



WindSail Solutions

Aerospace MBA 2018



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CONTAINER SHIP

THE TEAM

“Founders & Management Team”

M^a Lucía Contreras de la Torre
Industrial Mechanical Engineer



Vincenzo Vassallo
Management Engineer



Ismael Jiménez Pérez
Design Engineer



José Gonzalez León
Analyst Engineer



Gonzalo Jiménez
Tutor

OPPORTUNITY

“Why WindSail?”

With more than the 80% of global trade by volume and over 70 per cent of its value carried on board ships and handled by seaports worldwide, the maritime transport has a central importance for trade and development.

The industry, expected to grow up to 3,5% next years, is now facing new challenges related to its sustainability, offering new business opportunities.



MISSION

Our mission is to offer an innovative, efficient and sustainable solution to maritime transport problems, giving to shipping companies a complete customizable service to reduce fuel and emission costs.



VISION

Our vision is create a new way of thinking the maritime transport, using a 100% green energy technology. Be the reference for customers of the cleanest, safest and efficient personalized service assistance in seaborne freight.



COMPANY VALUES

Team Work

In WindSail we believe in the power of union. Team work is a basic factor for success and cooperation is the key to overcome limits there will be to faced with.

Sustainability

WindSail is involved in making the maritime trade a greener business, spreading the awareness of using environment in a sustainable way, in order to preserve them for actual and future generations.

Continuous improvement

Company is outstretched towards future, always seeking to improvement and development. People, technology, service, all the factors are constantly aimed to growth and progress.



INDUSTRY CHALLENGES

Fuel Cost Dependence



Fuel costs represent as much as **50-60%** of total ship operating costs, depending on the type of ship and service



Maritime transport emits around 3% of CO2 each year to the planet.

INEFFICIENT MARKET

Maritime transport has been using the same techniques for transport for more than 100 years, fossil fuel.

This is inefficient and unsustainable.



EEDI Regulation

In order to control these emissions, the IMO has developed a package of MANDATOR MEASURES to improve the energy efficiency of ships with the following clauses:

Geo-Political Risk

Some of the crude oil producing countries, belonging to OPEC, are politically and economically unstable, such as Nigeria or Venezuela, this produces large fluctuations in the price of oil.



MANDATORY EMISSIONS REDUCTION

20% CO2 by 2020



TECHNOLOGY SOLUTION

✓ Launch System

✓ Kite

✓ Safe and Reliable

✓ Full Autonomy

✓ Easy to retrofit



20%

Co2 TAX SAVINGS



20%

Fuel SAVINGS

100% autonomous

Simple on/off button

Decision aid

Easy to implement



REAL-TIME MEASURABLE SAVINGS



Powerful Propulsion



Range Extension



Automated



Reduced Fuel



Comfort



Increased Safety



Eco-friendly



High visibility

TURNKEY PROJECT

1

Data Analysis



2

Installation



3

MRO



4

Update & Follow-Up

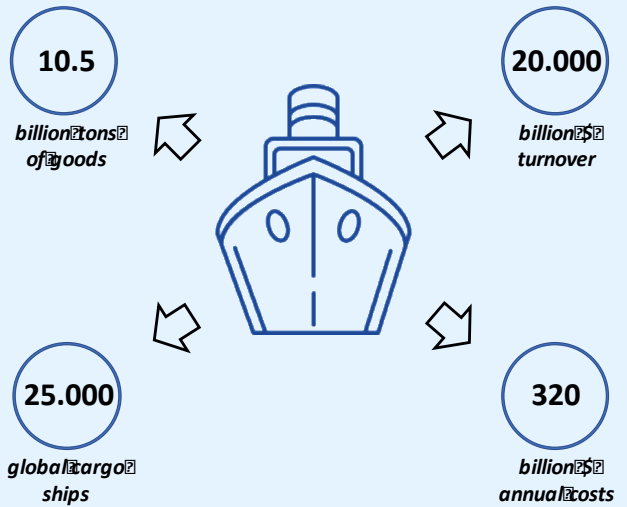


MARKETING PLAN

MARKET ASSESMENT

Shipping Industry is the core part of global trade supply chain. Cargo ships, the most affordable freight system, are responsible for moving more than 10 billion tons of goods worldwide, using a fleet of over 25.000 vessels.

