A Product Line Proposal

Submitted to the Telebase Strategic Planning Group

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INFORMATION DISSEMINATION GATEWAY

Contents:	Introduction	2
	Broadening the Information Value Chain	3
	Information Dissemination and Empowerment	5
	Our Value-Added Role	7
	Bridging the Online / Offline Boundary	11
	Validations and Endorsements	12
	Comments About Interface	15
	Relationship to EasyNet	16
	Assumptions	17
	Profit and Loss Estimate	18
	Conclusion	24
	Acknowledgments	24

Appendix A: Broadened Information Value Chain Model

Appendix B: Glossary

Appendix C: Tentative Taxonomy of Offline Dissemination Media

Appendix D: Relative Relationships of Disseminators

Appendix E: Sample Applications Scenarios

Appendix F: List of Additional Purposes/Applications

<u>Telebase's Mission</u>: To create and deliver innovative computer-based information products that are

purchased and used by businesses and consumers because they provide exceptional quality, value, relevance and convenience.

INTRODUCTION

Empowerment.

Empowerment has been a constant theme of the "personal computer revolution". Just look at the ads. Microsoft's current ad campaign asks us "Where do you want to go today?" The Macintosh was introduced over a decade ago as "the computer for the rest of us", and Apple's tag line today is "The power to be your best." (The latest ad for Power Macintosh 9500 puts it bluntly: "It's not how powerful the computer is. It's how powerful the computer makes *you*.") The advertising of Apple and Microsoft (and a host of other successful PC-related companies) have been reflecting the widely accepted sentiment that the personal computer and its derivative information and communication services are tools for people to be more productive, more powerful. George Gilder asserts, "Just as intelligence and control are moving from gigantic mainframes to personal computers ... and from a few national broadcast networks to millions of programmers around the globe, so is economic power shifting from mass institutions to individuals". [from *Life After Television*, Norton: 1992, p. 126]

Due in large part to the empowering capabilities of the computer, it is widely believed that our society is on the verge of an "Information Age"--a landmark of civilization likened in significance to the Agricultural and Industrial Ages. Alvin Toffler suggests that this "Third Wave" represents a major "powershift", where the "new system for making wealth is totally dependent on the instant communication and dissemination of data, ideas, symbols, and symbolism". [from *Powershift*, Bantam: 1990, p. 25]

These are exciting times. This is an exciting industry. The opportunity to provide value--and to make money--in the world of information is growing rapidly, and very likely will become enormous. And Telebase is smack dab in the middle of it!

Telebase has created a respectable business over the past 10 years as an information retrieval facilitator. We've successfully created and exploited a niche reselling online information that is already for sale--adding value primarily in packaging and service. We represented a clever and timely innovation in the mid-80's, and for much of our history we could legitimately claim no direct competition.

Telebase's position, however, is threatened. Recent technological advances are demolishing the value chain in which we have created our niche. Market trends are encouraging a frenzied competitive environment in which mergers and acquisitions are happening almost too quickly to track, valuations are startling, and we are threatened simultaneously by corporate behemoths on the one hand and teenagers working out of their parents' garage on the other.

I suggest that to become a major player in this rapidly and radically changing information industry, we need to lead a new wave of innovation. I don't suggest for a moment that we should abandon our bread-and-butter EasyNet service; in fact, with our experience, track record and reputation, we are in an excellent position to "re-engineer" EasyNet to thrive in today's environment. And I believe our serious commitment to

Music Boulevard can make it a contender--and hopefully the leader--in its class.

Nevertheless, I hereby submit a concept for a new product line which, I believe:

- 1. is genuinely innovative
- 2. provides an opportunity for Telebase to reassert a leadership position in the information industry
- 3. is firmly grounded in Telebase's mission
- 4. can integrate solidly with existing product lines
- 5. both reflects and reinforces the empowering nature of the evolving online environment
- 6. has the potential to become a major revenue stream

The central theme of the proposed concept is the facilitation of information dissemination on behalf of customers. This may appear at first glance to be of trivial significance, in part perhaps because it is a less obvious business than facilitation of information retrieval. In the popular consciousness, the "Information Superhighway" promises first and foremost lots of <u>available</u> information (i.e., to be retrieved). But we know as well that the self-same information infrastructure offers a significantly large and growing repertoire of information dissemination opportunities. And I believe a case can be made for pursuing this direction aggressively as a major business opportunity. Elaboration is required to present this counter-intuitive case, along with some related new feature concepts.

BROADENING THE INFORMATION VALUE CHAIN

The simplified "traditional" model of the information industry which Telebase (and others) have been using looks something like this:

Producer	Host	Gateway	Distributor	End-User
D&B	Dialog Telebo	ase	CompuServe	Jane Doe

In this model, value (in the form of information) flows to the right, and money flows to the left.

The Producer (or, ultimately, the Author) expects to earn money for their effort in creating the information. The intermediaries (host, gateway, distributor) attempt to earn money by adding value, including searchability of the data, packaging, billing, security, service, and so on. The End-User consumes and ultimately pays for the information. (Any money subsequently earned by the End-User as a result of consuming the information is generally considered outside the scope of this model.)

We've known for several years that this value chain is breaking down. It can no longer support all of its component links, and all the players are scrambling to end-run each other before they are themselves

disintermediated. Most "frightening" in this scenario is the prospect that both ends of the chain link up directly, obsolescing <u>all</u> of the intermediaries. (Many at Telebase [including myself], though, believe the need for intermediaries such as Telebase will not disappear, and can in fact be quite lucrative if properly positioned. We are currently undergoing a strategic reevaluation and repositioning of EasyNet [and/or its successors], with the intent of "reasserting EasyNet as the premier information search and retrieval product".)

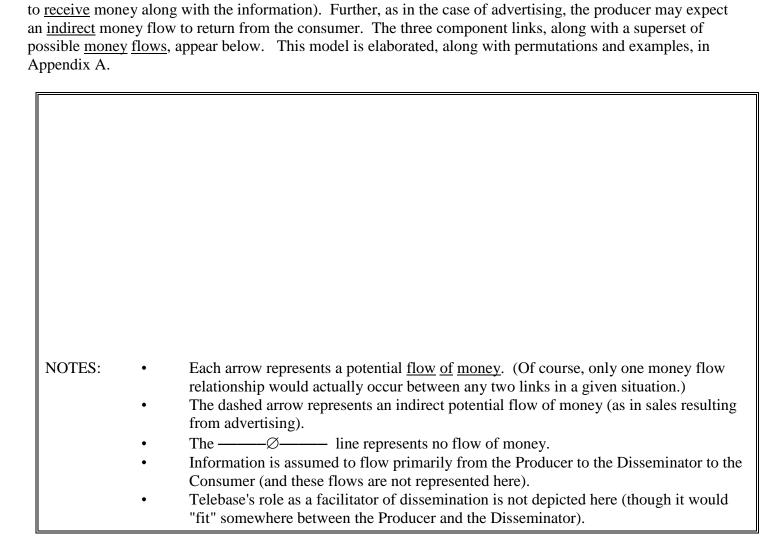
This concern about the disintegration of the value chain, while quite real, focusses primarily on only one aspect of this disintegration: the <u>compression</u> of the chain. But another phenomenon is also undermining the integrity of this model of the value chain. And that is that the Jane Does of the world are not just consuming information, but are increasingly becoming <u>producers</u> of information as well.

Steve Case, president of AOL, declares, "Everybody will become information providers as well as consumers. The challenge is to create electronic communities that marry information and communications - thereby creating an interactive, participatory medium. This community aspect is crucial - it is the soul of the new medium." [Quoted from George Gilder, "Digital Darkhorse - Newspapers", in *Forbes ASAP*, Oct 25, 1993.)

