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idoor
get the music you want

Making it easy for everyone to
get the music they **hear** and **want**



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This abstract is intended solely as marketing information to stimulate investor interest in iDoor and is not an offering memorandum or management summary. The information contained herein represents the opinion of iDoor LLC management. The management team makes no representations or warranties with respect to this information. The financial projections that are part of this plan represent estimates developed by iDoor LLC management and are based on certain financial assumptions by management and cannot be guaranteed.

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Each prospective investor should consider carefully the risk and other important factors attendant with any such purchase, including, but not limited to, those factors discussed in the Private Placement Memorandum, and should consult with his own legal, tax, and financial advisors. The patents relating to the iDoor processes are in a patent pending status.

Company and Product names used in this abstract are examples only. iDoor currently has no business relationships with any of these companies. These names are trademarks of their respective companies.

iDoor, LLC.

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Document # _____



iDoor is an exciting solution that enables people to solve a simple but recurring entertainment problem. Consider the following situation which has been experienced by most of us.

You **hear** a piece of music that you **want** while listening to your car radio. To obtain this music you must know the title or artist. You must make a mental note or write a note and you must not lose or forget to use your note.

We hear music all around us in countless settings. Music moves us, makes us feel good, energizes us. Often we would like to acquire what we hear, but more often than not we just do not have the necessary information to help us find that music. Most people have experienced situations in which they wanted a musical piece but were unable to identify it or note it.

But even getting the information is no guarantee! Because today the process of acquiring the music is often just too inconvenient. Shopping at a music store, for example, requires us to bring our notes or remember this information. Shopping online requires us to know exactly what we are looking for.

These recurring situations represent an untapped market within the music industry and lost benefits for listeners.

The simplicity and universal nature of this problem underscores the investment opportunity and business potential for a solution to this problem. **iDoor provides the solution** and opens the door to this business potential.



iDoor provides the solution by making it easy for everyone to get the music they hear and want! With iDoor music consumers don't need to know the title, the artist, and don't need to make a note of the music they want. Furthermore, iDoor is easy to use, eliminates the need for computer knowledge, and minimizes human intervention in the process of acquiring music.

The iDoor solution works in the following manner:

Step 1 – Note the music you want:

The solution begins with a small electronic device that samples information about the music. You will simply push one button when you hear a piece of music that you like and are inclined to acquire.

Step 2 – Get the music you want:

You will browse through the music you've noted during step 1, above, at the convenience of your home or at any iDoor participating retailer. The information stored in the iDoor device will be automatically matched to the full music tracks to enable you to browse this music list. Significantly, you don't have to recall any information to enable this match, and you will not need to type anything. Following the match, the full song can be easily acquired from an online music store, purchased as an album, burned to a CD, or loaded to a MP3¹ (music) player. If you are in a store that sells music you will be referred to the exact shelf location displaying the album.

An iDoor music kiosk could be available at retailers, meeting the needs of people on the go or who have limited experience with personal computers (PCs), making the use of iDoor easy and convenient for everyone, even tech novices. It is easy to imagine iDoor kiosks sprouting up in large retailers (i.e. Wal-Mart,

Target), specialty retailers (i.e. Borders, Barnes & Noble, Sam Goody), and in many other retailers such as Starbucks where music is now sold.

iDoor could generate significant revenue for a sizeable and diverse collection of retailers by offering their customers the ability to easily connect with their desired music.

The iDoor electronics can be used in numerous configurations. For example, iDoor can be applied successfully to:

- the control panel of an automobile,
- a mobile phone,
- added to MP3 players such as iPod,
- added to PDA devices like PALM,
- even as a keychain.

These are just a few of the many applications where iDoor could be used. These examples only begin to describe the broad application of the iDoor solution and the diversity of potential revenue streams it can create.

iDoor, LLC plans to generate these revenue streams by launching iDoor solutions in the marketplace. This abstract briefly introduces iDoor, LLC, its projected revenues from targeted market segments, and offers notice to selected investors that an exciting opportunity with iDoor is available to them. A complete business plan can be made available to interested investors (see "Requesting the Business Plan" on the inside back cover).

