



## **Executive Summary**

### **Contact Information**

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# ENSEMBLE NETWORKS

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**Mission:**

Fully harness all idle processing power.

**Business Description:**

Ensemble Networks enables the deployment of private computational grids that efficiently utilize the power of internal computing resources residing on the corporate network; creating a virtual supercomputer that delivers advanced computational power.

**Products:**

Despite continued increases in supercomputer capabilities, there remain many applications whose computational requirements exceed the resources available at even the largest supercomputer centers. For these applications, computational grids offer the promise of access to increased computational capacity through the simultaneous, coordinated use of computers linked by networks.

Ensemble's end-to-end Grid solution allows customers to harness all available internal computational resources, including personal computers, workstations, servers, clusters, supercomputers, storage devices and scientific instruments. Ensemble's "Maestro" server system directs all Grid resources, including computers, applications, agents, and schedulers.

Unlike traditional supercomputers, Ensemble's Maestro servers do not suffer from obsolescence, lengthy manufacturing times, system downtime, or performance ceilings. Ensemble's customers have the ability to exponentially increase the power of their computational grid every year by simply adding more computers to the network and by taking advantage of processor upgrades.

**Technologies:**

Ensemble's technology is powered by a combination of a proven distributed computing engine called "Globus", as well as proprietary software and API's developed by Ensemble. Globus is the result of a coordinated, common development effort by many leading U.S. research institutions and universities. Globus represents a best of breed, cutting-edge distributed computing architecture and has become the standard for both academic and government grid systems. This core technology powers computational grids at the University of Chicago, USC, NASA and the Department of Energy. Using Globus allows Ensemble access to comprehensive research, existing distributed applications and grid standards.

**Barriers to Entry:**

Ensemble Networks is in the process of registering patent protection on all of its distributed computing technology, including: system architecture, server algorithms, software agents and job-launch technology. Patents increase Ensemble's defensible position in the distributed computing space. In addition to patent protection, Ensemble Networks will aggressively pursue partnerships with leading researchers, universities, customers and computer manufactures.

**Industry Analysis:**

In 2001, the High Performance Computing (HPC) industry is projected to sell over 77,000 units and generate over \$6.7 billion in revenue. In addition, the HPC industry is continuing to support a healthy compound annual growth rate (CAGR) of 13.5%. IDC projects that the High Performance Computer industry will ship over 113,000 units and generate over \$8.6 billion in revenue by 2004.

**Target Markets:**

Ensemble is targeting high-end HPC customers in heavy industry, life sciences, and financial services. According to research done at the University of Tennessee, these three segments purchase more than half of all supercomputers.

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## **Distribution Channels:**

Ensemble Networks' initial distribution sales strategy is to develop a direct sales force that calls on traditional high performance computer users. As Ensemble Networks' product offering expands and more mid-level companies realize the benefit of harnessing their unused processing power, Ensemble will focus on developing channel sales system by cultivating strong partnerships with Original Equipment Manufacturers to promote and distribute the Maestro server systems.

## **Competition:**

While no company is currently offering an identical product, there are several sets of companies that are approaching similar problems. These companies fall into one of three groups: traditional high performance computer manufacturers, distributed computing start-ups and Grid middleware start-ups. Ensemble has a number of distinct advantages over each competitive group including a lower total cost of ownership, increased scalability, greater ease of adoption, higher absolute performance and increased security.

## **Management Team:**

Ensemble's management team is experienced in sales, marketing, business development, product management and computer software development.

- **Jason Demeny**, Co-founder/Director of Marketing and Sales, M.B.A.
- **Josh Hutto**, Co-founder/Director of Business Development, B.A.
- **Chris Thompson**, Director of Technology, Computer Science Ph.D. Student
- **Larry Walters**, Director of Operations and Finance, M.B.A.

## **Advisory Board:**

- **Cyrus Olsen**, Ph.D. in Business from Northwestern (Kellogg) and technical consultant
- **Gary Hansen**, Ph.D./M.B.A. from the University of Michigan and UW Professor
- **Steven Anderson**, Founder of the Viathan Corporation
- **John Balbach**, Vice President of Finance at the Viathan Corporation

## **Professional Services:**

- **Venture Law Group**
- **Silicon Valley Bank**

## **Financials:**

Ensemble Networks is seeking a seed round of funding of \$1,000,000 to cover company expenses through the end of the Q2, 2002. With this seed funding, Ensemble will achieve these three primary milestones:

- (1) Finish the initial beta development of the Maestro distributed computing system
- (2) Install the Maestro beta at one primary customer site
- (3) Recruit a Chief Executive Officer with relevant management experience

## **Revenue Projections:**

	2002	2003	2004	2005	2006
Revenue	\$ 1,000,000	\$ 12,100,000	\$ 39,780,000	\$66,770,000	\$102,470,000