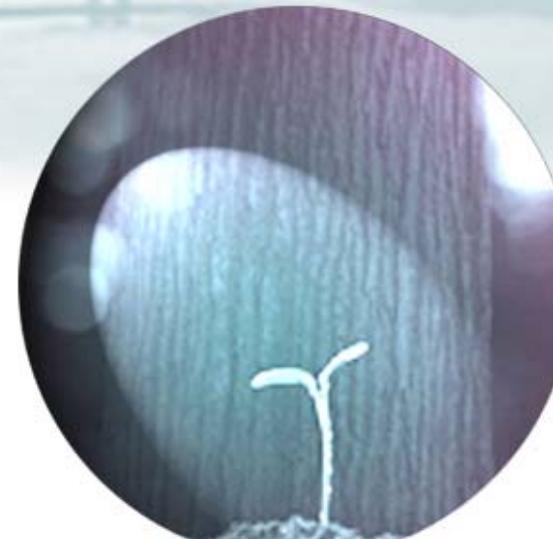




Your Connection to Global Innovation™

**FLC Mid-Atlantic Regional Meeting
Technology Transfer – A new paradigm
September 15, 2004**

*Delivering a World of Solutions in
Support of Your Business Growth*



Outline

Who is NineSigma?

What is the new paradigm?

How does this differ from government funding?

What are sample funding opportunities?

How do I learn more?

NineSigma is...

- A for-profit, privately-held company
- A solicitation “agency” for industrial R&D
- An innovation sourcing company connecting “innovation seekers” with “solution providers”

How We Do "IT"

Nurture both sides of connection

Innovation Seeker

- Draft "request" to describe need
- Cross-boundary search for potential partners
- Invite thousands of participants in parallel
- Provide results report



Solution Provider

- Open network of global thought leaders
- Target relevant communities of practice
- Creatively adapt unique knowledge
- Non-obvious, disruptive ideas

Standard templates and best practices
Real time search capability
Proactive push system
Non-confidential environment

How Does It Work?

NineSigma's MX™ Managed Exchange RFP Process

Receive RFP announcement – *No cost to participate!*


Review 2-3 page RFP

- Introduction
- Background
- RFP process/evaluation criteria

Respond with 3-page *non-confidential* Proposal Abstract:

- Technical approach
- Proposed budget/timeline
- Team experience
- Additional supplemental material (publications, marketing material, CVs, etc.)

If selected, negotiate contract with sponsor company



The image shows a sample Request for Proposal (RFP) document from NineSigma. The document is titled "REQUEST FOR PROPOSAL # 30365-5 Technologies to Enable Cordless Sensors for Automotive Applications". It includes contact information for Kevin C. Stark, Ph.D., and a deadline for proposal abstracts of March 10, 2004. The document is divided into two main sections: "Introduction" and "Proposal Submission Process". The "Introduction" section describes the project's goal of identifying technology partners for joint/co-development of cordless sensors. The "Proposal Submission Process" section outlines the requirements for the proposal abstract, including a limit of 3 pages and a focus on technical merit, feasibility, and experience. A "Request for Proposal" logo is visible at the bottom of the document.

NINE
SIGMA

REQUEST FOR PROPOSAL # 30365-5
Technologies to Enable Cordless Sensors for Automotive Applications

NineSigma RFP # 30365-5 Proposal abstracts due: March 10, 2004

Point of Contact: Kevin C. Stark, Ph.D. 216-295-4806 Submit electronically to: stark@ninesigma.com

Project duration/funding level
Joint and co-development is of interest. Significant investment is anticipated for selected partners. Successful demonstration after an initial engagement may lead to a long-term supply agreement.

Introduction

NineSigma, representing **General Motors Corporation** is seeking proposals (technical and cost) for development of new cordless sensors and sensor systems. Of particular interest are sensors that do not need a power connection to the vehicle and can broadcast their data wirelessly. Possible powering mechanisms include: piezo-generated power from vibration, micro-power stored energy devices, power scavenged from heat or other sources.

The objective is to identify technology partners for joint/co-development which may lead to a long-term supply agreement. Significant investment is available for selected partners.

