



**COMPARISON: PREMIUM
VS. BUDGET WATER
BOTTLE FACTORY FOR
GEODYN SOLUTIONS**

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EXECUTIVE SUMMARY

This analysis compares two proposed 25 million water bottle factories in the Dominican Republic: a Premium Factory producing a luxury brand to rival Fiji and Evian, and a Budget Factory producing a mass-market brand to compete with local brands like Agua Planeta Azul. Both factories utilize Geodyn Solutions' proprietary PureFlow™ and SmartEnergy™ technologies, a partnership with Starlinger for recycling, and a pristine water source in Santiago Free Trade Zone. The comparison evaluates CapEx, OpEx, revenue, ROI, payback period, and job creation to determine which factory offers a better ROI. The Premium Factory uses the slogan "Purity Perfected, Nature's Finest," while the Budget Factory uses "Clear Value, Trusted Quality."

PROJECT OVERVIEW

(COMMON TO BOTH)

- **Location:** Santiago Free Trade Zone, Santiago de los Caballeros, Dominican Republic.
- **Production Capacity:** 25 million 500ml PET water bottles per year.
- **Timeline:** 18 months from groundbreaking to full operation.
- **Land Requirement:** 5 acres (20,234 m²) at \$50/m², costing \$1,011,700.
- **Job Creation:** 120 direct jobs (60 operators, 20 technicians, 15 quality control, 25 administrative) and 200 indirect jobs (suppliers, distribution, services).
- **Water Source:** Pristine Yaque del Norte River and Cordillera Central aquifers (TDS 50-100 ppm), superior to Fiji (220 ppm) and Evian (309 ppm), protected by environmental regulations.
- **Technology:**
 - Geodyn Solutions' PureFlow™ Purification System.
 - Sidel Combi Blow-Fill-Cap System.
 - ABB Robotic Palletizing and Packaging Systems.
 - Solar PV System (500 kW) + SmartEnergy™ Management System.
 - Starlinger recoSTAR PET Recycling Line.



PREMIUM FACTORY DETAILS

- **OBJECTIVE:** Produce 25 million premium bottles annually, targeting affluent consumers, tourism, and export markets.
- **BRAND POSITIONING:** Luxury brand comparable to Fiji/ Evian, emphasizing purity and sustainability.
- **SLOGAN:** “Purity Perfected, Nature’s Finest.”
- **SELLING PRICE:** \$1.00 per 500ml bottle, competitive with Aqua Panna (\$1.20).
- **WATER QUALITY:** TDS of 80 ppm via PureFlow™ with mineral infusion for crisp taste.

FINANCIAL PROJECTIONS: PREMIUM FACTORY

CAPITAL EXPENDITURE (CAPEX)

ITEM	COST (USD)
Land (5 acres)	1,011,700
Factory Construction (20,000 m ² @ \$100/m ²)	2,000,000
PureFlow™ Purification System	600,000
PET Bottle Production (Sidel Combi)	3,000,000
Automation and Robotics	800,000
Solar PV System + SmartEnergy™	750,000
Starlinger Recycling Line	400,000
Equipment Installation	300,000
Licensing and Permits	100,000
Subtotal	8,961,700
10% Contingency	896,170
Total CapEx	9,857,870

OPERATIONAL EXPENDITURE (OPEX) – ANNUAL

ITEM	COST (USD)
Raw Materials (10g PET preforms, caps, labels)	2,500,000
Labor (120 employees @ \$10,000/year avg.)	1,200,000
Electricity (60% grid, 40% solar)	280,000
Water Sourcing	100,000
Maintenance	200,000
Administrative Costs	150,000
Marketing and Distribution (premium branding)	600,000
Total OpEx	5,030,000



REVENUE PROJECTIONS

Annual Revenue	$25,000,000 \text{ bottles} \times \$1.00 = \$25,000,000.$
Gross Profit	$\$25,000,000 - \$5,030,000 = \$19,970,000.$
Annual Net Profit	$\$19,970,000 - \$600,000 \text{ (depreciation, taxes, misc.)} = \$19,370,000.$
ROI	$(\$19,370,000 / \$9,857,870) \times 100 = 196.5\% \text{ annually.}$
Payback Period	$\$9,857,870 / \$19,370,000 \approx 0.51 \text{ years (6.1 months).}$

SENSITIVITY ANALYSIS

10% Revenue Decrease	Produce 25 million budget bottles annually, targeting local mass-market consumers.
Brand Positioning	Competitive with Agua Planeta Azul and Cristalia, emphasizing affordability and quality.
Slogan	"Clear Value, Trusted Quality."
Selling Price	\$0.45 per 500ml bottle, matching Agua Planeta Azul (\$0.45).
Water Quality	TDS of 150 ppm via PureFlow™ standard purification for cost efficiency.

