



VISION MARKETING
TRANSFORMING DIGITAL ADVERTISING

Management & Consulting Team

FOUNDERS

EMAD HASAN, MSE, MBA, CEO

- Masters in Electrical Engineering with focus on Computer Based Control
- Currently Senior Consultant with Booz Allen Hamilton; former Lead Engineer with Boeing and United Technologies

MICHAEL ELLIS, MBA, CTO

- Over 7 combined years of mechanical engineering experience
- Senior Mechanical Engineer at Raytheon with design and project management experience

BUSINESS PLAN DEVELOPMENT TEAM

JONATHAN HASTANAN, MBA

- Over 7 combined years of investment finance and venture experience
- Currently with Greycroft Partners; former Senior Associate with Transwestern Investment Company and Prudential Financial

LAURA MOLETTA, JD

- Experienced in capital markets, mergers and acquisitions, and project finance.
- Currently at White & Case LLP; formerly with Davis Polk & Wardwell LLP and SEC

BEATRIZ MORENO, BA

Currently with UCLA Social and Environmental Entrepreneurs

- Former marketing manager with Student Giving Committee of the UCLA Foundation



How it Works

- Person detected through integrated camera
- Demographic (age, gender, etc) analyzed through proprietary software
- Advertisement triggered for targeted demographic
- Viewing information collected



- Age Bracket: "Cougar"
- Gender: Female



- Age Bracket: "Teen"
- Gender: Male

Hypothetical Reduction In CPM



	Digital Signage w/o VM	Digital Signage w/ Vision Marketing
Viewers (Impressions) per day (Half male and half female)	120,000	120,000
Impressions per month	3,600,000	3,600,000
Accuracy of Impressions	50%	95%
Expected relevant Impressions (Accuracy * # of total impressions)	1,800,000	3,420,000
Rent of Digital Ad space /month	\$12,000	\$12,000
Avg. Monthly Cost of VM		\$50
Total Monthly Cost	\$12,000	\$12,050
CPM (Cost/(impressions/1000))	\$6.66	\$3.50



Shifting Digital Signage To Smart Signage

**SIGNIFICANT CPM
REDUCTION**

REDUCTION

AUDIENCE MEASUREMENT

AUDIENCE MEASUREMENT

LENGTH OF CONTACT

LENGTH OF CONTACT

USER REACTION DETECTION

USER REACTION DETECTION



REAL-TIME AD TRIGGERING

REAL-TIME AD TRIGGERING

METRICS COLLECTION

METRICS COLLECTION

**ROO OF AD CAMPAIGN
EFFECTIVENESS**

EFFECTIVENESS

REAL-TIME REPORTING

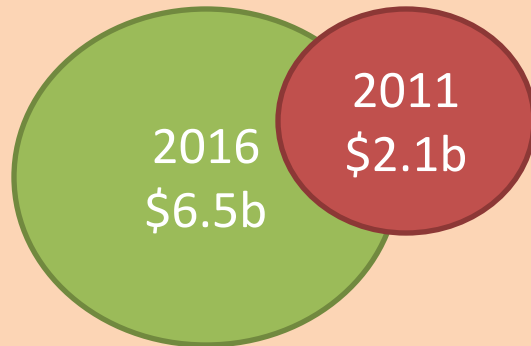
REAL-TIME REPORTING



Convergence of Technology Enables a New Market

Digital Signage

DOOH Market Size



Computer Processors

Processor Costs

Price in Year	AMD Quad Core	Intel Quad Core
2005	\$1200	\$1400
2011	\$120	\$165

Facial & Gait based recognition

Technology Maturity

- Enormous amounts of academic and professional research has been done over the last decade
- Algorithms have matured and become public knowledge

Anonymous Video Analytics Market

KEY VALUE ADDED

Provide Retailers the Tools to Effectively Measure Target Flexibility and Ability to Change content Based on Customers



Digital Signage Market and Their Needs

2011

Digital Signage Industry
Size: **\$2.1b**

NEEDS

- Scalability of networks
- Creative ads targeted for the right audience
- Measurement of audience

