



eVision Corporate Backgrounder

State of Internet Searching

Search technology is considered the primary foundation of the Internet because it enables users to find information and products. Currently, Internet search technologies are limited to performing text and keyword searches. Users typically receive thousands and even hundreds of thousands of results to these types of searches, an unwieldy amount of information for anyone to manage. This problem is especially compounded for e-commerce; how can people buy what they can't find? Fundamentally, text search has failed users because it does not support the natural method in which users want to search. As a result, the web has yet to fulfill the promise of a fast and accurate search result, and it has not come close to connecting a search return with an actual sales transaction. According to the research firm *Creative Good*, 2.5 million e-merchants lost 13 billion dollars due to failed searches last year.

Why have text-based search technologies failed? **Because we are a visual society.** We market and speak through images such as illustrations, photographs, and video. There are currently over two billion images on the web and each day seven million new images are added to the Internet according to a UC Berkeley Study. Globally, we all agree a picture is worth a thousand words; language may be different, but pictures are not. It is clear that the search technology providing the foundation of the Internet should be based on a visual search solution that works the way people think.

With the right visual search technology, a user can initiate a query based on an image that is scanned, captured, imported from a file or included within a visual vocabulary. A true visual search solution is capable of searching based upon multiple attributes of an image, including color, texture, shape, object, and text.

eVision has the right solution. With superior technology and far-reaching patents, the company is positioned to transform current Internet search capabilities into visually-based searches that will finally deliver on the promise of the Web.

eVision Technology

eVision's exclusive technology is the culmination of extensive research in the signal and image processing, pattern recognition, and computer vision fields. The proprietary technology distills images into their representative visual characteristics based on object, color, texture, and shape. The algorithms employed automatically segment an image into distinct object regions and generate scale-independent descriptions of those regions, known as visual signatures. These visual signatures are then organized into a proprietary indexing scheme for fast retrievals. Because eVision's technology deals with signal content at a fundamental level, it can be extended beyond visual assets like graphics, photos, and video to search audio content and any other digital pattern, such as seismographic data. This extensibility opens additional markets to eVision as they move the business forward.

eVision has filed two patent applications, one in March 1999 and the other in December 1999. The patent on the core technology covers the characterization of image and video data and other digital media domains such as audio. Additionally, six application-oriented patents are in development — all based on eVision's core technology and its derivatives. If eVision chooses to move into additional markets (audio for example), their IP is a valuable asset that will set them apart from the competition.

eVision's premier product is a software development kit (SDK) named eVision Visual engine (eVe™).

eVision Markets and Business Model

eVision's revolutionary solution meets the needs of the \$11 billion visual search technology market, including the Web-based search engine, Original Equipment Manufacturer (OEM), media asset management, and high-margin vertical market segments. eVision's business model leverages a proven, successful model: technology licensing to developers and OEMs.

Visual Search Engine

Currently, Web and corporate nets are limited by text-search solutions. Driven by digital convergence and the growth of the corporate Web used to reach customers, the visual search engine market segment is projected to reach \$1.4 billion by 2005 according to the McKenna Group. eVision's business model in this market is a technology-licensing model focused on search engine developers and e-business sites (retail, manufacturing, auction portals and online marketplaces).

Original Equipment Manufacturer

Visual search and retrieval solutions can be embedded in operating systems and eventually on ASIC chips. When integrated with an operating system, eVe natively enables search and retrieval of visual media online. On an ASIC chip, eVe integrates image acquisition with search and retrieval for fast and accurate search. The eVe chip can then become part of digital cameras, scanners, camcorders, medical imaging equipment, and satellites to generate automatic searchable signatures as images and videos are captured. eVision projects a \$500 million market opportunity in this segment. The business model is a combination of per-unit licensing fees and professional services.

Media Asset Management

eVision's opportunity in this market is to enable creative professionals (designers, advertising agencies, and brand managers) to visually search for assets. With traditional text searches, the result is entirely dependent on how an image file was *named*; with visual search, creative professionals can find images based on how they *look* (differences and similarities). eVision will integrate their visual search capabilities with the solutions of vendors that provide media asset management and brand resource management solutions. Currently, about 200 vendors provide a variety of components for whole solutions in this market with a projection of \$500 million in revenue. eVision will enable these vendors to license eVe to their customers as a value-added component of an asset management solution.

High-Margin Vertical Market

eVision's visual search technology solutions are a perfect fit for high-margin verticals such as medical, brand management, security, and others. For example, eVision technology can help in the medical treatment and diagnosis of rare diseases by quickly searching medical databases and retrieving X-rays, DNA, and genes that might have already been diagnosed. eVision will reach vertical markets through relationships with developers and independent software providers.

eVision Team

eVision was founded in 1999 by a group of experts who have dedicated more than ten years of research to visual search technology. eVision is guided by a seasoned management team comprised of engineers and business executives with a successful background in the creation and delivery of cutting-edge technology products to the evolving marketplace. The chief architect of the visual search technology, Dr. Srinivas Sista, has ten years of R&D experience focused specifically on digital communication, image processing and pattern recognition.

eVision's industry leading advisory board is comprised of accomplished professionals from a range of high-technology industries. This team uses their business acumen to gather customer, partner, and industry feedback that helps build and implement the company's streamlined business strategy.

For more information, visit www.evisionglobal.com.

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