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MEJZLÍK MODELLBAU: SEEKING DIRECTIONS TO FLY HIGH

Mohit Srivastava and Ladislav Tyll wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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Tomáš Mejzlík launched his propeller manufacturing company, Mejzlík Modellbau, in 1989, after significant changes in the political scenario of the Czech Republic. The company produced high-quality carbon fibre propellers for remote-controlled (RC) planes in the business-to-business (B2B) market. The company was headquartered in Brno, the second-largest city in the Czech Republic, and had a highly centralized business model to achieve an efficient communication and distribution system. The key highlight of Mejzlík Modellbau was its high-quality customized carbon fibre propeller, which was used for a wide variety of applications.

Mejzlík Modellbau gained high visibility in the RC plane market and achieved a strong position by maintaining quality standards and providing excellent customer service. These factors helped Mejzlík Modellbau to attain a strong cash position and excellent credit rating. However, in July 2018, the market for RC planes was reaching a saturation stage, leading to a decline in the growth of the RC plane market. Mejzlík was well aware that if he continued to rely solely on the RC plane market, the company might soon face bankruptcy. This thought provoked Mejzlík to explore various other markets where he could utilize his expertise of making high-quality carbon fibre propellers. Mejzlík was also aware that he needed a market where he could effectively exploit the company’s existing competences rather than inventing or exploring new competencies. He thus conducted a thorough analysis of the market and came up with several exciting market segments. However, the critical task was to find a right fit between, on the one hand, Mejzlík Modellbau’s current financial position and its core competencies and, on the other hand, the revenue attractiveness of the new market.

MEJZLÍK MODELLBAU

In 1989, Mejzlík took the excellent opportunity presented by the favourable business environment and exploited his keen interest in making propellers into a real business opportunity. However, as with any start-up, the conditions were not conducive in the beginning, and Mejzlík Modellbau encountered a less developed market and low demand for high-quality propellers. However, Mejzlík’s intense interest and zeal to excel in this field kept him going.

In 1994, the famous model trade fair held in Toledo, Ohio, was a significant turning point for the company, as the company’s propellers caught the attention of several prominent players. From 1994 to late 2000, the company aggressively participated in several major championships around the world, where it gained significant visibility in the market. This participation helped the company to secure a reasonable number of orders, and by the end of 2001, almost half of the pilots participating in the world’s leading tournaments and championships were using Mejzlík’s custom-made propellers. Initially, the delivery period for the propellers was eight to nine months, due to the higher number of orders; however, Mejzlík had implemented efficient manufacturing and a centralized distribution system, so the company was able to deliver the propellers at a much faster pace. The market for RC planes had evolved over a period of time and had developed into a profitable business segment. The company had a staff of 20 employees and focused mainly on international exports (90 per cent in Western Europe and the United States) in the business-to-consumer (B2C) market by delivering safe, efficient and modern custom-made propellers for worldwide customers. By July 2018, the Mejzlík Modellbau’s product portfolio ranged from two- and three-blade propellers for gas engines, electric motors, and multicopters to contra-rotating and electric propellers for F3A aircraft of various sizes. Spinner sets and spare parts were also available (see Exhibit 1).

strategic position of MEJZLÍK MODELLBAU

Mejzlík Modellbau operated in a highly competitive B2C market with a sharp brand image. The company had several competitive advantages over other players, including high-quality products, perfect customization, and excellent value. Due to these advantages, Mejzlík Modellbau had a favourable strategic position compared with competitors such as Tiger Motor (T-Motor), Aero-naut Modellbau (Aero-naut), and KDE Direct (see Exhibit 2). T-Motor offered customization similar to that offered by Mejzlík Modellbau—but at a higher cost.[[1]](#footnote-1) On the other hand, Xoar International offered propellers at a similar cost to Mejzlík Modellbau but delivered slightly less customization.[[2]](#footnote-2) KDE Direct provided medium customization but at a higher price than Mejzlík Modellbau.[[3]](#footnote-3) Aero-naut[[4]](#footnote-4) and SZ DJI Technology[[5]](#footnote-5) offered lower-priced propellers; however, their customization level was shallow. In addition, Mejzlík Modellbau had a knowledge advantage of having produced propellers for more than 27 years. Mejzlík Modellbau propellers were considered the most efficient, quietest, and safest propellers available in the market. This competitive advantage showed up in Mejzlík Modellbau’s financial statements (see Exhibits 3–5), which showed a strong cash position (with almost no debt) and a favourable credit rating with potential debt capacity of up to 50 per cent of the asset base. Nevertheless, there were some challenges, such as the limitation of the production capability and the missing bundling option with engines. Moreover, since 2011, the company had not made any significant investments, and its critical long-term assets were depreciating. Therefore, it was possible the company would need to make some investments. (A Porter’s five-forces analysis and a SWOT [strengths, weaknesses, opportunities, and threats] analysis are shown in Exhibits 6 and 7, respectively.)