¹MP3 is a standard digital file format used especially for digitally transmitting music over the Internet. MP3 players are devices capable of playing music from this file format. Apple's iPod is an example of a MP3 player.



iDoor, LLC is the start-up technology company which plans to commercialize the solution and process conceived by the inventor of iDoor. Patents are pending, but there is no guarantee that patents will be issued. The necessary patent technology will be licensed to iDoor. iDoor will initially exploit this process by developing prototypes that together form a complete go-to-market solution. The funds raised from iDoor investors will be used to develop the prototype products and fund initial operations for two years.

Initially, iDoor plans to sell its solutions to the following targeted market segments:

- Car manufacturers
- Car audio system after-market
- Online digital music providers (e.g. Apple, Microsoft, Sony, Rhapsody)
- Mobile devices (e.g. Motorola, Nokia, Samsung)
- Internet search engines and internet service providers (e.g. Yahoo, Google, AOL)
- Retailers (kiosks at Walgreen, Starbucks, Wal-Mart, Borders, etc.)

iDoor is designed to be complementary to the existing music industry and internet music sales. Consumer need for iDoor seems so pervasive – and the solution is so simple to operate – that we expect demand will be created by the masses.

No PC skills nor technical skills will be needed to use iDoor successfully. Since iDoor will eliminate typing, the solution will appeal to the broadest base of consumers. The simplicity of the solution, its universal need, and consumer demand suggests that iDoor will become integral to the music industry. Consequently, iDoor is expected to:

- become a standard for the music industry, and
- allow numerous businesses in diverse industries to benefit from its capabilities.

iDoor's ability to easily satisfy consumer's insatiable appetite for music should ensure it's adoption and success. We believe this adoption and other iDoor benefits will compel retailers and online music providers to seek iDoor licenses. iDoor will also benefit from the rapidly growing competition between online music providers seeking growth through new features leading to even greater demand for iDoor.

To successfully roll out iDoor, the management team has decided to strategically focus initially on the US market. iDoor revenue projections are therefore based upon US music industry data, an \$12 billion annual market! With global music sales at \$40 billion annually, the future potential of iDoor could be much greater than is presented in this document.

These plans and US revenues for iDoor are discussed fully in the iDoor Business Plan (see "Requesting the iDoor Business Plan" on page 13).



Easy, almost seamless, access to music is a good example of how iDoor will bring value and enjoyment to peoples lives.

Company Philosophy

“There has yet to be a culture discovered which lacks music” – Dr. Sarah E. Worth, Furman University

Scientific research has shown the connection between music, cultural development, brain mechanisms, child development, perception, learning, memory, performance, and health.

The list is long and it seems that as humans we need music in many settings. The iDoor management team sees a clear notion that suggests music is most enjoyed and has the greatest benefit when we can select the music we prefer. iDoor satisfies this innate human need. We are planning to positively effect people around the world by connecting them to the music they desire.

iDoor seeks to positively affect people's lives through its mission to provide products, services, and solutions of the highest quality, and to deliver value to our customers by making digital content easily accessible and relevant.

iDoor solutions have the potential to positively affect a very large segment of the wired world population by opening the digital world to a larger audience more rapidly.

Management Team

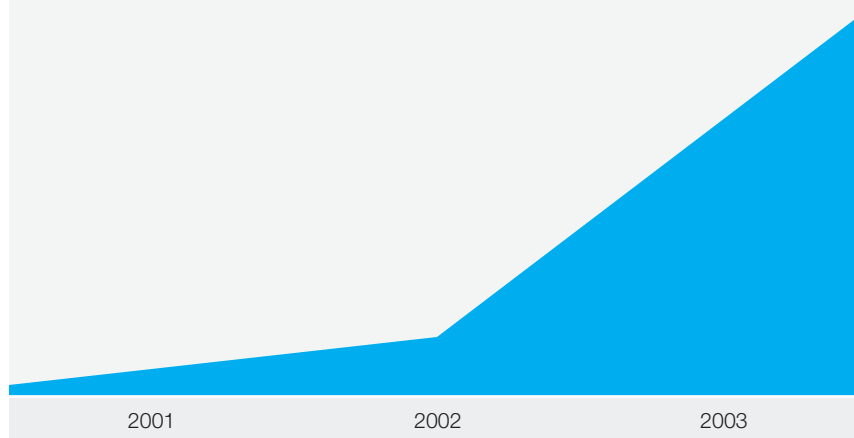
The iDoor management team is comprised of three seasoned, successful technology executives – Steven R. Lowy, Dave Jaenke, and the inventor of iDoor – each of which has had over 20 years experience in managing growth companies, solving business problems, and providing the leadership to execute business plans effectively and efficiently.

