

Bluescape™ Frequently Asked Questions

What is Bluespace?

Bluescape is an infinite, collaborative workspace designed to accelerate decision making by enabling anyone to create, communicate, visualize, organize, and strategize virtually anything, anywhere, anytime.

Bluescape customers can:

- Facilitate collaboration in an infinite virtual space (each virtual space a customer initiates is equal to 160 acres)
- Create, gather, and share in an immersive environment
- Improve decision-making through interactive visualization
- Access cloud-based software from any device, anytime and anywhere
- Complement their existing tele-presence solutions (such as Cisco, WebEx, GoToMeeting, etc)

Why Haworth?

Bluescape is a logical step and natural outcome of Haworth's focus on the needs of knowledge workers. For over 20 years, Haworth has been researching the ways people work, what they need to be productive, how they think and create, and how technology contributes to worker effectiveness. That research contributed to Crossings, a systems product that introduced visualization tools to workers. That was in the mid-90s. Over the years, Haworth has continued to research, explore new technologies, and push the limits of what workplaces can do. Bluescape's capabilities are the results of what we've learned. It provides visual organization and project collaboration in a completely new form. Around the world, Haworth improves workplaces with solutions that transform culture, promote innovation, and create better ways to work.

How does this relate to our strategy?

An important aspect of Haworth's strategy is that we apply our knowledge and research to make workplaces better and more effective. Part of that research is on human cognition – how people learn, think, remember. Haworth also partners with customers, dealers, and others to help redefine how interiors are designed, built, and maintained over time. Our strategy also includes helping customers improve their real estate use and optimize the performance of their facilities, with the end goal of giving them tools to build a more effective and innovative workforce. All of our research and the components of our strategy inform the products we offer and the workspaces we create—and contributed to the development of the Bluescape product, as well.

Where did Bluescape come from? History of Bluescape?

In 2010, members of Haworth's Design Group were looking for a way to solve a business challenge: They wanted to easily visualize the entire Haworth chair inventory at one time. They wanted a way to see patterns and to analyze a large amount of information in a single view. But the tools they had available did not give them a way to do this.

Bluescape™ Frequently Asked Questions continued

The Design Group sought out a better solution. They knew that the growth and survival of organizations was largely dependent on their people's ability to strategize, solve problems, make decisions, create, and inform. By chance around this same time, a Haworth sales leader sent called a designer to tell him about an interesting company called Obscura that was designing large-scale, high-resolution experiences, mostly focused on sales and marketing events. The Design Group and Obscura met. This partnership created the Bluescape experience.

Why do customers need Bluescape?

Because companies know that the better the thinking and creating done by their teams and people, the stronger their success and growth will be. People need better forums and tools to collaborate, strategize, solve problems, make decisions, and organize. The familiar tools of teamwork and collaboration—desktop applications, flip charts, whiteboards, Post-Its, PowerPoints, index cards, team rooms—are pretty much the go-to methods for creating and sharing. And these things have remained unchanged for a very long time.

But could it be possible that the very tools and processes we use to brainstorm and strategize might actually limit the iterative process? Could creativity be constrained? Is the thinking complete when the whiteboard is filled or there is no more space on the walls for sticky notes?

While these familiar tools have their place, we know there is a need for something new. Something that integrates evolving technologies along with understanding how people think, interact, and learn. That something new is Bluescape, and it supports the constant creation of great ideas, in real time and without the constraints of space, location, and time.

This is where Bluescape shines. It is state-of-the-art technology that supports the best thinking of an organization and its people's cognitive and collaborative process, simply and naturally. Taking all of the tools now available, from a whiteboard to workware to Bluescape, organizations have the means to create work environment that truly support collaborative process.

About Obscura Digital:

Obscura Digital was founded in 2000 when Travis Threlkel, a musician obsessed with the possibilities of digital video projection, met Chris Lejeune, whose family business was designing and manufacturing geodesic domes. They designed and patented a projection screen that allowed them to start creating dome-based events for companies wanting to market themselves in an immersive and innovative way. From domes, they moved on to creating mind-blowing architectural projections on iconic buildings such as the Guggenheim Museum, the Sydney Opera House and Coca Cola's 40-story headquarters in Atlanta. Obscura is also a leader in cutting-edge touch technologies, creating interactive installations for clients as diverse as Kodak, Kaiser Permanente and the Hard Rock Hotel. Obscura has been paving the way for innovation by exploring the infinite possibilities of light and by developing new technologies, keeping them at the forefront of the age of visualization

Bluescape™ Frequently Asked Questions continued

Part technology lab and part creative agency, Obscura is continually generating new forms of experiential marketing for Fortune 500 clients around the world. Obscura operates as a Certified Green Business with headquarters in San Francisco and offices in New York and Europe.

