



THE TRIVIDA PRODUCT LINE

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Introduction

The Strategic Opportunity

TriVida is the killer app for the personalization tornado.

Our technology (now patented) for dynamic online prediction means that we are able to shortcut the average multi-month, six figure process for a typical personalization project into, literally, just a few weeks and for a very reasonable hosting fee.

Because our technology is the only one that can truly scale to the web, we have the opportunity for a category upset – a true Killer App.

Achieving The Network Effect

To achieve this promise, we must do these two things:

1. Create our own network of sites that use our technology for personalization.
2. Get owners of existing networks to adopt our technology for their sites.

In both cases, market share is critical. We must quickly roll up thousands of sites, both in our own network, and through existing networks.

What follows is a taxonomy (an ordered structure) that spells out how our products will accomplish these twin goals.

Describing The Service

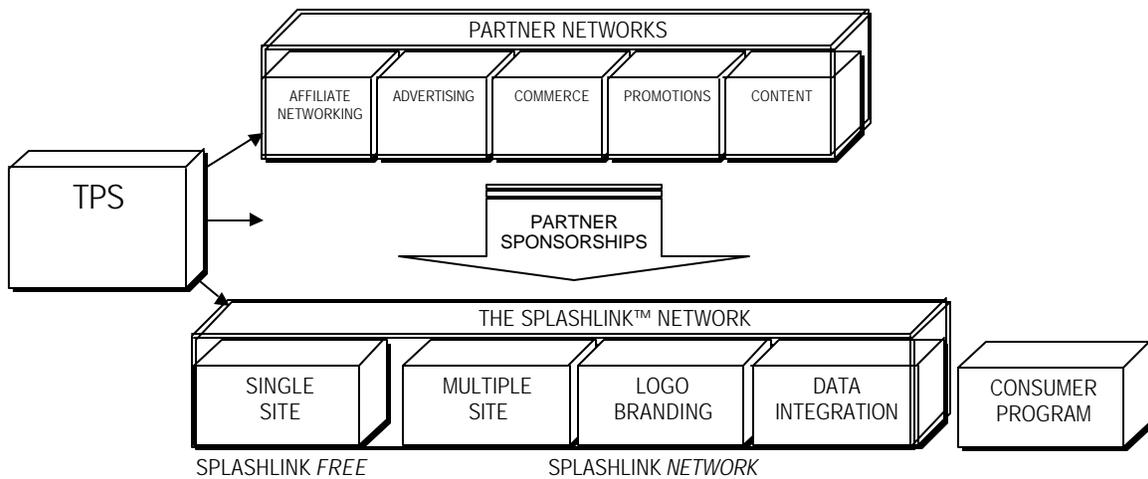


Figure 1: TriVida's Building Blocks

The Building Blocks

Our approach is best illustrated by a set of building blocks. The TriVida Personalization Service (TPS) is the core “operating system” for our own network, our partner networks, and the interaction between them.

The building blocks define three major revenue sources:

1. Subscription.
2. Partner Revenue Sharing.
3. Sponsorship.

The first two sources are being implemented immediately. The third awaits the attainment of critical mass in the first two.

The Product Line

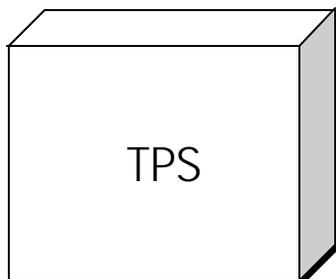
(See Chart at APPENDIX , Product Taxonomy, Page 19)

Our product line is composed of the following major components:

1. The TriVida Personalization Service (TPS).
2. The SplashLink™ Network

- 3. Partner Networks
- 4. The Consumer Program

The TriVida Personalization Service (TPS).



This is the core service. It represents our unique, patent-pending differentiation, which is dynamic or online predictive personalization.

All core functionality and scalability are developed within this service, including all hooks to both branded and partner implementations.

Figure 2: The Core Service TPS is not itself a product. It always interfaces with users through our products.

