

Regional Pillars

Session 3: 10-3-19

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.

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Agenda

- 3-3:30p Arrive, Meet & Greet
- 3:30-3:50p - **Maxx Potential - Kim Mahan** ----- Page 3-7
- 3:50-4:10p - **Advanced Aircraft - Bill Fredericks** ----- Page 8, 9
- 4:10-4:30p - **IssueTrak - Hank Luhring** ----- Page 10-13
- 4:30-4:45p - Break with light refreshments served.
- 4:45 – 5:05p - **Frog Skin - Brian Stewart** ----- Page 14-17
- 5:05-5:25p - **SPARQ - Dr. Bartosz Wojszczyk** ----- Page 18-21
- 5:25-5:45p - **Point One Corp - George Tully & Kelly Newman**----Page 22, 23
- 5:45-6p - Open Discussion:
 - Program evaluation discussion.
 - How to improve.
 - What companies would you like to present?
 - Next Event - Refresher Program?

**All Information Contained Is
Considered Confidential**



Executive Summary

**Hampton Roads Innovation Collaborative
Corporate Pillars Program
October 2019**

Company Overview

MAXX Potential is an IT consulting firm with one focus—developing tech talent.

Founded in 2012, the company employs 65 people and maintains active operations in both Norfolk and Richmond, Virginia. MAXX Potential provides high quality IT services at offshore rates through its unique Apprenticeship model and ability to tap into a diverse and previously inaccessible talent pool.

The company generates value by mentoring aspiring technologists as they work on paid customer contracts and gain the real-world experience necessary to acquire high-paying jobs in the technology sector. Customers are able to get needed work done without the overhead of continuously training and replacing workers in the high-turnover entry-level space.

In its first seven years, MAXX Potential has produced more than 75 technology professionals, with alumni currently working at companies ranging from boutique consulting firms to large corporations such as **Google, Capital One, Accenture, and General Electric.**

The company is led by partners Kimberly Mahan, a 15-year GE veteran with a proven track record of global technology leadership roles in infrastructure and operations, and John Dlugokecki, a Vanderbilt Engineering and Genworth Financial Leadership Program graduate with experience leading both software development and infrastructure teams. With both partners having strong enterprise and entrepreneurial experience, the company strikes a hard-to-replicate balance between enterprise and small business work, maximizing the learning experience for Apprentices.

Financial Information

MAXX Potential has experienced exceptionally strong growth over the last six consecutive quarters, yielding an average quarterly growth rate of 18%. The current revenue run rate is approximately \$2.8MM annually, across a diverse customer portfolio. The company has successfully delivered on over 200 contracts and invoices more than 30 unique customers per month, with no single contract representing more than 15% of total revenues.

Products and Services

MAXX Potential offers consulting services across a number of areas, all aimed at onshoring work and strengthening the local technology talent pipeline. Product/service areas include:

1. Enterprise Managed Services: Robotic Process Automation, Security Operations, Application Maintenance, Software Quality Assurance & Automated Testing, Data Management and Reporting
2. Traditional Staff Augmentation
3. Custom Career/Technology Workshops
4. Small Business Shared Services and Project Work

Customers

MAXX Potential's largest customers in Hampton Roads are PRA Group, Trader Interactive, and Harbor International. The company now has Norfolk alumni working at Accenture and Dominion Enterprises and has successfully executed project work for the City of Norfolk (RISE), Ferguson, and multiple small businesses. MAXX Potential has also conducted Career Lab workshops for Norfolk Public Schools.

In the Richmond market, MAXX Potential continues to serve several major enterprises, including Altria, Dominion Energy, General Electric, Genworth Financial, Markel Corp, and Luck Companies, to name a few. DC-based MedStar Health System has also just renewed its web operations support contract for the 4th consecutive year.



Market

Gartner estimates global IT spend at \$2.06 trillion annually, with the largest growth occurring in automation and cloud-based platforms, where MAXX Potential has demonstrated capabilities. The United States makes up \$991B of this market, with more than half of that spend going toward services performed outside the country.

However, global labor arbitrage is decreasing as the cost advantages of Indian outsourcing have been reduced to the point where Indian multinationals are now sending work to countries like the Philippines, Hungary, and Romania, and building rural outposts in the US, which they refer to as “farm shoring.” Decreased cost advantages combined with regulatory complexities in data management are driving technology leaders to look for ways to bring this work back to the United States.

Differentiators

1. Diversity/Strength of Applicant Pool

Most noteworthy of MAXX Potential’s differentiators is the diversity of its applicant pool. MAXX Potential has proven its ability to attract, assess and develop talent across a broad cross-section of candidates whose resumés would not clear traditional automated screens. Apprentices come from all ages, races and socioeconomic backgrounds, with more than 50% of applicants holding college degrees, but lacking the work experience required to make a career switch.

2. Selection Process

MAXX Potential continuously improves its Career Lab selection process, which also serves as a free learning opportunity for the general public. This competitive experience continues to remain full in both markets, resulting in a waiting list of fully vetted ready-to-hire employees who are brought on as new projects close and existing Apprentices move on to higher-paying positions. The Career Lab curriculum has also been deployed as a paid workshop and evolved into a more rigorous Internship Simulator, which allows high school students to both earn college credit and be exposed to valuable industry experience.

