NEWCO

Newco Executive Summary

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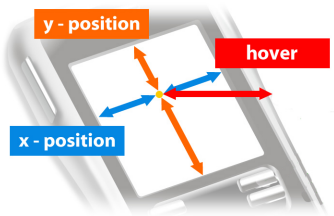
Background

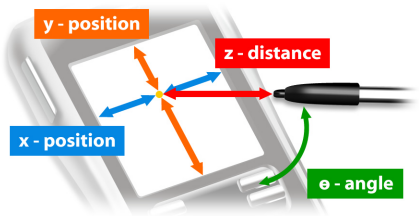
Newco provides a 3D input technology that tracks the user in real space (x, y, z coordinates and angles of rotation and orientation). Newco's sensing system sees you coming even before you've touched the screen for true dimensional control, enabling a great user experience at a fraction of the cost of traditional touchscreens.

Newco Provides Absolute Coordinate Data



Near-space input:

- 2D touchscreen — without a touchscreen
- 2.5D hover-sensitive input
- Power UI for smartphones
- Handwriting input



Full freespace input:

- 3D interactive UI for mobile
- 3D zooming for web and document browsing
- 3D - 5D mobile gaming
- Gesture Input

Newco's core technology utilizes miniature sensors assembled around the LCD display to track a finger (2D - 2.5D), reflective stylus or light-emitting remote control (3D - 5D), providing an unmatched level of product design flexibility and integration with any device, without rendering legacy software unusable.

Why Newco Touch Technology for Mobile?

- Revolutionary hover capability for 3D finger tracking
- Competitive cost, exceptional scalability to larger display sizes
- Extremely small sensing arrays (<700 µm) to fit even the most demanding mobile device size constraints
- No layers, no bezel, no infrared window
- May be integrated with display module or protective window
- No moving parts
- 100% light transmissivity
- Multi-touch and gesture compatible; stylus compatible
- Responsive, low-power, stable calibration IR system

Funding:
Seeking: $XX to reach reference design

Current Status:
3 patents granted • 8 pending
3nd generation prototypes (mobile)
2nd generation prototype (tablet)
1st generation prototype (television)
First product has reached $500K in sales
Telecoms Industry Awards

What do you do?

What value do you offer?

What problem do you solve?

How do you do it?

How do you differ from your competition?

What can you do right now to test/validate your market?

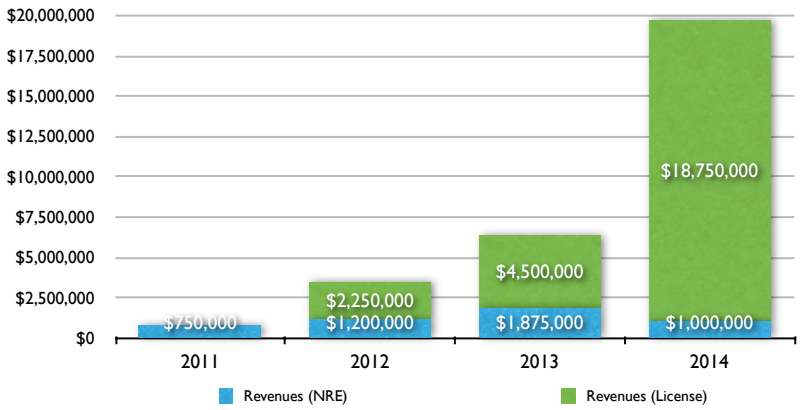
Business Model

Newco's primary business model is to license its technology while developing customized solutions and products for our customers. Licensing will be on a per-unit basis. Initial estimates and market feedback suggest that for the mobile market, Newco will receive profits of $X per unit with an overall target BOM starting at $Y per unit for displays up to 4.5" (for comparison, the same size capacitive touch screen costs ~$14). Integration will include close cooperation with display unit manufacturers and OEMs for maximum design optimization.

