

# Everpix Executive Summary

August, 2013

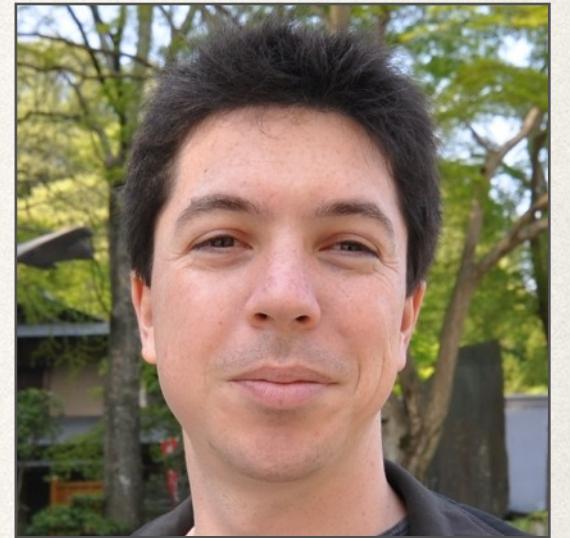
# Team, Advisors & Investors

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# Founders – Pierre-Olivier Latour – Execution

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- ❖ Sold motion graphics technology Quartz Composer to Apple in 2003
  - ❖ Built dedicated team in Graphics & Imaging Group
  - ❖ Made it the standard for motion graphics on OS X from iPhoto to Final Cut Pro and even original Apple TV
- ❖ Designed & built Discover iPad app for Cooliris
  - ❖ Reached #1 free iPad app (1.5M+ downloads at the time)
  - ❖ Chosen by Apple in top 10 free Lifestyle iPad apps of 2010
- ❖ Founded a 10 person game company while studying at EPFL in 2000
- ❖ Micro-Engineering MS from EPFL / Stanford Robotics Lab



# Founders – Kevin Quennesson – Science

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- ❖ 2 MS in Applied Mathematics and Computer Vision
  - ❖ Trained with the fathers of wavelets
  - ❖ 10+ years of experience in imaging maths and tech
  - ❖ Published in top conferences
- ❖ Brought Apple graphics technologies to the next level
  - ❖ UI foundations & Graphics in first iPhone and iPad, and in Mac OS
  - ❖ Innovative Computer vision, UI and machine interaction patents
- ❖ Wrote Cooliris' Adjitsu new 3D & Physics immersive ad platform (sold to Amobee)

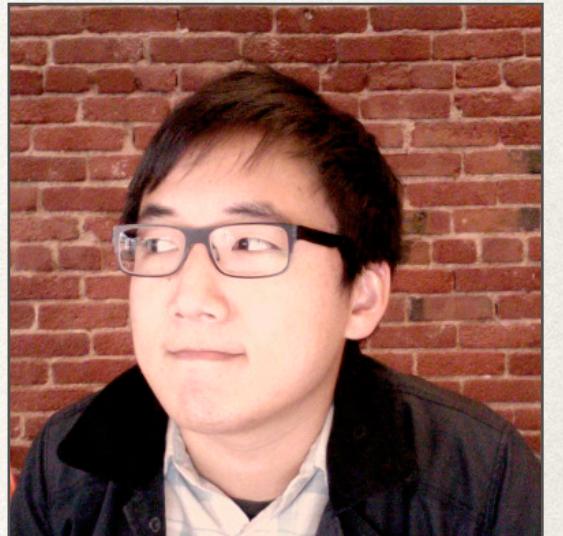


# Founders – Wayne Fan – Design

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frog

Odopod



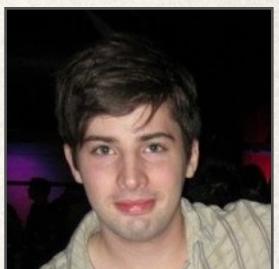
- Visual designer at frog design, an international design consulting firm
- Interaction designer at Odopod, an award winning digital agency in San Francisco
- Designed and develop interactive installations for Facebook
- Clients include Intel, Google, Disney, AT&T, Sling Media, FedEx, RIM, and Sony
- Bachelor of Arts, UCLA Design | Media Arts

