

TacLap - Tactical Laptop

Business-Plan

Pascal Leitner

Roman Grascher

Simon Schwab

Table of content

<u>1 COMPANY PROFILE</u>
1.1 SUBJECT AND INDUSTRY
1.2 COMPANY NAME/LEGAL FORM
1.3 OWNERSHIP STRUCTURE/TEAM OF ENTREPRENEURS
1.4 LOCATION
1.5 COMPANY PURPOSE
1.6 FOUNDATION STATUS/FIRST STEPS
1.7 COMPANY GOALS/PROSPECTS
2 PRODUCT
2.1 PRODUCT DESCRIPTION
2.2 TARGET GROUP AND CUSTOMER BENEFIT
2.3 USP
2.4 PRODUCT MANUFACTURING PROCESS AND STAGE OF DEVELOPMENT
2.4.1 PRODUCT MANUFACTURING
<u>3 INDUSTRY, MARKET AND COMPETITION7</u>
3.1 MARKET AND MARKET ANALYSIS
3.1.1 OVERALL MARKET ANALYSIS
3.2 SALES POTENTIAL
3.3 COMPETITION ANALYSIS
3.4 ENTRY BARRIERS
3.3 PESTLE
3.4 PORTER 5 FORCES
3.4 PORTER 5 FORCES
4. TECHNOLOGY, PRODUCTION PROCESSES, AUTOMATED CONTROL SYSTEMS
4.1 TRANSPORT AND LOGISTICS, INDUSTRIAL LOGISTICS
4.2 PRODUCTION COSTS
4.3 EXTERNAL FACTORS (LEGISLATION, PRODUCTION STANDARDS ČSN EN ISO)
4.4 PRODUCT CERTIFICATION, DECLARATION OF CONFORMITY
4.5 INDUSTRIAL SAFETY AND FIRE PROTECTION
4.6 INNOVATION, RESEARCH AND DEVELOPMENT, UNIVERSITY COOPERATION
4.7 PROTECTION OF IPR, PATENT, TECHNOLOGY TRANSFER
5. HUMAN RESOURCES
5.1 ORGANISATIONAL STRUCTURE
5.2 PERSONNEL PLANNING AND REMUNERATION SYSTEM
LABOUR LAW AND SOCIAL LAW
6. PROJECT AREA (SITE) PROVISION

7. PROJECT MARKETING PROPOSAL	
7.1 SALES AND MARKETING MIX	
7.2 WAYS AND COSTS OF PROMOTION	
7.3 WAYS AND COSTS OF DISTRIBUTION	
7.4 SETTING OF MARGIN AND PRODUCT PRICES, CALCULATIONS:	
7.5 DEFINITION OF GOALS AND MILESTONES OF SUCCESS IN TIME:	

1 Company profile

This section reports on the company and management of TacLapOG.

1.1 Subject and industry

TacLap is a manufacturer of laptops with integrated access to the secure network for armies. The laptop not only has the purpose of functioning like a normal laptop, but must also provide integrated access to a secure network by moving armies like the AAF and must also be suitable for military use. Thus the laptop must also be somewhat more robust than commercial laptops.

The industry for this laptop is huge because it is all over the world. First the product will be designed for the AAF, then it will be marketed worldwide and also used by other armed forces and companies, such as banks and insurance companies.

1.2 Company name/legal form

The company will be established on 1.7.2020 in the form of an open company under the name TacLap. The team of founders has chosen the open company as the legal form, which means that all three founders have personal, joint and several, unlimited and primary liability. This means that all three founders are authorized to sign and have full control and insight into the company.

1.3 Ownership structure/team of entrepreneurs

We are three students at the Theresian Military Academy, Pascal Leitner, Roman Grascher and Simon Schwab, who together developed the idea of Tactical Laptops. All members of the green team have equal shares in the company and work full-time for the company. There is a certain amount of prior knowledge in the IT industry. The company is managed by all three founders and the tasks are clearly defined. Further points concerning the joint management were recorded in a shareholder agreement and notarized.

