

PowerPeel and Plug Berry: The Post-Merger Operation Strategy

Operation Strategies – Cohort A Team 16

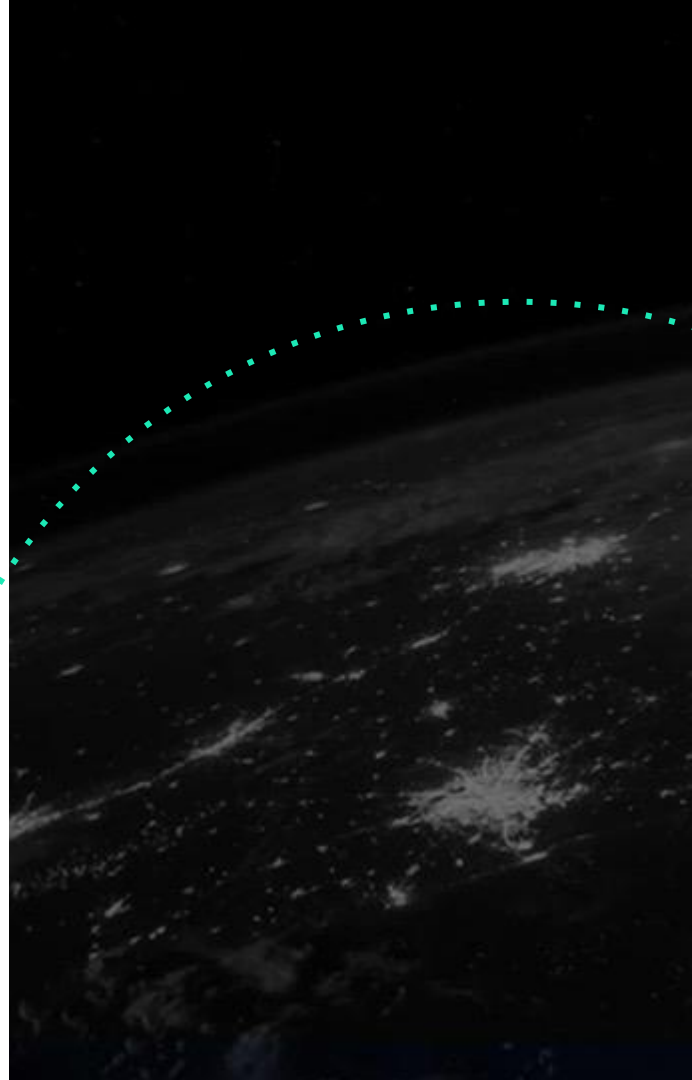
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Approach

OBJECTIVES

- Expand PowerPeel's operations into the B2C market for EV charging solutions by leveraging the Plug Berry acquisition.
- Develop synergies between renewable energy provision and EV charging infrastructure.
- Enhance operational efficiency, team cohesion, and determine the procurement strategy.

DELIVERABLES

01. Design an organizational structure to support both B2B (Plug Berry) and B2C (PowerPeel) operations and allocate resources effectively to meet new operational demands.

02. Create a 12-24 month roadmap for synergy realization, focusing on phased integration and operational streamlining.

03. Analyze how the merger aligns with PowerPeel's strategic objectives and explore emerging opportunities.

04. Procurement model that optimizes operational performance, considering the differences between PowerPeel (internalization) and Plug Berry (outsourcing).

05. Establish KPIs to monitor key performance areas: cost, quality, flexibility, and delivery.

Context of the merger

PowerPeel

A renewable energy provider (B2C)

- Core competencies: Renewable energy supply, excellent customer services, operational excellence.

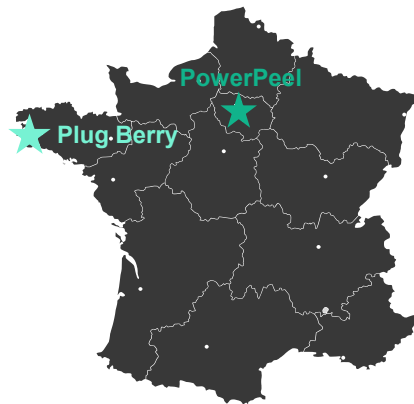
Revenue



Employees



Payroll costs



Plug Berry

An electric vehicle charging company (B2B)

- Core competencies: EV charger installation for municipalities and private enterprises.

