



## BUSINESS PLAN FOR RENEWABLE ENERGIES

*Very high prices for fossil fuels and the demand to reduce the emission of greenhouse gases led a successful entrepreneur with access to inexpensive biomass to set up a new business. Energy-contracting for large facilities, houses etc. A lot of ideas and technical details around the idea had been gathered by different experts. However a coherent story including the vision, strategy and consistent financial plan was missing. König & Consultants was asked in to develop a business plan that would convince potential investors. A persuasive business plan including a financial model of the new business was written within a short time-frame by applying very tight project management and employing a cross functional team.*

### Situation and Challenge

High prices for fossil fuels and public demands for lower greenhouse gas emissions lead to an increased search for renewable energy solutions by all kinds of institutions. However the investment in new technology very often worked as a too high hurdle.

Our client wanted to combine his inexpensive access to biomass with some well established technologies to harvest and burn biomass to generate zero emission and renewable energy.

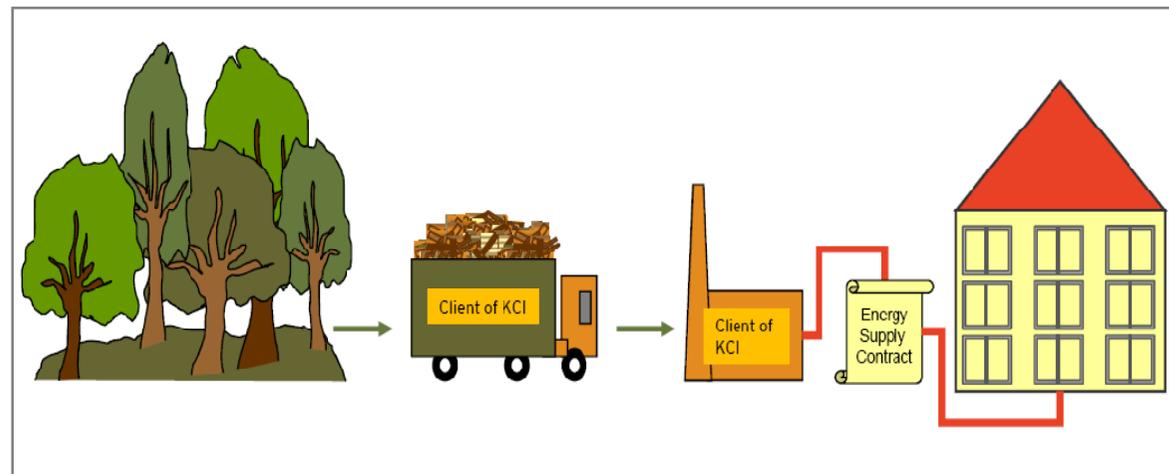
The unique selling proposition (USP) of this concept was to establish a turn-key-solution on the customer's property without any investment needed by the owner of the facility (e.g. a hospital or a condominium complex). The small-scale heating plant would then be owned, run and maintained by our client. Their customer would only buy energy.

The challenge for our client now was to secure financing of the equipment and the starting working capital. For the financing discussions and the build-up of the business a business plan was needed with an easy and also flexible financial model to adjust for the changes in the markets.

The time pressure was high to use the window of high energy-prices to convince investors.

### Approach and Solution

In order to write a coherent and consistent business plan within 4 weeks the team needed to gather all the existing information and sift it quickly. Then a structure for the Business Plan was drafted based on our experience. Overall the project ran through four phases:



- ▶ **Phase 1:** Market-situation analysis using Porter's 5 forces and the organization using the 7-S-Modell and our diagnostic-tool ("fit-for-future")
  - ▶ **Phase 2:** Develop and create vision, mission and a general strategic orientation
  - ▶ **Phase 3:** Develop a financial model to plan the new business financially
  - ▶ **Phase 4:** Write business plan for the implementation
  - ▶ **Phase 5:** Support implementation by coaching to executing managers
- ▶ An easy to handle, flexible financial model to argue the financial needs and to adjust for changes in the market was established.
  - ▶ A very good basis for discussion with investors.
  - ▶ The business plan could be further developed by the Client as members of the Client team were trained and all electronic documents left with the Client.
  - ▶ A tight project-plan and excellent communication enabled the team to finish the business-plan in a shorter then expected time-frame with better than expected outcome. The overall budget was kept.

### Results

- ▶ A convincing mission, vision, and strategic plan were established.