Don’t be just sane, be phyto – sane

INTRODUCTION

1.1 'Alternative medicine'

Gone are the days of blaming sorcery, black magic or "God's punishment" as the cause of maladies. We are living in modern times wherein in every illness, there is a corresponding pill. However, conventional medicine has its own faults - cost, adverse & side effects. This is the primary reason why more and more individuals are looking for a safer, more holistic and more natural way of treatment [1].

The use of plants to treat disease is the oldest medicine man use to find answers to their health problems.

A lot of drugs used in the clinical practice derive from plant extracts or derivatives. Moreover, many plants, are still used today in the tradition without a real scientific verification: pharmacological and clinical studies are still on going and they may confirm, modify or deny the knowledge handed down over the centuries regarding the use of a plant. Infact, some plants voted healing have already been proved useless or toxic, while others (like Crataegus, Passiflora, Rosa Canina, Valeriana, Echinacea and so on) have been confirmed to have a pharmacological effect.

According to the World Health Organization (WHO), a phytoterapic can be defined as "a, finished tagged product, containing plants, extracts from plants or associations, both in unrefined state and in a formulation" [2]. Anyway, any herbal preparation contains chemicals, so it's very important to know the nature of the components and to be able to modify and characterize each one of these components.

According to the World Health Organization (WHO) [3], because of poverty and lack of access to modern medicine, about 65-80% of the world's population which lives in developing countries depends essentially on plants for primary health care. Currently, the major pharmaceutical companies have demonstrated renewed interest in investigating higher plants as sources for new lead structures and also for the development of standardized phytotherapeutic agents with proved efficacy, safety and quality [4-5-6]. Herbal medicinal preparations are normally very popular in developing countries with a long tradition in the use of medicinal plants and also in some developed countries such as Germany, France, Italy and the United States where appropriate guidelines for registration of such medicines exist [7-8].

The past ten or so years have seen the emergence of an apparently insatiable market in the western world for all things 'natural', folkloric, traditional, and considerd non-scientific.
The result has been that science-based medicine, with its emphasis on controlled study, proof, evidence, statistical significance and safety is being rejected in favour of 'alternative medicine' - an atavistic portmanteau of anecdote, hearsay, rumour and hokum [9].

1.2 What it is the Phytotherapy?

Probably the most commercially successful and widely used branch of alternative or complementary medicine is 'phytotherapy'. These are the tablets, powders and elixirs, otherwise known as herbal medicine, that are sold in most countries, through health shops and pharmacies as 'nutritional supplements'[9].

Phytotherapy is a combination of the Greek word "phyto" which means plant and therapy. This is a type of therapeutic management where extracts of natural elements are used as a remedy for diseases and other conditions. It is considered as an alternative medicine and traditionally synonymous to herbalism or herbal medicine [1].

Phytotherapy - the use of which has increased by almost 400% this decade - involves whole-plant preparations such as raspberry-leaf tea (Rubus idaeus) or extract of horse-chestnut seed (Aeschlus hippocastanium), which are believed, through the (scantily supported) process of 'synergy' to be more effective than the sum of their parts. It is this emphasis on whole-plant material, rather than individual chemical ingredients, that differentiates phytotherapy from the appropriation and synthetic manufacture by mainstream medicine of the active compounds of plants [9].

The goal of phytotherapy is to help the body heal itself. It aims to prevent the occurrence of the disease through promoting wellness and balance [1]. One basic characteristic of phytotherapeutic agents is the fact that they normally do not possess an immediate or strong pharmacological action. For this reason, phytotherapeutic agents are not used for emergency treatment. Other characteristics of herbal medicines are their wide therapeutic use and great acceptance by the population. In contrast to modern medicines, herbal medicines are frequently used to treat chronic diseases. Combinations with chemically defined active substances or isolated constituents are not considered to be herbal medicines. It is important to note that, although homeopathic preparations may frequently contain plants, they are also not considered to be herbal medicines [10].

Traditional phytotherapy is a synonym for herbalism and regarded as alternative medicine by much of Western medicine. Although the medicinal and biological effects of many plant
constituents such as alkaloids (morphine, atropine etc.) have been proven through clinical studies, there is debate about the efficacy and the place of phytotherapy in medical therapies.

1.3 Phytotherapy: quality and safe

The study and use of herbal remedies in medicine, however, poses a number of specific issues that related to the complex composition of the plant and then extract. First of all, those relating to the pharmacokinetics of a plant extract, rarely studied, often complex, however, different for the individual chemical constituents present. In recent years, fortunately increased pharmacologists who have begun to study the possible mechanisms of action of various herbal remedies rather than of individual molecules extracted from plants, the literature provides numerous examples there [11-16]. Obviously, more studies are necessary preclinical and clinical pharmacology, a prerequisite for the rational use of plant extracts. The problems of quality and safety of herbal medicines can be solved using the right products as described in the previous paragraph. With regard to herbs, then there is not the big problem of self-control, which allows the diffusion of non-validated practices and the use of products that belong to the folk medicine rather than medicine, even without adequate regulation [17]. The figure, however, more significant is the fact that over 50% of those who practice self-medication was not controlled with herbal medicines, these treatments have proven to be inappropriate or unnecessary [18], highlighting a number of risks: - delay in diagnosis and / or therapy safe and efficacy - aggravation for replacement of conventional therapy - use of herbs without any scientific research (preclinical or clinical) - traditional preparations or popular single empirical valence (teas, juices etc..) - products with no minimum requirements (botanical name, extracted, concentrated active ingredients), - the presence of numerous herbs (even 50!) - use of extracts irrelevant - dosage inappropriate; - improper use (eg, ingestion of essential oils for external use) - use quality products are not controlled.

1.3.1 Pharmacological and controindication for specific interactions

In literature there are many well-known drug interactions with medicinal plants [19]: licorice (risk of hypokalaemia when combined with diuretics and corticosteroids), Ginseng (increased effectiveness of warfarin and oral hypoglycemic agents), garlic and Ginkgo
(increased efficacy when combined with anticoagulants and antiplatelet agents), grapefruit (increases the bioavailability of calcium) and in particular from St. John’s wort for his work as enzyme inducer (reduces the level of cyclosporine, digital, theophylline, antiretrovirals, oral anticoagulants) and for the effects of summation when taken concomitantly with serotonergic [20, 21]. The problem of contraindications is instead linked to the composition of the extract used: for example, soy lecithin has no contraindications, and extracts rich in soy isoflavones are contraindicated in women with estrogen-dependent neoplasia or tamoxifen therapy [22]. In this regard, we also remember that modern mining techniques allow for the availability of fractionated extracts, purified and standardized active ingredients, known as phytotherapy "smart", which allow us to use only what you really need the plant, ie the useful fraction, or the total extract devoid however of constituents responsible for side effects.

1.3.2 Unsafe plants

The perhaps most insidious problem is constituted by the plants are still in use in folk medicine, however, that the light of the phytochemical analysis have proven to be unsafe for the presence of toxic substances have proved experimentally or clinically, sometimes even at low doses, or responsible for side effects before unknown. [23]

In nature there are known to be toxic plants that are obviously excluded from herbal medicine and become risky if accidentally ingested. Hence the need for regulation to ensure that the use of plants that can bring benefits.