Advisory Board

The company plans to establish an advisory board to advise iDoor on how to structure the product offerings and help sell into each industry. We will aim to invite executives with strong industry experience from the automobile, telecom, on-line music, large chain store, internet, and internet search engine industries as well as a music artist.

Marketplace Excitement: Why you should be interested

Digital download of music



The world would be a very quiet place without music. Since the origins of humanity, music has played a prominent role in the definition of society and civilization. Today, the means by which music is delivered into our everyday lives is expanding and becoming easier. iDoor is ideal to the needs of this era. The emergence and growth in the downloading of digital music is a compelling indicator of this change.

This shift in delivery is paralleled by a shift in the music marketplace. The music market as a whole achieved sales in 2003 of \$12 billion in the U.S. and \$40 billion globally.ⁱ Digital music is a growing segment of this market as shown in the chart above right. Digital downloading of music has more than doubled every year since 2001. During the first half of 2004, the number of paying consumers downloading digital music increased 150%, further demonstrating the growing demand for digital music.ⁱⁱ It also has been reported that 65 million Americans have downloaded music.ⁱⁱⁱ Apple users alone are buying more than 4 million songs per week, and will purchase more than 200 million songs this year.^{iv}

As remarkable as these figures are, digital downloads still represent a small fraction of music sales, at just 1.3% in 2003. But the music industry, movie industry and broadcast networks all have developed vast and growing libraries of digital content. Sony, for example, is creating a huge digital library with more than 500,000 songs, nearly 1,000 films, and 33,000 hours of TV programming. Sony, Apple, Microsoft, Wal-Mart, Rhapsody, and Napster are just a few of the growing number of participants that have large volumes of digital content awaiting increased access and use by consumers. iDoor opens the door to this increased access.

According to the Recording Industry Association of America (RIAA) the success of Apple iTunes in the USA, now joined by Rhapsody, Napster and others, is paving the way for the rest of the world. In Europe, services, like Tiscali, MSN Wanadoo, and traditional retailers such as FNAC, Karstadt and Virgin are offering an online catalogue of more than 300,000 tracks and there are some 30 sites in Europe where consumers can now buy downloads.

"We all like to talk about the digital age. But we are only digitizing – thus far we were not able to let the digital world work for us."

*Steven Jobs, Apple Computer
President and CEO*

Taken together, the small market penetration of digital downloads, contrasted against the substantial and continuously growing base of available digital content, gives credibility to Jobs' observation, which is, connecting consumers to the music they want must become easier before digital music purchases begin to dominate overall music sales.

iDoor bridges this gap perfectly by providing the solution.

iDoor plans to fill this marketplace void by empowering consumers with a solution that has no competitive alternative. iDoor will mix fashion, brand, and music desire into sleek consumer products that will be part of a rich portfolio of products and services.



The digital music marketplace is growing and evolving. iDoor products are complimentary and could help grow these entertainment delivery methods. Together, this projects fiscal success of iDoor while rapidly yielding a positive return for its investors. iDoor may reduce investment risk by operating in diverse markets with numerous sources of revenue from both online and traditional music sales.

Investment in iDoor

The projected financial return for iDoor is compelling with a very high multiplier X the initial investment. We have reasonable expectations that the investment multipliers will yield one of the following scenarios:

1. Selling the company and its technology after 1 to 2 years could yield a multiplier of 4.
2. Selling the company after it becomes fully operational in 2 to 4 years could yield a multiplier of 15.
3. After 3 to 5 years of operations taking the company public in an IPO may yield multipliers in excess of 30.

The iDoor valuation and return on investment is described in detail in the iDoor business plan.

Naming Rights

iDoor will consult with large, interested investors with regard to naming rights.



Emerging digital technologies and the internet are creating opportunities for digital content delivery as never before. Over the next few years, the number of digital devices capable of playing digital music will grow exponentially. It is significant to note that iDoor does not compete with these devices, but supplements them with new and exciting features to create an unprecedented growth potential. iDoor management firmly believes that this is the ideal time for iDoor to enter the emerging market, creating an outstanding opportunity for our investors.

