

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 17, 2019

ShotSpotter, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38107
(Commission File Number)

47-0949915
(IRS Employer
Identification No.)

7979 Gateway Blvd., Suite 210
Newark, California
(Address of Principal Executive Offices)

94560
(Zip Code)

Registrant's Telephone Number, Including Area Code: (510) 794-3100

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.005 per share	SSTI	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

In connection with its previously announced Analyst Day to be held on Tuesday, December 17, 2019, the Company updated its corporate presentation, dated December 17, 2019, entitled “Analyst/Investor Day” and posted it to the “Presentations” subsection of the “Investor Relations” tab on the Company’s website at ir.shotspotter.com. A copy of the corporate presentation is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 7.01.

This information, including the Exhibit 99.1 referenced herein, is “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. It may only be incorporated by reference in another filing under the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, only if and to the extent such subsequent filing specifically references the information herein as being incorporated by reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	<u>Analyst/Investor Day Presentation, dated December 17, 2019</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ShotSpotter, Inc.

Date: December 17, 2019

By: _____ /s/ Ralph A. Clark
Ralph A. Clark
President and Chief Executive Officer



 **ShotSpotter**
Detect · Protect · Connect



Analyst & Investor Day

December 17, 2019



Cautionary Note Regarding Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding ShotSpotter, Inc. (the "company") and its overall business, market leadership, total addressable market, expectations regarding product development milestones, future marketing initiatives, future sales and expenses, and revenue and profit guidance for 2019 and 2020. These forward-looking statements are made as of the date of this presentation and are based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," "strategy," "opportunity" and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the company's control. The company's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to: the company's ability to maintain and increase sales; the availability of funding for the company's customers to purchase the company's solutions; the complexity, expense and time associated with contracting with government entities; the company's ability to maintain and expand coverage of existing public safety customer accounts and further penetrate the public safety market; the company's ability to sell its solutions into new markets; the lengthy sales cycle for the company's solutions; changes in federal funding available to support local law enforcement; the company's ability to innovate and expand its product development, the company's ability to deploy and deliver its solutions; and the company's ability to maintain and enhance its brand. In addition, other factors that could impact actual results to differ from the forward-looking statements the company makes are described in the reports the company files with the Securities and Exchange Commission (the "SEC") (available at www.sec.gov), particularly in the Risk Factors section of the company's latest Annual Report on Form 10-K and Quarterly Report on Form 10-Q. Except as required by law, the company assumes no obligation to update these forward-looking statements publicly, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Agenda

- Introduction & Strategic Vision – Ralph Clark
- Market Opportunity & Product Roadmap – Sam Klepper
- Technology – Paul Ames & Rob Calhoun
- Project Management & Service Implementation – Joe Hawkins
- Break
- Customer Support & Professional Services – Nasim Golzadeh
- Customer Success – Paul Reeves
- Latin America Business Development – Jon Magin
- Break
- North American Sales – Gary Bunyard
- Business Model & Financials – Alan Stewart
- Question & Answer Session - All
- Tour of Incident Review Center / Mission Product Demo

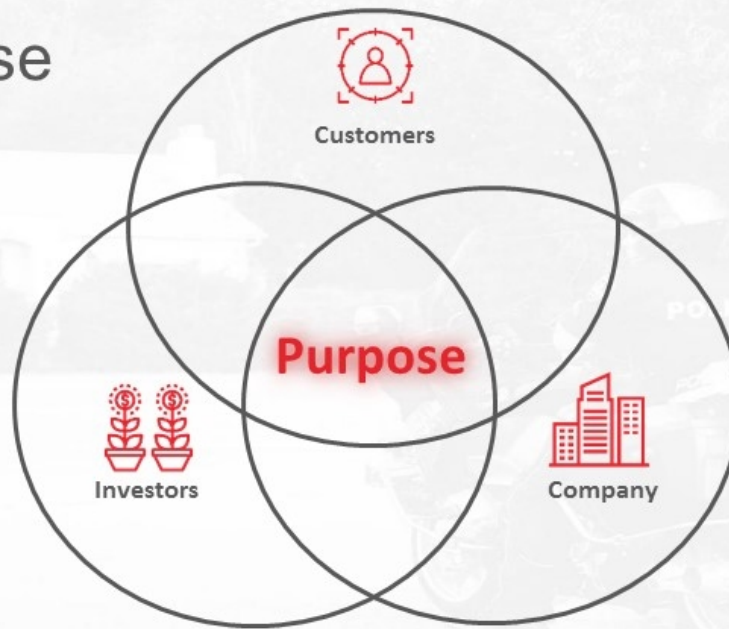


Introduction and Strategic Vision

Ralph Clark, President & CEO



Purpose



To earn the trust of law enforcement to help them provide equal protection to all and strengthen the police-community relationship, ultimately reducing gun violence.

The Gun Violence Problem

13K

Gun Homicides



Local economy
and jobs suffer

76K

Gun Injuries



Psychological impact
on survivors

~80%

Gunshot incidents that
are NOT reported



Annual Averages (2013-2017) Sources: "Gun Violence in America" Everytown.org; Urban Institute, Brookings Institute

Value Chain



Key Statistics



OVER **15,000**
sensors deployed in



~100
Municipalities and cities,
as of September 30, 2019



>100K
Gunshot Alerts Published in
2018



~720
square miles under contract as
of September 30, 2019

Great Place To Work. Certified 2019 USA

500 Technology Fast 500 NORTH AMERICA

38%

CAGR Revenue Growth (2015-2019 (est.))

Medium Term Growth Strategy

1. Grow Business to Over \$100M of Diversified, Profitable, Recurring Revenues
2. Protect and Maintain ~ \$43M of Deployed ARR
3. Add ~ 600 New Gross Domestic Miles
 - ~ 100 Miles of Expansion
 - ~ 500 Miles from New Customers ~ 100 Cities
4. Grow International Business to ~ \$15M in Annual Revenues
5. Grow Missions & Security to ~ \$10M in Annual Revenues

Growth Levers

- Continue to Invest in Technological Innovation and Seek Platform Extension Opportunities
- Leverage NPS & Customer On-boarding / Success to Broader and Deeper Market Adoption
- Expand Go-to-Market Capabilities and External Partnerships
- Remain Passionate and Purposeful in Our Collective Work of Making a Difference



Market Opportunity Product Update

Sam Klepper,
SVP Marketing & Product Strategy



\$1B+ Total Addressable Market

Core Domestic Public Safety ShotSpotter Flex Opportunity

- Currently in 100+ cities representing over 720 square miles under contract as of September 30, 2019
- Gun homicides have increased 30% in the U.S. from 2014 - 2017 (Giffords)
- We estimate 1,400 domestic cities x \$400,000 / year = **~\$560 million annually**

International Flex Opportunity

- ~200 cities in Latin America, South Africa, Europe
- ~\$1 million / year x 200 cities
- = **~\$200 million annually**

SecureCampus Opportunity

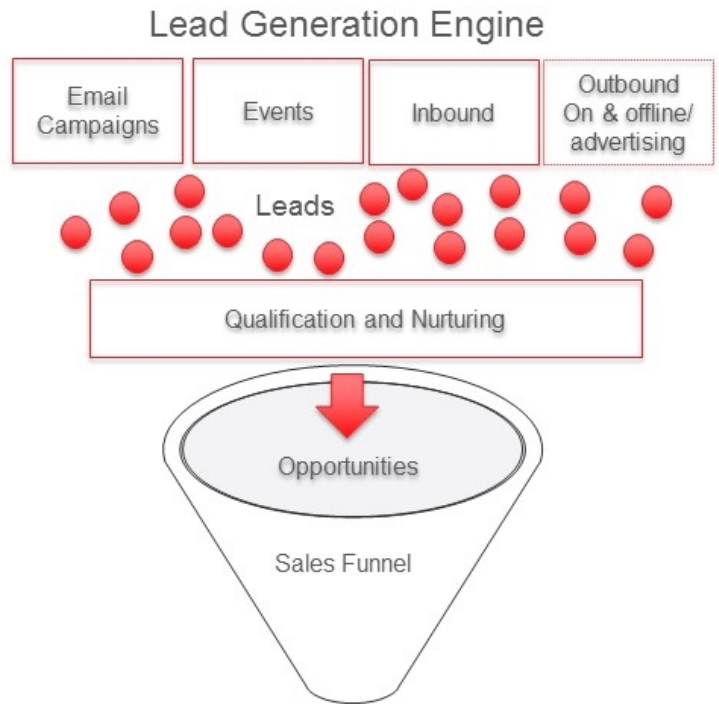
- ~5,000 college campuses
- 5,000 x \$50,000 / campus
- = **~\$250 million annually**

ShotSpotter Missions Opportunity

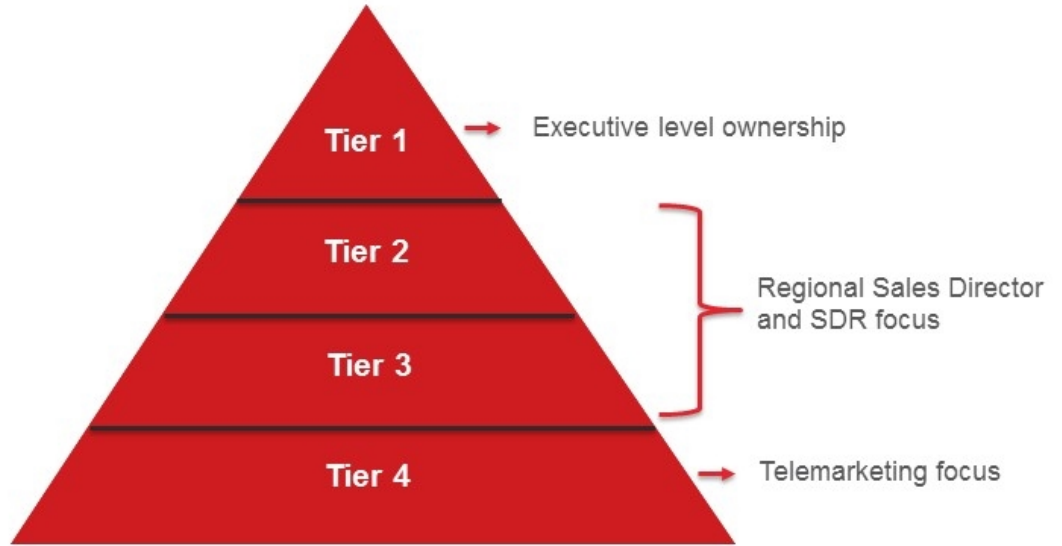
- Resource Management
- 1,500 cities @ \$50,000 / city
- = **~\$75 million annually**

2020 Marketing Plan

- Market By Segment
 - Messaging, Content Customization
- Build Out Personas
 - Expand Understanding Of Influencers And Their Motivations Better
- Develop More Compelling Content
 - Data On Results
 - Customer Testimonials
 - Partner Credibility
- Increase Cadence Of Campaigns And Start Formal Lead Nurturing
- Expand SDR Program



Market Segmentation



Law Enforcement Buyer Ecosystem



LVMPD Campaign

- Target
 - Engaged Prospects
- Approach
 - Show Happy Customer; Use Data To Prove Effectiveness; Play On Integration With Other LE Technology
 - Message: How ShotSpotter Is Reducing Gun Violence In Las Vegas
- Outreach and content
 - LVMPD Press Conference Video
 - Companion Article
 - SDR Follow-up

The screenshot shows a webpage with the title "How Gunshot Detection is Reducing Gun Violence in Las Vegas". Below the title is a featured image of a Las Vegas Metropolitan Police badge in the foreground and blurred city lights in the background. The article text discusses the impact of ShotSpotter technology on gun violence in Las Vegas, mentioning a 40-second response time and a 28 percent reduction in gun violence. Below the text is a video player showing a press conference with two men, one of whom is speaking at a podium. The video player includes a play button and a "Watch later" button.

NIBIN Campaign

- Target
 - 150+ Agencies Using CGIC but no ShotSpotter
- Champion/Buyer
 - Head of CGIC/Chief or Deputy Chief
- Message
 - ShotSpotter Maximizes Investment in CGIC
- Outreach and content
 - Webinar - Customers Getting Results with SST + NIBIN
 - Article “5 Key Steps”
 - Video clips NIBIN Users who Added ShotSpotter
 - Police Executive Research Forum (PERF) Research
 - SDR Follow-up



The “Crime Gun Intelligence Center” Model:

Case Studies of the Denver, Milwaukee, and Chicago Approaches to Investigating Gun Crime



Effectiveness: Chief Testimonials

Chief video from IACP

Effectiveness: Customer Results

LAS VEGAS METROPOLITAN POLICE | CLARK COUNTY

Las Vegas piloted ShotSpotter in 2017 in 6 square miles for 9 months. They found:

RESULTS	26% decrease in violent crimes	65% of all gunfire incidents would have gone unreported to the police	86% of gunshot incidents were reported faster than 911 calls of the same incident
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OAKLAND | CA

RESULTS

66%
reduction in gunfire incidents per square mile from 2012-2018

Year	Incidents per square mile
2012	671
2013	527
2014	301
2015	227
2016	230
2017	197
2018	228

SACRAMENTO | CA

RESULTS

142 arrests
132 gun seizures

Category	Count
Arrests	142
Seizures	132

ShotSpotter Customer Results

LAS VEGAS METROPOLITAN POLICE | CLARK COUNTY

RESULTS

26% decrease in violent crimes
65% of all gunfire incidents would have gone unreported to the police
86% of gunshot incidents were reported faster than 911 calls of the same incident

OAKLAND | CA

RESULTS

66% reduction in gunfire incidents per square mile from 2012-2018

CHICAGO | IL

RESULTS

40% decrease in violent crimes
22% decrease in gunshots

CHICAGO | IL

RESULTS

48% decrease in violent crimes
100% decrease in gunshots

PHOENIX | AZ

RESULTS

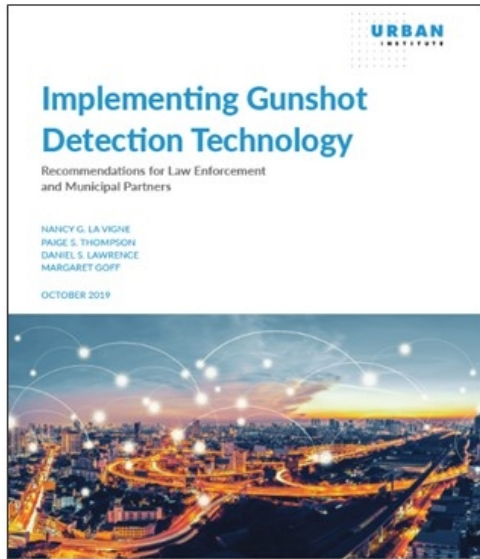
102 arrests
84 gun seizures

PHOENIX | AZ

RESULTS

80% decrease in violent crimes
74% decrease in gunshots
76% decrease in gunshots

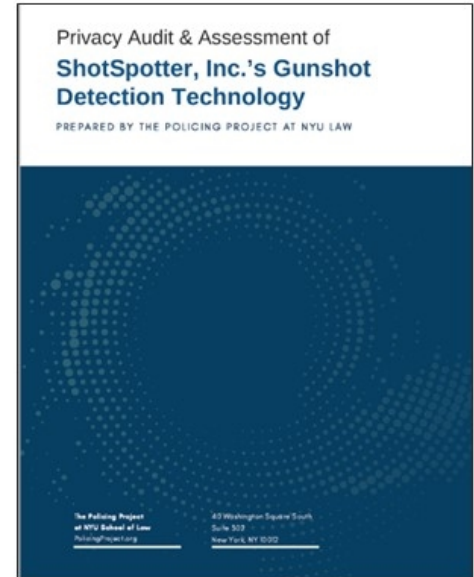
Effectiveness: 3rd Party Studies



- Urban Institute Conducted Study Of ShotSpotter's Impact On Crime And How Police Adoption Can Impact Results
- Denver, Milwaukee And Richmond (2016-2019)
- Published Best Practices Guide
- Confirmed ShotSpotter's Ability To:
 - Identify Gunshots That Are Not Called Into 911
 - Improve Response Times
 - Improve Evidence Recovery

Privacy Concerns: Audit

- Policing Project At NYU Law School Conducted Independent Review Of ShotSpotter Privacy Policies And Procedures
- Given Total Access To All Systems And Documentation And Total Editorial Control Over Report Content
- “We Ultimately Conclude That The Risk Of Voice Surveillance Is Extremely Low.”



