

Fisonic-Fisenko Ltd

Volume of investments required: \$ 7 300 thousand

Use of funds

R&D - 10%

Acquisition of fixed assets - 20%

Marketing - 20%

Acquisition of current assets - 50%

Company profile

1. Date of establishment – May 2005. It is important to note that teoretical principles of apparatus work were elaborated by Professor Fisenko V.V. in the beginning of 70th years. Then Engineering Center “Transzvouk” (Ukraine, 1986) and companies in Bulgaria (“Transzvouk”, 1987–1990), Munich (“Transsonic”, 1990–1995), Austria (“Transsonic”, Vienna, 1996), USA («Fisonic», New York, 1996 – present time), Moscow (“Fisonic-Fisenko” Ltd) were organized for broad-scaled inculcation of on principle new technical solutions – “transsonic devices”.
2. Size and source of investment to date – \$ 50 000 of own funds.
3. Production – Transsonic Heatgenerator Fisenko (THF) for heating and hot water supply.
4. Target market – heat power engineering: housing-municipal services, industrial enterprises, individual house-building.
5. Sales 2004 – none.
6. Description and value of assets – \$ 30 000. – Machine-tools, two installations for demonstration, experimentally-test sample of reconstructed boiler-room (St. Petersburg) on the base of Fisonic-technologies.
7. Goodwill and intellectual property rights – Licensing Contract for use by the company the Patent of Russian Federation № 2221935 of 27.03.02 “Method of jet heat-generating installation work and jet heat-generating installation for its realization”.
8. Signs of public recognition – Diploma “100 best goods of Russia” (2004) given to the company which produces under the license and sales transsonic devices in Kazan; Diploma of heat power engineering exhibition “Boilers and Burners” (03.06.05); Professor Fisenko V.V. articles in journals “Industrial regions of Russia”, “Heat power engineering”, “Industrial energetics”; state support (documents are presented on Web-site), in consequence according to the “Programme of energy saving in the branch electric power engineering for 1999–2000 and perspective for 2005 and 2010” coordination of works on pilot energy saving projects realization and energy effective Fisonic-technologies application on power objects was realized in 2000 year.

Owners

1st Individual	51%
2nd Individual	49%
Share of government property	0%

Products characteristics

Transsonic heatgenerator Fisenko (THF) – for heating dwelling and industrial buildings and hot water supply. THF is possible to get heat energy, several times exceeding consumed energy with use of water inner energy. Work of the heat-generator is based on the phenomenon of excessive compression two-phase streams and pressure leap on the outlet of heat-generator. It allows THF ensure essential economy of costs in comparison with traditional heaters. Recoupment – one heat season. The equipment is certificated. Serial production of THF and sales channels are organized.

Markets & Competition

Today key market for the company is Leningradskaya oblast. The company strives to take leading position on two sectors of this market: 1) boiler-rooms on organic fuel 2) individual and private housebuilding. On the base of analysis of statistic materials from Administration of Leningradskaya oblast there are 9.51% heat sources on coal. Substitution only half of these heat sources with THF gives the economy of financial resources – \$ 8 167 ths per year to budget of Leningradskaya oblast. Capital expenditures are \$ 3 587 ths.

Preliminary work with Administration of Leningrad oblast for formation the first stage of the Program on substitution coal boiler rooms for transonic heatgenerators Fisenko (THF) has been carried out. According to the Program the subject of Federation in the person of oblast governor stands as guarantor of return of means, got out of real economy. By named above economy and capital expenditures annual profit comes to \$ 4 580 ths. The company also plans out the strategy of capture other markets on territory of Russia, CIS, the Europe.

	Data	Transonic heatgenerator Fisenko (Russia)	Boilers of other producers
	Geographical Region – Leningradskaya Oblast. Market size \$ 240 million		
2009	Company market share, \$ ths / %	134 396 / 56%	105 604 / 44%

Marketing & Sales

The strategy of the company is directed for supplanting morally obsolete equipment from Russian and world market by in principal new technical decisions and technologies competitive with best world samples in sphere of production and consumption energy.

Production of the company is periodically presented on international and Russian exhibitions, what gives a large number of orders and agreements; our company participates in conferences on the exhibitions what allows consumers to know more about transonic heatgenerator Fisenko (THF); information about heat-generators is printed in subject journals ("Industrial regions of Russia", "Heat power engineering", "Industrial energetics"); advertisement is placed on editions of normatively-technical literature "Dean".

Our company carried out negotiations about jointly partnership with concern "Ditrih Design" (Russia) which is general contractor of building 500 houses in Leningradskaya oblast according to the Program "Social habitation" in a part of heating and hot water supply.

In present work on formation dealer net actively is carried out in former Soviet republics (Republic of Belarus, Kazakhstan, Kirgiziya). Protocol of intentions with Polish company "PolNord" is signed in advancement and realization of company production on the territory of Poland.

Similar negotiations are carried out with interested Swedish company.

Prospects of development

During the 2007 according to the Program of Leningradskaya oblast mechanism of mutual relations between "Fisonic-Fisenko" Ltd., Investor and Customer (standing as guarantor) will have been worked out. Later this mechanism can be extended for the next years with average annual economy about 1 milliard rubles from the oblast budget.