1.3.3 Phytosurveillances

For all the above mentioned problems, contrary to popular opinion, the use of any plant or extract can actually cause the body a number of adverse reactions or side effects of its own in relation to its chemical constituents [24]. For the same reasons, finally, the use of herbal medicines during pregnancy and lactation should be done when strictly necessary and always under the supervision of the attending physician. In September 2001, the USL 11 Empoli has developed a card phytosurveillances, subsequently revised and adopted by the Istituto Superiore di Sanità (ISS), and placed in an ad hoc project on non-conventional therapies, which specifically provides for a section dedicated to phytosurveillances, in order to collect all reports of suspected adverse reactions to herbs, supplements, and Galen. The initiative stems from the need to increase knowledge on the subject among the
experts themselves, raise awareness of the industry and to take appropriate measures quickly for incidental charges. The method adopted is that of spontaneous reporting. It was then designed a special report form available on the website www.epicentro.iss.it that anyone can fill out and submit the Istituto Superiore di Sanità fax.

This card allows you to collect information on: patient (type and severity of adverse reaction), the product used (features, label, dose and mode of application) and reporter (doctor, pharmacist, or other). The evaluation is part of a special commission, which in the first two years he has collected 110 spontaneous reports, some of them serious: in 65% of cases have resulted in hospitalization, and in any case in 78% of cases have led to a resolution of the case. The data in these reports do not present epidemiological and statistical significance, because of the methodology, however, are a clear sign of the fact that even at the institutional level there is a tendency today to consider the phenomenon of the natural cures as a phenomenon that exists independently of the utility or effectiveness, and that deserves to be taken seriously.

1.3.4 The surveillance system

The surveillance system is based on the collection and evaluation of spontaneous reports of suspected adverse reactions arising after the intake / administration of the products used in the so-called "natural medicine":

- Vitamins and minerals
- dietary supplements
- herbal products
- homeopathic products (according to Legislative Decree 219/2006)
- products of exotic origin, such as those of traditional Chinese medicine and Ayurvedic probiotics
- other products, such as amino acids.

The system of surveillance of suspected adverse reactions to natural products is parallel to the national network of pharmacovigilance (RNF) managed by AIFA, and collected in a database different and specific reports of adverse events. The RNF, in fact, allows the recording of reports of suspected adverse reactions to these products only if they are associated with one or more drug suspects and is thus not exhaustive to monitor "natural" products. Reports of suspected adverse reactions to natural products can be made by anyone who observes an adverse reaction by filling out and sending by fax (number: 06-49904248) ISS card (pdf 130 kb), specially developed. It is not necessary that those who report to be absolutely certain that the adverse event is due to the product made from plants, since in Phytosourveillance, as in Pharmacovigilance, working in the uncertainty of a risk on the basis of more knowledge possible. Adverse events are then evaluated by a panel of experts. Taking into account the particularities of these products, for the evaluation of severe cases and collected signals has been created a Scientific Committee, composed of experts in pharmacology, pharmacognosy, herbal medicine, botany, toxicology, homeopathy. In addition, to support the activities of the Scientific Committee was created a Coordinating Committee, composed of experts in pharmacoepidemiology, pharmacovigilance and regulatory aspects (ISS, AIFA and Ministry of Health). [25]

1.4 Phytotherapy in the Future

During the past decades, public interest in natural therapies, namely herbal medicine, has increased dramatically not only in developing countries but mainly in industrialized countries (reviewed in 3,26,6,27-28). This has increased the international trade in herbal medicine enormously and has attracted most of the pharmaceutical companies, including the multinationals. Until a few years ago, only small companies had interest in the marketing of herbal medicines. Currently, most large multinational companies are interested in commercializing herbal drugs. It is estimated that the European market alone reached about $7 billion in 1997. The German market corresponds to about 50% of the European market, about $3.5 billion which represents about $42.90 per capita. This market is followed by France, $1.8 billion; Italy, $700 million; the United Kingdom, $400 million; Spain, $300 million; the Netherlands, about $100 million. European herbal
medicines are distributed under 6 basic therapeutic categories: cardiovascular, 27.0%; respiratory, 15.3%; digestive, 14.4%; tonic, 14.4%; hypnotic/sedative, 9.3%; topical, 7.4%; others, 12.0%.

The herbal medical database (27) indicates that the herbal medicine markets in Asia and Japan reach $2.3 and 2.1 billion, respectively. However, in no other country has the herbal medicine marketplace grown more than it has in the USA. A few years ago, this was a non-existent category of medicine. The US herbal medicine market reached about $3.2 billion in 1996, and is expected to reach $5 billion in 1999 (26,5,29,28). According to a national survey, about 60 million Americans over 18 years of age use herbal drugs to treat colds, burns, headaches, allergies, rashes, depression, diarrhea and menopause, among others. Each American spends about $54 a year buying these medicines. Currently, most medicinal herbs, such as Aloe vera, Panax quinquefolius (American ginseng), Echinacea, Alium sativum, Ginkgo biloba, Serenoa repens (saw palmetto), Valeriana officinalis, etc., are cultivated in the USA and exported to Europe and the Orient. As a natural consequence, many large companies have introduced a line of herbal products into their sales (26,5,29,28).

According to Grünwald (27), the phytomedicine market has grown at an expressive rate worldwide since 1985 (from 5 to 18% a year). Several important factors have contributed to the growth of this worldwide phytotherapeutic market, among which the following may be mentioned:

- preference of consumers for natural therapies;
- concern regarding undesirable side effects of modern medicines and the belief that herbal drugs are free from side effects, since millions of people all over the world have been using herbal medicines for thousands of years;
- great interest in alternative medicines;
- preference of populations for preventive medicine due to increasing population age;
- the belief that herbal medicines might be of effective benefit in the treatment of certain diseases where conventional therapies and medicines have proven to be inadequate;
- tendency towards self-medication;
- improvement in quality, proof of efficacy and safety of herbal medicines;
- high cost of synthetic medicines.
ITALIAN SITUATION

In order to the Italian Pharmaceutical legislation, Phytotherapics are included in the big pharmaceutical class of Commercial Products and in particular we have to consider them among the OTC (Over The Counter) class products.

As we can see from the Data the class of OTC among the totality of the commercial products has grown of 2,5%.
In particular phytotherapics belong to the class “other OTC” and as it is shown in the chart below there is a significant increase of the 6.4%.

IMS health 13/12/13
**MISSION**

- Create a **mutual loyalty** relationship with our patients, so that they can consider us not like simple sellers, but like an **handhold** on which they can rely when they need advices and explanations on their **wellness**.

- Always carrying on the **research** to offer the **newest** and the **most innovative** products, with the intention to get a personalized product for each one of our client, because we know they all have different needs.

- Support our products with **advanced studies** and **clinical evidences** linked to vegetables actives, to **protect** our patients' wellness and to **empower** the legitimacy of our products.

**VISION**

*We look forward to becoming our clients’ best partner for a healthier life.*

*Don’t be just sane, be Phyto-sane.*
CUSTOMERS SEGMENT

Customer segmentation is the practice of dividing a customer base into groups of individuals that are similar in specific ways relevant to marketing, such as age, gender, interests, spending habits and so on.

Customer segmentation allows a company to target specific groups of customers effectively and allocate marketing resources to best effect. Traditional segmentation focuses on identifying customer groups based on demographics and attributes such as attitude and psychological profiles. Value-based segmentation, on the other hand, looks at groups of customers in terms of the revenue they generate and the costs of establishing and maintaining relationships with them.

In order to identify our specific segment we based our choice through specific quantitative market researchs, obtained using some (derived from) specific tests that we made and shared on different Social Networks such as Facebook, Twitter and Linkedin. As shown from the data, the knowledge of phytoterapy is markedly growing and that the majority of the people interviewed are already using phytoterapics and the rest would be predisposed to use it.
Furthermore we focused our attention on the disturbs for which the phytoterapics are more frequently used in order to add this information to the gender data with the purpose of make a real screening of our potential customers segment. From the gained data has come out that the phytotherapics are mostly used for the treatment of seasonal deseas and insomnia, followed by intestinal problems, anxiety and the remedies for the loss of weight.

