



PowerGo

INDEPENDENT BUSINESS PLAN EVENT

Carmel DECA

Carmel High School

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## I. EXECUTIVE SUMMARY

 PowerGo is located on the North Side of Indianapolis, Indiana. As a company, we are focused around making electric cars more efficient for consumers and eliminating the gap between gas and electric powered automobiles with the help of Tesla Automobiles. Our company revolves around two products, the PowerBox and PowerSafe. The PowerBox is a semi-portable electric car charger made specifically for Tesla automobiles. The PowerSafe is what we use to hold our PowerBoxes inside of a Tesla's trunk. Together, these products are made to change the way electric cars swallow away your potential travel time. Making each driver's voyage more efficient, longer lasting, and world class.

### PROBLEMS

### SOLUTIONS

**SHORT BATTERY LIFE BETWEEN CHARGES BECOMES A HASSLE FOR CONSUMERS**



**POWERGO'S POWERBOX PROVIDES 75-150 ADDITIONAL MILES IN RATIO TO THE CHARGE GOING INTO AN ELECTRIC CAR**

### RECHARGE TIMES

**RECHARGE TIMES TAKE A LONG AMOUNT OF TIME THAT COULD BE USED TO BE MORE PRODUCTIVE**



**POWERGO'S PRODUCTS PROVIDE BACKUP BATTERY SO DRIVERS HAVE TO WAIT LESS**

### THE COST OF DRIVING ELECTRIC

**CUSTOMERS THAT WANT NEW OPTIONS FOR DRIVING ARE STUCK BECAUSE OF THE TIGHT KNIT MARKET THAT CAUSES HIGH PRICING FOR ELECTRIC DRIVING**



**POWERGO'S PRICING MAKES THE PURCHASE OF A TESLA AND SEMI-PORTABLE BATTERY A BARGAIN FOR ALL ELECTRIC CAR BUYERS**

### UNIQUE VALUE PROPOSITION


**1ST EVER PATENTED ACCESSORY IN ANY ELECTRIC CAR MARKET**

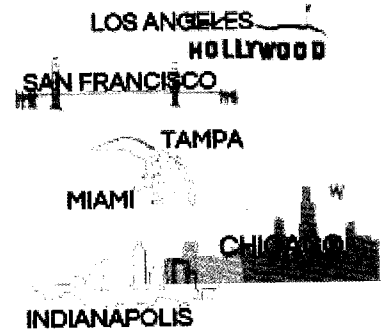
Our patent's enlighten the brand identity and product uniqueness of our company. These will show how strong our company's potential is. As well, as our exclusivity agreement with Tesla will aid our brand with market strength.

### COMPETITIVE ADVANTAGE

**PARTNERING WITH TESLA AIDS POWERGO WITH BRAND RECOGNITION**

Our ability to establish a strong customer base through the image Tesla gives PowerGo will trump any rising competitors from wanted to compete with our brand.

Tesla Retail Locations that PowerGo's products are shipped to » 



## Key Metrics

1. Current Ratio
  2. Net Profit
  3. Customer Retention Rate
- 

In order to measure our company's success and progress over time. We have identified key metrics. The key metrics we have identified above are explained below.

1. Our company's liquidity
2. The amount of revenue we produce a year
3. The number of customers we keep each fiscal year

# TARGET MARKET

AGE



**25-60 Year Olds**  
Generation X  
Current Elders

PSYCHOGRAPHICS



**Generation X** makes up **75% percent of Tesla customers.**  
They will be our greatest target market while working with Tesla.

