



Circle Technology: Business Strategy

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Circle Technology: Business Strategy

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Table of Contents

Executive Summary.....	5
Company Vision	7
Company Mission.....	7
Core Company Objective	7
Company Strategic Approach	7
Market Analysis.....	8
Customer Analysis.....	9
Understanding the customer	9
Factors of desirable customers.....	12
Market Segments.....	12
Target Market Segment	13
Product Survey	13
Compelling Reasons to Buy.....	17
Circle Technology Product	18
Product Offering	18
Competitor Analysis	20
Existing Technologies Used by Target Market Segment.....	20
Competitive Technology Pricing	21
Portfolio Analysis	22
SWOT	23
Strategic Plan	24
Positioning Statement.....	24
Competitive Strategy	25
Product Strategy	26
Marketing Strategy	27
Pricing Strategy	29
Sales Goals	31

Profitability.....	31
Growth	32
Market Share	33
Summary	34

Executive Summary

The following summary is provided by Circle Technology:

Circle Technology was founded in April 2012 as a C-corporation. The founder and President, Steve Hix, who was the founder and CEO of Infocus, brings a uniquely valued experience on presentation and successful growth in this market. The company now has strong team members in all the key functions. Therefore, the company has already been able to develop the core software and deliver a solution to the market place in less than one year.

Steve Hix has founded Circle Technology and released a solution for small groups that stands to revolutionize the presentation industry. Mr. Hix, founder of InFocus Systems and creator of their first projector, has successfully founded over a dozen companies and has spent the last 20 years perfecting large-scale presentations. Mr. Hix's most recent "Passion Project", completely changes the presentation of material to clients and small groups. Imagine sitting down in a meeting and easily putting your computer screen into everyone's hands without wires, Internet access, or setup. Within seconds you're conducting a professional presentation with the added personal touch of talking with clients, rather than at them.

With our roots firmly planted in the presentation industry, at Circle Technology, we are primed to revitalize the market with our Circle Wizard Software and Circle Displays, transforming stale presentations into effective, deal closing, client connections. We're proud that the Circle Display overcomes all logistical hurdles and allows you to carry a complete portable presentation that's prepared to wow clients anytime, anywhere. Walk into a room, hand out your Circle Display and begin presenting. The adoption of open work spaces is another significant trend in both medium and large corporations, creating an environment perfect for using personal presentation displays. Circle Technology overcomes today's challenging on-the-road presentation environment with issues like:

- No Monitors
- No Projectors
- Open Team & Touchdown Rooms

Circle Technology is the future of wireless presentations allowing users to put presentation materials into audiences' hands without the Internet — anywhere, at any time. Our system, complete with high quality resolution Circle Displays and Circle Wizard Software, allows presenters to screen share anything from their computer to multiple Circle Displays with no paper, no binding, and no networks. Our approach targets the problem of unreliable and unpredictable access to presentations tools. The typical "on-the-road" presentations (e.g. Sales

or training) are commonly derailed by infrastructure issues out of the control of the presenter (e.g. lack of Wi-Fi/permission; or lack of projector/place to project).

The company's core product offering is software, with initial releases under name Wizard™. Given the desire for ease of use and high reliability, the company is offering the software pre-installed on the portable displays. The full system approach not only provides reliability through a complete solution but also significantly improves user experience through a superior ease of use. Over time with a wide availability of Tablets in every setting, a pure SW/services model would be possible.

Circle displays are based on industry-standard Tablets with no Hardware modifications to maximize leverage of the existing high volume manufacturing. Circle SW is downloaded, configured and tested before shipping the product. The system configuration can range from one display to 8 displays for a single presentation. The range of presentation is up to 30 ft. Multiple presentations can be held within a close proximity without a conflict. The communication is encrypted and new tablets are added to an ongoing session by entering user name and passwords.

The target application is offsite presentations. Our initial prioritized markets are Sales teams in five verticals: Insurance, Financial, Product Reps, Health Care/Cosmetics, and Government. The overall addressable market clearly continues to grow as the need for in-person communications and training remains strong around the world. The new approach introduced by Circle Technology, opens up a whole new segment that had been limited by lack of any appropriate solutions. The product is being offered globally but the initial focus will be in the US for the first year.

Circle Technology is pioneering a new solution within a very large lucrative presentation market. We expect a rapid growth after the initial stage of informing the market place of this solution. We expect to maintain a large market share as this area develops over time with help from our overall intellectual property position and, more importantly, staying ahead of emerging competition by offering additional benefits over time (e.g. collaboration functions, customized cases, voting option, etc.).

The early SW and systems have allowed evaluating and improving the functionality of the solutions. The latest revision of Software, released in January 2013, includes all the key functionality and user interface required for penetration into the top 5 markets identified. During 2012, the pricing and System model including hardware were also updated and validated with feedback from industry evaluators.

Company Vision

To make 'Circle Technology' to be synonymous with wireless presentations

Company Mission

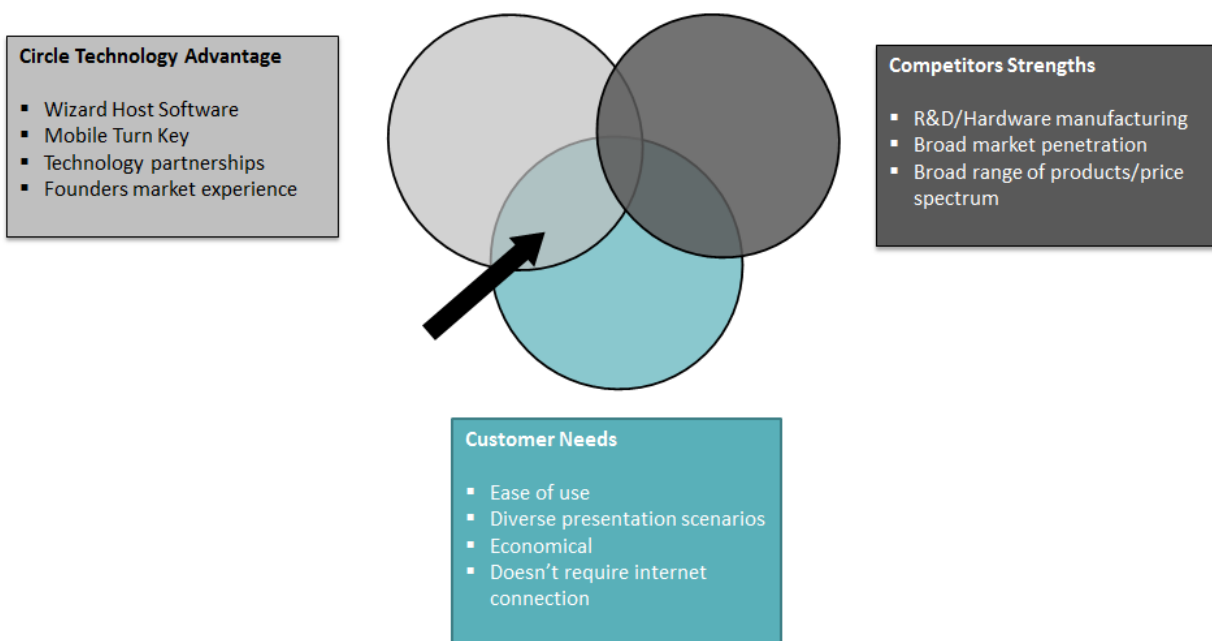
To make it quick and easy to share your digitally displayed information

Core Company Objective

To increase gross revenue 5% year-over-year for the first five years

Company Strategic Approach

For Circle Tech, we used the core competency to identify our strategy, approach and how we will attack the market. The customer needs products that are easy to use, offer deep-functionality, economical and mobile. At the same time our competitors have high R&D capabilities, broad range of products and deep market penetration. For Circle Tech, the advantages we offer the customers are a mobile turnkey solution, a product catered to the need and market experience with our founder.



