HARBOR SMARTSPHERE® "LIVING BUSINESS INTELLIGENCE" SERVICES

Announcing an entirely new kind of business research experience. Harbor SmartSphere® is a unique and powerful online platform for the delivery of continually updated intelligence. SmartSphere® projects are compelling decision-support tools for M&A activity, competitor awareness, business development, R&D, sales, marketing, and more.

January, 2004

Research Service Brochure

HR Harbor Research, Inc.
BOSTON | SAN FRANCISCO

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W e know what you want from business research. You want to pay for what you need and nothing else. You want laser-focus on your problems, not one-size-fits-all. You want it fresh, not out-of-date by the time you see it. Sometimes you want expert analysis, other times just the facts. Most of all, you want it to help you make good real-world decisions. And you want it now.

Harbor's SmartSphere® Platform Delivers What You Need

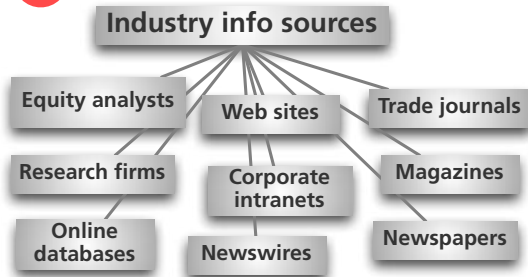We've created a dynamic knowledge service that re-invents business research.

▸ **Get access to pre-defined offerings, or define your own.** Harbor SmartSphere® is an online "living research" platform and environment. We use it to offer a variety of pre-defined business intelligence projects on hot technology subjects and markets. We also use it to create custom research projects defined by our clients. In custom projects, information is directed precisely at your goals, with maximum relevance and value. We can launch and maintain custom projects for a month, a quarter, a year—whatever you need, and nothing you don't need.

If you've come to doubt the value of static, quickly obsolete research "reports" on volatile technology subjects, you already understand why we created SmartSphere®.
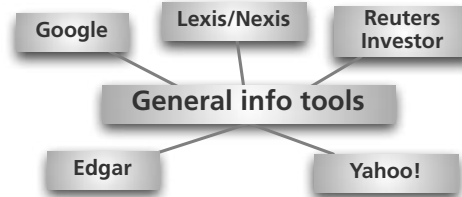
▸ **Up-to-the-minute information.** The landscape of high technology changes much too fast for static, one-size-fits-all "research reports" to have significant practical value. Our dynamic, online "living research" tracks players and events continually with the talents of experienced researcheres and analysts, aided by sophisticated information monitoring and gathering techniques like automated news feeds and Web services.

▸ **Powerful decision-support tools.** The information tracked and collected for you can be queried and displayed in numerous meaningful ways. Interactive charts show you the big picture and let you "drill down" to deeper information or another angle of view. Data-visualization tools let you move quickly and intuitively through the world you're tracking, with understanding and insights you wouldn't have otherwise.

The Information-Overload Problem for Business Executives...

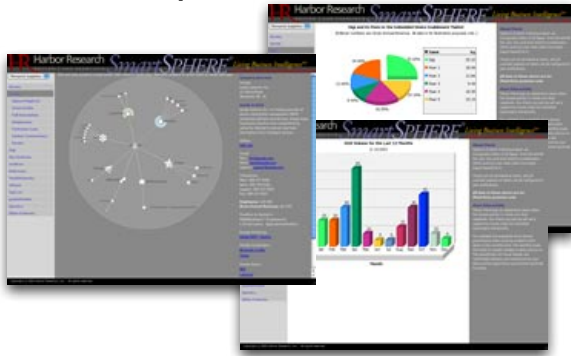**1** **There's too much to stay aware of.**

Industry info sources

Equity analysts
Web sites
Trade journals
Research firms
Corporate intranets
Magazines
Online databases
Newswires
Newspapers

2 **Available tools are blunt instruments not focused on business realities.**

Google
Lexis/Nexis
Reuters Investor
General info tools
Edgar
Yahoo!

4 **...dynamic, focused, and useable "living business intelligence."**

Company Profiles

Company Performance
• Financial
• Market share
• Forecasts, bookings & ships

Strategic Alliances
• Technology
• Investors
• Investments
• Strategic customers
• Selling and channels
• Marketing relationships
• Strategic suppliers

Organization
• Management
• Employment trends

Marketing & Sales
• Market Focus
• Sales & Channel Strategy
• Pricing

Products, Services, & Tech.
• Product & Service Strategy
• New releases
• Market perceptions
• Innovations and R&D

Operations & Production
• Facilities and equipment
• Production costs
• Outsourcing

...and Now: the Solution.