The overall analysis of the company and industry showed that Mejzlík needed to find a suitable potential market to further grow the company’s revenue. According to 2018 estimates, the demand for RC models of airplanes was on a steady decline (e.g., a compound annual growth rate [CAGR] of –10 per cent from 2014 to 2017),[[6]](#footnote-6) as fewer people were flying with these specific models of planes. Consequently, since 2014, the company had faced a significant decrease in revenues (approximately 15 per cent year on year) due to the mature phase of the market. This situation created immense pressure on Mejzlík to explore other possible options. However, the company had developed specific competencies in the RC market. Although the company had a satisfactory financial position in July, no excess cash was available to explore additional capabilities for a different market. Therefore, the ideal approach would be to find a potential market where the company could exploit its existing capacities to grow further in that specific market segment. It was evident that if the company continued on the current trend without exploring growth options, it might soon face bankruptcy. Nevertheless, finding a potential market to exploit its current capabilities was equally challenging.

Growth CHALLENGES

To handle this situation, Mejzlík had already started consulting with various stakeholders and external consultants to help him determine the best possible market to explore. He received several recommendations for various markets where he could utilize the company’s existing capabilities for making high-quality carbon fibre propellers.

One suggestion was to explore the drone market, especially the commercial segment, which had grown at a fast pace and was expected to speed up to 35 per cent CAGR by 2021 (see Exhibit 8).[[7]](#footnote-7) The key growth drivers for the drone market were improvements in batteries, payload capacities, and the availability of sensors for capturing high-resolution images. Moreover, an immense investment in drone research and development had created exciting opportunities in new submarkets, such as agriculture, construction, telecommunications, mining, and transportation. In addition, vendors were focusing on customizing these drones to ensure that they could withstand harsh conditions such as wind gusts of 70 kilometres per hour. Therefore, it was possible that flexible manufacturing, pricing adjustments, and scaling up would be required. All of these factors cumulatively increased the attractiveness of this market and the possibility of revenue stream diversification. However, all regulations needed to be followed strictly. This growth pace was further fuelled by the decreasing price of drones, which made drones attractive for massive utilization within multiple industries (see Exhibit 9). Although the recommendation was appealing for Mejzlík, he was unsure how to enter this market. For example, should he focus on drone manufacturers by selling to them directly or focus instead on B2B2B[[8]](#footnote-8) partnerships with engine manufacturers to offer a balanced compatibility? Moreover, he needed to decide on which sector would be the most attractive to start with. However, Mejzlík was aware that strict regulations in this sector might be an essential point to consider. He was also worried about the cost and the expected return from this market segment.

The external consultants had also advised him to explore the military segment, such as supplying the propellers needed for military drones, as this segment had potential for high growth. The military drones were categorized in three categories: Class I (< 150 kilograms [kg]), which included micro, mini, or small drones; Class II (150–600 kg), which represented tactical application drones; and Class III (> 600 kg), which referred to highly specialized strategic drones. (A list of possible military partners is shown in Exhibit 10.) This segment’s significant advantage was that government played the role of the end consumer, and strict regulations did not affect the military section. Moreover, in addition to offering high-value deals, the government would be willing to pay premium prices; however, this segment had several domestic suppliers, which could result in severe competition. Mejzlík needed to decide on which class of drones to focus on. Although the hobby segment initially showed some growth, that growth was expected to decline in the next four years (see Exhibit 11). This decreasing growth puzzled Mejzlík and made him question whether to consider the hobby segment or ignore it altogether.

