

# Linilix

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Intelligent retail shelving

# Executive Summary

- Venture will develop an in-store digital display and analytics platform targeting “big box” linear shelving applications
- Platform will deliver:
  - Hardware combining linear digital display, camera vision system, beacon functionality and merchandise lighting
  - SaaS solution managing pricing displays, dynamic promotions, interactive and personalized experiences
- Hardware leasing strategy and shared advertising revenues with retailers will create fast scale and recurring revenue
- Massive market potential, efficient and concentrated B2B sales activities
- Seeking seed/series A funding



## The “last mile” in digital retail...

- Tedious manual price labeling
- Tedious seasonal promotions
- No instantaneous promotions
- No tracking or understanding of consumer behavior
- Disconnect between consumer's online experience and merchandise
- Bland presentation









Coca-Cola ★★★★★

Coca-Cola ★★★★★

Coca-Cola ★★★★★

Coca-Cola ★★★★★

Coca-Cola ★★★★★

Coca-Cola ★★★★★

Coca-Cola ★★★★★

Coca-Cola ★★★★★

Create a digital experience right  
at the heart of big-box retail

# A platform combining 4 core functions

*Attraction, Tracking, Presentation and Interaction*



Shelf Edge  
HD Display



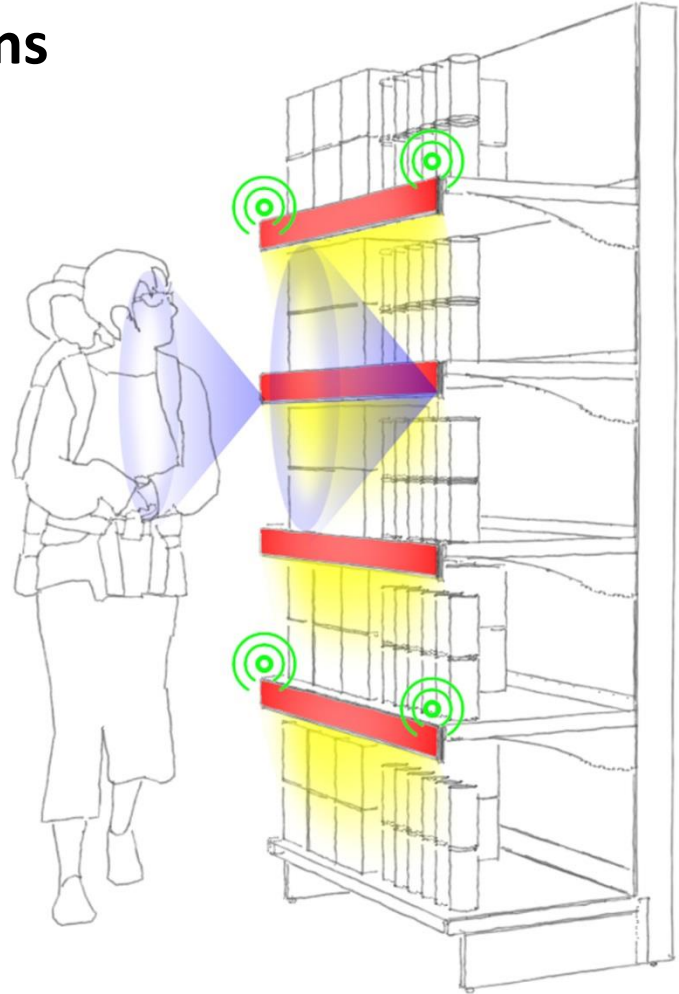
Camera  
Vision System



Multi Spectral  
Lighting















iBeacon  
Interactions



# Shelf display system

*Deliver creative new customer experiences*

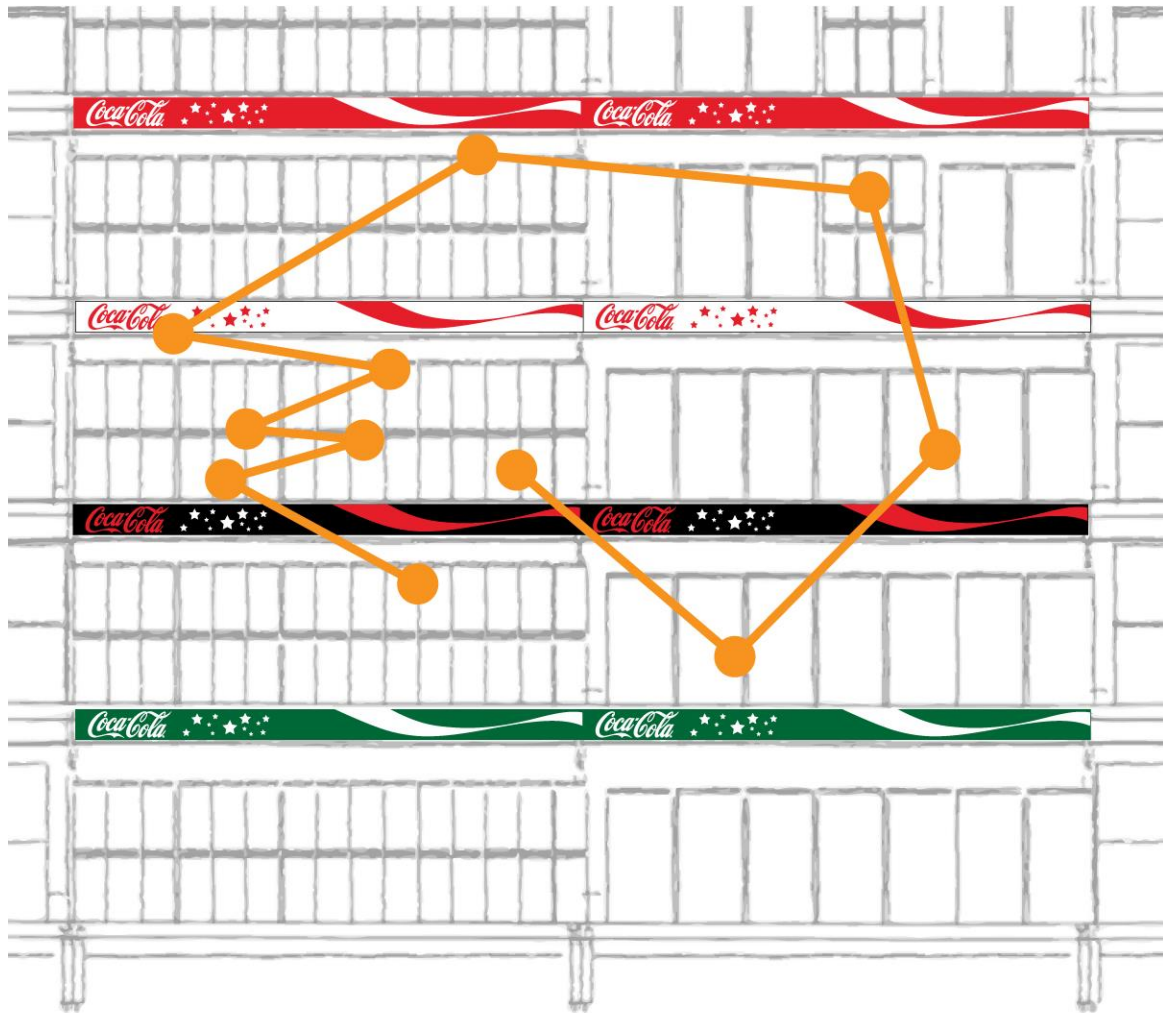
Branded video content		
Calendar events		
Dynamic price tags		
iBeacon interaction		
Camera vision interaction		
Stocking assist		