This volume is expected to be growing through the coming years, allowing WindSail future expansion and increasing business scalability.

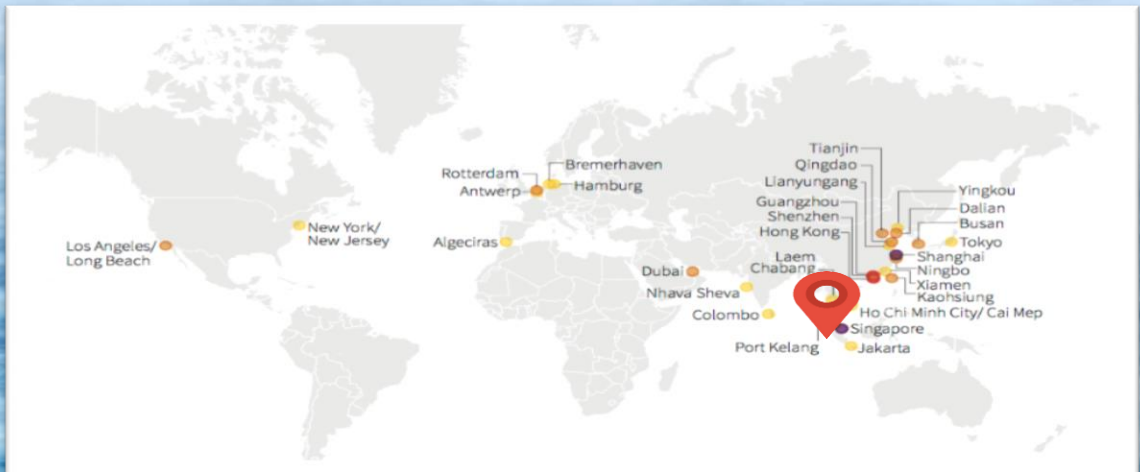
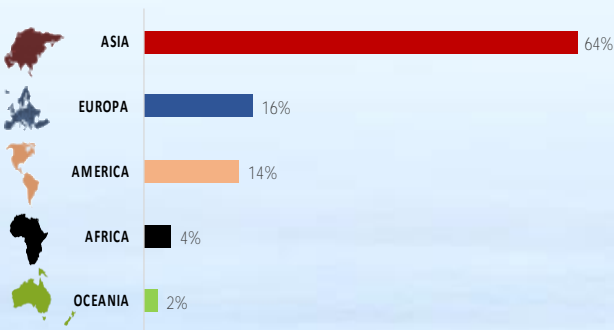


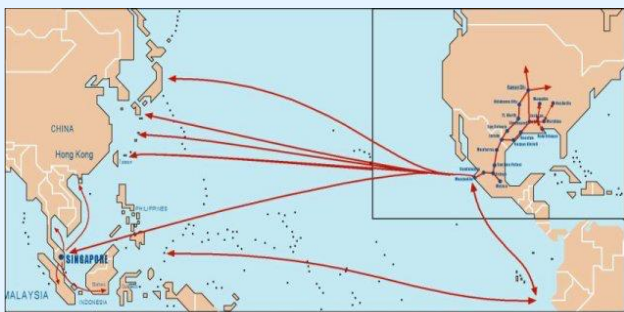
TARGET MARKET

WindSail target market is focused on container shipping companies in Pacific Asia, in order to maximize company's success possibilities, according to some decisive criteria:

- ✓ **Logistics Conditions.** In the selected area, indeed, there are 7 of 10 main containers ports hub.
- ✓ **Trade Volume Traffic.** It refers to maritime routes traffic, tonnage loaded and unloaded and ports throughput.
- ✓ **Economic and Politics Factors.** Including economic growth, commercial agreements and governmental investments.

