



PromenAid Growth Strategy

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How best to drive growth to \$15.7M in 3 years?

- ▶ Medical solution to a medical need
- ▶ Word of mouth is effective
- ▶ Professional referral is even more effective

Strategy Analysis

Current Situation

- ▶ Position product to residential and specialty sector
- ▶ Established competitive advantage
- ▶ In store and online sales through limited number of retailers
- ▶ Predicting explosive cash flow requires upfront funding

Challenges

- ▶ Stimulate demand
- ▶ Differentiate product and build brand recognition
- ▶ Chose best distribution channel
- ▶ Manage cash flow

Raising brand awareness positions PromenAid in the minds of those that need it

- ▶ 3 phase implementation plan to achieve exponential growth
 - ▶ Target OTs and gain referral sales
 - ▶ Target new construction for senior living communities
 - ▶ Target Home Hardware stores for brick and mortar product placement and sales

Agenda

- ▶ Strategy Analysis
- ▶ Alternatives
- ▶ 3 Year Implementation
- ▶ Finance
- ▶ Risk Mitigation

Strategy Analysis

Strengths

- ▶ Competitive advantage
 - ▶ Code Compliant
 - ▶ Affordable
 - ▶ Ease of installation
 - ▶ Effective

Opportunities

- ▶ Online growth through Amazon and other retailers
- ▶ Contractors for new construction
- ▶ OT recommended
- ▶ In store expansion to retail stores
- ▶ Gather end user market data

Weaknesses

- ▶ Lean team lacks sales professionals
- ▶ Lack of brand awareness
- ▶ Lack of end user market data

Threats

- ▶ Insufficient funding
- ▶ Aggressive sales goals
- ▶ Projected 2017 sales don't support operations
- ▶ OT marketing may fail to produce additional end user sales

Competitive Analysis

Product	Continuity around corners	Price	Post installation maintenance	Primary target market	Aesthetically pleasing	Promotes mobility
PromenAid	Yes	Moderate	No	Residential	Yes	Yes
Wood	Difficult	Moderate to high	Yes	Residential	Yes	Yes
Metal	Difficult	High	No	Commercial	No	Yes
Hybrid	No	High	No	Commercial	Yes	Yes
Stair lifts	No	Very high	Yes	Residential	No	No

Year 1 Implementation

- ▶ Focus on U.S. Occupational Therapists in the United States, focus on the medical benefits of the product. Bring awareness to the profession through the U.S. Association of Occupational Therapists.
- ▶ Hire 3 salespeople specializing in medical sales, to be trained by Geller.
- ▶ Offer a 10% discount for customers referred through network.
- ▶ Success Metric: 7000 referrals in 2017 at \$150 on average per order.

Year 2 Implementation

- ▶ Target builders and construction professionals, focus on practicality and aesthetic appeal.
- ▶ Hire 10 salespeople familiar with the construction industry.
- ▶ Goal to have product placed in construction of new nursing homes and assisted living complexes.
- ▶ Success Metric: 250 new large scale construction projects at \$10,000 per order.

Year 3 Implementation

- ▶ Create partnership with Home Hardware stores, 1100 locations in their network. Will provide additional accessibility to the product.
- ▶ Salespeople in this network can be trained on both the medical benefits, as well as the practicality and aesthetic appeal. We will benefit from the existing customer relationships.
- ▶ Success metric: 45,000 additional sales annually at \$150 per order on average.

Implementation Timeline

Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12
Hire and train sales staff for OT and medical											
	Attend medical equipment and therapist trade shows to promote product										
				Hire and train sales staff for contractors/new builders			Partner with contractors for new construction				
					Use aggregate sales data to plan anticipated brick and mortar inventory need						
										Develop Home Hardware store partnerships to utilize existing customer relationships	

Financial Projection

	2017	2018	2019	2020
OT				
Number of Customers	7000	20000	50000	80000
Sales	\$ 875,000	\$ 2,500,000	\$ 6,250,000	\$ 10,000,000
Costs	\$ 400,000	\$ 1,000,000	\$ 2,500,000	\$ 7,500,000
Gross Profit	\$ 475,000	\$ 1,500,000	\$ 3,750,000	\$ 2,500,000
Builders and Homeowners				
Customers acquired	\$ 1,000	\$ 15,000	\$ 40,000	\$ 50,000
Sales	\$ 125,000	\$ 1,875,000	\$ 5,000,000	\$ 6,250,000
Costs	\$ 400,000	\$ 200,000	\$ 1,000,000	\$ 2,000,000
Gross Profit	-\$ 275,000	\$ 1,675,000	\$ 4,000,000	\$ 4,250,000
Total Sales	\$ 1,000,000	\$ 4,375,000	\$ 11,250,000	\$ 16,250,000
Net Income			\$	\$ 4,050,000

Success measures

- ▶ Top line revenue
- ▶ 7000 new orders from referrals from occupational therapists in year 1
- ▶ Become supplier for 50 contractors building new homes and communities in year 2
- ▶ Expand to 1100 Home Hardware retail stores in year 3 after brand awareness has increased

Risk Mitigation

- ▶ Existing sales provide additional time and capital to grow the business
- ▶ If no early traction with OTs can pivot early to contractors
- ▶ Early expansion to online portions of established brick and mortar stores

Conclusion

- ▶ Need to stimulate demand among individual consumers.
- ▶ Utilize competitive advantage, bring awareness to consumers and experts.
- ▶ Distribution channel
- ▶ Potential for explosive growth
- ▶ Focus on the practical and medical benefits, will earn recommendation of medical professionals.
- ▶ We are distributed through Amazon and brick and mortar by 2020.
- ▶ Manufacturing needs met.