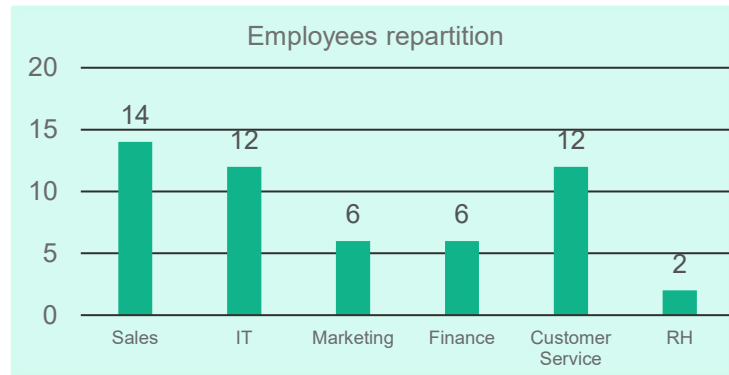
Revenue



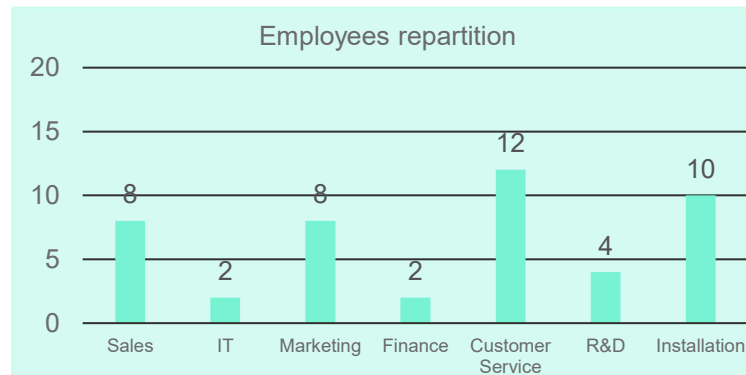
Employees



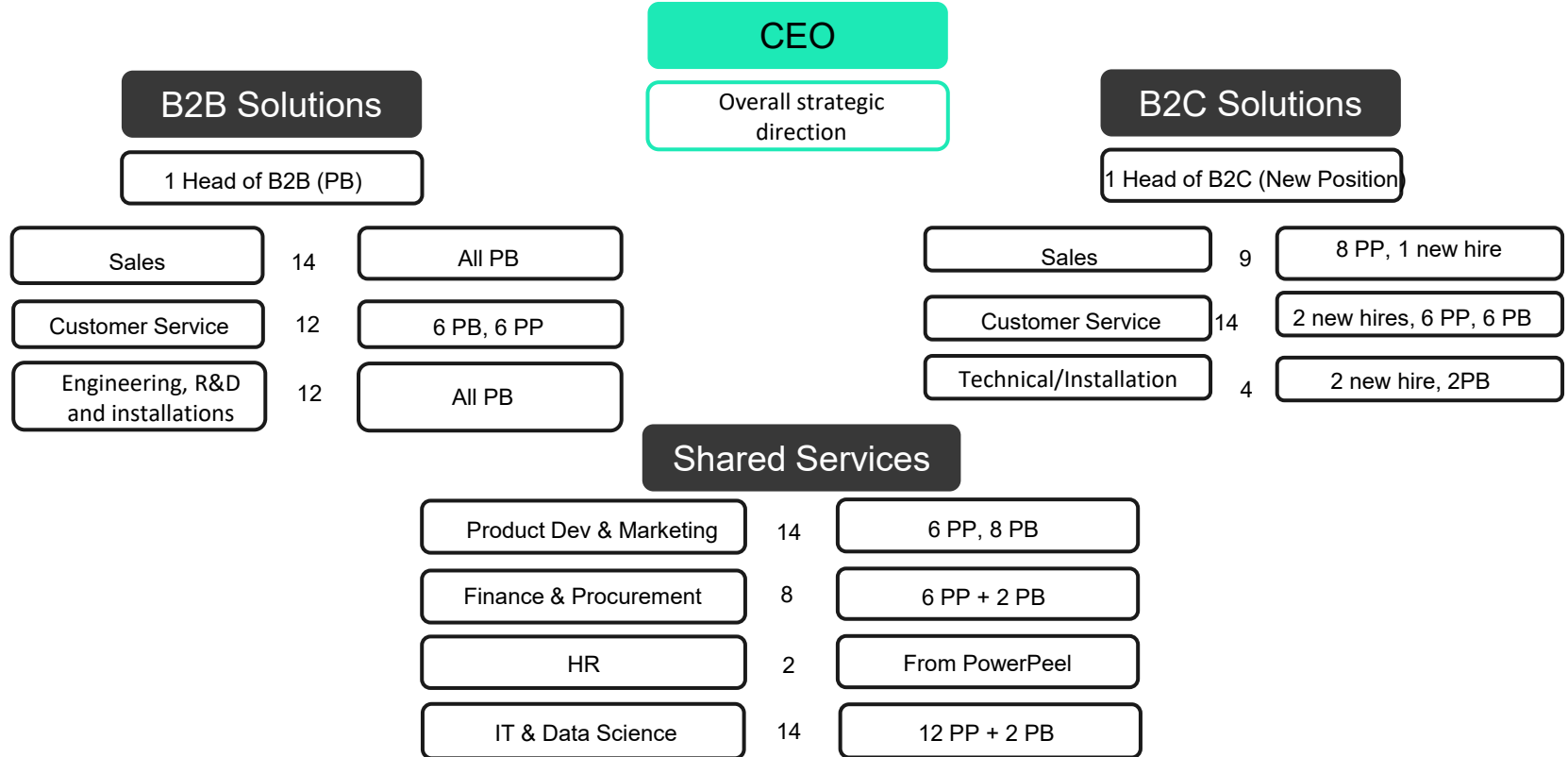
Payroll costs



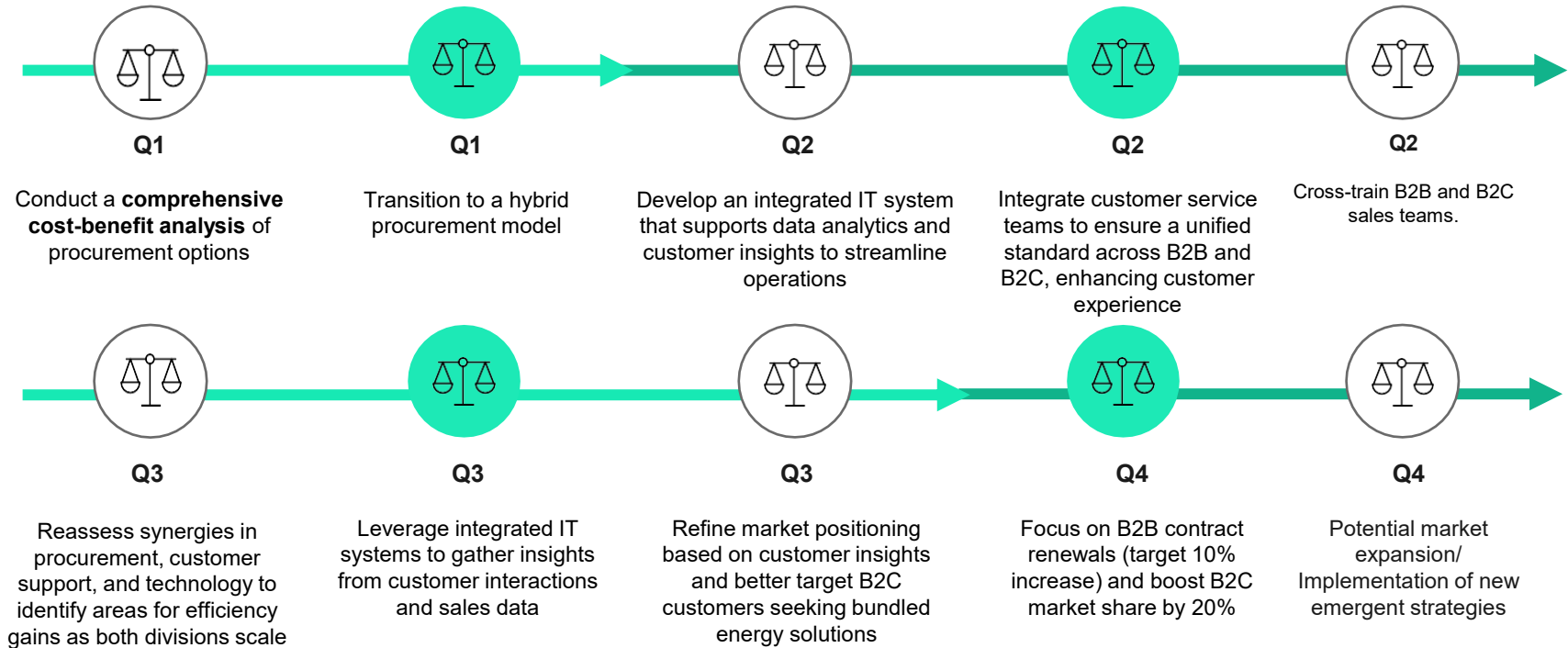
VS



New Organizational Structure



Operational Strategy and Synergies



Strategic Alignment

WORKSTREAM	STATUS	KEY ACHIEVEMENTS	CHALLENGES	NEXT STEPS
Strategic Expansion into the Electric Vehicle Market	●●○○○	<ul style="list-style-type: none"> Entry into the B2C EV infrastructure market. Growth strategy with new services. 	<ul style="list-style-type: none"> Building B2C expertise while keeping a strong position in the B2B segment. Adapting offerings to capture increasing demand. 	<ul style="list-style-type: none"> Market analysis to adjust and prioritize B2C and B2B offerings. Define a roadmap for new products and services.
Synergies Between Renewable Energy and EV Charging Infrastructure	●●●○○	<ul style="list-style-type: none"> Solutions combining energy and charging. Cross-selling opportunities between energy services and charger installations. 	<ul style="list-style-type: none"> Seamless customer experience in combined services. Defining a clear strategic value by a mix of renewable energy and EV charging. 	<ul style="list-style-type: none"> Develop a cross-selling program. Create attractive packages.
