



NANOFABRIC
UNIVERSAL

B U S I N E S S P L A N

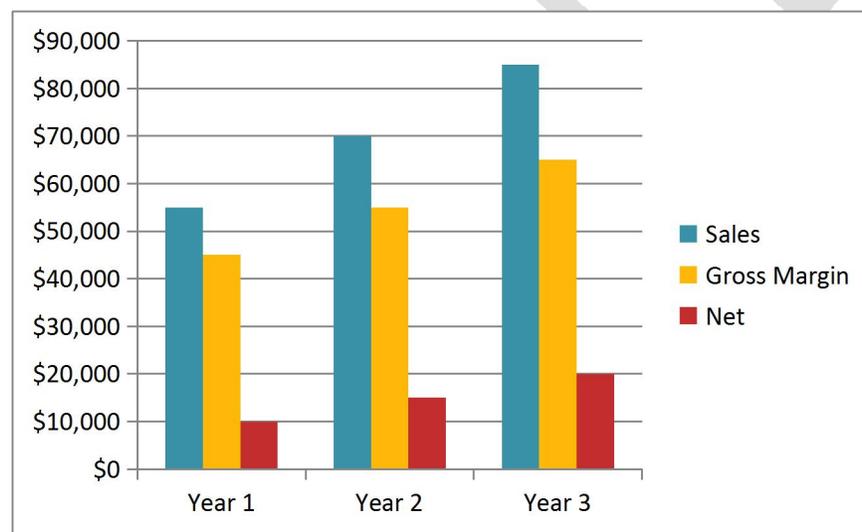
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1. EXECUTIVE SUMMARY

Nanofabric Universal offers designing and prototyping services for every niche related to outdoor gears. Nanofabric Universal can create any prototype based on specifications provided by the client and even create customized specs. Once the client has been satisfied with the prototype's overall design specifications, they will be free to license the product and manufacture it as their own. Nanofabric Universal currently offers these services to companies that do not have access to an in-house design team. Our services are also excellent for companies which may have access to their own design teams but for some reason are unable to produce their own models.

With a wide range of products already on our shelves, Nanofabric Universal is currently searching for prospective clients to market and manufacture these products. The sales department of Nanofabric Universal Design Studio is currently trying to use their competitive edge in the market to further increase their profits. Due to the nature of our business market, profits will be variable and will be subject to time.



1. 1 OBJECTIVES

The objectives for the first three years of operation are as follows:

- Servicing companies who want to create high quality outdoor gear.
- Making our services available to impactful multi-million dollar corporate entities.
- Increase our client base by over 30% annually.
- Design high quality logos and license them to manufacturers and industrialists who are leaders in their respective niches.
- Provide employment to more than a thousand employees over the course of a few years.

1. 2 MISSION

Nanofabric Universal's overall mission is to provide high quality cutting edge designs for outdoor gear to be licensed by manufacturers. Our goal is to attract a large influx of new clientele and maintain contact with current list of manufacturers who already have purchased licenses from Nanofabric Universal.

2. COMPANY SUMMARY

Nanofabric Universal is a company that primarily designs outdoor gear which are to be licensed. We also design products beforehand and search for interested manufacturers to purchase them. Often times a manufacturer comes to our team and asks them to develop a design for them. Depending on their goals, they might offer their own design specifications or ask us to generate new ones for them.

2.1 COMPANY OWNERSHIP

Nanofabric Universal first started out as a sole proprietorship by Jane Tyrone based out of her room in New York City. Nanofabric Universal's revenue stream was dormant for the first few months of operation and primarily profited from license fees and one-off prototypes. Market analysis from the sales team shows that profitability will increase after about five months, and will have profitable yearly revenue streams.

3. SERVICES

Nanofabric Universal Studios has a suite of services catered specifically for outdoor gears. Nanofabric Universal makes the designs as per the specifications requested by the manufacturer. We also create designs independently of a request. The first design was a standing tent which could easily accommodate 5 people. It was far more secure than traditional tents. It also had its very own insulation to prevent the cold from seeping into the fold of campers who were securely perched inside the tent.