To complicate matters further, these "end-user producers" have varied expectations with regard to the relationship of money to the information they produce. They may expect to <u>earn money</u> (e.g., by producing information of perceived value with the intent of selling it). Or they may expect to <u>pay money</u> (e.g., by placing a classified ad). Or they may expect their information transaction to be "<u>money-neutral</u>" (e.g., by contributing an "article" to a UseNet newsgroup). This state of affairs--in which the "end-user" becomes an information producer who may expect to earn, pay or not deal with money--just blows the traditional information value chain model apart.

Actually, the traditional value chain model is not invalid; it describes quite well the flows of information and money which dominate what we usually think of as the "information industry". But it is inadequate if we try to include a broader scope of "information providers". To accommodate a more diverse range of information providers--like UseNet newsgroup participants, advertisers and resume submitters--the value chain model must be able to reflect a more robust variety of flows of money among the chain's participants.

The "traditional" value chain model is usually presented with arrows representing the flow of information (the primary source of value), but without arrows to account for the flow of money--because money simply flows "upstream" opposite the flow of information. However, if--with this broadened definition of "producer"--you want to emphasize the various potential flows of money as opposed to information, the model gets more complicated. To illustrate, let's first "simplify" the model by reducing the number of component links to three (producer on one end; consumer on the other end; and a [single or collective] intermediary or "disseminator" in the middle). As mentioned above, the producer of information may expect to pay, receive or not deal with money when conveying information to a disseminator (like a database host or classified ad service). The consumer, on the other hand may or may not expect to pay either the disseminator or the original producer directly for the information received (but in either case would probably never expect



This broadened version of the value chain model is quite tentative, and it is not important at this juncture to validate or refute its merits. The point to be emphasized is that if we take a broader view of who or what qualifies as an information producer, the money and value relationships among participants gets significantly more complex.

INFORMATION DISSEMINATION AND EMPOWERMENT

Evidence of individuals as information producers in the "new medium" abound. A surprising number of individuals are putting up their own (sometimes clever, but often insipid) home pages on the web. Word processing programs are scrambling to build HTML output capability into their packages. The number of

messages on UseNet newsgroups averages about 125,000 per day, and is growing. Prodigy's original architecture almost collapsed under the nearly overwhelming demand of its members for interactive participation. And nearly every day heralds new announcements of products, services or technologies (e.g., VRML, digitizing audio) designed to assist "end-users" in getting out their information.

And what information is it that people are producing and disseminating? At first glance it appears to be high in volume, but low in substance. A great deal of individual information production is the content of newsgroups and mailing lists, which often seem to be dominated by arguments about minutiae and egostroking ramblings. But within these forums, and in more and more places all over the net and beyond, there is very deliberate, purposeful and meaningful content from individual people. People are sharing advice and experience (sometimes in response to a specific query; sometimes unsolicited). People are offering or seeking products, services and jobs. People are reaching out to others intending to persuade, to warn, to reassure, to entertain and to fool. The online medium is available (and used) for virtually the full range of purposes for which one person may want to communicate with many others. And the specific purposes are too numerous and complex to track--and getting more so. (CompuServe Magazine, Dec., 1994, p. 13, boasts about a CompuServe user who sent messages out to forums and UseNet newsgroups to [successfully] solicit support to have an asteroid named after Frank Zappa.)

And this brings us back to empowerment. George Gilder asserts:

The domonetics [social and cultural effects and contexts] of computer networks are active and dynamic rather than passive and diversionary. ... [They] endow people with new powers of self-improvement and wealth creation. ... to fulfill the promise of the Information Age, computer companies will have to adapt to the laws of the microcosm and telecosm. They will have to ... *embrace the empowering promise of their own machines*. [from George Gilder, "Life After Television, Updated", Forbes ASAP, Feb. 28, 1994, p. 101; emphasis added]

How can Telebase best embrace this empowering promise? What <u>is</u> this empowering promise? What does it mean to be empowering?

Empowerment is not something that can be given to people. It is by its very nature self-initiated. It can never be commoditized, packaged or sold. It can only be <u>facilitated</u>. To embrace the empowering promise of the PC means to recognize and encourage the fact that people will use PC's for their own self-chosen purposes. To feed (and benefit from) this phenomenon, the best we (or any company) can do is to create products and services which people find useful in helping them achieve their self-determined goals. A spreadsheet program is valuable to me to the extent that it is flexible and powerful enough for me to apply to my particular business.

In our corner of the PC world (the "information industry"), to say that "information is power" has become an annoying cliche; but it is nonetheless true. Information and power increasingly go hand in hand. Telebase

has always been in the "empowerment business", by helping customers <u>retrieve</u> the "right" and "best" information for their purposes. If customers end up with information which serves their particular purpose-which empowers them to better make a decision or take some action--they will be satisfied and come back again. Helping people retrieve information is both empowering to the customer and good business for Telebase.

But there is much more to the empowering promise of information than getting hold of the "right" and "best" information. In fact, I would submit that <u>one</u> critical characteristic of empowerment in the information arena is that--word for word--it is (<u>usually</u>) more empowering to disseminate one's own information than to retrieve somebody else's. I think it is more empowering to write a book than to read one. Getting an additional 500 channels on your cable is <u>not</u> as empowering as putting your own video feed into the worldwide matrix. Speaking is more powerful than listening.

The crux of my proposal is that Telebase can find a "sweet spot" for facilitating empowerment by means of facilitating the <u>dissemination</u> of customers' information. Whatever their information is. Wherever they want to disseminate it. For their own self-chosen purpose. By providing an environment and a set of tools for customers to get their information to the "right" and "best" places for their purposes, we would be facilitating their empowerment in a potent new way--and we would be providing a valuable service worth paying for.

Where do you go to help you decide if your message should go to a UseNet newsgroup, an FTP site or some new-fangled classified ad service on the web? And if a newsgroup is appropriate, which one is most fitting (in terms of both content and culture) for the purpose at hand? Who can help you post your message to several places with the effort equivalent to a single posting (and without "spamming")? Who can simplify the varied format and input requirements for heterogeneous services? Who can consolidate different services' charges onto one bill, or provide a host of other support services?

Telebase has been a pioneer in simplifying information retrieval from a complex online world. I suggest that Telebase seize the lead in simplifying information dissemination within an ever-more complex online world.

OUR VALUE-ADDED ROLE

Where would Telebase fit in to such a scenario? How would we provide sufficient value to make it a viable business?

At this point, allow me to define some terms as I am using them. Though these terms are familiar in other contexts, I am striving to use them precisely and consistently in this document. These and other terms are collected in a glossary as Appendix B.

Information is meant to refer to the product to be disseminated; it might be data, opinion, query, creative work, and so on, and may be in any sort of format or medium.

The **Producer** is the entity who creates the information in the first place. This is a role; the same entity may in another context be a consumer.

The **Disseminator** is the single or collective entity which makes the information available to others; it might be one or more companies (e.g., Dialog or Dialog/Telebase/CompuServe), a technology (e.g., the World Wide Web) or a medium (e.g., the spoken word); sometimes the producer and the disseminator are different aspects of the same entity. The Disseminator is the entity to which a distinct element of information might be transported. For instance, each UseNet newsgroup would be considered a separate disseminator. Our maintenance of information about a great number of individual disseminators is at the heart of this project. A depiction of the relative relationships of various disseminators appears as Appendix D.

The **Consumer** is the entity who "partakes" of the information. This is a role; the same entity may in another context be a producer.

The **Customer** refers to the entity who would pay Telebase for service. Within this dissemination model, the customer is usually synonymous with the <u>producer</u> (not the consumer--as is the case in the information retrieval model).

Information Dissemination--which is the subject and scope of this proposal--refers to the transmission of information from one producer to *n* consumers (a one-to-many relationship) by means of a disseminator. Dissemination is assumed to be undertaken willingly, purposefully and voluntarily by the producer. The consumers to whom information is disseminated would generally include individuals not personally known by the producer, and it might therefore be assumed that the information disseminated does not necessarily have the intended effect upon each and every consumer.

