

Previous Development Costs

Model	Cost
FarmBunny	\$2,700,000
RapidBunny	\$4,200,000
BunnyKing	\$4,600,000
CozyCony	\$13,700,000

Estimated Initial Costs

Fin			
Model	Prob of Sim. (Weight)	Cost	Wtd. Value
FarmBunny	30%	\$2,700,000	\$810,000
RapidBunny	38%	\$4,200,000	\$1,596,000
BunnyKing	5%	\$4,600,000	\$230,000
CozyCony	27%	\$13,700,000	\$3,699,000
Initial Cost:			\$6,335,000

Snorkel			
Model	Prob of Sim. (Weight)	Cost	Wtd. Value
FarmBunny	9%	\$2,700,000	\$243,000
RapidBunny	48%	\$4,200,000	\$2,016,000
BunnyKing	29%	\$4,600,000	\$1,334,000
CozyCony	14%	\$13,700,000	\$1,918,000
Initial Cost:			\$5,511,000

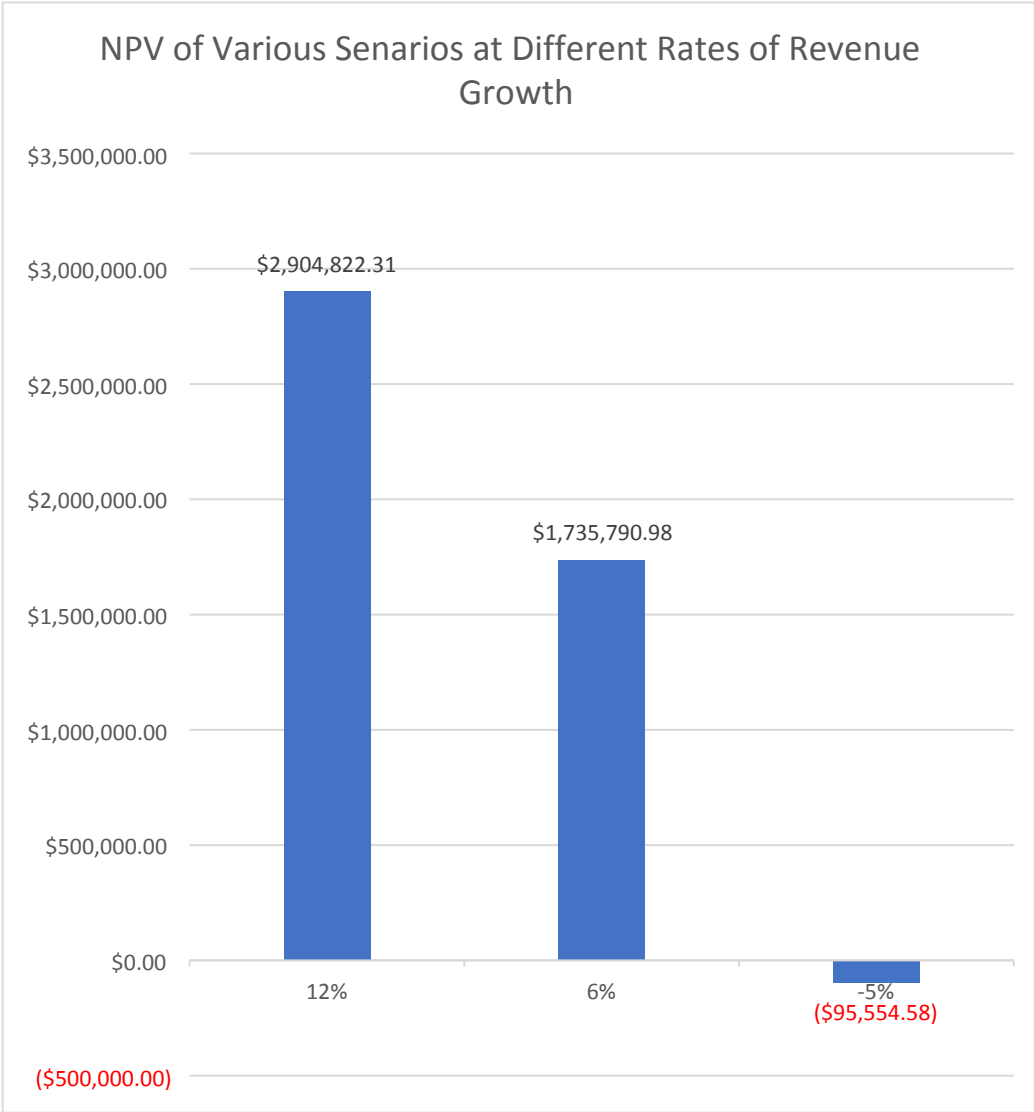
Facemask			
Model	Prob of Sim. (Weight)	Cost	Wtd. Value
FarmBunny	2%	\$2,700,000	\$54,000
RapidBunny	39%	\$4,200,000	\$1,638,000
BunnyKing	45%	\$4,600,000	\$2,070,000
CozyCony	14%	\$13,700,000	\$1,918,000
Initial Cost:			\$5,680,000