# Camera vision system

*Understand your customers*

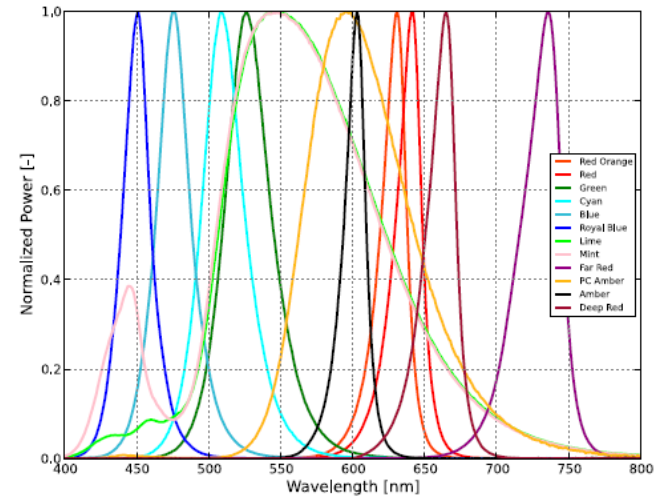
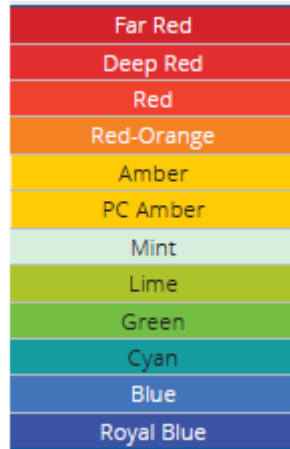
- Intimate, discrete placement of cameras
- Precision eye focus and linger time tracking
- Theft prevention
- Interactive displays





# Multi-spectral lighting

*Fine-tune the visual presentation of your merchandise*



- Customized “light recipes” can emphasize packaging color palettes
- Special effects lighting can animate merchandise

# Bluetooth beacons

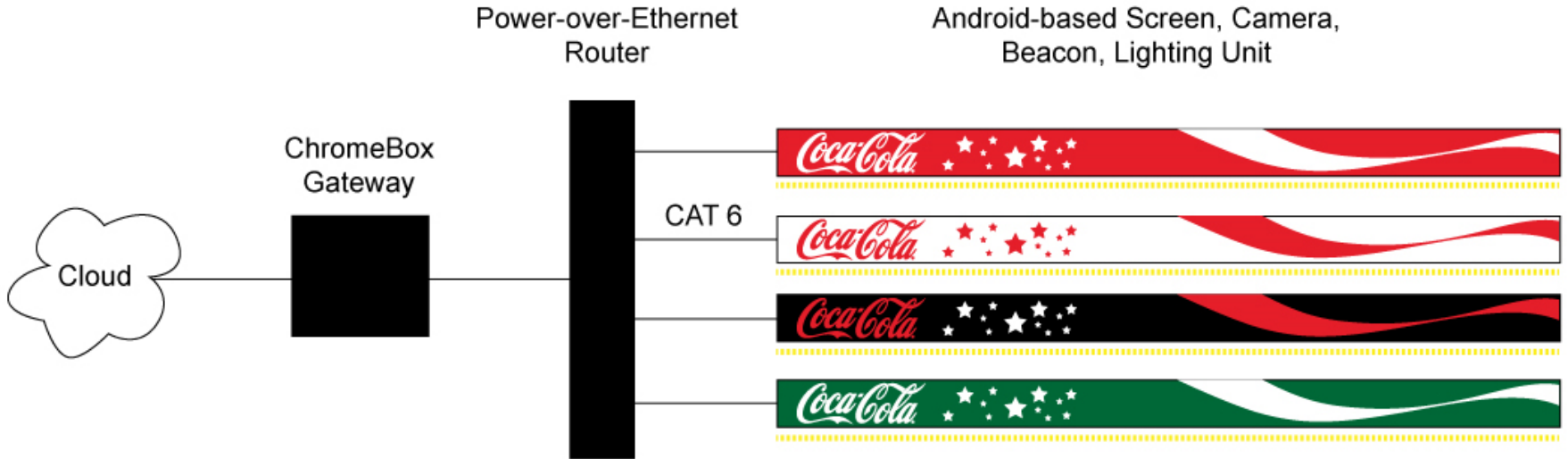
*Interact locally with your customer's devices*

