

Gyrocup, llc | 1250 N. Bellflower Blvd., Long Beach, CA 90840

GyroCup

Business Plan

2016

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## **Executive Summary**

Tremors are a disorder that can be caused by numerous diseases, potentially making even day-to-day tasks challenging. Essential Tremors, the most common movement disorder, is a nervous system disorder that causes involuntary shaking in almost any part of the body. The trembling most often occurs in the hands, especially when performing a simple task, such as drinking. An estimated ten million people are living with Essential Tremors in the United States alone, not including the various other diseases that cause tremors, e.g. Parkinson’s. GyroCup’s team goal is to create a cup that maintains its position regardless of hand movements by the user. It is capable of mitigating the influence of tremors on the beverage, for the user, to prevent it from spilling during the process of drinking.

GyroCup is a unique medical device, it will be in a market with minimal competition. The absence of products designed to assist patients, suffering from tremors, on completing average tasks is significant. There are currently no electronic-stabilizing cups for tremor patients on the market, and the specialized cups that do exist are either fully enclosed children’s cups or mugs that only have one inefficient pivot, which do not prevent the beverage from spilling.

We have created a functional prototype and are currently in the process of refining the design by using higher quality materials and electronics, in order to create an elegant and efficient cup. Our next objective is to prove we can build a cup that is light, portable, affordable, and accomplishes the goal. In the world of patient tremors, we seek to improve the lives of the people beyond the disease.

## **Objectives**

### ***Short Range Objectives (6 months to 1 year) include:***

* Introduction of product
  + Website
* Differentiation strategy
* Product development and improvement

### ***Long-Range Objectives:***

* Relationship with medical care providers
* Establishing a larger scale manufacturing process
* Shift from differentiation strategy into a cost leadership strategy

## **Mission**

The mission of GyroCup, LLC., is simply to help individuals suffering from disabilities, namely Parkinson and Essential Tremors, to regain their own independence. We understand that these are incurable, yet treatable, disease that affects many people in the U.S. and around the world. Thus, we are committed to simplifying their lives by offering our product. GyroCup, LLC., is creating a cup which maintains its position regardless of hand movements from the user. Using a gyroscope chip alongside other electronics, the cup would remain perpendicular to the ground until the user presses a button locking it into place. This design would enable patients experiencing arm tremors to drink beverages normally, and mitigate the influence of shaking.

## **Keys to Success**

The key to success lies in the ability of the company to:

* Differentiate properly from products in the market
* To gain market visibility
* Respond to market threats and opportunities
* Shift adequately into an eventual cost leadership strategy

## **Company Summary**

**GyroCup** LLC., is a new company, founded in Long Beach, California, to provide goods for people affected by diseases causing tremors. Our team consists of multi-disciplinary individuals from fields such as engineering, business, and design. **GyroCup** LLC.,is currently developing a cup for those affected by the Parkinson’s, Essential Tremors, and other similar diseases. The product will ease the experience of independently drinking beverages for those affected by the tremors associated with the diseases. The company’s team has successfully developed an initial prototype. Our goal is to eventually develop a product that is elegant, portable, and affordable.

## **Company Structure**

The company will be incorporated in Long Beach, California. GyroCup, LLC. is owned by the contributing team members of Matej Brkic, Kumin In, Leon Lang, and Miguel Quintero. We consider that the best structure for the company is a flat structure, given the unique product and fragmented nature of our particular product. We will need to be able to have open channels of communication in order to immediately address the threats to our company objectives and the opportunities thereof. The company currently has four member who will be in charge of sustaining and moving the company forward, which include:

### ***Miguel Quintero - Management***

* The duties include, but are not limited, to the adherence to company objectives in a timely manner, to organizing and executing strategies in tandem with the team, and the overall leadership of the company. This individual will have communication with all team members, through bi-weekly meetings and other methods. Per previous financial experience of organizational financials, he will be directly responsible for the financials of GyroCup, LLC.

### ***Leon Lang – Communications***

* Duties include, but are not limited, designing the product, and the development of a marketing plan, in tandem, with the company objectives. Mr. Lang’s role will be crucial in developing attention and interest in our offering, the GyroCup, and will allow us to move the company forward.

### ***Matej Brkic - Electrical Engineering***

* Duties include, but are not limited, to future prototyping of the device to improve and advance the technological aspect of the product, designing electronic components and circuitry that go into the device, and minimizing cost of production and forming the most efficient means of production.

