



# Corporate Pillars

## Session 2: 7-24-19

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Corporate Pillars is a program designed to emulate some of the conditions that contributed to success of Silicon Valley.

Essentially, we want to provide an environment where the large organizations become aware of the smaller/growth organizations within the region.

The goals of the program:

- 1) Exposure and Awareness.
- 2) To provide solicited feedback from Pillar organizations to assist the small/growth firm development.
- 3) Generation of interest for lead generation and referrals within circles of influence.

Corporate Pillars is a non-solicitation environment, establishing a comfort zone for the larger organizations to observe and comment freely without pressure.

- Each quarter, we'll conduct a 3-hour session.
- Each 3-hour session will allow 6 companies, 20 minutes each for presentation and Q&A.
- Any on-going discussion and/relationship development will be at the discretion of the participating organizations.

Development and improvement of the program will be based on experiential learning and feedback of the participants.

All information discussed and shared by companies should be consider proprietary and confidential.

Thank you for your interest and participation.

Dan Bell  
President  
Hampton Roads Innovation Collaborative  
The Region's Technology Council  
[danbell@hric.email](mailto:danbell@hric.email)  
757-373-6517



# Corporate Pillars

## Session 2: 7-24-19

### Agenda

- 3-3:30p Arrive, Meet & Greet.
- 3:30-3:50p - **Globalinx**
- 3:50-4:10p - **AVID**
- 4:10-4:30p - **Marathon Consulting**
- 4:30-4:45p BREAK with light refreshments served.
- 4:45 – 5:05p - **On Call Telecom**
- 5:05-5:25p - **Netaurus HoistCam**
- 5:25-5:45p – **757 Makerspace**
- 5:45-6p Open Discussion:
  - Program evaluation discussion.
  - How to improve.
  - Next Event.
  - Refresher Program.
  - Corporate Pillar Awards at the Sept 11 Tech Expo.

**All Information Contained Is  
Considered Confidential**



1632 Corporate Landing Pkwy, Virginia Beach, VA 23454

**Company overview (who, where, how long in business, how you started?)** Globalinx Data Centers is a secure Tier III carrier neutral multi megawatt data center and cable landing station campus in Virginia Beach developed to facilitate direct connectivity between subsea fiber and terrestrial fiber systems. In support of MAREA and BRUSA subsea cables, Globalinx has purchased 2 parcels of land consisting of 21.5 acres and a total of 285,750 square feet of data center and cable landing station space. Globalinx owns a colocation facility located at 3800 Village Avenue Norfolk VA.

Globalinx campus is located at 1632 Corporate Landing Parkway which is less than 600 meters away from Telixus cable landing station that houses the MAREA and BRUSA subsea cables. Globalinx Campus and Telixus are connected via Globalinx 2 X 864 diverse fiber networks for our clients looking to gain access to subsea cables via a cross connect from Globalinx. Corporate Landing Parkway is a Designated Data Park by Virginia's power provider Dominion Power. There is ample readily available power over 30mw and in close proximity to 1632 Corporate Landing Parkway Globalinx is fed by two diverse substations within the park. Globalinx offers N+1 with concurrent maintainable redundant AC/DC power and Globalinx campus is 18 feet above sea level.

Globalinx has been in business less than 3 years. How we got started was when Spanish subsea company Telefonica (Telxius) announced a joint venture to link Bilbao Spain to Virginia Beach with the MAREA subsea cable. It was an innovative project driven by Telxius, Microsoft, and Facebook with plans to reach their data centers located in Boydton and Henrico County. Shortly after the MAREA announcement Telixus added another subsea cable of their own BRUSA linking Puerto Rico, Brazil, and Rio De Janeiro to Virginia Beach and Globalinx was quick to recognize the opportunity that Telixus was bringing to Virginia Beach. Greg Twitt CEO and Founder of Globalinx vision was to purchase land on Corporate Landing Parkway and offer Virginia Beach with the very first and only Tier III carrier neutral data center campus that would provide direct international connections to subsea cables and build a technology ecosystem for Virginia Beach.

**Virginia Beach Subsea Cable Landing Zones:** Virginia Beach has 2 Subsea Cable Landing Zones located at Camp Pendleton and Sandbridge. Currently BRUSA and MAREA come into Camp Pendleton before making terrestrial landfall into Telixus Cable Landing Station on Corporate Landing Parkway. Over 4 miles of lanes within the ocean in and around Camp Pendleton and Sandbridge are getting tight so Globalinx is taking an initiative to implement in Virginia Beach a Subsea Cable landing zone protection for future international subsea cables landing in the Virginia Beach corridor.

**Is your firm pre-revenue or revenue generating?** Globalinx is currently a pre-revenue generating company however we do have signed agreements with various carriers and commitments from enterprise clients.

**Types of Service?** Globalinx offers secure colocation services and interconnection/cross connect products to suit the needs of all business types. Customizable and tailored cabinets and cages that address a wide range of colocation needs and scale easily as tenants grow. Interconnections will provide opportunities to connect to customers and partners, peering exchanges, cloud communities. Cross connects will allow for all clients to have a high performance and secure fiber network to gain access to the MAREA and BRUSA cables via Globalinx campus on our diverse 2 X 864 fiber network. An open cloud exchange will allow for a secure one to many connections to a variety of cloud providers. Remote hands assistance from highly trained technicians. Move in assistance from a project management for installations and deployments within Globalinx campus. Globalinx will offer an advanced MMR Meet Me Room which will provide an opportunity for communication firms to exchange data with major telecom carriers and Internet service providers that will all be housed within Globalinx.

**Who are your customers?** Globalinx is under strict NDA with our customers however we can mention some of the carriers that will be coming into our data center which consist of: Cox Communications, Windstream, Segra, Zayo, Hurricane Electric, and MFN.

**What/who is your market?** OTT'S, hyperscale providers, enterprises, financial institutes, medical industries, military, education, and local municipalities. Globalinx caters to small, medium, to large enterprises located international and in North America.