3. Focus on Mentoring and Hands-on Skill Development

Since its inception, MAXX Potential has focused on doing one thing well—mentoring junior talent. This allows its customers to stay focused on their business, without burdening senior engineers with the arduous task of cultivating new hires. MAXX Potential works with each customer to develop custom ramp-up procedures so that Apprentices are able to start adding value on day one. The work environment at MAXX is like any other consulting firm—real customers, real projects, and real problems to solve, making the company an ideal place to launch a tech career.

Competition

There are a number of non-profit models (e.g. LaunchCode, YearUp) that also promise career-ready entry level talent. These organizations lean heavily on upfront classroom training, while MAXX Potential focuses on real- world work experience and continuous on-the-job learning.

In the for-profit space, there are competitors evolving similar models, most noteworthy being Revature in Northern Virginia and Interapt in Kentucky. When compared, MAXX Potential believes its model to be competitive on cost and exceeding on quality, with Revature being described as exploitative due to its strict Apprentice contracts that require employees to relocate on a moment’s notice to any part of the country. MAXX Potential is betting on a **people-first, buy-local** strategy that it believes results in more successful long-term outcomes for both Customers and Apprentices.

Many people also compare MAXX Potential to for-profit “bootcamp” training programs. Thus far, these models have proven to be complementary, as most bootcamp graduates still need real-world work experience to augment their training before being fully vetted and ready for the workforce.

Growth Strategy

MAXX Potential is currently focused on scale-readiness.

While technology services can arguably be performed from anywhere in the world, after seven years of customer feedback, data collection and successful operations, the company has chosen a hyper-local geographic growth strategy. Most mid-tier ecosystems are looking for ways to build their local technology talent workforce, and the MAXX Potential model solves this problem by creating jobs, producing talent, and bringing new economic value to the regions it operates in.

The company is actively planning to open a second location in Hampton to better serve customers on the Peninsula and will be testing its first out-of-state location in Durham, NC in early 2020, in response to demand from current customers. MAXX Potential is also fielding inbound inquiries with active conversations in Roanoke, VA (driven by Virginia Tech), Jacksonville, FL, Macon, GA, and Huntsville, AL.

1. Technology Roadmap

Technology focus is on improving current systems to accommodate markets beyond Norfolk and Richmond. The company is undertaking its first SOC-2 audit and adding new features to its proprietary “TREK” platform, which collects and analyzes data throughout the Apprentice lifecycle.

2. Marketing Roadmap

Marketing to date has primarily been through word-of-mouth and earned media. Without a PR department, MAXX Potential has been identified and featured by both local press and national media organizations. (See: [FastCompany](#), [Southern Living](#), [Pilot Online](#), [Richmond Magazine](#), [Richmond Times Dispatch](#), [Next City](#))

The current marketing strategy is to double-down on Career Lab improvements and leverage existing press mentions in launching its new Hampton and Durham locations.

3. Sales Roadmap

Sales focus is on growing share within the existing customer base. A compelling rate structure, plus proven contract execution with in-demand technologies such as RPA, DLP, and multiple proprietary platforms (Salesforce, Workday, etc.), is driving existing customers to expand their use of the business model to reduce costs, while adding capacity to their IT teams.

As far as new business, MAXX Potential is targeting enterprises in the Fortune 200 - 1000 category. With the demand for talent continuing to increase, planning assumptions are that the largest organizations (e.g. Amazon, Google) will continue to dedicate resources toward building out their own entry-level programs. This is likely to increase pressure on other large enterprises who continue to experience shortages and do not have the capacity to build their own training programs to reach untapped off-campus markets. Existing HR departments and staffing firms are also ill-equipped to evaluate non or under-credentialed talent, making MAXX Potential an ideal partner to augment the efforts of HR teams.

4. Intellectual Property

MAXX Potential’s intellectual property includes its consistently full 16+ hour high-touch screening process and side-by-side mentoring approach, along with its proprietary people system, “TREK”. Candidate selection is conducted by technology practitioners as opposed to recruiters or resumé collection systems, allowing the company to tap into a previously untapped talent pool.

The TREK platform also facilitates Apprentice matching and collects data as Apprentices acquire unique skills through their real-world learning experiences.

Challenges

Like most companies in growth mode, MAXX Potential is committed to maintaining its *people-first* culture while expanding its core team. The company has a limited sales and marketing capacity and is evaluating alternatives as new competitors enter the market with a focus in these areas. There has also been a rise in traditional staffing companies attempting to present MAXX Potential Apprentices as candidates. To date, this has opened a sales channel as most large customers would prefer to deal with the company directly and avoid costly fees.

MAXX Potential was initially bootstrapped by Mahan and Dlugokecki and supplemented by limited private investment from mission-driven organizations such as New Richmond Ventures and Dorsey-Wright & Associates. With healthy margins and a proven track-record, the company is actively evaluating growth financing options.

Opportunities

In addition to the previously-mentioned geographic expansion opportunities for its core business, MAXX Potential is analyzing two highly-demanded revenue opportunities—**Customer Upskilling** and licensing its **Internship Simulator** curriculum. Given the company's expertise in **Managed Apprenticeship Programs** and **Curriculum Development** these would be logical areas for further expansion.



For more information contact: kim@maxxpotential.com



Advanced Aircraft Company – Executive Summary for HRIC Corporate Pillars October 3, 2019

Advanced Aircraft Company (AAC) is an aeronautical engineering and aircraft manufacturing company based in Hampton, VA. AAC produces vertical takeoff and landing (VTOL) unmanned aerial systems (UAS) targeting commercial and military markets. AAC is introducing our first product the Hybrid Advanced Multi Rotor UAS or HAMR for short.

