

Growing by more than 100% Year over Year and nearly Tripling their Employee Count since 2011, Brickstream Corp. is showing that there is Significant Growth market Opportunity for their Real-Time People Counting, Queue Management and In-Store Monitoring Solutions for the Retail and Banking Industries

Technology
Consumer Activity

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Steve Jeffery
CEO

BIO:

Steve Jeffery is a veteran of the technology industry with 34 years of experience gained in Europe and North America. His career includes positions at global multinationals including Hewlett Packard and IBM. In 1994 Steve relocated from the Silicon Valley to Georgia where he built two start-up organizations, SQL Financials and Clarus Corporation taking each public in 1998 and 2001.

Steve has assumed a variety of management roles in software and hardware companies, including CEO, Chairman, and General Manager as well as executive positions in Sales and Marketing. This wide range of experience has enabled him grow early stage companies to success. Steve has also been very successful in working with Venture Capital and the Public markets to raise equity.

Steve's management experience also includes driving strategic acquisitions and the successful divestiture of a number of business units. Today, Steve is a director of several companies and the former president of TAG, one of the nation's largest statewide technology associations. Steve holds an honors Bachelor degree in Business from Sheffield Hallam University in the U.K.

About Brickstream Corp.:

Brickstream® is the leader in real-time people counting, queue management, and in-store monitoring solutions. Using discreet, at-the-edge, 3D video appliances and the patented BehaviorIQ™ platform, Brickstream solutions capture, transform and analyze highly accurate customer activity data for sales conversion, customer service, and labor optimization. Leading retailers, retail banks, and other brick-and-mortar outlets use Brickstream's intuitive interfaces and predictive capabilities to improve the customer experience and drive business growth through more effective service, marketing and sales strategies. Brickstream's customers achieve early, and significant, return

on investment thanks to flexible deployment models, remote management services, and a low total cost of ownership.

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: Mr. Jeffery, what is Brickstream?

Mr. Jeffery: Brickstream is a technology company based in Atlanta Georgia that employs forty-five people. Brickstream operates in the in-store video analytics market in markets like retail and banking, with global operations in Singapore, Berlin, London, and Atlanta.

CEOCFO: What kinds of services are you providing?

Mr. Jeffery: The first service is the area of counting people, where we essentially provide, to retailers for the most part, video devices that count people in and out of stores, relate that counted data to the transaction log and provide what we call 'sales conversion.' Retail stores can look at the conversions between one store, in a city, an area or a state, or across states. They are able to compare their sales conversions and use that to begin to understand why some stores have higher sales conversions. Secondly, in the queue management solution area where we are providing retailers the opportunity to understand how many people are arriving in their stores and then be able to predict how many check-outs they are likely to need open, ten minutes, twenty minutes and thirty minutes into the future.

This system features video devices, over-checkouts that are able to manage the actual wait times, service times, as well as integrate and relate that to the workforce management systems such that retail stores can optimize labor and service.

CEOCFO: What are the types of businesses other than the general category of retail, which tend to utilize Brickstream?

Mr. Jeffery: In the people-counting area, sales conversion has become very much an operational metric for all types of retailers. For example, here in the US, Charlotte Russe has about a thousand stores where they deployed the solution and are measuring the sales conversion across all of those stores. In the queue management area, it is companies like ASDA, which is a Walmart subsidiary in the UK. They have deployed the Brickstream Queue Management solution across their entire chain of retail superstores. Those are both retailers and that is very much part of the drive by retailers to understand, in the brick-and-mortar environment, many of the customer behaviors in the same way that they are able to understand in the online environment. Outside of retail, there are other kinds of businesses that look for sales conversion or people-counting, such as airports and train stations. We are also seeing applications in healthcare. The application of the solutions and the technology is broad.

CEOCFO: Do most of your customers utilize the information that you provide to them?

Mr. Jeffery: At the people counting level, sales conversion is very much an operational metric, and by that I mean it is becoming one of the standard metrics that retailers want to understand about their businesses. Sometimes it features in the incentive models; they are not at the individual store level. Retailers increasingly have a thirst for data about the store environment and the customer behaviors within that store environment.

Sales conversion is one example of that.

CEOCFO: It shows on your website that you have a unique 3-D video technology. What is different about the Brickstream offering and what is the competitive landscape?

Mr. Jeffery: There are three things that I would point to: the first is that we are more accurate than anyone else in the market today in terms of collecting this data, whether it is people counting or queue management. Part of the reason for that is we use 3-D or stereo appliances to collect that data, so if you like, two eyes are better than one. We are able to track and measure speed, height, direction, and we are able to differentiate between shopping carts, adults, children, and shopping groups. The second thing is that we feel we are more flexible and more functional. The features that we

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have, once we collect that data, are stronger than any of our competitors. Also in play is the flexibility in the way that we can deploy our solutions. Our video analytic appliances are IP devices—network devices—meaning thousands of stores can be managed centrally from one point in terms of making sure those devices are working correctly, understanding that there is a problem with those devices, upgrading those devices, reconfiguring those devices etc. We are able to do all of that in a very flexible and remote and centrally managed way. In the retail world, cost of ownership is extremely important and we feel that the cost of ownership of our solution measured over a three to five-year period is more competitive today than any other vendor.

CEOCFO: How do you reach potential customers?

Mr. Jeffery: In the people-counting/sales conversion market, we

go through a network of forty partners with whom we have developed relationships in the last five years. There is a tier of global partners like Experian and ADT Tyco, who have operations in many countries around the world. There is a second tier comprising partners that tend to be European or North America focused, or in larger Asian countries like China. There is another tier of those partners who are in the smaller emerging countries such as in South America, parts of Asia, India, Middle East, Eastern Europe, and Russia. That is how we reach potential customers and the people-counting market in retail is through that network of forty partners. In the Queue Management solution area, we sell directly through two teams; one in Europe and one in North America. These teams directly go to market, and they target and work with retailers who are interested in queue management or a more enterprise wide solution.

CEOCFO: How is business?

Mr. Jeffery: Business is very good for Brickstream right now and we are very thankful for that. We are enjoying our second year of

100% growth. We are still relatively small but we are profitable. Part of our reason for raising growth capital is to continue to show that we can fuel and scale the business to take advantage of the growth opportunities we are seeing. Those growth opportunities are global; about 70 % of our business today is outside of North America.

CEOCFO: What is ahead?

Mr. Jeffery: With the growth capital we have raised, we are engaged in scaling the business. Geographically, we are expanding into many emerging markets now to complement the bigger main markets of Western Europe and North America. We have been adding partners. Looking forward to 2013, we are planning to announce some new products that we think will further enhance the differentiation of our product offerings and our market addressability, so we are excited about that. We continue to

build the operations framework that we need to support both the partners and the customers.

CEOCFO: Why should the business and investment community pay attention to Brickstream?

Mr. Jeffery: If you are in the business and investment community, I think you obviously want to look at companies like ours that have an attractive

market opportunity, a growth market opportunity, and are able to demonstrate a sustainable business model that is either showing or can show profitability and the ability to sustain that profit over the long-term. Brickstream today is showing that there is a significant growth market opportunity. We have been growing by more than 100% year over year, nearly tripled our employee count since last

year, and we have developed a business model that investors are finding attractive. Growth profitability, strong market opportunity, and long-term sustainability are the reasons why Brickstream has garnered so much interest within the investment community.



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