

Management:
Brian Javeline, President & CEO
Michael Carson, Vice President

Industries:
Home Repair & Remodeling
Business-to-Business Internet Applications

Number of Employees: 5

Ownership: Management, Early Stage Investors

Current Funding: \$1.8 M

Financing Sought: \$2.5 M through various stages of rollout, 150k minimum

Use of Funds:
Sales and marketing channels; additional development focused on viral components in the collaboration features plus advertising and merchant banking

Current Investors:
Management
Multiple Private Investors
Biographies listed on our website

Business Description: ServusXchange is a Business-To-Business and Business-To-Consumer technology developer that provides a business process and workflow collaboration solution targeting Generation X contractors in the home repair and remodeling industries.

Market Opportunity: There is a clear opportunity to introduce a solution for an industry that operates predominantly in a small entrepreneurial, mobile environment with limited technical infrastructure capabilities and finances. While the industry reports indicate potential markets between 531,000 and 647,000 companies, we have learned that the target market can well exceed 2,000,000 companies. Between 76% and 91% of this entire service industry represents a very small enterprise - our target audience. Owning the market will translate to a \$480 to \$640 million per year business.

Products/Services: MyOnlineToolBox is the heart of the platform. It begins with job leads and service requests, estimating its individual components, scheduling to accomplish those tasks, and then tracking through completion. The solution allows companies to operate independently or in collaboration with one another. For example, a contractor can coordinate his work with a sub-contractor by passing subsets of data from the contractor's database into the sub-contractor's database via an acceptance similar to the method how people send and update meeting requests to another. Customer value includes an economically viable and simple way to finding more work, managing work efficiently and getting paid faster.

Differentiated Technology: MyOnlineToolBox uses two patent pending technologies. One of them helps us in forming a strong collaborative community. Another patent pending technology provides a simplified visual display to allow users to switch rapidly between multiple application functions in order to maintain easy continuity during real world interruptions. The entire application is programmed using the recent releases of Microsoft's .NET architecture.

Key Future Customers: There were slightly over 120 testing customers to help launch the product at the end of the 1st Quarter, 2008. These companies assisted with many critical components of the business development cycle including software ease of use and navigation simplicity. We strategically have begun to convert a few to paying customers in order to maintain a strong testing community since offering a continuous discount gives us the upper hand to solicit survey responses.

Sales and Distribution: Our product is sold via software-as-a-service; therefore, we will derive most revenue from a periodic subscription fee. In addition to direct sales, our distribution channel is focused on establishing co-operative marketing relationships. The company sponsors www.TheContractorShow.com, a video forum that brings many of these organizations into the fold. We have an evolving relationship with the largest tablet PC manufacturer to co-brand and co-market with. Revenue will soon include advertising and transaction processing fees.

Competition: There are a few, well-positioned competitors. However, in most cases, their solutions require server hardware investments and consulting implementation, both of which are barriers to our target customers. Moreover, very few competitors have true browser-based solutions. Instead, they are selling older, desktop solutions that are simply accessed via the Internet. The economic environment is prohibiting many from new development efforts.

\$ (000's)	2006 Act	2007 Act	2008 Est	2009	2010	2011
Revenue	0	2	550	4,399	12,545	30,004
EBIT	(622)	(813)	(860)	1,015	5,475	18,505

Our product went live in late Q1, 2008 according to plan. Initial customers are being provided a discount in conjunction with promotions through our numerous affiliations. Revenue takes longer to generate via a recurring subscription model than via a traditional software purchase. However, recurring subscriptions generate more consistent revenue.