

PyBiz, Inc - Introduction

Delivering the Value of E-Services Today

Converting limitations of current infrastructure into competitive business advantages.

The Results for our Customers

- ***Faster time to market***
- ***More sustainable growth***
- ***Flexibility to react to changing market conditions***



The Management Team

Driving the Business Value from New Technology

Experience Where it Counts

- former managers from HP
- 35 years combined depth in the software industry
- responsible for high visibility, large scale e-business solutions
- CEO has 16+ years of business, entrepreneur, consulting and software experience

Leading The Way

- first generation market maker/exchange for HP E-Speak Operation - 1999
- secure portal for HP's enterprise customers – 1998
- Web site collaboration framework – 1998
- One of the first on-line Web configurator – 1996
- Several More



Business Problem

- ***GOAL*** - *Provide customers flexibility to change with business conditions rather than struggle and react to it.*
- ***HOW*** - Build solutions that accommodate new, evolving and diverse data without requiring traditional technology changes. E.g. Database, Middleware, Front-End.



Viabile Market Segments

- B2B market maker exchanges with highly dynamic & evolving data. (Our Favorite)
- Secure Portals with highly dynamic, variable data needs for profiling, personalization etc.
- Front-end for legacy systems with high performance, flexible, search requirements.
- Document Publishing and Taxonomy based presentation with highly personalized content delivery.
- Enterprise person to person optimization system(EnterOpts). Huge market and significant revenue potential but long sales and implementation cycles.



Customers – Sales Targets

Order in which customers will be pursued.

1. New market makers with specialized applications which need advanced XDisect capabilities. (Early Direct Support customers)
2. Customers for free product(s) built on XDisect that provide unique business value at a low deployment cost.
3. Customers from our first set of partners. (Similar to early direct support customers)
4. Larger ramp of partner-based customers in the second generation. (significant penetration in enterprise accounts)
5. Large number of customers from second set of partners.
6. Significant adoption by key horizontal platform providers.

XDisect Business Problem

Existing Systems limit business ability to lead change in their markets.
XDisect solves this problem.

- Technology imposes limitations on pace of business change
- Severely limits customers' ability to compete in a dynamic market.
- Database modeling is difficult before systems make it in to production.
- Cost of data change is significant.
- Time required for data change is significant.
- Cost of ripple effects when data changes is high.

With XDisect :

- new data can be added without changing the schema.
- old data and new data can co-exist and work together collaboratively.
- Data Model can be easily expanded to encompass new requirements.



XDisect - Customer Comments

A Quote from a Major HMO

“XDisect is an extremely interesting component engine. Is there any possibility of using XDisect as a component search engine?”

- They saw our standard demo.
- They are building their own B2B Exchange.
- They have extremely demanding data which evolves quickly.



XDisect - For Market Makers

XDisect gives Market Makers a Competitive Advantage

XDisect solves a critical problem all Market Makers face. Other solutions defer or ignore the problem. This makes it more expensive in time, money and market opportunity than it needs to be.

- suppliers have diverse set of products with diverse characteristics and attributes. (Existing solutions do not cope with this variability)
 - Standards efforts such as Rosetta Net try to build a common view, but require a lot of time and effort to get participants to agree and deploy their standards
 - B2B exchanges have very aggressive timelines. (cannot wait for these standards to solve the problem)
- Current solutions defer or ignore this by tightly constraining and fully specifying a limited subset of knowledge.
 - Current Solutions thus trivialize the application thereby limiting it from meeting the business goals.
 - **XDisect fully addresses this problem head on**
 - **XDisect enables implementing the full desired business goals without waiting for the standards efforts.**



XDisect Deployment Models

Architectural Position:

- Visible Component of a custom solution.
- The foundation of End-to-end solutions including auctions - all via open XML/HTTP protocol.
- An External Service - fully accessible via XML & HTTP.
- An embedded matching component for existing horizontal exchange and portal solutions.



CEF – For Portals

Secure Collaborative Portals. The next natural evolution

CEF (Collaborative E-Business Framework) and XDisect are the natural combination to facilitate this evolution in a market enabling way.

- Portals are looking to add more value to retain customers.
- External Apps(services) already provide most of the needed value.
- External Apps are built in diverse heterogeneous technologies.
- Portals have to provide authentication, authorization and profiling on behalf of suppliers/ external partners to protect the customer and retain the relationship.