[Home](#) // [Investigations](#) // [Gunshot Location Systems](#) // [SHOTSPOTTER'S GUNSHOT DETECTION TECHNOLOGY UNANIMOUS ORDINANCE](#)

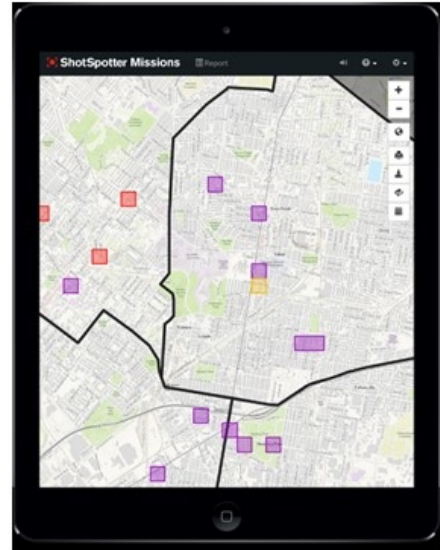
SHOTSPOTTER'S GUNSHOT DETECTION TECHNOLOGY UNANIMOUSLY PASSES OAKLAND'S RIGOROUS SURVEILLANCE ORDINANCE

City's New Ordinance Sets High Bar for Law Enforcement Technology to Protect Individual Privacy Rights

[ShotSpotter](#) — DECEMBER 3, 2019

ShotSpotter Missions Launch (HunchLab)

- Goal: Engage LE Agencies As Innovation Partners To Get Proprietary Insights Needed To Shape Missions Into A World-class Law Enforcement Tool
- Initial Target: Current ShotSpotter Flex Customers
- Intentionally Delayed Formal Launch Until Completed Integration With ShotSpotter Gunfire Data And Testing Of Initial Messaging And Pricing
- Formally Launched Early Adopter Program (EAP) For Missions With Flex Customers Starting Late Summer Of 2019
 - Special EAP Pricing
 - One “Free” Mile of Flex For One Year; Ends 12/31/19
- Good Progress With Signing Up Customers
 - Signed Five EAP Deals; Expect Two More By EOY
 - Expect Three of the Seven to Have Signed Three-Year Contracts

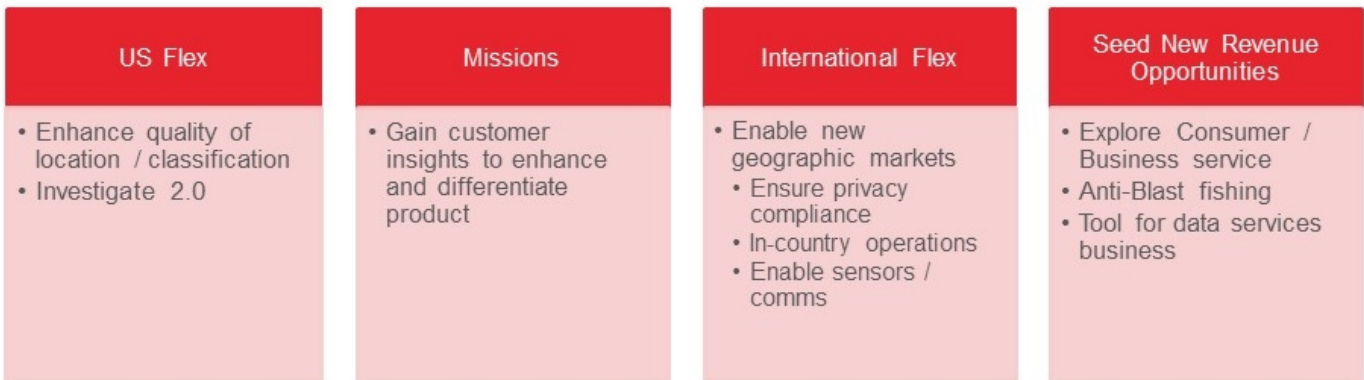


2020 Product Goals

Higher

Relative level of investment

Lower



ShotSpotter Labs: Rhino Poaching & Anti-Blast Fishing



- Overcame technical challenges of operating in remote / hostile environment
- Proven efficacy
- Possibility of commercial opportunity



- Earlier in development
- Unique challenges with underwater detection
- Food security impact

ShotSpotter Labs: Incubating with Stanford Engineering



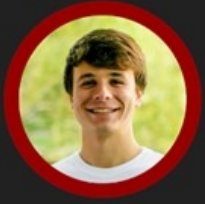
Junwu

Mechanical Engineering



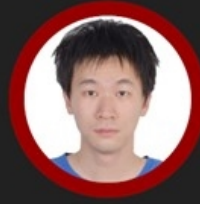
Wenjie

Materials Science



Nicholas

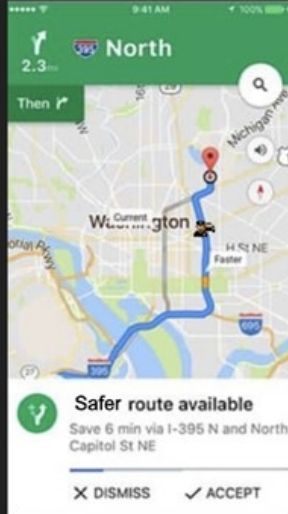
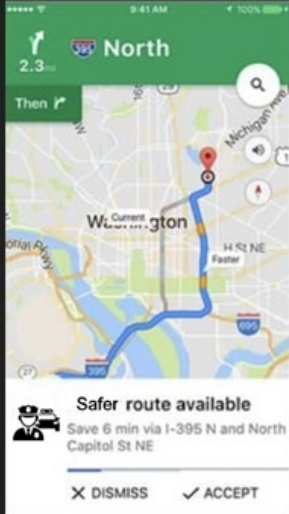
Electrical Engineering



Jiequan

Mechanical Engineering

ShotSpotter Labs: Potential Future Consumer/Business Service



Ride-sharing Services & Delivery Service Routing to Avoid Gun Violence Incidents



Technology

Paul Ames, SVP Technology
Rob Calhoun, Co-Founder



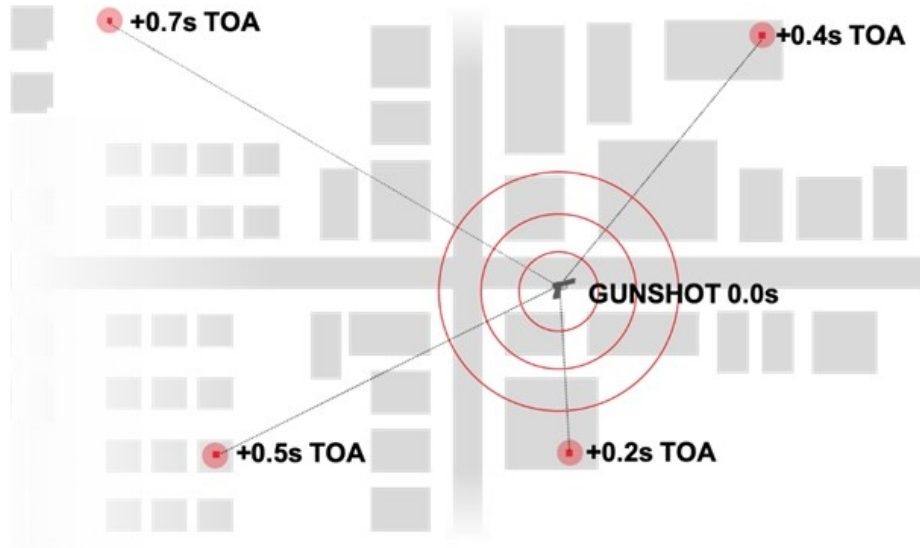
ShotSpotter Technology Overview

ShotSpotter Flex Is A Wide-Area, Acoustic Gunshot Detection Location And Alerting System

ShotSpotter Core Technology Overview

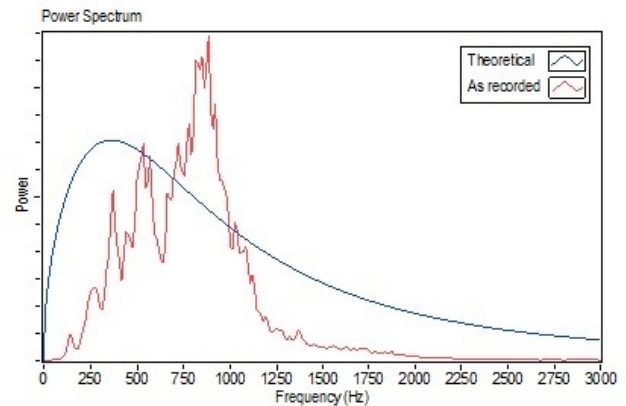


Spatial Filter & Location



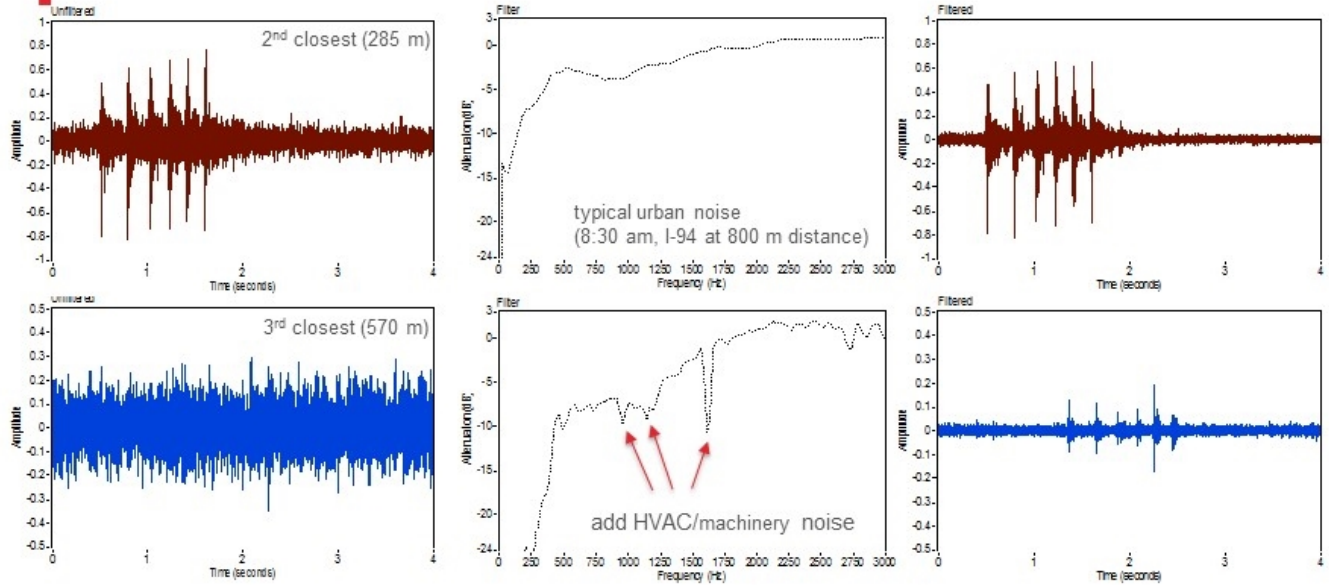
Adaptive Noise Filtering

- Gunshots Are Impulsive Signals; Acoustic Power Is Spread Over A Broad Range Of Frequencies
- Cities Aren't Quiet; Noise Is Our Enemy
- To Maximize Sensitivity, ShotSpotter Sensors Filter Input Audio Using An Adaptive Noise Filter (ABNR)



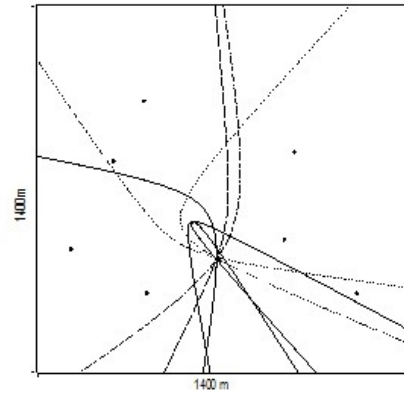
Theoretical power spectrum of a gunshot (blue line) with power spectrum of a recording from shots fired at a range of 170 m (red).

