# Product Introduction
# WATCHMAN Reliability Portal 2.0

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Launch Date:  October 15, 2009



The WATCHMAN Reliability Portal 2.0 provides web-based access to your plant's machine condition analysis program database through any modern web browser, from any location; Enterprise/Plant/Area program statistics, machine detailed analysis and health history and the ability to print machine condition analysis reports.  The portal web page and report content are updated in real time as vibration experts complete their analysis on machine data.

* The Azima DLI Portal is unique in the marketplace because it has a live connection to the customer database, and as records change, the current results are immediately available.  Many of the competitive systems are simply electronic file cabinets, where the information is only as current as the recent report production.

WATCHMAN Reliability Portal is included with WATCHMAN Analysis & Quickstart programs and will also be sold as a *Software as a Service* or "SaaS".  The SaaS offering includes three subscription levels:

- The **Portal Web** subscription provides secure Internet web page access to your plant's machine condition analysis program database through any modern web browser, from any location. Enterprise/Plant/Area program statistics, machine detailed analysis and health history and the ability to print machine condition analysis reports.   Unlimited Portal Web subscriptions are provided at no cost with any associated WATCHMAN Portal Analysis or WATCHMAN Reliability Services subscription.

- The **Portal Analysis** subscription provides full access to your plant's machine condition analysis program through ExpertALERT™ Enterprise running on Azima DLI's secure, web-accessible terminal servers.  The Analysis-level subscription allows the user to setup machines, automated diagnostics, perform spectral analysis and develop reports using ExpertALERT via Microsoft Internet Explorer® (6.0 and later) web browser.   It is identical to our ExpertALERT Enterprise automated diagnostic software.

The Analysis annual subscription includes:

- ExpertALERT Enterprise (1 seat) via remote terminal services
- Storage space 1000 MB
- 24/7 access via Internet – 99.5% uptime
- Perpetual Support Agreement
- Automatic Software Updates
- (1) DCA-60/DCX data collector replication to WATCHMAN Data Center
- Unlimited Portal Web subscriptions

- The **Portal Analysis Viewer** subscription provides the same ExpertALERT access as described above, to view and analyze data, without write permissions. This subscription is intended to augment a WATCHMAN Portal Analysis or WATCHMAN Reliability Services subscription.

## Selling the Portal

1. As a part of **WATCHMAN Analysis programs**, the Portal Web subscription is included. Demonstrate the Portal as a tangible interface for these service programs. The Portal demo site will become an important part of any sales presentation.

2. As part of the **WATCHMAN Quickstart program**, the Portal Web and the Portal Analysis subscriptions are included. If the customer who bought Quickstart along with EA, we should leave his EA idle during the 6-month program. At the end of the program, when our analysts are done supporting the customer, we will deliver his database to him on CD/DVD and technical support can help him bring up his local system.

3. **When making a sale to support an in-house CBM program**, the WATCHMAN Portal Analysis should be sold on-par with ExpertALERT. ***In fact, we PREFER to sell Portal Analysis subscriptions over ExpertALERT software on CD.***

## Analysis subscription instead of EA sale benefit to Azima DLI:

- Reoccurring revenue / surpasses In-warranty EA customer on 3$^{rd}$ anniversary.
- Customer with in-house program becomes accustomed to the Portal, making him more likely to switch to a WATCHMAN Analysis service customer in the future.
- No software or database installation demand on Technical Support
- Much less database replication support (we control master, replicate only with DCX & DCA-60 configured by Azima DLI)
- Technical support easier with accessible database, and known current EA version

## Analysis subscription instead of EA sale benefit to Customer

- Smaller start up cost
- No special IT support required to setup and maintain
- No database server or special ExpertALERT PC costs

- Unlimited support without annual support fees
- Always run the latest software versions without annual warranty fees
- Runs on Azima DLI IT assets; fully supported and data backed up nightly
- Condition monitoring results can be shared broadly amongst plant management via additional Portal Web subscriptions

## Pricing Details

|  | ExpertALERT CD | Portal Analysis (EA) | Portal Viewer (VA) |
|---|---|---|---|
| 1st user | $ 17,000 | $ 7,000 | $ 1500 |
| 2nd user | $  8,500 | $ 3,000 | $ 1500 |
| 3rd  user | $  5,000 | $ 3,000 | $ 1500 |
| 4th user | $  5,000 | $ 3,000 | $ 1500 |
| 5th user | $  5,000 | $ 3,000 | $ 1500 |
| Each additional user | $  5,000 | $ 2,000 | $ 1500 |

### Portal Analysis vs EA Purchase Revenue Analysis (1st user seat)

Customers who subscribe to Portal Analysis as opposed to purchase EA/annual warranties, provide us more revenue at the second anniversary.  By the fifth anniversary, we will have realized 171% of the revenue as compared to an EA product sale & continuous warranty.

While EA customers can choose not to pay us for warranty, Portal Analysis customers cannot interrupt service.  80% of our customers today are not in warranty, so our return will be much better than described by this model (below).

