

# THE GENDREAU GROUP REVENUE STRATEGISTS

Delivering revenues, not just strategies, to companies worldwide since 1989.



We are **REVENUE STRATEGISTS**.

We help clients maximize revenues and increase the value of their businesses.

We specialize in:

- Partner and channel strategies that maximize revenues and reach
- Finding untapped revenues by repurposing existing products and technologies
- Revenue Strategies to help clients prepare for merger, sale, or acquisitions

Our clients are high tech and services firms located in the US and abroad.

We have been in business since 1989.

We are located in the San Diego area.

## Awarepoint: Active RFID and Real Time Location Systems

**The Client:** Today, San Diego-based Awarepoint positions itself as a provider of Real Time Awareness Solutions® that map, monitor and measure the status and location of high-value assets (equipment and people), and that provide critical information clinicians and healthcare administrators need to improve the workflows and processes associated with these assets.

In June of 2007, just days after joining Awarepoint, newly-appointed CEO, Jason Howe, stepped up to the challenge of trialing Awarepoint's then-current sales presentation before a panel of C-level executives at a sales coaching event sponsored by the San Diego Software Industry Council (SDSIC). As a result of the feedback provided during the event, Howe immediately inquired about engaging The Gendreau Group (TGG) to help him improve Awarepoint's revenue strategy, create greater shareholder value, and better position Awarepoint to attract the funding he would need to grow the company.

Based on Howe's presentation, we immediately recognized Awarepoint needed improvements in three areas:

1. **Revenue strategy:** Awarepoint's value proposition was narrowly focused on the features of its RFID tags and on cost savings as its primary benefit, which suggested that Awarepoint was likely targeting tactical rather than strategic buyers, and failing to realize the full potential of its offerings.
2. **Distribution strategy:** Awarepoint's direct sales model would be an impediment to growth and business sustainability. Because it is small, it would need a model better suited to selling to large institutions.
3. **Intellectual property strategy:** Awarepoint's technologies seemed compelling, but it appeared the company was not doing what it should to maximize the value of its patents and intellectual property.

**Engagements:** In July of 2007, TGG began the first of two multiphase engagements to help Awarepoint address these challenges. The first engagement focused on the market research and opportunity analysis Awarepoint would need to develop more effective revenue, distribution, and product strategies, and on helping Awarepoint begin the process of implementing these strategies. Engagement deliverables included:

- A rigorous discovery workshop
- An in-depth analysis of the markets for RFID technologies and asset tracking
- An in-depth analysis of Awarepoint's opportunities in emerging health care solutions
- Research readouts, patent reviews, proposal and deal strategy coaching sessions, and partner evaluations

The second engagement, focused on identifying and qualifying candidate strategic partners, creating a pipeline of strategic funding opportunities, preparing the collateral tools Awarepoint would need to pursue these opportunities, defining deal structures, and providing the negotiation coaching Awarepoint would need to pursue target partners. Engagement deliverables included:

- Detailed research on prospective strategic partners
- A company overview for use in developing relationships with partners
- Executive coaching focused on partner development and negotiations
- Introductions to candidate partners including Motorola, Philips, and Cardinal Health

**Results:** Through its work with TGG, Awarepoint has deepened its understanding of its markets, refined its offerings and roadmap, and improved its value proposition for end users, buyers and partners. As of June 2008, Awarepoint has established relationships with six strategic partners, and, to ensure productive relationships, the company has revamped its sales approach and pricing models. Now, rather than overemphasizing its tags and downplaying the value of its software and services, the company provides its patented RFID tags free-of-charge in exchange for long term managed service or maintenance agreements with clients or partners. Awarepoint has also enhanced its IP portfolio and is now well positioned to consider repurposing its offerings for application in markets outside of healthcare (e.g., retail, pharmaceuticals, or energy).

As a result of these changes, in less than one year since beginning work with The Gendreau Group, and in less than six months since it began implementing its new revenue strategy, Awarepoint has increased its installed base of healthcare facilities more than eight fold. With the knowledge he and his team gained in 2007 and with the relationships being established in 2008, CEO Jason Howe is now confident that in 2009 Awarepoint will meet or exceed Awarepoint's investment and valuation objectives.

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