

Business Opportunity

Composites Sport Items Factory

Subject:

The aim of this brief is to highlight the feasibility of building sport items factory, using Simprex® epoxy vinyl ester prepregs as a substitute of conventional materials (i.e.: wood, plastics, aluminum), traditionally used in the sports market.

Why composites sports items factory?

1. Simprex® epoxy vinyl ester Prepregs are unique material that will assure a unique final product in terms of quality and cost.
2. Total monopoly; no competition at the regional level from sport item manufacturers.
3. Huge and growing international markets.
4. Much easier and faster process than the conventional material/process.
5. Healthy, hazardous free working environment at manufacturing stage.
6. Environmental friendly process vs. the conventional method that consumes immense numbers of maple trees every year.
7. Product designers will give full support (including the know-how), to this new company, until it can be totally independent and masters the whole manufacturing process.
8. All conventional/targeted products available in the market are very similar in terms of technology and material used; the composites sport items factory will provide market with an Innovative Alternative.
9. Increase of environmental awareness the importance of saving forests to reduce global warming.

Market size:

According to study published in 2002, only USA sports market reached US\$ 50.5 billion and growing at 3% annual rate. Our target niche market size is 15 million end-users per year, in the USA alone.

Worldwide, not less than 25 million people are practicing our target sport niche market. About 2% of this population, 500 000 people, are considered as professional players.

In our 5 years projection, we are only considering a total sale of 378 000 items, which we believe very conservative and easy to achieve (i.e.: each professional player purchases only one item during the 5 years, which is very doable).

Projection sales and profits from 2009-2013:

	2009	2010	2011	2012	2013
Sales AED	4,950,000	11,880,000	23,760,000	27,720,000	35,640,000
Net Profits	97,333	1,930,986	5,619,951	6,870,977	8,377,555
	1.97%	16.25%	23.65%	24.79%	23.51%

Competition:

There is no direct competition in the market we are targeting. Our products will be made of Simprex® Prepregs that has different specs. than the conventional materials.

Investment required: AED 3,000,000

Detailed study is available. Please contact:

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