



Participating in the Telematics Value Chain: A Seminar on Business Models and Practices

October 30, 2001
Michigan League

**A Seminar for Automotive OEMs & Suppliers,
Venture Capital Investors & Technology Providers**

presented by:
Center for Venture Capital and Private Equity Finance (CVP)
The University of Michigan Business School

Dr. David J. Brophy, Director
www.umich.edu/~cvpumbs

sponsored by:



About the Seminar

This Seminar brings together business leaders from the automotive, telematics and finance industries for an interactive seminar to articulate and explore the realities of and potential for value creation and participation in the emerging telematics industry value chain

Who should register to attend?

Venture capital and private equity investors, executives of automotive OEMs, automotive electronics and telematics supplier companies, emerging entrepreneurial companies interested in serving the telematics industry and other industry players and public policy-makers looking to learn more about the telematics industry.

Why should you attend?

This seminar will give you an insider's look at telematics business models from the viewpoints of automotive OEMs & suppliers, technology and service providers, and venture capitalists. The seminar features interactive panel discussions with ample networking time available to meet panelists and colleagues during breakfast, lunch and breaks. During this seminar, investment leaders in this space will discuss the challenges of telematics investment and the factors necessary to increase the flow of outside equity investment into telematics.

Tentative Agenda

Seminar will be held in the Michigan League Ballroom on the 2nd floor of the Michigan League

7:30-8:00 Registration/ Continental Breakfast

8:15 **Introduction**
Dr. David J Brophy, Director, CVP

8:30 **Telematics Market Trends**
*Dr. Egil Juliussen, Principal Analyst and Co-Founder,
Telematics Research Group*

9:15 **The OEM Strategic View**
Dave Acton, Director of Global Telematics, General Motors Corporation
Jamie Allison, Manager, Wireless Mobility, Ford Motor Company
Jack Withrow, Telematics Director, Daimler Chrysler

10:30 **The Telematics Service Provider View**
John Correia, OnStar
Joseph Berry, Wingcast
Michael Orr, CEO, MobileAria

- 11:30 **The Technology Provider Strategic View**
Robert Law, Midwest Regional Director, EDS Information Solutions
David Gelvin, CEO, Sensoria Corporation
Mark Gammon, CEO, Intellibus
Robert Law, Director of Marketing and Portfolio Management, EDS
- 12:30 Lunch
Michigan Room, Michigan League
- 1:30 **The Tier 1 Supplier Strategic View**
John Slosar, Director of Telematics/Multimedia Systems, Visteon Corporation
Dr. Robert Schumacher, Delphi Automotive Systems
Ronald Knockeart, VP of Driver Information Systems, Siemens Automotive Corporation
- 2:30 **The Financiers' View**
Hank Barry, Partner, Hummer Winblad Venture Partners
Anil Shrikhande, Vice President, Boeing Ventures, The Boeing Company
Clay Pew, Partner, Draper Fisher Jurvetson
John Kwant, Managing Director, Ford Venture Capital Group
Jim O'Connor, Managing Director, Motorola Ventures
Marc Weiser, Managing Partner, Waypoint Ventures
- 3:30 **Special Topics: Role of Standards**
Arlan Stehney, Executive Director, IDB Forum
Dr. Egil Juliussen, Principal Analyst and Co-Founder, Telematics Research Group
- 4:00 **Wrap-Up**
Dr. David J. Brophy, Director, CVP
Wassim Moutada, Associate Director, CVP,
Principal, CrystalPoint Partners
- 5:00 Discussions
- 5:45 Reception

Background on the Telematics Seminar

- Commuters spend over 500 million hours per week in their vehicles & the market for telematics hardware, software and services is, by many estimates, predicted to be over \$40 billion by 2010.
- Despite the overall rationalization of the automotive, technology & communications industries over the last four years, a visible and practicable value chain is taking some time to emerge. The Seminar is focused on the status of that value chain and the reasons why it is slow to evolve.
- The emergence of such a value chain has direct implications on the business models of current and potential participants in the telematics industry: Such models have to be compatible with the value chain.
- Many of the telematics hardware, software and services providers are non-native to the automotive industry, and a need is created for a greater understanding of and visibility on product cycles, the role of standards, robustness requirements, how purchase decisions are made, cost structures, etc. in the various segments of the value chain.