**EA In Warranty Customer / WATCHMAN Portal Analysis comparison**

| | ExpertALERT Purchase | | | Portal Analysis | | | EA/Portal Financial Performance | |
|---|---|---|---|---|---|---|---|---|
| Start of | Annual | Cumulative | | Annual | Cumulative | | % Revenue | Yr |
| Year 0 | $ 17,000 | $ 17,000 | | $ 7,000 | $ 7,000 | | 41% | 0 |
| Year 1 | $ 1,500 | $ 18,500 | | $ 7,000 | $ 14,000 | | 76% | 1 |
| Year 2 | $ 1,500 | $ 20,000 | | $ 7,000 | $ 21,000 | | 105% | 2 |
| Year 3 | $ 1,500 | $ 21,500 | | $ 7,000 | $ 28,000 | | 130% | 3 |
| Year 4 | $ 1,500 | $ 23,000 | | $ 7,000 | $ 35,000 | | 152% | 4 |
| Year 5 | $ 1,500 | $ 24,500 | | $ 7,000 | $ 42,000 | | 171% | 5 |
| Year 6 | $ 1,500 | $ 26,000 | | $ 7,000 | $ 49,000 | | 188% | 6 |
| Year 7 | $ 1,500 | $ 27,500 | | $ 7,000 | $ 56,000 | | 204% | 7 |
| Year 8 | $ 1,500 | $ 29,000 | | $ 7,000 | $ 63,000 | | 217% | 8 |
| Year 9 | $ 1,500 | $ 30,500 | | $ 7,000 | $ 70,000 | | 230% | 9 |
| Year 10 | $ 1,500 | $ 32,000 | | $ 7,000 | $ 77,000 | | 241% | 10 |

Using our *real-world* experience, where we only have one out of five customers in voluntary warranty; by the fifth anniversary, we would actually realize 227% of the revenue.

## Database CD/DVD file copy

Customers that request copies of their databases on CD/DVD or other media should be expected. This is a time consuming step and we will need to charge a fee. The fee is $300 per copy for databases up to 4 GB in size, and $600 for databases larger than 4 GB.

## New Portal Branding

One of the most important things in regard to creating and promoting brands are having a brand strategy that is focused and sustainable over time. Since the acquisition of DLI, we have associated the name WATCHMAN as the brand name of our service offerings. Our strategy includes derivatives that make up the brand family.

- WATCHMAN™
  - WATCHMAN™ Reliability Services:
    - WATCHMAN Analysis™
    - WATCHMAN Remote™
    - WATCHMAN Onsite™
  - WATCHMAN Reliability Portal™ aka WATCHMAN™ Portal

## Trademark

Note the use of trademarks in the above section. The Portal proper name and trademark is WATCHMAN Reliability Portal™. It is okay to shorten the name to WATCHMAN™ Portal, provided you trademark the brand WATCHMAN™ only. If you use Portal casually in written discussion, do not trademark it.

When we speak of the holistic system (data acquisition device, replication, data center, servers, analysts, portal & analysis web software, we are speaking of the WATCHMAN™ Reliability System, or WATCHMAN™ System. Note that we don't have a specific trademark for the system, so we trademark only the WATCHMAN brand.

## Logo

The logo associated with the WATCHMAN Reliability Portal shall be the one-color, Azima triangle and the word mark as shown:



## Portal Versions

- The MCM-based portal hosted out of the Boston data center is considered the first generation portal, and is branded the **WATCHMAN Reliability Portal™** (aka WATCHMAN™ Portal 1.0)

- The EA-based portal that we are launching now is the second generation, and will be designated as **WATCHMAN Reliability Portal™ 2.0** (aka WATCHMAN™ Portal 2.0)

- The future portal that integrates the MHM and EA-based backend systems will be developed over the next year. It will retire both the first and second generation portals, and will be designated as **WATCHMAN Reliability Portal™ 3.0** (aka WATCHMAN™ Portal 3.0)

## Associated Brands that are Discontinued

- DLI Web Connect
- WebEA
- Advantage Reliability Portal (discontinued 1/2009)


## Marketing Launch

## Promotion

- Website Home page announcement, Portal web page update, new Portal SaaS web page, new portal "system" page. October 15th
- Web page re-direct: http://www.azimadli.com/portal

- Email Blast to leads, contacts, opportunities and customers – October 15th
- Media Press Release – October 14th
- SMRP 2009 Exhibition / live demonstrations – October 20-22th
- Sales Managers train independent representatives (using this document & collateral) – October 19th
- Sales managers train their representatives on the live portal – start on October 26th.

## Collateral

- WATCHMAN Reliability System 2.0 PowerPoint Presentation
- WATCHMAN Reliability System 2.0 Brochure (4-page)
- WATCHMAN Reliability System 2.0 Description Document
- WATCHMAN Reliability Portal 2.0 Portal Brochure (4-page) – Portal Web & Portal Analysis subscriptions
- (Sample) Web Services agreement

## Sales collateral kit

The sales collateral listed above, can be downloaded from Representative's FTP Site; ftp.azimadli.com

- User:  representative
- Pwd:  1/watchman
- Access 'Sales Aids/Portal2' folder

# Live Demonstration

See Dave Geswein or your sales manager