

Beresta-EcoDom LLC

Volume of investments required: \$ 1 150 thousand

Use of funds

Acquisition of fixed assets - 60%

Marketing - 40%

Company profile

1. Date of establishment – April, 2004.
2. Size and source of investment to date – \$ 999 600, including: \$ 488 600 – capital investment of company's owners; \$ 480 000 – "Rosnauka" competition financing (for 2005–2006), \$ 25 000 – The Foundation for Assistance to Small Innovative Enterprises, the "Start" program.
3. Production – antimycotic birch bark insole, wall birch bark biopanel, health-improving pillows of milled birch bark, betulin (35% of birch bark) for purposes of food and pharmacological industry, mosquito repellent made of birch bark tar, floor and wall covering made of pressed milled birch bark (birch bark is a bark of prevailing tree – birch).
4. Target market – consumer and manufactured goods.
5. Sales 2004 – none.
6. Description and value of assets – \$ 390 000 – shop floors, offices, production equipment.
7. Goodwill and intellectual property rights – 5 inventions, 2 utility models, 3 industrial designs, 2 trade marks. "Beresta-EcoDom" is a patent holder. There is an opportunity to expand patents on major economically developed regions of the world. Cost of intellectual property is \$ 3 200 000.
8. Signs of public recognition – the project of "Birch bark room" in the Kremlin was approved by the Administration of Nizhny Novgorod. "Beresta-EcoDom" has won the financing of the "Start" program of The Foundation for Assistance to Small Innovative Enterprises.

Owners

Individuals (3):	
1. Tkachenko Y.A.	42%
2. Glotov M.D.	42%
3. Kulkin M.Y.	16%
Share of government property	0%

Products characteristics

Current products:

antimycotic birch bark insoles. These insoles have antimycotic and biologically active properties. Medicinal effect is based on the influence of volatile and fixed compounds contained in birch bark.

wall birch bark biopanel. Houses decorated with biopanel have unique medicinal effect. This effect is based on the influence of volatile compounds and natural birch bark pattern relieving stress.

health-improving pillows of milled birch bark. Medicinal effect is based on influence of volatile and fixed compounds as well as orthopedic effect.

94 bedding of milled birch bark for domestic animals. This bedding has higher hygienic and health-improving properties.

New products:

betulin (35% of birch bark) – birch bark extract for purposes of food and pharmacological industry. This vegetal matter is an effective preservative, emulsifier, biostimulant and antiseptic at the same time. It will allow producing milk and oiling product with long shelf life without technologies deteriorating biological properties of product.

mosquito repellent made of birch bark tar is a unique natural repellent.

floor and wall covering made of pressed milled birch bark without using artificial glue components. It offers a competitive consumer advantage in comparison with cork covering – durability, proved antimycotic and antibacterial properties.

Marketing & Sales

Insoles. Pillows. Birch bark is a scrap of veneer industry (more than 900 ths ton) therefore there will be no great difficulties with supply raw materials. Conception of Marketing is based on varied goods truck, optimal correlation between

price and quality and irreproachable scientific proofs of health-giving properties of birch bark obtained in more than 40 scientific centers of the world. Efficacious (but with very small budget) advertising campaign begins in November, 2005 in Russia with the issue of the brochure "Doctor Berest". Some contractual agreements have already been signed (with a group of companies "Lavka Zhizni", system of drug-stores) and the Company plans to sign agreements with large-scale distributors of health-improving goods in Russia, the USA, and the European union. There is also an Internet shop. Betulin. The company is carrying on negotiations about creation of a new technology of gustatory milk properties preservation, preservation of milk products with key producers of milk and oil goods in Russia and USA. The procedure of getting state standard certificates on new products was started jointly with the Scientific Research Institute of fat industry.

Prospects of development

The company plans to create a national corporation in 2006 and an international corporation in 2007–2009 with the purpose of selling goods in major economically developed regions of the world.