

Gravity Control

A new generation interface for searching, sorting and managing information in a natural way

BUSINESS STRATEGY OUTLINE

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Business Strategy Outline

The essence

Gravity Control™ is a **new generation interface** for searching, sorting and managing large amounts of data from different sources in a natural way. Thanks to the new graphic organization of the work space, it allows grouping and sorting of objects according to several criteria at once and provides a convenient visualization of the relevance of the objects to each criterion or combination of criteria through the attraction between similar objects on the computer screen.

Its innovative approach makes it better than anything on the market as it provides significant advantages for advanced data analysis, handling large amounts of information and using different search strategies within the same session. It will make the best choice for touchscreen devices and allow the user to make the most of the capabilities of especially large touch screens.

You can read more about the functionality of Gravity Control^{\mathbf{M}} in the <u>General Information</u> and <u>How It</u> <u>Works</u> papers.

- 1. We have a working prototype of a new generation Gravity Control™ interface for searching, sorting and managing large amounts of data from different sources in a natural way.
- 2. The method and algorithm for a new generation of Graphic User Interfaces (GUIs) is protected with a patent application WO2013113078 A1 for a *Method for Visualization, Grouping, Sorting And Management Of Data Objects Through The Realization Of A Movement Graphically Representing Their Level Of Relevance To Defined Criteria On A Device Display* in the final stages of patenting. It was filed on 30.01.2013 and published on 08.08.2013.

3. The prototype has provided proof of concept for the method in a relevant environment. We are looking to enter industrial test in an operational environment.

- 4. The interface currently handles some 6 000 000 objects loaded from different sources (feeds) and works with:
 - APIs for major global data ecosystems (Google, Facebook, YouTube, Bing News, Last.fm)
 - List of URL (considered as documents and expanded with crawler capabilities, creation of document tagging to a predefined classification and data mask bypassing of defined meaningless content such as menu headers etc.)
 - XML data
 - SQL procedures to an external Data Base
 - CSV and Tab Delimited (excel copy and paste tool)
 - RSS sources

We have already developed 17 application concepts and testing them with real data feeds. These are in the process of research and improvement.

Commercialization Phase

After completing the initial R&D stages for Gravity Control™, we have now entered the phase of developing commercial software products and need to focus on industrial test in an operational environment. We are looking for a partnership, which can happen under different forms depending on the conditions and can produce any type of product. There are, however, several applications that we would prefer as a basis for continued development. These are:

- 1. Gravity Interface Layer on existing Data Base Service
- 2. Open Gravity Layer Integrating Social and Personal Data Objects
- 3. Gravity Layer for Corporate Application

We are prepared to:

- enter a partnership for specific application development
- engage in the creation of an interface layer on an existing service
- engage in the formation of a new company dedicated to the development of a Gravity
 Control™ product range
- grant intellectual property rights, complete R&D documentation and consultancy if needed

Internal Functional Restructuring

- We have the necessary experience and procedures to carry out development projects engaging up to 7 units dedicated to one or several specific projects.
- We have prepared an estimation of cost based on project unit that can easily take into account project specifics.

Any further R&D will be kept separate from commercial application development. It will be carried out by dedicated units, independent from development units.

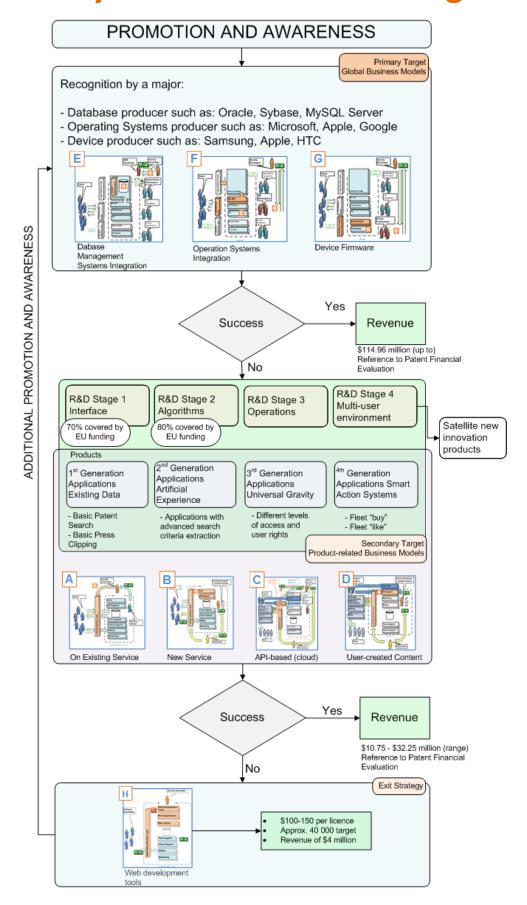
Financial Potential

A patent application for Gravity Control™ was filed after a research for patent clearance was conducted which demonstrated patentability. Following is a summarized conclusion of the data extracted from the financial evaluation of the method (see Financial Evaluation Resume for more information).