We designed gloves which were waterproof, breathable, windproof and had silicon prints on them for maximum grip. A useful product is a bag for cycling that can be secured on top of a rack and is completely waterproof, it can safely accommodate a laptop, smartphone and other tech devices.

We are proud to mention that the scope of our designs is only limited by the client's willingness to explore new options.

Nanofabric Universal designs these products and sells their license to manufacturers; this is our primary source of revenue. License fees are different than royalty fees in that, unlike the latter, we only charge fees for the production of a prototype.

In our line of business some designs can be patented as well. This depends on whether the product is innovative enough to receive IP protection and if the design is unique enough for the patent to not be easily avoided by making small changes to the product.

4. MARKET SUMMARY ANALYSIS

Our two major segments of clients are manufacturers who want Nanofabric Universal to develop prototypes from provided specifications and those who want Nanofabric Universal to develop their own design. Nanofabric Universal also wants to target businessmen who want to sell a product which is still in at idea stage but needs help from Nanofabric Universal studios to bring it at MVP stage. Businessmen who will purchase a design and then find suitable manufacturers to mass produce it would be our secondary source of revenue.

These groups can be attracted by advertising within the outdoor gear industry, targeting trade shows and advertisements in industry journals.

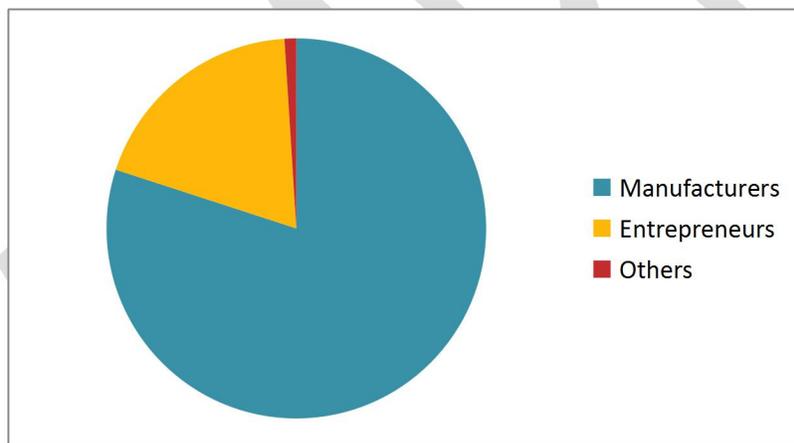
4.1 MARKET SEGMENTATION

Nanofabric Universal's major list of customers can be divided into two different groups,

- Manufacturers who want to sell a specific design but do not have access to an in-house design team, and manufacturers whose in-house team is unable to meet their design specifications.
- Businessmen who will be using the design to sell it to manufacturers.

Around 80 percent of the businesses will come from the first group. While it may seem surprising, it is quite common for manufacturers to look outside of their company to design prototypes. Certain companies that call themselves 'manufacturers' but never make any of their products, usually outsource their work to contractors. This is done to avoid large overhead costs.

Preliminary analysis of the market shows a large number of businessmen who will usually license our design and then search for manufacturers to produce it. These manufacturers can be commonly found in other countries. The businessmen will be responsible for finding lucrative clients to market the product and at others will sell the license to the client.



4.2 TARGET MARKET SEGMENT STRATEGY

The best way to target our respective market segments would be a collective effort comprising of 5 different key strategies:

- **Trade shows:** These shows occur twice a year in various locations of the world. They are usually very extensive, have plenty of retailers, designers, manufacturers, wholesalers and individual businessmen. The presence of the media and various industry giants makes them the perfect event to introduce our designs. We aim to do this by setting up display booths to network within the industry.
- **Advertisements in relevant journals:** Another way to target manufacturers is to advertise in subscription magazines which many industry veterans would commonly have access to.

