

PyBiz, Inc - Introduction

Delivering the Value of E-Services Today

“Convert limitations of current repositories into competitive business advantages using XML”

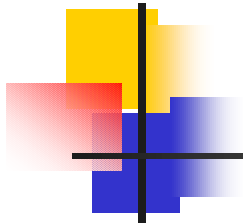
For our Customers

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

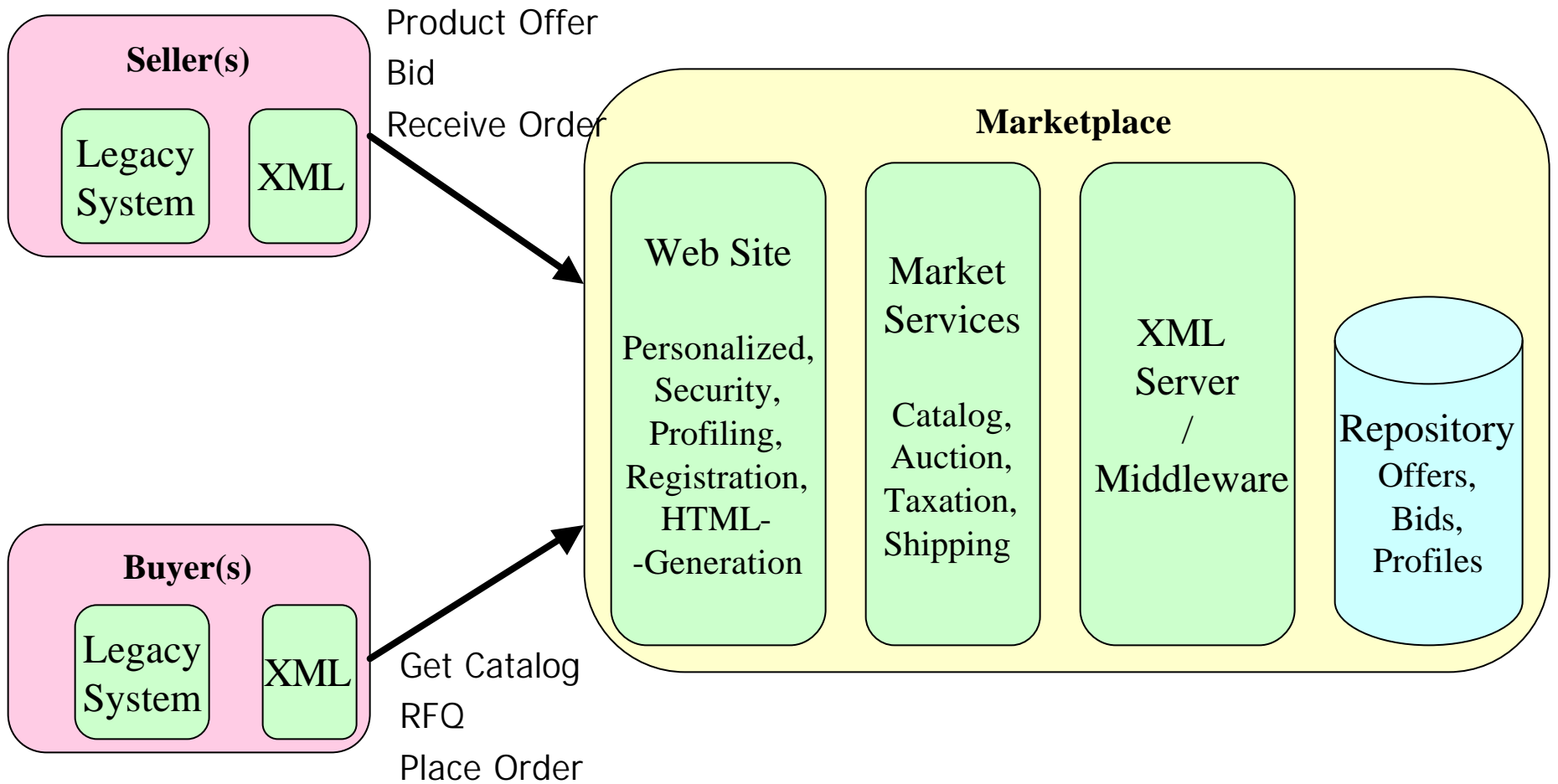


The Business Problem

- ✍ E-Business world is constantly evolving.
- ✍ Data & structures change as business evolves.
- ✍ E-Businesses need to deal with divergent data & structures.
- ✍ Flexible searching of such data is a chronic problem.
- ✍ Existing solutions do not address this problem.