To enable cordless sensor/sensing systems, all of the following responses are of interest:

- **New sensors/sensing systems** for engine, transmission, body, and chassis applications (Integrated Sensor Technology).
- **Power scavenging systems** that take advantage of heat and vibration inherent within the vehicle environment (Power Source).
- **New wireless communications technology** for automotive applications (Signal Transmission).

Proposal Submission Process

An **Abstract** limited to no more than 3 pages is due by March 10, 2004. The **Abstract** should briefly describe the proposed technical approach, provide information on proposed program plan and deliverables, expected budget, and description of the proposal team and their related experience. The **Abstract** should not contain any **confidential information**. [Click here](#) to download the required Proposal Abstract template.

The offerors with highly responsive proposals will be contacted for next steps which may include a full proposal.

The **Abstract** will be evaluated using the following criteria:

- Overall scientific and technical merit of the proposed approach
- Ability to demonstrate feasibility
- Offeror's ability to joint/co-develop
- Experience in wireless communication protocols for automotive applications.
- Offeror's capabilities and related experience

Questions may be submitted to Dr. Kevin C. Stark at stark@ninesigma.com

NineSigma's client reserves the right to select for award, all, some, or none of the proposals received in response to this announcement. NineSigma's client may also only select specific tasks within a proposal for award.

RFP
NINE
SIGMA
Request for Proposal

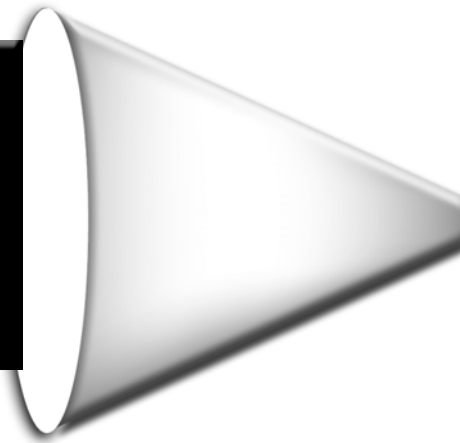
23825 Commerce Park Drive, Ste. A-1, Cleveland, OH 44122 • Phone: (216) 295-4800 • Fax: (216) 295-4825
© Copyright 2003 NineSigma, Inc.

Sample RFP Document

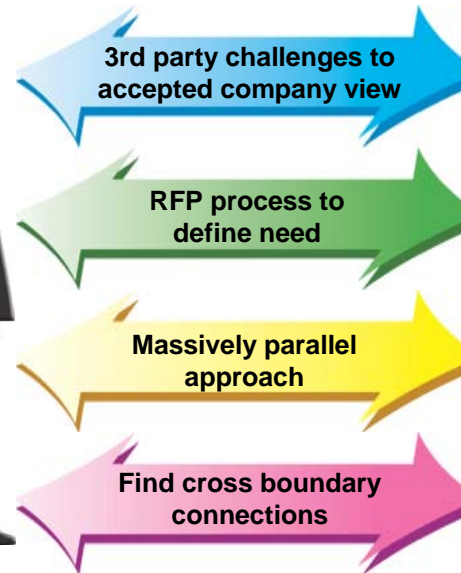
A New Paradigm

Usual Company Practices

- Established networks
- Published information



NineSigma Approach



RESULTS:

- Limited perspectives
- No differentiation

RESULTS:

- Fast Results • Unobvious Solutions
- Exclusive Access to Ideas • IP Opportunities



**TIME
ZERO**



Why Connect to External Innovators?

Improve your gene pool...

- Globally there are more than **3 million** peer level researchers.
- No one company has more than 1% of the global R&D capacity
- Challenge what you know, leverage the R&D investments from others.