Market Analysis

Market Size

When reviewing the Fortune 500 list of companies ranked by revenue, nearly 10% of the top 100 represented companies engaged in Financial Services companies targeted towards investment planning.

Figure 27: Top 10 defined contribution recordkeepers by AUM, as of Dec. 31, 2010

Recordkeeper	#AUM (millions)
Fidelity Investments	\$940,488
TIAA-CREF	\$327,228
ING Retirement Services	\$291,868
AON Hewitt	\$288,205
Vanguard Group	\$273,805
Wells Fargo	\$157,900
Great-West Retirement	\$146,618
J.P. Morgan Retirement	\$119,041
Bank of America Merrill Lynch	\$118,007
T. Rowe Price Group	\$113,544

Source: *Pensions & Investments*, April 5 2011, cited on
401kexchange.com

Define sub-segments

The Financial Services Market that we are focusing on can be divided into two separate channels. One channel is the large corporate entities where advisors are part of a team of corporate sales and service teams. The other channel is geared towards the independent financial analysts and wealth advisors that may work as subcontractors for a corporate product set, or provide a tapestry of investment options from multiple financial services entities. Initially these will be developed as a single industry in terms of approach and marketing, but as we develop entry points into this market, channel delineation will occur as approaches become more distinct.

Annual Sales

According to Mintel Analyst Reports, the total retirement market assets in the U.S. were \$18.1 trillion at the end of Q1 2011, representing 37% of all household financial assets in the U.S. This was an increase from \$17.4 trillion in assets from the prior year.

These tables represent market data on the number of plan participants serviced by the top Financial Services firms as well as total number of advisors engaged in financial services sales:

Figure 26: Top 10 defined contribution recordkeepers by number of participants as of Dec. 31, 2010

Recordkeeper	# participants
Fidelity Investments	14,963,600
ING Retirement Services	5,419,944
Aon Hewitt	4,653,374
Great-West Retirement	4,405,807
Bank of America Merrill Lynch	3,668,627
Vanguard Group	3,460,645
TIAA-CREF	3,165,741
Principal Financial	3,104,123
Wells Fargo	2,818,862
Nationwide Financial	2,662,693

Source: *Pensions & Investments*, April 5, 2011, cited on 401kexchange.com

Figure 20: Number of financial advisers, by channel, 2004-10

Channel	2004	2005	2006	2007	2008	2009	2010
IB/D, including dually registered	107,432	111,249	107,100	109,839	110,208	110,439	110,565
Insurance B/D	98,416	93,593	88,196	92,963	96,004	95,404	89,121
Wirehouse	60,960	64,058	59,696	56,901	54,865	50,204	50,742
Reg. B/D	36,691	33,591	32,814	33,029	34,598	38,249	34,359
RIA	15,786	16,498	16,527	16,983	19,322	20,534	20,605
RIA, including dually registered	20,530	23,465	25,867	27,360	31,388	32,124	33,378
Dually registered	4,744	6,967	9,340	10,378	12,066	11,591	12,773
Total	338,481	338,909	323,931	329,856	335,283	334,160	320,378

Source: Cerulli Associates, 8/30/2011, cited in advisorone.com, "Broker population in 'shocking decline,' expert says," Janet Levaux, 9/6/11

Customer Analysis

Understanding the customer

Personal Relationships are a key factor

A report released in September 2011 by the Spectrem Group showed that there was a large discrepancy between the number of people who considered a firm and the number that ultimately selected it. Charles Schwab, for instance, was considered by 25% of investors but selected by just 7% and Vanguard was considered by 24% of investors but selected by just 11%. In the case of JPMorgan Chase, 15% considered its product but just 4% chose it in the end.

The report found that 70% of investors spoke to their advisers about their rollover prior to making their decision. This investor/advisor relationship is often a determining factor in which firm is selected to provide investment services. There may be room for improved marketing and relationship-building efforts among advisers by the firms that were considered by a lot of investors but not chosen.

Consumers often require unique approaches

Many firms are changing how they communicate with their consumers. There has been particular interest in the growing percentage of female investors. Bank of America's Merrill Lynch brokerage arm has begun to work with its advisers to help them find ways to more effectively reach out to women. The firm is offering its 15,000 advisers, 84% of whom are men, insight on the difference between the way men and women make decisions about where and how to invest their money, and the expectations women have of their advisers. Because women tend to talk with more people than do men, and to take longer to decide on using a particular adviser, advisers are being encouraged to spend more time with women prospects and not to end the conversation too early in the prospecting process. According to the firm, the extra attention is warranted because female clients tend to stay with advisers longer than do male clients and, because they tend to be less rattled by market fluctuations, tend to stick with their financial plan.

Employer provided plans do not meet all consumer investment needs

Market volatility and weak economy have created increased interest in engaging professional assistance in investment planning. While many employer-provided retirement savings plans promote automatic enrollment, which makes it easier for people to enroll, these plans are not necessarily doing anything to encourage people to increase their contribution rate. Working with a financial advisor will likely lead to increased contribution rates and in turn, increased rates of return on investment for plan participants.

The relevancy of Face To Face Interaction in an Online World

A recent Forrester Survey divided these investors into four different investor profiles: Self Directed, Validators, Delegators and Avoiders. These profiles characterize the likelihood of plan participants to engage the help of financial services advisors. The table illustrates the defining needs of the different investor profiles.

Each group has different needs

Group	Description	Financial needs
Self-Directed	Take financial decisions on their own; seek best products and prices	Information, value, speed, and control
Validators	Interested in finances; seek advice on complex decisions	Information, value, advice, reassurance, and a trusted relationship
Delegators	Bored or confused by finance; want others to take decisions for them	Advice, good service, and a trusted relationship
Avoiders	Neglect their finances; distrust firms and advisors; risk averse	Simplicity

13

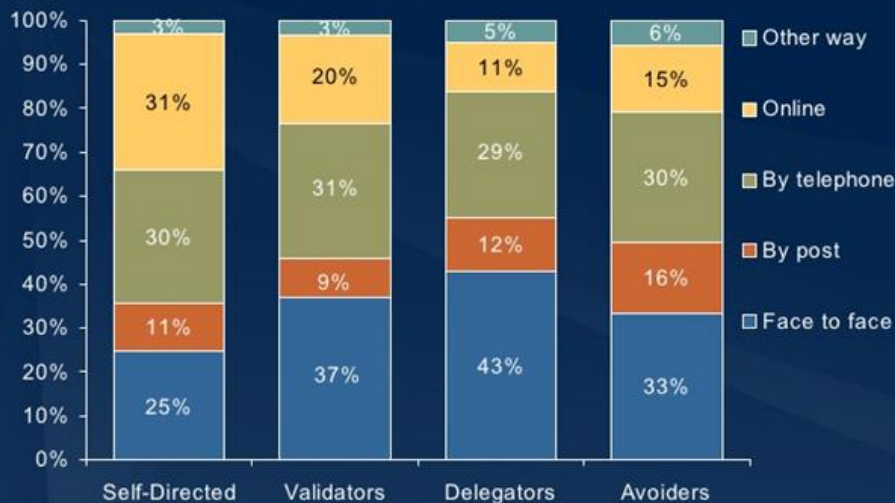
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The Forrester Survey Results provide insight that a larger percentage of most groups prefer Face-To-Face interactions over purchasing their investment products online.