The opportunity for iDoor is supported by clear evidence that there has been a fundamental shift in the consumer music paradigm. This shift has been driven by the proliferation of computer-based audio hardware, the rising familiarity with digital music, and media coverage of Napster, the iPod, Wal-Mart, Microsoft, and many others.ⁱⁱⁱ The figures below give substance to this exciting paradigm shift by consumers:

- 30% have downloaded music or MP3 file off of the Internet (65 million Americans)ⁱⁱⁱ
- 58% have listened to a recordable compact disc on their car audio system (125 million Americans)ⁱⁱⁱ
- 53% have listened to a pre-recorded music CD on a PC's CD-ROM drive (110 million Americans)ⁱⁱⁱ
- 37% have listened to digital music files that were stored on a PC's hard drive (80 million Americans)ⁱⁱⁱ
- Apple's iTunes users alone are now downloading more than 4 million songs per week, a rate of over 200 million songs per year.^{iv}

This changing paradigm is characterized by consumers having a broader view of the way music is currently sold, distributed, played, stored, and organized. Forrester Research has predicted that 33% of music sales worldwide will come from downloads and online subscriptions by 2008, rather than pre-recorded music – we believe that iDoor will be one enabler of that paradigm shift.

iDoor will quickly take advantage of this emerging music paradigm and is expected to dramatically accelerate this shift while creating revenue from several sources. Revenues for iDoor are expected from a broad number of markets, and the iDoor company plans to develop a robust portfolio of revenue-generating opportunities and products.

iDoor's entry into this marketplace will be marked by the development of three prototypes:

- for automobiles
- for hand-held devices,
- and an iDoor automatic music search mechanism

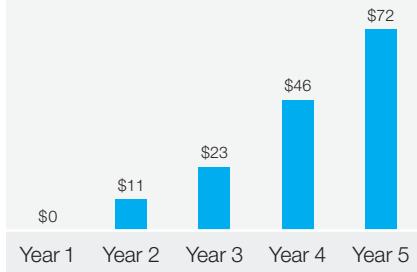
Together, these three innovations form a complete solution set for diverse markets. These prototypes are highly complementary to the growing digital music marketplace (Apple, Microsoft, Sony, Napster, and others) and also to the needs of the retail market (Wal-Mart, Starbucks, Borders, and others).

Markets and Sources of Projected Revenues

continued



iDoor projected automobile integration revenues – (in millions). See assumptions in the business plan.



Automobile Integration

Without a doubt, the automobile is one of the places most Americans are frequently exposed to music. But there are inherent difficulties in easily and safely noting the music in a moving car. With 34 million Americans spending over 45 minutes commuting one way to work,^v there is a definite opportunity for iDoor. The application of iDoor to the automobile provides a value added solution providing benefits to automobile manufacturers and their consumers. iDoor gives manufacturers another exciting feature for integration into the automobile, it helps them to compete, and consumers can enjoy the iDoor feature to note the music they want.

The iDoor marketing strategy is to enter the automotive marketplace in three segments that include automobile manufacturers, audio manufacturers that target the automobile market, and an aftermarket kit that will provide iDoor capabilities without replacing the existing audio system. This strategy lays the foundation for a broad penetration of this market segment. This plan could also drive increased volume for online music providers and retailers, which in turn will create volume for iDoor royalties. iDoor's strategy is to set a low-cost license fee that will result in a broad and rapid adoption of iDoor into automobiles.

Automobile Manufacturers

Automobile manufacturers produce more than 15 million cars every year.^{vi}

These new cars are an obvious market segment for iDoor; configuring the steering wheel or dashboard with iDoor capabilities is the ideal way to simply and easily solve the problem of noting the music while driving. The application of iDoor to the automobile provides an exciting new feature for manufacturers, giving them another unique valued added option on their cars, creating additional interest and demand, while providing consumers with what they desire.

Automobile Audio Manufacturers

Manufacturers like Alpine, Bose, Sony, Pioneer, Panasonic, Kenwood, Blaupunkt, and others sell over 29 million car radios annually,^{vii} 11 million of which are aftermarket sales. iDoor's strategy is to penetrate this market segment by partnering with these manufacturers to enable future car radios to be equipped with iDoor.