**What are your differentiators and makes you unique?** Globalinx is the only data center that can provide zero latency via a cross connect to Telxius for customers to gain access to the MAREA and BRUSA subsea cables. Globalinx is the only data center and CLEC that provides a diverse fiber network for customers to enable redundancy to gain connectivity to MAREA and BRUSA subsea cables located at Telxius. Outside of Globalinx having 2 X 864 diverse fiber network connecting our campus to Telxius, Globalinx also has an additional 2 X 864 fiber network on Corporate Landing Parkway for carriers to purchase dark fiber on an IRU or Lease basis. Globalinx is the only Tier III carrier neutral data center that resides in Virginia Beach and our campus is situated 17 feet above sea level.

**Who is your competition?** The only competition Globalinx has is QTS located in Richmond and Equinix in the Ashburn corridor. Globalinx differentiators really help us with competition as Telxius has extending their fiber network to QTS Richmond and Equinix Ashburn however customers need to purchase cross connects at each of those locations from Telxius and Telxius needs to backhaul that circuit/service via their network back to Virginia Beach. This model is expensive for customers as there is no diversity and also there is to many points of failure on Telxius network where the long-haul circuit can get cut and have an outage. Customers want to be in close proximity to subsea cables and don't want to have to purchase expensive cross connects and long-haul connectivity for access to MAREA or BRUSA.

**Technology Roadmap/Strategy?** Globalinx roadmap and strategies have already been established. Our strategy from the start was to not only the biggest fiber presence within Telxius cable landing station with our diverse 2 X 864 fiber network but to also have a big fiber network presence on Corporate Landing Parkway as well with a separate 2 X 864 fiber network. From a strategy perspective our diverse 2 X 864 fiber network extending diversely on Corporate Landing Parkway from the corners of both General Booth and Dam Neck will allow for carriers to not have to do their own OSP (outside plant work) which will save carriers money/time and drive an additional revenue stream for Globalinx.

**Marketing/Sales Roadmap and Strategy?** From a marketing perspective over the past year Globalinx has had a lot of exposure in the media via outlets such as Submarine Telecoms Magazine, Telecom Ramblings, Capacity Media, Data Center Hawk, Data Center Dynamics, and PR Newswire just to name a few. Globalinx have taken to social media outlets as well such as Twitter and LinkedIn to gain additional exposure in getting the Globalinx brand out in the marketplace. Globalinx has participated and attended many events put on by the industry such as PTC, Metro Connect, ITW, NANOG, and Subsea EMEA event in Marseille. From a sales strategy we are currently attending local Virginia events sponsored by NVTC Northern Virginia Technology Council and (HRUHCA) Hampton Roads Utility & Heavy Contractors Association. We are also applying our prospecting efforts targeting Hampton Roads Major Employers and Globalinx will be looking into joining the local Chamber of Commerce within the Hampton Roads corridor. Just recently Globalinx hosted an event put on by Timmons "Commercial Coffee Hampton Roads" which was a well-attended event.

**Growth plans and needs to help grow?** With Globalinx having 2 separate campuses consisting of 21.5 acres our growth plan will consist of 3 more phases. Globalinx phase II will be a combination of a cable landing station and Tier III carrier neutral data center which is comprise of 25,000 square feet. Phase III will be a Tier III carrier neutral data center 115,000 square feet and Phase IV will also be a Tier III carrier neutral data center with 135,000 square feet. In terms of needs to help grow having future subsea cables making their way into Virginia Beach is critical. Fortunately, there are a minimum of 3 that are targeting Virginia Beach now and Globalinx is in a very good position to offer them a CLS to land their SLTE and PFE equipment. Subsea Cables will help drive enterprise tenants to our facilities for immediate and future growth. Locally as it relates to the Hampton Roads corridor, we need help with awareness of who and where we are and getting more exposure. Globalinx truly feels that there is a demand in the Hampton Roads Area for enterprise clients that need disaster recovery as it relates to redundancy of their mission critical applications and entire IT landscape needs.

## Company overview

AVID LLC opened for business in 2002. It originated as a partnership developed through relationship that started in a consortium of Virginia Tech, NASA and industry. We started the company to develop advanced design software for unmanned aircraft.

AVID grew through its partnership with Honeywell to be its lead design team for hovering unmanned aircraft. When the Army stopped the program in 2011, the partnership with Honeywell came to an end as well.



**Figure 1. AVID Designed Systems during Honeywell Partnership**

AVID is currently owned by the Gelhausen family, with Paul Gelhausen as the managing member. The headquarters for AVID is in Yorktown, VA at 120 Newsome Dr., Suite A.

## Company revenue

Over the past several years, AVID revenue has ranged from \$800k to \$1.6M.

### Is your firm pre-revenue or revenue generating?

AVID generates revenue through its research and development contracts and also through the sale of software products.

### Products and/or services.

AVID has software products for the design and development of advanced aircraft, including manned and unmanned vehicles. Primarily, our software supports the design of unmanned aircraft.

AVID is also developing a ducted fan UAV for industrial/civilian applications. The Sora/Watchman product line will be quieter, safer and more reliable than the current cadre of multirotor vehicles. AVID is leveraging the investment made by the DoD in the ducted fan and its experience in VTOL systems to develop a more efficient and more secure system for the future.



www.avid aerospace.com

120 Newsome Drive, Suite A, Yorktown, VA 23692, 757.886.2611, Fax: 757.886.2615



Model	EDF-8 Outdoor	EDF-8 HazMat	EDF-8I Indoor	EDF-8T Watchman
Diameter	8"	8"	8"	8"
Payload (lbs)	1	1	1	1
Endurance	30 min	30 min	30 min	persistent
Primary Uses	Industrial inspection, operations	HazMat & Radiation Emergency Response	Inspection of enclosed spaces	Developed for Persistent Surveillance

Figure 2 AVID Ducted Fan Product Line

AVID markets its MFC driver board for use on projects that implement the MFC actuation system. Our aeroelastic design process enables the optimization of size, weight and power for various applications of this highly reliable flight control actuation system.

