

OIL ELECTRONIC COMPANY CJSC

Volume of investments required: **\$ 1 000 thousand**

Intended use of investment required:

НИР и ОКР	20%
Fixed assets acquisition	40%
Marketing	30%
Working capital	10%

Company profile:

1. Date of establishment - March 24, 1999.
2. Stage of development - Expansion
3. Size and source of investment to date - \$ 600 th., own funds
4. Industry - machine building
5. Target market - machine building (pumps, compressors, machine-tool construction, electromobiles, cranes)
6. Sales in 2003 - \$ 3,667 th.
7. Description and value of assets - \$ 600 th., including: buildings - \$ 333 th., transport - \$ 86 th., machines and equipment - \$141 th., others - \$40 th.
8. Intellectual property rights - patents Nos. 27634, 27653, 27633
9. Signs of public recognition - certificate of the competition winner "100 best enterprises and organizations of Russian machine building industry of the 21st century". The city head's recognition for the big contribution into the Dobryanka city development.

Owners:

1	98%
2	2%
Total share of government property	0%

Management and key personnel:

Pavel Kuznetsov - General Director, 44

Vladimir Sidorov - Deputy Director for R&D, 40

Oleg Bychkov - Deputy Director for Marketing, 24

Aleksandr Shvalyev - Deputy Director for Quality, 37

Products characteristics:

Current production:

High capacity variable speed drives for high capacity and super high capacity electric motors up to capacity 5 MVA of any climate use, soft starter devices for high capacity and super high capacity electric motors up to capacity 25 MVA, high potential testing systems of cable insulation, industrial and specialized controllers.

Planned production:

Electric motor of new generation, which has the following advantages: smaller mass, lower cost, lower noise, higher efficiency, and bigger torque. These electric motors allow to replace traditional electric motors and to refuse using reduction gears, belt drives, variable speed drives in machines and mechanisms.

Comparative analysis with existing alternatives:

Characteristics	Electric motor of new generation	Traditional electric motor – for comparison	DC drive	DC brushless drive
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Mass	50%	100%	120%	100%
Torque	1 000%	100%	200%	100%
Size	50%	100%	150%	100%
Efficiency	120%	100%	100%	120%
Price	90%	100%	120%	120%

Electric motor of new generation has smaller mass, bigger torque, smaller size, higher efficiency and lower cost.

Markets/Competition:

	Characteristics	Electric motor of new generation	Traditional electric motor	DC drive	DC brushless drive
	Geographical Region – Russia, Market size \$45 million.				
2004	Company market share, \$ ths./%	0	40 / 89 %	3 / 7 %	2 / 4 %
	Geographical Region – Russia, Market size \$50 million.				
2008	Company market share, \$ mil./%	10 / 20%	35 / 70 %	3 / 6 %	2 / 4 %

Sales forecast are based on negotiations with a number of machine building plants representatives, such as manufacturers of mill equipment, machine-tool construction and electric transport.