Each group uses different channels to buy financial products

"What was the main way you bought your most-recent financial purchase?"



Base: UK adults

Source: Forrester's Consumer Technology Adoption Study, Q2 2005

20

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Despite the difference in overall needs, most investor categories had a majority of their population express satisfaction derived from working with an advisor face to face. Face to face

presentations create increased opportunity for communicating advantages which can lead to increased investment contributions and thus more revenue from investment services fees.

The four groups have similar demographics, but different attitudes and behavior

	Self-Directed	Validators	Avoiders	Delegators
Number	74M	53M	70M	47M
Female	48%	50%	51%	56%
Aged 25-44	42%	39%	36%	33%
High education	34%	26%	24%	25%
Work full time	49%	45%	41%	39%
High income	36%	34%	32%	34%
Like talking to people when making decisions	52%	71%	28%	55%
Keep careful track of finances	63%	69%	40%	52%
Confident of retiring comfortably	51%	69%	37%	63%

Base: European adults
Source: Forrester's Consumer Technology Adoption Study, Q2 2005
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14 FORRESTER

Factors of desirable customers

Selection Criteria

- Revenue
- Size of Market
- Presentation Driven Transactions
- Benefit from Face to Face Presentation
- Entry point into Market

Market Segments

Industries Considered

- Real Estate/Construction
- Government
- Healthcare
- Education
- Professional Training
- Financial Services

Target Market Segment

The financial services market segment met all factors of desirable customers. Therefore, financial advisors are selected as the target market. Financial Advisors generate sales revenue on investment increases for financial planning, retirement, investment purposes.

Channels

- Corporate Financial Services
- Independent Financial Advisors

Product Survey

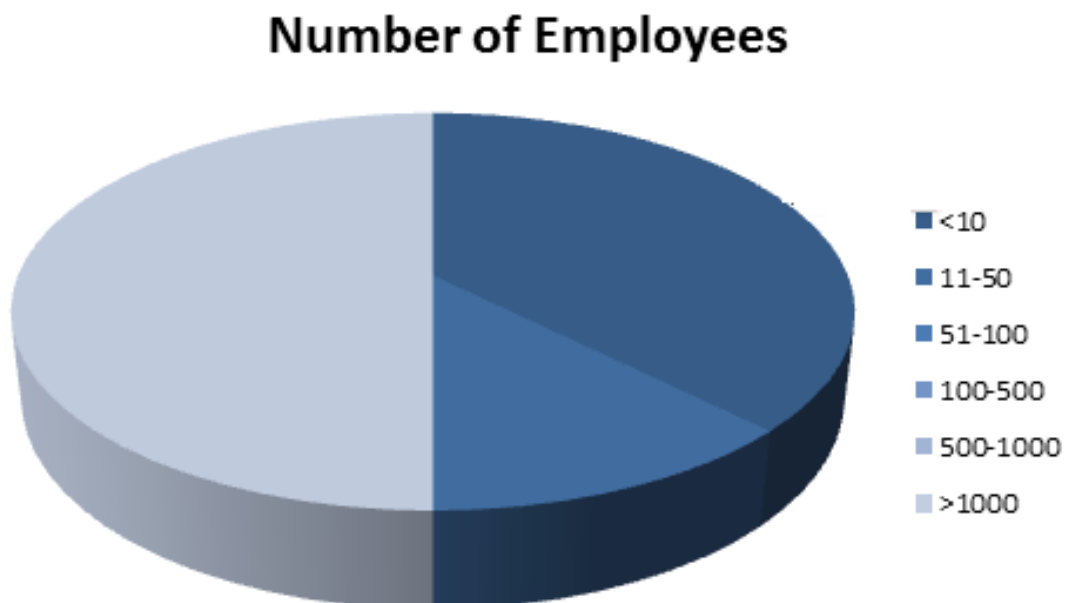
Our team conducted a survey comprised of personal financial advisor contacts and the addition of Twitter subscribers to wealth management and financial advisor groups. The survey included 36 respondents that were evenly divided between corporate employee financial advisors and independent contractor financial advisors and wealth managers.

Here are some details on our survey responses and how this data shaped our proposal.

Size of Market

Respondents primarily work for two sizes of financial service companies:

- Large, publicly-traded companies
- Small, independent firms

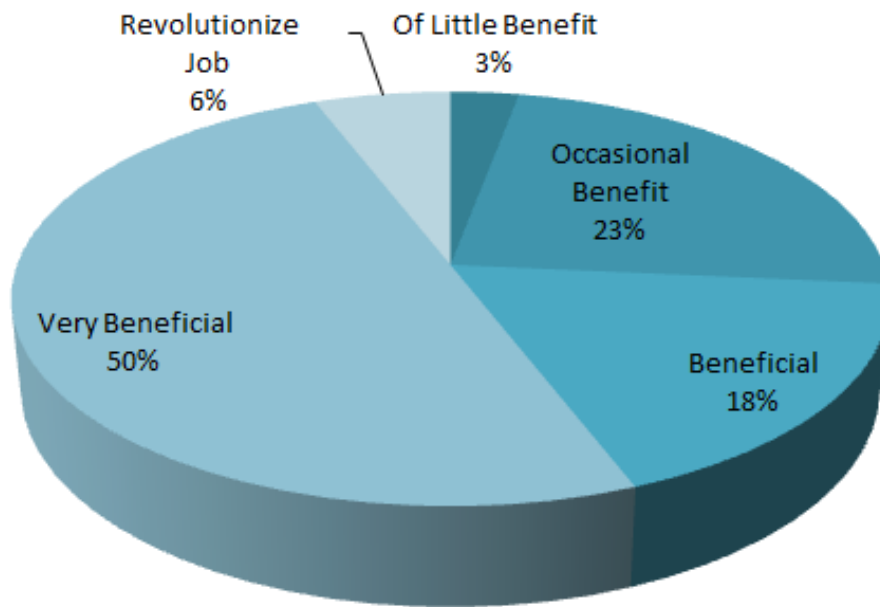


Perceived Benefit

Most responses indicated a benefit from Circle Technology products:

- 97% of respondents perceive some benefit from Circle Technology products
- 74% - revolutionary, beneficial or very beneficial
- 23% - occasional benefit

