Première Filiale d'une Université Américaine Au Maroc

American University of Leadership

Where Leaders Are Born!

P.I.I.M.T

American University of Leadership

Private International Institute of Management and Technology

EFFICIENCY GROUP S.A.R.L



Presented by: DAKHCH KHALIL

2013

EFFICIENCY GROUP

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In every project, it is in order to thank everyone who contributed directly or indirectly to its fulfillment.

I d like to thank all PIIMT staff for the valuable guidance and advice. They inspired me greatly to work in this project. Their willingness to motivate me contributed tremendously to this project.

A special mention goes to our families and friends for their understandings and supports on us in completing this project.

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Executive summary

This school project is in fact a real project I am carrying since I started on it in January 2013, it is a small business acting as an intermediary and a distributor of solar water heaters, air conditioners and reverse osmosis filters. EFFICIENCY GROUP S.A.R.L.

I will try to divide this work between literature, findings and results as I go along. I have also been asked not to publish some of the information due to sensitive internal and external issues.

The choice of these three products was in fact a way for the company to attack the developing real estate in the 300 km radius on the three levels.

- Heating: the water
- Cooling or heating: the air
- Filtering: filtering the water

Air conditioners and water filters are support products to the company, their mission is to bring in cash as for the solar energy aspect, much more efforts in feasibility studies and investments will be needed since it is going to be the heart or the core of the project.

The object of the company is import-export and commercializing solar water heaters, osmosis filters and air conditioners.

The leading products of the company are solar water heaters. Indeed, we will rely on solar thermal energy for the production of the bulk of sales and profits. Filters and air

conditioners are more tactical products that are marketed to meet the competition and attract customers with their attractive prices. Solar thermal is therefore the heart of the company's business I will explain why these products go together:

While hunting for new clients on the field we look mostly for new unfinished houses to which we propose our services. We start by the solar heater the most expensive so that if he is not interested we can go down the offer and propose air conditioning or water filtering system.

So, being optimistic, the situation is: a new house that needs these three products. And if not, some other house will. Everybody needs hot water, air conditioning and clean drinking water.

I. Description of the business:

1. Mission statement

In order for us to be able to implement this new concept we will be using the differentiation strategy, meaning we will be differentiating our product from the competition. It will be mainly about the diversified products.

We will conquer our target market through a series of advertising campaigns in order for them to understand our concept and believe in our mission.

Total start-up capital requirements is 100000, 00 MAD which will be financed by the owners of the project M. Damun and M. Elghouari. A first financial statement shows positive future cash flows and a quick return on investment.

2. Vision

⇨ Important market share after the third year.

3. Values and principles

- **Quality:** we are promising healthy, and high quality products and services
- **Comfort: casual and easy usage**
- **Technology: labels and certifications**
- **Safety and social responsibility:** providing safety, security and hygiene
- **Good performance:** motivated staff.

4. Regulatory restrictions

The main formalities required to open a Small business are:

- Établissement d'un certificat négatif
- Établissement des statuts - acte notarié ou sous seing privé
- Établissement des bulletins de souscription et le cas échéant des actes d'apport
- Établissement de la déclaration de souscription et de versement (SA, SAS et SCA).
- Publication au journal d'annonces légales et au bulletin officiel
- Dépôt des actes de création de société et formalités d'enregistrement
- Inscription à la patente et identifiant fiscal (IS - IGR - TVA).
- Affiliation à la CNSS (toutes les sociétés commerciales).
- Déclaration d'existence à l'inspection du travail

Taken from http://www.cri.ma/

5. Company identification

Name	**Efficiency Group**
Logo	
Adress	**152, Lot 3 Ouled Mtaa- TEMARA**
Form	**SARL**
Capital	**100.000 DHs**
Shareholders	**2**
Activities	**Commercializing solar water heaters, air conditioners and reverse osmosis filters**
Manager	**DAKCH Khalil**
Number of employees	**3**
Tel	**0669495435**
Website	www.efficiency.ma

II. Industry Profile and Analysis

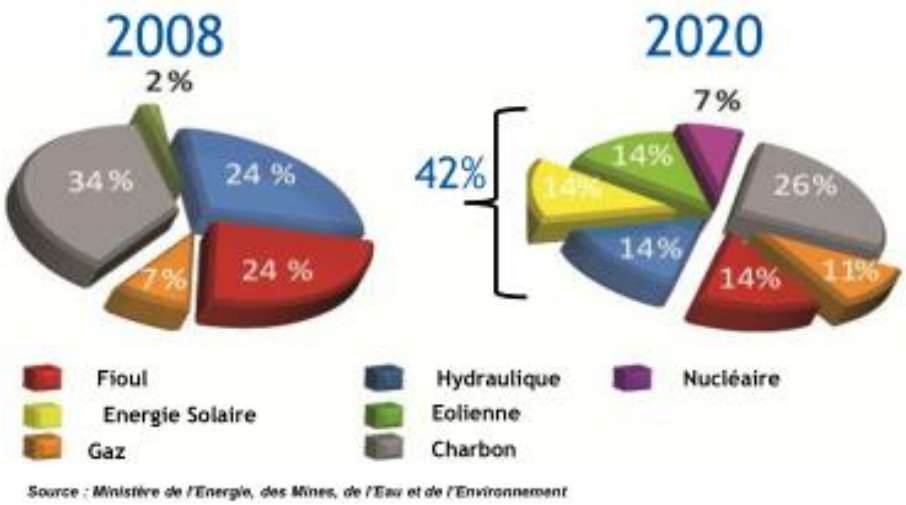
A. The solar thermal heater

As a non-fossil energy producer country, Morocco is dependent exporters of fossil fuels to 97% of its energy needs for the country. The provision of electricity to the country also becomes problematic, in fact, the growth in demand for electricity is a major constraint for the National Electricity Office (ONE) - 7.5% in 2008.

Yet this unfavorable energy situation is an opportunity for Morocco to develop the renewable energy sector to reduce its dependence vis-à-vis other countries and meet its energy demand for sustainable and independently. Indeed, Morocco vast potential for renewable energy, particularly solar energy with 5.5 kWh/m2/j, is a 3000 sunshine hours per year.
It is therefore in Morocco market for solar technologies (photovoltaic and solar water heating) for several decades. This was a more sustained development over the past decade, thanks to some national programs - Promasol for solar thermal and the Global Rural Electrification Program (PERG) for decentralized photovoltaic. Despite the government support for solar technologies in the form of direct subsidies to providers in the PERG and support within the Promasol, significant potential remains untapped market today.
Solar thermal park could still reach 440,000 m2 in 2012 or 1 700 000 m2 of solar collectors by 2020, against 240,000 m2 in 2008.

A favorable context

More incentives were put in place by the state to promote this sector. Indeed, Morocco gives priority to the development of renewable energy and sustainable development in the context of its energy strategy.



Source : Ministère de l'Energie, des Mines, de l'Eau et de l'Environnement

Objectives set in the context of Morocco's energy strategy

Several major programs have been initiated in this direction.

/ The Moroccan Project of Solar Energy is a integrated development project which aims to put in place in 2020 with a capacity of power generation from solar energy with a total capacity of 2000 MW at five sites Ouarzazate, Ain Bni Mathar, Foum Al Oued, Boujdour and Sebkhat Tah. Technology Concentrated Solar Power (CSP) and photovoltaics are considered for these stations. This program will increase the share of solar energy in the total power capacity to 14% by 2020 and prevent the emission of 3.7 million tonnes of CO^2 per year.

/ Development Program Moroccan market for solar water heaters (PROMASOL), which aims to install 440,000 m2 of solar thermal collectors in 2012 and 1.7 million m2 in 2020. In terms of annual thermal energy, these figures correspond to 1190 GWth 2020. This program will avoid the emission of 920,000 tons of CO2 per year and create 920 permanent jobs.

