

Executive Summary

Project Title: Expansion of Manufacturing Plant

Date: 2024-06-20

Requestor/Department: Operations / Manufacturing

1. Objective

To obtain approval for capital expenditure required for expanding the production capacity of the existing manufacturing facility to meet increased demand and improve operational efficiency.

2. Project Description

The proposed project involves extension of the current facility by 2000 sq. meters, procurement of new machinery, and upgrading of utilities. The expansion will accommodate increased product lines and enable higher output.

3. Justification

This expansion addresses current capacity constraints, positions us for projected market growth, enhances productivity, and supports strategic goals outlined in the business plan.

4. Estimated Cost & Funding

Total Project Cost: \$4,500,000

Funding Source: Internal Capital Budget

5. Expected Benefits

- Increase annual production capacity by 35%
- Reduce per-unit cost by 12%
- Enable market expansion and new product development
- Support job creation and employee retention

6. Risks & Mitigation

- Potential delays in construction — engage reputable contractors
- Cost overruns — establish contingency budget
- Market demand shifts — phase implementation based on milestones

7. Approval

Prepared by: Jane Smith, Operations Manager

Reviewed by: Finance Department

Executive Approval: _____

Important Notes

- Executive summaries should be concise and highlight key project elements.
- Ensure all estimated figures are accurate and sourced.
- Document should be reviewed by finance and relevant departments before submission.
- Clearly state the project objectives, justification, risks, and anticipated benefits.
- Obtain necessary executive signatures for final approval.

