



# Rescue Robot

Business Plan  
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Jason Braverman, Isabel Young, Elijah Newton, Henry Katchuba, Micah Stavenhagen

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## A. EXECUTIVE SUMMARY

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### ***Opportunity Statement***

Imagine a grandma trying to lift a box and getting hurt—it's a big problem! Every year, about 3 million older adults end up in the emergency room because of falls, often from trying to lift things they shouldn't (CDC, 2024)<sup>8</sup>. And with nearly 35 million Americans having trouble moving around, the need for help is huge. But guess what? The gadgets and robots we have now aren't doing the job. They can't handle all the needs of our elderly and friends and family with disabilities. We need better solutions to keep them safe and make their lives easier. This is where the Rescue Robot comes in, being a fully autonomous robot with a detachable grabber arm, voice activation, and Bluetooth connection, this unique robot will enhance independence in daily activities. By reducing the need for assistance from others, the Rescue Robot empowers users to navigate their environment more freely and comfortably.

### ***Business Concept and Product or Service***

The value we propose is an in-home device that would aid in taking care of someone. It will be used for various applications such as the retrieving and transportation of items within or across different rooms. This will improve the quality of life by roughly 45%, also saving ~60 mins daily. The most unique feature is the arm that extends to hand height for those who have trouble bending down, or are in a wheelchair and cannot reach the ground.

This solution, of a robot that lives in a consumer's house, replaces the most used alternative of a mechanical grabber arm, which requires ample hand/arm strength to operate. There are numerous illnesses that can inhibit a person's ability to do so, the Rescue Robot can reduce this frustration by being there to assist whenever possible.

The uniqueness of this venture is that there is no product that is similar to this on a fundamental level in price and offerings. From a mechanical standpoint, the robot would be readily available and easy to use because of voice commands; even if the price is thousands of dollars less than comparable products.

Rescue Robot, the legal entity, will be recognized as an LLC. There will be a board of directors to oversee certain aspects of the business such as the design and marketing processes.

### ***Description of the Target Market***

Our primary target market includes middle-aged adults caring for elderly parents or family members with disabilities, as well as elderly individuals caring for their spouses. In the United States, there are approximately 53 million caregivers<sup>5</sup>, with many belonging to the middle-aged demographic. Collectively, these caregivers contribute over \$500 billion in unpaid labor annually<sup>6</sup>, indicating significant spending power when seeking products and services that alleviate caregiving burdens. Additionally, we will focus on healthcare professionals, nursing



homes, adult care facilities, and senior living communities that collectively represent a market worth over \$300 billion annually<sup>5</sup>.

### ***Competitive Advantage***

The Rescue Robot differentiates itself in the mobility assistance market through a combination of advanced technology, compact design, and strategic market positioning, ensuring its long-term competitive edge. While affordability remains a key benefit at \$800, our true advantage lies in proprietary technology, user-focused design, and strong distribution relationships that competitors will find challenging to replicate. At 18 inches high, the Rescue Robot's compact size and full 360-degree rotation provide unmatched mobility in tight spaces, making it uniquely suited for the elderly and people with disabilities. Its advanced features—including voice activation, environment-detecting sensors, Bluetooth integration, and a personalized app—enhance user autonomy and are protected by intellectual property measures to guard against imitation.

We also emphasize building strong partnerships with nursing homes, healthcare facilities, and senior living communities to create exclusive distribution channels. These relationships not only increase adoption but also raise barriers for competitors looking to enter our target market. Unlike direct competitors like the Whill Model C, Car-O-Bot, and Blue Frog Robotics, which are priced significantly higher and cater to more niche demands, or indirect competitors like nursing homes or handheld grabbers that either lack technological sophistication or require human reliance, the Rescue Robot strikes the ideal balance between independence, innovation, and accessibility. By combining cutting-edge technology with targeted partnerships and a focus on user needs, the Rescue Robot is positioned to capture a significant share of the mobility assistance market while maintaining a sustainable competitive advantage that extends beyond price.

### ***Essence of Marketing Approach***

Our marketing strategy includes targeted digital and traditional channels to effectively reach our audience while driving measurable outcomes. We aim to achieve \$3.9 million in sales by Year 5, with the Rescue Robot being used in 400 healthcare facilities and attaining 85% customer satisfaction by Year 3. To build awareness, we will advertise on social media platforms such as Facebook, which is popular among caregivers, as well as on TV channels and newspapers targeting the 65+ demographic. Informational pamphlets will be distributed to healthcare providers and care facilities to engage users less familiar with digital platforms.

Our strategy includes live product demonstrations at support groups and healthcare events, emphasizing the Rescue Robot's user-friendly features, such as its extendable grabber arm and compact design. Additionally, social media campaigns, including Facebook ads and engagement in caregiver groups, will showcase customer testimonials and product benefits, driving traffic and trust. By Year 1, we aim to generate 20,000 impressions monthly through our combined advertising efforts and achieve a 2% conversion rate. For healthcare providers,



partnerships will focus on integrating the Rescue Robot into patient care, with measurable objectives including signing agreements with 50 facilities and conducting 100 demonstrations within the first year.

### ***Economics and Breakeven***

Our economics model is to sell our autonomous robot for \$800 a unit to hospitals, assisted living facilities, and caregivers, which will be our main source of revenue. We will also be able to rent our robot for \$80 a month, which will be our secondary source of revenue. This will result in a profit margin of about 40% per unit, based upon the COGS of \$480 per unit. Our operating leverage will be 1.7084, based on our fixed costs of \$820,000 and our variable costs of \$480,000 for 1,000 units. The company plans to break even in the middle of Year 2 (April 2026), with a break-even point of \$6,125,600.

### ***Technology and Operational Issues***

The technology included is mostly proprietary in the configuration it is built in. Some of the components are readily available commercially, however, those without robotics knowledge will not be able to dissect them. Those components are a mechanical arm with servo motors driving the lifting mechanism, a LIDAR/IR camera for depth of field vision, omnidirectional wheels, and other standard technology items like a battery and motherboard.

In terms of R&D, we already have a model of the robot that is beginning to be prototyped. That includes making several iterations out of less expensive materials to ensure proper usability and safety requirements set by the executive team. The team that will be working on this is led by the COO and consists of the salaried engineers we will hire.

Production will be handled by outsourcing to a machining company for all manufacturing, assembly, and quality control metrics. The company we are looking to work with for the manufacturing is Tecomet using specialized products from other companies like Texas Instruments, General Electric, and UPS/USPS for shipping.

### ***The Team***

- Rescue Robot's management team consists of five experienced individuals with strengths in finance, business analytics, marketing, supply chain, and real estate which aid in our competitive advantage in the market. The team is outlined as follows:

Rescue Robot Executive Team		
Chief Executive Officer (CEO)	Jason Braverman	Responsible for overseeing and managing the overall operations of the Rescue Robot.
Chief Operating Officer (COO)	Elijah Newton	Responsible for supervising manufacturing, distribution, and other supply chain-related activities to ensure that the business runs smoothly.



Chief Financial Officer (CFO)	Micah Stavenhagen	Responsible for tracking the company's costs and payments, ensuring that all funding and expenses are accounted for in a timely manner.
Chief Technology Officer (CTO)	Isabel Young	Responsible for overseeing any technological developments and updating the product according to trends in the market.
Chief Marketing Officer (CMO)	Henry Katchuba	Responsible for advertising, promotional strategies, and all other marketing affairs.

### ***Financial Highlights***

Our break-even will be achieved in April of 2026 (Year 2). Rescue Robot forecasts \$15.42 million in accumulated gross margin over the next five years of operations. Below is a basic overview of our financials for Year 1 through Year 5.

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Sales	\$3,793,600	\$7,357,440	\$8,796,400	\$11,020,480	\$13,775,840
Total Expenses	\$4,112,552	\$6,127,861	\$7,391,362	\$9,220,171	\$11,974,956
Net Profit/Loss	-\$318,952	\$1,229,579	\$1,405,038	\$1,800,309	\$1,800,884

### ***Financing Needs and How the Team Proposes to Raise the Money***

Rescue Robot is requesting \$900,000 in exchange for 40% of the company. In combination with the equity, two Board of Advisor seats in our LLC will be available for the investors. Additionally, using the Net Present Value (NPV) based on a five-year discounted after-tax cash flow, the expected rate of return for investors at the end of five years is 5%, with a total NPV of \$2,286,066. The investors' total ROR, based on our P/E ratio and pre-tax earnings, is \$13.54 million. Finally, we decided on a 0% dividend payout for the first 2 years, then a \$20 dividend payout compounding until year 5 with a total contribution to investors of \$40,960.



## I. THE COMPANY, CONCEPT, AND PRODUCT

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### *The Company & The Concept*

The legal entity recognized as Rescue Robot will be an LLC and will commence operations on January 1st, 2025.

The company was first established in 2024 and will be based in Boston, MA.

The idea was inspired by a close family member of one of the founders who has Parkinson's disease. Approximately 500,000 Americans are diagnosed, but some experts estimate that as many as 1 million people have the disease according to the U.S. National Institutes of Health<sup>1</sup>. Parkinson's disease is a chronic brain disorder that causes uncontrollable movements, muscle stiffness, slowed movement, and difficulty with balance and coordination. Due to this imbalance of homeostasis in the brain, some people diagnosed have noticed they lack the strength to do everyday tasks like walking around and picking items up. The solution most use is a grabber arm that functions by squeezing a trigger, but without the necessary strength, they cannot retrieve their items. This expands further to people with mobility issues in general because if someone has a foot or leg injury and cannot walk around, the robot can act and pick up what they need it to.

The concept of the business is a robot with an external arm that can pick items off the ground. It functions by use of remote, or voice activation. Fully autonomous activation is still being worked on at this moment. Our unique value is being able to provide a seamless experience for those who cannot move as well, allowing them to gain some independence back by not having to rely on caregivers. This will improve the quality of life by roughly 45%, also saving ~60 mins daily. In addition, if someone does not live with anyone else, talking to the robot can help their mind stay sharp and aware.

The solution is a robot with an arm that helps people who have trouble moving by picking up things from the ground. It makes life easier by letting them get items without needing help from others. The robot can be controlled by a remote or voice commands, giving more freedom to people who need it.

### *The Product(s) & The Service(s)*

Our product will be an autonomous robot (see right for prototype) that can respond to commands to pick items up. A service that we will also provide is the ability to rent a robot for a designated period of time when an injury is healing. As of this moment, there is no physical store to see the robot, but a website will be set up to see photos, videos, and renderings. Also on the site will be an explanation of the different services offered; someone purchasing, or renting with return information once they are finished with it.





The robot incorporates different kinds of components, some more atypical than others. The first is a battery, not a power supply unit. The battery's use is to internally power the robot, only needing a dock to recharge once the battery is depleted. Another crucial component is the motherboard. In this case, it is a PID controller (proportional-integral-derivative controller). This is a control loop mechanism using feedback from the robot, which uses calculus formulas to calculate where the robot is going. Additional hardware that is used is a slightly unconventional chassis. The robot's design is small enough to fit inside a cube with 18-inch long sides, yet it is able to pick up objects and lift them over its head. It is made out of aluminum, and it was specifically developed and built to allow ease of motion and ease of repair should something break. In the chassis design, an arm was included to lift objects. The arm uses servo motors to allow for higher efficiency and more reliability than other types of motors.

More unconventional pieces of hardware include wheels and a drivetrain. The drivetrain was specifically chosen to be in a "mecanum configuration" which allows the robot to move in any direction without changing orientation. In conjunction with the drivetrain, omnidirectional wheels were included because of their ability to mimic a tank drive. A crucial piece of hardware is an IMU sensor (inertial measurement unit sensor). This is a sensor that uses gyroscopes to measure and report angular rates. This means that it can read where the robot is in the room using several different sensors similar to how a phone can change orientation mode as it is turned.

Some of the technology featured in the robot includes RFID, more specifically BLE (Bluetooth Low Energy). The robot works by using Bluetooth receptors and a beacon between a phone, controller, and/or docking station and the robot to communicate. The intended application is to have sensors in the dock or around the room in addition to ultrasonic sensors on the robot to detect where something has fallen and can send the robot to retrieve it, working in conjunction with a sound detection burglar alarm. This could also work in a mesh network allowing multiple robots to work simultaneously. The sensors that are placed in the robot and the dock allow the mapping of the floor plan and any obstacles. Due to the limited range of beacons, active sensors will need to be linked to the robot's internal battery, requiring a continuous power draw. The sensor placement will need to be strategically located across several spots depending on how big the room is and how much furniture is present. For example, in an average American home, the living room is typically larger than the average dining room. The sensors can also be placed in picture frames to keep them out of sight and keep the room clean and pristine looking. This mapping data of the room will be used for autonomous driving and machine learning, limiting the number of collisions and extending the life of the furniture and the bumpers of the robot. The programming for this will be very complicated, but not impossible. The wall sensors will have to "talk" to each other and the robot so there will be a constant connection leaving hopefully very low latency response times using the unique identifier signal every 100 milliseconds between all the electronic components.

The way the computing delivery would work for updates is as a combination of infrastructure as a service and on-premises services because the operating system is a proprietary





system coded by in-house programmers, then pushed out to consumers as new things are tested and machine learning improved.

### ***Entry & Growth Strategy***

We plan to launch the robot on April 30th, 2025 at the Boston Robotics Summit and Expo. This will allow us to network with healthcare professionals who have an interest in robotics, as well as other engineers who can advise on how to build robots efficiently. To start, we want to partner with hospitals and Medicare to provide the Rescue Robot to supplement their staff, then go to sell privately online.

The target market for purchasing is middle-aged adults who might be caring for their elderly parents or family members with disabilities, and the elderly who care for their spouses. We will also focus on healthcare professionals, nursing/adult homes, and senior communities. Ads will be in magazines, the radio, and social media. Pamphlets will be given to doctors' offices and nursing/adult homes. We will provide presentations to support groups for patients and caregivers demonstrating the product.

Social media will serve as an advertisement agent. Connections can be made to popular sites like Facebook to announce that "The Rescue Robot rescued my item." This will generate buzz and more future sales. Those who have used it and their posts will serve as testaments to the robot's ability. Posters can respond to questions and comments as well as people from the company. Once people see it used, trends will emerge and others will hop on board the idea. The robot will have its own Instagram page where it will repost videos of people's items being retrieved; more proof that it is a great product.

## **II. THE INDUSTRY ANALYSIS**

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### ***Identify Industry & Sector***

A robot designed to help elderly people pick up items would fall under several relevant NAICS codes. The most fitting code is 62412 - Elderly & Disabled Services<sup>10</sup> in the US which provides essential care for aging adults and individuals with disabilities, primarily through nonmedical home aid and social assistance services. This code is appropriate for robots designed to assist elderly individuals with daily activities due to the medical and therapeutic nature of the product and helping those with Parkinson's or those who have trouble lifting items.

The US Engineering Services industry (NAICS 54133)<sup>10</sup> provides solutions for industrial, commercial, residential, and infrastructure projects, including consulting and project management. Revenue has grown moderately, driven by economic growth, though inflation and uncertainty have impacted demand. Major players like Aecom and Jacobs hold small market shares in a highly fragmented industry. Technological advancements in AI, robotics, and 5G,



along with rising demand for sustainable construction (e.g., LEED certification), are driving innovation. Specifically, the robotics part of this industry is relevant to the Rescue Robot.

The US Elderly & Disabled Services industry (NAICS 62412) is segmented primarily into nonmedical home aide services, which account for 42.5% of revenue, and social assistance for elderly and adults with disabilities, comprising 31.3%. Government grants and private contributions contribute 17.9%, while smaller segments like social assistance for children and other services make up the rest. Major players include Easter Seals Inc., Interim HealthCare Inc., and Sunrise Senior Living, although the market is fragmented, with 94.8% of revenue generated by smaller companies. This industry's growth is driven by the aging population, with rising demand for home health services as baby boomers age and prefer home-based care. Industry revenue is supported by government funding for Medicare, Medicaid, and disability benefits, growing at a CAGR of 1.8% from 2019 to 2024, and expected to rise to \$8.5 billion by 2029. However, inflation, competition from residential care providers, and barriers to entry like licensing remain challenges.<sup>4</sup>

The US Engineering Services industry (NAICS 54133) is segmented across a wide array of sectors, with industrial, commercial, and institutional projects accounting for 24.2% of revenue, and consulting and project management services contributing 19.3%. Other major segments include transportation projects (15.5%), residential and municipal utility projects (9.1%), telecom and broadcasting systems projects (2.7%), and power transmission and distribution projects (2.1%). The industry generates a total revenue of \$350.9 billion (2019-2024), with a projected growth rate of 1.4% through 2029. The largest players, such as Aecom and Jacobs Engineering Group Inc., hold relatively small market shares (around 3%), with 90.9% of revenue generated by smaller companies.<sup>3</sup>

The industry's growth is highly dependent on economic factors like private and nonresidential construction, government investment, and demand from sectors like utilities and mining. Engineering services are also influenced by the value of residential construction and the yield on Treasury notes. Rising demand for technological solutions, including robotics, AI, and 5G networks, has driven firms to adopt innovations, enhancing operational efficiency. Environmental regulations and green construction projects, including LEED certifications, further shape the industry, presenting opportunities for growth in sustainable engineering. Despite challenges from inflation and high competition, the sector remains resilient, with a profit margin of 9.6%.

