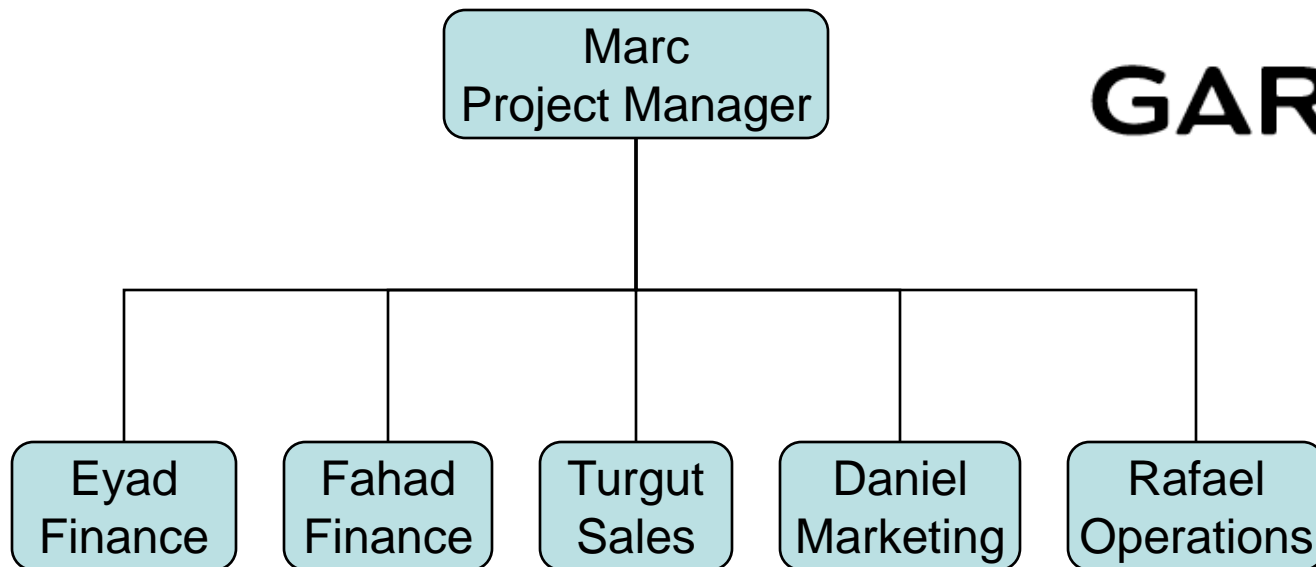


EasyParking



EMGT 510/610 Intrapreneurship
Paul R. Newman, Ph.D.

Team Members
Daniel, Eyad, Fahad, Marc, Rafael, Turgut



- **What is EasyParking?**
- **Mission**
- **Strategic Intent**
- **Total/Accessible Market**
- **Market Strategy**
- **Operating Strategy**
- **Financials**
- **Q/A**

What is EasyParking?

EasyParking is a software solution that helps users with finding a parking spot.



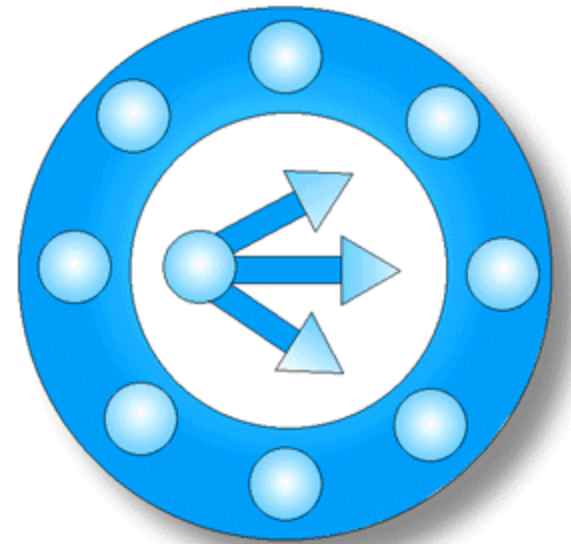
“Everything we do is inspired by our yearning to serve.”

