

Battelle-Leader Agenda

- History to current
- Products
- Size of opportunity
- Battelle-Leader alliance possibilities
- Growth strategy roll out
- Proposal



History to current

Built a secure, *horizontal* communications, organization, information processing and unified storage platform with infinite *vertical* market applications.



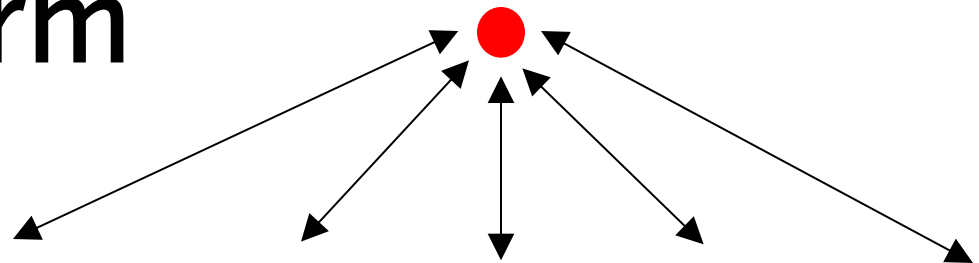
Key Verticals:
Automotive
Banking
Healthcare
Pharmaceuticals
Financial Services
Telecommunications
Professional Services
Computers
Software
Security
Insurance
Manufacturing
Retail



Leader2Leader™

One platform

Many uses

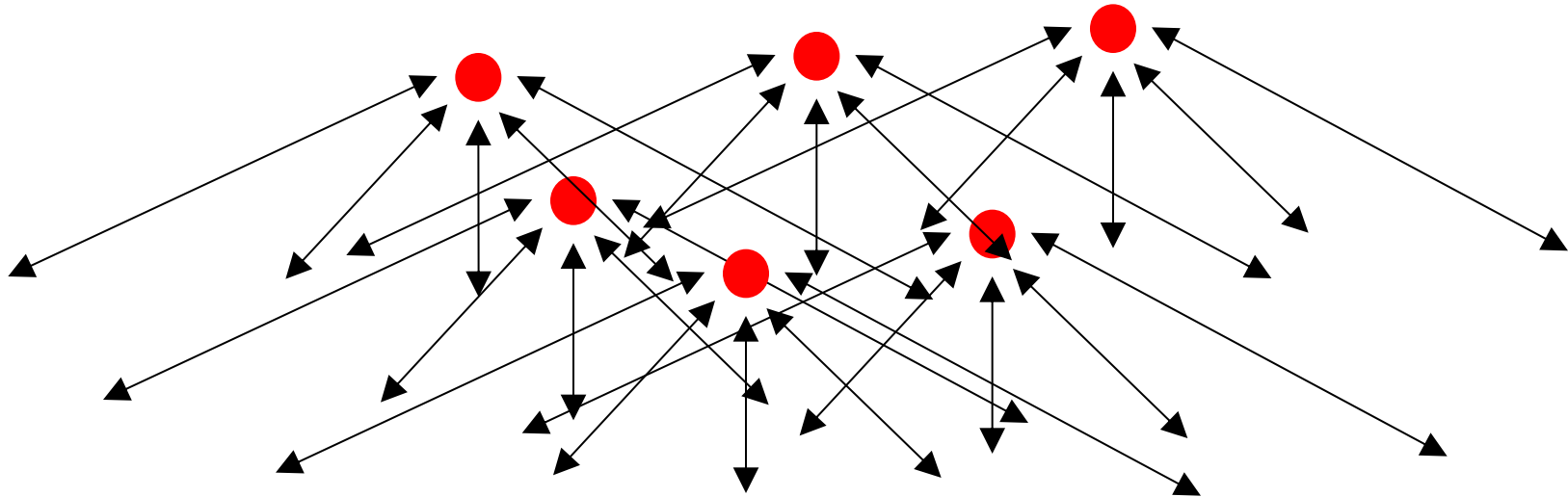


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Where is the market today?

Many platforms

Many applications & uses



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What are the implications?