The SplashLink™ Network

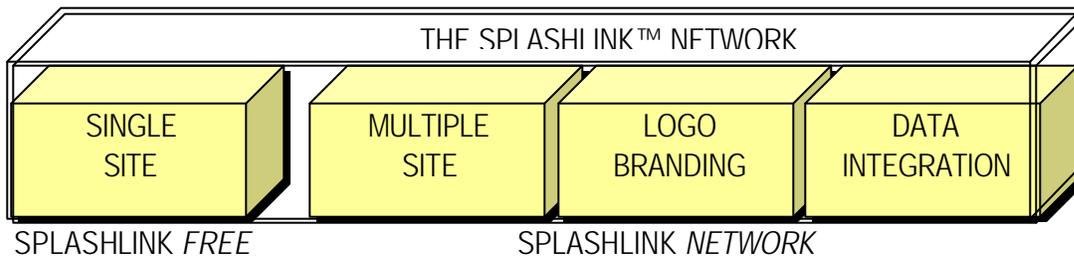


Figure 3: The Subscription Service

Our public product is The SplashLink™ Network, based at www.splashlink.net.

This innovative service enables subscribers to personalize their sites on a self-service basis, through an intuitive, automated process. This is a “webtop” application, meaning that you don’t need local software to do any part of the installation or setup¹.

This service is pure brand marketing, with an emphasis on getting lots of sites signed up quickly.

¹ A good example of a webtop application can be found at <http://www.halfbrain.com>.

A Subscription Service

The SplashLink Network is a subscription service with four main features:

1. Single Site
2. Multiple Site
3. Logo Branding
4. Data Integration

Two Main Products

While we know it as one product with multiple components, The SplashLink Network is positioned as two products to the public. That's because the Single Site feature is absolutely free and we want to emphasize the fact that it is a standalone, powerful product in its own right.

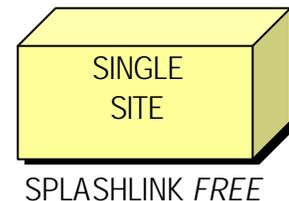
Therefore, we have two main products within The SplashLink Network subscription service.

1. SplashLink *Free* – Single Site feature only.
2. SplashLink *Network* – All four features.

SplashLink Free

To attract lots of members to The SplashLink Network and create future sponsorship opportunities, Single Site Personalization is free to members who don't need the other three features, without limitation for volume, commerce or functionality.

Members who need the other three features are introduced to SplashLink Network, which is a paid subscription product.



SPLASHLINK *FREE*

Figure 4: The Free Component

Designating Functions for Paid Product

Over time, we may discover more functions that must be pulled out of SplashLink and designated for SplashLink Network.

The rule is this: since SplashLink Single Site Personalization is free to members, every function must operate on a self-service basis. If we can't automate the setup and operation of a function, then it can't be part of the service.

That is the simple but firm rule. Functions that break this rule become candidates for SplashLink Network, where we can afford human interaction as we are being paid.

Visual Branding

We plan to create a visual signature to every SplashLink recommendation. Also known as a ‘bug’, this signature will be subtle and non-intrusive, but it will become recognizable over time to visitors. This is of course a branding opportunity.

Examples of SplashLink bugs might include: an exclamation point, a ripple, a sparkle, a concentric circle. We may let early users choose their bug to settle which is the most popular.

Because the bug is meant to be universal, it must be graphic rather than textual; and it must be culture-neutral. Users of SplashLink Free must view the bug as a positive, with upgrade to their own branding a desirable paid option.

Privacy Total Control Panel

Our bug, or visual signature, whether it is SplashLink or a private label, will always (where possible) be hyper-linked to the visitor’s SplashLink Privacy Total Control Panel.

This is a page that reports the contents of the visitor’s TriVida Personalization Service and allows a number of action options. See APPENDIX A, Privacy Implementation, Page 15, for details.

We have adopted the following best practice, which we believe will assure our sites a safe and accepted privacy policy, while assuring the “network effect” that is our goal.

