

Floc Carbon Open JSC

Volume of investments required: \$ 500 thousand

Use of funds

Acquisition of fixed assets - 70%

Marketing - 10%

Acquisition of current assets - 20%

Company profile

1. Date of establishment – June 2005.
2. Size and source of investment to date – \$ 25 000 for 2005–2006. The Foundation for Assistance to Small Innovative Enterprises.
3. Production – multi-purpose high-efficiency flocculating agents for complex purification of pot and return water, industrial and sanitary waste.
4. Target market – purification of return and waste water of industrial enterprises; preparation of water in power engineering and in household water supply; application in pulp-and-paper industry.
5. Sales 2004 – none.
6. Description and value of assets – none.
7. Goodwill and intellectual property rights – the application is submitted for the invention “A technique for the production of high-molecular water-soluble acryl copolymers”. Open JSC “Floc Carbon” is the patentee.
8. Signs of public recognition – a Diploma of The Foundation for Assistance to Small Innovative Enterprises to a winner in the “Start 05” program.

Owners

3 Individuals	1/3 each
Share of government property	0%

Products characteristics

Multi-purpose high-efficient flocculating agents for separation of suspended particles, heavy metal ions, mineral oils and other contaminants from water. At the present time the flocculating agents are used for purification of pot water, natural and industrial wastewater, separation, concentration and dehydration of dispersive systems in coal industry, mineral resource industry, petroleum industry, chemical industry, pulp-and-paper industry, textile industry, microbiological and food industry.

Our flocculating agents indicated sufficiently good results in purification of electrotype drains as well as in pulp-and-paper production. The merits of the developed reagents in comparison with the similar reagents, produced and used in Russia and abroad, are as follows:

- efficiency at low dosage (from 1 to 0.01 g/m³);
- non-toxic nature (hazard class 4);
- high solubility in water;
- stability of the properties of operating solutions in time;
- chemical deacidification with respect to the operating equipment of treatment works.

Market & Competition

Accounting for the investments obtained it is planned to organize by 2009 the production of flocculating agents with the annual yield of approximately 300 tons (\$ 3 mln). This yield will take a rather small part even in the Russian market (~ \$ 50 mln in 2005 and about \$ 100 mln by 2009). The demand in flocculating agents in the Nizhny Novgorod region as an example is about 200 tons per year and it may increase by 1.5 times by 2009. The introduction of this product to industrial enterprises and in urban treatment works can increase the volume of production in several times without additional expenditures.

Closed JSC "Moscow-Stockhausen-Perm", the JV Russian-German enterprise, which is the producer of the most efficient flocculating agents of "Praestol" grade will be the main competitor in the Russian market at the present and in the nearest future time.

Marketing & Sales

It is planned to disseminate information on our products by sending it directly to industrial enterprises as well as via the committees on ecology and environmental monitoring in the regions of the Russian Federation.

Due to the reason that the selection of flocculating agent and its introduction into a certain enterprise depend upon many factors (the nature of drains, technological equipment, etc), it is necessary to carry out preliminary research at each of enterprises. For this purpose it is expedient to have a representative (perhaps, at Scientific Research Institutes or Institutes of Higher Education) who will take care both of dissemination of information and of carrying out preliminary research at industrial enterprises.

At the present time the agreement is reached with Open JSC "Arzamas Radio Component Plant" (Nizhny Novgorod region) on regular supply of low-molecular flocculating agent for purification of electrotype drains.

Prospects of development

Scientific and research work on the development of new types of flocculating agents will be carried out in 2005–2008 which will make it possible to expand the nomenclature of the products and to expand the market. This work will be financially supported by The Foundation for Assistance to Small Innovative Enterprises within the framework of the "Start 05" program.