- Confusing market messages
- User frustration
- Productivity mixed bag
- Expensive to support
- Data "silos"
- No strategic focus
- September 11



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How we got here technologically

COLLABORATION

Legacy
Data
Skills
Expertise

KNOWLEDGE MANAGEMENT

Legacy
Data
Skills
Expertise

COMMUNICATIONS

Legacy
Data
Skills
Expertise

AT&T Mail
AT&T/GE/Sterling EDI
Microsoft Office
Microsoft Exchange
Lotus Notes
Novell Groupwise

Oracle
Sun
IBM
Sybase
SAP

AT&T
MCI
Sprint
Bell South
Qwest
Novell Network
Windows 98/NT/2000
UNIX



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Sybase
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What has changed?

COLLABORATION

Legacy
Data
Skills
Expertise

KNOWLEDGE MANAGEMENT

Legacy
Data
Skills
Expertise

Internet

+

Browser

COMING TO YOU

Legacy
Data
Skills
Expertise

Microsoft Exchange
Lotus Notes
Novell Groupwise

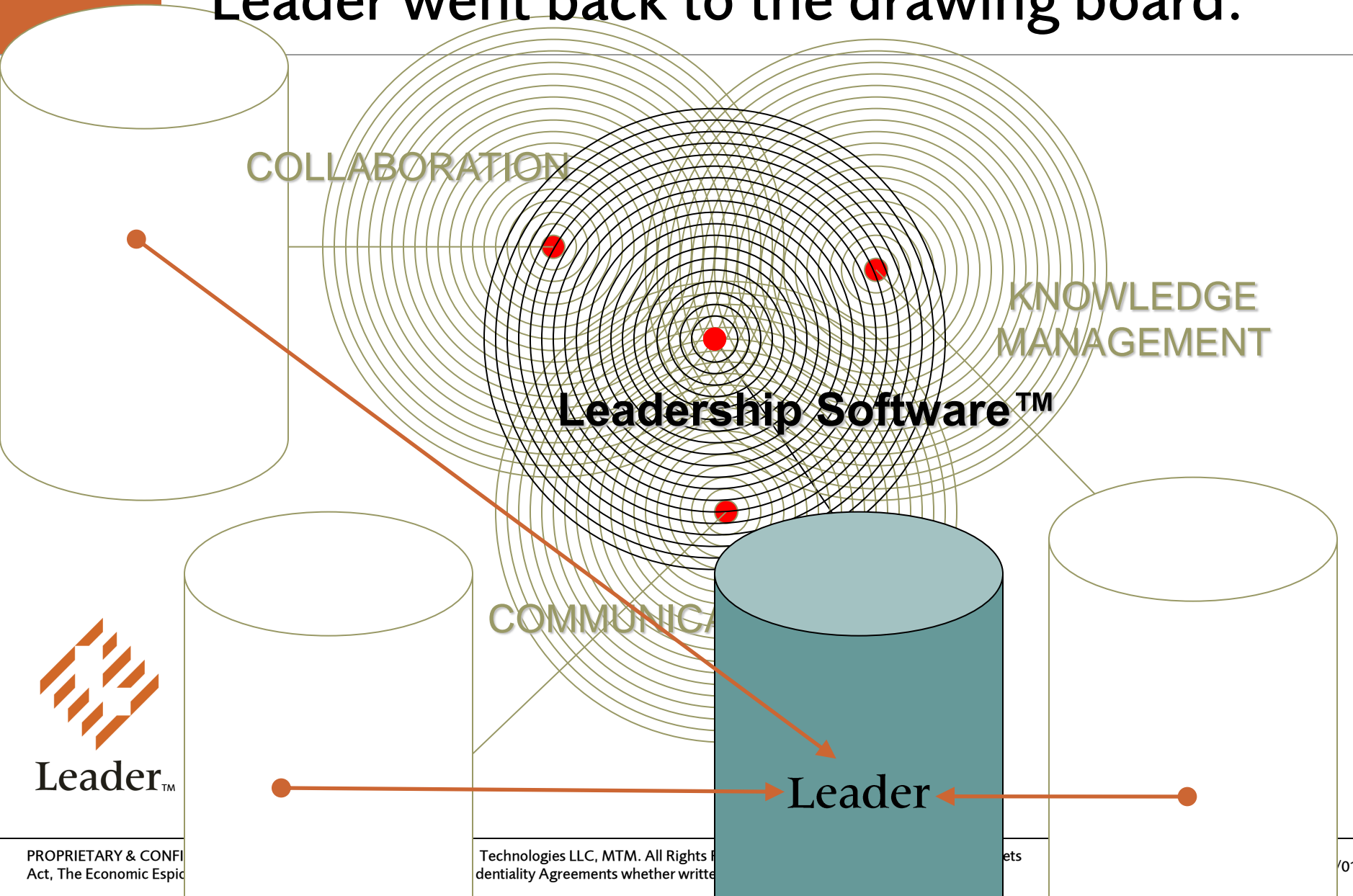
Oracle
Sun
IBM
Sybase
SAP

AT&T
MCI
Sprint
Bell South
Qwest



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Leader went back to the drawing board.