# Employees

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- ❖ Jason Eberle (Web)
  - ❖ Developed at Odopod, an award winning digital agency in San Francisco
  - ❖ Clients include Sony, IWC, Yahoo, Ford, DonQ, and YouTube
- ❖ Sameer Sundresh (Infrastructure)
  - ❖ Developed distributed architecture, optimized search, coordinated recruiting at Pattern Insight
  - ❖ Ph.D. in Computer Science
- ❖ George Leontiev (iOS)
  - ❖ Worked on the rendering and interaction framework behind Apple's iWork suite
  - ❖ MS in Computer Science from Carnegie Mellon, specializing in Language Technologies
- ❖ Kyle Mercury (Imaging & QA)
- ❖ Jacek Szydłowski (Windows – Remote contractor in Poland)



# Consultants

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- Julie Supan for product positioning and marketing
  - ✿ VP Marketing Consultant Dropbox
  - ✿ VP Marketing Consultant Airbnb
  - ✿ ex-Senior Director, Marketing & Communications YouTube
  - ✿ Marketing consultant for TuneIn, Flipboard, Nasty Gal, Weebly...

# Angel Investors / Advisers

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- Bertrand Serlet
  - ex-Apple SVP Software Engineering aka “father of Mac OS X”
- Michael Herf
  - Picasa co-Founder

# Venture Capital

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Index  
Ventures  
(Neil Rimer)



(Nuno Gonçalves Pedro)

**500** startups  
(Dave McClure)

# Financing (\$2.3M Raised)

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- \$800K raised in convertible notes (late 2011)
- \$1M Series Seed (July 2012)
- \$500K Bridge Convertible Note (May 2013)
  - Index Ventures & 500 Startups
  - Structured as an “advance” on Series A to start scaling up

# Our Vision

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# Time to Aim Beyond Photo Sharing

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- Essentially solved technically: every possible option or combination exists
- Has reached its pinnacle in simplicity with Snapchat
- Only 1% of consumers said “sharing photos with friends and family” when asked what frustrates them the most about their photo collection



Source: Google survey of 1,500+ consumers representative of the US population done April 2013

# Every Moment Will Be Captured as Photos

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- Apple, Google, Samsung, HTC... have excelled at simplifying the capture of life's immediate moments
  - Anyone can spontaneously take quality photos of almost anything, anytime
- Even camera manufacturers are still innovating to stay in the game
  - Rising interest for cheap DLSRs, new Micro Four Thirds systems...
- Whole new world with GoPro, soon Google Glass, and longer term wearable computing

# A Tsunami of Photos

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- People truly enjoy taking pictures – the easier it is the more they take
  - ❖ 92% of consumers do not feel like they take too many photos
- Average Everpix user already has 10,000 photos on the service today
  - ❖ Adding close to 1,500 photos per year and accelerating
- 500M+ photos are shared per day on average so far in 2013

Source: Google survey of 1,500+ consumers representative of the US population done April 2013

Source: Mary Meeker Internet Trends 2013

We have a **New Problem** on our hands

# The Photo Mess

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- ❖ In today consumer's mind, photos are considered a “disorganized mess”
  - ❖ 77% most frustrated about their photos because of lack of organization, finding the ones they want, and enjoying them more often
  - ❖ 68% want to browse their photos more often
- ❖ 53% of consumers store their photos in multiple places
- ❖ 23% don't even know in how many places their photos are stored
- ❖ Mass market problem, across demographics

Source: Google survey of 1,500+ consumers representative of the US population done April 2013

# An Ideal Opportunity

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- ❖ Big market of mass consumers ready for disruption
  - ❖ Consumer cloud storage products deal with “files” and don’t come close to solving this
- ❖ Hard problem that demands lots of innovation
  - ❖ Solving it requires the right combination of technology, science and UX
- ❖ Big companies still focused on creation, social and sharing
  - ❖ Organizing and surfacing not being tackled yet

We are building the consumer photo platform to  
effortlessly get people's life photo collection into shape  
and automatically surface what inspires them.

