



## Executive Summary

---

### Business Description

Shangri-Lokta is a social enterprise dedicated to bridging the gap between Nepalese artisan communities and Western consumers by offering premium, handmade Lokta paper products. Our initial product line features eco-friendly notebooks and cards that leverage the unique, sustainable qualities of Lokta paper while preserving Nepal's cultural traditions and improving local livelihoods. By acting as a market intermediary, Shangri-Lokta provides Nepali craft entrepreneurs with access to new sources of revenue, ensuring they receive fair wages and sustainable demand for their work.

### Opportunity

The business opportunity lies in the growing demand for eco-conscious, artisanal products and the lack of unique, high-quality paper offerings in Western markets. While rich in tradition, Nepal faces declining artisan employment and quality issues due to low economic incentives.

Shangri-Lokta addresses this by ensuring fair compensation, supporting cultural preservation, and promoting craftsmanship through ethical sourcing and storytelling while being a first-mover in providing affordable Lokta products to American consumers.

### Market

Our primary target market consists of middle-to-high-income consumers in urban areas, especially those in Seattle and across the U.S. West Coast, who value sustainable and ethically produced luxury goods. These customers, often found shopping at farmers' markets and local bookstores, are actively seeking alternatives to mass-produced goods that align with their environmental and social values according to our market research.

### Operations

Operations will be lean and efficient, with production handled by Kathmandu-based craft shops and quality assurance monitored locally in Nepal. A third-party logistics partner will ship goods to our Seattle warehouse, where vertical storage and streamlined order fulfillment will maximize efficiency while giving us inventory to account for international shipping delays or changes in the international environment. Sales channels will include local retail partners, online platforms like Amazon or Etsy, and direct-to-consumer events like farmers' markets.

### Finance

Financial projections indicate strong growth: while Year 1 reflects an initial loss due to startup costs, profitability begins in Year 2, with net income reaching \$35,803 by Year 3. The venture requires \$35,000 in initial capital, with \$30,000 from a term loan and \$5,000 from the owner's contribution. Our main product (a medium-sized Lokta notebook) has an initial gross profit margin of 48%, which we expect to grow as the company benefits from economies of scale and increased prices as the demand for our products grows in Years 2-5.