Source: National Science Foundation, Science & Engineering Indicators – 2002; Total researchers in OECD countries

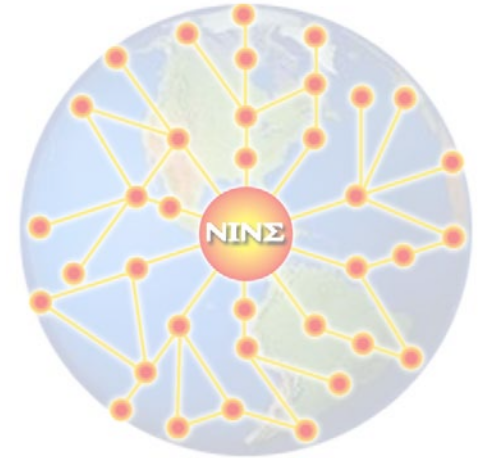
“You’ve got to get the people with the idea, the technology, and the ability to execute together.”

- A.G. Lafley, CEO, Procter & Gamble

Why We're Different

Our People, Our Methods

- NineSigma developed a unique networking system including
 - a "Request" process
 - Proactive PhD level Program Managers,
 - Open solver networks
 - Internet Tools
- NineSigma broadens networks across traditional boundaries with solution providers in industry, academia, government and other innovative sources worldwide
- Breadth of capability is as broad as client's needs along the entire product development life cycle
- Intellectual property, exclusivity, confidentiality and other business arrangements are negotiated by the collaborative partners
- Results describe a landscape of options
- Results are non-obvious and significantly impact business success



NineSigma Programs

Works Across Innovation Value Chain (IRI)



Why NineSigma?

Confidentiality

- Protect confidentiality of client need
- Client's IP requirements specified up front
- Client requests can be issued anonymously
- Distribution lists vetted and managed
- Competitors can be excluded from the process
- Third-party screen of responses submitted

NineSigma Database

Who is in our database? – Global reach!

