lopoco
low power systems

contact

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team

ceo: Andrew Sharp   andy@lopoco.com
soft: Peter Theunis peter@lopoco.com
hard: Jack Mills   jack@lopoco.com
fund: Mark Brine   mark@lopoco.com

lopoco is led by co-founder Andrew Sharp who has been in the server business in Silicon Valley since he joined Convergent Technologies in 1985, and has worked at Sun, HP, SGI and LSI, as well as several startups.

Peter Theunis, CTO and co-founder, has more than 10 years of experience in large scale systems architecture in Silicon Valley startups as well as with Yahoo!

Jack Mills, VP Engineering, while at Intel was an architect of the Pentium and the Itanium processors; later Director of advanced processor research; also an alumnus of Convergent Technologies. (Advisor)

Mark Brine, CFO, is a veteran of Silicon Valley startups, starting out at VLSI, later VP of Finance at semiconductor startup Discera; now Director of Finance at Cloudera. (Advisor/Board Member)

executive summary

lopoco designs and manufactures ultra-efficient servers that use 25% of the power of conventional servers without sacrificing performance or business continuity. Our servers are built on proven, shipping technology without costly custom silicon. Our technology is disruptive to the industry, but not to the customer. All our current products use Intel or AMD 64-bit X86 CPUs[1].

validation

- Revenue to date: >$100k   [August, 2014]
- 75% repeat customer rate
- 60+ Systems shipped
- Named "Most Efficient Certified to Date" by Power Assure's PAR[4] energy efficiency rating system, utilizing an energy efficiency algorithm adopted by Underwriters Laboratories and the U.N. Framework on Climate Change.

value proposition

Conventional servers waste more than half the power they consume. Large data centers which pay for their own electricity and HVAC will be able to realize a 50% reduction in OpEx costs by adopting our products, savings which go straight to the bottom line of these companies. Datacenter experts report that they pay between $50-$100 per watt for the power used by their servers. This translates to $100s of millions in savings for large scale data centers.

market

The current global server market > $50B[2] (TAM); projected to be $100B in 5-8 years, heavily powered by accelerating cloud deployments. Lopoco in 5+ years: Projected SAM: $80B; SOM $16B.

ip, competition & exit

Over 2.5 man-years of R & D was invested to create our first generation product line of servers that are very effective at conserving energy. We have considerable IP in the filing pipeline covering current and future product generations.