A **Referral** is a listing for a disseminator, which contains information about how to contact that disseminator. All disseminators within the system would have corresponding referrals.

Transport refers to the activity undertaken by Telebase to convey information to one or more disseminators on behalf of a producer. Transport would be an available feature for only <u>some</u> of the disseminators in the system.

Telebase's role, as an information dissemination gateway, would be positioned between the producer/customers and the disseminators. (Note that in our information retrieval products, we are positioned between the disseminators and the consumer/customers.)

Telebase would collect money from customers (producers), on a transaction basis, for Transport Fees, and possibly also for Additional Fees and/or for Disseminator Charges.

Transport Fees are charged to producers by Telebase for the service of conveying the

producer's information to one or more disseminators. The amounts of these transaction-based fees would vary depending upon such factors as the medium and format of the information and the number of disseminators to which the information is to be conveyed.

Additional Fees are charged to producers by Telebase for services rendered in association with transported information. They may or may not require any human intervention, and the amounts would vary depending upon cost factors.

Examples of services rendered for Additional Fees include:

- a. Modifying the format of the information prior to transport in order to conform with disseminator requirements.
- b. Enhancing the information for better (though not required) presentation by the disseminator (e.g., snazzy HTML).
- c. Enabling producer anonymity (e.g., via cryptography, anonymous forwarding service, or "fake" return address)
- d. Aggregating responses from consumers
- e. Facilitating copyright application
- f. Consolidation of billing

Disseminator Charges are charges required by disseminators for submission of information. Telebase would pay these charges on behalf of the producer, and charge them back to the producer (so they would be a "wash").

So, for any given transport event, various predictive factors would establish the collective charge to the customer. However, since Disseminator Charges are just passed through, Telebase only earns money on Transport Fees and Additional Fees.

As a general scenario, a potential customer with some sort of dissemination need would enter our Dissemination Gateway web site. The site would provide a rich and facilitative environment in which the customer could explore her dissemination need(s) and the available dissemination resources. The "directory" of disseminators would comprise our primary "proprietary content". We'd start off with a critical mass of hundreds or thousands of individual disseminators, but would expect to grow it into the tens of thousands. A primary method by which a customer would be able to select among this collection of disseminators would be by choosing an application (e.g., the "Resume Circulator"). (Some sample applications, linked to the P&L, are illustrated in Appendix E.)

An **Application** is a discrete value-added "package" offered by Telebase on behalf of a producer. It includes at least transport of information to one or more disseminators, and may also include other value-added services (e.g., reformatting information, aggregating responses, etc.) Applications could be positioned as options within the general Dissemination Gateway, as "direct access" standalone sites, and as distinct features within our other product

lines (EasyNet, MusicBlvd).

If an available application does not seem appropriate to the customer, then collateral materials and a robust, needs-oriented set of indexes would assist the customer in identifying a desirable set of disseminators. In any event, whether determined by an application or self-selection, the customer will have identified a set of disseminators--none, some or all of which may offer transport. The customer may take note of the referrals and leave. Or (assuming at least some of the disseminators offer transport) the customer may submit to Telebase her information, which Telebase would transport to one or more disseminators of her choosing--possibly while providing additional services to the customer.

A brainstormed listing of purposes to which the Dissemination Gateway might be put (which themselves might evolve into their own Applications) is presented as Appendix F.

In addition to the value provided to the customer in exchange for transaction fees, the Dissemination Gateway would provide a number of other values to the producer for no charge, including:

- g. Providing an online environment which is inviting, fun, practical, stimulating and safe.
- h. Assisting customers in a variety of ways to identify disseminators most appropriate for their purposes.
- i. Providing content of or reference to information and materials helpful in dissemination efforts (e.g., a bibliography of books on advertising on the net or publishing articles in magazines).
- j. Automating or obviating disseminator site registration requirements.
- k. Validating disseminators (explained later).
- 1. Enabling endorsements of disseminators by customers (explained later).
- m. Providing a means for customer feedback (possibly in terms of ratings and reviews of disseminators, as well as direct feedback to Telebase).

Furthermore, other parties would derive value from this process. Disseminators would perceive values like:

- n. Obtaining a higher volume and better quality (e.g., in format compliance) of input (maybe we could collect "finders fees"?)
- o. Enabling the disseminator to broaden the reach of their output (i.e., to other disseminators)

Finally, and quite significantly, the consumer is the beneficiary of an enhanced "signal-to-noise ratio" for incoming information, since we would facilitate information getting to the "right" disseminators.

Essentially, therefore, the Dissemination Gateway would provide considerable value to a variety of parties, but would earn money by means of transport fees (and ancillary services related to transport). (It should be noted that advertising could also provide additional revenue, but since the service would be primarily transaction-based, this discussion is concentrated on that aspect.)

BRIDGING THE ONLINE / OFFLINE BOUNDARY

Telebase's Dissemination Gateway should include offline disseminators as well as online disseminators.

Information dissemination by individuals is hardly a new idea, and is by no means unique to the online world. In fact, offline information dissemination by individuals is much, much more popular and well established than online dissemination. People do it all the time. Sometimes in a "big way" (e.g., by writing a book or making a movie); sometimes in small ways (e.g., via T-shirts, bumper stickers, tattoos, epitaphs). Letters to the Editor are found in nearly every newspaper and magazine. Call-in talk radio shows are jammed with callers. U.S. newspaper classified ad sales for the first quarter of 1995 were nearly \$3 billion! (Source: Newspaper Association of America) A tentative taxonomy of offline disseminators is presented in Appendix C.

Offline disseminators need to be integrated into the scope of this product line for several reasons:

- 1. In many (most?) cases, whether a disseminator is online or offline is an irrelevant distinction. A customer has some message or information to get out for a particular purpose (e.g., to share an idea, to ask for help, to sell something, etc.). Their objective is to use the "best" disseminator(s) for their purpose--to most effectively reach their desired audience. Whether those consumers are reached online or offline may be a relevant factor, but it is only one of many factors which may come into play in determining the best disseminators.
- 2. Offline disseminators dramatically expand the information dissemination terrain, providing many more choices of appropriate disseminators for customer information (many of which may be more familiar and comfortable to online novices).
- 3. The extensive nature of offline dissemination activity by individuals tells us that there is a deep, well established and pervasive cultural desire to disseminate information. It is logical to assume that as the population in general comes online, they will carry this desire with them. Providing a service with both online and offline disseminators will present a safer, more familiar environment for online novices to experiment with online dissemination. It is also reasonable to assume that the volume and diversity of online dissemination opportunities will continue to increase. A wave of new online customers eager to disseminate their information within an increasingly complex and dynamic dissemination environment can be a tremendous market opportunity.
- 4. Dissemination of online information to offline disseminators is considerably easier than retrieval of offline resources for online customers. A great deal of valuable business information, for instance, is available on library shelves, but is not (yet) online, presenting a

recall barrier for the online searcher. Another example is that periodical material is only slowly becoming digitized in its graphical (as opposed to ASCII) form, so that an online searcher who identifies a relevant article--even in a full-text database--must often go to the trouble of acquiring a physical copy of the document (e.g., a "reprint") to derive its full informational value.

However, when <u>disseminating</u>, information derived from an online customer can be distributed to both online resources and to many offline resources with equal ease. For instance, a classified ad taken from an online customer can be sent via email or electronic fax to "traditional" paper-based classified ad sources as well as to newer online disseminators. Or customers' resumes, gathered once, can be distributed to online or offline resume posting services.