WORLD CONTAINER PORT VOLUMES BY REGION





ROUTES SELECTION

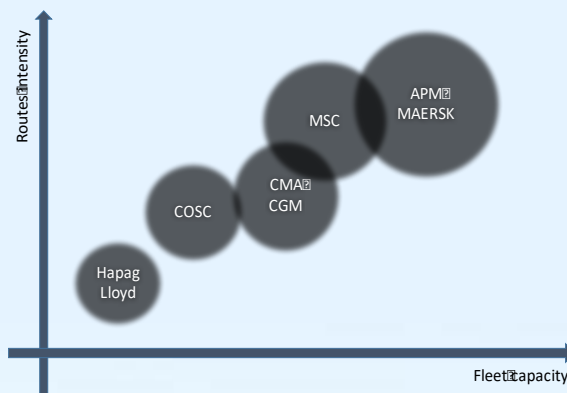
Being Pacific Asia our area of interest, with Singapore as hub, have been selected 12 main routes departing from or passing through Singapore's port and directed to America.

CUSTOMERS

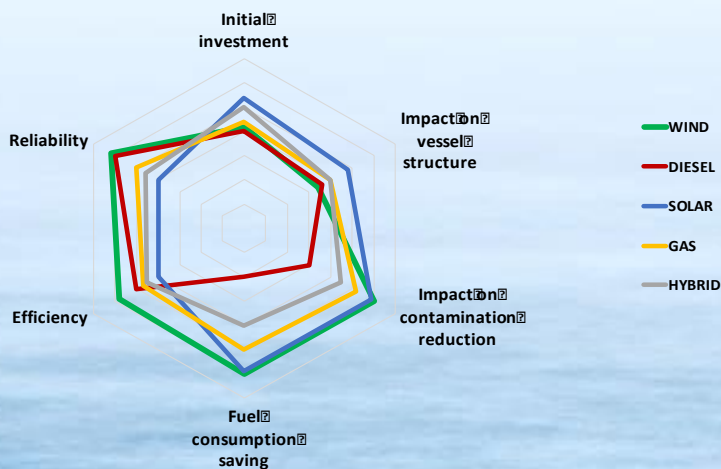
Inside the containers ships companies, a market segmentation and prioritization have been carried out according to two factors:

- ✓ Route Intensity, meaning the frequency which the boats stir with inside of the established itinerary
- ✓ Fleet Capacity, considering the number of ships moving inside those routes

The results show the main players which focus on to optimize our profits.



COMPETITORS



In the industry no similar companies are found offering the same service, so that alternative propulsion systems have been examined and benchmarked.

Main competitor technology solutions are:

- ✓ Diesel
- ✓ Gas
- ✓ Hybrid
- ✓ Solar energy

Principal limitations of them regard investments, efficiency, reliability.

COMPETITIVE ADVANTAGE



Most efficient and sustainable complete solution, able to be adapted on existing and new ships.

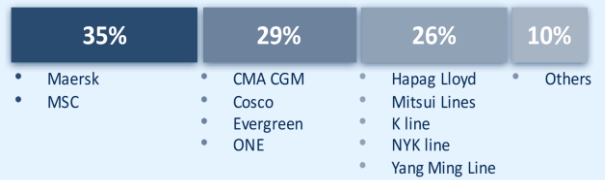
- ✓ VERSATILE
- ✓ CLEAN
- ✓ INNOVATIVE

MARKET SIZE



Detailed market analysis brought us to an estimations of an average market of 13 vessels per route, reaching a compound value of 156 possible customers.

ASIA - AMERICA ROUTE MS

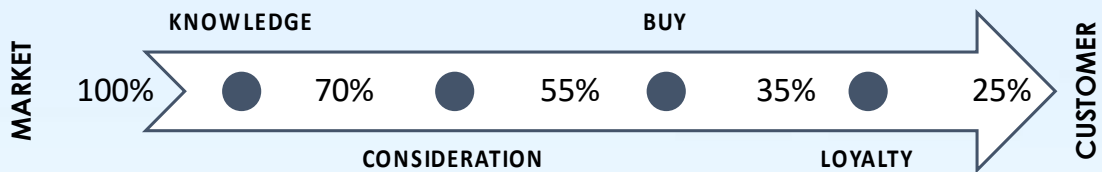


CUSTOMER BUYING PROCESS

In the process of customer acquisition, different barriers have identified for WindSail to be overcome.