2016

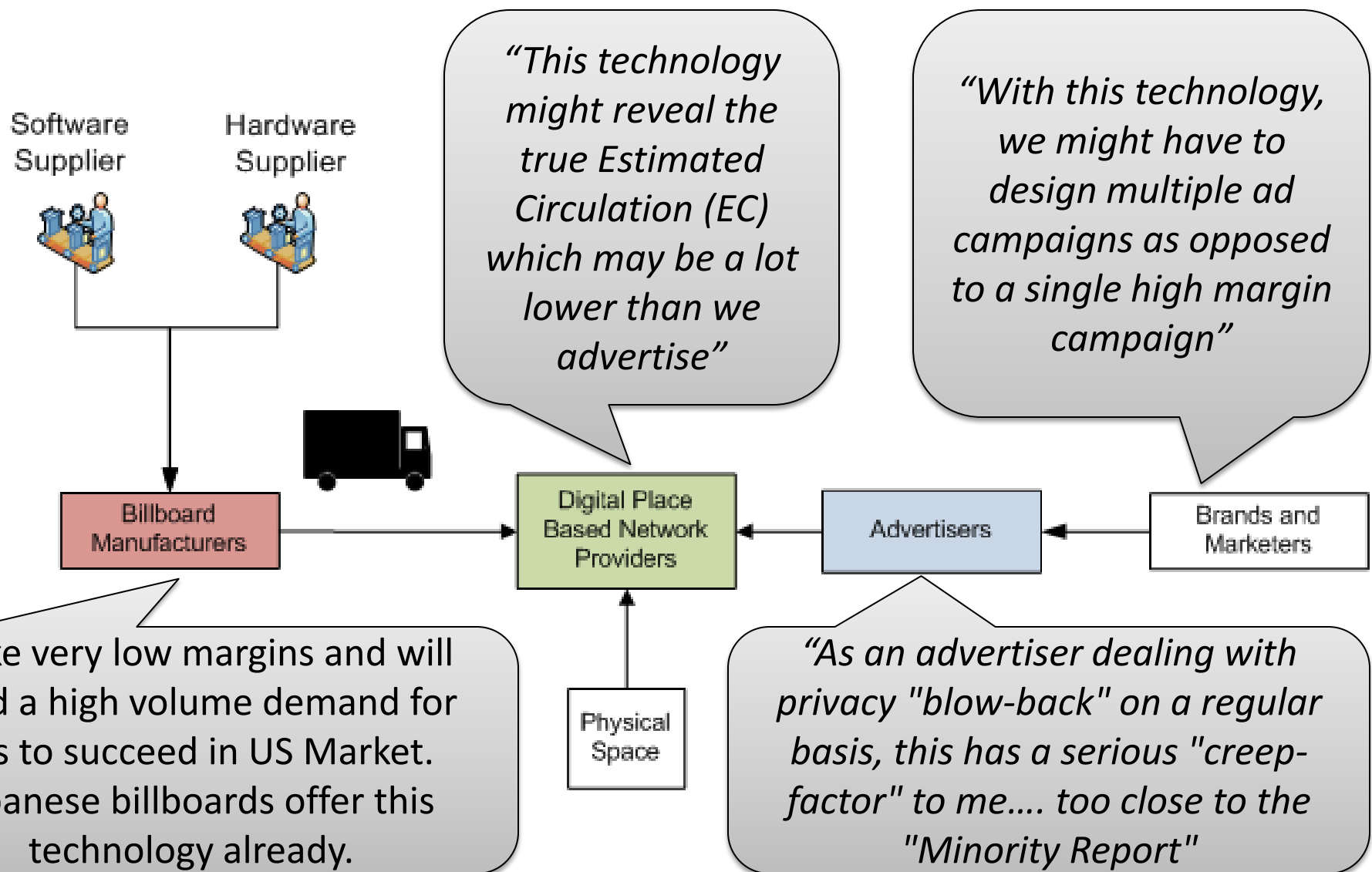
Digital Signage
Industry Size: **\$6.5b**

NEEDS

- Interactive ads
- Targeted for each customer
- Enable choice editing



Players in DOOH Value Stream Hesitant to Adopt Vision Technology



DOOH Market is Fragmented and Split Between Signage Owners and Network Owners

OUTDOOR

PLACE BASED

RETAIL

Billboard



Restaurant



Retail



Airport/Aerial



Stadium / Arena



Medical Facility



Bar/Club



Health Club



Office/Elevator



Transit/Taxi



Grocery



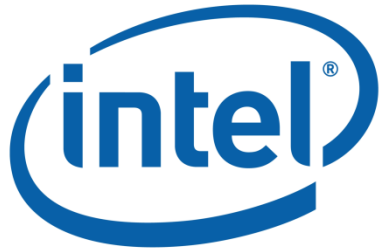
Shopping Mall



Gas Station



Closest Competitor is Intel, Other Competitors Emerging



- Intel acquired CognitoVision in 2010 for \$17m
- Launched as an integrated product in Jan 2012
- Currently provides a very low cost approach
- Trying hard to develop standards
- Other competitors are already doing audience measurement and waiting for this market to emerge
- Technology already utilities at subways in Japan