The institutional promotion was also made: 2000 m^2 of solar collectors installed in partnership with the Ministries of Health, National Education, National Mutual, Youth and Sports, energy efficiency program developed in the building (Development and implementation of an energy regulator for residential and commercial buildings as well as standards and technical guidelines for building professionals) and a standardization system has been set up:

/ Laboratory and certification procedures and labeling of solar thermal functional

/ Approval Process Installer: 100 certified installers,

/ Support for the establishment of mobile training unit

1. Usage

Household equipment for solar water heaters and photovoltaic panels is limited to a few categories. The equipment solar water heating rate in Morocco is among the lowest in the Mediterranean region. In 1999, only 30 000 m2 of solar thermal collectors were installed. Today, this area is 250,000 m2, 0.008 m2 per capita, against 0.0022 m2/habitant in 2000.

The annual growth rate was about 10 000 m2 to 2002, then increased to 40,000 m2 in the last two years.

In Morocco, the solar thermal market is dominated by individual solar water heaters, for which the customer profile is very homogeneous.

According to the CDER and the period 2006-2008, an average of 76.5% of the installations are made for individual use by private owners with an income for this type of investment, as the owners of villas or holiday homes. The solar water heater for public use therefore represents only 23.5% of the market.

2. Products

Three different technologies are mainly used in Morocco: the solar water heater thermosyphon solar water heater with circulation pump and solar water heater vacuum tube. To transport the goods to Morocco, producers of solar technologies work directly with the Morocco-based importers and distributors with whom they usually conclude commercial contracts of exclusivity.
A dozen brands of solar water heater is certified by CDER, and the most traded products are those thermosyphon. In 2008, a new company was established in Rabat selling solar water heater vacuum tube imported from China, and received CDER early 2009 certification. China is, in fact, by far the largest producer of solar water heaters in the world and specializes in solar water heater vacuum tube. While the latter is now the newest product marketed worldwide, this market is just beginning to emerge in Morocco, and has yet to be proven to be totally accepted by professionals.

3. Import & distribution.

Today, the sector is dominated by small import and installation companies.
Overall, the sector has forty companies of modest size for most, and which are mainly oriented marketing and service. Distributors of solar heaters are a dozen small, all focused on the Casablanca-Rabat and Marrakech axis.
The material is in most cases imported from abroad. Producers of solar technologies providing Morocco focused on the Mediterranean, including Tunisia, Greece, Turkey and Israel, European countries, with Spain and France, as well as Australia and China, this Last mainly providing solar water heater vacuum tube. Old fifteen years, the solar thermal market in Morocco has experienced successive waves of imported products with European and Australian products, followed by products of Turkish and Greek origin first.
Importers are generally small businesses with fewer than 50 employees, taking care of the resale and distribution of solar material either directly to customers or through dealers, installers.
Some importers note that the distribution function tends to fade in Morocco and be replaced by micro-enterprises (less than 5 employees), resellers, installers, who are responsible directly for resale and offer services more often installation.
The importer does not need to pay the distributor and deal directly with these micro-enterprises at lower prices. However, because of their small size, these companies can not afford the marketing functions, exhibition and storage offered by larger structures and better organized.

4. Warranties

Importers offer a guarantee on average between 5 and 8 years on the equipment to their customers, which come from warranty contracts signed with international suppliers, manufacturers. However, in practice, some dealers, installers complain of a lack of rigor at this level.
The importer does not need to pay the distributor and deal directly with these micro-enterprises at lower prices. However, because of their small size, these companies can not afford the marketing functions, exhibition and storage qu'offrirait the existence of larger structures and better organized.
Importers focus on their markets Moroccan cities such as Casablanca, Rabat, Marrakech and Agadir.

5. Installating and maintenance

Regarding the solar water heater, it is quite common to see the importers want to install their merchandise in order to ensure optimal placement and ensure their reputation.
However, none can completely switch network service providers (resellers / installers, installers and House Energy), which are responsible for resale, installation and maintenance. Even in the case where an importer subcontracts installation and resale, it is not uncommon to see itself undertake after-sales service in the same approach to quality assurance.
Trade ties also exist between Energy Houses and resellers / installers and installers: Energies houses with limited storage space use these resellers to provide materiel to solve their lack of storage space and limit the length and the number of trips.
The prices range from 5000 MAD facilities (for a solar water heater 150 L) and 2 0000 MAD (for a solar water heater 300 L), and the price also depends on the quality of the installer process and after-sales services to clients (maintenance, etc.)..
Moreover, maintenance of the entire system can cost between 700 and 1500 DH per year, which generally corresponds to the price change of small cartridges in the filter. For maintenance, it is essential to focus on the quality of the water to allow the extension of the life of the heater.

6. Transportation

Transportation is often subcontracted to local firms both by importers to deliver their installers or resellers and installers themselves in the delivery of products to their customers. Transportation costs are also often worn by installers to buy from their suppliers.
They are estimated at 15-20% of their total costs and can go up to 30% depending on the distances.
According to interviews with importers, there is a multiplier factor of 2.5 between the purchase price to import from abroad and the resale price of end-markets, this factor up to 3.5 in some cases.

7. Market prices

The price of this technology in Morocco vary between 9,000 and 24,000 dirhams, depending on the size of the ball. For individual installations (piece), the order price is as follows:

• 150 Litres: 9 000 to 11 000 MAD
• 200 Litres: 11 000 to 15 000 MAD
• 300 Liters 15 000 to 19 000 MAD
• 500 Litres: from 24 000 MAD

With regard to collective facilities (several-piece or separate elements), prices vary between 5 500 and 6 500 MAD per square meter of solar panels installed.

For solar collectors in empty water heater, prices vary depending on the diameter (18 to 58 cm) and the number of tubes (10 to 30), and the ability balloons. A solar water heater 200 liters for example costs about 11 000 MAD (with installation).

For a solar material from the European Union, customs duties on import is 2.5%. The solar water heaters in their turn a 14% VAT. A relatively prime but not enough to encourage consumers to install more solar heating systems in their local rates

8. Targets

- Residential : villas, bangalows, modern buildings
- Tourism : more and more competitif, the trend toward solar energy is the most logical path where investements are returned in the first few years
- Public infrastructures
- Sanitary infrastructures
- others (gyms, swimming pools, Spas, hammams)
- agriculture sector :solar pumping

Housing is the most offering and biggest sector in the country; the moroccan state constructs 150000 houses per year. New constructions constitute

The new construction is a priority because the houses already built rarely include water pipes hot and cold deck to install a solar water heater without incurring additional charges. The proposal to include solar water heaters in social and affordable housing would be uneconomical and difficult to implement. On the one hand, the solar water heater is too expensive compared to the price of social housing. On the other hand, solar water heaters take up too much space in this type of housing, they have an average area of about 50 m2.

B. Filters

Filtration systems allow consumers to have purified water at a lower cost. The removal of organic impurities such as chlorine, limescale and heavy metals can greatly enhance the flavor of the coffee and tea, and enhance the flavor of vegetables.
The filter also reduces the scaling of appliances. The benefits of filtered water on the health of consumers also represents a significant contribution.

Targets

- Résidential
- Sanitary infrastructure (hospitals, clinics..)

C. Air conditioning

In Morocco, the heat is given with a climate that should compose several months a year. The days when the thermometer is more than thirty degrees Celsius have become more numerous, and that is because of global warming and the depletion of the ozone layer.