5. There is also an opportunity to expand our market by offering offline customers access to online disseminators. For instance, a magazine classified ad form could offer submitters a check-off option box (for a fee) which would result in their classified ad being submitted to appropriate online disseminators as well. Or Kinko's ("Your branch office") might offer its customers new services, such as: 1) online (or, indeed, offline) classified ad placement; or 2) "delegated advising" (i.e., the customer articulates a need for advice which Kinko's [via Telebase] posts onto appropriate UseNet newsgroups, and collects responses to present back to the customer within a couple of days).

It should be noted that the prospect of facilitating offline access to online resources applies equally to information <u>retrieval</u> opportunities. Kinko's could also use Telebase to offer its customers mailing lists, credit reports or "competitive intelligence" articles.

VALIDATIONS AND ENDORSEMENTS

Telebase can add tremendous proprietary value to a collection of disseminators by means of <u>validations</u> and endorsements.

Validation:

When effectively implemented, the information dissemination product would continually attract and accumulate new disseminators--as a result of our own research, as well as via customer suggestions. To the extent that we are successful, people will want us to include new disseminators in our "collection". We should allow users to contribute new disseminators easily--perhaps automatically. This encourages participation and commitment from users, but at the risk of getting a lot of garbage and duplication. By validating disseminators, we can help customers distinguish those disseminators which we've determined to be "real".

Validation is a condition selectively applied to disseminators, determined and designated by Telebase, indicating that a particular disseminator has satisfied certain predetermined and published criteria of "authenticity".

Telebase would establish some criteria for validity checking of disseminators, establishing, for instance, that a particular disseminator is really there and basically does what it says it does. For practical purposes, these criteria would have to be very high level, and the checking of criteria would have to be as automated as possible. These criteria--simple as they are--would be prominently displayed within the service, so that customers would be aware of what validation means (and no more). Therefore, within the total collection of disseminators in the service, a growing subset would be validated. Of course it may be necessary to periodically re-validate disseminators, and any validations would carry a validation date.

Endorsement:

Distinguishing among a large and dynamic list of disseminators is a tremendous challenge--as well as a primary value of the service. Telebase would assist the customer in identifying appropriate disseminators in several ways:

- 1. Selective validation (discussed above).
- 2. A variety of indexes.
- 3. Packaged Applications (e.g., a job hunter uses our standard resume posting application)
- 4. Endorsements.

Endorsements are declarations by <u>customers</u> of which disseminator(s) are best for particular purposes. Endorsements are associated with their endorsers (individuals or groups), and become criteria for other customers to filter disseminators.

In other words, any individual (or group) customer may declare their endorsement of one or more disseminators--perhaps identified with a particular purpose. These endorsements are then associated with their respective disseminators in such a way that subsequent customers can elect to utilize the endorsement as a filter for selecting disseminators.

For example, the National Rifle Association may endorse certain disseminators for the purpose of alerting sympathizers to perceived threats to RKBA (the Right to Keep and Bear Arms). This constitutes--in effect-a customer-created application. Gun people come to know that when they need to get the word out, they connect to the Dissemination Gateway, filter on the NRA Alert endorsement, and send out their message. Of course, the immediate question is, Why wouldn't the NRA do this themselves? Of course, they could. But they (and the thousands of other "special interest groups") might (also) endorse disseminators with our service for several reasons. First of all, we will have the infrastructure in place to effectively transport information to a very heterogeneous group of disseminators. Secondly, more producers would be attracted to our site because their dissemination needs may not clearly fit in with one or two distinct interest groups, and they may not know how to access particular interest groups' sites directly. Producers coming to our site

would have the opportunity to determine that they want to filter on multiple endorsements, and/or throw in a couple disseminators of their own. The endorser benefits by declaring endorsements with Telebase by attracting more producers to use the disseminators they think are effective. Since declaring endorsements would be free, potential endorsers have nothing to lose.

Endorsements could also be declared by individuals. "John Doe's Philatelic Helpers" would be composed of the disseminators that John Doe thinks are appropriate for asking questions about stamp collecting. John Doe might then tell his philatelic buddies, "When you have a question about some stamps, go onto the Dissemination Gateway, filter on my endorsements and fire away."

Endorsements may, at the endorser's discretion, be grouped around a purpose. Therefore, a single customer may have distinct sets of endorsements for poetry submission, plumbing questions and audio sound effects.

We would expect the number of endorsements to proliferate rapidly. This presents a challenge (and a value we can add) in terms of how to manage the endorsement list and make it useful to customers. It would have to evolve its own indexing and user interface requirements so that a customer can find endorsements of interest without being inundated by noise. We may also want to "validate endorsements" to assure, for instance, that the Greenpeace endorsements really did come from Greenpeace. Furthermore, we would probably "weed" endorsements, by purging them from the system if the endorser does not come back to the site with some pre-determined frequency.

In order to appreciate the role of openly solicited endorsements, consider that, broadly speaking, the way we differentiate individual entities within a population is by means of an "index" of some sort (or a combination of indexes). An index may be organized by subject, by size, by date of birth or by any criteria through which the population is differentiated. Indexes are inherent in virtually all information retrieval (even "free text" searching is usually predicated upon an inverted index of words).

Selecting appropriate disseminators from a large group of candidates is itself an information retrieval function. We can (and should) assist the customer in selecting the "best" disseminators for their purposes by means of a robust set of appropriate indexes. These would naturally include subject indexes, media type indexes (e.g., if you have a .wav audio file to disseminate, only some disseminators are appropriate) and a variety of other indexes appropriate to what we consider to be major decision points. But these are all internally created indexes; endorsements, on the other hand, are "externally" created. *Endorsements represent indexes based on shared values*--which can only created by the customers themselves.

In Paul Saffo's provocative "It's the Context, Stupid" article in Wired (May, 1994), he points out:

It is not content but context that will matter most a decade or so from now. The scarce resource will not be stuff, but point of view. ... The future belongs to neither the conduit or content players, but those who control the filtering, searching, and sense-making tools we rely on to navigate through the expanses of cyberspace.

Open endorsement is a way to "organize diverse contexts" by inviting others to contribute their own "points of view". It is not Telebase's point of view which is most important; it is not any <u>one</u> point of view which bestows maximum benefit. It is the diverse, often conflicting <u>compilation</u> of points of view which establishes the most context-rich environment.

Endorsements are a vehicle for widespread participation by our customers in shaping the overall flow of information. Whereas facilitating information dissemination *per se* empowers customers to be <u>producers</u> of information, maintaining endorsements empowers customers to be editors of information.

Another important point about endorsements (and validations as well) is that their effectiveness depends upon <u>credibility</u> and <u>trust</u>. Any organization which would presume to reliably and fairly maintain endorsements from heterogeneous endorsers must have the first-rate reputation required to pull it off. Telebase does. Telebase has been around for 10 years; we're not a child of the Web. We've earned and enjoy a commendable reputation in the industry for integrity and evenhandedness. Telebase could credibly maintain an open endorsement system, and in so doing would further advance its reputation.

It should be noted that validations and endorsements could also be applied to a more broadly envisioned <u>retrieval</u> product line as well.

COMMENTS ABOUT INTERFACE

The user interface would be primarily HTML-based for the Web. Specialized (including offline) user interfaces would be undertaken on an opportunistic basis.

Particular applications might have an independent, "direct access" identity, and/or may be folded in as features of EasyNet, MusicBlvd, etc., but they would always appear within the general Dissemination Gateway web site. In addition to applications, the site would also include at least the following elements:

- 6. All disseminators in the service
- 7. All validations and endorsements
- 8. Multiple indexes for identifying and selecting disseminators, perhaps including indexes organized by:
 - a. subject
 - b. medium type
 - c. information format requirements
 - d. information size requirements
 - e. audience characteristics
 - f. costs
 - g. degree of anonymity available

- h. degree to which disseminator encourages/enables responses
- i. methods of responsiveness (e.g., responses by snailmail only)
- j. editorial control exercised by disseminator
- 9. Supportive editorial material
 - a. by reference (e.g., a bibliography of books on advertising on the 'net)
 - b. actual content (e.g., comments from a customer on why to develop VRML as opposed to HTML sites)
- 10. Mechanism for customers to declare (and revoke) endorsements
- 11. Mechanism for customers to "save" their disseminator list for future personal use (for a fee).
- 12. Mechanism for customers to feedback to us
- 13. Prices, service policies, instructions, etc.

