

## **Executive Summary for Breakout Developments' MPE Device**

The 'burnt mix CD' replaced the 'mix tape' as a means to share music, and now, with the prevalence of media players, a new product is needed to facilitate this pastime. That product is the MPE (Media Player Extender). Consumers have progressively grown accustomed to using media players as their primary means to listen to music, whether it is in their car, at home, or traveling. However, music sharing, which has always been an appealing activity, is currently reliant on a fading technology, the compact disc. The notion of "music discovery" is present and continuing to evolve through providers such as *Pandora*, *Last.fm*, and *Slacker*. However, the act of discovery and the act of exchange derive from different social impulses. Music discovery is a means of personal growth, whereas the act of exchanging music is a source of pride, exhibition, and interaction. The desire to share an individual's musical prowess has not vanished, but merely grown dormant through lack of efficient means. We plan to reawaken this activity through the MPE.

The MPE is not a way for individuals to steal music from one another but rather an instrument to introduce new music to one another. Users will not have the ability to transfer music files directly from an MPE to their computers or Media Players. It is a one-way transfer working solely from computer to MPE and can be listened to only when attached to a Media Player.

The problem currently facing Media Player users is that in order to exchange music to an acquaintance, they must first burn a CD-R from a computer, which restricts them to merely 700MB. They must then deliver that CD to the recipient, who must then load it into their computer, upload the music onto their hard drive, sync the music to their Media Player, and then finally listen to it for himself. The MPE will simplify the process and create a more efficient and appealing method to accomplish this activity. It eliminates the necessity of a CD as an intermediary device and establishes an effortless computer to MPE to Media Player transfer.

We understand that the concept of the MPE will not appeal to every Media Player user, however, we have designed it so that the activity is user-friendly enough



that all will be able to understand and utilize it. The segment of the market that we will primarily appeal to is the customers concerned with accessories and new technologies, and we will initially design our marketing strategies to target the younger demographic of iPod consumers, ages 16-30.

Recent product developments have focused on the intangible, making everything wireless, streaming, and software based. We are taking a new, or more accurately, an old/timeless strategy. We are targeting the part of the human psyche that craves a physical connection and enjoys physical interaction. Other developers have been overlooking the satisfaction of handing someone an actual object and saying, “here, take this and enjoy it,” as opposed to merely instructing someone to go download the files from some website. This social characteristic is inherent in all human beings, but is dominantly exhibited in younger generations, our target market.

Our mission is to offer the MPE to our customers at a low retail price set at approximately \$29.99 – \$39.99. The reasoning behind this pricing is to encourage our users to exchange their MPEs without hesitation and to purchase multiple units. Our strategy is to maximize market share by setting a low price in order to stimulate market growth and provide higher long-run profits.

Scott Carleton and Tyler Young are the two co-founders of Breakout Developments, LLC and lead the development and distribution process. Scott Carleton has a skilled understanding of current technologies that he has acquired both through his BS in mechanical engineering from Carnegie Mellon University and extensive personal research and interest. Tyler Young has developed an inimitable vision for design, concept, and marketing. His inventiveness has evolved through his BA from Dickinson College and detailed analysis of current trends. Both members are currently involved and associated within their target market and possess a detailed understanding of the market’s demand. This enables them to obtain direct, instantaneous feedback from their potential customers. Their differing skill sets combine to produce a unique and intricate mosaic of concepts.

