Business model canvas — current model 2026

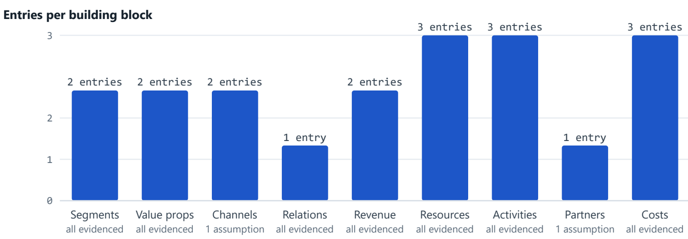
Meridian Precision Engineering · All records · Prepared by Managing Director

CAPSULEM8
CM8-252 · Business Model Canvas
August 9, 2026

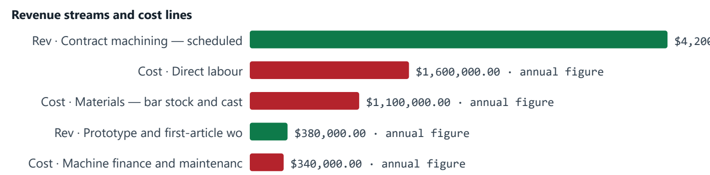
BLOCKS POPULATED	ANNUAL REVENUE MODELLED	ANNUAL COST MODELLED	MODELLED MARGIN	CRITICAL ASSUMPTIONS TO TEST
9 of 9	$4,580,000.00	$3,040,000.00	$1,540,000.00	1
19 entries — all nine blocks covered	2 revenue lines · entries current today	3 cost lines · entries current today	33.6 % of modelled revenue — only the lines entered	untested, and the model fails if they are wrong

NOT LINKED TO A SEGMENT
1
entries serving nobody named — nine separate lists

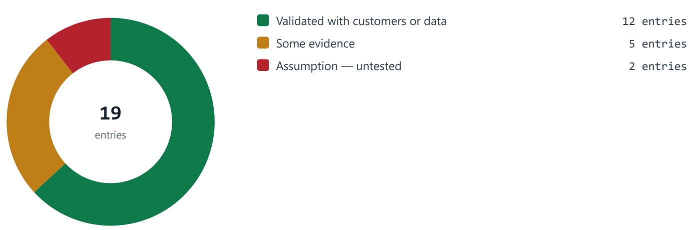
19 of 19 record(s) included. All records. Amounts in USD.



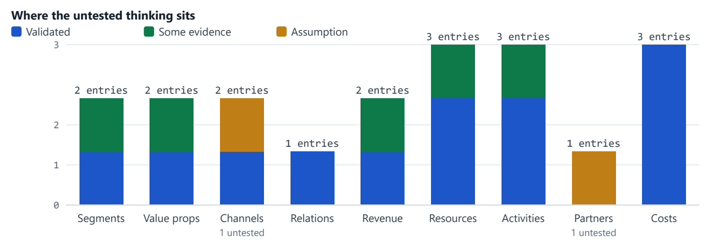
A canvas with eight value propositions and one channel is telling you something: the thinking has gone into what you offer and not into how anyone will ever hear about it. Empty and near-empty blocks are the ones to argue about first. A canvas with eight value propositions and one channel is telling you something: the thinking has gone into what you offer and not into how anyone will ever hear about it. Empty and near-empty blocks are the ones to argue about first.



Only the two money blocks appear here, and only the lines you have priced. Monthly figures are multiplied by twelve. The gap between the green bars and the red ones is the modelled margin, which is a sanity check on the shape of the model and nothing more. Only the two money blocks appear here, and only the lines you have priced. Monthly figures are multiplied by twelve. The gap between the green bars and the red ones is the modelled margin, which is a sanity check on the shape of the model and nothing more.



A canvas built entirely on assumptions draws exactly the same tidy nine boxes as one built on signed orders and a costed ledger. The difference only shows here — and on a first canvas, a large red slice is the honest answer, not a failure. A canvas built entirely on assumptions draws exactly the same tidy nine boxes as one built on signed orders and a costed ledger. The difference only shows here — and on a first canvas, a large red slice is the honest answer, not a failure.



Assumptions clustered in one block tell you where the next fortnight of work belongs. Untested customer segments and value propositions are the expensive ones to be wrong about; untested cost lines are usually cheaper to check and worth checking anyway. Assumptions clustered in one block tell you where the next fortnight of work belongs. Untested customer segments and value propositions are the expensive ones to be wrong about; untested cost lines are usually cheaper to check and worth checking anyway.