Current evaluation:

- \$114.96 million in revenues obtained in case of implementation as device firmware (leading devices producers licensing royalties) *See Global Scale Business Models* below.
- \$10.75 \$32.25 million revenues range in case of implementation by existing database service providers (commercial patent research companies) *See Product-Related Business Models* below.
- Fair market value (towards the date of the financial evaluation) amounts to \$19.6 million in the case of exclusive licensing rights granted and to \$9.8 million in the case of partial licensing rights granted

Gravity Control™ Business Logic



Business Logic Explained

We are following a business strategy that allows for several possible scenarios.

Global scope business models - Primary target

The first option would be for our interface to get noticed by a major player such as:

- Major Database Management Systems
- Operating Systems
- Device Firmware

This is the scenario that will allow reaching the full potential of the technology as it can become:

- A new standard way of communication with a computer device
- The base of a new operational system

Similar deals on the market indicate possible revenue of up to \$115 million for such a development.

Product-related business models - Secondary target

Even if the global scope path of development is preferable, at this point it would be more realistic to look for clients among data owners already providing a service that needs added value. This includes:

- Providers of database services:
 - Existing service
 - New service
- Any company that works with data visualization on a computer device

Possible revenue for this scenario can range from \$10 to \$32 million, depending on the type of application.

Web Development Tools – Exit Strategy

Regardless of the development of our efforts in the above scenarios and based on the results of the R&D and commercial application development, we have the possibility to market Gravity Control™ as a set of development tools. Estimated revenue in this case is about \$4 million.

It is worth noting that despite the professional evaluation of revenue based on similar product performances for each business model, the software market has proven to be unpredictable as to what path will prove most profitable for which product. Therefore in setting our priorities we follow the technical logic but remain open for business opportunities.

Expansion of Resources Needed for Commercialization Phase

As a result of our R&D efforts, we currently have inhouse the resources to provide:

- Interface innovation
- Software development
- Database architecture and integration
- Operations analysis
- System integration of Gravity Control™ into larger systems

The development of commercial applications, however, requires additional resources that we are looking to obtain or provide for through partnership. These will depend on the specifics of the project but may include:

- Large-scale technical infrastructure
- Billing and financial management for a large number of end users
- Customer support for a large number of end users
- Marketing
- Innovation promotion and networking
- Intellectual property management

Resource Allocation Scheme

Business Models:

Business Model A On Existing Service

Business Model B New Service

Business Model C API-based (cloud)

Business Model D User-created Content

Business Model E DBMS Integration

Business Model F OS Integration

Business Model G Device Firmware Currently in-house:

Interface Innovation

Software Development

Database Architecture & Integration

Operations Analysis

Additional Resources Needed:

Large-scale Technical Infrastructure

Billing & Financial Management

Customer Support

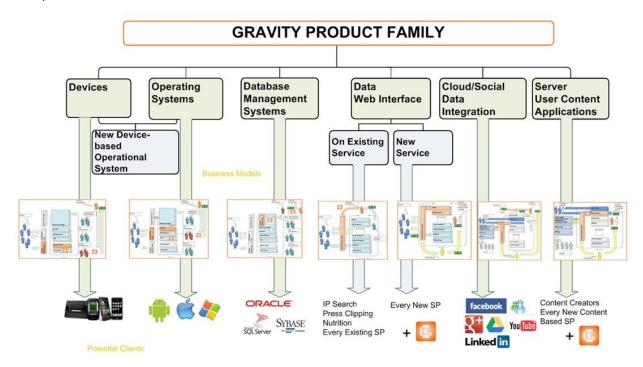
Marketing

Innovations Promotion & Networking

Intellectual Property Management

Gravity Control™ Product Family Potential

A whole product family based on the Gravity Control™ interface has been conceptually designed. The products range from patent search applications, project management systems, press-clipping applications to nutrition applications and implementation in 3D environment and a new generation ecosystems.



You can see the full description of the Business models in Appendix B.