Example - Current Market Makers





Example - Current Market Makers

(contd.)

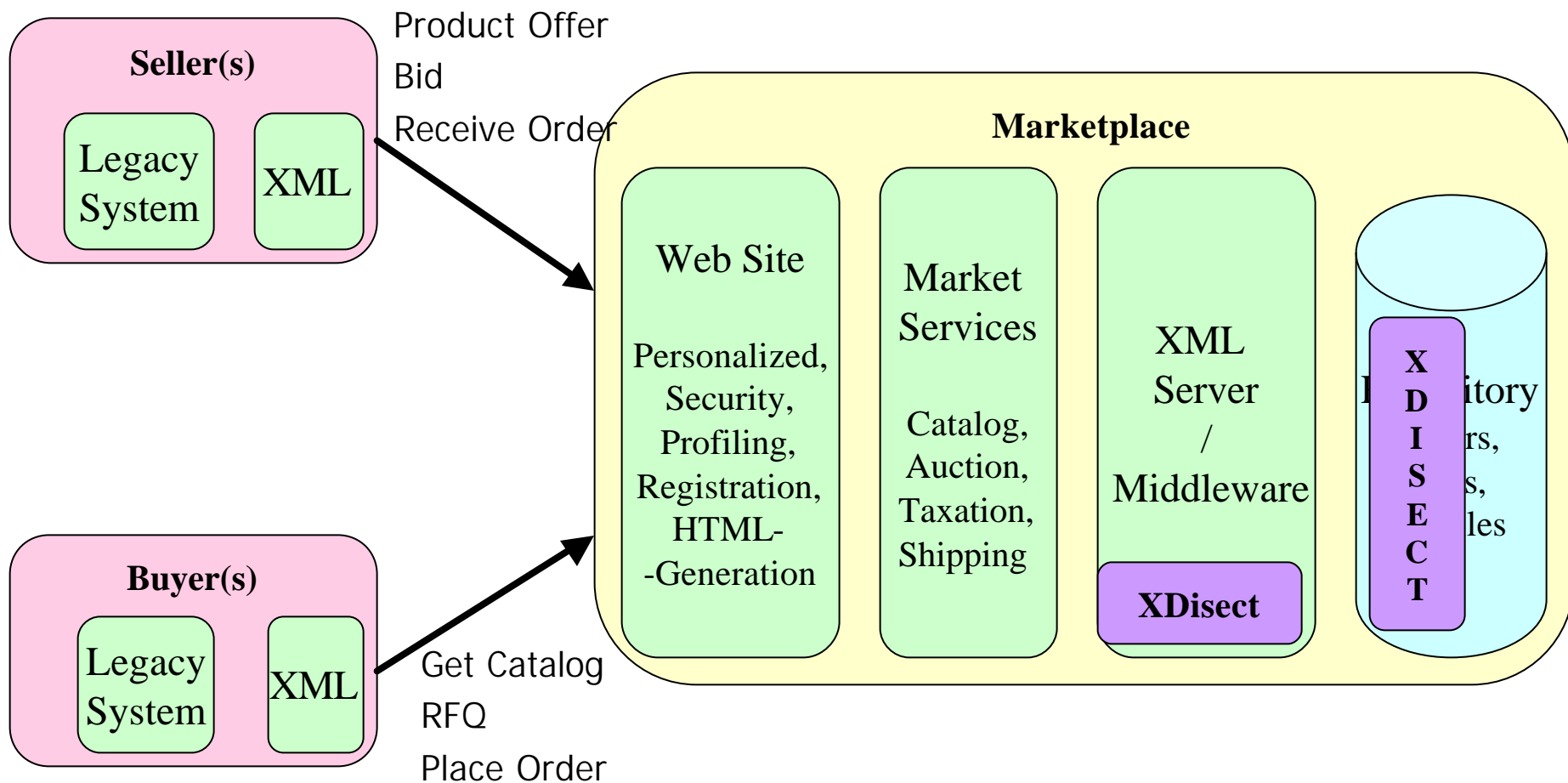
Current Approach :

- ✍ Use XML based B2B solution (CommerceOne, Ariba, I2).
- ✍ Trading partners accept & modify a XML standard (RosettaNet).
- ✍ Enhance & integrate trading partner systems (XMLify & modify).
- ✍ Adapt market & trading partner systems as business evolves.

