

ThruDispatch

Mobile Data's Missing Link

Executive Summary by Alan D. Wilensky

The mobile data dispatch market for cellular handsets is growing at a furious pace. In the service sector dominated by small to medium-sized businesses, Nextel has gained an almost exclusive market share, with millions of independent businesses using its Direct Connect voice service. Many small service fleets in particular are being exposed for the first time to *Central Dispatch* data applications located on their Nextel phones. When combined with a free, web-based¹ dispatch management application residing at the home office, one may ask, "Is this not a perfect business model?" Yet there is an *alternative dispatch mode* better suited to small fleets that primarily handle business-to-business service and transport work. This mode is called "through dispatch" and is well-suited to a hosted e-commerce model, or in today's vernacular, a service oriented architecture.

Through dispatch is distinguished by its work-flow profile of job submitter/job receiver. This is an 'open dispatch' model, where most work orders are submitted via agencies outside of the owned fleet. These agencies form casually federated partnerships which fully describe their job submissions, and may have short- (one job) to long-running relationships with their service provider(s). Indeed, many of these companies, such as auto dealerships, for example, are unconcerned with who actually completes a given transport job. In the through dispatch model, job orders flow from the submitter to the mobile worker without the need for dispatcher intervention. The work order is sufficiently detailed for automated routing to the proper mobile recipient, and jobs can be allocated on an ad-hoc basis to a heterogeneous fleet. Through dispatch allows non-fleet affiliated job submitters to access any enrolled mobile data recipient in order to execute a fully articulated work order - thus the SOA.

Independent Mobile workers (towing, transport, delivery, and other services) would flock to such a portal in anticipation of *gaining more work* and eliminating the need for an attended dispatch console. On the work submission side, enrollment would be driven by the ability to gain timely dispatch, augment in-house fleets during peak periods, and send out jobs for instant bid/time cost optimization. And, most importantly, such a portal would support an *advertising subsidized model*, where monthly dispatch and data fees could be reduced in exchange for occasional industry-targeted advertising on the Nextel handset.

Currently, mobile data gateway providers, working in partnership with Nextel, are concentrating exclusively on central dispatch accounts. They are enjoying good success in central delivery and auto-club accounts², all of whom previously relied first on UHF two-way radio systems, then on Nextel's own PTT service, and now...on the mobile data services these gateway providers have made available. Data gateway providers produce the Java Handset Applet and the backend Web-services machinery. They generate revenue by enrolling the mobile users of each client, and then receive periodic income³ from each mobile user. These Nextel Partners firmly believe that the future of the handset-based mobile data market is rooted in large accounts, where attended dispatch is routed only to the owner's fleet. It seems they are unaware that there is an allied overlapping sector which outnumbers the central dispatch accounts (of Nextel handset owners) by a ratio of 5:1.⁴

Through dispatch is ideally suited to an SOA portal to which job submitters and mobile data recipients can enroll and gain access to the power of a loosely coupled e-commerce model. The portal operator would drive work to the site by providing 1) marketing campaign targeted by industry, and 2) a modest universal client toolset for submitting jobs. The toolset would be based on MS Office tools (Fax, Outlook, Excel), thus providing a better, more project-oriented workspace than is currently available through Web-based dispatch applications (although this does not preclude the use of the Web-based application).

I am seeking partners interested in enabling this exciting venture through contributions of skilled technical labor, equity, or in-house sponsorship with an operating organization.

¹ This one size fits all web-based application allows job release and tracking with GPS data - and integration options.

² FTD, Sears Appliance Services, etc.

³ A Web admin and dispatch application is free to all; income comes from data plan fees, and the monthly fee for the mobile app.

⁴ Bureau of Labor Statistics 2003 "Mobile Workforce in Transition" Impact Report.

I. About the Author

I am an experienced product manager and systems consultant specializing in advanced technical publishing technologies. My work has always centered on the technical service trades; this experience led me to create the TechDisc⁵ IETM format, which I developed while at Vicom Multimedia and their licensee, Sencore.

