### Sonic Boom Phones

Bringing Back The Boombox, In Miniature Form

By Junaid Kapadia, Doug Rohde, Matt Vitebsky, De'Ron Billups, Gerard Carnevale, Earl Reagan

### Have you ever wanted...

- to blast music over a set of portable speakers on the go?
- a set of speakers that were as small as headphones but as loud as a BoomBox?
- to have bluetooth + radio headphones that charge on their own?
- annoy folks on the subway?!

## Well then this is what you need: Sonic Boom Phones!

 Sonic Boom Phones are dual-functional headphones that can switch between ear mode and BoomBox mode!

- They come in three forms:
  - "Music Jammer" for an avid music professional working in the music industry
  - "Standard" for the average consumer
  - "Mini" for the average consumer

### **About Our Company**

- Company Name:
   Sonic Boom Phones Inc.
- Vision: Bringing back the boombox, in miniature form!
- Our Product: Dual-functional headphones.
- <u>Features:</u> Headphones + loudspeakers, bluetooth, wireless charging, comes in three forms, and much more.
- Business: B2C and possibly B2B.

#### **Our Founders**

#### **De'Ron Billups**

Marist College Class of 2013 Information Technology

#### Earl Reagan

Marist College Class of 2013 Information Technology

#### **Doug Rohde**

Marist College Class of 2013 Information Technology

#### **Junaid Kapadia**

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#### **Matt Vitebsky**

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#### **Gerard Carnevale**

Marist College Class of 2013 Information Technology

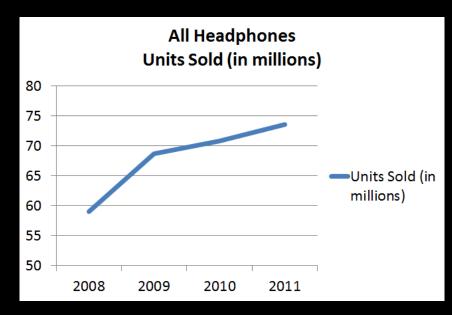
### What does our product do?

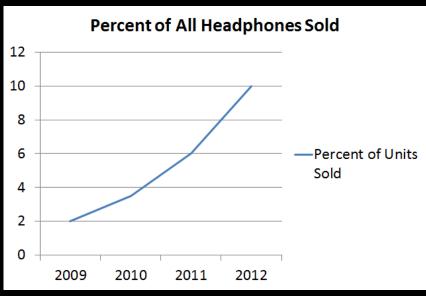
 Despite living in an era of small form technology, we don't have a solution for a speaker system that is both universal and portable. Our product solves that problem by putting loudspeakers within headphones. Not only does this tiny form factor ensure convenience for our customers but it also both revolutionizes and paves the way for a more innovative audio industry.

### What is the Market Like?

- Sales of stereo headphones in the U.S. have been steadily increasing
- The primarily headphone category of portable audio is the "only audio category seeing significant growth in consumer electronics right now"
  - -Ross Rubin, NPD analyst
- Sales of premium headphones topped \$340 million in 2011

### **Serious Growth**





- Premium headphone sales (headphones costing more than \$100) have also been steadily increasing:
  - 2% of all units sold in 2009
  - 3.5% in 2010
  - o 6% in 2011
  - 10% in 2012 (So far)

### Who is buying?

- Average Consumers
  - buy a new pair about every 14 months
- Teens 13-17
  - buy more frequently than the average (almost double)
  - 41% surveyed had bought a new pair in the last 3 months

# **Trends Driving Premium Headphone Sales in 2011**

#### Purchase Decisions are affected by:

- Brand Recognition
  - 0 84%
- Sound Quality
  - 76%
- Noise Cancelling
  - 47%
- Consumer shift consumption to mobile devices, particularly tablets.
  - 29% of all Premium Headphone purchases so far in 2012 accompanied the purchase of a tablet, or were purchased to improve the tablet experience

# **Trends Driving Premium Headphone Sales in 2011**

 Brand recognition and celebrity are spurring the current upward trend in sales.