The canvas

BLOCK	ENTRY	DETAIL	SERVES SEGMENT	ANNUALISED	CONFIDENCE	RISK	STATUS
Customer segments	Tier-1 automotive subcontractors	Four accounts machining braking and steering components to print, on call-off schedules u…	Tier-1 automotive	–	Validated	High	Current
Customer segments	Medical device OEMs	Two customers taking small batches of instrument components that require full material tr…	Medical device OEMs	–	Evidence	Medium	Current
Value propositions	Certified traceable machining at low volume	Batches of ten to two hundred, held to tight tolerance, with certificates and material tr…	Medical device OEMs; tier-1 automotive	–	Validated	High	Current
Value propositions	48-hour quote turnaround	Median quote time of under two days against a sector norm nearer two weeks. Win rate is m…	Tier-1 automotive	–	Evidence	Medium	Current
Channels	Direct sales engineer	One technically qualified salesperson visiting buyers and design engineers. Every account…	Tier-1 automotive; medical device OEMs	–	Validated	Medium	Current
Channels	Existing customer referrals	We believe a meaningful share of new enquiries arrives because an existing customer named…	Medical device OEMs	–	Assumption	Low	Current
Customer relationships	Named account engineer per customer	Each account has one engineer who answers technical questions, owns the concessions and a…	Tier-1 automotive; medical device OEMs	–	Validated	Medium	Current
Revenue streams	Contract machining — scheduled call-off	Repeat production against call-off schedules, invoiced on despatch, on agreed part prices…	Tier-1 automotive	$4,200,000.00	Validated	High	Current
Revenue streams	Prototype and first-article work	One-off and sub-twenty-off parts, quoted individually at a higher rate. Loss-leading on i…	Medical device OEMs	$380,000.00	Evidence	Medium	Current
Key resources	Five-axis machining capacity — three machines	The three five-axis machines do the work that cannot be quoted by a shop with three-axis …	Medical device OEMs; tier-1 automotive	–	Validated	High	Current
Key resources	Certified quality system with full material traceability	Third-party certification maintained through three surveillance cycles with no major find…	Medical device OEMs	–	Validated	High	Current
Key resources	Three toolmakers with twenty years each	The fixture and setup knowledge that makes low-volume work profitable sits with three peo…	Tier-1 automotive	–	Evidence	High	Current
Key activities	Machining and setting	The core operation: programming, setting, running and first-off approval across the machi…	Tier-1 automotive; medical device OEMs	–	Validated	Medium	Current
Key activities	Inspection and certification	Dimensional inspection, material certificate control and the documentation pack that goes…	Medical device OEMs	–	Validated	High	Current
Key activities	Quoting and estimating	Estimating drives the 48-hour turnaround and sets every margin in the business — but this…	— no segment named —	–	Evidence	Medium	Current
Key partners	Heat treatment subcontractor — single source	Every hardened part in both segments goes through one subcontractor. We assume they will …	Tier-1 automotive; medical device OEMs	–	Assumption	High	Current
Cost structure	Direct labour	Machinists, setters, toolmakers and inspection, including overtime. Largely fixed in prac…	All segments	$1,600,000.00	Validated	Medium	Current
Cost structure	Materials — bar stock and castings	Bar, billet and bought-in castings. The most volatile line in the model: unit prices have…	All segments	$1,100,000.00	Validated	High	Current
Cost structure	Machine finance and maintenance	Finance payments on the two newest machines plus planned maintenance and spares across th…	All segments	$340,000.00	Validated	Medium	Current

Assumptions to test

ENTRY	BLOCK	RISK IF WRONG	TEST OR NEXT STEP	OWNER	DATE
Heat treatment subcontractor — single source	Key partners	High	Ask the subcontractor for a written capacity and lead-time commitment for the next twelve months, and put two…	Purchasing	2026-07-19
Existing customer referrals	Channels	Low	Add a source field to the enquiry log and ask the question on every first call for one quarter. If referrals …	Sales lead	2026-07-19

