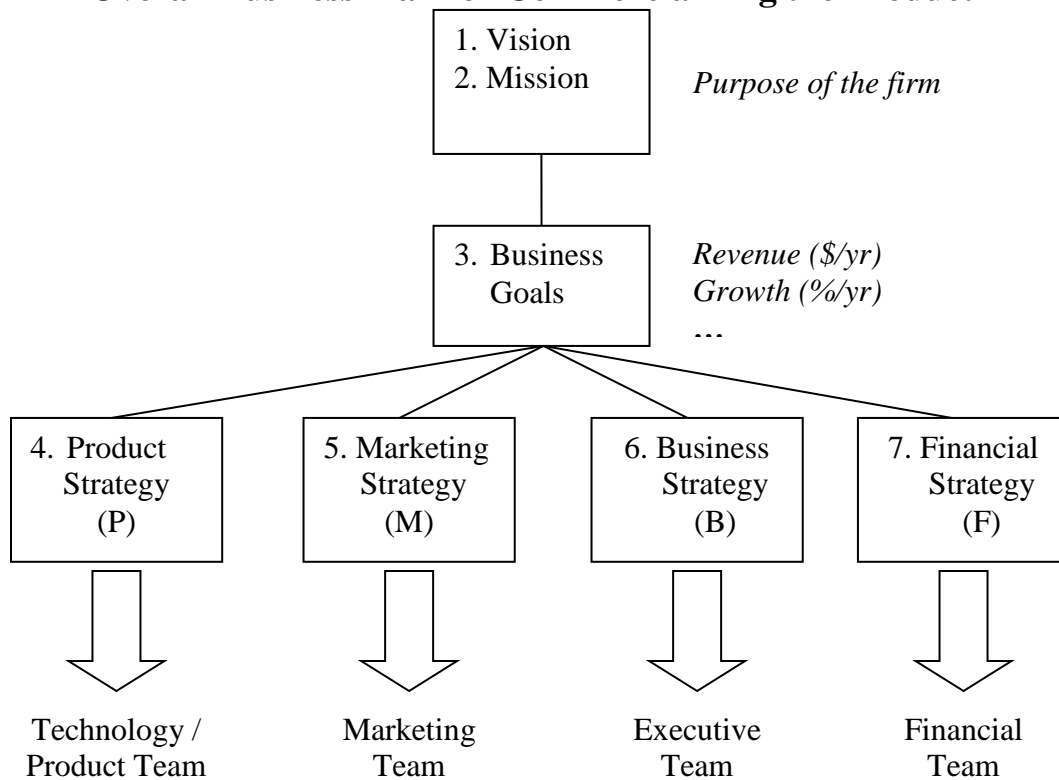


Overall Business Plan for Commercializing the Product

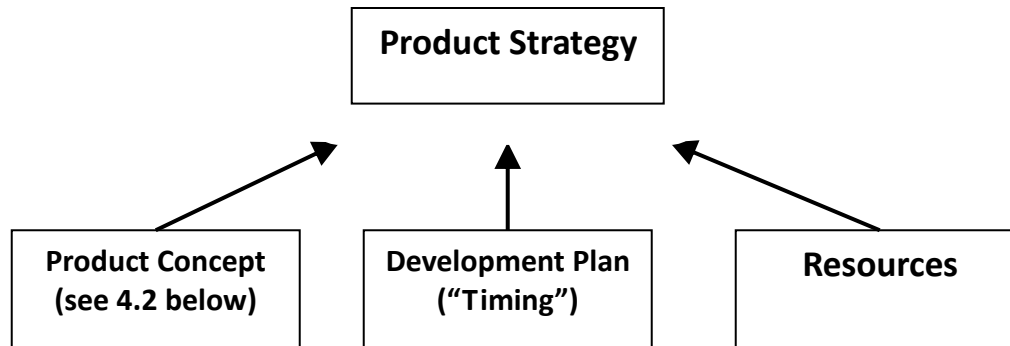


1. **Vision:** A very broad statement of how the company visualizes the future (e.g., “a completely networked society”).
2. **Mission:** A more specific statement of the company’s role in achieving a future vision.
3. **Business Goals:**
 - Revenue (\$/yr), e.g., \$2M in 2 years
 - Growth (%/yr), e.g., 10% per year
 - Profit Margin (%): cash you get to keep as a % of the cash you receive from sales
 - Return on Investment (%): how much money (profit) you are making as a % of your investment (facilities, equipment, inventory)