EasyParking® is dedicated to using breakthrough Technology and proprietary manufacturing processes to provide the Civilian markets with superior products that make them able to find a parking spot anytime anywhere.



Garmin's Strategy

- In-house design and manufacturing, distribution, marketing, sales, customer support
- Product Leadership
- Generate Revenue
- Vertical integration



Key Drivers of EasyParking

- Ease of Use
- Innovation
- Product Convenience



Cell/Smart Phones

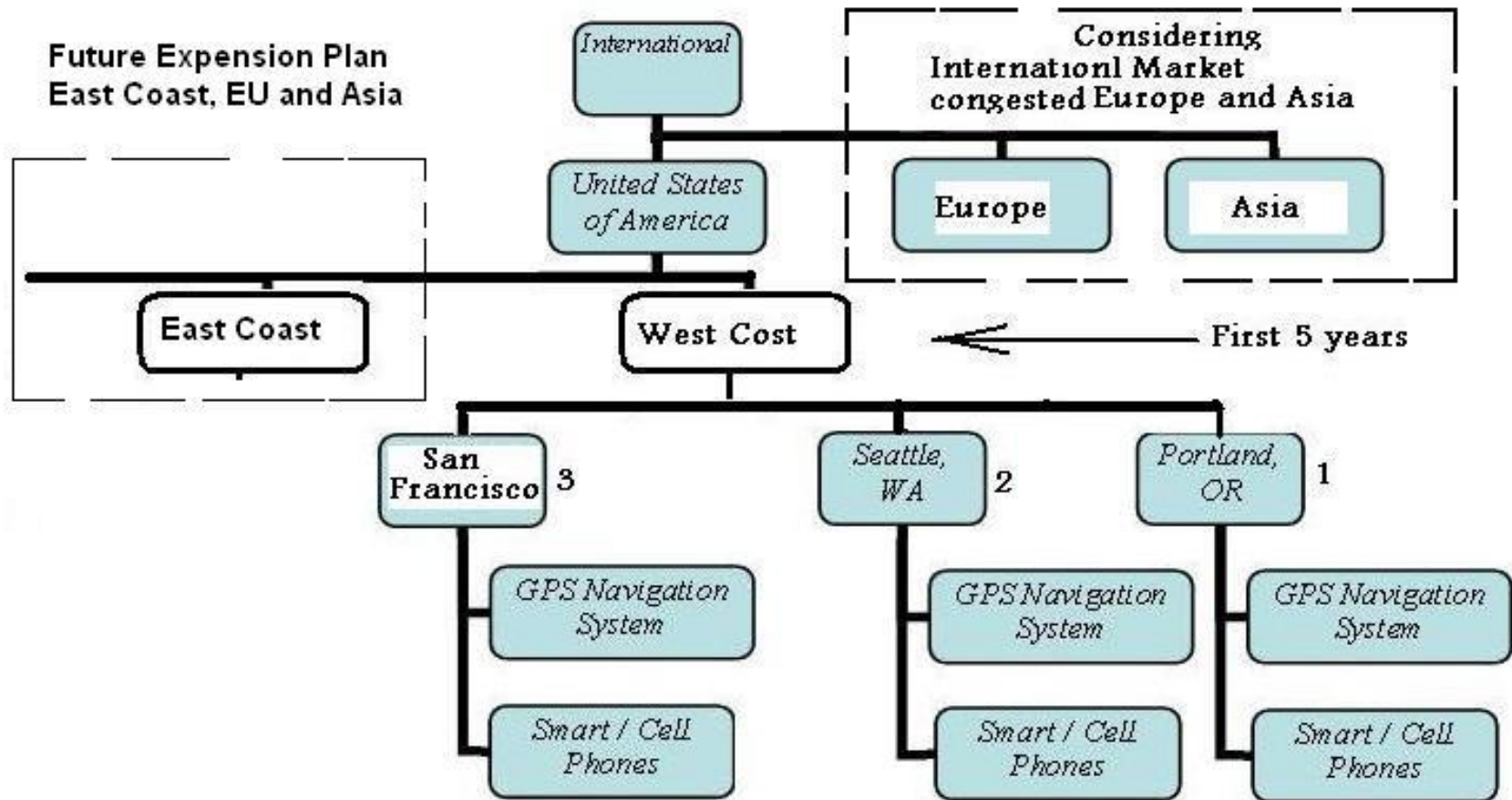
- No high success in this area
- Fill the gap
- Expand Product Line



