

Management:

Chief Executive Officer- *Steven Fisher*
Chief Operating Officer-*Barret Hildebrand**
Chief Technology Officer – *Amar Murthy**
VP of Operations Research: - *George Wallace**
Director of Sales – *Randall Tausig**
VP of Infrastructure – *David Young**
Lead Application Designer – *Brian Dunbar**
Product Manager, FMS – *Joe Hosteny**
Business Analyst, FMS – *Jeff Hart**

Advisors & Other Resources:

Business Aviation: Greg Cirillo
Travel and Reservation Systems: John Rovani
Fleet Management: Bob Mann

Industry: Internet software

Number of Employees: 9

Bank: Bank of America

Future Auditor: Reznick Group

Law Firm(s): Andrews Kurth

Funding Sought: \$2.5M Series A

Current Investors: \$30,000 from founder

Use of Funds: Acquisition of additional Management Team, increase Sales and Marketing Campaign and further Product Development.

* Committed Staff, but not full time yet

Business Description: SlipStream Air builds software that centralizes and automates the private air travel marketplace. Currently, this fragmented marketplace consists of "air charter" operators that must manage redundant layers that create massive inefficiencies resulting in high costs and low utilization of their fleets. We provide the technology that centralizes the current marketplace, lowers fleet operating costs and enables booking a private jet affordable and available in real time. This places us in a first mover position when a new class of aircraft called Very Light Jets (VLJ) is expected to enter the market over the next year. This new market segment is called "Air Taxi" and is the intersection of on-demand private jet service with airline economics. Because of its higher levels of aircraft utilization, this service reduces costs to the level of a full priced airline ticket.

Company Background: SlipStream Air is an early stage startup and has been in operation for the last 8 months and has generated \$30K in services revenues. Our product line is in a pre-revenue stage and our first product is ready to beta with 5 customers in July with a launch planned in October.

Management: The day-to-day management team consists of the Founder and CEO, Steven Fisher, previously the Founder and CEO of AppSolve, a nationwide product management consulting firm. Amar Murthy, CTO, is a 20-year technology veteran with companies like Sabre and American Airlines. Barret Hildebrand, COO, has a 20-year track record managing operations and raising capital for early stage companies like AppNet. George Wallace, VP of Operations Research, has a PhD in Economics and is a 20-year expert in Business Intelligence and Revenue Management with companies like Marriott. Randall Tausig, Director of Sales, has over 20 years in Business Development in the technology, aviation and pharmaceutical industries. Jeff Hart, Business Analyst for Fleet Manager, has 10 years of Air Charter Dispatch and Management Experience including software product management for FlightOptions and the FAA. Brian Dunbar, Lead Application Designer, is a 10 year software veteran with companies like Arinc and Amadeus.

Products/Services: Our web-based Fleet Management System increases utilization and reduces costs for current business operations by centralizing availability and capacity of air charter and air taxi companies. Our Revenue Management System maximizes pricing based on historical data. Our Air Taxi Reservation system moves this segment to the public with real time booking that includes the ability to compare total trip costs using air taxi and/or airline flights (TrueCost) and integration with major travel portals (Web Services).

Technologies/Special Know-how: We have many differentiators, but the primary and most important one revolves around the fact that we are building a system that is *first to market* for an emerging segment while improving the current marketplace. This *disruptive technology* centralizes the massively fragmented air charter segment and provides a ready-to-use system for the emerging air taxi providers. Further, our system locks them into a *centralized provider network* creating a *massive barrier of entry* for current or new entrants. Finally, our platform contains *numerous trade secrets* and at least *three patentable technologies*.

Markets: The current market value is around \$4.4B and is estimated to grow to \$5.6B by 2009. The air charter segment value is based the number of legs flown per month. *Air Charter* (75-80 legs) currently has 6,250 fleet operators that utilize 10,500 aircraft ramping up to 16,000 by 2012. This *market is worth \$302M*

now and \$460M in 2012. Air Taxi (100-150 legs) adds 8,000 VLJ aircraft and 60+ air taxi operators by 2012 placing this *segment value at \$432M*. Additionally, Air Taxi is booked with our *reservation booking system* and capitalizes on *transaction processing fees* from booking 3-5% of the total 35M trips on commercial flights of 500 miles or less on an air taxi (Source: FAA). At our current transaction process fee, this *adds another \$140M to the potential market opportunity*. These new commission opportunities will accelerate our secondary market segment of leveraging travel agencies and travel portals where we provide privately branded reservation system subscriptions and increase sign ups for our pre-paid membership cards.

Distribution Channels: We make money through two sales channels: direct and affiliate. Our direct sales channel enables our transaction revenue model and is focused on signing air taxi companies and air charter fleet operators to use our system to manage their operations. Our affiliate strategy supports our commission booking revenue by leveraging third parties such as charter brokers, travel agencies and travel web sites (Travelocity, Expedia) that either refer customers or fully integrate our inventory into their site(s). Our initial marketing campaign is focused on gaining brand awareness through business and trade publications in the travel and aviation industry. Our account managers focus on direct channels and affiliate managers focus on web relationships and increasing revenue referral sources.

Competition: Because the key to providing air taxi reservation systems is based on the fleet network, our competitors are the fleet management software providers. There are 2 major fleet management software companies each with a few hundred clients that use 10 year old technologies and have not adopted web based systems to compete. With the rapid adoption of broadband and acceptance of the on-demand application model two startups utilizing a web-based model. One is focused on quote-based air charter while the other is purely air taxi focused. Our hybrid model is transaction driven and allows fleet operators to continue their quote based charter operations while expanding to air taxi services. In addition, because our solution includes a reservation system, their inventory is available in real time via the Internet allowing SlipStream Air to leverage the larger travel marketplace.

Financial Projections (Unaudited):

The Numbers (000s):	2005	2006	2007	2008	2009
Revenue:	\$205	\$6,019	\$18,590	\$45,526	\$78,880
EBIT:	\$(667)	\$3,249	\$14,287	\$39,859	\$71,957
Net Profit:	\$(667)	\$2,424	\$8,772	\$24,473	\$44,182
Net Margins	-325%	40%	47%	54%	56%

Use of Funds: The funds would dramatically expand our market share of fleet operators and add 2 new air taxi operators to launch our reservation system in mid-2006. This will allow us to generate additional transactional revenue, meet our next phase of major milestones, and put us in position to achieve profitability. The funding will allow us to have first to market status and sustain competitive advantage for the next 3-5 years, placing us at an optimal position for acquisition by a travel services leader at a \$250M acquisition target.