3 **Harbor's SmartSphere® research services provide...**

▶ **Expert Harbor analysis.** Whether it's general competitive intelligence or a specific strategic initiative, you want research for a reason. We aim our information-gathering and analysis directly at your needs and goals.

▶ **A crystal-clear value proposition.** In Harbor-configured standard projects on hot technology subjects and markets of interest to many subscribers, SmartSphere® dynamic research completely eclipses static, printed research. In custom, client-configured projects, SmartSphere® amounts to virtual consulting—without the consulting price tag. And if you need conventional consulting as well—whether from Harbor or another firm—a SmartSphere® project is a perfect complement.
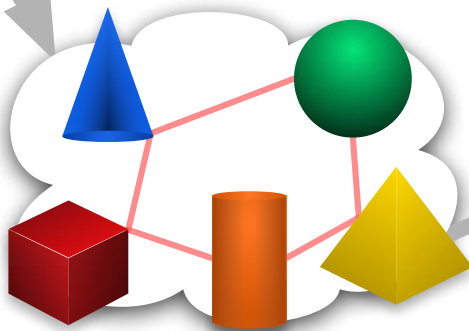
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1 **Every day, our researchers and smart software agents...**
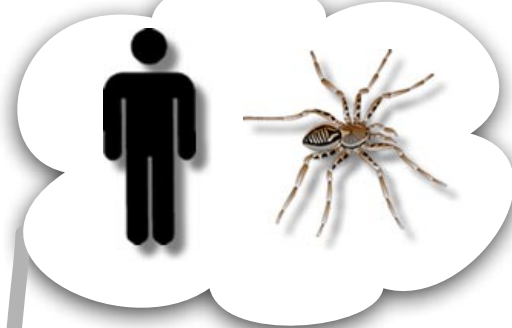
2 **...track Web pages, online databases, and Web info services.**

4 **...and integrate it with your processes and methods.**

3 **Then we analyze and interpret the information in light of your goals...**

The Rules of High-Tech Business Have Changed

Proprietary high-tech sources of vast wealth—operating systems, database managers, and network connectivity itself—are quickly becoming declining-profit commodities that will not drive future value. The era of monolithic vendors is over, and market penetration now depends on creative alliances and "business webs." Digital information is now the DNA of global business and is transforming the very structure of the enterprise. Human-centric applications are quickly giving way to machine-centric applications that will automate business in ways never before possible. There will be big winners in the emerging global economy, but the game will take place on a changed playing field.

Change has always been the order of the day in high-tech. That change is now occurring blindingly fast. Making sound decisions in such an environment requires business intelligence that captures raw information dynamically and analyzes it for the patterns, trends, and forces that will shape a business's world.

HR

Technological Change: We Don't Just Study It, We Do It

Thus it should go without saying that the rules of the game for business research have changed, too.

The irony of most technology-centric research firms is that they study and report on the most rapidly changing subjects humanity has ever known…in the same way they've been doing it for the last 40 years. Of course, every firm's analysts now "use the Web" day in and day out. But if you visit the Web sites of those firms themselves, you'll find a list of published "research reports" for sale, just as always.

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Harbor SmartSphere® interface, with our new data-visualization tool: the "SphereMap™"

You need to see whole worlds at a glance and understand how they fit together—be it the world of a company's alliances, or of a market, or of a specific technology.

We track the worlds you need to know about, and give you powerful tools for exploring and understanding them.

Now, if you need a "backgrounder" on something, such reports might be fine. Or they might already be hopelessly out of date. The shelf-life of technology information is notoriously short. If a research company is not updating all its published materials continually, those documents will soon be next to worthless—even as basic background.