Automobile Aftermarket

Another source of revenue will be derived from the automobile aftermarket. iDoor can be packaged and offered as an add-on kit that will enable the over 213 million cars and light trucks on the road today to have iDoor. iDoor plans to partner with aftermarket parts retailers and outlets to sell and install the iDoor kit.

The iDoor management team used conservative penetration rates for all of these market segments. Still, the revenue from the automotive segment is significant. The projected revenue for this market is at \$152 million over five years.

Handheld Devices

Handhelds of all kinds are now commonplace. Mobile phones, personal data assistants (PDAs), and MP3 (music) players have become important tools at work, for communication with family and friends, and as a form of entertainment delivery. This observation is supported by a recent survey which reported that 85% of working Americans take their mobile devices with them everywhere.^{viii} The growing use and everyday presence of hand-helds makes these devices a great instrument for music delivery.

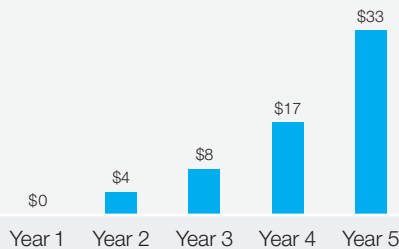
Not surprisingly some hand-held devices are becoming a platform for music delivery. The high-tech market research firm, In-Stat/MDR, reported that 11.4% of US mobile cellular subscribers are interested in full-featured music services for their wireless phones. iDoor's design for handhelds meets this consumer demand and will be ready as this new services market begins to ramp up.^{ix} This market represents a significant opportunity for iDoor given the size of the mobile market in the US.

The handheld market is large and includes mobile phones, MP3 players, PDAs, and convergent devices². Consider the following statistics:

- There are 172 million wireless subscribers in the United States^x

² A device that combines capabilities typically from mobile phones and PDAs

iDoor projected handheld devices license revenues – (in millions). See assumptions in the business plan.



- In the MP3 market, Apple has already sold more than 11 million iPods.
- According to London-based research firm Informa Media, consumers worldwide were expected to buy 10.8 million next-generation MP3 players in 2004, bringing the total installed base to 21.5 million units by the end of the year.

To take advantage of this large market, iDoor plans to develop software for mobile devices like Apple's iPod, other music players manufactured by Apple's competitors (e.g. Sony and Microsoft), and software for mobile phones (e.g. Motorola, Nokia) with digital capabilities. iDoor's strategy will benefit from the rapid change in hand-held mobile devices. For example, the cellular handset market has been going through a complete evolution in the last few years. When a technology does evolve, history shows us that the content of a handset can change quickly. Note that cameras in mobile phones went from zero to over 150 million in just two years. Other technology applications like iDoor can and likely will move just as fast.

Companies that could have an interest in adding iDoor capabilities to their mobile consumer products include Sony, Apple, Samsung, Dell, Motorola, Palm, Nokia and many others.

The collective market for mobile phones, MP3 players, and PDAs encompasses a significant revenue stream for iDoor which is projected to produce \$62 million over five years.

Retailers (iDoor Music Kiosk)

The retail market targeted by iDoor has a number of diverse segments that include large retail chains (e.g. Wal-Mart, Kmart) music specialty stores (e.g. Musicland's Sam Goody, Virgin), and other retailers (Borders, Starbucks, Walgreen) that can benefit from iDoor's capabilities. Traditional brick and mortar retailers are very interested in bringing shoppers into their stores, increasing foot traffic and increasing in-store sales for other goods as well. iDoor has an exciting solution that could bring consumers of pre-recorded music into these retailer's stores. iDoor also gives these retailers an exciting retail connection to digital music through either their own online digital music store or by connecting to an existing online music provider.

An iDoor Kiosk may encourage consumers to walk into the retail store, simply connect their iDoor device to this kiosk and be referred directly to the proper shelf for music or DVD purchase. Retailers will also be able to offer their shoppers an exciting option to burn a personalized CD which contains the music identified through the iDoor process, and then print a personalized label for their new CD. The retailer will also be able to offer an option to download the music directly to an MP3 player. These features provide retailers with the potential to increase revenue and achieve better margins, a compelling reason for retailers to have an iDoor kiosk in their stores. The kiosk makes

getting music while shopping for other merchandise very easy, and even eliminates the need for them to have access to a computer at home or at work. This opens digital music to a much larger demographic, resulting in additional iDoor revenues.