Disadvantages :

- ✍ Standards take a long time to mature (e.g. RosettaNet – 18 mths).
- ✍ Business change is limited by ability to change XML & DB Schema.
- ✍ Small change in schema ripples through all layers & systems.
- ✍ Perceived loss of competitive advantage by trading partners.

Example - Market Makers with XDisect





Example - Market Makers with XDisect

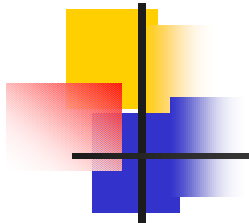
(contd.)

XDisect Approach :

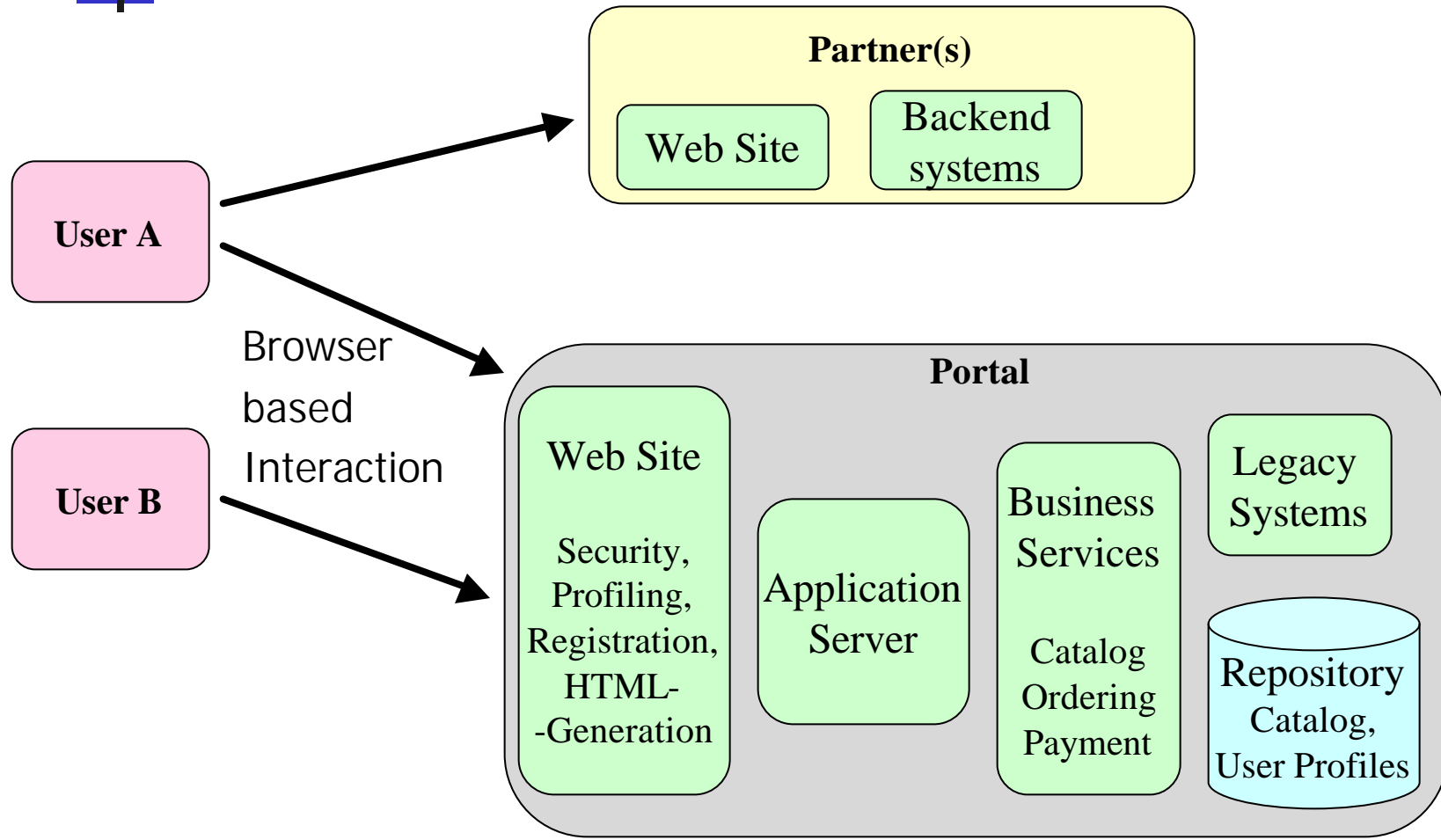
- ✍ Use XML based B2B solution(CommerceOne, Ariba, I2) **with XDisect.**
- ✍ Market & Trading partners agree on a **small core vocabulary.**
- ✍ Integrate trading partner systems (XMLify).
- ✍ Trading partners adopt standards as they become available.

