

TemptraCoat™



America's first energy-efficient house paint using patented thermo-responsive technology.



Another environmentally-friendly idea
developed by Greener Solutions, Inc.

Marketing Plan of TempraCoat™ Energy-Efficient Paint

A product of Greener Solutions, Inc.

July 29, 2008

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1. Executive Summary

Homeowners are concerned: rising energy cost; a downturn in the U.S. economy; disposable income is eroding; dwindling energy resources; and the concern for the environment. Seeing these problems through the lens of opportunity is what the five college students did when they founded Greener Solutions, Inc. Innovative thinking about home energy solutions and commitment to greener living is exemplified in a revolutionary new product idea: TempraCoat™ energy-efficient paint.

TempraCoat™ uses a patented thermo-responsive technology that is earth-friendly, energy-efficient, and helps consumers save money—*naturally*. When summer heat arrives, TempraCoat™ turns light colored to reflect the sun's heat and reduce cooling expenses. In winter, the paint turns a dark shade to absorb the heat of the sun and reduce heating expenses. This revolutionary, energy-efficient idea will save customers up to 10% off their energy costs annually and help them live greener. In addition, TempraCoat™ is the longest lasting exterior house paint available—lasting 10 years between applications. This gives Greener Solutions, Inc. the edge when competing head-to-head against multi-billion dollar corporate giants as PPG, Sherwin-Williams, and Valspar.

According to Datamonitor Industry Market Research, decorative paint “forms the most lucrative segment of the U.S. paints and coatings market in 2006, generating total revenues of \$9,774.3 million, equivalent to 48.5% of the market's overall value.” In 2011, it is forecasted to increase 24% over this figure. Greener Solutions, Inc. intends to capitalize on this favorable trend.

Greener Solutions, Inc. is committed to serve the environment and the people in it. The Company's mission is to satisfy the growing demand for green home solutions by providing high quality, earth-friendly, energy-efficient products that help consumers save energy costs, conserve ecological resources, protect the environment; and doing this through superior customer service. Greener Solutions, Inc. plans to expand its brand and patented, thermo-responsive technology through market penetration and product development to facilitate greater profitability and to better fulfill this mission.

TempraCoat™ is produced using earth-friendly, green manufacturing processes that produce zero landfill waste, carbon emissions and energy grid use and offers a high-quality, energy-efficient means to reducing natural resources. In addition to its patented, thermo-responsive technology, TempraCoat™ is a high-quality exterior house paint. It is virtually maintenance-free, long-lasting, non toxic, and can be applied evenly in one coat to any surface without priming. TempraCoat™ is available in five attractive colors: dark sage/light green, chocolate/beige, gunflint/light grey, colbalt/light blue, and burgundy/rose.

Greener Solutions, Inc. is a for profit business firm that operates at the corporate level and believes its commitment to high-quality, energy-efficiency and earth-friendly products and practices will attract like-minded customers. Consumers targeted are home owners who live in winter/summer climates

of the U.S. This includes Do-It-Yourselfers who purchase TempraCoat™ direct and those who hire professional contractors who apply TempraCoat™. According to government census data, Minnesota, Wisconsin and Illinois have a total of 6.9 million homes. If Greener Solutions, Inc. captures just 1% of these homes in the first three years of its launch, it would translate to gross sales of 7.4 million per year.

In addition, Greener Solutions, Inc. reaches home owners who desire to live greener. The Company's earth-friendly manufacturing practices and energy-efficient means to conserve environmental resources are attractive to this segment. They care about protecting the environment, being good stewards of our resources, and about selecting products from companies that hold similar values.

The Company's commitment to superior customer service through employees, intermediaries and corporate communications will develop long-term relationships—a key strategy. Satisfied customers are the best opinion leaders and generate positive word of mouth advertising, referrals and brand loyalty.

Other promotional strategies to build brand awareness and sales are cost-effective communication as a state-of-the-art, dynamic website; e-Commerce; e-newsletters and e-mail campaigns offering rebates; press releases; positive product reviews; the use of intermediaries offering discounts; opinion leaders; radio spots, TV, magazine ads, trade shows, and post purchase marketing.

The initial launch of TempraCoat™ will be in Minnesota, followed by Midwest states and expand market penetration to all winter/summer regions of the U.S. within five years. Furthermore, its success will position Greener Solutions, Inc. for product development to expand its product line by applying its patented, thermo-responsive technology to exterior siding and roofing in years 5-10.