"Though many consumers are gravitating towards more expensive, premium headphones for better quality sound, the emphasis on design and celebrity endorsement have also contributed to them being viewed as **Fashion Accessories**."

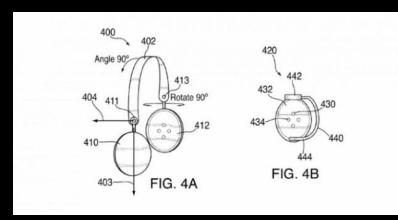
-NPD Group

- Large, bright, flashy headphones are in part being used as a status symbol
  - The ability to project music out into a crowd will please this segment even more.

# Who are your competitors, who might become your competitor?



**Dre Beats** 



**APPLE's Patent Filing (Not Yet Approved)** 



**Zumreed ZHP-015** 



**Boomphones** 

## Technology: Required Tools/Associations

 Our Permanent Partner in wireless charging technology:



Permanent Bluetooth:



## Technology: Required Tools/Associations

- iOS & Android App Developers
- Manufacturing
- Labor Force
- Logistics





CUSTOM CHINA MANUFACTURING.
DELIVERED. GUARANTEED.

"For first-time U.S. customers, ITI manages <u>startup</u> challenges like sourcing, tooling and sampling."

"Delivered prices regularly save ITI customers 20-30%."





# Technology: How are the Sonic Boom Phones Engineered?

- Primary Technology: Speaker with an amplifier that can activate to switch into BoomBox mode.
- Alternative Technology: Porous based speakers attached to a smaller amplifier. The porous based speakers would open and close additional pores on your headphone speakers to switch between ear mode and BoomBox mode. Additionally, porous mode can also contain speakers on the back of the headphones

### Features: Why wireless power?

- For Us:
- -Operating Costs Minimized, no need to make special batteries and deal with "battery handling and disposal."
- -Enclosed product designs are far less expensive in terms of manufacturing costs.
- For the user:
- -No wires, mats, or cables...automatic charging, a device that never requires user action for charging.

# Technology: How does wireless charging work?

 Powercast's power-over-distance chips allows us to harness radio waves as electricity.

P2110

 The P2110 is a "Powerharvester receiver" that converts radio waves to DC Power.

- P2110's have Low RF Input for longer range operation, RF harvesting range is down to -11dBm input power, frequency between 850-950 Mhz, voltage up to 5.5V, + many more features.
- Configurable and regulated current.

#### Powercast P1110 & P2110.

- 1. Our Standard version will consist of the P2110 which has longer range. (10 Meters)
- 2. Our "Music Jammer" version will consist of the P1110 chip. (3 Meters)
- Power over range.
- Power is more important for our higherend Sonic Boom Phones and its users.
- Power Harvesting is increased from -11 to -6dBm input power.

# Technology: More on the benefits of wireless charging...

- Battery Charging
- LED's
- Buzzer's
- Sensors (Motion Sensors)
- 10x more powerful than RFID chips.

#### **Sonic Boom Phones Features:**

- 1. Headphones with external and internal speakers
- 2. Bluetooth enabled.
- 3. Advanced/automatic volume control
- 4. Wired & Wireless (Bluetooth)
- 5. LED "to the beat"
- 6. App for equalizer
- 7. Back up head jack for Bluetooth Battery
- 8. Wireless Charging via Radio Waves
- 9. Mic for phone calls.
- 10. Detachable headband use for separate speakers. (Music Jammy Form)
- 11. Automatic Volume adjustment based on environment.
- 13. Radio integration
- 14. Mic

### **Potential Legal Issues**

- Bluetooth
  - The product will use Bluetooth, so we will require Bluetooth licensing
- Wireless Charging
  - Licensing
- Apple Patents
  - Apple recently filed patents for similar headphones
- Warranty
  - Offering 1 year limited manufacturers warranty
- Potential for celebrity endorsement

