

7. Tutorial

7.1 Start

Welcome!

Don't we all dream of this distant relative, that no one has ever heard of. Suddenly said distant relative dies under unspecified circumstances, leaving us in the fortunate situation to be their lucky heir?

Dream no longer! As the official note you're just holding in your hands says: You had a cousin of 5th degree, who recently passed away without an heir. That is: without any heir but you! Apparently, he owned an entire factory that produced light bulbs. And all of a sudden you are a businessman now! Of course, you immediately pack your luggage and travel to your new factory!

In large letters over the main gate, you read the name of your factory: **Illumination Factorium**.

However, the disenchantment follows soon: The factory is far from its best state. A huge portion of the large building stands empty. Only two working spaces are suitable for production. And they organised as fixed position layouts! Cheap, yes, but probably not best suited for a mass produced good like a light bulb.

The old production manager shows you around. And despite the desperate state of the factory, you cannot help but see the potential! There is even a small amount of cash available. Of course, your new employees watch every single of your steps. Is it that hope you can see in their eyes?

Production

You own two operational Fixed Position Layouts with sufficient machines and workers. Fixed Position Layouts are rather cheap in setup, but also not very efficient in production. Your late cousin had this thought as well and had expansion plans. Sadly, he only managed to enlarge the production hall before he died. At least you have plenty of room for further expansion. Also, the stock is relatively well filled with about 1,000 light bulbs and enough raw materials for another 1,000.

Accounting

Well, you have 10,000€ in cash. That's pretty much it. You need to make smart decisions to turn this into a real fortune. Otherwise, it will be gone as quickly as you got it. At least with a new owner the banks might be more willing to give new credits. In fact, when you contact the bank, they immediately offer you a credit range of another 10,000€.

Market

The entire European illumination market is estimated to measure about 9 billion € per year!

Our sales department is confident, that they could reach market domination, if you could only produce enough goods. That is 30% of the entire market volume. A bold statement, even for an established well-functioning company! Given the run-down state of the **Illumination Factorium**, this seems to be downright madness.

However, the news of a new, young and hungry owner might not only spur the sales team and actually every single employee of our small family business. It might be the needed spark to restart relations with customers!

A strong fresh wind seems to blow through the **Illumination Factorium**!

7.2 Turn 0

Production

Have a look at the production window. In the “Info”-tab you find your stock of current products, your production capacity and you can set a specific production goal. Now go to the “Light Bulb”-tab.

Turn 0 of 60

Capital: 10,000.00€

Production

Info Stock Light Bulb Halogen Light

Current Product: Light Bulb

Products in Stock: 1,000

Production Capacity: 1,460

Produced last month: 0

Production Goal: Max. Capacity

Enter production goal

Production

Info Stock Light Bulb Halogen Light LED Light

The first attempts to create light using electricity date back to 1802. It should take until the 1870s until the invention finally became economically viable. Even though these early light bulbs were far from reliable, they offered many advantages over previous light sources. They did not smoke or stink and most importantly were much less prone to fires.

Light bulbs consist of tungsten filament, connected to two lead-in wires. These wires are connected to a base or socket. The socket provides the electricity inlet as well as the mechanism to hold them in place. The base is usually shaped like a screw. The filament is protected by a glass bulb filled with protective gas or a vacuum.

Characteristics

Production Time p.p.:	3.50
Actual Value:	4.93
Base Value:	2.90
Base Quality:	0.70
License Cost:	0.00

Bill of Materials

Glass Bulb	1
Coiled Filament	2
Lead In Wires	2
Socket	1
Protective Gas	1
Packaging	1

Here you find the most important characteristics about the Light Bulb, including the bill of materials. You have the production time per piece in minutes, the actual value, base value and base quality of your product. The license cost is 0, because you already own the Light Bulbs recipe. Later in the game you purchase more advanced products.

The actual value is currently 4.93. This means, reasonable customers are willing to pay 4.93€ for your light bulb. If you sell at this price, you can expect to sell most of your products, but you will not raise additional attention. If you sell for a lower price, you will attract additional customers – a good way to get rid of a large stock or to raise attention during a large production capacity increase. If you sell at a higher price, you will sell progressively fewer units. A much too high price will even result in no sales at all – a disaster to avoid at all costs!

Generally, the best strategy is to sell at a higher price, to not lose to many customers, but to maximize profits. As a rule of thumb, you can expect this sweet spot to be around 1.2 – 1.6 times the actual value.

Market

Have a look at the “Forecast” and “Sales” table at the bottom of the window. The sales team generates a forecast for the next month. It is mostly accurate, but of course you cannot precisely predict your customers behaviour – expect some deviations. You can orientate your production around the forecast.

MainWindow

Turn 0 of 120

Capital: 10,000.00€

Accounting

Market

Factory

Help

End Turn

Market

Market Overview **Supply**

Market Domination is defined as 30%!

Total Marketvolume p.A.: 9,000,000,000€

Current Sales Volume p.A.: 0

Current Marketshare: 0

	Forecast	Sales
Current:	2,410	0
Last Month:	0	0
2 Months ago:	0	0

Current Price: 4.0€

Enter new sales price

Note that the current price is set to 4.0€. That is below the actual value of your Light Bulb of 4.93€. That means you will probably sell more than the predicted amount. Since you have 1,000 units in stock and can produce 2,285 units this month, this might not be worst option. However, we want more profit! Change the price to 5.2€ now. Enter 5.2 into the entry space and hit enter. Now the current price should have changed to 5.2€

You can now adjust your sales price!

Now hit the “End Turn”-button to end this round!

Accounting

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Factory

Help

End Turn