### ***Industry Size & Annual Growth Rate***

The US Elderly & Disabled Services industry (NAICS 62412) is in the maturity stage of its life cycle. This is reflected by steady revenue growth, with a CAGR of 1.8% from 2019 to 2024 and a forecasted 2.7% growth from 2024 to 2029<sup>4</sup>, driven by the aging population and increasing demand for long-term care services. The industry's reliance on government funding, like Medicare and Medicaid, and the essential nature of its services provide stability, while challenges such as rising inflation and competition from non-professional care limit rapid



expansion. The sector is well-established, with moderate barriers to entry and low revenue volatility, indicating a mature and stable market.

The US Engineering Services industry (NAICS 54133) is also in the maturity stage of its life cycle. This is characterized by steady but moderate growth, with revenue increasing at a CAGR of 1.6% from 2019 to 2024 and a forecasted 1.4% growth through 2029<sup>3</sup>. The industry's dependence on overall economic growth, such as increased construction and infrastructure spending, further solidifies its position as a mature sector. Additionally, the industry's low product and service concentration, high competition, and moderate innovation signal that while growth opportunities exist—particularly in areas like green construction and technological integration—the market is not expanding rapidly, which is typical of a mature industry.

The implications of the current stages of the US Elderly & Disabled Services industry (NAICS 62412) and the US Engineering Services industry (NAICS 54133) for your venture strategy—creating a robot designed to assist elderly individuals in picking up items—are quite significant.

In the context of the Elderly & Disabled Services industry, which is in a mature stage, our innovation aligns well with the growing demand for non-medical home aid services and the increasing elderly population. This demographic shift means there's a robust and sustained market for products that enhance the independence and quality of life for older adults. By focusing on a product like the Rescue Robot, we are tapping into a sector that benefits from essential services and significant government funding. However, in a mature industry, differentiation through innovation will be crucial to stand out against established service providers and meet the evolving needs of users.

On the other hand, the Engineering Services industry, while also mature, is increasingly leveraging technology and innovation. Companies are investing in advancements like robotics and AI to improve efficiency and meet market demands. This presents an opportunity for us to position the Rescue Robot not just as a tool, but as a part of a broader technological ecosystem that can integrate with existing engineering services or healthcare technologies. By doing so, we could potentially enhance our robot's capabilities and appeal.

Overall, our strategy can effectively ride the wave of growth in the Elderly & Disabled Services industry while also reinvigorating the mature landscape of engineering services through innovative technology. This dual approach can provide a competitive edge, ensuring that the Rescue Robot not only meets immediate needs but also aligns with the broader trends toward automation and technological integration in elder care. Focusing on how our product can improve efficiency and care for the elderly will be key in leveraging both industries' growth potential.

### ***Structure of Industry At Present***

The assistive robotics industry focused more on eldercare would be considered fragmented. Although through the rise in technology advancements, it has been experiencing some growth. There is currently no company that dominates the field of autonomous robots for



personal/elderly care. There are tech companies that experiment with assistive robots including Yrobot that developed a spin on an exoskeleton armor that enhances mobility using robotics. This all means that there are low barriers to entry. Although there are opportunities for smaller companies to compete with new niche products, the market may favor larger companies that end up acquiring the smaller ones. The implication here would make early market entry potentially a big competitive advantage.

Currently, the robotics/technology industry and the elderly and disabled services industry both have a good amount of players. Some of the large ones include *Toyota*, *iRobot*, *Xiaomi*, and *Amazon Robotics*. These big players have been investing in robotic technology for assistive and home care. Although they have invested in this market, their primary focus isn't specifically on eldercare or aid robots. Small players include *Robotic Care Solutions*, *Relay Robotics*, and *Intuition Robotics*. These players focus on building service robots for hospitals and hotels. It is important to add that some of these emerging robotic companies have robots that can be easily adapted to our product. Two examples of this are *Fetch Robotics* (now *Zebra*) and *inVia Robotics*. They build autonomous mobile robots but are specifically focused on industrial applications including logistics, warehousing, and manufacturing. Although these companies aren't specializing in elderly & disabled services, they have similar software/services that could easily be transferred into this industry as a product.

The largest and most important players in the industry include *iRobot*, *Toyota*, and *SoftBank Robotics*. *iRobot* is primarily known for its Roomba vacuum. They have the majority of their experience in home robotics, but not specifically in eldercare or mobility assistance. *Toyota* has developed assistive robots such as the HSR that help elderly people with mobility, but this is far from *Toyota's* primary focus as a company. *SoftBank Robotics* developed the robot "Pepper" which helps with interactions but is not focused on picking up items. *Amazon Robotics*, although large, is similar to *Fetch Robotics* and *inVia Robotics* as their focus is robots that bring efficiency to their fulfillment and distribution centers. *Amazon* in general is known to invest in and acquire smaller companies. Our company has the opportunity to learn from these big companies. As these companies don't focus on mobility aids, we can hone into item retrieval and a specific functional robot. They also show that staying up to date on the latest technology innovations will be necessary for competing. We can also take into account the possibility of being acquired by a large company such as *Amazon*.

Since the market is fragmented, companies compete by offering unique features/ niche markets for us, mobility assistance, and elderly care. *iRobot* focuses on general home robots. AI machine learning and sensor technology incorporation are necessary to be competitive. As a small company, we compete with prices. Our product must give long-term support, safety, and reliability. Also needed is ease of use especially when dealing with elderly individuals.

There are a couple of straightforward keys to success, making our robot easy to use, especially for people with limited mobility. The next is making it reliable and safe. It will be used in many different environments. Focusing solely on picking up items will help set us apart



from other generalized robots. We can also plan to partner with healthcare providers, senior homes, and more to gain access to our target market faster and easier.

### ***Key Trends In The Industry***

Trends within an industry are very important to the fundamental understanding of whether or not a product or business could do well there. The first industry that our company is involved in is the US Elderly & Disabled Services industry (NAICS 62412). One of the key trend within this industry is the Federal disability benefits growth turning positive, meaning that the Social Security Administration and US Congress is funneling a lot more money over the last year and a half into disability services. This will lead to a lot of opportunities for Rescue Robot to pick up as we are dealing with this demographic, people with disabilities. Finally, another major trend happening within this industry is that insurance coverage - private and public - will keep revenue stable. This means that we could also possibly be able to tap into this growth advantage as well regarding the private sector, and trying to offset our overall cost. All 3 of these trends are very good for the growth potential of our business and the longevity of our stay within this specific industry.

The second industry that impacts our business is the US Engineering Services industry (NAICS 54133). One of the key trend for this industry is that engineering companies will focus more on projects related to digital technologies, meaning that this is a prime opportunity for Rescue Robot, since the entire industry is moving over towards digital technologies, and half of our product will be digital technology. This ensures that the movement towards more technologically focused engineering is a positive opportunity for our company as a whole. The final key trend for this industry is that as the economy grows, businesses use engineering services more often, meaning that there will always be a need for engineering services regardless of the economic situation within the US. This will allow us to take advantage of that skilled labor while making our product, and the possible demand that may produce on the basis of selling our product. Overall this industry is a thoughtful and well-established contender and has a lot of opportunities for us to exploit regarding the current key trends.

### ***Key Success Factors For The Industry***

Winners in the elderly and disabled services industry succeed by focusing on three key factors: Adaptability, location of use, and their variety of services. They're able to quickly adjust to changing factors including different regulations and market demands to be able to provide the best care. A relevant example of this is the increase in home-based care. A lot of the successful companies have expanded more into their in-home care services. Winners in the industry also strategically are located near places such as senior communities and healthcare facilities. This allows them to build strong relationships and access their target market more effectively. They also help build long-term customer service and trust while providing support even after a sale. Companies that fail often fail to achieve the goal of making their product easy to use. This leads



to customer dissatisfaction. These companies fail to adapt to changes in the industry and offer limited services.

For our strategy, we must be able to ensure that our robot is adaptable, allocating resources to be able to continuously innovate. Things such as software updates and improving our robots autonomous capabilities. To be able to run our product even after sales, we need a great customer support system. Possibly, short-term rentals or trial periods for users to improve customer loyalty and trust. One of the main implications is making our product user-friendly for the elderly and caregivers who aren't familiar with more advanced technology. Our robot needs to be easy to operate. In terms of location, it would be best to market near senior communities and healthcare facilities. This will be more effective in reaching our target demographic and give us an edge over other competitors.

### ***Standard Financial Ratios For The Industry***

The main industry that will affect us regarding financial ratios is the US Elderly & Disabled Services industry (NAICS 62412), as this is the one where we will be competing and selling the majority of our products. Overall this industry is a strong one regarding the financial ratios, in both ROI, CAGR, and revenue per business. The general consensus of this industry is that there is an overall revenue of \$74.9 billion, resulting in an ROI of 1.8% over the past 4 years and projected to be about a growth of 2.7% in the next 4 years<sup>4</sup>. This means that there is steady growth within this industry, one that is moderately volatile, with a low barrier to entry, leading to a relatively good opportunity for entrance regarding our company. This leads to the next point regarding this industry, the CAGR, which is 0.4%, being that the CAGR is a good investment signifier across the board, whether you are a new company starting out or an individual investing, this number is a very good sign regarding the possibilities for Rescue Robot. Finally, the last ratio that should be looked at is revenue per business, which is \$694.1 thousand, an average resulting from around 108,000 businesses in this industry. This number may look low on average, but the growth from the last 4 years has been over 2%, meaning that the forward potential is there. This means that there is a possibility of profit, as this is the elderly and disabled services industry in general, not the subset we plan to hit, which is robotics within the healthcare industry. Overall, these ratios give a good outlook and indication for the future, that this potentially is a good industry for us to be a part of.

The secondary industry that will affect us is the US Engineering Services industry (NAICS 54133). This industry applies to the manufacturing side rather than the elderly and disabled services industry, which is the market of customers we will be hitting. To be consistent with this analysis, the same ratios will be looked at and evaluated, including the ROI, CAGR, and revenue per business. The revenue of this industry in 2024 will be \$350.9 billion, with a ROI of 1.6% over the last 4 years, and a projected ROI of 1.4% in the next 4 years. This means that there is a lot more potential in the future for long-term growth within this industry. Tying that into the CAGR, which is 0.2%, leads to an overall good outlook for the industry, and for our future entrance into it<sup>3</sup>. Since this will be a more secondary industry that Rescue Robot would be





participating in, as we would need to manufacture said product, it is good to have a holistic view, rather than looking into the one singular industry that we would mainly be participating in. Regarding the final ratio, revenue per business, for this industry it leads to about \$2.5 million per business, based on the average of 141,000 businesses in this industry. Overall, these ratios also make it an easy option for entrance into the industry, seeing how there is room for growth and that it historically has been very good to those businesses who have thrived within it.

### III. MARKET RESEARCH & ANALYSIS

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#### *Definition of Your Relevant Market and Customer Overview*

The market that we are aiming to serve are the Elderly and People with Disabilities. We are basing this market on the mobility range of elderly and people with disabilities with a focus on age and income level. We have also found through our market research of 50 interviews and surveys of over 400 individuals that these groups are often assisted by professionals in the industry, placing them in this target market through association. More specifically, the segments are outlined below:

- Elderly Living Independently
  - This segment is defined as those who are 65 years or older value their independence and need the robot to complete daily tasks. Based on the interviews conducted we found that the individuals that fall into this group tend to be concerned with the technological adaptability on their behalf when utilizing the robot, which we assumed is due to the generation of the demographic. We also found that this age group typically lives in suburban and less densely populated areas where there isn't much traffic, both socially and transportation wise.
- People With Disabilities
  - We defined this group of individuals as those who have apparent mobility struggles that hinder their ability to engage in simple daily activities. This segment seems to struggle with using a grabber that is currently on the market as its mobility needs extend farther beyond using a grabber. The individuals with physical disabilities also express excitement about using a highly technologically advanced product and seem eager to test out an autonomous robot.

In order to capture both of these segments, we would be selling the Rescue Robot both in person and online, essentially advertising it as a tool for mobility assistance. Based on the interviews conducted we found that in person sales would be the easiest for our consumers to understand. The challenges involved in selling the robot online to the elderly and disabled market include the full understanding of how the technology works since many have expressed concerns around the adaptability when using the robot, considerations about the physical





dimensions and how much space it takes up in addition to the compactness capabilities since they cannot see the robot in person, and lastly the price sensitivities with regards to coverage with insurance and renting options depending on the income level of the individual. Selling online to healthcare professionals includes similar issues in regards to lack of physically being able to see the robot and pricing concerns as well. If we were to sell the robot in person to community center groups or specialized organizations where groups of these individuals will be, then those people could see the product in person and how it works, also how it can personally adapt to their situation. For healthcare professionals, selling the robot in person in small meetings would include the physical robot being present which would allow for questions and the ability to test the features in various environments.

### ***Market Size and Trends***

Our target market, which is predominantly individuals with disabilities, specifically mobility related issues, comprises approximately 35.4 million individuals in the United States who experience these mobility issues thereby hindering their ability to engage in daily activities. This number comes from the CDC in 2023, which estimates that around 26% of adults live with some form of disability, with about 13.7% specifically facing serious difficulties in walking or climbing stairs, according to U.S. Census data. Regarding market size, the estimated annual spending on mobility aids and alternatives for this demographic ranges from \$7.08 billion to \$17.7 billion. This range is based on an average yearly expenditure of \$200 to \$500 per person on various mobility solutions, including grabbers and other assistive devices. Given this substantial market size, there is significant potential for our technologically advanced product. By addressing the specific challenges faced by individuals with mobility struggles and providing a more effective solution than current alternatives, Rescue Robot could tap into considerable demand within this eager demographic. This market not only represents many potential customers but also reflects a growing interest in innovative technology that enhances independence and improves the quality of life for those with physical disabilities.

The major factors and industry trends affecting our market are technological advancement within the industry, which we will be able to benefit from wholeheartedly, especially in the eyes of the customer if the entire market is changing, our entrance will not be as harsh. The socioeconomic trends of our industry have been a significant increase in disposable income for older Americans, leading to the penchant for spending on something such as Rescue Robot. Finally, for the last part of industry trends, the governmental policy of late within the United States has been trending more towards senior-friendly policies, giving increased funding and incentives for home modifications for mobility issues and disability and home care support overall. These industry trends will allow Rescue Robot to enter our market cleanly with a lot of options for future growth.

### ***Buyer Demographics and Buyer Behavior***



The individuals who are purchasing the next best alternative, a grabber, are those with mobility struggles, ideally above the age of 65, or a caregiver and healthcare professional who makes that decision on their behalf. They are purchasing them through online sites, or using them through the healthcare provider. Currently, the elderly individuals who live independently opt to purchase and use a grabber arm with an attachment at the end of the arm that aids in mobility. There are also other robots out in the market, however these are not as popular among this demographic as they are more expensive for the group we deal with. Additionally, elderly individuals are experiencing issues in range of mobility with these grabbers and in our interviews have complained about the usability still being a challenge to them. They are looking for a product that will solve issues like bending over to pick up objects off the ground, or overly extending to grab items out of reach. These individuals are aware that the device currently at their disposal is not satisfying their direct needs, but mostly meets their requirements, enough so that their quality of life is slightly improved. The interest they have in the grabber as the next best alternative is its simple model and ability to mimic a human's physical movement of reaching and grabbing. The desire this fulfills is having a range of mobility for the elderly who cannot rely on another person to help them. Lastly, the action that comes about from their needs is the purchase of the grabber. Currently it seems that based on the survey data and interviews conducted, the healthcare professionals do not use any additional device assistance, if any, besides the grabber mentioned previously through their patients.

### ***Market Segmentation and Targeting***

The market for our Rescue Robot can be broken down into distinct groups based on usage needs and demographics. Each of these segments has specific characteristics and benefits that come from our robot. The four main key segments are elderly individuals who live independently, individuals with disabilities (all ages), caregivers and family members, and lastly, healthcare professionals and institutions. The first segment, elderly individuals who live independently, would be aged 65+. They value their independence, and would likely be hesitant to new technology because of their age, but are open to easy-to-use devices. They would likely use our robot to perform daily tasks such as needing to get items without bending down, and other mobility-related tasks. Similarly, our second segment, individuals with disabilities would be people of all ages. The robot would improve mobility assistance, the usage rate would be high, especially for individuals who have severe mobility impairments. They seek tools that would improve their quality of life. Our third segment, caregivers and family members, is self-explanatory. They manage care for their parents or relatives. They are concerned for the independence and safety of their loved ones. The Rescue Robot would reduce the need for constant physical assistance. Lastly, healthcare professionals and institutions would consist of hospitals, rehab centers, and other healthcare facilities with patients who need mobility assistance. They are interested in technology that can improve efficiency in care, reducing the workload of staff. There would be a high usage rate for the patients in those settings.