HAMR is a long endurance Multi rotor with a number of unique features. The aircraft has a maximum flight time of nearly 3 hours or a maximum payload capacity of 7 pounds.

The aircraft gross weight is 40 pounds with a wingspan of 12 feet and is 5 feet long. Cruise speed is anywhere between hover and 40 knots. While the UAS is larger than many, the system quickly packs into a small hatchback car. A trained team of 2 can unpack the aircraft and be airborne in less than 5 minutes.

The propulsion system on the aft end of the fuselage is one of the key factors to the improved performance. There is a 2-stroke gasoline engine that is driving an electrical generator, with control electronics, to produce 48 volts of direct current. Also connected on the DC bus is a battery pack that provides back up power in the unlikely event of an engine failure.

Additionally, the engine can be shut down and restarted in flight. The aircraft also employs a number of patents pending aerodynamic improvements which allow for greater efficiency when operating at high airspeeds.

Most multi rotor operations today are in the 15 to 30-minute range. HAMR customers will likely carry a 2 to 4-pound payload and fly for around 1.5 hours.

The current official Guinness World record battery powered multi-rotor flew for 2 hrs. 6 minutes. This aircraft was optimized to be a record breaker with zero payload and therefore has little commercial value. HAMR with its second fuel tank will easily surpasses this record.

Most Commercial UAS Service providers generate revenue by the acre, or by the mile for linear infrastructure. However, their costs are dominated by pilot labor. The long endurance performance of HAMR enables the service provider to generate more revenue in the same workday. This utilization improvement leads to a 45% reduction in the cost per acre to acquire the Additionally, HAMR's large payload capacity allows UAS service providers to carry multiple payloads for simultaneous data collection.

The aircraft can be very rapidly setup. Two trained operators can have HAMR in the air, 5 minutes after parking the car. Additionally, the aircraft is designed with Line Replaceable Units that allow easy field level maintenance, to allow your asset to quickly return to the air to continue generating revenue.

HAMR is ideal for flight missions that require long range and endurance such as survey and mapping, infrastructure inspection, first responders, marine and forestry data acquisition, and news media coverage.

In summary, AAC's solution reduces the cost per acre to acquire data by up to 45% for our customers. The modular design of the aircraft easily integrates different payloads and simplifies maintenance on the aircraft. Additionally, the entire system is transportable in a small hatchback car and can be rapidly setup and flying in less than 5 minutes.

HAMR production is scheduled to begin late Fall of 2019. We will offer 2 models initially. One as a turnkey solution, which will include an industry leading camera gimbal to provide live video or geotagged images for photogrammetry. The other as an open payload bay ready for custom configuration. We are actively recruiting beta testers and first customers. For more information please see our web site at AdvancedAircraftCompany.com

A more detailed company overview will be presented by AAC Founder and CEO, Bill Fredericks on October 3 at the HRIC Corporate Pillars event



Issuetrak presentation to the HRIC Corporate Pillars Program

October 3, 2019

Hank Luhring, Founder & CEO

Company overview (who, where, how long in business, how you started)

Issuetrak is a 35-person company located in Norfolk. I founded the company in 1992 when I went out on my own doing IT consulting and custom application development. Early customers included Volvo Penta, Tidewater Builders Association, and the Hampton Roads Economic Development Alliance.

By 1999, the company had grown to five people. I thought it would be better to have a software product to sell rather than providing consulting services. I had the idea of a web-based issue tracking program built around Microsoft SQL Server and IIS. Programming started in 2000, and the first sale was made in 2001, to Trader Publishing. In 2003 the transition from a services company to a product company was going well enough that the company changed its name from Luhring & Associates to Issuetrak.

Company revenue

Our revenue is in the \$5.5 million range. We are profitable, with no debt, no outside investors and strong recurring revenue.

Is your firm pre-revenue or revenue generating?

We are revenue generating.

Products and/or services

The company provides a web-based software product called Issuetrak. Although first developed as a cloud offering, early on EDS needed a tracking application, and insisted that it run it its own data center. To get the sale, we came up with a method to install the software on-premises. Today roughly half of our customers are on-prem, the other half in the cloud. We use Amazon Web Services to host Issuetrak in the cloud. We use the same codebase for our on-premises and cloud offering.

We have a Professional Services team that helps customers get up and running. They do training, and configuration services. We also offer services to facilitate importing from other systems into Issuetrak. Professional Services and Data Services add to our revenue, but it is a relatively small amount.

Who are your customers?

Our customers are companies of various size, from a variety of industries, using Issuetrak to help several different areas: help desk ticketing, customer support, complaint tracking, service requests, change management, and more. Some of our current customers include:

UPS	Hershey
US Bank	Gold's Gym
London School of Economics	Harley Davidson
Pfizer	Fresh Market
Carnival Cruise Lines	Universal Studios
Hunton & Williams	Siemens
Cheddar's	Dollar Tree
Comcast	Medtronic
Donnelly Communications	CNN Airport Network
Guggenheim Partners	Federal Express
Rockwell Automation	ComputerShare
Cedars-Sinai	Nielsen
Planet Fitness	University of Pennsylvania
Elizabeth River Crossings	

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

We are B2B. We offer a generalized solution for tracking a variety of issues that can be customized to specific needs. We have customers using Issuetrak for:

Help Desk / Service Desk	Complaint Management	Finance
Issue Tracking	Work Requests	Asset Management
Customer Support	Facility Management	Customer Service
Operations Management	Human Resources	Change Management

We have customers in the following industries:

Manufacturing	Education – K-12	Non-profit
Banking / Finance	Laboratories	Utilities
Healthcare	Hospitality	Software
Consulting	Education – College and Univ.	Energy
Government	Transportation	Advertising / Media
Technology	Retail / Wholesale	Real Estate

What are your differentiators?