- **Website:** A website will be used to advertise our designs. A catalogue of designs and suite of services will be put on display. The use of our website will allow clients from other countries to interact with the marketing team.
- **Advertisements on other websites:** Websites which already have a large global outreach will be approached for sponsorship opportunities. This will allow us to maximize reach with individual entrepreneurs. This way, we can change the perspective of business men who may not be previously inclined to work with the outdoor gear industry.
- **Social media:** The best way to reach and interact with our audience is to use social media services such as Facebook, Instagram, Twitter and LinkedIn. This way we get to interact with a large number of investors, entrepreneurs and manufacturers.

5. STRATEGY AND IMPLEMENTATION SUMMARY

The fastest way to generate a large stream of revenue is to utilize our captivating design features and expertise in the outdoor gear industry to produce thought provoking and relevant products. Nanofabric Universal will utilize their market strategy to keep in touch with their prospective clients and eventually convert them from leads to sales. Nanofabric Universal will deploy a sales staff that is thoroughly trained in customer engagement and give off authentic and professional vibes. A customer centric approach combined with our past experience with authentic and outstanding design will lead to sales growth.

5.1 MILESTONES

Nanofabric Universal has already achieved several milestones early on. We will include some of these in our list today.

1. Business plan completion. This will be done as a roadmap for the organization. This will be an indispensable tool for the ongoing performance and improvement of the company.
2. Office set up.
3. Portfolio and website completed.
4. Profitability.

Milestones	Start Date	End Date	Budget	Department
Roadmap	5/6/2015	6/6/2016	\$0	Executive body
Office headquarters	5/6/2015	8/6/2016	\$500,000	Executive body
Website	5/6/2015	5/30/2016	\$10,000	Development team
Sales	5/6/2015	5/9/2016	\$0	Sales team
Total			\$150,000	

5.2 COMPETITIVE EDGE

The Nanofabric Universal team has always managed to thrive because of the creativity they bring to the table. Founder Jane was not self taught in the design business and did not have access to fine techniques of design. This allowed Jane to apply intuitive and innovative principles never before seen in the industry to come up with creative solutions that could maneuver around technical constraints. Jane was able to use various tools to create useful design features, including BricsCad to design innovative fabrics, apply cost benefit analysis and apply her own creative mindset to give unique features to the design (Jane's specialty).

Jane has been designing for over a decade now and was completely self educated. To make up for any gaps in her knowledge, she would visit events and conferences and try to get in touch with industry veterans for personal mentorship and networking. She began to experiment imaginatively with various software on computers to enhance her creativity. She also has practical experience because of an internship project at Huge Fabrics for 3 months. This experience instilled a passion that inspired her to start her own company. Today Nanofabric Universal produces waterproof fabrics that are often used in rain by search and rescue teams.

5.3 SALES STRATEGY

Nanofabric Universal firmly believes that customer engagement and satisfaction is the key to a powerful sales strategy. This coupled with our impressive catalogue of designs will serve to boost profitability of products. Customer service has always been at the core of any successful company and to this end, we have our own thoroughly trained sales team who are the embodiment of professionalism in all respects, whether that is communication, updating clients on progress, seeking approval from clients on various processes, and delivering accurate dates of completion.

Nanofabric Universal will maximize Jane's portfolio of work, indicate her level of expertise and showcase the numerous accolades and awards she has been given for her tireless service to the outdoor gear industry. All of the designs which Jane has personally trademarked and patented will be used to get prospective clients on board.