 - Profit (\$): approximately equal to revenue multiplied by the profit margin

4. Product Strategy (aka Technology Strategy)

A Product (P) strategy is the combination of three components:

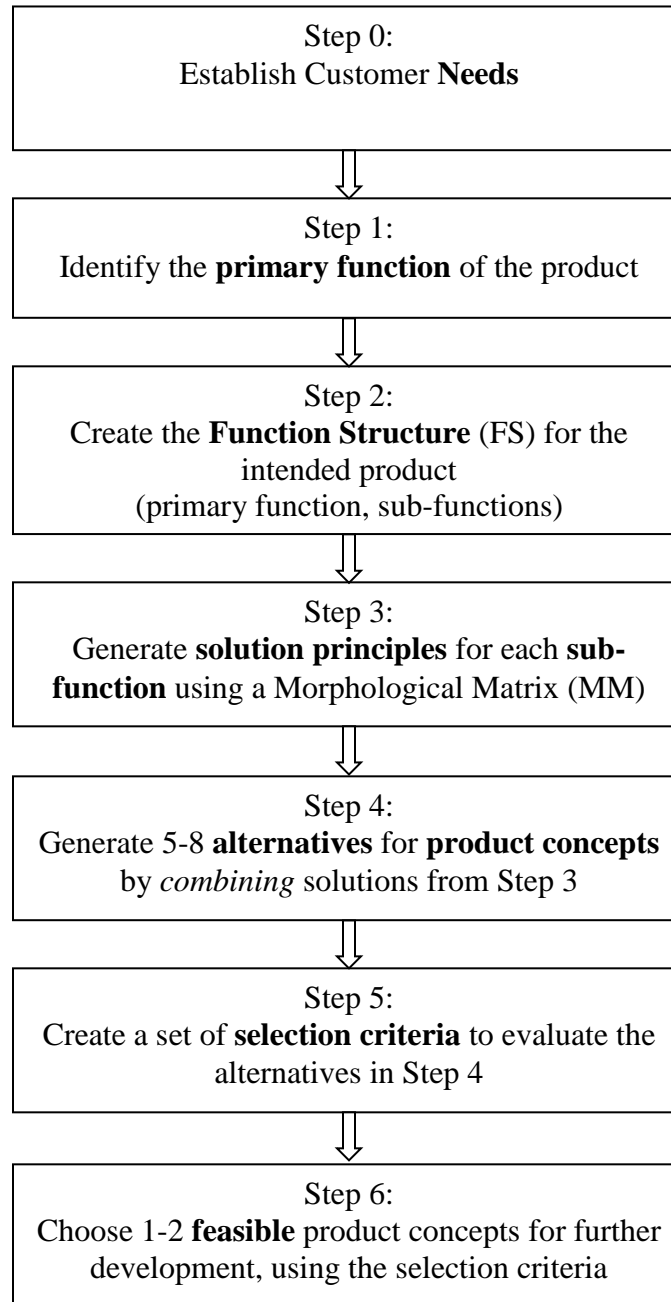
- Product Concept
- Development Plan (for developing the product from an idea all the way to the consumer)
- Resources needed to develop the product



4.1 KEY ITEMS in a Product Strategy

- What is my product concept?
- What resources do I need to develop this product?
 - Expertise (skill-sets, tools, infrastructure)
 - Source (do everything in-house? outsource?)
 - Timing (when?)

