

MAS-Composite Ltd

Volume of investments required: \$ 10 000 thousand

Use of funds

R&D - 10%

Acquisition of fixed assets - 70%

Product upgrade - 5%

Marketing - 5%

Acquisition of current assets - 10%

Company profile

1. Date of establishment –May, 2005.
2. Size and source of investment to date – \$ 85 000, including: \$ 58 000 invested by major customers and \$ 27 000 from The Foundation for Assistance to Small Innovative Enterprises, the “Start-05” program.
3. Production – parts made of ultra-wear resistance materials for oil and gas extracting industries, electric industry and construction.
4. Target market – pulp and paper industry, oil and gas extracting, electric industry and construction.
5. Sales 2004 – none.
6. Description and value of assets – \$ 90 000. – Press tools, press- and blending machinery for powder metallurgy.
7. Goodwill and intellectual property rights – 3 patents and 2 decisions for patents issue. All patent rights belong to the founders company.
8. Signs of public recognition – winners of “Start-05” contest. One Doctor of Sciences (Tech.) and one Ph.D. (Tech.) among the founders; one founder granted with Russian Federation Government award for the contribution to development of powder metallurgy in the Urals region; authors of reviews on powder metallurgy and tribology ordered by scientific academies and international editions.

Owners

Individuals (3)	33.33% each
Share of government property	0%

Products characteristics

Current products: radial feet for spindle sections of turbo-drill, ultra-wear resistance friction bearings made of sandwich-type composites for various pumps; punched and bursting tools: puncher cases and cumulative funnels, cores for making holes in bricks. All parts are ultra-wear resistance, high quality products and available at relatively low prices.

All the features are obtained due to innovative concentration-heterogeneous materials developed by the company founders; the materials can direct the outer energy into transformation of material structure.

Products under development: radial feet for spindle sections of big sizes turbo-drill. No limits on sizes, field-performance data are ten times higher than those of the best foreign counterparts, manufacturing costs are relatively low. Advantages were obtained due to the development of new materials and technologies by the company founders. The peculiar feature of the products in development is substantial improvement of field-performance data (wear resistance, strength and viscosity), i.e. quality, matched with relatively low production costs.

Markets & Competition

Radial feet: market volume in Russia – \$ 30 mln; worldwide about \$ 200 mln; all high quality products come from China and the USA. By 2009 the world market volume will increase up to \$ 330 mln with our share being no less than 10%.

Cores for making holes in bricks: market volume in Russia – \$ 1 mln, worldwide about \$ 20 mln. By 2009 the world market volume will reach \$ 40 mln with our share being no less than 10%.

Cumulative funnels of punched charge: market volume in Russia – \$ 3 mln, worldwide about \$ 15 mln. By 2009 the world market volume will reach \$ 20 mln with our share being no less than 2%.

Products under development

Data	Product of “MAS-Composite”	“Turbobur” Ltd., Kungur, Russia	VNIIBT, Moscow
------	----------------------------	---------------------------------	----------------

	Geographical Region – Russia, Western Europe, the USA, Asia. Market size \$ 330 million		
2009	Company market share	33 000 / 10%	99 000 / 30%
	\$ ths / %		16 500 / 5%

Marketing & Sales

To secure wide implementation of products made of powder wear resistance materials into industrial use, it is necessary to apply developed marketing procedures: work out and publish general advertising booklet of the company and qualitative advertising leaflets on various products; to take active and regular part at specialized exhibitions and workshops; to place advertising materials in specialized editions; as well as to determine major potential customers and supply free samples of products for industrial application.

Prospects of development

Break into the world market with available products or products on the later stages of development. Materials and technologies available can be used in new products development in other industrial areas. Development of end items with ultra-wear resistance field performance data. Continuation of developing new composite concentration-heterogeneous materials, with not only ultra-wear resistance and strength, but other outstanding physical and mechanical features.