

# PromenAid Handrail: Managing Growth

Presented to Rob Geller, VP Commercial Operations  
Kell Warshaw, Founder

**Meliora Consulting Group**  
Brett Welcher  
Cameron Shaw  
Steven Chew  
Tiantian Wang

# Mandate

**How to expand the demand, growth & competitiveness for PromenAid?**

**Channels**

**Cash Flow**

**Long-term  
Growth**

## Challenges

Stimulate demand in handrail

We are working on finding where the demand lies

Maintain its competitive status

Many Competitions in market, also have to compete against decorative ones

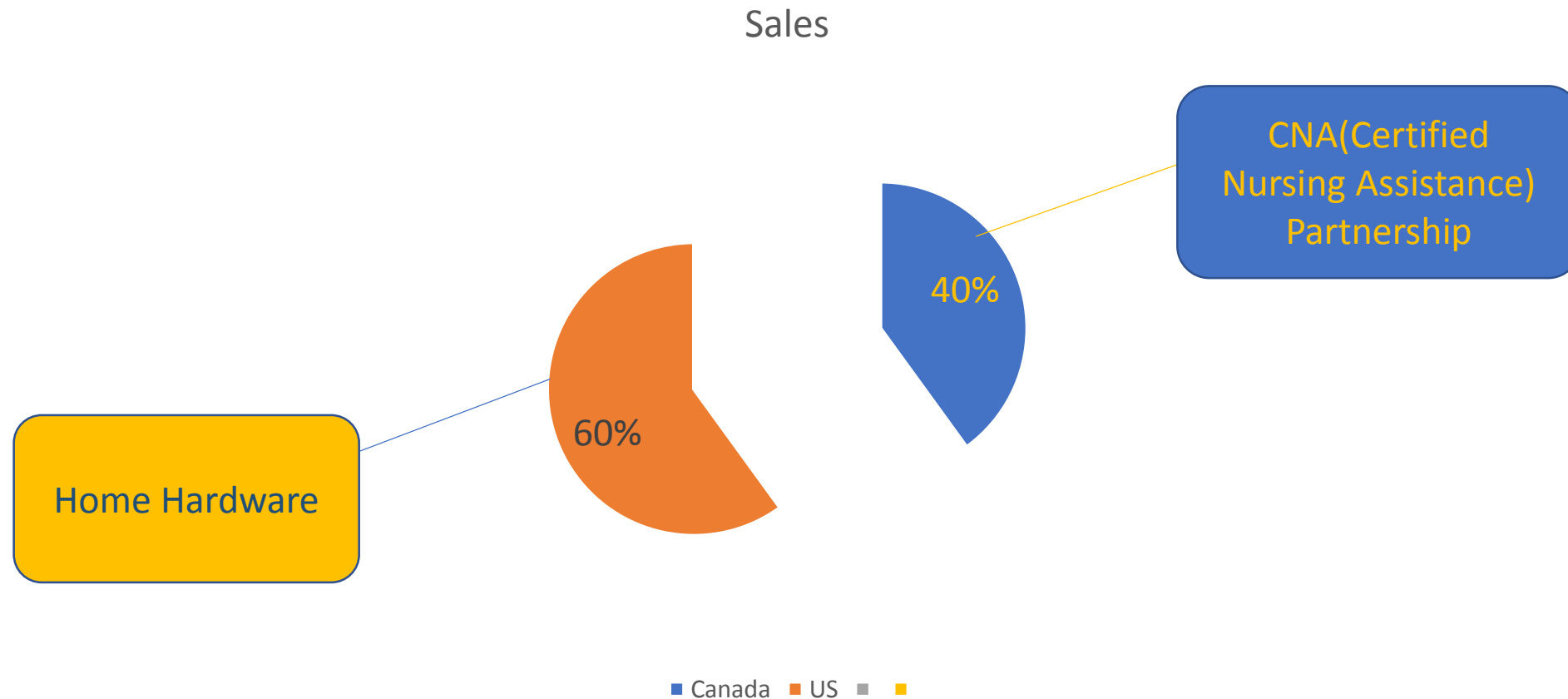
Managing Cash Flows

Cash Flow is really low at this point

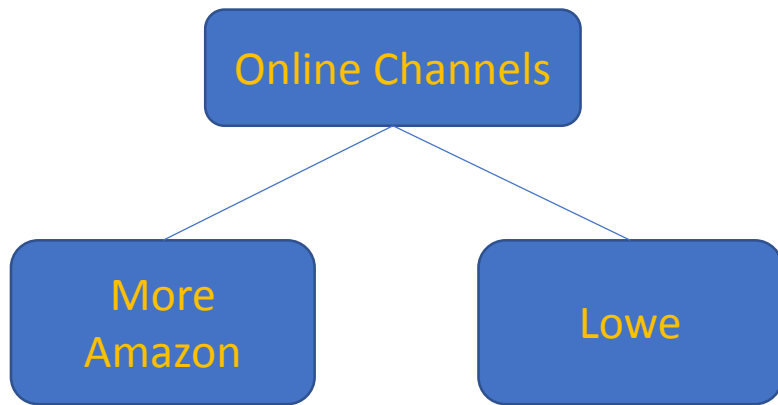
Long-term Goal: Manufacturing or E-Commerce

