

Part 1: "Elevator" Introduction

Brief elevator pitch for your company

Every business that primarily does business through their website, suffers from the same problem: How to convert more website visitors to paying customers. Pure Chat has a collection of tools to help make websites into a sales generating machines. These tools include Live Chat, Realtime Visitor Analytics and Contact Management.

Pure Chat has more than 13,000 paying users and is rapidly growing *every single month*. It now has over **\$1.1 Million in Annual Recurring Revenue**.

Part 2: Market and Industry Analysis

How large is your market? What market segments are you going after and why?

Virtually every website that is trying to sell a product or service to its customers through their website, needs the set of tools that Pure Chat provides, including Live Chat, Realtime Visitor Analytics and Contact Management. Current market size for these tools is estimated to be greater than \$6 Billion.

Is this market growing? How fast?

Yes. Best estimates are that the market for these tools is growing at between 20-30% year-over-year.

Who is in the market already? What is the nature of competition – direction, indirect, substitutes?

There are multiple vendors, each focusing on a particular category. For example, for live chat, there is Olark or Live Chat Inc. For realtime analytics and the contact management tools, the closest competitor would be HubSpot. There are no known competitors that have the same collection of tools as Pure Chat.

Part 3: Go-to-Market Plan

Who are (will be) your customers? Describe your engagement / discussions with them to date. Have you validated their needs? Prove they are buying (or will buy) your product from you.

Our customers are small to mid-sized businesses who want self-service based tools that are both easy to use and cost effective. We have nearly 4,000 different paying customers with over 13,000 users.

Describe how you win customers today. Describe your future customer acquisition strategy.

Customers find Pure Chat due to the viral nature of the product. Every chat session contains a "Powered by PureChat.com" link on a site that uses Pure Chat, exposing Pure Chat to thousands of potential customers every day. Because of the enormous success Pure Chat has had, Google Searches for terms such as "live chat for websites" also reveal the PureChat.com site as one of the top organic search result. We also do digital marketing, partnering with numerous companies and are present in various app and marketplaces for WordPress, Weebly, Shopify and others.

How will you displace any incumbents/competitors? How are you better/different than your competitors? What's your channel/partnership strategy, if any?

Pure Chat provides the most comprehensive and affordable set of must-have tools for any business that primarily does business through their website. While similar solutions from HubSpot or others might cost tens of thousands of dollars, Pure Chat's average customer pays around \$300 per year! Ease-of-use, mobile friendliness and overall functionality of the product also sets it apart from competitors.

Part 4: Technical Product Description and Plan

Briefly describe your product or service.

Pure Chat is a set of must-have tools for websites: Live Chat, Realtime Visitor Analytics and Contact Management. These tools help website owners convert more visitors into sales.

Technology Validation. (What evidence can you present that your product works as advertised? Future validation plans?)

Nearly 4,000 paying customers with over \$1.1 Million in ARR.

Describe the remaining product development risks and your plans to overcome them.

Continual innovation, scaling our growth and finding talent.

Describe your product's advantages (features, for example) for end-users vs. substitute solutions (not just direct competitors).

Most businesses with websites don't yet use the essential tools provided by Pure Chat, however, the ones that do are able to vastly increase their conversion rates.

Describe your company's current intellectual property status and plans for the future. (Issued patents? Licensing agreements? Pending patent applications? Trade secrets?)

Pure Chat has addressed numerous major technology hurdles, which include scaling a realtime Live Chat system that handles more than 5 Million chats per year and a realtime Visitor Tracking system that tracks more than 100 Million visitor details for tens of thousands of websites annually. The proprietary IP portfolio of Pure Chat is enormous and continues to grow every day.

Discussion of any non-IP barriers to entry for your market. Include what you have done to make it difficult for others to challenge you as well as what challenges you may face such as manufacturing arrangements, distribution contracts, partnerships, etc.?

The barriers to entry for new entrants into the market are numerous and challenging. Besides the technological barriers, discovery of a new service is difficult in a crowded world with billions of websites. Pure Chat has established itself as a leader in live chat and continues to expand its reach through the creation of other essential tools to help increase conversions.

Part 5: Risk vs. Talent Narrative

What risks has your team mitigated so far (business-related and technical as it relates to your business)? What are the next few major risk-reduction milestones?

Validated risks:

- Product has been developed, improved and validated for over four years
- The freemium pricing model has been validated and exceptionally successful
- Technology and scalability have been validated with millions of chats and visitor tracking.
- The company has raised over \$1.8 Million in investment and grants to help fund operations.

Next Major risk reduction milestones include:

- Continuing to execute on product/feature improvements based on product roadmap

Briefly list and describe your key team members.

Hamid Shojaee, former CEO of Axosoft heads the Pure Chat team. He is joined by Chad Golob as head of technology and 7 other team members in engineering, marketing and support roles.

Briefly describe any holes in your leadership team. What are your plans to address any recruiting needs in the next 18 mos.?

Our team is well rounded for our current position and revenues. As we grow, we expect to add more software engineers and marketing personnel.

Briefly list and describe your key advisors, and their contributions to date.

- **Pat Sullivan** – a software industry veteran, founder of Contatta, Act and SalesLogix, has been an advisor and an advocate of Pure Chat. Pat is an active member of Pure Chat's board of directors.
- **Bob LaLoggia** – founder of Appointment-Plus and board member of several technology companies, has been advising the Pure Chat team. Bob is an active member of Pure Chat's board of directors.
- **Mario Martinez** – founder of StartupAZ.org, 360 Vantage (exited) and very active in both the investment and startup community. Mario is an active member of Pure Chat's board of directors