

## "HitSoft" Ltd.

Novosibirsk

Owners:	4 private persons - 50%, 30%, 10%, 10%
Staff:	12 persons - staff workers, 7 persons - temporary workers
Previous financing:	\$ 20,000, including own funds \$ 20,000, raised funds \$ 0
Current financing:	\$ 45,000, including own funds \$ 15,000, raised funds \$ 10,000
Volume of investment required:	\$ 300,000

Intended use of the investments required: To start production - 27%, to start sales - 33%, marketing - 40%

### Company profile

High-tech research LLC HitSoft was founded on 14th of December, 2001. HitSoft is a market driven commercial company. HitSoft finished the first telecom research project in April 2002 and at the same time a patent application was filed. Business planning, Global Market and Technology Assessment was made in June 2002 and HitSoft started a prototype development of HitSoft Corporate Calling System (HCCS). More than 90% employees hold high university degrees. An average age - 33 years. An average professional experience - 8 years.

### Area and directions of activity

HitTelecom is involved in custom software development and hi-tech research and development. One of the HitSoft directions is R&D of hybrid communication systems (telematics). HitSoft plans to launch the production of the new generation telephone systems and provide communication services for small and middle-sized enterprises.

### Products/Services/Technologies

Production and selling of new generation HitSoft Corporate Calling Systems (HCCS). HCCS allows choosing and setting up the most optimal route for each particular call and thus cuts down long-distance and international phone calls expenses significantly (up to 70%).

HitSoft provides communication services for small and middle-sized companies. Providing communication services under optimum rates is the main income stream of HitSoft.

HitSoft has a number of patented know-how; the IP protection covers not only exact realization of similar systems but the main business principles and methods too.

### Achievements

- HCCS specifications are developed
- Patent is filed (date of priority - 17th of April, 2002, No 2002110194)
- Preliminary partner's and subcontractor's agreements are negotiated
- Independent Global Market and Technology Assessment is obtained (made by US consulting company Trykor)
- Strong management team is selected
- General marketing strategy and business plans are developed
- HCCS prototype is developed
- Test equipment is purchased and technology tests are performed

### Prospects of Development

- Products line extending and capturing of more than 50% of the corporate telecom market
- Adapting the system to western standards for further international expansion
- Creating own IP Telephony network as a complementary activity

- Cutting down the prime cost in several times by purchasing additional technologies and production line reorganization
- Licensing technology to other foreign and domestic companies and operators
- Creating own CRM solution using the same hardware

Sales volume (over the last 12 months): none for the HCCS project

year	Total Revenue
2002	\$ 300,000
2003	\$ 1,294,000
2004	\$ 3,031,000
2005	\$ 3,144,000