Seminar Faculty

Hank Barry

Partner

Hummer Winblad Venture Partners

Hank is a partner at Hummer Winblad Venture Partners. Prior to joining Hummer Winblad, Hank was a corporate and securities partner at Wilson Sonsini Goodrich & Rosati in Palo Alto. He has over 15 years experience working with media and technology companies.

Prior to joining Wilson Sonsini in 1994, Hank was the head of Cooley Godward's Technology Practice Group in Palo Alto. Hank received his law degree in 1983 from Stanford University, where he was managing editor of the Stanford Law Review. He received his bachelor's degree in economics from the University of Michigan in 1980, where he graduated with highest distinction and was elected to Phi Beta Kappa.

Hank currently serves on the Board of Visitors of Stanford Law School. He serves on the boards of Napster and Sensoria.

Anil Shrikhande
Vice President
Boeing Ventures- The Boeing Company

Anil Shrikhande joined Boeing in February, 2000 as a vice president of Boeing Ventures, an organization established to reflect the company's emphasis on strategic growth initiatives. Shrikhande has an extensive technology background across general management, strategic marketing, mergers and acquisitions, and new venture development in both domestic and international assignments with Burroughs, Unisys and the Moore Corporation. Prior assignments include executive assistant to the CEO of Unisys and managing director of Unisys India Limited.

Mr. Shrikhande earned his master's degree in business management from Notre Dame in 1977. He has an undergraduate degree in economics from the University of Bombay and is a graduate of Stanford University's executive management program for high-technology executives.

Dr. Egil Juliussen Ph.D
Principal Analyst and Co-Founder- Telematics Research Group

Dr. Juliussen's first technology report (IBM's Billion Dollar Baby, co-authored with Portia Isaacson, PhD. in August of 1981) accurately predicted the impact of the personal computer. Since then Dr. Juliussen has published hundreds of reports on information technology products including PDAs, Internet appliances, and vehicle telematics.

Mark Gammon
CEO
IntelliBus Network Systems

Mark Gammon is CEO of IntelliBus Network Systems, a spinout company emerging from the Boeing Ventures Chairman's Innovation Initiative. Mark began development of the IntelliBus business plan and team as part of his previous position as Department Manager of the Boeing St. Louis Aeromechanics & Physical Sciences Laboratories, where the IntelliBus network technology was developed. The venture currently has 15 full time employees and began delivering hardware prototypes to automotive customers in August of 2001.

Mark's previous 21 years of engineering & management experience at McDonnell Douglas and Boeing include leading organizations of as many as 150 people on projects in flight testing engineering, test related research & development, and test data analysis. Mark holds a Bachelor of Science in Aerospace Engineering from the University of Missouri-Rolla and a Master of Engineering Management degree from Washington University in St. Louis.

Jim O'Connor
Managing Director
Motorola Ventures

Jim O'Connor is Managing Director of Motorola Ventures, the corporate venture capital investment arm of Motorola, Inc. In this role he is responsible for the Midwest and Southern region of the United States for identifying and executing strategic, minority-equity investments, in start-up firms to accelerate access for all of Motorola's existing and future businesses to new technologies, new markets and new talent. He joined Motorola Ventures in September 1999 following a year of service in the US government as a White House Fellow assigned to Treasury Secretaries Robert Rubin and Larry Summers. During this time at the Treasury Department, he was responsible for coordinating strategies on electronic commerce and community development policy. Prior to this, Jim worked as a Management Consultant with the global management consultancy A.T. Kearney out of Chicago. Jim currently serves as a Board Observer for the following companies, PacketVideo (San Diego), Centerpost (Chicago), SecureOps (Montreal), APTE (Evanston), Perceptual Robotics (Chicago), First International Digital (Chicago), and TissueInformatics (Pittsburgh). Jim has also led Motorola's latest investing efforts in next generation optical networking technologies, pervasive computing, semiconductor design automation, multi-media applications and streaming media, enterprise security applications, JAVA-based enabling technologies, biometrics, and Life Sciences.

Jim received his BA and JD from Georgetown University and his MBA from the J.L. Kellogg Graduate School of Management.

Dave Acton
Director of Telematics
General Motors Corporation

John Slosar
Director
Visteon

As Visteon Corporation's (NYSE: VC) Director of North American/Asian Telematics/Multimedia Systems Product Development, John Slosar is responsible for the electronic design, development and integration of a wide range of telematics and in-vehicle computer products. In this role, Mr. Slosar also oversees management of several important advanced technologies including voice recognition, navigation and satellite-based RF communications.

