



Summary

1. **Volume of investments required** – Investment is being sought by two companies which IPMB has been retained to present. Gas Analytic Systems LLC (GAS) is seeking \$300 ths., and AVK Lab LLC is seeking \$350 ths.
2. **Production** – innovative sensor technologies initially targeted at safety and security market.
3. **Trade marks** – none

Company profile

Date of establishment – Innovation Projects Management Bureau LLC (IPMB) was incorporated in April 2007. Since 2004, our team has been engaged in identifying innovation technologies with high commercialization potential and creating high-tech companies based on such technologies.

Signs of public recognition – Our recognition comes from the success of our companies. Both GAS and AVK Lab participated in the Moscow International Salon of Innovation and Investment; GAS was awarded a diploma for “best junior project” at the Moscow Aerospace Salon, and also a diploma for participating in the Ray and Laser Technologies Forum and organizing of the Forum’s business section.

Number of employees – 14 persons

Team

Grigory Arnoldovich Stepanyan, 45 years.

Moscow Institute of Steel and Alloys, specialty – “metal physics”. PhD in physics and mathematics.

20+ years of experience at Moscow Institute of Entrepreneurship and Law, Naples University and a number of commercial banks.

Since 2001 – Director of IFTI (Investments).

Since 2007 – Director of IPMB.

Vladimir Nikolaevich Ivanov – head of logistics dept., 29 years.

Moscow Institute of Entrepreneurship and Law, Management Dept. (specialty – “organization management”).

1995-2006 - Russian-American company «ChemBridge Corp», worldwide leader in the field of custom development and production of chemical libraries for the pharmaceutical industry. Managed 6 subordinates on several projects. Latest position - Head of Outsourcing Group Dept.

Products characteristics

GAS’s product «**Foxy-LAB-4m**» is a 4-channel gas detector designed for early detection of toxic agents even in the presence of various masking agents. The device combines high sensitivity, selectivity and operating speed. It can work as a portable detector, a single on-wall device or an interconnected system of multiple units. It is also possible to equip the device with additional channels to increase the number of detecting agents.

Among the uses of the device are ensuring public safety in crowded places and monitoring air quality in industrial plants at which toxic compounds are present.

The «Foxy-LAB-4m» gas detector has no direct competition. The closest functional analogues are listed below:

1. Biochemical analysis-based devices. Main features: extremely selective and sensitive (no false alarms). Require regular analytical reagent replacement – at least once a month, thus not capable of working automatically without an operator. Costs between \$1 000 and \$5 000.
2. Ionic mobility spectrometers. Main features: high sensitivity, but a high rate of misoperations. Usually human-operated hand devices. Costs starting from \$30 000.
3. Devices of the “electronic nose” type, based on acoustic wave or semiconductor sensors. Main features: reasonable sensitivity and sufficient selectivity. Costs between \$6 000 and \$20 000.

The «Foxy-LAB-4m» parameters mostly resemble those of devices of the third group, the key difference being the presence of special highly-selective sensors that offer significant advantages in sensitivity and selectivity. In addition to superior technical parameters, our gas detector can be positioned to compete favorably on price.

AVK Lab’s product **LQtest** is a device that remotely detects dangerous liquids inside sealed non-metal containers (cardboard, plastic, glass, etc.) without opening them. The device can reliably detect flammable, combustible and other dangerous liquids (gas, acetone, nitroglycerine, alcohols, ethers, etc.).

LQtest is intended to provide security and safety in:

- Mass transit (such as airplanes, trains and ships)
- Crowded places (airports, stadiums, theatres, supermarkets)
- Buildings and other locales that demand a high level of safety
- Objects with restricted access (hospitals, power stations, military installations, embassies, custom offices, correctional institutions)

Most of the devices for detecting liquids currently on the market have the following disadvantages: high misoperation rate, significant detection delays, complexity and unwieldiness, necessity of special operators training, and high cost (starting from \$10 000). These disadvantages render existing devices ineffective for mass detection of liquids.

The primary advantages of LQtest are detection reliability, real-time performance, operating simplicity, applicability to any type of container, operational dependability, and affordability (~€1000).

Current state

Both GAS and AVK Lab have secured initial customers in their target markets.

Development strategy**Use of funds**

1. R&D	20%
2. Acquisition of fixed assets	20%
3. Marketing	40%
4. Acquisition of current assets	20%
5. Other	0%

Prospective outcome of investment

Sales forecast for Foxy-LAB-4m gas detectors – \$6 400 ths. over the first three years in its primary target market.

Sales forecast for LQtest devices – \$5 800 ths. over the first three years in its primary target market.

Marketing & Markets

Both GAS and AVK Lab are selling into the safety and security equipment market, which in Russia in 2006 was valued at \$1.1 billion growing at a rate of 27% per year.

We work with our clients to identify and address target markets and develop strategies for global expansion.

Our marketing strategy for the devices includes:

Hiring specialists to support the strategic and tactical positioning of the devices in the safety and security market;
Participating in exhibitions and forums dedicated to security and anti-terrorist equipment (Expoprotection/FEU; MIPS; Interpolytech; Airport Industry; Security and Fire);

Promoting the devices through publication in Russian and global special media in collaboration with the Russian Informational Agency "Protection Industry", and on the Internet;

Participation in state and private tenders for contracts to supply safety devices;

Developing Russian distribution and partnership network, primarily involving integrators, trading firms and installation organizations.

Interaction with investor

Investments will be used to increase staffing, further penetrate markets and execute against investor milestones.

Please contact us at our booth to discuss the investment opportunities.