CEF Provides :

- **Single Signon** - the portal tells the external service who the user is and what they are authorized to do.
- **Selective data sharing** – the portal shares only the data the external service needs to do it's job thereby protecting the customer.
- **Dynamic Data Collection** allows the portal to gather more user data as they gain access to new services which need it.
- **Light Weight Events** allow external services to throw billing and check permissions with the portal.
- **Profile Dynamic Storage** allows the external service to store service and session specific information in the portal.



eContentMgr

content publishing and management, the simple way

- Supports mid-size development teams who are Too small to use/afford the high end tools (like Documentum, etc) and too big to use MS- FrontPage
- Publish content in a highly searchable dynamically categorized fashion and keeping that content up to consistent with the main repository.
- Makes documents findable with advanced taxonomy and search capability.
- Notify users when documents / topics of interest change.

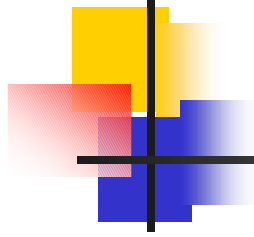
eContentMgr:

- Provides simple and quick Content Publishing/ Management Tools
- Leverages existing version control and document repositories
- Is a Low cost, low maintenance overhead solution
- Automatically detects & publishes changed documents.
- Supports dynamic evolution of navigation as content changes.
- Personalized Filtering
- Extensible sophisticated meta data.



PyBiz Strategy

- Overview.
- Getting Started
- Target Market
- Customers
- Partners
- Investors
- Horizontal Platform
- Time / Product Sequence.



Strategy - Overview

- Rapid Development of key solutions
- Penetrate Market in Early Adopters using customer vertical niches and services.
- Low Risk as we can sell the services of our high caliber technologists.
- Huge 4 Billion+ market segment which can be much larger with additional horizontal component providers.
- Be ready for massive ramp by Q2 2001.

Great Competitive Advantage

PyBiz Advanced capabilities will be needed by most solution vendors and we will be targeting such adoption

- PyBiz Management team has successfully developed and deployed both Market making and secure portal solutions.
 - Our competitors have to completely redesign to compete in our niche.
 - 1 year ahead of the industry demanding our unique features which gives us time to own the niche.
- Open Source Platform.
 - Fully open API / Interfaces XML/HTTP, JavaBean, Etc.
 - PyBiz uses Python which allows 300% to 800% the productivity of other platforms such as Java.
 - Completely open architecture makes integration with existing platforms easy.

Liquidity and Finances.

Spend what is necessary to meet the goals but use innovative techniques to minimize this amount. We are old hands at prioritizing goals to fit with in acceptable budgets.

- Product development and business planning paid for by initial investment pool of approximately 500K.
- Existing funds will be extended by profits from consulting services.
- PyBiz Management Team has held budgetary planning and fiscal control positions Hewlett Packard and previous companies.
- PyBiz Growth to accommodate large market segment growth will be funded by angel and first round funding.
- Our target dates to be ready for the market growth are set.
- Growth curve and trigger points for customers and solution vendors are well understood.



Market Positioning (Niche)

Providing repository and search semantics which evolve and scale at the speed of the E-Business E-Economy.

- ***Enable a class of applications that are too complex or too expensive to accomplish with normal Internet infrastructure today.***

- ***Help technology-challenged Dot Com companies make it to market faster with more product features***



Market & Niche Explained

- **What is the market?**
 - Emerging E-Business B2B exchanges
 - Secure portal providers.
- **What market value?**
 - High end 450 Billion
 - Low end 50 Billion
- **What is PyBiz Niche?**
 - Exchanges requiring lots of dynamic, complex data.
 - Exchanges and portals in rapidly evolving markets.
 - Low end distributed content publishing.
 - Entry level portals.

- **XDisect** - provides an ideal Search, Matching and pre-auction provisioning component.
- **eContentMgr** - ideal for distributed document site publishing.
- **CEF** – Enables collaboration between a secure portal and a large # of partners.

A market and technology merge between exchanges and portals can be expected soon.



Why customers will buy PyBiz.

- PyBiz team provides extremely experienced and capable consulting in the end to end life cycle for the customers. This level of skill is difficult or impossible to find elsewhere.
 - Low investment both in time and energy to gain initial advantages.
- Fast Time to Market.
 - Technology meets advanced requirements which other products can't.
 - Designed to meet real world problems head on.
 - Ability for solutions to evolve rapidly to meet changing business conditions.



How PyBiz will keep customers


- PyBiz features will give existing customers a large competitive advantage in the emerging E-Economy.
- Early successes will drive adoption of technology in other accounts.
- Rapid addition of additional functionality at cost effective prices will help retain existing customers and drive new market adoption.

PyBiz Customer Philosophy

- Deliver high value fast.
- Deliver additional incremental value often.
- Anticipate customer needs and have solutions ready when they mature.
- Guide the customer to new business opportunities enabled by PyBiz Technology.