Product Benefit Perception

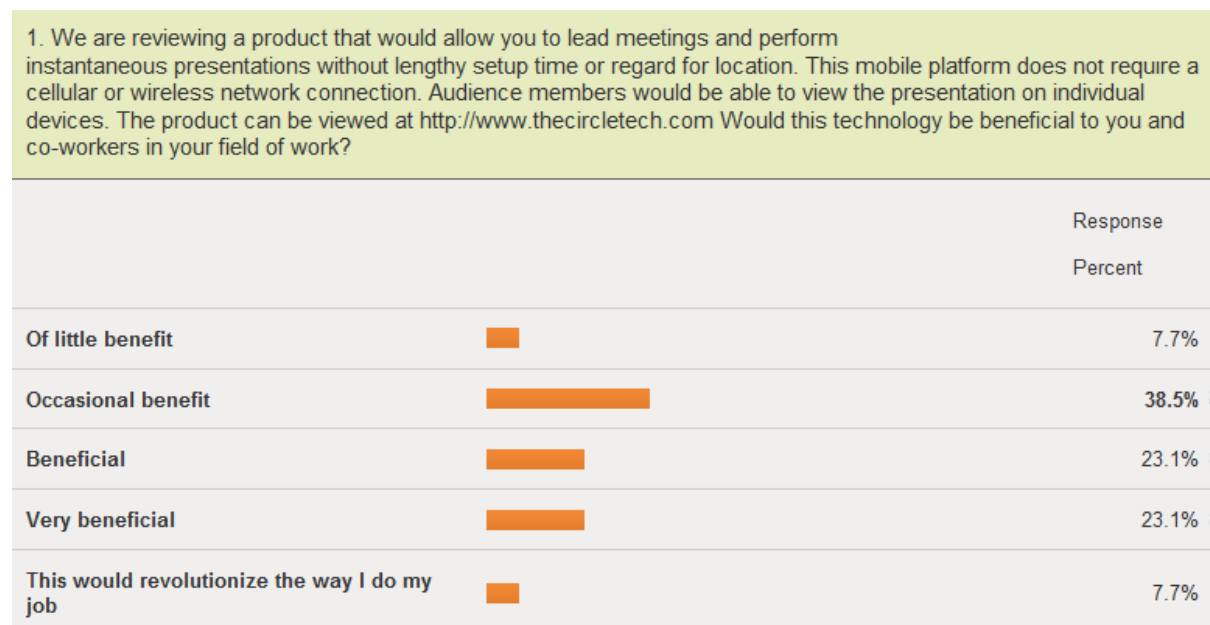


Product Preference

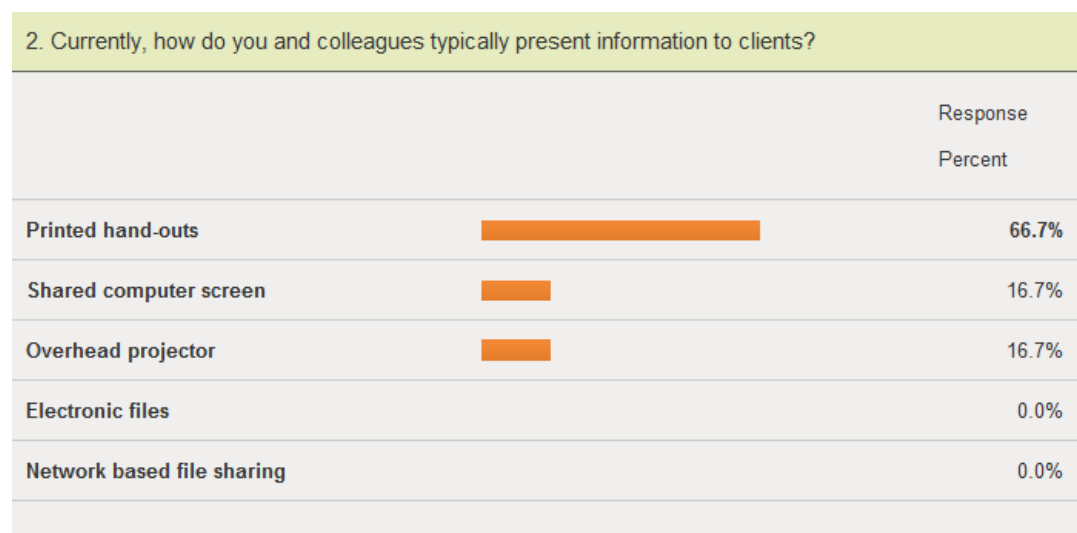
Most responses indicated a preference for an independent software solution:

- 96% of respondents believe the software can be used at their organizations
- 69% - prefer to purchase software independent from devices
- 35% - prefer a complete, turn-key system





Below are a few of the survey questions and initial responses gathered:



This indicated there was some reasonable product interest from members of the financial services industry. While there was not a high threshold for strong interest, the majority of survey participants could cite some benefit that the technology would lend to their client services.







This indicates that the primary means of sharing information about options and choices with customers is currently in printed form for the majority of these financial services presentations.

4. How many times in a typical week would this technology be useful in your job?		
		Response Percent
Rarely		7.7%
A few times		46.2%
Daily		23.1%
Several times per day		23.1%
Most of the time		0.0%

These responses indicate that purchase the product would lead to a fairly high level of utilization as part of financial advisor normal client interactions.

Product Implementation

We also surveyed to determine the best implementation for the financial services market. Financial services sales advisors can be corporate employees serviced by an IT department and subject to IT policy and common desktop staging policies. They can also be independent professional advisors acting as an agent for a firm who would more likely purchase the products independently.

10. How would this technology solution be deployed at your company?		
		Response Percent
IT would not allow this technology		15.4%
IT would purchase software and hardware independently		7.7%
IT would purchase software and devices together as complete vendor supplied systems		0.0%
End-users would prefer to install the software on their own devices		61.5%
End-users would prefer to purchase complete vendor supplied systems		15.4%

In both cases, the overwhelming preference for implementation would be to purchase the software and install on a corporate issued or personal device, rather than purchasing the bundled hardware/software solution.

Compelling Reasons to Buy

The following are easily identifiable compelling reasons to buy Circle Technology products.

- Improved face-to-face interaction with customers
- Quick and simple to use; requires no setup
- Requires no Wi-Fi or pre-existing network
- High-definition presentation graphics with ability to magnify detailed graphics or data
- Improved security: LAN vs. WAN
- Control the flow of presentations
- Increased customer engagement and satisfaction

The variety of communications channels available today makes it imperative that companies have a wide range of strategies at their disposal. More than ever, people can pick and choose how they receive their messages.

Financial Advisors are able to provide a more compelling visual presentation of financial services options in person. Providing a Graphical display of complex financial information and illustrating a variety of options and scenarios is important to communicate understanding.

Financial Services consumers have tactile needs – they place a high value on eye contact, having capability to touch the data, and receiving a guided walkthrough of differing complex financial scenarios, choices and varied outcomes.

Financial matters can be complex and intimidating. The Circle Technology devices add a Sense of control in being able to touch and review the data along with the presenter. These devices satisfy the tactile needs of these consumers by providing their own tablet or device in hand which lends to this sense of control.

Personalized walkthrough leads to competitive advantage over other advisors in a market where many are considered before single option is selected.

Problems solved using Circle Technology:

- Cost of Multiple printed proposals/scenarios
- Competitive Advantage
- Customer Engagement
- Complex Material
- Sensitive Data
- Presentation Setup Time

ROI and Improving Sales Potential

There are 48,323,416 total account customers and 320,378 financial advisors which represents 151 average customers per advisor.

Minimally, most clients receive an annual portfolio review, with many consumers receiving this information on a quarterly basis. This indicates there is a potential for 151-604 presentations to clients per year, per financial advisor, not including any new business.

Prior data provided by Circle Technology indicated that the cost of providing 50 presentations per month for six months could be compared at \$5,940 for printing and associated labor costs. For an individual financial advisor, this would equate to \$2,970 in printing costs to provide one presentation per year to their clients and \$11,880 if the presentations are made quarterly.

The cost associated with utilizing the Circle Technology tablets was estimated at \$240/50 presentations/6 months – which broken down again to individual financial advisor estimates would equate to \$120 annual presentation costs and \$480 in costs if presentations are made quarterly, per advisor.

Circle Technology Product

Product Offering

We chose to provide two products offerings to our target market. As noted in the marketing section above our survey results showed that both the turnkey hardware/software product as well as a lower cost software only product could meet market demand.

