Part 1: "Elevator" Introduction

Brief elevator pitch for your company "Accuracy wins" is the mantra at GoX Studio. After two years of development and testing under the supervision of U.S. Army scientists, GoX Studio has developed an algorithm that's 11.7 times more accurate than leading consumer fitness trackers. So accurate, in fact, that the simple consumer app nearly matches results from a Cosmed VO2 mask test: the clinical standard for measuring metabolism and calories burned. GoX Studio plans to first pursue licensing strategies for their algorithm to find companies that want to improve the accuracy of their devices. And we have prototypes for a patented insole that provides accuracy within 95% of a clinical force, power and balance tests. The insole will be ready in summer 2017.

Part 2: Market and Industry Analysis

How large is your market? What market segments are you going after and why?
According to Parks Associates, the fitness tracker industry is set to almost triple from one valued at $2 billion in 2014, to $5.4 billion by 2019. The smartwatch market alone will likely grow at an annualized rate of 18% through 2021 to reach 70 million units, according to Business Insiders. Future products will serve both consumer and professional markets, such as health care, with projected CAGR of 24.8% over the five years, reaching 162.9 million units in 2020. Health care model is transitioning from intervention to prevention and clinical grade accuracy and user accessibility of metrics such as VO2 and active calories are a significant need that we can meet today.

Is this market growing? How fast? CAGR of 24.8% for the health care segment.

Who is in the market already? What is the nature of competition – direction, indirect, substitutes?
GoX Studio is a differentiator in the wearables market that is often saturated with similar offerings. We add value with lab grade accuracy that has been validated in Government approved and sponsored tests. We provide a real-time VO2 estimate that does not exist on any APP or wearable device. We have a highly durable, low cost and accurate insole that can turn any shoes into smart shoes. Also, key patent, trade secret, and partnership with the US Army, US Navy and NXP differentiate GoX Studio.
GoX Studio products are truly novel. There is no known competitor for the realtime VO2 estimation in an APP. Current method is via a mask worn system that cost more than $9,000. There is no known competitor for realtime propulsive power estimation in an insole. Current systems are generally clinically based, exceeds $10,000 and only measure vertical forces.

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.
We are an early revenue company. We have a contract with a global steel company to assess worker productivity. We have demonstrated our insole to one of the world's largest sports apparel companies at our facility in Tempe, AZ. We are collaborating with NXP and the US Navy to develop the electronics and hardware for the insole. We are in active discussions with a number of groups under NDA.

Describe how you win customers today. Describe your future customer acquisition strategy.
In 2017 we expect to generate revenue through licensing of our full suite: algorithm, APP and insole to B2B customers who value accuracy in their solutions and novel metrics that provide insight to users. We will be prepared to launch a consumer APP and insole in 2018 to increase revenue. We project +$45M in revenue by 2019. The buzz is growing with the launch of our website and first press release. Over 50 media outlets covered the release, and we were contacted by several senior executives at global wearable companies who we are engaging now.

How will you displace any incumbents/competitors? How are you better/different than your competitors? What's your channel/partnership strategy, if any?
Accuracy has emerged as a sore spot for fitness trackers. Numerous companies have faced class-action lawsuits over accuracy concerns and a recent 2016 "The State of Wearables Today" Survey found accuracy ranked as the most important feature of a fitness wearable (63%). Lack of accuracy also ranked as the 2nd highest reason consumers stopped wearing their product (29%). Additionally, 7 of 10 chronic diseases are preventable and can benefit from clinical grade tracking of functional capacity. GoX Studio will win through accuracy. Our APP is over 11.6 times more accurate than Garmin, Fitbit and APPLE.

Part 4: Technical Product Description and Plan

Briefly describe your product or service. GoX Studio is offering B2B licensing of an active calories and VO2 algorithm/APP and force, pressure, and power measuring insole. VO2 is a valuable measure of health. A 1 Metabolic Equivalent (MET) increase in VO2 peak corresponded to 15% reduction in cardiovascular mortality, according to American Heart Association. Treatment of diabetes cost $245 billion. Accurate tracking and reporting of pre-diabetic patient progress may potentially reduce incidence of diabetes by up to 58% in a study by the Diabetes Prevention Program (DPP), equating to a saving of $142 billion. DPP has been certified by Medicare in 2016.

Technology Validation. (What evidence can you present that your product works as advertised? Future validation plans?)
GoX Studio has conducted a US Army funded and supervised human testing protocol with 20 Military veterans at the Arizona State University gait facility.

Describe the remaining product development risks and your plans to overcome them.
Insole hardware durability. We are working with the US Navy to refine the design. After 50 iterations, the insole is almost ready. We have insoles that have survived months of wear.

Describe your product's advantages (features, for example) for end-users vs. substitute solutions (not just direct competitors).
There is no known competitor for the realtime VO2 estimation in an APP. Current method is via a mask worn system that cost more than $9,000. There is no known competitor for realtime propulsive power estimation in an insole. Current systems are generally clinically based, exceeds $10,000 and only measure vertical forces.

Describe your company's current intellectual property status and plans for the future. (Issued patents? Licensing agreements? Pending patent applications? Trade secrets?)
We have a life of the patent license agreement with the US Navy for their insole patent. We have another license pending with the US Army. We have a provisional patent on our algorithm and methods. Finally, we have several trade secrets.

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.?
Accuracy of the algorithm/APP is based on 2 years of research and testing with significant number of test subjects across increasing number of conditions. This algorithm resides on our secured server. The mobile APP only handles the input/output.

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? Electronics for the insole was a key risk and NXP is now developing a custom solution based on their component technologies. Hardware for the insole was another risk and the US Navy within a research agreement is mitigating that risk. Cash flow is always a challenge. We have been fortunate to be awarded two US Army contracts worth over $1,000,000 in the last 18 months.

Briefly list and describe your key team members.
Joseph K. Hitt, PhD , CEO (Full Time)
Joe has been innovating in the field of human performance for over a decade. He created the world's first bionic running leg and as a DARPA Program Manager, he founded and led the US Government's largest wearable technology project, Warrior Web. Working with a team of world-class scientists and engineers, he created new technologies that mitigate injury and enhance human performance including wearable devices that propel novice runners at 4 minute mile.
Robert Bruce Floersheim, PhD , COO (Full Time)
Bruce has over 27 years of leadership in academic, corporate and applied engineering realms. Bruce is a veteran of the US Army who founded/directed a technology design innovation center at West Point to take a community approach working with academia, government experts and industry to create and maintain a stream of innovation and product realization that is inherently low cost and diverse. Most recently, he helped found and run as CEO a small services company, FITT Scientific, which went from 2 to 21 employees and over $10M in contract awards in its first 24 mo of business operations.

Briefly describe any holes in your leadership team. What are your plans to address any recruiting needs in the next 18 mos.?
We need a CFO to help us scale, and marketing/sales in both the fitness and health segments. As we become larger, we would look to replace the founders, who are technical leaders, with appropriate sector leaders

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