

EXECUTIVE SUMMARY

BUSINESS PLAN 2005

Participants Name: Rachelle Armstrong (ne:Maddock)
Business Name: Nutrihealth International

Business Concept:

The business plans to offer an all-purpose natural fertiliser called NutriSoil suitable for backyard to broad-acre farmers. NutriSoil is a liquid spray made from a commercial vermiculture (worm) system that is selectively fed high levels of organic nutrient blends from animal, plant and ocean sources. It is a rich concentrate in the form of a liquid spray making it very cost effective and easy to use.

Farmers are becoming more aware of the damaging effects of overuse and misuse of chemical fertilisers, insecticides and herbicides. Half of every metric ton of fertiliser applied to fields never makes it into the plant tissue, but ends up evaporating or being washed into local watercourses and research is also showing increasing chemical residues in food. NutriSoil is the natural answer for farmers wanting to reduce chemical inputs into soils whilst still maintaining competitively high yields.

Skills & Qualifications:

Rachelle has 12 years of experience in the field of health and community development with a Bachelor of Health Science and Honours in Public Health from La Trobe University, Melbourne.

Graham developed the product utilising 50-years of farming & 4th generation experience, 10-years as a Rural Marketing Manager for a seaweed fertiliser company and brings 10-years experience as owner/manager of a commercial business operation situated in Wodonga.

Lyn has 15 years experience operating businesses from home, the most significant being a high nutrient supplement offering a holistic approach to human nutrition for Nutrihealth.

Target Market Description:

The market segments have been divided into domestic and commercial with a major emphasis on the latter. Within these market segments the business will target:

DOMESTIC: young adults to seniors on low to middle incomes with a positive healthy outlook that enjoy gardening and creative pursuits. They may have a good knowledge of specific plants and products depending on experience and be looking for a product that will be effective in giving maximum growth and colour to their home gardens without using chemicals or toxins that may be dangerous to store at home with young children or be consumed with home grown foods.

COMMERCIAL: forward thinking farmers of all ages that may have a small to large agricultural operation. They may have a commitment to sustainable farming practices wanting to achieve maximum yields for income, whilst not causing long term damage to their soils and waterways for their own sake and future generations.

They often have advanced understanding and experience of farming practices, will be open to comparing practical experience and advice from fellow farmers, sometimes over expert advice due to wariness of hidden agendas.

Benefits:

NutriSoil is the natural answer for farmers concerned about the impact of misuse and overuse of chemical fertilisers on the land, offering them an environmentally friendly, safe and easy to use product that will give them peace of mind and assist them to carry on responsible land management and reducing chemicals entering the food chain.

Farmers and domestic gardeners can expect to achieve high balanced nutrient levels in their soils, increased soil life (microbes and worms) whilst posing no risk to crops and plants. NutriSoil is an all-purpose liquid spray concentrate that can basically be used on anything that grows, at low application rates, so is cost effective and will increase yields cumulatively (increasing over time) through natural growing methods as opposed to unnatural forced growth which leaves unbalanced nutrient levels in soils.

Viability:

Fertilisers such as superphosphate and nitrogenous fertilisers are a major component of most farmer's land management program. There are approximately 464 million hectares (ha) of agricultural land in Australia generating \$29 billion in gross value (ABS 1999) for the Australian economy.

Unmet Demand:

There is a growing demand for farmers and by farmers to find suitable fertilisers that will maintain competitively high yields without degrading the soils, harming the environment and putting chemicals into the food chain. People choosing to grow their own food sources to maximise nutrient intake into their bodies also search for natural growth products that are effective. No vermiculture based fertilisers (worm juice) or other natural fertilisers exist that can offer a complete natural balance of nutrients with proven high level analysis comparable to NutriSoil.

Competition:

Natural products indirectly competing with NutriSoil include liquid seaweed, fish emulsion and other ocean based products, animal manure based products and worm juices made from water and worm castings. NutriSoil is made from a whole range of natural sources that are fed to the vermiculture system resulting in a natural balance that offers instant uptake by plants, hence the secret to its effectiveness over other natural products.

The other major indirect competitor will be the well established current market of traditional chemical fertilisers. Nutrihealth does not plan to compete directly with this market as complimentary use of NutriSoil with current fertiliser regimes is also very effective (eg reducing the chemical inputs by using both NutriSoil and traditional fertilisers). Due to the capacity of NutriSoil to unlock nutrients in the soil, this will actually increase the effectiveness of superphosphates, nitrogenous fertilisers and herbicides.

Current Needs of the Market:

As a 4th generation farmer with over 50 years farming experience, Graham understands the needs of farmers first hand. Trials over the past 5 years specifically with NutriSoil have been very useful in developing the product according to the needs of farmers for a wide range of applications. Graham has also experienced first-hand the effects of a chemical spill causing long term and recurring illness and has found many other farmers who have also experienced chemical sensitivities and ill health due to overuse.

Research undertaken with farmers at field days and home gardeners has found a huge demand for effective natural products that are safe and easy to use.

Competitive Advantage:

The effectiveness of NutriSoil as a fertiliser to give good results on a wide range of applications and be completely natural is the competitive advantage of this product.