At the peak of the technology boom, I worked regularly as an EDMS contractor.⁶ While the emerging juxtaposition of XML and EDMS technologies was a hot topic, my writing for e-doc architects had been referred to the Aberdeen Group. They felt I was suited for the position of associate analyst, as I never had writer's block.

Business was just starting to soften in the technology sector by that time (mid-2000), and, though I was not told that I was eliminated from consideration, my employment with them would be delayed.

Long-term contract work was becoming somewhat less abundant. I found a very lucrative 90 days of work with Liaison⁷ of Austin, TX. I assisted this e-commerce catalog company in locating potential OEM licensees for their core technology.

Eventually, I arrived at Interstate Auto Auction in a less elevated capacity, though this real-life experience working at the auction, where I had daily business dealings with mobile service trades people, led to the extraordinary insights on which ThruDispatch Portal Architecture is founded.⁸

II. What is ThruDispatch?

The ThruDispatch portal is a service-oriented Web architecture in which mobile service workers (towing, mobile glass repair, mobile locksmiths) receive work from unaffiliated, semi-affiliated, or casually-affiliated job submitters. They may not initially know the submitter. The submitter may express no preference for the recipient, or might express a preferred recipient.

Virtual fleets of independents can be created and dissolved at will, or exist for one set of jobs only. On-the-fly jobs can be multicast to the enrolled subscribers for time and cost optimization (low bid, time to completion).

The Portal operator promotes and markets the ThruDispatch service to potential job submitters, providing no- or low-cost tools that enable more effective management of the dispatch load. This may occur via a Web-based interface, or common MS-Office tools, like Outlook or Excel.

The ThruDispatch operator will charge a monthly subscription fee to the mobile workers; most are Nextel subscribers. Submitters may not be charged for work pushed into the submittal queue, but are billed for the actual work order by the mobile worker, or by the Portal as a value-added service to the mobile subscriber.

The ThruDispatch portal will use sophisticated work flow and load scheduling logic to select a destination mobile subscriber in order to service the work order. Geo-location, schedule load optimization, and time vs. route completion algorithms, are some of the proposed methods.

The Portal operator will also have ancillary revenue streams, such as advertising to the mobile handset, layers of dispatch tools for remote fleet management, and special services for dispatch overflow fulfillment for centralized corporate fleets.

ThruDispatch is named for the way work orders flow *through the portal, and to the recipient*, as opposed to central dispatch, in which a live dispatcher handles each call in the predominant mode of mobile fleet management.

III. An Organic Business Model: The Story of ThruDispatch

⁵ TechDisc was the first Hytime-based CD-ROM technical manual with an allied multi-user authoring system in wide distribution.

⁶ The client was Combustion Engineering (Div. of Alstom ABB) of Windsor Locks, CT – they were a client of Click Commerce.

⁷ Liaison sold an adaptive catalog solution used by e-comm clients, like Dell. The solution is still running despite the demise of Liaison.

⁸ See Sec. III

The best on-line business models are the ones that stem from the requests of the future end-users. This proposal for creating a self-service dispatch portal for the small- to medium-sized mobile service trade is just such an example. A brief history will shed light on the true serendipity of this idea.

As mentioned earlier, in 2002, I unexpectedly found myself employed at **Interstate Auto Auction**. The business was facing growth challenges due to the required IT subsystems upgrades and general complexity of a fast-moving real-time business. When my cousin (Richard Sokolow), a sharp businessman in the American literary mold, took over operations, he needed jack-of-all-IT-trades. At the time, he did not know of my situation, nor was he apprised of my curriculum vita. So there I was, employed as IT manager, server administrator without portfolio (no MCSE), accounts payable clerk, auction night block clerk...*and towing and transport dispatcher*.

Interstate's bread and butter, in addition to dealer auctioneering sales, was the contributed vehicle sector. We have all heard the pitch, "Donate your used or unwanted vehicle to xyzabc charity and get a tax deduction." Such a business is competitive in the extreme for auctions that must romance and retain professional fundraisers. These fundraisers will drop an auction without a word if a contributor is ruffled in any way, and there are many ways to displease, mostly having to do with the retrieval of the vehicle from the donor.