### ***Kumin In – Computer Science***

* Duties include, but are not limited to, the development of the software component necessary for the product and further improvements in software to address the needs beyond the community of Parkinson’s patients. I, Kumin In, will be serving a role as the main software developer for the product as well as support the tasks associated with Matej Brkic, who will be creating the hardware components.

## **SWOT Analysis**

### ***Strengths***

The strength of the company focuses on three primary reasons, which are differentiation, target market focus, and the highly-responsive nature of our flat structure. The product will be uniquely differentiated; our device will address practical concerns over the products that are readily in the market. The GyroCup LLC. product will resolve the concern over the resting tremors associated with Parkinson’s disease, Essential Tremors, and other diseases related to tremors. It will be able to respond to the oscillating movements and will allow its user to continue holding the cup and its contents. The cup will be usable with a single hand without the need of a second hand to stabilize or to tilt the cup in order to begin drinking. Additionally, the cup can easily be tailored specifically to be marketed to our target, those with Parkinson’s disease, as well as, other forms of tremor related illnesses. The company will be able to respond to changes in the environment (e.g. threats) much faster than a regular company. The flat structure of our company allows the company to be able to respond to the needs of the market; in order to, generate interests and gain market share.

### ***Weaknesses***

At this point in time, the biggest weaknesses of the company is the ability to manufacture on a larger scale. We are a small startup, and the manufacturing of our product would be dedicated to a small room to a few individuals. As demands grow, we will need to upscale our manufacturing abilities; for such reason, we are prepared to address this concern. In the strategic execution of a differentiation strategy, we would be unable to address any capital demands upfront, and may need to offer interest in the company earlier than expected, which may lead to loss of control over decisions.

### ***Opportunities***

The greatest opportunity of the company is in the fragmented nature of the market that it will be entering. The closest competitors, for GyroCup, LLC, would be the Kangaroo Cup and the handSteady. Neither company has been able to gain a substantial share of the market. The marketing for the products has been generic in their attempt to use an organic approach. The differentiation of the GyroCup and an aggressive marketing campaign of both viral and small-scale print media (e.g. newspapers), will be a catalyst for the company to generate interest and gain market share. The opportunity for the company is in the expansion to other mature markets and gather their interests. In the long-term, the opportunity for the company would include venturing into other technology-driven endeavors and extend the depth and breadth of the product mix.

### ***Threats***

The threats for the company are multiple, which include anything from product issues to product reception concerns. The possibility of our product malfunctioning would be the first and foremost threat that the company may face. Our product is made possible by software stored in a chip which could have a glitch or miscalculations, inhibiting functionality. As with all electronics, there is always a risk of a part failing after a period of time. Another possibility is water entering the electronics, causing them to fry. An inability to respond to these threats in the given cases, may simply damage the reputation of the startup to the point of failure. We are a startup and that means that we may fail in our endeavors, as many startups fail, or we could be bought out by one of our more mature competitors. The major concerns are surrounding the concerns over the reception of the product by the market. We will do our best in our campaign of marketing, however, our limited resources may not allow us to move forward, or thoroughly with our marketing plans for both present and future. Moreover, our customers may not see the product as a necessity, but rather a luxury and may decide not to invest with their purchase.

## **Market Research**

### ***Industry & Customers***

The nature of our GyroCup LLC. product is to aid those with affected by the Parkinson’s and any tremor related disease. The disease has multiple symptoms, but the aim of this company is towards the resting tremor symptom, shaking or oscillating movement when the person’s muscles are relaxed or at rest. Around one million of Americans live with the incurable Parkinson’s disease and around ten million Americans live with essential tremors. Moreover, an approximate 60,000 Americans are diagnosed with Parkinson’s disease each year, without accounting for those yet to be diagnosed (PDF, 2016) as well as an approximate of 200,000 cases of essential tremors. According to a government-organized website, the U.S. has the largest medical device market in the world with a market size of around $110 billion, and it is constantly growing (SelectUSA).

### ***Competitors***

The industry is currently fragmented thus there are only minor players, e.g. Imagiroo and handSteady. However, the current products on the market do not address the needs of our target community properly. Imagiroo’s cup does not have a specific target, the market is unfocused, unrefined, and thus unable to solve the particular concerns of our target market, e.g. resting tremor (Imagiroo, 2016). The handSteady is a product that is closely similar to our offering, but lacks the practicality of our product (handSteady, 2016). Our product tilts without the use both hands, which provides an ease of use unlike the handSteady product. It is an industry that can easily be grown and expanded; it is a market awaiting a strong player that can capture a majority of the market.

