

# Presentation Title

## Name & Company of Presenter



Developing alliances for end-to-end solutions

Steve Pazol, CEO 

Buddy Eleazer 


1




### Topics

- Why do Alliances?
- Relationship Structures
- Structuring the Relationship
- Picking the Right Partners
- Challenges
- The Real Deal


2



Strategic Alliances are most prevalent in industries undergoing rapid change.



3



### Why do Alliances?

- 1 + 1 = 3
- Product Diversification
- Vertical Integration
- Geographic Coverage
- Access to Technology
- Risk Mitigation
- Flexibility
- Resource Sharing


4



### Relationship Structures

- Press Release
- Customer/Supplier
- Licensing
- Opportunity Specific Teaming
- Marketing Alliances
- Exclusive Marketing Alliances
- Joint Venture
- Investment
- Merger
- Acquisition

5




### Structuring the Relationship

- Handshake
- Teaming Agreements
- MOU
- Lifecycle

6

# Presentation Title

## Name & Company of Presenter

 Picking the Right Partners

- Must be win/win
- Cultural compatibility
- Complementary
- Alignment of strategies
- Similar senses of urgency
- Benefits to both are obvious

7

 M2M Traditional Partner Relationships





8

 New World of Partnerships

- Partnering with your customers
  - Joint development
  - Risk/reward sharing
  - Channel
  - Expand the network
  - Introduce customers
  - Cross pollination
  - Exclusivity

9

 The Real Deal



The Application

**Air Products/ nPhase Joint Venture**  
 Air Products has adopted nPhaseDSN as their wireless standard platform and nPhase as the wireless provider.  
 Air Products and nPhase have entered into a joint venture, funded by Air Products and managed by nPhase, targeted at supply chain solutions in the chemical industry.

- ✓ SkyChain – supplychain solutions for the chemical industry
- ✓ Manage and monitor hydrogen fueling stations

10

### The Air Products Perspective

Developing alliances for end-to-end solutions within the “big” company

11

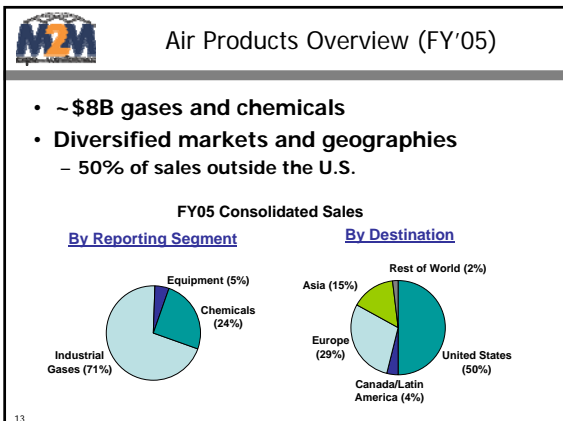
 Fast Facts 

- Fortune 500 company
- Gases, chemicals and services provider
- Operations in more than 30 countries
- >20,000 employees worldwide

12

# Presentation Title

## Name & Company of Presenter

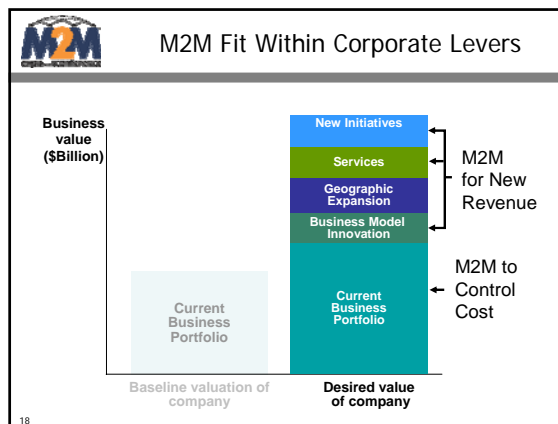
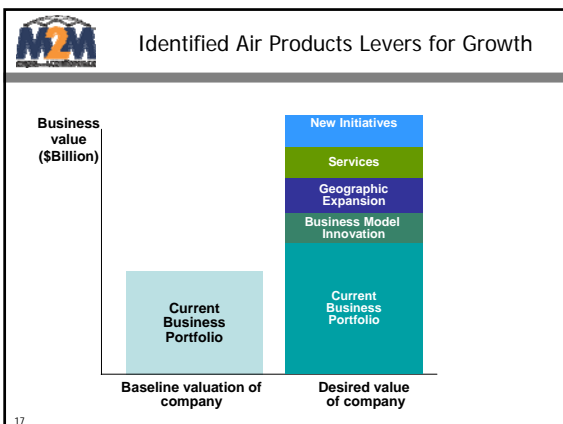


**The Bottom Line**

Shareholders invest in companies that provide higher returns—i.e. companies that grow revenue, keep costs down, and as result, have consistent earnings and improve return on capital year-to-year