I started out by simply using a magnet board and colored markers - a big improvement from handing your only copy of a faxed dispatch to a wrecker driver. I handled contact with the donors, and generally pleased our clients, the fundraisers. Business was steadily growing in the charitable vehicle sector. The auction was generally pleased that we were hitting our targets.

Dispatch volume was growing at a fast pace. Tax law changes were in the works, threatening to replace the book-value deduction with actual sales receipt figures. As a result, a marked increase in contributed vehicles ensued, with more fundraisers under our management. The one magnet board had grown to three; nine dedicated trucks and more than 30 transient drivers were under my stewardship. All dispatches came via fax and all of the tow-truck owners carried a Nextel mobile phone.

After all, I was a Certified Document Imaging Architect (CDIA), I was fluent in provisioning fax servers and forms recognition systems, my only knowledge deficit was in mobile data technology, which I quickly learned. I brought the proposal to my employers, Interstate's Partners, for a fax to Nextel mobile data solution.

These gentlemen did not believe that under any circumstance a fax could be converted to data and routed to a Nextel phone. Of course it can be done, I insisted.⁹ The condition was that I must create a turn-key a system at zero dollars before any licenses would be paid to the vendors. This was accomplished with the vendor's assistance.

Interstate now had a fax to Nextel System - faxes, email forms, and Web forms from unaffiliated agencies were routed to likewise independent transport operators. I was fortunate that all the wrecker fellows had Nextel¹⁰...this is a requirement in the towing and small service trade due to the PTT service. The Nextel Direct Connect number is shared between tradesmen and customers more often than the actual cell number.

I collected the drivers and made a speech that they had been preparing for in anticipation of the change to data-based dispatch:

"...as you know I have been designing and testing a forms-based dispatch system that will convey the faxes we receive from the charities, and send them to your Nextel phones. We will also use this system for our general car hauling jobs. You will be responsible for paying for the data-plan, which is 45 dollars per month, in addition to your Nextel bill. Users of our Fleet phones will also be so responsible. If you do not want to adhere to this arrangement, I understand: who will stay on with the new system?" All stepped up. So far so good.

The crew soon became great fans of the new system, which allowed them to organize and manage the dispatch workload better¹¹, and they even brought me an unexpected request: "Alan, can we have our outside clients submit jobs through the Interstate Dispatch System? We'll *gladly* pay for this."

Thus, I went to the partners and proffered this idea on behalf of the drivers. The partners had no objection; neither were they interested in collecting the small amount of per job money this would generate. So the drivers were

⁹ Forms Images to XML data is common, but to this day, there is no common solution for Fax to Nextel. I am the only VAR offering this as a standard service.

¹⁰ Interstate had even resisted acquiring ONE Nextel to deal with the drivers over PTT. Ultimately, I bought my own. Later, the Corp. owned up to 12 fleet units and dispatched to a peak of 25.

¹¹ In addition to providing GPS directions and an orderly job list.

happy, and they had several clients faxing, calling, and submitting jobs through the Interstate system. The partners never showed more than an academic interest in the dispatch system, and it was never promoted as a service as such, and was purely the idea of the drivers.

Then, in January of 2005, right before my departure, I received several calls from outside agencies¹² asking if I could provide dispatch service for them! Again, I went to the partners, then to the actual mobile gateway provider, stating, "This is a business, a real business; we should do this open dispatching." I further realized that only a self-service portal with robust automation and administrative services would meet the demands of this new business.

The owners of Interstate and the Mobile Gateway Provider¹³ all said, "No. We have other fish to fry." I decided then that I would have to pursue this alone, or find a partner with vision.

IV. Analysis of the ThruDispatch Market

Whether by luck or marketing skill, Nextel has come to dominate the mobile service sector. Suffice it to say that due to the efficacy and utility of the PTT (Beep) service, Nextel has completely subverted centralized voice dispatch applications from the previously dominant platform; the UHF repeater-based mobile fleet radio¹⁴.

Fleet radio systems are still popular with certain system operators, like public utilities. But increasingly it is Nextel's low cost of entry for PTT voice that has captured the hearts and minds of the small-to-medium sized voice dispatch user. Nextel is also making inroads with larger accounts, national accounts, and even making PTT a retail user phenomenon. Nextel has every reason to popularize Direct Connect, as it greatly economizes voice network resources by a factor of four.