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Key Customer Benefits

- Focus leadership & organization
- Cut costs
- Leverage people & money
- Improve productivity
- Reduce stress & waste
- Integrate communications
- Secure
- Nothing to install
- Global: anytime, anywhere, anybody



Roll Out Strategy

- **Key Driver:** Horizontal, disruptive innovations only come our way maybe once or twice in a lifetime. Carpe diem.
- **Strategy:** Blanket the Internet with **Leader2Leader™**
 - All market segments. Now.
 - Dominate the market. Now.
 - Don't trickle it out one traditional vertical at a time.
 - Leader2Leader™ is a license to print money
 - Team with global players



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Roll Out Strategy

Business Security Government

LeaderPhone™

Leader2Leader™ — Click2Lead™

Leader Smart Camera™ — Leader Force Multiplier™

Academia

Leader University Initiative™

Sponsors: Leader, IBM, Fortune 500, University Donors, Battelle, Prof. Services...

Leader2Leader™ Market Segmentation of the Leader University Initiative™ Sponsorships

Automotive
Banking
Healthcare
Pharmaceuticals
Financial Services
Telecommunications
Professional Services
Computers
Software
Insurance
Manufacturing
Retail



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Roll Out Rationale

- LeaderPhone™ is launched
- Leader Smart Camera™ is timely
- Leader2Leader™ "low hanging fruit" further tests and validates
- Click2Lead™ engages re-sellers, medium & small business
- Leader University Initiative™ seeds:
 - Academic market (future users)
 - Vertical corporate distribution
 - Gets IBM committed to vertical penetration