# Everpix Solves the Photo Mess

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# Significant Undertaking in Past 18 Months

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- ❖ State of the art image syncing pipeline with proprietary image optimizations
- ❖ Patent-pending industry-leading image analysis for real-life photos
- ❖ Native high-performance apps for Mac, Windows, iOS & Web
- ❖ Scalable infrastructure to process and continuously organize massive amount of photos
- ❖ Currently 80+ servers in Amazon cloud

# Everpix v1

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- Launched **March 2013** (first press outreach – limited beta before that)
  - Only desktop & web acquisition channel (mobile UA not in place)
- Already **40,000+** users who synced **275+ million** full-resolution photos
  - Up to millions of new photos per day (peaks at the level of Flickr or Photo Bucket)
  - **84%** of these synced photos are new to the cloud (i.e. from desktop computers)

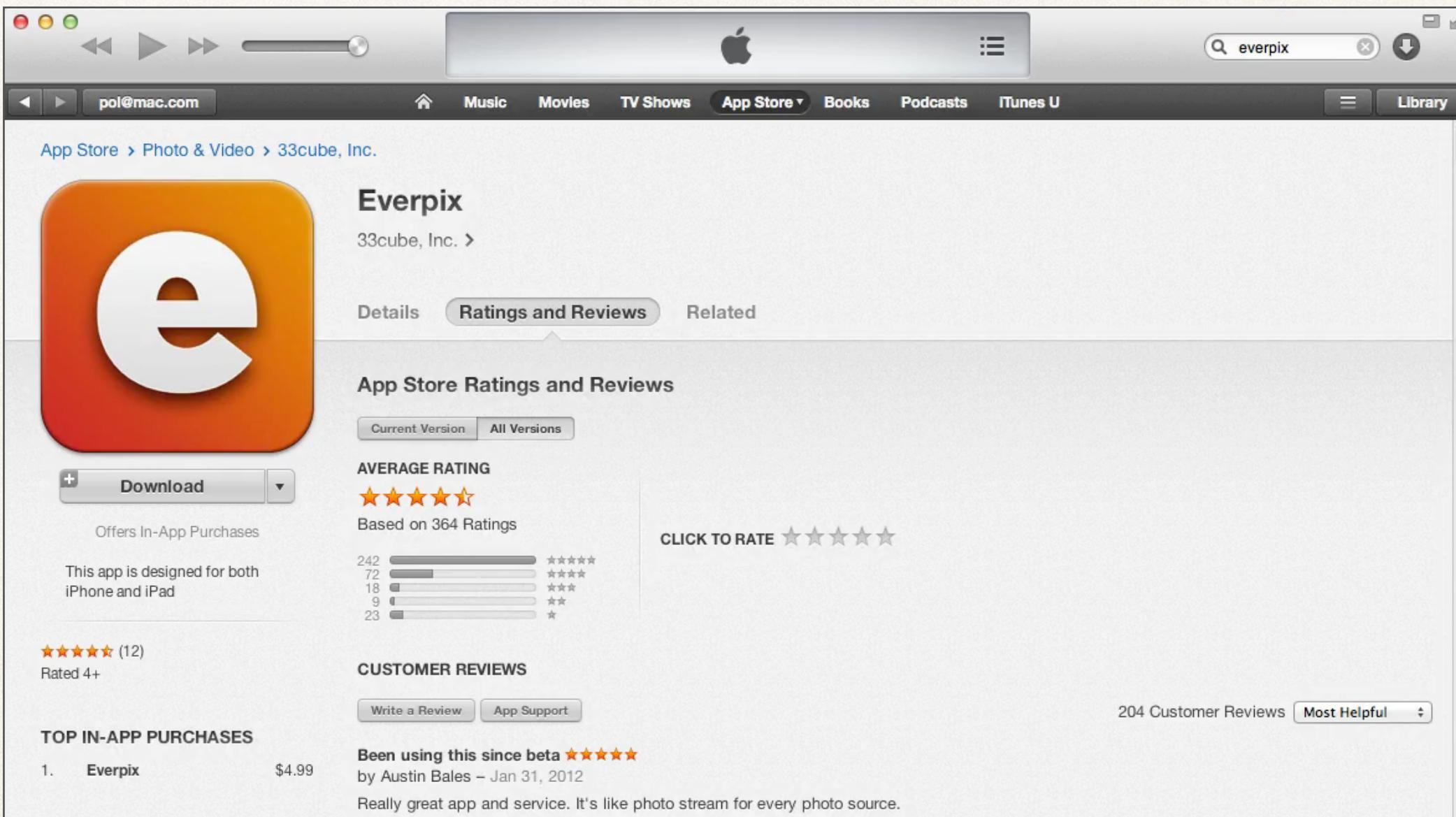
# Already Very High User Engagement

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- 75% of new users perform the key action of syncing a photo
  - 10,000 photos synced on average (i.e. users sync their entire life photo collection)
  - 45% of free users sync more than 1,000 photos
- 53% of free users (with photos) engaged with Everpix in last 7 days (**72%** for 30 days)
- 97% of subscribed users engaged with Everpix in last 7 days (**99%** for 30 days)