Look at the belt holster of any mobile service tradesman - cable, Telco, locksmith, towing, mobile glass installer; they all have Nextel phones. Of the 15.5 million audited Nextel PTT service subscribers, at least 3.5 million are small/medium mobile tradespersons of the aforementioned ilk. The BLS¹⁵ actually cites that the ratio is 5:1 in favor of the independent over the larger central fleets, putting the number at 12 million Nextel users¹⁶.

All of these Nextel mobile service users are eligible to receive mobile data over their handsets, and to run Java applications connected to the data network, as in Interstate's case. Mobile data over the Nextel network is gaining ground at a gallop, thanks mostly to the innovative gateway providers who create the handset java application and the enabling web services. These 'ready made' dispatch applications, some vertical, some general, allow an easier entry into the central dispatch mode. All of these dispatch companies and enablers are centered on the model of "your agency to your Nextel data-enabled phones".

What about serving the itinerant mobile service professional, a freelance wrecker for example, or a mobile auto glass installer with two to five trucks? All of these, as we have seen in the Interstate Open Dispatch Model, have causal relationships with their client base, and often receive work by referral. These types of workers will catch assignments where they can, and many have waited for the auction to end in hope of acquiring a transport run, a glass repair, etc.

Of these opportunistic and self-employed Nextel phone owners in service trades, there can be no doubt that the *promise of work* via open, **ThruDispatch**, is enticing. Why have they been ignored by Nextel and the gateway providers? Here are three possible answers:

1) These entities do not value accounts with less than 25-40 mobile units; they would prefer to deal only with the largest, not the smallest accounts. The dominant providers of Nextel mobile data services have chosen to selectively ignore smaller accounts. And as for open dispatch through a self-enrollment portal, such as ThruDispatch, I have garnered mostly blank stares.

2) Any specialized functionality, furthermore, like the Interstate fax gateway, is in the province of skilled systems integrators, likewise for accounting integration. Small accounts cannot afford to own these services - but they can

¹² One competing auction and two auto dealers who used some of our freelance drivers obviously saw the system in action while the driver was standing in front of them!

¹³ This was Interstate's very own Gateway provider; I was incredulous that they were not interested. They proudly stated, "We have AAA SE, and we have FTD and Sears...why open a portal with all that investment?"

¹⁴ Nextel under its previous moniker had acquired a large number of trunked 800 analog repeater towers used by myriad mobile fleets.

¹⁵ Bureau of Labor statistics report was released free on the BLS website and then offered at \$1,400.00 by the analyst company that compiled it!

¹⁶ Nextel Annual Report with auditors notes. Also see Park Associates and many analyst publications.

use them in aggregate if provided the service.

3) The current crop of large and small data gateway services resellers are blind to the individual trade workers; they know the business and the fleet models, but they hardly have any personal knowledge of the laborers themselves. In order to develop this ThruDispatch model, to service this constituency, one must know them well. One might say that the small mobile service operators, one or two truck businesses, are held in functional contempt by Nextel and its gateway providers, inasmuch as offering on-demand dispatch services is concerned.

This blind spot must be exploited and seen as the opportunity it truly is - a potential 3.5 million Nextel Mobile users in trades that favor open, self service dispatch, based on sophisticated workflow rules and enhanced client job-submission and tracking tools.

V. The Numbers and Dollars

The basic assumptions are as follows:

1% of 3,500,000 subscribers = **35,000** users - a number that astoundingly matches the Boston and Southern New Hampshire workforce sample of wreckers, mobile glass, and mobile locksmith mavericks. This is a fortuitous and pleasing fit for regional market figures and subsequent planning.

Assuming that you recruit these potential 35k workers at a monthly fee of \$19.99/mo., this would provide a total market volume of **\$699,650.00/mo.** One year would be **\$8,395,800.00.** Of course, we have to spread the recruitment over a more reasonable 24 months, resulting in a goal of **1458.33** new users a month at **\$29,152.08** per subscriber block.

