

SVETOTECHNICHESKAYA COMPANY CJSC

Volume of investments required: **\$ 1 160 тыс.**

Intended use of investment required:

R&D (the strobe-light, the LED chain)	4,1%
Fixed assets acquisition	67,1%
Marketing	9,2%
Working capital	19,6%

Company profile:

1. Date of establishment - April 2, 2003.
2. Stage of development - Start up
3. Size and source of investment to date - \$60 th. - The Foundation for Assistance to Small Innovative Enterprises.
4. Industry - lighting products on the basis of semiconductors.
5. Target market - the outdoor advertising, interior lighting and design.
6. Sales in 2003 - \$ 105 th.
7. Description and value of assets - manufacture equipment, \$32 th.
8. Intellectual property rights - patent No. 36916 of the 27th of March 2004, the Semi-conductor light chain, patent holder - JSC "STK".
9. Signs of public recognition - none

Owners:

JSC«Svetlana-Optoelectronics»	20%
1	30%
2,3	25%
Share of government property	0%

Management and key personnel:

Groudnikov, Vadim Markovich - co-founder, Director General, 25. Carries out general strategic management, planning and organization of manufacture. Management experience at a manufacturing firm and at an optoelectronic manufacturing enterprise.

Itkinson, Pavel Grigoryevich - Chief Designer, 28. Supervises an experimental-design development. Experience in constructing designs for the outdoor advertising, products for serial manufacturing. Worked at a factory making semi-conductor light sources and devices on their basis for 4 years.

Klyueva, Anna Evgenyevna - Marketing Manager, 25. Supervises market researches, promotion of products, participation in public actions, marketing strategy. Experience in marketing researches and analysis, development and promotion of new products.

Vyatkin, Leonid Petrovich - Chief engineer, 58. An experienced manufacturing organizer (inorganic chemistry, lacquer and paint manufacture), hold the positions of technical and general directors at the large-scale enterprises. Supervises the sphere of projection, reconstruction, modernization of manufacture, supports manufacture functioning.

Products characteristics:

Developed product - flexible LED chain - ready for use system for outdoor advertising lighting. It is a substitute for neon tubes. The LED chain provides high class protection from environment and mechanical influences, a product with high durability and low power consumption. New product - LED strobe-light "STK-Strobe" - LED advertising equipment for outdoor constructions and design. There are no analogues in the world executed with light-emitting diodes, there is usually used a discharge lamp. It consists of a small case with light-emitting diodes inside, a controller, which generates an often blinking of high brightness, due to technical solution.

Comparative analysis with existing alternatives (new product):

Characteristics	Strobe-Light STK(Russia)	Strobe-Light Deco-Neon, Neo- Neon (China)	Strobe- LightJim Myung (South Korea)
Term of operation, h	40 000	500	1 500
Frequency of flash, per second	1 - 2 Controllable	1 - 1,2 Non- controllable	1 - 1,3 Non- controllable
Capacity in a pulse, Wt	2,5	4	4
The type of source of light	LED	discharge lamp	discharge lamp
Minimal work endurance, month	60	1	3
One hour cost, \$	0,00027	0,008	0,0047
Cost, \$	12	4	7

The table above demonstrates the technical and consumer superiority of the LED strobe-lights to present function analogues. The LED strobe is a competitive and promising equivalent of discharge strobe-lights.

Markets/Competition:

	Data	Strobe-Light STK(Russia)	Strobe- LightDeco- Neon, Neo- Neon (China)	Строблампа Jim Myung (South Korea)
2004	Geographical Region - Russia Market size - \$ 5,6 million			
	Company market share \$ thousand./ %	162 / 2,9%	3 645 / 65,0%	1 568 / 28,0%
2008	Geographical Region - the CIS Market size - \$ 9,79 million			
	Company market share \$ thousand./ %	2 251 / 23%	1 566 / 16%	4 405 /45%

The market share of developed production - flexible LED chain - is about 0,7%, that makes up \$ 700 th. This index is stable and has the growth rate of 30% per year, which is higher than the whole market growth rate. During the next 2-3 years the growth rate will not change, but then the growth rate at this segment is expected be up to 100% owing to improvement of technological standards of materials.

At the present time JSC "STK" is the unique manufacturer of strobe-lights on the basis of light-emitting diodes. The key consumers of LED Strobe-lights are large suppliers of materials and equipment for advertising - "WMT", "Helvetica" - network companies stationed in Moscow.

As the durability of Korean and Chinese strobe-lights is considerably lower than the LED analogue, their share at the advertising market will steadily decrease. The market will be growing due to an increase in purchase of supplies of advertising materials by regions.

Redistribution will be realized due to increasing demand on more high-quality products and due to reduction of prices of existing technologies.