Privacy Best Practice

1. We maintain a persistent profile by default.
2. In itself, this profile does not correlate with offline identity.
3. A Privacy Total Control Panel (PTCP) is readily available on all member sites (including private label networks wherever possible).
4. Through the PTCP, the user can:
 - a. View the contents of the profile, and opt out of the WHOLE network, or
 - b. Adopt a range of opt-ins, from reinforcing certain features to participation in the member’s site own database marketing process².

² This is where an opt-in correlation with the offline identity could occur. However, this correlation would only occur at the local and not the network level.

This creation of this control panel is a major advance in user empowerment, and one that will unite the interests of both the vendor and user communities and essentially solve the clash of privacy and commerce.

Single Site Implementation

1. Setup:

This is the process that turns visitors into members, gets them to categorize themselves, and sets up basic personalization of the site's sections.

- a) Membership: this is our registration process.
 - i) If the visitor is already a member in Commerce Server/Onyx, the status is upgraded to user.
 - ii) If the visitor is not a member, the membership is created.
- b) Self-Categorization: the purpose of this is to assign the member to a community of "like" sites. This is done for three reasons:
 - i) Optimization of recommendations³.
 - ii) Segmentation for future sponsorship purposes.
 - iii) Network load balancing (partitioning).
- c) Basic Personalization:
 - i) Member makes visual decisions such as recommendation template styles.
 - ii) Site sections are identified for simple sectional recommendations.
 - iii) Tracking and recommendation tags are placed on the site.

2. Revenue Activities.

For a member site, there are five natural classes of personalization activities that are capable of generating revenue⁴. These are:

- i) Content
- ii) Promotions

³ We have to work out how communities can adopt common category supersets, which would be entirely optional. We must make it very clear that without common categorization, there is no way to share correlations. This is both a safeguard for conservative enterprises wanting to protect their correlations from competitors, and an incentive to adopt supersets for those more progressive players who see only benefit in sharing correlations, even with competitors.

⁴ The order of implementation of the revenue activities is from the member's site's point of view, therefore the exact reverse of the order of partner services, which are ordered by what is most likely to NOT be handled internally by the member site.

- iii) Commerce
- iv) Advertising
- v) Affiliate Networking.

For each class, the SplashLink webtop application helps the member site personalize its own activities for that class, and then, when sponsorship is implemented, will suggest vendors appropriate to the class, and the member's industry category.

In future sponsorship implementations, knowing the member's industry category will permit the segmentation of recommended vendors. So EarthWeb's ITKnowledge might only be suggested to IT sites, whereas a toy recommendation service would only be targeted at consumer sites.

Once sponsorship is implemented, the member site will have an opportunity at each stage to register an existing vendor relationship.

3. Advanced Features.

Sites wishing to implement rules and exclusions and other advanced features of the service can do so at this stage.

It is important to note that some existing features such as XML data integration, profiles and all reports beyond basic service metrics are intended for SplashLink Network.

SplashLink Network: Paid Subscription.



Figure 5: The Paid Component

We have identified three functional areas that we won't deliver for free to the site, because they can't be automated easily, and we think they'll be valuable to enterprises.

These functions are:

1. Multiple Site Personalization.

Enterprises that want to drive traffic between multiple sites (e.g. EarthWeb or CitySearch), or loosely affiliated clusters interested in cross-referral, will want to implement this feature.

It consists, simply, of creating and maintaining a master category list under a single Site ID, from all of the site category lists in the community.

2. Logo Branding.

Enterprise, portal and major e-commerce sites will likely want to replace the SplashLink signature (see "Visual Branding", Page 5) with their own.

For instance, Disney.com might want Mickey Mouse ears, or EarthWeb.com might want their "world" bug.

In addition to permitting enterprises to display their own bug, they will be able to co-brand the SplashLink Privacy Total Control Panel (See "Design of the Privacy Total Control Panel", Page 16).

The implementation of the Logo function is much like the mechanics of ad placement: we simply give the enterprise the spec for their bug and their logo in the Privacy Page.

As soon as possible, this submission process should be "built" as a semi-automated function in the SplashLink Network subscription area.

