

Russia, St. Petersburg

**Summary**

1. **Volume of investments required – \$ 500–1000 thousand.**
2. **Production** – package for fresh, refrigerated, delicacy and convenience foods.
3. **Trade marks** – “Laboratory of New Technologies”, “Lantex”.

Company profile

Date of establishment – March, 2003. History of the company foundation begins with food storage and package innovative activities based on researches, which were started in 1995; the company founder is A. Gasparyan.

One of the business partners told about losses of his company, which had appeared during transportation of red caviar from Far East Region to Moscow, which ranged from 15 to 25% from transported production volume, and asked A. Gasparyan to solve this problem.

Within 2 months a new technology for caviar package and transportation was created and developed, it provided saving the initial quality of production and increased its storage period in several times.

A special compact packaging complex was developed practically from the ground up; it is unique in the world.

Annual company losses were lowered to 3–5%. These figures are self-explanatory.

And the most essential is that the caviar, packed by the new technology, had a wonderful taste and a very high quality.

Signs of public recognition – none.

Number of employees – 2–5 persons.

Team

Gasparyan Ara – Director, 41 y.o. Founder and head of the company, an idea man. Author of several patents and numerous know-hows, which were successfully realized at many working food enterprises of St. Petersburg and Moscow.

Goldman Lavinia – Chemist, 38 y.o. Candidate of science. Co-author of protective element formula for new package. Carries out active explorations at preferred direction, laboratory researches of explored production groups, and also defines methods and format.

Products characteristics

According to well-known informative sources (RBC, APC market, Antes, Food News), the market of fresh and refrigerated filling products in Russia (e.g., fresh meat including beef, pork and chicken meat, meat delicacies, fresh fish including fish fillet, fish delicacies, salads in assortment) is estimated as sky-rocketing.

So, only in the previous year demand for this production increased to 30% according to different valuations. Herewith, the buyers prefer really fresh production, in which there is a small number of artificial additives and preservatives or there is no artificial additives and preservatives at all.

But at the same time there is a reverse of the coin. The main problems in realization for the companies, which produce and deliver fresh refrigerated production, are:

1. Limited storage period of fresh production
2. Production quality preservation
3. Production marketable state.

Production which was not realized within the period pointed on the package, is returned to producer and should be utilized unconditionally. It is a direct loss for the producer, which ranges from 20% to 40%, and sometimes to 50%, according to type of production. These problems essentially reduce the possibilities of realization and delivery volumes increasing. In its turn the sales geography essentially shrinks.

New package allows solving these problems, essentially increasing storage periods of production, herewith preserving its high quality. It is substantiated by data based on a large body of production research, carrying out by producers interested in the company.

Outwardly new package is not different from analogous package. The only differential characteristic of new package is an availability of protective elements, which have double action, antiseptic and absorbing. Protective elements are set inside a container and securely concealed from unauthorized opening by perforated insertion, made from the same material, from which the package is made.

It should be noted that new package has a casting mold; it practically excludes mechanical and dynamical damages during production transportation, shelf storage and storage at the points of sale. New package allows excluding preservatives using fully, it is environmentally safe.

Sanitary-Epidemiological Conclusion proves it from State Sanitary-and-Epidemiological Inspection of the Russian Federation № 78.01.06.216.T.009472.09.04 dated 30.09.2004 and Sanitary-Epidemiological Conclusion from State Sanitary-and-Epidemiological Inspection of the Russian Federation № 78.01.06.216.П.04633.09.04 dated 30.09.2004. The both Conclusions have a period of validity until 2009, where after this period of validity can be prolonged at least for the following 5 years.

New package is patented (Patent of the Russian Federation № 2204924 dated 25.09.2000) and Useful Model License of the Russian Federation № 17170 dated 07.09.2000.

Current state

Special technologies and packing solutions for the companies – food producers – are developed on contract basis. Mobile packing complex is developed for the immediate packing and transportation of fresh production including fresh meat from geographically far deliverer to the production place, which allows preserving all production useful properties and its high quality.

Development strategy

Use of funds

1. R&D	10%
2. Acquisition of fixed assets (press mold acquisition)	50%
3. Marketing	20%
4. Acquisition of current assets	25%
5. Other	5%

Prospective outcome of investment

As the result of investments a new package for food products will be developed, specifically for fresh, delicacy and convenience foods.

New package will allow increasing their storage periods, preserving high product quality.

Marketing & Markets

Meat market of Moscow and St. Petersburg is approx. 1.0 million ton per annum. Fresh, refrigerated, portioned meat constitutes at least 25% from this quantity.

Initial volume of deliveries will be at least 3.6 million of pieces per annum. From the second year new package production volume will be at least 6 million of pieces per annum.

The data are given on the base of preliminary contracts of delivery to companies, which production had passed laboratory researches in new package and received high expert estimates.

Production distribution is planned to be extended via distribution chain and direct sales.

Basic conception of market entry strategy is a provision of ultra-high quality and safety of use of fresh and refrigerated food products at using of new package.

Interaction with investor

From 25% to 35% of the company shares is offered for investments, with payback time 3–5 years.