Tech

GPS Hardware — USB port — GPS Interface / Utility Metadata Interface — Mapping Software — Display Terminal — Display
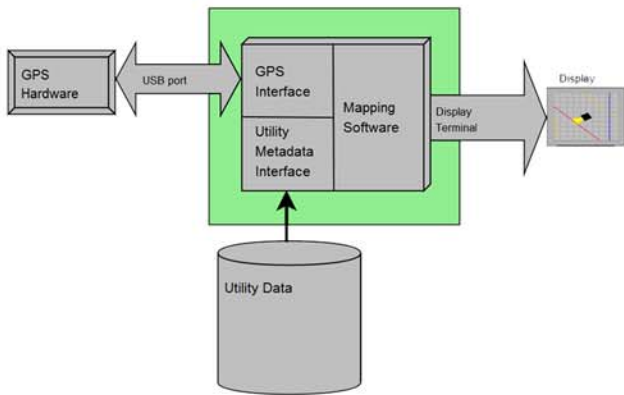
Utility Data

Benefits

-Shows location of utility lines

-Updates location in real time as the user moves

-Displays the user–selected safety range

-Alert the user of danger and do not dig zones

-Increased Safety

-Greater Productivity

EVS — Increased Sales — Greater Profit Margin — Faster ROI

Enhanced Vision Systems — Technology — Business — Sponsorship

Jim Burstein — Advisor

John Stoner — Advisor

Chuck Sticha — Team Leader

Richard Hanley — Tech Sub-Team Leader

Julia Rybakova — Business Sub-Team Leader

Bogdan Bistriceanu — Sponsorship Sub-Team Leader

Chuck Sticha — Team Member

David Hoppe — Team Member

Bank Chavalit — Team Member

Michael Beemsterboer — Team Member

Case Study

Place: Bridgeport, Alabama

Time: January 22, 1999, 10:02 AM

Cause: Gas leak from a 3/4" steel gas line from contact of excavation equipment.

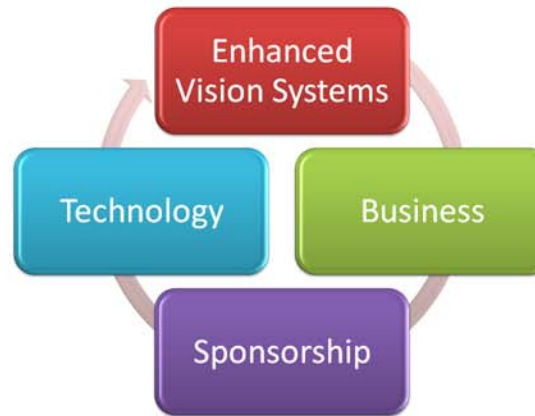Result: 3 fatalities, 6 seriously injured. $1.4 million of property damage & loss.

Problem

Mismarked / Unmarked Utility Lines

Accidents Lead to Loss of:
-Lives
-Time
-Money

According to the Pipeline and Hazardous Materials Safety Administration (PHMSA) an average of 21 lives, 87 serious injuries, $170M in property damages every year over the last 20 years.

Solution

A Software Product

-Graphical Map
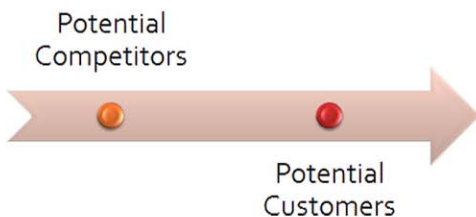
-Location of buried utilities

-Position of equipment

Used By

-Construction Equipment Operators

-Utility Marking Services

Market

Original equipment manufacturers (OEMs).

-Distributors of graphical GPS hardware

-Sell to the construction industry

-Includes Trimble and Garmin

Potential Competitors

Potential Customers

Sales Strategy

No need to develop hardware

Greater distribution channels

Quicker time to market and the end user

Sell software to OEMs

Trimble

NAVTEQ + EVS

GARMIN

Leica Geosystems

TOPCON

Financials

Income Statements (thousands)			
	Year One	Year Two	Year Three
Sales Revenue			
OEM Licenses, 6K @ $349	$2,094	$2,199	$2,309
Total Sales Revenue	$2,094	$2,199	$2,309
Operating Expenses			
General & Administrative	$332	$349	$366
Sales & Marketing	$25	$26	$28
Research & Development	$500	$525	$551
Insurance Costs*	$1,200	$1,200	$1,200
Other Operating Expenses	$100	$105	$110
Total Operating Expenses	$(2,157)	$(2,204)	$(2,255)
Operating Income	$(63)	$(6)	$54
Non-Recurring Events	$(5)	$-	$-
Net Income (Before Tax)	$(67)	$(6)	$54

Cost Analysis

(in thousands)

$5 $68 $25 $100

$264

$1,200
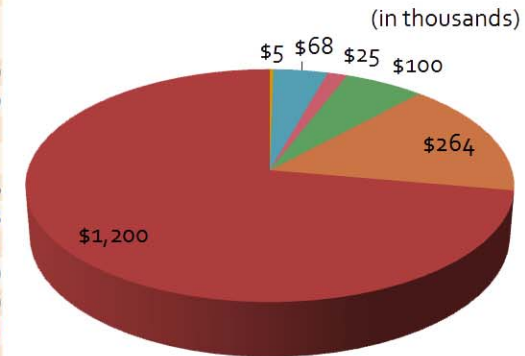
- Testing Equipment*
- Permanent Technical Support (1 Programmer Full Time, salary)
- Marketing
- Employee Benefits**
- Misc Full Time Employees (8 @ 30,000/yr)***

Five Year Cash Flow Forecast

Year	Revenue*	Expenses**	Profit	Running Profit
1	$2,094	$(2,162)	$(68)	$(68)
2	$2,199	$(2,204)	$(6)	$(73)
3	$2,309	$(2,255)	$54	$(19)
4	$2,424	$(2,307)	$117	$97
5	$2,545	$(2,363)	$183	$280

*Denotes one time cost
**Benefits can add up to 30 percent of the total compensation. At December 2007, benefit costs as a percentage of total compensation costs were 30.2 percent (Employee Benefit Research Institute).
***Misc Full Time Employees include: Sales, Marketing, and Misc Support. Legal will be hired out, Financial will be taken care of by CFO, and Development will be taken care of by CTO, CEO, and other officers, who are paid out of Net Profit.