‘Presenter’ Project

Status Update, August 1986

Robert Gaskins
Forethought, Inc.
Two-Year Review for Presenter

- First proposal by Bob Gaskins after recruited by Rob Campbell

- Earliest product and market description issued 14 August 1984

- Predictions of market and growth have proved correct
  - Latest market research data is even more positive

- Predictions of technology trends have proved correct
  - MS-Windows environment, laser printers as gating items

- Product features/capabilities still the same as envisioned then

⇒ ...But then why on earth did we take two years?
Progress So Far—Tied to Fundings

• **August '84—May '85 (10 months): On Hold**
  —Using ~$1,000,000 remaining from 12/83 funding (as of 8/84)
  —Rapid introduction of MacWare products committed summer '84
  —No people or dollars to work on Presenter—$0K expended

• **June '85—October '85 (5 months): Product Definition**
  —On receipt of $1,000,000 from debentures, June '85
  —Assigned one person part time—$20K expended (over 5 mos)

• **November '85—April '86 (6 months): Development Began**
  —On receipt of $250,000 from debentures, November '85
  —Assigned that one person full time—$35K expended (over 6 mos)

• **May '86—July '86 (3 months): Development Continued**
  —On receipt of $408,000 from Preferred C, May '86
  —Hired a second person full time—$40K expended (over 3 mos)

**Plan: August '86—February '87 (6 months): Development Will Complete**
—On receipt of $800,000 from Preferred C, expected July '86
—Requires more people, resources—spending up substantially
—Product will ship after 15 months of development, on schedule
Results Achieved So Far

- **Business plan for Forethought, built around Presenter**
  —Overall framework for product planning

- **Product marketing analysis (and presentation)**
  —New original analysis, seems insightful to industry veterans

- **Development and introduction budget and sales forecasts**
  —Conservative, based on conventional distribution only

- **Task schedules for Macintosh and MS-Windows versions**
  —Based on actual project schedules just met for FileMaker Plus

- **Full written specification of the product’s features**
  —Has permitted rapid development without backtracking

- **Software implementation more than 50% complete**
  —On schedule (result of much work by D. Austin and T. Rudkin)
  —Includes the performance-critical parts (drawing, text handling)
  —Sufficient to demonstrate now that we can do what we say

- Total investment to this point: $95,000

  ▶ Fully prepared now to use further investment wisely and rapidly
    for a specific—and profitable—result
Direction is Exactly Right

- Explosion of interest in Presentation Graphics category has produced interest from multiple “strategic partners”

**Apple**
- Has given us development equipment, says it’s prepared to give Presenter a giant marketing endorsement on Mac

**Xerox**
- Preparing a line of Presentation Workstations (computer, monitor, laser printer and color overhead printer, etc.)
- Needs integrating software for that task, doesn’t have any
- Proposal: variant Windows Presenter, pre-pay Feb–July 87

**Ashton-Tate**
- Proposal: distribution deal (Mac & Windows), gives muscle for penetration of retail and Fortune 500 direct channels (even more likely since their bid for Decision Resources—“have a trademark, now need a product to go with it”)

- Others getting interested as MS-Windows and Presentations take off


[Dir] Presenter will be a very important product; our success will be limited only by our ability to exploit it
$50 million revenue over first 5 years (@$395 list, $170 net [43%])

A hedged forecast—actual unit sales should be 2–3 times our forecast

Based on Forethought efforts alone—strategic partners are extra
Presenter Revenue and Profits

- In next 9 months, **24%** of Forethought FY87 revenue (in last 2 months)
- In following year, **75%** of Forethought FY88 revenue (86% of profits)
- In succeeding years, **100%** of Forethought revenue and 100% of profits

We have no alternative products identified to produce any revenue

Right now, our business plan is to succeed with Presenter
Presenter Spending and Budget

- Total budget for development, marketing, sales, operations, G&A
- Spending rises now—final development, testing, packaging, manual, ...
- Plan/budget called for spending to rise in July to meet FCS targets

⇒ We’ve completed all the low-cost activity on Presenter
Guaranteed for a Limited Time Only

• We had planned to start sooner, and finish sooner—by about 6 months

• We have had to delay resources, yielding our present schedule

• Our market perceptions say we cannot delay further:
  — Interest in presentation graphics already growing very rapidly
  — Lotus just bought GCI, Ashton-Tate to buy Decision Resources (the two older product lines established in the category)
  — Opportunity to enter category will close in the next 12 months
  — Leading products established by then will have built up momentum too large for a start-up’s resources to overcome
  — After that, our (very real) product superiority could not be enough

We believe it is almost certainly not too late for us right now, but any further delay would jeopardize success