FINANCIAL PROJECTIONS: BUDGET FACTORY

CAPITAL EXPENDITURE (CAPEX)

ITEM	COST (USD)
Land (5 acres)	1,011,700
Factory Construction (20,000 m ² @ \$100/m ²)	2,000,000
PureFlow™ Purification System	550,000
PET Bottle Production (Sidel Combi)	3,000,000
Automation and Robotics	800,000
Solar PV System + SmartEnergy™	750,000
Starlinger Recycling Line	400,000
Equipment Installation	300,000
Licensing and Permits	100,000
Subtotal	8,911,700
10% Contingency	891,170
Total CapEx	9,802,870

Note:

CapEx is slightly lower due to a less complex PureFlow™ configuration for budget water (no mineral infusion).

OPERATIONAL EXPENDITURE (OPEX) – ANNUAL

ITEM	COST (USD)
Raw Materials (12g PET preforms, caps, labels)	2,700,000
Labor (120 employees @ \$10,000/year avg.)	1,200,000
Electricity (60% grid, 40% solar)	280,000
Water Sourcing	100,000
Maintenance	200,000
Administrative Costs	150,000
Marketing and Distribution (budget branding)	400,000
Total OpEx	4,830,000

Note:

OpEx is lower due to reduced marketing costs, but raw materials are higher due to heavier 12g PET preforms.



REVENUE PROJECTIONS

Annual Revenue	$25,000,000 \text{ bottles} \times \$0.45 = \$11,250,000.$
Gross Profit	$\$11,250,000 - \$4,830,000 = \$6,420,000.$
Annual Net Profit	$\$6,420,000 - \$600,000 \text{ (depreciation, taxes, misc.)} = \$5,820,000.$
ROI	$(\$5,820,000 / \$9,802,870) \times 100 = 59.4\% \text{ annually.}$
Payback Period	$\$9,802,870 / \$5,820,000 \approx 1.68 \text{ years (20.2 months).}$

SENSITIVITY ANALYSIS

10% Revenue Decrease	Payback extends to 1.87 years.
10% OpEx Increase	Payback extends to 1.83 years.

SELLING PRICE COMPARISON CHART

The following table compares the selling prices of both proposed brands with local and international competitors for a 500ml PET bottle, based on 2025 retail prices in the Dominican Republic and global markets.

BRAND	ORIGIN	Price per 500ml (USD)	Notes
Geodyn Premium	Dominican Republic	1.00	Premium, TDS 80 ppm, sustainable packaging, targets tourism/export.
Geodyn Budget	Dominican Republic	0.45	Budget, TDS 150 ppm, competes with local mass-market brands.
Aqua Panna	Italy	1.20	Premium imported, TDS 150 ppm, tourism markets.
Evian	France	1.30	High-end imported, TDS 309 ppm, global recognition.
Fiji	Fiji	1.50	Premium imported, TDS 220 ppm, purity focus.
Cristalia	Dominican Republic	0.50	Local standard, TDS 200-250 ppm, mass-market.
Agua Planeta Azul	Dominican Republic	0.45	Local budget, higher TDS, limited export.
Dasani	Dominican Republic (Coca-Cola)	0.60	Mid-tier local, purified municipal water.