We have both a cloud and an on-premises offering. Some of our customers, such as UPS and US Bank require an on-prem solution. Many of our competitors are cloud-only.

We're very good with the people side of technology. We provide outstanding support. Our technical support analysts are encouraged to stay on the phone as long as needed to answer the customers' questions. We're small and nimble, so we can be quick and responsive. We use our own software for support, which allows us to give top-notch service. We strive to let nothing fall through the cracks.

Because our software has been around for almost 20 years, we have a lot of features big and small that customers have asked for. The software is extremely flexible, so even though it can handle complex, one-of-a-kind scenarios, it appears simple and straightforward to the users in a particular company.

The software is very easy to configure. Customers get up and running much faster than with many of our competitors.

Who's your competition?

ServiceNow, ZenDesk, Zoho, ManageEngine, FreshService, HappyFox, TeamSupport, Salesforce Service Cloud, among many others. In Capterra, a directory of software organized by category, there are 281 entries for Help Desk, 139 for Issue Tracking Software, 50 for Complaint Management.

Technology Roadmap

The software was written on Microsoft technologies, using SQL Server for the database, and IIS for the web server. The server-side programming was originally Active Server Pages. Over the last several years we have been replacing ASP modules with MVC. Our newer pages use React in the front-end.

We have recently combined our development team and our operations area into DevOps. We named one manager to oversee both dev and operations. This has sped up development markedly.

Marketing Roadmap

We went through a successful rebranding four years ago. Recently we have made changes to our website to reflect our strengths in the people side of the business. We took down our pricing page because we felt that catered to shoppers looking for a commodity product. We have competitors who spend several hundred thousand dollars a month in pay-per-click advertising.

One issue we've wrestled with internally for many years is how hard do we go after the help desk (service desk) market? The competition is tough there, but we have a lot of customers using Issuetrak for help desk. And we get new help desk customers on a regular basis.

One thing we like about having help desk customers is that they have inside knowledge of the technology needs of other departments. It is not unusual for a help desk customer to recommend to their HR department or engineering department that they adopt Issuetrak for their needs too.

Sales Roadmap

Most of the company's history we've been depending on inbound leads. We just hired a full-time outbound salesperson who will be doing cold calling to find prospects. We think that if we target the areas where we already have successful penetration, this should work. We'll continue to work with existing customers so that they'll renew with us and add more licenses as well.

Growth plans

Growth has been slow over the last several years. We have two new initiatives to help us start growing again.

As mentioned earlier, we've just hired a new outbound salesperson.

We have plans to offer a new add-on product – a command line interface to Issuetrak, integrated with PowerShell. We demonstrated this at our recent user conference and received very positive feedback.

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

Acquiring new customers is our biggest challenge.

Deciding how to spend our marketing dollars is not easy. We are shifting from general content creation to supporting an out-bound sales effort.

Dealing with big companies can be a challenge. They demand longer payment terms. They also will ask us to fill out burdensome questionnaires regarding our technology, security practices, etc.

Opportunities (including funding with any others)

Issuetrak is conservative regarding outside funding. The company has evolved to this point without outside investment. We are debt free. We don't have plans to raise money to fund sales and marketing or development initiatives. If we can't pay for a new project out of current cash flow, we don't take it on.

One opportunity that looks interesting at this point is a command-line interface to Issuetrak built to integrate with PowerShell, Microsoft's scripting language and command-line shell.



Our products empower users to manage their health and well-being.

Company Overview

To satisfy a specific unmet need for soft-tissue recovery, Frog-Skin was first pitched at Start Peninsula 4.0 in November 2015. Based on years of observations, NASA Engineer Brian expertise in materials, structures and device development to develop the smart material technology needed. PolyPhysics, Inc. began operations in January 2016 to support development efforts. Portable, effective, safe, inexpensive and comfortable control of therapies for soft-tissue recovery is the benefit of our products. Material formulation, manufacturing methods, and early marketing strategies progressed for about 22 months. Technology of the Year in July 2018, and the Emerging Biomed product of the Year in August 2018. A US utility patent application was filed in August 2017. In November 2017, pilot production of our minimum viable product (MVP) Frog-Skin wraps began. In late May 2018, we launched our second-generation MVP for sale to retail customers through web store and live events. Frog-Skin wraps were awarded the Sports Medicine Technology award in July 2018 and the Emerging BioMed Product of the Year award in August 2018. Frog-Skin, LLC was formed in November 2018 to promote the Frog-Skin brand. A production scale-up was completed in February 2019 with a capacity of 2000-3000 units/month.

