

Project Title	Business Start-up Center „V-INK“ (working title)
Sector of Industry	Help for starting new businesses and self-employment. It is suitable for all industrial sectors, for start-up companies
Location	The geographical center of Bosnia and Herzegovina, on the road that connects the two largest cities in Bosnia and Herzegovina: Sarajevo-Banja Luka (average daily traffic of 14,731 vehicles). Franchise Center of Bosnia and Herzegovina, as a place for start-up center, is located in one of the most progressive business zones in Bosnia and Herzegovina (Business center PC-96 Vitez). Building is located next to one of the largest trading companies in BiH: Fis d.o.o Vitez (estimated average of 10,000 people a day visit). Net building area 23.864m ² , on six floors. Fully completed infrastructure with a number of supporting facilities (Hotel Central ****, conference rooms, VIP lounges and classrooms, Raiffeisen Bank, different catering facilities, wellness center, 400 parking spaces, etc.). The possibility of using sales and storage rooms of various sizes for the incubator. (See more on www.fcbih.com)
Objective of the project	Establish and equip the Business Start-up Center (in the form of a business incubator) for the development of entrepreneurship and the formation of new companies. In an environment of large and successful companies and progressive economic zone, new entrepreneurs will more easily realize their entrepreneurial ideas. This will lead to new self-employment and development of SMEs which is the ultimate goal of the project.
Key characteristics and advantages of the project	Establishment of Business Start-up Center is provided by the Strategy of development of the Municipality of Vitez in the period 2014-2020 (project A6, page 49 in this document). Franchise Center of B&H has fully completed infrastructure with all amenities for business incubator, which implies a relatively small investment of new funds. In a separate part of the building would form 20 office an average of approximately 15-20m ² for start-up companies, where donors / investors bear part of the costs in the first two years of operation. The project would provide support for 20 new businesses every two years to their empowerment for independent market performance. Investors ensure a certain number of mentors - business owners, controllers and university professors who would provide technical assistance and supervision of the operations of new businesses. The entrepreneurial climate and business environment are the main motives for the attraction of new start-ups and self-employment.
The financial aspect of investment - project:	
Return on investment(ROI), Net Present Value, etc.	Expected revenue of Economic, as one of the investors and the initiators of the project, in the first two years of € 20,384. The cost of furniture € 9900, depreciation costs (rate of 1.99% per year) € 4,000 per year. The loss in the first year € -4396, gross profit in the second year of € 7,880. Total gross profit for both the € 3,484. The larger effects of the project are expected for the local community because it involves employment and the development of 20 new businesses every two years (FC BiH is having the ability to increase the number of offices for the incubator, if the need arises)
Budget of expected investment – total investment	Total investment in the first two years of € 94,244: Economic 13.1% (€ 12,300), the potential investor / donor to 61.7% (€ 58,184) and users of office-new entrepreneurs 25.2% (€ 23,760). The structure of investments is as follows: a) Equipping the office furniture, the phone and the Internet connections € 495/per office - for 20 office investment is € 9,900 (investor Economic) b) equipment for office equipment (computers with licensed software, printer, fax machine): € 690/per office - for 20 office investment is € 13,800 (investor potential investor / donor) c) financing the cost of leasing € 2 + VAT of 17% in the first year and 2.5 € + VAT in the second year per m ² . The cost of leasing the office (average 19,8m ²) year is € 475.20 in the first year, and € 594 in the second year. The total for both years € 1,069.20 per office, or € 20,384 for all 20 (investor potential investor / donor) d) financing costs of electricity, heating and cooling etc., by € 2.5 + VAT of 17% per m ² in both years. The cost of leasing the office (19,8m ²) year is € 594. The total for both years € 1,188 per office, or € 23,760 for all 20 (investor entrepreneur-user space) e) to promote V-INK center to attract new entrepreneurs - € 1,200 per year, a total of € 2,400 in two years (feeder Economic) f) fee mentors and consultants to provide technical assistance and supervision of the operations of new businesses - € 1,000 per month or € 24,000 for two years of operation (investor potential investor / donor)
Expected mode of cooperation with potential investor	The project is being implemented with the aim of new self-employment and the development of new businesses. There are non-profit character of investors and donors, more is bound to interest the local community and further development of business zones. Prospective investors are expected: a) donations to equip office equipment 20 office - the estimated value of € 13,800 b) financing the cost of renting office space in the first two years of operation of new businesses - estimated value of 20 entrepreneurs € 20,384 for a period of two years (with the possibility of financing new entrepreneurs after the expiry of that period) c) financing of advisory services and control of enterprises by experienced mentors.

Company information	Economic d.o.o. Vitez is 100% private company whose core business is home appliance store in electrical, water and thermal installations and equipment. It was founded in 1987 and is owned by a prominent entrepreneur Franjo Rajkovic. The company is located in the Poslovni centar PC 96 Vitez and currently has 209 employees. In its field, is the market leader with 28 years of experience.																																																
Company size	Medium-sized company																																																
Structure of sales (year 2012 and 2013)	Total sales in 2014 amounted to € 17,292,635, while total sales in 2015 amounted to € 17,618,528. The structure of income from sales by country in 2015: Bosnia and Herzegovina 89.6%, Croatia 4.6%, Netherlands 2.2%, Austria 1.5%, Germany 1.2%, all the other countries together 0.9%																																																
Market position	One of the key vendors of installation materials in B&H. Market leader in the production and marketing of bathroom furniture in B/H. (More on www.economic.ba and www.framini.ba)																																																
Financial data	<table border="1"> <thead> <tr> <th></th> <th>(in EUR)</th> <th>2014</th> <th>2015</th> <th></th> <th>(in EUR)</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>sales revenue</td> <td></td> <td>17.292.635</td> <td>17.618.528</td> <td>fixed assets</td> <td></td> <td>21.081.236</td> <td>20.678.609</td> </tr> <tr> <td>gross profit</td> <td></td> <td>-265.771</td> <td>330.220</td> <td>total assets</td> <td></td> <td>29.632.811</td> <td>28.367.033</td> </tr> <tr> <td>EBITDA</td> <td></td> <td>179.855</td> <td>707.552</td> <td>total capital</td> <td></td> <td>1.778.636</td> <td>17.584.004</td> </tr> <tr> <td>net profit</td> <td></td> <td>32.654</td> <td>68.390</td> <td>total loan commitments</td> <td></td> <td>4.496.079</td> <td>4.017.753</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>total other liabilities</td> <td></td> <td>7.361.096</td> <td>6.765.273</td> </tr> </tbody> </table>		(in EUR)	2014	2015		(in EUR)	2014	2015	sales revenue		17.292.635	17.618.528	fixed assets		21.081.236	20.678.609	gross profit		-265.771	330.220	total assets		29.632.811	28.367.033	EBITDA		179.855	707.552	total capital		1.778.636	17.584.004	net profit		32.654	68.390	total loan commitments		4.496.079	4.017.753					total other liabilities		7.361.096	6.765.273
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Historical overview of the most important characteristics	In the year 2000 began a project of their own franchise network - the network today numbers 40 stores across the country. The first commercial company in Bosnia and Herzegovina which has received a certificate ISO 9001. Today, in addition to the above, there is certified ISO 14001 and HACCP. 2003 started the production of furniture (now part of the company is a private company Framini with annual turnover in 2015 of € 2,520,935)																																																
List of products	Over 200 vendors and 7,500 products in the field of installation materials. Over 300 standard items from the segment's own manufacturing. Own product brand "Framini".																																																
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Other information	Feasibility studies available on request																																																