Direction to fly high

Initially, Mejzlík had been excited to receive such broad recommendations from the various stakeholders and the external consultants regarding the possible markets for growth. However, when he closely analyzed all the options, he became more confused, as each option had its advantages and disadvantages. Moreover, he was unsure how to partner with various players and how to receive the maximum return on his investments. Before he could finalize an option, he needed to go through a rigorous analysis. The following week, Mejzlík had a scheduled meeting with senior managers to chalk out his plan. Mejzlík was still juggling all the various options in an attempt to finalize the most suitable options that offered the best synergy with Mejzlík Modellbau’s existing capabilities.

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Exhibit 1: key products of MEJZLÍK MODELLBAU (USD)

|  |  |
| --- | --- |
| **Type (dimension range)** | **Price range** |
| **Gas engine** |  |
| Two-bladed 16″×8″–34″×12″ | $59.29–$192.16 |
| Three-bladed 16″×11″–31″×12″ | $83.25–$274.92 |
| **Electric engine** | |
| Two-bladed 18″×8″–32″×10″ | $63.53–$207.39 |
| Three-bladed 20″×13″–27″×12″ | $119.91–$179.80 |
| **Multicopter** | |
| Two-bladed 14″×4.5″–30″×10″ | $55.45–$177.04 |
| Three-bladed 16″×5.5″–28″×9.4″ | $84.46–$217.68 |
| **F3A** | |
| Contra props 20″×22.5″–23″×20″ | $114.83–$130.56 |
| Electric props | |
| Two-bladed 21″×13″–21″×14″ | $106.36 |
| Three-bladed 20″×13″–20″×14″ | $145.09 |

Source: “Our Products,” Mejzlík Modellbau, accessed June 1, 2018, www.mejzlik.eu/all-products/.

Exhibit 2: STRATEGIC POSITIONING OF MEJZLÍK MODELLBAU

Quality/

Customization

Price

**low**

**medium**

**high**

**low**

**medium**

**high**

**KDE Direct**

**Aero-naut**

**DJI**

**Xoar**

**Mejzlík**

**T-Motor**

Source: Created by case authors using information provided by Mejzlík Modellbau.

Exhibit 3: MEJZLÍK MODELLBAU’S Balance Sheets, 2009–2016 (CZK THOUSANDS)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** |
| **Total Assets** | 23,701 | 25,099 | 30,059 | 25,499 | 22,479 | 20,341 | 18,627 | 17,246 |
|  |  |  |  |  |  |  |  |  |
| **Net Non-current Assets** | 11,764 | 13,478 | 16,341 | 14,838 | 13,335 | 11,832 | 10,329 | 8,826 |
| PPE | 11,764 | 13,478 | 16,341 | 14,838 | 13,335 | 11,832 | 10,329 | 8,826 |
|  |  |  |  |  |  |  |  |  |
| **Current Assets** | 11,937 | 11,621 | 13,718 | 10,661 | 9,144 | 8,509 | 8,298 | 8,420 |
| Inventories | 5,897 | 5,897 | 5,897 | 5,186 | 3,287 | 3,154 | 3,070 | 2,976 |
| Accounts Receivables | 4,784 | 4,156 | 6,578 | 3,467 | 4,311 | 3,679 | 3,241 | 3,199 |
| Cash and Equivalents | 1,256 | 1,568 | 1,243 | 2,008 | 1,546 | 1,676 | 1,987 | 2,245 |
|  |  |  |  |  |  |  |  |  |
| **Current Liabilities** | 9,856 | 8,338 | 12,345 | 7,683 | 6,634 | 5,341 | 5,561 | 4,976 |
| Accounts Payable | 9,856 | 8,338 | 12,345 | 7,683 | 6,634 | 5,341 | 5,561 | 4,976 |
|  |  |  |  |  |  |  |  |  |
| **Owner’s Equity** | 13,845 | 16,761 | 17,714 | 17,816 | 15,845 | 15,000 | 13,066 | 12,270 |
| Contributed Capital | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Retained Earnings | 11,845 | 14,761 | 15,714 | 15,816 | 13,845 | 13,000 | 11,066 | 10,270 |

Note: CZK = Czech koruna; CZK1 = US$0.045 on July 15, 2018; PPE = plant, property, and equipment.

Source: Mejzlík Modellbau data.