3. Data Integration.

a) Customer Profiles.

In Privacy Best Practices, we discuss a control panel-based dialog with the visitor that would ultimately permit a hookup with that person's identity on the host site. This is where that hookup happens.

Not only will we hook the Privacy Total Control Panel to the enterprise's own opt-in processes, but we may permit our panel to appear in frames within their signup forms.

We have already implemented a Profile tag in our current service. This can be readily used, although there is some question as to data ownership.

An alternate way might be to create an API that would interface our data stream with the enterprise's, through XML or SQL Server standards.

This is a more complex way to do it and might be reserved for later implementation.

b) XML Support.

XML is the superior method of personalization delivery from our servers, because, instead of sending the recommendations to the web page, we send them to the site, which can then manage them within, for example, an ASP process.

Sophisticated sites like www.computers4sure.com use this method.

c) Online Data Mining.

At this stage we have implemented perhaps 100 reports for our users and many more are coming. Those reports that focus on service metrics will likely be available in SplashLink Free; those that mine the recommendation data stream for value-added purposes (such as discovering diapers-and-beer style correlations) will be allocated to the paid function.

The kind of information that can be gleaned from our data stream and our predictions is a new type of data, reflecting the dynamic nature of our online prediction technology. Therefore, it complements existing website analysis tools like WebTrends.

Pricing

Enterprises wanting one or all of the SplashLink Network features will pay a single monthly subscription fee based on the relative rank of their site, or cluster of sites, on the Internet.

A conceptual view of the pricing tables follows.

Note: the Internet ranks shown are not consistent with the Target Monthly Page Views and must be developed.

Internet Rank (Conceptual Only)	Target Monthly Page Views	Monthly Subscription	% Total Customers
Next 10,000,000	100,000	\$ 500	50
Next 1,000,000	500,000	\$1,000	30
Next 100,000	2,000,000	\$2,000	13
Next 10,000	10,000,000	\$5,000	5
Next 1,000	20,000,000	\$7,500	1
Next 100	20,000,001+	<i>Negotiated</i>	<i>Fraction</i>

Figure 6: Conceptual Pricing Table

The Consumer Program.

The Consumer Program will leverage the recognition of SplashLink personalized recommendations. Its purpose is three-fold:

1. To bring about recognition of the value of TriVida recommendations.
2. To develop other places to brand recommendations outside the conventional recommendation boxes.

- To extend syndicated recommendations into the world of fast-moving consumer goods, ultimately to the brick-and-mortar level (in stores).



Figure 7: Future Consumer Program

This program is not being actively developed at this time.

Partner Services

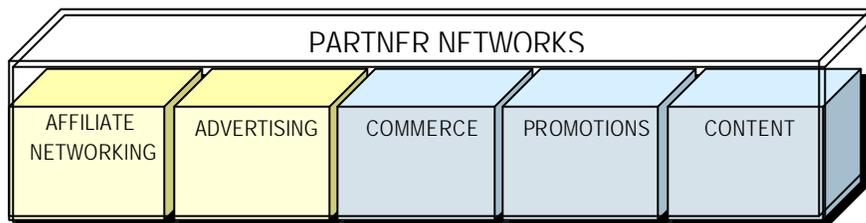


Figure 8: Extending Into Partner Networks

The implementation of Networked Personalization “under the hood” will be done in Partner Services and will be targeted to Partner Networks.

Segmenting the Partner Networks

We have identified five basic types of Internet revenue and have called these our vertical markets. Being a universal technology enabler, we will target each slice of the Internet revenue pie for enhancement, thus eventually earning a small share of every dollar of revenue on the Internet.