Vision Marketing's Competitive Advantage is the Real-Time Content Trigger

Product Features	VM	INTEL	Rhonda	TruMedia	Stratacache
Facial Detection	X	X	X	X	X
Age Detection	X	X	X	X	X
Gender Detection	X	X	X	X	X
Facial Position	?	X	?	?	?
Viewer Duration	X	X	X	X	X
Viewer Distance	X	X	?	?	?
Real-time Reporting to	X	X	X	?	X
BB Owner					
Return on Objectives	X	X	?	X	X
Real-time Content-trigger	X	-----?	?	?	?



Current Financial Projections Are Uncertain

SUMMARY FINANCIALS	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
REVENUE	\$	-	\$	762,827	\$	1,120,182	\$	1,586,122	\$	2,238,324
EBITDA	\$	(75,000)	\$	73,240	\$	(98,616)	\$	73,439	\$	405,528
NET INCOME	\$	(75,000)	\$	47,606	\$	(64,101)	\$	47,736	\$	263,593

OVERALL ASSUMPTIONS

Income Tax 35.0%

Annual Growth Rate 3.0%

Revenue

Unit

Starting in Mo: Grown at:

Number of Product Sales 50

13

Bass Model Assumption

Number of License Subscription 85%

Retention Rate

Number of Subscription Sales 10

25

50%

annually thereafter

Product \$1,000

per installation

License \$21

per month

Subscription/Consulting \$25

per month

COGS (% of Product Revenue) 53.0%

COGS (% of License Revenue) 20.0%

COGS (% of Subscription Revenue) 10.0%

COGS (% of Upgrade Revenue) 25.0%

Accounts Receivables 95.0%

of Total Sales

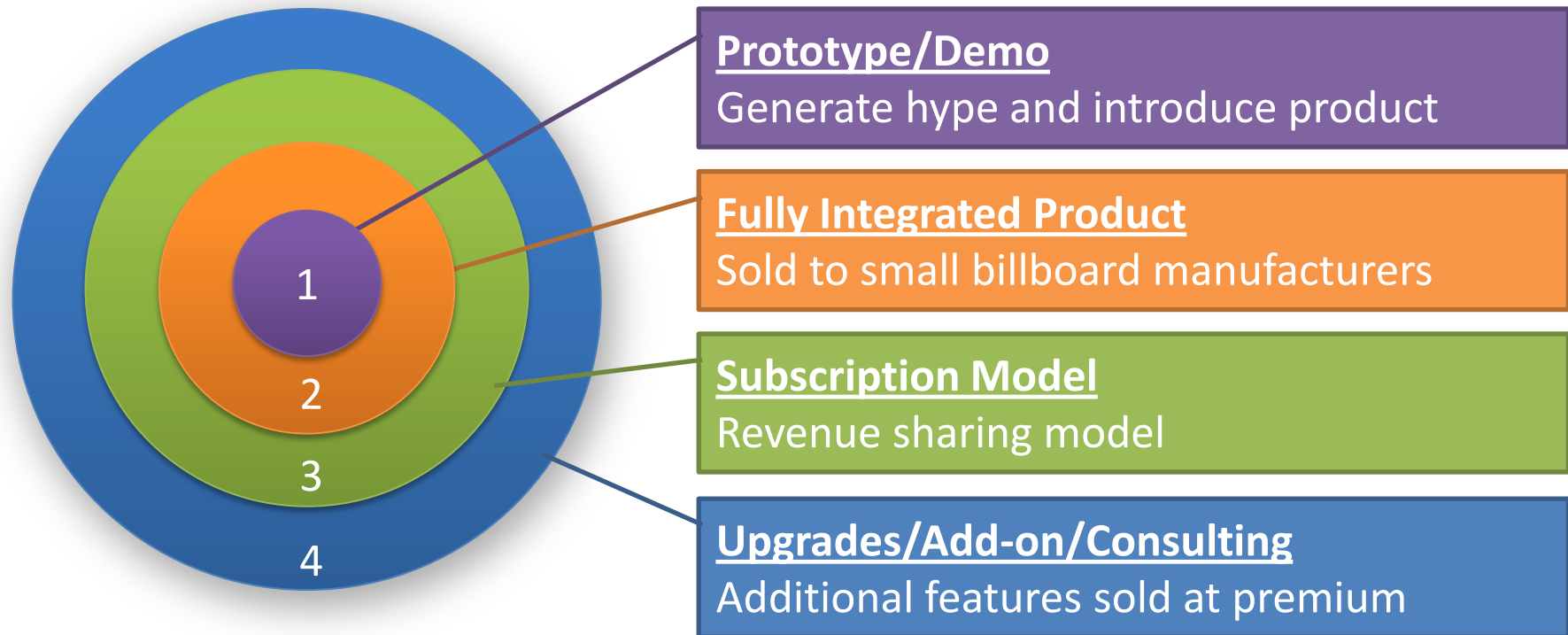


Closest Competitor is Intel, Other Competitors Emerging

Factor	Attractiveness
Market Demand	Medium/Low
Competition	Low
Financial Projections	Low
Substitute Solutions	Medium
Overall Attractiveness	Medium/Low

ID	Task Name	Duration	Start	Finish	2011		Qtr 1, 2012			Qtr 2, 2012			Qtr 3, 2012			Qtr 4, 2012			Qtr 1, 2013			Qtr 2, 2013	
					Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
1	Prototype development	240 d	Wed 11/16/11	Wed 10/17/12																			
2	Acquire Seed Funding	0 d	Wed 11/16/11	Wed 11/16/11																			
3	Develop Prototype	9 mons	Wed 11/16/11	Wed 7/25/12																			
4	Prototype Market Research	3 mons	Wed 7/25/12	Wed 10/17/12																			
5	Acquire VC Funding	0 d	Wed 10/17/12	Wed 10/17/12																			
6	Production Phase	120 d	Wed 10/17/12	Wed 4/3/13																			

Methodical Staged Targeting Strategy

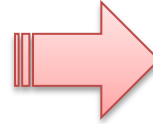


	Phase 1 (Self Funded)	Phase 2	Phase 3	Phase 4
Product	Prototype	Integrated Product	Subscription Revenue	Upgrades/Add-ons
Promotion	Direct outreach	Structured Sales / Trade shows	3 month free trial	National Sales office
Price	-	Competitive premium	Revenue sharing	High margin
Place	Local LA	California	California	National



Conclusion and Next Steps

Clear Market Need for
Audience Measurement



Market Hesitant
about our solution

We received some
positive feedback
from creative
content media
developers and
requests for Demos

Positive Feedback

Santa Monica
Place: Digital
Signage Owner

Image Metrics:
Facial
Animation
Software

CE Labs: Digital
Signage
Provider

BUILD DEMO

Questions / Comments

“Half the money I spend on advertising is wasted;
the trouble is I don't know which half”

