

## Corporate Backgrounder

### HISTORY

CEO Rob McFarlane founded Micro2000, Inc. in Los Angeles in 1990. After spending a few years reselling and providing technical support for computer diagnostics products such as Norton Utilities, Rob heard time and again from his customers that current products didn't solve all their computer problems. Paying close attention to their needs, he seized the opportunity to create a better PC diagnostics utility, and the company's critically-acclaimed Micro-Scope™ product was born. The product quickly became a market leader in the competitive PC diagnostics field, garnering a **Byte Magazine User's Choice** product award that same year.

Since its inception thirteen years ago, Micro2000 has shown innovation and a steadfast eye towards customer satisfaction through a series of important industry milestones:

**1992**- First to market with an O/S-independent PC diagnostic utility

**1992**- First to market with a diagnostic utility for low-level formatting of IDE hard drives

**1992**- First company to show accurate hardware settings (IRQ, I/O and DMA) even when device conflicts existed

**1998** - First company to test CD-ROM drives WITHOUT the need for drivers

**1998** - First to market with a diagnostic test for Iomega Zip drives

**1999** - First to market with a Universal POST card supporting multiple bus types on a single card

**2001** - First to market with a diagnostic test for network cards

**2001** - First to bundle professional diagnostic tools with educational training products

Today, Micro2000 offers a comprehensive suite of information technology (IT) products in the areas of network management tools, PC hardware diagnostics and training and certification courses. In 1998, the company established a division in the United Kingdom to service its growing European customer base in real-time. Serving the Enterprise, Small Office Home Office (SOHO), Government and Education markets, the company has established over 40,000 customers and selected products are available in English, Italian and Spanish languages.

## MARKET DRIVERS

A trusted name in PC diagnostics solutions, Micro2000 has been helping IT departments save time and money through reduced computer downtime and improved worker productivity for the past decade through its award-winning Micro-Scope series. Micro2000 now sees an enormous opportunity to capitalize on the expanding remote PC management market. The company's new network management tool, RemoteScope™, allows IT administrators to centrally-manage all the PCs on their network from a single workstation, providing a cost-effective, powerful, simple-to-use solution for largely underserved segments, SOHO and small to medium-sized businesses with limited IT resources.

### ***According to leading industry influencers...***

*The Yankee Group forecasts there will be 32.3 million networked homes in the United States by the end of 2007, a vast increase from the 6.7 million networked homes calculated in 2002.*

**Source: The Yankee Group, March 2003**

*The market for Mobile Systems and Remote Systems Management Software (MRM) is forecasted to grow from \$135 million in 2000 to almost \$750 million in 2005.*

**Source: The Gartner Group, June 2002**

*According to research by International Data Corporation (IDC), the IT asset management market will grow 9.2% annually over the next several years.*

**Source: IDC, August 2002**

**STRATEGIC RELATIONSHIPS**

Micro2000 has successfully sold its products direct to businesses and end users for the past 13 years, selling to over 40,000 customers worldwide. The company is now developing a global channel strategy to expand sales relationships with computer resellers, ISVs, systems integrators, electronics retailers and distributors. In addition, the company is forging strategic partnerships with established enterprises and hardware OEMs.

## PRODUCTS

### *Network Management Tools:*

#### **RemoteScope™**

Remote control of the entire IT landscape

RemoteScope provides the IT Administrator flexible and centralized control over an entire network from the comfort of his own desk, which minimizes the need to run around from PC to PC. Saving time and money, network administrators can distribute software, manage software and hardware inventories, and streamline technical support throughout their enterprise from a single console. Supports all TCP-IP based connections (i.e. LAN, WAN and dial-up), as well as most Windows® operating systems (i.e. 95B, 98, NT4 SP3, ME, 2000 and XP).

### *PC Hardware Diagnostics:*

#### **Micro-Scope™**

Universal PC Diagnostics Software

A feature-rich set of hardware testing routines for any Intel® compatible PCs, including 386/486, Pentium, AMD, Cyrix, ISA, EISA, PCI, PCMCIA, and Plug & Play. Written in assembly language and specifically designed for hardware diagnostics, which allows for direct access to the hardware and entirely bypasses the DOS and Windows translations eliminating the inaccuracies common to all O/S-dependant diagnostics.

#### **Micro-Scope Burn-In™**

A fully automated burn-in tool for system builders or integrators featuring the same advanced diagnostic tests as Micro-Scope. Designed primarily for an assembly-line setting but also extremely useful for solving intermittent hardware problems, Burn-In is the tool for running diagnostic routines in automated batch mode, either in loop or single-pass.