At Y1 end of year, we have a seemingly reasonable subscriber base of 17,500 users at **\$349,825.00/mo.** If the previous months of revenue are totaled, the gross revenue for Y1 Ops = **\$2,273,862.50.** Let us now subtract 20% for overhead as a fudge factor = **\$454,772.50,** for a pre-tax net of **\$1,819,090.00.**

Subscriber revenue is by no means the only LOB in this venture. There are several straightforward system enhancements which can provide enhanced services, such as advertising to the handset, at perhaps one dollar per impression¹⁷. I would like to set a target of 10 advertising accounts delivering 100k impressions a year (\$1M)¹⁸ by Q9.

Please refer to Sec. IX. other LOB. We are still in Y1. 25% of our subscribers may succumb to attrition and inertia. If we are unable to persuade the job suppliers that this is a good way to work on a daily basis, then this model may prove non-viable. These risks can be mitigated by providing superior dispatch management tools that allow work order submitters to enhance productivity and retain or combine the ThruDispatch portal with the way they currently do business.

Refer to the accompanying draft appendices for a pro-forma take on revenues and costs.

VI. Costs

This ThruDispatch venture is best launched by working within a sponsoring company with existing development resources. An organization with experience in the development of content management applications would be ideal. The ThruDispatch model in abstract is a workflow and content publishing system underpinned by an e-commerce infrastructure. The resources of such an entity combined with my knowledge of the sector and technical design data for objects, schema, and an event model, can result in a successful service launch.

The partner must have sufficient resources to field the development of the application, and have a certain amount of liquidity for carrying the project, of which my contract as product manager and external market evangelist is but a fraction. Some potential partners may have excess development bandwidth; for some, this project may be akin to a type of remediation and a way to differentiate themselves; others may fully cost out the development as if paid from an accounting cost center.

However, I am an experienced technology project manager who has successfully used this development model in 1993-97, with Vicom Multimedia of Edmonton, Alberta, CA. The creation of TechDisc was an excellent development for the company, as Vicom was showing declining revenue from its Laser Disc authoring division, and the CD-ROM era was flowering. TechDisc was a right-place, right-time partnership - and is now a well-known tool

¹⁷ That many a heavy truck dealer would be anxious at least to try, as there is no better targeting than the user's dispatch handset.

¹⁸ 100K impressions is a very conservative figure for a subscriber corps of 10k+

In terms of development labor on the technical side; these costs are left for now to the partner. A very limited number of application server companies have been presented a greatly abridged view¹⁹ of this venture and have submitted comments ranging from, “trivial, we have that in a can,” to “four programmers, one year with all features up, but operational within 5-7 months.”

The accompanying budget estimates that first- and second-year media and support/admin. labor may run as high as 750k, more comfortably perhaps one million.

VII. Marketing Evangelism

The marketing of this solution is an exercise in balancing the recruitment of job suppliers with job consumers (subscribers)²⁰. An imbalance on either side of the equation could create dissonance and dissatisfaction in either constituency. It may be possible to evangelize a regional market without excessive mass media costs if a longer duration in subscriber/submitter uptake can be tolerated.

The profile of the trades we will be serving is well-defined; many are licensed²¹ and reachable via direct mail. This includes towing and recovery, mobile glass installers, locksmiths, etc. Most of the tradespeople are identified as male 25-55 years, cable television subscribers, and with some reliable participation in trade associations, trade show and industry event attendance, and a certain focus around common supply points²².

On the job submission side, a direct recruitment campaign will be instituted for auto dealers, state and local police, highway dispatchers, and insurance companies. A well-detailed info packet and possible CD-ROM or DVD presentation will explain how the enhanced client management tools will help these professionals manage a virtual corps of mobile service workers in a project-oriented fashion²³.

The initial concept is to offer free submission of work orders through the open portal. According to the mix of pre-recruitment and pre-arranged trade subscriber membership, the venture may decide to offer a limited number of no- or low-cost subscriptions to seed the market. This will create a starting balance of job submitters to job receivers.

The after-work habits of the trade corps are well-known first-hand by me; our subscribers go home or to a watering hole and watch cable television for hours. Regional cable networks offer geographic targeting by community and programming profile (sports, news), and provide very cost-effective means to jump start a campaign. Talk radio programming is also a favorite of the on-the-job mobile service crowd.