Advantages :

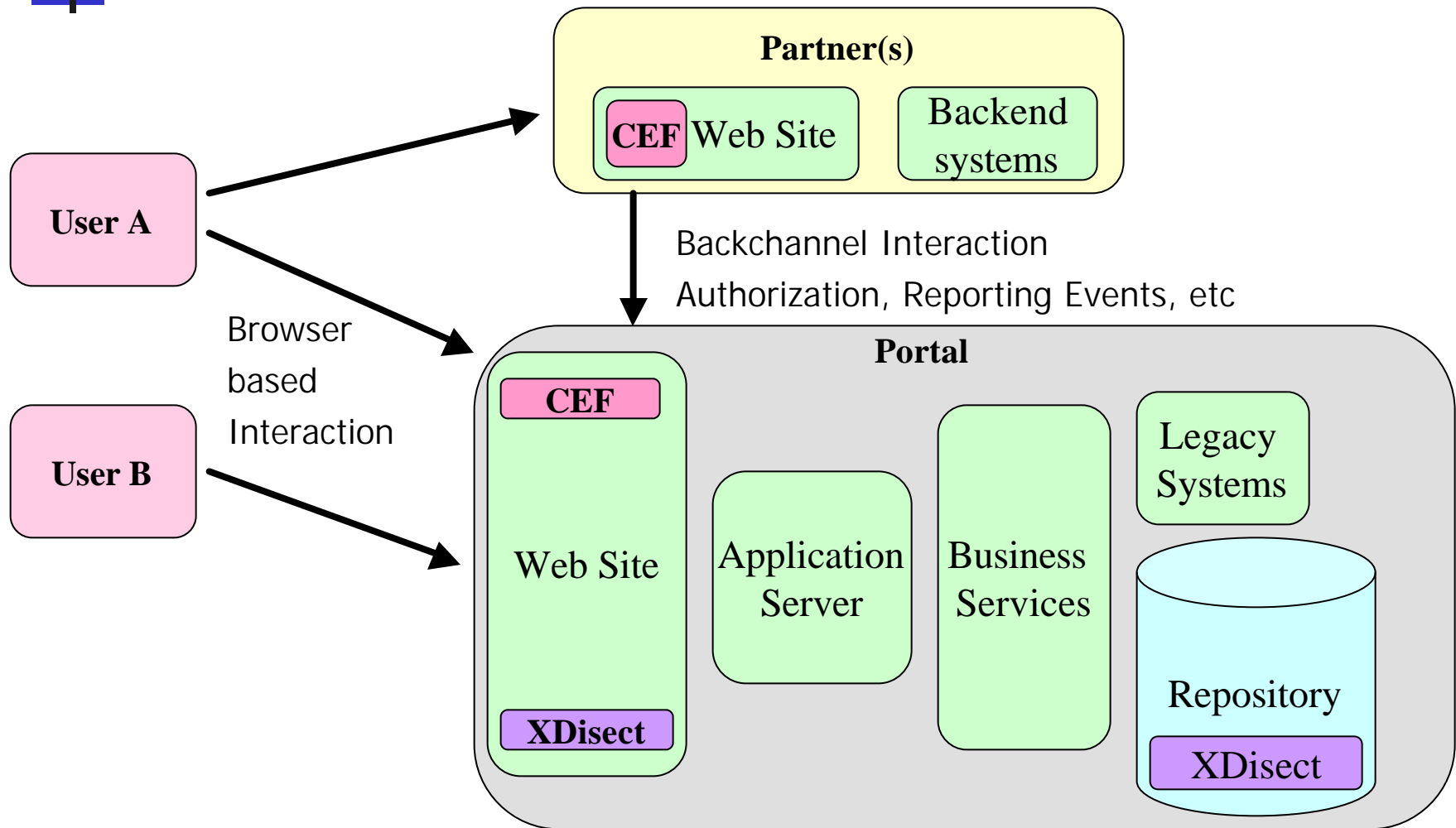
- ✍ Schema change affects only the GUI layer.
- ✍ Data can evolve with the business needs rather than vice versa.
- ✍ Trading partners can be integrated with less effort.
- ✍ Trading partners can retain their competitive advantage.