EXHIBIT 4: MEJZLÍK MODELLBAU’s Income Statements, 2009–2016

(CZK THOUSANDS)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** |
| **Net Sales** | 16,731 | 17,243 | 16,963 | 15,791 | 15,442 | 13,978 | 12,732 | 11,547 |
| Cost of Goods Sold | 6,692 | 6,897 | 6,785 | 6,316 | 6,177 | 5,591 | 5,093 | 4,619 |
|  |  |  |  |  |  |  |  |  |
| Gross Profit | 10,039 | 10,346 | 10,178 | 9,475 | 9,265 | 8,387 | 7,639 | 6,928 |
| Other Expenses | 5,019 | 5,173 | 5,089 | 4,737 | 4,633 | 4,193 | 3,820 | 3,464 |
|  |  |  |  |  |  |  |  |  |
| **Operating Income** | 5,019 | 5,173 | 5,089 | 4,737 | 4,633 | 4,193 | 3,820 | 3,464 |
| Interest Expenses | 37 | 149 | 259 | 217 | 1 | 1 | 1 | 2 |
| Taxes | 0 | 2 | 192 | 0 | 0 | 0 | 0 | 17 |
| **Net Income** | 4,982 | 5,022 | 4,638 | 4,520 | 4,632 | 4,192 | 3,819 | 3,445 |

Note: CZK = Czech koruna; CZK1 = US$0.045 on July 15, 2018.

Source: Mejzlík Modellbau data.

EXHIBIT 5: MEJZLÍK MODELLBAU’s Financial Analysis, 2009–2016

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** |
| **Profitability Ratios** |  |  |  |  |  |  |  |  |
| ROA | 21% | 21% | 17% | 19% | 21% | 21% | 21% | 20% |
| ROE | 36% | 30% | 26% | 25% | 29% | 28% | 29% | 28% |
| Gross Profit Margin | 60% | 60% | 60% | 60% | 60% | 60% | 60% | 60% |
| Operating Profit Margin | 30% | 30% | 30% | 30% | 30% | 30% | 30% | 30% |
| Net Profit Margin | 30% | 29% | 27% | 29% | 30% | 30% | 30% | 30% |
| **Solvency Ratios** |  |  |  |  |  |  |  |  |
| Equity Ratio | 58% | 67% | 59% | 70% | 70% | 74% | 70% | 71% |
| Net Debt/EBIT | –41% | –63% | –27% | –63% | –54% | –76% | –72% | –99% |
| Interest Coverage Ratio | 135.66 | 34.72 | 19.65 | 21.83 | 4,632.60 | 4,193.40 | 3,819.60 | 1,732.05 |
| **Activity Ratios** |  |  |  |  |  |  |  |  |
| Days Inventory | 321.62 | 312.07 | 317.22 | 299.68 | 194.24 | 205.90 | 220.03 | 253.18 |
| Days Receivables | 104.37 | 87.97 | 141.54 | 80.14 | 101.90 | 96.07 | 92.91 | 101.12 |
| Days Payables | 537.54 | 441.25 | 664.08 | 443.97 | 392.02 | 348.67 | 398.56 | 393.23 |
| Cash Conversion Cycle | –111.56 | –41.20 | –205.32 | –64.15 | –95.88 | –46.70 | –85.62 | –56.93 |
| Asset Turnover | 0.71 | 0.69 | 0.56 | 0.62 | 0.69 | 0.69 | 0.68 | 0.67 |
| **Liquidity Ratios** |  |  |  |  |  |  |  |  |
| Current Ratio | 1.21 | 1.39 | 1.11 | 1.39 | 1.38 | 1.59 | 1.49 | 1.69 |
| Quick Ratio | 0.61 | 0.69 | 0.63 | 0.71 | 0.88 | 1.00 | 0.94 | 1.09 |
| Cash Ratio | 0.13 | 0.19 | 0.10 | 0.26 | 0.23 | 0.31 | 0.36 | 0.45 |

Note: ROA = return on assets; ROE = return on equity; EBIT = earnings before interest and taxes.

Source: Mejzlík Modellbau data.