Adaptive Noise Filtering



Pulse Set Selection

- Multi-lateration Is the Mathematical Technique of Computing a Location From a Set of Time Differences-of-arrival on Three or More Sensors
- The Challenge: Which Pulses to Use as Members of The Set?
- Pulse Set Selection is an NP-complete Problem, so We Shouldn't Expect an Efficient Algorithm



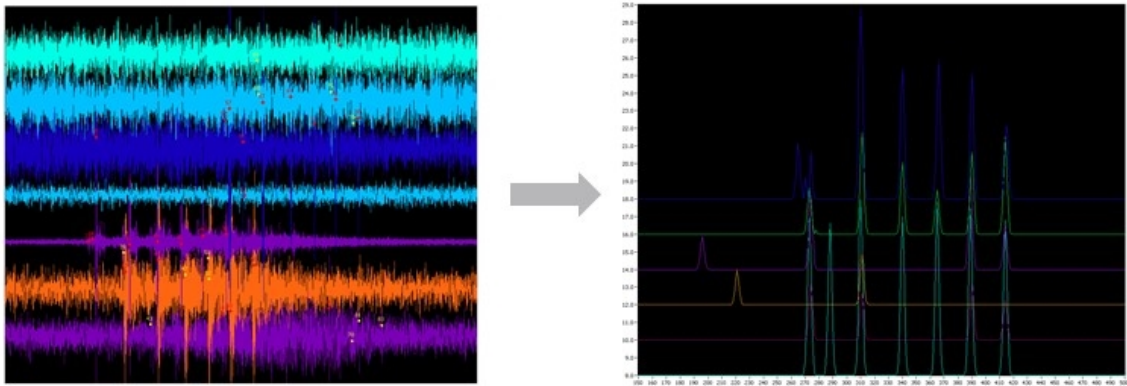
$$\binom{n}{k} = \frac{n!}{k!(n-k)!}$$

Pulse Set Selection: Techniques

- We use multiple algorithms to pick pulse sets:
 - Combinatorial optimization
 - Cross-sensor pattern-matching
 - Forward solutions (numerical optimization)
 - Others...
- The algorithms compete against each other, trying to find the largest set of sets of pulses consistent from near-line-of-sight gunshot impulses
- For example, output for pulses p_i from three shots on four sensors might be: $S = ((p_1, p_2, p_5, p_7), (p_8, p_{10}, p_{21}, p_{15}), (p_{31}, p_{38}, p_{55}, p_{88}))$

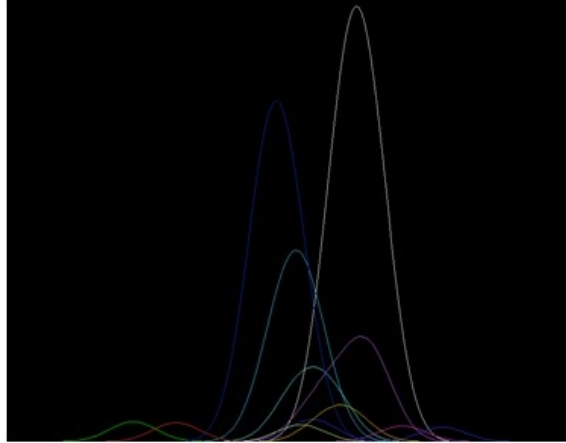
Pulse Set Selection: Pattern Matching

Synthetic time-domain representations of gunshot impulses



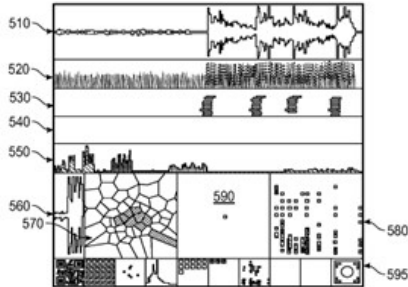
Pulse Set Selection: Forward Solution

- Assumes a Shooter Position and Computes Objective Function
- Optimize Location Iteratively Using Numerical Optimization Techniques to Maximize the Objective Function
- Can Include Effects of Moving-shooter and Non-linear Propagation



Machine Classification

USPTO granted our 34th patent – “Image Mosaics” - that leverages advances in image classification using convolutional neural networks for acoustic event classification



Mosaic captures waveform features *and* metadata from the sparse array

Classification confidence used for:

- Day-to-day helicopter and firework suppression
- Input to human reviewer classification decision
- Q4 deliverable: incident prioritization and auto-publish

ShotSpotter asset 20+ years of gunfire and non-gunfire acoustic events used as training data set

Applications

12/05/2019 @ 10:57:00
13 minutes ago

STATUS
published

MACHINE CLASSIFICATION
Gunfire
2 rounds
68.00000%

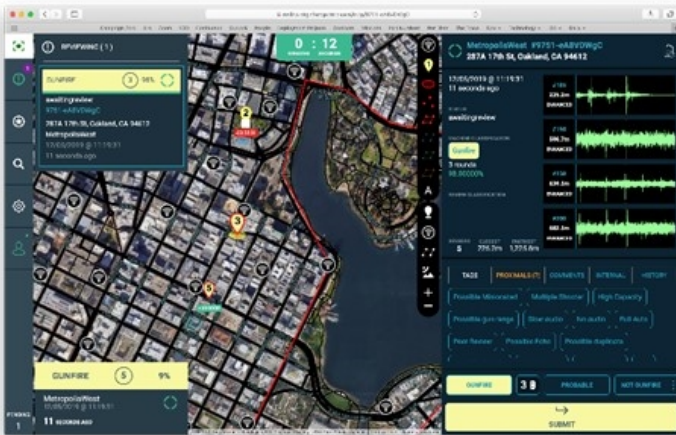
REVIEW CLASSIFICATION

SENSORS 5 CLOSEST 195.7m FARTHEST 1,698m

TAGS	PROXIMALS (7)	COMMENTS	INTERNAL	HISTORY
<i>Proximal incidents are between 24 hours before, 10 minutes after, and within 500 meters of the selected incident.</i>				
9751-z635rCns	Gunfire	3 minutes before	10:54:23	
9751-woNBulaO	Gunfire	4 minutes before	10:52:38	
9751-cJ88Y0VQ	Gunfire	5 minutes before	10:52:15	
9751-M7vYGSBc	Not Gunfire	6 minutes before	10:50:55	
9751-jDApDaCs	Gunfire	7 minutes before	10:50:17	
9751-n2w8RX9z	Not Gunfire	an hour before	09:53:54	

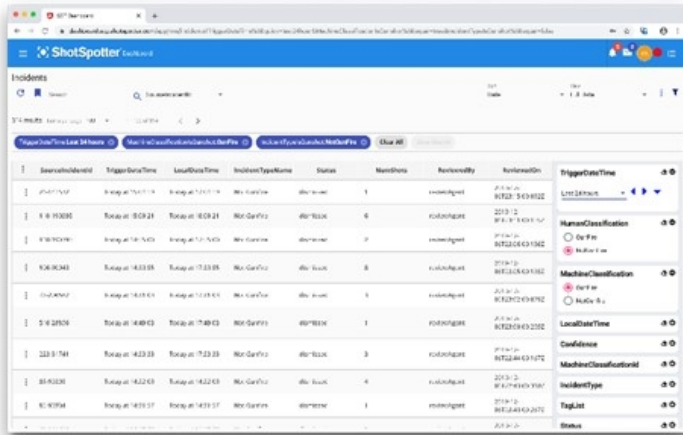
GUNFIRE 20 PROBABLE NOT GUNFIRE

Applications: Review



- Internal Tool Used By IRC
- Released Q2 2019
- Drive Quality And Speed Of Reviews: Proximal Incidents, Individual Shot Locations, Location Confidence, Context Switching, 'Agree With Machine Classifier', Reviewer Metrics, Virtual Review Centers, Etc.
- Q4 Deliverable: Peer Review Workflow
- 2020: Policy Enforcement Tasks, Auto-tagging

Applications: Dashboard

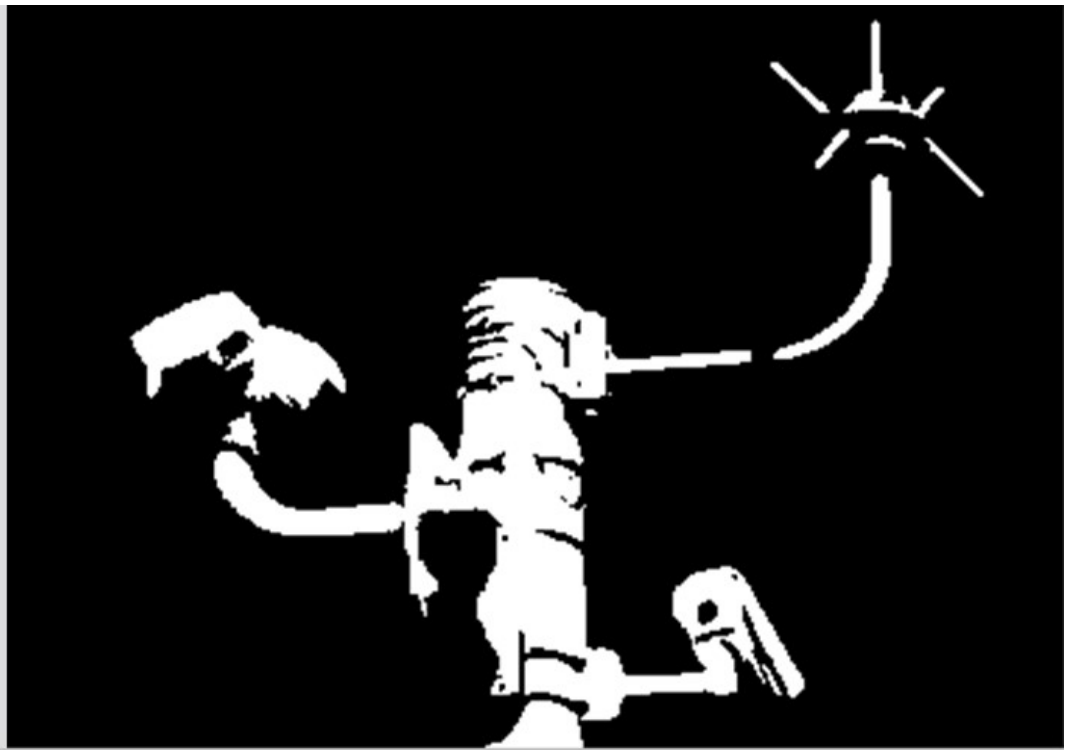


The screenshot shows the ShotSpotter dashboard interface. At the top, there's a search bar and navigation tabs. Below that is a table of incidents with columns for IncidentID, TriggerDataTime, LocalDataTime, IncidentType, Status, Needs, Reviewer, ReviewerID, and TriggerDataTime. The table contains several rows of incident data. On the right side, there's a sidebar with various filters and settings, including 'HumanClassification', 'MachineClassification', 'LocalDataTime', 'Confidence', 'MachineClassification', 'IncidentType', 'TagList', and 'Status'.

IncidentID	TriggerDataTime	LocalDataTime	IncidentType	Status	Needs	Reviewer	ReviewerID	TriggerDataTime
97511347	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	1	incident	21312	8/24/21 14:48:22
97511338	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	6	incident	21312	8/24/21 14:48:14
97511339	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	2	incident	21312	8/24/21 14:48:22
97511340	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	8	incident	21312	8/24/21 14:48:22
97511341	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	3	incident	21312	8/24/21 14:48:22
97511342	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	1	incident	21312	8/24/21 14:48:22
97511343	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	3	incident	21312	8/24/21 14:48:22
97511344	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	4	incident	21312	8/24/21 14:48:22
97511345	8/24/21 11:14	8/24/21 11:14	No Gunfire	detected	1	incident	21312	8/24/21 14:48:22

- Internal Tool Used To Monitor, Troubleshoot And Analyze All Aspects Of Production System:
 - Number Of Users Impacted By A Respond 2.9.1 Bug On iOS 13.2?
 - Which Users Received A Push Notification For Incident 9751-80043?
 - Last Month, How Often Did Human Reviewers Disagree With A Gunfire Machine Classification?
 - Peak Incidents Per Minute Over The Weekend?

Competitive Architectures



Competitive Architectures

Proximity Sensor

- Single Microphone That Uses Loudness To Detect A Gunshot
- Machine Classification On-board With No Human Review
- Coverage Limited To The Area Around The Sensor
- No Ability To Locate The Gunshot, Other Than Saying It's 'Somewhere Around Here'

Multi-mic Cluster Sensor

- Four Or More Off-plane Microphones
- Capabilities Depend On Bullet Speed: Supersonic Or Subsonic
- Supersonic: Bullet Shock Wave Time Of Arrival Can Be Used To Calculate Trajectory And Range If Bullet Passes Within ~30 Meters Of Sensor
- Subsonic: Muzzle Blast Time Of Arrival Can Be Used To Calculate Azimuth; Location Limited To 'Somewhere In That Direction'
- Machine Classification On-board With No Human Review
- It's Worth Noting That Almost All Gunfire In A City Is Subsonic And Not Directed At A Sensor

Architectural Benefits/Limitations

Comparison	ShotSpotter Wide Area Sensor Array	Proximity Sensor	Multi-Mic Cluster Sensor
Benefits	<ul style="list-style-type: none"> • Wide area coverage • Excellent location • Low false positive/false negative rates • Court admissible evidence • Fast notification 	<ul style="list-style-type: none"> • Perceived low cost • Fast notification 	<ul style="list-style-type: none"> • Supersonic: excellent location; low false positive rate; caliber identification • Fast notification
Limitations	<ul style="list-style-type: none"> • No caliber identification 	<ul style="list-style-type: none"> • Very limited coverage • No location • Costly high false positive rate • Not court admissible evidence 	<ul style="list-style-type: none"> • Supersonic: Very limited coverage • Subsonic: poor location, costly high false-positive rate • Not court admissible evidence
Summary	Proven, patent protected technology deployed in 100 cities, offered as part of a service that includes applications, forensics, expert witness, best practices, etc.	Often delivered as a surveillance camera or smart streetlight feature Delivers unsatisfactory results*	Great solution for sniper protection on the battlefield or for perimeter protection where target is known Unsatisfactory solution for public safety when deployed as standalone sensors; unproven with collaborating sensors

*Ratcliffe Jerry H. (2018) A partially randomized field experiment on the effect of an acoustic gunshot detection system on police incident reports. *Journal of Experimental Criminology* (2019) 15:67–76



Project Management & Service Implementation

Joe Hawkins
SVP, Operations



Operations Mission

- Lead The Company's Project Teams In Designing, Configuring And Deploying New **Shotspotter Flex, CampusSecure, SiteSecure** And **Missions** Service To Our Customers
- Build, Install, Manage And Maintain The **Acoustic Sensor Networks** That Make ShotSpotter Work
 - Sensor Array Design, Installation And Provisioning
 - Remote Monitoring, Diagnostics And Network Management
 - Field Service & Repair
- Continuously Monitor And Evaluate **Gunshot Location Service Performance** And Make Changes To Improve Performance Wherever Possible
- *We Ensure The Service Our Customers Want And Pay For Works As Promised... Or Better!*

Project Management Overview

- Plan, Coordinate And Lead All Aspects Of Bringing New Service To Customers, From Contract Execution To Service Activation
 - Primary Customer Contact During Deployment Project
 - Team Leader (Matrix Management) Internally
 - Network Services & Operations Engineering
 - Field Service & Logistics
 - Customer Success & Training
 - Customer & Technical Support
 - Multiple, Concurrent Projects
- Design Sensor Arrays, Select Sites (Emplacements) For Sensors, Secure "Permissions"
- Plan And Manage Live Fire Test
- Launch Readiness Review (Internally) And Customer Acceptance

ID	Task	Start	End	Predecessors
101	Site Preparation	01/01/2018	01/01/2018	
102	Network Services & Operations Engineering	01/01/2018	01/01/2018	
103	Field Service & Logistics	01/01/2018	01/01/2018	
104	Customer Success & Training	01/01/2018	01/01/2018	
105	Customer & Technical Support	01/01/2018	01/01/2018	
106	Design Sensor Arrays, Select Sites (Emplacements) For Sensors, Secure "Permissions"	01/01/2018	01/01/2018	
107	Plan And Manage Live Fire Test	01/01/2018	01/01/2018	
108	Launch Readiness Review (Internally) And Customer Acceptance	01/01/2018	01/01/2018	