Large companies

Medium-size companies

Small companies

Start-ups

Government Labs

Technology Transfer

Licensing executives

Business incubators

Venture Capital

Academic-global

National Academy of Engineering

Research organizations

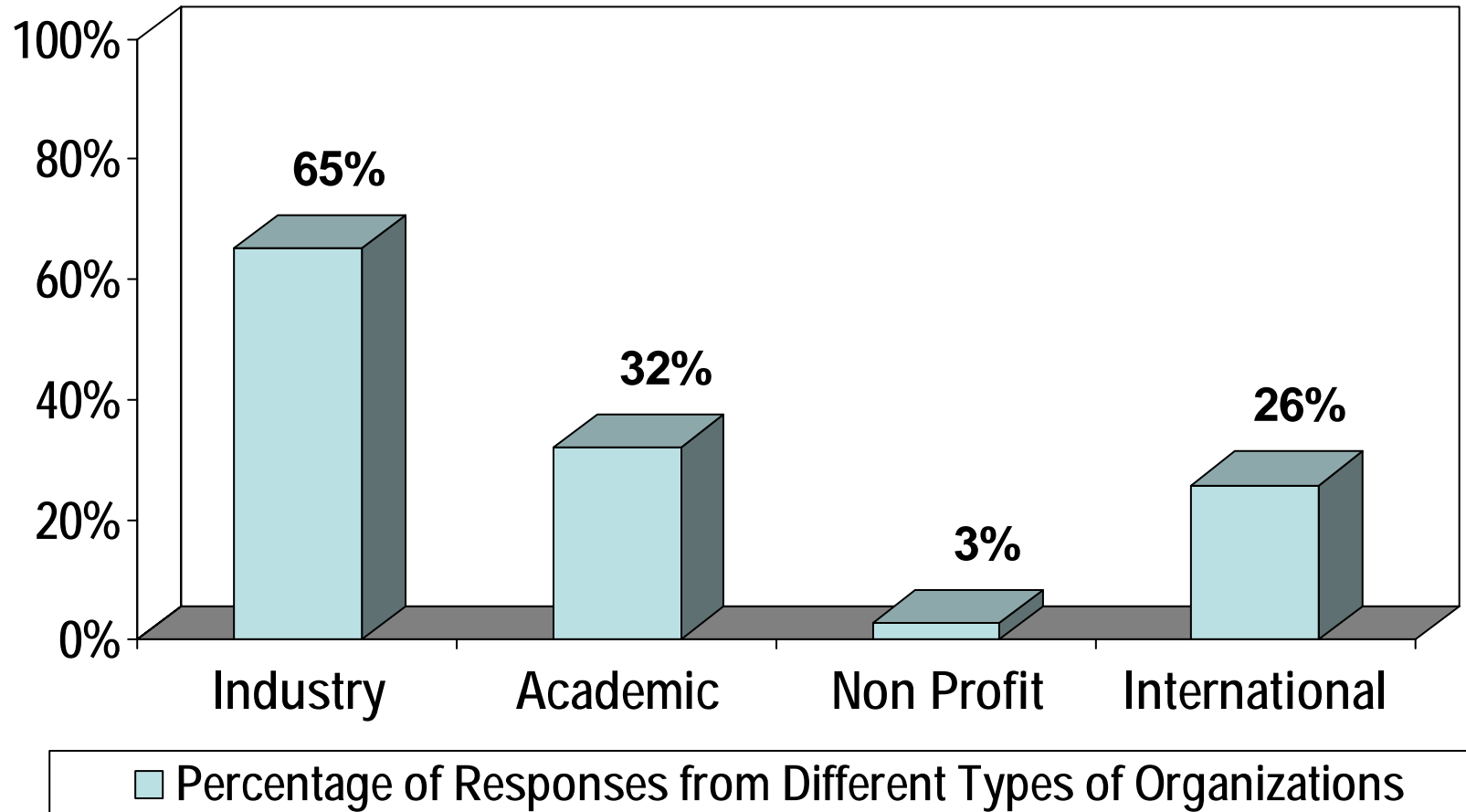
Entrepreneurs

Military

Consultants

Broad Network

● NineSigma's Solution Provider Community



What is different in the solicitation processes?

NineSigma's experience with over 100 projects/year

Government (BAA/SBIR)

Funding amount/project duration well defined

Multiple organizations may be funded

Intellectual Property rules are well defined

Contract and grant guidelines well defined by each agency

Limited support for commercialization funding

Limited ability to interact with respondents during solicitation process

Identity of agency and point of contact known

Industry/NineSigma Process

Budget may not identified or set aside in advance

½ projects result in a funded partner

Intellectual Property is negotiable

Contract-based engagement with a focus on results

Path to commercialization or manufacturing may be more aggressive

No fairness of opportunity/conflict of interest issues

Company may be anonymous during the solicitation period of RFP

Timeline Differences

What should you expect

	<u>Government funding</u>	<u>NineSigma process</u>
Solicitation period:	2-3 months	3-4 weeks
Evaluation period:		
Typical	2-6 months	2-3 months
Range	2-6 months	1 week to 6 months
Negotiation for contract:		
Typical	1-3 months	2-4 months
Range	Up to 1 year	Up to 1 year

Very short front-end for NineSigma RFPs, but only a short statement of interest required

Who Are Our Clients?

Global Leaders

The logo for Procter & Gamble, featuring the letters 'P&G' in a stylized, blue, cursive font.The logo for DuPont, consisting of the words 'DU PONT' in a red, sans-serif font enclosed within a red oval border.The logo for Air Products, with 'AIR PRODUCTS' in green, bold, sans-serif text and a green graphic of three triangles to the right.The logo for Kohler, featuring the word 'KOHLER' in a bold, black, sans-serif font.The logo for Delphi, consisting of the word 'DELPHI' in a bold, black, sans-serif font.The logo for Avery Dennison, featuring a red graphic of three interlocking triangles and the text 'AVERY DENNISON' in black, sans-serif font.The logo for Yazaki, featuring a red graphic of a triangle pointing left and the word 'YAZAKI' in a bold, black, sans-serif font.The logo for TRW, consisting of the letters 'TRW' in a bold, red, sans-serif font.The logo for Abbott Laboratories, featuring a white graphic of a stylized 'A' and the text 'Abbott Laboratories' in white, sans-serif font on a dark blue background.The logo for Johnson Controls, consisting of the words 'JOHNSON CONTROLS' in white, sans-serif font on a black background.