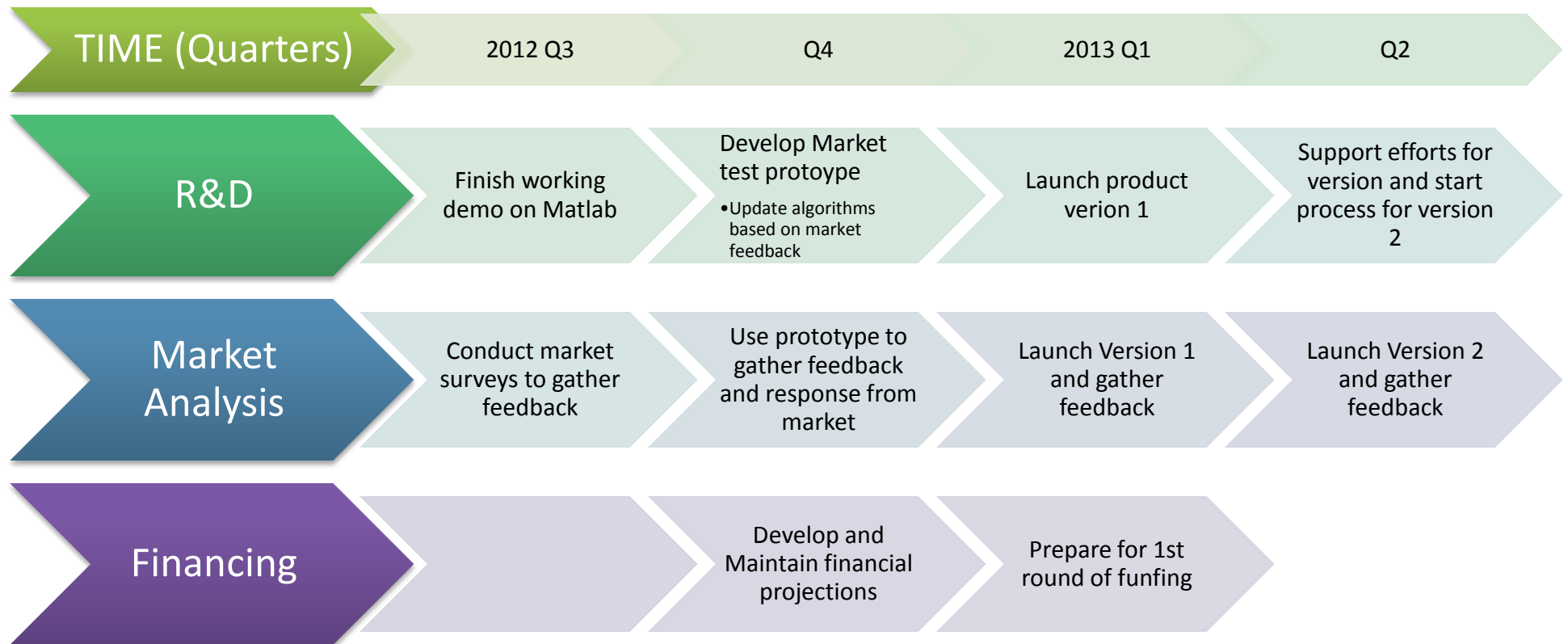
- John Wanamaker



Appendices



Future of Digital Out of Home Advertising