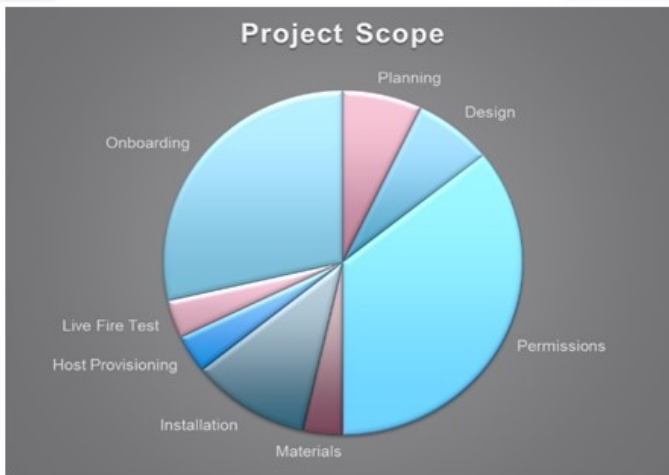
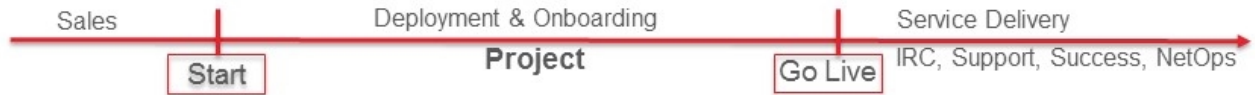


Deployment Experience

- Seven Person Team
 - 40 Years Collective Shotspotter Experience
 - Extensive Backgrounds In Network Design, Systems Engineering, Sales And Public Safety
 - Deep Relationships With Law Enforcement
- Shotspotter Flex™
 - 150+ Projects, 250+ Systems, 700+ Square Miles
 - Projects Ranging 1 To 36 Square Miles
 - 15 Projects >10 Square Miles
 - 30 Projects Between 5-10 Square Miles
 - 25 Projects Between 3-5 Square Miles
 - 75+ Projects 3 Square Miles Or Less
- Securecampus™ & Sitesecure™
 - 9 College Campuses Up To 3.25 Square Miles
 - 1 Freeway Security Network
 - 1 Government "Critical Infrastructure" Facility

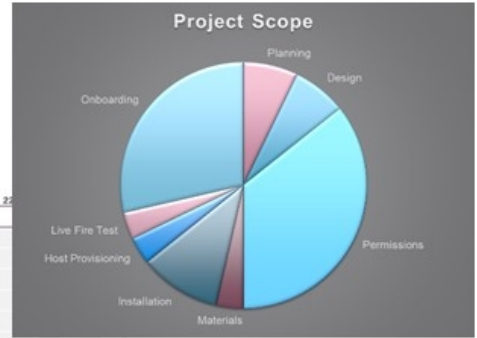


Deployment Project Scope



Project Management Lifecycle

- Multi-disciplinary, Parallel Work Effort
- Permissions Acquisition = Critical Path
- Control Gates



ACTIVITY	PLAN START	PLAN DURATION	PERCENT COMPLETE	PERIODS
Sales / Coverage Negotiation				1
Internal Kickoff / Implementation Start	1	0	0%	1
Sensor Array Design	2	2	0%	2-3
Site Survey	4	1	0%	4
Hosted Service Provisioning	4	1	0%	4
Permissions Acquisition	5	12	0%	5-16
Planning Control Gate	9	1	0%	9
Materials Ordering & Fulfillment	10	6	0%	10-15
Sensor Installation/Activation	12	8	0%	12-19
Service Integration Provisioning	14	2	0%	14-15
Customer Program Development	12	4	0%	12-15
User Accounts/Client Software Provisioning	16	2	0%	16-17
Training	18	2	0%	18-19
IRC Start / Launch Readiness Review	20	1	0%	20
Calibration/Live Fire Test	20	1	0%	20
Customer Acceptance/Service Activation	21	1	0%	21
Service Delivery ==> Forever	21	30	0%	21-50
Project Closeout	22	4	0%	22-25
Project Complete	26	1	0%	26

Project Team

Role	Primary Responsibilities
Project Manager	Project Manager/Team Leader Sensor Array Design, Permissions, Live Fire Test
Customer Success	Customer Onboarding
Network Operations	Hosted Service Provisioning Sensor Network Management
Field Services	Sensor Installation & Management
Supply Chain	Materials Purchasing, Supply & Logistics
Customer Support	API Integration Prepare For Service Delivery Live Fire Test Support

Extended Team Members

- Operations Engineering
- Logistics
- Installation Teams
- Field Systems Manager
- Training
- Tech Support Engineers
- IRC
- Finance
- Engineering
- Sales Director

Sensor Array Design

- Principles
 - Performance (SLA+)
 - Overbuild (R&R, Serviceability, Cost Shift)
- Practices: Art & Science
 - Environmental Factors & Sound Propagation
 - Emplacements: Suitable, Math-friendly
 - Density, Geometry And Spacing
 - Hearing To The Horizon
 - Hints And Exclusions
 - Tools: Heat Maps, Surveys And More
- Practical Considerations & Real World Constraints



Sensor Array Design

Residential / Suburban (17/s^m²)



Urban / Densely Built (25/s^m²)





Customer Support & Incident Review Center

Nasim Golzadeh
SVP, Customer Support and Professional Services





Customer Support



Customer Support and Professional Services





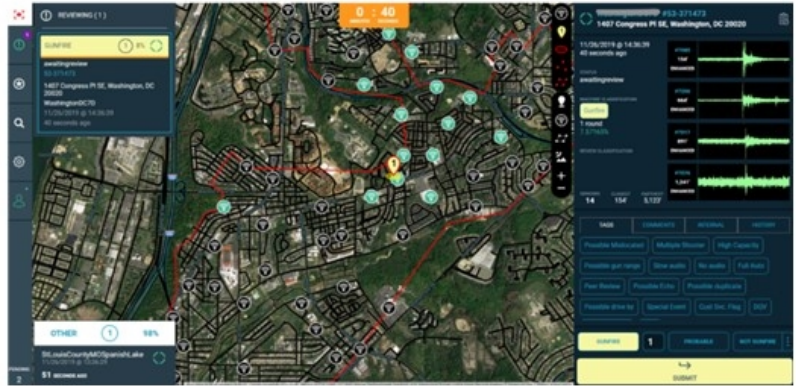
Incident Review Center (IRC)



Incident Review Process

~45 seconds or less

- Confidence-based Machine Classification
- Auditory Review Of Pulses
- Waveform Assessment
- Proximal Incident Recognition
- Sensor Participation Levels, Distance, Direction
- Date, Time, Location, Season Consideration
- Peer Review
- Apply Appropriate Tags
- Classification



IRC Structure and Workflow

- Optimized Staffing
 - Minimum/Maximum Load Ratio: 500%
 - Peak Time Concentration Modeling Based On Detailed Day Of Week / Hour Of Day Demand Modeling & Projections
- Technology As Optimization Tool
 - Suppression
 - Smart Incident Prioritization
 - Workflow Optimization
 - Auto-Publish To Expedite Gunshot Publication

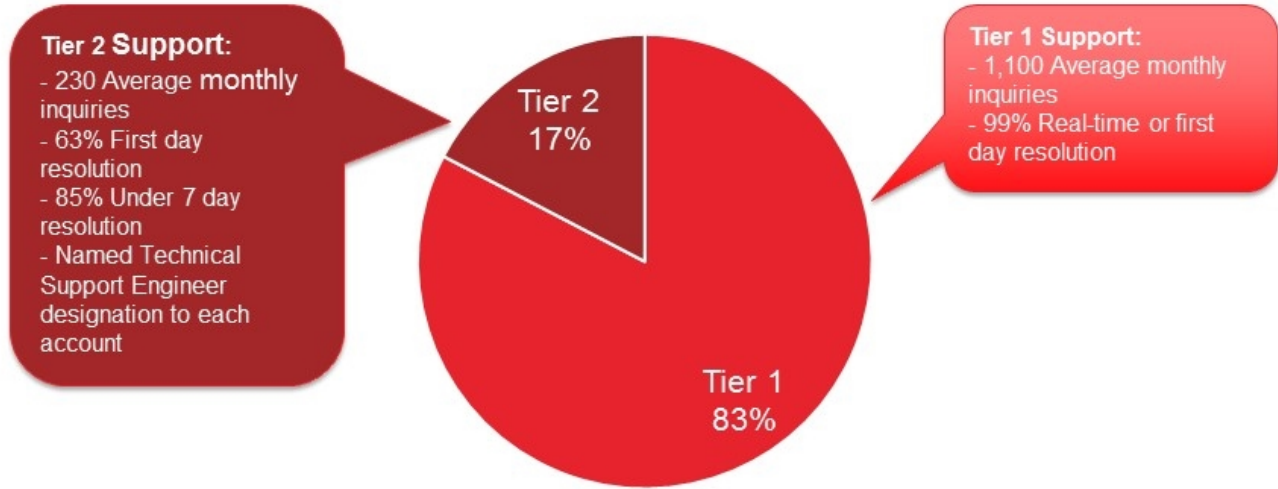
Incident Review Accuracy (Jan-Nov.)

	2018	2019	YoY Chg.	
GS Published	97,315	130,284	32,969	34%
Gunshot Classification Accuracy	98.80%	99.02%	0.0022	0.22%

Customer Support Matrix

Support Level	Tier 1 Support (Basic) IRC	Tier 2 Support (Advanced) Customer Support
Examples	<ul style="list-style-type: none"> - Login support - General/application questions - Reporting a misclassification - Reporting a missed incident - Reporting a Mislocated incident - Basic audio request - Request for ILS 	<p>Proactive Support:</p> <ul style="list-style-type: none"> - Live Fire Test Review and analysis - Gunshot Detection and Location performance monitoring and analysis <p>Normal Support:</p> <ul style="list-style-type: none"> - Analysis of missed Gunshots - Detailed audio search and analysis - Performance analysis - Integration issues <p>Escalation:</p> <ul style="list-style-type: none"> - System outage - Support of high-profile incidents (e.g., OIS)
Hours of Operation	24x7/365 Support via chat, email, call	Normal Support: 5 am – 11 pm Pacific Time Escalation: 24x7/365

Incoming Support Inquiries



All Statistics are for period from 3/30/19 to 11/30/19



Forensic Service and Litigation Support



Detailed Forensic Report (DFR)

- Court-admissible forensic analysis of a shooting incident with exact shot by shot location, precise time of trigger pull and audio of the gunfire
- Produced by forensic engineers and the conclusions reached are supported by expert witness testimony

City	[REDACTED]	Incident #	20070-20070
County	[REDACTED]	Dispatch #	N/A
Ref. No.	03 DEC 2019	Case Name	N/A
Case Ref.	N/A	Report Date	04 DEC 2019

TABLE 2.0
Timeline of Discharge of Shots and Calculated Shot Locations: Below table shows the time discharge, and the calculated Latitude and Longitude for each of the shots which comprise shooting event. The times listed below are the time the system calculated the trigger was pulled based on the environmental conditions at the time of the event. These times precede the time which the system notified the ShotSpotter Operator listed because of small radio, computer and network delays. All times are obtained from network, system, and sensor clocks that synchronized to GPS time, which is in turn synchronized with the atomic clock at the National Institute of Standards and Technology in Boulder, CO.