Global Scope Business Models

- Model E: Implementation in the Core of a Major Database Management System
- Model F: Implementation in the Core of an Operating System
- Model G: Implementation in Device Firmware

Examples of client type:



Product-related Business Models

- Model A: Data Web Interface on Existing Service
- Model B: Data Web Interface for a New Service
- Model C1: Data Integration in Large Social Networks
- Model C2: Data Integration in Cloud Ecosystems
- Model D: Web Based User Created Content Applications

Examples of client type:



For more information on Business models see Appendix B

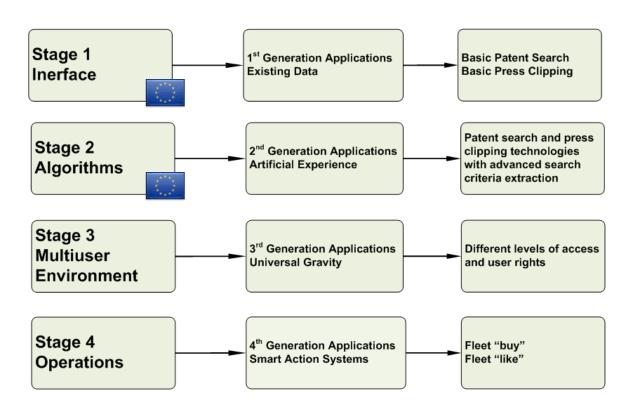
Appendix A

Scientific Research Program

Our R&D program consists of four stages that are product oriented. Each stage produces the means for creating certain functionality. Although complementary to each other these functionalities are technically independent and can be implemented on their own in software products other than the Gravity Control™ interface. The first two stages are already being implemented.

Any further R&D will be carried out by dedicated units, independent form the commercial application development units.

GRAVITY R&D STAGES



R&D Stage 1: Interface

This stage is in its final phase of implementation. It is dedicated to the building of a common model architecture and initial version of the database; functioning modules and unified diagrams for setting up the input data; user-interface interaction analysis; optimization.

After the research stage is completed the 1st generation applications need to be developed and launched.

R&D Stage 2: Algorithms

During that stage, we are creating: database and data structures design; multicriteria classifications entry; multilingual logical expressions and lexical match to a multi-criteria classifications database availability; lexical spectrum database model; analysis and writing of algorithms for extraction of criteria from the lexical spectra of documents, etc.

We are currently running out tests on 260 000 classes from the Cooperative Patent Classification and 6 million patent instances from the WIPO database and working on integrating customs, library and Eurostat classifications.

The Gravity Control™ interface of Stage 1 will provide effective and innovative ways of presenting the large amounts of analysed data.

After successful completion of this stage all efforts will be focused on the development of the 2nd generation improved applications "Artificial Experience". These will be technologies with the potential for advanced search criteria extraction and self-education.

R&D Stage 3: Operations

The main activities included in that stage are as follow: design of data structures and database model for internal system operations and document-extracted operations (e.g. web documents); creation of a module for internal system operations entry; creation of algorithms for operations recognition; creation of algorithms for operations extraction from objects and module for their entry into the system; analysis of the extracted operations and their relevance to the object type; results & reports.

After the successful completion of this research stage 3rd generation applications are going to be developed and launched - "Smart Action Systems".

R&D Stage 4: Multiuser Environment

This last stage in the R&D plan will include the following activities: creation of a multiuser environment model with its relative data structures, databases, sessions, communication protocols; research of the different available communications client-server in a multiuser environment; renewal of the common model architecture of the model based on the needs of the chosen communication models; analysis of access levels in competitive operations environment; analysis of access levels in hierarchical operations environment; etc.

After the successful completion of the last 4th stage the 4th generation applications with different access levels and users available would be developed - "Universal Gravity".

Further Patents

The company has 7 further related patents in the initial phases of patenting. More information on them is available on request.

Application Concepts

We developed concepts for different applications that you can view and download from our site.

A01 GRAVITY IN PATENT SEARCH - GRAVITY PATENTS™

A02 GRAVITY IN MEDIA MONITORING SERVICES - GRAVITY PRESS CLIPPING™

A03 GRAVITY FOR TRADEMARK SEARCH

A04 GRAVITY IN NUTRITION - ANTIGRAVITY NUTRITION ™

A05 GRAVITY IN WAREHOUSE AND LOGISTICS

A06 MUSIC AND VIDEO WITH GRAVITY - GRAVITY MUSIC™

A07 GRAVITYBOOKPILES

A08 GRAVITY IN FOOTBALL - GRAVITY FOOTBALL™

A09 GRAVITY BIBLIOGRAPHY

B01 GRAVITY PROJECT MANAGEMENT™

Further Readings

ABOUT THE DEVELOPER

A document with a description of the range of services and products, innovations, legal details, key staff members of the developer of the Gravity Control™ method.

BUSINESS MODELS

A range of business models implementable for the developed Gravity Control™ method with graphics and specifics.

PROJECT UNITS SYSTEM DESCRIPTION

A description of the designed specifically for the developed method project units system. Costs and details regarding each individual unit and the logic behind the whole system are provided.

INVESTMENT OPPORTUNITIES

Available upon request are details about different investment scenarios.

You can find all documents online on our website.