EXHIBIT 6: porter’s five-forces ANALYSIS—MEJZLÍK MODELLBAU

|  |  |  |
| --- | --- | --- |
| Threat of New Entrants | * It does not take long to learn to make propellers of a decent quality, but it takes a long time to develop perfect propellers. * The biggest threat is from companies that have significant experience in making propellers for aircrafts. | **High** |
| Threat of Substitutes | * Jet engines are the only substitute for propellers. * Not all jet engines can fit in all applications. * Jet engines are much more expensive than propellers. | **Low** |
| Bargaining Power of Suppliers | * Key suppliers provide carbon fibre and epoxy resin. * Suppliers can be easily replaced; many such suppliers are available on the market. * Suppliers account for only approximately 10% of the final price of the propeller. | **Low** |
| Bargaining Power of Buyers | * The B2B market means that few buyers are ordering large quantities, which means they hold considerable power. * The market for propellers is more competitive than the market for drones. * Losing only one buyer in the B2B market can have a significant negative impact on Mejzlík Modellbau. | **High** |
| Industry Rivalry | * HHI: 1,700 = Low market concentration * Many producers utilize synergies, as they produce both propellers and drones. * Highly competitive market | **High** |

Note: B2B = business-to-business; HHI = Herfindahl–Hirschmann Index; The HHI is a measure of the size of firms in relation to the industry and is used as an indicator of the amount of competition among them.

Source: Created by case authors using information provided by Mejzlík Modellbau.

EXHIBIT 7: SWOT ANALYSIS OF MEJZLÍK MODELLBAU

|  |  |
| --- | --- |
| **Strengths** | **Opportunities** |
| * Producer of the highest-quality propellers in the market * Flexible and high production capacity (13,000 propellers per year) * Financially healthy company * Many years of experience in propeller market * European company; has no trust issues, unlike China | * Loosening regulations can unlock huge market * Drones and UAV markets are projected to have exponential growth * High concentration of start-ups in industry are seeking custom solutions that Mejzlík Modellbau can offer |
| **Weaknesses** | **Threats** |
| * Long process of employee training (1 year) * No experience in communicating with big players * Propellers have advantages only within a specific diameter range * Portfolio requires tests and experiments * Company is dependent on key employees | * Defective material can delay production significantly * Exchange risk; Mejzlík Modellbau is an exporter * End consumer market is dependent on regulations * Growing drone and UAV markets might draw competitors with experience * Fast-moving market |

Note: SWOT = strengths, weaknesses, opportunities, and threats; UAV = unmanned aerial vehicles.

Source: Created by case authors using information provided by Mejzlík Modellbau.

EXHIBIT 8: COMMERcIAL DRONES MARKET, 2016–2021 (USD billions)

4.615

2.427

4.465

4.245

1.079

2016

1.923

3.205

2017

2.554

2019

3.414

1.410

1.144

2020

2018

6.318

1.568

1.846

2.188

3.113

8.000

7.000

0

1.000

4.000

3.000

5.000

6.000

9.000



8.710

2.000

2021

Commercial drones hardware

Commercial drones software

Source: *Drones Reporting for Work*, Goldman Sachs, 2017, accessed June 1, 2018, www.goldmansachs.com/our-thinking/technology-driving-innovation/drones/.

EXHIBIT 9: KEY SECTORS in the DRONE MARKET, 2016 versus 2012 (%)

|  |  |  |
| --- | --- | --- |
| **Key Sectors** | **2016** | **2021** |
| Agriculture | 22 | 24 |
| Energy & utility | 19 | 19 |
| Public safety | 18 | 18 |
| Infrastructure | 14 | 17 |
| Media & entertainment | 13 | 11 |
| Insurance | 8 | 7 |
| Other | 5 | 3 |

Note: The 2016 market adopted drones in five major streams, which varied significantly in their specific requirements. The projected market in 2021 shows the biggest gains in the agriculture and infrastructure segments, which were a result of the expected decrease in price.

Source: Pankaj Lanjudkar, *Commercial Drones Market by Type (Fixed Wing Drones, Rotary Blade Drones, Hybrid Drones Segment), Application (Agriculture and Environment, Media and Entertainment, Energy, Government, Construction & Archaeology)—Global Opportunity Analysis and Industry Forecast, 2014–2022*, Allied Market Research, April 2017, accessed June 5, 2018, www.alliedmarketresearch.com/commercial-drone-market.