MARKETING



PowerGo will use **Social Media** and **Retail Stores** to **build Brand Image** and **Increase Consumer Interest**

## Channels

The Four ways PowerGo will build consumer interest



PowerGo's Website



Word of Mouth



Tesla Retail Locations



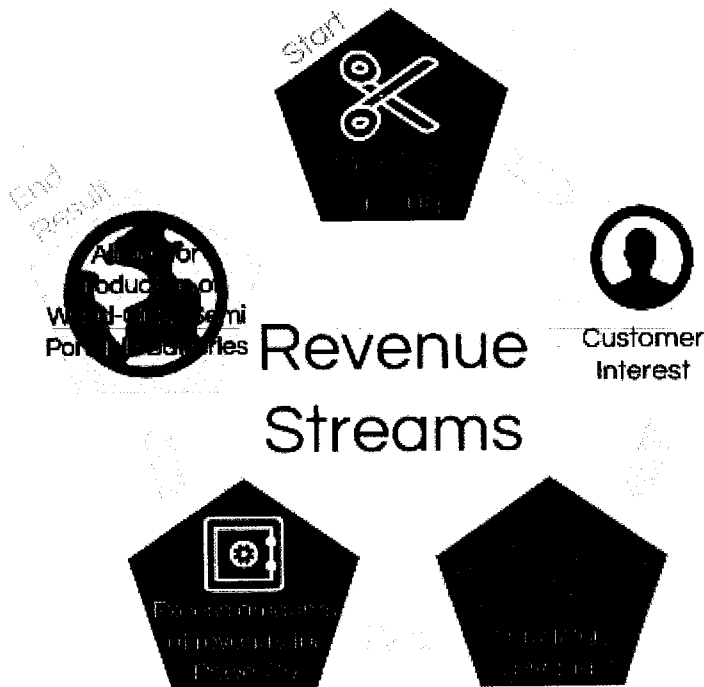
Social Media

## Financials

Income Statement for Years 1 & 2



	SALES REVENUE	GROSS PROFIT	NET INCOME
Y1	\$52,877,000 	\$22,730,034 	(\$134,120) 
Y2	\$63,052,000 	\$28,569,290 	\$4,685,636 



## Revenue Streams

PowerGo is determined to use a prestige pricing strategy to create a steady revenue. Every dollar that comes into our company will go back into the process of making more products, thus allowing us to constantly have a large supply for customers to continue purchasing products from us.

## Cost Structure

POWERGO'S ACCUMULATED COSTS ARE \$22,864,154 FOR THE FIRST FISCAL YEAR

**Distribution Costs**  
\$5,287,700 Annual

**Depreciation Costs**  
\$1,350,000 Annual

**Human Resources Costs**  
\$8,187,162 Annual

**Additional Costs**  
\$8,039,292 Annual

## II. PROBLEM



PowerGo addresses a multitude of problems in the current marketplace. These problems are commonly faced by current electric car owners. **The first problem that is faced by most electric car owners is the unstable and short battery life between charges.** Currently, in Tesla Motors

Model S there is three different battery options. These options are the 60 KWH option which provides 152 miles per charge to 333 miles per charge depending on temperature as well as speed of the vehicle. The second option is a 75 KWH battery. With the additional 15 KWH you move up to 184 miles per charge to 403 miles per charge. The third and final option is the 90 KWH battery option providing 216 miles per charge all the way up to 455 miles per charge. This problem is caused by the manufacturers being unable to provide the desired battery at a desirable price point. The price difference between the 60 KWH and the 75 KWH is \$8,500. When customers would like to upgrade to the 90 KWH battery this adds an additional \$15,000 to their total bill. This steep price for little benefit often holds back customers from making this additional purchase, causing the 60 KWH to be the top selling Model S. Many electric car owners also own a gas powered vehicle for long drives, or rent a car for these longer-distance trips.

The second problem faced is the **slow recharge times.** Recent studies by Tesla Motors on electric car recharge stations at the popular store Walmart

have shown that in a 45 minute charging time, the customer only receives 6 miles in added range. In addition to this, the customer must take the time to find these parking spaces and plug in their car. This ultimately develops into most of these recharge stations going unused. Tesla Motors acknowledges this problem with their proposed quick charge station concept set to go up in from 2015-2021. This was set up to design an electric car charging station every 200 miles. This idea was later altered as they did not have the proper funding for the project. It was changed to every 250 miles. Tesla made this seem reasonable to customers by saying each 'quick charge station' is still under the 265 average estimated mileage per charge. Although this is the estimated mileage per car, studies from third party researchers such as