The Frog-Skin brand is centered on our proprietary material technology. Although it started with a single application and product, the potential brand space has grown tremendously since we started. The material can be made into hundreds of different forms and products, and additional uses for its unique properties are identified routinely. We have identified several variants with market pull. As we scale, we will need to strategize and select the next products to add to the brand. Our growth plan includes options to systematically develop and market new products over time.

Market Traction

We have tested our MVP and our messaging across multiple customer demographics, including live event sales and web store sales. To date, we have sold nearly 1000 MVP units. Because our sale to date were primarily for market testing, we consider Frog-Skin to be pre-revenue up to this point. This is about to change with a new market scaling effort starting in early October 2019. During our MVP testing, we measured a 25% conversion rate (purchase/engagements) at live events, and 2.5% conversion rate on the web store.

As we immersed ourselves in understanding target markets, a powerful theme emerged. The realization that we provide our customers a new tool that they can manipulate gives users control over their therapy and empowers them with unprecedented control over their own health and well-being. Whether it is the athlete who wants to maximize their performance, the PT patient who takes charge of their own recovery, the lymphedema patient who can tailor their own symptom management, or the construction worker who manages their own heat-stress, the concept of user empowerment is new in our brand space. While many products tout features (the what), we are the first to explicitly teach users their “why”.

Frog-Skin Customers

Frog-Skin currently markets our MVP in two verticals. The first is consumer *Health and Wellness*. This covers live or web store retail sales to individual consumers. Athletes dominate this vertical currently. However, sales to sufferers of chronic conditions (MS, lymphedema, Arthritis, etc.) often occur.

Our second active vertical is *Physical Medicine* providers, this includes sales to physical therapy, podiatric, orthopedic and equine care practices. Frog-Skin wraps are available in select regional clinics. Frog-Skin is an opioid-free pain management solution. With the recent focus on overuse of addictive pain killers, this is a huge market advantage.

Marketing Frog-Skin's temperature control properties for effective and safe pain management has been suggested by university researchers and clinicians alike. One segment of physical medicine is hospice and palliative care. This is a large and growing market, with significant growth predicted due to the coming "grey tsunami". The reimbursements for palliative care are on a patient-day basis, with supplies not specifically reimbursed. Hospice managers are interested in Frog-Skin-derived products due to its comfort, reusability and ability to be cleaned between uses. Uses include securing bandages without risk of skin tearing, picc and central line waterproofing, and increasing patient comfort when managing symptoms of chronic disease.

We have two identified verticals that we have not marketed to yet. Military and First Responders is a promising B2B market. Our current product has benefits for customers in this vertical but would benefit from an expanded brand space. A single product could be developed for use as a method to secure bandages, provide soft-tissue therapy, and also serve as a tourniquet for severe trauma cases. For military and first responders, this single product could displace multiple items in their kits. Military sales are dominated by a few large distributors, and military purchases work on multi-year cycles. This is an area we are just beginning to explore. We would benefit from marketing expertise in this space.

Our fourth vertical is Industrial Safety. Our material technology could easily be integrated into new products to prevent heat stress. Primarily for construction and highway workers, these products will provide continuous monitoring and management of body temperatures. There is significant data to document the frequency of heat stress related serious injury or death. There is also data to understand the significant reduction of worker productivity due to heat stress. Our target customers are the employers (B2B), with the value proposition of enhanced worker safety plus increased productivity. As with our wrap products, simple integration into readily available on-site resources is key to our customer adoption strategy. The current concept is smaller than existing technologies, is passive, uses no external power, and integrates into current hard hat designs. It also takes advantage of a specific physiological effect that regulates heat stress response in the human body. This vertical requires validation of customer value proposition assumptions, product development, testing and evaluation in the field.

How Frog-Skin is Different

Frog-Skin products provide unprecedented comfort and user control over key parameters of soft-tissue recovery. Our MVP allows users to "learn" compression adjustments that provide the best recovery outcomes for them individually. Our MVP controls skin temperature passively during cryotherapy, preventing skin temperature from dropping below 32F during ice or gel pack application. Our wraps are compact and can be transported anywhere. The materials are non-allergenic and non-toxic. The wraps easily integrate into current therapy practices, and can be used in the field, at home, or in clinic.

The combination of all these attributes are what gives our users control over their therapy. Comfort is key, with extremely soft materials, and temperature control to eliminate the painful aspects of cold therapy. There are no other products that possess the combination of attributes in our space. Moreover, there are no other products that demonstrate how they contribute to greater adoption through patient-centric focus.

Market Size for Each Vertical

Health and Wellness

We use youth injury statistics, the Hot and Cold Pack market, and lymphedema patient data as indicators for market size in this vertical:

- Over 3,5 million youth receive medical care for soft-tissue injuries in the US each year. Several times this number are unreported.
- 860 million cold/hot therapy packs were sold in the US in 2018, with a 7.8% CAGR.
- 3 million US lymphedema patients in the US
 - US Lymphedema compression wear market was \$2.9B in 2016, with a 5.2% CAGR.

Physical Medicine

Clinicians in various physical medicine fields, and some worker's compensation data form the basis for estimating these markets.

- 6.6 million annual orthopedic surgeries by 2020
- Physical therapy \$34.5B in 2018: 6.2% CAGR
 - Aging population
 - Worker's compensation cases
- 500K vasectomies per year in the US
- 375K maxillofacial surgeries per year
- 1M horses with lameness symptoms
- Hospice and palliative care cost are \$31B annually, with a CAGR of 1,6%.