Engaged: Used Web, iOS, Mac, Windows Everpix apps or opened a Flashback email

# Users Love Everpix



4.5 stars average on ~1,000 ratings and reviews worldwide

# Representative User Testimonials

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- I have literally (and I mean that literally) had "**sort out your photos**" on my to-do list for months. Everpix has got it done for me with pretty much **zero effort**. [Martyn Pysanczyn]
- Got Everpix. **2,000 images in order, de-duplicated and available** [...]. **Now I take more photos** because I know they'll be seen and enjoyed for many years to come. [Blarmski]
- **I blew my mom away this weekend** when she was telling a story about me the first computer I bought in college and I **was able to pull up a 20 year old photo from my iPhone in all of 7 seconds**. That's pretty darn amazing. [Steven Mavros]
- **For the first time I can actually browse through my huge personal photo library**. It brings a smile every time I swipe through photos of my son from when he was small. [A2iphone]

# Users Spend Money on Everpix

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- ❖ Way above average subscription rates for a freemium service
  - ❖ **13.1%** subscribers among all users signing up
  - ❖ **21.2%** subscribers among users syncing **1,000+** photos (**30.1%** for **5,000+**)
- ❖ People who try Everpix are impressed and subscribe fast
  - ❖ **50%** of monthly subscribers subscribe within **1** day
  - ❖ **50%** of yearly subscribers subscribe within **3** days

# Everpix Revenue Model

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- ❖ Core service pays for itself through subscriptions
  - ❖ Free for photos taken in the last **12-24** months (depending on bonuses granted)
  - ❖ Unlimited with Subscription **\$49 / year** or also **\$4.99 / month**
  - ❖ Variable infrastructure costs already covered today by subscription income
- ❖ Print products like cards and books provide complimentary revenues
- ❖ Real potential of licensing BD deals e.g. operators for **\$1 / month / seat**

