

# Wheeled Life

Annual General Assembly  
May the 6th 2009

# Wheeled Life - The Will for Life

## 1- *Initial analysis of the market*

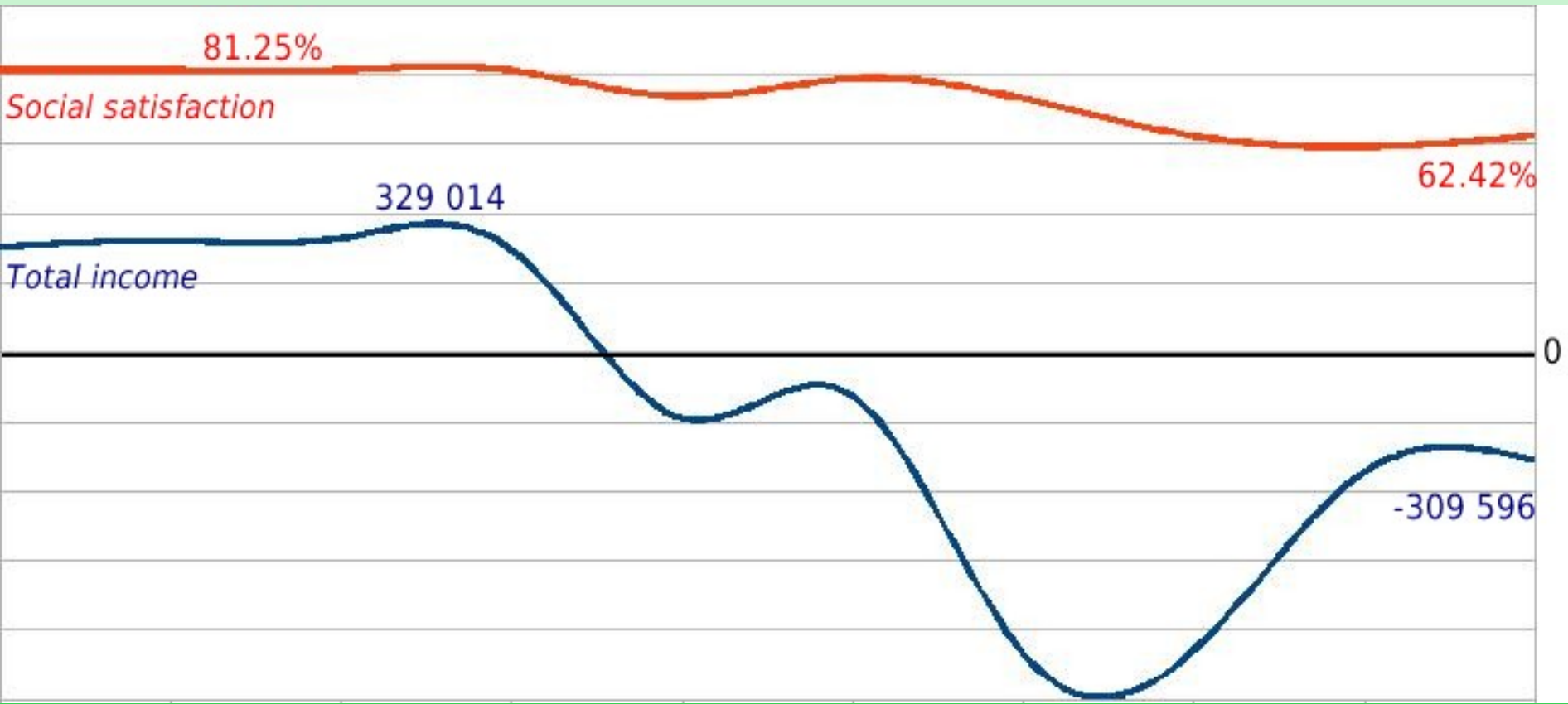
- Manufacturer of carbon emission-free cars with a **social-wise edge**;
- 4 direct competitors on 2 products (compact / utility vehicle) and 2 markets (private / business);
- **Dull perspectives** at the time : markets falling from 5%, raw materials' prices expected to rise...
- ...but loose interest rates (possible **leverage**);
- Anxiety on the market;
- **Reasonnable long-term debt and deficit** (ratio < half the capital stock);

## 2- Strategy

- On the 5<sup>th</sup> quarter, WL went for massive **investments in industrial capacity** and low prices for the *compact* market - anticipating **important economies of scale**;
- A single product : a democratic (**attractive pricing**) quality carbon-clean compact car – the *Treel*;
- An objective : to capture 30 to 35% of the market the 5<sup>th</sup> quarter, 45 to 50% the 7<sup>th</sup>;
- To support the operation : a 10 million loan and the doubling of the communication budget;
- The scrapping of our « utility vehicles » branch of production

