

Competitive advantage:

Our business is very unique because it is a new creative business idea by conserving energy and makes good use of the natural sources with existing trees to provide light energy as well as long as efficient uses of finite resources. By the way, our business is carefully think about humanity and living by saving energy, safe to use, and social responsibility.

Furthermore, we will supply handy maintenance service and professionals to consult directly with customers if necessary. Additionally, we will always make sure that we have a healthy supply chain assuring sufficient supply quantities.

Marketing:

In order to popularize our service, we will promote ourselves through social media such as Facebook, Instagram, Twitter, as well as our **Phos2Light** website and ads in apps. We will also cooperate with government to offer free trials by doing sample injections for 1-2 trees in the middle of the city.

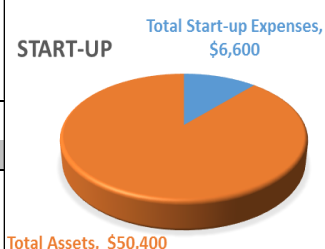
Furthermore, we offer promotion as follow:

- 1% discount for 10 to 15 trees
- 3% discount for 20 to 40 trees
- 10% for 50 trees or higher

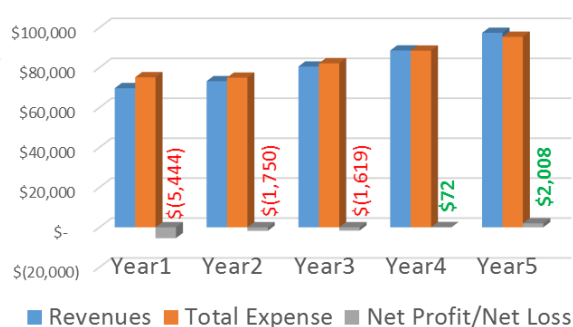
Our company will dispatch the salesmen to personally contact the owner of residential areas, resorts and malls to encourage them to implement our services for their benefit of energy conservation. Furthermore, we will cooperate with the government to apply our service.

Finance:

Start-up	
Start-up Expenses	
Legal (Register, Patent)	\$ 2,500
Stationery	\$ 350
Research & Development	\$ 2,000
Temporary Rental	\$ 1,500
Other	\$ 250
Total Start-up Expenses	\$ 6,600
Start-up Assets	
Cash Required	\$ 25,000
Start-up Stock	\$ 5,000
Other Current Assets	\$ 250
Fixed Assets	\$ 20,150
Total Assets	\$50,400
Total Requirements	\$57,000



5 year of Profit and Loss Statement



PROFIT & LOSS STATEMENT	Year1	Q1	Q2	Q3	Q4	Year2	Year3	Year4	Year5
Sale	\$69,692	\$ 15,000	\$ 15,750	\$ 18,113	\$ 20,829	\$73,176	\$80,494	\$88,544	\$97,398
COGS (45%)	\$26,706	\$ 5,748	\$ 6,036	\$ 6,941	\$ 7,982	\$28,042	\$30,846	\$33,931	\$37,324
Gross Profit	\$42,985	\$ 9,252	\$ 9,714	\$ 11,172	\$ 12,847	\$45,135	\$49,648	\$54,613	\$60,074
Operating Expense	\$47,932	\$ 13,011	\$ 13,386	\$ 8,748	\$ 12,787	\$46,885	\$51,267	\$54,523	\$57,564
Advertising Expense	\$ 25,880	\$ 7,640	\$ 7,800	\$ 3,300	\$ 7,140	\$ 23,292	\$ 25,621	\$ 26,902	\$ 27,709
Depreciation	\$ 4,085	\$ 1,021	\$ 1,021	\$ 1,021	\$ 1,021	\$ 4,085	\$ 4,085	\$ 4,085	\$ 4,085
Gasoline	\$ 2,088	\$ 450	\$ 495	\$ 545	\$ 599	\$ 2,402	\$ 2,642	\$ 2,774	\$ 2,913
Rent	\$ 3,600	\$ 900	\$ 900	\$ 900	\$ 900	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600
Utilities	\$ 2,550	\$ 600	\$ 750	\$ 540	\$ 660	\$ 2,805	\$ 3,086	\$ 3,240	\$ 3,402
Salary	\$ 8,400	\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100	\$ 9,240	\$ 10,626	\$ 12,220	\$ 14,053
Telephone & Internet Fee	\$ 400	\$ 100	\$ 100	\$ 100	\$ 100	\$ 440	\$ 484	\$ 508	\$ 534
Office Supplies	\$ 696	\$ 150	\$ 165	\$ 182	\$ 200	\$ 766	\$ 842	\$ 884	\$ 929
Other Expenses	\$ 232	\$ 50	\$ 55	\$ 61	\$ 67	\$ 255	\$ 281	\$ 309	\$ 340
Earning before Tax (EBT)	\$ (4,947)	\$ (3,759)	\$ (3,672)	\$ 2,424	\$ 61	\$ (1,750)	\$ (1,619)	\$ 90	\$ 2,510
Tax 20%	\$ (497)	\$ -	\$ -	\$ (485)	\$ (12)	\$ -	\$ -	\$ (18)	\$ (502)
Net Income	\$ (5,444)	\$ (3,759)	\$ (3,672)	\$ 1,939	\$ 49	\$ (1,750)	\$ (1,619)	\$ 72	\$ 2,008

Figure 2: Startup Projection, Financial projection, and Profit and loss Statement in 5 years

Our business startup will be \$57,000 where 88% is our total startup assets. Our first year operating expense will cost approximately \$47,932 and whereas we cover 54% on advertisement and 18% on salary. As we will break-even in \$77,712. Even if our first three years will get lost but we will be expecting our profit in our fourth year and the year after.

Conclusion:

We strongly believe that our business will be successful because it is unique and smart for **saving energy, safe to use, and social responsibility**. This concept will be applicable for not only Cambodia but also globally.

