FAMILY OFFICE INSIGHTS

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Peer Insights
R E P O R T

Q&A with Al Corona & Ritchie Hale
of TouchCR

Principle Series:

Family Office Insights sits down with Al Corona, President & CEO, and Ritchie Hale, Chief Innovation Officer, of TouchCR to discuss groundbreaking marketing technology for B2C companies in the commerce space.

Family Office Insights is a voluntary, "opt-in" collaborative peer-to-peer community of single-family offices, qualified investors and institutional investors.

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FamilyOfficeInsights.com

Q: Tell us about your background and your product, TouchCR.

A: I (Al Corona) began my career in consumer product marketing and sales as the Marketing Director and Division Sales Director at SC Johnson for over 20 years. Our Founder and Managing Member, Richard Doermer, and I recognized that technology is the way to the world and eCommerce was the wave of the future. So in 2013, as we re-launched our line of Sunscreen products, we made a very conscious decision to focus on e-commerce vs. the traditional path many new business follow to brick & mortar retailers. When we went about looking for a consumer facing sales product to suit our needs: one that allowed us to have ownership of our data relationship with our consumers, so that we could connect directly and engage with them, we couldn't find any product out there that was built (with adaptability in mind) in exactly the way we needed it to be. After speaking with over 30 people in the technology space, we found out that our need for the space was what others were also looking for, so we decided to build it ourselves. We took my expertise in consumer products, Richard's experience in law, business and entrepreneurship, and founded McNabb Technologies, LLC, a consumer goods start-up that combines robust marketing technology with any consumer facing product or service. We then began the search for an experienced, innovative thinking chief architect that could lead the development of our tech product. After interviewing over 30 candidates for the position, we met Ritchie Hale who had great experience with companies like UBS, IBM and Vodaphone where he lead the development of many of the systems used today in these companies. We were happy to welcome Ritchie to McNabb Tech where he has lead the development of our TouchCR Commerce platform – an advanced e-commerce marketing platform that empowers B2C companies to develop deep customer insights and increase brand loyalty.

TouchCR utilizes Salesforce Cloud products as the platform for its operating system. The company has invested over $3.0MM acquiring the needed technology from Salesforce to build TouchCR. This has accelerated the time to value by eliminating much of the commodity code development, which is already available in Salesforce. This has allowed TouchCR developers to focus on the high value design and code output that provides our competitive advantage in the space.

Because McNabb Tech purchased five different Salesforce products at one time, a very unusual move in the Salesforce world, their leadership team in the Chicago office became curious about why a start-up organization would invest such a large amount on all the key Salesforce products available at that time. The SF team then requested a demonstration of TouchCR, which occurred on October 2015. The Salesforce executives were so impressed with how TouchCR's integrates across all their cloud systems enabling them to work together, they encourage McNabb Tech to develop an enterprise level system that would be sold through their ISV Partnership Program. In October 2016, McNabb Tech was granted a Salesforce partnership agreement and in January 2017 received it final security review allowing TouchCR to be listed on the Salesforce App Exchange. Today we are actively selling TouchCR to Salesforce customer across the various verticals and have closed our first client in March 2017 with a package amount of $710,000.

Why is our technology so unique? Today many consumer-facing companies have surrendered their relationship with their customers to traditional brick and mortar retailers, Amazon and other eCommerce sites. These companies will soon realize their traditional business strategy is slowly dying under the weight of a hyper-dynamic marketplace and rapidly changing consumers. At that point, the need for marketing

automation will become apparent. These companies will begin to search as we did, for technology that delivers deep learning about their customers, identifies the biggest opportunities that exist across their customer base and supports direct consumer marketing all in one.

Q: Who is TouchCR's target audience?

A: Since TouchCR was developed by marketers for marketers, we understand the needs and wants of our prime targets. The TouchCR system supports any consumer facing company with an existing e-commerce business with annual revenue of $10M or more. In addition, companies and brands that have traditionally focused on building their businesses through brick & mortar retailers, especially those that are large and find themselves behind the e-commerce development curve and are aggressively driving to launch an e-commerce strategy, are also key targets for TouchCR.