A possible avenue for subscriber recruitment is a type of network marketing, where a sturdy corps of true believers are retained (within a given trade) in a geographical market to act as an incentives-based sales force.

Evangelizing the work submitters via direct recruitment varies in method for each constituency. Local Police, heavy users of tow and locksmith services, are an easy approach. State Highway dispatchers are approached at the department level. Auto dealerships and auctions, prime users of itinerant wreckers, are within my personal network in the Northeast, and will try anything once if it might optimize costs via a low-bid process.

Even the central dispatch customer can be targeted if the portal is as functional for turnkey secured dispatch services as it will be.

Cost estimates for the various marketing channels are broken down in the appendix.

VIII. The Deal

I am seeking an 18 month contract for services to be rendered during the development, market launch, and

¹⁹ The abstract prefacing this monograph was circulated to approx. 10 companies.

²⁰ In the Open Portal – Turn-key hosted subscribers have an implied workforce.

²¹ Many states resell lists of trade licensees.

²² The commercial truck shows in New England create de-facto day off for their customers; truck dealers for the tow and commercial trade are veritable hang-outs for all of our target trades, and these dealers are key marketing allies for this venture.

²³ An evening of scanner monitoring will indicate how frustrated state and local police are in securing timely road service – AAA notwithstanding, AAA is the root cause of town and state dispatcher dissatisfaction.

operating phase of the ThruDispatch business venture. The contract is 1) partial compensation for my accumulated knowledge of the sector gained while working in the field, as a Value-Added reseller, and for the advanced design on the workflow models, schema, object model, and other “sector-based knowledge work,” and 2) as standard consulting payments for the outreach and rigorous marketing duties to be carried out during the tenure of the contract.

I will agree to assign the development and operating partner total ownership and rights to the venture, including ceding control of my continuing presence as an operational program manager within the ongoing business, post contract.

In exchange for this apportionment of equity and control, I request the following from the partner: 1) The 18 month contract as stated, and an opportunity to work it vigorously, 2) a royalty based on pre-tax subscriber and other channel revenue from the venture (which may have a yearly cap), which will live in perpetuity, and be preserved in the case of a spin off, sale or conveyance to a third party, and 3) a no-fault termination clause of 10 months compensation protecting me from disclosing strategic design data without due compensation, or end of contract, whichever is less.

Ideally, the relationship will be productive and congenial, and an extended partnership will survive the minimum term of the contract beyond 18 months. Amen.

I will contract as a limited liability corporation, and be responsible for all insurance and withholding. In addition, while conducting all of the market evangelism and operations work within the NE test market, I will pay from the contract all incidental expenses such as non-promotional mail, telephone, and travel throughout New England. I will also maintain a Northeast office and a part-time assistant.

I am eager to work closely with the partner’s technical and engineering staff during the challenging period of testing and development of the portal and back-end systems. It is expected that I will be continuously resident at or near the partner’s HQ for at least 60-90 days, and periodically thereafter.

IX. Additional LOBs

The open dispatch portal lends itself to many work management constructs. Each LOB may have a distinct pricing schedule, and be used in combination with the other functions of the portal. Some functions can be wholly optional, like fax gateway services, and purchased ala carte.

Without hierarchy or preference, here is a list of potential lines of business, merely annotated with the word ‘core’, for those that I envision as an essential service upon startup²⁴:

- 1) Open ThruDispatch portal [core]
- 2) Turnkey dispatch for owned fleets - with grant of secure access to external client submissions [core]
- 3) Remote fleet manager [core]
- 4) Direct advertising to mobile user by client industry code [core]
- 5) Billing manager and card services
- 6) Back-end integration standardized services (such as QuickBooks)
- 7) Special promotional services (such as directory services, eBay ads for long haul car transporters)
- 8) Special services for central fleet automatic overflow fulfillment (AAA, state hwy. dispatchers)
- 9) Emergency and priority handling (mobile locksmiths and glass installers after hours on covering schedule).

The actual revenue realized from non-core services has not been projected as yet; I believe that these services are instantiated from most of the core services -being a matter of degree of customization. In all cases of non-core product and services, the underlying subscription revenue model predominates.