# Significant Inbound BD Interest

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**- REDACTED -**

# Photo Mess Awareness Rising in the Press

macgeneration

BEAUTIFUL  
PIXELS

148Apps

macnn   
read me first

lifehacker



photography  
review.com 

VB



Digital Camera  
Review™

smartplanet



PetaPixel



 The Phoblographer

Mashable

dt DIGITAL  
TRENDS



MIT  
Technology  
Review

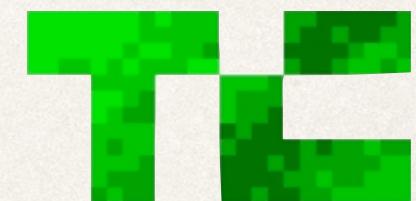
iPOP  
PHOTO

InfoTrends  
A Questex Company

GIZMODO



TÚAW



iCreate

# Journalists Endorse Everpix

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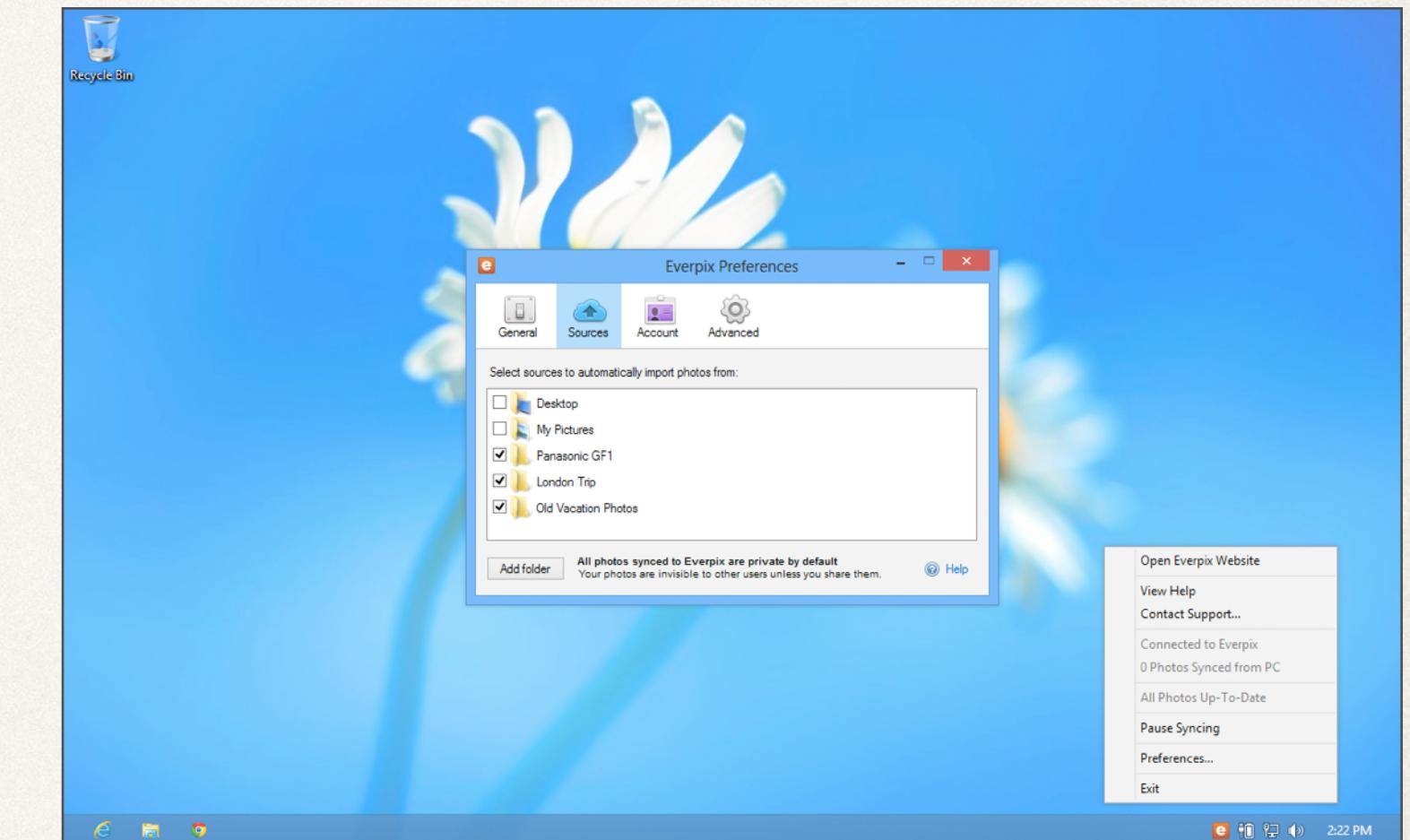
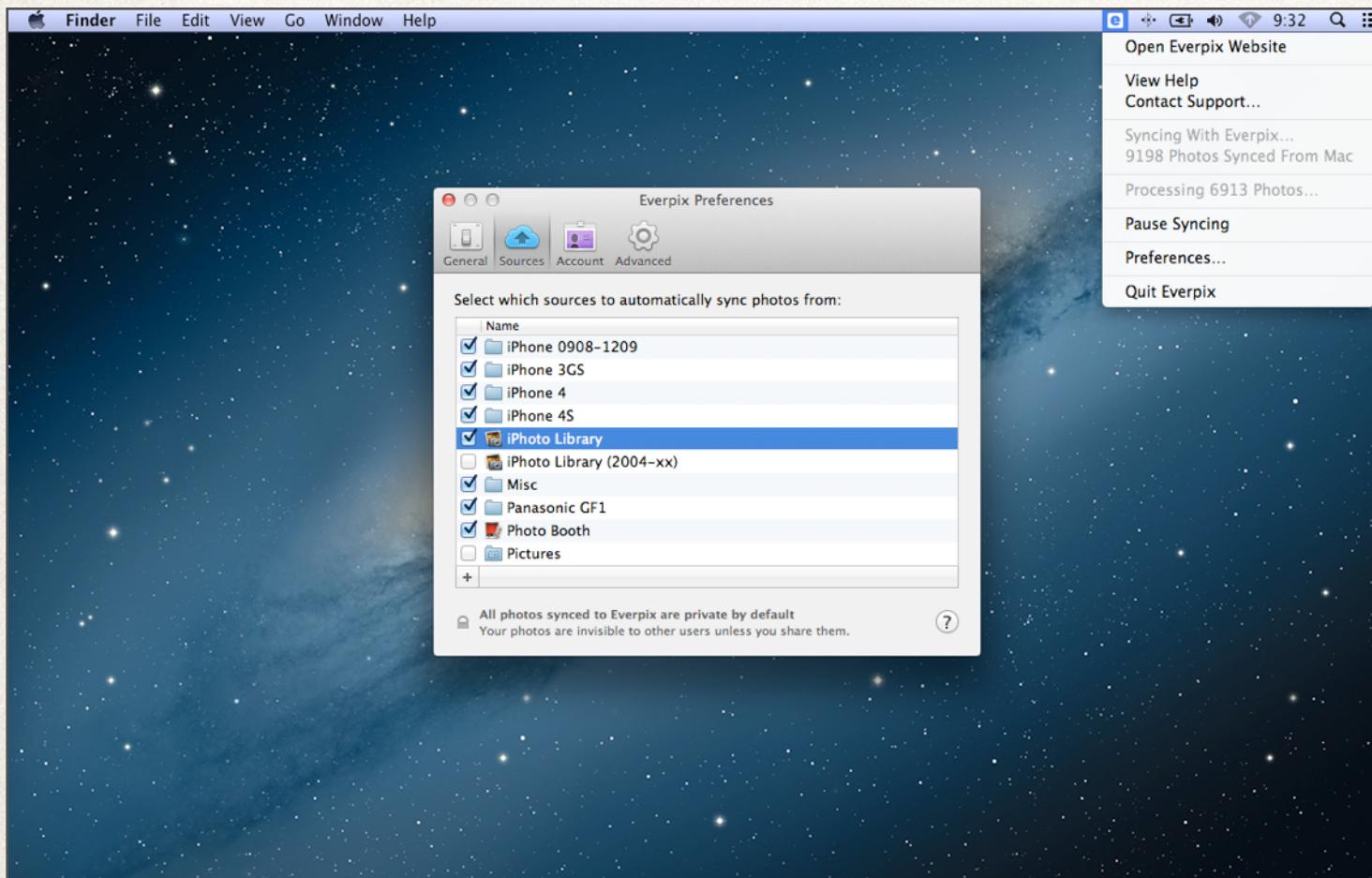
- ❖ 21 journalists signed up for Everpix in the past few months (mostly from 1:1 meetings)
  - ❖ 19 synced photos (16,000 photos on average)
    - ❖ 15 active in last 7 days (17 in last 30 days)
- ❖ Some enthusiastic journalists waiting to cover Everpix
  - ❖ REDACTED
  - ❖ REDACTED