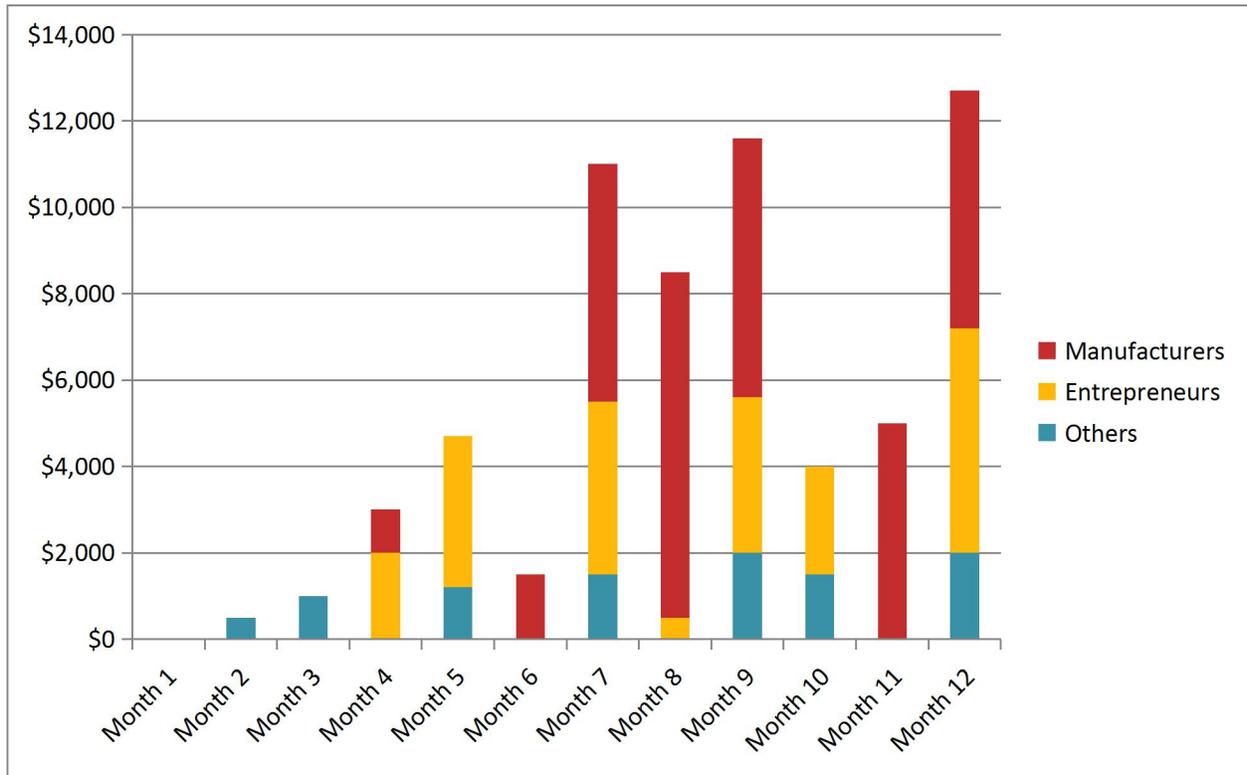
Interested clients can approach the company in two ways, they can call our sales staff on the phone or approach us at industry trade shows. Jane will also be using the marketability of her name to convince any information gatherer that Nanofabric Universal is the obvious choice.

5.4 SALES FORECAST

The first month of operation will be utilized to sign up for trade shows, and place advertisements in relevant journals and magazines. The most important part of the business is to get word out that Nanofabric Universal is in the business, but outreach programs depend on the effectiveness of our sales strategy, it could take anywhere from one month to several months. For the first few months of operation, Nanofabric Universal will take projects from local outdoor gear stores that are in friendly terms with Jane and her crew. They will readily point any prospective clients toward Nanofabric Universal's headquarters.

It won't be until the third or fourth month that we could expect business to generate from advertisements placed in the trade shows. It should be understood that the revenue stream won't be entirely stable during this time period, indeed the first month can see plenty of business while the next may see nothing at all.

Nanofabric Universal will be able to make do with a disruptive cash flow pattern, because that is part and parcel of any up and coming business.