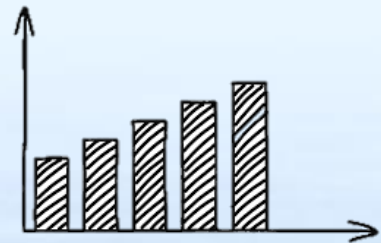
Due to these, in each phase a percentage of potential customer is missing, so that a series of mitigation actions have to be implemented:

- ✓ Branding promotion
- ✓ Fairs/events participation
- ✓ Sponsorship and partnership
- ✓ Customized service
- ✓ Continuous improvement



PRICING POLICY

Due to the lack of direct competition and to the difficulties to define a price based on customer's willing to pay, our pricing strategy is set considering the benefits offered to customer and fixing a mark up of 20%.



 **700.000 €**



The **3-year WindSail Solutions contract** will include:

- ✓ **Installation**
- ✓ **Staff training**
- ✓ **First maintenance**
- ✓ **Follow up and customer assistance**
- ✓ **Continuous improvement**



COMMERCIAL OFFER

“What is WindSail?”



PLUS PERFORMANCE

20% Fuel/Gas savings,
More than any solution



PLUS RENTABLE

2 years of RO, without
immobilization of ship.
Saving up to 1-2
m\$/year



ALL SHIPS

Adaptable to all ships
on service and with all
types of engines

COMMERCIAL PLAN



2 SALESMEN

Corporate sales are the key channel of promotion and sales



4 FREE ANALYSIS

WindSails Solutions offer until 3 years of tracking including KPI's and software information in real time



5 FAIRS STANDS

WindSail Solutions will take off in Singapore



20 PORT'S FACILITIES

Possibility to install our solution in 20 of main ports among East Asia and West America coast

"Be the most innovative & efficient service mean between the main ships companies with all the new technologies and at competitive price as well"

We think an initial huge investment in marketing is crucial for the company success, even more if it is a new concept as WindSail Solutions is. We bet for a multichannel distribution where corporate salesmen play a principal role.

MAIN CHANNELS



- ✓ Corporate salesmen
- ✓ Event stands-fairs
- ✓ Direct sales
- ✓ Environmental Organizations & Distribution Systems
- ✓ Web & Social Networks



WindSail Solutions will be really focus on service consistency in continuous improvement: reducing cost & environmental friendly technology, since companies demand the highest quality in every moment.

OPERATIONAL ISSUES



Installation

Just in **5 days** in every port



Tracking

Windsail solutions offer until **3 years** of tracking including KPI's and software information in real time



Training

Specialised practical courses of **2 days**

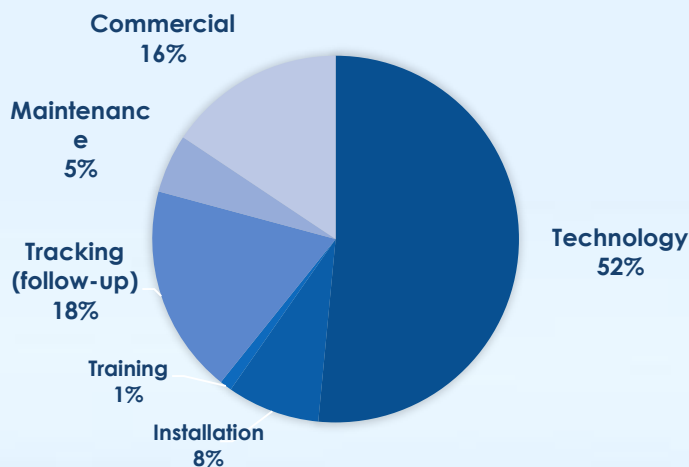


MRO

1 year of free maintenance included

As an initial overview, Windsail S. Is taking off with just ships connection between Asia an America and with a demand about 4 full services in the second year. Thus, the operational variables have been adjusted to optimized the costs.

OPERATIONAL COST DISTRIBUTION



MAKE & BUY Policies

As operational strategic approach, in Windsail S. We have to decided to externalized all that is not considered core business. Those activities are: Installation & Maintenance. Despite this, it is included in the Company strategy to recover some of those activities when we will grow.