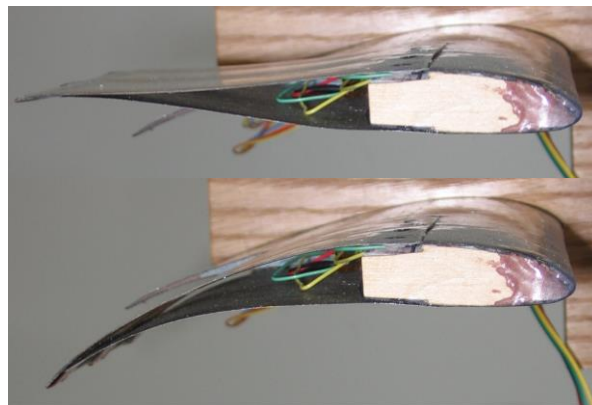
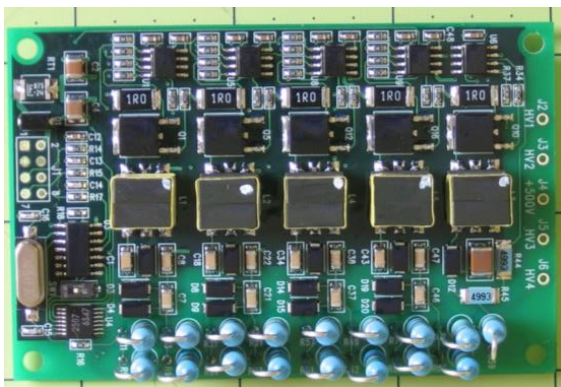


Figure 3. MFC Driver Board and Morphing Small UAS Wing

### Who are your customers?

Most of our revenue is generated through contracts with the Navy, Army and Air Force R&D divisions. AVID has performed 18 Phase I SBIR contracts through its 17 years and has been awarded 10 Phase II contracts. Currently we are waiting on the 10<sup>th</sup> contract to be finalized. One Air Force Phase II has had multiple extensions and is expected to transition to a Phase III award in FY 2020.

Boeing R&D and Boeing Defense Systems purchase AVID software on an annual basis.

In the development of our UAV product AVID has partnered with companies that have specific expertise in the product focus area. Most recently, AVID has teamed with ASG-Inc who has expertise and a customer base in HazMat response. This strategy allows us to join our expertise in UAV platform development with a customer who has expertise that is relevant to a specific task.

Other partnerships with respect to the ducted fan are in discussion.



[www.vidaerospace.com](http://www.vidaerospace.com)

120 Newsome Drive, Suite A, Yorktown, VA 23692, 757.886.2611, Fax: 757.886.2615

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## What/Who is your market (solutions offered, total market size)?

The first responder market consists of about 25,000 fire departments in the United States. We are also marketing to Dept. of Homeland Security, energy companies, and petrochemical companies for the hazardous material response vehicle.

The tethered system is of interest to DHS, communications and shipping companies. We expect this market to be on the order of 100's of systems per year.

## What are your differentiators and makes you unique?

The ducted fan is a higher efficiency vehicle that protects the surroundings from the propeller. It creates more lift in a compact system and will be more robust in industrial applications where toughness is a requirement.

We believe that the ducted fan will also be more acceptable for flight around "non-participating" personnel. The likelihood of injury due to impact is very small when compared to a comparable multi-rotor vehicle. It can also be made to be significantly quieter if that is a requirement.

The tethered ducted fan is predicted to be much more capable in winds than a multi-rotor and can operate from a single box thereby reducing logistics footprint.

## Who's your competition?

There are a few companies that are vying for the industrial UAV market. Most of them are in the price range of the AVID EDF-8 Family of UAVs, but most do not meet the performance, safety and noise that we can achieve.

AscTec has developed the Falcon 8 drone that was then purchased by Intel. It has redundant rotors, but not much in the way of safety

Micro Drone has a couple of larger professional systems

DJI Matrice is a larger drone that is used for industrial purposes

Flyability has an enclosed system but lacks endurance and payload.

## Technology Roadmap/Strategy.

AVID is continuing to work with the DoD customers to build solutions that meet their needs. We will leverage those systems and developments to also build the civilian solutions.

We have developed a modular architecture around the current flight computer and our own proprietary flight control system. This enables us to have control over the flight software and stronger cyber-security than the more open source options.

Once performance and robustness become more important to operators, AVID's products will be the most attractive hovering vehicle for the small unmanned system. There is significant data gathered from Defense Department operations to show the advantages.

AVID is focused on making the current size available and develop our initial sales around that platform. As the customer base builds, we will add payloads and features to improve. That will be followed by a family of larger vehicles that can carry larger payloads and fly longer.





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Our approach has been to self-fund as much as possible. If there is an investor with compatible with AVID vision, we will entertain.

### Marketing Roadmap/Strategy.

AVID continues to build on its DoD experience and markets its products and services through the SBIR system. We leverage the opportunities provided to show our products at trade shows and forums.

AVID is working with strategic partners to sell into various markets. The EDF-8 HazMat will be sold by ASG-Inc. as part of their HazMat product line.

We are also working with some large companies on the tethered system for several applications. A company that specializes in UAV systems for DoD applications is working with us to add to their product line.

AVID is also successful at developing proposals for various solicitations.

### Sales Roadmap/Strategy.

We will work with strategic partners to push out for sales opportunities. Working with the large companies and service providers will be our fundamental strategy. AVID is in contact with several of the large industrial service providers and companies that desire a common system that AVID's products can serve.

### Any Intellectual Property and how will you monetize it?

AVID has a couple patents. One significant patent is on the use of macro-fiber-composite materials for control actuation.

AVID has SBIR data rights for various configuration and other technologies. Those can be converted into patents when the timing and market make sense.