1. The offer

In Morocco, as in the international market, several major manufacturers of air conditioners are out in force. Between European, Asian and Arab societies, the competition is fierce.
One of them is none other than the Korean electronics giant LG appliances and has sold 11,400 units in 2004, representing a market share of 25%. It should be noted that this figure rose to 20,000 units in 2003 to 45,000 in 2004. But on the domestic market, it has to face strong competitors.
The Saudi group Al Zalim, through its "cooling" sector Cooline in part. Recognizing the importance of the domestic market and to strengthen its presence in Morocco, Cooline, the largest manufacturer of air conditioners Arabic, was quick to conclude a joint venture with Frigmar, distributor and one of the leading Moroccan air conditioning. Thus, the oldest and largest manufacturer of air conditioners in the Middle East confirms its willingness to be present around the world. Already introduced in Morocco for over a decade, it has strengthened its presence by entering into a partnership that focuses on the injection of 700,000 U U.S. dollars. A commercial partnership focused on six labels that built the Saudi group, namely air conditioners Classic, Cooline, CoolCare, Clima Tech, Kessler Clima Tech and Geoclima.
Side-ventec Morocco, it is a story of partnership with Carrier need to tell, since it has lasted nearly forty years. The U.S. giant is so present in our country for many decades. And holding nearly 12%

market share internationally and 21% of the European market, it means blowing more cold on the Moroccan market.
A multitude of other brands share the market. Professionals talk of no less than 60 brands, including a slew of Chinese who see the national market "good potential" to exploit. Moreover, Chinese products have achieved a remarkable breakthrough in Morocco, which does not seem to bother most of their competitors.

2. Demand

The domestic market is described as "promising" by more than one professional, and because of its steady expansion and the dynamics experienced by the construction industry. Who says the real estate development and tourism always said demand increasingly high in air conditioners and dehumidifiers.
During periods of hot weather, many are rushing to the stores to equip appliances air conditioners. Today, air conditioning is seen as a necessity, although it may inflate the electric bill. The radius of the air-conditioning is never empty. More than any other household items, this is where it has the highest demand right now. "It is especially during summer sales are important," says a department manager at Marjane. In recent years, the market for air conditioning knows, in fact, a real blast.
Last year, the market was estimated at 300,000 units sold, an increase of about 40% compared to 2010. Most of the sales were made during the summer, with a peak during the month of July. "This market growth is a direct result of heat waves that hit in recent years the country"3. La consommation: **The air conditioning market recorded an overall growth of 13% in 2010 with 200,000 units sold in 2009 (an increase of 19% compared to 2008).**

3. Market prices

In an international context where commodity prices soared and the exchange rate of the dollar rises, the inputs in the manufacture of air conditioning equipment were also caught by the price fever. Today, prices are on the rise!
Everyone expected a decline this year due to the complete removal of import duties on industrial products from Europe, yet it is just the opposite happened. It should then expect an increase between 5 and 10% of the sale price. To remain attractive, manufacturers rely on other parameters to attract consumers: air conditioners that consume less energy, allowing them to relax "anti-stress" ...

4. Targets:

- Résidential
- Sanitary infrastructure (hospitals, clinics..)
- Companies (local businesses, cafes …)

III. Business Analysis

A. Desired image and position

Our desired image is to provide consumer with totally a simple concept:

"Best products, best services with the best prices."

B. Goals and objectifs

1. Marketing Goals:

To position ourselves in both the market and the mind of customers.

- 1st Objective: Building and Gaining Trust.

For gaining and building the customers' trust, we will focus on the quality of our products and the services we provide with it.

- 2nd Objective : Increase loyalty

In order to increase the customer's loyalty we will apply a CMR approach in terms of maintenance and after-sales services.

2. Financial Goals:

We are expecting to make high profit margin and high return on investment

- Objective 1: payback period to 1 year

As to achieving the break even, we are going to reduce our costs after one year

- The first six months will be dedicated to survival as the company will still fight to build its image and consolidate its positioning towards the competition.

3. Operational Goal:

We willing to provide high quality products and services

- Objective 1: quality

We are going to provide our customers with high quality products in accordance to international standards and certifications of safety, security, hygene and quality.

- Objective2: personal training

Our partner who is also our major supplier will been training us and giving us some tips as to how things work in the business which will be very informative and easy to pass down to employees.

- Objective 3: Periodical Training of employees

The staff will go with a periodic training in order to be updated and informed about the new products and the innovations in the world of solar energy.

- Objective 4: periodical meeting of employees

The staff will be meeting each Monday morning to discuss the work flow and the process. Also, to solve all rising issues and conflicts occurring in order to take the necessary corrective or preventive actions.

4. Other goals:

- Increase the market share of our company by 10% by the end of the first year.
- Build a well-known brand name.
- Achieve a good relationship with our customers and suppliers.

C. Efficiency Group's major suppliers:

Solar source SARL
Contact: kasmi alaoui anas
Adress: Garden city a1 n 4 harhoura 12040 - rabat Rabat-Salé-Zemmour-Zaer - Maroc

D. SWOT Analysis:

Strengths

- Diversity of products: High Quality services: we will make sure that we are providing high quality service supervised by well trained staff.
- Customer Orientation: we seek at satisfying our customers' needs, meeting customer's expectations using an effective customer relationship management strategy in order to develop a close trustful customer relationship.
- High quality service: in order to gain the customers' trust we will outsource some of the work in order to obtain the quality we assume to provide.
- Supplier relationship: we happen to have a very good relationship with our supplier and partner whom without our project wouldn't have seen life.

Weaknesses

- Difficulties to Position our Image in the Customer's Mind: efforts in advertising
- The lack of Experience: it is through experience and a lot of training that we can be qualified and specialized in this complex field. Since we start up the business, we cannot find the professional staff so we will go slowly. However, our first trainings will be concentrated on giving customers what they need in terms of the right products and service and helping us gain along the way a deeper knowledge and understanding of the behavior and the market we are operating in, and finally familiarizing ourselves with the products.
- Pricing: even if we are positioned as price breaker the prices of some products are still very high depending on the need of the costumer

Opportunities

- Market potential: we are coming with a simple concept; the demand is growing
- The increased need for security and comfort
- Benefit: high margins on important transactions

Threats

- Difficult to work on the state / public project
- Insolvency of customers
- Difficulty to start a business: the Moroccan administrative procedures are still very complex and slow.

E. Porter forces

➢ Competition	➢ Rough competition ➢ Anarchy in the market ➢ Dumping
➢ **Future competition**	➢ Difficulty to access the market due to a number of barriers ➢ Slow administration ➢ A good market knowledge is needed
➢ **Costumer's power of negotiation**	➢ Very important
➢ **Supplier's power of negociation**	➢ Dependance on one major supplier « Solar Source » ➢
➢ **Substitution products**	Two types : ➢ Higher prices for good quality ➢ Lower prices for bad quality

IV. Company products/services

A. Products

There are three major products along with the actual real prices.

