

CHAPTER 1

INTRODUCTION

1.1 Background

Souvenirs are objects purchased whilst on holiday to be 'consumed' by the traveler self, or to be given away. The word *souvenir* reveals that it comes from the French word for *memory* - 'to come back to myself' (Smith & Reid, 1994). A souvenir as a physical object can take a range of different shapes and functions. The range of objects that can be classified as souvenirs ranges from food objects to textiles, cultural artifacts, postcards or different commercially produced mementos like snow globes, to name a common one. All that these objects have in common is that they act as reminders of somebody having visited a location or event that would not be classified as ordinary, and thus worthy of being remembered.

Souvenir, as a symbol, logo or emblem, interlaced with many things, such as tourism, institutions, organizations, and clubs, even personal. In Yogyakarta, the souvenir industries use technology of sand casting to produce souvenirs made from metal. The weakness of this method is that the products have not the same form in details.

Since 2006 Production Process Laboratory (PP Lab) of Universitas Atma Jaya Yogyakarta (UAJY), partnering with Delcam, plc. UK, has operating license of CAD/CAM solution software, including ArtCAM which capable to produce high intricate details of relief. PP Lab has

planned to establish a business unit of UAJY, called Jogja Artistic Symbolic Souvenir (JASS). PP Lab has developed many models and prototypes to be displayed in exhibition and brochures. Based on Jogja Fair data (in 2008), PP Lab has a great opportunity to create their own business in souvenir products, especially made from pewter which offer artistic features. Souvenirs can be made with minimum consumption of material to minimize the production cost and it can be sold in higher prices. Mr. Hanandoko and Mr. Anggoro also identified that many problems comes from the Small Medium Enterprises (SMEs) are about optimization in using raw materials, especially for metal souvenir manufactures.

Decreasing number of students of UAJY in recent years shows that interest in industrial engineering field is getting low. This situation enforces UAJY to take a strategic action in funding activities inside the organization. One alternative solution is by creating manufacturing center in university environment. It can be viewed as a fund raising efforts as well as supporting academic lecturing itself.

This paper will examine proper souvenir manufacturing conducted in UAJY. By writing a business plan, this can provide a framework to a real action of fundraising efforts. Spin casting technology will be used as a starting point. It will support the need of mass production method in souvenir manufacturing.

1.2 Problem Statement

Referring to the current condition the main problem in this research is how to provide a business plan of souvenir manufacturing in UAJY so it can be used as a framework to a real action of fund raising.

1.3 Research Objectives

The research objective is to obtain a business plan of souvenir manufacturing in UAJY.

1.4 Scope of Research

To prevent the misunderstanding about the content and conclusion on this paper, the boundaries of observation should be existed. The limitations on this paper are:

- a. The business plan will be focused on applying spin casting technology because of its capability in mass production
- b. The models of souvenir is keychain
- c. Secondary data will be accessed from many Local Departments and business players, especially in Daerah Istimewa Yogyakarta territory

1.5 Research Methodology

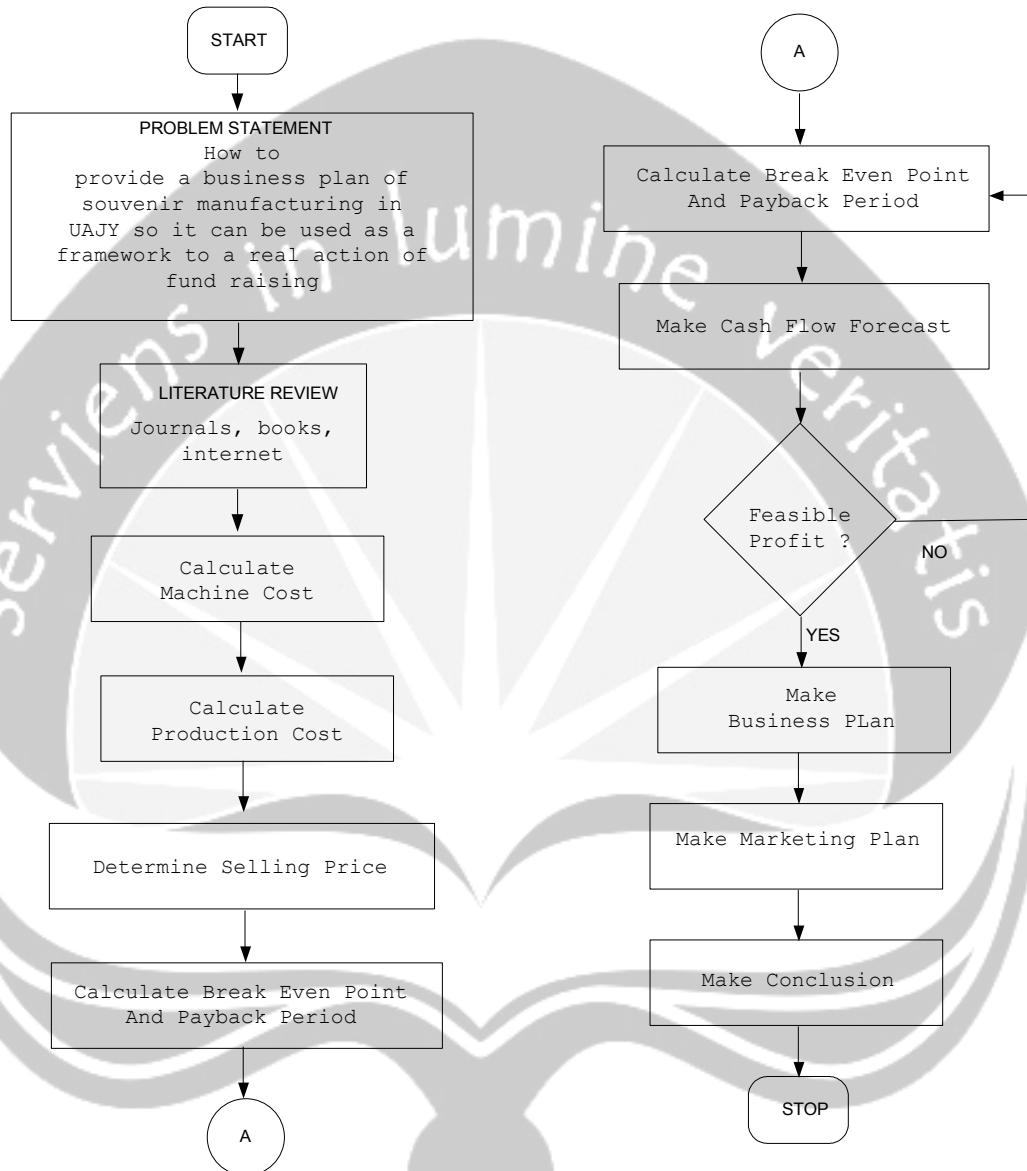


Figure 1.1. Research Methodology

1.6 Report Outline

The thesis is consisting of 6 chapters:

a. Chapter 1 : Introduction

This chapter will explain the background of the main topic of the paper. This chapter also contains problem statement, research objectives, scope of research, and research methodology

b. Chapter 2 : Literature Review

This chapter is consisting of short explanation about the related literature of the selected topic.

c. Chapter 3 : Basic Theory

Basic Theory is consisting of calculation method of manufacturing cost and steps of writing business plan.

d. Chapter 4 : Data

This chapter is consisting of data to calculating the forecast sales, production cost, and profit

e. Chapter 5 : Data Analysis

This chapter will consisting of calculation of the data on chapter 4

f. Chapter 6 : Conclusion

This chapter is consisting of short resume of decision result that will be connected with the purpose of research.