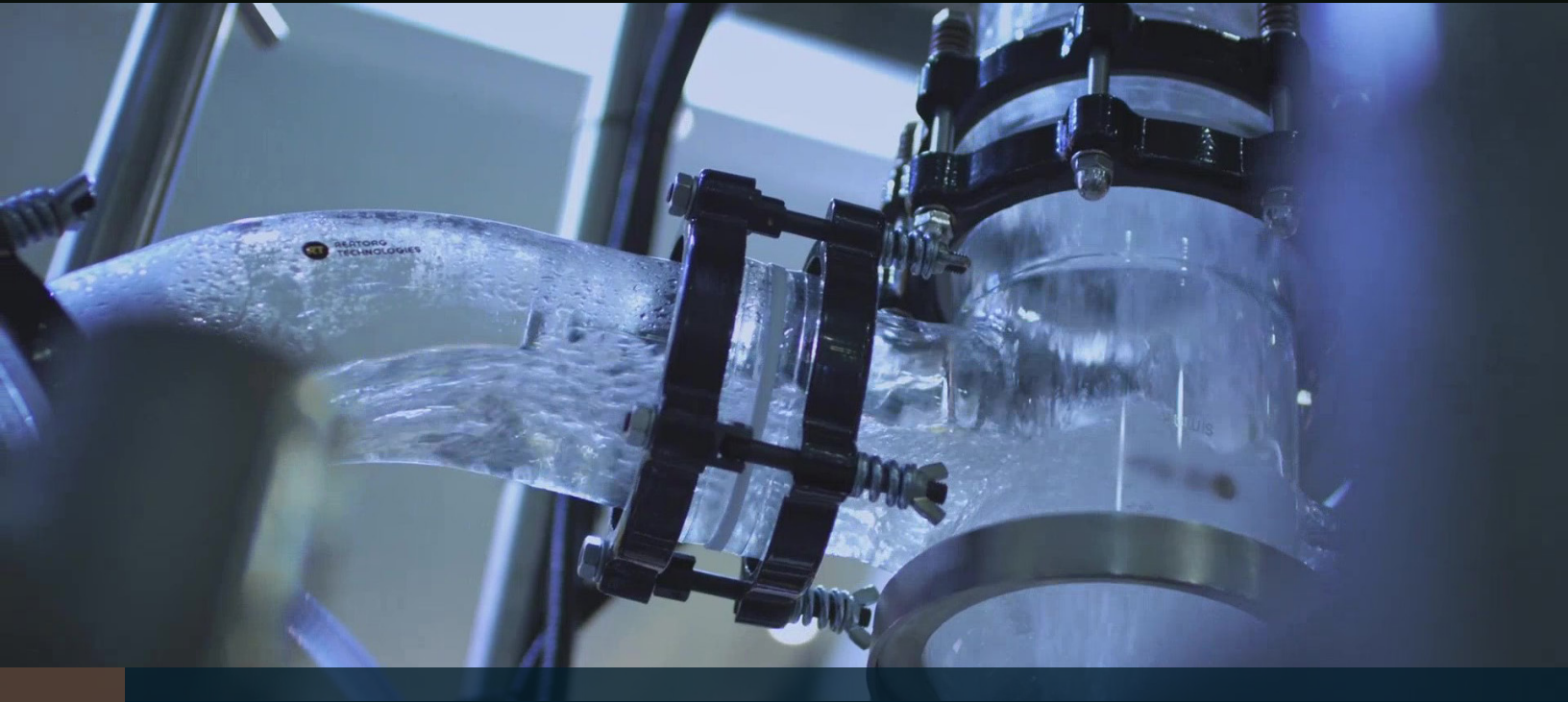
ANALYSIS

Geodyn Premium's \$1.00 price undercuts imported premium brands while offering superior quality (lower TDS). Geodyn Budget's \$0.45 price matches Agua Planeta Azul, with better quality to capture the local market.

COMPARISON SUMMARY

METRIC	PREMIUM FACTORY	Budget Factory
CapEx	\$9,857,870	\$9,802,870
OpEx (Annual)	\$5,030,000	\$4,830,000
Revenue (Annual)	\$25,000,000	\$11,250,000
Net Profit (Annual)	\$19,370,000	\$5,820,000
ROI (Annual)	196.5%	59.4%
Payback Period	6.1 months	20.2 months
Market Focus	Affluent, tourism, export	Local mass-market
Risks	Market acceptance, competition with imports	Price competition, lower margins
Strengths	High margins, strong brand potential	Stable demand, lower marketing costs