TempraCoat™ launches with a Manufacture List Price of \$49.99/gallon with a 10% discount to professional contractors and home improvement retailers. The price strategy is a blend of odd-even pricing, prestige pricing, skimming, and above-market pricing to recoup R & D costs and meet our profitability goals by the end of year two, achieve a 7% return on assets, and a 5% market share in the exterior house paint market in the Midwest in year three.

TempraCoat™ will be sold in Minnesota via professional contractors and Do-It-Yourselfers through direct sales from our website in the first year. By the second year, the Company will expand to Wisconsin and in year three, TempraCoat™ will expand to Illinois. At this time the paint will be available in regional home improvement retailers after brand awareness and consumer demand is established. By the fifth year, TempraCoat™ will be marketed in all temperate climate regions in the U.S. through professional contractors, home improvement retailers and sold direct to Do-It-Yourselfers.

2. Company Description

Greener Solutions, Inc. was founded by Andrew Case, Jennifer Klitzke, Ellineus Davis, Margarita Peshthova, Sergey Romanov, all students at Metropolitan State University, in St. Paul, Minnesota. The company formed when the team developed TempraCoat™, a revolutionary exterior house paint that utilizes patented, thermo-responsive technology that allows customers to use less energy to heat and cool their houses in winter and summer months, thereby saving energy costs and living greener.

The launch of TempraCoat™ is especially timely in the way that the United States economy has taken a downturn and energy costs are skyrocketing. These concerns weight heavily on homeowners. In addition, there is a growing social concern for the environment and a growing interest in earth-friendly products and ways to conserve resources.

With increased environmental consciousness and rising energy costs, TempraCoat™ is well poised to capitalize on these trends. Greener Solutions, Inc. believes its commitment to high-quality, energy-efficiency and environmentalism will attract like-minded customers. Its exclusive patented technology will lead to brand loyalty and satisfied customers will be our best opinion leaders thus generating positive word of mouth advertising. This plan outlines how Greener Solutions, Inc. intends to launch TempraCoat™ exterior house paint and achieve market penetration through all winter/summer regions of the United States in five years.

3. Strategic Focus and Plan

The Greener Solutions, Inc. strategic focus and plan encompasses (1) the company's mission/vision, (2) specific goals and (3) core competencies it will use to influence the Company's marketing plan.

Mission/Vision

The mission of Greener Solutions, Inc. is to satisfy the growing demand for green home solutions by providing high quality, earth-friendly, energy-efficient products that help consumers save energy costs, conserve ecological resources, protect the environment; and doing this through superior customer service.

The vision of Greener Solutions, Inc. is to expand its brand and patented, thermo-responsive technology through market penetration and product development to facilitate greater profitability and to better fulfill its mission of improving the environment and saving customers money with energy-efficient products. Ultimately, Greener Solutions, Inc. hopes to become a household name in the United States at least, if not the world.

Goals

In the service of this mission/vision Greener Solutions, Inc. has set the following specific goals for the next 5 years:

Nonfinancial goals

1. To cultivate a corporate image of being highly-committed to quality and provide revolutionary energy-efficient solutions that help the environment.
2. To introduce, educate, and demonstrate to the public the advantages of our patented, thermo-responsive technology and to boost consumer confidence in this new technology.
3. Develop and maintain profitability as a privately-held corporation.
4. To achieve a 5% market share in the exterior house paint market in the Midwest.
5. To achieve top customer satisfaction ratings and positive word of mouth advertising.
6. To well position the brand for expansion of the temperature-responsive technology into exterior siding and roofing products.
7. To expand distribution to all temperate climates within the United States.

Financial goals

1. To achieve profitability by the end of year two.
2. To achieve a 7% return on assets in year three.
3. To raise sufficient capital to finance expansion, preferably through loans at reasonable interest rates.

Core Competency and Competitive Advantage

The Greener Solutions, Inc. core competency is based on its innovative thinking about home energy solutions and commitment to greener living. This is initially exemplified by TemptraCoat™ energy-efficient paint which will be the foundation for the company.