ShotID	Shot	Discharge Time	Discharge Time	Internal ShotID (S)	Latitude	Longitude
20070-01	1	2019-12-03 02:43:01.141	02:43:01.141	00000000000000000000	41.380111	70.330443
20070-02	2	2019-12-03 02:43:01.451	02:43:01.451	00000000000000000000	41.380096	70.330463
20070-03	3	2019-12-03 02:43:01.752	02:43:01.752	00000000000000000000	41.380054	70.330467
20070-04	4	2019-12-03 02:43:02.053	02:43:02.053	00000000000000000000	41.380054	70.330412
20070-05	5	2019-12-03 02:43:02.375	02:43:02.375	00000000000000000000	41.380096	70.330442
20070-06	6	2019-12-03 02:43:02.659	02:43:02.659	00000000000000000000	41.380011	70.330416
20070-07	7	2019-12-03 02:43:02.954	02:43:02.954	00000000000000000000	41.380096	70.330404
20070-08	8	2019-12-03 02:43:03.249	02:43:03.249	00000000000000000000	41.380055	70.330337
20070-09	9	2019-12-03 02:43:03.544	02:43:03.544	00000000000000000000	41.380011	70.330414
20070-10	10	2019-12-03 02:43:03.839	02:43:03.839	00000000000000000000	41.380055	70.330467
20070-11	11	2019-12-03 02:43:04.134	02:43:04.134	00000000000000000000	41.380054	70.330433
20070-12	12	2019-12-03 02:43:04.429	02:43:04.429	00000000000000000000	41.380052	70.330412
20070-13	13	2019-12-03 02:43:04.724	02:43:04.724	00000000000000000000	41.380011	70.330404
20070-14	14	2019-12-03 02:43:05.019	02:43:05.019	00000000000000000000	41.380055	70.330404
20070-15	15	2019-12-03 02:43:05.314	02:43:05.314	00000000000000000000	41.380055	70.330404
20070-16	16	2019-12-03 02:43:05.609	02:43:05.609	00000000000000000000	41.380018	70.330371
20070-17	17	2019-12-03 02:43:05.904	02:43:05.904	00000000000000000000	41.380055	70.330404
20070-18	18	2019-12-03 02:43:06.199	02:43:06.199	00000000000000000000	41.380018	70.330442
20070-19	19	2019-12-03 02:43:06.494	02:43:06.494	00000000000000000000	41.380011	70.330404
20070-20	20	2019-12-03 02:43:06.789	02:43:06.789	00000000000000000000	41.380054	70.330404
20070-21	21	2019-12-03 02:43:07.084	02:43:07.084	00000000000000000000	41.380011	70.330404
20070-22	22	2019-12-03 02:43:07.379	02:43:07.379	00000000000000000000	41.380054	70.330404
20070-23	23	2019-12-03 02:43:07.674	02:43:07.674	00000000000000000000	41.380054	70.330404
20070-24	24	2019-12-03 02:43:07.969	02:43:07.969	00000000000000000000	41.380052	70.330405
20070-25	25	2019-12-03 02:43:08.264	02:43:08.264	00000000000000000000	41.380052	70.330407
20070-26	26	2019-12-03 02:43:08.559	02:43:08.559	00000000000000000000	41.380054	70.330405
20070-27	27	2019-12-03 02:43:08.854	02:43:08.854	00000000000000000000	41.380054	70.330405
20070-28	28	2019-12-03 02:43:09.149	02:43:09.149	00000000000000000000	41.380054	70.330405
20070-29	29	2019-12-03 02:43:09.444	02:43:09.444	00000000000000000000	41.380054	70.330405
20070-30	30	2019-12-03 02:43:09.739	02:43:09.739	00000000000000000000	41.380054	70.330405
20070-31	31	2019-12-03 02:43:10.034	02:43:10.034	00000000000000000000	41.380054	70.330405
20070-32	32	2019-12-03 02:43:10.329	02:43:10.329	00000000000000000000	41.380054	70.330405
20070-33	33	2019-12-03 02:43:10.624	02:43:10.624	00000000000000000000	41.380054	70.330405
20070-34	34	2019-12-03 02:43:10.919	02:43:10.919	00000000000000000000	41.380054	70.330405
20070-35	35	2019-12-03 02:43:11.214	02:43:11.214	00000000000000000000	41.380054	70.330405
20070-36	36	2019-12-03 02:43:11.509	02:43:11.509	00000000000000000000	41.380054	70.330405
20070-37	37	2019-12-03 02:43:11.804	02:43:11.804	00000000000000000000	41.380054	70.330405
20070-38	38	2019-12-03 02:43:12.099	02:43:12.099	00000000000000000000	41.380054	70.330405
20070-39	39	2019-12-03 02:43:12.394	02:43:12.394	00000000000000000000	41.380054	70.330405
20070-40	40	2019-12-03 02:43:12.689	02:43:12.689	00000000000000000000	41.380054	70.330405
20070-41	41	2019-12-03 02:43:12.984	02:43:12.984	00000000000000000000	41.380054	70.330405
20070-42	42	2019-12-03 02:43:13.279	02:43:13.279	00000000000000000000	41.380054	70.330405
20070-43	43	2019-12-03 02:43:13.574	02:43:13.574	00000000000000000000	41.380054	70.330405
20070-44	44	2019-12-03 02:43:13.869	02:43:13.869	00000000000000000000	41.380054	70.330405
20070-45	45	2019-12-03 02:43:14.164	02:43:14.164	00000000000000000000	41.380054	70.330405
20070-46	46	2019-12-03 02:43:14.459	02:43:14.459	00000000000000000000	41.380054	70.330405
20070-47	47	2019-12-03 02:43:14.754	02:43:14.754	00000000000000000000	41.380054	70.330405
20070-48	48	2019-12-03 02:43:15.049	02:43:15.049	00000000000000000000	41.380054	70.330405
20070-49	49	2019-12-03 02:43:15.344	02:43:15.344	00000000000000000000	41.380054	70.330405
20070-50	50	2019-12-03 02:43:15.639	02:43:15.639	00000000000000000000	41.380054	70.330405
20070-51	51	2019-12-03 02:43:15.934	02:43:15.934	00000000000000000000	41.380054	70.330405
20070-52	52	2019-12-03 02:43:16.229	02:43:16.229	00000000000000000000	41.380054	70.330405
20070-53	53	2019-12-03 02:43:16.524	02:43:16.524	00000000000000000000	41.380054	70.330405
20070-54	54	2019-12-03 02:43:16.819	02:43:16.819	00000000000000000000	41.380054	70.330405
20070-55	55	2019-12-03 02:43:17.114	02:43:17.114	00000000000000000000	41.380054	70.330405
20070-56	56	2019-12-03 02:43:17.409	02:43:17.409	00000000000000000000	41.380054	70.330405
20070-57	57	2019-12-03 02:43:17.704	02:43:17.704	00000000000000000000	41.380054	70.330405
20070-58	58	2019-12-03 02:43:18.000	02:43:18.000	00000000000000000000	41.380054	70.330405
20070-59	59	2019-12-03 02:43:18.295	02:43:18.295	00000000000000000000	41.380054	70.330405
20070-60	60	2019-12-03 02:43:18.590	02:43:18.590	00000000000000000000	41.380054	70.330405
20070-61	61	2019-12-03 02:43:18.885	02:43:18.885	00000000000000000000	41.380054	70.330405
20070-62	62	2019-12-03 02:43:19.180	02:43:19.180	00000000000000000000	41.380054	70.330405
20070-63	63	2019-12-03 02:43:19.475	02:43:19.475	00000000000000000000	41.380054	70.330405
20070-64	64	2019-12-03 02:43:19.770	02:43:19.770	00000000000000000000	41.380054	70.330405
20070-65	65	2019-12-03 02:43:19.999	02:43:19.999	00000000000000000000	41.380054	70.330405
20070-66	66	2019-12-03 02:43:20.299	02:43:20.299	00000000000000000000	41.380054	70.330405
20070-67	67	2019-12-03 02:43:20.599	02:43:20.599	00000000000000000000	41.380054	70.330405
20070-68	68	2019-12-03 02:43:20.899	02:43:20.899	00000000000000000000	41.380054	70.330405
20070-69	69	2019-12-03 02:43:21.199	02:43:21.199	00000000000000000000	41.380054	70.330405
20070-70	70	2019-12-03 02:43:21.499	02:43:21.499	00000000000000000000	41.380054	70.330405
20070-71	71	2019-12-03 02:43:21.799	02:43:21.799	00000000000000000000	41.380054	70.330405
20070-72	72	2019-12-03 02:43:22.099	02:43:22.099	00000000000000000000	41.380054	70.330405
20070-73	73	2019-12-03 02:43:22.399	02:43:22.399	00000000000000000000	41.380054	70.330405
20070-74	74	2019-12-03 02:43:22.699	02:43:22.699	00000000000000000000	41.380054	70.330405
20070-75	75	2019-12-03 02:43:22.999	02:43:22.999	00000000000000000000	41.380054	70.330405
20070-76	76	2019-12-03 02:43:23.299	02:43:23.299	00000000000000000000	41.380054	70.330405
20070-77	77	2019-12-03 02:43:23.599	02:43:23.599	00000000000000000000	41.380054	70.330405
20070-78	78	2019-12-03 02:43:23.899	02:43:23.899	00000000000000000000	41.380054	70.330405
20070-79	79	2019-12-03 02:43:24.199	02:43:24.199	00000000000000000000	41.380054	70.330405
20070-80	80	2019-12-03 02:43:24.499	02:43:24.499	00000000000000000000	41.380054	70.330405
20070-81	81	2019-12-03 02:43:24.799	02:43:24.799	00000000000000000000	41.380054	70.330405
20070-82	82	2019-12-03 02:43:25.099	02:43:25.099	00000000000000000000	41.380054	70.330405
20070-83	83	2019-12-03 02:43:25.399	02:43:25.399	00000000000000000000	41.380054	70.330405
20070-84	84	2019-12-03 02:43:25.699	02:43:25.699	00000000000000000000	41.380054	70.330405
20070-85	85	2019-12-03 02:43:25.999	02:43:25.999	00000000000000000000	41.380054	70.330405
20070-86	86	2019-12-03 02:43:26.299	02:43:26.299	00000000000000000000	41.380054	70.330405
20070-87	87	2019-12-03 02:43:26.599	02:43:26.599	00000000000000000000	41.380054	70.330405
20070-88	88	2019-12-03 02:43:26.899	02:43:26.899	00000000000000000000	41.380054	70.330405
20070-89	89	2019-12-03 02:43:27.199	02:43:27.199	00000000000000000000	41.380054	70.330405
20070-90	90	2019-12-03 02:43:27.499	02:43:27.499	00000000000000000000	41.380054	70.330405
20070-91	91	2019-12-03 02:43:27.799	02:43:27.799	00000000000000000000	41.380054	70.330405
20070-92	92	2019-12-03 02:43:28.099	02:43:28.099	00000000000000000000	41.380054	70.330405
20070-93	93	2019-12-03 02:43:28.399	02:43:28.399	00000000000000000000	41.380054	70.330405
20070-94	94	2019-12-03 02:43:28.699	02:43:28.699	00000000000000000000	41.380054	70.330405
20070-95	95	2019-12-03 02:43:28.999	02:43:28.999	00000000000000000000	41.380054	70.330405
20070-96	96	2019-12-03 02:43:29.299	02:43:			

Litigation Support

- Assistance Extended To District Attorney's Offices During Evidentiary Challenges To ShotSpotter Evidence
 - Documentation
 - Case Studies
 - Prior Case Law
 - Expert Witness Preparation
- Expert Witness Testimony For Trials, Hearings, Grand Jury Presentments And Depositions
 - Testified To In 17 States And The District Of Columbia, With Favorable Rulings On 5 Daubert Challenges And 11 Frye Challenges.¹
- ShotSpotter Evidence Has Been Testified To In Over 160 Criminal Prosecutions Throughout The Country ¹.

1. Since 2013

United States vs. Godinez

- Shooting Of An ATF Agent In Chicago By A Known Gang Member On May 4, 2018
- The DFR Precisely Located Where The Defendant Was Standing When He Fired 5 Rounds At The Agent
- The Other 2 Rounds Detected And Located Were Return Fire From A Chicago Police Officer Attached To The ATF Unit
- ShotSpotter's Expert Testified At The Trial
- The Defendant Was Convicted Of Assault Of A Federal Officer And Discharging A Firearm In A Crime Of Violence And Sentenced To More Than 16 Years In Prison



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Special Agent in Charge

Chicago Field Division
Chicago, IL 60607
www.atf.gov

July 23, 2019

772000: CN
2400

Mr. Paul Di Lella
ShotSpotter, Inc.
7979 Gateway Boulevard, #210
Newark, CA 94560

Dear Mr. Di Lella:

It is with humble gratitude that I write this letter commending ShotSpotter Engineer [REDACTED] for assisting the team of law enforcement professionals in securing the recent guilty verdict in the case of *United States v. Ernesto Godinez*. A jury convicted defendant Godinez last month for assault of a federal officer and discharging a firearm in a crime of violence. Our own ATF Special Agent Kevin Crump was the victim of that ambush shooting on the early hours of May 4, 2018.

The successful prosecution of this important case is due, in part, to Mr. [REDACTED] expert testimony which described for the jury the forensic report that he authored supporting the state-of-the-art technology of ShotSpotter. His description of how ShotSpotter works was concise and understandable to the jury. His testimony summarizing the technology used to evaluate the evidence found at the crime scene on that dreadful morning undoubtedly solidified for the jury the verdict of guilt.

On behalf of the men and women of the Bureau of Alcohol, Tobacco, Firearms and Explosives' (ATF) Chicago Field Division and ATF employees across the country, thank you for your colleague's assistance and support. Please let Mr. [REDACTED] know his commitment and expertise is recognized, valued, and will never be forgotten.

Sincerely yours,

Jeff Jones
Special Agent in Charge

Integration Services

- Increased Efficiency And Effectiveness Within The Customers' Public Safety Ecosystem
- Increased Stickiness
- Revenue Opportunity



ShotSpotter Notification Engine/API



Footprint

- 60+ Existing Point-to-point Integrations



Versatility

- Successful Integration With 25+ Different Public Safety Vendors/Systems



Growth

- Growing Adoption Rate
- 25 New Integrations In 2019, Versus 10 In 2018
- An Intentional Focus On Growing Our Integration Footprint



Customer Success

Paul Reeves
VP, Customer Success



ShotSpotter Customer Success

Mission: *Ensure Every ShotSpotter Customer Maximizes The Value (Success) Of ShotSpotter's Public Safety and Security Solutions.*



ShotSpotter Customer Success Team

- ATF Special Agent - 26 years
 - NIBIN National Coordinator – 15 years
- Major, Hillsborough County Sheriff – 31 years
- ATF Special Agent-in-Charge – 25 years
- Assistant Chief, Miami Gardens PD – 28 years
- Patrol – Officer, NYC - 5 years
- Crime Analyst – East Palo Alto PD - 15 years
- Crime Analyst – Denver PD - 15 years

Customer Success Program

Maximizing Customer Success



Net Promoter Survey

Completed October 11, 2019

How NPS is Used

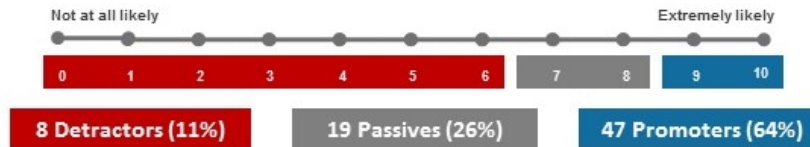
- Quantitative Measurement Of Customer Sentiment That Can Impact Sales And Renewals
- Coarse But Useful Indicator: Is It Working?
- Helping Identify References For Testimonials/
- Identify Areas For Improvement
- Company-wide Bonuses Are Tied To NPS

Net Promoter Score Defined

The Net Promoter categories evolved from Reichheld's research, which also revealed distinct differences in customer behavior based on their response to the Net Promoter question. The high correlation between the response to the question and future behavior led to establishing the following three Net Promoter categories:

- Promoters (score 9-10) – loyal enthusiasts who will keep buying and refer others, fueling growth.
- Passives (score 7-8) – satisfied but unenthusiastic customers who may be vulnerable to competitive offerings.
- Detractors (score 0-6) – unhappy customers that can damage your brand and impede growth through negative word-of-mouth.

How likely are you to recommend ShotSpotter to other law enforcement agencies that have gun violence issues in their jurisdiction?

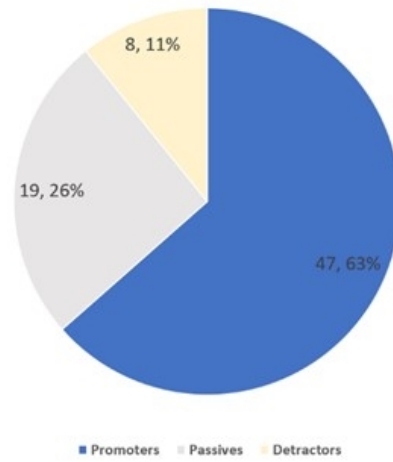


Net Promoter Score (NPS) = % of Promoters - % of Detractors

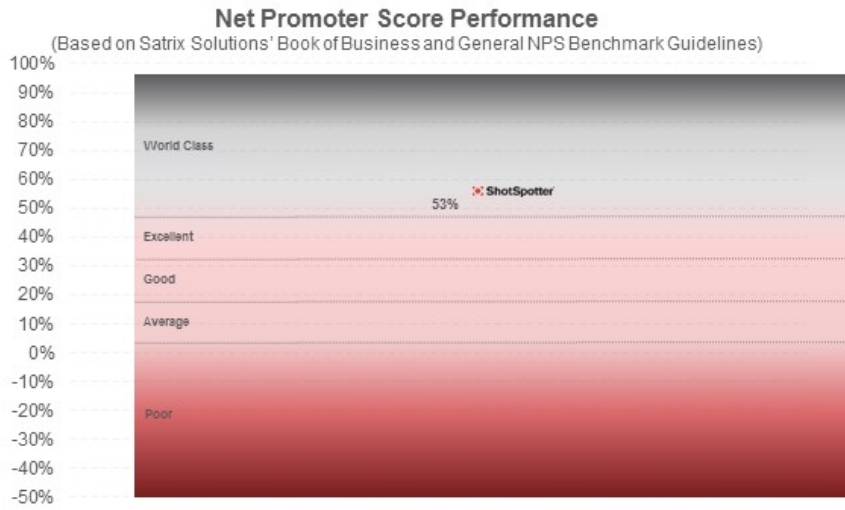
NPS: 64% - 11% = +53% (up from +50% in 2018)