AVID protects its ducted fan technology as trade secrets and limits the dissemination of that information. While some of the basic concepts are more than 50 years old, the data and knowledge contained in our data, codes and processes is difficult to replicate.

### Growth plans and needs to help grow.

AVID is planning on performing assembly, integration and testing in Yorktown. We have supply chain developing for the parts that go into the UAV. The software and testing will remain AVID's intellectual property. We expect to begin building the workforce as soon as the initial sales develop.

### Challenges (technology, marketing, funding, workforce, city/state business support).

Small business is hard, so fundamentally, our challenge is a steady cashflow that supports our customers and allows us to build our product line.

The UAV test range in Yorktown will be a great asset for our community and we are looking forward to the opening. Other testing facilities are both expensive and difficult to use as a small business.





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**Opportunities (including funding with any others).**

AVID is continuing to work with the Navy to develop future UAV capabilities. We see that once the products and testing can begin, there will be a large set of opportunities that will emerge.

**Anything not listed but that you'd like to discuss.**

AVID is committed to building a technology/manufacturing company in Yorktown. We look forward to collaborating with companies as opportunities become available.



4525 Columbus St #200, Virginia Beach, VA 23462

## Company Overview

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- Founded in 2006 by 4 Founders
- Headquartered in Town Center Area of Virginia Beach, with a second office In Richmond (2016)
- IT Consulting Services Firm – “Real Value Through Technology”
- 90 IT Consultants with average 15 years’ experience
  - 95% with a bachelor’s degree
  - 18% with advanced degrees
  - Turnover rate of less than 15%
- Deliver services via Managed Projects (Marathon Managed), or Staff Augmentation (Client Managed), On-Call Agreements
- #1 Best Place to Work in Virginia in 2016 – Small Business Category

## Marathon Revenue

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Marathon is a revenue generating company that has prided itself in maintaining consistent solid consistent growth.

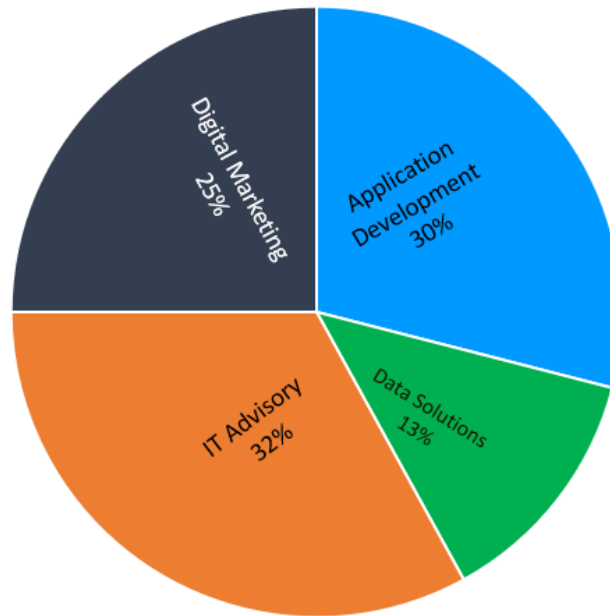
- Member of Inc 500/5000 list for 9 years straight since 2010
- 2018 Revenue - \$12.1 million

## Products / Services

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Marathon has four core service areas:

- Application Development
  - Concentration of custom application development for Web / Mobile / Desktop
  - SharePoint Development/Migration/Configuration
  - Enterprise Application Configuration and Customization
- Data Solutions
  - Reporting and Visualization
  - Data Integration and Data Warehouse
  - Data Science and Analytic Services
  - Expertise in Cloud Computing / Big Data / Machine Learning
  - Database Administration/Monitoring/Health Checks
- IT Advisory
  - Project Management and Business Analyst Services
  - Execute Package Software Selection / Software Evaluation / IT Assessments
- Digital Marketing
  - Website Design and Development
  - Web Analytics and Search Engine Optimization (SEO)
  - Pay Per Click (PPC) and Social Medio Marketing Services



## Customers

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- Private Medium and Large Business across Hampton Roads and Richmond, including large publicly traded companies
- Multiple Local and State Agencies served
- Also have expanded beyond the Virginia area via unique service specialties
- NOT a federal contractor

## Differentiators

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- *Experience, Experience, Experience* – Marathon’s team is comprised of a local Fulltime Salaried staff (no third parties)
- *All* of Marathon’s 350+ clients *are referenceable*
- *A 100% Success Rate* – Marathon managed services track record
- *Breadth of Services* – clients routinely invite us back for services unrelated to the initial engagement
- *Continuity* – Our low turnover rate enables clients to leverage our knowledge of their particular situation
- Our Project Methodology virtually guarantees success of our managed projects
- **The Quality of our People**

## Growth Roadmap / Strategy

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- Technology
  - Marathon is working on continue to identify specialty service offerings to package and market to clients
    - Examples
      - Website Audit / ADA Audits
      - SQL Server Health Checks
  - Constantly evaluating and expanding service offerings into new areas
    - Examples
      - Data Analytics
      - Cloud Computing
- Marketing
  - Leveraging the Digital Marketing team and constantly refining marketing plan and priorities based on the current state of the business
- Expansion
  - Replicate the Marathon story/expertise/culture in other areas
  - Current focus is on the Richmond market



