

DATA-CENTER LTD

Volume of investments required: **\$ 4 800 thousand**

Intended use of investment required:

R&D (Multifunctional Melting Unit)	38%
Fixed assets acquisition	1%
Marketing	1%
Working capital	60%

Company profile :

1. Date of establishment - December 27, 1991
2. Stage of Development - Expansion.
3. Size and source of investment to date - \$ 265 th. - bank investments (capital investments) into organization of power distribution system manufacturing, \$1,130 th. - metallurgical companies investments into organization of Metallurgy Automation business direction. (capital investments in exchange for a share in the new business).
4. Industry - System software and applications, information protection, system integration, analysis of the multivariate data, recognition of the video images in the real time mode, design and manufacturing of mechanical constructions, development and production of electronic boards
5. Target market - Automation of technological processes in metallurgy, development of industrial automated control systems automated systems of visual control (registration, observation, and quality monitoring systems), integrated automation of cash processing, including transportation, acceptance, recalculation, sorting, storage, accounting and issue, development and production of electronic boards and devices, designing and manufacturing of mechanical constructions.
6. Sales in 2003 - \$ 6,018 th.
7. Description and value of assets - \$ 460 th. (buildings, structures, equipment)
8. Intellectual property rights - Patents: No 2172456 "The Unit for out-furnace processing of metal and slag melts " of 23.12.1999; No. 2184327 "The Unit for preparation of fluidic metal to pouring in bullions and stock materials" of 26.06.2000; No. 2207476 "Melting unit" of 14.05.2001; No. 2228967 « Production titanium-contained rich alloys approach » of 23.01.2002. The patent holder is "DATA-CENTER" Ltd.
9. Signs of public recognition – 2002 - received the rank of LEADER - PARTNER of the Automation and Drives Department of Siemens concern. 2003 - Gold medals at the Archimedes Industrial Property Showroom for development of Automated Racks-and-Containers System for valuables and B.A.R.S. note sorters 2004 - Silver medal at the 4th Moscow International Showroom of Innovations and Investments for the Mini-Metallurgical Works project 2004 - Gold medal at the 7th Archimedes International Showroom of Industrial Property for Mini Metallurgical works project.

Owners:

1 natural person	100%
Share of government property	0%

Management and key personnel:

Gainanov, Damir - Director, 50. Cand.Tech.Sci., corresponding member of an international engineering academy of sciences, the winner of the Tcherepanov awards. He's the founder of the company. He determines the business strategy, generates ideas of new directions, and manages the whole company.

Fadeev, Vladimir - Chief engineer, 60, higher technical education. Over 20-years of operational experience in metallurgical mechanical engineering. He determines the company's technical policy, manages the manufacturing area, carries out the technical control of fulfillment of projects.

Vasilye, Mikhail - Commercial director, 41, higher technical & economical education , further training at a business school in the USA. He develops financial flows and budgeting, determines relations with credit organizations, and organizes process of interacting with customers.

Products characteristics:

The product is the multifunctional melting unit (MPU). The main advantage of MPU compared to existing melting furnaces is that it is possible to realize more than 10 new technologies both black, and nonferrous machine industry on MPU. Twirl with liquid phase reduction melting technology allows to ensure highly effective, non-polluting and without waste production.

This melting unit is capable to remelt not only metals with the purpose of reception of high-test metals and alloys, but also oxides-containing raw material, including waste products that unprofitable to process using the existing equipment.

For example, MPU is capable to remelt such hard to process raw material as titanium magnetic iron ore to get a number of expensive materials (ferrotitanium, an aluminum-silicon alloy, an aluminum oxide, the fixture). The estimated economic efficiency of such processing is \$200-\$400 per a ton of processed concentrate.

Comparative analysis with existing alternatives:

It is possible to consider the direct-current arc furnace (DPPTU-12. by NTF "EKTA") and induction melting unit (UIP 5000-0.25 by "RELTEK") as analogs of the MPU. However these metallurgical units are intended basically for remelting metal breakage and cannot be used for processing oxides-contained raw material that is basic applicability of MPU.

The alternatives of processing oxides-contained raw material are only large many-stage metallurgical facilities that are inexpedient to use in some cases.

Markets/Competition:

Consumers of MPU are large and medium-sized metallurgical and machine-building enterprises with own metallurgical and foundry productions, as well as mini-metallurgical works which are expedient for erecting in the regions of Siberia and the Far East close to deposits of titanium magnetic iron ores.

Studies of different opportunities for MPU application in many Ural factoris and also for processing Yakutiya deposit of titanium magnetic iron ores and titanium magnetic iron ore sands in Kamchatka are underway.

High equipment profitability and quality of smelted products allows competing with both domestic and foreign manufacturers. Due to its unique qualities the equipment has every opportunity of taking its own niche at the metallurgical equipment market.

	Characteristics	DATA-CENTER	Works (Russia)	Engineering companies	Foreign manufacturers	Foreign industrial corporations
2004	Geographical Region – Russian Federation. Market size \$ 120,000 th.					
	Company market share \$ ths./%	0	32 400 / 27%	10 800 / 9%	32 400 / 27%	44 400 / 37%
2009	Geographical Region – Russian Federation. Market size \$ 360,000 th..					
	Company market share \$ ths./%	40 720 /11 %	97 200 / 27%	43 200 / 12 %	72 000 / 20%	108 000 / 30%