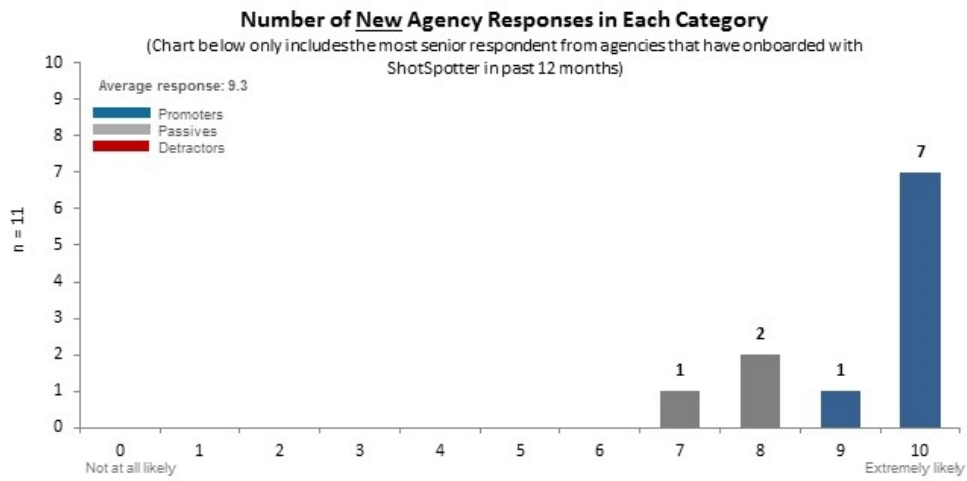
Net Promoter Distribution



NPS Score 53%



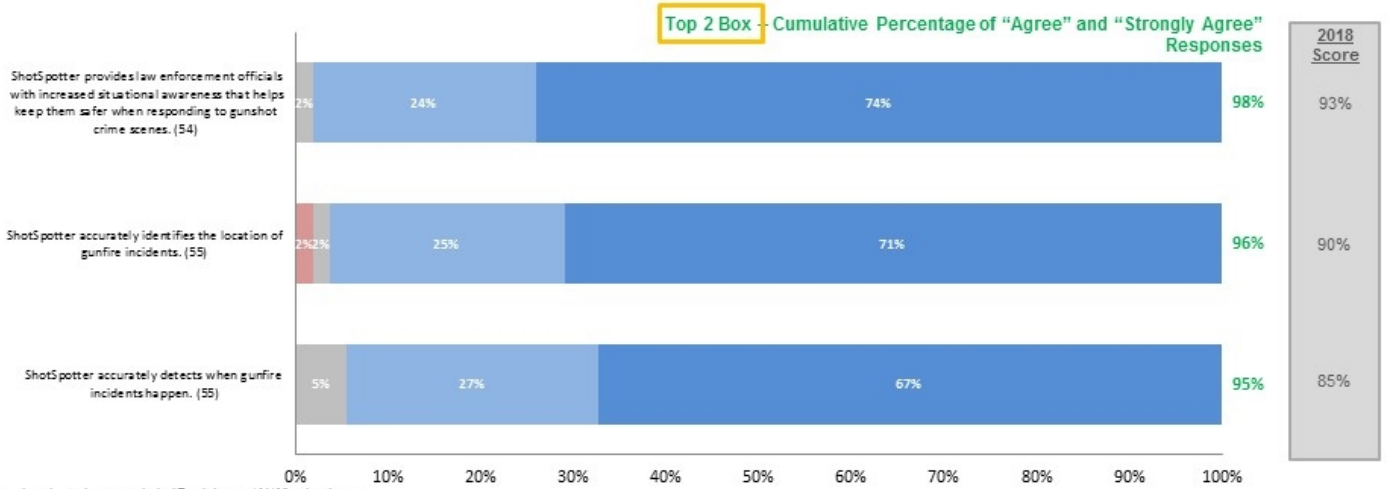
Only New Agencies – Net Promoter Response Distribution



Agree / Disagree – Community Impact Statements

Percentage of Agency Responses – Distribution

■ Strongly disagree
 ■ Disagree
 ■ Neither agree nor disagree
 ■ Agree
 ■ Strongly agree



* Figures on the chart above exclude "Don't know / N/A" selections.

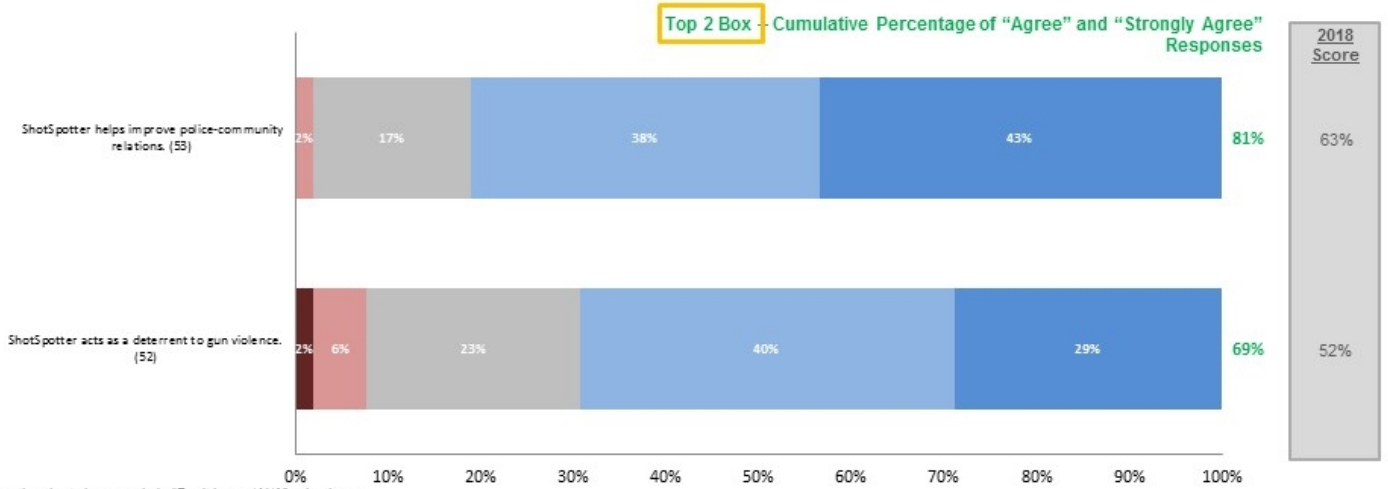
** Percentages may not add to 100% due to rounding.



Agree / Disagree – Community Impact Statements

Percentage of Agency Responses – Distribution

■ Strongly disagree ■ Disagree ■ Neither agree nor disagree ■ Agree ■ Strongly agree



* Figures on the chart above exclude "Don't know / N/A" selections.

** Percentages may not add to 100% due to rounding.



Positive Sentiment: Applications, Reports and Services



The Investigative Lead Summary is yet another example of what proves that ShotSpotter is ever evolving with technology and looking to provide the **best products possible based on needs of its customers**. The Rochester Police Department **has already benefited during its investigations with this new feature** at the fingertips of responding officers and investigators at the scene. – **Sergeant, Rochester, NY**

ShotSpotter applications and reports are used everyday and as a tool in briefings where communication is passed down to all the watches and this information is also used as an aid to further our felony cases. – **Commander, Chicago Police Department**

ShotSpotter has been an **extremely important** component with regard to evidence collection and feeding NIBIN, especially since **76% of our gunfire incidents in our SST coverage areas are unreported**. – **Sergeant, Fresno, CA**



ShotSpotter Benefits & Community Impact



- Over 95% of agencies responding to the benefits / community impact questions “agree” or “strongly agree” ShotSpotter helps:
 - Increase the number of shell casings recovered
 - Increase the percentage of shots identified
 - Reduces officer response times to gunshot crime scenes
-



- At least 75% of agencies also “agree” or “strongly agree” ShotSpotter improves:
 - Community safety
 - Allows for better interviews of witnesses, victims or suspects
 - Increases the chances of recovering the firearm
-



- The community impact for ShotSpotter agencies is extremely successful with an average score of nearly 5 out of 5 for:
 - Accuracy of gunfire locations
 - Detection of gunfire incidents and enhanced situational awareness at crime scenes
-



- 50% of agencies indicating that ShotSpotter helps increase the number of prosecutions in a given city.
- The lowest average score for these impact statement attributes was “ShotSpotter helps us improve police-community relations”

Benefits of ShotSpotter – Comments

 ShotSpotter



Having ShotSpotter has really **helped us in responding quicker** to shooting scenes. This has **helped our solvability rate** as well. – **Police Dept., Atlantic City, NJ**

ShotSpotter has **improved our response time**, has garnered us **positive community responses**, and works as advertised. – **Assistant Chief, Louisville, KY**

ShotSpotter allows our officers to approach shots fired areas in a **safe manner**. Also in conjunction with our robust NIBNs system we are **making connections amongst shootings and suspects**. – **Assistant Deputy Chief, Rockford, IL**

ShotSpotter has proven to **greatly increase the accuracy of our response to gun fire in our coverage area which has led to reducing the overall amount of gun fire** that was occurring before we put the technology in use. – **Captain, Jackson, TN**



 ShotSpotter

 ShotSpotter

Benefits of ShotSpotter – Comments

 ShotSpotter



We use this technology **each and every day** to help improve public safety for the community. –
Police Dept., Wilmington, DE

ShotSpotter has **exceeded our expectations**. The intelligence and real time data it provides is **invaluable**. Great company with **outstanding service team and customer service**. ShotSpotter is an **integral part of our strategy**. ShotSpotter Respond provides an **accurate and immediate investigative tool to address gunfire** within our city. Investigative lead summary is a **valuable tool our detectives use to understand a crime scene**. Investigator Portal allows us to use historical data to assist in deploying resources more efficiently. Audio analysis support team provide a **timely response of missed or mislocated incidents** to help document crime scenes. – Police Dept., Wilmington, NC

ShotSpotter **gets us to the right location, and much quicker**. We've made over **20 arrests and seized multiple guns**. It's been great. [Account review] was **perfect** – LT, Bakersfield, CA



 ShotSpotter

Next Steps



Customer Retention:

35 of 36 Decision Makers (95%) responding to the "likely to renew" question scored 7 or higher, suggesting a high degree of revenue predictability from these agencies



Development of CGIC Strategy Services:

9 Agencies indicated their CGIC strategy is in its early phases of development; and 6 Agencies indicated they are not familiar with CGIC strategies

Opportunities



The Value of Promoters:

57 respondents, representing 44 agencies, agreed to serve as a reference or provide a testimonial



Net New Square Miles:

16 Agencies indicated they would likely expand their area of coverage in the future (versus 7 in 2018)



LATAM Market Opportunity

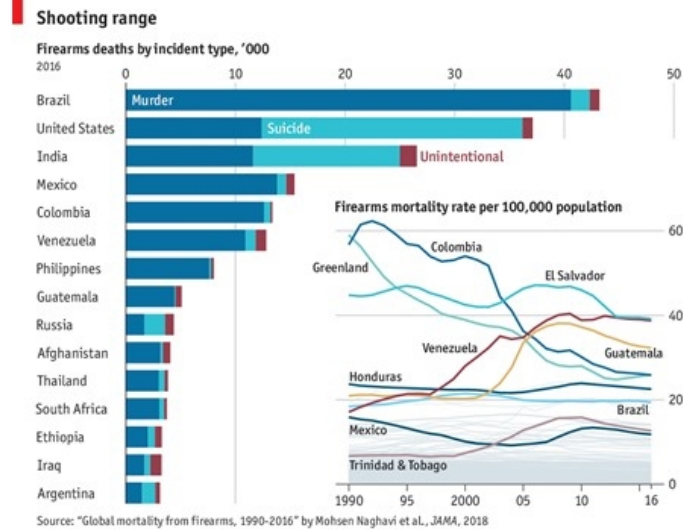
Jon Magin, VP International Sales, LATAM



LATAM Opportunity & Focus

- **Overview: LATAM Averages 24 Homicides Per 100k People**
 - 9% Of World Population And 40% Of All Murders
 - Crime #1 Public Concern (Replacing Economy)
 - Crime Cost Totals 3.6% Of GDP (Represents \$2.6B In \$US)
- **Progress: Visited 10 Countries In 18 Months (Multiple Times)**
 - Meetings With 50 Customers/Integrators
 - Met Or Conference Calls With Customers Additional 4 Countries
- **Key Focus Countries: All With Active Proposals**
 - Mexico – Multiple Country Visits To Integrators, Customers, Partners, Tradeshow
 - Colombia – Multiple Visits To Integrators, Customers, Partners
 - Brazil – Visit To Integrators, Customers, Partners, Local And International Banks, & Tradeshow
 - Panama – Visits With Customers & Partners
- **NOTE: Newly Elected Presidents Mexico & Brazil That Ran On Law & Order**

