

**"RE-think"**  
**Energy Audit and Consultancy**  
**Executive Summary**

**a. Nature of the Business**

This business enterprise proposes to create a Europe-wide brand in the area of Energy auditing and consultancy. By capitalizing on the market growth resulting from recent and proposed future EU legislation there is significant year on year sales growth potential for the first five years.

**b. Purpose of Business Plan**

This document will outline the service the company will offer and the market potential that this service has in the changing economic environment where energy issues are increasingly centre stage.

**c. Our Product and Service**

The company will focus on revenue streams from two areas:

1. Building Energy Rating Certifications
2. Energy audits and energy saving implementation.

Building Energy Rating certificates will soon be required by the EU directive; Energy Performance of Buildings. By 2009 all buildings being bought and sold across Europe will need an Energy Rating. Therefore the market for this service will grow exponentially as people attempt to comply with the new directive. There is an opportunity to enter the market early and create a good brand name by being the most efficient and most professional service provider. Our research has shown that there are a lot under qualified sole traders attempting to enter this area who would be

unable to compete with a larger player with a more efficient and robust business model.

The second area of energy auditing offers more potential for profit as there is more value added in the service provided. More and more companies are willing to invest in energy auditing services as there is an opportunity for cost savings. The intention is to use the relationships built up with clients while auditing for Energy Rating certificates in order to get repeat business for more in-depth energy audits. The company will have a cutting edge software model that will enable accurate audits to be carried out quickly with repeatable results.

Having been in business for two to four years and having built up a brand name in key strategic locations in Europe there will be an opportunity to start franchising the service under the brand name. This is where there is most potential for increased revenue. By successfully growing brand awareness through marketing and historical successes with repeat customers (our target will be large multi-nationals) there will be an opportunity to grow the business throughout all EU member states.

#### **d. Potential Market**

The Building sector accounts for 40% of the energy consumption in the EU, which amounts to approximately 288 billion dollars/year (Green Paper Memo, European Commission, Directorate General for Energy and Transport, June 2005). It is estimated that at least 10% (28.8 billion dollars) of energy consumption in this sector can be saved by year 2020. Based on experience, we estimate that the associated costs (energy audit and energy saving services) will be ca. 3.6 billion dollars (12.5% of total energy savings), representing the potential market size in this sector.

Strict regulations (EU directive: Building Energy Rating (BER) and Energy Performance of Building (EPB) directives) and rising energy costs, keep adding pressure on energy saving measures to both corporations and householders. A global potential market will, in time be created with the introduction of new legislation and subsidies in non-EU countries. This market can be exploited through small modifications within our application and methodology.

**Strategy:**

Strong brand positioning and recognition, through competitive energy audit services during the first year. Energy-saving credits are offered after audit service to attract and keep a large and loyal customer base. In parallel, a solid network of engineers trained in the energy audit field will be built. The franchise market will be accessed by offering a support base (strong brand & marketing, methodology, access to big clients thanks to collaboration, education of new employees, legal knowledge, quality control, innovation and update on new technologies, participation on call for tenders and sales support) to independent engineers interested in starting their own business.

**e. Qualifications and experience of the management team**

The core team of four members consists of three engineers with diverse experience in managerial positions. Two of the engineers have experience in the field of energy auditing in Ireland and Belgium as well as in renewable and sustainable energy. The third engineer also holds a PhD and has a strong network in innovation and new technologies having worked at Max-Planck Society, Germany and key technological centers in Europe and the US.

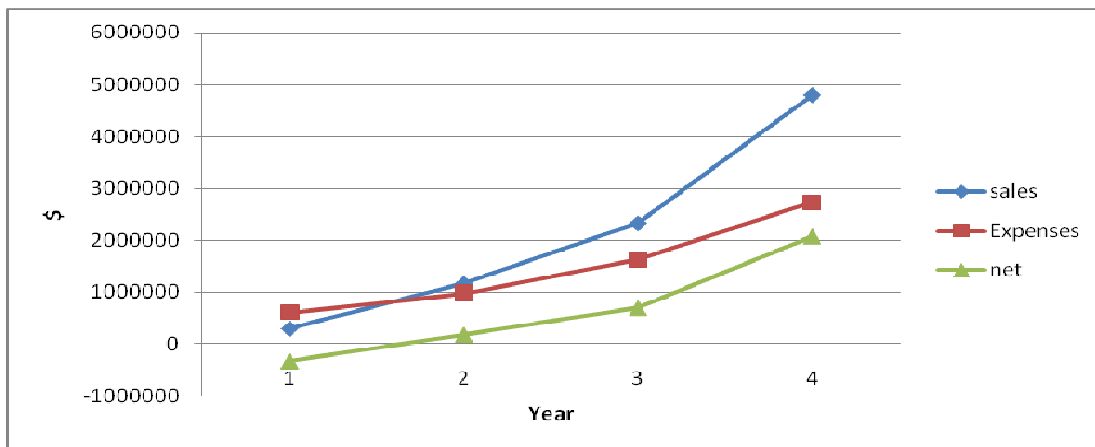
The fourth member has the necessary expertise and experience in business administration. Marketing, Accounting, Key account and Product Management, as well as Branding are among her skills.

With members from four different countries this team is well placed to guide a company through sustainable growth and expansion across Europe.

#### f. Sales and Profit Projections

Assumptions:

- 3 months to open an office
- 30 audits the first year and a growth of 50% per year
- 20 audits per engineer in one year



year	sales	Expenses	net
1	291080	610686	-319606
2	1164320	979120	185200
3	2328640	1628047	700593
4	4802820	2731185	2071635

offices	Employees			Audits
	Engineers	Senior Eng./MBA	Marketing Manager/MBA	
1	2	3	1	30
3	5	3	1	105
5	10	6	1	202
8	20	9	2	393

**g. What the team is requesting from Venture Capitalists**

The Team will ask the venture capitalist for financial aid for business start-up. This includes business expenses (ca. 50,000 US\$), rent (ca. 83,000 US\$), communication and branding expenses (ca. 80,000 US\$), and salaries (ca. 400,000 US\$). In Return, we can offer the venture capitalist a fast growing rate of our company and therefore a high rate of return on investment within the next five years. Our expertise in management and the core business, energy auditing, will enable us to tackle the tasks this business will bring. We can offer the venture capitalist a great chance to enter an emerging and new market in Europe.