#### **POST-Probe™**

A utility that allows an IT technician to quickly diagnose and fix a dead PC. POST-Probe is a passivePOST reader and can be used with all current bus types including ISA, EISA, MCA and PCI.

#### **USB-Scope™**

Part software and part hardware, USB-Scope is the most extensive USB diagnostic available today. USB-Scope combines the O/S independence featured in other Micro 2000 products with an intelligent USB 2.0 device, enabling two-way testing of all USB elements of a system.

#### **Universal Diagnostic Toolkit™**

Combines Micro-Scope and POST-Probe products in a convenient carrying case for a complete PC testing solution.

***Training / Certification:*****Network+ Certification Training Course**

Prepares individuals to enter or advance in the high-demand field of network administration. Includes four training volumes; an interactive learning CD with instructional video clips, practice exams and simulations of real-world installation and maintenance tasks; a five seat copy of RemoteScope; one year of free technical e-support and access to web-based updates on course material.

**A+ Certification Training Course**

Written for High School level and above students desiring PC technician certification. Includes four training volumes; an interactive learning CD with instructional video clips, practice exams and simulations of real-world installation and maintenance tasks; a copy of Micro-Scope; one year of free technical e-support and access to web-based updates on course material.

**PC Hardware Made Easy**

Designed for first time computer users, eighth grade and higher, this course provides a detailed explanation of how a computer works. Through easy text and training videos, students learn how to build or upgrade a computer and gain the basic knowledge to pursue an IT career.

## CUSTOMERS

Micro2000 sells to a broad customer base, including SOHO and large businesses, educational institutions and government organizations. Some key customers include:

### *Education*

- Cuillier Career Center
- Devry
- ITT Technical Institute
- Los Angeles Unified School District
- University of California

### *Enterprise*

- AMD
- BestBuy
- Circuit City
- CompUSA
- Fry's Electronics
- Scantron

### *Government*

- Department of National Defense, Canada
- Federal Bureau of Investigation
- Royal Canadian Mounted Police
- U.S. Airforce
- U.S. Army
- U.S. Coast Guard
- U.S. Marine Corps
- U.S. Navy

### *SOHO*

- Genesys Computer Sales
- Hankdev Compunostics
- Metro Security, Inc.
- Pulkin Computer Services
- Seifert Systems

**EXECUTIVE MANAGEMENT TEAM*****Rob McFarlane, Chief Executive Officer and Founder***

A native of Australia, Rob McFarlane founded Micro2000 in Los Angeles in 1990. Initially a reseller of computer diagnostics products such as Norton Utilities, Rob soon realized that the software available on the market at that time did not adequately satisfy customers' needs, so he repositioned the company to take advantage of the growing information technology software market. With a reputation for exceptional product support, in 1994 the company launched its own PC diagnostic software, Micro-Scope, based on user feedback of the shortcomings of other software titles. A successful entrepreneur and visionary, Rob has been able to lead his privately-funded company through both the economic and computer software market volatility for more than a decade. Cash positive and growing, Rob continues to strengthen and diversify Micro2000's product offerings to meet the evolving needs of today's IT administrators.

***Jacqui Mendelsohn, General Manager***

A twenty-year veteran of business administration and organizational management, Jacqui Mendelsohn has been with Micro2000 for the past thirteen years. As the GM and VP of Administration, she manages the company's day-to-day operations, with specific responsibilities over human resources, administrative operations, legal, manufacturing and production. In her key role, she decreased company overhead by 25% while enhancing product quality and operating efficiency. Prior to Micro2000, Jacqui held business management positions at Robin & Dackerman, Mercer, Medinger & Hansen, and AMI, Inc.

***Rodolfo (Pet) Natividad, Chief Technology Officer***

Pet is an information technology and engineering professional with over fifteen years of experience and broad expertise in the areas of network systems management, quality assurance, applications engineering and operations. He manages the product development, quality assurance and technical support teams at Micro-Scope and is the lead architect for the company's newest product offering, RemoteScope. Previously, he held a variety of systems management, testing and technology consulting positions in companies including CompUSA, Texas Instruments and Wireless Com. Pet holds a degree in electronics and communications engineering from the Don Bosco Technical College in the Phillipines, and has stayed abreast with new technologies through numerous seminars and training courses over the years.