TemptraCoat™ is earth-friendly, energy-efficient, and helps consumers save money— *naturally*. It reacts to the heat of the sun by changing light colored in summer months, thus reflecting heat and reducing cooling costs. In winter months, the paint turns dark colored to absorb the heat of the sun, thus reducing heating costs.

This patented thermo-responsive technology will establish and position the company towards further market penetration and product development of energy-efficient solutions for greener living.

The competitive advantage of Greener Solutions, Inc. is its commitment to superior quality in product development, green manufacturing and customer service. The Company believes these competencies will develop long-term relationships and create satisfied brand-loyal customers who will act as opinion leaders and generate positive word of mouth advertising for new and repeat business.

Greener Solutions, Inc. will translate these competencies into strategic advantage by:
(a) producing high-quality, energy-efficient products, (b) using earth-friendly manufacturing processes that are compliant with environmental regulations, and (c) maintaining high-levels of customer satisfaction with exemplary service that is delivered through employees, intermediaries (professional contractors) and corporate communications (website).

4. Situation Analysis

This situation analysis captures the current status of Greener Solutions, Inc. upon the launch of its first innovative product: TemptraCoat™ energy-efficient paint. The SWOT Analysis below outlines strengths, weaknesses, opportunities, and threats. After Figure 1, the analysis reviews industry trends, competitors of exterior house paint, our company, and customer characteristics.

SWOT Analysis

Figure 1 below shows the internal and external factors affecting the market opportunities for Greener Solutions, Inc.

Figure 1

Internal Factors	Strengths	Weaknesses
Management	<ul style="list-style-type: none"> • A diverse, college-educated team with majors in business, finance, technology, marketing, and communications • A seasoned marketing professional as a consultant 	<ul style="list-style-type: none"> • New company to marketplace; not widely known • Student-driven company lacks proven experienced to launch a product and stay ahead of multi-billion dollar corporate competitors
Offering	<ul style="list-style-type: none"> • Uniqueness: The only exterior house paint on the market that uses a patented thermo-responsive technology that is geared to reduce heating and cooling expenses • Earth-friendly product helps conserve natural resources • The most durable, long lasting exterior house paint on the market lasting 10 years between applications 	<ul style="list-style-type: none"> • New product to marketplace; not widely known • Product is limited to climates with fluctuating warm and cool temperatures • Product is limited in color options as compared to competition
Marketing	<ul style="list-style-type: none"> • Team members have some corporate experience in advertising, direct marketing, websites and branding 	<ul style="list-style-type: none"> • Limited financial resources to launch a substantial campaign using paid media as television, publications, and radio • Challenge launching an exterior paint against multi-billion dollar corporations
Personnel	<ul style="list-style-type: none"> • A diverse, college-educated team with majors in business, finance, technology, marketing, and communications • Commitment to superior customer service 	<ul style="list-style-type: none"> • Team lacks proven application of education in a real world setting
Finance	<ul style="list-style-type: none"> • College-educated team members majoring in finance and accounting 	<ul style="list-style-type: none"> • Team lacks proven application of education in the real world setting • College students lack financial resources
Manufacturing	<ul style="list-style-type: none"> • Green manufacturing practices are compliant to regulations (producing zero landfill waste, carbon emissions and energy grid use) 	<ul style="list-style-type: none"> • Rising cost of resources to produce product • High manufacturing costs to be a green manufacturer

External Factors	Opportunities	Threats
Consumer/Social	<ul style="list-style-type: none"> • Timeliness of launch is favorable with the growing concern about energy costs • Growing trend of “green” products in the marketplace 	<ul style="list-style-type: none"> • Limited color choices may limit purchases by people who have specific color appearance • Fear of trying new technology on such a large investment as home ownership
Competitive	<ul style="list-style-type: none"> • A revolutionary new product idea that use patented technology • Social and economic timeliness of launch with a green product that addresses rising energy costs and environmental concerns • Small, focused team of college-educated students who are driven to succeed 	<ul style="list-style-type: none"> • Corporations stealing our product idea before we establish a strong market share • Lack of financial resources for start up costs • Up against multi-billion dollar corporate competitors with decades of proven experience in the exterior paint industry
Technological	<ul style="list-style-type: none"> • Unique use of revolutionary thermo-responsive technology 	<ul style="list-style-type: none"> • Instability of appearance with temperature changes
Economic	<ul style="list-style-type: none"> • Product saves customers up to 10% off energy costs 	<ul style="list-style-type: none"> • Launching a new technology during an economic downtrend and home mortgage crisis may be risky
Legal/Regulatory	<ul style="list-style-type: none"> • Earth-friendly product and green manufacturing practices are compliant with regulations • Patented technology is protected by the government 	<ul style="list-style-type: none"> • Staying compliant with emerging environmental regulations is costly • Company liability for potential product-related pollution