Canvas register

CANVAS	BLOCK	ENTRY	SEGMENT	AMOUNT	BASIS	CONFIDENCE	RISK	OWNER	DATE	STATUS	ANNUALISED	CRITICAL ASSUMPTION
Current model 2026	Segments	Tier-1 automotive subcontractors	Tier-1 automotive	0.00	—	Validated	High	Managing director	2026-07-19	Current	–	–
Current model 2026	Segments	Medical device OEMs	Medical device OEMs	0.00	—	Evidence	Medium	Sales lead	2026-07-19	Current	–	–
Current model 2026	Value props	Certified traceable machining at low volume	Medical device OEMs; tier-1 automotive	0.00	—	Validated	High	Quality manager	2026-07-19	Current	–	–
Current model 2026	Value props	48-hour quote turnaround	Tier-1 automotive	0.00	—	Evidence	Medium	Sales lead	2026-07-19	Current	–	–
Current model 2026	Channels	Direct sales engineer	Tier-1 automotive; medical device OEMs	0.00	—	Validated	Medium	Sales lead	2026-07-19	Current	–	–
Current model 2026	Channels	Existing customer referrals	Medical device OEMs	0.00	—	Assumption	Low	Sales lead	2026-07-19	Current	–	–

CANVAS	BLOCK	ENTRY	SEGMENT	AMOUNT	BASIS	CONFIDENCE	RISK	OWNER	DATE	STATUS	ANNUALISED	CRITICAL ASSUMPTION
Current model 2026	Relationships	Named account engineer per customer	Tier-1 automotive; medical device OEMs	0.00	—	Validated	Medium	Operations manager	2026-07-19	Current	–	–
Current model 2026	Revenue	Contract machining — scheduled call-off	Tier-1 automotive	4,200,000.00	Annual	Validated	High	Finance manager	2026-07-19	Current	4,200,000.00	–
Current model 2026	Revenue	Prototype and first-article work	Medical device OEMs	380,000.00	Annual	Evidence	Medium	Finance manager	2026-07-19	Current	380,000.00	–
Current model 2026	Resources	Five-axis machining capacity — three machines	Medical device OEMs; tier-1 automotive	0.00	—	Validated	High	Engineering lead	2026-07-19	Current	–	–
Current model 2026	Resources	Certified quality system with full material traceability	Medical device OEMs	0.00	—	Validated	High	Quality manager	2026-07-19	Current	–	–
Current model 2026	Resources	Three toolmakers with twenty years each	Tier-1 automotive	0.00	—	Evidence	High	Operations manager	2026-07-19	Current	–	–
Current model 2026	Activities	Machining and setting	Tier-1 automotive; medical device OEMs	0.00	—	Validated	Medium	Operations manager	2026-07-19	Current	–	–
Current model 2026	Activities	Inspection and certification	Medical device OEMs	0.00	—	Validated	High	Quality manager	2026-07-19	Current	–	–
Current model 2026	Activities	Quoting and estimating	—	0.00	—	Evidence	Medium	Estimator	2026-07-19	Current	–	–
Current model 2026	Partners	Heat treatment subcontractor — single source	Tier-1 automotive; medical device OEMs	0.00	—	Assumption	High	Purchasing	2026-07-19	Current	–	Test this
Current model 2026	Costs	Direct labour	All segments	1,600,000.00	Annual	Validated	Medium	Finance manager	2026-07-19	Current	1,600,000.00	–
Current model 2026	Costs	Materials — bar stock and castings	All segments	1,100,000.00	Annual	Validated	High	Purchasing	2026-07-19	Current	1,100,000.00	–
Current model 2026	Costs	Machine finance and maintenance	All segments	340,000.00	Annual	Validated	Medium	Finance manager	2026-07-19	Current	340,000.00	–

Notes

Sample canvas for a subcontract precision engineering firm of about twenty-five people. Every entry, figure and rating is illustrative — replace them before this informs a decision. Two things in it are deliberate: the single-source heat treatment partner is left as an untested high-risk assumption so the critical-assumption tile and the test list have something to show, and the estimating activity is left with no linked customer segment so the unlinked count is not zero. The modelled margin covers only the five priced lines below, and is a shape check rather than a profit figure.

A business model canvas is a description of how a business is meant to work and a set of hypotheses about why it will — it is not a plan, a budget or a forecast, and nothing here predicts whether the model will hold. The confidence and risk ratings are your own judgements, not measurements: the tool cannot tell a validated entry from one you simply believe strongly. The modelled margin covers only the revenue and cost lines you entered and annualises monthly figures by multiplying by twelve; it ignores seasonality, growth, working capital, tax, depreciation policy and every cost you have not written down, so it is a sanity check on the shape of the model and not an accounting statement of any kind.