The gender of our potential customer is mainly female and her lifestyle is mostly sedentary but also the sportswomen seem to be interested on our products.

### Stile di vita?

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The average age of the target is between 18 and 35 and they are mostly students or young employees, highly educated. They are aware about nature of their diseases, about what drug they have to use and the way they work. That’s the reason why they know why and when phytotherapy is the right choice. So we can finally say that the our potential customer is a young woman, probably a woman that doesn’t want to use drugs for soft deseases but prefers the power of the nature. Could be also an anxious university student or a stressed young employee, that want to be calm during the period of the school term or want to feel more relaxed after a really streassing working day. Our client might be affected by sleeplessness and probably is constipated sometimes.
VALUE PROPOSITION

In this chapter we are going to talk about the value proposition in our Company. We are going to answer the questions:

✓ Why should a client choose our products?
✓ What do we offer?

WHO WE ARE

We are a group of friends who strongly believe in the power of communication and relationship. From our scientific backgrounds, we were able to mix our skills together to get you the best service you deserve.

We believe that the fundamental principle on which everyone can rely stays in establishing strong, fair and trusted relationships between both our customers and our suppliers.

OUR VALUES

Our Company is based on fundamental values: onesty, quality, teamwork, innovation, curiosity, respect, passion and communication.

✓ **Honesty:** we are honest and transparent with our customers and our suppliers as well, because we believe that a good relationship is founded on mutual respect.

✓ **Quality:** we control every raw material and every process to ensure our clients the most qualitative valued product. We are certified with the most important quality certificate (ISO 9001, ISO 14000, ISO 50001). For the care of the patient, for the care of the nature.

✓ **Teamwork:** we believe that working together is the best way to obtain the best product.
✓ **Innovation:** we studied new mixes for getting you the most efficient and effective product.

✓ **Curiosity:** we travelled to discover new type of plants and new methods to improve our services to the client.

✓ **Respect:** we use recyclable materials for respect of Nature and of our customers safety.

✓ **Passion:** we are high energy and engaged, and we intensely care about our clients.

✓ **Communication:** we share information openly and safely. We believe in the power of communication to increase the awareness of a better way of life.

For the value proposition of our Company, we decided to focus on our clients. They are young students and workers, with high level of instruction and environmental conscious. They come from the middle-upper society and they are searching new ways to take care of themselves.

We want to improve the quality of life of our clients, working with the highest standard of integrity and quality. Through the efficient communication on our website and our blog we strive to identify our customer’s needs, and we are continuously innovating our products and challenging ourselves to meet those needs.

In our Company, we want to safeguard our clients’ health by using ancient methods which we have improved and taken to the present.

Our goal is to offer a valid alternative to the traditional medicine and a whole package of services to improve their quality of life.

*We are not selling a product, we are giving a new choice of life.*
WHAT WE OFFER

We want to sponsorize a healthier lifestyle, heading back to the ancient values of natural therapy and bringing them here to the present with innovative and useful products.

In our seek for innovation, we developed six different products to help you fighting light diseases like:

- Seasonal diseases (like fever, cold, cough)
- Intestinal problems (like constipation, colitis and nausea)
- Anxiety and insomnia

They are a mix between ancient actives and new molecules form exotic plants which have been studied and have showed a lot of therapeutical properties.

“Fluidò”
Cough syrup with:

- Balsamic honey with Eucalyptus and Thime
- Plantago Lanceolata (ant-inflammatory active)
- Perilla Frutescens (INNOVATION: hypoallergenic, inflammatory mediators’ suppressor )
- Grindelia Robusta (INNOVATION: antitussive)

“SeasonUP”
Rigid capsules with:

- Acacia Gum
- Echinacea Purpurea (recently approved from EMA in anticold treatment)
- Astragalus Membranaceus (strenghtening immunitari defences)
- Euterpe Oleracea aka Acai (INNOVATION: source of Vitamine A, B, C, E and antioxidant)

“EasyPoo”
Soft capsules with:

- Aloe vera gel (laxative, gastric mucosa protector, eupeptic and digestive)
- Foeniculum Vulgare (digestive problems)
- Cassia Angustifolia (laxative)
“Intestino felice”
Infusion with:
- Melissa Officinalis (spasmolitic)
- Foeniculum Vulgare (digestive problems)
- Zingiber Officinale (INNOVATION: digestive)

“Relaxursel”
Rigid capsules with:
- Acacia Gum
- Matricaria Chamomilla (spasmolitic and light sedative)
- Griffonia Semplicifolia (INNOVATION: relaxing and antidepressant)
- Eschscholzia frutescens (INNOVATION: spasmolitic and relaxing)
- Passiflora Incarnata (calming action on the nervous system)
- Crataegus Monogyna (calming action on the nervous system and anxiolytic)

“Tisana Dormiben”
Infusion with:
- Matricaria Chamomilla (spasmolitic and light sedative)
- Griffonia Semplicifolia (INNOVATION: calming and sedative)
- Melissa Officinalis (calming)

OUR SERVICES
As we said, we want to offer a different way of thinking and we want to encourage an healthier lifestyle, thanks to an integrated package of phytotherapics, nutritional advices and promotions in different biological shops and gyms.

You can find:
- History of plants, thanks to an app on mobile phones u just have to photograph our barcode and u’ll have all the info u need and more!!
- Curiosity about healthy products
- Clinical facts about phytotherapics
- Advices about the use of phytotherapics and diet counseling
Phytosurveillance and what to do if you have a bad reaction
Blog and videoblog
Certifications of the quality of our products
Personal relationship with our suppliers and customers as well
Home delivery
Sales promotion by fidelity cards
Lifestyle counseling and healthy advices
Prevention advices
Personalized schedules for improving the service
Newsletter
Events of promotion in different selling points
24/7 helpdesk
Product/Service Evaluation Schedule
With just 10 euros/year you can have access to our products’ promotions, 10% discount in different Gyms, 30% discount in biological shops, with dedicated spaces for our customers.

Don’t be just sane, be Phyto-sane
THERAPEUTIC AREAS

ANXIETY AND INSOMNIA

Anxiety

Anxiety is a psychological state of an individual characterized by a feeling of fear, more or less intense and lasting, which could be connected to a specific internal or external stimulus; therefore it represents the lack of response in adaptation of the organism to any particular source of stress and subjective to the individual himself. In addition to drug therapy, it is known that some herbs exert anxiolytic effects: among these are valerian and chamomile. In particular the first is suitable especially for painful spasms, gastrointestinal colics and irritable bowel syndrome; while the second is effective in the treatment of sleep disorders related to stress, overwork mental and anxiety. They may also potentiate the effect of sedatives and hypnotics. Others used herbal medicine are represented by:

- kava-kava (Piper methysticum): native of Fiji, is a root sedative, but unlike anti-anxiety drugs, does not reduce the potential of memory
- passionflower: has a soporific and antispasmodic activity and a good combination with valerian
- heart: widely used in herbal medicine as a remedy for anxiety accompanied by palpitations
- melissa: loosen the grip of nervous tension helping to relax the muscles
- celery: very effective because it acts by releasing muscle tension
- laurel: in addition to its digestive properties and balancing notes, also has the ability to relieve the states of emotional tension and anxiety