X. Competition and Obstacles

To the best of my knowledge, there is currently no open dispatch portal serving the Nextel independent service corps. This fact is even more significant when considering this model in particular, in which portal operator markets to job submitters in order to push work into the machinery. There is enough and to spare of large, small, and medium central dispatch systems providers for cell-phones, costly satellite-based systems for over the road trucking, and highly customized wireless PDA VARS that create ERP, warehouse, and delivery systems.

Any of these potential competitors could turn and attack this sector. But they would need to find the type of cross-

²⁴ The detailed definition of these ancillary services are given in the author’s live presentations.

content expertise internalized by myself, someone with both technology and trade sector experience.

On the other hand, with 15.5 million total mobile subscribers, and profitability of this venture showing black at 35k subscribers, one could say that there is enough room for competition serving subspecialties within the total base.

An additional risk is that of a slow uptake; the partnership depends to a certain extent on a robust enrollment of both mobile workers and job submitters. However, a goal of 1500 subscribers per month in the southern New England area is not outlandish. Still, a very reluctant and slow uptake will be cause for reallocation of advertising resources to an alternate market, as an impetus to seek partners to sustain the venture over a longer gestation period, or early closure of the portal²⁵.

There is also a small but non-zero risk that my anecdotal experience, even with close to 500+ trades' people surveyed²⁶, is somehow anomalous - and that these positive pre-market experiences are a fluke.

I believe this to be a valid and sustainable business, with the primary risk being in the rate of growth and the ability to sustain the business over a potential slow uptake of subscribers.

ThruDispatch as a model has been proven in microcosm; the independent mobile worker will most likely warm to the marketing message. Work submitters will audition the service and integrate it into a daily routine as long as methods are appropriate to the work of the professional user.

It is the ratio of submitters to consumers that presents a critical execution benchmark in this venture. The variables feeding the equation will be marketing channel, message effectiveness, and coverage. An anemic and/or ineffective campaign will not supply the subscriber growth model necessary for sustained profitability.

I believe that the primary risk is not competitive, but is rather centered on ineffective or under-resourced marketing. In certain terms, this venture might be looked at as a type of horizontally branded service for the mobile trade.

XI. Harvesting the Investment - Getting Paid Back

If the venture can be grown to the 1% market penetration (35K) of 3.5M Nextel mobile service subscribers in our profile, the venture can expect to garner approximately \$8M in annual revenue from the \$20.00 monthly fees alone. In addition, advertising, ancillary LOB, and private branding and licensing could make a comfortable and sustainable business.

ThruDispatch will inexorably ride Nextel's coattails. Market dynamics, such as the homeland security debacle (especially in smaller municipalities) and the APCO stigma²⁷ both affect Nextel subscribership.

The Sprint Nextel merger will soon alter the landscape for business data users. Over the next 24-36 months, new services resulting from this merger will impact the professional mobile worker. If the ThruDispatch venture matures within that timeframe and becomes semi-coincident with the advent of these new services, the resultant confluence may create an opportunity for new ventures to see the established ThruDispatch portal as prime target for enabling new business.

Today we see that Nextel has introduced camera phones. We are a few months away from the ability to carry the imaging objects over the business data network; it's only a matter of time. Similarly, the Sprint merger is bringing a vast build out of infrastructure and new multimedia services, almost all of which will have a business application. Video, images, RFID, barcode and innumerable kinds of rich data will be parleyed to the loyal Nextel Business constituency, new business will be innovated and the partners of the ThruDispatch venture will have an operating portal architecture with which to enable open enrolment for all of these services. Just playing in the sector with distinction is a convertible asset.

This is a scenario that begs the question of buyout, IPO, or other investment harvesting. Perhaps the principals will want to keep and grow the venture within its portfolio.

²⁵ Even a decision to hold marketing on the live portal does not preclude generating revenue from licensing or other potentially lucrative trade exposure.

²⁶ Truck operators at Interstate, clients, VAR clients, and on the street with the allied trade

²⁷ Both issues are covered in my presentation.