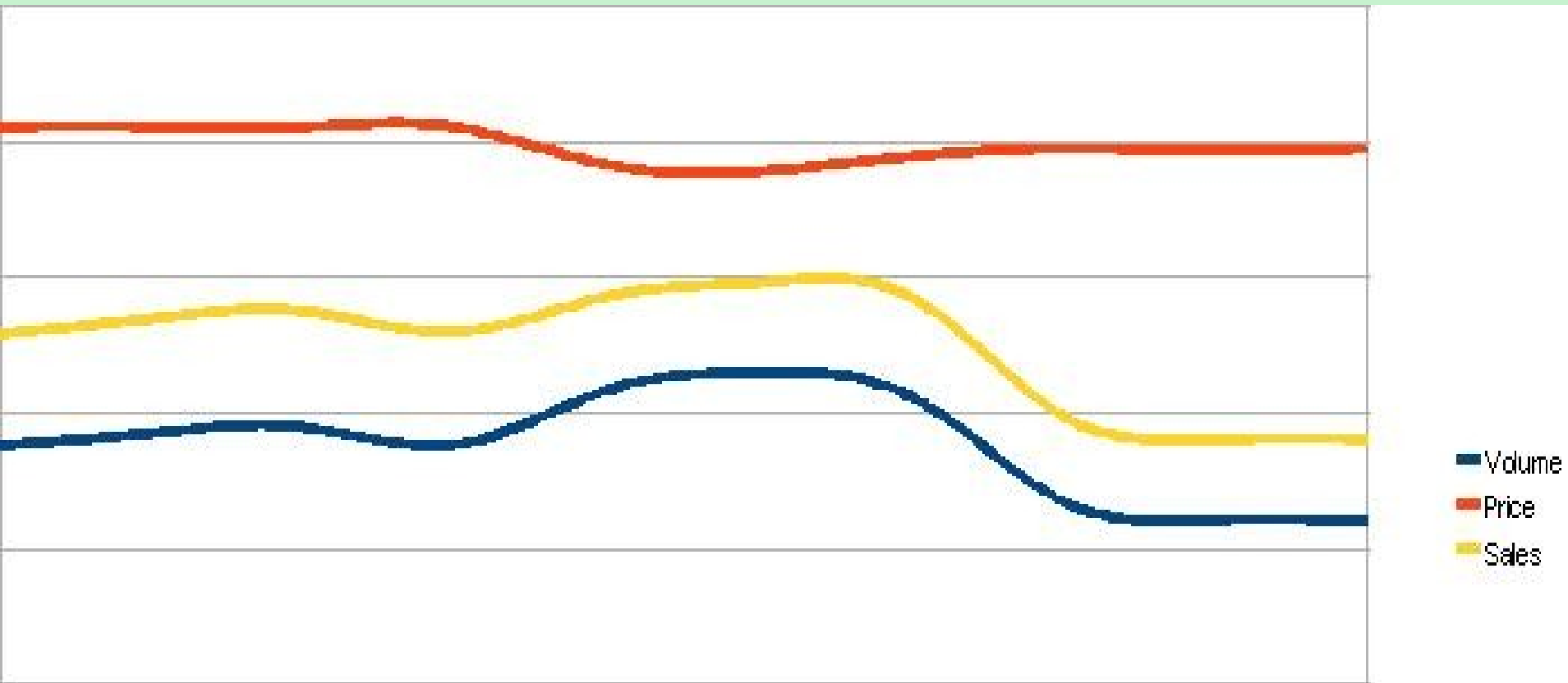
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## 3- Results



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## 3bis- Results



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## 4- Explanation

- As expected the competition rose harsh on the utility market and our pricing offensive on the compact market was unmatched on the 5<sup>th</sup> quarter...
- ...but we overinvested in capacity (60% of the market at full load) and underestimated the relevance of advertisement;
- the total losses of this single operation exceed 3 millions \$;
- On the 7<sup>th</sup> quarter we failed to compensate the social damage (halving our personnel) without funds for our generous social innovation program ;
- On the 8<sup>th</sup> and 9<sup>th</sup> quarters we lost our market position by cutting costs, raising price while compensating with quality production
- A subcontract with Greencar allowed us to widen our margins and stabilize the balance sheet.

## 5- Our Strategy

- **Settle down** our market share 
- **Maintaining our specific pricing strategy** according to our democratic principles
- Keep on investing in a long term perspective on our **Corporate Social Responsibility** programs 
- Investing on **technology development** and improve quality standards

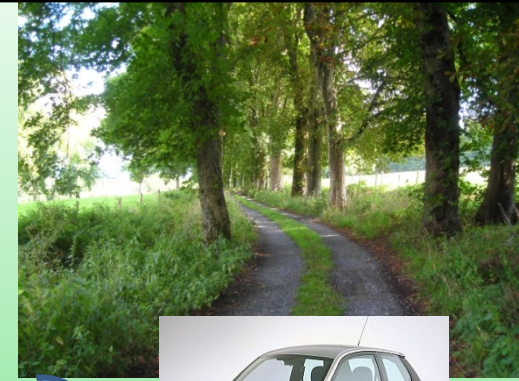
## 6- Our New Communication Orientation

Involve our people:

- Put the emphasis on our CSR policy
- Keep on communicating on the great performance and quality of our cars
- Our prices as a key information

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## 6- Our New TV Advert « People Energy »



« Treel by Wheeled Life, the first electric car made by happy people for only 11 999 euros »