An improvement in eating habits (reduction of caffeine and sugar), a more effective stress management, better control of emotions and the application of appropriate relaxation techniques are different strategies to reduce, control or cure anxiety. (Portale on-line Staibene.it – 11/12/2013)
Insomnia

Insomnia is a sleep disorder characterized by the inability to fall asleep or stay asleep for a reasonable time during the night. Those who suffer from insomnia usually complain about not being able to sleep for a few minutes at a time or to fidget in bed during the night. If insomnia continues for more than a few nights in a row can become "chronic" and cause a sleep deficit that is extremely harmful to the person's health. Insomnia alters the natural sleep cycle, it may be difficult to restore. Natural remedies play an important role in the treatment of insomnia and the herbal medicine offers a vast range of natural drugs useful to help induce sleep in patients suffering from "psychological" insomnia. For this purpose, it is recommended to take herbal teas or infusions formulated with drugs acting as hypnotic-sedative like chamomilla recutita (mild anxiolytic and sedative properties), melissa officinalis (properties antispasmodic and sedative), passiflora incarnata (anxiolytic and sedative), eschscholzia californica (sedative, hypnotic-inducing, analgesic, relaxing, antispasmodic), tilia cordata (relaxant and anxiolytic), humulus lupulus (mild sedative), valeriana officinalis (hypnotic, anticonvulsant and sedative CNS property). Others natural remedy for insomnia are magnesium orotate (complexed with vitamin B13) and tablets formulated with melatonin (Circadin, Sublingual melatonin 3), both good remedy to help get to sleep in case of insomnia. (Portale on-line MyPersonalTrainer.it – 11/12/2013)

INTESTINAL’S DISEASES

The bowel regularity has always been considered in many cultures as a sign of good health. Even from a psychological point of view, in the folk tradition is often associated with certain mental disorders such as listlessness and lack of concentration.

In these situations, many people use laxatives and detoxification diets as the first therapeutic intervention. Many doctors, with great frequency, visit patients with health intestinal problems, like the inefficient functioning of the intestines. Among these, colitis is certainly the most important discomfort even if it refers to more diseases, however, very different one from the other. (1 - My Best Life Homepage – Sezione Salute 2013)

Hippocrates, the father of medicine, said that the intestine is the organ from which depends the health of the body, so it means to take care of the entire person.

Stress or incorrect alimentation may put a strain on the intestine and modify its flora. In detail, irritable bowel syndrome (IBS) indicates a disorder that is often accompanied by
lower abdominal pain and altered bowel function. Those, who suffer from irritable bowel can accuse diarrhea or constipation or both disorders alternately. So, that disease is defined functional because it refers to an incorrect functioning of the organ itself.

IBS is common in women aged 20 to 40 years old and is due to a combination of different factors, from habits and lifestyle to a genetic predisposition. In the acute phase should be absolutely to avoid alcohol, egg, cheese, meat and dairy products. In general, isn’t good to eat at fast food, bran and butter-based products. In these cases, the lactic acid can help a lot in restoring the body’s natural defenses. They are very suitable in case of episodes of colitis, food allergies, immune deficiency conditions, high cholesterol and inflammatory internal situations.

In hypersensitive or overly emotional people feelings often fall between the intestinal villi, but there are appropriate Bach flowers for hypersensitivity which help to manage the emotions and outside influences without splashing too much on the internal organs.

The best diet for the treatment and welfare of the intestine is a balanced vegetarian diet, waged with great awareness about all aspects of adequate nutritional intake.

Although aromatherapy can help you a lot: the essential oil of juniper acts as a tonic visceral function, nervous system, digestive tract secretions and exciting general, purifying and diuretic, promotes the excretion of uric acid and toxins. Even the essential oil of peppermint has a beneficial action on bowel function. (2 – Cure-naturali.it La Cura nelle tue Mani)

In Western society, the uncomfortable sensations related to the IBS activity are almost considered normal aspects of everyday life because of the frenetic pace of life, the foods served and consumed too quickly, out of the family table or in a climate of tension and stress. Overlapping physiological and psychological elements in the manifestation and maintenance of the disorder.

Although the mode of interaction between physical and psychosocial factors has not yet been clarified, psychosocial counseling were highlighted: stress, psychiatric disorders, behavior of the disease, personality traits and a history of physical and sexual abuse in childhood and adolescence. From here, the important expending role of the phitoterapics products.
SEASONAL DISORDER

The change of season leads to several physiological effects on us, our lifestyle and our mood.

Fatigue, depression, drowsiness, feeling generally unwell are disorders that make the beginning of spring one of the most difficult year as far as the mental and physical wellbeing.

The change of season can give several seasonal disorder (SD), for example affective disorder (SAD), the so-called scientifically because of their capacity to leading to mood changes that have a cyclical pattern and strike at the beginning of each fall and, to a lesser extent, at the beginning of each spring.

The categories most exposed to these disorders are the most "weak", such as children and the elderly, but not only: in fact, even people who have lifestyles particularly stressful or are affected largely neglected.

The change of season is a critical time for those who already suffer from depression because of the stress to which the body is subjected initial worsening of pre-existing disorders.

The set of symptoms occurs with sleep disorders that occur with excessive sleepiness and excessive need carbohydrates: it feels devoid of strength and energy, you get confused, anxious and has difficulty paying attention. Although the cause of seasonal affective disorder, depression is not known, the research conducted so far suggest that SAD is triggered by a disturbance of the cycle of melatonin, which leads to an imbalance of the circadian cycle.

It has been documented that when melatonin levels are abnormal (too high or too low) can have symptoms related to mental disorders. For example, recent studies have shown that melatonin levels are too high in people with maniac disorders (subject to extreme changes in mood), while excessively low in those who suffer from depression.

A good lifestyle, sun light exposition (one hour each day), correct alimentation (low in calories) and in particular ingestion of magnesium effective against anxiety (taken several times a day) represent the best knew therapy. (Portale on-line MyPersonalTrainer.it – 20/11/2013)
CHANNELS

The next chapter we are going to discuss will be the Channels for distribution.

It describes how our company will be able to contact a specific customer segment to give them our value proposition.

Distribution would be our challenge. We’ll need to reach all our potential customers and have them easily reach us.

We will focus our distribution strategy on e-commerce and sales through partner points of sales.

Mixing these two channels will be our incentive to be gain more share of the phytotherapic market.

E-COMMERCE

Initially, E-commerce would be our most powerful tool because by using the Internet, we will be able to serve customers throughout Italy and the world.

Buying things like clothes, gifts, books is becoming more and more convenient so why not ride this wave of modern selling?

We set up a website (http://marcozuinitalia.wix.com/fitocare) by using the platform WIX, that we consider the best one to fit our needs. The result is a website that is user-friendly and easy to navigate.

There are two main features: the online shop and our forum.

The online shop is the page where customers can actually buy our product that they have reviewed in the product page. It has a cart so it’s possibile for the customer to change his order anytime he wants before the payment.

For the payments we use a Paypal application so that the privacy and the security of all personal and financial information is assured.

The forum (http://phytocare.forumfree.it/) is our innovative asset. Through it, it will be possibile to listen to our customers’ needs and try our best to help them to meet them.
It is designed to be divided into two sections. The first one is related to the help we can give them if they are facing a health problem. In this case we will always be online to read and find an answer to their issue as soon as possible. We will also try to let them use plants, vegetables and fruits that they already have at their home. In this way we are trying to become a benchmark for the customers and go beyond the idea of thinking ourselves as a simple phytotherapeutic company.

