

## "ELAN-PRAKTIK" SPF Ltd.

Dzerzhinsk

Owners:	Private company "Praktik" Ltd. (20%) and four individuals (80%)
Staff:	38 persons - staff workers, 12 persons - temporary workers
Previous financing:	\$ 100,000, including own funds 100%
Current financing:	\$ 100,000, including own funds 100%
Volume of investment required:	\$ 300,000
Intended use of the investments required:	Certification under the international standards - 37%, production extension - 27%, further R&D of functional coatings - 20%, marketing 16%

### Company profile

As a result of separation of business into independent directions "ELAN-PRAKTIK" span off from "PRAKTIK" Ltd. firm in 2000. From 1992 to 2000 the leading specialists of the "Praktik" were engaged in R&D of vacuum technology and equipment for deposition of decorative wear and corrosion resistant coatings. The share of a vacuum direction accounted for 27% from the sales volume of "PRAKTIK" Ltd.

In the period of 1992-1999 the production of vacuum coatings deposition and assembly of the vacuum machines was built, and the company sold 15 vacuum machines.

"PRAKTIK" Ltd. owns property rights on manufacturing and the office buildings where "ELAN-PRAKTIK" is located. "ELAN-PRAKTIK" owns the manufacturing and exploratory equipment, technology patents and know-how of vacuum coatings of thin-film ceramics.

### Area and directions of activity

Nanocomposite Ceramic PVD coating technologies for electroplating replacement. Manufacturing of vacuum coating machine for putting coating on consumer goods.

### Products/Services/Technologies

#### Technology:

PVD technologies of the Thin Film Ceramic coatings with nanocomposite multilayer structure is the main alternative to the environmentally dangerous electroplating plants.

Corrosion resistance of the corrodible metals such as brass and Zinc alloy till now was guaranteed with the previously electroplated sublayer of Nickel or Chrome.

For reliable corrosion inhibition of the consumer goods "ELAN-PRAKTIK" produce so called "superlattice" coatings with nanocomposite multilayer structure.

The main advantage of this coatings is a good corrosion resistance along with high wear resistance and friction reduction.

Varying thickness of layers and components of coating, it is possible to achieve demanded properties at much smaller thickness as contrasted to usual coatings, and also to obtain coating with unique properties.

The technology of such coatings deposition is a part of the nanotechnology.

#### Product:

UNIP 900 vacuum machine for decorative wear and corrosion resistant coatings on consumer goods and also for multifunctional nanocomposite (superlattice) coatings on high loaded components.

### Achievements

ELAN-PRAKTIK is Russia's leader in the field of Thin Film Ceramic wear and corrosion resistant coatings on consumer goods.

The share of our corporation in the segment of the PVD-decorative coatings on consumer goods in the Russian market is not less than 80%.

In the period of 1995 to 2001 15 vacuum machines with PVD coating technologies on consumer goods instead of electroplated coatings were produced. All sales profits were invested in the UNIP 900 vacuum machine development and

also in the vacuum machine production.

In 2001 "ELAN-PRAKTIK" signed a partnership agreement on R&D with VTD Vacuumtechnik Dresden GmbH.

#### Prospects of Development

Nanotechnology is a global phenomenon and a challenge to vacuum companies.

The goal of the investment is the business extension in a field of equipment for electroplating replacement.

"ELAN-PRAKTIK" has reliable and effective equipment, modern technologies, good name and experience to work with high-level customers (including foreign), so it has ability to export own products.

To achieve success in reaching this goal it needs to make the following efforts:

- Certification of the equipment under the international standards for industrial safety.
- Marketing research and partnership agreements with companies involved into the contract coating business (markets of Italy, Spain, Greece, Israel, Turkey, etc.).
- Further R&D work of functional coatings.
- To increase vacuum machines production and hire more personnel.
- To find a strategic partner for the equipment end technology promotion.

We are also going to set up a foreign branch office and a show-room (low scale coating production) for experimental and sample coating, vacuum machine assembly and a service center. The branch office will be located in the free trade zone in the city of Larnaca (Republic of Cyprus).

The foreign affiliate will give the ELAN-PRAKTIK company broader opportunities on attending current contracts.

Sales volume (over the last 12 months): \$ 180,000

year	Without investments requested	With the investments requested
2002	\$ 800,000	\$ 800,000
2003	\$ 900,000	\$ 1,200,000
2004	\$ 1,800,000	\$ 2,400,000
2005	\$ 2,400,000	\$ 3,000,000