XII. Conclusion

In the overheated dotcom era, investment capital flew out the door towards non-existent and redundant ventures - many never completed development, and few made a profit²⁸.

Equity and convertible debt funding for e-commerce ventures has all but disappeared, and what remains is scraps. A focus on tangible infrastructure and a re-orientation to new technologies²⁹ now occupies a somewhat reformed investment banking and venture capital sector. The survivors of the late 1990s are web-based ventures with practical service offerings that put bread on the table of the users and operators. Alternatively, they are highly focused vertical solutions that solve a particular problem set.

ThruDispatch is a combination of vertical solution and a service management platform. It was born out of the humble beginnings of my last contract, and found favorable exposure via the tradespeople that it will serve in the future. I am eager to expend maximum energy and personal sacrifice to bring this venture to life.

²⁸ How many grocery delivery and e-gov applications can one fund...wasn't anyone watching???

²⁹ Life sciences, nano0tech, anything but e-commerce and web ventures

XIII. Appendix - Conversations that led to the idea of ThruDispatch:

It took a convoluted path and series of coincidences to *get the idea* of the ThruDispatch SOA Portal. Even after several 'requests' and suggestions from workers and allied businesses practically hit me over the head with the idea; I didn't get it right away. But I got it eventually. Here are some of the conversations that started the seed idea.

The following was repeated in one form or another by perhaps 30-40 independent towing drivers, begging for work in the only way they knew to get my attention; I was not able to use all of them at the time:

"Come on, Alan, man, I need the work, I'll put that data thing on my Nextel like your other guys and I'll pay for it. Whatever (jobs) you can send me". Then they would offer a bribe of some kind, a pit bull puppy or a substance, all which I refused. I have nothing against dogs, per se, but I'd rather choose the breed.

The following came from our core drivers, "Can you occasionally dispatch a few calls from my other clients through the Interstate Dispatch system? It would be very good for us." I replied: "How many calls via phone? I can't field a lot of voice calls - unless they want to fax; I can set that up, or they can use a web page form." They agreed, "*We can make that happen.*"

From an outside dealer I had never heard of previously, "Hey, I heard you got a lot of guys on your computer thing over there....I need a lift (tow) right away. Give you the card payment right now "Can you take these calls on a regular basis?"

"Who is this...uncle Lenny?" I said. I thought it was a joke, "...this Jack from Davy Chevrolet, *my two trucks are busy*, actually one is down for repairs, and it takes ten phone calls to get an immediate hook."

One of my best wrecker guys was standing in my office when I took that call on speakerphone; he spun me around in my swivel-chair and said, "Buddy boy...**you got a business here!** You should run with it. This is how great American businesses start...Edison, HP, and Apple!" I said, "J.J. it's more complex than that, we need the whole, you know, thing, I used to be in a business sort of like that, servers, Web programming, it takes money." JJ said, "Go to Dennis and Richey" - (The Auction's Partners)....I was not hopeful. But I had to try, so in a verbal presentation standing on one leg, "blah portal, (what's a portal?), blah web services (huh?), automated demand-based dispatch (snore...)" Ok done.

"See", I said to JJ, "they can't be expected to understand the technological underpinnings of this model." "I don't understand whatever you just said" JJ replied, "I drive a rig, and I know other hook drivers and a few glass installers asked you to add them to the system, and I just this minute heard a dealer from 50 miles away ask you to get a hook right away, because you had the capacity and means to dispatch it. At least get out and market the Fax to Nextel Service...nobody has that. Go!!!!!"

I thought I would have one more conversation with a technically sophisticated company, one that really knew the business; Interstate's own Mobile Data Gateway Provider! They would certainly get the portal based business model: (if not them, who?)

"Hi...it's Alan at Interstate" and then I gave an overview of my idea in brief, told them about the drivers request, the unsolicited dealer requests....My contact replied, sounding very bored, ".....wellllllll...I don't know....we have some pretty prestigious accounts, those guys are only one here one there. You know?" I said, "yes, but they are **numerous**, and the open portal **aggregates** them". He replied, ".....yeah...I don't know those guys very well, we have Sears and FTD, and folks like you that worry about the small fleets....I got to go, good luck with all that."