Example – Portal/E-Business App (Amazon.com)



Example – Portal with CEF & XDisect





Example – Portal with CEF & XDisect

(contd)

Limitations of Current Approach :

- ✍ User Profiles are not dynamic.
- ✍ Schema change affects all layers of portal app & even partner.
- ✍ Partner integration takes time & redesign.
- ✍ Rate of schema change dictates the change of business rather than market conditions.

Advantages of using XDisect & CEF :

- ✍ Schema change affects only the GUI layer.
- ✍ User Profiles & their use can evolve dynamically.
- ✍ CEF enables quick partner integration (1-2 weeks).
- ✍ Data can change as needed by the business.



PyBiz Solutions - Overview

- ✍ **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.



XDisect - Flagship Product

Features :

- ✍ Repository for (semi-)structured data.
- ✍ Flexible, high performance search capabilities.
- ✍ Lightweight Events.

Benefits :

- ✍ Old & new data can co-exist & work collaboratively.
- ✍ Data & structures can evolve.
- ✍ Divergent data can be managed.
- ✍ Data use (search, notification, etc) can evolve with business needs.



eContentMgr – A Vertical Solution

Features :

- ✍ Content Publishing from native repository.
- ✍ Easy & Dynamic Content Updates to website.
- ✍ Registration & Notification on content changes.
- ✍ Multi-Node membership for content on website.

Benefits :

- ✍ Very dynamic content management capabilities.
- ✍ Low Cost / Low Maintenance.
- ✍ Solves a chronic content management problem.



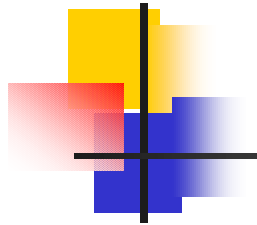
CEF – A Supporting Product

Features :

- ✍ Single Sign On.
- ✍ Selective Profile & Session Sharing between sites.
- ✍ Dynamic User Profiling as & when needed.
- ✍ Light Weight Events for usage reporting, etc.

Benefits :

- ✍ Collaborative E-Business Framework.
- ✍ Portals can evolve with their business.
- ✍ Information can be shared as per business needs.



PyBiz Market Segments

- ✍ B2B market makers with dynamic & evolving data (e.g. CommerceOne, VerticalNet, etc).
- ✍ Secure Portals with dynamic profiling & personalization needs (e.g. Yahoo, etc).
- ✍ Flexible, high performance search cache for legacy systems (e.g. SAP, Oracle, etc).
- ✍ Content Publishing & Taxonomy based presentation (e.g. Amazon.com, Yahoo, etc).
- ✍ Enterprise person to person optimization system (e.g. Business Travel Optimization).



XDisect Deployment Models

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



The Management Team

Founders :

Joseph Ellsworth

Greg Von Kuster

Chetan Patel

- ✍ 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



Management Experience

- ✍ 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 configurators – 1996
- ✍ Several More



Hiring Plan for first year

| Resources | Q3 | Q4 | Q1 | Q2 |
|----------------------|----------|-----------|-----------|-----------|
| R&D Engineers | 3 | 4 | 8 | 5 |
| Tech Support | 0 | 0 | 3 | 2 |
| Partner Enablers | 4 | 3 | 4 | 3 |
| Business Development | 1 | 2 | 3 | 1 |
| Operations | 0 | 1 | 3 | 0 |
| VP Sales & Marketing | 1 | 0 | 0 | 0 |
| VP Operations | 0 | 1 | 0 | 0 |
| Total | 9 | 11 | 21 | 11 |



Competitive Choices.