4.2 Product Design (aka Product Concept)

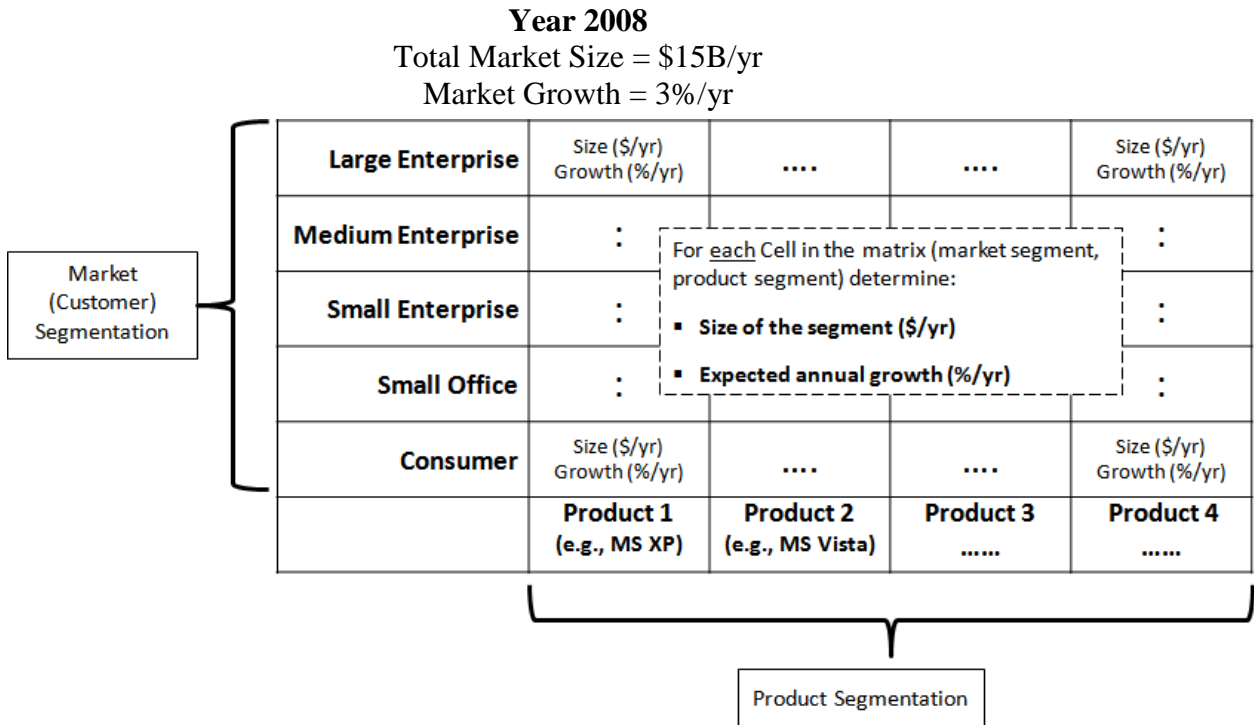


5. Marketing Strategy

The marketing strategy is a clear statement of 5 components:

1. The total annual revenue “size” (\$/yr) and growth rate (%/yr) of the market.
2. How the market is segmented, and the [size (\$/yr), growth (%/yr)] of each segment.

The following is only an example (using Microsoft). The product and market segmentation for your company will, in general, be different.



3. Current Players in the market and their relative sizes (% of total market share).
4. Which cells you plan to target and what share of each cell (%) you plan to capture.
5. Marketing Mix (The 4 P’s):

- Product:** Detailed description of what the customer really wants
 - functions
 - features
- Price:** What is the customer willing to pay? How do you recover your costs and make profit?
- Placement:** What are the distribution channels for the product?
(e.g., wholesale, retail, direct-to-customer, Internet)
- Promotion:** Advertising to get the “word out” about the product; promotions, etc.