Strategy to Find & Get customers.

Attract a World Class CEO with high level referrals for growth in to next phase.

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- Build early adopters projects on opportunistic basis playing on our strength in consulting.
 - Make eContentMgr available for free to gain broad use of XDisect based product.
 - Grow eContentMgr in to secure portal and information exchange with incremental enhancements.
 - Forum and User group participation.
 - Advertising & Bulletin Boards
 - Must Find customers with needs complex enough to require XDisect.
 - Working with key SI and investment partners.
 - Accepting revenue / equity projects with key partners.

Gain credibility for technology with broad, free deployment of eContentMgr and use that to overcome initial resistance and competitive positioning.

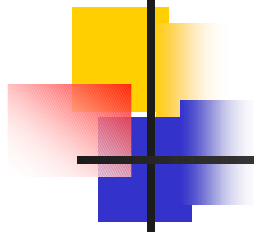


Compelling Customers to Buy

- Customers Need to meet their functionality requirements with short time to market windows. **PyBiz can help them do this.**
 - Many customers do not fully understand their needs and PyBiz can help quantify them.
 - PyBiz can take over the entire technical project at any point in the life cycle and manage for success.
- PyBiz founders have HP Credibility and experience in building and deploying very complex similar systems.
 - Rapid delivery of usable solutions.
 - Customers get to see the working solution early and help influence its direction.
 - Advanced technology that solves the difficult yet critical customer problems.

Competitive Choices.

XDisect has no true competitors but some alternatives.



- **Text Search Engines**
 - Infoseek
 - Taxis
- **Database Engines**
 - Oracle Intermedia
 - Excelon
 - XMLDex

XDisect Competitive Position

- **XDisect is more flexible** handling arbitrarily complex data structures with full context enabled searching.
- **XDisect is more dynamic** allowing data structures to evolve and change with no schema modifications required.
- **XDisect is more accurate** allowing context sensitive complex queries across different types of complex data data structures.
- **XDisect is more capable** allowing searching across multiple base record types with a single query.
- **XDisect is more active** supporting data driven event notification for thousands of triggers.

Our challenge is to help customers understand their business problems well enough to appreciate how XDisect can give them a competitive advantage.



How Much will customer Spend

We help solve multiple problems and our ROI is higher.

- **Database engines** for enterprise class deployment run from 50K to **several million**.
- **Text engines** run from 15K to over **1,500K** for unlimited documents.
- **Portal Engines** run \$600 per user with total costs commonly over a **1,000K**
Personalization engines are even more.
- **Auction engines** start at **200K** and go up from there.


Compelling Reasons to Buy

Gain a Sustainable competitive Advantage.

- We can get them to market faster.
- We are cheaper in every class for run times and deployment
- We save development time and labor dollars.
- We can provide more features in first release.
- We facilitate RAD development with ability to deliver more features incrementally & rapidly
- We can evolve as fast as their business requirements.

Benefits for our Investors.

A core infrastructure play in a huge emerging market.

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- World class opportunity in a persistent problem area in many billion dollar emerging market.
 - Low risk since the need is proven and consulting revenue is a factor.
 - Significant upside potential.
 - A strong XML & B2B story for their portfolio.
 - Infrastructure companies appear more stable than the actual portals and exchanges.
- A technology platform to help their portfolio of companies to market faster. (We even take equity).
 - Access to very strong technologists to help evaluate other opportunities.
 - Access to experienced people who have deployed world wide market maker exchanges and secure portals.



PyBiz – Getting Started

1. Build a working product(s)
 2. Prove it by deploying as a component of a larger solution in early adopter vertical niches.
 3. Build market recognition and credibility with a free vertical product based on XDisect.
 4. Build Awareness using WWW and participation in key user groups such as Net market Makers.
 5. Ramp up with aggressive support of consulting partners/ SIs. (Both customers and implementation capability are partners delivered)
1. Get tech savvy Angel Investors on board.
 2. Form Key alliances with regional consulting companies as delivery arms.
 3. Enter enterprise accounts using regional consulting companies as channel.
 4. Prepare for massive ramp up in Q2 2001.
 5. Target entry for broad market penetration as component of larger solutions such as Commerce One as market matures.



eContentMgr – Getting Started

Incremental growth in to customer accounts.

- Credibility from deploying to Large number of development teams. Likely to be thousands.
 - Decision makers are the same decision makers who could use XDisect in larger projects.
 - Consistent unsolved problem that is not adequately financially addressed by existing market.
 - Viral growth opportunities into portal & exchange space
- Penetrate the account with free product which provides high value.
 - Gain revenue from consulting to customize.
 - Can expand to take over some of the critical project functionality.
 - Low adoption resistance. Decisions are not make / break so customers can take a little more risk.
 - Technology requirements are very similar to secure portals and exchanges.