While Greener Solutions, Inc. is operated by a team of college students who are competing against billion-dollar corporate giants are both a weakness and threat, the Company offers America’s first energy-efficient paint. TempraCoat™ offers the best features of the competitor’s exterior paint, plus an exclusive patented thermo-responsive technology that helps keep homes cooler in the summer and warmer in the winter by reacting to temperature. This reduces energy costs associated with heating and cooling homes by up to 10% annually.

The timeliness of launching TempraCoat™ is a great opportunity. Currently, the United States economy is on a downturn and energy costs are skyrocketing. Homeowners are looking for ways to reduce heating and cooling expenses. In addition, there is a growing trend for living greener to protect the environment. Greener Solutions, Inc. meets these needs and is committed to developing earth-friendly products using green manufacturing processes.

Furthermore, Greener Solutions, Inc. is committed to superior customer service lending to long-term customer relationships and brand loyalty.

Industry Analysis: Trends in Exterior House Paint Industry

According to Datamonitor Industry Market Research, the exterior house paint segment falls in the category of decorative paints and “forms the most lucrative segment of the U.S. paints and coatings market in 2006, generating total revenues of \$9,774.3 million, equivalent to 48.5% of the market's overall value...In 2011, the United States paints and coatings market is forecast to have a value of \$25 billion, an increase of 24% since 2006.” Greener Solutions, Inc. intends to capitalize on this favorable trend.

During the last ten years, the exterior paint industry has experienced many challenges: heavy scrutiny over the pollutants produced through manufacturing, government regulations to protect the environment, intense competition, and low profit margins. These challenges have led to many mergers and acquisitions in recent years.

The recent downturn in the U.S. economy and home mortgage collapse have impacted the exterior house paint industry because home construction has slowed down dramatically. In addition, homeowners are impacted by inflation and rising energy costs. It reduces their discretionary and disposable income. This impacts the timing of a repainting project and paint selection. The founders of Greener Solutions, Inc. believe these problems create opportunities for TempraCoat™ energy-efficient paint.

Competitors in the Exterior House Paint Market

While Greener Solutions, Inc. is up against multi-billion dollar corporations such as Sherwin-Williams, Valspar, and PPG, none of these paint manufacturers offer an energy-efficient house paint like TempraCoat™. Sure, home owners could paint their home for \$25-28/gallon, and it might last 7 years, but it won't save them up to \$2,000 in heating and cooling expenses over the course of 10 years like TempraCoat™. These energy savings add up, especially when energy costs continue to climb.

Company Analysis

Greener Solutions, Inc. is a for profit business firm which operates at the corporate level by college students who are majoring in business, finance, marketing, communications and technology. Greener Solutions, Inc. aims to serve the environment and the people in it. The Company is committed to developing products that conserve environmental resources, are energy-efficient to help customers save money, and manufactured with earth-friendly processes. Greener Solutions, Inc. is a proud member of Green Seal, U.S. Green Building Council, Energy Star, and the Better Business Bureau.



The launch of the Company's first product: TempraCoat™ energy-efficient exterior house paint offers consumers a unique paint technology that reacts to fluctuating temperatures: turning dark colored in winter months to absorb solar heat and turns light colored in summer months to reflect solar heat. TempraCoat™ exterior house paint is like none other on the market today in the way that it helps home owners who live in winter/summer climates, save money by reducing energy costs. This is especially timely when our economy is on a downturn and energy costs are skyrocketing.

Customer Analysis

According to the government census website, Minnesota has 1.7 million homeowners, Wisconsin has 1.7 million homeowners, and Illinois has 3.5 million homeowners; a total of 6.9 million homes that will be targeted for repainting every 7 years. If Greener Solutions, Inc. captured 1% of these homes in the first three years of its launch, it would translate to gross sales of 7.4 million per year. (9,857 homes at an average of 15 gallons priced at \$49.99/gallon).