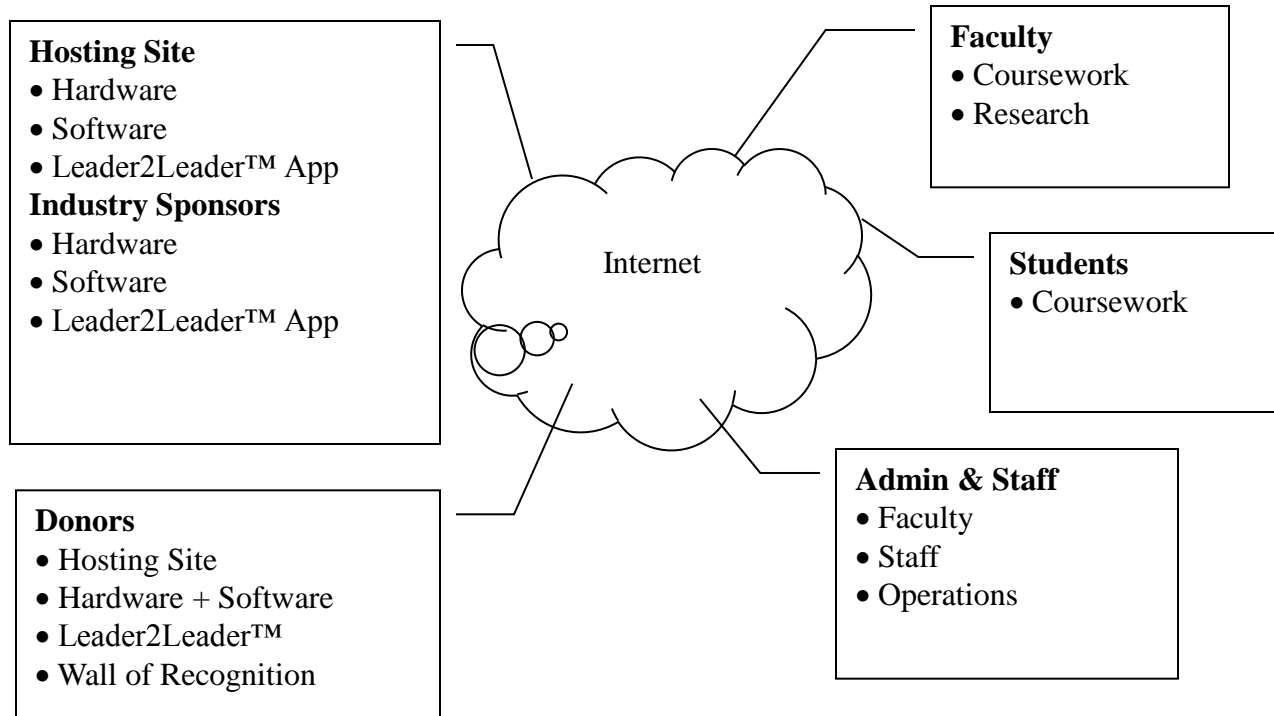
Key Components of University Initiative

- Computer equipment
- Managed hosting sites
- Leader2Leader™ licenses
- Local corporate sponsor
- University endowment donors
 - By College



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Leader University Initiative

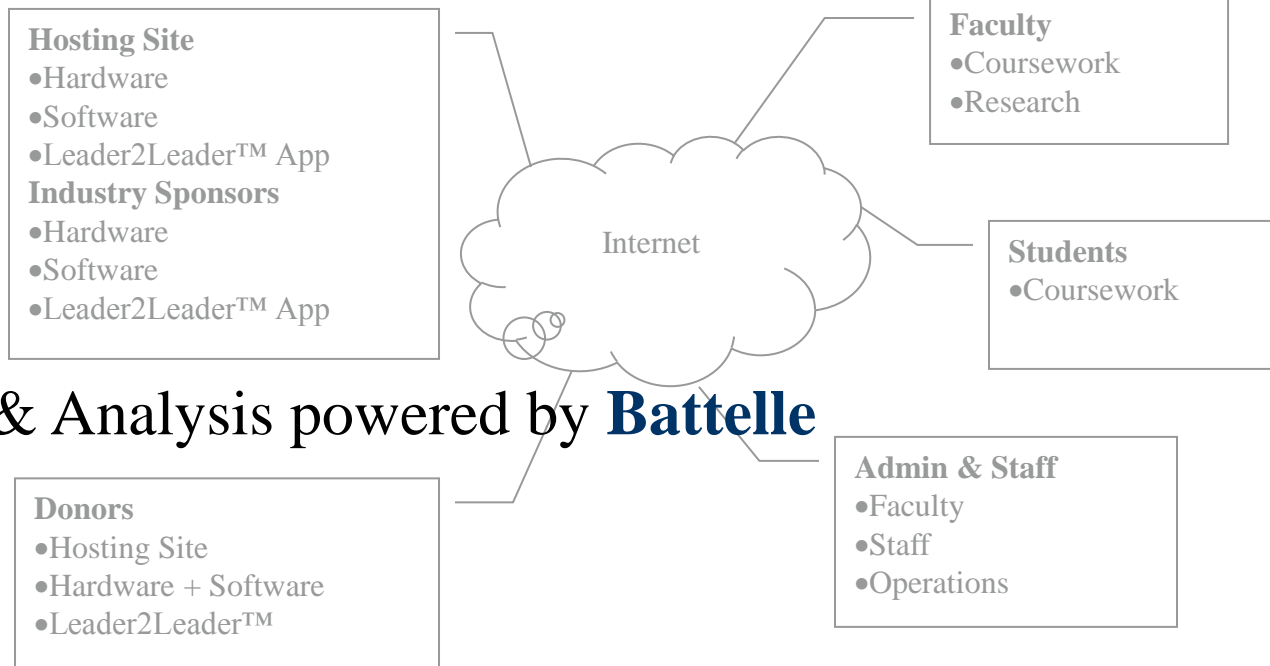


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Leader University Initiative, p2

System provided by **Leader**

Sponsored by [**CIGNA Group**]



Search & Analysis powered by **Battelle**



Hosted by **IBM**
Leader™

Supported by [**James E. Fisher Family Trust**]