NPV											
Fin	Revenue Growth	19%	Repair Costs		27%	Recycling Returns	4%				
	Year 0		Year 1		Year 2		Year 3		Year 4		Year 5
	(\$6,335,000)	Initial cost	\$2,500,000	Revenue	\$2,975,000	Revenue	\$3,540,250	Revenue	\$4,212,898	Revenue	\$5,013,348
			(\$800,000)	Training	(\$250,000)	Training	(\$250,000)	Training	(\$250,000)	Training	(\$250,000)
			(\$675,000)	Repair and Warranty	(\$803,250)	Repair and Warranty	(\$955,868)	Repairs Expansion	(\$1,137,482)	Repair and Warranty	(\$1,353,604)
			\$27,000.00	Recycling Returns	\$32,130.00	Recycling Returns	\$38,234.70	Recycling Returns	\$45,499.29	Recycling Returns	\$54,144.16
DISC Rate	10%										
CASHFLOW	(\$6,335,000)		\$1,052,000		\$1,953,880		\$1,172,617		\$2,870,914		\$3,463,888
NPV	\$1,228,820.42										Profit
											\$4,178,300
Snorkel	Revenue Growth	12%	Repair Costs		20%	Conficence of Grant	33%	Grant Size	\$800,000		
	Year 0		Year 1		Year 2		Year 3		Year 4		Year 5
	(\$5,511,000)	Initial cost	\$3,000,000	Revenue	\$3,360,000	Revenue	\$3,763,200	Revenue	\$4,214,784	Revenue	\$4,720,558
			(\$950,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)
					\$264,000	Approximated Grant					
			(\$750,000)	Repairs Improvement					(\$400,000)	Repair Expansion	
			(\$600,000)	Repair and Warranty	(\$672,000)	Repair and Warranty	(\$752,640)	Repair and Warranty	(\$842,957)	Repair and Warranty	(\$944,112)
DISC Rate	10%										
CASHFLOW	(\$5,511,000)		\$700,000		\$2,502,000		\$2,560,560		\$2,521,827		\$3,326,446
NPV	\$2,904,822.31										Profit
											\$6,099,834
Facemask	Revenue Growth	20%	Repair Costs		16%	Conficence of Grant	100%	Grant Size	\$800,000		
	Year 0		Year 1		Year 2		Year 3		Year 4		Year 5
	(\$5,680,000)	Initial cost	\$1,900,000	Revenue	\$2,280,000	Revenue	\$2,736,000	Revenue	\$3,283,200	Revenue	\$3,939,840
			(\$500,000)	Training	(\$240,000)	Training	(\$240,000)	Training	(\$240,000)	Training	(\$240,000)
					\$800,000	Approximated Grant					
			(\$304,000)	Repair and Warranty	(\$364,800)	Repair and Warranty	(\$437,760)	Repair and Warranty	(\$525,312)	Repair and Warranty	(\$630,374)
DISC Rate	10%										
CASHFLOW	(\$5,680,000)		\$1,096,000		\$2,475,200		\$2,058,240		\$2,517,888		\$3,069,466
NPV	\$2,534,017.67										Profit
											\$5,536,794