- Personalized interactions between apps and shelf displays
- Integrated Infrastructure for BLE Beacons
- Close proximity for high accuracy





























# Simplified hardware development

*Standards and commodity-based hardware: IP to PoE to Android*

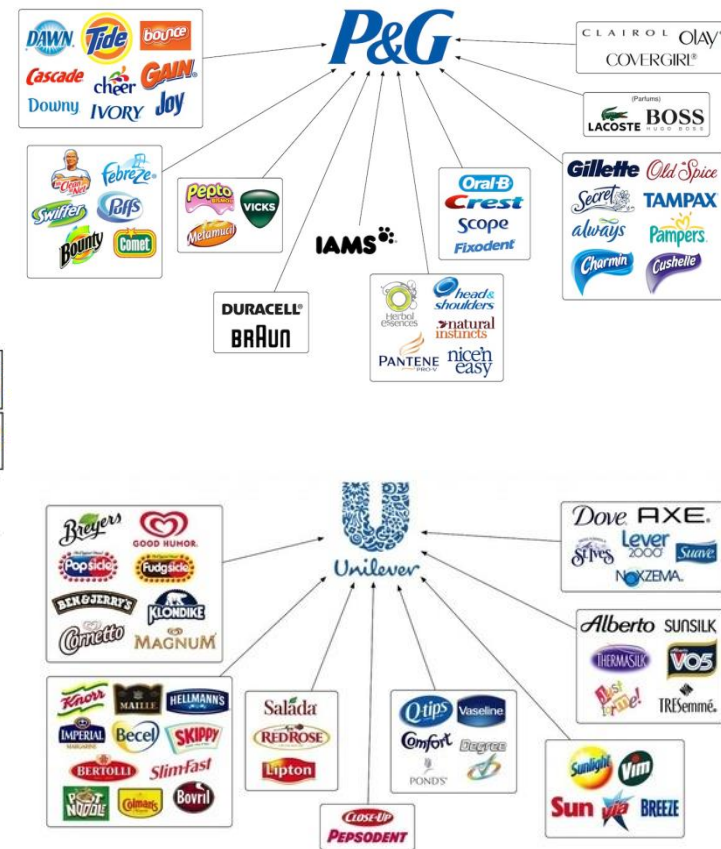
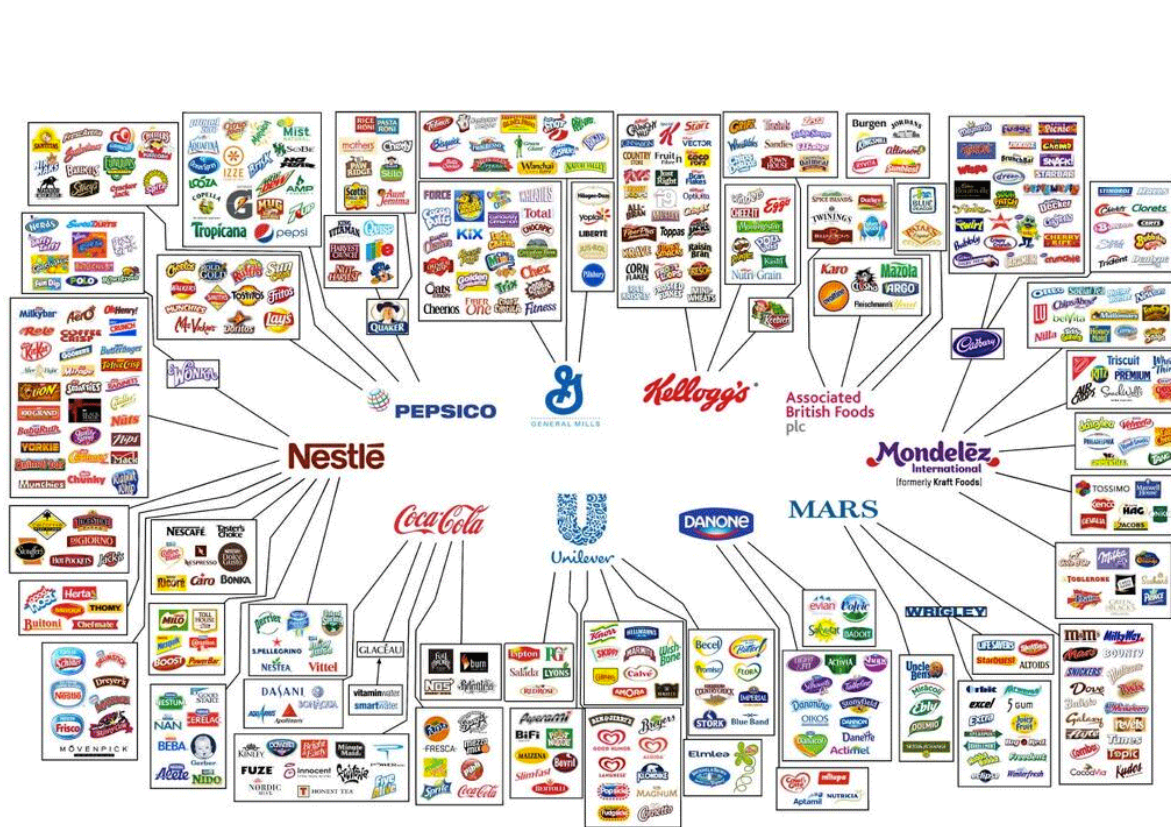


