% mark-up of the Production Cost</td>
<td>21.77</td>
</tr>
<tr>
<td>Estimated Selling Price per kilogram</td>
<td>P 108.86</td>
</tr>
</tbody>
</table>

Market Price per kilogram = P 110-150.00

* The higher the volume of production per day (more than 60kgs.), 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 kilogram is lower compared with the existing market price, increase mark-up to 25% or more.
* Labor is based on NCR Minimum Wage Rates per Wage Order No. NCR-14 effective 14 June 2008.

IV. REGISTRATION REQUIREMENTS

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

DTI Office in the province where the business is located
Website: www.bnrs.dti.gov.ph for online registration
Validity: 5 years
2. **Mayor’s Permit**  
Local municipality or city where the business is located  
Validity: 1 year

3. **Tax Identification Number (TIN)**  
Bureau of Internal Revenue (BIR)  
BIR National Office Bldg.,  
Agham Road, Diliman, Quezon City  
Trunkline: (632) 981.7000 / 981.8888  
Email: contact_us@cctr.bir.gov.ph  
www.bir.gov.ph  
BIR Regional or District Office where the business is located

4. **BFAD Certificate**  
From the Bureau of Food and Drugs (BFAD)  
Civic Drive, Filinvest Corporate City,  
Alabang, Muntinlupa City  
Tel. No.: (632) 807.0721 / 842.5606  
Email: bfad@bfad.gov.ph  
www.bfad.gov.ph  
BFAD Office in the province where the business is located  
Validity: 1 year

5. **FINANCING**

- **Small Business Corporation**  
17/F and 18/F, Antel Corporate Center,  
139 Valero Street, Salcedo Village, Makati City  
Tel. No.: (632) 751.1888  
www.sbgfc.org.ph  
(Direct lending for individual borrower with an asset size of  
P 500,000 – P100M)

- **People’s Credit and Finance Corporation**  
2/F, Accelerando Building,  
395 Sen. Gil Puyat Ave., Makati City  
Tel. Nos.: (632) 897.8521 / 752.3745  
Fax No. (632) 325.0448 / 49  
Email: info@pcfc.ph  
www.pfcfc.gov.ph

- **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  
Email: nlfd-info@nlfd.gov.ph

6. **TECHNICAL ASSISTANCE**

- **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  
Email: vbb@stii.dost.gov.ph  
www.stii.dost.gov.ph

- **Technology Resource Center (TRC)**  
TLRC Building, 103 J. Abad Santos cor.  
Lopez Jaena Sts., Little Baguio, San Juan, Metro Manila  
Tel. No.: (632) 727.6205  
www.tfrc.gov.ph

- **Technical Education and Skills Development Authority Women’s Center**  
37 East Service Road, South Superhighway, Taguig City  
Telefax: No.: (632) 814.4076  
Email: tesdawomen@yahoo.com  
twc.tesda.gov.ph

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**BUREAU OF MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (BMSMED)**  
5/F, Trade and Industry Building  
361 Sen. Gil J. Puyat Ave., Makati City  
Tel. Nos.: (02) 897.1693 / 897.7596 / 890.4968  
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