

Sawyer® Water Filtration Build a Business Program



Purpose:

To allow micro business to develop under the guidance of NGO's, so that Sawyer's new life changing filters can be introduced around the world on a sustainable business model basis.

To Qualify:

The Distributor must be qualified by the NGO as responsible, committed and able to sustain a business.

The Program:

The qualified Distributor will be given access to Sawyer's Point One filters, Point Zero Two filters and the supporting accessories at a deep discount basis, 40% off the suggested list price.

The initial start-up kit of 50 filters will be supplied to the Distributor through the NGO under the sponsorship of an Underwriting Sponsor and Sawyer®.

As the Distributor sells those filters, they may replenish their inventory at a 40% off price.

A 15% surcharge will be applied on all re-orders to repay the upfront investment for the start-up kit.

The 15% surcharge on approx. 330 filters will pay off the initial 50-filter start-up kit, and from that point on, no surcharge will be assessed on re-orders.

Distributor is responsible for all shipping and handling charges plus any related costs which may include insurance, customs fees, import taxes, brokerage fees, duties (if applicable), and storage fees.

Sponsorship:

An Underwriting Sponsor (agency or person) "sponsors" the start-up kit shipment through the NGO for half of the value, which is approximately \$ 850-\$900.

The Underwriting Sponsor or NGO is also responsible for the 50% of the remaining unpaid balance of the start-up kit, (or up to half of the \$850 to \$900) should the Distributor's business fail within 12 months. Sawyer® assumes responsibility for the remaining balance.

As a successful Distributor buys more products, the original sponsorship investment is replenished and available to either set up additional Distributors or repay the Underwriting Sponsor.

(For a detailed example see reverse side)

Micro business in India

Note: The NGO and people involved in this story are fabricated

BAM is an NGO that provides humanitarian aid all over the globe. BAM has indentified a trust worthy and capable individual that lives in New Delhi, India by the name of Alan who is interested in starting up his own small business to support his family. Alan is a middle class citizen yet he along with his middle class neighbors are forced to buy or boil their water because the tap is untrustworthy. BAM was able to find a donor in the US who would sponsor Alan and help get his business started. The sponsor is required to pay 50% of the value of the start-up kit of filters.

The start-up kit contains 50 filters and all the components necessary to assemble the final product in India. Alan plans on assembling the kits himself so he can include his own instructions in Hindi. The cost per filter is \$34.53 making the total value of the kit \$1726.50. Therefore, the underwriting sponsor sends BAM \$863.25, half the value of the start-up kit.

BAM pays Sawyer the \$863.25 they received from the underwriting sponsor and Sawyer then ships BAM the first 50 filters. Since BAM has experience exporting supplies to India, they easily delivered the filters to Alan in New Delhi. BAM has agreed to pay the shipping and import taxes on the start-up kit until Alan is on his feet but he is notified of those costs so he can account for them when determining the price he will resell the filters for.

The cost per filter ends up being \$45 after shipping and import taxes. Alan has already conducted market research and determined that his neighbors will have no problem paying \$60 for a filter. They are already spending more each month on gas to boil water or to purchase it so it is an easy sale. Alan has even worked out a rent-to-own plan for those who can't afford the \$60 all at once.

After one month Alan has sold his inventory of 50 filters so he needs to order more. The filters still cost \$34.53 each except there is a 15% surcharge on top of his order to start paying off the initial investment. Through BAM, Alan coordinates the purchase of another 50 filters. The filters cost \$1726.50 plus a 15% surcharge of \$258.98 totaling \$1985.48. Alan is able to pay the \$1985.48 because he received all the sales revenue from the first 50 filters. He is also able to pay the shipping and import taxes himself.

After 6 months Alan has sold 384 filters. After purchasing 334 filters (the first 50 didn't include the surcharge) Alan has paid off the total value of the startup-kit which was \$1726.50. Sawyer pays BAM the \$863.25 for the initial investment and BAM can either use that money to pay back the underwriting sponsor or to start up a new business in another city in India.

After one year, Alan has sold 1000 filters. At \$60 a piece Alan was making \$15 profit on each sale and therefore has an income of \$15,000 for the year.

For information on the products, please visit www.SawyerPointOnefilter.com

For information on how to get started, please contact Amy Reed at areed@sawyer.com or call her at 509-630-3175