Table: Market Segments Overview

Segment	Demographics	Psychographics	Benefits Sought	Information Sources	Product Usage
Elderly Living Independently	65+, living alone/minimal care	Value independence, not tech-savvy	Performing tasks independently	Family, senior community	Moderate daily use for assistance
People with Disabilities	All ages, physically disabled	Seek independence, adaptive	Mobility assistance	Social media, disability groups	High usage rate for frequent assistance

The two segments that represent the greatest sale potential are the Elderly living independently and individuals with disabilities. The elderly demographic living independently represent 54 million people over the age of 65 in the U.S. Currently, the aging population is increasing rapidly. Their need for independence makes them strong for sales potential. The second segment, individuals with disabilities, would have arguably the highest usage rate. They represent a market with continuous demand for assistive products. Making their quality of life improved makes them have a strong sales potential. We will be prioritizing both of these segments primarily as well as a secondary priority being health care professionals and institutions. Although a smaller segment, they have the possibility of bulk sales and potential long-term partnerships.

These segments shop similarly, due to the fact that they may not have the ability to leave their place of residence to see the Rescue Robot in a store. They mainly shop online after seeing a product on TV, or it being recommended to them by a doctor. The best way to target them is to show the doctors that it works, and visit assisted living centers to give in-person demonstrations.

### ***Competition and Competitive Edges***

	Price	Size	Mobility and Use	Technology Focus	Target Market	Customization
Whill Model C	\$4,750.00	21.8in high	29.9in turning radius	Omni-directional wheels, personalized app, lithium ion battery	Disabled and elderly	Accessories and attachment options, terrain adaptability, color and style options
Car-O-Bot	\$66,000 - \$232,000	62.2in high	360 degree rotations	Omni-directional platform, tactile finger-like sensors, 3D sensors to detect environment	Disabled and elderly	Customizable interface, integration with home systems, sensory adaptations
Blue Frog Robotics: Buddy	\$4,890.00	23.6in high		Emotional AI, sensory ability to detect environment, SDK (software development kit)	Disabled and elderly	Personalized settings, interactive behaviors, ability to have education



				application		or entertainment features, personalized app integration
Rescue Robot	\$699.99	18in high	360 degree rotations	Voice activated, rechargeable battery, omni-directional wheels, environment detecting sensor, personalized app	Disabled and elderly	Bluetooth sensors for furniture avoidant, full directional movement, voice commands
inVia Robotics	\$4,000	25.5in high	360 degree range	Fully autonomous robot that fulfills order tasks, enhance efficiency in fulfillment and inventory management	Warehouses and fulfillment centers	Warehouse Intelligence software LWM, inVia SmartPath system, extendable lift and patented suction cups
Fetch Robotics	\$33,333	19.5in high	Turns in place	Autonomously picks up carts and transports them using sensors, easily adaptable and repurposed to many environments	Warehouses and fulfillment centers	Replenishment of materials, on demand automation, ability to create your own base

The categories listed above allow a more in-depth look at what each competitor has to offer compared to the Rescue Robot. Price is based on what the product averages on the market, found on the company websites or retailers. Size is depicted in inches and how high the product is, since that is the most variant component of each robot. Mobility and Use refers to the rotations each robot is able to make whether that be a full 360 degrees, or a limited range of motion. Technology Focus and Customization explain what unique features each robot consists of, differentiating it from the other while also providing specific details about the software, adaptability and user interface. Lastly, the Target Market categorizes who the product is intended for based on the IBIS World industry list.

These companies have been able to enter the market due to the need for assistance without a physical presence being needed. Therefore, the threat of new entrants is low due to the high capital requirements to construct a comparable device and innovative technology required to compete, which correlates to the threat of substitutes being low, since the prices for these devices are much greater than Rescue Robot. Additionally, the bargaining power of buyers can be considered low since the cost of switching would be high due to the inflated prices for competitors when compared to our own product. The bargaining power of suppliers would be considered high since the software needed for each of the competitors and our own product is specialized, the supplier can control what is available and what isn't.

The direct competitors of the Rescue Robot include mobility assistant wheelchairs such as the Whill Model C and mobile robot assistants like the Car-O-Bot or Blue Frog Robotics. These three companies offer solutions to elderly and people with disabilities through the use of technology to improve everyday tasks. Each device offers a unique service to allow the individual to operate independently. Additionally, the indirect competitors would include the



at-home care services, nursing homes, medical alert systems, and handheld devices such as a stick with an attachable grabbing mechanism. Services like nursing homes or home assistance allow the individual to have around-the-clock care with a physical presence to assist immediately. While these competitors offer either independence through handheld devices, or human interaction through caregivers, there is still a reliance on another object or person for those with disabilities or elders. Physical devices such as medical alert systems and grabbing mechanisms allow for a sense of independence, however, may not be fully reliable due to the mobility capabilities of the individual using the device.

### ***Estimated Size of Your Addressable Market***

The estimated size of our addressable market must take into account all of the Elderly & Disabled Services market, diluting that down into the section that we wish to target. Since there are about 56 million people in the US who are elderly, and about 40% of those have mobility issues of some kind, that would leave us with a target customer base of about 22.4 million. If we assume even 20% of those people will seek out mobility services to solve their problems, then we have a prospective customer base of about 4.48 million people. If we aim for a perspective capture of the market of 1% for Year 1, that would lead us to capture 44,800 individuals, if we upped that to 2% in Year 2, that would then become 89,600 customers, and finally, if we upped that to 3% in Year 3, that would then become 134,400 prospective customers. The final assumption to make would be if we had an individual revenue of \$800 per customer, which would lead us to a goal of making \$3.8 million in revenue for Year 1, \$7.4 million in revenue for Year 2, and \$11.02 million in revenue for Year 3. Then adding onto that, the finalized market share based upon these assumptions would be all of the revenues of the three years, divided by the total market size of 4.48 million, leading to a market share of around 42%. Between all of these assumptions, this completes our overall addressable market from the entirety of the Elderly & Disabled Services industry, looking quite favorably for our long-term growth and prosperity as a company.

### ***Ongoing Market Evaluation***

We will continue to evaluate our target market through research including interviews with potential customers which include the elderly and people with disabilities, and healthcare professionals. We plan to do this by going into these healthcare facilities to ask patients there, and speaking with individuals in groups that experience mobility issues, conducting interviews every couple of days each week by each team member. We also will expand research to manufacturing prospects that would be involved in the assembly, design, patents and technology development required for the robot. Members in our group will have spoken with engineers and students studying this technology on a weekly basis so that we can continue to learn the details of the assembly process. We also plan to send out a survey that will help us further understand our market so we can segment accordingly and more specifically. We want to send the survey to those who are directly impacted with mobility issues and those who deal with individuals who



have these struggles to get both perspectives. We will continue to talk to focus groups to gain information about what is important to them when it comes to mobility assistance as it will be beneficial as we move forward to finalize the personalization specifications of the robot. Also being aware of future opportunities outside of the United States is something to consider, as there are different regulations that would need to be followed. It will also be important to consider manufacturing opportunities outside of the US as well depending on what seems the most economically feasible. The introduction of AI is another technological advancement to consider implementing, especially since a few of the major competitors utilize this technology.

#### IV. THE ECONOMICS OF THE BUSINESS

##### *Revenue Sources and Gross and Operating Margins*

The main source of revenue is split between our two services that get the robot out to consumers. The first source of revenue is purchases of the robot, and the second source of revenue is renting the robot for a fee every month.

The margins are about 40% with the cost to make ~\$480.00 and retailing at a planned \$800, based upon our market research stating the max a customer would pay would not exceed \$1000 per unit (Appendix F, #1). The price to rent per month is currently set at ~\$80.00. After this period of renting, once we receive the robot back, it will be tested to ensure operability and safety standards are being met. It will then be eligible for further renting. Should the customer wish to keep their Rescue Robot permanently, there will be a buyout option that will be based on how long they have already been renting. The Weighted Average Contribution Margin (WACM) is \$317.10 per unit, which is about 40%.

<i>Revenue Source</i>	<i>Selling Price (Per Unit)</i>	<i>Variable Cost (Per Unit)</i>	<i>Contribution Margin (Per Unit)</i>	<i>Contribution Margin Ratio</i>
Purchase	\$800.00	\$480.00	\$320.00	40%
Rental (Per month)	\$80.00	~\$90.00*	-\$10.00	-12.5%



***Fixed and Variable Costs***

<b><i>Cost Type</i></b>	<b><i>Description</i></b>	<b><i>Estimated Amount</i></b>	<b><i>Percentage of Total Cost</i></b>
<b>Fixed Costs</b>			
Rent of Office Plus Utilities	Workspace costs and utilities	\$30,000	3.7%
Outsourced Production Budget	Yearly outsourced production contract budget	\$65,000	8.0%
Other Administrative Salaries	Staff compensation, non-executive roles	\$40,000	4.9%
Executive Salaries	Compensation for leadership roles	\$375,000	45.7%
Website Maintenance	Online platform upkeep costs	\$1,000	.1%
Shipping Expenses	All shipping expenses between our warehouse, our main suppliers, and our customers	\$70,000	8.5%
Salaries for Three Engineers	Key technical personnel salaries	\$231,000	28.1%
Insurance	Risk coverage and protection	\$8,000.00	1.0%
Total Fixed Costs		\$820,000	63.08%
<b>Variable Costs (Per unit)</b>		<b><i>Unit Cost</i></b>	
Drive Train	All raw materials and machining costs related to the drive train	\$135	
Arm	All raw materials and machining costs related to the mechanical arm	\$100	
Electrical Components	All electrical components and their implementation cost	\$135	
Housing/Chassis	All raw materials and machining costs related to the chassis	\$110	
Total Variable costs (Per Unit)		\$480	
Total Variable Costs (\$1,000 units)		\$480,000	36.92%





### ***Start-up Costs***

Category	Description	Estimated Costs
Research & Development	Initial prototyping, design, and testing	\$50,000
Manufacturing Setup	Initial contract negotiation with third-party manufacturing suppliers, as well as initial contract costs for the first few months	\$30,000
Legal & Incorporation Fees	Legal expenses, business registration, patents, trademarks	\$10,000
Website & App Development	Creation of an e-commerce site, a software app for robot use, and other digital platforms	\$7,000
Licenses & Permits	Any necessary licenses or permits for operation	\$5,000
Inventory & Materials	Raw materials for an initial production run	\$20,000
Technology & Equipment	Computers, software tools	\$10,000
Extra Costs	Unexpected costs, buffer for unplanned expenses	\$5,000

### ***Operating Leverage and its Implications***

Our business has a high fixed cost structure, which means we have a high operating leverage. This would include expenses such as manufacturing setups, research and development, and more. Some implications come with the higher operating leverage. The first would make our business slower to break even. Due to the high fixed costs, we will need to generate a substantial volume of sales before we can reach breakeven. The high operating leverage also has higher risk. Our fixed costs need to be covered regardless of our sales performance which causes a high risk financially. On the other hand, Rescue Robot should have greater profit margins after we reach breakeven. Once we reach breakeven, more revenue will flow directly to profit as fixed costs are covered and only variable costs remain. Lastly, our business will have a scaling advantage. As sales increase, our business can benefit from economies of scale, as profitability will grow quickly after our fixed costs are met.

Fixed Costs	\$820,000
Variable Costs	\$480,000
Total Operating Leverage	1.7084

### ***Breakeven Chart and Calculation***

With our projected target market being elderly and people with disabilities, a breakeven of 8,260 units will require strong early sales direct and through rentals. The combination of high



margins and multiple revenue streams such as sales, rentals, and maintenance for our Rescue Robot will support our profitability once our fixed costs are covered. Our gross margin per unit of \$320.00 will mean our profits will grow quickly after breakeven. However, since we are dealing with a majority of elderly individuals who are price-sensitive, it could slow sales. Rental options and payment plans could help our company overcome this. To lower the break-even cost, we need to reduce fixed costs or increase pricing.

Break Even (units)	8,260
Contribution Margin Ratio	40%
BEP (\$)	\$6,125,600

### ***Overall Economic Model: Logic of Profit***

The Rescue Robot's economic model consists of four key components: revenue drivers, volumes, margins, and operating leverage. Revenue comes from two drivers: sales of the robot and monthly rentals, with a 40% gross margin on sales and rentals serving as a market penetration strategy. Compared to competitors offering similar assistive devices prices upwards of \$4,000, Rescue Robot's \$800 price point delivers high value at a fraction of the cost, making it more accessible to a larger volume of customers. The dual revenue streams set us apart from competitors with single revenue streams sets us apart from competitors with single revenue models, while our operating leverage benefits from high fixed costs that enhance profitability as sales volumes increase. Our competitive pricing and market entry strategy position us for better scalability and long-term success.

### ***Profit Potential and Durability***

Our profit durability will be vulnerable at the start because there is naturally a longer lead time when considering the technological, machining, and safety factors necessary to produce and sell robotic goods to consumers. A threat to our profitability in the long term would be losing one contract from a large hospital/care provider that purchases in bulk, so we must be vigilant in signing multi-year contracts with these organizations for rentals and overall purchases over time to keep our profitability potential alive and well. Additionally, since customers, based on our market research, are willing to pay \$800 to lead to a margin of 40%, our profitability will remain durable throughout the duration of our business.



## V. THE MARKETING PLAN

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### *Overall Marketing Strategy*

The Rescue Robot will be positioned as an essential tool for enhancing the independence and quality of life for elderly and individuals with disabilities. To reach our target audiences we will position ourselves through social media efforts where our target market has a presence, like Facebook groups, ads on TV channels for ages 65+, and newspaper ads. We'll also create pamphlets that healthcare professionals can hand out to patients. Our company will focus on marketing Rescue Robot's easy-to-use features, such as the extendable grabber arm, compact robot storage options, and app usability. By leveraging these features and implementing a robust marketing plan, we aim to achieve 15% sales growth in Year 2, increasing to 25% by Years 4 and 5. By the end of Year 5, we project \$3.9 million in profits, with Rescue Robot in use at 400 healthcare facilities across the U.S. Additionally, we aim to achieve 85% customer satisfaction by Year 3, driven by our focus on user-friendly design and consistent customer support. The characteristics of our market segments of elderly and people with disabilities include physical limitations to complete daily activities due to pain, illness, injury, or chronic conditions, and level of familiarity with technology. Our age range is typically above 65 years old, the way we chose to market the robot reflects that. Choosing to advertise on television programs that this age group still watches and hand out physical fliers and pamphlets is the preferred method of reaching them over various social media platforms and apps. Our main customer concern comes from adapting to new technology. By centering our approach on simplicity, accessibility, and user-friendliness, we can connect our outreach to our customers' specific needs.

### *Pricing*

The Rescue Robot will be offered to purchase at \$800 and available to rent on a weekly basis at starting at \$80 per week. These decisions are based on our market research and survey results (Appendix F). 77.5% of respondents said they would be willing to purchase the robot at \$700, and 67.7% said they would be willing to rent the robot at \$20/week. However, due to manufacturing and material constraints \$800 is more feasible. According to our market research, we believe that this is a reasonable price for our target market, as many of them expressed in interviews that they would be willing to purchase the robot. Even with the option to rent, many were enthusiastic about the flexibility in purchasing options, and thought the price we suggested was fair. When compared to the competition, selling our robot at \$800 offers a much greater deal for those who are interested in a highly technological device on a smaller scale. Alternate products sell upwards of \$4,000, which we found our customer base is not willing to pay, so we believe that the high quality and compact size of our robot justifies the prices we have set for purchasing and renting.



### *The Selling Cycle*

Selling Cycle Stage	Description	Timeline per Customer	Channels Used
Awareness	Create initial product awareness through TV ads, newspaper ads, and healthcare center pamphlets targeting elderly users.	Months 1-2	TV, newspapers, healthcare centers, Facebook for caregivers and providers
Consideration	Increase interest with in-person and online demos showcasing features like the extendable arm and compact design.	Months 3-4	In-person demos, online demos, social media testimonials, videos distributed in healthcare settings
Trial & Purchase	Provide flexible purchase options (\$800 or \$80/week rental) with a limited-time discount and support for new users.	Months 4-6	Discount promotions, dedicated customer support
Retention & Loyalty	Build loyalty with post-purchase support, tutorials, and referral incentives.	Months 6-9	Customer service line, referral incentives, post-purchase check-ins

The Rescue Robot will launch with a focus on traditional and digital marketing channels tailored to our elderly and caregiver audience. Our selling process includes steps over a 6-9 month period from when the customer first becomes aware of the Rescue Robot to the point they are loyal to the company. According to our market research, elderly individuals respond best to marketing via traditional media, while caregivers and healthcare professionals often engage more with digital channels.

Rescue Robot's marketing efforts will be an ongoing process aimed at consistently building awareness, driving interest, facilitating purchases, and fostering customer loyalty. Ads will run continuously on TV channels with high viewership among the 65+ age group and in newspapers, ensuring steady exposure. Social media campaigns will maintain a strong presence on platforms like Facebook, targeting caregivers and healthcare providers. Pamphlets and brochures will be regularly distributed to healthcare centers to reach audiences less familiar with digital platforms.

To generate interest, Rescue Robot will offer ongoing in-person and online product demos at healthcare facilities, community events, and through virtual sessions. Customer testimonials and case studies will be updated and shared consistently on our website and social media, reinforcing credibility and trust. Partnerships with healthcare providers will include



routine sharing of videos and informational materials, demonstrating the Rescue Robot's features, such as its extendable arm and compact storage.