RELATIONSHIP TO EASYNET

This product concept ("the pioneer information dissemination gateway") would relate to the re-engineered EasyNet ("the premiere information search and retrieval service" in many ways, including:

- 14. Specific dissemination applications relevant to EasyNet customers would be included as distinct features of EasyNet.
- 15. The EasyNet web site can refer to the Dissemination web site, and vice versa.
- 16. Some applications might be "co-developed", by utilizing a combination of dissemination and retrieval functions. For instance, a robust job hunting application would enable resume dissemination as well as retrieval of job openings.
- 17. EasyNet could host producer data, playing the role of disseminator ourselves (thus providing value in both the dissemination and retrieval arenas). Telebase might create a dissemination outlet for types of information for which disseminators are otherwise lacking (e.g., a place to publish poetry), or for which the producer may require controlled access to their information (possibly in order to charge for access--which we could facilitate). In such cases, we may choose to "earn our fee" from payments from consumers for the information. In this latter role of hosting producer data we may not want to conceive of the information as being part of EasyNet, but as its own "disseminator". This may be the most effective way of earning revenue from producers whose expectation is that they should receive money for their information (i.e., value chain permutations A.1 through A.6 in Appendix A).
- 18. We may want to embrace the concepts of validation and endorsement for a broadened "EasyNet" (or directory wraparound), and it may be advantageous to manage these validations and endorsements jointly between the product lines.

19. Marketing of services via offline channels (especially the likes of Kinko's, Mailboxes, Etc. and so on) should probably include both dissemination and retrieval applications.

ASSUMPTIONS

I tried to identify my own assumptions about why I believe such a product line would be (very) successful, and have listed them below. Some can be validated by empirical evidence; some are honestly hunches.

- 20. The demand for information dissemination (both online and offline) is large.
- 21. The demand for information dissemination online is increasing, due to:
 - a. new people coming online
 - b. a higher comfort level of online participants (i.e., more people are comfortable enough to disseminate as well as retrieve)
 - c. an increasing number and variety of disseminators
- 22. Even defined "communities" (like UseNet newsgroups), are quite receptive to "one-shot" placements of information (which we could facilitate), as opposed to supporting only highly interactive or intimate exchanges.
 - [Sue Kane performed an informal content analysis of 5 newsgroups and 2 mailing lists on diverse topics. Of 564 messages, 18% (100) were simply disseminating information, and 44% (249) were expressing an information need {another form of dissemination}. Cindy Bell examined 827 messages from 6 diverse mailing lists, and found 5% (38) were simply disseminating information and 30% (251) were expressing an information need.]
- 23. Information producers--especially online novices or those attempting to disseminate information in (for them) a novel way--will find value in assistance and support in identifying appropriate places.
- 24. Many messages (or other sorts of information) would be effectively placed in multiple destinations, and often of a heterogeneous nature (e.g., newsgroup, web site and ftp site).
- 25. Many people who are not (yet) online would nonetheless desire to participate in online media.
- 26. Diversity/complexity:

- a. The diversity/complexity of personal information needs (for retrieval, dissemination, analysis, etc.) is increasing
- b. The diversity/complexity of the online world is increasing
- c. There will be an increasingly valuable role in assisting people to effectively navigate the evolving online environment.
- 27. Telebase has a sufficiently solid and well-established reputation to credibly attempt to maintain endorsements and validations.
- 28. No other organization yet staked a claim to such a broadly stated dissemination concept.
- 29. They will.
- 30. Being "first-in" is important--especially with regard to endorsements.

PROFIT & LOSS ESTIMATE

The following P&L is predicated upon four Telebase-created applications plus some "customer created applications" (producers utilizing the Dissemination Gateway for their own purposes). The four applications (Classified Ads I, Classified Ads II, Resume Submission and Oracle) are described in Appendix E. It should be emphasized that these are not necessarily the "first" or "best" four applications that we might develop, but they are typical, and are used within this P&L as a stake in the ground for preliminary planning purposes.

Following are revenue and direct cost estimates for the four applications and the customer created applications piece, followed by aggregate figures (at which point operating expenses are estimated).

CLASSIFIED ADS I

	First Y	/ear	Second '	Year
No. EN transactions	2,500,000		2,750,000	
TRANSPORT FEES @ \$2.00				
% of EN trans.	3.0%		6.0%	
EasyNet derived Other web-based	# 75,000 37,500	\$ \$150,000 \$75,000	# 165,000 165,000	\$ \$330,000 \$330,000
ADDITIONAL FEES @ \$20.00				
% of # transported	10.0%		10.0%	
EasyNet-derived Other web-based	7,500 3,750	\$150,000 \$75,000	16,500 16,500	\$330,000 \$330,000
DIRECT COST RECOVERY		\$675 , 000		\$1,980,000
TOTAL REVENUE	\$	31,125,000		\$3,300,000
DIRECT COSTS @ \$200.00				
% of # transported	3.0%		3.0%	
EasyNet derived Other web-based	2,250 1,125	\$450,000 \$225,000	4,950 4,950	\$990,000 \$990,000
TOTAL DIRECT COSTS		\$675 , 000		\$1,980,000
GROSS MARGIN	40.00%	\$450,000	40.00%	\$1,320,000

CLASSIFIED ADS II

REVENUE

TRANSPORT FEES @ \$15.00

Ÿ10 . 00	First Ye	First Year		Second Year	
<pre>via mags/newspapers Kinko's, MBE, etc. Clubs, Assoc., stores</pre>	# 2,000 1,000 500	\$ \$30,000 \$15,000 \$7,500	# 4,000 3,000 1,000	\$ \$60,000 \$45,000 \$15,000	
DIRECT COST RECOVERY		\$0		\$0	
TOTAL REVENUE	3,500	\$52 , 500	8,000	\$120,000	
DIRECT COSTS		\$0		\$0	
GROSS MARGIN	100.00%	\$52 , 500	100.00%	\$120,000	

RESUME SUBMISSION

	First Year		Second Ye	Second Year	
TRANSPORT FEES @ \$15.00					
EasyNet derived Other web-based	# 2,000 2,000	\$ \$30,000 \$30,000	# 2,500 4,000	\$ \$37,500 \$60,000	
ADDITIONAL FEES @ \$50.00					
% of # transported	20.0%		20.0%		
EasyNet-derived Other web-based	400 400	\$20,000 \$20,000	500 800	\$25,000 \$40,000	
DIRECT COST RECOVERY		\$80,000		\$130,000	
TOTAL REVENUE		\$180,000		\$292,500	
DIRECT COSTS @ \$50.00					
% of # transported	10.0%		10.0%		
EasyNet derived Other web-based	200 200	\$40,000 \$40,000	250 400	\$50,000 \$80,000	
TOTAL DIRECT COSTS		\$80,000		\$130,000	
GROSS MARGIN	55.56%	\$100,000	55.56%	\$162,500	

ORACLE

	First Y	/ear	Second Y	ear
No. EN transactions	2,500,000		2,750,000	
TRANSPORT FEES @ \$1.00				
% of EN trans.	3.0%		6.0%	
EasyNet derived Other web-based Offline sourced ADDITIONAL FEES @	# 75,000 37,500 5,000	•	•	·
\$5.00				
% of # transported	10.0%		10.0%	
EasyNet-derived Other web-based Offline sourced	7,500 3,750 500	\$37,500 \$18,750 \$2,500		\$82,500 \$82,500 \$7,500
DIRECT COST RECOVERY		\$0		\$0
TOTAL REVENUE		\$176 , 250		\$517 , 500
TOTAL DIRECT COSTS		\$0		\$0
GROSS MARGIN	100.00%	\$176 , 250	100.00%	\$517 , 500