Competition: main competition is conventional top tier vendors. Multiple self-styled efficient server startups (Calexda/Tilera, HP Moonshot, Seamicro, Servergy) are all making products with similar problems: costly; high power; proprietary silicon; proprietary packaging; weird processors; dubious efficiency. Basically, they are making servers nobody wants. These products provide no business continuity for the customer, and are seeing very little adoption in the market place, and have a very small SAM compared to lopoco. [Note: Calexda closed up shop in January] When it comes to efficiency, none are in lopoco's league.
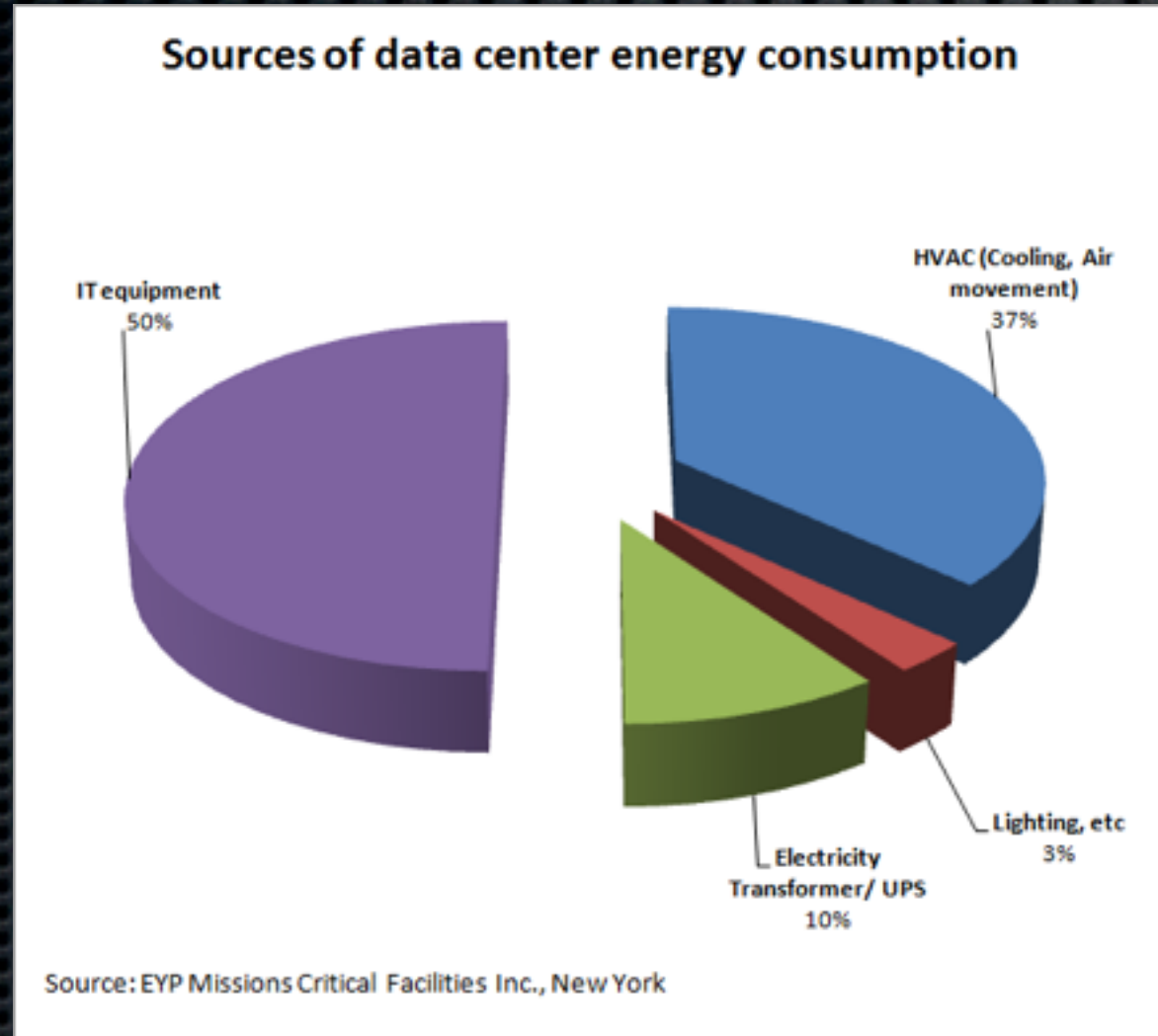
Exit: Our disruptive product, combined with the acquisition agressive server industry indicates the most likely exit will be through acquisition. $400mm revenue in 3 years -> likely $4bb acquisition valuation.

Similars:

- SeaMicro acquired by AMD in March 2013 for $335M
- Wyse (low power desktops) acquired by Dell in 2012 for <$1B
- Cobalt Systems acquired by Sun in 2000 for $2B.

Irresistible Value Proposition of **Iopoco** Servers

Iopoco green tech servers help large data centers shred their monthly operating costs by 50%.
All while preserving business continuity and compliance with conventional form factors, CPUs, and server options already familiar to customers.

Sources of data center energy consumption

IT equipment
50%

HVAC (Cooling, Air movement)
37%

Electricity Transformer/ UPS
10%

Lighting, etc
3%

Source: EYP Missions Critical Facilities Inc., New York

The chart above shows that, with the possible exception of lighting costs, a customer can save operating costs in all areas of data center operation by adopting **Iopoco** servers.