- 625 million motor vehicles registered in the world by 2007
- 700 cities worldwide with a population of 500,000 or more
- 300 cities with a population over 1 million
- 250 million motor vehicles registered in the US
- 80% of US lives in cities or suburbs
- 30 cities in the US with population over 500,000

- Initial introduction in Portland Oregon
- Expansion to San Francisco California and Seattle Washington after 3 years
- Estimated 15% of in car GPS users
- Estimated 20% of smart phone users

Market Strategy



Market Strategy / GPS and Smart Phone

Potential Total Market : ~\$6 Billion SmartPhone : \$3 Billion GPS : \$3 Billion

10 Persons/Smart Phone				
Smart Phones	Population	Smart Phones in USA 2009	EasyParking Market Penetration (Drivers w/Smart phones)	20%
USA	303,824,640	30,000,000	6,000,000	
Portland Population	575,930	56,868	11,374	
Seattle Wa	582,174	57,485	11,497	
SanFrancisco	744,230	73,486	14,697	
			37,568	TOTAL 5 year

1.2 Persons/Car					
GPS	Population	Registered Cars	Cars w/GPS (12%)	15% Market Penetration (Drivers with GPS)	15%
USA	303,824,640	250,000,000	30,000,000	4,500,000	
Portland Population	575,930	473,900	56,868	8,530	
Seattle Wa	582,174	479,038	57,485	8,623	
SanFrancisco	744,230	612,384	73,486	11,023	
				28,176	Total 5 years

65744

Total GPS and
Phone



Five Year Forecast

Easy Parking® Premium	Year 1	Year 2	Year 3	Year 4	Year 5	Phones	GPS	Total 5 Years	
Portland	0	5663	5,097	4,689	4,455	11,374	8,530	19,904	Portland
						11,497	8,623	20,120	Seattle
Total		5,663	5,097	4,689	4,455	14,697	11,023	25,720	San F
Decay		Schedule	-10.00%	-8.00%	-5.00%			65,744	
Seattle Wa	0	0	7303	6,573	6,244.07				
Total			7,303	6,573	6,244				
			Decay Schedule	-10.00%	-5.00%				
San Francisco	0	0	0	0	25,720				
Total					25,720				

➤ **Car Drivers:** *EasyParking® will allow you to enjoy the city center without the hassle of looking for parking.*

➤ **Rental / New Car Businesses:**

Will generate increased business. Adding our service to your cars will increase your business by making renting a car in a new city less intimidating. Our service will also provide a competitive advantage to your competition that do not carry EasyParking®

Unique Selling Positions

- The product to be reliable and accurate to reduce the frustrations customers are experiencing from current parking methods.
- The technology to be simple and should not require special training to use. It should be compatible with the existing technology like GPS or cell phones that transmit data.
- The services to be inexpensive, affordable, and there shall be payment options available to users.

Compelling Reason To Act

1. Burning Need – difficulty to find parking when needed
2. Willingness to act – desire to seek out variety of solutions because of the burden
3. Resources to act – expenditure will gain peace of mind when traveling in congested Cities

The customer's CRTA is their inability to quickly find parking in the cities when needed. *This impact their mood, activity and missing in appointments and opportunities.*

-Drivers in hurry: *Become extremely frustrated with the time that it takes to find the spot.* The time spent looking for a spot may cause people to miss important meetings or other opportunities.

- Drivers that are not in a hurry : Find it convenient to know where an open parking spot is as this information could save them time and trouble.

In these situations, customers would be willing to pay in order to be guaranteed a parking spot in a short amount of time.