Strategic Relationship Agreement

P&G and NineSigma

- Signed February 28, 2003

“Renowned as one of the world’s most innovative companies, P&G is now applying those skills to the innovation process itself. Implementing its leading edge “Connect and Develop” strategy, P&G has announced a goal of accessing 50% of its new ideas, technologies, and products from external sources. A key element in the open innovation strategy is the effective utilization of the Internet to match technical needs with the right innovators around the world who have technology solutions and “ready-to-go” products that P&G can utilize.”

International Alliances



JRI: 3,000 person consulting firm
NS Agent / PM in Japan



Samjong: KPMG Korea Affiliate
Ready-Product, \$\$ ideas



BNCR: Global Sourcing
2nd Largest ISO 9000 certifier
in China



India: Partner discussion underway



Australia: CSIRO

Case Studies - 1



Challenge current thought

Non-obvious solutions

Tier-One Automotive Supplier (Fortune 100) – Scientific Research Finder

Objective: The company was looking for new techniques for bulk manufacture of nano-scale particle size thermoelectric materials.

Results: More than 30 solution providers responded including a number of organizations who had both nanomanufacturing experience and thermoelectric experience. Two solution providers brought to the client were included as partners in their proposal to the EU for grant funding.

“This has already been a success because of the connection to [this solution provider] alone”
- project owner

Consumer Products Company (Fortune 100) – Process Improvement

Objective: The company was seeking proposals for materials and/or processing methods which would provide improved physical properties for blow-molded packages.

Results: In the 2 years since the RFP was launched, the company contracted with a university and is developing the technology for use in the company's manufacturing process. If successful, it is estimated that the new method will save tens of millions of dollars in manufacturing costs.

“Without NineSigma we would not have identified this academic resource whose unique solution approach has not surfaced elsewhere” - project owner

Disruptive Technology

Results

NINΣTM
I n n o v a t e

Case Studies - 2



Top-line growth

Household Products Company – Manufacturing Capability

Objective: A manufacturer of well-known household products sought the ability to increase oxygen transmission in transparent polyethylene (PE) food bags. The new capability would help food stay fresh longer with minimal impact on cost.

Results: The proposals received provided valuable learnings on the technology landscape. Out of 10 highly qualified responses, the company was able to find a solution provider who met their stringent technology requirements and had a business model that would provide for the transfer of the manufacturing capability to the client.

“Our NineSigma Program Manager was great!” - project owner

Lower capital investment

Aerospace Company (Fortune 100) – Expertise Finder

Objective: A leading aerospace company wanted to determine the economic value of travel time and was looking for expertise to develop models and metrics to evaluate various transportation techniques.

Results: NineSigma helped identify experts (including a Nobel Prize winner) in the area of transportation economics that were able to provide new perspectives on the client's very specific need. The client is working with the high caliber solution providers to determine a cost-efficient model that they can incorporate into their product development process.

Results

Faster time to market

Case Studies - 3

Challenge current thought

Non-obvious solutions

Consumer Products Company (Fortune 100) - Packaging Fix

Objective: A client in Western Europe had an immediate problem with a package at the point of sale. The RFP had to be developed quickly with a focus on the technology and not the product or specific package.

Results: NineSigma identified a number of qualified solution providers, one of which was a consultant located near the client, and rapidly presented results to the client to address the urgent situation.

“We were able to identify the experts in the field...and set up a collaborative working relationship with them quickly” - project owner

Global Automotive Manufacturer (Fortune 100) – Technology Finder

Objective: The company was seeking proposals for the development of a robust hitch angle sensor to measure the angle between an automotive vehicle and a trailer.

Results: NineSigma brought back more than 10 qualified responses from solution providers around the world offering a wide range of technical approaches. Many of the solutions proposed directly challenged the views of the research team.

“We could not have found these technical approaches with our internal innovation scouting group” - project owner

Results

Disruptive Technology

NINΣTM
I n n o v a t e

Action Plan

Pricing

- Pay-for-performance model
- Discovery Fee to initiate project – \$12,500
- Transaction Fee – payable upon signing of contract with solution provider
- Transaction Fee based on value of contract:
 - 40% for contract value up to \$50,000
 - 7.5% of contract value for next \$950,000
 - 5.0% of contract value exceeding \$1,000,000
- Price = Discovery Fee per project + (contract signing rate) x Transaction Fee

How Do I Learn More?