1. Solar water heaters

Source : www.efsunsolar.com

Tubuler System



- **Collecting solar power from any angle**
- **High efficiency even in winter**
- **Resistance to calcaire**
- **Resistance to freezing**
- **Long life cycle**
- **Aesthetic look and feel**
- **Proven quality of Efsun Energy**

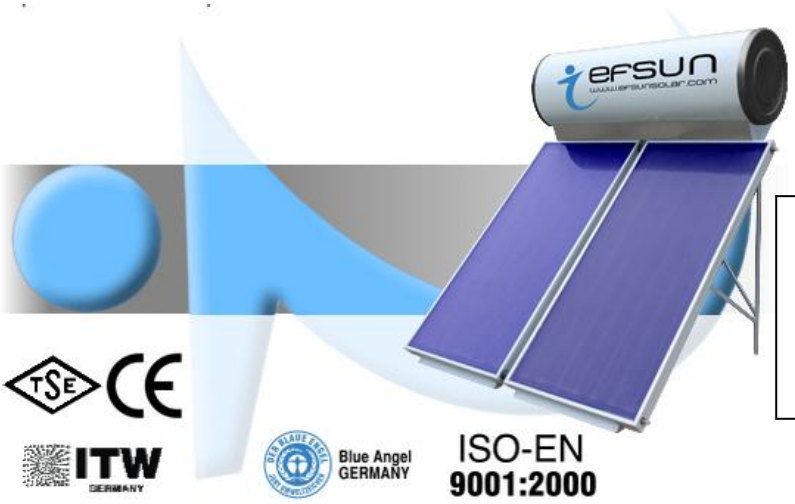
System Characteristics
Solar energy is collected trough cylindrical tubes instead of flat collector surface. This approach lets the collector absorb solar energy coming from any angle. The tubes are under vacuum. This vacuum provides high isolation between hot water and atmospheric temperature.

Recommended Fields
Tubular system is quite flexible to be able to use in any regions or needs. Because of its high resistance to freeze (-25c) it can operate without any anti-freeze. Also, the glass surface does not let calcaire to stick on. This provides additional flexibility to use in regions with high calcaire load.

Advantages
Tubular system is the future of solar industry for both home users and hotel like environments.

TYPE	PRICE
100 LITRES	10000 DHS
200 LITRES	12500 DHS
300 LITRES	13500 DHS

Open Circuit System



- **Long life cycle**
- **High efficiency**
- **Aesthetic look and feel**
- **Proven quality of Efsun Energy**

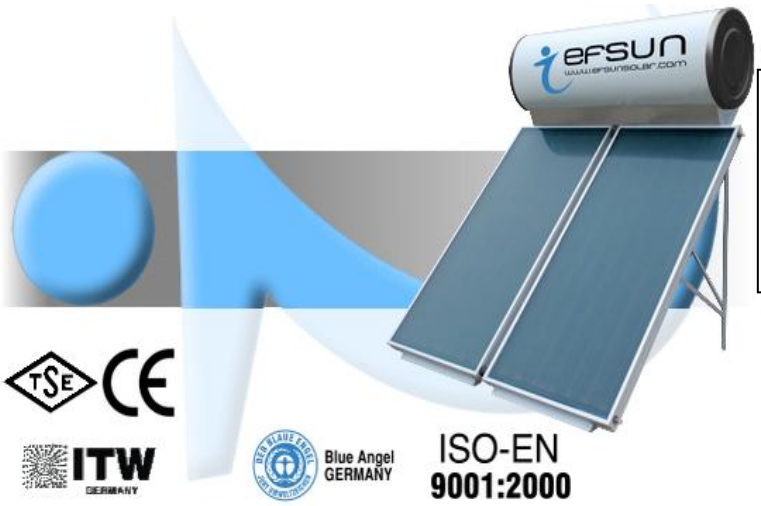
System Characteristics
Collector and the tank are designed to resist the pressure. The heated water directly mixes with usage water.

Recommended Fields
Can be used with high efficiency in any region, which there is no risk of freeze or high calcaire load.

Advantages
Provides high efficiency and fast heating rates because of, there is no need for extra heat transfer surfaces.

TYPE	PRICE
100 LITRES	11000 DHS
200 LITRES	14500 DHS
300 LITRES	15500 DHS

Closed Circuit System



- **Long life cycle**
- **High efficiency**
- **Aesthetic look and feel**
- **Proven quality of Efsun Energy**

System Characteristics
Collector and the tank are designed to resist the pressure. The heated water is circulated over a separated tank and does not mix with usage water.

Recommended Fields
Recommended to use in regions which there is risk of freeze or high calcaire load.

Advantages
It is highly resistant to waters with calcaire load, because water in circulation and usage water are separated in different tanks. This infrastructure also allows to use chemicals like antifreezes.

TYPE	PRICE
100 LITRES	12000 DHS
200 LITRES	15500 DHS
300 LITRES	17500 DHS

2. Water filters

SISTEM

Sistem tubular is a Turkish company active in the field of solar water heaters and household water filtration. It has since 2009, a representation in Morocco, the company Veli (Casablanca) directed by MM Turkaslan Vel i (0522 241 700)-**FILTRE TUBULAR OSMOSE.**

Prices are 3000,00 DHS installed





Domestic reverse osmosis under sink 3 Steps Filtration

Supplied with:

- ⇨ Storage Tank + valve + hoses and quick connectors
- ⇨ Reliable and Convenient to use and guaranteed against leakage of water designed for use under high pressure.
- ⇨ His technique in one block is the guarantee of a reliable and practical product.
- ⇨ Tank Capacity: Litres

Material: Stainless steel

3. Air conditioning

❖ **LG**

The Korean electronics giant and appliances LG Electronics is proud to occupy the number one position on the global market with an air conditioner sold in five.



TYPE	CAPACITY	RETAIL PRICE	PUBLIC PRICE
CLIM JET COOL	9000 BTU	3050,00	3200,00
CLIM JET COOL	12000 BTU	3500,00	3700,00
CLIM JET COOL	18000 BTU	5000,00	5300,00
CLIM JET COOL	24000 BTU	5850,00	6250,00
CLIM TITANPLASMA	9000 BTU	3550,00	3800,00
CLIM TITANPLASMA	12000 BTU	4100,00	4400,00
CLIM TITANPLASMA	18000 BTU	5550,00	6050,00
CLIM TITANPLASMA	24000 BTU	6400,00	6900,00
CLIM TITANPLASMA	30000 BTU	9000,00	9700,00
CLIM TITANPLASMA	36000 BTU	10000,00	10700,00
CLIM ART COOL MIRROR	9000 BTU	4600,00	5000,00
CLIM ART COOL MIRROR	12000 BTU	5200,00	5650,00
CLIM ART COOL MIRROR	18000 BTU	6300,00	6700,00
CLIM ART COOL MIRROR	24000 BTU	7600,00	8200,00
CLIM ART COOL CAMELEON	9000 BTU	5450,00	5950,00
CLIM ART COOL CAMELEON	12000 BTU	6300,00	6800,00
CLIM ART COOL CAMELEON	18000 BTU	7650,00	8250,00
CLIM ART COOL CAMELEON	24000 BTU	8500,00	9300,00

CASSETTE	**12000 BTU**	**6200,00**	**7700,00**
CASSETTE	**18000 BTU**	**8700,00**	**10200,00**
CASSETTE	**24000 BTU**	**9800,00**	**11300,00**
CASSETTE	**36000 BTU**	**12800,00**	**143000,00**
GAINABLE	**9000 BTU**	**5550,00**	**7050,00**
GAINABLE	**12000 BTU**	**6000,00**	**7500,00**
GAINABLE	**18000 BTU**	**8100,00**	**9600,00**
GAINABLE	**24000 BTU**	**8350,00**	**9850,00**
GAINABLE	**30000 BTU**	**9000,00**	**10500,00**
GAINABLE	**36000 BTU**	**10400,00**	**11900,00**
GAINABLE	**42000 BTU**	**12850,00**	**14350,00**
GAINABLE	**48000 BTU**	**13400,00**	**14900,00**
GAINABLE	**60000 BTU**	**15400,00**	**16900,00**
ARMOIRE	**30000 BTU**	**12650,00**	**14150,00**
ARMOIRE	**48000 BTU**	**18300,00**	**19800,00**
ARMOIRE	**80000 BTU**	**26050,00**	**27550,00**

❖ **Samsung**

Samsung Electronics is a 100% subsidiary of the Samsung Group, a leading Korean group. In 2009, it is the 22nd largest company in the world. Samsung Electronics is present on several markets, with four main divisions: mobile phone LCD (production of LCD panels for the manufacture of computer screens, telephones, televisions), consumer electronics Digital Media (flat screens , refrigerators, cameras, printers, air conditioners ...) and semiconductors, where Samsung is the world's number two behind Intel. Samsung Electronics has decided in early 2011 to expand its scope of activities to clean energy.



