

## INTRODUCTION

### **Vision Statement:**

Voyager Corporation, a company that markets Voyager Logistic Services, which aims to ameliorate the growing problems of food waste in Australia and concurrently disrupt the poverty cycle by lessening the problem of hunger in the third world. Voyager Corporation will be set up as a not-for-profit, non-government organisation (“NGO”). We aim for a six-sigma product quality.

### **Mission Statement:**

Voyager Logistics Services (“VLS”) is an integrated food supply system that relies on two proposals: a vacuum packaging system that preserves food for longer and software that monitors the expiry date and amount of food in a container (both of these systems can be implemented on macro and micro scales). The software will be useful in an industrial setting to ensure food is not wasted and co-ordinate delivery times and on a domestic scale, allow people to compute how much to buy and when to consume it by. VLS is a revolutionary concept based upon the ideals of current food trade. Through technological innovation, Voyager will enable the trouble-free, cost effective transport of food goods around the world, both nationally and internationally.

### **Objective:**

To develop and market a commercially viable packaging and software solution to charitable organisations, the WFO (World Food Organization) and large food transport companies as well as ordinary households in Australia. Our key objective is to reduce waste and aid in preventing food shortages in developing countries. Our business will develop a packaging prototype that is able to be mass-produced together with a working mark-up of the software. We aim to invest profits from the software and the packaging into food aid for third world countries (in the company structure of a NGO, non-profit organisation deriving funding from a National Resources Advisory Agency). We have a relatively flat management structure, with a CEO and heads of Finance, Marketing, Packaging, Software Development and Public Relations.

## PRODUCTION

### **Vacuum Pump:**

VLS has developed a food preserving and potentially lifesaving product. This product consists of a vacuum packaging device, which allows for increased produce longevity. This is achieved through the operation of a hand powered pump which when utilised causes a vacuum to be formed. Due to the introduction of this vacuum, products encased in the packaging are preserved due to the reduction of temperature conductivity through the removal of approximately 70% of the conductive surface area. This temperature control is further established through the implementation of insulation, which is placed on two of the sides and the base of the product. The valve used on the top of the product is used to only allow air to pass one way out of the package. This means that the hand pump can be more effectively utilised and therefore increase the overall efficacy of the product. Through the implementation of this product on an international scale, produce can remain fresher for longer and allow for greater transportation distances to be achieved. This can enable more developed countries to donate fresh produce to third world countries in order to combat world poverty and eradicate international suffering.

### **Software:**

Software can be produced using free Apple Software Development Kits (“SDKS”) that allow for software developers to make applications for iPhone, personal computers and a range of mobiles. For the industrial application program, Visual Basic and C++ would provide a greater programming framework than the simpler SDK, allowing dynamic editing down to the code level (both these programs are also free). Programming is expected to meet the one-year deadline for completion, given the relative simplicity of the design required and the world-class Australian programmers that we have employed.

## MARKETING

### **Market Research:**

Australians are throwing out three million tonnes of food every year – the equivalent of 145 kilograms for each and every citizen. Victorians and South Australians are throwing out approximately 40 percent of food purchased and in the ACT, a November 2007 study by the Australian Bureau of Statistics (“ABS”) found that homes were throwing out 4.2 kilograms of food every week – up from 3.7 kilograms in 2004. The two main reasons for food wastage are that people ‘cook or prepare too much’ or ‘don’t use food before its use-by date’. The Australian 2006 National Greenhouse Gas Inventory report stated methane emissions from solid waste disposal on land were equivalent to 13.2 million tonnes of carbon dioxide. Succinctly, Voyager wishes to engage in vertical integration of the food transport and consumer processes. The U.N. World Food Program (WFP) said in December 2008 that more than 38 million people across Africa are at risk of starvation. The UN reports much of the problem is due to issues in food transport from 1<sup>st</sup> to 3<sup>rd</sup> world nations and then internally due to the large time spans involved and that it requires a new system to solve this.

### **Target Market:**

The differing stages of the system have target markets largely dependent on scale but will be applicable worldwide (especially in tropical regions, as heat and water cause food to expire faster). We will target households and supermarkets, such as Coles or Woolworths for our domestic software and food logistics companies such as Interbulk Group for the international industrial application as well as charitable organisations that provide food such as the WFO and Caritas.

### **Marketing Mix:**

*Product:*



The key benefits of our product are that it is environmentally friendly as it prevents water and other resources such as fertilizers from being wasted, it is socially beneficial as it helps those in developing countries, it promotes food independence and it provides a practical solution to large companies and individuals in preserving food.