HARVARD *Leader2Leader™ Learning Network*



Harvard Business School

Thomas Q. Smithers – IBM – Agfa
Leader2Leader™ Learning Network



Harvard Law School

William J. Bryant – IBM – Fleet Bank
Leader2Leader™ Learning Network



Harvard Medicine

Laurie T. Pondertone – IBM – Glaxo Wellcome
Leader2Leader™ Learning Network



Harvard Divinity School

Laurie T. Pondertone – IBM – Amoco
Leader2Leader™ Learning Network



Harvard School of Design

Laurie T. Pondertone – IBM – CIGNA
Leader2Leader™ Learning Network



JFK School of Government

Sally W. Smythe – IBM – Dow Chemical
Leader2Leader™ Learning Network



Graduate School of Education

Philip P. Mather – IBM – Schwab
Leader2Leader™ Learning Network



Harvard College

John B. Fisher – IBM – First Boston
Leader2Leader™ Learning Network



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1000 university institutions = \$7.02 billion per year
w/ \$2.106 billion of this to the universities.

Learning Initiative Roll Out

- Gain IBM / Battelle (or comparables) participation
- Approach Universities
 - President
 - Chief Development Officer
- Approach selected Local Fortune 500 Co.
- Approach donors (University)



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Learning Initiative Roll Out

- Coordinate college graphics
- Stand up equipment & site
- Install Leader2Leader™
- Train University administration on UserID, Password & College list entry
- IBM provide Tier 1 technical support




Harvard University
Your Name – IBM - AEP
Leader2Leader™ Learning Network



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College / Donor / Sponsor Spec., p1.



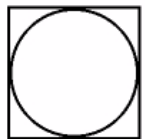
4 x
x x x x x

Academic Identifier Signature
Brand Identity Signature Standard

Any University Name and Signature **x**
Laurie T. Pondertone - IBM - Glaxo Wellcome **x** 1/2 x
Leader2Leader™ LearningNetwork **x** 1/2 x

Leader Product Name (note tight word spacing)
Arial

Donor and Industry Partner
Arial Black



Harvard University School Symbol & Signature
Laurie T. Pondertone - IBM - Agfa
Leader2Leader™ LearningNetwork

College / Donor / Sponsor Spec., p2.



Harvard Business School
Thomas Q. Smithers - IBM - Agfa
Leader2Leader™ LearningNetwork



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College / Donor / Sponsor Spec., p3.



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 Leader2Leader™ LearningNetwork

Business School News

Learning Network

- [Co-branded debit card ready for release](#)
- [BOA ShopCity.com announce new site](#)
- [Emerging Technology Group report](#)

Agenda

Full Agenda	IMessages (12)	Reminder (25)
Calendar (2)	Vote (1)	Tasks (12)

My Profile Mike McKibben

My Context

My Office LB

Call Setup

Xxxx Xxxxxx > Rockwood LeaderBoard > Phone > Call Setup > General

General | Participants | Provider | Link Content

Schedule Call | Make Call Now

Call Setup

Creator	Date	Time
Brad Whiteman	7/23.00	5:45 pm

Call Topic

Call Purpose

Call Date: August 2001

Call Time (hh:mm): 3:30 pm

S	M	T	W	R	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

My LeaderBoards

- Artromick
- Crown
- Rubbermaid
- Rockwood**
- Intel
- Mead
- Design Central

Channel

- Design Central
- Leader

Message

Calendar

Task

Phone

Meet

Contact

Search

Compile

Discuss

Files

Notes

Ideas

Vote

Web

Background

Issues

Assumptions

Decisions

Best Practices

Training


Analysis

Print

Options

Help


leader2 leader



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College / Donor / Sponsor Spec., p4.



Harvard Business School
 Thomas Q. Smithers - IBM - Agfa
 Leader2Leader™ LearningNetwork

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My Profile Mike McKibben

My Context

My Office LB

Message

Calendar

Call Setup

Task

List

Options

Help

Phone

Meet

Contact

Search

Compile

Discuss

Files

Notes

Ideas

Vote

Web

Background

Issues

Assumptions

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Call Time (hh:mm)

3:30 pm

leader2 leader



Leader



Learning Initiative Roll Out

- Support development department management of the campaign & newsletters
- Support Local Fortune 500 Leader Channel™
- Support IBM and Battelle Leader Channels™



The Harvard¹ Knowledge Capital Campaign

Dear Prospective Donor:

Put your name on a learning revolution. Here's how.