SALES FORECAST			
Sales	Year 1	Year 2	Year 3
Manufacturers	\$21,453	\$25,692	\$30,198
Businessmen	\$15,001	\$25,543	\$28,121
Other Projects	\$1,002	\$2,015	\$4,200
Total Sales	\$37,456	\$53,250	\$62,519
Cost Of Sales	Year 1	Year 2	Year 3
Manufacturers	\$2,154	\$3,123	\$4,002
Businessmen	\$1,432	\$2,523	\$3,544
Other Projects	\$400	\$450	\$600
Total Cost Of Sales	\$3,986	\$6,096	\$8,146

6. THE ONLINE STRATEGY

The website will be used as a marketing tool for prospective clients. It will be use best practices in SEO to optimize properly for various search engines so that companies can find the Nanofabric Universal firm. The website will heavily feature some of the signature works from Jane. Detailed reviews of the product will be given alongside relevant photographs of the product.

The 'about us' section will heavily feature the history and education background of Jane. Contact details will also be provided in case prospective clients want to reach out.

7. MANAGEMENT SUMMARY

Having graduated with a background in marketing studies, Jane started out as a sales executive for a renowned company until she decided to change her line of work. Despite being paid well beyond what is usually compensated in the market, Jane decided to pursue her dreams and launch her own line of work. She was always inspired by the outdoor gear industry and wanted to design her own products. Her natural affinity with the natural outdoors allowed her to leverage her creativity to design useful outdoor fabrics such as tents, gloves and sleeping bags.

Jane formally entered into the business after she got interned at Huge Fabrics for 3 months. It was here that her creative skill set was honed and her passions were brought to life.

She was confident in her research skills to actually give useful advice to the company president. Impressed with her suggestions, the president implemented the new changes and within the span of only a few months, sales improved.

7.1 PERSONNEL PLAN

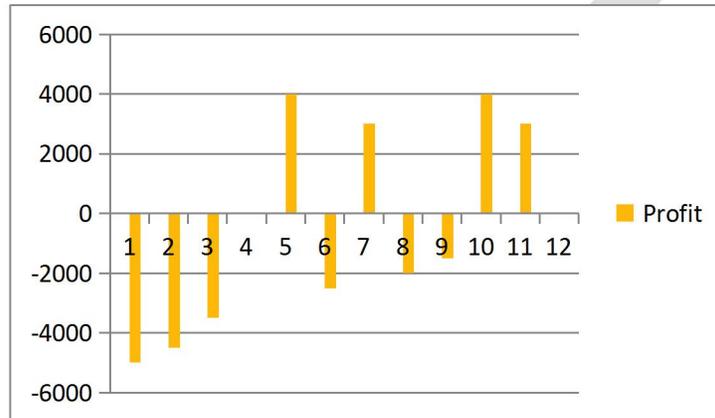
Personnel Plan			
	Year 1	Year 2	Year 3
Owner	\$40,000	\$50,000	\$60,000
Manager	\$30,000	\$40,000	\$50,000
Accountant	\$20,000	\$25,000	\$30,000
Graphic Designer	\$20,000	\$25,000	\$30,000
Total People	4	4	4
Total Payroll	\$110,000	\$140,000	\$170,000

8. FINANCIAL PROJECTIONS

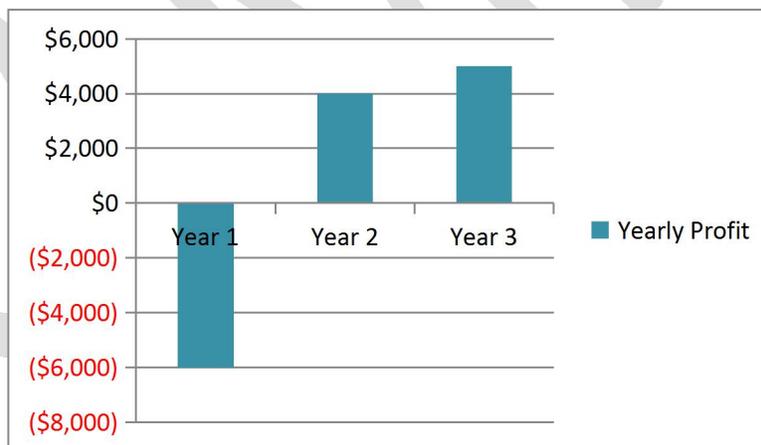
The sections below will summarize important financial information

