

MIT ARAB FORUM ENTERPRISE (LEBANON)

EXPANDED VERSION Template for First Stage of the Business Plan Competition

General Note: We expect all submissions to reflect proper human values of the 21st century; more specifically, there should be no discrimination of gender, race or religion, and the projects should be environmentally neutral, meaning not contributing to world pollution

I Background Information (not part of the evaluation process)

1) Proposed Name of your company (1 line)

BEACH WINNER SAL

2) Where will your company be headquartered (city/country)? (1 line)

Jeddah, KSA

II Template of Business Plan Data

3) For each team member, please provide:

Member No 1

- a. Name: **Salam Omm Abd**
- b. Academic Background (3 lines max): **B.SC in Electronics, University of Hawaii**
- c. Professional Background (3 lines max): **Design engineer at Sahara Telecom, based in Jeddah, 1999 to date**
- d. Current Occupation: **Head of R&D, Sahara Telecom**
- e. Other information you feel is important (2 lines max): **Have published several articles on electronics in the desert environment in business publications such as X, Y and Z**

Member No 2

- a. Name
- b. Academic Background (3 lines max)
- c. Professional Background (3 lines max)
- d. Current Occupation
- e. Other information you feel is important (2 lines max)

MIT ARAB FORUM ENTERPRISE (LEBANON)

Member No 3

- a. Name
- b. Academic Background (3 lines max)
- c. Professional Background (3 lines max)
- d. Current Occupation
- e. Other information you feel is important (2 lines max)

Note: Teams must comprise a minimum of three full time members

- 4) Please explain what your company will be doing (product/service).
(up to six lines max)

Our company will develop beach bags incorporating a solar panel on the side, allowing people to recharge their cell phones or PDAs on beaches or boats or in tents, without returning to their cars for charging

- 5) Who are your target clients? Be specific in your answers (up to 12 lines)

Our primary target is the age 18-35 population of young professionals who work in the private sector, and have received university education; our next target will be consumers who frequent electronic and gadget stores; thereafter, we will target stores selling leisure /sports equipment who cater to diverse social groups

- 6) What is your geographical target market? (up to 6 lines)

We will first target the Jeddah market, then expand to Al Khobar, and ultimately to the GCC countries and Lebanon

- 7) What is your estimate of the size of the market, expressed in dollar terms? (up to 4 lines)

We believe the total size of the market to exceed 300,000 people; at \$30 wholesale price, this represents \$ 9 million of sales

- 8) What is your estimate of the annual growth of that market? (1 line)
Probably 8% a year or better, in line with the annual increase of university graduates

- 9) What percentage share of that market do you plan to capture in the first 5 years of operations? (1 line)

We believe we can penetrate 40 % of the market in 5 years.

MIT ARAB FORUM ENTERPRISE (LEBANON)

10) What will the dollar value of your sales be, after 5 years of operations, based on your answer to question 8? (1 line)

3 million US dollars

11) Who are your competitors in your markets? (up to 12 lines)
No similar product exists today; the indirect competition is the regular chargers that plug into electric outlets of cars, homes etc.

Some electronic gizmos may use disposable batteries, but they represent a small minority of the target electronic market

12) What advantages do you believe your target clients will perceive in your product / service when they compare to the competition? (up to 12 lines)

Young People life styles evolve around permanent communication capabilities to transmit voice or text messages, pictures, stock data etc. We believe that the convenience of using these PDAs in places where electric outlets are not available will add great convenience to the heavy users. No comparable product exists on the market for now

13) How long (in number of months) do you believe you can maintain your advantage over the competition until they match your product / service? (up to 6 lines)

Our product uses established technologies in a different package; if we are successful, we can expect leisure or gadget companies to imitate our products; such competitors however, are likely to be US or EU firms, and they will address their larger markets before turning to ours; thus we probably have an 18 month lead minimum

14) What is the total amount of funds you require to setup, broken down by category here below? (This means the amount of money from the time you start until you realize your first commercial sale).

a. Equipment / machinery / fixed investment

None; we plan to out source the manufacture and assembly of the product

b. Running costs Salaries, rent, utilities etc..)

We estimate about \$60,000 to evolve from prototypes to commercial product

c. Inventories, if any.

We will need about \$100,000 of finished goods to launch properly

MIT ARAB FORUM ENTERPRISE (LEBANON)

d. Marketing expense.

Our largest item: we expect to require at least \$250,000 to advertise in leisure magazines, appropriate web sites, billboards in beach resorts etc.

15) How many months do you estimate you might require from the time you start until the time you generate your first sale? (1 line)

6-8 months

16) How many months do you estimate you might require from the time you generate your first sale until the time your company breaks even? (1 line)

With our low overhead, we believe that the company will break even after 9-12 months

17) What are the major risks working against you, and how do you plan to mitigate them? (8 lines max)

We believe there is no technological risk on the solar panel side; we may need several iterations of design to make sure the panel and the beach bag material fit well together; one risk is fashion acceptance: we will use fashion consultants to mitigate that risk; the bags must have a pleasant look; another is durability: solar panels may lose efficiency over the years; we expect however that customers by then will have changed models anyway.

18) Free - Anything else you want us to know. (9 lines max)

Our team is currently made of full time employees, but we have all agreed to quit and launch our company if we rank among the top three and obtain initial financing.