Turn-key Hardware/Software System

- Wizard host software for Windows PC
- Circle Display tablet (Android)
- Circle Display client software
- 17% of respondents preferred hardware solution.



The challenge with this product is the Circle tablet which sold as a part of the turn-key solution is priced much higher than other Android based tablets and the Apple iPad. This presented a couple of challenges. First given the adoption of tablets, those clients who had already invested in a device probably wouldn't be interested in purchasing a second tablet. The second issue is that the tablet technology is changing rapidly and Circle will need to keep based with new tablet features to continue to sell this option in the marketplace.

Software as a Service (SaaS)

- Wizard host software for Windows PC
 - Recurring monthly license
- Tablet Client Software
 - Microsoft Windows
 - Google Android
 - Macintosh iOS
- 50% of respondents preferred software solution



This product option opens up additional revenue opportunities for Circle. By supplying the Wizard Host software as a monthly (or yearly) subscription, the client can leverage the software for little initial risk. The tablet client software will be available for free to allow the client to use their existing tablets running Android, iOS or Windows 8 operating systems. We believe that once the client uses the software, experiences how easy it is to use they will continue their monthly subscription. Given the adoption of tablet devices this could be a nice revenue stream for Circle Technology.

User Scenario

Our target market of financial advisors typically has many interactions with their clients over the advising/sales cycle.



Historically, the advisor would print out material and review the documents in a face-to-face meeting. We believe that by using either the turnkey solution or software only solution the advisor will be able to use the presentation capabilities to guide their clients through the material. Their client will be able to zoom in on the presentation using standard tablet technology for an enhanced view while they are being led through the material in a structured manner. At the end of the meeting, the advisor will email the material to the client to save on the cost of printed literature.

Competitor Analysis

Existing Technologies Used by Target Market Segment

We identified multiple technologies that are seen as competitors to Circle Technology:

1. Mobile Projector
 - a) Infocus
2. Web-based presentation capabilities
 - a) Cisco Webx
 - b) Citrix GotoMeeting
3. Interactive presentation software
 - a) Adobe Presenter
4. SaaS Office
 - a) Microsoft Office 365

The companies that distribute these products are large, well-funded software companies. Trying to compete with these products in direct competition would be difficult and require significant product development investment.

The key differentiator between these products and Circle Technology is that they all require Internet connectivity but Circle does not. We feel we can leverage this key difference to build market share.

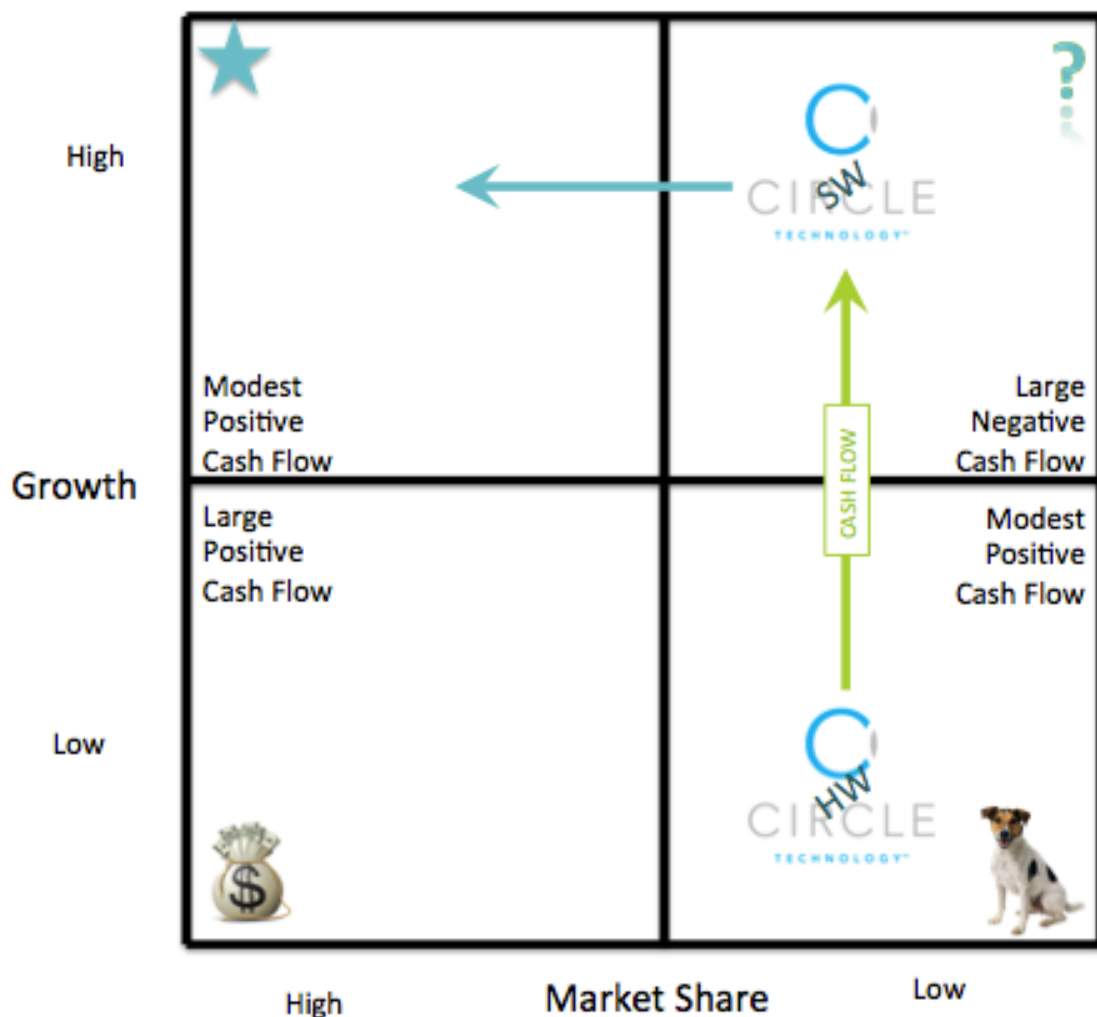
Competitive Technology Pricing

The following table contains competitive products and their respective pricing for comparison.

	Product Name	Product Type	Product Pricing	Wi-Fi Required
	Adobe Presenter	Software license	\$499	YES
	Citrix GoToMeeting	SaaS	\$468/year \$49/month	YES
	Cisco Webex	SaaS	\$228/year \$24/month	YES
➡	Circle Technology Wizard	SaaS	\$199.99/year \$19.99/month	NO
	Microsoft Office 365	SaaS	\$150/year \$15/month	YES
➡	Circle Technology Wizard + tablet	Turn-key solution	\$999.99	NO
	InFocus mobile projector	Turn-key solution	\$599 - \$1099	NO

Portfolio Analysis

The Portfolio analysis showed the contrast in opportunities in both solutions. The hardware shows a modest positive cash flow in the short-term, however given the lack of market share; this solution would turn into a question mark, given the lack of market share. This means the hardware solution requires large amount of cash to maintain market share and even larger amounts to gain market share. On the other hand, the software solution would start as a question mark with negative cash flow but move to be a star as the market share increases. Thus, the software will represent a better option to net cash generation in the long-term.



SWOT

The SWOT analysis below highlights the strength, weakness, opportunities and threats.