TYPE	RETAILER PRICE	PUBLIC PRICE
ELECT CLIM CRYSTAL 9BTU	3228	3582
ELECT CLIM CRYSTAL 12BTU	3763	4000
ELECT CLIM CRYSTAL 18BTU	4613	5249
ELECT CLIM CRYSTAL 24BTU	5639	6415
ELECT CLIM MONTBLANC 9BTU	3742	4408
ELECT CLIM MONTBLANC 12BTU	4249	4992
ELECT CLIM MONTBLANC 18BTU	5825	6908
ELECT CLIM MONTBLANC 24BTU	6825	8075
ELECT CLIM BORACAY 9BTU	2862	3165
ELECT CLIM BORACAY 12BTU	3433	3790
ELECT CLIM BORACAY 18BTU	4771	5457
ELECT CLIM BORACAY 24BTU	5796	6666
ELECT CLIM VIVACE 9BTU	3767	4332
ELECT CLIM VIVACE 12BTU	4243	4832
ELECT CLIM VIVACE 18BTU	5549	6332

B. Customer benefits

- *Customer relationship management:* The overall process of building and maintaining profitable customer relationship by delivering superior customer value and satisfaction (hygiene, cleanliness, healthier…)
- *Customer perceived value:* The customer's evaluation of difference between all the benefits and all the cost market offering relative to those of competing offers (Reasonable price, high quality, products line)
- *Customer satisfaction:* The extent to which a product's perceived performance matches a buyer's expectation (parking area, transparency process)

C. Warranties and guarantees

- ✓ High quality of products
- ✓ High service delivering
- ✓ High standards of hygiene and security
- ✓ Certifications
- ✓ Maintenance contract

Certificats Internationaux



Qualité ITW 1



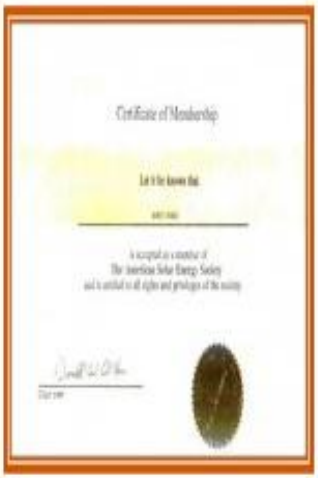
Certificat KYS



Certificat
Blue Angel 1



Qualité ITW 2



Adhésion à l' énergie
Solaire Américaine



Certificat
Blue Angel 2

D. Future products and service offerings

Solar pumping projects

Photovoltaic oriented projects

V. Marketing Strategy

A. Target Market:

1. Complete Profile of our target market

We will start by targeting Villas and houses in Rabat region (Sale, Zammour, Zaire).
Statistics for 2010 published by "Haut-Commissariat Au Plan" at their website (http://www.hcp.ma) show that the number of authorization given by the state to construct buildings and villas, as follow:
Villas: 581
Buildings: 3006

If we consider a period from 2000 to 2010 approximately the number of authorization on villas and buildings will be:
Villas: 5810
Buildings: 30060
The increase of the number of villas and buildings is due to the demographic rise and the emigration from country side to cities.
This is a basic assumption of the minimum number of villas and building in Rabat. These numbers show that our demographic profile is strong and our market is large.
Another demographic profile we should take into consideration is the dispersion of the location of the villas and buildings.
The villas in Rabat are concentrated in areas like Hay Soussi, Hay Riayd and Hay El Fath. This characteristic is beneficial in way that we will operate in neighbors that are all considered as potential clients.

2. Demographic characteristics:

Age	**30-70**
Gender	**Male and Female**
Family size	**All family sizes**
Generation	**Yound and Old Generation**
Income	**Household income above 10 000 MAD.**
Occupations	**All**
Class	**Middle and Up classe**

3. Geographic characteristics:

Our geographic target market is the region of Rabat-Salé Zemmour Zaer.

4. Psychographic:

Lifestyle	**Trendy with the renewable energy wave** **People who are looking for quality** **Modern people** **In touch with nature**
Interests	Innovative Benefit : low price, good quality, good service
Values	Health care Good Customer service

5. Behavioral characteristics:

According to the analysis of our customer environment, our target market is composed of Men and Female, aged from 10 and up, with a household income of more than 10 000 MAD. They have different lifestyles and interest, yet they are interested in new and innovative experience.

⇨ ***Customer's motivation to buy***

- Reasonable prices

We happen to be very competitive on most of our products.

- High quality service

We are providing the best products and services by promoting quality, reliability and professional supervision.

- Website

We are providing our clients an easy access to our website where they will find everything related to our products, services and contact information.

www.efficiency.ma

B. Advertising and Promotion :

Advertising is a form of communication for marketing and it is used to encourage and persuade an audience either viewers, readers or listeners to continue or take some new actions.

According to our target market, we have selected specific media for the advertising. We have chosen to advertise using radio, flyers and internet in order to reach the maximum target market.

- **The media used:**

In order to reach the maximum target market we have selected:

1. Flyers:

- ✓ It helps in promoting, enhancing quickly and efficiently.
- ✓ It is a price effective tool.
- ✓ They are easy to distribute and design.
- ✓ Target market reached is very huge.
- ✓ Inexpensive communication medium

Flyers will be distributed massively in all over Rabat, Temara and Salé.

5000 x 0,35 = 1750dhs will be the cost of flyers

100 dhs x 10 days = 1000 dhs is the labour cost

So our campaign will go one 10 days and will cost us : 2750dhs

2. **Radio:**

We will be using radio for many reasons:

- Nowadays, people listen more to radio because of the traffic jam they spend a good time driving. They listen to it during the hours of 7h am- 9h am while driving to work, at lunch time from 12h00 to 14h00 and from 17h to 19h while returning home.
- The human voice is captive; people tend to recall ads more while listening.
- Radio is known to be a cost effective medium.

We will advertise in "Luxe Radio". We have chosen this radio station due to its listeners, they seem to match our target. We will advertise twice a day in the morning from 7h to 9h, and from 17h to 19h for 2 days a week after the first six months of the creation of the company.

3. **Internet**:

It is mainly advertising in social networking and the our website. It is for free, more efficient and quick. Everybody uses internet, checks for more details and compare prices. Furthermore, the website will be an E-commerce platform in the near future.