Countries with Highest Gun Deaths



The Economist

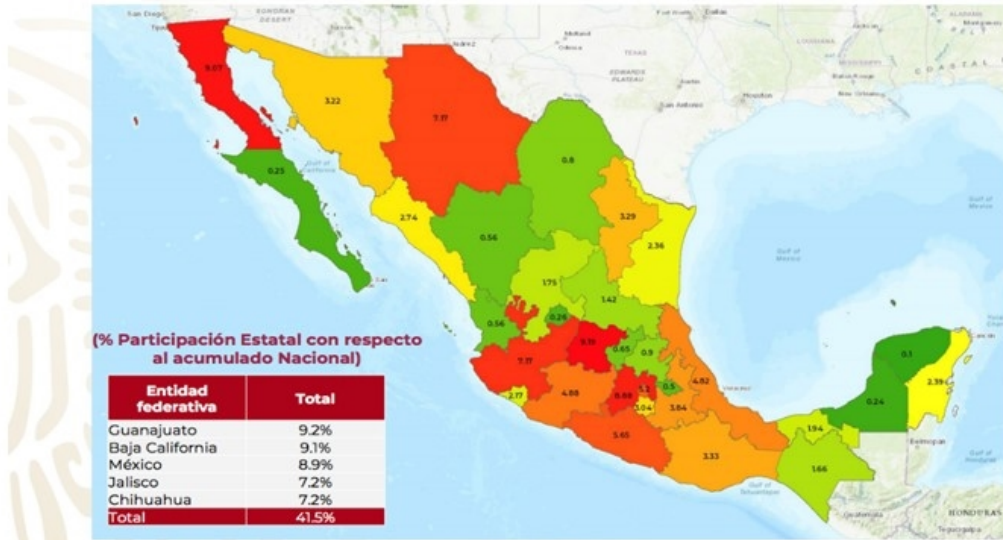
LATAM – Homicide Rates Per 100k



Brazil – Gunfire Homicide Stats



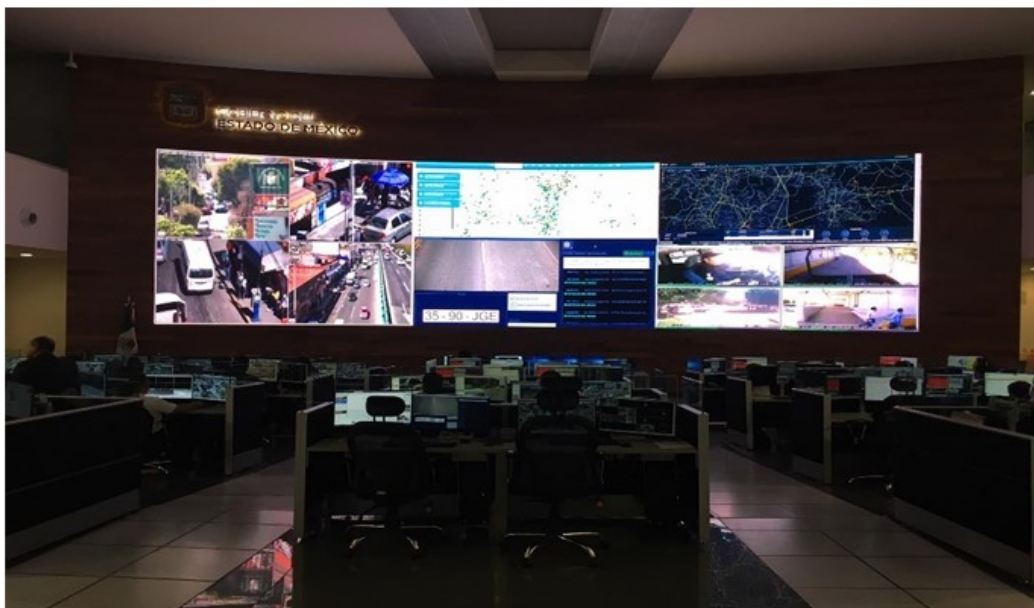
Mexico – Concentration Homicide Rates



Fuente: Secretariado Ejecutivo del Sistema Nacional de Seguridad Pública

Dec 2018 – Aug 2019

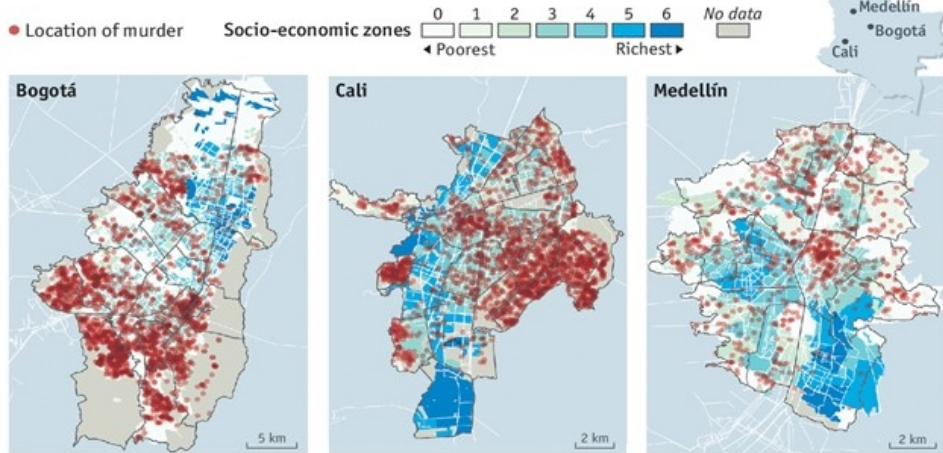
Mexico – C5 Command & Communications



Colombia – Murders & Socio-Economics

Join the dots

Colombia, murders and socio-economic status, 2016



Source: Ideas for Peace Foundation

Economist.com

LATAM – Collaboration In The Region

- Software Company – HQ Visit – Leveraging 20 Direct Sales & Marketing Contacts In Region. Participated As A Speaker In Various Partner Customer Conferences. Joint Sales Calls To 15 Integrator/Customer Visits
- Security Hardware Company(s) – HQ Visit – Leveraging Sales Contacts And Local Rep Network
- Hardware/Camera/LPR Company - HQ Visit – Sales & Business Development
- US State Department & Commerce Department - Regional Meetings & Services
- Police Organizations - Sponsorship Conference In Mexico
- NGO's & Funding Sources, Business Councils

LATAM – Marketing

- Mexico – Hosted Delegation of State Security Secretaries
- Mexico – Hosting Reception for Police – (200 Officials)
- Mexico – ExpoSeguridad Booth, May 2019; Largest Security Exposition in Northern LATAM
- Brazil – LAAD Security & Defense Expo booth; April 2019. Largest Security Exposition in South America
- Hosted Visits to ShotSpotter US Customers – Multiple Officials/trips From Five countries



Sales – North America

Gary Bunyard
SVP, Sales, North America



2019 Flex Bookings – Highlights

Booked (as of November 30, 2019):

New Flex Miles	85
New Security Miles	2
Total New Miles	87
New Customers	9
Expansions	9

Highlights:

Las Vegas Metro Police – expansion
Puerto Rico Public Housing Authority

Bookings: Gross New Miles Under Contract

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Highlights:

Las Vegas Metro Police – expansion
Puerto Rico Public Housing Authority

Bookings: Gross New Miles Under Contract

- Signed expansion contract – September 15th
- Great collaboration between:
 - Local elected officials
 - Law enforcement
 - Vendor (ShotSpotter)
- Expansion:
 - 2 pilot coverage areas 6.0 sm
 - 8 new coverage areas 17.5 sm
 - Total: 23.5 sm
- Combined 3-year contract = \$3.9M
- YouTube Video of October 17th Press Conference
ShotSpotter: Violent Crime Gunshot Detection Program Expands!



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Highlights:

Las Vegas Metro Police – expansion
Puerto Rico Public Housing Authority

Bookings: Gross New Miles Under Contract

- 2 Competitive RFPs
 - Round 1 – produced no viable competitors
 - Round 2 – produced only 1 viable competitor
 - 2x ShotSpotter's price
 - scored only 72% in evaluation
- Received Notification of Award – November 1st
- Selected for a 3-Year Contract - \$4.3M
 - San Juan 10.1 sm
 - Bayamon 5.0 sm
 - Trujillo Alto 5.8 sm
 - Total 20.9 sm
- Signed Contract on November 21st



2019 Flex Bookings – Highlights

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New Customers	9
Expansions	9

Year-End Sales Funnel:

Working Opportunities	6
Potential New Flex Miles	30

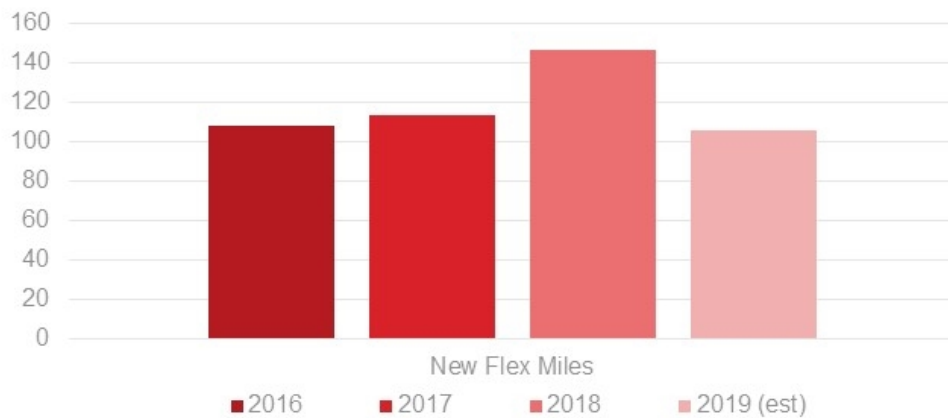
Highlights:

- Las Vegas Metro Police – expansion
- Puerto Rico Public Housing Authority

We expect to close out 2019 with >100 New Miles...

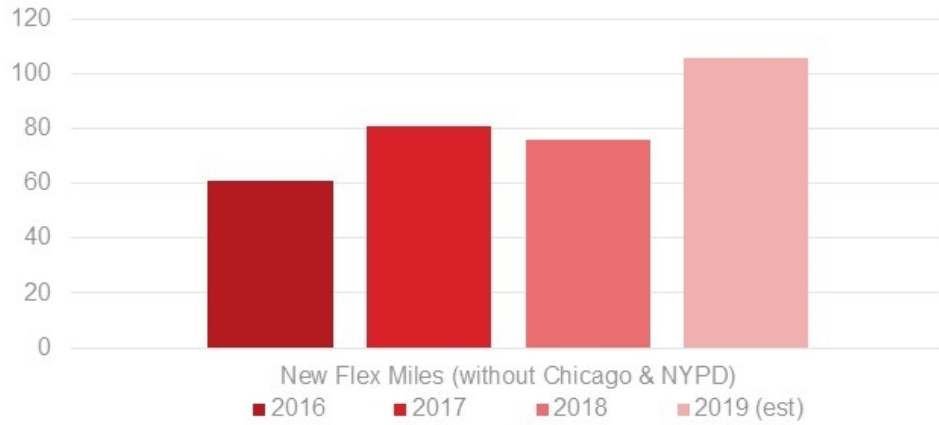
Bookings: Gross New Miles Under Contract

Flex Bookings – Historical View



Flex Bookings – Historical View

(without Chicago & NYPD)



ShotSpotter Sales Organizational Changes

Objectives:

- Expand The Depth/Breadth Of Leadership
- Allow Senior Sales Leadership To Be More Strategically-Focused
- Create A More Scalable Sales Engine
 - Expanded Products
 - Expanded Volume
 - Increase Velocity
- Position Regional Sales Directors To Focus More On
 - New Customers
 - New Miles From Existing Customers
 - Higher Leverage Opportunities
- Proactively Drive Sales Based Upon Product-based Sales Programs

ShotSpotter Sales Leadership

Phil Dailly

VP of Sales – Solutions Group

- Graduated James Madison University with a B.A. degree (Major in Political Science and Minor in Economics)
- Attended the Baltimore City Police Academy where Phil graduated Class Valedictorian
- Served as a Police Officer & Sergeant on various task forces targeting violent drug organizations
- Served ShotSpotter as the Southeast Regional Sales Director from 2010 to July 2019



ShotSpotter Sales Leadership

Joe Rodriguez

VP – Regional Sales

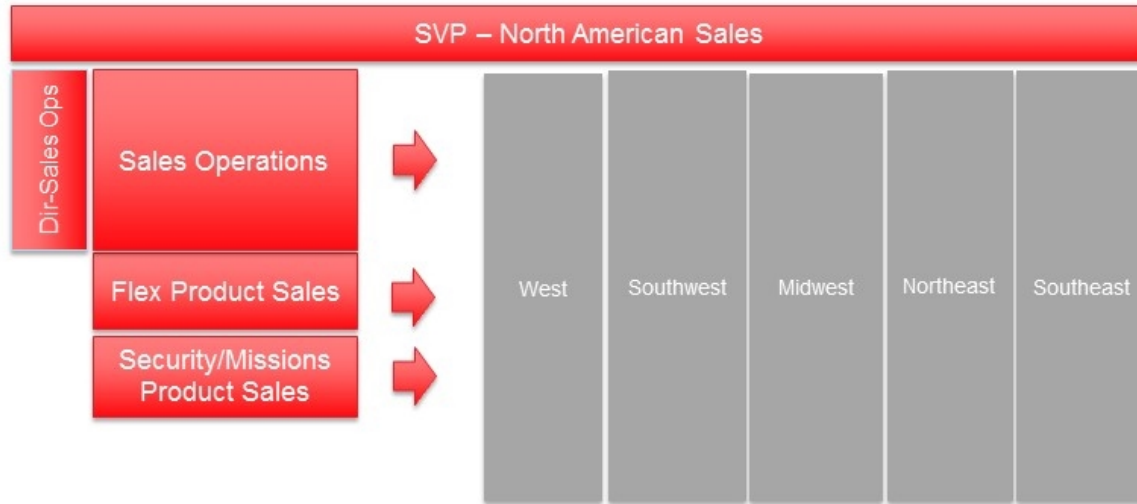
- Spent The First Four Years Of His Career Working As A Police Officer In Miami
- Worked Five Years At Tiburon, First As Regional Sales Manager And Then As Sales Director
- Lead Sales At Intergraph, As US Director Of Sales For Public Safety
- Joined Deccan International, As VP Of Sales In Early 2018



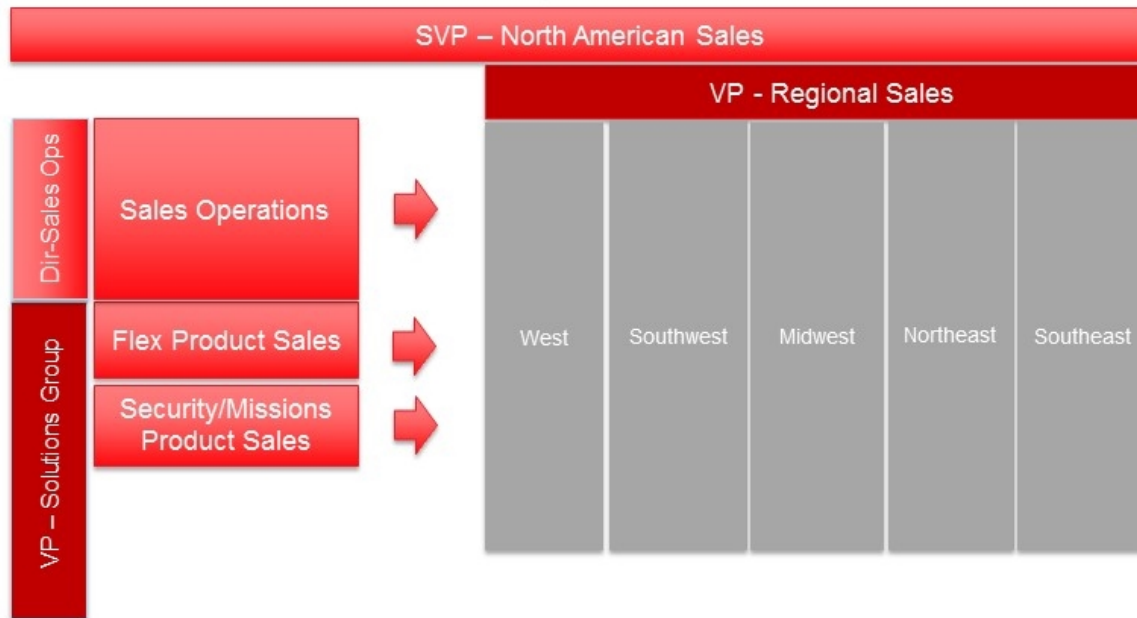
New ShotSpotter Sales Organization



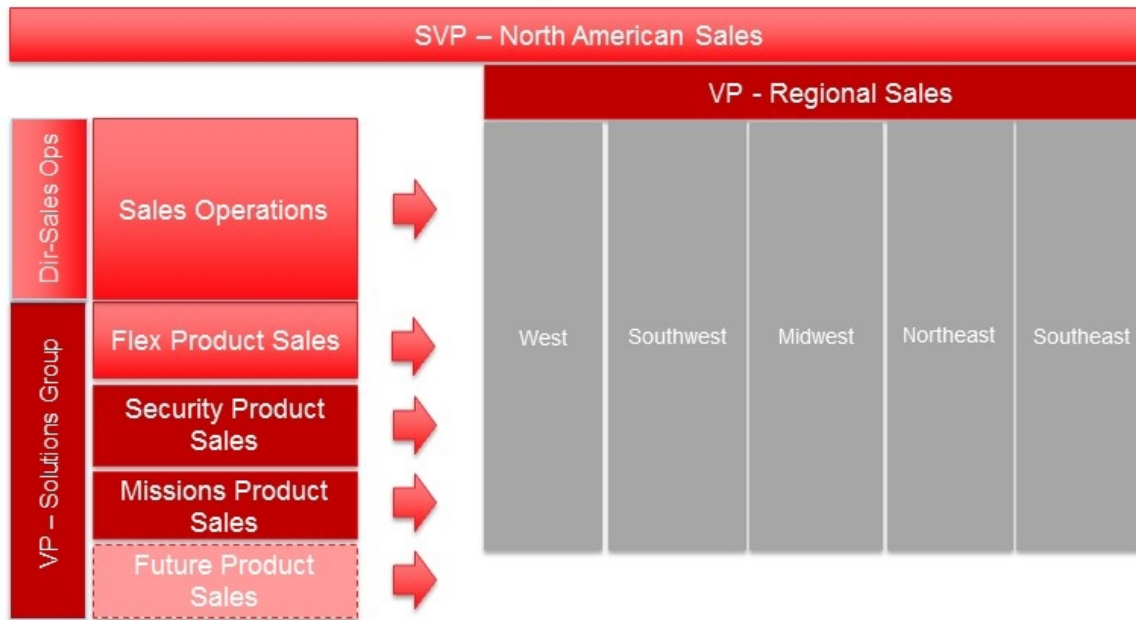
ShotSpotter Sales Organization – looking back