Mr. Slosar holds both a bachelor's degree in electrical engineering and a master's degree in business administration from the University of Michigan.

Ronald Knockeart
VP of Driver Information Systems
Siemens Automotive Corporation

Currently Mr. Knockeart is Vice President of Driver Information Systems for Siemens Automotive Corporation. His responsibilities include the sales, marketing, and development of Navigation and Telematics products for application in the North American OEM vehicle market.

He has directed the development significant new products such as first laser scanning code reader, first rf-based remote vehicle door locking system, first automated, off-board, turn-by-turn, and route guidance system.

Ron earned a BS in Electrical Engineering from Lawrence Technological University, a Master's Degree in Electrical Engineering from Wayne State University, and attended Penn State's Business School. He is a registered Professional Engineer and holds many U.S. patents related to electronics products and electronic systems, including advanced vehicle navigation systems.

David Gelvin
CEO
Sensoria

Mr. Gelvin joined Sensoria Corporation in April 1999 bringing over 22 years of management and engineering experience in the electronics industry. Prior to joining Sensoria, Mr. Gelvin was Vice President for the Multimedia Business Unit for Rockwell Semiconductor Systems and also Brooktree Corporation. Mr. Gelvin holds a bachelor's degree in Electrical Engineering from CSUC and graduated from the Executive Program for Scientists and Engineers at UCSD.

John Kwant
Managing Director
Venture Capital Group, Ford Motor Company

John Kwant is the Managing Director of Ford Motor Company's Venture Capital Group. Ford Motor Company is a strategic investor and places investments in entities where Ford will be a clear value driver to the company. Ford manages a portfolio of 34 investments, and in 2000, closed a total of 12 transactions. Prior to this, Mr. Kwant was responsible for business development, mergers, acquisitions and strategic alliances concentrating on new distribution channels related to Internet transactions at Ford.

Before joining Ford in August 1999, Kwant spent four years at Pitney Bowes, Inc, where he was director of Internet business development. Prior to this, he worked as a consultant

with Deloitte & Touche and in various assignments with General Motors in manufacturing and operations.

Mr. Kwant holds an MBA, Kellogg Graduate School of Management, Northwestern University and BSE, industrial and operations engineering, University of Michigan.

Clay Pew
Special Partner
Draper Fisher Jurvetson

Clay Pew is a Special Partner with Draper Fisher Jurvetson, a leading global early-stage venture capital firm, with some \$3 billion under management.

Prior to this, Mr. Pew developed competitive and market strategies for global IT firms like Motorola and AT&T as a Senior Consultant with Monitor Company (a leading global strategy consulting firm founded by Professor Michael Porter of the Harvard Business School). He currently sits on the boards of several venture-backed IT startups. Mr. Pew also has served as an advisor to prominent Texas-based private equity investors. During this period, he was active in early and expansion-stage investing across numerous technology and industry sectors.

Mr. Pew holds a BA in political economy from Washington University, and an MBA in corporate strategy and marketing from Rice University.

Arlan Stehney
Executive Director
IBD Forum

Mr. Stehney is the Executive Director of IDB Forum, an international technology development association with over 70+ members working to develop and promote open-architecture in-vehicle networking. Members include Ford, General Motors, Nokia, Motorola and Windriver Systems. IDB Forum has established relationships with Automotive Multimedia Interface Collaboration, 1394 Trade Association, and Consumer Electronics Association.

He was previously the Intelligent Transportation Systems Program Leader at the Society of Automotive Engineers, where he managed the standards development program including government contracts for passenger and commercial vehicle ITS Standards Development. Development efforts included: ITS Data Bus, Advanced Traveler Information Systems, Adaptive Cruise Control, Forward/Side/Backing Collision Warning and Avoidance, Navigation, Route Guidance, and Location Reference Profiling. Mr. Stehney has received graduate and undergraduate degrees in Engineering Management and Industrial Engineering from the University of Pittsburgh.

Jack Withrow
Telematics Director, Daimler Chrysler

Jack D. Withrow is the Director of Telematics for Chrysler Group of DaimlerChrysler Corporation. Mr. Withrow is responsible for formulating and implementing Telematics solutions for Chrysler Group products.

Prior to this position, he was the Senior Product Planning Manager for PT Cruiser, Sr. Manager – Product Strategy, and has held various positions in Product Planning, Manufacturing, Finance, and Marketing.

