



WHAT IS ROAD POWER

Road power is a new device capable of converting vehicle traffic patterns and the weight of the vehicle to electricity via a submerged air-conditioner size dynamo alongside the road. Road Power is submerged as a thief prevention deterrent. A 1" sawcut across all lanes of the highway is required for the installation of a pliable bladder that will be glued into this sawcut. 25% of the hose will protrude above the road in order for the weight of the vehicle to compress this soft bladder creating over 200 lbs pressure which will turn a flywheel alongside the roadway. The inertia of this flywheel allows for continuous electricity to be generated even when traffic patterns slow to 1 vehicle every five minutes (highly unlikely). All respective utility connection requirements to the grid with safeguards for power outages are implemented.

POWER GENERATION (Approximation) **A BASELOAD PROVIDER**

One Road Power unit generates 90KWH per 24 hours. If we multiply by 365 days we come up with 32,850KWH per year. Dividing by 12 months we arrive at 2737.5KWH per month. Since a home typically on average (for 112 million homes) uses 1000KWH per month, we divide by 3 the 2737.5KWH and arrive at 912.5KWH. Therefore, one Road Power generates enough electricity for 3 homes per year.

LIMITATIONS

Using the bladder concept, Road Power is limited to sunny locations because of snow plows. However, a recent Japanese discovery (08/2008) created a flat rubber material that will conduct electricity. With further R&D, Road Power II, we will come up with a method for installing on roads that receive snowfall expanding capabilities. There is currently a prototype in UK that is utilizing a plate. We are reviewing those options and in discussion with that company for a prototype. Would eliminate a bladder/hose concept.

USA TRANSPORTATION SYSTEM (Background information)

According to the US Dept. of Transportation (FHWA), there are 46,747 miles of Interstate highways in the United States. About 67.1 percent of this 2004 mileage was in rural areas, 4.5 percent was in small urban areas, and 28.3 percent was in urbanized areas. In 2004, Americans traveled approximately 267 billion vehicle miles on rural Interstates, 26 billion on small urban Interstates, and 434 billion on urbanized Interstates. Taken together, this represents approximately 24.5 percent of all U.S. travel in 2004. The Interstate Highway System accounts for only 1 percent of all highway mileage but carries 25 percent of the total vehicle miles of travel. In 1999, the system carried 2.7 trillion miles of travel by cars and trucks, and nearly 700 million rail freight train miles.

Miles of Paved Roads in the US (according to wiki.answers.com) there's more than 5.7 million miles of paved highway in the USA. The public road mileage per "Our Nation's Highways" by the Federal Highway Administration (FHWA) – "The vast majority (75.2 percent) of the Nation's roadways are under the jurisdiction of local governments (town, city, county). Only 4.3 percent are under the jurisdiction of the Federal Government which includes roads in national forests and parks and on military and Indian reservations. The rest of the roadways (representing 20.5 percent of the total 3,933,985 miles and including the entire Interstate System) are controlled and maintained by the State governments".

According to nationalatlas.gov transportation contributes 11 percent of the Nation's gross domestic product, amounting to approximately \$950 billion. Transportation accounts for 19 percent of spending by the average household in America - as much as for food and health care combined - and is second only to spending on housing. The U.S. transportation system carries over 4.7 trillion passenger miles of travel and 3.7 trillion ton miles of domestic freight generated by about 270 million people, 6.7 million business establishments.



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Funding Requirements

- \$500k 1st Year 2009
- \$1.0 M 2nd Year 2010

Use of Proceeds

- Go-to-market funding
- Sales & Marketing
- Prototype & Equipment
- Tooling, Pre-Production
- Patents

Revenue Forecast

- 2010: \$ 1.2 M
- 2011: \$ 10 M
- 2012: \$ 20 M
- 2013: \$ 34 M
- 2014: \$ 52 M

Select Clients

- Local, State Fed. Gov.s
- Utility companies
- Developing Countries
- Energy starved nations
- Railroad companies

Competitive Advantage

- Fast installation
- Instant results
- High ROI
- Low overhead
- Steady revenue stream

Key Executives

Gary L. Fosburg, CEO-40 years experience with 5 start-ups, 2 patents

Alan Webb, Mech. Designs for Chrysler, Ford & GM.

Design of Hummer, Tow & Sikorski Helicopters. Also designs for Satellite TV, Dishes, Set Top Boxes.

Need

The demand for electricity is growing faster than the current supply. The development of Wind/Solar/Biomass/etc... is not keeping up with current demands. Additional avenues of generation is needed besides hydro, coal, geothermal, wind, solar, etc... all have downsides. ie; no sun, water, wind, etc... This form of energy would be a baseload provider.

Product Specifications

Based upon Department of Energy stats, there are currently 112 million homes in America using approximately 12,000 KWH per year. By installing a 1" groove across all possible of traffic and installing a robust bladder/plate 75% down into this groove, each vehicle will produce over 200 pounds of downward force which will be converted to electricity alongside the road. The kinetic energy will be constant thru the use of a heavy flywheel that will continue to spin even without traffic. One unit will produce enough electricity to power 3 homes for a year based upon location with constant traffic. Units (size of A/C unit) will be submerged along the road for security reasons and will have all the safeguards and regulations required for connecting to the grid.

Market and Competitive Advantage

No one is taking advantage of vehicle traffic to generate electricity. As will other forms of electricity generation, there are fallbacks. Lack of water, wind, sun, etc... We will have an advantage since there is always traffic moving worldwide. These units are not restricted to any one area. Due to the size and efficiencies built in the units, they can be installed by a small workcrew that works for local, state or federal highway systems along with electric companies. A potential drawback will be drivers will think that their gas mileage will go down. Installing on any slight road downgrade will solve those concerns.

Competition

Currently, the competition of electricity is self-evident. However the large utility companies are thinking "going big" with large Wind & Solar Farms. The cost of exporting energy from centralized locations back to the cities is tremendous. By "going small" and having Road Power powerplants alongside roads eliminates those costs. Local, State and Federal Governments becoming producers of electricity and selling excess back to the utility companies generates monies back into the general fund and creates well needed cashflow.

Business Model

Road Power units will cost approx. \$1000 each. GMF Labs will charge \$0.01 per KWH generated resulting in \$360/yr. 50,000 installations would equal \$18 million in annual revenue @ \$0.01/KWH. Service Contracts for replacement parts will also be a revenue source.

Projections	2010	2011	2012	2013	2014
Revenue	1,199,000	9,860,000	20,215,000	34,588,750	51,883,125
Cost of Sales	826,340	5,038,568	8,333,597	3,564,766	7,129,533
Gross Profits	372,660	4,821,432	11,881,403	31,023,984	44,753,592
Total G&A	553,666	1,009,933	1,212,342	1,333,576	2,667,152
Net Income	-181,006	3,811,499	10,669,061	29,690,408	42,086,440