Contingencies Plan

It is really key for success a good risk management in the operational field in order to be able to cover the offered service. As Windsail S. has an ecological demand, a failure in the technology or the analysis will be even worse than in conventional services.

Technology breakdown or other unavailability: It will be provided the fastest maintenance team from the next port ship destination

More PO's than supplier capacity: Start a supplier development plan since the contract sign

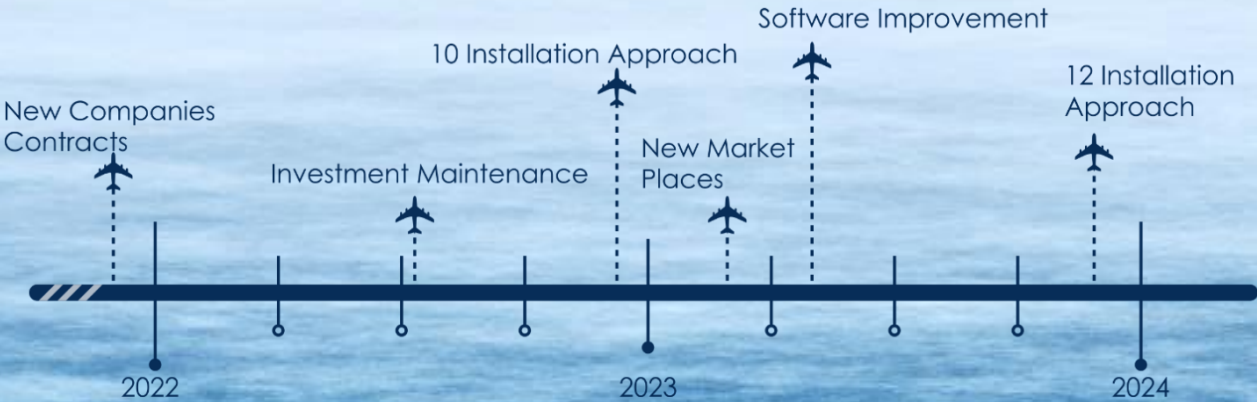
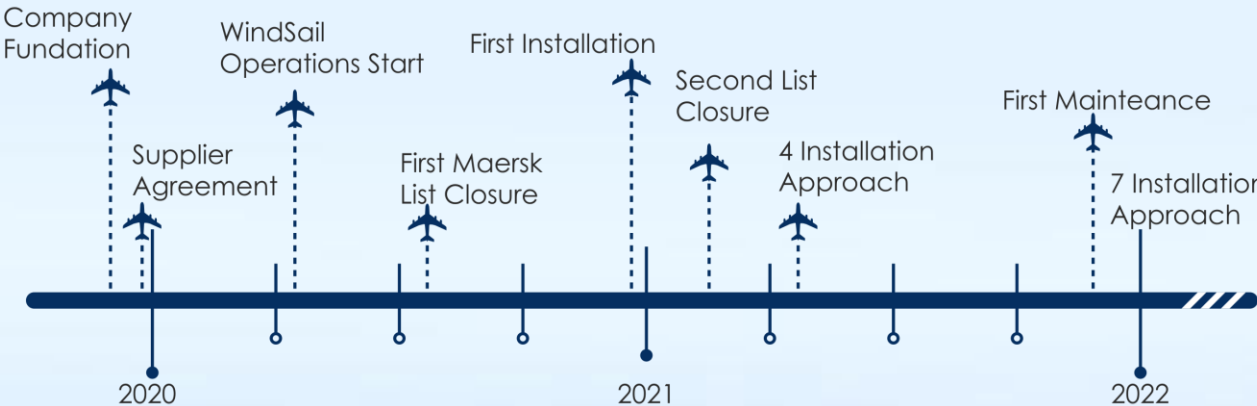


IMPLEMENTATION SCHEDULE

It shows the main milestones that will be deployed throughout those five years of operation. Beginning with the survey found at the beginning and the ramp up of the operation itself.

In the next year the steps of the MSC company are shown, which in the first two years will be our main objectivity. However, it will be essential from the 3rd year, to increase the capacity through the acquisition of new clients.