Jack holds a B.A. in Economics from the University of Michigan and an MBA from the Harvard Business School.

Jamie Allison
Manager, Wireless Mobility Group, Ford Motor Company

Jamie Allison is manager of Wireless Mobility Group at Ford Motor Company responsible for launching telematics on 2002 Lincoln as well as supporting the launch of Wingcast offerings on FMC products. Previously, he served as the eMarketing manager launching ford.com and striking a strategic alliance with Yahoo! Allison left FMC in 1997 to start an internet business and rejoined Ford in 1999. Prior to his departure from Ford, Allison served as Brand Development Manager for the newly launched Thunderbird.

Allison joined Ford in 1987 through the Ford College Graduate Program and has held various positions throughout the company in Business & Product Planning, Engineering and Marketing. Allison holds a BSEE and an MBA in marketing from the University of Michigan.

Bob Law
Director, Marketing & Portfolio Management
EDS

Bob Law is responsible for EDS' Marketing and Portfolio Management functions for the Midwest United States. He has been in the Information Technology industry for over 20 years, the past 17 years with EDS. Bob has extensive background across a broad array of technologies, industries and business process areas acquired from positions spanning Software Development Management to Sales. Prior to EDS, Bob held positions as a Data Processing Instructor at a Business College and in Computer Operations for Gulf Oil Corporation.

Bob holds a Bachelor of Science degree in Management Information Systems from Indiana University of Pennsylvania along with an additional degree in Computer Science.

Dr. Robert Schumacher
Delphi Automotive Systems

Dr. Schumacher is responsible for the Wireless business at Delphi Automotive Systems. The Wireless Business Line develops and delivers advanced communications, information and entertainment systems for the global automotive market. Specific products include audio and advanced digital audio, telematics, smart receivers (navigation radios), rear seat entertainment, and antenna systems. Prior to founding the mobile multimedia business in 1998, Dr. Schumacher was Director of Advanced Engineering at Delphi Delco Electronics Systems.

Dr. Schumacher holds 13 patents and has more than 40 publications in the areas of plasma science and automotive technology.

Marc Weiser
Managing Partner, Waypoint Ventures

Marc brings a wide range of high-tech operational and investing experience to Waypoint. Prior to forming Waypoint, Marc was a member of the founding team of MVX.com (now QuantumShift), a leading provider of web based B2B technology and services to fill corporate telecommunications needs.

There he led early technology and e-commerce systems development, was active in raising the company's seed financing, and helped to craft the original infrastructure for the company. QuantumShift, now a burgeoning pre-IPO company, is funded by Mayfield Fund, Texas Pacific Group, Bowman Capital Management, Morgan Stanley, Thomas Weisel Partners, and Presidio Ventures.

Prior to QuantumShift, he served as the "right hand man" to the CEO of First Virtual. With First Virtual, he assisted in raising several rounds of investment from strategic investors and was a member of the "road show" team for their IPO. While at First Virtual, he pioneered some of the original methods for e-commerce transactions, assisted in the launching of early Internet merchants, and managed relationships with financial and banking partners.

Marc also has high-tech investing and business development experience serving as an Associate with Arbor Partners, an e-commerce venture capital fund, as an Associate in Dell Computer's Home and Small Business Development group, and as an active angel investor in IT deals. Marc graduated cum laude from the University of Michigan with a BS in Aerospace Engineering and received his MBA with highest distinction from their Business School.

John Correia
Manager, New Service and Enabler Engineering, Onstar

John Correia, Manager, New Service and Enabler Engineering, OnStar: John has over 14 years of automotive experience, spanning product design and development, organizational change management and motivation, and telematics related product strategy and development, both in the US and abroad. Combining his experience with a bachelor's in Electrical Engineering and an MBA(both from the U of M) has allowed John to contribute in many areas of telematics development over the past 5 years. At Visteon and Ford ACD, John was responsible for support and development of the Lincoln RESCU system as well as other integrated portable phone solutions on a variety of Ford "family" vehicles. John was active in many telematics related organizations past and present including TSC, TIA, AMIC, IWPC, and the IDB Forum. As embedded digital technologies began to form, John continued to develop relationships with technology providers across the value chain, most notably leading the development of the first automotive embedded digital communication module in partnership with Samsung Electronics. Since January, John has been with OnStar where he is leading the technical development of many of OnStar's new services and enablers including the migration of the OnStar platform to the next generation of communication technology.

