lopoco

low power systems

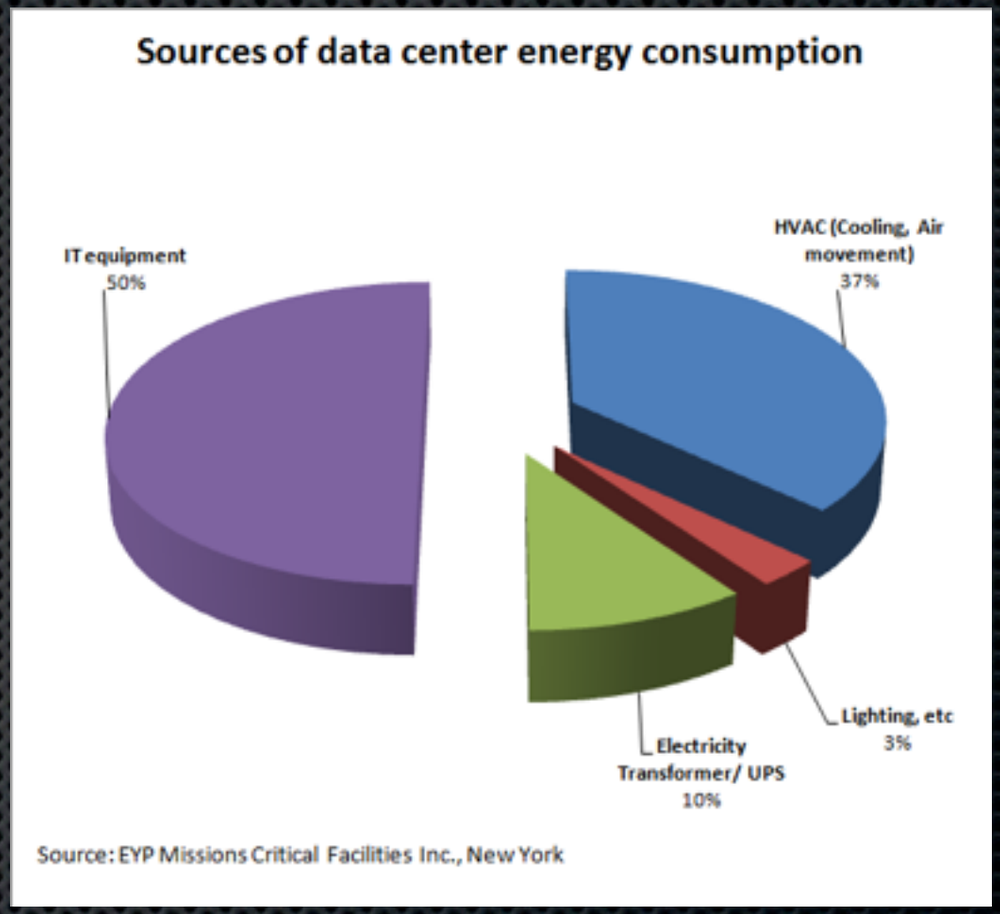
Summary

- Product: low power servers delivering %80 percent power savings at idle and TDP.
- Comparable performance to conventional servers
- Lopoco rule: No Custom Silicon: proprietary server technology is a non-starter -- but lower barrier to entry. The tricky part is that we don’t want too high a barrier to entry for competitors.

Irresistible Value Proposition

Our green tech servers help data centers shed their monthly consumption by more than 50% in virtually all areas. Summing those savings can realize reoccurring cost reductions greater than 90%. All while preserving business continuity and compliance with conventional form factors and options customers are accustomed to.

The graph on the right shows that, with the possible exception of lighting costs, a customer can save power costs in all areas of data center operation.



The table below shows the kind of savings EMEA customers will can realize when considering our products. Per 100 servers/yr.

European customers		Electricity	HVAC	Totals	Savings
90% avg. load	Conventional	$52,560	$52,560	$105,120	$84,096
	Lopoco	$10,512	$10,512	$21,024	

Lopoco v. Conventional Servers

EMEA customers	Per 2000 Servers	Electricity	HVAC	Totals	Savings **per year**
90% avg. load	Conventional	$1,051,200	$1,051,200	$2,102,400	$1,681,92
	Lopoco	$210,240	$210,240	$420,480	
idle load	Conventional	$560,640	$560,640	$1,121,280	$946,080
	Lopoco	$87,600	$87,600	$175,200	

Market

- More than half of total global server market in 5 years: greater than $25bb
- Market share: trajectory for %30+ of that
- We believe that at least one direct competitor will be required for the market to reach that size

- Immediate targets: Large data centers, cloud data centers, hosting companies. Simultaneous sales push in Europe, Asia and Americas
- EMEA distributors
- Web (direct) sales, channel/partners

Competition

Two types of competitors:

- The biggest threat: top tier server vendors: HP, Dell, IBM, SunOracle, Lenovo
- Low power startups: SeaMicro, Smoothstone

Competitive Advantages:

- Superior power saving designs put us 18-24 months ahead
- One of the top tier may copy our technology after a couple years -- but the others will be forced to buy us to defend their market share.

Exit

- Our business plan is very similar to 1997 startup Cobalt. They sold low power, easy-to-install servers. Over 90% of their sales were to web hosting companies.
  Cobalt was purchased by Sun in 2000 for $2bb in order to stop Cobalt from continuing to errode Sun's share of the web hosting market.
- Our market share goal is %20+ percent of the global low power server market, which is expected to be in excess of $20bb in 5 years.
- One of the top tier server vendors will have to buy us in order to keep from becoming irrelevant in the server business.

Team

- lopoco is led by co-founder Andrew Sharp who has been in the server business in Silicon Valley since he joined Convergent Technologies in the mid-1980s, and has worked at Sun, HP and SGI, as well as a host of startups.
- Co-founder and CTO Peter Theunis has more than 10 years of experience in large scale systems architecture in Silicon Valley startups as well as with Yahoo!
- Sherry Smith brings more than 20 years of experience, and is a veteran of many Silicon Valley startups including her own, Tri Digital, a web hosting and design company.

Funding

- Three existing customers; one partner; currently in sales discussions with nearly a dozen Silicon Valley companies
- Seeking seed round funding
- Premoney of $4mm

Lopoco v. Conventional Servers

	Lopoco	Dell	Hewlett Packard
Model	LP-2180 Dual core, 2 Ethernet, 2 disks	R310 Dual core, 2 Ethernet, 2 disks	DL-320 Quad Core, 2 Ethernet, 2 disks
Idle Power Consumption	20 Watts	125 Watts	160 Watts
TDP Max Power Consumption	30 Watts	200 Watts	300 Watts
Savings		170	270