### ***Regulations***

The regulations surrounding the product will be two-fold, a copyright and a patent. The copyright will protect the coding contained within the product, which makes it operational. The patent will be protecting the idea of the product of the company itself, the exact way in which it is made will be protected for a number of years against duplication, against counterfeiting. Moreover, the product will soon be subject to trademark regulations, the reason would be the logo that we choose to use for the product itself. Finally, the product will be subject to rules and regulations surrounding proper disposal of unused material, fair business practices, etc.

## **Product/Service Line**

Our company will provide the Gyro Cup product, a cup which maintains its positioning regardless of other forces applied to it. In our context, people with Parkinson’s and Essential Tremors have trouble keeping their beverage stable and preventing it from spilling. Our product will fix that problem using a gyroscopic chip to detect the axis of movement in the handle of the cup, complemented with a microcontroller capable of processing the information to highly responsive and precise servo motors that will successfully stabilize the cup. Once the user is ready to drink they can activate a switch which will lock the cup in place, enabling them to bring it up to their face and enjoying the beverage.

### ***Pricing Structure***

|  |  |  |  |
| --- | --- | --- | --- |
| **Part** | **Quantity** | **Price** | **Total** |
| Servo | 2 | $6 | $12 |
| Gyro Chip | 1 | $4 | $4 |
| Microcontroller | 1 | $10 | $10 |
| Wires | 1.5ft | $2 | $2 |
| Cup | 1 | $3 | $3 |
| Grand Total |  |  | **$31** |

### ***Product Life Cycle Stage***

Our product is in the Introduction Stage. A current challenge is to build awareness for our product and develop a market for it, so we will invest our energy in creating an effective marketing campaign that will concisely communicate the benefits of having our product to large audiences. Our goal is to inform as many people as we can using social media as well as other resources available to us. At the time being, we do not have any property right for our product so we must gain them before the devise is openly presented.

We have researched the types of diseases, Parkinson’s Disease and Essential Tremors, that cause complications in hand movements because they directly correlate with our product. Researched has been performed on potential competitor’s product, like the Imagiroo and handSteady. We also performed researched on how to properly program the microcontroller to allow the electronics to perform the desired function, which lead to the creation of a function prototype. In the future we plan to perform more research on the market of our product and how to effectively approach that market.

## **Marketing and Sales**

### ***Company Growth Plan***

Growth plan is directed towards the eventual venture onto the medical market, e.g. Medicare providers, for the recipients of the benefits. Our focus is in establishing and growing a relationship so that if necessary Medicare would cover a majority, or all the costs, in purchasing our product. It would be this relationship that would benefit the company the most. For the foreseeable future, we will sell our product primarily through a company website that we will create and run at an approximate cost of $10.00 to $100 a year. Therefore, we will have a means for customers to reference and learn about our product as well as an accessible way to purchase the GyroCup by shipping it to the customers. Additionally, we will be working with Pharmaceutical retailers, in an attempt to place our product on their shelves (e.g. CVS, Rite-Aid, Walgreens). We will also seek to either collaborate and/or market through other websites that provide information and help to individuals suffering from diseases that lead to tremors.

### ***Customer Communication***

We will have a website running to inform further details of our product as well as make it available for purchase, as well as collaborate with Parkinson’s and Essential Tremors websites to promote our product on their page. To create hands on awareness and proof of functionality of our product, we will showcase our prototypes to nearby hospitals. In the long-run we hope to connect with celebrities known to experience tremors and their public relations teams to strategize for a marketing plan that will inform the younger community of people with Parkinson’s and Essential Tremors and give awareness to family members of patients.

### ***Company Outlook***

The company is currently seeking the funding for the development of the product to reduce the cost, enhance the product image, and improve the overall quality of the GyroCup. We are currently seeking that funding through the Innovation Challenge, so that we may be able to further the goals of the company. In a future where we have developed the product, we will be aiming to foster a relationship with the medical device market, in which our product will be covered by the customer’s medical plan (e.g. Medicare). It is this relationship that will enable the company to reach a profitable margin.

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