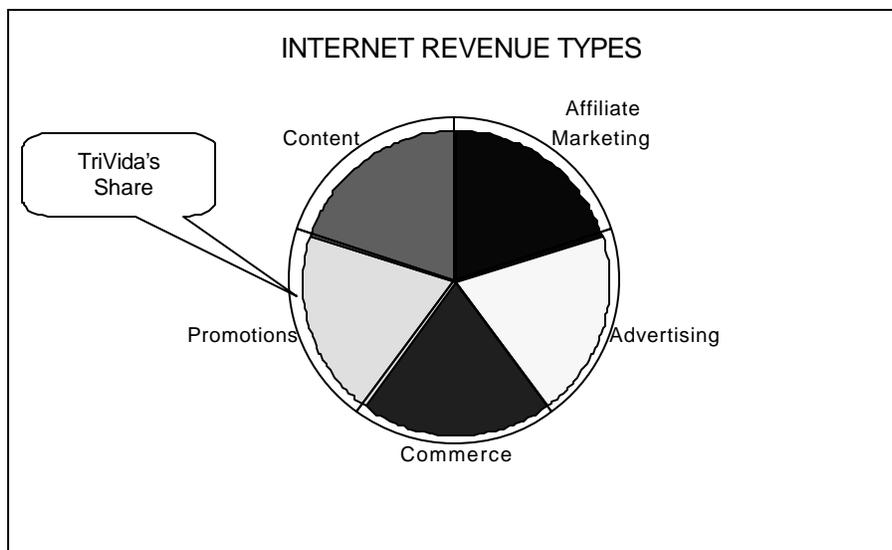


Figure 9: TriVida's 'Sliver of a Lemon Peel'



Sequence of Implementation

Based on what we know of the maturity of the segments, this is our planned sequence of implementation:

1. Affiliate Networking
2. Advertising
3. Commerce
4. Promotions
5. Content

Entering Partner Networks

Small Percentages Expected

Remember that the vertical plays are based on a private-label revenue model. Therefore, percentages will be small. In fact, over time, they will become amazingly small. But remember that we will still have our own network; and the same vendors who are private-labeling our service will also pay to be sponsors of our branded one, once we have the critical mass for sponsorship.

Primary Partner Required

Each vertical channel is complex, consisting of networks, and networks of networks. The tracking and reporting of monetary transactions for each channel will be complex and voluminous.

For this reason, it's our policy to never enter a channel without a primary partner to facilitate our entry.

Must Be Mature

Of course, not all Internet revenue channels have established money machines. That means we will start with the channels that are mature today. That's why Affiliate Networking is first on our list, and Content is last.

Defining Networks

Revenue networks are also referred to as merchants. Amazon.com is a merchant in that, in addition to doing its own commerce, it maintains a network of affiliate sites.

Networks of networks are also referred to as aggregators, integrators or syndicators.

Examples:

- BeFree.com is an integrator, in that they have signed up thousands of merchants for their affiliate management product.
- Affinia.com is a syndicator, in that it helps sites put together virtual stores from the product lines of member merchants.
- Microsoft.com is an aggregator (for content), through its Channels program.

Crossover Sites

It is possible for a site (like Buy.com) to be a community of sites, qualifying for SplashLink Network, and also be a merchant and even an aggregator, qualifying for a Vertical Product. Such customers are simply licensed for both.

Sponsorship

By growing our flagship service, The SplashLink™ Network, into thousands of industry-segmented sites, and by creating partners in the main revenue segments of the Internet, we bring about an opportunity for significant sponsorship revenue.



Figure 10: The Sponsorship Play

Defining Sponsorship Revenue

Our revenues in this area will be derived in two ways:

1. Revenue participation. When a site signs up for personalization of its own content and commerce, it will also be given the chance to register its own vendor affiliations for relevant recommendations, and accept new vendors as well. A revenue sharing scheme will be implemented to get us a fair share of the “lift” on the existing accounts, and of the whole merchant revenue stream on the new ones.
2. Media Sales. This is a pure “yellow pages” model. The pages where vendors are suggested to sites are opportunities for logo placement, especially since all sites will have been segmented. Through this multiplication process, this could generate as many as 12,000 logo placement opportunities in SplashLink Free. We expect that major vendors will make extensive cross-segment buys, just as in the yellow pages.

New Networks

Why would a vendor sign up?

- a) Existing affiliates registering with SplashLink for dynamic recommendations could become more productive by about 50%⁵
- b) A whole new network is created of affiliates who were previously “walled off” by the burdens of fixed links.