Purchasing options will remain flexible and accessible, with the product available for \$800 for purchase or \$80 per week for rental. Periodic promotions, such as limited-time discounts or rental incentives, will keep momentum high and encourage trial and adoption. A customer support team will be available at all times to assist users, particularly those unfamiliar with new technology.

Customer loyalty will be cultivated through regular follow-ups with purchasers, updated tutorials, and referral incentive programs that reward recommendations. A dedicated customer service line will handle inquiries and address issues promptly, ensuring a positive and ongoing customer experience. Through this continuous and multifaceted approach, Rescue Robot will maintain strong engagement across all target audiences.

### ***Sales Tactics***

The Rescue Robot will use a range of cost-effective, targeted strategies to reach our primary audience: elderly individuals, their caregivers, and healthcare providers. Social media will be a key channel, specifically Facebook, where we'll run ads and engage in relevant groups to create awareness. We'll also use LinkedIn to connect with healthcare professionals who can benefit from integrating Rescue Robot into patient care. Through engaging content, such as demo videos and testimonials, we aim to build credibility and spark interest.

We'll establish partnerships with hospitals, rehab centers, and senior care facilities to showcase Rescue Robot in action. Product demonstrations will allow patients and healthcare providers to experience the robot's benefits firsthand, which we anticipate will convert trial interest into future purchases. A pilot program will also be introduced, allowing facilities to test Rescue Robot for a limited period, generating user feedback and testimonials for future promotions. The team behind this will be led by the CMO, who will have a dedicated person to travel to these places to provide demonstrations in order to make the sale.

For direct outreach, we'll run a targeted direct mail campaign featuring brochures for healthcare providers and eldercare facilities. Offering early adopter discounts and promotional deals, direct mail will help engage those who may not be reached through digital platforms but could still benefit from Rescue Robot. In the long term, Rescue Robot will establish retail partnerships with assistive technology distributors known for eldercare products. Sales representatives, selected for their background in assistive technologies, will initially cover areas with higher elderly populations. This approach will ensure that our product is positioned where potential buyers are already interested in similar solutions. To address seasonal fluctuations in demand, we'll offer off-season discounts and bundle Rescue Robot with other assistive devices. By introducing bundled discounts and long-term rental options, we aim to sustain demand even outside peak winter months when limited mobility is a more prominent issue.

These sales tactics, including targeted digital marketing, strategic partnerships, and seasonal promotions, allow Rescue Robot to efficiently penetrate the market. The cost of sales,



projected at 59.5% of revenue, covers production and operational expenses. As demand grows, Rescue Robot plans to expand through broader retail partnerships and a specialized sales team, aiming to optimize economies of scale and reduce the cost of sales ratio over time.

### ***Advertising and Sales Promotions***

Our media approach for Rescue Robot will combine targeted digital and traditional marketing to effectively reach elderly individuals, their caregivers, and healthcare providers. Our CMO, Henry Katchuba, will be managing all marketing efforts through these strategies. To inform our market of Rescue Robot's availability, we'll launch a comprehensive campaign across social media, print media, and industry events to highlight the product's unique features and the independence it offers users.

We'll allocate \$30,000 of our \$120,000 annual marketing budget to digital advertising on Facebook and LinkedIn. Facebook ads will focus on showcasing Rescue Robot's functionality for seniors and families, costing approximately \$10 per 1,000 impressions with an expected 2% response rate. LinkedIn ads will target healthcare professionals and care facilities to increase product adoption.

In addition to digital efforts, Rescue Robot will utilize print media and direct mail campaigns. Brochures will be distributed to hospitals, eldercare facilities, and rehab centers, along with newspaper ads in areas with a high senior population. Direct mail brochures will target senior homes and clinics with an expected 2% response rate, costing around \$0.50 per 1,000 impressions.

To connect directly with the healthcare community, Rescue Robot will participate in key industry trade shows, such as the Aging in America Conference, with an annual trade show budget of \$130,000. These events provide a platform for live product demos and relationship-building with eldercare providers and distributors. For further engagement, our promotional materials, including product sheets, informational brochures, and demonstration videos, will have a dedicated budget of \$10,000.

Rescue Robot's campaign will include special promotions, like a 10% discount for the first 500 buyers and rental discounts of \$10 per week for healthcare facilities, with a dedicated \$5,000 budget. This mix of media and promotional efforts will reach our market across multiple touchpoints, enhancing brand recognition and underscoring Rescue Robot's value.

### ***Publicity***

To generate buzz and publicity for our product we will implement viral marketing tactics alongside traditional outreach methods. Our first opportunity is that we will organize live demonstrations at community centers, senior living facilities, and healthcare events which will allow potential users and caregivers to interact with the product, boosting excitement and generating word-of-mouth interest. On top of that, we will partner with influencers in senior care and disability advocacy, two main portions of our target demographic, which can amplify our reach as they share personal stories about the product. Additionally, we will encourage



user-generated content through a dedicated hashtag on all of our social media platforms that will invite early users and caregivers to share their experiences, creating basic community engagement and authentic testimonials which we can later play into when it comes to traditional marketing.

Regarding our social media strategy, it will focus on targeted engagement within Facebook groups related to elderly care and caregiving. Thereby conveying informative posts and videos that showcase the product's unique features and will cater to both older users and their caregivers, hitting both main demographics. Also regarding all forms of social media, we plan on hosting live Q&A sessions that will facilitate direct interaction with potential users, thereby building trust in our brand.

Finally, to secure free publicity, we will distribute press releases to local news outlets that will emphasize the product's launch as well as its benefits. Also, we will participate in health fairs aimed at seniors leading to the creation of face-to-face interactions and media opportunities. We will make sure to keep collaborating with healthcare providers to distribute pamphlets about Rescue Robot which will further raise awareness and lend credibility. Together, these strategies will effectively generate interest and establish the Rescue Robot as an essential tool for improving the quality of life for elderly individuals and those with disabilities.

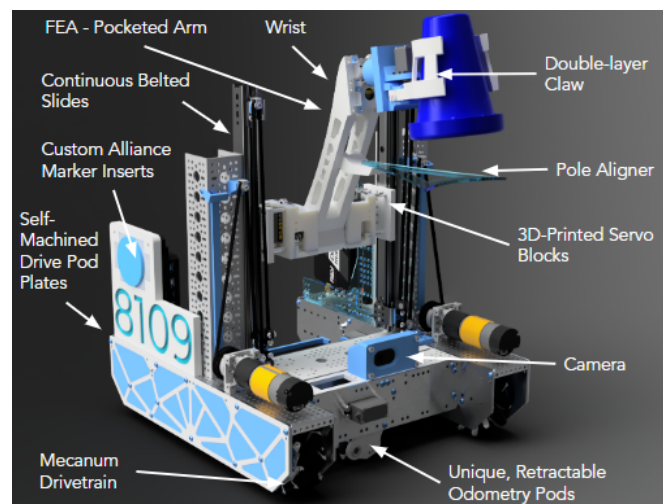
## VI. DESIGN AND DEVELOPMENT PLAN

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### *Development Status and Tasks*

The present state of the Rescue Robot is still just renderings of an idea. Our overall engineering process to move beyond the idea stage is 4 steps, product definition, conceptual design, embodiment design, and detailed design. The time that has been allotted for development (product and conceptual design), full testing (embodiment design), and implementation (detailed design) is ~4 months. The reasoning behind this decision is that the technology will take time to perfect, needing to include significant amounts of math to have all the functions work together in harmony, from the drivetrain to the grabber arm. Also, there needs to be enough time to prototype the chassis design as well. A rough sketch is good enough until it needs to be able to stand up against tough deployment conditions in high-traffic areas in a hospital. So far, there is a rendering of the robot with explanations of each important part.

The competencies and expertise needed for the development are all in the field of engineering. This includes: modeling,





machining, 3d printing, coding, building, and electrical. The only third parties involved currently are the company we will outsource the machining of metal for the chassis, Tecomet Inc., and the postal company to ship the materials to our warehouse in Boston to assemble the robot, UPS. We will put our COO in charge of the development and production team, leading the three engineers we plan to hire, as well as being the main company contact with our third party suppliers. The goal for everything else is to have it as a core competency and will be done in-house to keep our competitive advantage.

### ***Difficulties and Risks***

One major difficulty of design implementation is durability and reliability throughout the usage period. Since we are projecting these robots to be used in high-traffic areas, such as hospitals or senior living facilities, these robots will have to stand the durability and reliability tests of long-term high-intensity applications. This means that with our R&D approach, we must have a thorough testing facility towards the end of our process to make sure that the quality will be good once we sell the product. This means that if the chassis design and materials do not meet the necessary strength and reliability standards that are needed, it could require extensive redesign and retesting, further extending the development timeline and increasing costs. This difficulty should be taken into consideration early on in the design of our R&D processes, but if done right should be a relatively easy fix to maintain good quality control standards throughout our business.

Another major difficulty of design implementation is the overall complexity and expertise needed to complete all of our R&D processes on time. Since our product involves multiple intricate systems, such as the drivetrain, grabber arm, and control mechanisms, all of which must work seamlessly together, the mathematical modeling and programming required to ensure these components operate in conjunction can be challenging. If we do not integrate properly, issues could arise, which could form significant delays in development and testing, potentially jeopardizing the project timeline of ~ 4 months as a whole. Our approach to fixing this issue would be to put a specific emphasis on hiring qualified individuals, in mechanical, electrical, and software engineering, who know how to operate and create robotics, and then emphasize through a lot of training of our staff, on the technology side of our product, to reduce the risk of complexity and expertise issues throughout our process. We would also hire a consulting firm/faculty such as the CASE Center at Syracuse University, to help us train our staff on the basic technology side of robotics and engineering.

### ***Product Improvement and New Products***

Based upon our primary market research through our surveys on prospective customers, one improvement opportunity could be developing our robot to be able to retrieve mail from outside mailboxes as well. Currently, our product only works indoors, but if we could develop algorithms for the robot's pathing to work outdoors with rough terrain, then that could be another use case of the product for those individuals who cannot walk outside to get the mail or retrieve a



package. This would allow us to capture even more market share of those elderly individuals with mobility issues, which according to our market research in Section III is over 4 million individuals, since if the issue persists indoors, then it definitely would outdoors to an even greater degree, leaving us with a perfect opportunity for product improvement.

Another improvement opportunity or pain point that our primary market research identified could be having the top of the robot function as a place to sit, allowing those with mobility issues to operate this robot wherever they need to go. This could open us up to even more possible customers, from those who need help grabbing items, but also use a walker currently, capturing both of those problem areas. This in total could help us tremendously with the viability of our product with the elderly, making our solution a one-stop shop for every mobility problem they could have, rather than having to buy 5 different products to solve their overarching pain point.

It should be noted that within our operations department, working on R&D, will be our 3 high skilled engineers, working with a total budget of \$215,000, and answering to the COO of the company.

### ***Projected Development Costs/Budget***

Category	Description	Estimated Costs
Skilled Labor Cost	Costs regarding hiring ~4 skilled engineers and manufacturers to design and work on the robot (Mechanical, Electrical, and Software engineers)	\$150,000
Materials Cost	All materials and components for Chassis & Other (metal)	\$20,000
3D Printing & Machining	All costs related to 3D Printing and Machining (outsourced)	\$15,000
Testing & Facilities	All costs related to testing and quality control.	\$5,000
Software Development	All costs for software licenses (CAD software, simulation tools) & Development Tools (IDE, libraries)	\$2,500
Shipping Costs	All costs related to shipping raw materials to warehouse to build our product	\$3,000
Extra Costs	Unexpected costs, buffer for unplanned expenses	\$20,000
Total	Total Development Budget	\$215,500

Based on our economic and financial research from interviews and surveys (Appendix F), the above cost breakdown is an in depth look into what would need to be spent, excluding start-up cost, per year on our production process as well as research and development. Based on what we would need to pay to outsource our production, source materials, shipping, as well as



just engineer salaries, this would all match up to our projected development process detailed above.

### ***Proprietary Issues/Intellectual Property***

After consulting with our legal representative, Heather Johnson, we have come up with the following legal strategy for Rescue Robot. We will pursue intellectual property rights to protect our innovations related to our R&D. We plan to seek patents for unique technologies, particularly for the drivetrain mechanism and grabber arm, giving us exclusive rights to these inventions, which is very important for the long-term viability of the business, especially in the ever-emerging robotics industry. Additionally, we intend to trademark the product's name and logo to establish brand recognition and prevent competitors from using our branding in an inopportune way. Finally, copyright protections will apply mostly to the software code we develop, regarding our app, website, and code within the robot itself.

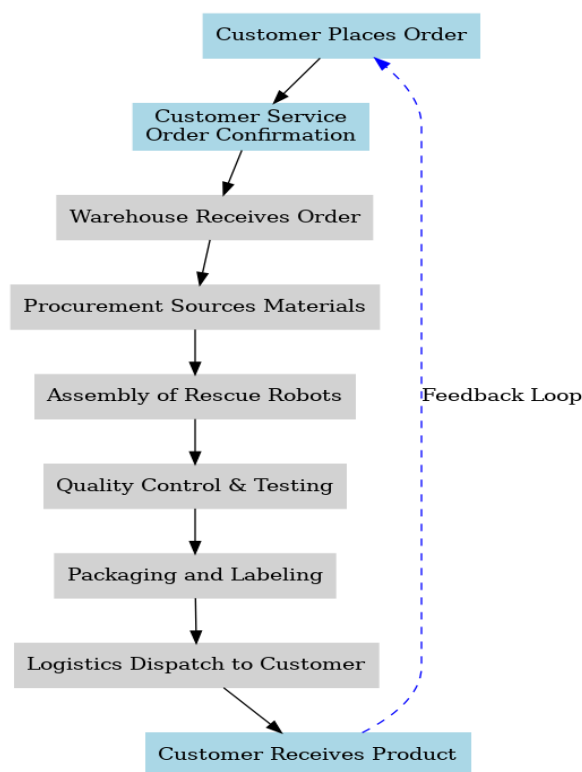
We do have some trade secrets as well, including specific mathematical models and optimization strategies, and we will make sure to implement confidentiality agreements with our hiring practices for our engineering team to protect this sensitive information from falling into the hands of our competitors. Additionally, our contractual agreements with a third-party machining company will ensure that our custom designs cannot be reproduced for other clients, providing us with proprietary rights over the manufactured parts. Finally, internal agreements with our engineering staff will clarify ownership of any intellectual property created during the project, ensuring all rights remain with the company and not coming up with any proprietary rights issues later on.

After talking with our legal representative, currently we do not think we face any unresolved legal issues concerning ownership of our intellectual property mentioned above. We do recognize that any issues related to patent ownership or proprietary rights could significantly delay our project timeline and compromise our competitive edge in the long term, allowing competitors to capitalize on market opportunities before our launch, thereby undercutting us. Due to this, we plan on establishing clear intellectual property rights early in development, which will be crucial to maintaining our market position and ensuring the successful rollout of the Rescue Robot.



## VII. OPERATIONS PLAN

### *Operating Model and Cycle*



The Rescue Robot's operations begin when the customer places an order, either through our website or with the assistance of our customer service team. Upon receiving the order, our customer service team confirms the order and provides the customer with a confirmation email, including an estimated delivery date. The order details are then sent to the warehouse, where inventory levels are verified. If the product is in stock, the order is prioritized for assembly. If inventory is low, the procurement process is triggered to acquire the necessary materials. The procurement team is responsible for sourcing high-quality raw materials required for the production of the Rescue Robot, including electronic and mechanical parts, assembly labor, and packaging materials. These materials are sourced from reliable suppliers who are chosen based on their ability to meet production

deadlines. To mitigate the risk of delays or shortages, we maintain relationships with multiple suppliers, ensuring a steady flow of materials for production.

Once materials are secured, the assembly process begins with the skilled assembly team. Using precision tools and equipment, they carefully integrate various components such as wiring, mechanical parts, and safety features to create the fully functional Rescue Robot. After assembly is complete, the product moves to the quality control stage. The quality control team conducts thorough functionality and durability tests using standardized diagnostic equipment. If any unit fails to meet the company's strict quality standards, it is flagged for rework. In more severe cases, the product is disassembled and rebuilt with the correct or upgraded components. Units that cannot be repaired are replaced with new units.

After passing quality control, the robots are labeled and packaged by the packaging team, ensuring each unit is securely prepared for shipment. The packaging process uses high-quality materials, such as bubble wrap and reinforced boxes, to protect the robots during transportation. The logistics team then coordinates delivery to distribution centers, ensuring that products are ready for shipment based on customer orders. The logistics team also monitors inventory levels to prevent shortages and ensure timely delivery.



Our operations are divided into 'frontstage' and 'backstage' processes. Frontstage activities are customer-facing and involve trained customer service representatives who handle inquiries, provide product information, and assist with post-purchase support. Backstage operations, including procurement, assembly, quality control, and logistics, are critical to ensuring a seamless customer experience and maintaining product quality.

We anticipate potential bottlenecks, particularly in the assembly phase, due to the dependency on timely material acquisition. To mitigate this risk, we proactively manage material flow by having backup suppliers on hand and scheduling production runs in advance. Another potential bottleneck could arise during the quality control process, especially if a high volume of units requires inspection. To address this, we plan to implement automated testing equipment that can quickly check for performance issues, making the inspection process more efficient and accurate.