And if an executive decision-maker needs support more personalized and relevant than a one-size-fits-all static report, the next step is a full-blown consulting engagement—and the sticker-shock that goes with it.
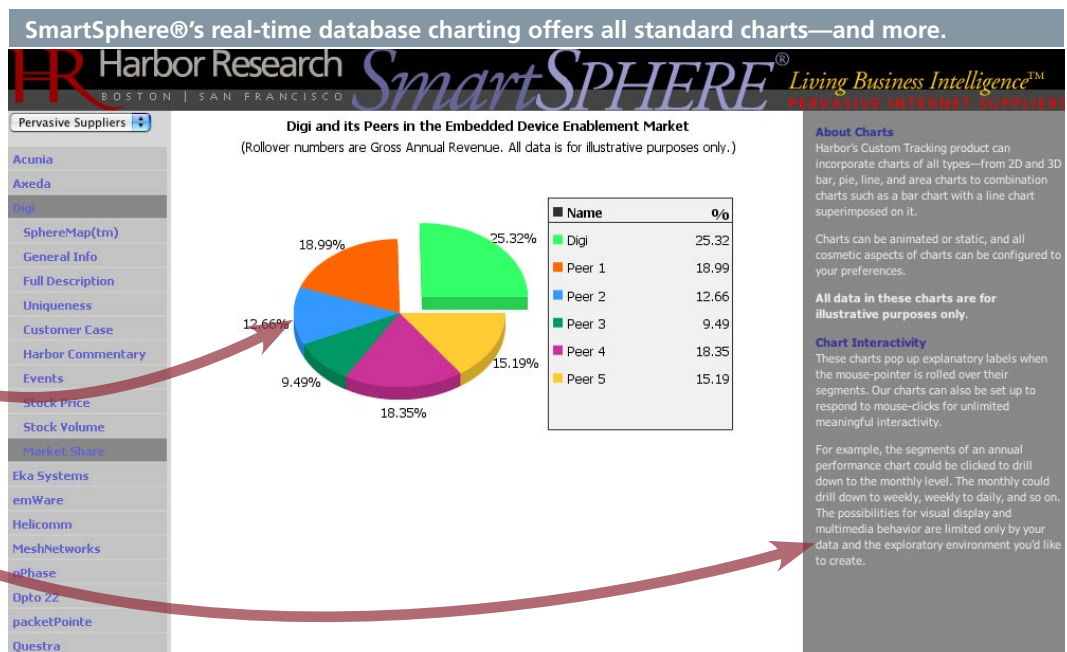
Enter SmartSphere®

It's been a long time since most business research companies re-evaluated the meaning and value of their core offerings.

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Here at Harbor Research, we *have* re-evaluated those things. The result is our SmartSphere® business intelligence platform: an entirely new way of creating and delivering research value.

The quantitative data you need, charted the way you want to see it.

Related profiles, events, and analysis are always available.

SmartSphere®'s real-time database charting offers all standard charts—and more.

Personalization, Optimization, and Instant Gratification

There's nothing dead, static, or yesterday about Harbor SmartSphere® projects. They are "living research" that gets its life from ongoing, smart information-gathering— both manual and automated—along with the power and speed of relational databases, Web delivery, and interactive multimedia presentation.

A SmartSphere® project takes the form of a personalized Web application aimed directly at your core information needs. Every time something happens in the world of your defined interests, it becomes part of the record. Every time you log in to your portal, you have fresh information—some of it gathered by analysts and researchers, some in more automated ways that leverage the growing power of the Internet.

Our own conclusions become part of the record, too, in the form of Harbor commentary. But we also give you a wealth of tools for analyzing and visualizing

information for yourself. You can chart quantitative data exactly the you want to see it—in pies, bars, lines, and every other imaginable kind of graph.

And even where information is not strictly quantitative—for example, the structure of company alliances and relationships—we provide means to see it graphically, because looking at your world from fresh angles and altitudes has great value. We are firmly committed to true data-visualization—not to be confused with mere "eye candy." Our interactive charts, maps, trees, and data-grids are not static on-screen pictures. They're the user-interfaces of real information tools that you use to dig into relationships, alliances, events, trends, and forces.