- ☐ **First company to deliver the product solution to the end-user.**
- ☐ **Patent the product**
- ☐ **Vision systems (Cameras systems first rights).**
- ☐ **Experience and knowledge**
- ☐ **Product introduction/Pricing strategy.**
- ☐ **Create Strategic Partnership and Alliances**

➤ **Using Current Garmin's Marketing channels for best impact.**

- Advertising,
 - TV adds
- Existing GPS,
 - Internet,
- Distributors
- Salesmen
- ..Smart Phones

+

**Some through...
Partners and Alliances**

Successful partnership <=> mutual benefits

➤ **City**

Cities are a very important part in the rollout of the EasyParking Software Package.

➤ **Wireless Cell Phone Providers**

EasyParking will partner with wireless service providers, such as AT&T, Verizon Wireless, T-Mobile, and Sprint. We will ask that these service providers advertise this service as a feature on their Smart Phones.

➤ **Cell Phone Manufactures**

EasyParking will provide copies of our software to cell phone and GPS manufactures and ask them to include the software on their platforms.

➤ **Parking structures**

The garages that partner with EasyParking Software will benefit from increased awareness, which will lead to increased business.

➤ **Advertisers**

One of the most important partners for EasyParking (free addition), advertisers will serve as the profit source for our company.

\$1.5 million in seed money

- Year 1 – Development time
- Year 2 – Launch and Breakeven
- Year 3 – Expansion

City	Year 1	Year 2	Year 3	Year 4	Year 5
Portland	25%	50%	75%	100%	100%
Seattle		25%	50%	75%	100%
San Francisco			25%	50%	75%

Need 7 key employees

- 1 Project manager
- 2 Software programmers
- 2 Hardware designers
- 1 Legal representative
- 1 Outside sales representative

Problems and Requirements

- **Hardware**
 - Camera network
 - Low cost vs. High quality
 - Communication
- **Software**
 - Pattern recognition algorithm
 - Dynamic
 - Static
- **Competition**
 - Patents
 - Natural barrier / Licensing

Sustainable hardware production rate

Electronic Manufacturing Services (EMS)

Hardware installation – preferred service provider

City	Year 1	Year 2	Year 3	Year 4	Year 5
Portland	250	250	250	250	
Seattle		375	375	375	375
San Francisco			425	425	425
Totals	250	625	1050	1050	800

- Unit need to be shipped to stores or to individual customers will use the same company shipping method.
- The hardware will be shipped directly to the installation company from the electronic equipment manufacturer through the contracted shipping company.
- New units will be assembled with the software upgrade already inside. When a user signs up for coverage the software will be activated.

There are two major sections that we will be focusing on:

1- The end user who are described as the frequent downtown visitors:

- Through a store that sells our GPS products.
- Through our website.