# Enormous immediate potential: Big-box retail stores

	EU	UK	US
Supermarkets	   	 	  
Drugstores	 		  
Hardlines	    	 	    



# Do we target the stores or the brands?



## Strategy Outline

# Build an in-store digital marketing and analytics platform

### Hardware platform

- Barrier to entry
- Fast deployment
- Lease it: No upfront cost to customers

### Recurring revenue

- Content management service
- Shared advertising revenue

### Secondary revenue

- Data analytics
- Selling data to 3<sup>rd</sup> parties

# Three paths to recurring revenue...

## 1. Shared Ad + Data Revenue

- Target: Store owners
- Retailer and Linilix share advertising “slotting fee” to FMCG suppliers
- Linilix installs, services and manages content
- No upfront cost to retailer

Data Resale Rights  
(Camera Vision, Beacon System)

## 2. Leased Equipment + Service

- Target: FMCG suppliers
- Supplier pays monthly fee for content maintenance and data analysis service
- Linilix installs, services and manages content
- No upfront cost to supplier

Data Resale Rights  
(Camera Vision, Beacon System)

## 3. Hardware Sale + Platform License

- Target: OEM shop fitters
- Direct hardware sale
- Linilix charges license for platform use

# An enormous global market...

## 2016 Global Powers of Retailing Report

Deloitte Touche Tohmatsu /STORES Magazine

Retail revenue rank FY2014	Name of company	Country of origin	FY2014 retail revenue (US\$B)	FY2014 parent company/group revenue (US\$B)	FY2014 parent company/group net income (US\$B)	Dominant operational format	# countries of operation FY2014	FY2009-2014 retail revenue CAGR
1	Wal-Mart Stores Inc.	US	485,551	485,551	17,099	Hypermarket/Supercenter/Superstore	28	3.5%
2	Costco Wholesale Corporation	US	112,640	112,640	2,088	Cash & Carry/Warehouse Club	10	9.5%
3	The Kroger Co.	US	108,465	108,465	1,747	Supermarket	1	7.2%
4	Schwarz Unternehmensreihung KG	Germany	102,694*	102,694*	n/a	Discount Store	26	7.7%
5	Tesco PLC	UK	99,712	101,380	-9,385	Hypermarket/Supercenter/Superstore	13	1.8%
6	Carrefour S.A.	France	98,497	101,450	1,817	Hypermarket/Supercenter/Superstore	34	-2.8%
7	Aldi Einkauf GmbH & Co. oHG	Germany	86,470*	86,470*	n/a	Discount Store	17	6.8%
8	Metro AG	Germany	85,570	85,570	247	Cash & Carry/Warehouse Club	32	-0.8%
9	The Home Depot Inc.	US	83,176	83,176	6,345	Home Improvement	4	4.7%
10	Walgreen Co. (now Walgreens Boots Alliance Inc.)	US	76,392	76,392	2,031	Drug Store/Pharmacy	2	3.8%