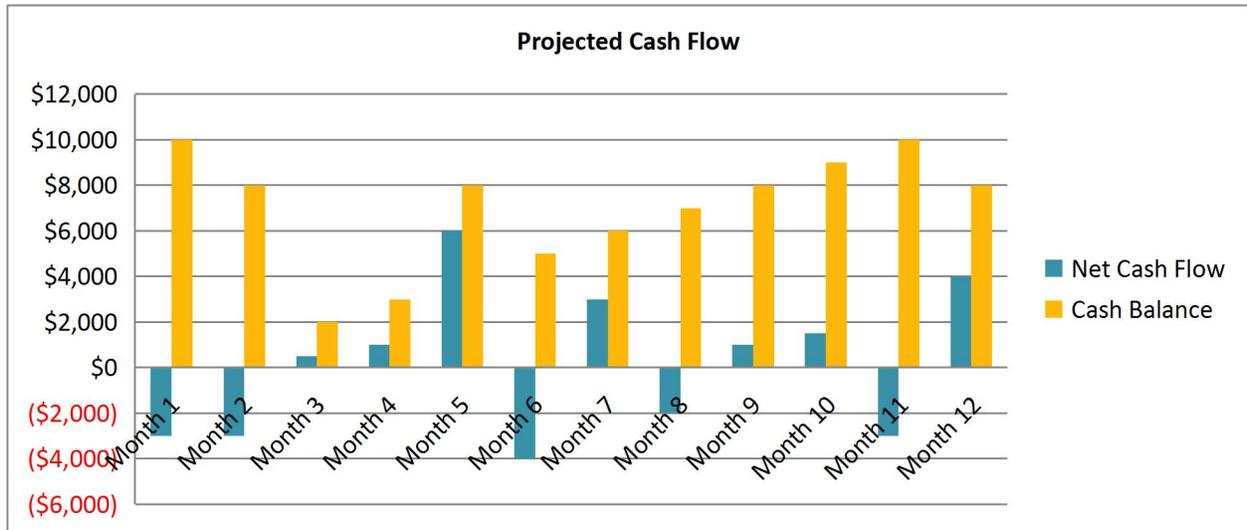
8.1 PROJECTED PROFIT AND LOSS

MONTHLY PROFIT



YEARLY PROFIT





Pro Forma Profit and Loss Analysis	First year	Second year	Third year
Sales	\$30,435	\$40,341	\$60,931
Direct Cost Of Sales	\$4,120	\$5,601	\$8,019
Production Expenses	\$0	\$0	\$0
Total Cost Of Sales	\$5,123	\$5,632	\$6,792
Gross Margin	\$25,312	\$34,709	\$54,139
Expenses			
Payroll	\$25,000	\$35,000	\$55,000
Sales And Marketing	\$4,902	\$2,976	\$1,567
Depreciation	\$1,282	\$1,282	\$0
Equipment	\$0	\$0	\$0
Utilities	\$1,200	\$1,200	\$1,200
Insurance	\$700	\$700	\$700
Rent	\$0	\$0	\$0
Payroll Taxes	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Operating Expenses	\$33,084	\$41,158	\$58,467
Profit Before Interest And Taxes	\$5,125	\$7,682	\$8,674
Interest Expense	\$0	\$0	\$0
Taxes	\$0	\$3,411	\$4,502
Net Profit	\$5,125	\$4,271	\$4,172

8.2 PROJECTED BALANCE SHEET

The following table will indicate the projected balance sheet.

