

# Project Deliverable H: **Economics Report and 1 Minute Video Pitch**

## GNG 2101 – Intro. to Product Dev. and Mgmt. for Engineers

Faculty of Engineering – University of Ottawa

### **Objective:**

Develop a forecasted income statement for your company based on the business model that you previously developed for your team's product. Create a 1-minute video pitch you would use to promote investments in your company.

### **Instructions:**

This project deliverable will be split into two complementary parts (economics report and video pitch). Submit both parts together.

#### **H.1 Economics report:**

1. Include a list of: variable, fixed, direct and indirect costs associated with your business, based on the manufacturing and sale of your product. Make sure that you distinguish between price and cost and realize that prototyping and higher-volume manufacturing costs will probably be different.
2. Develop a 3-year income statement, which includes: sales revenue and costs of units sold for each year, gross profit, operating expenses and operating income (no need to include interest and taxes).
3. Using a NPV analysis, determine the break-even point (i.e. number of units that must be sold for your business to become profitable). Note: It is highly unlikely that your operating income will be positive in the first year because of fixed costs. Therefore, you must use a NPV analysis to compare costs and profits over multiple years based on present value.
4. Describe and justify all assumptions that you have made in developing your economics report.

**H.2 1-minute video pitch.** Create a video, approximately 1 minute in length, where your team will:

1. Introduce (and potentially brand) itself.
2. Explain the problem that is being solved and highlight the importance of solving the problem now.
3. Discuss the proposed solution and its competitive advantages.

Answer the questions: “So What?”, “Who cares?”, “Why you?”.

Each of your topics should be summarized in a sentence or two. The presentation of visual information is very important and requires care. When filming the video, make sure that you are well-prepared. Presenters should: be confident, believe in what they are saying, be relaxed but organized and to the point. Be sure to speak clearly and concisely, without mumbling, and avoid using filler words (e.g. “um”, “like”, etc.).

Be aware of your facial expressions and body posture (e.g. your hand movements should *concentrate* the viewer's attention, rather than distract from your central messages). This is how you appear to potential investors watching this video. In fact, this may be *all* they see if you are not careful. After watching your pitch, they should *really want* to learn more about you and your product.

***Project Plan Update:***

1. Update your project plan to include any missing tasks, task responsibilities, milestones, or dependencies, based on feedback you have received from your PM/TA and your better understanding of the project.
2. Include more detailed sub-tasks for the tasks that will need to be completed over the next two weeks. Important note: It should be possible for ONE person to complete each identified task or sub-task in the allotted time. The allotted time should also be reasonable, based on the task owner's availability.
3. Verify and update task start dates and end dates for each task, based on project progress.
4. Ensure you have taken into account each team member's actual availability over the next two weeks, as well as events such as particularly high course loads, exams or travel, which may limit actual project work progress.
5. Include an updated version of your project plan as part of this submission.

***Submission:***

Each team (***only one person from each team***) must submit a PDF copy of the economics report, an .avi or .mp4 video pitch file and a project plan update by uploading them as a single submission into Brightspace. Each team must *also* upload their video to YouTube and provide a link on their project MakerRepo account. MakerRepo instructions are provided here: [https://en.wiki.makerepo.com/wiki/How\\_to\\_submit\\_a\\_project\\_to\\_MakerRepo](https://en.wiki.makerepo.com/wiki/How_to_submit_a_project_to_MakerRepo).

***Due Date:***

See Brightspace.