This is exactly our goal. Becoming a reference point in the mind of the customers. This service won’t bring us any direct financial profit because we are trying to suggest a homemade solution for their problem but in the long run, it will bring people back, because it’s based on the trust between PhytoCare and the customers.

The second section is related to the help that our customers can give to us. It is again divided into three parts that are our therapeutical areas of interest. Here, customers can give their impression and their experience with our products. It is very important because we can modify, regulate and adjust our products on these suggestions. This is what the marketing call customer-designed product and it’s where we think the direction of the market is leading.

The website is online but the domain is based on the platform we used (WIX in this case). To get our own domain, the online shop and online storage of 20Gb we have purchased the yearly e-commerce package.

To promote our company, we thought of using the power of social media. We opened a page on Facebook, Google+ and Twitter for our company and we will use our personal
network to let the market know we are born. Apart from that, we are adjusting an online advertising strategy. We will promote our company by using the suggested page service and ads of the main social network.

Facebook will select the people that meet our segment in Italy and it would be around 17,600,000 people. The payment for the advertising campaign is different from the normal concept. The company will pay everytime a person clicks on the ad or puts a Like on our page, so we can manage the cost of the campaign at anytime.

---

**Facebook ad Campaign**

**Estimated Audience**

- **17,600,000 people**
  - Who live in Italy
  - Age exactly 18 and older
  - Who are in one of the broad categories Android Owners (All), Apple iOS Owners (All), Autos / Vehicles (All), Mobile Device Owners (All) or TV (All)

**Optimization and Bidding**

- **Optimization**: Optimize your bid for Page likes

---

Google+ works in a different way. Instead of showing our page to anybody who meets our segmentation requirements, the social media will show it to people that live in a maximum of 65km-radius circle from our headquarter and in this way we will receive an estimate of
150 clicks per month. The cost is fixed and it depends on the span of time the customer wants it online.

We will launch an advertising campaign also using Google. There is a service, called Google AdWords, that will show our ad if a person will type in the search string some keywords such as “ansia, insonnia, mali di stagione, disturbi intestinali e erboristeria”. The cost for how this service works in the same way of the Facebook advertising campaign, so it will be based on how many clicks our ads will receive.

It is also possible to add another function the “Video through view”: the possibility to watch a video-advertisement on the website Youtube.com. We are going to record a presentation about PhytoCare and the watchers that will search or go through videos that have the same keywords shown above will have the chance to click on our video because it will be presented as a sponsored video by Youtube. This campaign will certainly raise our popularity and we will get known much easier and faster. It’s an win-win approach with the customers because everyone gains an advantage. The potential customers watch a video that they could be interested in, because they were looking for something on the Internet, and we gain visibility and popularity.
INDIRECT SALES

We decided to rely on partners for our sales because, as a start up, we cannot afford too many costs at the beginning of life as a company. But in the long-term plans we have the idea of building our own franchise shops.

We are based in Milan, so our potential market is in the area of Milan and its surrounding area. It’s not a big area but it has a high population density and we estimate that we will be able to serve a customer base of almost 9,000,000 people. Of course not everyone of them is inside our customer segmentation but the bigger the customer base, the bigger the number of people that could buy our products.

Our products will be presented and sold in pharmacies, herbalist’s shops and in the mass retail channel.

The approach will be different and it will be double, one for Pharmacies and Herbalist’s shops and another one for the mass retail channel.

PHARMACIES AND HERBALIST’S SHOP

For this channel it will be possible for us to advertise our company by using a network of sales representatives. We will produce leaflets, booklets and samples of products to give them to the person in charge of the shop so it will be easier for them to remember us and our products.

The role of the sales representative would be the key to open the door of the distribution through partners. It will be helped by financial stimulus such as discounts, free shipping,
free products, and by visual merchandise such as POS (point of sale) displays, shelving and window displays.

We will organize events to show our products and our company philosophy for pharmacists and herbalists. Those meetings will be free of charge for all the guests as we need to get known.

**MASS RETAIL CHANNEL**

In this case, sales representatives cannot go to each store and promote PhytoCare products, but we need to talk directly to the corporate managers.

We have approached few different mass retail supermarkets such as Esselunga, Coop, Conad and Gigante.

Every mass retail corporate has its own policy but in general we found out that in every corner shop there are two type of product:

- products of corner shop choice
- products of reinvoicing

The first ones are decided locally in every single shop and the negotiation is between the person in charge at the corner shop and PhytoCare. In this case we can use the role of the sales representative to mediate the transaction.

The second ones are decided at the corporate level so the mass retail company can demand discounts by ordering a high amount of products. In this case the sales manager has to deal directly with mass retail company to negotiate a trade win-win where we can earn visibility and they can gain a good discount for our products. For this transaction the main goal is not the financial gain but the popularity that we will have through their stores.

We are facing some problems getting through the person in charge at their parapharmacy corner and talking to the corporate managers because we are just a newborn start up, but we are getting close to enlist a negotiation with Conad.

It will be completely different from the other channels because their buying power is a lot stronger than any other buyer will ever face. They will demand a big discount on the prices of products but if these transactions go through, we will have a strong acknowledgement of the people.
CUSTOMER RELATIONSHIP

This section outlines the methods through which the firm:

• Acquire customers
• Retain existing customers purchases
• Increase Sales

There are different types of relationships that the company decides to have with the different segments of customers:

• Support staff (professionals customer relationship)
• Support staff dedicated (specific assignment clerk)
• Self-service (indirect relationship with the customer through a structure that allows him to have everything he needs to do it alone)
• Automatic Services (evolved form of self-service)
• Community (the report is straightforward and allows greater involvement)
• Co-creation (the client is actively involved in making choices that modify the value proposition of the company)

To carry out all types of relationships, our start-up offers a range of services that combine community service with automatic.

Our services are:

• **Switchboard order to make telephone orders** — in this way we are close to those customers who are not familiar with computer resources, keeping the convenience of making an order directly from home quickly.
• **Delivery at home (Free Shipping)** ➔ this service allows customers to easily receive the selected products directly to your home or a designated address without any additional delivery spent, but for free.

• **Ability to pick up goods at our headquarter** ➔ this service is designed for those who often work outside the office, allowing you to withdraw the products directly from our office.

• **Customized and Consulting** ➔ these services are part of the personalized partnership that our company tries to create with their customers, taking care directly and interactively. Specifically, you can get the customized recipes to be prepared for some noise and hassles with natural raw materials normally present in the house on the advice of competent professionals, as well as the possibility of obtaining an advisory service and therefore support for those who require it.

• **Presence on social networks: facebook, twitter, linkedin and blog on our website** ➔ Being part of those community, it allows us to give visibility to the company enabling us to get known through the web, creating a direct relationship with the customers who are then updated in real time on any promotions, activities or events organized by PHYTOCARE; and on the other side, this service is intertwined with the new trend of marketing co-creation of products with the customer. In this way, customers can interface directly with the company expressing their views, highlighting issues, or developing recommendations but also giving guidance on which products are the most used and possibly satisfaction determined by their effectiveness.

• **Corporate site and Mobile App** ➔ hugging different types of customer relationship including community, self-service and automatic service. The website allow people to get all the necessary information on the company (history, the staff, raw materials, seat and all the useful addresses), to become part of the forum, access the different links of social but also enjoy the various services of the above advice, and ordering. To make all this handy and to get along with the technological trends of our society, it has also been created a smartphone application that allows customers to take advantage of key services directly from their mobile phone.
• **Information**  ➞  the service is available on our website and on the mobile app to the disclosure of general information on the history of the use of plants as medicines, their curative effect, the history of the phytotherapy and its relevance in the field of healing, answers about products healthy curiosity, clinical facts about phytotherapics value, advices about the use of phytotherapics and diet counseling, phytosurveillance and what to do if you have a bad reaction, certifications of the quality of our products, healthy lifestyle counseling and advice.