1.4 Location

The company's registered office and business address are located at Werkstraße 36, 8580 Köflach, Germany, at the time of the company's foundation. The cellar rooms of Mr. Gracher's parents' house are made available to us free of charge, except for a contribution to operating costs. Of the premises 50m2 can be used as an office and 20m2 as storage space. As the product manufacturing is commissioned, TacLap OG does not require any larger storage space for the time being. The company benefits from the location for pure cost reasons.

1.5 Company purpose

By using recycled material, the company wants to be environmentally friendly and sustainable and thus contribute to the production of less waste and refuse.

1.6 Foundation status/first steps

The company is currently in the planning phase. The OG will be officially founded on 1.7.2020 and will then start its first business year. The most important milestones up to the foundation of the company and beyond have been discussed and planned.

1.7 Company goals/prospects

With its sustainable production and high product quality, the company wants to score points with its target group and succeed in achieving a corresponding status in the industry. After a successful market entry, the company plans to cooperate with other armies of other nations, as well as with civilian companies that require a laptop of this type. The TacLap should then score as an attractive alternative to the existing products. Up to now, access to the secure network has always required being on site at many companies. This is particularly difficult for an army. Therefore the unattractive conventional computer in the office should be replaced by a modern TacLap.

2 Product

In chapter three, the product is described in detail with the breakdown of costs and the manufacturing process. The target group, the customer benefit and the USP for the customer are also explained.

2.1 Product description

The technology of the TacLap is contained in a case made of special material, which is also used in aircraft construction or medical equipment. It is particularly resistant to shocks, extreme temperatures and dirt particles. The notebook is also equipped with the so-called "PrimoSeal" technology, which is intended to provide optimal dust and moisture protection by means of seals and gaskets.

A "Core 2 Duo" processor from Intel works in TacLap. With the integrated QuadCool thermal management system, it fulfils all the specified requirements for use under extreme temperature conditions. Thanks to "ExpressCharge" you can charge the batteries especially fast. The screen measures 14.1 inches and should be easy to read even in direct sunlight. The desired access for your secure network is individually manufactured to leave nothing to be desired.

2.2 Target group and customer benefit

The target group of TacLap OG, in the market for outdoor laptops, is seen as promising, as the interest of national and international armies is increasing year by year.

The product is primarily aimed at armies and companies.

End Users

End users can be divided into 2 categories, armies and companies.

The target group army is mainly concerned with the compactness and the easy handling of the TacLap. The focus is on functionality and stability and less on elegance and style. In order to be able to process special requests as easily as possible, customers are able to create their own TacLap with various features on our homepage.

Since navigation and maps play an important role, you can choose from various graphic offers. Additional batteries and charging stations can be purchased.

In the company area our organisation allows laptops to be printed with a company logo. This serves again for immediate recognition, but also as advertising space. Also for companies we can meet outdoor needs to create their perfect laptop.

2.3 USP

In General:

compact and high-quality housing; good interface selection; strong performance; overall very good display quality; useful business features; neat input devices; long warranty period; easy to maintain.

Only with our additionally installed 3VE access customers are able to access the Secure Network anytime and anywhere.

Ensure a long service life:

The laptops in the TacLap product line have a magnesium alloy casing and are sealed against the ingress of water, dust and sand.

High productivity enables:

Outdoor and field workers benefit from the exceptional performance, reliable connections and outdoor-readable displays of Rugged products.

Employees in outdoor and field work defy the elements every day. Their PCs must be just as rugged. And that is exactly what laptops from the TacLap product line offer.

2.4 Product manufacturing process and stage of development

The following section explains the manufacturing process and development of Tactical Laptops.

2.4.1 Product manufacturing

The product itself is manufactured in Austria, but individual components are imported from China. A large part of the raw materials (plastic granulate) is also imported from abroad. It is of particular importance to us that most of the production steps take place in Austria in order to support the domestic economy. The hardcover of the laptop is produced by a company based in Graz. Boards and computer chips are purchased from a large company in Villach. The assembly of the individual components then takes place at our headquarters in Köflach. The software for the laptops is developed by our company's own team of experts and specially adapted to the customer's requirements.

