



CloudLogix

Executive Summary

CORPORATE INFORMATION	
Founded:	Denver, CO 2009
Industry:	Supply Chain Software
Products:	SaaS-based Supply Chain Building Blocks
Headcount:	8

KEY MARKET DATA	
TAM (2013)	191.3B US\$
SAM (2014)	700M US\$
SAM YoY Growth	12 to 18%
Target Customers:	Fortune 1000 companies, especially in manufacturing and retail
Target Applications:	Real-time supply chain synchronization with analytics.

FUNDING STRATEGY	
Funding Stage:	Seed Complete
Series-A Target:	\$ 3M on \$10M valuation
Use of funds:	Development, marketing and sales.
Investment to date:	\$500,000 (self-funded)
Current Financials:	\$1.6M 2013

INITIAL PRODUCT SET	
Perimeter	Q1'2011
Supply Chain Analytics Engine	
Control Tower	Q2'2013
Social Networking Workflow Engine	
DataDaemon	Q2'2010
Adjudicating Synchronization Engine	
LoadStar	Q2'2012
Intelligent Routing and Invoicing	
Downstream	Q2'2010
Inventory and Asset Visibility	

The topology for business resource planning is distributed, and current state-of-the-art is for companies to deploy monolithic applications. ERP software, as most companies attempt to deploy it, fails (cost overruns and missed deadlines) because the topology is wrong. CloudLogix fixes this issue. CloudLogix uses synchronization to provide solutions that work better in modern business environments. CloudLogix is a software-as-a-service (SaaS) company developing synchronization software and other enabling technology for the supply chain/resource planning market. CloudLogix focuses on allowing customers to synchronize their best-of-breed applications to improve supply chain responsiveness and employ world-class analytics in applications. CloudLogix' first generation technologies provide an active marriage of synchronization components, analytical engines and synchronized applications to effectively and efficiently improve the supply chain at a lower cost.

Problem: In many organizations, the supply chain tends to be driven by and rewarded for driving cost lower, not necessarily for improving the overall strategy and responsiveness of the company. For this reason, supply chain applications tend to be isolated, cumbersome or obsolete. Many people recognize that improvements in supply chain visibility and marrying the supply chain with corporate demand analytics can be a significant win, but the existing solutions to execute this strategy require significant investments of time and money. What is needed is a cost effective way of achieving this result, without changing the processes that have made a company or a business unit effective. Moreover, most companies put the mechanics of supply chain execution in the hands of third-party logistics (3PL) providers. While this is a good idea, in general, this now adds to the complexity of the supply chain data that must be maintained in order to maximize the effectiveness of the supply chain.

Usually the answer to this problem dictates a massive overhaul of the company and installation of monolithic applications, such as ERP systems, and integration of those applications with vendors. In practice, this leads to long, expensive development and (many times) changing the culture of business units that are already successful in their domain. Often, they are no longer successful after these changes. None of the supply chain or integration technologies that exist today provide the depth and rapidity of data synchronization required, or the deep integration with current execution systems to make the supply chain, the demand chain and the logistics providers work coherently to solve these issues.

Solution: Synchronization is different from integration. Integration is verbose and has limited self-integrity checks. Synchronization is multi-directional, fast and intelligent transfer of data from and to one or more disparate systems. CloudLogix has developed a rich set of SaaS services and API products that utilize comprehensive synchronization techniques based on the team's prior work in Supply chain execution, CRM synchronization solutions and supply chain analytical models. Customers of CloudLogix can use the best-of-breed supply chain and business applications and use synchronization to achieve global visibility and real-time data exchange. This has been used to improve the entire logistics process from demand analysis to order management to shipment management to customer ship or on-dock requirements. CloudLogix' unique architecture allows rapid customization of its technology to integrate with any existing ERP, MRP or other tool and perform data adjudication which is lacking in the supply chain interface market.



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Market: CloudLogix' first generation target customers are one of three categories: First, Fortune 1000 customers who want better integration with applications that have already been purchased, or are lacking major features in the large package that they acquired. Second, we target the second and third tier companies who want to achieve the results of installing a large ERP, but lack the resources and/or time to invest in the process. Third, we provide benefit to 3PL providers who need to integrate rapidly with their customers to provide an overall solution.

Competition: The market today is fragmented between various flavours of execution software (ERP, MRP, and so forth) and many closed technologies for integration and business intelligence. None of the available technologies meet the functionality needed for the next generation Agile/Active Supply Chain. CloudLogix also competes with the traditional integration tools, but none of these tools offer the performance and depth of intelligence out-of-the-box that CloudLogix provides. CloudLogix' first generation products based on its unique patent pending technology, builds upon proven technologies from synchronization, execution and analytics in the supply chain and is architected to meet the performance and reliability expectations of the customers with right cost target and integration capability to speed up customer adoption.

Customer Acquisition: CloudLogix has developed channel partners through logistics providers and systems integrators. CloudLogix has received strong acceptance for its technology from several third-party logistics providers, a number of direct customers, and several large systems integrators.

Intellectual Property: Developing synchronization is complex and requires significant investment, which is a significant barrier to entry. But in order to protect the intellectual property, CloudLogix has filed six non-provisional patents in the synchronization and supply chain space:

- A METHOD OF SYNCHRONIZING SUPPLY CHAINS
- SYNCHRONIZED RESOURCE PLANNING
- DYNAMIC MILESTONE MANAGEMENT
- DYNAMIC SHIPPING ROUTE DETERMINATION
- VIRTUAL WAREHOUSE
- SETTING UP MILESTONES FOR DESIRED PERFORMANCE IN ANALYTICS

Fund raising: The Company is seeking approximately \$5M in funding to complete the development of its core technology set and complete the product roadmap. The Company is already producing revenue and is cash-flow positive, but would use this funding to continue to establish the customer base. CloudLogix' initial funding has been provided by the Founders.

The Team:

Rob Langhorne – CEO/CTO & Founder: Mr. Langhorne is an experienced CEO, Vice-President of Engineering/CTO in mathematical, economics-based and high-volume software technology and modeling companies. He has over twenty five years of experience leading teams to successful delivery of complex synchronization software for companies such as Apple (Newton and iSync/MobileMe), Oracle, and fusionOne (Sprint/Verizon synchronization).

Tom Cagney – Chairman & Founder: Mr. Cagney was the CEO of logistics firm Seko Worldwide and also serves as the CEO of Wilderdest Logistics. Tom has 25+ years of supply chain operation experience, building smaller companies into larger logistics service providers, achieving revenues of \$300M under his leadership.

CloudLogix Engineering Team: Delivering high volume web components and analytical software requires a core team of highly specialized engineers and architects. CloudLogix has assembled a core team of engineers who have a proven track record of developing similar solutions, with multiple years of experience in commercial web development and supply chain analytical software.

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