• **Events**  ➞  it contains all the activities organized by the company for the loyalty of the consumers and for the personalization of the relationship. It includes: newsletter, promotion events in different selling points, promotions that provide discounts directly on our products or on other partner companies such as gyms and natural products market stores.
KEY RESOURCES

In this chapter we will discuss the key resources of our start up and we will answer the questions:

✓ Which resources do we have?
✓ What do we need to make our business work?

Physics resources:

Indirect Points of sale (herbalist’s shops, pharmacies); machinaries (bottling machine, capsulating machine, mixer, fridge, dust aspiration system, canning machine, cars); technology (knowhow, );

Intellectual resources:

We have processed the registration of all our products’ name and composition, logo and name of the start up up to the Ufficio Italiano Brevetti e Marchi and Camera di Commercio.

1 - Selezionare un pacchetto

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<th>Classificazione</th>
<th>Prezzo</th>
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<td>Deposito di Copyright (un unico file fino a 10 mb)</td>
<td>© Deposito di Copyright</td>
<td>35,00 €</td>
</tr>
<tr>
<td>3</td>
<td>Redazione del concetto dei nostri esperiti</td>
<td>© Deposito di Copyright</td>
<td>180,00 €</td>
</tr>
<tr>
<td>5</td>
<td>Deposito gioco da tavola</td>
<td>© Deposito di Copyright</td>
<td>159,00 €</td>
</tr>
<tr>
<td>5</td>
<td>5 Depositi di Copyright</td>
<td>© Deposito di Copyright</td>
<td>139,00 €</td>
</tr>
<tr>
<td>6</td>
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<td>© Deposito di Copyright</td>
<td>169,00 €</td>
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<tr>
<td>10</td>
<td>10 Depositi di Copyright</td>
<td>© Deposito di Copyright</td>
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</tr>
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</table>

Copyrights’ packages
1. Versementi / tasse concessione governativa

- Marca da bollo da applicare sul modulo originale di domanda di registrazione
  € 16,00
- Versamento all’Agenzia delle Entrate - Centro Operativo di Pescara
da effettuarsi sul c/c n. 82618000
  In caso di marchio individuale:
  € 101,00 tassa di registrazione comprensiva di una classe
  € 34,00 per ogni classe aggiunta
  In caso di marchio collettivo:
  € 337,00 tassa di registrazione per una o più classi

2. Diritti di segreteria

- Versamento alla CCIAA presso cui si effettua il deposito (vedi sito internet CCIAA provinciale http://www.xx.camcom.it
  dove xx = sigla automobilistica provincia)
  € 40,00
  oppure
  € 43,00 + una marca da bollo di € 16,00 (se si chiede una copia conforme del verbale di deposito)

3. Deposito postale (da versare solo se il deposito è effettuato tramite R/R all’UIBM)

- Versamento alla CCIAA di ROMA da effettuarsi su c/c n. 33692005
  con la causale “Diritti di segreteria per il deposito cartaceo di una domanda di marchio d’impresa”
  € 40,00 (copia semplice)
  oppure
  € 43 + marca da bollo di € 16,00 (copia autentica)

4. Lettera d’incarico (solo nel caso che la presentazione della domanda di registrazione sia effettuata tramite incaricato)
valida per il deposito di una o più domande di un singolo richiedente

- Foglio di carta bollata
  € 16,00
  oppure
  Domanda in carta semplice con marca da bollo da € 16,00
- Tassa di concessione governativa per la lettera d’incarico
  € 34,00.

Taxes of Camera di Commercio

We are certificated in quality with ISO 9001, ISO 14000, ISO 50001. Our staff is constantly preoccupating to follow the European guidelines, such as GMP, GAP, GLP.

Human resources

Us! Knowledge of biochemistry, mix of biotechnologists, chemists, pharmacist. We are specialists of Healthcare, Lifescience. From our university experiences we learnt how to manage chemicals and how to improve them to offer the best products; and from our common experience in the Master “Scientists in the Company” promoted by ISTUD foundation, we learnt the basics of Project Management, Pharma Marketing and Business plan Management.
PhytoCare was founded by 7 partners:

- Marco D’Amato, CEO, who possesses managerial and company strategies skills and pharma-related skills.
- Maria Lombardi, Phytosurveillance and Quality Assurance manager
- Ornella Mancini and Luca Bonarrigo, Production and Quality control managers
- Alessandro De Laurentiis, Marketing manager
- Marco Zuin and Manuela Calabrese, Sales and Distribution managers

The organizational chart is based on a Functional template: CEO plus functions. For the first five years we are thinking of not hiring anyone because we will focus our attention on growing in the market. The next step will be expand ourselves to all Italy and probably Europe. In this phase we will need to hire people. The organizational chart will change in a more effective way.

**Financial resources:**

The partners of PhytoCare will have the same share of the company because we all put a quota of 50.000 € to build the private equity. The first investors in this start up will be us, so we can be trusted by any other future investors because we want to succeed and to gain fame and fortune out of it.
We will participate to the StartCupMilano, SpeedMiUp, Fiera delle start up to have the chance to tell our story and plans to an audience of potential investors. All these events will increase our network of relationships and it will possibly open up some doors that otherwise it would have been impossible to, even, see them.

We are planning to submit our work to a group of business angel or venture capitalist agency such as Start up Venture, AlFI Associazione Italiana del Private Equity e Venture Capital, Maverick Angels, IBAN Italian Business Angels Network. By doing this, we are trying our best to be known and get as much investments in our company as we can, so we will grow faster and get a decent share of the market.

As we submitted our project to the Registro per le imprese to be recognized as an Innovative Start Up, we will have the possibility to access the main online platforms for crowdfunding, such as Kickstarter, Kapipal and Starteed where anyone can donate a quota to increase the private equity (in this case it can be called Crowdfunding Equity).
KEY ACTIVITIES

The Key Activities Building Block describes the most important things a company must do to make its business model work. These are the most important actions a company must take to operate successfully.

- **Phytotherapics production:** we have created new herbal remedies arising from the mix of new ingredients, in order to improve the quality of life of our clients.

- **Personalized preparations:** our experts are able to provide customized preparations for the patient, also dependent on a strict legislation. We can produce a range of preparations from the simplest to the most complex, always ensuring a final good quality. The customized line presents an innovative packaging ensuring product quality and the best price.

- **Certifications of the quality of our products:** Customers are at the center of our attention every day. PHYTOCARE aims to continuously improve the "quality" of service to customers: for this reason we have decided to provide us with a quality system of internal processes conform to a model certificate and internationally recognized. Quality Management System certified according to international standards is not in obligation, but it's our company desire. We produce natural, safe and effective product for human health and observing the environment. Investing in quality means for us to involve all staff in a logic of continuous improvement to proactively understand and meet customer expectations. Our ISO CERTIFICATIONS:
  - ISO 9001 for the Quality Management System
  - ISO 14000 for the Environmental Management System
  - ISO 50001 for Energy Management Systems
The company has a full staff constantly engaged in the implementation and monitoring of quality rules, codified at international level by the guidelines referred to as GAP, GMP, GLP.

Our Quality Control continues even after the sale of the product: thanks to our blog you can always report any issues relating to our products.