**Price:**

The price of the various products are the iTrack (Industrial software) is priced at \$5000 (for 100 licences), the iTrackGo (phone and computer software) at \$3 each, the iPackMini (Small packaging (D30cm x W20cm x H15cm) at \$50 and the iPackMax (Large packaging (D3.4m x W3m x H4m) at \$10,000. As an NGO and not-for-profit organization, we shall sell products to the third world for free once we are profitable.

**Place:**

Our target market is located across the world, particularly in tropical and industrialized nations. It is expected to sell especially well in the United States, Germany, United Kingdom, Japan and Australia, the top 5 countries for yearly food waste per capita. We will assemble the packaging at strategic industrial sites and distribution will occur on a national level.

**Promotion:**

Food waste is an omnipresent issue and starvation is a commonly raised problem, so it is in the public conscience, but it is not prominent enough. We plan to raise awareness and publicize our services by:

- Marketing our product through direct one-on-one contact with industrial players. Marketing can occur in the online realm through a website and strategic placement of ads on media such as Google and Admobile.
- Marketing domestic software to homes through advertising in newspapers such as *The Australian* and online in appropriate locations. Marketing products to international aid organizations through the UN and international publications (*The Economist, Foreign Affairs etc.*) and having 1<sup>st</sup> world countries subsidise the technology for 3<sup>rd</sup> world countries (through the IMF or other aid channels). Products will be marketed to domestic users through press releases in academic publications e.g. *Food Logistics* or more general home and lifestyle magazines such as *Home and Garden*.
- Use of the 'i' label to attract attention. Apple provided the SDKs used in building the application and many apps are appended with an 'i'. The 'i' is also not copyrighted by Apple.

**FINANCE**

Voyager will require initial funding given the capital and plant costs as well as the necessary research & software development needed in the first one to two years. We forecast that \$5 million will be needed from the Natural Resources Advisory Agency and \$5 million will be acquired through other channels, such as donations (from both charitable organisations and private donors, given the innovative of the system), grants from the WFO (due to their charitable interest) and other government grants (e.g. industry subsidies). Half of the \$10 million start up capital will be directed to initial plant and capital costs (\$100 extra for uploading the iPhone application to the Apple website) and \$5 million will be allocated to working capital. Other operational costs will be covered by sales. Profit is expected to be reached after three years of production.

	Year 1		Year 2		Year 3	
	Qty	\$ (AU)	Qty	\$ (AU)	Qty	\$ (AU)
<b>Revenue</b>						
iTrackGo Licence	0	\$0	1,000	\$3,000	10,000	\$30,000
iTrack Licence	0	\$0	100	\$5,000	2,000	\$100,000
iPackMini	0	\$0	30,000	\$150,000	35,000	\$1,750,000
iPackMax	0	\$0	100	\$1,000,000	20,000	\$200,000,000
<b>Total revenue</b>	<b>0</b>	<b>\$0</b>	<b>31 200</b>	<b>\$1,158,000</b>	<b>67000</b>	<b>\$201, 880,000</b>
<b>Variable costs</b>	Per unit	\$ (AU)	Per unit	\$ (AU)	Per unit	\$ (AU)
iTrackGo Licence	\$0	\$0	\$0	0	\$0	\$0
iTrack Licence	\$0	\$0	\$0	0	\$0	\$0
iPackMini	\$26	\$0	\$26	\$780,000	\$26	\$ 910,000
iPackMax	\$4,000	\$0	\$4,000	\$400,000	\$4,000	\$ 8,000,000
<b>Total Variable Costs</b>		\$0		\$ 1,180,000		\$ 8,910,000
<b>Gross Profit</b>		\$0		\$ 2,200, 000		\$191,297,000
Marketing		\$0		\$ 1,000,000		\$1,500,000
Salaries		\$ 500,000		\$ 1,572,000		\$5,000,000
Plant Costs		\$ 5,000,000		\$ 0		\$0
Plant & Asset Depreciation		\$0		\$ 1,000,000		\$800,000
Licencing Fees		\$100		\$ 0		\$0
Debt Repayments		\$0		\$ 1,500,000		\$2,700,000
<b>Total Fixed Costs</b>		\$ 5,000,100		\$ 5,072,000		\$ 10,000,000
<b>Total Costs</b>		\$ 5,000,100		-\$ 2,872,000		\$18,910,000
<b>Net Profit Before Tax</b>		-\$5,000,100		\$0		\$ 172,890,000
<b>Tax (30%)</b>		\$0		- \$2,872,000		\$51, 716,100
<b>Net Profit After Tax</b>		-\$5,000,100				\$ 121,023,000