Another important point in the production is the recycling of materials. Our goal is to waste as little raw materials as possible during production. This saves material and consequently money, which benefits the end consumer of the product. Actual - state of development

After six months of product development, the first prototype was developed in March 2020. This is now being tested and improved. The testing period is set at seven months in order to eliminate all errors. After the testing period the series production of the improved tactical laptop will follow.

3 Industry, market and competition

In this section, the industry is described in more detail and the market, competition and customers are analysed.

3.1 Market and market analysis

TacLap OG is in the market for laptops with additional services. The product is aimed at military use. In addition, after a successful start of the company, the laptop will also be redesigned for civilian companies.

3.1.1 Overall market

The total market for tactical laptops extends to all countries that have an army. The strategy mainly refers to European armies, as it is easier to cooperate with European armies. The main markets are modern armies with a well developed secure network. The AAF is used as an example.

In the AAF there are about 30,000 professional soldiers. About 10,000 of them would need a TacLap. So in Austria alone there are 10,000 potential customers.

Looking at the total market, this means a very large number of potential customers. Army like Germany or France are much bigger than the Austrian army.

3.2 Sales potential

The target group of this product are armed forces of different countries. In the first phase, however, sales are concentrated primarily on the Austrian armed forces. This product has great potential in the Austrian security sector because it is comparatively cheap and yet can offer what other manufacturers promise. Moreover, almost the entire product is developed and produced in Austria. This gives us an advantage on the domestic market, because the Austrian Armed Forces prefer products from their own country. In the second phase, when the equipment has been tested and has proven itself in use, it can also be expanded and thus the product also gains a foothold on the international market. Since sales are initially only made on the domestic market, sales will be rather low in the first phase. However, after testing and expansion on the international market, higher sales figures are expected.

3.3 Competition analysis

There are not so many companies on the market that only produce tactical laptops. Most manufacturers produce these laptops only as a marginal product. However, no one has specialized in this product. So our company would be the only one that specializes in this product and therefore have a clear advantage. We stand out from the other companies.

3.4 Entry barriers

One possible barrier to entry could be the lack of a budget for the armed forces. Likewise, many armed forces are already equipped with tactical laptops and one would have to wait until these are phased out to participate in the tender.

3.3 PESTLE

Element	Factor	Business Impact
Political	Subsidies Security Policy Legislation political stability Tax guidelines Trade Policy Customs duties Privatisation Subsidies Economic Policy	The TacLap organisation is supported by various ministries. Therefore, the political factor has a significant influence on us as all funding and support is subsequently dependent on the political direction. Government decisions and political changes can have both positive and negative consequences. With the technological factor, the political factor is the one with the most influence on our organization.
Economic	Currency fluctuations, exchange rates Economic growth Interest rate development, interest rate level Employment / unemployment Economy Inflation Raw material costs Tax system Income Purchasing Power	Our organisation is funded by the Department of Defence budget. This budget covers financing, research, development, etc. The available budget is decided by the government and covered for several years. The availability of bank loans can therefore be neglected. Compliance with the budget is a requirement of the ministry.

SociologicalLanguage skillsvarious armies and companies. Sociological factors of individuals and therefore hardly taken into account Social trends are addressed within the development but not further concluded. The official language in Austria is German. English is not so common, but the number of people who spect English has increased.SociologicalEducation HealthThe technological factor is very important for our organization because new technological developments, new software, new equipment, etc. can significantly speed up research, development ar			
Logistics/transport routesimportant for our organization because new technological developments, new software, new equipment, etc. can significantly speed up research, development ar production and also have a positive financial impact.TechnologicalDigitizationTechnology leapsPerformance potential	Sociological	demographic population trend Religion Purchasing behaviour Values, standards Education	Sociological factors of individuals are therefore hardly taken into account. Social trends are addressed within the development but not further concluded. The official language in Austria is German. English is not so common, but the number of people who speak
	Technological	Innovative strength Technical standards and norms New production processes Digitization Technology leaps Performance potential	important for our organization because new technological developments, new software, new equipment, etc. can significantly speed up research, development and production and also have a positive
Labour LawFor legal issues, we have called upor the assistance of experts from the ministries. Legal issues such as legislation, data protection, health and safety, etc. have been jointly	Legal	Tax law	ministries. Legal issues such as legislation, data protection, health