- ✍ **XDisect has no true competitors but some alternatives**

- ✍ **Text Search Engines**

 - ✍ Infoseek

- ✍ **Database & XML Servers**

 - ✍ Oracle Intermedia

 - ✍ Excelon from Excelon Corp

 - ✍ Tamino from Software AG

- ✍ **XML Search Products**

 - ✍ XDex from Sequoia



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.



Finance Needs

Initial Investment

-  500K

-  Duration : April – August 2000

Angel Funding

-  1.2 Million

-  Duration : September 2000 – February 2001

First Round

-  10 Million

-  Duration : To profitability



Finance Use

✍ Initial Investment : Apr 2000 – Aug 2000

- ✍ Product prototype & demos
- ✍ Business & Operational plan ready
- ✍ Sign up at least 1 customer & 1 partner

✍ Angel Funding : Sep 2000 – Feb 2001

- ✍ Hire marketing & bizdev resources
- ✍ Release Ver. 1 of XDisect, CEF & EContentMgr products
- ✍ Sign up at least 10 pilot customers & 5 SI partners
- ✍ Take at least 2 customers live & generate revenue
- ✍ Setup hosting & office operations

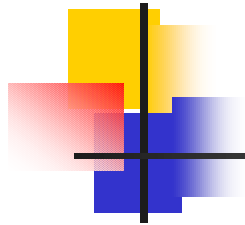
✍ First Round : Mar 2001 – sustained profitability

- ✍ Significant ramp of resources , customers , partners & operations



Sales Strategy

- ✍ Forum and User group participation (e.g. Net MarketMakers, CNET User Group).
- ✍ Work with key SI partners as a channel.
- ✍ Leverage Angel Investors' & personal contacts.
- ✍ Provide services to overcome initial resistance (e.g. solutions architecting, consulting).
- ✍ Focused Banner Ads on 2-3 major XML sites (e.g. XML.com).
- ✍ Magazine Ads & Bulletin Boards (targeted & at few key locations).



Pricing Model

- ✍ Licensing based.
 - ✍ Product Licence & Annual Support Contract.
 - ✍ Per Server or Unlimited Use.
 - ✍ Per Vertical App or Unlimited Apps.
- ✍ Initial customers get trial products for free.
- ✍ Charge for consulting services.
- ✍ SI Partners get negotiated discounts.
- ✍ Some software is opensource (to gain credibility).



Market & Niche Explained

✎ What is our target market?

- ✎ Emerging B2B exchanges.
- ✎ Secure portal providers.

✎ What is the market size?

- ✎ High end 450 Billion.
- ✎ 2000 Exchanges by 2003.

✎ What is PyBiz's Niche in this market?

- ✎ Exchanges requiring lots of dynamic, complex data.
- ✎ Exchanges & portals in rapidly evolving markets.
- ✎ Low end distributed content publishing.
- ✎ Entry level portals.

Exchange & Portal technologies & markets are increasingly merging.



What & Why Q2 2001

✍ Significance of Q2 2001

- ✍ PyBiz Market Window.
- ✍ Market begins to recognize this business problem.
- ✍ Customers start asking for our products.

✍ Why Q2 2001 & how did we arrive at this date?

- ✍ Market for current generation B2B solutions is huge this year.
- ✍ Horizontal players too busy fulfilling pent up demand.
- ✍ Customers can survive this year with limits of current solutions (actual feedback from NMM participants).
- ✍ By Q2 2001 Customers start asking for flexible next generation technology (like ours).



Sequence of events

1. Technology Centric Product Demo (status – done).
2. Business Centric Product Demo (status – under construction).
3. Pilot Applications (Market Maker).
4. Angel Equity Financing.
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 use.
9. Massive Partner recruitment for market ramp.
10. **Market Matures for XDisect type capabilities.**
11. First Round Equity financing.
12. Target Horizontal technology providers for product inclusion.
13. Partner enabled ramp of customers.
14. Market nears top capacity for this capability.