STRENGTHS <ol style="list-style-type: none">1. Proprietary software2. No network or internet requirements3. Ease of setup and use4. Hands on control5. Industry experience	WEAKNESSES <ol style="list-style-type: none">1. Temporary competitive advantage2. Not difficult to imitate3. Preexistence of tablets4. Tablet technology changing rapidly5. Users unwilling to use unproven technology
OPPORTUNITIES <ol style="list-style-type: none">1. Market is primed for disruptive mobile options2. Traditional projectors unable to keep up with mobility demands3. Need for personalized and interactive presentations	THREATS <ol style="list-style-type: none">1. Competitor Products2. Competitor Product features3. Legal Implications of Information Presentation

The SWOT analysis indicates the following:

Strengths

Circle Technology has a strong asset in its propriety software that no of its competitors currently possess. The fact that Circle Technology solution does not require a Wi-Fi connection is a major advantage over the current competitive products in the market. Another strength is the simplicity of setting up the software offers a major advantage for an industry like financial markets where its users are not necessarily technology savvy. In addition, the ability to control the display of the presentation on the client screen offers a unique option not currently available to any of competitors. Finally, our founder Steve Hicks experience in the presentation industry gives us the backing of experience and reputation among our clientele to effectively market and sell our solutions.

Weaknesses

Given the high paced technology market and the availability of technical resources in the market, it must be acknowledged that Circle Technology current advantages are at most temporary. For that reason, any early success in the market will mean that the competitors will try to imitate our products and success; there are few barriers to prevent the competition from imitating our products. Since the market is already flooded with tablets, it may act as a barrier for customers to embrace our hardware solution or our software solution if it is not compatible with the devices they already own. The technology in the tablet industry is changing rapidly meaning that any product you release today can become obsolete in six months' time. Finally, in not technological industries such as financial services, users are not known as early adopters. This means that users are not quick to adapt new technology.

Opportunities

The market is prime disruption given the rapid move of mobile solutions in people's daily life; the presentation industry has remained relatively stagnant over the last few years with traditional solutions such as stand-alone projectors. Traditional projectors have not been able to keep up with the high demand of customers for mobile solutions. There is a demand for personalized solutions for presentations and none of our competitors offers solutions that address that need.

Threats

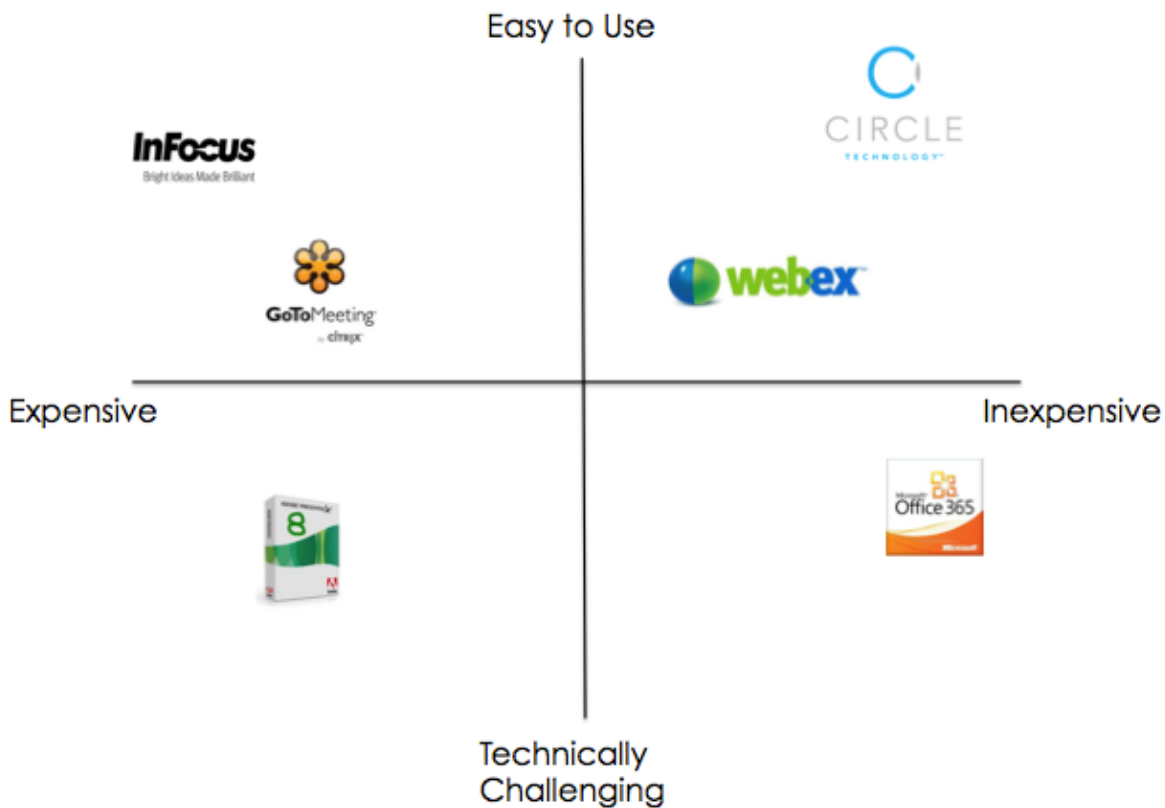
Competitor products in the market offer a potential threat to our solutions. The numerous features that our competitor products offer that we don't are another threat to our ability to gain market share. Presentations to clients are very important in this industry. Early presentations tend not be legally binding until the client agrees to terms of the deal, and then an authorized signature is required when the deal is sealed. Thus, the solution needs to address the legal implications of presenting data to clients.

Strategic Plan

Positioning Statement

Among the technology products that offer presentation solutions, Circle Tech turn-key solution is the most affordable product that offers a mobile solution solely focused on delivering presentations in today's mobile climate.

Product Positioning



Competitive Strategy

For our competition strategy we focused on two main tactics that allows us to better position our products in the market. Each tactic is based on the strategic initiatives.

Tactic 1: Offer lifetime software licensing with purchase of Circle Technology packages

Tactic 2: Reduced pricing for enterprise packages

Tactic 3: Unlimited client software downloads

Tactic 4: Offer multiple payment options (annual, monthly, etc.)

Tactic 5: Develop product pacing with quarterly product updates and annual add-on options

	Strengths <ol style="list-style-type: none"> 1. Proprietary software 2. No network or internet requirements 3. Ease of setup and use 4. Hands on control 5. Industry experience 	Weaknesses <ol style="list-style-type: none"> 1. Temporary competitive advantage 2. Not difficult to imitate 3. Preexistence of tablets 4. Tablet technology changing rapidly 5. Users unwilling to use unproven technology
Opportunities <ol style="list-style-type: none"> 1. Market is primed for disruptive mobile options 2. Traditional projectors unable to keep up with mobility demands 3. Need for personalized and interactive presentations 	SO Strategies	WO Strategies <ol style="list-style-type: none"> (1.1) Offer lifetime software licensing with purchase of Circle Technology packages (1.1) Reduced pricing for enterprise packages (5.2) Unlimited client software downloads
Threats <ol style="list-style-type: none"> 1. Competitor Products 2. Competitor Product features 3. Legal Implications of Information Presentation 	ST Strategies	WT Strategies <ol style="list-style-type: none"> (1.1) Offer multiple payment options (annual, monthly, etc.) (1.2) Develop product pacing with quarterly product updates and annual add-on options