Maintain the company's competitive advantage & leadership status in handrail

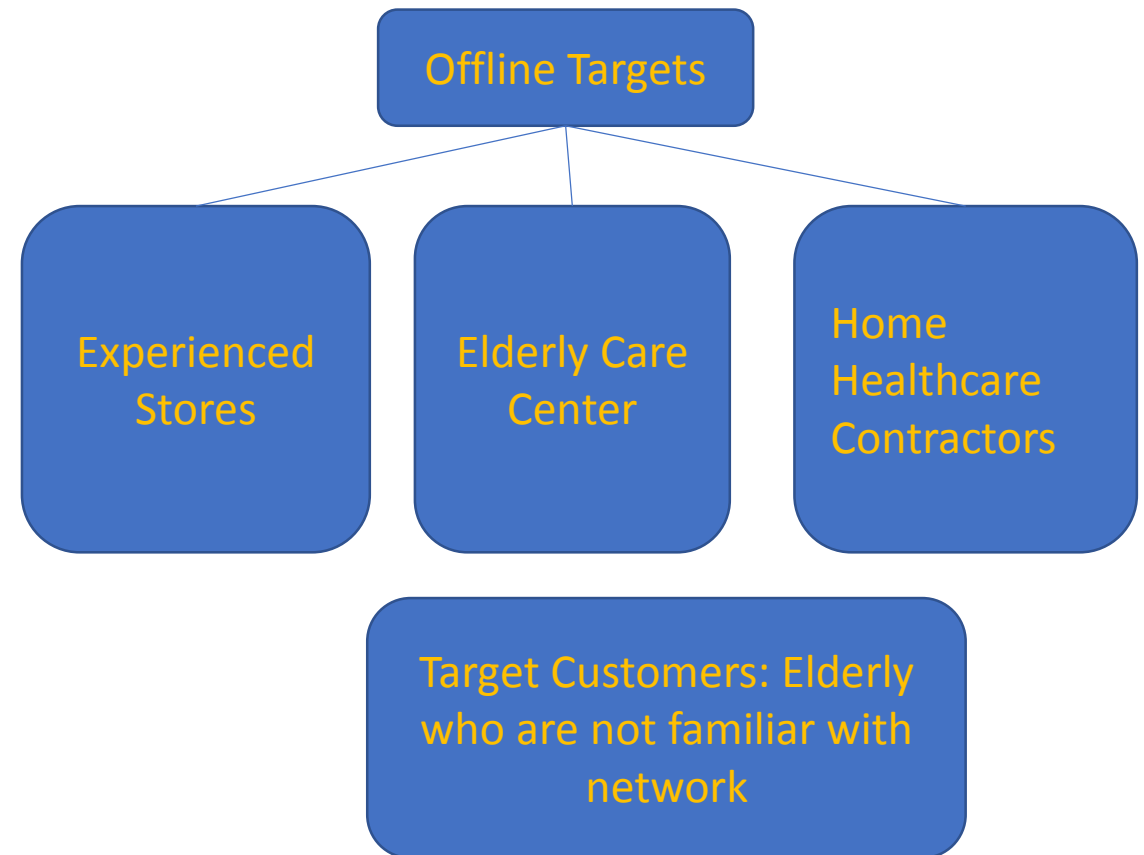
# Different strategy for Canada & US on different channels



# Changing ideas in online channels, innovation in offline channels



Target Customers:  
Middle-aged who have  
kids or elderly in their  
home



Optimistic perspective, aging society trend indicates great needs of handrail

### Economic

- Continuous sales increase
- Successfully obtain financial support

### Social

- Aging society trend
- 25% of the US population, 80M
- Total:  $20+80=100$ M

### Technology

- Durable & easy to install
- Expense on R & D is high which brings our products as high-quality

# Cost under estimated

Client projections			
	Revenue	Cost	Profit
2016	\$197,000	\$83,000	\$114,000
2017	\$1,240,000	\$468,000	\$772,000
2018	\$3,777,000	\$1,411,000	\$2,366,000
2019	\$8,328,000	\$3,066,000	\$5,262,000
2020	\$15,730,000	\$5,721,000	\$10,009,000
Updated projections			
	Revenue	Cost	Profit
2016	\$197,000	\$120,000	\$77,000
2017	\$1,240,000	\$1,200,000	\$40,000
2018	\$3,777,000	\$1,200,000	\$2,577,000
2019	\$8,328,000	\$1,716,000	\$6,612,000
2020	\$15,730,000	\$2,532,000	\$13,198,000

# Current Cash Flow can handle growth goals

- 160,000 in debt with likely 6% interest rate
- 420,000 left in equity after marketing expenses



# Aging Population Increases Market

- The market size will grow to 25% of the population, or about 100 million people in both the United States and Canada