ROI EVALUATION

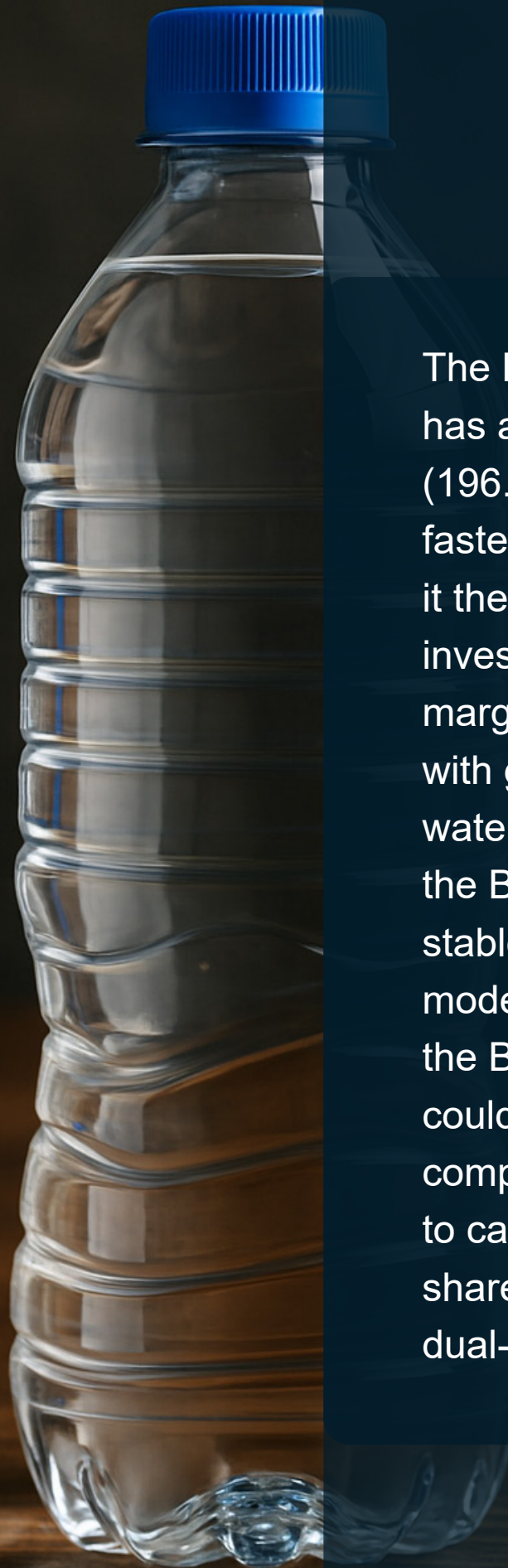


- **PREMIUM FACTORY**

Offers a significantly higher ROI (196.5%) and faster payback (6.1 months) due to the higher selling price (\$1.00) and strong gross profit margins (80%). The premium market's growth in tourism and exports supports long-term profitability, though it faces risks from brand acceptance and competition with established imports like Evian.

- **BUDGET FACTORY**

Delivers a lower ROI (59.4%) and longer payback (20.2 months) due to the lower selling price (\$0.45) and thinner margins (57%). However, it benefits from stable local demand and lower marketing costs, with less risk of market entry barriers.



The Premium Factory has a better ROI (196.5% vs. 59.4%) and faster payback, making it the more attractive investment. Its high margins and alignment with global premium water trends outweigh the Budget Factory's stable but lower-profit model. However, the Budget Factory could serve as a complementary strategy to capture local market share if combined in a dual-brand approach.



RECOMMENDATIONS

Prioritize Premium Factory: Proceed with the Premium Factory for its superior ROI and alignment with global market trends. Secure land in Santiago FTZ, finalize the Starlinger partnership, and launch a marketing campaign targeting tourism and export markets.

Consider Dual-Brand Strategy: If capital allows, explore a dual-brand factory (as in prior proposals) to balance high-margin premium sales with stable budget sales, mitigating market risks.

Next Steps:

- Engage with World Bank's INSPIRE program for workforce training.
- Explore financing through IFC or local banks.
- Develop brand identity for "Purity Perfected, Nature's Finest" to compete with Fiji/Evian.



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