CUSTOMER CREATED APPLICATIONS

	First Y		Second Ye	
TRANSPORT FEES @	#	\$	#	\$
\$2.00	5,000	\$10,000	15,000	\$30,000
ADDITIONAL FEES @	F 0 0	¢10.000	1 500	¢20.000
\$20.00	500	\$10,000	1,500	\$30,000
% of # transported	10.0%		10.0%	
DIRECT COST RECOVERY		\$25 , 000		\$75,000
TOTAL REVENUE		\$45 , 000		\$135,000
TOTAL DIRECT COSTS @ \$50.00	500	\$25 , 000	1,500	\$75 , 000
% of # transported	10.0%		10.0%	
GROSS MARGIN	44.44%	\$20 , 000	44.44%	\$60,000
=======================================	======	=======	=======	:
AGGREGATE FIGURES				
AGGR. GROSS REVENUE	\$	1,578,750	Ş	4,365,000
AGGR. DIRECT COSTS		\$780 , 000	\$	2,185,000
AGGR. GROSS MARGIN	50.59%	\$798 , 750	49.94% \$	2,180,000
OPERATING COSTS		\$750 , 000		\$750 , 000
PROFIT (LOSS)		\$48 , 750	\$	1,430,000

* For the sake of planning Operating Costs are figured as 12 staff (1 Product Manager, 3 Software Engineers, 1 Senior Editor, 2 Editors, 1 Editorial Assistant, 2 Customer Service people, 1 Marketing Manager and 1 Administrative Assistant). The staffing costs is figured at \$50K each (per BJOH), or \$600K, plus \$50K for Administrative Expenses, \$50K for Marketing Expenses and \$50K Miscellaneous.

CONCLUSION

We know that Telebase needs to develop an additional product line. Continuing to search for additional information (or even merchandise) <u>retrieval</u> products is all very well and good; but we have a unique opportunity to enter into a new arena <u>before</u> it gets crowded.

We've talked about our need to have our own proprietary content. With the Dissemination Gateway, you can think of content in two forms. The first is the "directory" itself--all of the disseminators, validations, endorsements, indexes, interface components, etc. This we will create and have proprietary ownership over. The other "form" of content is all of the information that producers would be disseminating; and this is content that <u>no one</u> can have proprietary ownership over, because its ownership is truly distributed. It casts information, and its value, in a new light. And I believe this is the way things are going: information--and the power associated with it--will be more evenly distributed as we enter the Information Age. We can ride this wave--while helping it come about.

The time to act on this concept is NOW. Facilitating customers' information dissemination needs is not as intuitively obvious as facilitating their information retrieval needs--because the customer base (defined currently as all those online, and eventually as all those who will be online) understands the concept of using the "Information Superhighway" for finding information, but is only beginning to appreciate the concept of using the online environment for disseminating their own information. Indications, however, would seem to suggest that this will be a bigger and bigger piece of their conceptual framework of the online environment. And, except for some early incursions into support services for online advertising, no major presence seems to be set up to assist users in their diverse information dissemination needs.

This is our chance to be "first-in". Again.

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Appendix A

Broadened Information Value Chain Model

If one broadens the scope of who qualifies as an information producer (e.g., to include advertisers and UseNet newsgroup participants), the greater variety of potential money flows complexify the model. Below is a repetition of the general model with all potential money flows shown. On the following pages are the 18 potential permutations, with examples where possible.

NOTES:	 Each arrow represents a potential <u>flow of money</u>. (Of course, only one money flow relationship would actually occur between any two links in a given situation.) The dashed arrow represents an indirect potential flow of money (as in sales resulting from advertising). The ————————————————————————————————————

The possible permutations of this model are:

A. Money flows from disseminator to producer

- A.1. Money flows from consumer to disseminator (and not from consumer directly to producer)
- A.2. Money flows from consumer to disseminator, and also from consumer to producer.
- A.3. Money flows from consumer to disseminator, and potentially <u>indirectly</u> from consumer to producer.
- A.4. Money flows from consumer directly to producer (and not from consumer to disseminator)
- A.5. Money potentially <u>indirectly</u> flows from consumer directly to producer (and not from consumer to disseminator)
- A.6. No money flows from consumer to either disseminator or producer

B. Money flows from producer to disseminator

- B.1. Money flows from consumer to disseminator (and not from consumer directly to producer)
- B.2. Money flows from consumer to disseminator, and also from consumer to producer.
- B.3. Money flows from consumer to disseminator, and potentially <u>indirectly</u> from consumer to producer.
- B.4. Money flows from consumer directly to producer (and not from consumer to disseminator)
- B.5. Money potentially <u>indirectly</u> flows from consumer directly to producer (and not from consumer to disseminator)
- B.6. No money flows from consumer to either disseminator or producer

C. No money flows between producer and disseminator

- C.1. Money flows from consumer to disseminator (and not from consumer directly to producer)
- C.2. Money flows from consumer to disseminator, and also from consumer to producer.
- C.3. Money flows from consumer to disseminator, and potentially <u>indirectly</u> from consumer to producer.
- C.4. Money flows from consumer directly to producer (and not from consumer to disseminator)
- C.5. Money potentially <u>indirectly</u> flows from consumer directly to producer (and not from consumer to disseminator)
- C.6. No money flows from consumer to either disseminator or producer

Appendix B

Glossary

This is a collection of terms used (hopefully consistently) throughout this document. Most of them have been defined within the context of the document, and are collected here as a single point of reference.

- **Additional Fees** are charged to producers by Telebase for services rendered in association with transported information. They may or may not require any human intervention, and the amounts would vary depending upon cost factors.
- An **Application** is a discrete value-added "package" offered by Telebase on behalf of a producer. It includes at least transport of information to one or more disseminators, and may also include other value-added services (e.g., reformatting information, aggregating responses, etc.) Applications could be positioned as options within the general Dissemination Gateway, as "direct access" standalone sites, and as distinct features within our other product lines (EasyNet, MusicBlvd).
- The **Consumer** is the entity who "partakes" of the information. This is a role; the same entity may in another context be a producer.
- The **Customer** refers to the entity who would pay Telebase for service. Within this dissemination model, the customer is usually synonymous with the <u>producer</u> (not the consumer--as is the case in the information retrieval model).
- The **Disseminator** is the single or collective entity which makes the information available to others; it might be one or more companies (e.g., Dialog or Dialog/Telebase/CompuServe), a technology (e.g., the World Wide Web) or a medium (e.g., the spoken word); sometimes the producer and the disseminator are different aspects of the same entity. The Disseminator is the entity to which a distinct element of information might be transported. For instance, each UseNet newsgroup would be considered a separate disseminator. Our maintenance of information about a great number of individual disseminators is at the heart of this project. A depiction of the relative relationships of various disseminators appears as Appendix D.
- **Disseminator Charges** are charges required by disseminators for submission of information. Telebase would pay these charges on behalf of the producer, and charge them back to the producer (so they would be a "wash").
- **Endorsements** are declarations by customers of which disseminator(s) are best for particular purposes. Endorsements are associated with their endorsers (individuals or groups), and become criteria for other customers to filter disseminators.