	Labelling requirements Authorisation requirements Product liability	reviewed and processed. Legal issues for foreign companies and customers were also examined.
Environmental	Environmental requirements Changed buying behaviour Resources Energy Sources Climate Change Consumption Recycling, disposal Air Pollution	Since the establishment of our organisation, we have taken the environmental factor very much into account. In the production of our products, we primarily avoid the use of plastic. As packaging material we mainly use recycled paper.

3.4 Porter 5 forces

Market Size

The product is sold outside and inside NATO in order to transmit the product to a wider audience of sellers.

Potential

Since conflicts are now carried out in the paramilitary domain, it is very difficult to reconstruct them. For this very reason, scenarios from previous combat missions can be saved and replayed in the program.

Customers, Providers

The buyers of the product are state armed forces within and outside NATO that can use this technology. This product enables soldiers to practice and evaluate possible scenarios in combat operations.

Competitors

The list of competitors with a similar VR technology: Sony (Japan), Samsung Electronics (South Korea) Google (US), Microsoft (US) HTC (Taiwan), Oculus (US), Eon Reality (US), Vuzix (US), CyberGlove Systems (US), Leap Motion (US), Sensics (US), Sixense Enterprises (US), Nintendo (Japan), Psious (Spain), Mindmaze (Switzerland), WorldViz (US), Firsthand Technology (US), Virtuix (US), Survios (US), Merge Labs (US), SpaceVR (US), and Virtually Live (Switzerland). For the software there aren't any competitor's yet in the market, as some countries are still developing theirs. For example:

VirtualReality Military Training Simulator (USA)

https://www.army.mil/article/84453/virtual_reality_used_to_train_soldiers_in_new_trainin g_simulatorClassVR

https://www.classvr.com/virtual-reality-industry-work/vr-military-defence-training/

Substitutes

An alternative would be a computer based software, but this technology exists already. Forcing us to enhance an existing product. For example, the Steal Beast software from the Austrian Army.

4. Technology, production processes, automated control systems

Our company is controlled and managed by an ERP system from Oracle. Production processes are thus optimised and production is simplified and more cost-effective.

Production demand

The production will initially be based on the customer's orders. Thus, production will only start when we receive an order.

The background for this production method is that we respond to the customer's wishes and program the laptop directly according to these wishes.

Machines for processing the plastic granulate are purchased. In addition, assembly lines and robots for individual work steps are also needed.

A basic stock of the material is stored at our company and can be reordered on demand. The required energy is supplied by an energy supplier who produces it in an environmentally friendly way. Additionally, the system is supplied by our photovoltaic system.

The time needed for the production of the TacLap is 22 hours. In addition to this, there is the individual programming according to the customer's wishes. This can vary greatly from the time required.

4.1 Transport and logistics, industrial logistics

The raw materials from China are transported by sea. The containers are loaded in Shanghai and taken to Trieste. From Trieste, the material is transported by rail to Graz and from there the containers are brought by truck to the company's premises in Köflach.

The logistics for the delivery of the goods is carried out by the company founders using small vans.

The logistics within the production premises are as follows. In hall 1 the raw materials and components are received and distributed to the respective production halls. The plastic granulate thus reaches hall 2 where the production of the housing takes place. In hall 3, all components needed for electronics (computer chips, circuit boards, ...) are brought together

in hall 4, the components from halls 2 and 3. The process continues in hall 5, where the software is installed. Hall 6 is responsible for packaging and shipping.

4.2 Production costs

The production costs amount to 500 - 700€ per piece. These costs include research. The reason for the price range is the individual adaptation of the laptop to the wishes of the customer.

4.3 External factors (legislation, production standards ČSN EN ISO)

There is no restriction by legislation. The production standards and quality seals of the EU - guidelines must be adhered to.

4.4 Product certification, declaration of conformity

The product certification is carried out by TÜV Austria (Technischer Überwachungsverein).