The overall production cycle spans 4-6 weeks, from material acquisition to shipment. Material procurement typically takes two weeks, and to manage lag during high-demand periods, we pre-schedule production runs and maintain a small buffer inventory, particularly for rental units. We also anticipate seasonal fluctuations in demand, such as during the winter months when mobility needs among elderly customers rise. To address this, we plan to hire additional part-time assembly staff during peak seasons and build up buffer inventory during slower months to meet increased demand without delays.

Ensuring consistent product quality is essential, as Rescue Robots are often used by elderly individuals and people with disabilities who rely on them for mobility and assistance. To maintain quality, we integrate quality assurance at every stage of production, from assembly to final testing. Our quality control process involves both manual and automated checks to ensure that each unit meets reliability standards. If a unit fails these standards, it is reworked or completely reassembled before leaving the factory. Units that cannot be restored to specifications are marked for replacement, and a new unit is produced. Regular audits, continuous monitoring of production processes, and customer feedback are essential for improving product quality. These efforts help ensure high reliability over time, supporting both purchase and rental models while effectively managing production bottlenecks and seasonal demand fluctuations.

### ***Operations Strategy***

Rescue Robot's operations strategy is to outsource manufacturing and assembly operations to maximize efficiency, ensure top-tier product quality, and maintain cost control. Core electronic components, including sensors, microcontrollers, and processors, will be sourced from established suppliers such as Texas Instruments and NVIDIA. The robotic arm and chassis will be manufactured by Metal Works LLC, which will supply high-quality frames and mechanisms tailored to our specifications. Upon arrival, each part will undergo rigorous quality inspections before assembly to ensure it meets our standards. Assembly, testing, and final adjustments will be conducted. Concurrently, units will be randomly selected, allowing our team to maintain control over quality and streamline the production process. To support rental and



maintenance services, we'll partner with TechServe Solutions for extended technical coverage, while UPS Supply Chain Solutions will manage packaging and distribution. This ensures efficient order fulfillment, even in peak times, while keeping our storage and inventory needs minimal. To guarantee product quality, we'll implement ISO 9001-compliant inspection and quality control measures at each stage of production, reducing potential issues in assembly and improving customer satisfaction. This balanced approach allows us to deliver Rescue Robot at a competitive cost while meeting our high standards of quality, reliability, and timely service.

### ***Geographic Location***

Rescue Robot will be based just outside of Boston, Massachusetts in Woburn: 6 Draper St, Woburn, MA 01801. Boston is a leading U.S. hub for technology and robotics. This location provides access to top talent from institutions like MIT, Harvard, and Northeastern, ensuring a skilled workforce for our needs. Massachusetts offers supportive state policies and funding opportunities for tech startups, enhancing our growth potential. Our Boston location also optimizes logistics, with close proximity to suppliers, major transportation routes, and Logan International Airport for streamlined domestic and global shipping. Although wage rates and operating costs are higher in this region, the benefits of talent access, industry resources, and state incentives make it an ideal choice.

### ***Capacity Levels and Inventory Management***

For Rescue Robot, our initial manufacturing capacity will allow us to produce up to 500 units per month to sell and 60 units to rent, equating to an annual capacity of 6,800 units. This capacity is designed to meet projected early demand while maintaining manageable inventory levels and minimizing holding costs. We expect initial demand to be steady, but we anticipate growth as our product gains traction in the market, particularly as we expand into seasonal markets where mobility needs increase, such as during winter months. As demand grows, we will have the flexibility to scale production, either by expanding in-house assembly or negotiating with suppliers to handle larger order volumes. Inventory management will follow just-in-time principles, balancing production with demand forecasts to reduce excess stock and associated costs. We will work closely with our suppliers to understand their production capacities, minimum order quantities, lead times, and pricing structures, particularly how costs may fluctuate with higher volume orders. Our suppliers' ability to meet turnaround times for parts and materials will be critical to maintaining an efficient supply chain. To ensure continuity, we will secure agreements with our suppliers to lock in favorable terms and delivery schedules. We will maintain a carefully calibrated buffer inventory of raw materials, components, and finished units, sufficient to cover a 15-20% increase in demand or to mitigate potential delays in the supply chain, ensuring flexibility without incurring excessive holding costs.. Regular, weekly or bi-weekly, reviews of sales data and customer feedback will help adjust inventory levels in real-time, allowing us to align production with shifts in market needs. As we scale, we will continually monitor our sales forecasts and financials to ensure that production capabilities align





with both projected and actual demand. By carefully managing supplier relationships and monitoring market trends, we aim to meet increasing demand while controlling costs and maintaining product availability throughout the year.

### ***Legal Issues Affecting Operations***

*Outsourcing Agreements:* For Rescue Robot's production, we will establish formal outsourcing agreements with our manufacturing partners, clearly defining quality standards, production timelines, and liability terms. Our quality standards will adhere to ISO 9001 certifications, ensuring consistency and reliability in the components and final products. We will also require our partners to comply with strict testing protocols for every unit, including functionality and safety checks, to meet our performance requirements. Additionally, the agreements will include confidentiality and non-compete clauses to protect the company's proprietary designs and technology, safeguarding intellectual property.

*Product Liability:* Given that the Rescue Robot is a device designed to assist vulnerable populations, there is potential for product liability claims if the robot malfunctions or causes harm. To mitigate this risk, we will maintain product liability insurance and implement a stringent product testing process to ensure the device meets safety standards. Additionally, usage disclaimers will be included to guide customers on proper use.

*FDA Compliance:* As Rescue Robot may be categorized as an assistive device, compliance with FDA regulations will be crucial. This requires adhering to standards regarding device safety, labeling, and certification to avoid delays or issues in deployment within healthcare facilities. Our compliance team will work directly with legal experts to ensure that our devices meet all assistive device criteria and regulatory requirements.

*Warranty and Service Liabilities:* We will establish clear warranty terms for our customers, detailing coverage and service agreements. These will protect both the company and customers from potential disputes over product defects or failure to meet performance standards. A comprehensive service and maintenance agreement will be in place for customers requiring long-term support, particularly those using the robot under a rental model.

*Data Protection and Privacy:* If the Rescue Robot collects personal data from users, we will ensure compliance with data protection regulations such as GDPR and CCPA. This will involve implementing data storage, security, and user consent protocols to avoid breaches and legal issues related to privacy violations.

*Intellectual Property Protection:* In addition to confidentiality clauses in outsourcing agreements, we will file patents and trademarks for the robot's unique design and technology. This will safeguard our intellectual property and prevent unauthorized use or replication by competitors.





*Distribution Agreements:* When distributing Rescue Robot to healthcare and eldercare facilities, we'll establish distribution agreements that detail reseller pricing, territory allocations, and returns policies. We'll also include liability waivers to outline usage guidelines, which will protect both our company and the facilities from potential legal claims that may arise from improper use of the product.

*International Compliance:* In the case of future international sales, Rescue Robot will ensure compliance with local regulations, including import/export laws and region-specific certifications. Working with a legal team familiar with international standards, we'll ensure the robot's safety and functionality standards are recognized in each market.

*Employee and Contractor Liabilities:* We will address potential liability for employee or contractor actions in manufacturing, assembly, or installation processes. Employment contracts will clarify expectations and define liability in case of negligence, while workers' compensation insurance will be in place for protection during production and assembly.

*Environmental Compliance:* We will ensure that our production processes adhere to environmental regulations, including responsible waste management and pollution controls. Compliance with local and international environmental laws will be a priority to avoid legal challenges.

*Ongoing Legal Oversight:* To mitigate risks, we'll maintain ongoing legal support, reviewing all agreements periodically for changes in regulations, and adjusting policies as needed to avoid any operational or service-related issues affecting customer satisfaction.

### ***Customer Service***

Customer service for Rescue Robot will focus on responsiveness, reliability, and proactive support to ensure customer satisfaction. We'll measure service success through metrics like response time, resolution rate, and customer satisfaction ratings, with monthly reviews to track performance. A multi-channel support system (phone, email, and chat) will be available during business hours, and our team will be trained to assist elderly or mobility-impaired users with empathy. We will implement a cloud-based case management system to track interactions, prioritize issues, and ensure seamless communication across support channels. This system will integrate with our automated ticketing tool to streamline issue resolution. Additionally, a support portal with FAQs, troubleshooting guides, and video tutorials will empower customers for minor self-service needs. Quarterly service reviews will help us maintain high standards and adjust based on customer feedback.



### ***Warranty or Guarantee Policies***

At Rescue Robot, we understand that warranties and service policies significantly influence purchasing decisions, especially among elderly and customers with disabilities. A strong warranty not only reassures customers of product reliability but also reflects our commitment to quality and service. We prioritize swift resolutions for service issues to enhance customer satisfaction. We offer a one-year warranty covering manufacturing defects under normal use, serviced through our customer support team or authorized partners. Customers can return products for repairs or replacements as needed. Service calls may incur charges after the warranty period, with competitive rates that cover costs while maintaining service quality. Although warranty services may initially operate at a loss, they are expected to foster brand trust and long-term profitability through increased sales and customer loyalty. Compared to principal competitors, our warranty period is standard; however, we stand out with comprehensive customer training and support, ensuring users feel confident in operating the Rescue Robot. While competitors may offer similar warranties, our focus on personalized training distinguishes us, helping to cultivate a loyal customer base that values our commitment to service.

## **VIII. MANAGEMENT TEAM**

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### **A. Organization**

- a. Our management team will consist of a Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operations Officer (COO), Chief Information Officer (CIO) and a Chief Marketing Officer (CMO). The members will be full-time employees of the Rescue Robot, all with specialized skills to offer for the development of the product.

### **B. Key Management Personnel**

- a. Jason Braverman, CEO: Jason is a Business Analytics major at the Whitman School of Management with a minor in the School of Information Studies. He has previously worked as a mentor for a high school robotics team where he learned about the design and marketing processes for robotics. He has also worked as an intern at Selflock Screw Products (SSP) whose main function is machining specialty threaded products and wiring harnesses for military and commercial use. This experience added to the depth of marketing and analytics knowledge to call on in other applications.
- b. Elijah Newton, COO: Elijah (Eli) is a Senior, majoring in Supply Chain Management and Finance at the Whitman School of Management, with minors in Information Management & Technology, as well as Sociology. He has previously worked as a Purchasing Intern at ITT where he learned strategic sourcing



techniques, inventory management, and overall operational supply chain functions of a multi-billion dollar business.

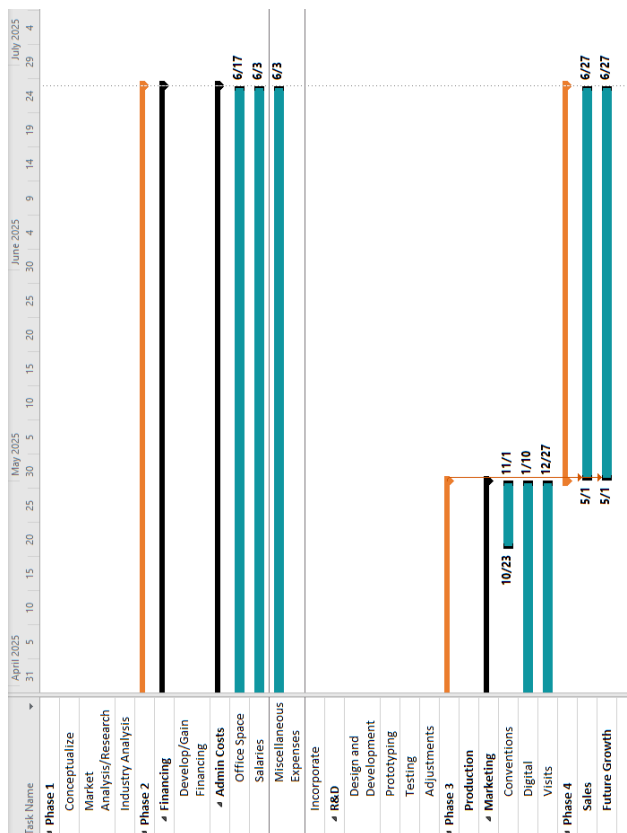
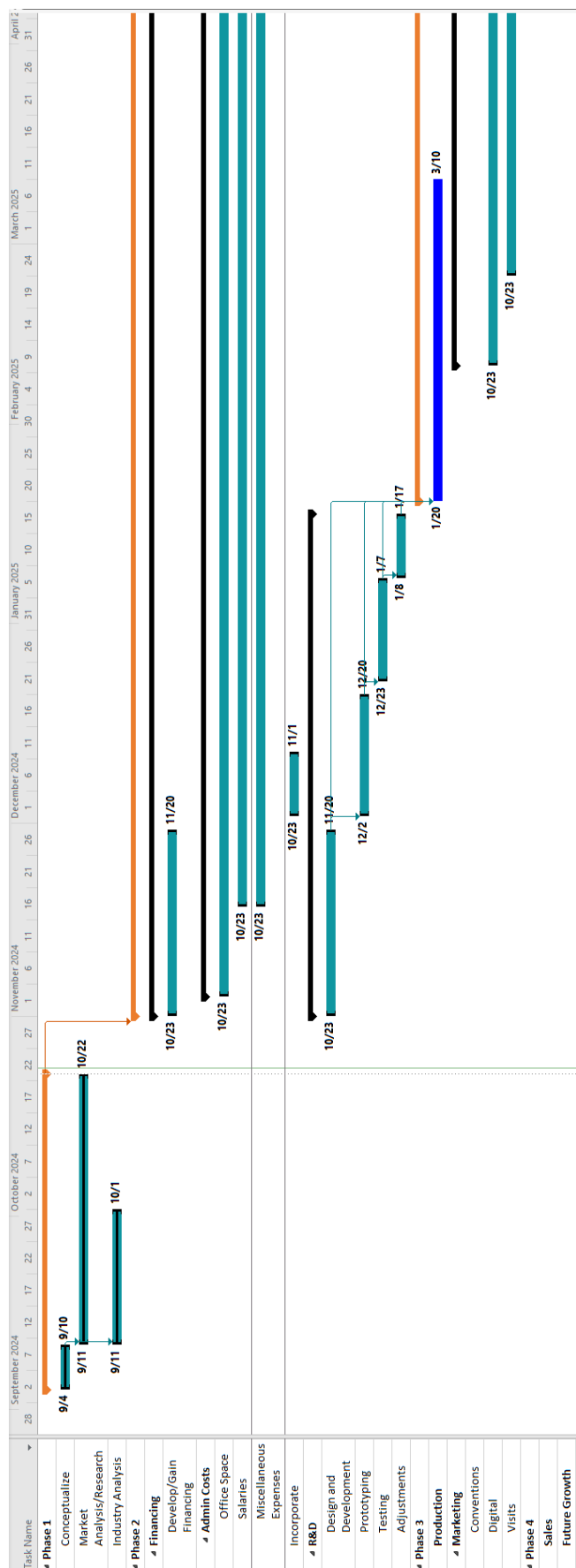
- c. Henry Katchuba, CMO: Henry is a senior pursuing a degree in Supply Chain Management major at Syracuse University's Whitman School of Management. He initially began as a Computer Science major, where he equipped technical skills in the coding language, python. His professional experience includes an internship last summer at Chatham Imports, a major wine and spirit distribution company, where he worked with the logistics and warehouse teams to streamline order fulfillment and manage international shipping. His expertise supports the Rescue Robot team with vendor coordination, order fulfillment, and overall streamlining of operations.
  - d. Micah Stavenhagen, CFO: Micah, a Real Estate major at the Whitman School of Management, currently serves as an acquisitions officer at Ironhorn Enterprises, a Syracuse-based real estate investment company. In his first year, he successfully closed over \$1 million in industrial real estate transactions and aims to expand this accomplishment in a full-time capacity. His work experience has equipped him with a comprehensive understanding of real estate markets, negotiation and sales tactics, finance, and underwriting processes. This background brings strategic value to the financial and operational facets of the Rescue Robot business.
  - e. Isabel Young, CTO: Isabel is a Supply Chain Management major at the Whitman School of Management. She has previously worked as an Assistant Buyer at Ross Stores where she learned operational functions and merchandising systems necessary to support her team. She became familiar with reporting on allocation, shipments, and Open to Buy plans which were applied to relations with vendors and suppliers. She has also worked in retail previously and is familiar with the day-to-day operations of a business, so she can provide insight into best practices when it comes to selling the robot.
- C. Management Compensation and Ownership
- a. Each member of the team will earn \$75,000 per year as compensation for the project.
- D. Other Current Investors
- a. We currently have no other investors interested at this point in the project.
- E. Employment and Other Agreements, Stock Options and Bonus Plans
- a. Currently, the five C-level executives are the only employees at the company, but we plan to hire accordingly once the business gains more traction. Each of the team members will invest \$20,000 of their own funds in the company for a total of \$100,000. These five members will not be able to share stock with any outside parties other than the members of this group.
- F. Board of Directors and Board of Advisors



- a. The Board of Directors/Advisors will consist of a few experts and individuals who can assist and contribute knowledge to the field in areas we need guidance. They are listed below.
  - i. Max Sidebotham: Max graduated from the University of Maryland with a degree in Computer Science and has since worked for various companies as a software engineer within the past five years. His expertise in the software field will be useful when building our robot and could offer assistance with building technology.
  - ii. AJ Brancaccio: AJ has worked at various tech and banking companies throughout his career and has recently founded his own startup that assists the investment community. His extensive experience in finance and real world entrepreneurship experience will be of great benefit to our team.
- G. Other Shareholders, Rights and Restrictions
  - a. As of right now we have no other shareholders, or rights and restrictions associated with the product, but plan to explore this in the near future.
- H. Supporting Professional Advisors and Services
  - a. Accountant: Zack Fine, CPA, Transfer Pricing Associate at PwC
  - b. Legal: Heather Johnson, Head of US Litigation for Siemens Energy Inc.
  - c. Insurance: Josh Williams, CEO of My Town Advisors LLC
  - d. Banker: Bryan Kelley, Head of Strategic Transformations at Vanguard



## IX. OVERALL SCHEDULE



The activities that are most likely to cause a shift in the schedule is all in the development and prototyping of the robot. That will also be where most of the capital needs will be needed initially to make a design that satisfies all the requirements. With making a physical product, especially one so technologically sophisticated, there will need to be multiple iterations which will cost money to make. In this prototype phase, only basic components will be used to outline before a final design is chosen and sent into full production with the applicable costly materials.