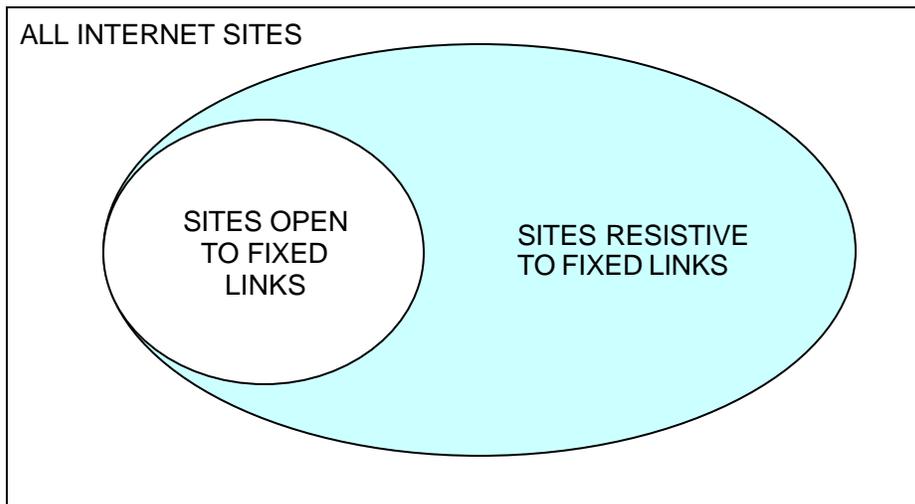


Figure 11: Previously resistive sites will now accept vendor links.

Vendors Participating in Sponsorship

These are some of the possible participating vendors in each revenue category:

a) Content

Member sites might opt for content feeds from vendors such as:

- iSyndicate.com
- Reuters
- IDG
- iVillage
- VerticalNet

b) Promotions

Sites might permit event promotions from, say, TicketMaster, where relevant.

Industry Events, Trade Shows and Conferences (including virtual shows) also fit under this category.

c) Commerce

⁵ The figure is 48%, according to Betsy Zikakis, Engage, 11/15/99.

This is like affiliate networking, but whereas the affiliate refers visitors OFF the site to vendors, here the vendors come to the site in the form of virtual inventory that can be added to a shopping cart.

Vendors in this space include:

- Affinia
- Nexchange
- V-Store
- iVendor
- Respond.com
- Maxcommerce.com
- Aventail

Auctions also fit under this category, and the site could choose to join an auction network, or have virtual auction capability from, say, LiveMarket.com.

d) Advertising

The site may choose to accept advertising from a 24/7, RealMedia or DoubleClick Network, among others.

e) Affiliate Networking.

As always, the site may register existing affiliate relationships. In addition, the site may choose to join additional affiliate programs organized by aggregators like BeFree, LinkShare and Commission Junction.

Life Cycle Process

This document is a strategic concept document. It is being followed by Marketing Requirements Documents (MRD) and Functional Specifications (FS), as well as timelines and visual prototypes.

R. Eckelberry
VP Marketing
TriVida Corporation

APPENDIX A

Privacy Implementation

Privacy Implementation Notes

Design of the Privacy Total Control Panel

The PTCP shows up instantly when a user clicks on a bug (SplashLink or private label). The user knows it's potentially there because:

- a) It's hotlinked
- b) There's an alt tag (balloon help) that says "Control Privacy Here"
- c) It shows up everywhere there is a recommendation⁶.

PTCP Layout

See Figure

1) TITLE SECTIONS

- a) Title area. Includes branding for TriVida/SplashLink and for the co-branding enterprise if applicable.

- b) Customer explanation. Something like this:

This is what we know about your surfing behavior. It will help sites tailor their content to your needs automatically, making better use of your time.

You have total control over any aspect of what we know. You can emphasize or de-emphasize categories, or you can opt out altogether.

This panel is divided into two sections: Network and Local.

Network: this is what is known generically about your interests. Nothing on the network can tie this information to you, personally. Change anything here, it changes instantly for you throughout the network.