11	Target Corporation	US	72,618	72,618	-1,636	Discount Department Store	1	2.7%
12	Amazon.com Inc.	US	70,080	88,988	-241	Non-store	14	25.8%
13	Groupe Auchan SA	France	69,622	71,056	1,046	Hypermarket/Supercenter/Superstore	13	6.2%
14	CVS Health Corporation (formerly CVS Caremark Corporation)	US	67,798	139,367	4,644	Drug Store/Pharmacy	3	4.1%
15	Casino Guichard-Perrachon S.A.	France	64,462**	64,462**	1,095	Hypermarket/Supercenter/Superstore	29	13.1%
16	Aeon Co. Ltd.	Japan	61,436	65,831**	738	Hypermarket/Supercenter/Superstore	11	7.6%
17	Edeka Group	Germany	60,960**	62,689**	n/a	Supermarket	1	2.9%
18	Lowe's Companies Inc.	US	56,223	56,223	2,698	Home Improvement	4	3.6%
19	Seven & I Holdings Co. Ltd.	Japan	53,839**	56,162**	1,698	Convenience/Forecourt Store	18	3.4%
20	Rewe Combini	Germany	51,168**	56,555**	419	Supermarket	11	2.4%
21	Woolworths Limited	Australia	49,572	50,965	1,790	Supermarket	2	3.3%
22	Centros Distributivos E. Leclerc	France	48,573**	60,749**	n/a	Hypermarket/Supercenter/Superstore	7	5.5%
23	Woolfarms Limited	Australia	48,095	52,287	2,043	Supermarket	2	4.7%
24	Koninklijke Ahold N.V.	Netherlands	43,566**	43,566**	790	Supermarket	6	3.3%
25	Best Buy Co. Inc.	US	40,339	40,339	1,235	Electronics Specialty	4	-1.1%
26	The IKEA Group (INGKA Holding B.V.)	Netherlands	39,064	39,871	4,531	Other Specialty	42	6.0%
27	ITM Développement International (Intermarché)	France	38,164**	53,305**	n/a	Supermarket	5	3.1%
28	J Sainsbury plc	UK	37,832	38,368	268	Supermarket	1	3.3%
29	Loblaw Companies Limited	Canada	37,812**	38,610**	48	Hypermarket/Supercenter/Superstore	2	6.3%
30	Safeway Inc.	US	36,330	36,330	113	Supermarket	2	-1.9%
31	Sears Holdings Corporation	US	31,198	31,198	-1,810	Department Store	3	-6.7%
32	Publi Super Markets Inc.	US	30,802	30,802	1,735	Supermarket	1	4.7%
33	The TJX Companies Inc.	US	29,078	29,078	2,215	Apparel/Footwear Specialty	7	7.5%
34	Delhaize Group SA	Belgium	28,395**	28,395**	120	Supermarket	7	1.4%
35	Macy's Inc.	US	28,105**	28,105**	1,526	Department Store	3	3.7%
36	Wm Morrison Supermarkets PLC	UK	27,531	27,531	-1,246	Supermarket	1	1.8%
37	AB Acquisition LLC (now Albertsons Companies Inc.)	US	27,199	27,199	-1,225	Supermarket	1	45.3%
38	Rite Aid Corporation	US	26,528	26,528	2,109	Drug Store/Pharmacy	1	0.7%
39	LVMH Moët Hennessey-Louis Vuitton S.A.	France	26,006*	40,727**	8,115	Other Specialty	80	14.6%