Michael Orr
CEO, Mobilaria

Michael Orr brings more than 27 years of information technology and management expertise in launching high technology products and growing businesses. Prior to joining MobileAria, Michael was president and chief operating officer of Santa Cruz Operations' Tarantella Division, a leading developer of Internet software. At SCO, Michael was responsible for launching Tarantella as an independent business, and helped to raise additional equity, expand the talent pool, and increase revenue significantly. Michael also secured a number of large customers in the financial services, telecommunications and technology industries.

Michael also served as senior vice president, Worldwide Marketing for SCO, where he was responsible for product marketing, strategy and business planning for the entire SCO product range, as well as corporate communications. Prior to SCO/Tarantella, Michael held a variety of senior management positions at IBM and Amdahl, where he successfully directed development, marketing, and sales of both software and hardware platforms.

A native of England, Michael holds a Master of Arts degree from the University of Oxford.

Dr. David J. Brophy
Director, CVP
University of Michigan Business School

Professor David J. Brophy is a member of the Finance Faculty at the University of Michigan School of Business Administration where he teaches courses in venture capital and private equity finance. He is Director of the UMBS Center for Venture Capital and Private Equity Finance (CVP) and the founding director of the CVP Entrepreneurial Finance Seminar. He is also a member of the executive committee for the Zell-Lurie Institute for Entrepreneurial Studies.

He has published extensive research on venture capital and private equity finance and has twice won the National Association of Small Business Investment Companies Research Award. He is the author of a book titled Finance, Entrepreneurship and Economic Development, and has published a large number of research papers in this and other aspects of finance. He is a founding member of the editorial board of the Journal of Business Venturing, The Journal of Private Equity Finance, and the International Venture Capital Journal.

He has been a director of several public companies and is a director and advisor to a number of banks, money market funds, and financial services firms including Compass Technology Partners (a venture capital firm in Palo Alto, CA), Munder Capital Management (Birmingham, MI), Continental Capital (OH), River Place Holdings (Detroit, MI) and General Motors Acceptance Corporation Wholesale Auto Receivables Corporation. He also is an investor in and an advisor to a number of emerging technology-based firms.

Wassim Mourtada
Associate Director
CVP- University of Michigan Business School

Wassim Mourtada is Associate Director of the Center, where he is responsible for the strategic development of the organization.

His research interests in the telematics industry includes studying the potential for venture capital investment in the telematics & ITS spaces.

Mr. Mourtada's other research focus is the Research Commercialization Initiative, studying issues such as the financial, institutional, legal, ethical, policy and practical challenges and rewards facing scientists, universities, venture capitalists, corporations and governments in the commercialization of university and corporation originated intellectual property.

Some of his past research has been published by the Federal Reserve Bank, the Government of France's Conseil du Credit et du Titre and the Financial Management Association.

He is also a founder and principal of CrystalPoint Partners, a venture capital firm focused on financing research commercialization ventures. He has received degrees from the University of Michigan in both Civil and Environmental Engineering and Economics.

The Seminar Faculty includes the people mentioned above as well as representatives from other OEMs, Tier One Suppliers & Telematics technology and service providers

Please be sure to check the list of seminar faculty on our website for further updates at: www.umich.edu/~cvpumbs/calendar/tele_form.html

CENTER CONTACT INFO

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**Telematics Seminar Registration Form
October 30, 2001**

Instructions

Please fax this application form to our Center at:
Center for Venture Capital and Private Equity Finance
University of Michigan Business School
Attn: Bharati Hulbanni
Fax: 734-615-8929
Email: CVPUMBS1@umich.edu
www.umich.edu/~cvpumbs

The cost for the Seminar is \$995 for the first participant from a company and \$795 for each additional participant from the same company.

You may also register on-line at: http://www.umich.edu/~cvpumbs/calendar/tele_form.html

Name

Company Name

Company Website (if any)

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We will contact you shortly about completing the registration process.

Seminar Information Updates will be posted on our website,
<http://www.umich.edu/~cvpumbs/calendar/telemat.html>

Parking for the Michigan League

Parking details will be posted online at <http://www.umich.edu/~cvpumbs/calendar/telemat.html>

Please visit the URL below for directions to the Michigan League:

<http://www.umich.edu/~league/direct.html>

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