ISLIP Media, Inc.

Mission
To become the leading worldwide provider of video indexing, search and retrieval software to increase productivity for the news, entertainment and corporate training applications.

Pain/Gain
The pain for customers in several industries is being able to quickly search and retrieve footage from video/film archives. Retrieved video can be used for film/video production, news, and training applications. In most companies today, this is a non-automated, manual operation.

For some businesses, new revenue opportunities will be possible such as sale of stock footage and making video and news available on the Internet.

Market
There currently exist over 10,000,000 hours of archived video in the target segments. An additional 2,000,000 hours are produced each year. To date, only a small fraction of this video has been indexed/cataloged. ISLIP Media was formed to satisfy the need for creation, indexing, search and retrieval of computer-based digital video archives/libraries.

Target Customers
ISLIP’s primarily target customers are in the media & entertainment (News, Film, Television), government (especially DoD) and corporate industry segments (Training Departments). Initial sales will be targeted regionally consistent with these industries (New York, Los Angeles, Atlanta and Washington, D.C.). ISLIP plans to expand internationally 1 year after launch in the U.S. to English-speaking countries in Europe due to the current limitations of speech recognition software.

Customer Benefits
Using the ISLIP software, customers will be able to dramatically reduce the time and cost of retrieving archived video. In many instances, archived video cannot even be found today. In addition, new businesses such as searchable-video-on-line will be made possible.

Products and Service Description
ISLIP offers three primary products for constructing digital video libraries, 1) MediaKey Logger for real-time cataloging, 2) MediaKey Builder for advanced indexing, and 3) MediaKey Finder for Web-based search and retrieval. ISLIP also offers a video indexing service for customers who want to outsource their library creation. Distinguishing product features include automatic indexing of the video content using: speech recognition of audio track, image and face matching, automatic scene change detection, and speaker identification. Some key aspects of the technology are patented by CMU and transferred to ISLIP. Furthermore, work continues at CMU, and additional patents are expected by both CMU and ISLIP.

Business Model
ISLIP’s business model is to sell server based software. This software will generally sell for $50,000 - $250,000 and will be sold by the CPU-license. Follow-on revenue will come from additional CPU licenses, new software features, software revisions and service contracts. ISLIP will also offer indexing services, performed by ISLIP, to assist companies who have a large amount of video to be indexed.

In the future, ISLIP plans to develop incorporate its software into turnkey Web-based media sites and derive revenue from operating those sites.

Competition
Vendors currently compete in a broadly defined Media Asset Management market. ISLIP, in particular, offers products within this market called Digital Video Libraries. This companies include IBM, Excaliber, Bulldog, Virage and Cinebase. There also exist potential partnership opportunities with several of these
vendors are largely considered partners versus competitors, and ISLIP is in partnership discussions with all three of these companies.

**ISLIP Primary Competitive Advantages:**
(1) End-to-end proven future (complete offering, from real-time logging, to full-content indexing, to Internet)
(2) Superior technology and products
   - Carnegie Mellon University core technology
   - Speech recognition, face-matching, speaker recognition, etc. (process video up to 10x faster)
   - Integration with existing Internet and intranet networking infrastructures
   - Multiple browsing schemes to quickly scan video (up to 80% faster) content prior to viewing
(3) Indexing software and processing service options (assists customers with indexing of their archives)

**Management team**
- President & CEO - Mark Juliano has 14 years experience with AVIDIA, FORE Systems (initial IPO value of $300M and $4 billion after 18 months), NET (IPO 1987), and ROLM/IBM.
- Chairman and co-founder - Professor Howard Wactlar has 30 years of experience at CMU, and is currently vice-provost & associate dean, and was founder Software Engineering Institute.
- Executive VP and co-founder - Krishna Pendyala was Assistant Director at CMU, and was president and founder of Visual Symphony, a multimedia company.