

Executive Summary of the Executive Summary



Overview

TeleSuite provides an alternative to the cost and hassle of physical travel bringing distant colleagues together in an immersive environment with life-sized images, nearperfect eye contact, and a natural setting that is free of technological interference. TeleSuite manages the technology behind the scenes so participants are free to concentrate on interacting with partners and colleagues around the world.

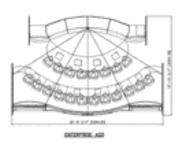
Current Customers and ROI

TeleSuite provide this solution for clients such as AOL/Time Warner, PricewaterhouseCoopers, Cigna, and Capital One among others. <u>Unlike traditional videoconferencing which typically gets used 0-20 hours per endpoint per month</u>, <u>TeleSuite clients average 70-120 hours per month per site with some customers saving over \$100,000 per month in hard travel dollars (those figures do not include productivity savings which travel experts estimate is 2-3 times the hard dollar costs). Our clients are able to meet more for less with a better quality-of-life for their road warriors with no fear of SARS, terrorism, or the unproductivity of business travel.</u>

In addition, TeleSuite complements existing deployments of traditional ISDN and IP legacy videoconferencing systems with TeleSuite customers reporting increased usage, satisfaction, and ROI with the enhanced experience that the TeleSuite provides. Clients typically deploy TeleSuite between their key locations and the systems draw additional usage above and beyond what can be expected from traditional videoconferencing including large meetings that could not have been satisfied using legacy systems and executive participants that may have had little or no usage of talking heads videoconferencing.

TeleSuite Public Access Initiative

TeleSuite is launching a global network of Publicly Available TeleSuites that will be reserved through our partners in the travel management industry who will be commissioned for the service. Publicly Available TeleSuite Systems will allow companies to rent multiple TeleSuite Systems around the world for investor conferences, analyst/earnings calls, product roll-outs, meetings, training sessions, or to supplement their existing corporate TeleSuite systems for locations that don't warrant a dedicated installation. We have opened our first Digital Airline TelePorts at the Waldorf=Astoria, The Savoy in London, The Grand Hotel in Oslo and The Ritz Carlton in Phoenix and have other locations coming on-line in the following months.

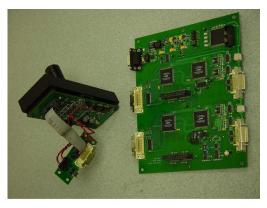


"Highly efficient, shareholder friendly in a wide range of circumstances, including meetings that would be virtually impossible to hold otherwise" - Jim Stewart, EVP & CFO, Cigna

Technology

In February TeleSuite announced the launch of our Managed Video Array (MVA) platform. The MVA is composed of three systems:

- The MVA codec, which is based on the emerging H.264 standard. The MVA codec will allow us to increase the resolution in the suite from ~400K pixels to 1.3MM pixels providing near DVD quality images over traditional T-1 lines. The codec also allows us to have up to 5 TeleSuite systems in a single conference without a bridge. For our Enterprise 420 model, which will be the standard model for the TeleSuite Digital Airline Terminal, this will mean up to a 100 person meeting with 20 life size participants (5 from each of the remote sites) on the screen at one time
- The MVA imaging system, which includes a special camera, and lens that designed for extreme panoramic image capture in an all-digital format. The camera is married to wide-angle optics system that delivers a 16:3 aspect ratio that closely matches the aspect ratio of the human eye. The high-definition micro-lens design is integrated within the display system for an experience very close to eye contact.
- The Vision Array display subsystem features a nearly seamless, high-resolution IMAX-style 16 foot by 4 foot curved display that fills the field of view of the human eye.



TeleSuite MVA Imager IA-2560

Installation and Maintenance

The TeleSuite is built modularly as a "room-within-a-room" and requires no special labor requirements or building permits and very minimal make-ready / tenant improvements for installation. The TeleSuite can be moved if desired and the company moved 5 suites for various customers in 2002. Clients provide TeleSuite with an empty room with standard power in a building with basic telco facilities. TeleSuite designs, manufactures and ships the suite to the customers location and handles every aspect of getting the suite connected to the TeleSuite Network from working with the client's IT, facilities, and telecom



managers to ordering the physical circuits from the local telco. Actual on-site installation takes about a week and is timed to coincide with delivery of the customer's telco circuit so when the installation team leaves the room is connected to the network and ready for operation. TeleSuite provides training for all the departments that will be utilizing the suite.



The TeleSuite Network Operation Center (NOC) and Help Desk handles all reservation requests and can work in tandem with your facilities and support staff to coordinate the scheduling of TeleSuite sessions. The TeleSuite NOC can also connect your TeleSuite to other customer's TeleSuite Systems, TeleSuite Digital Airline TelePorts, and traditional IP and ISDN videoconferencing endpoints in a variety of multi-site configurations. TeleSuite supports over 1000 traditional ISDN and IP endpoints for our customers.