The iDoor Kiosk already has an analogy in the photographic print market, where consumers can preview, select, and print pictures from their digital camera. Kodak's Picture Maker kiosk is an example of a kiosk creating benefits for retailers and consumers alike. With this analogy in mind, it's easy to foresee consumers connecting to an iDoor kiosk while at the grocery store, video rental store, pharmacy, large retail chain, music specialty store, or in many other retail situations.

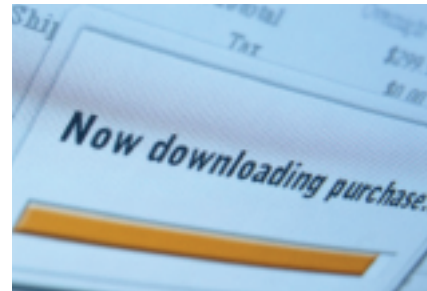
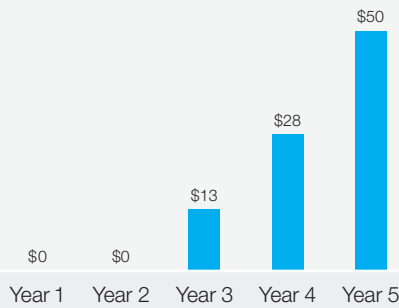
The iDoor kiosk opens the music marketplace to a very broad set of retailers who can expect to benefit from on-premise iDoor music sales, as well as the purchase of other products generated by the same shopper. Retailers will be able to select from the iDoor-supplied kiosk, or license a custom-branded kiosk.

Large Retail Chains

Large retail chains such as Wal-Mart, Costco, Best-Buy, Target, and others are expected to be very interested in the benefits of having an iDoor kiosk in their stores. For retailers like Wal-Mart which already have online music operations, the addition of the iDoor kiosk has very significant benefits. iDoor creates a synergy between its brick and mortar retail operations and

Markets and Sources of Projected Revenues continued

Projected iDoor retail revenues – (in millions). See assumptions in the business plan.



its online operations, creating reciprocal benefits for both. Wal-Mart presently has only 6% of the online digital music market share; iDoor is a solution that can help to increase that market share as well as sales of other goods. Other retailers like Walgreens, Blockbuster, and others can be expected to follow this approach.

Retail Music Specialty Chains

Retailers that fall into this category include music specialty stores (e.g. Musicland's Sam Goody, Virgin), combination book and music stores (e.g. Borders, Barnes & Noble), and video stores (e.g. Blockbuster, Hollywood Video). iDoor is expected to increase foot traffic for these specialty retailers and also increase retail sales of pre-recorded music. iDoor is a powerful tool for retailers seeking additional online opportunities, or to increase sales in their brick and mortar operations. For the first time since the rise of Internet sales, in-store sales will be as easy as online purchases. The iDoor kiosk's ability to quickly identify and refer the consumer to the proper shelf for the music they desire is a key benefit for consumers and retailers alike.

Other Retailer Opportunities

The possibilities for an iDoor Kiosk in other retail situations are extensive. Retail chains like grocery stores, pharmacies (e.g. Walgreen's), and larger retail office supply stores (e.g. Office Depot, OfficeMax) can be expected to have an interest in the potential to add incremental music sales to their operations. Grocery

chains already provide video rental services and music sales are a natural next step for these retailers. Retailers such as Walgreen's have a retail strategy of maximizing the revenue from each customer that steps into the store. iDoor fits perfectly into this strategy. These retailers and others can benefit from the small footprint of an iDoor kiosk.

Other retail situations also include large specialty chains such as FedEx, Kinko's and RadioShack, or Starbucks.

Starbucks has become a prime example of a mass retailer where people congregate to work, consume, and listen to music. A limited variety of pre-recorded music is available, undoubtedly because of the sizeable floor space required to carry an inventory of pre-recorded music. iDoor should be able to increase the breadth and potential of music sales in a Starbucks, while needing a very small footprint. [iDoor offers another reason for people to drop into their neighborhood Starbucks for coffee and to purchase their music from the iDoor kiosk.](#)

There are simply too many retail situations to consider exhaustively in this document. It is clear that an iDoor kiosk has substantial potential in the retail market. Revenues from iDoor kiosk licensing are projected at \$91 million over five years.