Q: How is TouchCR different from your key competitors? Who are they?

A: Earlier this year, Salesforce has made the decision to take a hard turn from being B2B to a more consumer-focused business, which made TouchCR the ideal software to integrate onto their systems. What we bring to them is the ability to attack this space aggressively with our fully integrated software that is completely built into their infrastructure. They've spent about $2.8B on other platforms that are not integrated, which has had an impact on costs, money and time.

Salesforce has already benefited from the partnership with TouchCR. In the first 3 months in market, TouchCR has delivered to Salesforce "Greenfield" deals of $600,000 from clients that purchased Salesforce as a result of a TouchCR deal.

Our technology is adaptable to the Google and Microsoft platforms as well, with the plans ready to integrate when necessary.

Another reason we gravitated towards building our tech on Salesforce was to leverage Salesforce's massive customer base of over 190,000 active accounts. 57,000 of which are TouchCR targets. This will allow us to quickly scale using the sales teams at SF together with the executive leadership that has been very welcoming to our technology, our people and our overall relationship. TouchCR is an enterprise-level system that really benefits the companies with revenue north of $10MM.

In terms of competitors, we do not have any direct competitors in the Salesforce ecosystem that could challenge us in the $2.0B "Greenfield" marketplace opportunity as defined by Salesforce and Forrester Research.

Q: What are some challenges you face in the market?

A: Our goal is to grow TouchCR to $200M in 3 years, which is only 13% of the marketplace opportunity. Therefore our biggest challenge is the funding necessary to scale quickly and establish a foothold in this $2.0B space We are confident hitting $200M in 3 years is achievable assuming we deliver our goal of $8.5M this year.

From a technology standpoint, our goal is to stay 18 months ahead of our closest competitor now and into the future. This is critical is we are going to secure the largest possible share of the $2.0B opportunity. We have the technological know-how to stay ahead of the game

We are confident that we have a significant lead in the space having been chosen as one of five companies across the globe to work with Salesforce on the next generation of their IOT product. All TouchCR products have patents pending and fully developed use cases, which place us ahead of many startups today. Our technology team is fully developed, we are incredibly strong on the management and operations side – our focus today is to raise the funding necessary to scale business acquisition and onboarding teams.

Q: How are you changing the landscape of your industry?

A: The marketing technology landscape is a world of clutter. With tens of thousands of individual solutions available to marketers, change has been difficult, based on the complexity associated with selecting the right tools for the job. It takes months and even years for a marketer to work with IT teams to piece together a system that delivers the functionality of our TouchCR product.

With TouchCR, companies can begin using a fully functional enterprise level that delivers the critical functionality needed in as little as 60 days.

Q: How much are you looking to raise and who is your ideal investor?

A: We are seeking $3M to accelerate the launch our proprietary marketing automation software, TouchCR. We are seeking direct investments from Family Offices and/or individuals, either directly or through their advisor and wealth managers. Our minimum ask is $200,000 with a total raise of $3M. Once we close this round, we plan to use $2M from this round of funding to grow our sales & onboarding team to hire sales people and team members to work with our customers on the installation of TouchCR. We are looking to raise and close quickly as we have noticed there is no shortage of people wanting to do this with us.

The ideal investor is a company or individual understands what we do and wants to be a part of it;

someone who trusts the product we built and can see why it can define the marketplace. Right now our biggest customers are the Salesforce customers, which is a huge opportunity for investors with major million dollar deals that are leading to a big revenue source.

We have been successful with people who have an understanding of technology and see the value of business in the future shifting towards modern technology. We are interested in working with private investors and Family Offices who see that value in us as well. We get good receptions from investors who are generally sophisticated in technology and have a great need for solid marketing with automation. We are eager to grow our customer base, so any investor who can bring additional customers and or leads forward is great is a plus.

