



**Business Model Example**  
Lawn Equipment Manufacturer

**Model Version 1**

Manufacture weather enclosures for tractors

**Description:**

In the 1930s a farmer saw the need for protecting farmers from cold weather and rain. No product was available, so he made them in his garage. Product sold directly to local farmers

**Model "Secret"**

This was an unserved market.

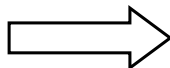
**How did it work?**

Well

**Model Stopped working because?**

Capacity issues

**Model Notes**  
1935-1940



**Model Version 2**

Manufacture weather enclosures for tractors in factory

**Description:**

Demand was so strong that a factory was built to accommodate demand.

**Model "Secret"**

This was still an unserved market with little or no competition.

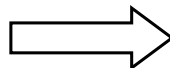
**How did it work?**

Well

**Model Stopped working because?**

OEMs came knocking

**Model Notes**  
1940-1946



**Model Version 3**

Manufacture weather enclosures for OEM tractor manufacturers

**Description:**

Tractor OEM manufacturers realized that 1) they did not want to mess with making a cab, 2) they needed a cab to sell their tractor. So they bought from us and private labeled.

**Model "Secret"**

1st to partner with OEMs and access their customers and channel

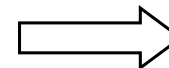
**How did it work?**

Better volume, lower margin percentage, higher margin dollar total

**Model Stopped working because?**

Competition

**Model Notes**  
1946-1965



**Model Version 4**

Manufacture weather enclosures for OEM tractor manufacturers at ALL costs

**Description:**

Several Universal cabs entering market vs. our model specific units. Competitive product showing up in Sears and other mass merchandisers

**Model "Secret"**

Stick with OEM vs. move to dealer-direct model as cost of marketing deemed to be excessive vs. margin gain

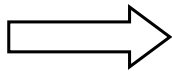
**How did it work?**

Not well. OEMs kept beating on margin to the point it became break even in a good year.

**Model Stopped working because?**

Margin erosion, competition

**Model Notes**  
1966-1990



**Model Version 5**

Mitigate seasonality of business by expanding into sun shades

**Description:**

This was 6 months on, 6 months off business so it became difficult to maintain key employees and profitability suffered because of low output during off-season

**Model "Secret"**

Reduce seasonality

**How did it work?**

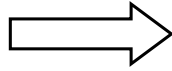
Well

**Model Stopped working because?**

Loss of major customer and marriage to OEM model which competitor's destroyed by direct sales model

**Model Notes**

1990-Present



**Model Version 6**

Leverage excellent reputation in the marketplace to sell directly to dealers

**Description:**

This was a difficult decision as OEMs are needed to provide advance blueprints of new models for design process. Losing OEM support could be catastrophic. That said, decision was made that the category was insignificant in sale to OEMs but they needed to offer the product and would "wink" at the channel conflict.

**Model "Secret"**

Increase margins, leverage Rolodex

**How did it work?**

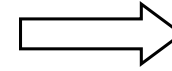
Not well

**Model Stopped working because?**

Model was never truly successful because they were 5 years late for the party (remember Parade Timing).

**Model Notes**

2000-Present



**Model Version 7**

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