Typical agreements will be valued at $XXX,XXX - $Z,ZZZ,ZZZ (375,000-1,500,000 units sold); the addressable market size in each relevant sector (mobile phones, GPS, gaming, PDA) is phenomenal. *Touchscreen devices represented almost a third (27.4%) of all mobile phone sales in 2010, reaching 362.7 million units — up 96.8% on 2009 — and by 2013 will rise to nearly 1 billion units, representing 58% of worldwide mobile sales and over 80% of mobile sales in developed markets such as the United States and Europe, according to Gartner analysis.*

Newco expects to work hand-in-hand with content providers, software developers and others to maximize uptake of the technology. Nonetheless, market entry is not dependent on third-party integration contracts: viable and lucrative after-market "upgrade" products, such as aftermarket games, digital pens, and set-top box bundles, have meaningful market substantiation, and have proven themselves with the 2008 launch of Newco's Revolution package, which has sold $250,000 units via distributorship, and competitive per-unit revenue.

In the long term, Newco intends to move toward manufacturing proprietary components (sensors and ASICs) to protect margins and leverage volume manufacturing efficiency.



Notes: License fees appear 12 months after signing.
2011: NRE @ $XXX,XXX. 2012: NRE @ $YYY,YYY. 2013: NRE @ $ZZ,ZZZ

Patents

Newco has aggressively defended its technology with a strategic constellation of 12 patents pending and 4 USPTO granted patents, covering methods, algorithmic principles, subassemblies and implementations of hardware, sensing array construction, finger touch, multi-touch, applications and others.

What are your customers paying for?

How much will they pay?

Who is your addressable market, and how big is it?

How will you get to market?

What are the barriers to entry?

How can you stay ahead of the competition?

When will you reach profitability? Why?

Use of Funds

Newco estimates a manufacturing-ready production line will be ready to roll and initial market penetration to begin within one year of beginning full operations.

Many of the initial research and development costs have already been met during creation of Newco's first product brought to market and ready second-product design. Anticipated expenses include ongoing patent maintenance and design-to-spec / design-to-cost activities that will bring the technology to meet target specifications for production.

Newco has built relationships with industry insiders and Far East representatives to create a presence in target markets. In addition to increasing our presence in the Far East for business development and product development, we maintain offices in the United States and Canada.

Milestones

- Anticipated $XXX investment to bring second product to market over 12-18 months
- Secure initial licensing agreements (three in months 1-12; six more in months 13-24).
- Hardware design optimization
- SoC
- Algorithm refinement
- IP portfolio maintenance and growth
- Application development with 3rd-party developers
- Strengthen company for low NREs over the short term; maintenance of revenue projections over the medium-term.

Competition

In response to the upsurge of interest in novel input technologies, a number of companies have entered the market in competition (direct or indirect) with Newco. These companies mainly rely on bulky-technology solutions to achieve less functionality than Newco's solution provides with infrared light only, and often are not practical for mobile device integration because of their size and expense (ultrasound + IR + RF, eg, FlightPlan, Apostrophe; accelerometer + gyroscope + RF + IR, eg, MiLeaf; inductive coil + resistive touch layer, eg, WhatsUpp).

Founding Team

Sarah Lipman, Founder and CTO: [Bio here, highlighting past experience and success]

Jamie Hauser, CEO: [Bio here, highlighting past experience and success]

Amy Lockman, VP R&D: [Bio here, highlighting past experience and success]

Kenichi Minamikawa, Chairman: [Bio here, highlighting past experience and success]

What do you need to do before you see revenues?

What's your burn rate?

What milestones can you set to rapidly reach market and revenue targets, without overexposure to risk?

How much will it cost to get to first revenues?

What are the risks?
Consider competition agility, market, regulatory and financial changes, supply & manufacturing challenges, personnel surprises, cash flow, taxes, fashion, industry trends.

What are your strengths? Whom do you need to bring in to complement them?

WHAT DO YOU DO?

WE PROVIDE…

WHAT IT DOES…

THE BENEFIT…

WHAT	HOW	WHY
[a service] [a method] [a design] [a product] [an opportunity]	[senses / prints / interprets / designs / sells / calculates / files your taxes / paints your garage / encrypts your passwords]	[makes it better / safer / smells fresher / healthier / quicker / automatic / legal / reliable / cheaper / lasts longer]

example: "Newco provides custom sensors which calculate a finger's position in 3D, enabling more sanitary and satisfying computer interaction."