Local: this is what the site you are now on has told us about you. This information is NOT shared on the network and is ONLY used to improve this site's relationship with YOU. Any changes to this section will be reported to the site immediately for update.

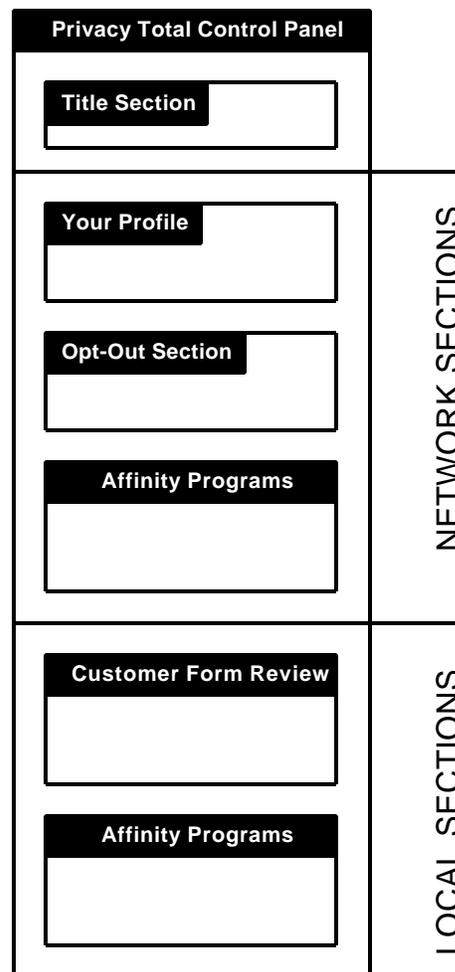


Figure 12: The Privacy Total Control Panel

⁶ Enterprises paying in the Network model will have the option of not showing the bug in the recommendation area; but an alternative method will be required, such as a thumbnail at bottom of opt-in pages.

2) NETWORK SECTIONS

- a) Your Network Profile, as a category list (by site?), with clickable options to emphasize and de-emphasize (or opt out altogether from) items in the list
- b) Blanket Opt-Out, temporary or permanent.
- c) Demographics. Information you wish to provide the network.
- d) Network Affinity Programs

3) LOCAL SECTIONS

- a) Your Customer Form Review (demographics reported to The SplashLink™ Network by local site, only used on local site)
 - i) Edit
 - ii) Opt Out
- b) Local Affinity Programs

The Privacy Opportunity

If the bug is always connected to a Privacy Total Control Panel, then we have the opportunity to create a standard. Here are some considerations:

1. Disclosure is valuable and increases trust.
2. Presenting the information will give the visitor power over what is being tracked. That give a useful vehicle for opt-out (which we must have); but it can also mean a chance to build deeper levels of permission.

For example, the visitor might indicate some preferences, and ultimately could permit linkage to his or her database record on the member site.

We are talking about a 'permissioning' dialog with the visitor here that won't be built overnight. But we need to build it, because it's already being talked about⁷, and because it helps flesh out the Data Integration feature of SplashLink Network.

⁷ "...Let's call this "positive personalization" to distinguish it from cases where companies use personalization as a weapon. This kind of positive personalization is distinctly different from the sorts of business practices that set off privacy alarms. People will *volunteer* additional information about themselves to companies they trust to use that information in their behalf and for their authentic benefit. Imagine a car company that offered to connect owners of a specific vehicle, enabling them to talk about what they like and dislike about the product. (How much would it cost to collect these attitudes and opinions via old-school "market research"?) Imagine a company that offered to connect people having a particular taste in films, or books, or software, or who practiced certain trades or professions."

Christopher Locke, Editor-in-Chief of www.personalization.com, from his editorial in the December 20, 1999 issue of the Personalization Newswire.

3. It's an important value to our service that we "solve privacy" for sites adopting it. This page is the underpinning of our comprehensive privacy solution.
4. It's an immense 'viral marketing' opportunity for us. Imagine owning real estate behind every single personalized recommendation everywhere!