www.efficiency.ma

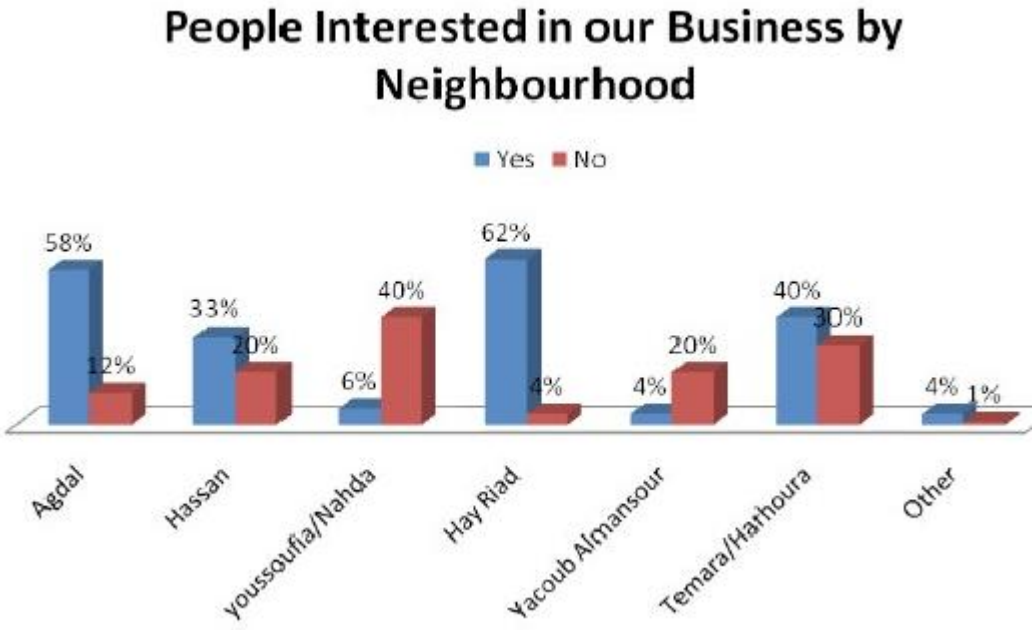
C. Test Market Results

We have conducted a marketing research to better discover our target customer trends and better understand their needs and water usage habits, their expectation regarding mission. Indeed, the survey has been answered by a sample of 100 people. We used the web tools as an interface to better and more quickly approach some of them, other were interviewed face to face.

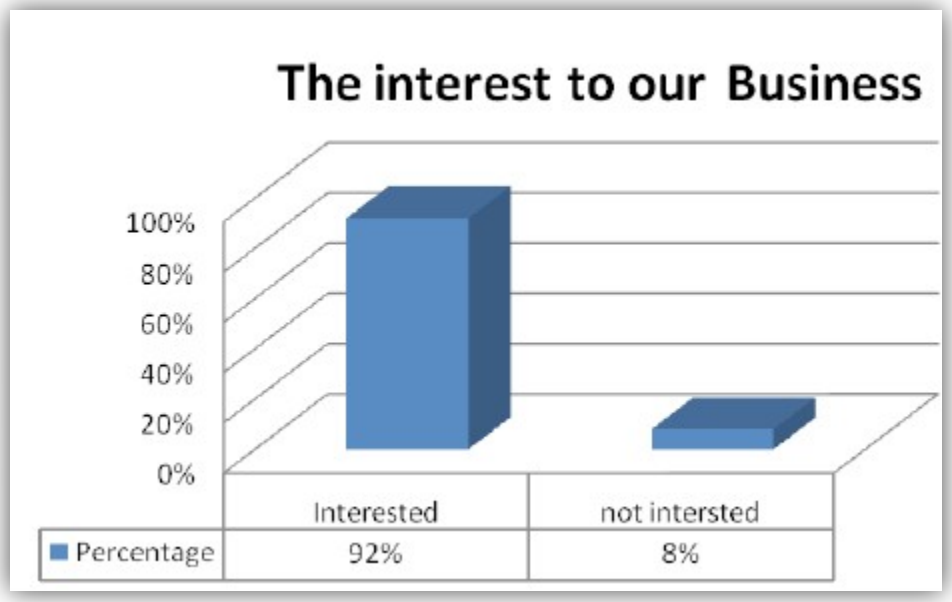
We have had 100% return rate, meaning that everyone from the sample man and woman accepted answering our questionnaire.

The purpose of this market study is to determine the variables that will be crucial to our business plan. As a matter of course, this market study will mainly allow us to make a decision about our pricing. We did not have the time to go deeper with each product so we kept it broad.

SPSS analysis:



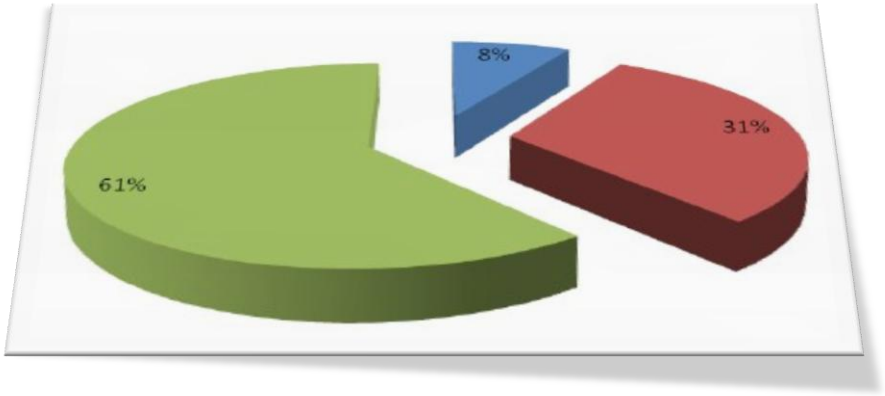
It seems the idea of solar energy is growing more and more in the consumers mind and the demand seems to be growing.



Most of the questioned seems to be interested by the products we offer, the only problem is that we price them lower than the competition in order to get paid fully at once. People are more used to splitting payments over months for important sums.

We can not afford these facilities at the launching of our business because it's too risky.

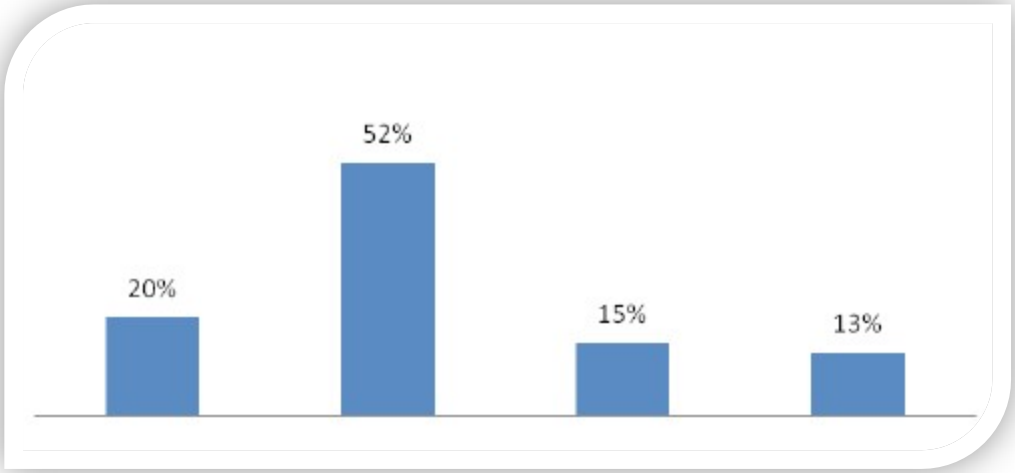
PRICING



This chart shows the question people over the prices in general of products we offer:
61% seem to think the prices are more or less good

The 31% are the ones that say most of our products are expensive, when asked compared to what; most of them do not have a reference to in mind especially concerning the solar water heaters.