4.5 Industrial safety and fire protection

Safety at work is ensured by safety equipment and clothing. For fire protection, a company fire brigade is set up, which consists of the employees. Thus, at least four workers with fire-fighting qualifications should be on site in each shift. In addition, a fire fighting system will be installed in the halls.

4.6 Innovation, research and development, university cooperation

The innovation of this device is that even armies with a small budget can afford a tactical laptop and are therefore more efficient.

The research and development is carried out by our experts in cooperation with military personnel.

There is a university cooperation with the development department of TMA.

4.7 Protection of IPR, patent, technology transfer

For the new TacLap technology the patent is on going.

5. Human Resources

Simon Schwab has been studying military leadership in Wiener Neustadt since 2018. Before that he attended the commercial academy in Graz with a focus on marketing. During the summer months he has already completed much internship, for example at the Red-Bull Media House in the sales department or at Mazda Austria in the marketing department. In 2018 he was allowed to work at escene.de, an e-sports news platform that manages social media channels and helped them grow. As a result, his interest in social media and the marketing benefits they bring has increased even more. He made the decision to become self-employed while still at school, where he was entrusted with the organization of his high school graduation ball and this work spurred him on to take the step to independence. With the Tac Lap organisation he sees a very good possibility to make the leap. Simon has the Voxmi certificate and holds the ECDL driving licence.

Roman Grascher is studying military leadership with a focus on personnel management at the Theresianische Military Academy Wiener Neustadt. During his studies Roman worked for four years as a spa coach and children's swimming instructor at the company Hotel und Therme Nova Köflach GmbH & Co KG. In the course of this, he completed various seminars such as conflict and problem-solving management, as well as fire training, lift attendant training and ongoing first-aid courses. In the summer of 2018, she completed an internship at Magna Steyr Fahrzeugtechnik AG & Co KG, in Human Resource Management. During the internship he decided to write his bachelor thesis in the field of human resources management. Due to the practical experience he gained through the different jobs he is motivated to take the step into self-employment and to found the TacLap Company with his team.

Pascal Leitner started his studies of business law at the Vienna University of Economics and Business Administration in 2016, but dropped out after 4 semesters. During his education he completed internships and was able to gain insight into companies.

From 2016 to 2017, Pascal was slightly employed at CredoWeb Connecting GmbH in Graz, where he did administrative work and was responsible for accounting and cooperation with tax consultants and payroll accounting. In the course of this, a new time recording system was introduced under his leadership, which was put into operation on 1.1.2017. During his studies, Pascal always placed great importance on practical relevance, which is why he always tried to find part-time jobs and internships with valuable content. In his spare time Pascal was involved in voluntary work and was chairman of a sports club for two years. These management tasks and the insights into various companies motivated him to take the step into self-employment and spurred him on in his entrepreneurial activities.

5.1 Organisational structure

The TacLap OG is dedicated to the production of suitcase covers and thus to planning, organisation, management and control. The company is constantly striving to further develop and to expand and deepen its core competences.

The company itself is responsible for the following tasks:

- Product management, design and development

- Strategic and operational planning
- Management
- Marketing and communication

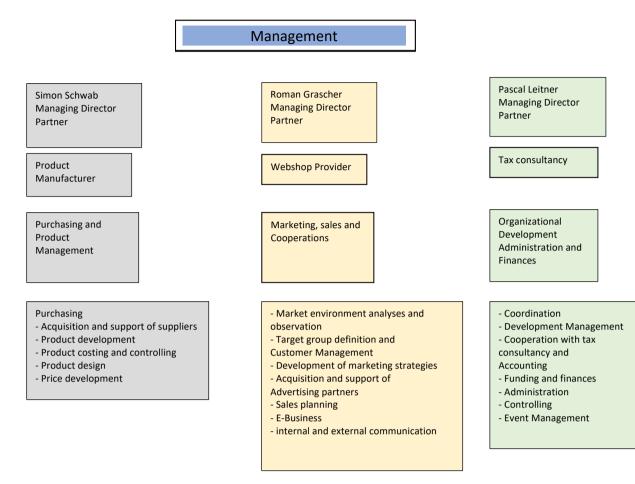
The Company commissions external companies to perform the following tasks:

- Production and shipping
- Webshop and website creation
- Tax consultancy and payroll accounting
- Legal advice (notary)

5.2 Personnel planning and remuneration system

The three founders work full-time for the Austrian Armed Forces and run the TacLap organisation during their working hours. This means that a profit is only made when Tac Lap products are sold to companies or foreign armies, as the Austrian Army purchases the products at zero tariffs. The remuneration is within a reasonable range, so that the existence of the founders can be secured. For the time being there are no other employees working in the company.

According to this, the current organisation chart with the task fields of the individual positions of the TacLap OG looks as follows:



Labour law and social law

Social security for self-employed persons

Obligations and possibilities of traders and new self-employed persons Traders and new self-employed persons are subject to social security contributions. Entrepreneurs have the opportunity to improve their health insurance with additional contributions and can make voluntary provisions for unemployment. There are additional earning possibilities in the pension.

Working hours

Overview of the central regulations: From normal working time to 12-hour day and driver working time

The normal working time for full-time employees is 40 hours. Part-time employees work fewer hours. They receive the same pay as full-time employees, converted to the number of hours worked. Normal working hours can be exceeded by overtime. 12 hours per day, 60 hours per week may be employed.

Employees must observe working hours, breaks and daily rest periods. There are special regulations for night work and drivers.

Hiring employees

Job advertisement, service record and probationary period: What to consider when hiring an employee

Job advertisements must contain information on the minimum wage. In certain cases, applicants can charge the employer for travel and accommodation expenses. The probationary period for newly hired employees may not exceed one month. The employer must issue a service note for each new employee and register them with the tax and social security authorities. The Public Employment Service promotes the qualification of employees and the recruitment of the first employee. Older employees should be kept in employment for longer.

Temporary workers, personnel leasing and labour leasing

Rights and obligations relating to posted workers

Posted employees work for their company for a certain time at another place of work. Transferred employees have an employment contract with their employer - for example, a personnel leasing company - and work for another company. A contract of assignment is concluded between the two companies, which entails obligations. Exceptions are made if no transfer is possible. The Social and Further Training Fund supports leased employees in the event of unemployment and standing periods.

Operating assistance

Support for entrepreneurs unable to work

The operational aid provided by the Social Insurance Institution of the Trade and Industry and the Chambers of Commerce supports entrepreneurs who are unable to work. It finances operational helpers who look after the company until the entrepreneur is fit for work again.

Termination, dismissal and cancellation of employment

Entitlements, obligations and time limits to be taken into account

The termination of an employment relationship can take place in different ways: termination by the employer, dismissal by the employee, dismissal, premature resignation for health reasons or termination by mutual consent. In all cases, the employer must observe the rights, obligations and deadlines. Furthermore, employment relationships can be suspended, affected by the death of the employer or by a transfer of business. In some cases, the early warning system obliges employers who wish to dismiss employees to inform the Public Employment Service (AMS) in advance.

Salary, wage and contribution rates

How employees can be rewarded for their performance

Remuneration is any kind of benefit that the employee receives from the employer for the work he/she has provided. Minimum salaries, due dates and compensation for overtime are regulated, as are changes in employment relationships or insolvency cases. Statutory levies and assessment bases are dealt with under the topic of contributions.

Employment contract & service note

If someone undertakes to perform work for someone else, an employment contract exists. It is binding on both sides, as both contracting parties (employer & employee) have both rights and obligations.

The employment contract regulates the rights and obligations of employees and employers, unless they are mandatory by law, collective agreement or works agreement. The employer's main duty is to pay the remuneration; the employee's duty is to perform work.