**Exhibit 10: Possible government and military partners for mejzlÍk modellbau**

|  |  |  |
| --- | --- | --- |
| **Company** | **Country** | **Product** |
| Israel Aerospace Industries | Israel | Different models t ls |
| Elbit Systems Israel | Israel | Different models |
| Northrop Grumman | United States | Class III |
| Boeing | United States | Different models |
| AeroVironment | United States | Class III and Class II |
| Dassault Aviation | France | Class III |
| BAE Systems | United Kingdom | Class II and Class III |
| Airbus Group | Germany/France/Spain | Different models |

Source: “Military Aircraft Group,” Israel Aerospace Industries, accessed June 1, 2018, www.iai.co.il/17780-en/Groups\_Military\_Aircraft.aspx; “Military Aircraft and Helicopter Systems,” Elbit Systems, accessed June 1, 2018, http://elbitsystems.com/products/military-aircraft-and-helicopter-systems/; “Military Aviation,” Northrop Grumman, accessed June 1, 2018, www.northropgrumman.com/Capabilities/MilitaryAviation/Pages/default.aspx; “Defense Products,” Boeing, accessed June 1, 2018, www.boeing.com/defense/#/products-services; “Tactical Unmanned Aircraft Systems,” AeroVironment, accessed June 1, 2018, www.avinc.com/solutions/tactical-isr; “Civil and Military Aircraft,” Dassault Aviation, accessed June 1, 2018, www.dassault-aviation.com/en/group/about-us/civil-and-military-aircraft/; BAE Systems, “Solar UAV to be Developed with the Potential to Stay Airborne for a Year,” press release, May 3, 2018, accessed June 1, 2018, www.baesystems.com/en-uk/article/solar-uav-to-be-developed-with-the-potential-to-stay-airborne-for-a-year; “Unmanned Aircraft Systems,” Airbus Group, accessed June 1, 2018, www.airbus.com/defence/uav.html.

EXHIBIT 11: past and expected GROWTH IN the hobby, military, and commercial SECTORS of the drone market, 2015–2022 (%)

|  |  |  |  |
| --- | --- | --- | --- |
| **Segment** | **Growth, 2015–2018** | **Expected Growth,**  **2018–2022** | **Increase/Decrease** |
| Hobby | 89.1 | 42.6 | –46.5 |
| Military | 55.0 | 98.2 | +43.2 |
| Commercial | 145.5 | 380.3 | +234.8 |

Source: Blanca de Miguel Molina and Marival Segarra Oña, “The Drone Sector in Europe,” in *Ethics and Civil Drones: European Policies and Proposals for the Industry*, ed. Blanca de Miguel Molina and Virginia Santamarina Campos (Cham, Switzerland: Springer International, 2018), 7–33.

1. “Carbon Fiber Propellers,” T-Motor, accessed September 9, 2018, http://store-en.tmotor.com/category.php?id=65. [↑](#footnote-ref-1)
2. “R/C Propellers,” Xoar accessed September 9, 2018, www.xoarintl.com/rc-propellers/; “XOAR DJI Inspire 2 Carbon Fiber Propellers High Quality Props 1550 15x5 CW CCW (2 Pairs),” Xoar, accessed September 9, 2018, https://shop.xoarintl.com/products/xoar-dji-inspire-2-carbon-fiber-propellers-1550. [↑](#footnote-ref-2)
3. “UAS Multi-Rotor Propellers Blades,” KDE Direct, accessed September 9, 2018, www.kdedirect.com/collections/multi-rotor-propeller-blades. [↑](#footnote-ref-3)
4. “CAMcarbon Light Prop,” Aero-naut, accessed September 9, 2018, www.aero-naut.de/en/products/airplanes/accessories/

   propellers/camcarbon-light-prop/. [↑](#footnote-ref-4)
5. “Online Store,” DJI, accessed on September 9, 2018, https://store.dji.com/. [↑](#footnote-ref-5)
6. Company data. [↑](#footnote-ref-6)
7. Goldman Sachs, *Drones Reporting for Work*, 2017, accessed June 1, 2018, www.goldmansachs.com/our-thinking/technology-driving-innovation/drones/. [↑](#footnote-ref-7)
8. B2B2B referred to selling to businesses, which then resold the goods to other businesses. [↑](#footnote-ref-8)