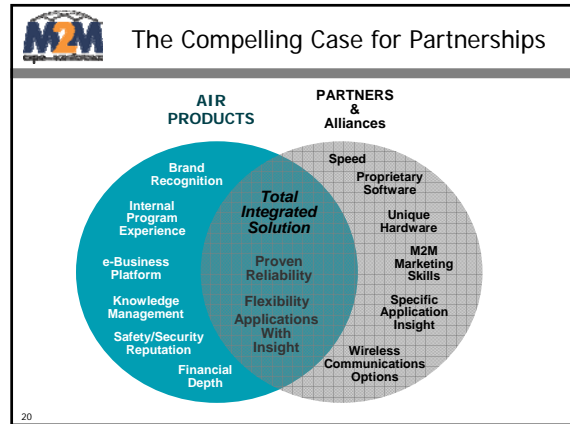
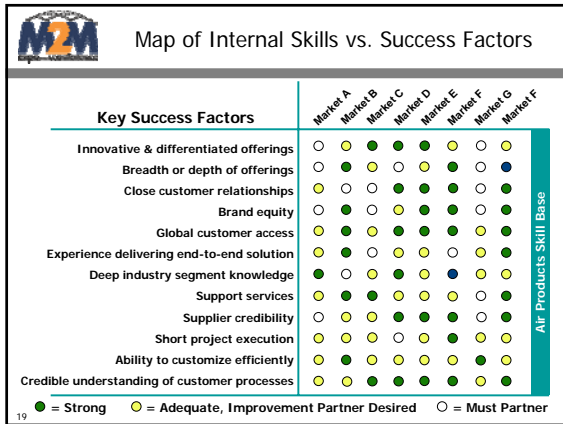


- 
- Key Activities to Deliver the Difference**
- A need for change drives:
- new business opportunities (such as M2M)
  - a need to do business differently (*alliances*)
- Set corporate targets and measures for organic, translational and step-out growth
  - Couple growth with internal capabilities
  - Best practicing sharing . . . Centers of excellence and peer groups
  - Enterprise level focus on continuous improvement & knowledge management tools
  - Measures and scorecards



# Presentation Title

## Name & Company of Presenter



### Internal Programs Validate the Value

*Inventory Management Based On Telemetry*

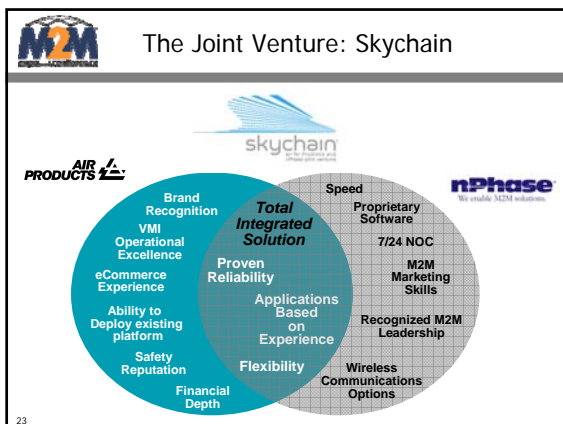
A Long History of M2M

- Initially a way to improve business processes.
  - Seeking a competitive edge
- 10 years experience in NA and Europe.
- 5800 assets are managed through telemetry
- 95% of assets automatically forecasted and scheduled for delivery
- 1,000 deliveries per day

### What is Skychain?

- Provides Supply chain management solutions in chemical and fuel industries,
- Globally amenable
- Supports electronic communications over wired and wireless networks, enterprise software, IT infrastructure, IT services, field services, equipment and sensors,
- Includes tank level monitoring, location monitoring of mobile assets, and other supply chain management solutions

Enabling chemical and fuel supply and distribution businesses to operate more efficiently and provide better services to customers.

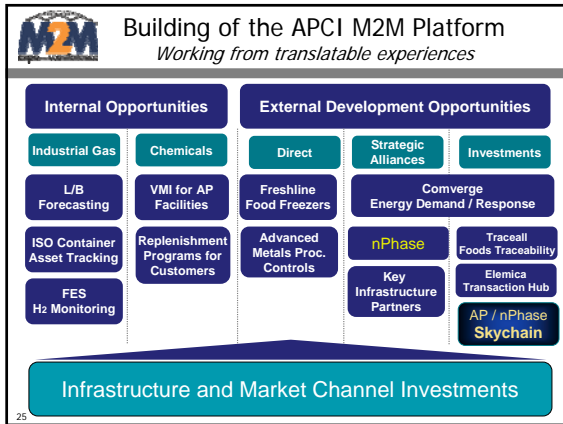


### Skychain

- Why a joint venture?
  - Not a project, but a business
  - Wanted investment targeted at the supply chain opportunity
  - Each party had significant IP that needed to be integrated to provide complete solution
  - Need for full time commitment of people from each company plus additional staff hired by Skychain
- Future plans

# Presentation Title

## Name & Company of Presenter



- 
- Some Challenges**
- People/communication
  - Benefit accrues too much to one party
  - No immediate revenue
  - Competition
  - Changing marketplace
  - More attractive partner appears
  - Relationship turnover
  - Size differences
  - Unrealistic expectations
  - Culture differences
- 26

**Thank you**

Steve Pazol, CEO

Buddy Eleazer

**nPhase**  
We enable M2M solutions.

**AIR PRODUCTS**

27

tell me more

[www.airproducts.com](http://www.airproducts.com)

**AIR PRODUCTS**

28