

INVESTMENT IN LOGISTIC PORTAL – EASTERNLOGISTICS.PL

K. Paczóska, K. Telakowiec, students of the Siedlce University of Natural Sciences and Humanities
Department of Economics and Law

Supervisor:

dr R. Demjaniuk, dr A. Marcysiak

(Siedlce University of Natural Sciences and Humanities)

BUSINESS PROPOSAL

Characteristics of production planned for release: logistic portal EsternLogistics.pl specialized in supply information from the TSL sector. It includes Polish eastern provinces, Lithuania, Belarus, Ukraine and Russia. Portal is not only a source of information about TSL news but also promotion tool for companies, private and state institutions, products and services connected with TSL sector.

Portal services:

- modern system of promotion and presentation of the company in a special catalogue;
- adding products/services offers;
- adding rental and sales storage space offers;
- adding job and cooperation offers;
- adding internship offers;
- adding information about scientific events related to the TSL sector;
- adding up-to-date information from the TSL market in Eastern Europe;
- exchange of information, opinion;
- possibility of putting the advertisement on the portal advertising space;
- send to registered users advertising and promotional information.

EsternLogistics.pl has favourable competitive position. There are about 9 logistics portals in Poland, but none of them specializes in the east market.

The company live off from advertising, sponsored articles and lead a commercial directory situated on EsternLogistics.pl.

Cost of business project: 18 196 zloty.

Total investment requirement: 37 405 zloty,

including by source:

other sources: 37 405 zloty (Project «Czas na biznes V» co-financing by European Union, carried by the District Employment Agency in Siedlce).

Investment application areas:

Investment in software:

- Microsoft Windows 7 Ultimate 64bit;
- CorelDRAW Graphics Suite X4;
- Microsoft Office 2010.

Investment in computer and office equipment.

Project performance indicators:

Discount rate: 6 %;

Dynamic payback period: 2 years;

Profitability index: for 1st year – 11 %, for 2nd year – 28,07 %;

Internal rate of return: 44 %;

Net present value: 63 128,99 zloty.

Date of compilation of investment proposal: 24.09.2012.

BUSINESS PROJECT PASSPORT

1. Information about the project

Project Name: Logistic website – EsternLogistics.pl.

Description and purpose of the investment project: logistic portal EsternLogistics.pl specialized in supply information from the TSL sector. It includes Polish eastern provinces, Lithuania, Belarus, Ukraine and Russia. Portal is not only a source of information about TSL news but also promotion tool for companies, private and state institutions, products and services connected with TSL sector. Portal is the equivalent of existing services aimed at the East market. It aims to facilitate cooperation between Polish and Eastern European companies. EsternLogistics.pl has favourable competitive position. There are about 9 logistics portals in Poland, but none of them specializes in the east market.

2. Product

Name of product (service): service provided by electronic means.

Application and key features: the main recipient of the services are individual and institutional clients associated with TSL sector and the East market. They are mainly companies which provide forwarding services, transport services, storage and dealing with logistic of production in the East market. Portal offer services associated with different promotion forms of market institutions, publishing sponsored articles, leading trade directory and trade forum. Depending on the type services can be free or payable.

Novelty profile: portal is the equivalent of existing services aimed at the East market.

Necessity:	exists	required	not required
– patent protection			+
– product licensing			+
– activity licensing			+
– product certification			+

3. Marketing research

The domestic market profile:

Volume of demand: 81 550 zloty.

Estimated volume of product (services) sales: 81 550 zloty.

Expected market share: 5 %.

Main consumers, their characteristics: the main recipient of the services are individual and institutional clients associated with TSL sector and the East market. They are mainly companies which provide forwarding services, transport services, storage and dealing with logistic of production in the East market.

Characteristics of distribution channels: indirect distribution channel.

Major competitors, their characteristics:

Logistics portals:

- www.logistyka.infor.pl;
- www.logistyka.net.pl;
- easylogistyka.com;
- www.e-logistyka.pl;
- www.logistyczny.com.pl;
- portallogistyczny.pl;
- www.dobralogistyka.pl;
- www.logistykafirm.com;
- www.logistyka.pl.

These portals offers similar services to the EsternLogistics.pl. They provide branch information , substantive knowledge about TSL and promotion tools for companies. None of them deals with Eastern market.

Competitive position is growing.

4. Financial and economic indicators of the project

Indicators of the project:

cost of the investment project: 37 405 zloty;

total investment requirement: 37 405 zloty;

dynamic period of the project payback: 2 years;

Net present value: 63 128, 99 zloty;

Internal rate of return: 44 %.

5. Offers for investors

Possible involvement of investors:

intangible investments: create a website – 1722 zloty, software – 3636 zloty.