- **Information** is meant to refer to the product to be disseminated; it might be data, opinion, query, creative work, and so on, and may be in any sort of format or medium.
- **Information Dissemination**--which is the subject and scope of this proposal--refers to the transmission of information from one producer to *n* consumers (a one-to-many relationship) by means of a disseminator. Dissemination is assumed to be undertaken willingly, purposefully and voluntarily by the producer. The consumers to whom information is disseminated would generally include individuals not personally known by the producer, and it might therefore be assumed that the information disseminated does not necessarily have the intended effect upon each and every consumer.
- **Information Retrieval** refers to the purposeful collection by a consumer of particular information from within some broader collection of information.
- A **Medium** is a category of disseminators which behave quite similarly. For example, UseNet newsgroups might be considered a single medium (though each newsgroup is a unique disseminator).
- The **Producer** is the entity who creates the information in the first place. This is a role; the same entity may in another context be a consumer.
- A **Referral** is a listing for a disseminator, which contains information about how to contact that disseminator. All disseminators within the system would have corresponding referrals.
- **Transport** refers to the activity undertaken by Telebase to convey information to one or more disseminators on behalf of a producer. Transport would be an available feature for only <u>some</u> of the disseminators in the system.
- **Transport Fees** are charged to producers by Telebase for the service of conveying the producer's information to one or more disseminators. The amounts of these transaction-based fees would vary depending upon such factors as the medium and format of the information and the number of disseminators to which the information is to be conveyed.
- **Validation** is a condition selectively applied to disseminators, determined and designated by Telebase, indicating that a particular disseminator has satisfied certain predetermined and published criteria of "authenticity". Validation may also be applied to endorsements.

Appendix C

Tentative Taxonomy of Offline Dissemination Media

Statement of Scope:

The following listing of dissemination media is meant to include means by which an individual may disseminate his or her message or information. It does NOT include online media, nor does it include media which do not convey an <u>explicit</u> message or piece of information (e.g., "type of car driven" is not included).

A. Displayed on person

- A.1. Tattoos
- A.2. Jewelry (when displaying words or symbols)

B. Displayed on garments

- B.1. Buttons
- B.2. T-shirts
- B.3. Hats
- B.4. Jackets
- B.5. Other garments

C. Displayed on vehicles

- C.1. Vanity plates
- C.2. Faux plates (e.g., in PA can be displayed in front plate holder)
- C.3. License plate frames
- C.4. Bumper stickers
- C.5. Hats, etc. in back of car window
- C.6. Messages painted on bumper or car body
- C.7. Spare tire cover
- C.8. Mud flaps

D. Displayed in print publications

- D.1. Classified Ads
- D.2. Display advertisements
- D.3. Letters to the Editor
- D.4. Newsweek's "My Turn" column, and the like
- D.5. Books
- D.6. Articles, etc.

- D.7. "Support spaces" (ads) in yearbooks, etc.
- D.8. Zines

E. Displayed in environment

- E.1. Graffiti
 - E.1.a. on walls
 - E.1.b. in bathrooms
- E.2. Bulletin boards (physical)
- E.3. Vandalism, including guerrilla humor
- E.4. Cement messages
- E.5. messages carved in trees
- E.6. skywriting
- E.7. Poster
 - E.7.a. on wall
 - E.7.b. staked to ground
 - E.7.c. massive exposure
- E.8. "Core States brick"
- E.9. message in a bottle, balloon, etc.
- E.10. time capsule
- E.11. epitaph

F. Performed

- F.1. Stand-up comic'ing
- F.2. Public music playing
- F.3. Public speaking
- F.4. Getting up on a soapbox
- F.5. Placard at rally/event
- F.6. shouting slogans

G. Displayed in video

- G.1. Contribution to newscast
- G.2. America's Funniest Home Videos, America's Funniest People
- G.3. "Wakeup call" for morning news shows
- G.4. Music video
 - G.5. TV show (including cable)
 - G.6. TV advertising
 - G.7. video dating service
 - G.8. Motion Picture

H. Displayed in audio

- H.1. Call in to talk radio
- H.2. Audio "letters" (e.g., to NPR, etc.)
- H.3. Public service announcements
- H.4. Radio advertising
- H.5. Micro Power Broadcasting (e.g., Free Radio Berkeley)
- H.6. Ham radio
- H.7. CB radio

I. Other

- I.1. Business cards
- I.2. "Personalized" mugs, doormats, pencils, etc.
- I.3. Using a library community room
- I.4. Names chosen for musical groups, horses, boats, etc.
- I.5. personal phone number, 800/900 number
- I.6. email address
- I.7. Contribution to stock photo archives

Appendix D

Relative Relationships of Disseminators

Appendix E

Sample Applications Scenarios

Here are descriptions of four possible applications which Telebase could create. These are the same four used in the P&L. They are not necessarily the four "best" or "first" applications to be developed, but they can give some sense of how some applications would work, while providing necessary context for understanding the P&L.

1. Classified Ads I (Online Interface)

This application would assist the customer in placing classified ads in (at least) online classified ad services.

Yahoo lists 142 web-based classified ad services. Some are general "everything for everybody" services; others are quite specialized. There are, for instance, 25 automotive classified ad services, 7 for aircraft, 2 for horses, and one for adoptees to locate their birth parents. Some of these services charge for listing, while others are free. Some accept ASCII input; others allow or require HTML. Some enable multimedia submissions (e.g., pictures). In other words, they represent a highly diverse, anarchic conglomeration of online classified ad listings.

The value we could provide in an application would be to bring some order to this chaos. First of all, we'd need to select from among the candidate online classified ad services to prioritize those for the development required for transport, depending upon such criteria as likely survival and popularity. (Ironically, we might create a self-fulfilling prophesy, as we would likely become a major source of supply for the services we select for our application. We would analyze and reflect what sorts of ads would be appropriate for which classified ad services (a.k.a. disseminators). We would understand not only which subjects of ads would "fit" where, but also which of the disseminators accept or require HTML input, which have direct costs (and how much), which have restrictions on whether and how high a submitter can set a price, which have regional focusses, and so on.

Knowing what we would know about the selected disseminators, we could create a user interface which would help the customer determine which constellation of disseminators was right for her particular purpose.

Many (most?) of these ad services have categories, which we could map to our own unified subject index. In this way, when a customer wants to sell old nickels, we know that the ad is to be submitted under "Nickels" in Disseminator A, under "Coins" in Disseminator B, under "Collectibles" in Disseminator C, and so on.

We would solicit the ad online in a fairly standardized format, and transport it to the selected disseminators, manipulating the format slightly as required. The amount of transport fee would vary, depending upon complexity of content (e.g., if it contains graphics) and how many disseminators the ad is going to. For the P&L, I estimated a very modest average transport fee of \$2.00. In addition, we could offer other services,

such as HTML conversion, anonymity for the submitter, and aggregating responses from consumers (i.e., like a P.O. Box). And, of course, we would pass through any disseminator charges.

This application may be an opportunity to "break through" the gated communities of AOL, Prodigy and CompuServe. Each (and other commercial online services) has its own classified section, free to its members. As their competition for new members continues to heat up, they may want to entertain a revenue stream from non-members as well. Sure, they'd prefer to convert any "outside" ad submitters to members (and we could agree to provide membership information to our customers), but I believe the truth is that many people who want to reach into the commercial online services' audiences with a classified ad have absolutely no interest in becoming members. To the extent that the commercial online services might believe this as well, they would look on this idea as an incremental revenue stream that would supplement (and not cannibalize) their recruitment efforts.

In addition, this application can include <u>offline</u> classified ad disseminators, submitting the customers ad by email or e-fax. This last angle bumps up against competition from ad agencies which specialize in classified ads, an so we'd need to evaluate the prospect carefully.