Value Chain Optimization to Reduce Costs and Increase Flexibility	●○○○○	<ul style="list-style-type: none"> Economies of scale by combining purchasing and procurement processes. Benefits of internalizing or outsourcing some aspects of the supply chain to control cost. 	<ul style="list-style-type: none"> Harmonizing internalization and outsourcing approaches for an optimal procurement strategy. Balancing the need for flexibility to address B2B and B2C demands while reducing costs. 	<ul style="list-style-type: none"> Decide on the optimal strategy based on costs and synergies. Implement unified purchasing processes to achieve cost savings.
Adaptation to Emerging Opportunities in the Ecological and Electric Vehicle Sector	●●○○○	<ul style="list-style-type: none"> Alignment with ecological transition trends and increased demand for home EV charging solutions. Developing an innovation capacity to answer changes and expectations for green energy. 	<ul style="list-style-type: none"> Anticipating and adapting service offerings to the rapidly evolving EV and renewable energy sectors. Positioning PowerPeel as a key player in the ecological transition in Europe. 	<ul style="list-style-type: none"> Invest in market research to identify future opportunities. Establish an innovation committee to explore new ecological solutions.

Procurement Decision – Strategic Direction Post-Merger

Post-Merger Opportunity: Integration of PowerPeel and Plug Berry's procurement models

Factors influencing the decision: Customer Service Excellence, Flexibility and Scalability, Cost Implications

INTERNALIZED PROCUREMENT

Advantages:

- Enables PowerPeel to keep quality standards high, which aligns well with their commitment to excellent service.
- In the long run, it could lead to reduced per-unit costs, as it minimizes reliance on external suppliers.
- Better alignment with company values on sustainability and consistent operations.

Drawbacks:

- Comes with a hefty initial investment in infrastructure and resources, making it a substantial commitment.
- Offers less flexibility for scaling up or down, which could be a hurdle during the early stages of B2C expansion.

VS

OUTSOURCED PROCUREMENT

Advantages:

- Provides the adaptability to quickly adjust based on demand fluctuations, ideal for a market with uncertain growth.
- Requires less upfront spending, which helps in managing costs as new service lines roll out.