Q: What's your mission?

A: At TouchCR our mission is to enhance the lives of consumers as they interact with brands online. It has been carefully developed to acquire, monetize, and retain customers through a highly personalized marketing and sales relationship. It offers a secure, scalable, cloud-based solution that enables e-commerce companies to segment and score customers in real time, then market to them with relevance, delivering a customized customer experience. We want to become the leading provider of ground breaking marketing technology for companies in the B2C commerce space, while never forgetting our commitment to better the communities in which we live and work.

Q: What's next for you?

A: With the technology arm of the company fully operational, our focus shifts to growing our sales & onboarding team. Our goal is to rapidly scale TouchCR by leveraging the Salesforce ecosystem. With a minimum cost of $125,000 for TouchCR licensing, we expect to deliver incredible growth over the next 3 years.

As President and CEO of McNabb Technologies, LLC, **Al Corona** leads the company and is responsible for the strategy development, execution, and the day-to-day operations of McNabb Tech. Al utilizes his broad base of experience as business executive and a 30-year track record of managing diverse businesses with revenue in excess of one billion dollars, including an $800 million global brand and a $1.8 billion-dollar Operating Division for S.C. Johnson in Racine, Wisconsin.

Over the past 10 years, Al has held various C-Level positions in the consumer packaged goods space, working mainly with middle market companies in the $50 million to $500 million space where driving sustained growth and rapid scale is critical to the value of these enterprises. As Vice President and General Manager for a $100-million-dollar dairy company in Chicago, Al lead the strategic turn-around of business by taking an ethnically based product line and launching it into the mainstream. As Corporate Vice President of a $200 million private label manufacturer, subsequently acquired by Snyder Lance, Al's focused on maximizing the significant manufacturing capabilities of this company by creating products that lived in the "Better for You" consumer space, then marketing these products to companies like General Mills, Food Should Taste Good among other. His success is driven by his ability to develop and execute long term strategic plans and profitably manage a P & L and integrated business teams to achieve organizational goals.

Al's proven experience and accomplishments, as a business leader will ensure delivery of a significant share of the $2.0 billion-dollar marketplace opportunity that exists for McNabb Technologies, LLC and the TouchCR brand.

To learn more information, please visit http://www.touchcr.com/ , or reach out to Al directly at acorona@touchcr.com .

Ritchie Hale is an entrepreneur, business owner, and enterprise architect who designed TouchCR. He has more than 25 years' experience delivering significant business value to global customers through the savvy use of Information Technology and web-based technologies in retail, banking, financial services, government contracting, and telecommunications. Ritchie has operated in the Internet marketing area, both in small business and large corporate environments. In each case, Hale has driven significant financial outcomes using technology to address and solve business problems.

Ritchie has designed large-scale web and system projects throughout the world, including IBM's Chief Architect for UBS' ecommerce customer financial accounts (became digital template for other e-bank's customer financial accounts). He developed the first IBM SOA training delivery package for Services enablement and has been designated One of IBM's top 5 Experts worldwide. Ritchie has extensive architecture skills in corporate e-business systems (GE, Australia) and within several sectors including e-retail markets (Argos, U.K.), telecommunications (Vodaphone, Africa) and major banking (UBS, Zurich).

His digital expertise includes front and back office work, call-center infrastructure as well as digital telecommunications. He also co-authored an IBM Developer Works article on 12EE automated service development. Ritchie was IBM's designated keynote speaker on Social Networking and Business Process Management within the Australian market, working closely with IBM's major corporate clients.

Mr. Hale's leadership and implementation skills have been the subject of an IBM worldwide case study.

To learn more information, please visit http://www.touchcr.com/ , or reach out to Ritchie directly at rhale@touchcr.com .

"Working with family office investors is rapidly becoming a relevant strategy for accessing investment capital from the ultra-wealthy and their investment offices."

Arthur Andrew Bavelas