## Challenges

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1. Recruiting
  - a. **Challenge** - Our biggest impediment to growth is finding the right talent.
  - b. **Mitigation Strategy** – Having our recruiting lines in many areas, by supporting the local community, reaching out of market, and becoming active recruiters at the schools.
  - c. **Pillar Support** – To support local programs and to keep pulling talent to the area.
2. Technology
  - a. **Challenge** - With the fast-changing world of technology our clients look to Marathon to provide advisement on the growing trends
  - b. **Mitigation Strategy** - Marathon invests in training and bringing those skills and technologies to projects we are working on, but it still is a challenge to keep up and develop demand in these skills
  - c. **Pillar Support** – If there is a demand for a new specific skill, check with Marathon first before pulling in an out-of-area expert.
3. Client Support
  - a. **Challenge** - Marathon stays away from contract-to-hire side of the business. We look to build and invest in a strong staff, so they are always ready and around to serve our clients. Occasionally, clients will try to hire our people once they see our quality.
  - b. **Mitigation Strategy** – We have strong service agreements in place to prevent this, but sometimes we must remind clients about these agreements.
4. Expansion
  - a. **Challenge** - Duplicating our recipe for success in another Geographic Region
  - b. **Mitigation Strategy** – Lots of trips and support by Marathon executives in the expansion into the Richmond market. Not compromising on new hires in the market and build from the Marathon consultant mold.
  - c. **Pillar Support** – If there are any connections to counterparts in Richmond, we would be open to introductions to help us grow.
5. Cost Pressure
  - a. **Challenge** - Organizations key in on the hourly rate instead of the value provided and put a lot of pressure on cost.
  - b. **Mitigation Strategy** - We feel that the quality provided by our people is to a level where they provide more than enough value for the price differences.
  - c. **Pillar Support** – Keep in mind the value you gain from consultants from different vendors and work that into your cost considerations. Also remember, **local** investments can reap huge benefits to the **local** community.



477 Viking Dr Suite 110, Virginia Beach, VA 23452

### **Company Overview**

OnCall Telecom International is an award-winning technology management and cloud-enablement organization based in Virginia Beach. OnCall Telecom has been working with leading enterprise organizations in the design, deployment, and management of communications, cloud, connectivity, and collaboration solutions.

OnCall Telecom International, LLC was formed in 2009 in Virginia Beach, VA by John E. Finguerra and Delegate Glenn Davis after seven years of running Comverge, Inc.

OnCall Telecom has its corporate offices at 477 Viking Drive, Suite 110, Virginia Beach, VA 23452 with remote team members in N. Virginia and Raleigh.

The key executives include John E. Finguerra, President, Lucas Salvage, Sr. VP of Business Development and Cloud Strategy, and Bryan Riley, VP of Operations.

### **Company Revenue**

Year-end 2018 revenue @ \$2.1 million with \$12 million of annual technology spend under management. 100% of our revenue is derived from residual or one-time commissions earned from our solution partner portfolio.

### **Is your firm pre-revenue or revenue generating?**

OnCall Telecom is revenue generating.

### **Products and Services**

Project Management  
Telecom Invoice Auditing and Management  
Unified Communications as a Service (RingCentral, 8x8, Nextiva, West, CBTS)  
Contact Center as a Service (inContact, Five9, TalkDesk, Serenova)  
Messaging (Office365, Google Suite)  
Infrastructure as a Service (RapidScale, EvolveIP, Effortless Office)  
SD-WAN (Aryaka Networks, CATO, Cisco, Velocloud)  
SIP Trunking (CenturyLink, Intelepeer, AT&T, Verizon)  
IP (Zayo, Level3, ACC Business)  
Colocation (QTS, Flexential, Equinix, Coresite)  
Wireless (Sprint, AT&T, Verizon, T-Mobile)



### **Who are your customers?**

In addition to our hundreds of SMB clients, our notable enterprise client base includes such organizations as, but not limited to, the following; Bell Techlogix, Canon ITS, Clark Nexsen, Colliers International, Dixon Hughes Goodman, Haynes Furniture, Liberty Tax, MAP Communications, Operation Smile, Patient Advocate Foundation, Patient First, PRA Group, Schewel Furniture Company, Tidewater Physicians Multispecialty Group, Towne Bank.

### **What/Who is your market?**

With the rapid growth and development of the XaaS market for organizations of all sizes, OnCall Telecom's client's will benefit from our focus, agility, and expertise on as-a-service solutions for communications, compute, security, and connectivity platforms. We will identify and engage clients who may be looking to reduce capital expenditures by migrating to OPEX models for their communications and compute infrastructures as well as help organizations optimize their use of new technology designs and pricing structures.

### **What are your differentiators and makes you unique?**

While some components of our solution portfolio are easily obtainable through alternate channels or means and our general core practice areas are undeniable common, OnCall Telecom does provide the highest level of expertise in cloud strategy development, strategic solution sourcing, project management, and customer service under a single entity and team structure.

### **Who's your competition?**

Most carriers of today do not invest heavily in direct selling models. While some companies in the Tidewater area have large sales teams, the fragmentation and decline of the direct selling model by a majority of the primary network service providers has opened the door for OnCall Telecom. OnCall Telecom fills a much-needed resource gap in account management, technical consulting, and customer service. OnCall Telecom is re-creating that high-touch consultative approach that was prevalent years ago but no more. Carriers account executives are driven by quota pressure to bring in new business leaving little time to support customers beyond the initial sale. Despite their best intentions, the relationship with a customer is concentrated around contract signatures, because that's how they are compensated. OnCall Telecom is compensated by a small percentage of our customers' monthly billings over the life of the contract. It is in our best interest to do everything we can to keep our customers happy and successful.

### **Technology Roadmap/Strategy.**

We will continue to add products and solutions to our portfolio from strategic partners that leverage and promote alternate or in-direct channel models or channel-integration strategies.



### **Marketing Roadmap/Strategy.**

Continue to invest in Hubspot for CRM and inbound marketing and leverage our carriers for drip marketing campaigns, collateral, and case studies.

### **Sales Roadmap/Strategy.**

We will turn our growth focus to security and creating opportunities for former CIO's, CISO's, and VP's of IT and Infrastructure to become Managing Partners of OnCall Telecom. With great brand equity, proven track record, and back-office financial and operational support, we can leverage their skills in end-user environments to help C-Suite executives make strategic decisions regarding their technology and security practices. We will seek opportunities to provide vCIO services on a retained or project basis to help business owners and enterprises gain the strategic and tactical leverage needed to make the communications, applications, and infrastructure move to the Cloud.

### **Any Intellectual Property and how will you monetize it?**

No IP.