Lessons Learned in Strategy Analysis

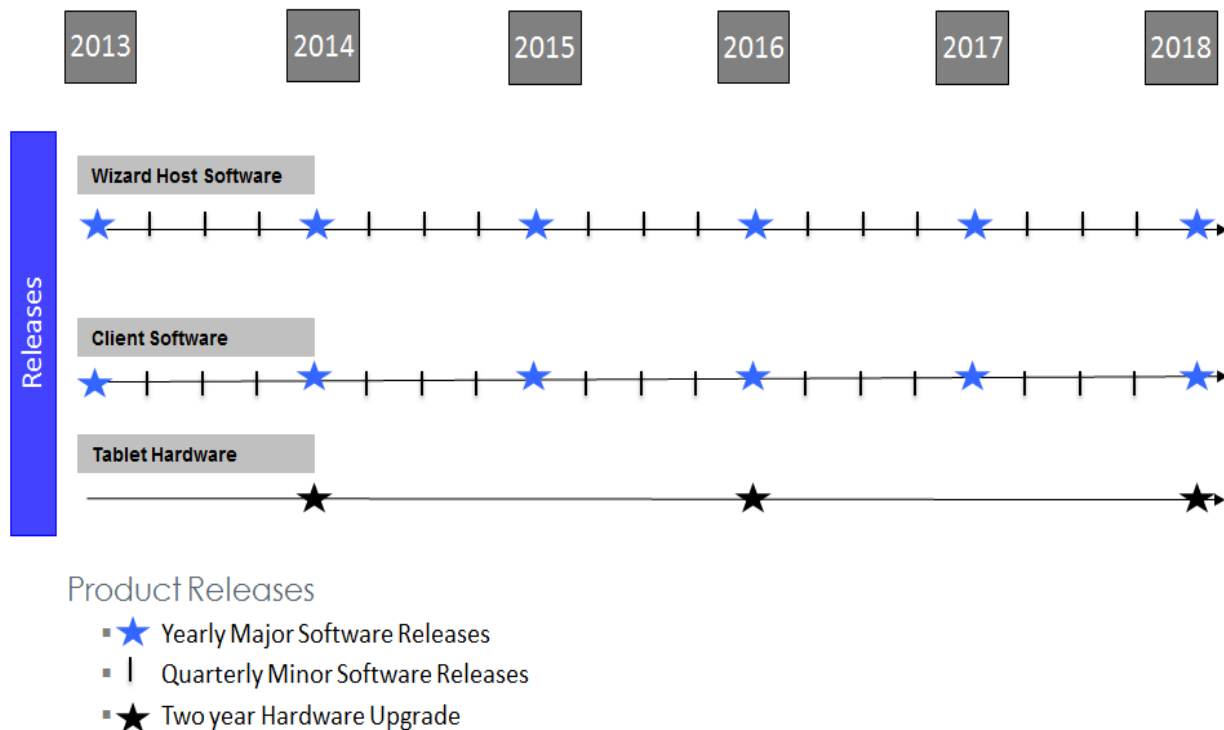
The biggest lesson learned in this project was to focus the analysis on the two main key points. Initially, our strategic analysis was too broad and encompassed many factors and issues. This led our SWOT analysis to be broad and unspecific. In addition our scenario analysis depended too much on uncertainty and did not deal with the two most important factors. As a result, we focused our strategy analysis on the two to three factors that affect our market most severely.

Product Strategy

Although Circle has an advantage currently with the Wizard host software, we believe that additional features will need to be added to the product overtime. This will enable us to provide additional value to our subscription-based customers but also to allow us to compete in the interactive collaboration market.

The finalized features haven't been determined and will be a part of Circle's product roadmap based on client needs and market demands. We plan on leveraging a quarterly release cycle for minor feature upgrades and a yearly cycle for major product releases.

The tablet technology will also need to be upgraded to keep sync with new features in that technology space. We believe we can leverage the same tablet vendor and coordinate our product improvement with their release schedule.



Future Technology Development

Circle Technology will continue to invest a portion of revenues to the development of new products and features. Certain strategic objectives will help to keep Circle Technology products competitive and valuable to customers. The following are current development objectives:

- Develop licensing capability within Wizard
- Quarterly software updates
- Annual software upgrades with new features & options

Marketing Strategy

The Circle Technology marketing strategy is geared towards increasing product awareness and brand recognition amongst professional financial advisors and planners.

This marketing strategy will be carried out by use of the following tactics:

1. Increase internet exposure by advertising on key industry websites. The following sites should be our first considerations:

MoneyShow.com, AdvisorOne.com, Financial-Planning.com, FA-Mag.com, NAPFA.org, NAIFA.org, FPA.net.org, FinancialPro.org, IARFC.org



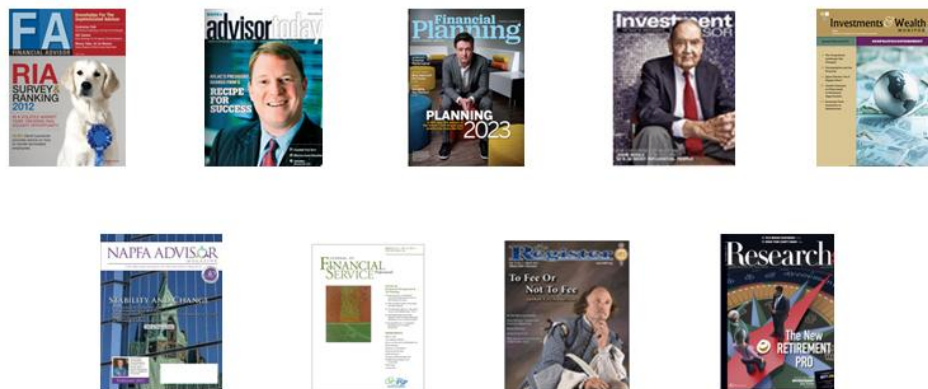
2. Increase product awareness and learn about customer needs through participating in online social media, blogs, discussions, demos, and advertising. The following sites social media sites fit these needs:

LinkedIn, Facebook, YouTube, Talkbiznow, Ryze, eToro



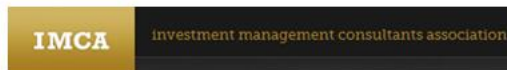
3. Increase product awareness and brand recognition through advertisements and publication of feature articles in the following financial advisor publications:

Financial Advisor, Financial Planning, Investment Advisor, Research, Investment News, NAPFA Advisor, Advisor Today, Investments & Wealth Monitor, Journal of Financial Service Professionals, The Register



4. Attend key tradeshow and conferences aimed at Financial Advisor professionals to exhibit and demonstrate products. The following events are identified as opportunities to increase product and brand recognition within the financial services industry:

NAIFA expo, NAPFA conference, IARFC conference, IMCA conference, The MoneyShow, Financial Advisor Retirement Symposium, Financial Planning Association Conference



Pricing Strategy

Turn-key (Hardware/Software)

Circle Technology Wizard software and Circle Display packages

- Purchase of packages is the only way to obtain lifetime Wizard software licenses
- Lifetime license includes feature updates with option to purchase future add-ons

Single Pack - \$999.00

- (1) Wizard lifetime software license for PC
- (1) Circle Display w/client software
- (1) Circle Display stand
- (1) Circle Display protective sleeve
- 1-year manufacturer warranty

Package A - \$1799.00

- (1) Wizard lifetime software license for PC
- (2) Circle Displays w/client software
- (2) Circle Display stands
- (2) Circle Display protective sleeves
- (1) Circle Display carrying case (slim)
- 1-year manufacturer warranty

Package B - \$2699.00

- (1) Wizard lifetime software license
- (3) Circle Displays w/client software
- (3) Circle Display stands
- (3) Circle Display protective sleeves
- (1) Circle Display carrying case (slim)
- 1-year manufacturer warranty

Package C - \$3599.00

- (1) Wizard lifetime software license for PC
- (4) Circle Displays w/client software
- (4) Circle Display stands
- (4) Circle Display protective sleeves
- (1) Circle Display carrying case with on-board charging system
- 1-year manufacturer warranty

Software Licensing – Software as a Service (SaaS)

Wizard software license for presentation device

- Unlimited use of client software
- Wizard software uses internal license expiration
- Licensed device connects to internet to renew licensing
- Renewal allows for feature updates, new function add-ons, service packages
- Meets low cost solution as identified by survey results
- Represents minimal investment/risk to clients

SaaS monthly pricing

- 1 to 25 licenses at \$19.99 ea.
- 26 to 99 licenses at \$14.99 ea.
- 100+ licenses at \$9.99 ea.