The steps that will be taken to ensure these design processes do not exceed time and budget are to make sure that the focus is maintained on the specific part and to not have any scope creep.



Any corrections that will have to be taken will push the start of production back because such is the nature of working with machining robotics, with little room for error. Also to raise more capital with an investor round.

## **X. CRITICAL RISKS, PROBLEMS, AND ASSUMPTIONS**

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### ***Key Assumptions***

In forecasting costs to produce and sell, there have been some assumptions made. The main assumption is that the pricing model will align with the organization's perceived value. In terms of revenue, we assume the price chosen of \$800 will have a high yield of sales. This was chosen from the results of the survey which revealed that people would be willing to pay \$700, but with the cost of materials and shipping, we had to make an adjustment to mitigate any price flux risk. However, without a main retail option to start, we have to ensure our marketing mix is extremely accurate to reach the breakeven point. In the first year, we expect to sell 4,700 units and rent 420 units with an annual growth rate of 15%, 20%, 25% in the 3 years to follow. The other revenue stream is renting the robot on a weekly basis, which costs ~\$30.00, still under the assumption that consumers will deem this a fair value to pay representative of the value offered. With a price point of \$800 and costing \$480 to make, this gives a 40% margin. This price and margin may vary depending on the true cost of manufacturing, shipping, and materials as time goes on.

In terms of owner's equity, the Rescue Robot team has pooled together \$100,000 as an initial investment and is expected to receive the rest of the startup costs from an angel investor. Lastly, we assume an annual revenue growth rate of 12% as more hospitals and care homes purchase the robot, the market share and annual revenue will continue to rise.

Lastly, we assume our patent will be approved. To secure the patent for our company's product the Rescue Robot assumes that the cost is \$25,000 for a patent. This patent can be more or less expensive than the estimate listed above.

### ***Risks***

There are several risks the Rescue Robot team will have to consider and face. The biggest risk is the likelihood of running over in development time which will end up costing the company more money. A large portion of that associated risk is because we are working with an emerging technology in robotics. Through the discovery process of interviewing industry professionals, the average time it takes to design, develop, and build a robot is 4 months. However, that is just the skeleton of it; if the Rescue Robot is to be in settings with people of high health risk, more testing needs to happen to ensure the safety of all parties. Any delay or error in the design process will push back the timeline of launch, and machining the robot is also



a costly endeavor keeping in mind the time and resources necessary. This does include the critical path of the supply chain. If the chassis is late, then production has to come to a near-full halt. However, if the prints for the arm take too long, that part of the testing can be done after the rest of the robot is assembled, giving it a lesser impact on the total production time.

There are also inherent risks associated with entering a new market, but there are others when talking about relatively unknown markets to the general populace like robotics in healthcare. We will have to put extra effort into creating a brand because the spread of information may not come naturally to this industry. This does come with the risk that once we do establish, any publicity in the industry will reflect on our product, whether positive or negative. This includes the plan for distribution too. Currently, we plan to sell directly to hospitals and care homes through representatives, and consumers through a website.

When deciding pricing, there comes a risk when considering the bargaining power of consumers as part of Porter's Five Forces. The potential problem with this is that if the price is too high, consumers will not purchase the product. However, if priced too low, the company would be operating at a loss and would eventually have to shut down. To alleviate questions about this, we plan to conduct extensive market research to gauge what our target market is willing to pay.

Another major problem, tied to pricing, that we may encounter is not reaching the projected sales and/or experiencing poor market reception. Because this product has never been launched before, market predictions may not be accurate, which could create some obstacles for the Rescue Robot. Additionally, hospitals may not have an interest in using an untested technology on a large scale in the beginning. To mitigate this risk, the Rescue Robot team will conduct testing throughout the design and development phases to ensure its effectiveness, including running test simulations. Additionally, because of the amount of sales channels, the marketing will need to direct even more people to the website to purchase rather than at a trade show.

Finally, we must address liability issues related to selling robotics for use by the public. The product will have a quality check to ensure that there is no exposed wiring or anything else that may cause injury or bodily harm. The Rescue Robot team does plan to have a lawyer to make sure our standards and practices cannot be exploited for personal gain by any party, in addition to having the ability to stay out of legal trouble. Extensive testing will also need to be done since there is the possibility of having the Rescue Robot be classified as a mobility aid which will need an FDA certification.





## XI. FINANCIAL PLAN

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### ***Highlights of the Financial Statements***

Rescue Robot will be valued at \$2,286,066 at the end of five years. The value is calculated through a discounted cash flow valuation. The value is calculated using a 40% industry-standard discount rate and a 5% industry growth rate. We expect to be profitable by year two while operating at a loss after year one. (Appendix E, Valuation)

### ***Cost Controls***

Information regarding the costs of Rescue Robot was determined through comparative analysis and research on various vendors. We took a lot of analysis from iRobot and their various products, specifically their Roomba product. Our CFO will be the one responsible for the control of our cost elements including software development, warehouse costs, and various marketing efforts. We have allocated \$100,000 of cash on hand. This will be used for small or immediate business expenses or purchases, additionally covering us for 13 weeks, allowing us to raise more funds if needed. It will help with overall cost control. Our management will reallocate some non-essential costs we can source.

### ***Pro Forma Income Statements***

The income statement calculations are estimated with a 15% annual growth rate in Year 2, a 20% annual growth rate in Year 3, with a reasonable uptick to about 25% growth in Year 4 and Year 5. This is based on the fact that once our marketing plan is implemented at the end of Year 1, into Year 2, then our message will get out there, and similarly, based on the trends of other robotics companies, this is how their annual sales growth trended. Overall, this leads us to be profitable by \$3,922,238 in Year 5. (Appendix B, #1-#3)

### ***Pro Forma Balance Sheets***

The balance sheet calculations are estimated with an assumption of 25% accounts receivable as a percentage of sales. This assumption is based on our industry, and how much upfront capital is needed regarding research and development for robotics. This leads us to an assumption of 20% of inventory as a percentage of COGS.<sup>7</sup> (Appendix C, #1-#3)

### ***Pro Forma Cash Flow Analysis***

The cash flow analysis calculations are estimated with the same percentage annual increases aforementioned in Income Statements. It assumes \$100,000 cash from founders and \$900,000 cash from angel investors. It also assumes a \$100,000 minimum cash balance. Finally, we decided on a 0% dividend payout for the first 2 years, then a \$20 dividend payout compounding until year 5 with a total contribution to investors of \$40,960. (Appendix D, #1-#3)



## XII. PROPOSED COMPANY OFFERING

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**The units being sold pursuant to this offering are restricted securities and may not be resold readily. The prospective investor should recognize that such securities might be restricted to resale for an indefinite period of time. Each purchaser will be required to execute a Non-Distribution Agreement satisfactory in form to corporate counsel.**

### *Desired Financing*

Rescue Robot, as an LLC, is seeking equity capital to fund our production scale-up and continue research and development. We plan to offer up to 180,000 membership units, totaling 40% of the company, at a price of \$5 per unit, raising a total of \$900,000 in equity capital. These funds are essential to accelerate the development, marketing, and distribution of our product. Our total funding requirement for the next two years is \$900,000, with an additional safety cushion for unexpected expenses or delayed income. To ensure sufficient working capital, we anticipate a cushion of \$891,138, which is three times our projected monthly pre-revenue cash burn.

The capital raised will be allocated across several key areas. Forty percent will be invested in product design and development, focusing on refining the Rescue Robot's robotic arm, chassis, software, and hardware components. Another 25%, will go toward purchasing capital equipment, such as robotics assembly machinery and testing equipment for quality control. Marketing and sales will receive 20% of the funds, to support advertising campaigns, trade shows, and customer acquisition efforts. The remaining 15%, will be used for general working capital, including inventory and overhead expenses.

These funds will drive the company's growth by scaling production, advancing product features, and expanding distribution networks. Our goal is to position the Rescue Robot as a leading product in the robotics and eldercare industries, ensuring it reaches a wide customer base and fulfills the growing demand in this market.

### *Offering*

For the Rescue Robot, we are seeking equity capital to fund our production scale-up and ensure ongoing research and development. As an LLC, we are offering membership units to investors, which will provide a share of ownership in the company. These units will entitle the investor to a percentage of the company's profits and voting rights based on their ownership stake.

The investor's equity stake will be 40% of the LLC following the investment, based on a post-money valuation of \$5 million. It will be offered in a total sum of \$900,000 split between 180,000 membership units, each unit costing \$5. This calculation assumes the total investment amount is raised and reflects a proportional share of profits and control. The offering is designed to provide the investor with consistent returns, a meaningful stake in company growth, and an active role in guiding the business as it scales. The units will provide preferred treatment regarding profit distributions and a return on investment, with any liquidation proceeds being



distributed to investors before common membership units. There will also be a 5% annual return on the invested amount, payable on a quarterly basis.

As an LLC, there are no standard "maturity" or "conversion" terms as found with stock offerings, but investors will have the opportunity to convert their membership units into a percentage of common equity at a later time, subject to the company's operating agreement and board approval. In addition, these membership units will be subject to limited transferability in accordance with the operating agreement, ensuring control over who may hold units in the business.

Our Board will consist of 7 members, including 5 from the founding team (CEO and senior executives), and 2 independent members—one of whom will be an experienced advisor or investor with a background in robotics or eldercare industries. We propose to offer 1 seat on the Board to the investor, providing them with an active role in overseeing the company's strategic direction, especially in scaling operations and expanding distribution networks.

### ***Capitalization***

Rescue Robot is seeking \$900,000 of capital investment in exchange for 40% equity. It will be distributed in the form of 180,000 shares, each holding a \$5 value. With a net present value of \$2,286,066, this investment results in a 5% rate of return. The funds will be used to procure the necessary artifacts in the supply chain to operate effectively, in addition to helping Rescue Robot hire more personnel. After the issuing, there will be 0 shares remaining in the company.

	Capital	% of Total Share
Founder's Capital Investment	\$100,000	60%
Investor's Capital Investment	\$900,000	40%

### ***Investors' Return (Exit Strategy)***

The net present value (NPV) of Rescue Robot is \$2,286,066. This evaluation is based on the pro forma financial statements, which use a 5% discount rate and 18.8% P/E ratio (Appendix B, #3). Based on those financial statements, in year 5 investors would have a 5% return on their original investment. The dividend payout will begin in year 3 with a \$20 dividend payout compounding until year 5 with a total contribution to investors of \$40,960.

While the founders expect to stay with the company to contribute to its success, both parties, founders and investors, will have the option to sell their equity and exit the company. They would do so through these channels of internal buyout, and approved external buyout, with specific approval by the board of directors.

If a company does approach with an offer for a merger or acquisition at that time, it would need approval to ensure it is beneficial to both the company and the return investors would be getting.



### XIII. APPENDIX

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#### A – Works Cited

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## B – Income Statements

#1:

Rescue Robot Income Statement													
Revenue	Year 1												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Selling Robot	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 560,000	\$ 3,760,000
Renting Robot	-	-	-	-	-	4,800	4,800	4,800	4,800	4,800	4,800	4,800	33,600
<b>Total Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 400,000</b>	<b>\$ 404,800</b>	<b>\$ 484,800</b>	<b>\$ 484,800</b>	<b>\$ 484,800</b>	<b>\$ 484,800</b>	<b>\$ 484,800</b>	<b>\$ 564,800</b>	<b>\$ 3,793,600</b>
Cost of Goods Sold													
Selling Robot													
Drive Train	\$ -	\$ -	\$ -	\$ -	\$ 67,500	\$ 67,500	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 94,500	\$ 634,500
Arm	-	-	-	-	50,000	50,000	60,000	60,000	60,000	60,000	60,000	70,000	470,000
Electrical Components	-	-	-	-	67,500	67,500	81,000	81,000	81,000	81,000	81,000	94,500	634,500
Housing/Chassis	-	-	-	-	55,000	55,000	66,000	66,000	66,000	66,000	66,000	77,000	517,000
<b>Total COGS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 240,000</b>	<b>\$ 240,000</b>	<b>\$ 288,000</b>	<b>\$ 288,000</b>	<b>\$ 288,000</b>	<b>\$ 288,000</b>	<b>\$ 288,000</b>	<b>\$ 336,000</b>	<b>\$ 2,256,000</b>
<b>Total Gross Margin</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 160,000</b>	<b>\$ 164,800</b>	<b>\$ 196,800</b>	<b>\$ 196,800</b>	<b>\$ 196,800</b>	<b>\$ 196,800</b>	<b>\$ 196,800</b>	<b>\$ 228,800</b>	<b>\$ 1,537,600</b>
Administrative:													
Start up Expenses	\$ 137,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,000
Rent of Office Plus Utilities	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,004
Production Budget	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	65,004
Other Administrative Salaries	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	39,999
Executive Salaries	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	375,000
Website Maintenance	83	83	83	83	83	83	83	83	83	83	83	83	996
Outsourcing Expense	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	69,996
Depreciation Expense	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	13,296
Amortization Expense	208	208	208	208	208	208	208	208	208	208	208	208	2,496
Payroll Tax Expense	11,979	11,979	11,979	11,979	11,979	11,979	11,979	11,979	11,979	11,979	11,979	11,979	143,748
Engineer #1	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	77,004
Engineer #2	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	77,004
Engineer #3	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	6,417	77,004
Insurance	667	667	667	667	667	667	667	667	667	667	667	667	8,004
Selling:													
Marketing & Advertising Expense	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Trade Shows	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	129,996
Air Time	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	140,004
Informal Financing Fee	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
Salespersons Salaries	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	159,996
Customer Service & Support	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,004
<b>Total Selling &amp; Administrative Expenses</b>	<b>\$ 280,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 143,296</b>	<b>\$ 1,856,552</b>
<b>Earnings/(Loss) Before Taxes</b>	<b>\$(280,296)</b>	<b>\$(143,296)</b>	<b>\$(143,296)</b>	<b>\$(143,296)</b>	<b>\$ 16,704</b>	<b>\$ 21,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 85,504</b>	<b>\$(318,952)</b>
<b>Income Tax Expense</b>													
<b>Net Income/(Loss)</b>	<b>\$(280,296)</b>	<b>\$(143,296)</b>	<b>\$(143,296)</b>	<b>\$(143,296)</b>	<b>\$ 16,704</b>	<b>\$ 21,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 53,504</b>	<b>\$ 85,504</b>	<b>\$(318,952)</b>
<b>Net Operating Loss Carryover</b>	<b>\$(280,296)</b>	<b>\$(423,592)</b>	<b>\$(566,888)</b>	<b>\$(710,184)</b>	<b>\$(693,480)</b>	<b>\$(671,976)</b>	<b>\$(618,472)</b>	<b>\$(564,968)</b>	<b>\$(511,464)</b>	<b>\$(457,960)</b>	<b>\$(404,456)</b>	<b>\$(318,952)</b>	<b>\$(318,952)</b>

#2:

	Rescue Robot Income Statement												
	Year 2												
Revenue	January	February	March	April	May	June	July	August	September	October	November	December	Total
Selling Robot	\$ 567,200	\$ 574,400	\$ 581,600	\$ 588,800	\$ 596,000	\$ 603,200	\$ 610,400	\$ 618,400	\$ 626,400	\$ 634,400	\$ 642,400	\$ 650,400	\$ 7,293,600
Renting Robot	4,880	4,960	5,040	5,120	5,200	5,280	5,360	5,440	5,520	5,600	5,680	5,760	63,840
Total Revenue	\$ 572,080	\$ 579,360	\$ 586,640	\$ 593,920	\$ 601,200	\$ 608,480	\$ 615,760	\$ 623,840	\$ 631,920	\$ 640,000	\$ 648,080	\$ 656,160	\$ 7,357,440
Cost of Goods Sold													
Selling Robot													
Drive Train	\$ 96,034	\$ 97,253	\$ 98,472	\$ 99,691	\$ 100,910	\$ 102,129	\$ 103,348	\$ 104,703	\$ 106,057	\$ 107,412	\$ 108,766	\$ 110,121	\$ 1,234,896
Arm	71,136	72,039	72,942	73,845	74,748	75,651	76,554	77,558	78,561	79,564	80,568	81,571	914,737
Electrical Components	96,034	97,253	98,472	99,691	100,910	102,129	103,348	104,703	106,057	107,412	108,766	110,121	1,234,896
Housing/Chassis	78,250	79,243	80,237	81,230	82,223	83,216	84,210	85,313	86,417	87,521	88,624	89,728	1,006,212
Total COGS	\$ 341,454	\$ 345,788	\$ 350,123	\$ 354,457	\$ 358,791	\$ 363,125	\$ 367,460	\$ 372,277	\$ 377,092	\$ 381,909	\$ 386,724	\$ 391,541	\$ 4,390,741
Total Gross Margin	\$ 230,626	\$ 233,572	\$ 236,517	\$ 239,463	\$ 242,409	\$ 245,355	\$ 248,300	\$ 251,563	\$ 254,828	\$ 258,091	\$ 261,356	\$ 264,619	\$ 2,966,699
Administrative:													
Start up Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rent of Office Plus Utilities	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671	1,671	20,052
Production Budget	5,430	5,430	5,430	5,430	5,430	5,430	5,430	5,430	5,430	5,430	5,430	5,430	65,160
Other Administrative Salaries	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	40,104
Executive Salaries	31,328	31,328	31,328	31,328	31,328	31,328	31,328	31,328	31,328	31,328	31,328	31,328	375,936
Website Maintenance	84	84	84	84	84	84	84	84	84	84	84	84	1,008
Outsourcing Expense	5,848	5,848	5,848	5,848	5,848	5,848	5,848	5,848	5,848	5,848	5,848	5,848	70,176
Depreciation Expense	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	24,096
Amortization Expense	417	417	417	417	417	417	417	417	417	417	417	417	5,004
Payroll Tax Expense	12,009	12,009	12,009	12,009	12,009	12,009	12,009	12,009	12,009	12,009	12,009	12,009	144,108
Engineer #1	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	77,196
Engineer #2	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	77,196
Engineer #3	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	6,433	77,196
Insurance	668	668	668	668	668	668	668	668	668	668	668	668	8,016
Selling:													
Marketing & Advertising Expense	10,025	10,025	10,025	10,025	10,025	10,025	10,025	10,025	10,025	10,025	10,025	10,025	120,300
Trade Shows	10,860	10,860	10,860	10,860	10,860	10,860	10,860	10,860	10,860	10,860	10,860	10,860	130,320
Air Time	11,696	11,696	11,696	11,696	11,696	11,696	11,696	11,696	11,696	11,696	11,696	11,696	140,352
Informal Financing Fee	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	150,372
Salespersons Salaries	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	13,367	160,404
Customer Service & Support	4,177	4,177	4,177	4,177	4,177	4,177	4,177	4,177	4,177	4,177	4,177	4,177	50,124
Total Selling & Administrative Expenses	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 144,760	\$ 1,737,120
Earnings/(Loss) Before Taxes	\$ 85,866	\$ 88,812	\$ 91,757	\$ 94,703	\$ 97,649	\$ 100,595	\$ 103,540	\$ 106,803	\$ 110,068	\$ 113,331	\$ 116,596	\$ 119,859	\$ 1,229,579
Income Tax Expense													
Net Income/(Loss)	\$ 85,866	\$ 88,812	\$ 91,757	\$ 94,703	\$ 97,649	\$ 100,595	\$ 103,540	\$ 106,803	\$ 110,068	\$ 113,331	\$ 116,596	\$ 119,859	\$ 1,229,579
Net Operating Loss Carryover	\$(233,086)	\$(144,274)	\$(52,517)	\$2,186	\$139,835	\$240,430	\$343,970	\$450,773	\$560,841	\$674,172	\$790,768	\$910,627	\$910,627

#3:

Rescue Robot Income Statement												
Revenue	Year 3					Year 4					Year 5	
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	Total	Total
Selling Robot	\$ 2,023,200	\$ 2,124,000	\$ 2,230,400	\$ 2,341,600	\$ 8,719,200	\$ 2,488,000	\$ 2,643,200	\$ 2,808,800	\$ 2,984,000	\$10,924,000	\$ 13,655,200	\$ 13,655,200
Reselling Robot	17,920	18,800	19,760	20,720	77,200	22,000	23,560	24,800	26,520	96,880	120,640	120,640
Total Revenue	\$ 2,041,120	\$ 2,142,800	\$ 2,250,160	\$ 2,362,320	\$ 8,796,400	\$ 2,510,000	\$ 2,666,560	\$ 2,833,600	\$ 3,010,520	\$11,020,480	\$ 13,775,840	\$ 13,775,840
<b>Cost of Goods Sold</b>												
Selling Robot												
Drive Train	\$ 358,622	\$ 376,490	\$ 395,350	\$ 415,060	\$ 1,545,522	\$ 458,651	\$ 487,261	\$ 517,789	\$ 550,086	\$ 2,013,787	\$ 2,695,723	\$ 2,695,723
Arm	268,864	282,260	296,399	311,177	1,158,700	347,163	368,819	391,926	416,373	1,524,281	2,074,748	2,074,748
Electrical Components	362,967	381,051	400,139	420,089	1,564,246	468,671	497,906	529,101	562,103	2,057,781	2,800,909	2,800,909
Housing/Chassis	295,751	310,488	326,039	342,294	1,274,570	381,880	405,701	431,119	458,010	1,676,710	2,282,222	2,282,222
Total COGS	\$ 1,286,204	\$ 1,350,287	\$ 1,417,927	\$ 1,488,620	\$ 5,543,038	\$ 1,656,365	\$ 1,759,687	\$ 1,869,935	\$ 1,986,572	\$ 7,272,559	\$ 9,853,602	\$ 9,853,602
Total Gross Margin	\$ 754,916	\$ 792,513	\$ 832,233	\$ 873,700	\$ 3,253,362	\$ 853,635	\$ 906,873	\$ 963,665	\$ 1,023,948	\$ 3,747,921	\$ 3,922,238	\$ 3,922,238
<b>Administrative:</b>												
Start up Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rent of Office Plus Utilities	5,316	5,316	5,316	5,316	21,264	5,581	5,581	5,581	5,581	22,324	24,310	24,310
Production Budget	16,863	16,863	16,863	16,863	67,452	17,369	17,369	17,369	17,369	69,476	73,158	73,158
Other Administrative Salaries	10,631	10,631	10,631	10,631	42,524	11,163	11,163	11,163	11,163	44,652	48,620	48,620
Executive Salaries	99,668	99,668	99,668	99,668	398,672	104,651	104,651	104,651	104,651	418,604	455,815	455,815
Website Maintenance	250	250	250	250	1,000	250	250	250	250	1,000	1,000	1,000
Outsourcing Expense	18,605	18,605	18,605	18,605	74,420	19,535	19,535	19,535	19,535	78,140	85,085	85,085
Depreciation Expense	8,725	8,725	8,725	8,725	34,900	11,425	11,425	11,425	11,425	45,700	56,500	56,500
Amortization Expense	1,875	1,875	1,875	1,875	7,500	2,500	2,500	2,500	2,500	10,000	12,500	12,500
Payroll Tax Expense	38,206	38,206	38,206	38,206	152,824	40,116	40,116	40,116	40,116	160,464	174,729	174,729
Engineer #1	20,465	20,465	20,465	20,465	81,860	21,488	21,488	21,488	21,488	85,952	93,594	93,594
Engineer #2	20,465	20,465	20,465	20,465	81,860	21,488	21,488	21,488	21,488	85,952	93,594	93,594
Engineer #3	20,465	20,465	20,465	20,465	81,860	21,488	21,488	21,488	21,488	85,952	93,594	93,594
Insurance	2,000	2,000	2,000	2,000	8,000	2,000	2,000	2,000	2,000	8,000	8,000	8,000
<b>Selling:</b>												
Marketing & Advertising Expense	31,894	31,894	31,894	31,894	127,576	33,488	33,488	33,488	33,488	133,952	145,861	145,861
Trade Shows	34,552	34,552	34,552	34,552	138,208	36,279	36,279	36,279	36,279	145,116	158,016	158,016
Air Time	37,209	37,209	37,209	37,209	148,836	39,070	39,070	39,070	39,070	156,280	170,171	170,171
Informal Financing Fee	39,867	39,867	39,867	39,867	159,468	41,861	41,861	41,861	41,861	167,444	182,326	182,326
Salespersons Salaries	42,525	42,525	42,525	42,525	170,100	44,651	44,651	44,651	44,651	178,604	194,481	194,481
Customer Service & Support	12,500	12,500	12,500	12,500	50,000	12,500	12,500	12,500	12,500	50,000	50,000	50,000
Total Selling & Administrative Expenses	\$ 462,081	\$ 462,081	\$ 462,081	\$ 462,081	\$ 1,848,324	\$ 486,903	\$ 486,903	\$ 486,903	\$ 486,903	\$ 1,947,612	\$ 2,121,354	\$ 2,121,354
Earnings/(Loss) Before Taxes	\$ 292,835	\$ 330,432	\$ 370,152	\$ 411,619	\$ 1,405,038	\$ 366,732	\$ 419,970	\$ 476,762	\$ 536,845	\$ 1,800,309	\$ 1,800,884	\$ 1,800,884
Income Tax Expense												
Net Income/(Loss)	\$ 292,835	\$ 330,432	\$ 370,152	\$ 411,619	\$ 1,405,038	\$ 366,732	\$ 419,970	\$ 476,762	\$ 536,845	\$ 1,800,309	\$ 1,800,884	\$ 1,800,884
Net Operating Loss Carryover	\$ 1,203,462	\$ 1,533,894	\$ 1,904,046	\$ 2,315,665	\$ 2,315,665	\$ 2,682,397	\$ 3,102,367	\$ 3,579,129	\$ 4,115,974	\$ 4,115,974	\$ 5,916,858	\$ 5,916,858

## C – Balance Sheets

#1:

Rescue Robot Balance Sheet												
Assets:	Year 1											
	January	February	March	April	May	June	July	August	September	October	November	December
<b>Current Assets</b>												
Cash	\$ 538,020	\$ 396,040	\$ 254,060	\$ 112,080	\$ 102,100	\$ 123,720	\$ 172,940	\$ 227,760	\$ 282,580	\$ 337,400	\$ 392,220	\$ 473,440
Accounts Receivable	-	-	-	-	100,000	101,200	121,200	121,200	121,200	121,200	121,200	141,200
Inventory	-	-	-	-	48,000	48,000	57,600	57,600	57,600	57,600	57,600	67,200
Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	\$ 538,020	\$ 396,040	\$ 254,060	\$ 112,080	\$ 250,100	\$ 272,920	\$ 351,740	\$ 406,560	\$ 461,380	\$ 516,200	\$ 571,020	\$ 681,840
<b>Non-Current Assets</b>												
Property, Plant, & Equipment	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000	\$ 133,000
Accumulated Depreciation	1,108	2,216	3,324	4,432	5,540	6,648	7,756	8,864	9,972	11,080	12,188	13,296
Net PP&E	\$ 131,892	\$ 130,784	\$ 129,676	\$ 128,568	\$ 127,460	\$ 126,352	\$ 125,244	\$ 124,136	\$ 123,028	\$ 121,920	\$ 120,812	\$ 119,704
Intangible Assets	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Accumulated Amortization	208	416	624	832	1,040	1,248	1,456	1,664	1,872	2,080	2,288	2,496
Net Intangible Assets	\$ 49,792	\$ 49,584	\$ 49,376	\$ 49,168	\$ 48,960	\$ 48,752	\$ 48,544	\$ 48,336	\$ 48,128	\$ 47,920	\$ 47,712	\$ 47,504
Total Non-Current Assets	\$ 181,684	\$ 180,368	\$ 179,052	\$ 177,736	\$ 176,420	\$ 175,104	\$ 173,788	\$ 172,472	\$ 171,156	\$ 169,840	\$ 168,524	\$ 167,208
Total Assets	\$ 719,704	\$ 576,408	\$ 433,112	\$ 289,816	\$ 426,520	\$ 448,024	\$ 525,528	\$ 579,032	\$ 632,536	\$ 686,040	\$ 739,544	\$ 849,048
<b>Liabilities:</b>												
<b>Current Liabilities</b>												
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 168,000
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 168,000
<b>Non-Current Liabilities</b>												
Other Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 144,000	\$ 168,000
<b>Owners' Equity</b>												
Founders' Investment	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Angel Investor's Investment	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Retained Earnings	(280,296)	(423,592)	(566,888)	(710,184)	(693,480)	(671,976)	(618,472)	(564,968)	(511,464)	(457,960)	(404,456)	(318,952)
Total Owners' Equity	\$ 719,704	\$ 576,408	\$ 433,112	\$ 289,816	\$ 426,520	\$ 448,024	\$ 525,528	\$ 579,032	\$ 632,536	\$ 686,040	\$ 739,544	\$ 849,048
Total Liabilities & Owners' Equity	\$ 719,704	\$ 576,408	\$ 433,112	\$ 289,816	\$ 426,520	\$ 448,024	\$ 525,528	\$ 579,032	\$ 632,536	\$ 686,040	\$ 739,544	\$ 849,048





#2:

Rescue Robot Balance Sheet												
Year 2												
	January	February	March	April	May	June	July	August	September	October	November	December
<b>Assets:</b>												
<b>Current Assets</b>												
Cash	\$ 403,547	\$ 494,264	\$ 587,927	\$ 684,536	\$ 784,090	\$ 886,590	\$ 992,035	\$ 1,100,689	\$ 1,212,606	\$ 1,327,787	\$ 1,446,232	\$ 1,567,922
Accounts Receivable	143,020	144,840	146,660	148,480	150,300	152,120	153,940	155,760	157,580	160,000	162,020	164,040
Inventory	68,291	69,158	70,025	70,891	71,758	72,625	73,492	74,355	75,418	76,382	77,345	78,308
Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>\$ 614,858</b>	<b>\$ 708,262</b>	<b>\$ 804,612</b>	<b>\$ 903,907</b>	<b>\$ 1,006,148</b>	<b>\$ 1,111,335</b>	<b>\$ 1,219,467</b>	<b>\$ 1,331,104</b>	<b>\$ 1,446,004</b>	<b>\$ 1,564,169</b>	<b>\$ 1,685,597</b>	<b>\$ 1,810,270</b>
<b>Non-Current Assets</b>												
Property, Plant, & Equipment	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000	\$ 241,000
Accumulated Depreciation	15,304	17,312	19,320	21,328	23,336	25,344	27,352	29,360	31,368	33,376	35,384	37,392
Net PP&E	\$ 225,696	\$ 223,688	\$ 221,680	\$ 219,672	\$ 217,664	\$ 215,656	\$ 213,648	\$ 211,640	\$ 209,632	\$ 207,624	\$ 205,616	\$ 203,608
Intangible Assets	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Accumulated Amortization	2,913	3,330	3,747	4,164	4,581	4,998	5,415	5,832	6,249	6,666	7,083	7,500
Net Intangible Assets	\$ 97,087	\$ 96,670	\$ 96,253	\$ 95,836	\$ 95,419	\$ 95,002	\$ 94,585	\$ 94,168	\$ 93,751	\$ 93,334	\$ 92,917	\$ 92,500
<b>Total Non-Current Assets</b>	<b>\$ 322,783</b>	<b>\$ 320,358</b>	<b>\$ 317,933</b>	<b>\$ 315,508</b>	<b>\$ 313,083</b>	<b>\$ 310,658</b>	<b>\$ 308,233</b>	<b>\$ 305,808</b>	<b>\$ 303,383</b>	<b>\$ 300,958</b>	<b>\$ 298,533</b>	<b>\$ 296,108</b>
<b>Total Assets</b>	<b>\$ 937,641</b>	<b>\$ 1,028,620</b>	<b>\$ 1,122,545</b>	<b>\$ 1,219,415</b>	<b>\$ 1,319,231</b>	<b>\$ 1,421,993</b>	<b>\$ 1,527,700</b>	<b>\$ 1,636,912</b>	<b>\$ 1,749,387</b>	<b>\$ 1,865,127</b>	<b>\$ 1,984,130</b>	<b>\$ 2,106,378</b>
<b>Liabilities:</b>												
<b>Current Liabilities</b>												
Accounts Payable	\$ 170,727	\$ 172,894	\$ 175,062	\$ 177,229	\$ 179,396	\$ 181,563	\$ 183,730	\$ 186,139	\$ 188,546	\$ 190,955	\$ 193,362	\$ 195,771
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>\$ 170,727</b>	<b>\$ 172,894</b>	<b>\$ 175,062</b>	<b>\$ 177,229</b>	<b>\$ 179,396</b>	<b>\$ 181,563</b>	<b>\$ 183,730</b>	<b>\$ 186,139</b>	<b>\$ 188,546</b>	<b>\$ 190,955</b>	<b>\$ 193,362</b>	<b>\$ 195,771</b>
<b>Non-Current Liabilities</b>												
Other Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<b>\$ 170,727</b>	<b>\$ 172,894</b>	<b>\$ 175,062</b>	<b>\$ 177,229</b>	<b>\$ 179,396</b>	<b>\$ 181,563</b>	<b>\$ 183,730</b>	<b>\$ 186,139</b>	<b>\$ 188,546</b>	<b>\$ 190,955</b>	<b>\$ 193,362</b>	<b>\$ 195,771</b>
<b>Owners' Equity</b>												
Founders' Investment	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Angel Investor's Investment	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000
Retained Earnings	(233,086)	(144,274)	(52,517)	42,186	139,835	240,430	343,970	450,773	560,841	674,172	790,768	910,607
<b>Total Owners' Equity</b>	<b>\$ 766,914</b>	<b>\$ 855,726</b>	<b>\$ 947,483</b>	<b>\$ 1,042,186</b>	<b>\$ 1,139,835</b>	<b>\$ 1,240,430</b>	<b>\$ 1,343,970</b>	<b>\$ 1,450,773</b>	<b>\$ 1,560,841</b>	<b>\$ 1,674,172</b>	<b>\$ 1,790,768</b>	<b>\$ 1,910,607</b>
<b>Total Liabilities &amp; Owners' Equity</b>	<b>\$ 937,641</b>	<b>\$ 1,028,620</b>	<b>\$ 1,122,545</b>	<b>\$ 1,219,415</b>	<b>\$ 1,319,231</b>	<b>\$ 1,421,993</b>	<b>\$ 1,527,700</b>	<b>\$ 1,636,912</b>	<b>\$ 1,749,387</b>	<b>\$ 1,865,127</b>	<b>\$ 1,984,130</b>	<b>\$ 2,106,378</b>