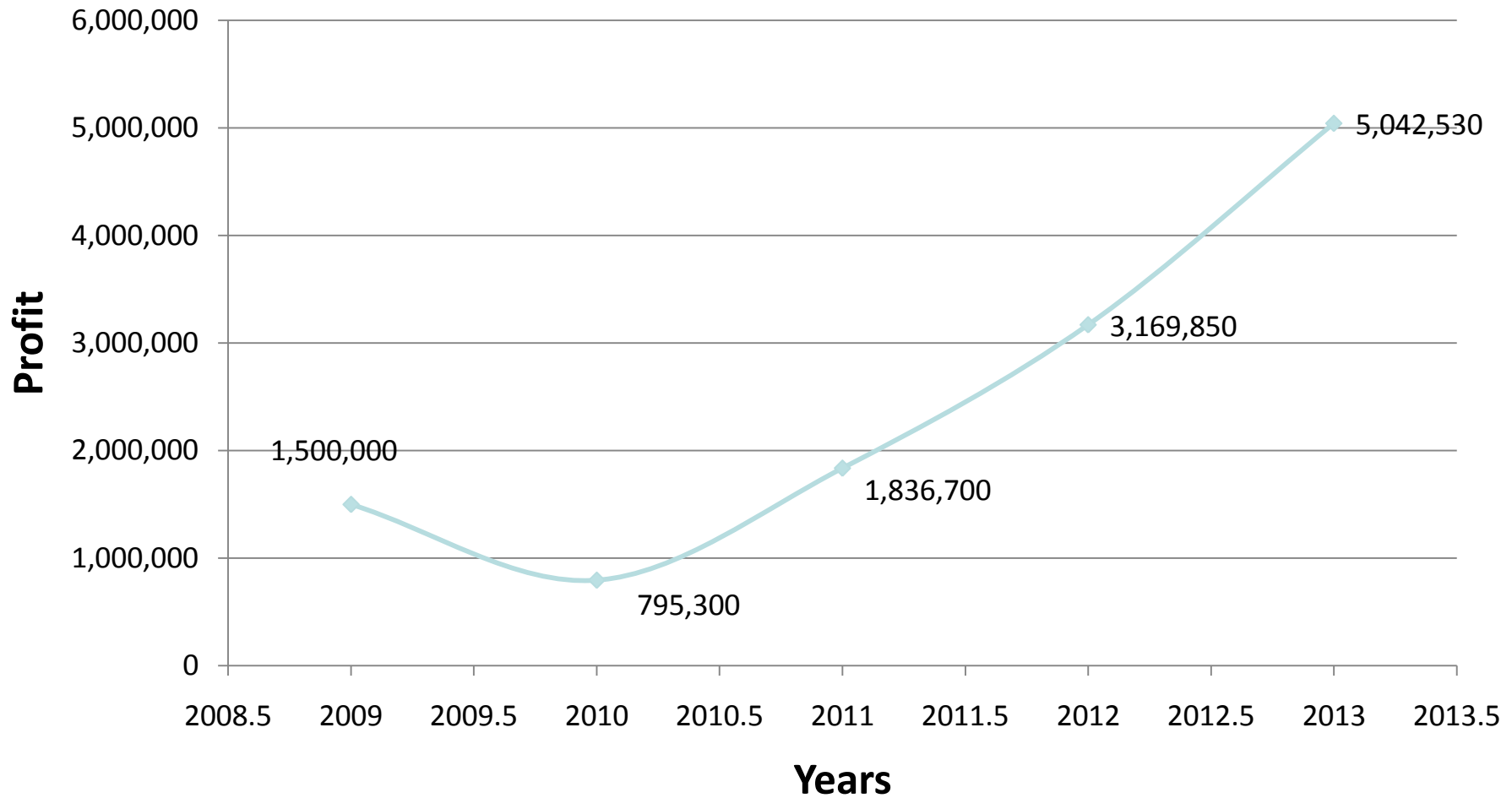
These customers are going to be reached via radio and magazine advertisement.

2-The dealers which are subdivided into two groups:

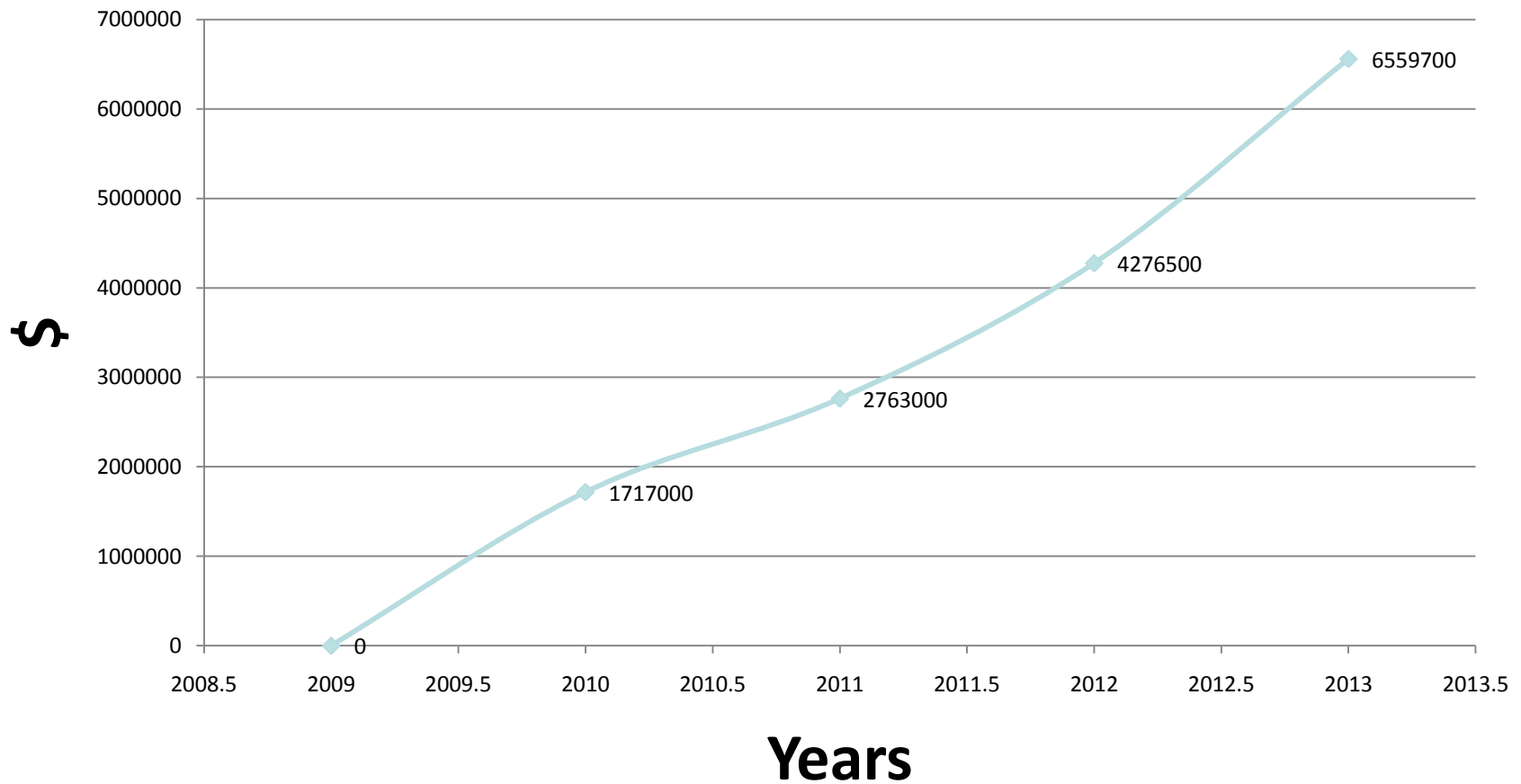
- Car Dealers.
- Car Rental Dealers.

These customers are going to be reached through our sales engineers who will be visiting all the local dealers and pitching our product.