TempraCoat™ was design to meet three market segments in today's U.S market: geographic, demographic, and lifestyle. Combined, the ultimate consumers of TempraCoat™ exterior house paint in the United States are middle-class home owners who live in winter/summer climates. These consumers represent 45% of the U.S. population (Marketing, 8). Greener Solutions, Inc. targets the Baby Boomers and Generation X generations who account for 73% of the population (Marketing 8) and are of the average age of household decision makers. These homeowners include the Do-It-Yourselfers who purchase paint direct and those who hire a professional contractor to paint their home.

The final segment characteristic is those who desire to live greener. TempraCoat™ appeals to such a segment because of its earth-friendly manufacturing practices and energy-efficient means to conserve environmental resources. This segment cares about protecting the environment, being a good steward of our resources, and selects products from companies that hold similar values.

5. Market –Product Focus

Our focus in this section describes the five-year marketing and product goals for Greener Solutions, Inc. At the same time, it defines target markets, points of difference, and the position of this organization within the exterior house paint industry.

Marketing and Product Objectives

Brand awareness and customer satisfaction are the key factors through which Greener Solutions, Inc. will achieve the marketing and product objectives using three strategic categories below:

- **Current Market:** Skyrocketing energy costs and a downturn in the U.S. economy weigh heavily on consumer's minds. In this light, Greener Solutions, Inc. will launch TempraCoat™ energy-efficient paint and introduce our patented, thermo-responsive technology in the Midwest, beginning with Minnesota, Wisconsin, and Illinois. The Company will educate and attract new customers to the high-quality, earth-friendly, energy-efficient house paint. Rebates will be offered to Do-It-Yourself homeowners who buy TempraCoat™ direct from our website, and a 10% discount will be offered to professional contractors who use TempraCoat™. Rebates and discounts offer an incentive to those who try this new technology.
- **New Markets:** In the next five years, TempraCoat™ will expand its markets to all winter/summer regions within the U.S. resulting in sales to reach \$750,000.00 within two years and 4.75 million by the end of five years. In addition, by year three, TempraCoat™ will be offered to consumers through home improvement retailers after brand awareness is more widely known and consumer demand increases.
- **New Products:** Greener Solutions, Inc. will apply its patented thermo-responsive technology to new products such as exterior siding and roofing materials to broaden its product line in years 5-10.

Target Markets

Initially TempraCoat™ will be marketed to homeowners in Minnesota and expand to Wisconsin, Illinois and all winter/summer regions within the United States within the first five years. Greener Solutions, Inc. will work through intermediaries as painting contractors and home-improvement retailers, as well as sell direct to Do-It-Yourself homeowners through the Greener Solutions, Inc. website.

Points of Difference

Comparing TempraCoat™ exterior house paint to that of our competitors, the following competitive advantages and competencies have been identified:

1. TempraCoat™ is America's first energy-efficient house paint using a patented thermo-responsive technology. This helps home owners reduce energy costs and save money at a time when the U.S. economy is in a downturn and energy costs are skyrocketing.
2. TempraCoat™ is durable and lasts 10 years between applications compared to the 5-7 years of our competition. Other high-quality features of TempraCoat™ exterior house paint:
 - Applies evenly to all surfaces: masonry concrete, block, stucco, aluminum, steel, galvanized steel, wood, cement composition panels, plywood and vinyl siding
 - One-coat, self-priming performance
 - Provides a washable and weather-resistant finish
 - No blistering, no peeling – virtually maintenance-free between applications
 - Low volatile organic compounds (VOCs) and meet environmental standards
 - Bacteria resistant to repel mold and moss growth
 - Available in five attractive colors: dark sage/light green, chocolate/beige, gunflint/light grey, cobalt/light blue, and burgundy/rose
3. TempraCoat™ is earth-friendly and manufactured in compliance with ISO and all environmental regulations to produce zero landfill waste, carbon emissions and energy grid use at a time when society is “green” conscious.
4. Competencies:
 - Superior customer service and professionalism: employees are always courteous, conscientious, highly-educated, and responsive to customer needs to build long-lasting relationships that lead to brand loyalty and positive word of mouth advertising.
 - College-educated and culturally diverse team: A diverse mix of college-educated students with majors in business, finance, marketing, communications and technology provide a well-rounded application of the latest academic knowledge and trends in business.