- **Phytosurveillance and what to do if u have a bad reaction:** contribute to the knowledge of the potential risks associated with the use of "natural" products, define the real dimensions of the problem and identify possible strategies for prevention and intervention: these are the objectives of the surveillance system. Our company provides a direct system to communicate the problems that customers might encounter following the administration of phytotherapics. The warning are effettutate using personalized schedules for improving on the service.

- **Advices about the use of phytotherapics and diet counseling:** with this type of advice, you can ask the support to an expert on the use of herbal remedies and about the mode of administration. It's also possible to ask for customized diets, which take into account the lifestyle and physical characteristics of the customer. Through a registration procedure will be provided with all the objective indicators such as BMI (body max index) or energy needs.

- **Prevention advices:** our company is associated with a medical practice that provides advice on the prevention. Our customer can require tips on how to prevent any mild diseases using natural methods in line with our business idea.

- **Newsletter:** weekly e-mail will be sent to our customers with promotions, news and topics that are discussed weekly on our blog.
- **Personal relationship with our suppliers and customers as well:** Our company is based on the direct relationship with customers and suppliers in order to establish lasting relationships with short and long term, taking into account their values, society and the environment.

- **24/7 Helpdesk:** Our switchboard is active 24 hours a day and 7 days out of 7, for each type of request.

- **Home delivery:** Thanks to our exclusive home delivery service, the customer can receive at home the products purchased from our online website, within four working days.

- **Blog and video blog:** The direct way to communicate with our experts, to discuss with other customers, to exchange views and experiences, to advise and to get advice. Every week a new topic is introduced to be discussed.

- **Mobile App:** We created an App for smartphone and tablet that would help customers keeping track of our company everywhere at anytime. We designed it using the platform http://mobilecp.conduit.com/ and it easy to modify and to apply new content. With this service we will be able to reached and be reached by everyone who uses a smartphone and tablet; and it will be easy for them to keep in touch with our news, offers and go
directly to our online shop to buy the products that will be sent directly to their houses. We add also a form where they can send us a message and we will reply directly to their e-mail account with the proper answer.

- **Sales promotion by fidelity cards:** every two euro spent at our company, the customer receives a stamp. After ten stamps accumulated, the customer will receive as a gift one of our products at his discretion.

- **Promotions:** With just 10 euros/year you can have access to our products promotions, 10% discount in different Gyms, 30% discount in biological shops, with dedicated spaces for our customers.
KEY PARTNERS

It is undeniable that it will be difficult for our Startup to enter in a market where many big companies have already confirmed their leadership and products. So that, one of the Key point of our strategy will be to find the ideal partnership to be more competitive in that world.

We have identified two different Partnerships: one is related to the Positioning and the other to the Direct Selling.

POSITIONING PARTNERS

First of all, some tests for the effectiveness and safety of synthetic prescriptions and manmade drugs is required before they can be sold or made available to the public consumer. Using natural medicine helps eliminate some of this risk since it is comprised of elements and substances that have always been present.

That is the reason why our company only selects High Quality Products, coming directly from very close areas, and identified in relation to their seasonal growth. EPO s.r.l. (Istitute of Phytotherapeutic Pharmacochemistry) will be our first supplier, giving us the guarantee of a fast and excellent delivery, fundamental requirement we are looking for.

In addition to that, there are many individual components of natural medications that we have analyzed which is an important point to consider, especially because of the synergy factor. In this case, synergy relates to the increased effectiveness of a medication or drug. This improvement is due to multiple components working together that make the entire combination more effective than if one of the components were used as a standalone solution. Natural health and wellness solutions have been found to be particularly effective because of the synergistic effect of multiple natural components present.

To ensure all this clinical aspects we are collaborating with different research institution, in particular Pharmacologist and Phyto-components Expert Prof. Patrizia Romualdi of the
University of Bologna, underlining how we are aware about all the scientific and clinical aspects and datas.

Finally, thanks to the option to speak with online doctors you are granted the opportunity to ask questions about the best natural health and wellness solutions for your body type and health history. These online doctors suggestions will provide a safe and highly convenient means of addressing your top health needs for both daily (Diet and Lifestyle) and long term living.

**DIRECT SELLING PARTNERS**

To make sure the online Direct Selling will increase during the following years, we have found different partnerships related to our customer segment.

Our Staff is weekly organizing events to teach our philosophy and to make sure that our brand will become well-known within the first six months. We will be involved in different environment, obviously related to our consumers.

The first place of interest we are accessing to is represented by Biological and Natural shops. The average of this customer perfectly fit with our target.

Also Wellness Center will be really interesting because of a large amount of high-target people. Our future plans consider the possibility to establish some joint venture with them with a constant presence in their structures.
In addition Gyms, Universities, Schools and Community Centers are of high interest, related to the potential development of our targeted segment.

These commercial affairs will permit to our group to put some informational point into them, giving us the opportunity to introduce our group, give leaflets, gadgets and all kinds of infos. Surely there will be also the possibility to sell directly our products.
COST STRUCTURE

The economic feasibility of the project starts from an analysis of the initial investments required, which will be added to the costs of management, production, distribution and maintenance. Our machinery provides us with a production capacity of 1500 blisters daily divided among: 700 blisters of capsules, 500 confections of infusions and 300 packs of syrups.

FIXED COSTS

Are business expenses independent from the level of goods or services produced by the business. They tend to be time-related (salaries or rents being paid per month) and are often referred to as overhead costs. The amount of costs necessary to implement the production line, the cost of the structure, the distribution and the expenses of management. In this regard, the initial requirement of €244,200 will be partially used for:

- n° 6 Machinery for the production line:
  - Semiautomatic Capsule filling machine with loader-CPE 6N
  - Mixer for powders MP6
  - Filling and Packing production line for solid bodies-SAV1
  - Dosing and filling machine for liquids and creams-EASY CREAM
  - Dosing and packing production line for infusions
  - Thermal meter Instrument factory

SEMIAUTOMATIC CAPSULE FILLING MACHINE

MIXER FOR POWDERS
<table>
<thead>
<tr>
<th>Product Description</th>
<th>Price</th>
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<tbody>
<tr>
<td>Semiautomatic Capsule filling machine with loader-CPE 6N</td>
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</tr>
<tr>
<td>Mixer for powders MP6</td>
<td>4,000 €</td>
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<tr>
<td>Filling and Packing production line for solid bodies-SAV1</td>
<td>30,000 €</td>
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<tr>
<td>Dosing and filling machine for liquids and creams-EASY CREAM</td>
<td>4,000 €</td>
</tr>
<tr>
<td>Dosing and packing production line for infusions</td>
<td>7,000 €</td>
</tr>
<tr>
<td>Thermal meter Instrument factory</td>
<td>1,800 €</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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</table>
- Rent, Forniture and equipment of the Lab:

- Rent of the commercial space 430 mq (2.000 € Per Month)
- Work benches and hoods
- Fridge
- Melting point machine
- Professional glassware

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
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<tr>
<td>Rent of the commercial space 430 mq</td>
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<tr>
<td>Work benches and hoods</td>
<td>15.000 €</td>
</tr>
<tr>
<td>Fridge</td>
<td>1.500 €</td>
</tr>
<tr>
<td>Melting point machine</td>
<td>1.100 €</td>
</tr>
<tr>
<td>Professional glassware</td>
<td>1.500 €</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>43.100 €</strong></td>
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- Commercial distribution

- 2 Van vehicles (panda van second hands) 6.300€

<table>
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<tbody>
<tr>
<td>TOTAL</td>
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</table>

- Salaries

- 7 founders/employees (1.000 € each x 13 months)

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</tr>
</thead>
<tbody>
<tr>
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- Other start-up costs

- Any other business
- Sales & Marketing

<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Sales &amp; Marketing</td>
<td>5.000 €</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10.000 €</td>
</tr>
</tbody>
</table>
VARIABLE COSTS

The amount of the costs that changes in order to the productive rhythms.