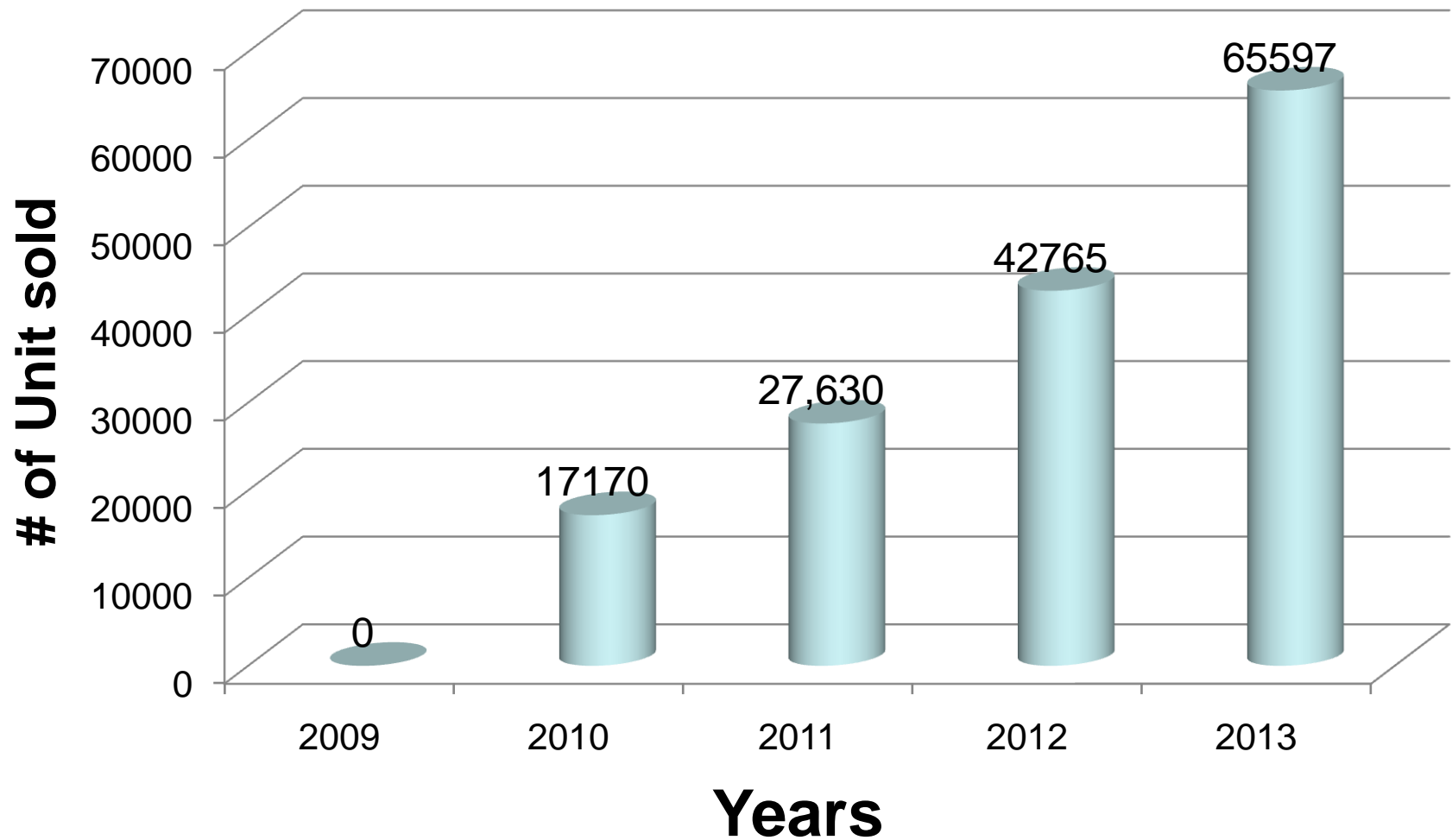
Cash Curve



Revenue



Sales Forecast



Financials

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Sales	\$0	\$1,717,000	\$2,763,000	\$4,276,500	\$6,559,700
Number of Units Sold	-	17,170	27,630	42,765	65,597
Average Selling Price	\$100	\$100	\$94	\$88	\$83
Average Cost of Goods (Material and Labor)	\$40	\$40	\$40	\$40	\$40
Total Variable Costs	\$0	\$171,700	\$276,300	\$427,650	\$655,970
General & Administrative Expenses/ camera	\$50,000	\$50,000	\$120,000	\$120,000	\$120,000
R&D Expenses	\$500,000	\$500,000	\$300,000	\$225,000	\$150,000
sales cost (salesmen)	\$100,000	\$100,000	\$150,000	\$300,000	\$600,000
Marketing & Promotional Expenses	\$100,000	\$100,000	\$80,000	\$64,000	\$51,200
Total Fixed Cost	\$750,000	\$750,000	\$650,000	\$589,120	\$801,320
EBIT	(\$750,000)	\$795,300	\$1,836,700	\$3,259,730	\$5,102,410

Profit and Loss Statement

	2009	2010	2011	2012	2013
Revenue	\$0	\$1,717,000	\$2,763,000	\$4,276,500	\$6,559,700
Total Variable Costs	\$0	\$171,700	\$276,300	\$427,650	\$655,970
Total Fixed Cost	\$750,000	\$750,000	\$650,000	\$679,000	\$861,200
Net Profit	(\$750,000)	\$795,300	\$1,836,700	\$3,169,850	\$5,042,530
Profit Margin (%)	0	46.3	66.5	74.1	76.9

Key Financial Indicators for 5 Years

Total Sales	\$15,316,200
Total Investment	\$1,500,000.0
Total Profit	\$10,094,380
5-year Average ROI (percent) = (Total Profit / Total Investment)*100	672%

Breakeven reached in 2011 by making 1,836,700

Questions