Positioning

Until now, exterior house paint has been exclusively a one dimensional product: the color that is applied is the color it stays, with no added benefits. TempraCoat™ is the first exterior house paint of its kind; it provides both exterior color as well as thermo-responsive technology that is energy-efficient to save the customer money and conserve environmental resources to help customers live greener.

6. Marketing Program

Greener Solutions, Inc. establishes the four marketing mix elements: product, price, promotion, and place in its marketing program.

Product Strategy

Greener Solutions, Inc. focuses on offering the best exterior paint on the market for winter/summer climates. As this patented, thermo-responsive technology gains brand recognition in the first three years, it will experience exponential growth through years 3-5 as it focuses on market penetration within the winter/summer regions of the United States. Greener Solutions, Inc. plans on expanding market development to other countries where climate fluctuates between extreme cold and heat. In addition, it intends to expand its product line to include this thermo-responsive technology in others forms as exterior siding and roofing materials in years 5-10.

Price Strategy

TempraCoat™ will be launched with a Manufacture List Price of \$49.99/gallon with a 10% discount to intermediaries as professional contractors and home improvement retailers. The price strategy is a blend of odd-even pricing, prestige pricing, skimming, and above-market pricing.

- Odd-even pricing: to create a lower cost perception within the consumer's mind
- Prestige pricing: to create a high-quality perception within the consumer's mind
- Price skimming: to recoup costs associated with research and development of a patented and exclusive product and lead to profitability by the end of the second year.
- Above-market pricing: because our product captures the main features of our competition plus our exclusive thermo-responsive technology.

Promotional Strategy

In the first two years, the promotional strategy is to increase brand awareness of TempraCoat™ energy-efficient paint and its earth-friendly benefits to customers to combat skyrocketing energy costs and societal concern for the environment.

Key promotional elements that Greener Solutions, Inc. will capitalize on cost-effective and free communication such as a state-of-the-art, dynamic website, e-Commerce, e-newsletters and e-mail campaigns, press releases, positive product reviews, intermediaries, opinion leaders, and word of mouth advertising. In addition, the Company will utilize radio spots, TV, magazine ads, trade shows, post purchase marketing, and offer rebates and referral incentives to direct buyers and discounts to professional contractors and home improvement retailers.

- State-of-the-art Dynamic Website: This will be one of the most important promotional elements in the promotion process. Website content includes green, energy-savings and painting tips, color choice module, home improvement ideas, online ordering.
- e-Newsletters: Offer free earth-friendly tips to help customers live greener and keep TempraCoat™ in the forefront of consumer's minds.
- e-Commerce: Offer direct sales via our website and e-mail campaign with trial rebates, and referral incentives.
- Intermediaries: A 10% discount is given to professional contractors to use TempraCoat™ and to home improvement retailers who sell TempraCoat™ to Do-It-Yourselfers.
- Rebates: Offered to first time DIY homeowners.
- Referral Incentives: Offered to customers who refer another first-time customer.
- Discounts: Offered to professional contractors for using TempraCoat™.
- Positive Product Review: Obtaining a positive product review from the Sierra Club.
- Opinion Leader: Establish a widely-respected opinion leader such as Don Shelby or Dave Dahl to testify the energy-efficiency, earth-friendly features of TempraCoat™.
- Word of Mouth: After the product gains consumer awareness and confidence we anticipate strong brand loyalty and positive word of mouth advertising. This will lead to a dramatic sales growth in year two and three respectively thus leading to high profit margin in the product maturity period in the middle of year four.
- Radio: Advertising campaigns on WCCO reaching an older demographic of home owners and Do-It-Yourselfers and AM950 reaching a younger audience of green conscious-consumers.
- Television: Advertising campaigns played during the broadcasting of home improvement shows such as *This House*.
- Magazines: Advertising campaigns will run in *Twin Cities Home Improvement* magazine and other regional home improvement publications.
- Trade Shows: Demonstration booths will be featured at home improvement trade shows and at the Minnesota State Fair.
- Post-purchase Marketing: Superior customer service and follow up surveys will be available through the internet and the telephone to maintain high levels of customer service and long-term relationships with customers leading to repeat purchases and referrals.
- New Products: Greener Solutions, Inc. intends to launch additional thermo-responsive products such as exterior siding and roofing materials in years 5-10.