### **Growth plans and needs to help grow.**

We will need incremental financial and technical resources in inbound marketing, social media, and SEO to ensure that we can be found on the Web. Our current selling strategy is inefficient and unscalable.

Additionally, we will continue to work with hardware VAR's and IT MSP's that want to build residual income models through their sub-agency work with OnCall Telecom.

### **Challenges (technology, marketing, funding, workforce, city/state business support).**

Marketing is an ongoing challenge and focus area.

### **Opportunities (including funding with any others).**

We will continue to add key sales people with experience in enterprise sales and account management as well.

We will identify opportunities to roll-up other sole practitioner or small telecom agencies under our brand.



Christopher Machut  
4855 Brookside Ct, Ste B, Norfolk, VA 23502 USA  
[www.netarus.com](http://www.netarus.com)  
+1 (757) 819-4600 x515  
[chris@netarus.com](mailto:chris@netarus.com)



**Management:**

CEO, Founder – Chris Machut  
President – Mark B. Shaw  
Dir. of Manufacturing – Lewis Crenshaw

**Business:** Safety and Productivity Technology for Industry

**Market:** Construction, Industrial, Marine, Transportation / Big Data, IoT, AI and Blockchain

**Number of Employees:** 3FT, 2PT

**Year Company Founded:**  
Acquired 2015; First system 2012;  
Founded 2002

**Legal Structure:** LLC

**Accounting Firm:** Cherry Bekaert

**Law Firm:** Law Office of Joel Ankney, PC

**Business Description:**

Netarus, LLC develops hardware and software solutions to improve the situational awareness of heavy equipment operators and off-site managers. Netarus' focus is on the untapped \$1.7 trillion market in the U.S. construction, industrial, marine and transportation material handling industries. Netarus developed its analytics engine in 2015 in an effort to fix the disconnect between on-site and off-site construction operations by the use of video imaging, strategically placed sensors and video analytics in manned and unmanned data collection systems. The company's initial product, HoistCam, is video capture hardware consisting of (1) a ruggedized wireless camera mounted on heavy equipment such as a crane and (2) a wireless monitor and receiver placed in the operator's cab of a crane. Netarus' HoistCam Director system records the data along with other camera and sensor data feeds supplied by UAVs / drones, stationary video systems or standalone Internet of Things (IoT) devices. The data captured from Director is pushed to the "cloud" for storage and automated analysis of job site activity such as confirmation that "as-built" images align with site design plans. This post processing data capture and analytics engine is called SiteTrax.io, which can store the data immutably on a blockchain where tokens can be purchased, traded and exchanged for access to the content.

**Value Proposition:**

Netarus' solutions create a paradigm shift in the material handling industry by reducing operational costs and increasing productivity. Netarus has established programs with insurance brokers and agencies to reduce insurance rates while existing customers have seen productivity increases from 20% - 60% using the HoistCam system. Netarus' platform is a cohesive architecture that improves efficiency for field operators while allowing off-site supervisors, technical staff and managers the ability to access and evaluate all work accomplished. As a result, office engineering staff no longer react to job site reports or weekly job site surveys but shift to a proactive mode of operation that alerts them to

problems, issues and inefficiencies as they occur in real time. A trial of SiteTrax.io determined that the data generated from a jobsite could have prevented a \$7,000 concrete slab blow out within 1 minute of reviewing the results. In addition, the original and analyzed data can be stored on the blockchain to archive and monetize the content for the owner of the data. Netarus has introduced true, corporate-wide situational awareness in an industry where point to point radios are still considered high tech.



Netarus has accumulated 9 case studies on HoistCam at <https://www.hoistcam.com/proof>. The latest case study was conducted with a steel mill in California where HoistCam reduced their overhead crane incidents by 90% and increased productivity over 20%. This implementation of HoistCam generated millions of dollars in savings directly to the customer's operations.

### **Management:**

Mark Shaw, President. Mark is a proven manager and growth oriented executive. He joined Netarus in 2013 to grow sales and manage the operations during Netarus' transition from a start-up to a growth-oriented company. Prior to joining Netarus, Mark owned and managed the ship repair company, M.B Shaw Co., as well as Virginia Automotive Systems, with annual revenue exceeding \$8 million. Both companies were successful growth and sales stories. Full time.

Chris Machut, Founder and CTO. Chris provides Netarus significant expertise in IT, software, communications and systems engineering. Prior to founding Netarus, Chris started and operated an innovative offshore software-based call center business. The sales lead generation techniques and contact management tools from that business are the foundation of Netarus' CRM platform and philosophy. Full time.

Lewis Crenshaw, IDSA, PMP, Director of Design and Manufacturing. Lewis is an experienced team leader, manufacturing manager and seasoned product developer. As a certified Project Management Professional, he managed the design and manufacture of multiple "global-first" products for BriarTek, Inc., the largest manufacturer of maritime safety and survivability equipment in the world. Part time. As revenue continues to build, Lew Crenshaw will be brought into a full-time role focused on manufacturing and consulting operations.

### **Products/Services:**

- **HoistCam (Revenue)** - wireless camera system increases safety and productivity for heavy equipment operators by providing direct line-of-sight operational video feeds
- **Director (Revenue)** - remote access for management to monitor and record job-site data
- **SiteTrax.io (Pre-Revenue)** - automatically analyzes data captured by Director within the cloud. Facilitate two separate but important key roles: data capture and analytics with Artificial Intelligence (AI).
  - Most analytics companies offer a specialized niche on a specific type of data analysis while requiring the end user to capture and store the data on their own.
  - Big data capture companies store the information for their customer, but do not provide an automated, easy to use means to interpret the data in near real-time.
  - Confidentiality of data in the cloud is very important to businesses and is a significant concern with "cloud storage". By leveraging the SiteTrax.io blockchain, original and analyzed data can be encrypted and stored immutably on the SiteTrax.io blockchain for future access where access can be monetized when the data is originally stored and each time it is accessed.

### **Intellectual Property:**

Netarus will be filing patent applications with strategic funding. Prior to funding, Netarus uses trade secrets to mitigate competition and constantly innovates the product functionality of its offerings.