Ages of the interested ones



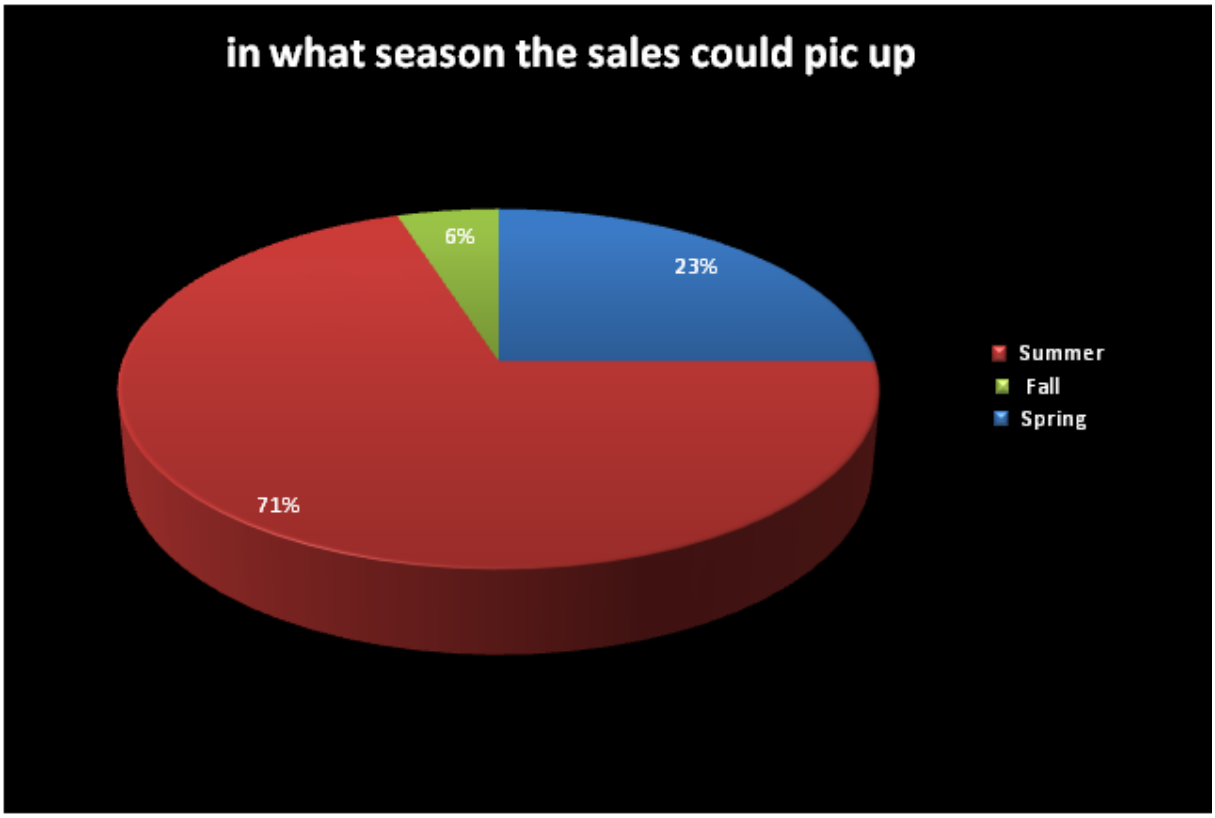
The most interested people seems to be the older one with 52%: between 45 years old and 60. A big number of these questioned seems to a have a more or less good grasp of the functions of our products.

20% of the interested are the elderly, safety, security and comfort are very important to them if well present as needs or trends. Some of them were very interested in the water filters.

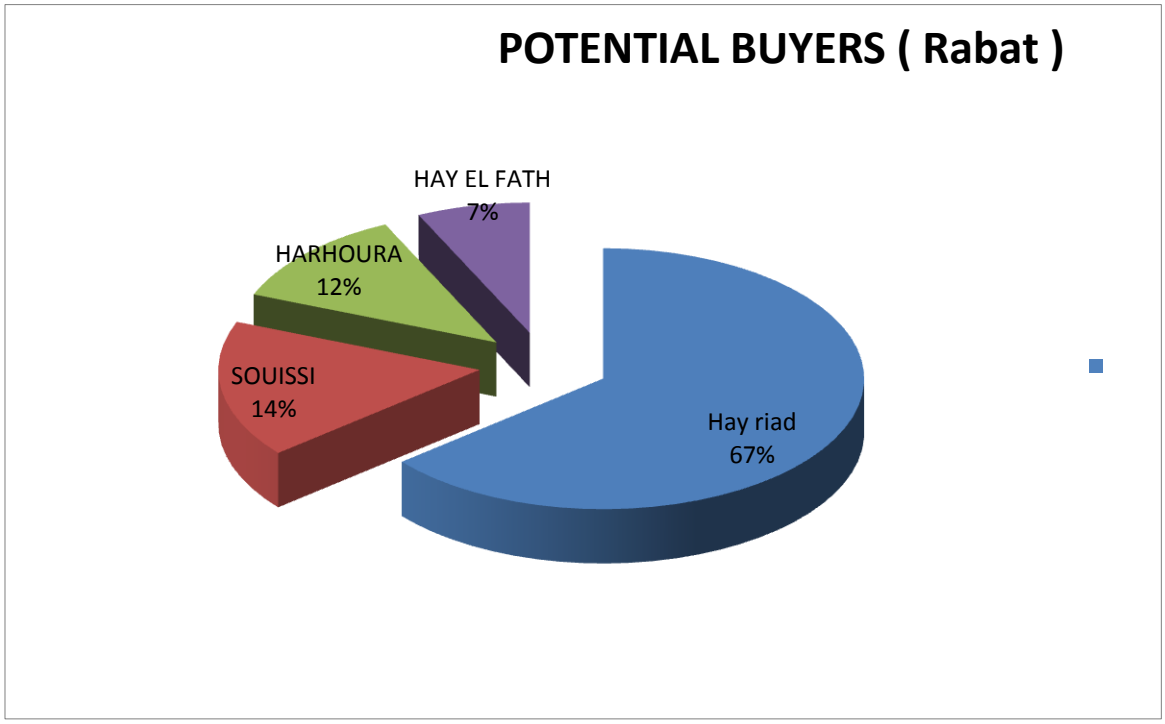
Ages between 35 and 45 also seem to be interested but they seem to have more priorities, and financial situations are not always good.

As for the 13%, it represents the young people under 35, usually living alone, they seem to be more interested in air conditioners.

BEST SEASON FOR SALES



It is quiet logical that the sales pic up with the heating of the climate, where we can propose solar heaters where as it is sunny all along. Works for air conditioning too, people get too hot they look for any refreshing solution.



THIS REPRESENTS A PORTION OF INTERSTED PEOPLE THAT ARE READY TO BUY

VI. Location and layout

152. lot oulad mtaa Temara.



Image google earth

Traffic count

From	Estimated Time Needed (By Car)
Hay Ryad	5 Minutes
Agdal	15 Minutes
Souissi	10 Minutes
Bab El Had	20 Minutes
Salé	25 Minutes
HARHOURA	10 Minutes

VII. Competition

These are the companies selling the same type of products such as large surfaces (MARJANE, ASWAK ASSALAM), companies specializing in appliances such ABROUN or Electroplanet or even Bricoma for water heaters or companies acting as retailers for the same products as ours.

A. Solar heaters

Company	ADRESS
Activar S.A.R.L.	Casablanca Tél : +212 5 22 73 31 16
Ael trading company	Casablanca Tél :0522 523 713 aeltradingco@gmail.com
Afrisolar	Casablanca Tél : 0522 272 996 info@afrisolarmaroc.com www.afrisolarmaroc.ma
AG energie	Casablanca Tel : +212 522 87 08 47 agenergie@menara.ma
Almat Bat	Casablanca Tel : +212 522 76 73 56mohamed.sebti@almatbat.ma www.almatbat.ma
Amisole	Casablanca, Tel +212 522 94 51 29 www.amisole.com
Batitherm	Casablanca Tel : +212 522 94 01 91 batitherm@batitherm.com www.batitherm.com
BRICOMA	Route de Vita, RABAT
Casabloc Accus National	CASABLANCA Tel : +212 522 31 81 40 ballet@wanadoopro.ma
Cbs eco	Casablanca Tél.: +212 522 448 737 cbseco1@gmail.com
Cegelec	Casablanca Tel : +212 522 63 93 93