Advertising Program

To achieve large product awareness a large initial investment will be made in advertising. First year advertising will be a very large portion of expected revenues. The first year advertising budget will be a \$400,000 dollars. This should be sufficient to build up strong product awareness and understanding in the initial market, Minnesota. Ads will be purchased on local radio stations and in local newspapers. Ads on local radio stations during rush hour will be rolled out in the spring. These ads will briefly introduce the product and will be generally informational. The typical radio listener at this time is in their car and is a more or less captive audience; this audience will be able to absorb a fair amount of information. These ads will repeat the two key pieces of information to get the audience to absorb, the product name and the website. These radio ads will be shortly followed by full page ads in local newspapers. These ads will be highly informational; they will advertise the key features of the product and will lay out the savings the product permits average homeowners. Like the radio ads these ads will prominently feature the website. Directing potential customers to the website will be the primary aim of these ads. Once customers are on the web site lots of information about our product can be disseminated for little cost.

Advertising in subsequent years will be a proportionally lower amount of our revenues. Satisfied customers will become a new wing of our advertising. Not only does a satisfied customer advertise for free but this form of advertising is the most trusted. In addition to satisfied customers paid advertising in years two and three will continue in the same tact as in the first year. The basic focus will be product awareness and directing potential customers to the website. They will be focused in local media outlets, expanding to neighboring states such as Wisconsin. In year four advertising will shift to a regional and at the end of year five national advertising will begin.

Place (Distribution) Strategy

Greener Solutions, Inc. utilizes dual distributorship in the launch of TemptraCoat™ exterior house paint.

Below shows the evolution of the distribution strategy as the market penetration increases:

- Year 1: TemptraCoat™ will be sold in Minnesota via professional contractors and Do-It-Yourselfers through direct sales from our website.
- Year 2: TemptraCoat™ will expand its market to Wisconsin via contractors and Do-It-Yourselfers through direct sales.
- Year 3: TemptraCoat™ will its market to Illinois via contractors, Do-It-Yourselfers through direct sales, and expand to include regional home improvement retailers after successful brand awareness, name recognition and consumer demand has been established.
- By year 5: TemptraCoat™ will be marketed in all temperate climate regions in the United States through professional contractors and Do-It-Yourselfers through direct sales and home improvement retailers.

7. Financial Data and Projections

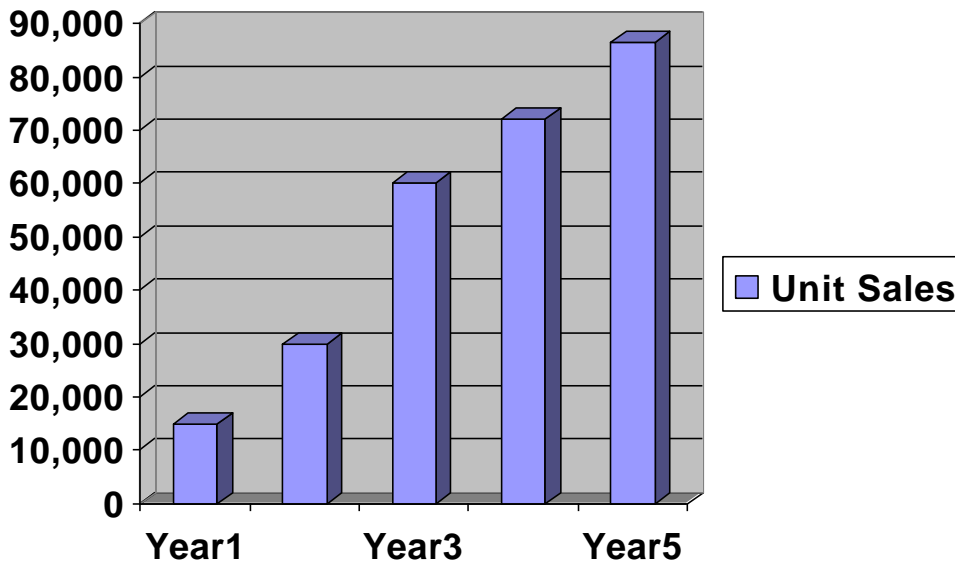
Five-Year Projections

Five-year financial projections for Greener Solutions appear below:

Financial Element	Units	Year1 (2009)	Year2 (2010)	Year3 (2011)	Year4 (2012)	Year5 (2013)
Units sold	1,000	15	30	60	72	86.4
Net sales	\$1,000	750	1500	3000	3600	4320
Gross Profit	\$1,000	262.5	600	1350	1850	2160
Operating Profit	\$1,000	-337	0	360.59	497.14	576.94

Those projections reflect expected sales volumes and profits outlined in financial goals based on \$49.99. As the economies of scale increase with volumes of production the unit variable cost will decline from \$32.50 in year one to \$25.00 in year five. Total annual fixed cost is expected to be \$600,000.00.

Future Net Sales projection:



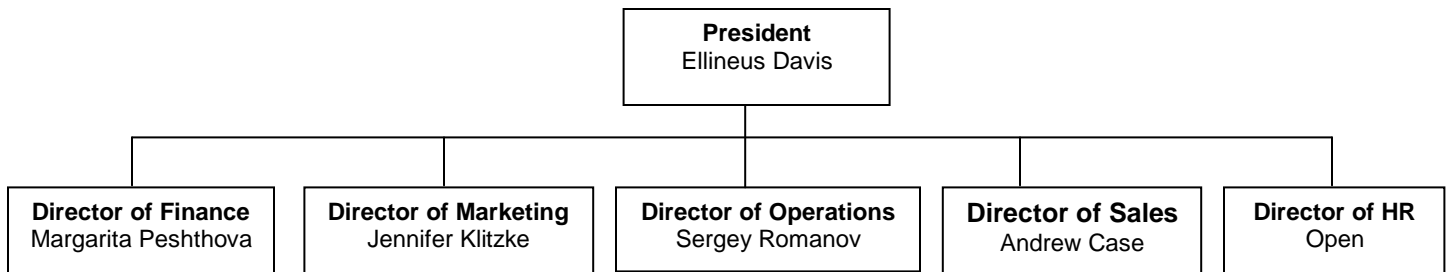
Since, the TempraCoat™ is a new product entering introduction stage of the product life cycle, we expect the Net Sales to grow annually, given that adequate advertising and promotional tools will be used.

8. Organization

Greener Solutions, Inc. is a privately owned business firm that operates at the corporate level and serves its customers in order to earn profit.

Greener Solutions operates with full-time employee staff. It offers salary and medical benefits to its employees and commission fees to its professional promoters.

Greener Solutions, Inc. organizational chart:



Team employed:

President - Elineus Davis

Director of Finance – Margarita Peshthova

Director of Marketing – Jennifer Klitzke

Director of Operations – Sergey Romanov

Director of Sales – Andrew Case

At present Greener Solutions, Inc. is seeking to employ a Director of Human Resources and full-time staff at different levels of the organization, as well as professional contractors who would like to receive a 10% discount on the cost of TempraCoat™ exterior house paint.

9. Implementation Plan

The prime target markets will be divided by states. Due to specific nature of the product, the target markets include states where climate temperatures fluctuate most. Thus, the first three years of the product rollout will focus on Minnesota, Wisconsin, and Illinois.

Rollout schedule to enter US markets

Year	New Markets	Cumulative Markets	Cumulative percentage of US Market
Now (2008)	0	0	0
Year 1 (2009)	1	1	2%
Year 2 (2010)	1	2	4%
Year 3 (2011)	2	4	8%
Year 4 (2012)	4	8	16%
Year 5 (2013)	8	16	32%

First year Greener Solutions will operate in Minnesota area. At the end of year 1 Greener Solutions will be expanding operations in Minnesota and add operations in Wisconsin. As the rollout continues, years 3-5 the marketing group will expand to all winter/summer states within the United States. With constantly increasing consumer awareness of our product through advertising and other promotion tools Greener Solutions sets a goal to double its sales each year after year one up to year three.

10. Evaluation and Control

Greener Solutions Inc. will hold regular weekly meeting during first three years of rollout to evaluate the progress and to create contingency plans if need be. During each year after year one Greener Solutions Inc. will continually assess the best new markets opportunities to expend operations to for the following year. The speed of the rollout program will increase or decrease depending on how successful the entry into the new market is.

Appendix A: Sources

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Appendix B: Detailed Financial Statements

Appendix C: Powerpoint Presentation