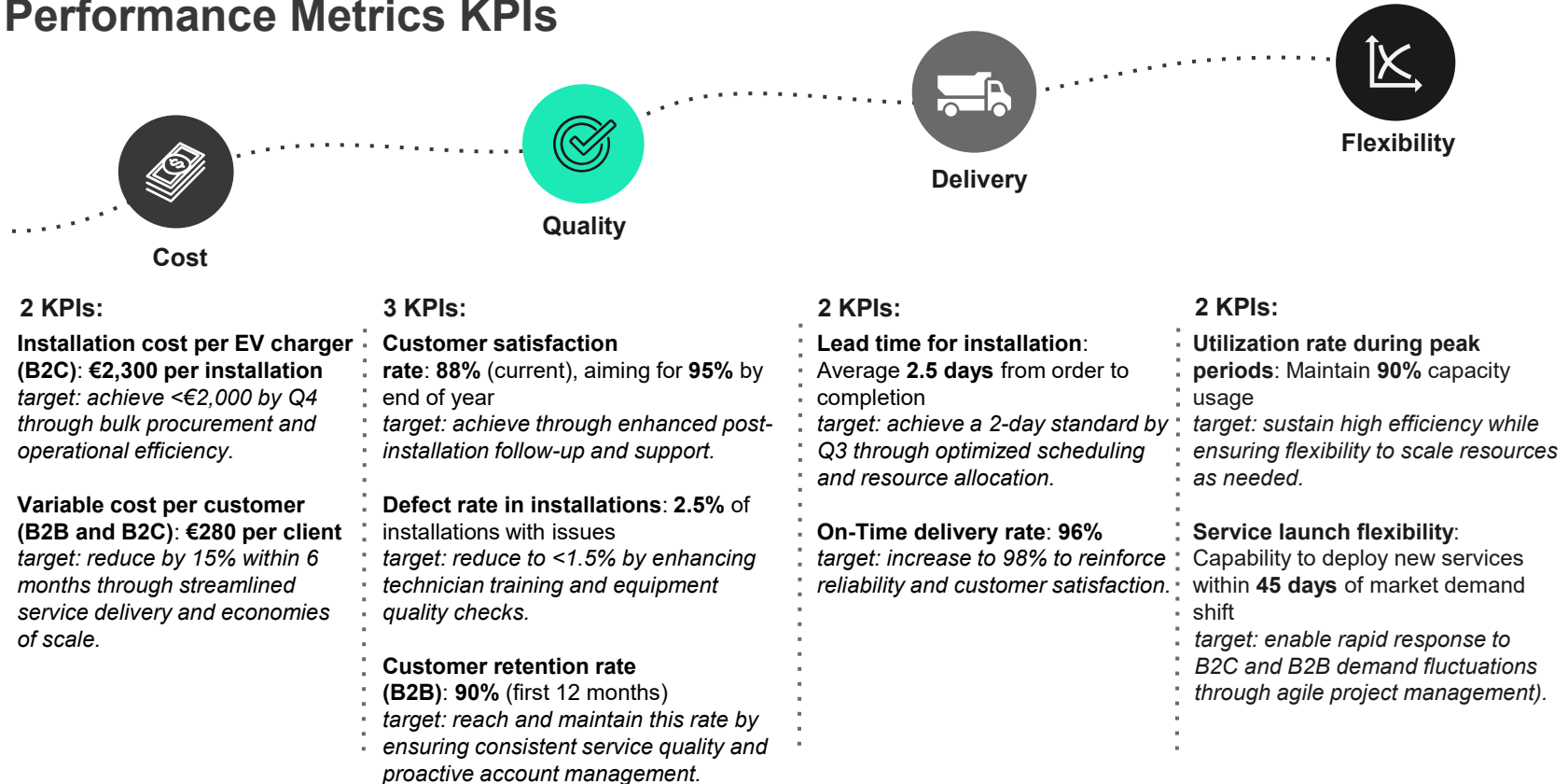
Drawbacks:

- Reduces control over supplier quality, which might impact customer experience.
- Greater reliance on external suppliers, potentially resulting in less predictable per-unit costs over time.

Strategy suggestion:

- **Short-Term (Outsource):** For immediate flexibility and quick scaling.
- **Medium/Long-Term (Internalize):** Gradual switch to internalization in order to guarantee cost control, quality assurance, and alignment with PowerPeel's values.

Performance Metrics KPIs



Financial Implications

1

Estimated Resource Allocation

B2C Service Launch estimated budget: **€1.5M** to cover initial marketing, customer acquisition, and infrastructure setup for home EV charging services.

Customer Service Optimization: **€500K** to expand support capabilities to handle B2C customer volume.

Procurement Adaptation: **€300K** to establish flexible sourcing relationships initially through outsourcing.

2

Required Investments

IT Infrastructure: **€750K** for comprehensive upgrades and system integration across both companies, ensuring scalability as new services roll out.

Talents acquisition: 400k in order to hire:

- Head Of B2C - 120k
- 3 Technicians – 60k each
- Customer Support specialist 100k

3

Overall

As total **current payroll of €4.6M**, expansion into new service lines will require efficient spending and selective staffing, bringing total payroll to **€5M**.

The Gradual shift towards internal procurement as demand stabilizes will require additional investments, reflecting the phased approach.

Team presentation

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