Military, First Responder

- More than 21,000 civilian EMS agencies in the US
- 1.3 Million uniformed US military personnel

Construction Industry

The market size for these products ranges between \$10M annual for phase change cooling vests, and \$3.1B annual sales of hard hats. Since our product concept integrates into hard hat designs, it should eventually follow the market for hard hats. Adoption by employers as standard issue safety equipment would significantly drive growth in this vertical.

Frog-Skin Competitors

Our major competitors include Game Ready®, Thera Pearl®, Hyperice®, and Freeze Sleeve®, bare ice and gel packs. All of these products fall short of Frog-Skin in two or more specific performance metrics:

- Comfort
- Cost
- Portability
- Safety
- Adaptability

Technology Strategy

Our technology can be adapted to control to many different skin temperatures. The current product controls to 43F, but control to skin temperatures between 43F and 96F are possible. This allows customization of properties for specific applications; such as industrial and construction safety. The addition of sensors gives feedback and monitoring capabilities. Sensors can be linked to apps and smart devices to store critical data, or to provide alerts if temperatures move outside of safe values.

Our technology could also be included in existing devices. For instance, cold recirculating units are often prescribed for post-surgery cryotherapy. There have been large lawsuits in recent years due to prolonged exposure to ice water temperatures on the skin. The introduction of Frog-Skin material technology into these products provides an extra level of safety and reduces the legal exposure for the equipment manufacturers.

Marketing Strategy

In early October 2019 our first scaled marketing campaign begins. During this six-month project, our digital marketing partner will expand on product and messaging lessons learned during our MVP rollout. A re-tooled website, social media campaign, content creation (video, images), targeted ads, coordination with live events, and other elements will be employed to drive significantly greater traffic to the webstore. In addition to greater traffic, we expect the sales conversion rate to increase significantly. Our provider is paid based on performance, with their compensation tied to targets.

We also entered into a unique partnership with the Norfolk Admirals professional hockey team. This one-year deal gives us high-energy marketing and content creation opportunities, and a direct working relationship with their new sports medicine provider. In addition to the Admirals, this deal also yields a close relationship with the Whalers pair of elite youth teams and their sports medicine staff.

A third pillar of marketing is through LinkedIn (LI). We have strategically developed over 450 LI connections in strategic provider and influencer communities in recent months. We will amplify our successes (Admirals, etc.) with targeted LI content. Content will be tasteful but designed to drive B2B traffic to our website and to create future customer engagements. This is how we will reach numerous medical providers. It is also how we begin our campaign with military and first responder demographics.

Sales Strategy

Digital sales strategy aligns with our digital marketing strategy, in addition to B2C sales, we will also test web based B2B sales to clinics and other providers. Functions for professional wholesale purchases will be added to our web store portal via third-party web store add-ons.

We also have secured a specialist to begin equine sales. Frog-Skin has the same soft-tissue recovery benefits for animals as it does for humans. One unmet need is for simple, safe and portable tools for equine lameness treatments. Our equine specialist will start sales to veterinarians, facility operators and horse efforts in Virginia. In addition to sales, she will collect data from users and experts and report back for either product development or product pivots in this space.

Intellectual Property

A utility patent to protect the material composition, several embodiments and several additional features was filed with the USPTO in August 2017. The first office action is expected by January 2020. Our brand elements are currently protected as non-registered trademarks™. These include our logo image and tagline. IP is monetized through product sales, and future licensing of our IP.

Growth Plans

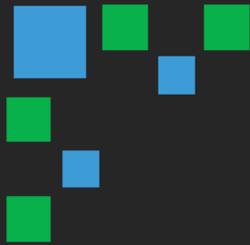
Our growth has been limited by low capital. To date, our partnerships required creative solutions that require little to no cash outlays. In order to accelerate growth, we will need funds through a combination of sales and investment. Since we have commercialized our first product, sales over the next six months will be crucial for both revenue and future investment opportunities.

Challenges

Although we enjoy a benign regulatory space, it is wise to register our product with the FDA, develop an FDA-compliant manufacturing quality system, and perform product toxicity testing. While not absolutely necessary at this point, as we grow this will become more important. Modest funding is needed to achieve these goals. We also need to identify alternatives for manufacturing scale-up should we sell faster than we currently can produce. We understand how manufacturing scales, so this is easily solved. However, a specific plan with funding allotted to scale production will be needed in the coming months. Brand expansion is a third challenge. Adding new products requires supplemental tooling, and integration into our manufacturing lines.

Opportunities

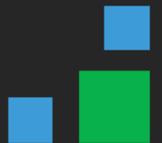
We are cultivating multiple relationships with influential resources in the medical space. Among them are the ODU Physical Therapy Director, a prominent orthopedic surgeon interested in a post-surgical study, a hospice nursing manager to develop palliative care products, and the Arthritis foundation. We are also building relationships to support future funding opportunities and will seek out appropriate funding when specific opportunities are identified.



Classified Cybersecurity for Commercial

Dr Bartosz Wojsczyk | CEO

October 3, 2019



Global Technical Systems (GTS)

SPARQ's Military-Proven Legacy



Terry & Yusun Spitzer (GTS Founders)

"GTS models how traditional defense-oriented businesses can step out of their comfort zones and create new technologies with commercial applications that can truly change the world."

