

CMO-OnLoan™

Industry Ranking

Overview

Framework to help you determine which “industries” (markets/verticals) to prioritize for growth.

Process

1. Create a list of all your current industries
2. Add current sales by industry and estimated total industry sales
3. Define and determine the weight of each criteria
4. If needed, research each industry
5. Rank industries based on criteria
6. Prioritize industries based on the weighted ranking

1. Create a List of all Current Industries

List industries in table and add and delete rows as needed

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1. Create a List of all Current Industries - Example

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| Material Handling |
| Distribution Centers |
| Aerospace |
| Automotive |
| Waste |
| Healthcare |
| Military |
| Security |
| Food & Beverage |
| Steel |

2. Current Sales By Industry & Estimated Total Industry Sales

Add current sales by industry and estimated total industry sales

| Industry | Sales by Industry | Estimated Total Industry Sales |
|----------------------|-------------------|--------------------------------|
| Material Handling | | |
| Distribution Centers | | |
| Aerospace | | |
| Automotive | | |
| Waste | | |
| Healthcare | | |
| Military | | |
| Security | | |
| Food & Beverage | | |
| Steel | | |

2. Current Sales By Industry & Estimated Total Industry Sales

Add current sales by industry and estimated total industry sales

| Industry | Sales by Industry | Estimated Total Industry Sales |
|----------------------|-------------------|--------------------------------|
| Material Handling | \$100,000 | \$3,000,000 |
| Distribution Centers | \$2,000,000 | \$10,000,000 |
| Aerospace | \$50,000 | \$2,000,000 |
| Automotive | \$150,000 | \$4,500,00 |
| Waste | \$3,000,000 | \$15,000,000 |
| Healthcare | \$30,000 | \$5,000,000 |
| Military | \$200,000 | \$1,200,000 |
| Security | \$2,500,000 | \$40,000,000 |
| Food & Beverage | \$120,000 | \$3,000,000 |
| Steel | \$40,000 | \$10,000,000 |

3. Define & Determine Weight of Each Criteria

Define criteria & enter it in the table on the next slide, then define a weight

| Criteria | Weight |
|-------------------|---------------|
| <i>Criteria 1</i> | |
| <i>Criteria 2</i> | |
| <i>Criteria 3</i> | |
| <i>Criteria 4</i> | |
| <i>Criteria 5</i> | |
| Total | |

3. Industry Criteria - Example

Enter your criteria below and add a weight (make sure it adds up to 100%)

| Criteria | Weight |
|-----------------------------------|---------------|
| Future Industry Growth | 35% |
| Complexity to Grow | 10% |
| Risk to asking for more | 5% |
| Margin | 30% |
| Customer Concentration if We Grow | 20% |
| Total | 100% |

4. Research Each Industry (if needed)

- *Research industry growth via Company / Industry reports*
- *Add a slide for each industry you research*

- Example Research:
 - Size, CAGR, Growth #s
 - Growth Drivers
 - Risks
 - Key players

4. Industry Research - Example

- **Growth**
 - USD 167B by 2025 (CAGR 10.3%)
- **Drivers:**
 - Military and defense due to threat of terrorism
 - Security systems - rise in illegal activities/ government regulations
- **Increasing competition**
 - Advanced technologies = automation
 - Government security systems - on cross border safety

5. Rank Industries Based on Criteria

| Industry | Sales by Industry | Estimated Total Industry Sales | Criteria 1 | Criteria 2 | Criteria 3 | Criteria 4 | Criteria 5 | Ranking |
|----------|-------------------|--------------------------------|------------|------------|------------|------------|------------|---------|
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5. Rank Industries - Example

| Industry | Company Sales by Industry | Estimated Total Industry Sales | Fit with current business model | Complexity to Grow | Capital Requirements | Margin | Future Industry Growth | Ranking |
|----------------------|---------------------------|--------------------------------|---------------------------------|--------------------|----------------------|----------|------------------------|---------|
| Security | \$2,500,000 | \$40,000,000 | High | Med | Low | Med | Low | 1 |
| Distribution Centers | \$2,000,000 | \$10,000,000 | High | Med | Low | Med | Low | 2 |
| Steel | \$40,000 | \$10,000,000 | High | Low-Med | Low | Med | Low | 3 |
| Waste | \$3,000,000 | \$15,000,000 | High | High | Med | Med | Low | 4 |
| Healthcare | \$30,000 | \$5,000,000 | High | Low | Low | Med | Low | 5 |
| Automotive | \$150,000 | \$4,500,00 | Med | Low | Low | Med-High | Low | 6 |
| Material Handling | \$100,000 | \$3,000,000 | Med | Low | Low | Med | Low | 7 |
| Aerospace | \$50,000 | \$2,000,000 | Med | Med | Low | Med | Low | 8 |
| Food & Beverage | \$120,000 | \$3,000,000 | Med | Low | Low-Med | Low | Low | 9 |
| Military | \$200,000 | \$1,200,000 | Med | Low-Med | Med | Med | Low | 10 |

Recap

Framework to help you determine which “industries” (markets/verticals) to prioritize for growth.

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