About Bluescape

Haworth and Obscura Digital founded Bluescape in 2012. It is based in San Francisco, CA. The Bluescape infinite workspace offers organizations a tool designed to accelerate the speed of problem solving, innovation, execution, and results to excel in today's fast-paced marketplace.

The Bluescape Product

What does the product consist of?

The offer comprises turnkey touchscreen systems, platform license, and user licenses. It includes an intuitive interface of multi-touch infrared screens, display tools and pens, and cloud-based software that is accessed via Bluescape screens and personal devices (laptops, tablets, smartphones). The screens offer 15x the resolution of the best commercial LCD TV. The user interface makes the activities of writing/erasing, organizing, editing, and navigating simple and familiar. The system includes 160 acres of interactive display space—the Bluescape infinite workspace.

Customers can choose from a variety of multi-touch configurations that are installed onsite and come bundled with everything needed to get started.

Statement of Line

The Wall

The Wall is comprised of up to 24 48" w x 27" h modular screens. These screens can be configured to create walls of various lengths, depending upon group size, available space, and other needs. A smaller number of screens can also be configured to create a "mini-wall" within an individual workspace or smaller team space. Screens have a resolution 15x greater than typical HDTVs and incorporate 32 infrared cameras per screen for high-resolution visualization.

Screen Configurations:

The screen(s) can be configured in a number of ways to create a smaller, mobile Bluescape interface or a larger, fixed installation.

- 1x1, mobile
- 1x3, portrait orientation
- 3x3, landscape orientation
- 3x5, landscape orientation
- 3x8, landscape orientation

Bluescape™ Frequently Asked Questions continued

Single Screen

This version has all of the features of the Wall, but with a smaller scale for individual workspaces and at a lower price point.

Pen/Stylus

This is the writing/erasing device used for all Bluescape hardware. It allows several people to work in close proximity to each other; it can track an individual's inputs separately from others; and it reduces the number of on-screen menu picks for color, line thickness, etc.

Product Features

There are several features that either individually or in combination make Bluescape unique and without direct competition.

These include:

- 3,000 x 3,000 ft interactive display area (maximum 24-screen configuration)
- synchronous and asynchronous interaction
- Infrared writing instrument
- Full draw/write editing capability
- Capacity to add content from an array of input devices

Functional characteristics of the product:

- Write and erase in a blank space
- Write on an image
- Erase on an image
- Move and re-size images
- Create note cards
- Write and erase on note cards
- Type on note cards
- Move and re-size note cards
- Record and retrieve
- Move and re-size images
- Move and re-size multiple images simultaneously
- Add external images
- Move and re-size the entire Bluescape workspace
- Zoom in and out
- Remote access and use on multiple devices
- Video window
- Reorganize and edit
- Access the internet and 3rd party applications

Bluescape™ Frequently Asked Questions continued

How does a team work with Bluescape?

The team leader creates a session, which creates session ID #. Then he/she sends an invitation to each of their team members to join through a link. The team members click on the link, and it takes them to a log in screen where they enter their session ID. At that point, the team is in their secure, cloud based workspace. They can access the workspace from any device; in the Bluescape room, with the wall, with their tablet, their smart phone, or their laptop. They can participate from wherever they are in the world, all visualizing the same space as they move, add, create and organize their work. Even when the team is not working together, an individual who is part of the team can access the session to add move, or just review content.

What is the Bluescape warranty?

Hardware and services are warranted for 3 years.

Is Bluescape available globally?

Bluescape's initial launch will be within North America. Global sales and support is targeted for 2014.

What is the price of Bluescape?

Bluescape is a scalable system, meaning the bundle of hardware, software, and licenses can be varied to meet exactly the customer's need. Single-screen installations along with a 3-year contract run about \$125,000. The maximum 24-screen wall configuration is about \$1.5 million for three years.

A conversation about pricing will happen only after a discovery call with a customer is completed. We need to recognize that without a full understanding of Bluescape's capabilities, a customer may too quickly disqualify us on price and an inaccurate price/features comparison with smartboards.

How does it work with other Haworth Products?

The Bluescape screens can integrate into the workspace using a broad array of Haworth products including walls, floors, seating and tables. A collaborative ecosystem includes furnishings and configurations that support working together, whether for a quick conversation or an all-day work session. Architectural walls, floors, seating, tables, easels are part of that ecosystem. So are sticky notes, whiteboards, workware, and Bluescape walls. So are the spaces in a facility, such as conversation areas, conference rooms, and Bluescape rooms. Haworth brings all the tools together to help organizations create their collaborative ecosystems.

How does it work with workware?

Bluescape does not integrate with workware. Both Bluescape and workware are part of a continuum of collaborative solutions a customer may need within their work environment.

Do you have to place it on raised access floors like TecCrete?

No, it can be placed on any flooring.

Bluescape™ Frequently Asked Questions continued

Does it work with Enclose and LifeSpace?

Yes. Enclose walls are currently used to build the rooms we are showing in our showrooms. It can however, be implemented into any type of room a customer has.