We are creating the next opportunity in  
the consumer photo space and  
positioning ourselves to lead it

# Everpix in Action

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# Desktop Uploaders



*iPhoto, Aperture, Lightroom, Folders,  
External HDs, Connected Cameras*

*Folders, External HDs*

# Web Services

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Facebook (Albums & Tagged Photos of You)



Instagram



Picasa Web (Albums)



Gmail (Inbox Only)



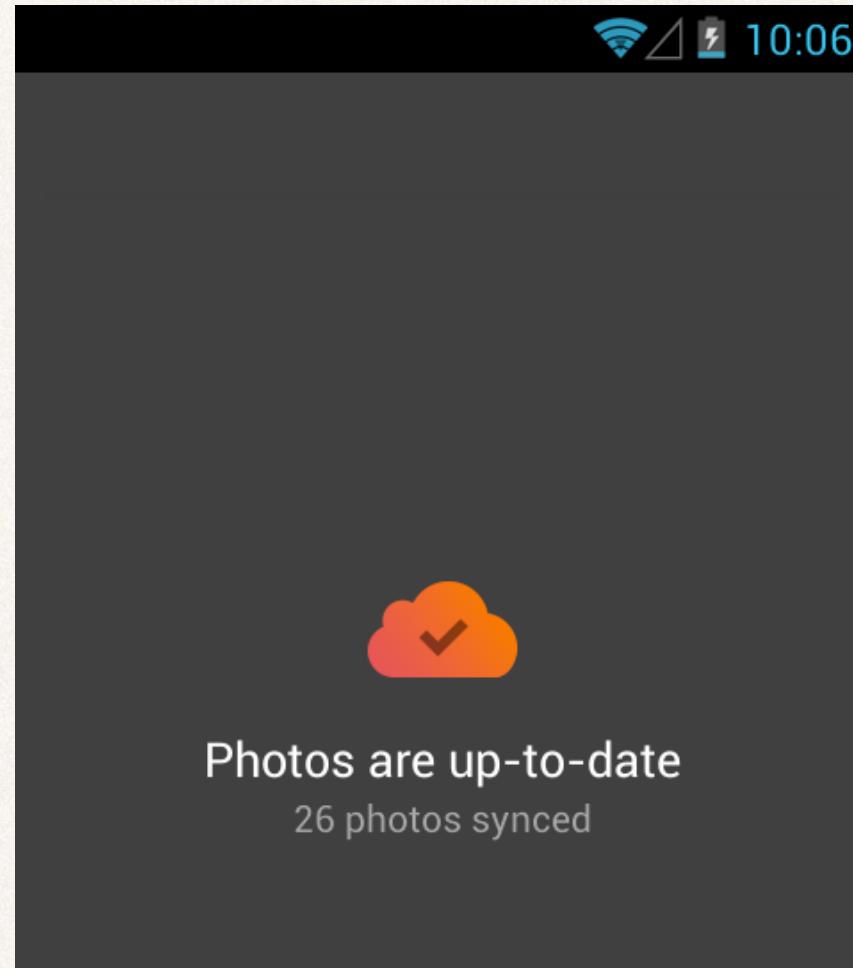
Flickr (Sets)



Twitter (Publishing Only)

# Camera Roll Upload (iOS & Android)

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*Works around iOS background apps limitation with geofencing*

# Demo

# Unique Tech and Science

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# Built for Scale

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- ❖ Need to sync entire life photo collection of each user (often more than 10K photos)
  - ❖ Vast majority of today's digital photos are offline
- ❖ Unique syncing technology designed for entire photo collections
  - ❖ 5X faster than competition, no crazy broadband connection needed
  - ❖ Upload thousands of optimized full-res photos with all metadata in hours not days
- ❖ Sync entire libraries like iPhoto, Lightroom or Aperture including metadata in one click