SaaS annual pricing

- 1 to 25 licenses at \$199.99 ea.
- 26 to 99 licenses at \$149.99 ea.
- 100+ licenses at \$99.99 ea.

	Software License (\$19.99)	Single	Package A (2)	Package B (3)	Package C (4)
Apple iPad (\$499)	\$239.99	\$739.88	\$1237.88	\$1736.88	\$2235.88
Samsung Galaxy (\$349.99)	\$239.99	\$589.87	\$939.86	\$1289.85	\$1639.84
Windows Tablet (\$499.99)	\$239.99	\$739.98	\$1239.97	\$1739.36	\$2239.95
Circle Technology	\$0	\$999.00	\$1799.00	\$2699.00	\$3599.00



Sales Goals

The primary goal for Circle Technologies during the first year of product introduction is to gain a market presence and create initial sales. The marketing strategy will help to establish Circle Technology within the Financial Services industry. The first year should exhibit rapid growth with a projected 0.28% market share among Financial Advisors. This equates to sales of approximately 900 units comprised of 450 pre-paid annual Wizard software licenses and 450 Circle Technology turn-key systems (Package B).

Profitability

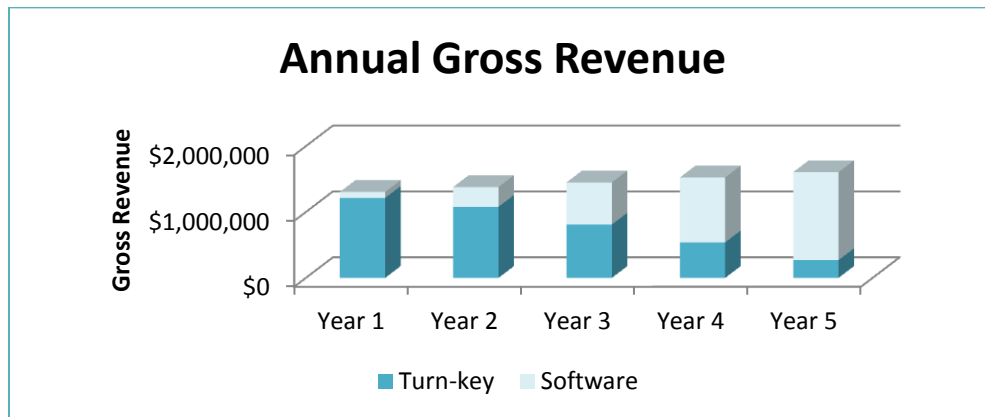
First Year Sales

- \$1.22M gross revenue (turn-key systems)
- \$90K gross revenue (annual SW licensing)

The first year sales are based on a 0.28% gain in market share in Financial Advisor market segment. Sales of equal numbers of units, software and turn-key, generate the revenues portrayed above. These are conservative sales estimates that represent achievable and also profitable sales rates.

5-year Sales Projections

The following graph depicts projected annual gross revenues for the first five years following product introduction. These sales dollars are generated through deploying the aforementioned sales tactics. The revenues shown below increase 5% year-over-year during this period of time.

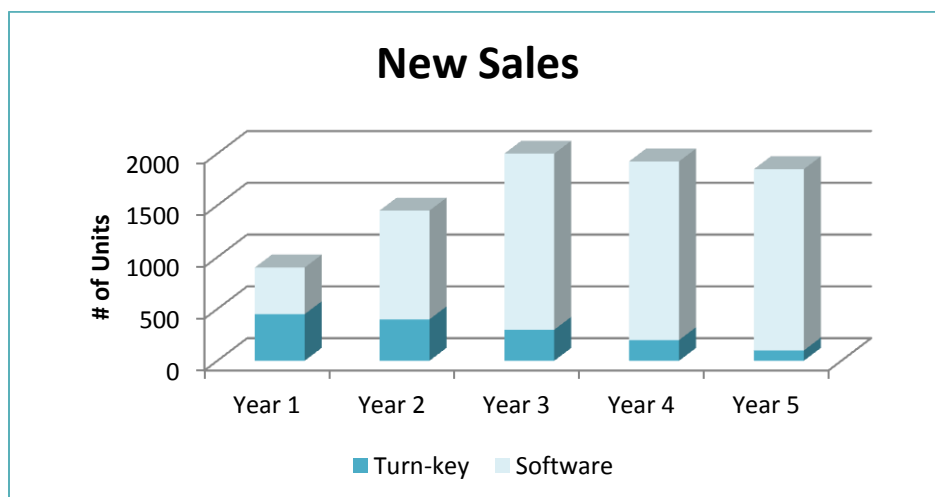


Growth

Annual Growth Goal

The following graph shows estimated unit sales based on 5% year-over-year growth in revenue with an increase in software sales and declining turn-key sales. The growth in software sales can be attributed to increased product awareness and brand recognition through use of Circle Technology's marketing strategy. Sales also indicated an increase in the presence of tablets and other wireless multi-media products in the workplace.

The decline in sales of turn-key systems is attributed to survey results indicating a customer preference for individual purchase of display hardware and the growing prevalence of tablets and other multi-media technologies in industry.



Market Share

The primary goal for Circle Technologies during the first year of product introduction is to gain a market presence and create initial sales. The marketing strategy will help to establish Circle Technology within the Financial Services industry. The first year should exhibit rapid growth with a projected 0.28% market share among Financial Advisors. Following years exhibit reasonable growth in this market segment. A new strategy should be developed early on to compensate for declining sales of turn-key systems after year 3. The new strategy may include the addition of another market segment to augment sales of hardware and software solutions.

	Year 1	Year 2	Year 3	Year 4	Year 5
Market Share	.28%	.73%	1.36%	1.96%	2.54%
Gross Revenue (Hardware)	\$1.22M	\$1.08M	\$810k	\$540k	\$270k
Gross Revenue (Software)	\$90k	\$300k	\$640k	\$985k	\$1.34M
Annual Gross Revenue	\$1.31M	\$1.38M	\$1.45M	\$1.53M	\$1.61M
Cumulative Gross Revenue	\$1.31M	\$2.69M	\$4.14M	\$5.67M	\$7.28M

Summary

Circle Technology provides technology solutions for presenting information anywhere, quickly and without hassle. This core competency will allow Circle Technology to gain a presence in specific market segments. This strategy allows Circle Technology to gain market share and further develop the brand.

Use of these strategies and tactics will allow a positive return on investment for Circle Technology. First year sales approach a return on the initial capital invested by company founders. Subsequent years bring greater market penetration and increased profitability.

Market needs and available technologies change rapidly. It is in Circle Technology's best interest to build and improve upon current products and technologies to remain competitive in respective markets. Future work may include expansion into additional market segments to increase sales and further brand recognition.