Bluescape Sales Process

How will Haworth support Bluescape?

Haworth will help in the launch of the new company. The Haworth field sales team will provide lead generation and sales support to Bluescape.

How will Haworth dealers be involved?

Is there a sales compensation opportunity for them?

The Haworth dealer channel will not take or place orders for Bluescape, but if a dealer has a customer who meets our lead criteria and does purchase Bluescape product, we will reward their involvement.

Given that a Bluescape sale is an enterprise software sale with hardware technical support and maintenance requirements—a complex process—we intend to focus our sales and implementation strategy from a direct standpoint to learn what processes, skills, and tools are necessary to be effective versus immediately distributing through the Haworth dealer channel.

How do we connect/transition a potential sale? Who do I call?

Contact Charlie Janes, VP Global Sales, Bluescape
Charlie.Janes@bluescape.com

We have also outlined the characteristics of a Bluescape customer. Please familiarize yourself with their profile in “Identifying a Bluescape Customer.”

What are the expectations of an early adopter customer?

An early adopter is the beta customer who agrees to participate in the testing phase of Bluescape. There are mutual expectations outlined for both Bluescape and the early adopter customer.

Early adopter customer expectations:

Early Adopters understand that their beta service may have glitches that we don't catch in testing. They enter into the arrangement with Bluescape knowing that part of their role is to identify issues and both satisfaction and dissatisfaction with the user experience.

Early adopter benefits:

Early adopters may gain a competitive advantage in their market by being first to use Bluescape. Early adopters help to shape the user experience that Bluescape offers when it becomes GA service as a software product. Their feedback helps the Bluescape team to prioritize fixes and enhancements as they develop new releases. Early adopters also have access to priority services from the Bluescape team.

Bluescape™ Frequently Asked Questions continued

Early adopter shared marketing:

An important part of the early adopter agreement is that they participate in Bluescape marketing initiatives, such as references, case studies, and possible industry events. This is important in helping build credibility and in our establishing a place in the new market we are creating.

What does the customer engagement look like?

Initial contact: Haworth salespeople gives elevator speech, discusses product and capabilities, and possibly delivers a short presentation or a product video. Assess viability of lead.

Second contact: A discovery/qualification phone call is typical forum for a conversation with Charlie Janes or another Bluescape salesperson and the potential customer. Discussion is deeper with content and details on Bluescape and customer objectives. The goal is to get face to face in one of our locations.

Third contact: Present a physical demonstration. It is led by Charlie or another Bluescape person as well as the Haworth salesperson. After this contact, further contact is transitioned to Charlie.

What is the process for lead registration?

Enter your lead at <http://www.formstack.com/forms/bluescape-leads>

When a Haworth salesperson submits a lead, it goes immediately to the sales force, and Charlie Janes is notified. The lead is automatically registered under the Haworth salesperson's name. Charlie Janes will typically contact the Haworth salesperson before any engagement with a customer to gather context and jointly discuss a sales approach.

What is the compensation for a lead that results in a Bluescape sale?

The compensation will be tiered based on the contract value signed by the client. The range is as follows:

Contract Value and Resulting Compensation Levels:

- Up to \$1 Million = \$2,500 Gross
- \$1 Million-\$3 Million = \$5,000 Gross
- Over \$3Million = \$10,000 Gross

How will I know if a lead I share with Bluescape results in a sale?

Bluescape will keep close track of all leads received from Haworth sales and will update Haworth sales on the progress of each account on a regular basis.

Bluescape™ Frequently Asked Questions continued

Where do corporate IT departments fit into the sales cycle?

Do we focus on selling to IT departments?

Typically, IT departments don't have the budget or authority to purchase something like Bluescape. They can say no, but they don't usually make the buying decision. IT departments are typically tasked with classifying vendor technology and finding ways of commoditizing competing approaches in order to drive down prices. They tend to take a bottoms-up approach by focusing on product features versus creating business value through the application of technology.

There are senior people in IT organizations that are actively looking for something like Bluescape as part of an innovation or competitiveness initiative. Rather than work through them, our process is to engage directly with Line-of-Business users to shape the high-level vision of a customer's problems and opportunities and to create customized message for what Bluescape will deliver. We typically work with the IT and Facilities groups as part of the process in order to specify the physical delivery of the service as part of the approval process. Once we have a customer's executive sponsorship, we create a mutual action plan that culminates in a purchase.

What is the length of the typical sales cycle?

A typical Bluescape sales cycle is 9 to 15 months. Sales cycles can be shortened by gaining sponsorship at the C/SVP level with stakeholders looking to improve organizational competitiveness through improved workplace effectiveness.

When will I receive further training?

Additional training will be delivered in the coming months. Look for WebEx training in the April/May time frame. Additional face-to-face training will take place at NeoCon.

Where do I get additional materials?

The HUB / Product News /Technology

Or

Bluescape website: www.bluescape.com