According to that, it becomes clear when it is extended to do again and what type those are. It has begun and increased in the maintenance and analysis for the third year, and an expansion of strategic routes.



LEGAL FRAMEWORK

Business Regulations

WindSail Solutions as establish business in Singapore has to accomplish with:

- ✓ **Incorporation Law:** definition of the entity and fulfilment regulatory compliance requirements. The business license and the certificate of incorporations is ensured.
- ✓ **Taxation Law:** the payments of taxes are fulfilled for business income, good and services and foreign workers regulations.
- ✓ **Immigration Law:** high flexibly, with small restrictions in salary and holidays.

Governmental Funding

- **SEEDS Capital** supports the growth of promising Singapore-based startups. They co-invest with independent investors in innovative startups with strong intellectual content and global market potential.
- **Green Initiative** comprising five programmes seeking to reduce the environmental of shipping-related activities and to promote clean and green shipping in Singapore.



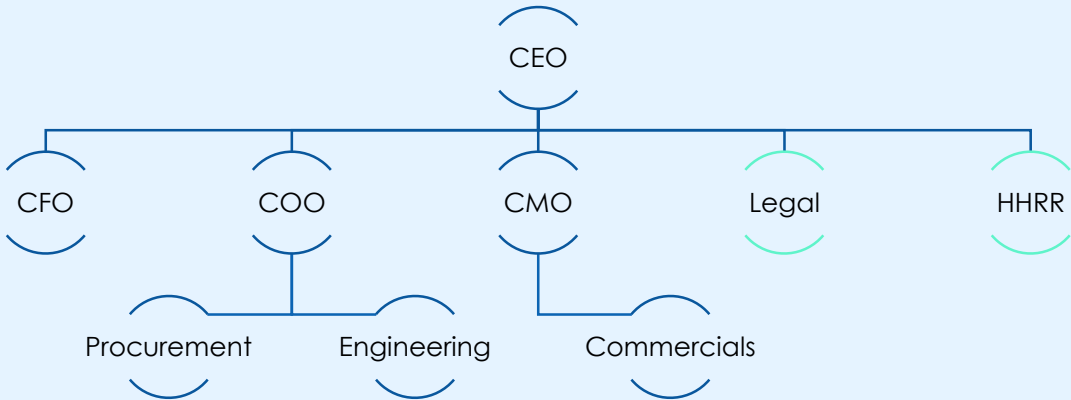
International & EU Agreements

- ✓ **MARPOL:** Main convention that covered prevention of pollution of the marine environment.
- ✓ **HAMBURG RULES:** Regulates the responsibilities of a marine transport agreement, and besides it has been ratified by Singapore.
- ✓ **ROME I:** Regulate what law applies in case of conflict when be European member's business and no members of EU.
- ✓ **ROME II:** it regulates which legislation will be applied in case of patent, unfair trade or defective product.

Contracts & Responsibilities

- **Supplier:** Supply contract with 2 main clauses of exclusivity. Supplier cannot commercialise his product without us and we must distribute, commercialise and install only his product.
- **Transport:** It bases on BIMCO recommendations reliable for both parties.
- **Outsourcing Builder:** It bases on BIMCO templates and regulates responsibilities and limits of every part following the regulations of the port's country.

COMPANY STRUCTURE



The company is organized taking into account the hierarchical and functional way of work.

In that direction WindSail staff is organized in three different departments: Marketing & Commercial, Operations and Finances.

