

Validating the decision of a pulp and paper company to invest in scaling up its biorefinery operations



Challenge

The client, a pulp and paper company, was testing a new technology to produce a biobased solvent and started considering an investment in a new large-scale facility. The client contacted Lux to perform a study to challenge the assumptions supporting its economic model before making a decision.



Solution

Lux performed an independent voice-of-customer study to explore the market potential for the client's technology. Lux identified the three most attractive applications and applied the SWOT methodology to identify strengths and risks within such applications, proposing strategies to approach each.



Value

The client used Lux's report to reshape the company's expectations for the market performance of the product and to inform decision-making on whether to scale-up operations.

XXXX can add value in multiple applications, but prohibitive costs preclude large volumes in the short term

	REGULATORY PRESSURE ON INCUMBENTS	COST SENSITIVITY	WILLINGNESS TO CHANGE	VALUE ADDED/ PERFORMANCE	VOLUME REQUIREMENTS	COMPETITIVE THREATS	Lux Take
HIGH PERFORMANCE COATINGS	Yellow	Yellow	Yellow	Yellow	Red	Red	Pursue
ELECTRONICS & BATTERIES	Yellow	Yellow	Red	Yellow	Red	Yellow	Pursue
MEMBRANE MANUFACTURE	Yellow	Red	Yellow	Green	Green	Yellow	Pursue
PERSONAL CARE & COSMETICS	Green	Green	Green	Yellow	Green	Yellow	Pursue
GRAPHENE DISPERSION	Red	Red	Red	Yellow	Red	Red	Ignore
CLEANING SOLVENTS / GRAFFITI REMOVAL	Green	Red	Red	Red	Green	Red	Ignore
PAINTS AND COATINGS	Green	Red	Yellow	Red	Green	Red	Ignore

■ No immediate barriers
 ■ Limited barriers
 ■ High barriers