Music Royalties

[iDoor enables the consumer to easily get the music they want using an online music provider. Online music providers can expect iDoor to produce incremental revenue from two sources:](#)

1. Incremental sales from consumers who are subscribers to digital music but who fall into the category of hearing a musical piece that they could not identify for purchase. iDoor will make it easy for these subscribers to identify the unknown music for purchase.
2. New customers who have little or no experience in purchasing online digital music. The ease of use and simplicity of iDoor means that more consumers can be expected to purchase online digital music, increasing demand for online music providers. Even consumers without access to a computer at home or work will be able to acquire music online, simply and easily through an iDoor kiosk located at retail locations.

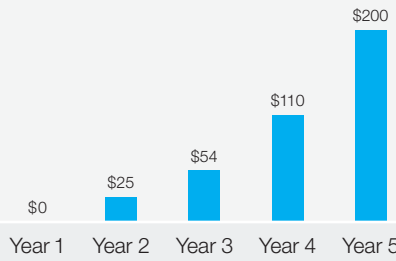
iDoor is expected to become the prominent means for consumers to regularly download digital music.

Online Music Stores

[There are a growing number of online music stores competing for market share.⁴ Since iDoor is a complementary service to these providers, their competition could produce substantial revenue for iDoor.](#) This is a significant value proposition for iDoor investors. [iDoor technology does not compete](#)



Projected iDoor online royalties and licensing revenues – (in millions). See assumptions in the business plan.



Summarized Total

iDoor projected revenue sources for the first five years. See assumptions in the business plan.

Revenue Source	Total iDoor Revenue – First 5 Years (millions)
Automobile Market	\$152
Handheld Devices Market	\$62
Retail Market	\$91
Music Royalties	\$389
Total	\$694

with these companies, but is a complementary feature that will be beneficial to all online music providers.

This promising market is growing rapidly. Since the second half of 2003, there have been a flurry of new service launches and existing service enhancements in the US. For example, retail chain Wal-Mart has started a digital service, Real Networks launched its RealPlayer Music Store, Sony launched its Connect downloads service, and Apple’s iTunes, which entered the market early, is expected to sell over 200 million songs in 2004.

Other companies, such as Internet Service Providers (ISPs), Microsoft, AOL, traditional phone companies (who are competing for business in content delivery), and many others are expected to enter this market. These companies are looking to content – such as music – to attract and retain customers. AOL, through their MusicNet service, and Microsoft, whose beta version of their music store is now online, are prime examples. The competitors in this market have a keen interest in the differentiation and incremental music downloads that iDoor can provide.

Revenues in the US for digital music downloads in 2003 reached \$154 million while worldwide revenues achieved \$359 million.^{xii} Revenues for 2009 are projected to reach \$14.7 billion.^{xiii} It is clear that there is a strong and growing online digital music marketplace. iDoor should derive revenues from this growing market

segment through royalty fees paid by online music providers. iDoor will license its search mechanism to existing and emerging online music providers and charge a royalty for each piece of music sold through the iDoor process.

Search Engines

There is a pitched rivalry among Internet search engine companies such as Yahoo, Google, AOL, MSN and others which are vying for market share with unique features. iDoor capabilities represents a significant differentiator for these companies and a deal with one or more of these companies is planned.

iDoor revenues from online music sales including license fees, royalties, and maintenance fees are projected at \$389 million over five years.

Revenue Summary

iDoor management utilized what it believes to be a reasonable, conservative approach in estimating the penetration rates for all markets to establish iDoor, LLC revenue projections. We also accounted only for the US market in this plan. The potential of iDoor could be even greater when it is sold globally.

We are aware that the revenues for such a young company are high. The reasons for such projections are:

- Currently there is no competition
- It is a 12 billion dollar industry in the US
- Research indicates that everyone will want this solution.



iDoor management believes that high profile companies like Microsoft, Disney, Wal-Mart, Starbucks, AOL, and others are motivated to establish a prominent position in music sales. The rationale for this interest is the tremendous potential for the emerging online music marketplace.