Sensitivity Analysis

Snorkel 1	Revenue Growth	12%	Repair Costs	20%	Confidence of Grant	33%	Grant Size	\$800,000					
	Year 0			Year 1		Year 2		Year 3		Year 4		Year 5	
	(\$5,511,000)	Initial cost	\$3,000,000	Revenue	\$3,360,000	Revenue	\$3,763,200	Revenue	\$4,214,784	Revenue	\$4,720,558	Revenue	
			(\$950,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	
			(\$750,000)	Repairs Improvement	\$264,000	Approximated Grant							
			(\$600,000)	Repair and Warranty	(\$672,000)	Repair and Warranty	(\$752,640)	Repair and Warranty	(\$842,957)	Repair Expansion	(\$944,112)	Repair and Warranty	
DISC Rate	10%												
CASHFLOW	(\$5,511,000)		\$700,000		\$2,502,000		\$2,560,560		\$2,521,827		\$3,326,446	Profit	\$6,099,834
NPV	\$2,904,822.31												
Snorkel 2	Revenue Growth	6%	Repair Costs	20%	Confidence of Grant	33%	Grant Size	\$800,000					
	Year 0			Year 1		Year 2		Year 3		Year 4		Year 5	
	(\$5,511,000)	Initial cost	\$3,000,000	Revenue	\$3,180,000	Revenue	\$3,370,800	Revenue	\$3,573,048	Revenue	\$3,787,431	Revenue	
			(\$950,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	
			(\$750,000)	Repairs Improvement	\$264,000	Approximated Grant							
			(\$600,000)	Repair and Warranty	(\$636,000)	Repair and Warranty	(\$674,160)	Repair and Warranty	(\$714,610)	Rapair Expansion	(\$757,486)	Repair and Warranty	
DISC Rate	10%												
CASHFLOW	(\$5,511,000)		\$700,000		\$2,358,000		\$2,246,640		\$2,008,438		\$2,579,945	Profit	\$4,382,023
NPV	\$1,735,790.98												
Snorkel 3	Revenue Growth	-5%	Repair Costs	20%	Confidence of Grant	33%	Grant Size	\$800,000					
	Year 0			Year 1		Year 2		Year 3		Year 4		Year 5	
	(\$5,511,000)	Initial cost	\$3,000,000	Revenue	\$2,850,000	Revenue	\$2,707,500	Revenue	\$2,572,125	Revenue	\$2,443,519	Revenue	
			(\$950,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	(\$450,000)	Training	
			(\$750,000)	Repairs Improvement	\$264,000	Approximated Grant							
			(\$600,000)	Repair and Warranty	(\$570,000)	Repair and Warranty	(\$541,500)	Repair and Warranty	(\$514,425)	Rapair Expansion	(\$488,704)	Repair and Warranty	
DISC Rate	10%												
CASHFLOW	(\$5,511,000)		\$700,000		\$2,094,000		\$1,716,000		\$1,207,700		\$1,504,815	Profit	\$1,711,515
NPV	(\$95,554.58)												



Weights			Importance to Executives (1 is most important) (Vales are compleetly subjective)					
Criteria	Weight	Deffinitions	CEO	CMO	CFO	CTO	Lead Counsel	COO
Dust Factor		4 How closely the candidate is related to the CEO.		2				2
Experience		10 Candidate's (positive) experience with product development.		1		1	1	2
Bonus		2 Dollar amount of bonus to be paid the proect exceeds sales expectatoins in year 1 (Lower is better).				2		
Likeability		6 How well liked the candidate is by other employees.			1	3	4	
Familiarity		8 How familiar the candidate is with the poject's sub-nich (technology).			2		1	1
Options for 6th								
Competitiveness	Not Chosen	The candidates drive to succeed when compeeting agianst others.		3			3	3
Trust		5 How trustworth the candidate is.		2	3			
Soft Ball Ability	Not Chosen	How good they are at soft ball.				4		3

Criteria	Weight	Eunice Stark	Torsten McDuck	Veronica Abernathy	Serge
Dust Factor	4	3	4	2	1
Experience	10	2	1	3	4
Bonus	2	\$0	\$0	\$0	\$0
Bonus-R		\$9,200	\$9,200	\$9,200	\$9,200
Likeability	6	82	23	3	60
Familiarity	8	1	3	2	4
Trust	5	73	62	88	77

Criteria	Weight	Eunice Stark	Torsten McDuck	Veronica Abernathy	Serge	Mean	ST DEV
Dust Factor	4	3	4	2	1	2.5	1.12
z-Score		0.45	1.34	-0.45	-1.34		
Experience	10	2	1	3	4	2.5	1.12
z-Score		-0.45	-1.34	0.45	1.34		
Bonus	2	\$7,520	\$9,200	\$8,240	\$5,600	Max Bonus:	\$9,200
Bonus-R		\$1,680	\$0	\$960	\$3,600	\$1,560.00	\$1,320.00
z-Score		0.09	-1.18	-0.45	1.55		
Likeability	6	82	23	3	60	42	30.85
z-Score		1.30	-0.62	-1.26	0.58		
Familiarity	8	1	3	2	4	2.5	1.12
z-Score		-1.34	0.45	-0.45	1.34		
Trust	5	73	62	88	77	75	9.30
z-Score		-0.22	-1.40	1.40	0.22		
Total		-6.53	-17.52	-2.40	26.45		

	Eunice Stark	Torsten McDuck	Veronica Abernathy	Serge
Employee Salaries	\$94,000	\$115,000	\$103,000	\$70,000
Bonus	\$7,520	\$9,200	\$8,240	\$5,600
Bonus Amount:	8%			