2. Classified Ads II (Offline Interface)

This application is related to the first one, but it <u>starts</u> in the offline world. Given the fact that <u>most</u> people and small businesses are not yet online, but might want to reach that exciting online world they've read about, we could offer people who are <u>not</u> online the opportunity to place classified ads online. Imagine these three scenarios:

- A. <u>Via magazine/newspaper classified ads.</u> Take a source like *Popular Mechanics*, for instance, which has a very active classified ad section, and a minimum ad fee of \$162. Now let's say we've pre-selected one or more subject-appropriate online classified ad services which have no fee, and don't require any special processing (e.g., ASCII is fine). Perhaps *Popular Mechanics* would be willing (and happy) to put a check-off box on their classified ad submission form with a caption that says, "Check here to have us put your ad **online!** Only \$30.00!" To the customer, the incremental fee is relatively small for the magical promise of online. *Popular Mechanics* and Telebase would split the fee, so, in this scenario, *PM* would simply send Telebase \$15 and the text of the ad for transport.
- B. <u>Via Kinko's, MBE, etc.</u> Kinko's ("Your Branch Office"), Mail Boxes, Etc. and a number of other enterprises are committed to providing a variety of business support services to the SOHO market. They are constantly looking to add new services which they think their customers would want, but that don't require lots of risk, shelf space or effort on the enterprise's part. Facilitating placement of online (and offline?) classified ads--whether by actually logging in to the Dissemination Gateway or by filling in a form and faxing it to us-would seem to be right up their alley.

C. <u>Via Clubs, Associations, Stores</u>. An antique store, a stamp club, an association of bocci players. There are many specialized interest groups whose members have occasional intensive information needs (buying, selling, locating, verifying authenticity ...). A variation of this application could provide these folks with an inexpensive and effective way of reaching out to others who share their interest from around the world.

3. Resume Submission

There are dozens of resume disseminators online. Most seem not to charge the job seeker. (The employer often pays.) As with classified ads, some allow or require HTML, and some accept graphics. Some are general, while others are specialized (e.g., JapanNet Resume Book, Technology Register). The Resume Publishing Company gives each resume a unique URL. ResumeNet provides up to 10 hard copies of the resume.

In diversity there is opportunity for us to add value. We can analyze the sites and construct a user interface which supports the job seeker in selecting appropriate resume disseminators. We can earn additional fees with HTML conversion, and even editorial assistance.

4. Oracle

This is an application idea whereby a customer with a query that might be answered by others merely selects a category from our subject list and submits their query. Our subjects are mapped to appropriate UseNet newsgroups and mailing lists, and perhaps other services free of charge. For a very modest transport fee, we'll help the customer get her question to the right place(s).

This application is different (and perhaps more difficult) than the others, because in this case the producer has a money-neutral expectation for using newsgroups and mailing lists directly (value chain permutation C.6 in Appendix A). In order for us to justify a transport fee, we'll have to provide sufficient value. One value we can use to justify our fee would be propagation of the customer's query (information) to multiple sites "at once", thus saving the customer time and effort. While responses (from consumers) could go directly back to the original customer/producer, I could imagine us frequently being asked to provide the additional service of aggregating the responses--especially for offline-originated customers. (We could develop a programmatic method for scraping off responses that were posted back to the original newsgroup, for instance.) Anonymity might also be a popular additional service.

This particular application also runs a risk of culture clash. The newsgroups and mailing lists tend to be populated by the (often staunchly) non-commercial crowd. If they perceive us exploiting their good will for profit, the application could collapse and taint Telebase's reputation at the same time.

Appendix F

List of Additional Purposes/Applications

The following is <u>by no means</u> a comprehensive list. It is a partial inventory meant to illustrate the sorts of purposes to which customers might put a general Dissemination Gateway. These are all also potential applications that we might want to develop. By establishing a wide-open environment which facilitates (empowers) customers to disseminate their information for <u>whatever</u> purposes they deem important, we would have a conveniently built-in market research mechanism. We can observe where the action is ("Gee, it seems like a surprising number of people are interested in disseminators for their digitized photographs"); and then build applications to fit the popular purposes we observe. Some of the ideas listed below (or others not yet written) may be better as initial applications than the four suggested in the P&L. The arrangement is arbitrary. Comments are in parentheses.

A. Submission of creative or intellectual works

1.	Music	(IUMA, Kaleidospace and Enigma are only three of the web-based
		services that invite you to contribute your original music for fees
		between \$100 and \$200; might integrate nicely with MusicBlvd.)

- 2. Other Audio (Services like RealAudio promise to allow "common people" to produce their own audio material and "kiss radio's stale formats goodbye forever" (*Wired*, July, 1995, p. 38). So far, however, there don't seem to be a lot of outlets for the results of one's audio creativity. There will be, and we can help people get there.)
- 3. Video (Can "RealVideo" be very far behind? Also, maybe an opportunity in the video dating area.)
- 4. Images (Sources of disseminators might include the new Kodak Picture Exchange (online), web sites that display images or stock photo agencies.)
- 5. Fiction (Including serialized novels.)
- 6. Poetry
- 7. Essays, opinions, positions (Could include various online forums, plus a host of offline sources, such as letters to the editor [the "Media List" available online lists email addresses for letters to the editors of hundreds of magazines and newspapers], *Newsweek*'s "My Turn" column, *Wired*'s Idées Fortes, and published articles in general.)
- 8. Ideas or inventions (A potential application could be wrapped around the intellectual property requirement to "establish priority".)
- 9. Newly coined word or phrase
- 10. Recipes
- 11. Reviews of almost anything (Could include review of information products, like books, music, etc., as well as reviews of all sorts of products and services out in

the real world, like refrigerators, IRS customer service and Arlen Specter.)

- 12. Professional papers and independent research
- 13. zines
- 14. Newsletters
- 15. Jokes and other humor
- 16. Children's Material (*Cyberkids Magazine* on the web is designed just for this)
- 17. Memes of all sorts

B. Public Announcements

- 1. 1... of jobs available (This is actually a much bigger market than resume submission.)
- 2. ... of a new record set for an achievement/event
- 3. ... of a new publication, piece of software or other product
- 4. ... of new content at ftp/gopher/W3 site
- 5. ... of one's own list of hot/cool sites
- 6. ... correcting misinformation or debunking disinformation
- 7. ... of news of newborn children, birthdays, holidays, weddings, deaths
- 8. ... of news
 - a. from a unique or subjective perspective
 - b. to remote, targeted locations: Bosnia for war; Zaire for Ebola virus; Haiti for rebuilding; etc.
 - c. in non-English languages
- 9. ... of list of refugees
- 10. ... of list of survivors of a conflict/war/disaster
- 11. ... of environmental dangers found in any country
- 12. ... of concerts, conferences, seminars, and other events.
- 13. ... of calls for papers
- 14. ... of RFQ's
- 15. ... of leaked government documents/news to the int'l community
- 16. ... of human rights abuses
- 17. ... of company news briefs and news releases

C. Solicitation of support

- 1. ... for sending "aid" donations (to any cause)
- 2. ... for boycott
- 3. ... for revocation of boycott
- 4. ... for lobbying your political representatives
- 5. ... for signing an online petition
- 6. ... for nominating some person or organization for an award
- 7. ... for naming an interplanetary object after a dead rock star

- D. Public displays in the "real world"
 - 1. Poetry displayed in busses, subways
 - 2. ad space on park benches, etc.

E. Seeking people

- 1. adoptees seeking birth parents
- 2. high school reunion committee seeking lost alumni
- 3. seeking an expert of some sort (relates to notion of maintaining our own database of experts and/or linking to existing resources, like Teltech)
- 4. seeking pen pals
- 5. seeking interactive game participants
- 6. seeking social contacts of various kinds
- F. Placing orders for messages on physical objects (At first we could take customer text and forward to manufacturer; eventually we could facilitate full on-screen design by customer)
 - 1. garments
 - 2. bumperstickers
 - 3. any personalized or customized goods

G. Other

- 1. Surveys
- 2. Letters from school children to other countries/organizations/scientists
- 3. Letters to Santa Claus, Easter Bunny, St. Nick, and other world-wide "mythical" beings
- 4. direct email advertising campaigns