A free high value tool for our SI partners to give to their customers. Has add on consulting opportunity. It will help us build the SI channel.



Consulting Partners are key

Technology partners are important but Consulting partners are key

- Recruit regional consulting companies early.
 - Help them target b2b and XML spaces with our senior people.
 - Some of these companies will be early investors as well.
 - Provide free early training and help them do architecture and sales work.
 - Give them commitment to our funnel as it builds.
- Grow sponsorship in regional consulting companies with a targeted marketing, advanced support and partnership program.
 - National Consulting firms will adopt once the regional successes become highly publicized.



Strategy - Values For Our Partners

New markets, More Business, New Skills

PyBiz People & Services

- Demonstrated abilities in large scale internet open architecture projects.
- Market leading thinking in Emerging XML and b2b Market segment.
- Consistently leading market by two years and have created several billion+ dollar market opportunities for our sponsors.
- Very strong customer focus. We make our customers happy.
- Mentor partner teams through projects in new markets using new technologies.
- Major credibility from our HP & E-Speak background, especially our history of major e-business projects

Product

- Gives partner competitive advantage when targeting advanced exchange and the huge emerging market maker segment.
- Advanced capabilities can make more sophisticated person to person sites cost feasible.
- Competitive advantage in ability to effectively solve very thorny problems for new projects.
- A lever to enlarge existing projects with new functionality.



Partners - Getting started.

eContentMgr - A free high value tool for our SI partners.

Partner Comments

- Where is the money?
- Are the customers asking for the features?
- Are customers asking for us by name?
- Can I Defend the choice?
- Reference accounts.

Engage them / gain access to their accounts

- Customer will appreciate solving a problem that is burning but not critical enough to justify high investment..
- Give PyBiz branded value to partners customers in a low risk fashion.
- Grow PyBiz value in to additional requests from customers for new features.
- Contaminate consultant and key decision makers with XDisect thinking they ask for the features.
- PyBiz customers will be routed to partner for some customizing work.



Strategy – Partners Summary

PyBiz and XDisect will help our partners enter new markets and get more business out of existing customers.

- provide partners the benefit of our credibility & architecture experience to help build their business. We even help close the sale.
- help our partners discover the hidden revenue and project opportunities in their existing customer base.
- provide training and advanced technology to help our partners enter new market segments. Customers will be entering the new segments with or without them.
- PyBiz helps them take full advantage of the emerging opportunities.



Strategy – Foundation Component for Big Players

Target adoption of XDisect from position of strength.

- Prove value in vertical niches.
 - Gain a following in consulting companies.
 - Demonstrate functionality that existing systems do not have
 - Be ready for next year when this niche matures.
- XDisect as a foundation component for
 - Commerce One
 - E-Speak Market Maker
 - Moai
 - Trade-X
 - IBM Web Sphere

Existing platform companies will need XDisect features when overall b2b market starts to saturate. We must have the XDisect market position and key relationships to provide the solution when they realize this need.

Make XDisect so attractive that it is better, cheaper, faster and easier for them to gain the key functionality by licensing from PyBiz than building it themselves



Ramping up the Company

Control costs, Small teams are better. Build from solid foundation.

- Development team grows by 3 by Q1 2001.
 - Partner Enablers are critical for building the SI channel. Need at least 4 more by Q2 2001.
 - BizDev is critical for both partners and customers need 3 more ASAP.
 - **SEE: Our Staffing Plan for additional detail.**
- SI channel partners are key for delivery growth but we have to show them the deals.
 - Strategic hiring. We have an unfair advantage that technologists like us and love our technology.
 - Leverage marketing and BizDev from key partners (NDA).



Time / Product Sequence

1. Technology Centric Product Demo. (status – done)
2. Business Centric Product Demo. (status – under construction)
3. Pilot Applications (Market Maker).
4. Angle Equity with Technology Savvy Angle.
5. Free sample application using XDisect targeted for wide spread distribution.
6. Customer Projects (Direct support & development).
7. Partner Projects (PyBiz Supports and trains partner).
8. Product Release for wide spread project use.
9. Massive Partner recruitment for market ramp.
10. **Market Matures and gains publicity for XDisect type capabilities.**
11. Second Round Equity financing.
12. Large focus on targeting inclusion in Horizontal product segments.
13. Large partner enabled ramp of technology.
14. Exit & Merge as Market nears top capacity for this capability.