For those over 45 year of age, our university days were spent with paper, pencil and slide rule. Not so today. Students and faculty use computers in every aspect of university life, from research and e-mailing assignments to posting spare sofas for sale and e-chatting with parents on the web. However, all these e-tools at our fingertips are not integrated. Rather, they're a hodge-podge of hardware, software, standards and formats. If you have ever tried to send a file from your PC to an Apple Macintosh, you know what we mean.

Leader Technologies ("Leader") of Columbus, Ohio assembled a technology "dream team" and spent almost five years inventing a new approach to communications that solves the problems just mentioned. The product is **Leader2Leader™**. It is a revolutionary new way for students, faculty, administration and alumni to work together and better learn from one another. Leader2Leader™ does all this using already familiar tools: the phone, fax and the Internet browser on your computer.

Leader in alliance with **IBM**, **Battelle**, **AEP²** and the **Harvard Capital Funds**

University Initiative Benefits

- **University:** saves money, increases effectiveness for students, faculty & stakeholders, unique development program for donor recognition
- **Leader:** seeds distribution in all key markets
- **IBM:** horizontal play across industry sectors
- **Battelle:** branding profile, horizontal play with vertical apps in all niche markets for OmniViz +
- **Fortune 500:** leadership in their industry and community



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Battelle-Leader Opportunities

1. LeaderPhone™ Teleconferencing Services

- \$240K per month monthly minimum contract
- Benefits: Reduce costs, improve service, 24x7x360
- Cost displaced = \$250K per million minutes

2. Leader2Leader™ Preferred Customer

- 5,000-20,000 licenses : \$50-\$20 per seat per month
- Costs displaced + Opportunities Gained = \$2.25M per month (min.) per 5000 users



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Battelle-Leader Opportunities, p2.

3. Invest \$5M on a 3x preferred basis

- \$5M = 5% ownership + 3x preferred
- Expansive market: 100-1000x possibilities = \$500M-\$5B in return
- Liquidity opportunities = IPO, Follow-on, Sub-brand spinoffs, Revenues

4. Leader Security™ Platform

- Fixed and rapid deployment security platforms
 - Monitored platform:
5000 sites per state @ 25 devices per site @ \$75 per month per 25 devices = \$225M per year
 - License platform (not including device sales):
5000 sites per state @ 25 devices per site @ \$50 per month per 25 devices = \$150M per year



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Battelle-Leader Opportunities, p3.

5. Leader Security™ Platform, cont'd

- Cameras
- Weapons of Mass Destruction
- Motion
- Audio
- Vibration
- Identification scanners
- Human intelligence



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Battelle-Leader Opportunities, p2.

3. R&D Collaboration

- Homeland security / anti-terrorism / technology transfer
- Cross-licensing of shared technologies, e.g. OmniViz™/Lite/Analytic/Expert = \$51M per year



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Proposal, p1

- **Battelle invest**
 - Participating preferred w/ buy-back rights
 - ... if \$1 million (assist with raising additional funds)
 - ... if \$5 million (we'll balance cashflow to last 1 year and/or raise additional monies)
 - ... if \$10-20 million (we'll ramp immediately)
 - Seat on board
- **License OmniViz™ for Leader Search & Analysis™**
- **License Leader2Leader™**



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Proposal, p2

- Purchase Leader Smart Camera™
- Construct a Leader Security™ NORAD theater
- Plan to spin off Leader Security™ early
- Battelle participate in University Initiative as desired



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Summary

- Battelle focus
 - Invest
 - Adapt OmniViz™ for Leader Search & Analysis™
 - Jointly pursue Leader Security™ stand alone offering
 - Implement Leader2Leader™ internally
- Leader focus
 - LeaderPhone™ staff and run as standalone
 - Leader Smart Camera™ staff and run as standalone
 - Leader2Leader™
 - Leader2Leader™ “low hanging fruit
 - Click2Lead™ staffed as stand alone ASP
 - Leader Security™ applications
 - Leader University Initiative™



- OmniViz-light license @ \$0.50 per seat per month = \$6M per year per 1M Leader2Leader™ users
- OmniViz-analytic @ \$25 per seat per month = \$30M per 100K Leader2Leader™ users
- OmniViz-expert @ \$500 per seat per month = \$15M per 2500 Leader2Leader™ users
- OmniViz installed version = \$25-50K per package