6. Project Area (Site) Provision

The office space and production area is free at the beginning. During the development up to the prototype we can work in the basement. When the product is ready for mass production, warehouses of the AAF can be used. This is already contractually secured and signed. The conversion of these facilities will be very minimal. Initially, production will take place in a small space. There is nothing in the warehouses, so depending on the size of the machines that will later be purchased, this can be arranged for the production of the TacLap. The location and transport connections are very good. In Köflach there is a very good public transport network. In general, the south of Graz is the industrial area of Styria. Therefore, many fast deliveries are possible, as transport companies such as DHL have their warehouses right here. The neighbourhood is very quiet and there is little traffic. The location of the warehouse is in Graz. So there is no big difference between the connections to Köflach and Graz. As the second largest city in Austria, Graz is equipped with a very good transport network. All networks like electricity, gas, water, waste, internet are available at both locations and work without any problems. As the company TacLap attaches great importance to sustainability, existing networks are used. No expensive and environmentally harmful buildings will be built.

7. Project Marketing Proposal

7.1 Sales and Marketing Mix

Product: TacLap stands for Tactical Laptop, which is also registered as an international brand. As TacLap is the first innovative Laptop for Armies, which unique for its compact design and for a secure access worldwide. The product is available for companies and armies and can be adapted to individual demands.

Price: As the manufacturing costs are stated between 500 and 700 euros, the additional organisational costs can be stated between 300 - 500 euros and the profit should be calculated around 200 euros per piece, the price for one TacLap is calculated between 1000 and 1400 euros. Therefor the laptop has a good price-performance ratio and is competitive with, for example well-known brands like apple and DELL. There will be discounts for large orders, which armies or companies may take.

Place/ Distribution: Since the entire project team is currently studying at the Theresian Military Academy the main distribution channel will be direct sales into the beginning. In the future it is considered to distribute this new technology to armies of other countries and

huge technology companies worldwide. Therefore it is needed to think about various distribution channels like indirect sales or multichannel sales.

Promotion: For the promotion the project team considers to use following promotion tools. Sponsoring, events, trade fairs, public relations, trade press, promotion campaigns (for example social media).

People: There are currently three people in the project team, which are responsible for the whole task of the company. In the future it is expected that the company grows constantly and therefore it is needed to build up a human resource policy.

Processes: There must be an optimal process to satisfy the target group. As move process within the organisation can lead to a high customer loyalty and a good company repetition. Since the OG is still quite small, the processes are not very complex.

7.2 Ways and Costs of Promotion

As already mentioned above, at the beginning there are not many costs at the beginning due to the project team works directly with the AAF. For 2021 a marketing budget of around 20.000 euros is considered. With this budget all mentioned promotion activities can be started.

7.3 Ways and Costs of Distribution

The distribution costs are considered in the over all organisation costs 300-500 euros, mainly the packaging is one of the biggest cost units. As it is essential to ensure a safe delivery. The distribution will be conducted by the project team and maybe a few partners for the beginning. The ways of distribution can be described as B2B relation. In the future the main distribution will be the internet with an online platform.

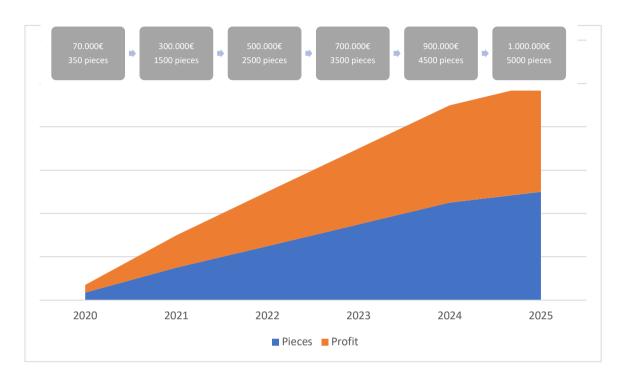
fix costs:	manufacturing costs -> standard 500€ / premium 700€	
	overhead costs (EDV, insurance,) -> 200 - 300€	
variable costs:	raw matrials,> 100 - 200€	
total costs:	800 - 1200€ per piece	

7.4 Setting of Margin and Product Prices, Calculations:

7.5 Definition of Goals and Milestones of Success in Time:

For 2020 the project team considers a sales volume of 300 standard TacLaps and 50 premium TacLaps for the Theresian Military Academy. This means a turnover of 370.000€ in our first year. The real profit will be 70.000€. After one year of business the company will start the cooperation with other armies and organisations and expect a sales volume of

1.500 TacLaps. This means a profit of 300.000€. However it is a strongly growing market and for the next five years it is expected to reach a sales volume of 5.000 TacLaps. The prognoses of sales only considers the expecting sales volume over the next five years. Further age are production and logistic costs are not considered in this prognosis.