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Harbor SmartSphere® offers a spectrum of data visualization, including all types of charts.
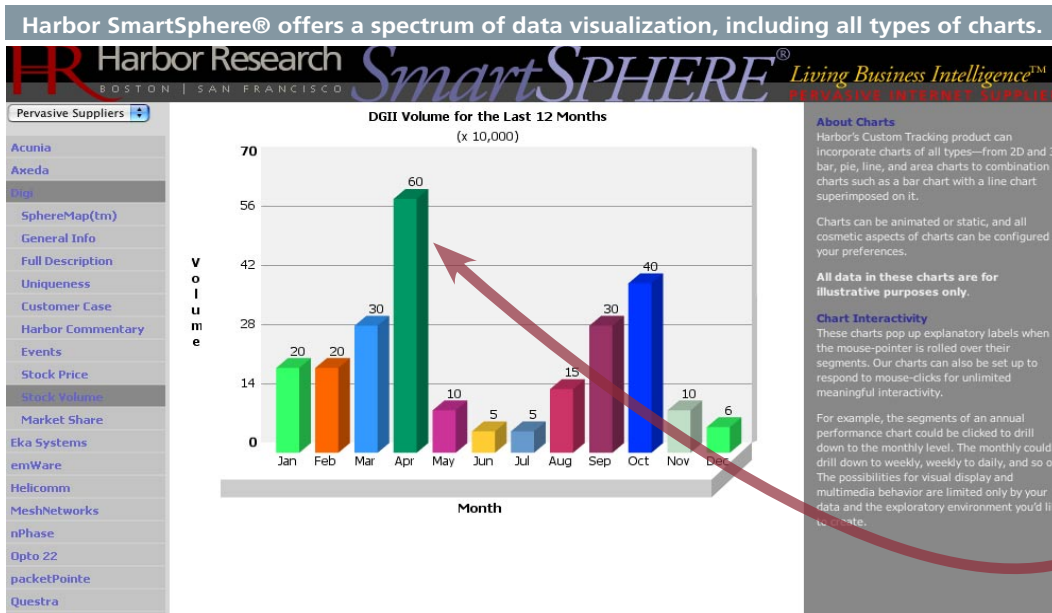
A Custom Tracking service agreement means constant updating of your research targets.

Your information is always up-to-date and instantly accessible. That's why we call it "living business intelligence."

And SmartSphere® projects feature clear, concise writing. Our researchers, analysts, and editors not only know technology and business, they know how to communicate. We present full descriptive portraits of companies, technologies, and market venues, along with aggressive event tracking and insightful Harbor commentary.

And though we deliver SmartSphere® projects online, we haven't forgotten the importance of life outside the Web browser. All projects have full support for report-generation in PDF format—Adobe's widely used "digital paper" file format that you can print out and take to a meeting or read on a plane, or easily attach to an email.

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Who are the important players in a market? Who has investment, and from whom? Who owns, licenses or leverages an important technology? You see exactly what you've asked us to track.

While exploring the map of a world, see company profiles, events, and Harbor analysis instantly.

Company maps become maps of entire market venues with a single click.
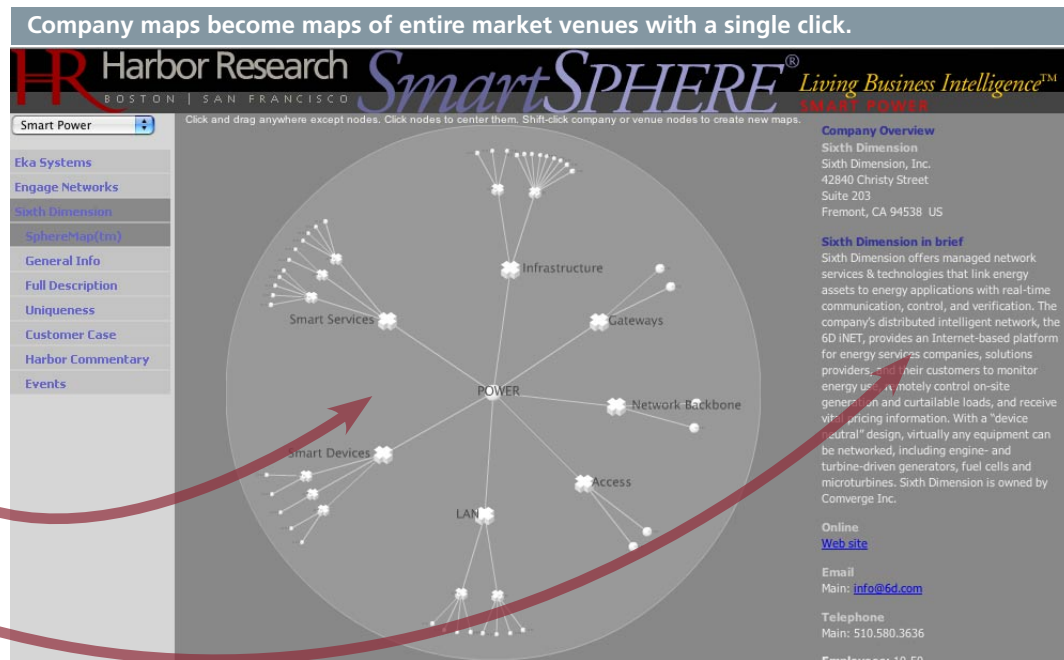
What Can We Track?