	michel.bouskila@cegelec.com www.cegelec.com
Chaffoteaux	Casablanca Tel : +212 522 35 22 83 olivier.bougler@chaffoteaux.com www.chaffoteaux.com
Clean Energies	Casablanca Tél. :+212 522 26 31 76 clean_energies@wanadoo.ma
Concorde distribution	Casablanca Tél : 0522 393 665 - concorde.d@menara.ma
Dev'Agri	Casablanca Tél.: +212 6 63507534 - commercial.idriss@gmail.com www.devagri.solarlog-portal.fr
Droben energy	Casablanca Tél. :+212 22 53 97 15 commercial.madrobenenergy.com www.drobenenergy.com
Durotherm	
Ecodura	Casablanca 0522 898 835 info@ecodura.ma www.ecodura.ma
Ecowell	Casablanca 0522 677 464 - ecowell@ecowell.ma www.ecowell.ma
Edwards	
Electro Contact	Casablanca Tel : +212 522 23 46 80 www.electrocontact.com
ELECTROPLANET	Marjane HAY RIAD
Energetica	28, zone industrielle Tasnia , Massira -Temara Tel : +212 537 60 50 04/38 energet@menara.ma www.energetica.ma
Energies continues S.A	CASABLANCA Tel : +212 522 30 29 91
Energy poles	59, av Al Amir Ould Oumeir, appt. n°2 Agdal Rabat Tel : +212 537 77 32 36 eouaknine@energypoles.com www.energypoles.com
Enersun	

Enviro conseil travaux Maroc	Casablanca Tél : 0522 354 142 www.powerflowgroup.com
Fadesol	Casablanca Tél. :0522 246 690 - www.fadesol.com
First metal	Casablanca Tel : +212 522 24 22 64 firstmetal.z@gmail.com
FDE Solar	
Giordano Maroc	Casablanca Tel : +212 522 83 85 60 giordanomaroc@menara.ma
HYDROCENTRALE	Casablanca Tel: +212-(0)5 22 66 30 36 contact@hydrocentrale.com
Olympic Sun	
Phebu Sol	
Précima	Casablanca Tél. :0522 354 520 kberrada@precima.ma www.precima.ma
Sistem	Casablanca
Solar Heart	
Solimpeks	
Tenka	
Tropical Power	301, hay El Manzeh 10050-RABAT Tel : +212 537 79 08 56 contact@tropicalpower.net www.tropicalpower.net
Sunlight Power Maroc	6, rue Taineste angle rue d'Agadir, Hassan 10000 - Rabat Tel : +212 537 66 10 32/35 dgspm@menara.ma www.sunlightpowermaroc.com

B. Filters:

Sold mostly on internet.

ENTREPRISE	ADRESSE
SOLOSTOCK	
Veli sarl	338, avenue Ambassadeur Ben Aïcha - 20300 Casablanca
FLEETGUARD	*Casablanca*
Geissmann & fils -	*Casablanca*
Soberma	*Casablanca*
Fluidap Afrique	*Mohammedia*
BRICOMA	Route de Vita

C. Air conditioners (in the region of Rabat):

Company	ADRESS
MARJANE	HAY RIAD
ASWAK ESSALAM	HAY RIAD
ABROUN	Route de Vita
ELECTROPLANET	Marjane HAY RIAD
BRICOMA	Route de Vita
LG	
Cooline	
VENTEC-MAROC	
Climcom	Youssoufia
elesi s.a.r.l	Mabella
Alous s.a.r.l	Hay nahda
Rapibat s.a.r.l	Hay nahda
Thermal s.a.r.l	Les orangers
Top thermique	Les orangers
Air industrie s.a.r.l	L'océan
Sté S.M.E.R.I.T	L'océan
electriba s.a.r.l	L'océan
Conquete S.A	L'océan
Entrprise ait bennani	L'océan
SOCCOCHARBON	Place pietri
Entreprise p.. de travaux	Hassan
Sté Marocain d'installation, de réparation et d'entretien	Hassan
electro froid	Hassan
Entreprise Benahmed	Hassan
Sté BEN AHMED	Hassan
Station chaud et froid (BERDA omar)	Hassan
SPIE MAROC	Hassan
Sté Vidal Maroc	Hassan
Chamad clim	Agdal
icinet s.a.r.l	Agdal
Alamane Atlas Service	Agdal
Sté MACLISA	Agdal
consult co	Agdal
O.P.L s.a.r.l	Agdal

dory lab	Agdal
Sté United Clim s.a (ben omar elmdaghri mohamed)	Agdal
Sté Settler	Agdal
Fro lam	YEM
Froid el menzeh	YEM
Ermec	YEM
S.T.F maintenance (JORCHE Ahmed)	YEM
Espace clim	YEM
Alfa bureau	Qamra
sanitaire tohfa	
Entreprise bendaouda Arsalane	

Competitive Strategy:

- ***Price competitiveness :***

As a part of our key success factors we are willing to come up whit competitive pricing strategy, which the mixture of quality, affordability and differentiation in order to gain a competitive advantage over our competitors.

- ***Cost Leadership:***

While quality and availability are important factors to our potential clients, price is most often the determining factor in a buying decision. This is why we will have to lower our processing cost and apply a vertical integration in order to stay cheaper than our competitors.

VIII. Financial plan

A. BALANCE SHEET

Start Up Balance sheet				
Assets			**Liabilities & Owner's Equity**	
Cash	15000		long-term loan	0
Inventory	43000			
Prepaid Insurance	12000			
Total Current Assets	65000		Total Liabilities	0
Equipments				
			Owner's Equity	100000
			TAIB ELGHOUARI	50000
Others	10000		ZAKARIA DAMUN	50000
Furniture	9500		Total Owner's Equity	100000
TOTAL	100000		TOTAL	100000

B. The depreciation tables:

Depreciation of Furniture

Years	Depreciation Expense	Accumulated Depreciation	Book Value
1	1900	1900	7600
2	1900	3800	5700
3	1900	5700	3800
4	1900	7600	1900
5	1900	9500	0

Depreciation for the Insurance

Months	Depreciation Expense	Accumulated Depreciation	Book Value
1	1 000,00	1 000,00	11 000,00
2	1 000,00	2 000,00	10 000,00
3	1 000,00	3 000,00	9 000,00
4	1 000,00	4 000,00	8 000,00
5	1 000,00	5 000,00	7 000,00
6	1 000,00	6 000,00	6 000,00
7	1 000,00	7 000,00	5 000,00
8	1 000,00	8 000,00	4 000,00
9	1 000,00	9 000,00	3 000,00
10	1 000,00	10 000,00	2 000,00
11	1 000,00	11 000,00	1 000,00
12	1 000,00	12 000,00	0,00

C. Payback period, NVP, IRR

Pay Back Period			
Months	**Expected CF**	**Accumulated CF**	**Initial investment**
0	-100000	-100000	
1	55000	-45000	100000
2	67000	22000	100000
3	64000	86000	100000
4	59000	145000	100000
5	63000	123000	100000

K	**12%**
PAYBACK	**1.45**
NPV	**108 318,33**
IRR	**53%**

D. FUTURE INCOME STATEMENT

I chose to be realistic. This is projected on the most certain sales that are scheduled in the future, so as to say a more close and reel vision on what is to come. So it's not a pessimistic scenario but a more accurate one.

I also can not disclose the costs; this is why no detail will be shown.

	MAY	JUNE	JULY	AUGUST	SEMPTEMBER
Total revenue	55000	67000	64000	59000	63000
Total Costs	34000	50000	58900	50000	39000
Tax	9625	11725	11200	10325	11025
Net profit	11375	5275	-6100	-1325	12975

E. ROI

MONTHS	CF	ROI
1	55000	55%
2	67000	122%
3	64000	186%
4	59000	245%
5	63000	308%