Product Specifications

Accuracy Levels

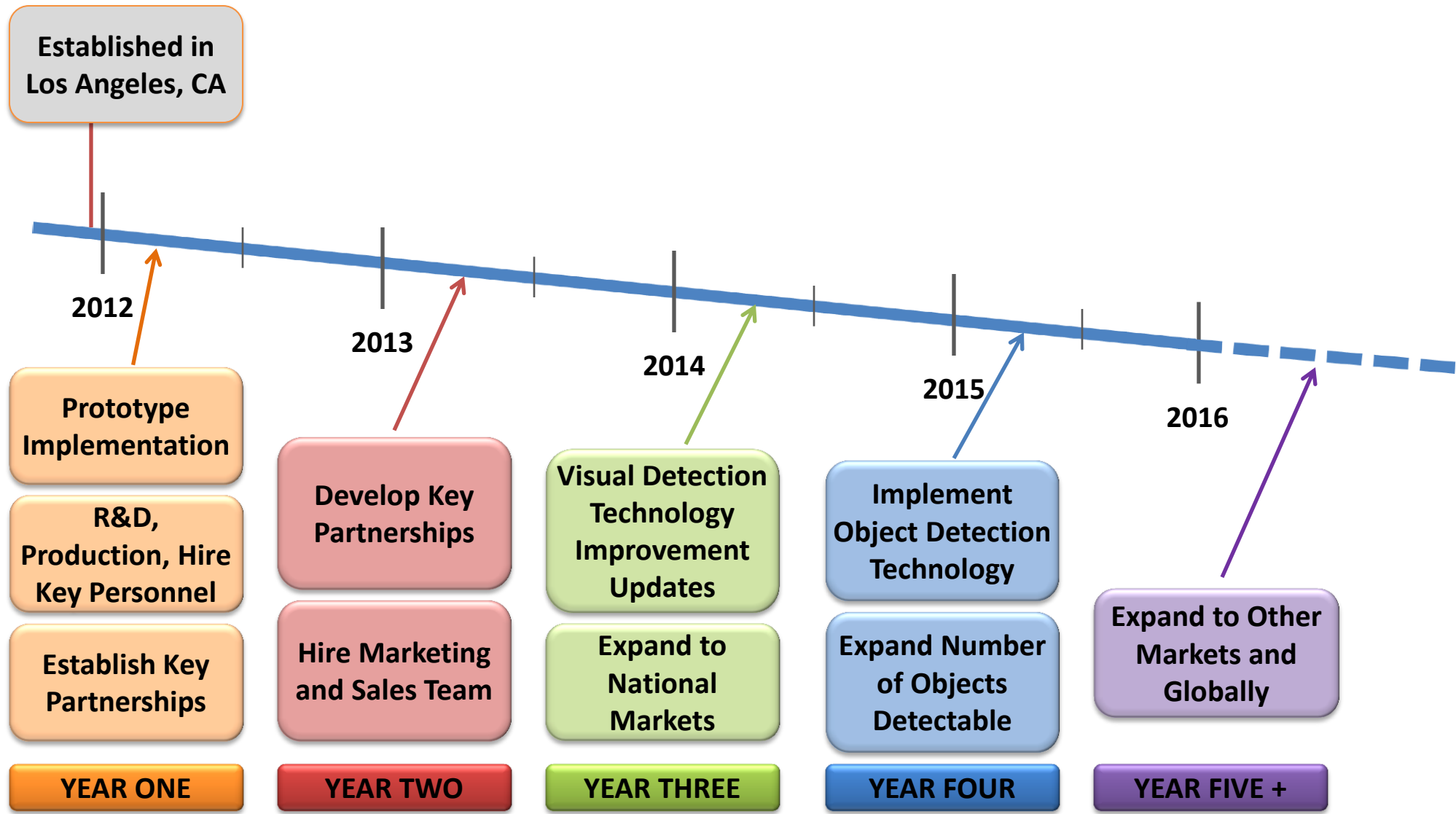
- Face Detection: 95%
- Gender: 90%
- Age: 85%