## **Markets:**

Netarus' HoistCam camera platforms are fundamental for significant safety and productivity benefits including the potential advanced analytics of SiteTrax.io. Netarus' target markets for the HoistCam platform are construction, industrial (steel), transportation and maritime material handling industries with revenues over \$100MM per year.

*Hardware - HoistCam:* There are over 120,000 active cranes in the U.S. Worldwide there are over 1,000,000 pieces of heavy equipment that can utilize the solutions provided by Netarus in the construction, industrial, marine and transportation markets. Netarus has generated revenue of more than \$1.6MM+ in HoistCam systems across 200+ businesses since December 2015.

*Software - SiteTrax.io - Big Data with Data Analytics:* The data captured and data analytics generated by hardware such as HoistCam and drones are part of a market that is growing at an impressive rate. It is composed of three distinct components: software, services, and infrastructure. These account for 19%, 44%, and 37% of the total market. According to International Data Corporation (IDG), Netarus' primary submarket for HoistCam Director with SiteTrax.io will be the software subsector (\$5.244B) which is the smallest, yet fastest growing, of the big data markets. In 2015, IDG Enterprises conducted a survey of small to medium size enterprise business on the effects of big data. IDG found that companies were planning to spend an average of \$7.4M on big data over the FY2015 with large enterprises spending \$13.8M per company and small to medium size businesses spending \$1.6M per company.

## **Sales and Marketing:**

Netarus is establishing itself as a global leader in the big data and analytics marketplace through education, word of mouth and proactive marketing to its customers and through industry associations. Netarus is capturing market share and mindshare by emphasizing its sales and marketing objectives through:

- Internal sales team
- Distributors, dealers and representatives
- Trade Shows (ConExpo, Bauma, World of Concrete, SC&RA)
- Insurance brokers and agencies
- Industry associations
- Equipment OEMs
- Website and social media (LinkedIn and Facebook)
- Customer retention / repeat customers
- One-time revenue – HoistCam hardware
- Recurring revenue – Director / SiteTrax.io service

Internationally, Netarus has established HoistCam dealers in the UK, France, Canada, India, Mexico, Argentina, Australia and is currently negotiating representation and distribution for multiple other countries. All of this is tracked inside of Netarus' CRM (Customer Relationship Management) platform.



**Competition:**

*HoistCam Hardware Competitors:* (1) Orloco, a Scandinavian firm with a full line of cameras for heavy equipment, but weakness in the wireless arena, (2) Pacific Systems, a Hawaii-based construction wireless camera company, (3) 4Site Technologies, a new competitor as of 2015 located in Washington State, (4) BlokCam, a UK-based construction camera company recently emphasizing wireless cameras in 2016.

*SiteTrax.io Software Competitors:* There are many analytics companies that provide the ability to analyze and store video and sensor data. The challenge grows when the analytics companies focus on processing only a few specific types of data. This results in a multitude of analytics packages and data capture sources that are very costly and time consuming to use. Typically, a customer would have to go to large consulting firms such as GE, IBM or Microsoft to develop an in-house custom solution. SiteTrax.io is positioned as the single source via software licensing, token/coin offering and development to quickly and easily generate, capture and analyze job-site visual sensor data.

**Financial Projections:**

Currently, approximately 70% of revenue has been generated through direct sales, with the balance coming through a growing network of dealers and distributors. Netarus focuses its sales and marketing material toward safety directors on the corporate level and site supervisors/superintendents operating in the field. Netarus actively works with manufacturing reps, dealers and distributors in construction, industrial, marine and transportation markets to leverage our partners’ connections and expertise in cranes and heavy equipment. Netarus has bootstrapped its R&D and market research effort while leveraging its dealers, representatives, and distributors to develop the corporate brand and provide indirect sales. The list price for the basic HoistCam solution is \$4,500 to \$12,000 with recurring revenue for the cloud-based Director / SiteTrax.io software platform. Gross margins on direct hardware sales are 60-70% (Hardware COGS 20%) with 30%-40% when sold through dealers, while gross margins on software sales are projected around 80%-90% when included with the hardware. With the addition of the SiteTrax.io blockchain, access to content can be monetized through the SiteTrax.io interface.,

	2014 (Actual)	2015 (Actual)	2016 (Actual)	2017 (Actual)	2018 (Actual)	2019 (Projected)	Year 1	Year 2
<b>Revenue</b>								
<b>Hardware</b>	308,000	240,000*	280,000	380,000	450,000	500,000	500,000	1.1MM
<b>Analytics</b>	0	0	0	0	30,000	0	50,000	50,000
<b>Total Revenue</b>	308,000	240,000	280,000	380,000	480,000	500,000	550,000	1.15MM

\*Acquisition restructuring from GM Engineering Services, LLC to Netarus, LLC.



**Challenges:**

Netarus will use the bulk of the proceeds from the equity financing to:

- Add sales professionals and strengthen the dedicated dealer management team
- Marketing efforts
- Manufacturing and support staff
- Intellectual property and engineering of HD wireless transmitter based on proprietary specifications
- Netarus is open to various on-going financial agreements including exit strategies from purchase or acquisition when timing is appropriate.



# Welcome Home to 757 Makerspace

Located in Norfolk, Virginia 757 Makerspace was established in 2013 to provide a community workshop, studios, tools, equipment and classes focusing on design, making things and prototyping. In our 28,000 square foot “Dream Factory” you will find:

- a great selection of tools for wood, metal, textiles, plastic, jewelry, and electronics
- instruction on the safe and efficient use of these tools
- space to make things
- a welcoming community of interesting, creative people making things

Whether you're an artist, engineer, inventor, student, fabricator, entrepreneur, hobbyist, or all of the above, this is a place to actively make your future. Visit us for a free tour — we're located in the historic railroad district, minutes from Downtown and the Ghent area. Take safety classes on the tools you need. Start your membership for a day, month, quarter, or year. Why join 757 Makerspace?