Projected Balance Sheet			
	First year	Second year	Third year
Assets	\$7,691	\$12,001	\$17,123
Current Assets	\$0	\$0	\$0
Miscellaneous Assets	\$0	\$0	\$0
Total Current Assets	\$7,691	\$12,001	\$17,123
Long Term Assets	\$5,420	\$7,601	\$7,601
Accumulated Depreciation	\$1,231	\$2,123	\$2,154
Total Long Term Assets	\$5,768	\$3,891	\$3,891
Total Assets	\$20,110	\$25,616	\$30,769
Liabilities And Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$541	\$651	\$753
Borrowed Amount	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
Long Term Liabilities	\$0	\$0	\$0
Total Liabilities	\$1,213	\$1,871	\$1,961
Paid In Capital	\$20,000	\$20,000	\$20,000
Earnings	(\$6,732)	\$6,521	\$4,312
Total Capital	\$10,981	\$18,812	\$20,431
Total Liabilities And Capital	\$12,374	\$17,541	\$20,912

8.3 BUSINESS RATIOS

The following section shows the business ratios for three years. The industry profile ratios are based on the Standard Industrial Classification (SIC) code 8711.

Ratio Analysis	Column1	Column2	Column3	Column4
	Year 1	Year 2	Year 3	Industry profile
Other Current Assets	0.00%	0.00%	0.00%	10.41%
Total Current Assets	45.13%	67.89%	89.12%	69.81%
Long Term Assets	54.87	32.11	10.88	19.78%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities	7.23%	5.90%	4.67%	30.56%
Long Term Liabilities	0.00%	0.00%	0.00%	12.30%
Total Liabilities	7.65%	6.54%	5.46%	57.00%
Net Worth	92.77%	94.10%	95.33%	69.44%
Percent Of Sales	100.00%	100.00%	100.00%	100.00%
Sales	80.00%	80.00%	80.00%	0.00%
Gross Margin	120.00%	74.00%	72.00%	89.00%
Miscellaneous Expenses	3.21%	2.54%	1.94%	0.97%
Main Ratios				
Current	6.43	4.54	17.56%	1.45
Total Debt To Total Assets	7.52%	6.54%	3.30%	50.65%
Pre Tax Return On Assets	-55.62	-43.56%	26.00%	13.50%
Additional Ratios	Year 1	Year 2	Year 3	na
Net Profit Margin	-16%	10%	12%	na
Return On Equity	-61.54%	32.45%	20.53%	na
Activity Ratios				
Accounts Payable Turnover	11.73	12.54	12.54	na
Payment Days	28	28	30	na
Total Asset Turnover	3.65	3.56	3.21	na
Debt Ratios				
Debt To Net Worth	0.06	0.04	0.03	na
Liquidity Ratios				
Net Working Capital	\$6,412	\$12,912	\$16,724	na
Interest Coverage	0	0	0	na
Additional Ratios				
Assets Versus Sales	0.29	0.3	0.32	na
Current Debt/Total Assets	10%	8%	6%	na
Acid Test	4.35	4.49	5.65	na
Sales/Net Worth	4.56	4.23	4.14	na
Dividend Payout	0	0	0	na

8.4 PROJECTED CASH FLOW

The following table indicates the projected cash flow.

Pro Forma Cash flow			
Cash Received	Year 1	Year 2	Year 3
Cash From Operations			
Cash Sales	\$42,000	\$50,400	\$60,480
Subtotal Cash From Operations	\$42,000	\$50,400	\$60,480
Additional Cash Received	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (Interest-Free)	\$0	\$0	\$0
Sales Of Other Current Assets	\$0	\$0	\$0
Sales Of Long Term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
Subtotal Cash Received	\$42,000	\$50,400	\$60,480
Expenditures	Year 1	Year 2	Year 3
Expenditures From Operations		\$0	\$0
Cash Spending	\$37,000	\$44,400	\$53,280
Bill Payments	\$11,500	\$13,800	\$16,560
Subtotal Spent On Operation	\$48,500	\$58,200	\$69,840
Additional Cash Spent	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment Of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long Term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long Term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$48,500	\$58,200	\$69,840
Net Cash Flow	(\$6,500)	(\$7,800)	(\$9,360)
Cash Balance	\$7,456	\$15,243	\$19,332