Due to that TacLaps OG does not have any competitors in this industry the market share is 100%. For the future it is important to stay competitive as it is expected that some new solution will try to enter the market.

8. Finacial Analysis

Investment

At the beginning we will be provided with funds from the TMA. This money is for the development and production of the product. The factory in which the product is manufactured is free in the first year and with the beginning of the next year a rent has to be paid.

Thus the costs in the first year are almost zero.

If we sell the 1500 pieces in the first year we have a plus of 300.000€

With this money we reinvest to push the production forward and to be able to defy the big demand.

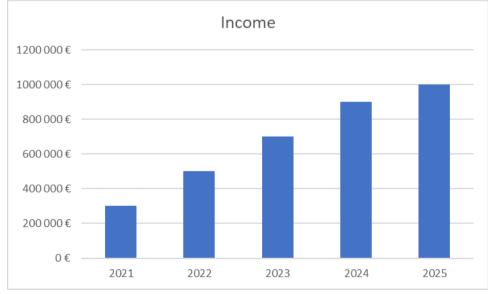
Cash in Cash out Analysis

But in the second phase there will be higher expenditure. Workers have to be paid, the rent for the factory has to be paid and the operating costs have to be paid.

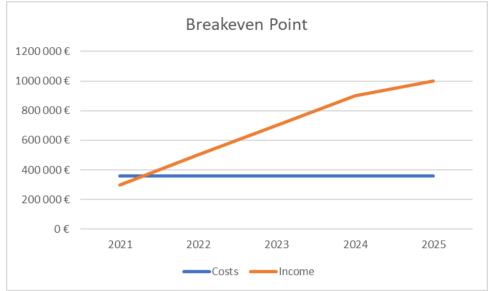
	Month	Year
Workers	5 Workers x 2.000€ = 10.000€	120.000€
Rent	10.000€	120.000€
Operating costs	10.000€	120.000€
Total costs	30.000€	360.000€

Cost calculation for one year (Cash out)

Speculation of income for the next five years (Cash in)



Breakeven Point



As you can see the breakeven point is in the first quarter of 2022.

9. SWOT

	Opportunities	Threats
	Our main strength is that we	Our strength combined with the
	have a new product that is	risks shows that we have to plan
	optimized for the military	all our steps carefully because
	market. The entire team has	we have a limited budget and do
	military expertise and can	not want to rely on external
	assess exactly what is	financing under any
	required of your product. By	circumstances. The existing
Strength	using this new product, we	expertise and the demand of our
	can take the opportunity to	team for the product must
	find buyers and promote our	always be taken into account as
	product better. Since the	we want to bring a product to
	Austrian Armed Forces are	the market that is as cheap as
	financing the project, we are	possible.
	also very well positioned in	
	this area.	

certified and patented soawareness of our compthat no other company canthe product increases,simply copy our idea andwe only generate a proWeaknessesbecome a competitor for us.through international a	any and
simply copy our idea and we only generate a pro	
	because
Weaknesses become a competitor for us. through international a	fit
	rmies and
private companies. Inte	ernational
contacts, fairs and adve	ertising
appearances are used t	o achieve
this goal.	

Identification of success factors:

- Key contracts, investments, turnover, earnings,
- Asset growth, technological development
- Market shares, strategic partnership,
- Research and development,
- Advertising appearances, increase of the level of awareness

Risk minimizing measures:

- Strategic planning, cooperation with experts
- Capital Distribution (Portfolio), Special Provisions
- Increase in quality, slow growth and perfect production processes

BP Supplements:

- CVs, personal certificates, training, copies of registers
- Project documentation, visualizations,
- Patents, product certificates
- Financial reports (balance sheet, profit and loss account, CF)
- Contracts, information on competition,