APPENDIX B

Product Taxonomy

TRIVIDA PRODUCT PLANNING CY2000

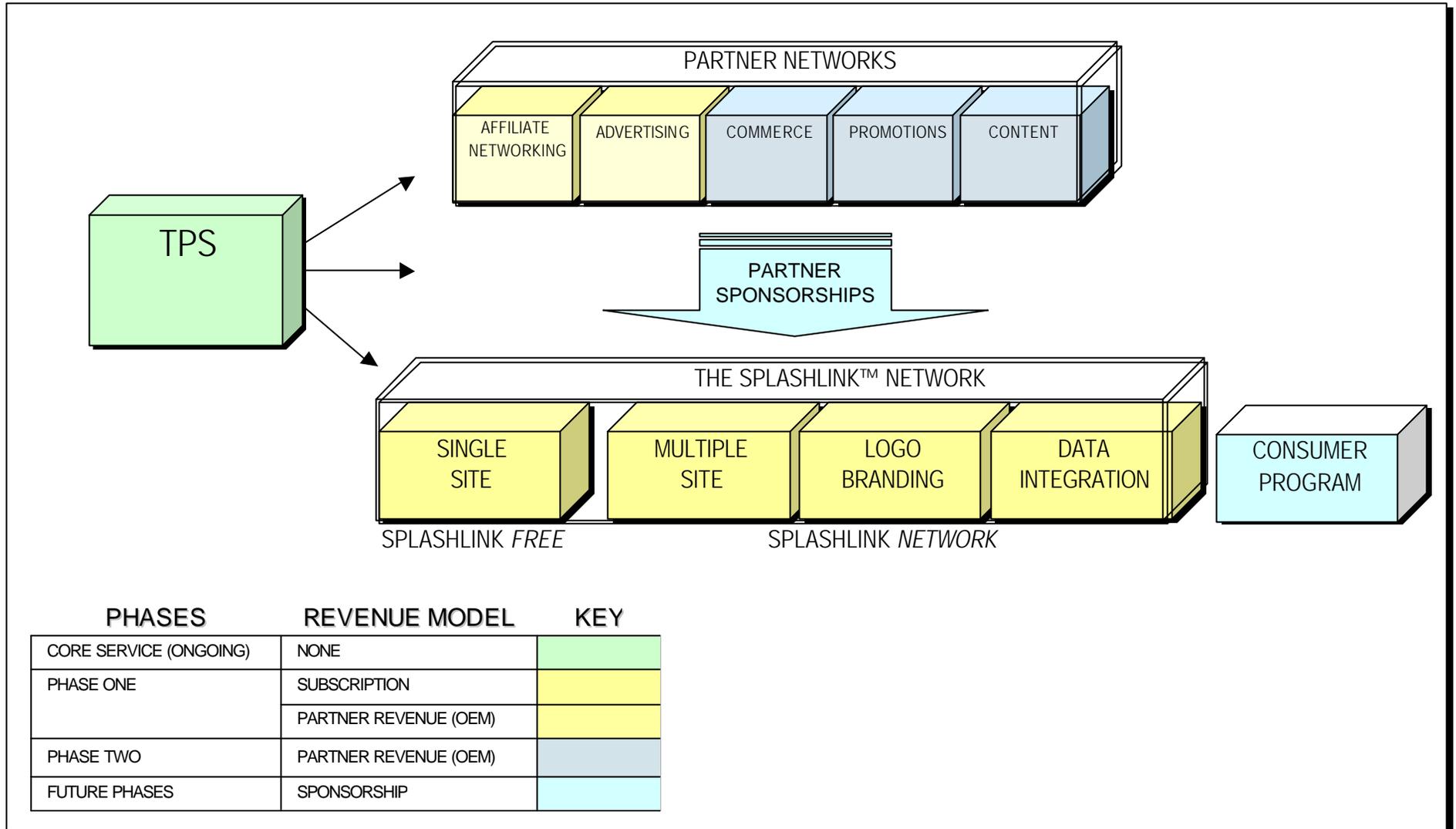


Figure 13