# Everpix Image Pipeline

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**- REDACTED -**

# High-Fidelity JPEG Optimization

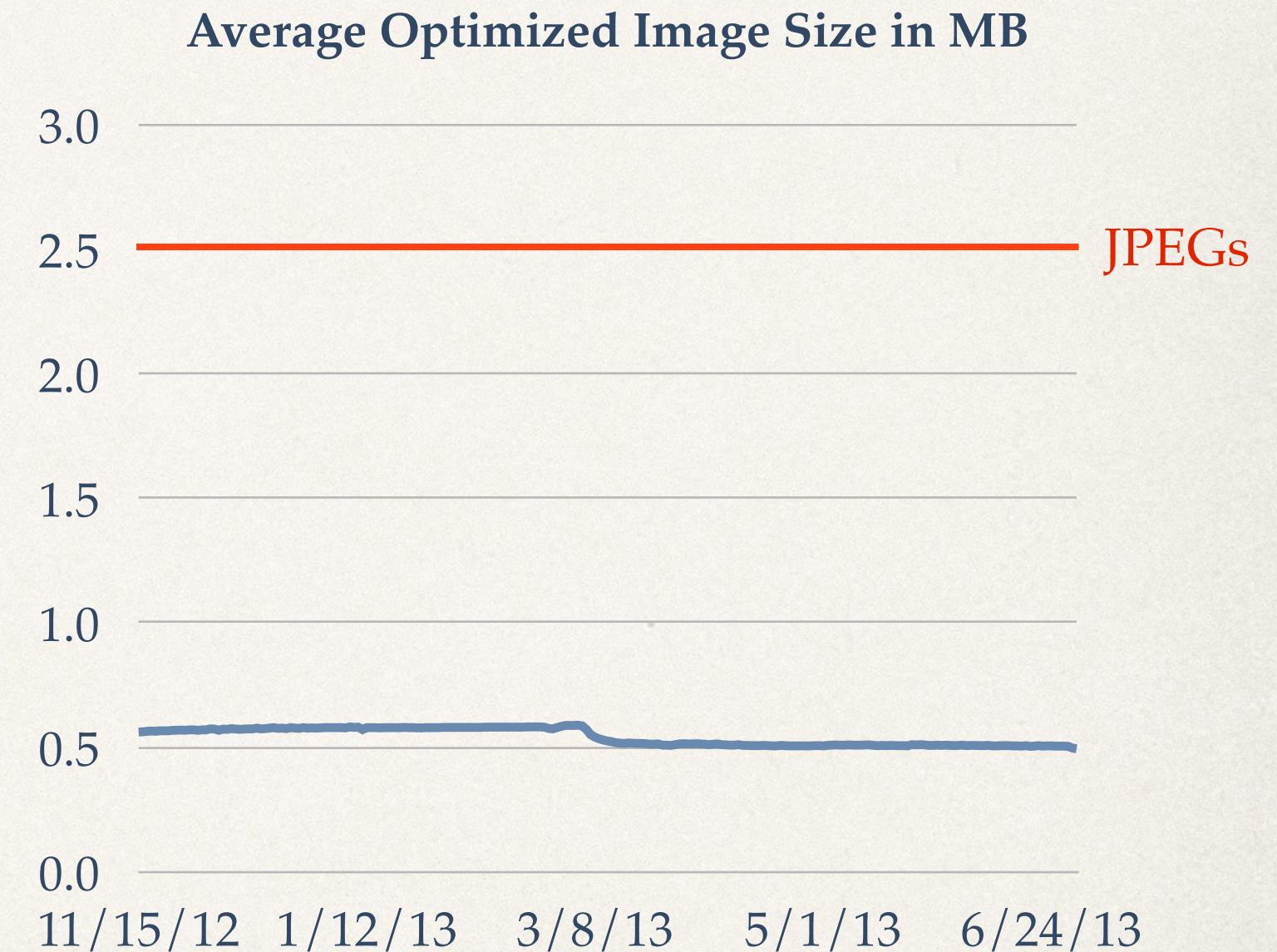
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**- REDACTED -**

# Technological Bets Paying Off

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- Average image size close to **500 KB**
  - ✿ **5X space and bandwidth savings**
  - ✿ Absolute savings grow with sensor size
- Close to 30% duplicates detected
  - ✿ Compounded extra space savings



# Industry Leading Image Analysis

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- Foundation of Explore and Highlights today
- Goes beyond object detection
  - Also aesthetics, composition, saliency, subject distance from camera...
- We understand what people see and like in their photos
  - Let us get their photo mess into shape and surface the most inspiring photos

# Proprietary Transform from Images to Features

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**- REDACTED -**

# Building the Visual Vocabulary of Real-World Photos

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**- REDACTED -**

# Scale + Science + Design = Everpix's Lead

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- Spent last 18 months laser-focused on building the photo platform of the next 10 years
- Built the team who can best solve the Photo Mess
- Put in place significant barriers of entry for competitors with hard science & scale

# Next 18 Months

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# End of Year Goals

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- Upgrade to **4th** Generation infrastructure (increase capacity by **10X**)
- Go big for Christmas / New Year with mainstream exposure
- First pass at mobile user acquisition channel
- Get a large BD deal ongoing
- First pass Android client

# 2014 Goals

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- ❖ Scale to millions of users
- ❖ New platform features
  - ❖ Favorites & Printing
  - ❖ Smart Search
  - ❖ Public API
  - ❖ Movies
  - ❖ Everpix Pro (monetize further most demanding users)
- ❖ Full Android client

# New Hires (double current team)

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- Infrastructure Engineer
- Marketing Director
- Business Development
- 2 Android Senior Engineers
- Image Analysis Research Engineer
- Senior Sys Ops Engineer

# Financial Projections

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- Double the team to ~12 employees (\$150K / month in payroll)
- Assuming 50% savings on variable infrastructure costs
  - 76% gross margin on subscribed users
  - 63% gross margin taking into subsidized free users
- Cash flow positive at 1,000,000 signups (including fixed costs)

# Series A Financing

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\$5M