In the end, it all comes down to companies and what they're doing. Often, you'll want to track and compare specific companies directly—for competitor awareness, M&A planning, sales, R&D, or the pursuit of strategic alliances for business development. But companies need not be your direct focus. SmartSphere® projects can also be configured to follow specific market venues, technology segments, or any combination of interests. Specific "trackables" include (but are not limited to):

▸ Company Web sites, news, and press releases

▸ Online technology discussions and newsgroups

▸ Patent filings

▸ Investment events

▸ Stock performance, insider trading, and other public-company financials

▸ Academic research

Dynamic data grids display selected aspects of many tracked entities at a glance.

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Data-grids cut across a number of database records simultaneously, showing at a glance what they have in common, or how they differ.

Data-grids can be re-sorted and "drilled into" with a click.

How Much Does a Custom SmartSphere® Project Cost?

Custom intelligence tracking is intrinsically client-specific, and thus priced according to your needs and goals. That said, our own goal is always to deliver clear value when compared to the costs and limitations of conventional research and consulting.

Typically, a custom SmartSphere® project involves two basic costs:

- ▶ A flat fee for the evaluation of your needs, and initial set-up of the portal's databases and interfaces.
- ▶ A quarterly or annual fee for the portal's maintenance.

You can re-configure the focus of an existing custom SmartSphere® project at any time, with fees to be negotiated based upon the desired modifications.

Is a Custom SmartSphere® Project Consulting or Research?

It's a unique combination of both. The point is to transcend the limitations and frustrations of traditional one-size-fits-all business research—without the whopping price-tag of a conventional consulting engagement. To personalize the service, we carefully evaluate your needs, and then create a data schema and presentation designs that meet those needs. In that sense, a custom SmartSphere® project certainly does go beyond stock research and into the realm of consulting and real-world problem-solving.

You need to know what has happened in the worlds you live in, and why it's significant.

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You could spend hours each day sifting through e-mail and Web sites, and still miss crucial items that we catch with experienced researchers and automated tools.

Links to related company and technology records are embedded in the display of each event.

Extensive event tracking with every event linked to companies, products, and markets.

But not everything about a SmartSphere® project is done from scratch for specific clients. That would hardly be a cost-effective "new kind of research." Rather, all our customers benefit from our longstanding, deep domain expertise in computing, communications, and Internet technologies. Similarly, all customers benefit from our commitment to the evolution of "living business intelligence," which includes our mastery of the smartest information-gathering techniques, ongoing development of rich Internet applications for fast, low-cost delivery of time-sensitive content, and innovative use of the latest multimedia technologies for the best possible end-user experience.

Can SmartSphere® Projects Be Combined with Conventional Consulting?

Yes. In fact, most of our engagements now include a SmartSphere® project because it provides an excellent support-tool during the consulting process, and offers continuing value afterwards. Clients can retain access to their custom portals for historical reasons even if they elect not to continue ongoing maintenance.

In Summary, Harbor's SmartSphere® Service Is...

▸ Laser-focused on your opportunities and decisions.

▸ Relevant in a way that "one-size-fits all" research can never be.

▸ "Living business intelligence" that stays timely and doesn't go out of date.

▸ Rich with data-visualization tools that produce new insights.

▸ A clear business research value-proposition.

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Visit the SmartSphere® Demo or Contact Us for More Information

A live demonstration of SmartSphere® is available at http://harborresearch.com/smartsphere/. For more information, call us at 800.595.9368 x24 (outside the U.S., 415.615.9400 x 24), or send email to info@harborresearch.com.

About Harbor Research, Inc.

Harbor Research Inc. has been providing strategic consulting and research services to leaders in communications, computing, control, and content since 1983. The firm has built extended relationships with larger multi-line companies including AT&T, ABB, General Electric, Danaher, Eaton, Emerson, Hewlett Packard, Honeywell, Hughes, IBM, Intel, Invensys, Lucent, Motorola, Rockwell, Siemens, and Texas Instruments, as well as focused growth companies such as EMC, Cadence Design, Conexant, Qualcomm, SAP, and PTC.

We also continue to work for a broad array of emergent start-ups and pre-IPO technology ventures. We have built relationships with a number of significant Pervasive Internet players, including Questra Corporation, Xsilogy, DataSweep, eDevice, Wireless Innovation, and emWare, to name a few.

Harbor is organized around emergent and disruptive opportunities in high technology, with a unique focus on the impact of the Pervasive Internet—the use of the Internet to accomplish global device networking that will revolutionize business by unleashing entirely new modes of system optimization, customer relationships, and service delivery.

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