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40	Migros-Genossenschafts Bund	Switzerland	25,609**	29,865**	973	Hypermarket/Supercenter/Superstore	3	1.6%
41	Lotte Shopping Co., Ltd.	S. Korea	25,384	26,695	585	Hypermarket/Supercenter/Superstore	6	14.6%
42	Système U, Centrale Nationale	France	25,004**	31,252**	n/a	Supermarket	4	5.8%
43	Coop Group	Switzerland	24,690**	30,831**	619	Supermarket	1	4.5%
44	Mercadona S.A.	Spain	24,515	24,515	722	Supermarket	1	5.1%
45	Inditex S.A.	Spain	23,780**	23,780**	3,295	Apparel/Footwear Specialty	90	10.3%
46	H.E. Butt Grocery Company	US	22,600*	22,600*	n/a	Supermarket	2	8.9%
47	H & M Hennes & Mauritz AB	Sweden	22,425	22,425	2,958	Apparel/Footwear Specialty	56	8.4%
48	Apple Inc. / Apple Retail Stores	US	21,462	182,795	39,510	Electronics Specialty	16	26.4%
49	Empire Company Limited	Canada	20,897**	21,059**	382	Supermarket	1	9.4%
50	A.S. Watson Group	Hong Kong	20,304**	20,304**	n/a	Drug Store/Pharmacy	25	6.3%
51	PISC "Magnit" (formerly OJSC "Magnit")	Russia	19,851	19,872**	1,241	Convenience/Forecourt Store	1	30.0%
52	Groupe Adeo SA	France	19,541**	19,541**	n/a	Home Improvement	12	9.4%
53	Kohl's Corporation	US	19,023	19,023	867	Department Store	1	2.1%
54	Dollar General Corporation	US	18,910	18,910	1,065	Discount Store	1	9.9%
55	Cencosud S.A.	Chile	18,221	18,809	335	Supermarket	5	15.7%
56	Kingfisher plc	UK	17,954	17,954	822	Home Improvement	10	0.9%
57	Suning Commerce Group Co. Ltd.	China	17,733	17,733	134	Electronics Specialty	3	13.3%
58	JD.com Inc.	China	17,672	18,722	-813	Non-store	78	106.3%
59	Jeronimo Martins, SGPS, S.A.	Portugal	16,856	16,856	435	Discount Store	3	12.2%
60	X5 Retail Group N.V.	Russia	16,853	16,861	338	Discount Store	2	14.1%
61	Marks and Spencer Group plc	UK	16,641	16,641	777	Department Store	53	1.6%
62	The Gap Inc.	US	16,435	16,435	1,262	Apparel/Footwear Specialty	53	3.0%
63	John Lewis Partnership plc	UK	15,882**	15,882**	235	Supermarket	3	7.6%
64	Meijer Inc.	US	15,700*	15,700*	n/a	Hypermarket/Supercenter/Superstore	1	2.2%
65	Yamada Denki Co. Ltd.	Japan	15,146**	15,146**	85	Electronics Specialty	7	-3.8%
66	Coop Italia	Italy	14,860*	16,511*	n/a	Hypermarket/Supercenter/Superstore	1	-1.1%
67	Some Home Appliance Group	China	14,652*	15,034**	n/a	Electronics Specialty	1	6.0%
68	El Corte Inglés S.A.	Spain	14,639	18,897	153	Department Store	7	-3.2%
69	Conad Consorzio Nazionale, Dettaglianti Soc. Coop. a.r.l.	Italy	14,569**	15,533**	n/a	Supermarket	2	4.7%
70	Whole Foods Market Inc.	US	14,194	14,194	579	Supermarket	3	12.1%
71	China Resources Enterprise Limited	Hong Kong	14,110	21,783**	38	Hypermarket/Supercenter/Superstore	2	24.6%
72	Fast Retailing Co. Ltd.	Japan	13,529**	13,553**	778	Apparel/Footwear Specialty	30	15.0%
73	S Group	Finland	13,188	14,864	364	Supermarket	5	5.3%
74	Nordstrom Inc.	US	13,110	13,506	720	Department Store	2	9.7%
75	Dixons Carphone plc (formerly Dixons Retail plc)	UK	12,991	13,199	155	Electronics Specialty	10	-1.0%
76	Otto (GmbH & Co KG)	Germany	12,843	16,662	-254	Non-store	54	2.1%
77	ICA Gruppen AB	Sweden	12,454**	12,754**	390	Supermarket	5	-1.7%
78	Toys "R" Us Inc.	US	12,361	12,361	-288	Other Specialty	40	-1.8%