# 5 Year Net Present Value for Hardware

# Appendix

- Assumptions:
  - 100 million older people (80 in the US and 20 million in Canada)
    - 25% of older people have mobility impairment
    - 20 million in US and 5 million
    - d

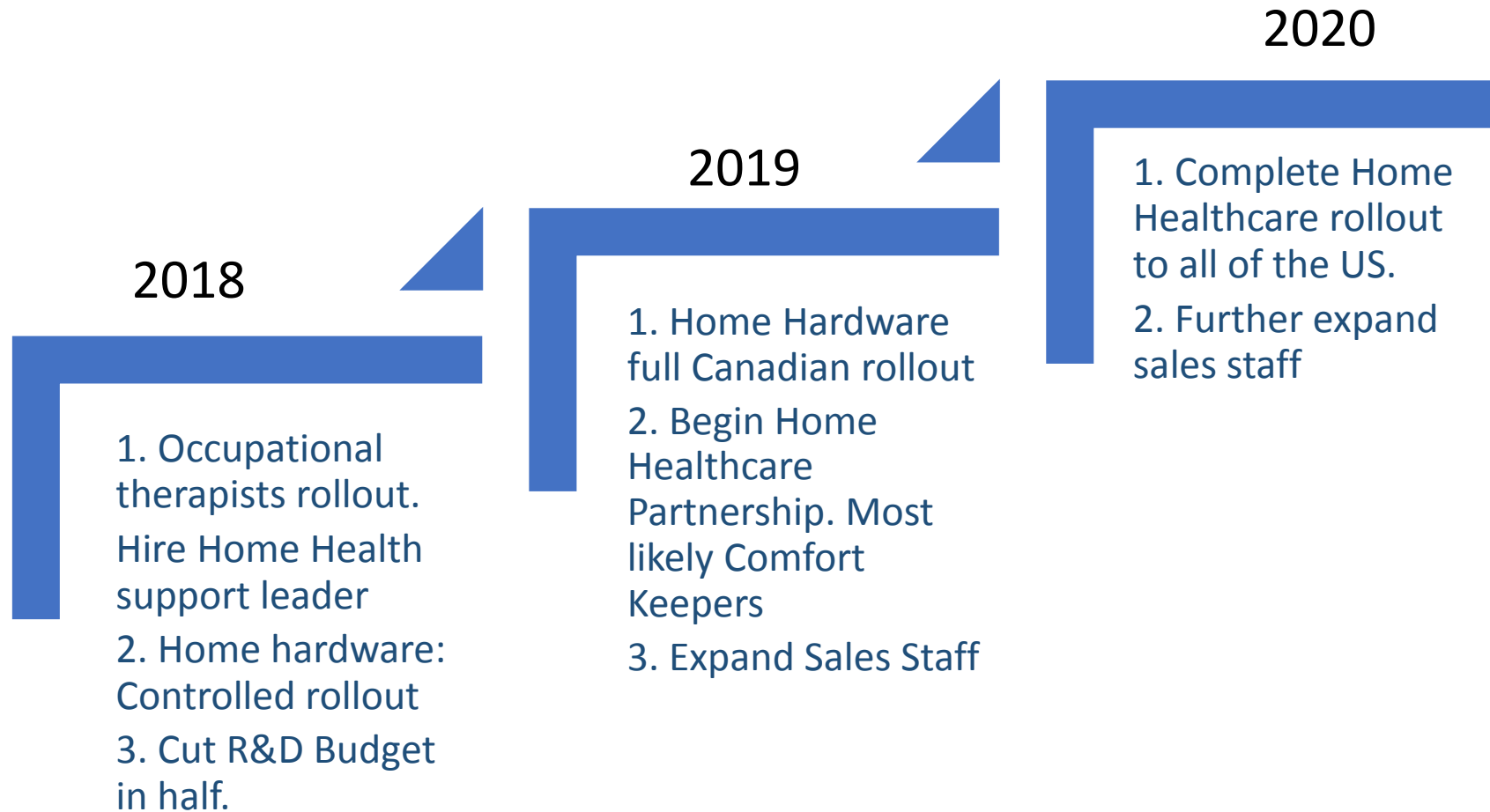
# Implementation Steps

Occupational Therapist

Home Hardware

Partnership with home healthcare

# Implementation Steps



# Occupational Therapists

- Train Occupational therapists to recommend our railing system.
- Potential of 150,000 in north America, or 50K in USA.
- Opens up new market to residential customers.

# Home Hardware: Controlled Rollout

- Begin Rollout for Canadian market in British Columbia.
- Highest concentration of 65 years old.
- Hire Home Hardware expert. Can learn and build relationships in BC.
- 2019: full rollout to Canada.

# Home Healthcare Partnership: Comfort Keepers

- US has worlds largest Home Healthcare market.
- Comfort keepers is largest company with about 50% of market.
- Key Partnership to train CNA's to sell to customers.
- Elderly trust CNA's, see them often.
- Huge rollout that can see over 250K new clients from this.
- Expand sales staff to support.



Recommendation

Analysis

Financials

Implementation