FULL SCALE PRODUCTION

**Commercial Phase**

Production

**Definition:** The production step is that period during which the manufacturing process is built and full-scale production runs are implemented.

**Objective:** The objective of the production step is to put a new product into commercial production and optimize the manufacturing process.

**Product:** The product of this activity is a market-ready product.

**Technical Activities:** During the production step, the following activities must be completed.

* Final commercial level product designs
* Produce manufacturing process schematics
* Institute quality control procedures
* Finalize distribution system
* Construct manufacturing facilities
* Implement trial run
* Make minor modifications
* Conduct full-scale production run

**Technical Information:** Completion of the production step usually will result in knowledge about production levels and costs, inventory requirements, manpower allocations, production bottlenecks, vendor requirements, distribution factors, manufacturing reliability and maintainability, and product performance and reliability.

**Assessment:**

Do you support commercial production?

Do you have after market support for the product?

Have you improved the production process?

Do you support a warranty?

**Commercial Phase**

Sales and Distribution

**Definition:** The sales and distribution step is that period when the product is receiving some degree of market reception by distributors and buyers.

**Objective:** The objective of the sales and distribution step is to gain market share and increase profitability.

**Product:** The product of this step is a final confirmation or modification of one or more elements in the marketing approach.

**Marketing Activities:** The marketing activities common to this step are those necessary to expand product sales and assess product's market performance.

During the sales and distribution step, the following activities must be completed:

* Identify areas for market expansion
* Assess customer satisfaction
* Assess distributor satisfaction
* Refine product features

**Marketing Information:** Implementation of the sales and distribution step usually will result in a knowledge of the product's competitive position in the market, the demographics of the product, key customers for the product, perceived benefits of the product, communication mechanism for promoting the product, and the most effective and efficient sales channels.

**Assessment:**

Have you established product distribution and sales?

Have you identified areas for market expansion?

Have you assessed customer satisfaction?

Have you assessed distributor satisfaction?

Have you refined product features?

**Commercial Phase**

Business Growth

**Definition:** The business growth phase is that period during which business functions (management, production, financing, marketing, and human relations) are fully staffed and operational.

**Objective:** The objective of the business growth phase is to operate a business enterprise which produces a profitable product for which there is increasing market demand.

**Product:** The product of this phase is a business enterprise that is perceived by the market as a preferred source for the product and/or service.

**Business Activities:** The business activities common to this phase are those necessary to establish a foundation of sound business practices, implement a growth strategy, and ensure profitability.

During the business growth step, the following activities must be completed:

* Obtain equipment and facilities
* Hire and train personnel
* Execute contracts
* Arrange for next stage financing
* Institutionalize management vision, mission, and policies
* Regularly convene board of director meetings
* Monitor industrial business trends and practices
* Identify opportunities and threats to enterprise profits
* Conduct strategic and tactical planning for the enterprise

**Business Information:** The business growth phase usually will result in knowledge of market receptivity to the enterprise, the price-value threshold of product, competitor response, emerging competition, and critical factors for enterprise operating success.

**Assessment:**

Are you engaged in full-scale production?

Have you arranged for full scale production financing?

Have you institutionalized a corporate vision, mission, and policy?

Do you have a process to monitor business trends and practice?

Can you identify opportunities and threats to enterprise profits?