ShotSpotter Sales Organization – in process



ShotSpotter Sales Organization



ShotSpotter Sales Organization



ShotSpotter Sales Model - Controls

Territory Business Plans



Product Sales Playbook



Salesforce



Opportunity Playbook



Regional Territory Business Plans

- TAM Analysis
- **General Forces**
- Business Objectives
- Existing Customers
 - Ranked
 - Remediation Plans
- Account Review Plan
- Sales Funnel
 - Existing Customers
 - New Customers
- Sales Commits
 - Existing Customers
 - New Customers
- Profile - Top 5 Opportunities
- General Challenges
- Business Outlook

Sample Forces:

- Recent ShotSpotter Activations
- Gun Violence Trends
- Net Promoter Activities
- Anchor Cities
- Economics
- Recent Press
- Regional/National Events

Regional Territory Business Plans

- TAM Analysis
- General Forces
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- **Sales Funnel**
 - **Existing Customers**
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- Prospecting
- Qualifying
- Active Opportunity
- Proposal Submitted
- Proposal Approved
- Contract Negotiation

Regional Territory Business Plans

- TAM Analysis
- General Forces
- Business Objectives
- Existing Customers
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- Sales Funnel
 - Existing Customers
 - New Customers
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 - Existing Customers
 - New Customers
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- **Business Outlook**

Business Outlook:

- Each Annual Quota Objective
- YtD Actuals vs YtD Plan
- Year-End Projections
- Year-End % of Plan

Product Sales Playbook



Proactively drive sales of each solution through the regions

- Value Proposition, ROI, and Messaging
- Sales Collateral for each Product
- Pricing Model Optimization
- Demand Generation
- Proposal Template Optimization
- Alternative Funding Sources
- Competitive Landscape
- Key Partners
- SME by Product
- Presentations/Demonstrations
- Consultative Role – Sales Strategy
- Persuasion Code (Pain, Claim, Gain)

Salesforce



Focus: visibility, accountability, and analytics...

Today:

- Opportunity Management
- Funnel Management
- Proposal Request/Tracking
- Renewal Processing
- Competitor Tracking
- Task Tracking

Moving forward:

- Funnel Source Dashboards
- Funnel Analysis
- Velocity Tracking
- Sales-Cycle Tracking
- Funding Sources
- Performance (Plan vs Actuals)

Opportunity Management Playbook



Market Forces at Play

Head Winds:

- Budgets Are Tight
- Competitive Distractions
- DOJ – Rejecting Sole-source Deals

Tail Winds:

- Positive ShotSpotter Results
- More Regional “Tipping Points”
- Growing List Of Net Promoters

Flex Sales Funnel – 2020 & beyond



Flex Sales Funnel Totals:	Qty	Miles
Potential Flex Deals - All	271	843
Potential Flex Deals - 2020	147	466
Potential Flex Deals - Targets 2020	59	191

On The Strength Of The Sales Funnel, Planning 2020 Quota Of 130-150 Square Miles...



Business Model & KPIs

Alan Stewart, CFO



Business Model Highlights

Annual subscription-based SaaS revenue

High margin and low variable costs

Significant leverage in every operating expense category

Efficient sales and marketing

Low customer attrition/churn

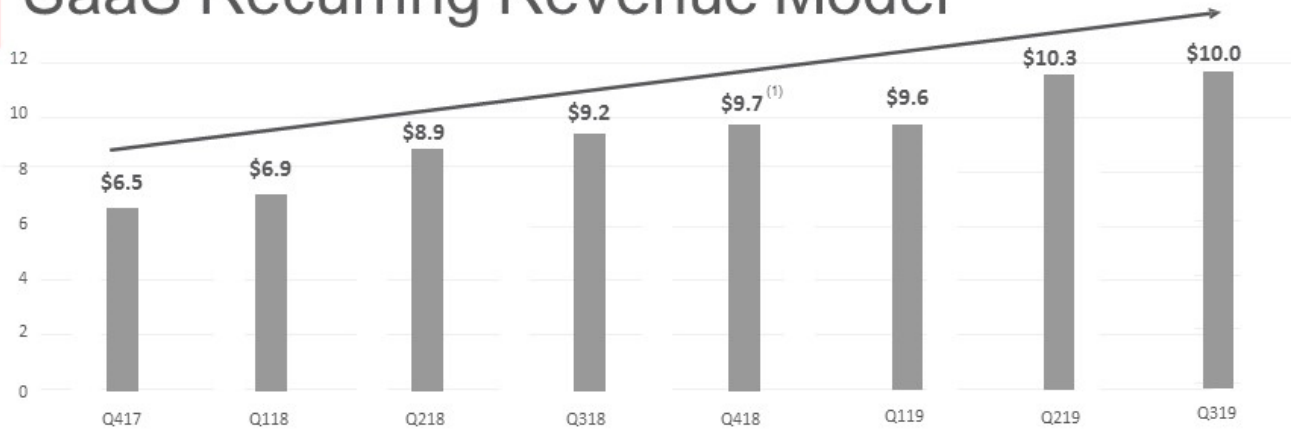
Rapid cash payback of installation costs

Low customer acquisition costs

High revenue retention

Goal of cultivating 10+ year relationships=High lifetime value of a customer

SaaS Recurring Revenue Model



Revenue in millions of dollars

(1) Includes \$170K in revenue from USVI related to Hurricane Irma

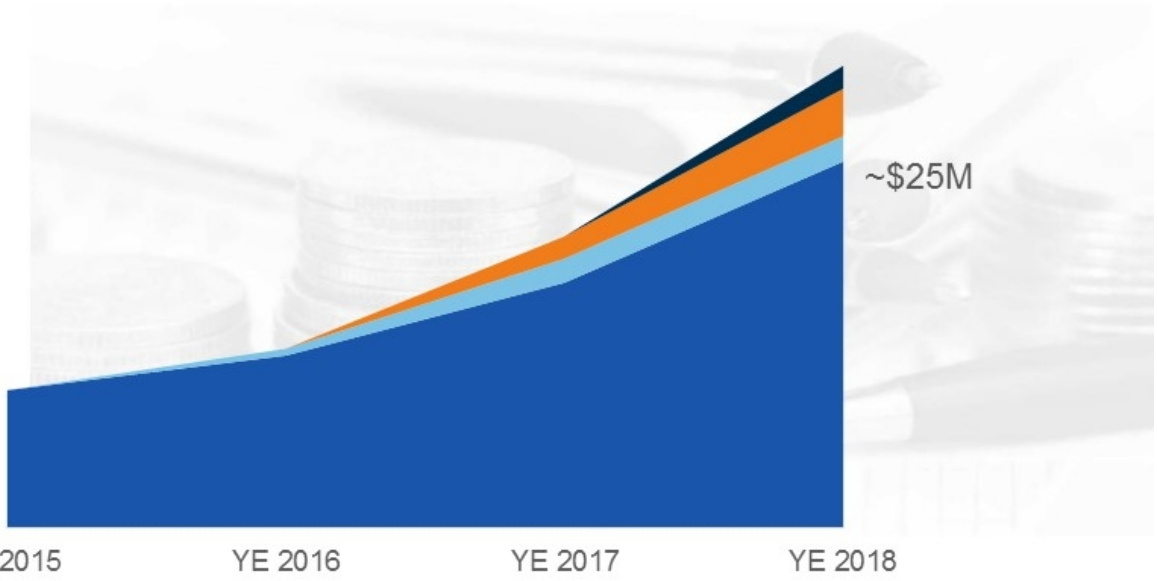


Nearly **100%** of revenue is subscription based.

Customer Growth By Commencement Year

- FY 18
- FY 17
- FY 16
- FY 15 and Prior

~\$10M



~\$25M

YE 2015

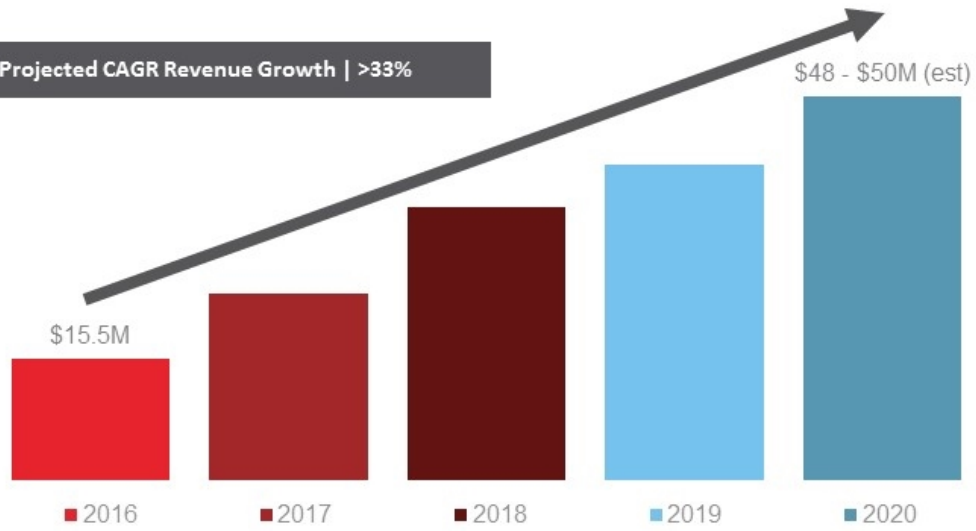
YE 2016

YE 2017

YE 2018

Strong Revenue Growth

Projected CAGR Revenue Growth | >33%

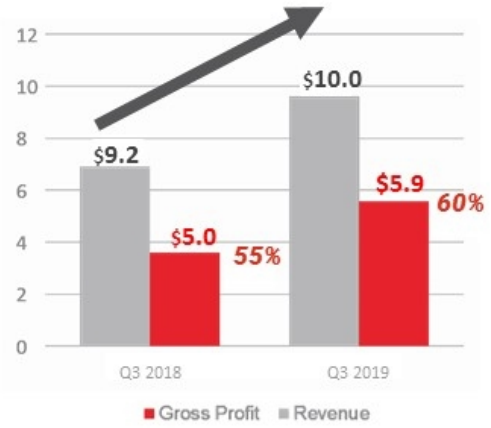


Operating Leverage

CAGR Revenue Growth (2015-2018) | 43%



Revenue Growth Q3'18 to Q3'19 | 8%

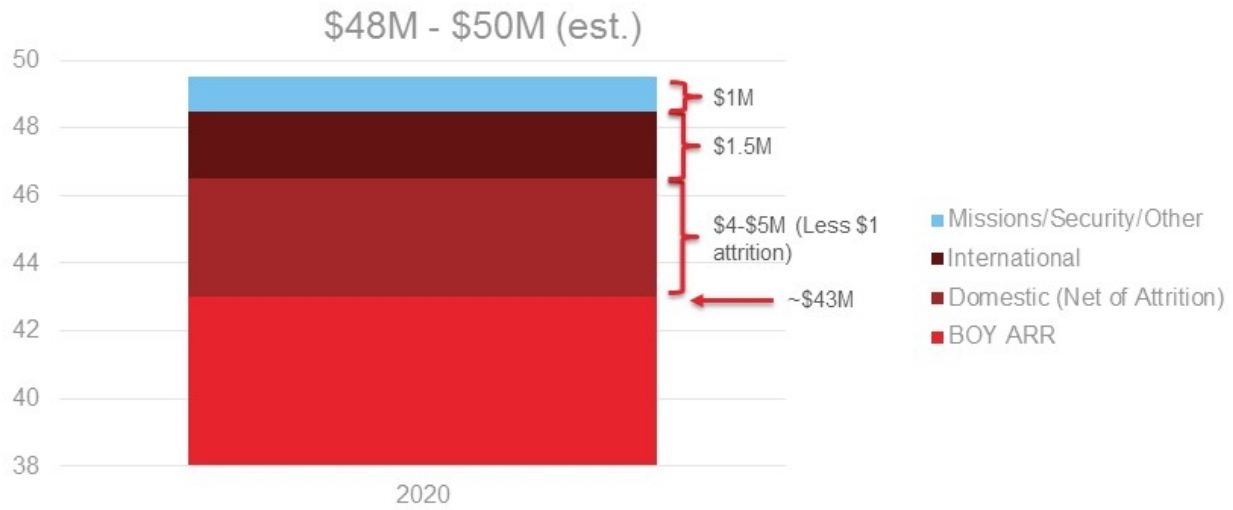


\$ in Millions

Selected Income Statement Data & KPIs

	YEAR ENDED 12/31		PERCENTAGE		QUARTER ENDED 9/30		PERCENTAGE YTD	
	2017	2018	2017	2018	Q318	Q319	Q318	Q319
\$ 000's								
Revenue	\$23,763	\$34,753	100.0%	100.0%	\$9,212	\$9,984	100.0%	100.0%
Gross profit (\$000 and % of Revenue)	11,600	19,221	48.8%	55.3%	5,042	5,965	54.7%	59.7%
Operating expenses								
Sales and marketing	6,179	8,377	26.0	24.3	2,453	2,426	26.6	24.3
Research & development	4,159	4,987	17.5	14.3	1,196	1,358	13.0	13.6
General & administrative	5,595	8,425	23.5	24.2	2,912	1,803	31.6	18.1
Total operating expenses	\$15,933	\$21,789	67.0%	62.7%	\$6,561	\$5,587	71.2%	56.0%
Operating (loss) / profit	\$(4,333)	\$(2,568)	(18.2%)	(7.4%)	\$(1,441)	\$446	(15.6%)	4.5%
Revenue retention rate	141.0%	139.0%						
Marketing spend per \$1.00 of new annualized contract value**	\$0.34	\$0.30						

2020 Guidance Build



Capital Allocation

- M&A
 - Acquired Hunchlab Technology (Missions)
 - Total Cost Less Than \$3M (Including Earnout)
 - Significant Potential Value Creation
- Share Repurchase
 - Sold 250,000 shares in 2019 – Netting >\$11.2M
 - Repurchased ~260,000 Shares for Cost of ~\$6.5M
 - As of December 17, 2019

Key Investment Themes

- Large and Under-penetrated Market Opportunity
- First Mover Advantage in a Market with Little/No Direct Competition
- Significant Barriers to Entry – Technology, Experience & Brand Reputation
- Vertical Business Model Advantage
 - Growing Revenues (33% CAGR – 2016-2020 (est.))
 - “Sticky” Revenues (139% Revenue Retention – 2018)
 - Low Customer Discovery & Creation Costs (\$0.30/1\$-(S&M per \$ of Annualized Contract Rev – 2018))
 - Cost-Efficient to Serve
- Purpose-Driven Culture – “Doing Well By Doing Good”