Hon. Terry McAuliffe, Governor of Virginia (12/2017)

- Founded in 1997; private, veteran owned company
- Headquartered in Virginia Beach, with US 12 locations
- 25% of employees are PhD/MS/Engineering
- Hi-tech R&D, design, advanced manufacturing and delivery of highly classified, mission-critical defense and homeland security solutions (combat, security, sensors, advanced weapon systems, etc.)
- ISO 9001:2015 Certified
- DoD, National Security Agency trusted integrator

- **Protecting over \$50 billion of mission critical assets**
- **Delivered over \$300 million of secure computing capabilities to US government for mission critical environments supporting over 50 security and network operation centers**

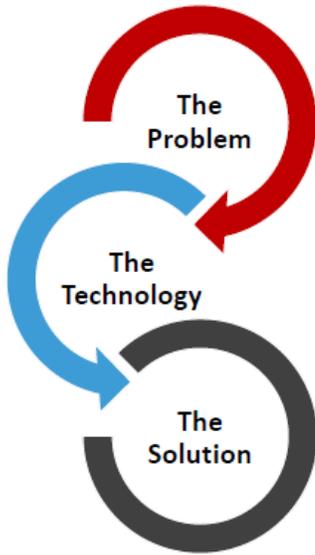
SPARQ advances GTS technology into commercial markets to defend the most at-risk businesses

Proprietary

2



SPARQ 101



“Your business has either been hacked or will be hacked – that’s a fact”
Gen. Wesley Clark (Ret.) Former NATO Supreme Allied Commander & SPARQ Advisor

- GTS (SPARQ’s parent co.) delivers a family of military-proven technologies*, derived from NSA’s Commercial Solutions for Classified (CSfC) program, providing cyber-hardened systems for national security applications.
- SPARQ Classified Solutions for Commercial** combines GTS’ technology with a mission-critical cyber architecture & critical infrastructure level SOC/NOC (risk monitoring/compliance) to protect businesses and their digital ecosystems.

* Export licenses obtained for SPARQ cybersecurity appliances.
 ** Refers to the commercial application of classified-grade solutions.

Secured. Assured. Trusted.

Proprietary

3

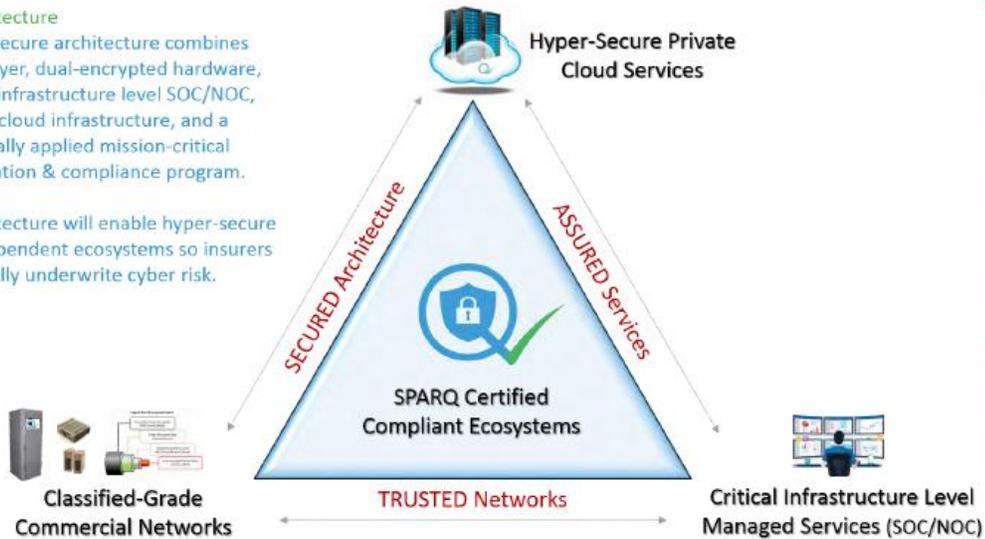


Fully Integrated SPARQ Solution

SPARQitecture

Hyper-secure architecture combines multi-layer, dual-encrypted hardware, critical-infrastructure level SOC/NOC, private cloud infrastructure, and a universally applied mission-critical certification & compliance program.

SPARQitecture will enable hyper-secure interdependent ecosystems so insurers can finally underwrite cyber risk.



Secured. Assured. Trusted.

Proprietary

4



...revolutionizing the cyber security industry...

Current Industry Approach

Typical à la carte cybersecurity approach is ad hoc, reactive, fragmented & proven vulnerable



VS.



- ✓ 100% network resilience with >25% in cost savings (savings from: less equipment, less space, less power, less resources to maintain infrastructure, etc.).
- ✓ Hyper-secure protection for "data-in-transit" and "data-at-rest" (e.g. content, IP, digital assets, etc.)
- ✓ Investment protection from cyber risk
- ✓ Cyber-trusted supply chain
- ✓ Unparalleled risk protection (cyber assurance and underwriting)
- ✓ Secure "5G Economy"



Your business deserves the same level of protection as the nation's critical infrastructure.