### **Product Pricing**

1. Music Jammer w/Powercast: \$299.

2. Standard w/Powercast: \$199.

3. Mini without Powercast: \$100.

### **Financing Considerations**

- Manufacturing Costs
- Shipping
- Warehouse
- Living expenses
- Legal fees

## 5 year Expenses/Profit

Expenses	1	2	3	4	5
Production	\$550,000	\$1,020,000	\$1,530,000	\$2,295,000	\$4,590,000
Shipping	\$4,500	\$10,000	\$12,000	\$15,000	\$20,000
Storage	\$15,000	\$25,000	\$25,000	\$25,000	\$40,000
Salaries	\$120,000	\$120,000	\$240,000	\$240,000	\$240,000
Marketing	\$500,000	\$500,000	\$1,000,000	\$1,000,000	\$1,000,000
Legal Fees	\$10,000	\$10,000	\$20,000	\$20,000	\$20,000
Total	\$1,199,500	\$1,685,000	\$2,827,000	\$3,595,000	\$5,910,000
Potential Sales	\$1,575,000	\$3,150,000	\$4,725,000	\$7,087,500	\$14,275,000
Profit	\$375,500	\$1,465,000	\$1,898,000	\$3,492,500	\$8,365,000

### Marketing

- When it comes to a marketing strategy, Sonic Boom Phones will have a few different approaches.
- In order for Sonic Boom Phones to grow in popularity and become a trending market item it must be increasingly visible to the public.
- Though our marketing strategy will include traditional methods such as magazine and television ads, we will utilize other less traditional approaches as well.

### Marketing

- These other approaches will include...
  - Celebrity Endorsements
    - Professional Athletes, Musicians, Entertainers, etc.
  - Event Sponsorships
    - Concerts, Competitions, etc.
- Our target market will be focused around young adults, but will include basically anyone who seeks an enhanced listening experience.
- Through sponsorships and celebrity endorsements we feel we can effectively reach our target market and demographic.

## Thank You for listening! Questions? Detailed Specs Below:

<u>Bluetooth w/ Audio/Video Remote Control Profile (AVRCP)</u> - Used for one touch pairing and full control of boomphones remotely through bluetooth enabled device.

<u>Detachable 4 ft 3.5 jack auxiliary cable - Perfect for devices without bluetooth. 4ft cable optimized to flow from the pants to the ears smoothly</u>

<u>2325mAh rechargeable Lithium Battery</u> - Provides for an estimated 18 hours of internal playback and up to 12 hrs of external playback through bluetooth. \*Currently undergoing testing\*

Mirco Usb Charging - Interreplactibitlity for charging between devices.

Headphone Form factor: Ear cup Sound Output Mode: Stereo Active Noise Isolation: Yes

Weight: 8.5 oz

Materials used: Military Carbon-Fibre external casing holds the dual audio drivers in thick silicon casing to ensure durability for years to come.

Width: 6.5 inHeight: 7.5 in

- One high powered subwoofer per ear for unmatched external amplification and sound quality.
- Monstrous 200 watt output for unparalleled performance.
- Beautiful design from De'ron Billups incorporates a sleek and elegant design with our patented LED "Jump" technology
- LED "Jump" technology: Each ear side has our logo centered in the middle with LED lights. The LED will move with the beat of the song when internally used. For external use the LED will display the current volume of playback.

### **Specifications (Internal)**

- Frequency Response 10 20000 Hz
- Dynamic Range 125 dB
- Sonic Super Sound Dynamic Driver units 2x Ø40mm
- 36 ohms impedance for internal playback even when the batteries are crisp. (Charged through 3.5mm jack by connected player -- wireless?)
- 36 dB of noise isolation. Up to 36 dB of external sound is emitted. This
  creates a crisper sound than noise cancellation which only create a
  barrier around your ears. This can lead to sound distortion.
- Internal Equalizer control through Android and iOS applications.
- Genuine leather finish for superior comfort.
- Adjustable carbon-fibre strap for a perfect fit for any head.