# Schematic Business Plan

## Estimated Costs

		Headcount per Year									
Position	Avg. Sal.	1		2		3		4		5	
Board of Directors											
Board Members	€ 5	5	€ 25	5	€ 25	5	€ 25	5	€ 25	5	€ 25
Leadership Team											
CEO (Operations, Sales, Finance)	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100
CMO (Product Mkt, Design, Marketing)	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100
Chief of Staff/Office Mgr	€ 50	1	€ 50	1	€ 50	1	€ 50	1	€ 50	1	€ 50
Product Team											
Director of Hardware Supply Chain	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100
Product Marketing Manager	€ 75	1	€ 75	2	€ 150	2	€ 150	2	€ 150	2	€ 150
Director of System Arch	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100
Software Devs	€ 75	2	€ 150	3	€ 225	3	€ 225	3	€ 225	3	€ 225
Field Operations Team											
Director of Sales	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100	1	€ 100
Inside Sales/Quotations	€ 75	0	€ 0	1	€ 75	2	€ 150	3	€ 225	4	€ 300
Field Application Engineers	€ 50	1	€ 50	1	€ 50	2	€ 100	3	€ 150	4	€ 200
Marketing Content Manager	€ 50	0	€ 0	1	€ 50	2	€ 100	3	€ 150	4	€ 200
TOTAL STAFF (count excludes board)		10	€ 850	18	€ 1,125	20	€ 1,300	22	€ 1,475	24	€ 1,650
		Budget per Year									
Legal			€ 30		€ 50		€ 50		€ 50		€ 50
Facilities			€ 30		€ 50		€ 50		€ 50		€ 50
R+D			€ 250		€ 250		€ 50		€ 50		€ 50
Marketing			€ 10		€ 50		€ 100		€ 100		€ 100
Travel			€ 25		€ 50		€ 75		€ 100		€ 100
TOTAL OVERHEAD			€ 345		€ 450		€ 325		€ 350		€ 350
TOTAL FUNDING			€ 1,195		€ 1,575		€ 1,625		€ 1,825		€ 2,000

## Target Earnings

	Year 1	Year 2	Year 3	Year 4	Year 5
Linear Meters Per Location	30	50	50	100	100
Store Locations	10	50	100	500	1000
Monthly Lease Price per Meter	€ 15	€ 15	€ 15	€ 15	€ 15
Annual Revenue	€ 54,000	€ 450,000	€ 900,000	€ 9,000,000	€ 18,000,000
Target Capital Cost per Meter	€ 150	€ 125	€ 100	€ 75	€ 75
Total Leasing Capital Investment	€ 45,000	€ 312,500	€ 500,000	€ 3,750,000	€ 7,500,000
Operating, R+D Costs	€ 1,195,000	€ 1,575,000	€ 1,625,000	€ 1,825,000	€ 2,000,000
Cashflow/EBIT	-€ 1,186,000	-€ 1,437,500	-€ 1,225,000	€ 3,425,000	€ 8,500,000
Running Investment/Return	-€ 1,186,000	-€ 2,623,500	-€ 3,848,500	-€ 423,500	€ 8,076,500

# Acquisition exit strategy: Potential acquirers

## Large commercial signage suppliers



## Marketing conglomerates



## Large retailer who wants proprietary advantage



# Team



**Brad Koerner**  
Founder

Brad Koerner is an entrepreneurial project leader with a range of design, marketing and product management experience. Brad has spent 20+ years in the architectural lighting and construction industries, spanning global matrix organizations, design consultancies and startups. Brad has developed award-winning architectural lighting projects as well as new LED lighting products and market categories that have earned in excess of \$350m. Brad is an accomplished speaker and writer forecasting future trends in lighting design and digital media technology.