

Buisness Model of a Successful Funding Proposal

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Wining Research Grant

- 1) Project Philosophy
- 2) Goals and Objectives (Commercial)
- 3) Anticipated Customer
- 4) Core Strength
- 5) Competitor Analysis
- 6) Go to Marketing
- 7) Financial Strategy

On the same day that molecular biologist Carol Greider won a Nobel prize in 2009, she learnt that her recently submitted grant proposal had been rejected.

Project Philosophy

**Give important features of Products, Services, Application etc. to targeting audience (end-user), that solves issues/problems and improvements against the solutions available in the market.
Accessibility, Usability, Production etc.**

Goals and Objectives

Clear

Deliverable

Scalable

Reliable (Different Problems and Domains)

Programmable

Secure

Accessible

Affordable

Trade-offs

Anticipated Customer

**Identify Industry or Community
Trends, Location, etc.**





- 1) Total Addressable Market (TAM)
- 2) Serviceable Addressable Market (SAM)
- 3) Serviceable Obtainable Market (SOM)



Core Strength and Weakness

- Idea
- Problem
- Product or Service
- Business Strategy
- Team
- Partner
- Risk Mitigation

Development of Energy and Cost Efficient Electric Fan Controller

 Strength	 Weakness	 Opportunities	 Threats
<ul style="list-style-type: none">• Team of intellectuals and researchers• High-end professionals having expertise in state-of-the-art technologies• Affiliation with industrial experts to get different problems information and advocacy and marketing support.	<ul style="list-style-type: none">• Production and Manufacturing facilities of chip design are not locally available.	<ul style="list-style-type: none">• Huge market• No local competitor in Pakistan.• The product will open opportunists for related products like:<ul style="list-style-type: none">○ Washing Machines○ Drones○ Electric Vehicles	<ul style="list-style-type: none">• Fluctuation in economy• Global delays like COVID pandemic

Competitor Analysis

	National / Int'l	Price	Features	Services
Your Solution	Indigenous			
National (Name)				
International				

Having no competitor is considered as drawback

Go-to-Market (Buisness Plans)



Plan 1

C2C
Renting



Plan 2

B2C
Product,
Solution



Plan 3

B2B
ToT, Licensing



Plan 4

Go-To Market

- Product

Services

Solutions

Product

Fan Manufactures **TAM**
10,000,000 Consumer Fan

Single Product

Avg Manufacturing Price = 1200
Avg Sale Price 1700
Profit per product = 500

Policy-I

SOM

0.1% 1st Year Profit (Million) = 4

1% 3rd Year Profit (Million) = 43

With 5% Up to 5th Year
Profit (Million)= 257

Critical Solutions Consultancy

Policy-II

Single Industry

Power Improvement
Cost Reduction
Software Add-on
New Features

1 Million / Year

Relevant Industry

Policy-III

Washing Machine Industry
Motor Industry
Industrial Automation
Electrical Vehicle
Drone

Go to Market

Target Customer

- Publication
- Talks
- Workshops
- Exhibition
- Renting

Financial Planning

- **Budgeting**
- **Prototype Cost**
- **Production Cost**
- **Sale Projection (1year, 2year, 3year)**
- **ROI**
- **Payback Period**

Financial Planning

Revenue : Price of one unit multiplied by total number of sold during a period

Costs : Amount used to make the products

Expenses : Cost incur when you don't sell any product/service.

Gross profit : Revenue divided by costs

Operating profit : Subtracting Costs and Expense from Revenue.

Net profit : Operating profit after taxes

Assets : What you own (Cash, Equipment, Inventory, Receivable)

Liabilities: What you owe (Debt, Obligation, Payable)

Equity : Ownership of assets which are assets - liabilities

Cashflow : Cash Generated or used through operation, investing and financing

Valuation : What your venture is worth (Market Value, Equity Value, Enterprise Value, Net Worth, Cash Flow)

Funding Requirement: Cash Burn + Working Capital

Cash Burn = > Usage of Cash during development phase

Working Capital = > Inventory Production + Receivable –
Payable

Use of Funds:

Cost ?

Salaries ?

Marketing ?

Administrative ?

Working ?

Running ?

Cash Flow

Years	12/31/23	12/31/24	12/31/25	12/31/26	12/31/27	12/31/28
WC+IC	15,000,000	10,000,000				
No of Unit Produced		10,000	25,000	50,000	75,000	100,000
Unit Product Price		900	1,125	1,406	1,758	2,197
Unit Sale Price		1,300	1,560	1,872	2,246	2,696
Services (Solution)		0	1,000,000	1,500,000	2,000,000	2,500,000
Cost of Production		9,000,000	28,125,000	70,312,500	131,835,938	219,726,563
Revenue		13,000,000	40,000,000	95,100,000	170,480,000	272,068,000
Operational Cost		300,000	360,000	432,000	518,400	622,080
Administrative Cost		500,000	600,000	720,000	864,000	1,036,800
Misc. Other Cost		500,000	600,000	720,000	864,000	1,036,800
Total Cost		1,300,000	1,560,000	1,872,000	2,246,400	2,695,680
Net Profit Before Tax	-25,000,000	2,700,000	11,315,000	22,915,500	36,397,663	49,645,758
Gross Profit	-25,000,000	2,133,000	8,938,850	18,103,245	28,754,153	39,220,148
Gross Profit (Millions)		2	9	18	29	39

BUSINESS MODEL CANVAS

KEY PARTNERS partners	KEY ACTIVITIES Updating the system arcetecture as much as possible according to the requirment of customer Meeting the customer as our product is new idea, we need to gether experience of local customoers. Exploring new markets and applicions of our product.	VALUE PROPOSITION Serves as a dignostic tool for foot weight distribution, which is a critical madical issue.	CUSTOMER RELATIONSHIP Welcome to feed back Provides upgrades if required Customers experiance will help to improve our product	CUSTOMER SEGMENTS Bulk buyers 30 rehabilitation centers in pakistan, 26 military recruitment centers across pakistan, 16 large scale footwear manufacturers, 104 orthopedic clinics, police recruitment centers 171 fitness and gyms centers in pakistan, Single piece buyers: 5 million pregnancies took place in pakistan 19 million diabetic adults for the prevention of foot ulceration
	KEY RESOURCES Basic Capital Cost Marketing Team		CHANNELS Through personal linkages Seminars, Exhibitions, Workshops Digital Markeeting,	
COST STRUCTURE Production costs Markiiting costs Hardware cost is most expensive Hardware cost can be changed when sensors are locally made		REVENUE STREAM(S) Buying the product Renting the product		

How to Write Successful Funding Proposal

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