



Russia, St. Petersburg

## Summary

1. **Volume of investments required – \$500 thousand.**
2. **Production** – software platform for streaming audio and video over IP networks.
3. **Trade marks** – none.

## Company profile

**Date of establishment** – March 2007. The company was founded by group of experienced managers and technical experts. The mission of the company is to provide innovative and highly customizable media streaming services. Founders of the company have strong experience in managing software and telecom enterprises and in application of scientific researches to commercial products.

**Signs of public recognition** – FASIE's award in open contest for permission of taking government work in "Research and development of important scientific and technological directions in IT, software and telecommunications field".

**Number of employees** – 8 persons.

## Team

**Budko Michael** – Director General, 26 y.o. Worked as CEO in ISP company, as a director of support department in IP telephony company, as a technician, as a person in charge of research and development activity in private educational institution. Delivered lectures on Internet technologies, computer networks and programming technologies in the St. Petersburg State University of Information Technologies, Mechanics and Optics. Successful manager, good team leader. Has knowledge and experience in enterprise planning and business process fine-tuning. Has 14 scientific publications.

**Guirik Alexei** – Head of R&D department, 26 y.o. Worked in large international companies, commercial and government organizations as a software project leader. Took part in negotiations with customers from USA, Europe and Asia. Experienced in setting up development process, software development planning and configuration management. Delivers lectures on mathematical statistics and programming technologies in the St. Petersburg State University of Information Technologies, Mechanics and Optics. Has 7 scientific publications concerning data flows monitoring and forecasting.

**Smirnov Alexei** – Marketing Director, 26 y.o. Has 2 higher educations. Worked as a sales and marketing director in large international outsourcing company. Has participated in negotiations with customers from USA. Familiar with software quality assurance and control methods, testing and test planning processes. Has publications in popular magazine "Upgrade Special". Worked as observer ("Market analytics" column) in "Computer Price" magazine.

## Products characteristics

### *Current production:*

- software components for image processing and digital photo management (analysis, editing, album creation, printing). They are used in Pro Studio Manager application that is designed for professional photographers who uses services offered by Printroom.com.
- network hardware management system for Internet service providers (user account management, user binding, monitoring of switch ports)

### *Products under development:*

software platform for streaming audio and video over IP networks for small-scale and middle-scale Internet service providers. The platform features such services as IP-television (IPTV), video-on-demand (VoD), near video-on-demand (nVoD), network personal video recorder (NPVR), music-on-demand (MoD), network radio. Essential advantages over existing competing solutions are:

- ability to function in congested networks with nonoptimal topologies typical for small-scale and mid-scale Internet service providers. Current solutions are unacceptable for them not only because of high price but because of strict requirements to network structure, backbones bandwidth, network hardware performance. The advantage is reached via:
  - adaptive streaming control method that allows for gradual smooth changes with respect to current network load (patent application № 2007111888 "Adaptive streaming control method");
  - network congestion monitoring and forecasting method (patent application is pending) that allows to control network state and influence media flows in advance.
- smaller deployment expenses (up to 4 times) due to system architecture features that allow placing all system components on one hardware server.
- smaller maintenance expenses due to lack of binding to particular hardware vendors.

## Current state

Components prototypes are being developed, negotiations are ongoing with ISPs about collaboration, product testing and purchasing.

## **Development strategy**

### **Use of funds**

1. R&D	60%
2. Acquisition of fixed assets	10%
3. Marketing	20%
4. Acquisition of current assets	10%

### **Prospective outcome of investment**

Empty market niche within market of streaming services for small-scale and middle-scale ISPs will be occupied, leading and innovative product will be developed.

### **Marketing & Markets**

Streaming services solutions market is formed only within high price segment (more than \$ 50 ths) that is due to their targeting to large-scale Internet service providers with a lot of subscribers. None of the existing popular solutions properly considers growth and maintenance issues of small-scale and middle-scale ISPs networks. This is why these solutions are not widely used by small-scale and mid-scale ISPs despite the constantly growing demand. Volume of Russian target market is estimated at \$ 10 mln and grows every year by 50%. The company is going to occupy at least 30% of the target market by 2011. For the sales promotion purposes following domain names are registered and some of them maintained: tvoip.ru, tvoverip.ru, igaming.ru, Inxtream.com, Inxtream.ru.

### **Interaction with investor**

Company founders are ready to offer blocking share in the company. Payback period of the project is 2.5 years.