- **Access the tools to make anything...** Have you ever wanted access to tools and equipment you don't have at home? We have the state-of-the-art 3D printers, laser cutters, sewing lab, robotics, electronics, a fully outfitted woodshop, metal shop, forges, kilns and more to create with. We invest in equipment and infrastructure and continually update and upgrade it, so you don't have to.
- **...and how to use them.** We offer hands-on classes, workshops, one-on-one tutorials, and consulting to get you enough knowledge to be dangerous, so you can go from an idea to making it yourself faster than you ever thought you could. We've been called a “gym for innovators,” with the equipment, space, and knowhow to work out your maker muscles.
- **Learn how to make, do, fix, build, design, and create anything.** Got something you've always wanted to try? Becoming an expert at watching YouTube tutorials? We offer classes and workshops to get you going and actually making. From microcontrollers to metalworking to sewing to upcycling crafts to e-textiles, we have new classes all the time that will give you hands-on experience you can't get anywhere else.
- **Kids STEM/STEAM through play:** Our Makerspace Cadets classes have been our most popular offering for five years. More than 500 kids' classes in, we're still dreaming up creative, fun ways to engage kids in learning and creating with skills to help them thrive in their future of school, life, and work. Come learn with us every Saturday. Educators – We love working with schools, institutions, and organizations to set up your own MakerLabs or class series.
- **An AWESOME, active community of makers, dreamers, and doers.** Our AWESOME members are our greatest resource. You all are the people behind the jigsaw, programming the 3D printer, spooling the sewing machine, and sketching on the whiteboards to make things happen. The 757 Makerspace member community is there to help you out, spitball, brainstorm, share, create together, and support each other. We're always amazed by the ways we see members stepping up to help each other learn, do, and problem solve.
- **Want to share your story or hear others'?** We host talks and events for members to share their passions – what they've learned, what they're working on, and why they're doing it.
- **Dirty space:** Get out of the house, free up your garage, and take advantage of our community and amenities to get your projects done. From tabletop electronics to renovating a school bus into a skoolie, the Dream Factory can be your home away from home and friendly accountability for you to tinker, learn, and get that dream project done.
- **24/7 access to our fully outfitted Dream Factory:** Membership gives you 24/7 access to space to work in, make, and create anything you can imagine. [Schedule a tour today.](#) Let's make something **AWESOME** together!

## Company Overview:

Established June 2013, three-month beta period/build-out. September 2013 public opening. In operation for 6 years.

757 Makerspace  
[www.757Makerspace.com](http://www.757Makerspace.com)

The Dream Factory  
237 W. 24th Street  
Norfolk, VA 23517

Beau Turner CEO & Creative Director  
[beau.turner@757makerspace.com](mailto:beau.turner@757makerspace.com)  
757.301.1118

## **Financials**

Balance Sheet Not Disclosed

Revenue comes from the following:

Membership, giving individuals and business partners 24/7 access to our innovation space. Individual \$1,200 year/\$375 quarter/\$135 month

Studio/Project Space Rentals (\$3.25 SF)

## **Products and/or Services**

We are a big P, small S. Primary product is membership and access to working space, tools and equipment. Services side, we focus on Project Consulting, Product Development, Classes and Workshops.

## **Who Are Our Customers?**

Our demographic is primarily individuals (artists, engineers, inventors, students, fabricators, entrepreneurs and hobbyists) between the ages of 24 and 62 with that being 52% Male/51% Female.

Our business customers/partners typically have a product they are developing and use the space for the duration of that project (either for a couple individuals or the entire company working out of the space) and at the completion of that move on (grow up and out, or on to the next product idea).

## **What/Who is your market (solutions offered, total market size)?**

We offer assistance in the development of product prototypes, from consulting to physical space, training and access to the tools and equipment needed to take ideas and make them real. Phase One was creating a physical space where we can start and grow a community. Phase Two included options for growth (additional locations, expansions, coworking space, and opening seven maker labs in local schools) as we test out other directions for impact and growth. We are now entering into our Phase Three.

## **What are your differentiators and makes you unique?**

We are community focused, not just those in the space but in being part of the community.

## **Who's your competition?**

There is always competition, we see this in the form of libraries, schools, other businesses shifting their models towards DIY (Do It Yourself) models. We prefer to work with these other organizations as much as they permit, overall the stronger our network is the better it is for everyone.



## **Technology Roadmap/Strategy - NA**

## **Marketing Roadmap/Strategy - NA**

## **Sales Roadmap/Strategy - NA**

## **Any Intellectual Property and how will you monetize it?**

We have been growing our “Makers On Demand”, the services side of the business, and from this see opportunities to streamline early stage fabrication/manufacturing/production with emerging technologies (or new processes to connect these).

In addition, we see ideas at a very early stage and have opportunity to invest in these early.

## **Growth plans and needs to help grow**

We have recently opened a new location, our “Dream Factory” location in Norfolk in the Historic Railroad District next to O’Connor Brewing in a 28,000 SF facility. We are slowly building this out and have some excess space capacity to grow into and looking for individuals that need their own workspace and early stage companies to design, prototype and manufacture (prototype to early stage production). The R&D side of what we do on the services side continues to gain more attention, if you find anyone that needs work but not the skills to do it themselves please send them our way.

## **Challenges (technology, marketing, funding, workforce, city/state business support)**

We have no debt, have taken no grants and been funded by memberships, classes, workshops and projects. We are looking for other opportunities for keeping our funding in place, from city/state business support and/or optional workforce training for regional/local companies.

We have reached out to several manufacturers (tool wise) as potential space sponsors but have not closed anything notable at this stage. Would love to have Dewalt (or other) sponsor our tools, highlight their product and use (and maybe design some tools/accessories for them R&D).

## **Opportunities (including funding with any others)**

We have opportunities to partner with the Navy, Innovation Programs and local colleges. These are all still a work in progress.

## **Anything not listed but that you’d like to discuss - NA**