NineSigma Innovation Newsletter

NineSigma Innovation Newsletter for February 18, 2004 - Message (HTML)

File Edit View Insert Format Tools Actions Help

Reply Reply to All Forward

You forwarded this message on 2/24/2004 1:38 PM. Click here to find all related messages.

From: NineSigma Innovation Newsletter Sent: Wed 2/18/2004 4:49 PM
To: Kevin C. Stark
Cc:
Subject: NineSigma Innovation Newsletter for February 18, 2004

NINΣTM Innovation Newsletter
I n n o v a t e

Connecting technology seekers with solution providers around the globe.

February 18, 2004

Dear Colleague,

This inaugural issue of Innovation Newsletter is being sent exclusively to the NineSigma network. It will be distributed each week and will include new Request for Proposals (RFPs) and a complete listing of all open RFPs. Please feel free to invite colleagues to join NineSigma's network by forwarding this email using your email browser or clicking the "forward" link at the bottom of the page. In an effort to better serve our network members, we are interested in receiving your feedback on this new format. Please send your comments to stoessner@ninesigma.com.

[Click here to subscribe to receive future updates.](#)

The following Requests for Proposals (RFPs) are now available from NineSigma. Please click on the opportunities below to view the full information on the technology or need being sought.

Table of Contents ✓ - New RFP

Automotive Heat Pump	Bioconcentration - ✓	Biotoxicity - ✓
Consumer Preferences - ✓	Cordless Sensors for Automotive Applications - ✓	High-Temperature Electronics
Hitch Angle Sensor - ✓	Non-Caffeine Stimulants - ✓	PerfectFlow™ Fluid Dispenser - ✓
Products for Garment Care	'Ready to Go' Product/Businesses for Fabric Care	Receptor Binding Library
Touchless Obstacle Detection	Treatment of Nicotine Addiction - ✓	Wetting Agents for Plastics - ✓

New Request for Proposals (RFPs)

[Bioconcentration](#) - NineSigma, representing a **Fortune 100 consumer products company**, is seeking proposals (technical and cost) for developing a simple laboratory assay, potentially in vitro, using aquatic organisms for assessing the bioconcentration potential of certain ingredients of consumer products. [More...](#)

[Biotoxicity](#) - NineSigma, representing a **Fortune 100 consumer products company**, is seeking proposals (technical and cost) for developing an aquatic chronic toxicity test for predaceous invertebrates (e.g., stonefly). Priority will be placed on those proposals that identify species easily propagated in the laboratory. The testing period should not be longer than currently available chronic tests for freshwater vertebrates (< 30 days). [More...](#)

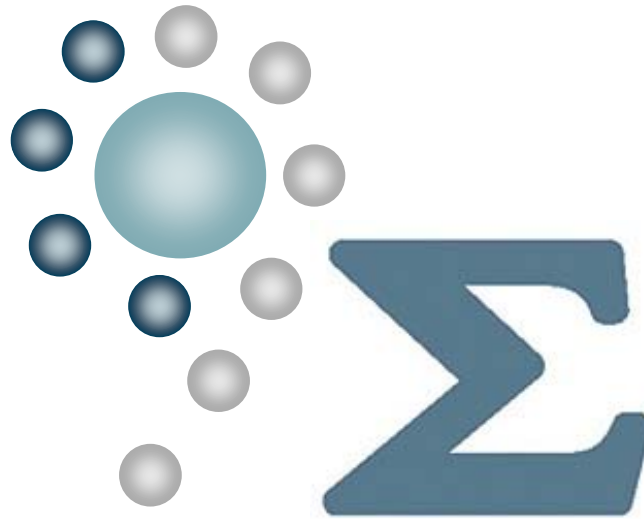
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Sign-up!

you can become a
technology
resource
with
global reach

REGISTER to receive
RFPs

www.ninesigma.com/register.html



www.ninesigma.com

Contact: Charles J. Brez
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brez@ninesigma.com