Distance

- Up to 15 ft for facial detection
- Up to 35 ft for gait based detection



Progressive Company Timeline



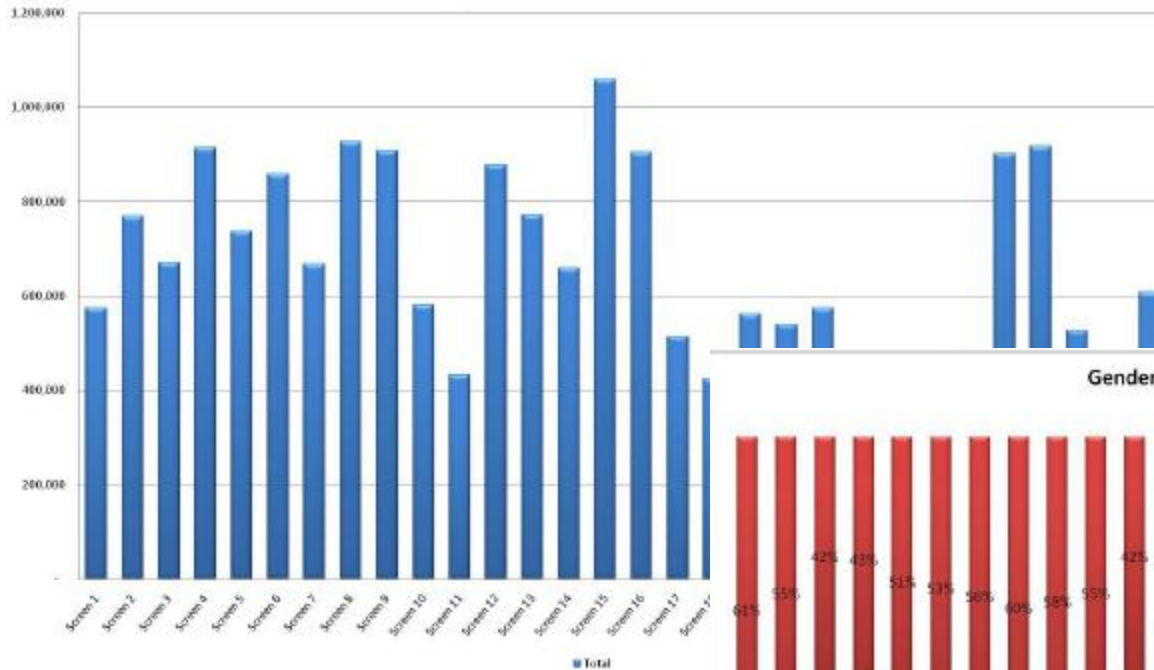
Our Competitive Advantage: Focus on Detection Products