The current revenue from music sales for these players is insignificant when compared to the potential of the global music market of \$40 billion. Any conversion of this market will create a new revenue stream for these companies. Even a small percent of \$40 billion is a large and completely new revenue stream. **Absent a new technology, the market conversion to online music sales for these companies will occur too slowly to allow them to dominate the market.** iDoor provides an immediate mechanism that consumers will desire and the market can quickly adopt. This means that a company like Microsoft could quickly establish marketplace dominance by acquiring iDoor and opening the flood gates to the revenue potential from online music sales.

This is supported by the fact that iDoor has a solution to a common and recurring consumer challenge through its ability to identify and note music information without consumer intervention. Secondly, iDoor builds upon and complements the emerging digital download marketplace in which many new players are competing for differentiation, growth, and market share. Competitors such as Microsoft, AOL, and non-traditional competitors for content delivery like Wal-Mart have

entered into the mix. In each case these companies seek to increase sales and grow their customer base. This is true for online music stores and brick and mortar retailers alike. As described herein, iDoor has significant benefits for all of these companies.

Investment Considerations

The timing of iDoor's entry into this marketplace is ideal to take advantage of these new markets and our technology driven world. Consequently, there is an outstanding potential for iDoor's products and services to generate revenues from a variety of market segments, which taken together, create a rich portfolio of opportunities for iDoor. Nearly three years have already been invested in inventing the iDoor solution, patent (pending), and recent market analysis. Through investment in iDoor, LLC, investors have the opportunity to launch a solution that is well conceived, supported by a rapidly growing marketplace, and which is poised to take off. Consider the following:

- **iDoor offers a friendly solution for a frequently recurring problem.**
- There is a basic human need for the solution provided by the iDoor process and technology.
- **Music is intrinsic to our lives. iDoor gets us the music we want.**
- Demand for iDoor may be high, driven by its ease of use and a mass of consumers.
- **Music entertainment is a high-profile industry and iDoor can be expected to receive free press coverage given the novelty of the solution.**

- iDoor plans to operate in multiple diverse market segments, creating a company with a rich portfolio of products and a diversity of opportunities.
- **We believe Microsoft, Sony, AOL, Wal-Mart, Apple and many others will want to be the first to establish market dominance using iDoor capabilities.**
- iDoor is highly complementary to retail situations of many kinds.

The iDoor management team therefore believes the iDoor company is likely to revolutionize the way music is downloaded and how CDs are bought in stores. iDoor could become known to millions of people because it solves a pervasive need of humanity. In an industry that gets an enormous amount of media coverage, iDoor will probably be publicized before investing in any advertising.

iDoor presents the investor with an opportunity to be a part of very interesting technology that may leave its mark and be talked and written about for decades. If you want to be remembered as one of the few who ignited a revolution that could reach millions of people around the globe, if you want to be a part of a brand that could become part of countless mobile devices and could be present in many retail operations, or if you want to be among the those that contributed to people's elevated spirit and emotions around the globe – then – we encourage you to be one of those that open the iDoor for millions of consumers to the infinite benefits of music.

Requesting the iDoor business plan

**Investment round is complete.
We are not looking for investments.**

Company and Product names used in this abstract are examples only. iDoor currently has no business relationships with any of these companies. These names are trademarks of their respective companies.

The patents relating to the iDoor processes are in a patent pending status.

ⁱ Recording Industry Association of America (RIAA) statistics for 2003

ⁱⁱ TEMPO: Keeping Pace with Digital Music Behavior, Ipsos-Insight

ⁱⁱⁱ Ipsos-Insight: The Hype is Back! Online Music and the Rise of the Empowered Music Consumer

^{iv} Apple Press Release: October 4, 2004 – “iTunes Music Store Downloads Top 150 Million Songs”

^v United States Department of Transportation

^{vi} Associated Press

^{vii} CE Sales & Forecasts, CEA

^{viii} A report commissioned by Avaya Inc and reported by ITFACTS.BIZ (July 1, 2004)

^{ix} According to Clint Wheelock, Director of In-Stat/MDR's wireless research group

^x According to an industry trade group, CTIA-The Wireless Association

^{xi} ITFacts.biz: Online music market shares: iTunes – 70%, Napster – 11%, Real, MusicMatch, Wal-Mart – 6% (reported by NPD Insights)

^{xii} Research and Markets: Electronic Online Music Market

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