

Laser Technology Centre

Volume of investments required: \$ 685.715 thousand

Use of funds

R&D - 60%

Acquisition of fixed assets - 5%

Product upgrade - 3%

Marketing - 10%

Acquisition of current assets - 22%

Company profile

1. Date of establishment – April 2004.
2. Size and source of investment to date – \$ 436 000 – via tender of the Russian Ministry of Science (for 2000–2006).
3. Production – high-efficiency power-effective laser technological complex for nonpolluting precision dimensional material processing by concentrated energy streams.
4. Target market – laser technologies, laser material processing.
5. Sales 2004 – \$ 468 650.
6. Description and value of assets – \$ 21 214, plus \$ 35 500 – rented assets. Assets include laser technological complexes, measuring equipment for R&D works, etc.
7. Goodwill and intellectual property rights – none.
8. Signs of public recognition – numerous diplomas received at the international exhibitions.

Owners

1 Individual	100%
Share of government property	0%

Products characteristics

LTC equipment provides marking and engraving of text and graphic images on different materials with high quality, precision and output.

Laser Marking System "BetaMARK-2000" – it is a computerized laser marking workstation which can mark a wide range of materials including metals, painted metal surfaces, plastics, rubber and semiconductors; Hallmarker "Delta-301" – it is designed to hallmark precious metal articles by laser marking method; "SCUT-301" – it is a computerized laser machine which can cut, drill and engrave metals, semiconductors, ceramics and brittle materials.

Developing product – High-efficiency power-effective laser technological complex for nonpolluting precision dimensional material processing by concentrated energy streams (LTC-PRO).

Markets & Competition

Due to some experts, Russian laser market supply is not enough saturated. There are about 80–90 companies offering domestic and foreign laser equipment: about 50 companies located in Moscow, about 15–20 in St. Petersburg, the others are in Russian Federation regions. Traditional material processing equipment is usual competitor for laser technological equipment. There are almost no companies on the market offering complex solutions using laser equipment.

Current production – Betamark-2000, Cobra-25, Skat-301/501, Delta-301.

Developed production – LTC-PRO

Data	Production of "Laser Technology Centre"	Alternative 1	Alternative 2
2004	Geographical Region – Russia. Market size \$ 2 million		
	Company market share \$ ths / %	469 / 25–30%	56 / 3%
2009	Geographical Region – Russia. Market size \$ 5 million		
	Company market share	3 000 / 60%	250 / 10%

	\$ ths / %			
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Marketing & Sales

The organization of selling products is supposed to be conducted on distributor scheme. Product sale and promotion are carried out by two groups of managers specialized on regional and branch principle.

Prospects of development

Laser marking and engraving systems market can become fast growing because of world trends to obligatory laser marking of industrial products. In this case western industrialists can interest the laser marking and engraving equipment. Due to opinion of laser equipment manufacturers and suppliers the Russian laser market is in a formation stage.