COMPANY	COMPANY FOCUS
Intel	All digital signage
Cisco	All digital signage
HP	All digital signage
Acquire	Custom digital signage
CE Labs	Custom digital signage
DSA Photech	Custom digital signage
Nexcom	Custom digital signage

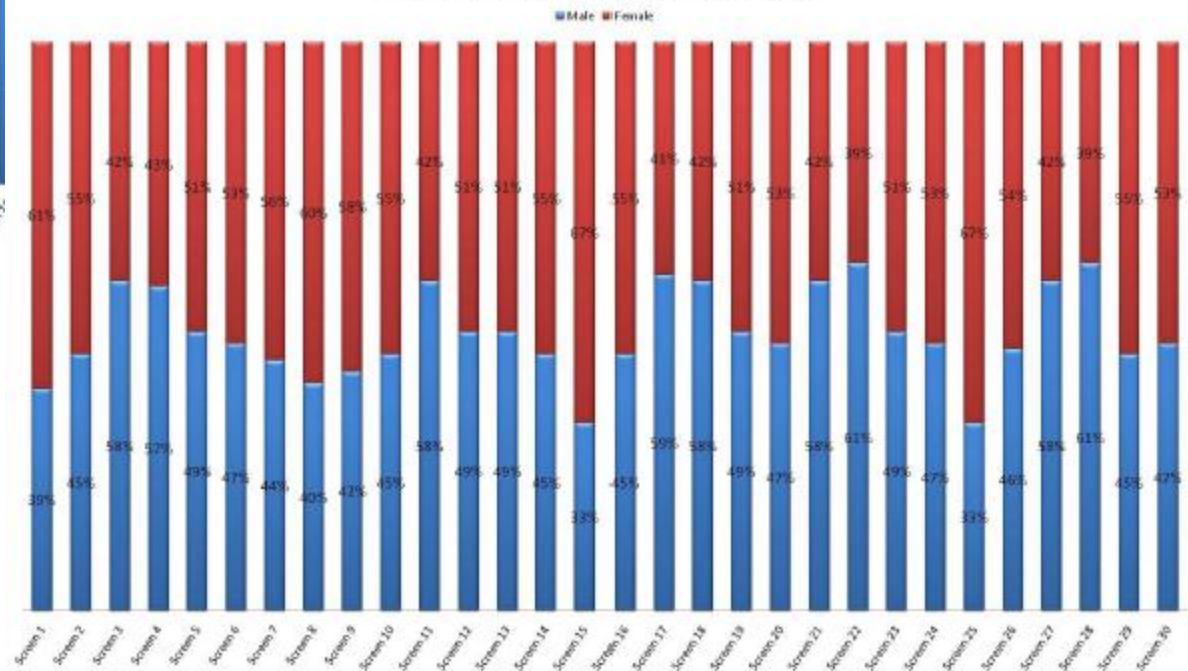


Example Subscription Data

Total Impressions: March 1 to March 31, 2010



Gender by Display: March 1 to March 31, 2010



Legal and Privacy Concerns

Issue	Risk	Mitigation
Patent Infringement	<ul style="list-style-type: none"> •There is chance there may be a patent already in existence for our technology •In the future, a patent for a product substantially similar to ours may be filed •Apple is currently in the process of filing a patent for some sort of objection detection technology 	<ul style="list-style-type: none"> •Have already done a thorough freedom-to-operate search & no patents specifically using our technology found •Google, along with many others, is using a similar technology to ours & has not filed patents •Plan to hire Wilson Sonsini & Goodrich LLP as counsel for patent issues •Will address the need for a patent as is necessary in the future
Privacy Regulations	<ul style="list-style-type: none"> •Some Federal Trade Commission (“FTC”) officials and congressmen are tracking advances in facial recognition technology •Some commentators have advocated for privacy laws restricting the use of this technology 	<ul style="list-style-type: none"> •No laws re: this area currently in effect and the FTC has not publicly addressed the concerns •Any proposed law will take time to implement •Proposed laws may not affect our product, as it does not store PII •Plan to hire White & Case LLP as general outside counsel

