



## **PHASE 1**

### **Product or Service Description**

In this section, you will describe the nature of the product or service you plan to sell.

SAMPLE ANSWER: Schlick Cycles has patented an innovative bicycle design that uses high-strength advanced modern alloys and composite materials. The design achieves a one-size-fits-all frame by mounting the seat on a dual-channel rail allowing taller riders to slide the seat backward rather than upward. Schlick will manufacture these bicycles using traditional machining and composite production systems.

### **Customer Definition: Their Needs – Your Solution**

In this section, you define your market by answering these questions about your customers: What is the problem your technology or product will solve? Who has the problem? Who would be an early user of your product?

SAMPLE ANSWER: Schlick's design has a lower center of gravity, more comfortable riding position and allows riders to place both feet on the ground when stopped regardless of height. The single-size frame allows bicycle shops to carry fewer models in inventory. The design meets international peacekeeping and domestic law enforcement demand for a versatile, rugged and safe "one-size-fits-all" means of patrolling congested metropolitan areas.

### **Market Description, Size and Sales Strategy**

In this section, you further define the market by answering this question: How do you size and segment the market to which your technology or product will be sold? Segmenting the market means that you identify the specific portion of the market that contains those buyers that have the problem your product or service is targeted to solve. You will also describe how you will go about marketing, selling and distributing your product or service.

SAMPLE ANSWER: We will position the Schlick brand for entry into the \$2.7 billion U.S. bicycle market by first focusing on the \$780 million Comfort/Hybrid/Cruiser specialty market, made up primarily of mid-to-upper income individuals. The multi-million international and domestic public agency niche markets will also be pursued. Schlick will introduce prototypes at popular riding events and tradeshows. Sales will begin through existing bicycle shops then expand to online sales.

### **Competition**

In this section, explain why your product or service is better than alternatives. Describe possible competitors.

SAMPLE ANSWER: Direct competitors include Electra (Townie), Giant (cruisers/comfort bicycles), Easy Racer (long wheelbase recumbent), RANS (recumbents/semi-recumbents), Schwinn (Sting Ray). Our product design benefits from being unique, stylish, comfortable, practical and totally new.

Indirect competitors include about 2,000 companies that make or distribute 100 different bicycle brands. We will avoid this market.

Technological competition includes small scooters and electric assist bicycles. Schlick's design can be adapted to electric assist.