#3:

	Rescue Robot Balance Sheet									
	Year 3				Year 4				Year 5	
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	
Assets:										
Current Assets										
Cash	\$ 1,718,421	\$ 2,057,308	\$ 2,435,718	\$ 2,855,339	\$ 3,081,144	\$ 3,509,765	\$ 3,992,437	\$ 4,529,903	\$ 6,211,093	
Accounts Receivable	170,093	178,567	187,513	196,860	209,167	222,213	236,133	250,860	286,997	
Inventory	85,747	90,019	94,528	99,241	110,424	117,312	124,662	132,438	164,227	
Other Current Assets	-	-	-	-	-	-	-	-	-	
Total Current Assets	\$ 1,974,261	\$ 2,325,894	\$ 2,717,759	\$ 3,151,440	\$ 3,400,735	\$ 3,849,290	\$ 4,353,232	\$ 4,913,201	\$ 6,662,317	
Non-Current Assets										
Property, Plant, & Equipment	\$ 349,000	\$ 349,000	\$ 349,000	\$ 349,000	\$ 457,000	\$ 457,000	\$ 457,000	\$ 457,000	\$ 565,000	
Accumulated Depreciation	46,117	54,842	63,567	72,292	83,717	95,142	106,567	117,992	174,492	
Net PP&E	\$ 302,883	\$ 294,158	\$ 285,433	\$ 276,708	\$ 373,283	\$ 361,858	\$ 350,433	\$ 339,008	\$ 390,508	
Intangible Assets	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 250,000	
Accumulated Amortization	9,375	11,250	13,125	15,000	17,500	20,000	22,500	25,000	37,500	
Net Intangible Assets	\$ 140,625	\$ 138,750	\$ 136,875	\$ 135,000	\$ 182,500	\$ 180,000	\$ 177,500	\$ 175,000	\$ 212,500	
Total Non-Current Assets	\$ 443,508	\$ 432,908	\$ 422,308	\$ 411,708	\$ 555,783	\$ 541,858	\$ 527,933	\$ 514,008	\$ 603,008	
Total Assets	\$ 2,417,769	\$ 2,758,802	\$ 3,140,067	\$ 3,563,148	\$ 3,956,518	\$ 4,391,148	\$ 4,881,165	\$ 5,427,209	\$ 7,265,325	
Liabilities:										
Current Liabilities										
Accounts Payable	\$ 214,367	\$ 225,048	\$ 236,321	\$ 248,103	\$ 276,061	\$ 293,281	\$ 311,656	\$ 331,095	\$ 410,567	
Other Current Liabilities	-	-	-	-	-	-	-	-	-	
Total Current Liabilities	\$ 214,367	\$ 225,048	\$ 236,321	\$ 248,103	\$ 276,061	\$ 293,281	\$ 311,656	\$ 331,095	\$ 410,567	
Non-Current Liabilities										
Other Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Liabilities	\$ 214,367	\$ 225,048	\$ 236,321	\$ 248,103	\$ 276,061	\$ 293,281	\$ 311,656	\$ 331,095	\$ 410,567	
Owners' Equity										
Founders' Investment	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	
Angel Investor's Investment	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	900,000	
Retained Earnings	1,203,402	1,533,754	1,903,746	2,315,045	2,680,497	3,097,907	3,569,549	4,096,154	5,856,078	
Total Owners' Equity	\$ 2,203,402	\$ 2,533,754	\$ 2,903,746	\$ 3,315,045	\$ 3,680,497	\$ 4,097,907	\$ 4,569,549	\$ 5,096,154	\$ 6,856,078	
Total Liabilities & Owners' Equity	\$ 2,417,769	\$ 2,758,802	\$ 3,140,067	\$ 3,563,148	\$ 3,956,518	\$ 4,391,188	\$ 4,881,205	\$ 5,427,249	\$ 7,266,645	





## D – Cash Flow Statements

#1:

Rescue Robot													
Cash Flow Statement													
Year 1													
Operations	January	February	March	April	May	June	July	August	September	October	November	December	Total
Net Income	(280,296)	\$ (143,296)	\$ (143,296)	\$ (143,296)	\$ 16,704	\$ 21,504	\$ 53,504	\$ 53,504	\$ 53,504	\$ 53,504	\$ 53,504	\$ 85,504	\$ (318,952)
Depreciation Expense	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	1,108	13,296
Amortization Expense	208	208	208	208	208	208	208	208	208	208	208	208	2,496
(Inc/Dec) in A/R	-	-	-	-	(100,000)	(1,200)	(20,000)	-	-	-	-	(20,000)	(141,200)
(Inc/Dec) in Inventory	-	-	-	-	(48,000)	-	(9,600)	-	-	-	-	(9,600)	(67,200)
(Inc/Dec) in A/P	-	-	-	-	120,000	-	24,000	-	-	-	-	24,000	168,000
Net Cash Flow from Operations	(278,980)	\$ (141,980)	\$ (141,980)	\$ (141,980)	\$ (9,980)	\$ 21,620	\$ 49,220	\$ 54,820	\$ 54,820	\$ 54,820	\$ 54,820	\$ 81,220	\$ (343,560)
<b>Investing Activities</b>													
Cash Paid for Fixed Assets	(133,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (133,000)
Cash Paid for Intangible Assets	(50,000)	-	-	-	-	-	-	-	-	-	-	-	(50,000)
Net Cash Flow from Investing	(183,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (183,000)
<b>Financing Activities</b>													
Cash from Founders	100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Cash from Angel Investor	900,000	-	-	-	-	-	-	-	-	-	-	-	900,000
Dividends to Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing	1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Net Change in Cash	538,020	\$ (141,980)	\$ (141,980)	\$ (141,980)	\$ (9,980)	\$ 21,620	\$ 49,220	\$ 54,820	\$ 54,820	\$ 54,820	\$ 54,820	\$ 81,220	\$ 473,440
Beginning Cash Balance	-	538,020	396,040	254,060	112,080	102,100	123,720	172,940	227,760	282,580	337,400	392,220	-
Ending Cash Balance	538,020	\$ 396,040	\$ 254,060	\$ 112,080	\$ 102,100	\$ 123,720	\$ 172,940	\$ 227,760	\$ 282,580	\$ 337,400	\$ 392,220	\$ 473,440	\$ 473,440
Minimum Cash Reserve	100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Do we fall below the minimum?	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO

#2:

Rescue Robot													
Cash Flow Statement													
Year 2													
Operations	January	February	March	April	May	June	July	August	September	October	November	December	Total
Net Income	\$ 85,866	\$ 88,812	\$ 91,757	\$ 94,703	\$ 97,649	\$ 100,595	\$ 103,540	\$ 106,803	\$ 110,068	\$ 113,331	\$ 116,596	\$ 119,859	\$ 1,229,579
Depreciation Expense	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	24,096
Amortization Expense	417	417	417	417	417	417	417	417	417	417	417	417	5,004
(Inc/Dec) in A/R	(1,820)	(1,820)	(1,820)	(1,820)	(1,820)	(1,820)	(1,820)	(2,020)	(2,020)	(2,020)	(2,020)	(2,020)	(22,840)
(Inc/Dec) in Inventory	(1,091)	(867)	(867)	(866)	(867)	(867)	(867)	(963)	(963)	(964)	(963)	(963)	(11,108)
(Inc/Dec) in A/P	2,727	2,167	2,167	2,167	2,167	2,167	2,168	2,409	2,408	2,409	2,408	2,409	27,771
Net Cash Flow from Operations	\$ 88,107	\$ 90,717	\$ 93,663	\$ 96,609	\$ 99,554	\$ 102,500	\$ 105,446	\$ 108,654	\$ 111,918	\$ 115,181	\$ 118,446	\$ 121,710	\$ 1,252,502
<b>Investing Activities</b>													
Cash Paid for Fixed Assets	\$ (108,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (108,000)
Cash Paid for Intangible Assets	(50,000)	-	-	-	-	-	-	-	-	-	-	-	(50,000)
Net Cash Flow from Investing	\$ (158,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (158,000)
<b>Financing Activities</b>													
Cash from Founders	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Cash from Angel Investor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Dividends to Shareholders	-	-	-	-	-	-	-	-	-	-	-	20	20
Net Cash Flow from Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20)	\$ (20)
Net Change in Cash	\$ (69,893)	\$ 90,717	\$ 93,663	\$ 96,609	\$ 99,554	\$ 102,500	\$ 105,446	\$ 108,654	\$ 111,918	\$ 115,181	\$ 118,446	\$ 121,690	\$ 1,094,482
Beginning Cash Balance	473,440	403,547	494,264	587,927	684,536	784,090	886,590	992,035	1,100,689	1,212,606	1,327,787	1,446,232	473,440
Ending Cash Balance	\$ 403,547	\$ 494,264	\$ 587,927	\$ 684,536	\$ 784,090	\$ 886,590	\$ 992,035	\$ 1,100,689	\$ 1,212,606	\$ 1,327,787	\$ 1,446,232	\$ 1,567,922	\$ 1,567,922
Minimum Cash Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Do we fall below the minimum?	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO



#3:

Rescue Robot											
Cash Flow Statement											
Operations	Year 3					Year 4					Year 5
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total	Total
Net Income	\$ 292,835	\$ 330,432	\$ 370,152	\$ 411,619	\$ 1,405,038	\$ 366,732	\$ 419,970	\$ 476,762	\$ 536,845	\$ 1,800,309	\$ 1,800,884
Depreciation Expense	8,725	8,725	8,725	8,725	34,900	11,425	11,425	11,425	11,425	45,700	56,500
Amortization Expense	1,875	1,875	1,875	1,875	7,500	2,500	2,500	2,500	2,500	10,000	12,500
(Inc/Dec) in A/R	(6,053)	(8,474)	(8,946)	(9,347)	(32,820)	(12,307)	(13,046)	(13,920)	(14,727)	(54,000)	(36,137)
(Inc/Dec) in Inventory	(7,439)	(4,272)	(4,509)	(4,713)	(20,933)	(11,183)	(6,888)	(7,350)	(7,776)	(33,197)	(31,789)
(Inc/Dec) in A/P	18,597	10,681	11,273	11,782	52,333	27,958	17,220	18,375	19,439	82,992	79,472
Net Cash Flow from Operations	\$ 308,540	\$ 338,967	\$ 378,570	\$ 419,941	\$ 1,446,018	\$ 385,125	\$ 431,181	\$ 487,792	\$ 547,706	\$ 1,851,804	\$ 1,881,430
<b>Investing Activities</b>											
Cash Paid for Fixed Assets	\$ (108,000)	\$ -	\$ -	\$ -	\$ (108,000)	\$ (108,000)	\$ -	\$ -	\$ -	\$ (108,000)	\$ (108,000)
Cash Paid for Intangible Assets	(50,000)	-	-	-	(50,000)	(50,000)	-	-	-	(50,000)	(50,000)
Net Cash Flow from Investing	\$ (158,000)	\$ -	\$ -	\$ -	\$ (158,000)	\$ (158,000)	\$ -	\$ -	\$ -	\$ (158,000)	\$ (158,000)
<b>Financing Activities</b>											
Cash from Founders	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash from Angel Investor	-	-	-	-	-	-	-	-	-	-	-
Dividends to Shareholders	40	80	160	320	640	1,280	2,560	5,120	10,240	20,480	40,960
Net Cash Flow from Financing	\$ (40)	\$ (80)	\$ (160)	\$ (320)	\$ (640)	\$ (1,280)	\$ (2,560)	\$ (5,120)	\$ (10,240)	\$ (20,480)	\$ (40,960)
Net Change in Cash	\$ 150,500	\$ 338,887	\$ 378,410	\$ 419,621	\$ 1,287,378	\$ 225,845	\$ 428,621	\$ 482,672	\$ 537,466	\$ 1,673,324	\$ 1,682,470
Beginning Cash Balance	1,567,922	1,718,421	2,057,308	2,435,718	1,567,922	2,855,299	3,081,144	3,509,765	3,992,437	2,855,299	4,528,623
Ending Cash Balance	\$ 1,718,421	\$ 2,057,308	\$ 2,435,718	\$ 2,855,339	\$ 2,855,299	\$ 3,081,144	\$ 3,509,765	\$ 3,992,437	\$ 4,529,903	\$ 4,528,623	\$ 6,211,093
Minimum Cash Reserve	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Do we fall below the minimum?	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO

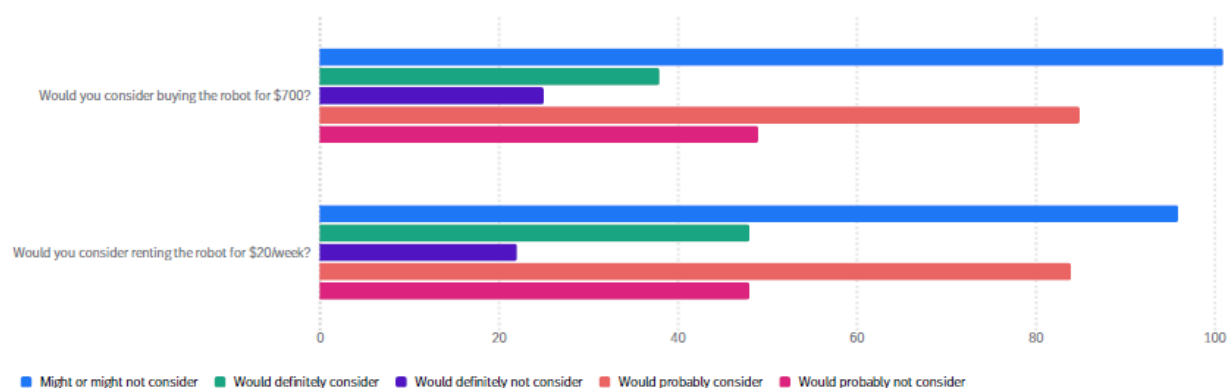
## E – Valuation

Rescue Robot							
Valuation							
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Horizon Value Year 5
Initial Cash Outlay	\$ (183,000)						
Operating Cash Flow		\$ (343,560)	\$ 1,252,502	\$ 1,446,018	\$ 1,851,804	\$ 1,881,430	
Capital Expenditures			\$ (158,000)	\$ (158,000)	\$ (158,000)	\$ (158,000)	
Payments to Shareholders		-	(20)	(640)	(20,480)	(40,960)	
Free Cash Flow	\$ (183,000)	\$ (343,560)	\$ 1,094,482	\$ 1,287,378	\$ 1,673,324	\$ 1,682,470	\$ 5,047,410
Discounted Free Cash Flows	\$ (183,000)	\$ (245,400)	\$ 558,409	\$ 469,161	\$ 435,580	\$ 312,829	\$ 938,487
NPV	\$ 2,286,066						
Dilution	39.3689%						
Discount Rate (CAPM, WACC)	40.0%						
Estimated Long Term Industry Growth Rate		5.0%					



## F – Market Research

How do you feel about the following options? 298 ⓘ



We are creating a robot that has an arm on the outside, which can pick thin...	Average	Minimum	Maximum	Count
Extendable arm	3.77	1.00	5.00	298
Rechargeable battery	4.16	1.00	5.00	298
App assistance	3.52	1.00	5.00	298
Voice control	4.11	1.00	5.00	298
Easy-to-clean exterior	3.87	1.00	5.00	298
Long battery life	4.29	1.00	5.00	298
Low noise operation	3.63	1.00	5.00	298
Programmable functions	3.60	1.00	5.00	298

## G – Resumes

1. [Micah Stavenhagen's Resume](#)
2. [Isabel Young's Resume](#)
3. [Jason Braverman's Resume](#)
4. [Elijah Newton's Resume](#)
5. [Henry Katchuba's Resume](#)

