Agenda Item 1

Featured Start-Up –

Leverege, LLC
TOPIC: Featured Start-up – Leverage, LLC (information item)

COMMITTEE: Economic Development and Technology Commercialization

DATE OF COMMITTEE MEETING: November 17, 2016

SUMMARY: Leverage, LLC, the featured start-up, was founded by a UMBC alumnus and serial entrepreneur. The company develops software-as-a-service products that leverage the Internet-of-Things (IoT) and software innovations such as big data, predictive analytics, and multi-dimensional visualization to provide solutions for businesses and end users. For example, Leverage’s products enable businesses to make better decisions and reduce time to market.

Leverage is part of the prestigious Northrop Grumman Cync Program at bwtech@UMBC and the company hires UMBC students as interns. The Cync Program works with innovative, technology-driven startup companies addressing critical market needs in threat intelligence, streaming analytics, visualization, secure mobility, and other areas. The company is currently profitable.

ALTERNATIVE(S): This item is for information purposes.

FISCAL IMPACT: This item is for information purposes.

CHANCELLOR’S RECOMMENDATION: This item is for information purposes.

COMMITTEE RECOMMENDATION: DATE:

BOARD ACTION: DATE:

SUBMITTED BY: Tom Sadowski / Suresh Balakrishnan (301) 445-2783
Committee on Economic Development and Technology Commercialization

Featured Start-Up- Leverege, LLC

November 17, 2016
meet LEVEREGE

hello@leverege.com
The Internet of Things strives to make life more efficient by connecting physical objects to the digital world through a combination of sensors, cloud software, and communications technology.
Welcome, To The Second Digital Revolution

24 Billion + Connected Devices

$6 Trillion Spent on IoT

Businesses #1 Adopter

*By 2020
The Problem

- Technological Fragmentation
  - Lacks clear benefit to users
  - Minimal attention to usability & user experience
  - Siloed adoption

- Implementation Issues
  - Slow time to market
  - Increased development costs
  - Inefficient & poorly designed solutions

- Security & Privacy Concerns
  - End user distrust
  - Breach or loss of data
  - Slow adoption rate
We’ve built a simulation driven IoT platform focused on fostering natural interactions between humans and machines.

<table>
<thead>
<tr>
<th>Businesses</th>
<th>End User</th>
<th>Industry</th>
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<tbody>
<tr>
<td>Reduce time to market</td>
<td>Make better decisions</td>
<td>Realize market potential</td>
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<td>Decrease deployment costs</td>
<td>Provide realized value</td>
<td>Increase adoption</td>
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<td>Remove friction &amp; increase</td>
<td>Easily interact with devices</td>
<td>Stimulate innovation</td>
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<tr>
<td>quality</td>
<td>across many modalities</td>
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The Leverage IoT Platform

Your Device → Our Cloud → Your Interface
Our products use the latest software innovations (AI, big data, predictive analytics) to provide a complete and easy-to-use IoT solution for customers.
Intellectual Property

Trademarks
Leverege Brand and Products

Patents in Progress
Systems and Methods for the High-Fidelity Simulation of Distributed IoT Systems

Domain Names
50+
Customer Profile

An OnStar-like system for boaters and marine fleet operators that enables owners to remotely monitor, track, and control their watercraft.
Notional Use Case

Energy optimization and building automation for solar power systems. Friendly dashboard that rolls up important system metrics and provides insight into performance.
Business Model

Jumpstart Sales
- Essentials $2K
- Essentials Pro $5K

Fixed Launch Fees
- Average Deal $10-25K

SaaS
- Imagine $100/month
- IoT Platform $2K/month

Product Customization Services

Direct
Diverse Revenue Streams

**Launch Fees**
One time setup fees ranging from $10K-$25K per project

**Jumpstart**
Introductory packages for the early stages of IoT project development. Fixed prices of $2K or $5K with a well-defined set of deliverables.

**SaaS**
Imagine (IoT Simulator) $100/month; Reason & Vision IoT Platform $2K/month

**Product Customization Services**
Custom projects/consulting services priced per user needs
Poised for Rapid Growth

**Online Marketing**
- Google optimized SEM
- Growing SMM presence

**Grow Content Distribution**
- Over 2.2k blog followers*  
- >160% weekly growth rate  
- Top 7 IoT Publication on Medium

**Email Marketing**
- 2,000 person email list*  
- >150% weekly growth rate  
- 38% open rates

**Jumpstart**
- Provide essential building blocks for IoT Projects  
- Build relationships early

**Dedicated Sales Team**
- Outbound sales team dedicated to lead generation and sales

**Partnerships**
- Build and leverage existing partnerships with complementary businesses (e.g. hardware, connectivity, big tech, etc.)

* In just 8 weeks
Meet Our Team

Eric Conn
CEO & Co-Founder

Steve Lee
COO & Co-Founder

Matt Quirion
VP of Product Development

Stephen Jones
Chief Architect

Ryan Chacon
VP of Marketing & Business Development
Traction Across Verticals

Defense/Aerospace
Asset Tracking
Security
Agriculture
Connectivity
Smart Cities

USMC
Siren Marine
Stanley
AgPlexus
Link Labs
DARPA
Massive Market Opportunity

- **Consumers**: $900M Spent
- **Governments**: $2.1B Spent
- **Businesses**: $3B Spent

- Application Development
- Device Hardware
- System Integration
- Data Storage
- Security
- Connectivity

*By 2020*
Competitive Landscape

Cloud Software

Consumer

Enterprise & Government

Hardware & Connectivity
Financial Projections

Expenses
- 2015: $662K
- 2016: $793K
- 2017: $1.58M
- 2018: $3.6M

EBITDA
- 2015: ($165K)
- 2016: $38K
- 2017: $417K
- 2018: $3.7M

Legend:
- Orange: Product Customization
- Purple: SaaS
- Green: Launch Fees
- Blue: Jumpstart
Opportunity
$11T in economic value per year by 2025

Team
Deep market, tech, and executive experience

Tech
Proprietary simulation driven IoT Platform

Traction
Paying customers across multiple verticals