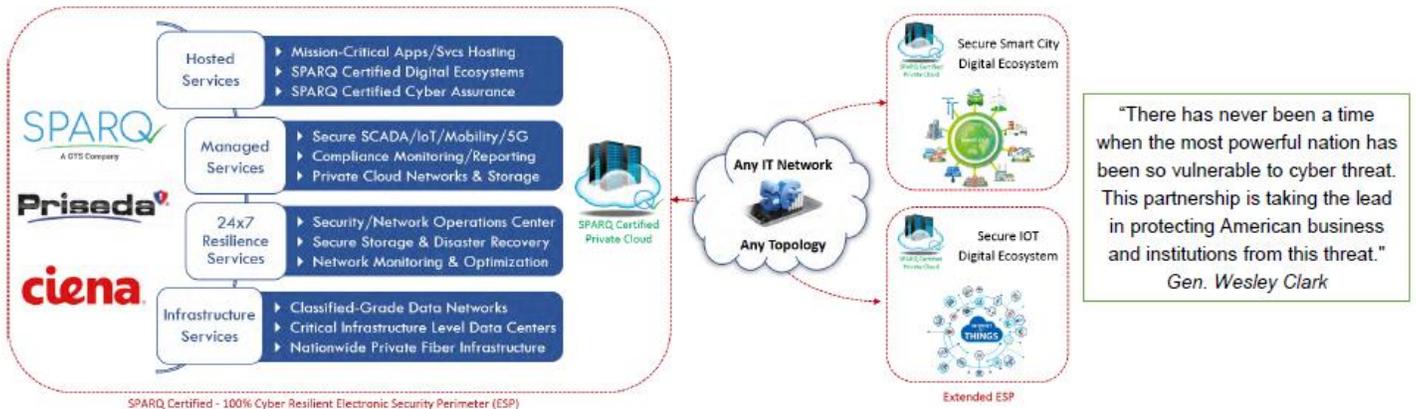
Proprietary

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Partnership for Hyper-Secure 5G Economy

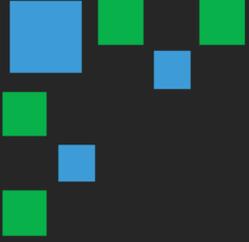
Launched May 2019, the SPARQ-Ciena-Priseda strategic consortium offers both government and private enterprise the most comprehensive nationwide, fully integrated and hyper-secure infrastructure for the 5G economy. The initial 3-year goal of this \$1 billion consortium is to provide our nation's public and private sectors with the most secure, resilient, extensive and accessible 5G infrastructure in the world.



Secured. Assured. Trusted.

Proprietary

6



Thank You

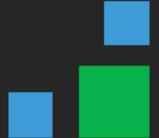
CONTACTS:

Dr. Bartosz Wojszczyk | CEO

SPARQ Global, LLC

+1 206-601-1776

bwojszczyk@sparqglobal.com





Point One Corp was kind enough to fill-in for a last-minute cancellation. They have not had time to prepare any detail beyond their standard deck.



About PointOne

PointOne is a merchant developer of hyper-scale data center campuses. Our team specializes in the pursuit and delivery of real estate, power, and network in strategic locations for scale and efficiency.



Overview

- Virginia Beach's industry leading data center and cable landing station campus.
- Directly across the street from the fastest subsea cables in the world: MAREA and BRUSA.
- Tier 3 facility built at 15 ft. above sea level and to withstand 200 mph winds (FEMA Wind Zone III).
- Two 30,000 sf. facilities totaling 6,000sf of critical power load.
- Carrier neutral dark fiber and high capacity IT service options.
- Phase One will deliver 1.2MW in Summer 2020.

Subsea Cables in Virginia Beach

- One simple cross connect away from three continents.
- Offers the lowest latency and closest proximity to the MAREA and BRUSA subsea cables.
- Unusually located less than 7 miles from 2 submarine cable landing zones: Camp Pendleton and Sandbridge.
- Dark fiber and high capacity IT services to Auburn, Washington, D.C., Henrico, Virginia, and North Carolina corridors.
- Diverse 2 & 24 conduit POEs.

Industry Leading Structural Design

- Each facility will have 20,000 sq. ft. of white space along with the ability to lease up to 7,000sq. ft. of Class A office space.
- Capable of housing 8+ subsea cables with wet plant rooms designed to house SLTE and PFE equipment.
- Diameter connectivity to MAREA & BRUSA via 2 x 432 fiber conduit routes.
- Closed manifold cooling system that protects subsea cables from seawater's corrosive effects without entering the facilities.
- Built at 15 ft. above sea level and to withstand 200mph winds.

Reliable Power Design

- Current capacity provided by Dominion Energy already exceeds the facilities critical power load of 9.6MW.
- Served by two diverse 34,500 kVas phases primary underground distribution feeds with 15 kV bus compression (re located in Corporate Landing Parkway).
- N+1 concurrent redundant AC/DC power feeds via two independent substations.

However, we can ask them to respond to the key questions, which are:

Strategic Topics

- a) Company overview (who, where, how long in business, how you started).
- b) Company revenue (optional and your decision to discuss)
- c) Is your firm pre-revenue or revenue generating?
- d) Products and/or services.
- e) Who are your customers?
- f) What/Who is your market (solutions offered, total market size)?
- g) What are your differentiators and makes you unique?
- h) Who's your competition?
- i) Technology Roadmap/Strategy.
- j) Marketing Roadmap/Strategy.
- k) Sales Roadmap/Strategy.
- l) Any Intellectual Property and how will you monetize it?
- m) Growth plans and needs to help grow.
- n) Challenges (technology, marketing, funding, workforce, city/state business support).
- o) Opportunities (including funding with any others).
- p) Anything not listed but that you'd like to discuss.