



Executive Summary - Team D2

With more than 10 gigawatts installed worldwide, First Solar is the leading global provider of PV energy solutions. In a diverse and rapidly changing global market First Solar is aiming to capitalize on increasing demand for solar energy, while maintaining excellent financials.

Forces:

As a new player to the energy market, solar has undergone vast fluctuations in prices and government support. Forces outside of the control of First Solar have the potential for both positive and negative influences on the demand for solar, its margins and the amount of competition in the marketplace. The three forces that have been identified as having the largest potential for impact on First Solar are:

- Increasing demand from commercial industries
- Rapid reduction of production
- Evolving government influence

Selected Markets:

In order for First Solar to address these forces, focus target markets as well as the method of entry into these countries have been examined in depth.

Decision Criteria:

The criteria used for selecting target markets included the considerations outlined by First Solar: demand greater than supply, high cost of electricity and strong solar resources. Along with these were additional considerations for government attitudes and support for solar power, the makeup of the existing energy market, and for the ease and economic impact of entering each market.

Based on the criteria above, Mexico, Chile and India have been selected as a priority for future sales of First Solar's modules and systems.

Mexico:

First Solar can continue their entry into this market through targeting medium to large sized commercial businesses looking to invest in solar infrastructure products. Because of the government's control of utilities, the commercial market is the most attractive.

Chile:

Driven by the massive energy needs of mines in the northern half of the country, Chile has become one of the fastest growing markets for solar energy. Through targeting large mines looking to reduce the long-term costs of their electricity, First Solar can attract large projects.

India:

With ambitious renewable energy goals, India is looking to invest in long-term solutions to meet its increasing demand for electricity. By bidding for large utility projects, and searching out off-grid projects, First Solar can capture a large part of this growth in solar demand.