TCO Running Totals

$3,000,000
$2,250,000
$1,500,000
$750,000
$0

Year 1   Year 2   Year 3

▮ Iopoco   ▮ Conventional
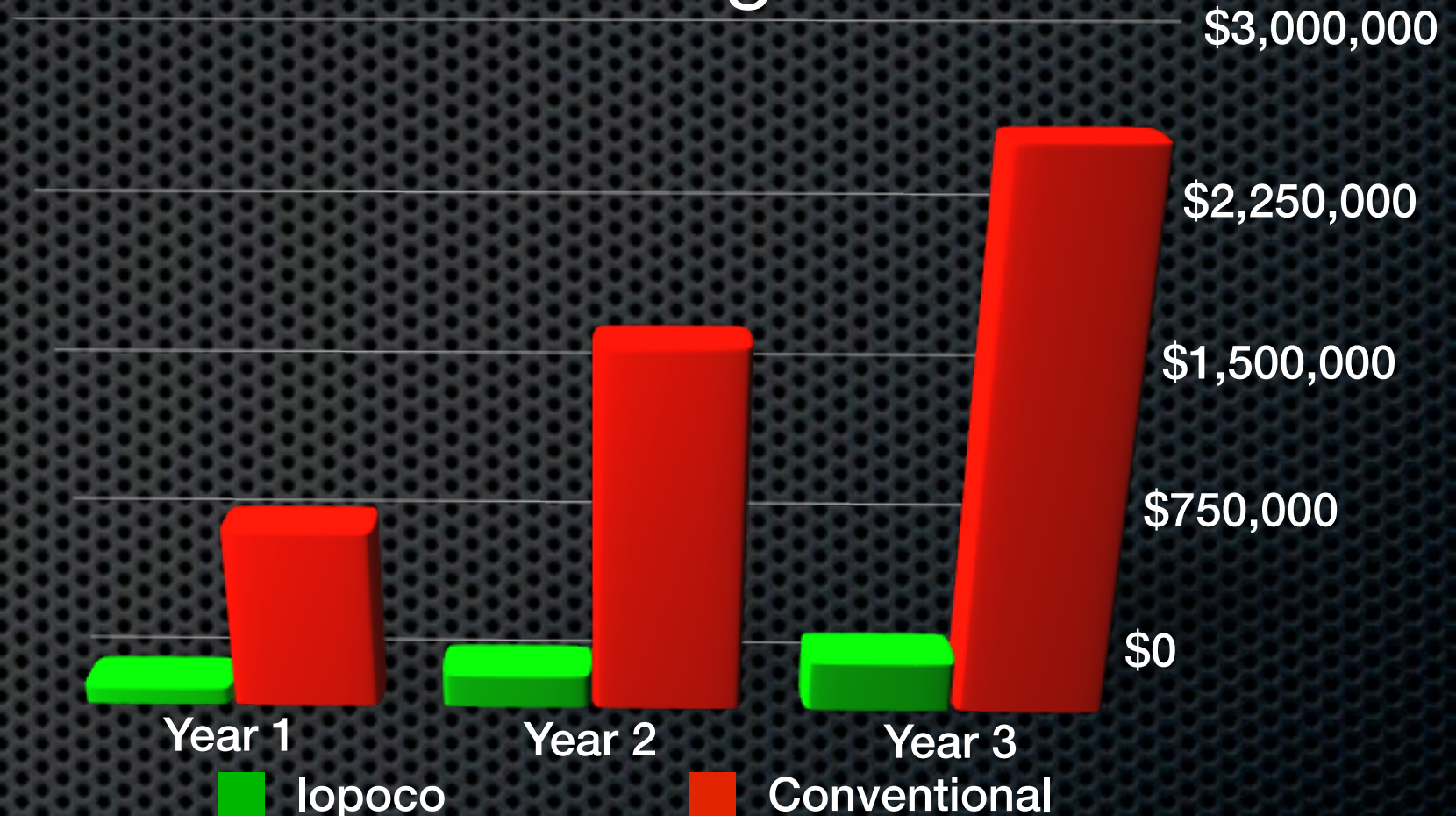
This bar chart illustrates the savings customers (20¢/KwH) can realize when utilizing **Iopoco** servers.*
Per 1000 servers for 3 years.

[1]Iopoco remains agnostic on the subject of processors: we use what makes the most efficient, useable servers that appeal to customers.
[2]Global server sales, as of Q4, 2012