In regard of that we will predict the costs of the production:

- **Raw materials/Active ingredients, Excipients:**

  - Aloe Barbadensis
  - Crataegus Monogyna
  - Matricaria Chamomilla
  - Escolzia Californica
  - Echinacea Purpurea
  - Foeniculum Vulgare
  - Griffonia Simplicifolia
  - Grindelia Robusta
  - Melissa Officinalis
  - Plantago Major
  - Passiflora Incarnata
  - Perilla Flutescens
  - Cassia Senna
  - Zingiber Officinale
  - Astragalus Membranaceus
  - Amido di Mais

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Excipients</td>
<td>2.000 €</td>
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<tr>
<td>TOTAL</td>
<td>10.000 €</td>
</tr>
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</table>
- Packaging primary e secondary

- Capsule shells
- Filter for infusions
- Infusion’s packaging
- Blister
- Flacons

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Secondary Packaging</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8.000€</strong></td>
</tr>
</tbody>
</table>

- Presumed consumptions

- Various bills

<table>
<thead>
<tr>
<th>Various Bills</th>
<th>15.000€</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>15.000€</strong></td>
</tr>
</tbody>
</table>
## TOTAL AMOUNT OF START-UP COSTS

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machinery</td>
<td>60.800€</td>
</tr>
<tr>
<td>Rent, Furniture &amp; Equipment of the Structure</td>
<td>43.100€</td>
</tr>
<tr>
<td>Distribution</td>
<td>6.300€</td>
</tr>
<tr>
<td>Salaries</td>
<td>91.000€</td>
</tr>
<tr>
<td>Raw Materials</td>
<td>10.000€</td>
</tr>
<tr>
<td>Packaging</td>
<td>8.000€</td>
</tr>
<tr>
<td>Presumed Consumption</td>
<td>15.000€</td>
</tr>
<tr>
<td>Other start-up Costs</td>
<td>10.000€</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>244.200 €</strong></td>
</tr>
</tbody>
</table>

## COSTS SECOND YEAR

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>24.000 €</td>
</tr>
<tr>
<td>Distribution Costs</td>
<td>2.000 €</td>
</tr>
<tr>
<td>Salaries</td>
<td>91.000 €</td>
</tr>
<tr>
<td>Raw Materials &amp; Packaging</td>
<td>15.000 €</td>
</tr>
<tr>
<td>Presumed Consumptions</td>
<td>15.000 €</td>
</tr>
<tr>
<td>Maintenance Costs</td>
<td>3.000 €</td>
</tr>
<tr>
<td>Marketing</td>
<td>2.000 €</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>152.000 €</strong></td>
</tr>
</tbody>
</table>
**COSTS THIRD YEAR**

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>24,000 €</td>
</tr>
<tr>
<td>Distribution Costs</td>
<td>3,000 €</td>
</tr>
<tr>
<td>Salaries</td>
<td>91,000 €</td>
</tr>
<tr>
<td>Raw Materials &amp; Packaging</td>
<td>16,000 €</td>
</tr>
<tr>
<td>Presumed Consumptions</td>
<td>16,000 €</td>
</tr>
<tr>
<td>Maintenance Costs</td>
<td>3,000 €</td>
</tr>
<tr>
<td>Marketing</td>
<td>3,000 €</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>156,000 €</strong></td>
</tr>
</tbody>
</table>

* We added 4,000 € more during the third year in order to supply the increasing of the production, distribution and promotion.
REVENUE STREAM PHYTOCARE®

Natural medicines offer an highly beneficial addition to daily diets, short-term and long-term personal health and wellness. Among the top attributes offered by these completely natural types of medication is the exclusion of any artificial or synthetic ingredients or additives. This all natural status helps health conscious individuals to avoid potential diseases that may arise from certain chemicals, which are, nowadays, always included in our day-life.

It should be highlighted that the importance of communicating with a medical professional before taking any new types of medications, even if they are made of completely natural ingredients and derivatives. And customers actually have several highly convenient options to address this issue even if they do not have a primary physician of their own. For example, you can now take advantage of online doctor consultations, as in our innovative online service. Online nature physicians can help you go through your medical history and look into potential problems that might occur from using the natural medicines that you’re considering taking.

The freshness and quality of the natural ingredients has a significant influence on both the effectiveness and the safety of the medication. That’s the reason why Phytocare® always take care of your health with Quality and Safety.

DISTRIBUTION SEGMENT

During the first year, our company have segmented a specified Area of Lombardia, the urban area of Milan. After an accurate study we have identified a perfect Target for our Business.

We are focusing on Pharmacies and Herbal Shops in particular, because of their high attendance of young, sportive and nature aware people, taking out Para-pharmacies and the majority of GDO’s Corners, which are resulted less attended by our target.

In the following pages are shown some graphs about our strategy, including penetration in the Herbal Market and our prospective about future, calculating our next three years growing.
As described during previous chapters we have selected a segment in which are included Pharmacies, Herbalist shops and some GDO centers. We have considered a market percentage of penetration of the 30% during the first year.

Our future perspectives permit to consider a slight growth during the following years, acquiring yearly around a 10% boost and gaining a large slice of the market within 5 years.

**PRICING**

To make sure our product will be competitive at all, we have choose plants cultivated in the surrounded areas of Milan, with a very competitive Price.

Prices have been selected in respect to our customer type. So that, we have considered two main categories.

<table>
<thead>
<tr>
<th></th>
<th>Cps. Anx./Insomnia</th>
<th>Cps. Laxative</th>
<th>Syrup Cough/Seasonal</th>
<th>Cps. Seasonal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct D.</strong></td>
<td>€ 6,90</td>
<td>€ 4,00</td>
<td>€ 8,20</td>
<td>€ 5,50</td>
</tr>
<tr>
<td><strong>Retail D. X5</strong></td>
<td>€ 5,50</td>
<td>€ 3,20</td>
<td>€ 6,90</td>
<td>€ 4,20</td>
</tr>
</tbody>
</table>
TURNOVER AND POTENTIAL GROWTH

The bet made is supposed to be successful thanks to an intense market analysis and an incredibly positive trend of Phytotherapeutics. Developing new innovative strategies and a structured distribution service, we want to extend our business in about four years.

An high focusing on Clinical aspects and a particular attention to our clients, with a detailed and widespread retail and customer service, will permit us to be constantly up-to-date about new scientific trends extending our productive line and engaging new interesting challenges, like a national and international growth.

The graph below shows our forecasting vision related to Turnover and Profit/Loss during the following five years.

As it is illustrated in the graph, the Break Even Point (BEP) is reached within four years and four months, with an important prospective profit after only five years.
Nowadays, there are many other Innovative Startups which are trying to enter the Herbal and Alternative Medicines Market. Our Company will give them the possibility also to be introduced in the world of Phytotherapy, with a training and assistance programme, permitting possible cooperation during scientific studies or interesting and innovative projects.

Furthermore our manufacturing site will have very high-quality and high-efficiency standards and for the early years it will be not completely exploited. A possible option, that is under high consideration by our Company, would be to saturate the entire production working on behalf of a third party. This would be an outstandingly step for Phytocare® with a very high increase of our Profit, advancing BEP and our expanding plans.
REFERENCES


dopamine in the cortex, diencephalon and brainstem of the rat. J Pharm Pharmacol 1999; 51 (6): 723-8


