Executive Summary
A small product development and manufacturing firm

Contact Information
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PROBLEM/OPPORTUNITY
Restaurants, hotels, trade shows, and other hospitality-focused businesses use large quantities of Visa polyester napkins, table cloths, and drapery. The polyester material is durable, stain resistant, and inexpensive. These traits make them very attractive to businesses. Unfortunately, unlike their cotton-based counterparts, there is no good up/re-cycling path. This means the vast majority of the polyester products end up in the landfill.

According to Care2.com, products made up of polyester (polyester or synthetic fabrics) will then remain in landfills indefinitely as non-biodegradable waste or they may become incinerated, leaching chemicals from which they were made into our ozone and environment causing irreparable harm.

SOLUTION/PRODUCT
Our primary goal is to make a line of cute, durable sleeping pillows for kids. The majority of the product will be constructed from the polyester napkins with the stuffing made from shredded polyester fabric. The most common stuffing in children’s toys is a polyester product called Polyfill. We would be making our own out of the recycled fabric content. The end result with be a product made from approximately 90% recycled materials.

Our secondary goal is to set up a scalable manufacturing facility in Austin Texas that uses cutting edge fabric manufacturing techniques to efficiently build a product locally that would traditionally be built in a foreign manufacturing hub like China or Mexico.

We currently create and sell a product that is manufactured using a laser cutting machine. A laser would cut polyester cleanly & quickly, and we intend to use this technique to cut out the pattern material. Additionally, a lot of modern synthetic materials are not sewn, but are instead ‘welded’ using a handful of heat bonding methods. This is the approach we are exploring to assemble the patterns into the final product. Using these techniques, we would be building and maintaining a modern manufacturing operation.

POTENTIAL RETURN/REVENUE MODEL
With a product made from 90% recycled (free) materials, we believe at scale that the product could be made for under $2 labor included. With a retail price of $16 to $20 and a wholesale price of $8 to $12, we are looking for a 4x to 10x return on the sale.

Our goal is to launch a kickstarter to initiate sales and introduce the product and story. Phase 2 would be online direct to consumer, and local retail sales in order to refine branding and messaging before approaching regional and national sales channels.

Market size numbers are hard to come by, but if we are looking at the Total Addressable Market(TAM) in America, there are roughly 4 million babies born each year, with a target age range of 2 to 12. That’s 40 million current potential users, with 4 million new yearly. At a $20 retail price tag, that’s $800,000,000.

We see the potential of 2 to 10 million in sales over a 5 year period for a successful product in this category.
COMPETITION
We have identified a number of similar products in the market already, but no dominant player. They range from cheap brand-less imports from China to small volume etsy-style niche products. These unfocused products have proven the market, but we feel that there is an opening for a strong brand with a unique story to enter the market and make a splash.

ENVIRONMENTAL IMPACT
Approximately 95% of our product will be made from the Visa polyester recycled material. At scale, we will be rescuing thousands of pounds of waste from the landfill.

ECONOMIC IMPACT
Our goal of building a scalable manufacturing facility in Austin underscores our belief that there is very little reason to go abroad for many types of manufacturing. Sending manufacturing work to countries with cheap labor is making less sense as automation is increasingly taking labor out of the equation.

We do not intend to build a minimum wage sweatshop. Instead, we are looking to train and maintain a robust, adaptive team to create and manage efficient production and supply chains and earn a living wage.

On the sales and marketing side, we are identifying products that are introduced into a niche market with the end goal of developing into a mass market retail product, and NapKinz is a product line that aligns nicely with that approach.

Austin is a great hub of technology, design, manufacturing, and media, and we intend to hire and inspire a wealth of local talent.

THE TEAM
K&T Manufacturing is currently a two person product design and manufacturing company incorporated in 2016 by Keith Kritselis and Scott Thompson.

Keith has a 30 year background in digital media and product development. He has taken 5 products of his own to market and worked with dozens of inventors and entrepreneurs to help get their ideas into the marketplace. His work has been profiled in dozens of national television and news outlets.

Scott is a serial entrepreneur and inventor with a passion for finding unique solutions to shared consumer problems. Additionally, he spent 5 years as the president of the Alamo Inventors Association where he was able to build a network of central Texas inventors and entrepreneurs in a large variety of market segments.

Additionally, we lean on a group of design and production contractors as needed

EXECUTION PLAN/GO TO MARKET STRATEGY OUTLINE
Step 1 - Build production ready prototypes
Step 2 - Send out for safety testing to a CPSC accepted laboratory
Step 3 - Develop brand identity
Step 4 - Make safety related revisions and create 500 products
Step 5 - Develop a marketing plan
Step 6 - Develop online sales channels and reach out to local and regional brick and mortar outlets for wholesale opportunities.
Step 7 - Refine production and fulfillment processes to meet the sales demand
Development
We have not developed a children’s product, so the regulated mandate of safety testing is the biggest unknown in terms of budgeting and scheduling, but we will look for partners or advisors who can help us through the process.

As stated above, we intend to create a thoroughly modern production process using as much automation as makes sense in order to create a profitable, safe, sustainable business.

Marketing
This is a product segment with no clear brand leader. In order for this product line to break through, it will need strong branding and storytelling.

Our initial marketing efforts will be focused locally until we have proven results that our brand identity and marketing message are effective with our core customer base.

Sales
We have previously run a successful crowdsource funding campaign, and we intend to do this again to kick off initial sales.

Partnerships
We intend to look for other recycling supplier partners as our needs grow beyond that of our local supplier, focusing regionally on markets like San Antonio, Dallas, and Houston.