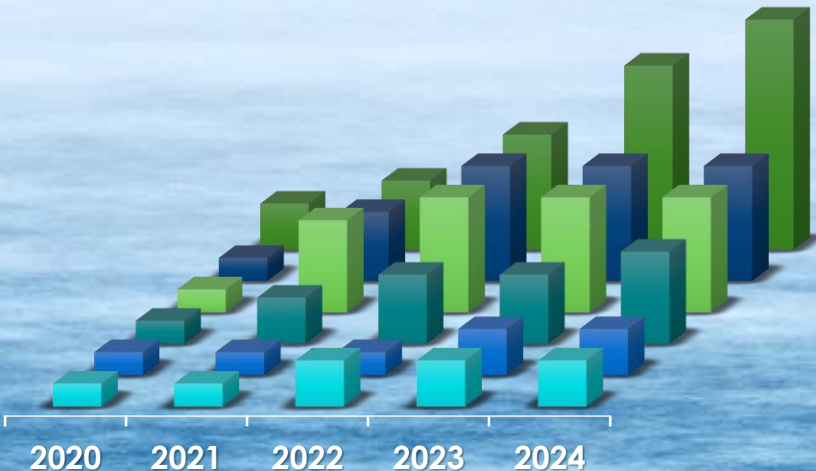
These functions are managed by CEO. On the other hand, Legal and HHRR will be external.

Staff Attributes



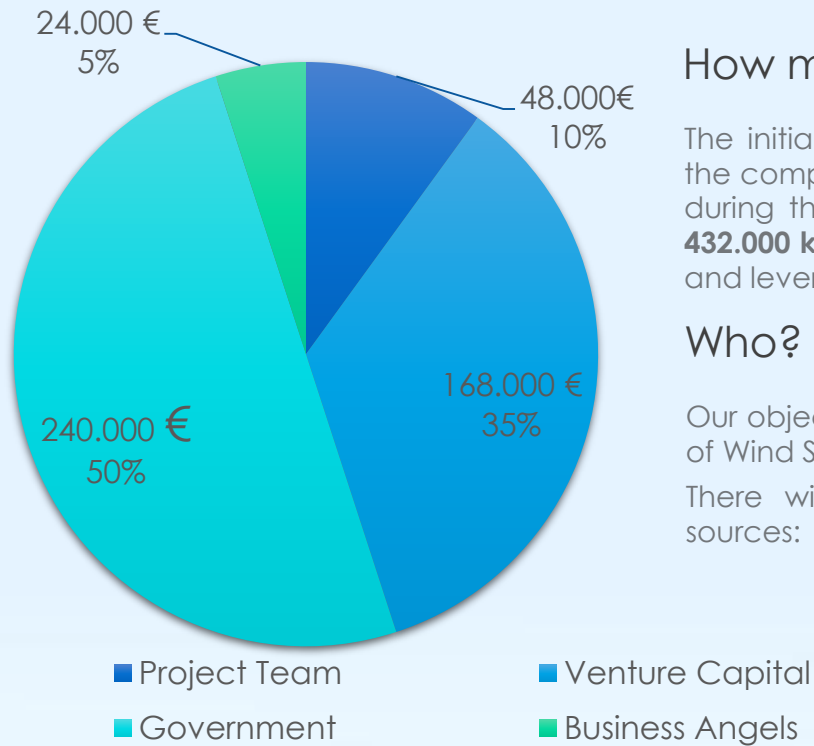
The main features, to join WindSail, are the background and the expertise in each related field as well as passion and the concern about environmental issues and how to deal with them.

■ Management ■ Financial Staff ■ IT ■ Commercial & MKT Staff ■ Operation Staff ■ Crew



FINANCIAL PLAN

Financial Sources



How much?

The initial investment in order to set up the company will be **48.000 €**, after that, during the first quarter we will required **432.000 k€** more to develop our business and leverage our project.

Who?

Our objective is to keep in house a **51%** of Wind Sail S. shares.

There will be used different financial sources:

FINANCIAL FORECAST

Income Statement

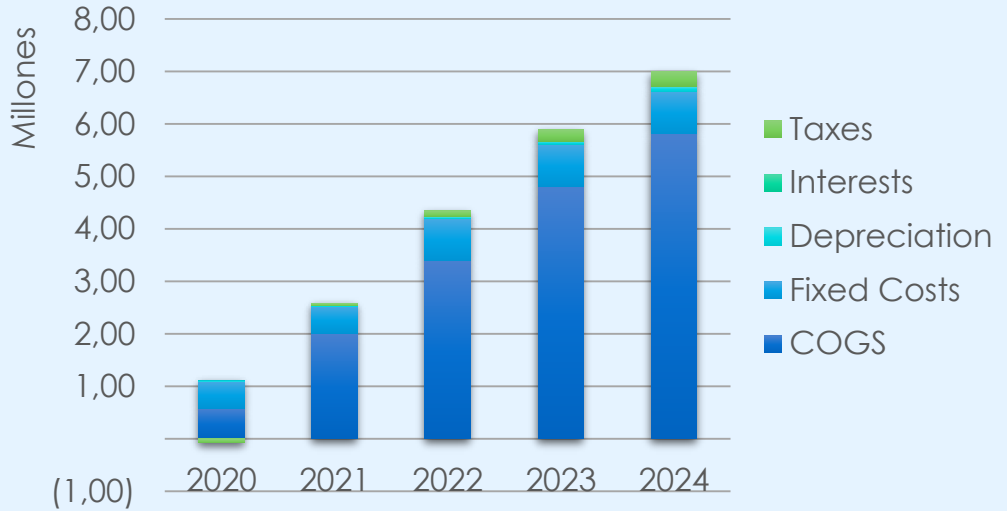
The forecasted result in terms of sales and cost for Wind Sail Solutions are summarized in the following chart.

	2020	2021	2022	2023	2024
Revenues	700.000	2.842.000	4.900.000	7.000.000	8.400.000
COGS	585.000	2.010.715	3.406.794	4.813.744	5.815.768
Gross Margin	115.000	831.285	1.493.205	2.186.255	2.584.231
Fixed Costs	513.000	515.000	798.200	801.000	806.500
EBITDA	(398.000)	316.285	695.005	1.385.255	1.777.731
Depreciation	4.710	9.520	29.623	59.625	89.639
EBIT	(402.710)	306.765	665.381	1.325.630	1.688.091

Cost Distribution

It is appreciated, the main costs are coming from variable costs.

As an start-up, the company goal is focused on reducing the maximum budget until the company is mature enough



Net Income - Revenues



Financial Assessment

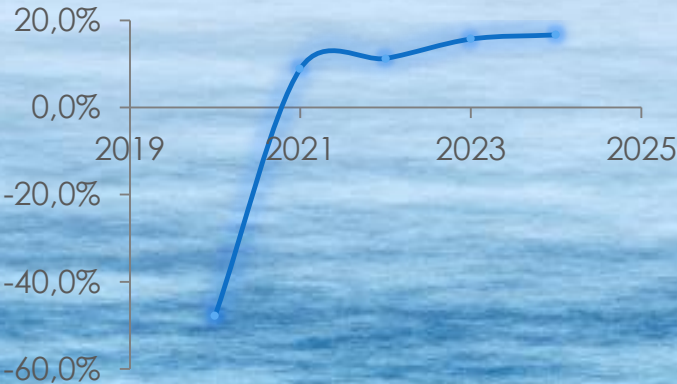
Revenues are consistently growing and net income is positive from the second year on.

EBITDA Multiplier 5th year → 6,9

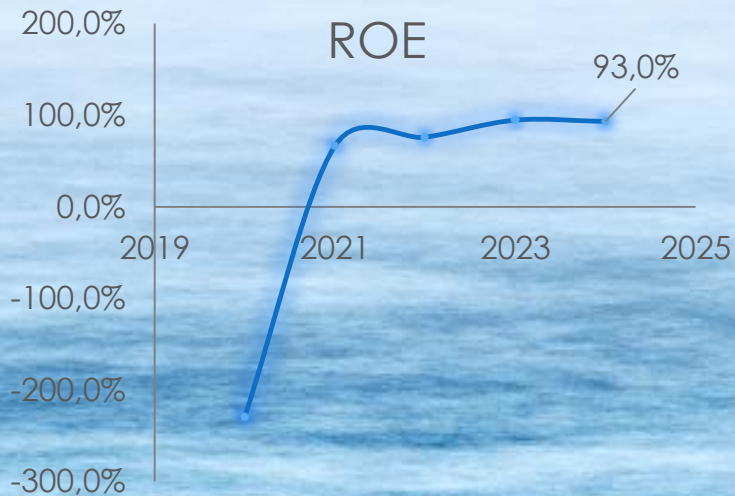
Terminal Value → 12 M€

TIR → 53%

Profit margin



ROE





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