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# SAVI ENGINEERS REMARKABLE COMPANY TURNAROUND IN 2013; CARRIES PROFITABILITY & STRATEGIC MOMENTUM INTO 2014

**Pioneering The Emerging Sensor Analytics Market** 

ALEXANDRIA, VA – (May 7, 2014) – In its first year since becoming privately held, Savi has orchestrated a remarkable turnaround that exceeded all expectations in 2013 and created a wave of momentum and growth that continues in 2014. The transformation occurred in all areas of the business and included major additions to the company's management team, an aggressive new product development and launch schedule, new strategic partnerships, and the transfer of operating functions from California to Alexandria, VA. Financial evidence of the across-the-board success was best seen in the \$13 million EBITDA improvement from 2012 to 2013, and a return to profitability.

"At the start of 2013 we focused Savi's activities around two key objectives: completing our transition to an independent, vibrant, stand-alone company and putting the company on a path to profitability and long-term success by bringing new sensor analytic solutions to market," said Bill Clark, President & CEO, Savi. "We exceeded both of these goals and positioned Savi to leverage the growing demand for our sensor analytic solutions in the \$15B big data analytics market, currently growing at 27% CAGR."

## **HIGHLIGHTS**

Sales:

- \$7 million order with United States Marine Corps, the largest single order over the five-year history of the competitive RFID-III contract
- Record-high win rate on the RFID-III contract, exceeding 99% in 2013 and 97% over the five-year life of the contract
- Successfully expanded commercial footprint: Nearly 300 hauliers now use Savi to protect \$17.5 billion in commercial goods annually, tracking more than 1,000 commercial journeys daily

#### **Management Team Additions:**

A key component to accelerate the Savi sensor analytics strategy was an executive management team with deep expertise in analytics, business intelligence (BI), big data and technology innovations at rapid-growth stage companies. During 2013 Savi recruited new all-stars to its management team, including:

- Brian Daum, SVP and CFO, formerly CFO of Centrifuge Systems, Inc. who was instrumental in the growth and success of the cloud-based data analytics and interactive visualization software company
- Andy Souders, SVP, Products and Strategy, formerly CTO of Clarity Solution Group, who has created multiple Big Data and sentiment analysis solutions and won CES' 2010 Innovation Design and Engineering Award
- Scott Shaul, SVP, Worldwide Sales and Services, formerly Co-Founder & VP of sales at Work Market, who drove growth of a Big Data start-up focused on Contingent Workforce Management
- Sidra Berman, VP, Marketing, formerly VP of marketing and inside sales at Clarabridge, who overhauled the company's go-to-market strategy at a Big Data and text analytics company resulting in 100% revenue growth
- Jim Haughwout, Chief Architect, formerly of Google-backed CustomMade Ventures, who has twenty-two years of experience designing and implementing large-scale web and data platforms, and won six industry awards for software and mobile solutions.

#### New Products:

In addition to the financial and organizational improvements, Savi also introduced new and enhanced products across the Savi Solution Suite including sophisticated state-of-the-art analytics that convert sensor data into operational intelligence; purpose-built, tag-agnostic & event-driven applications that leverage real-time sensor data to track and monitor high-value assets; and Savi-developed sensor technology coupled with support for 3<sup>rd</sup> party hardware to best address customer challenges. These advances include:

Savi Insight<sup>™</sup> -- Signaling a new era in big data analytics, Savi Insight<sup>™</sup> is the first-ever cloud-based sensor analytics solution for the Internet of Things (IoT). Savi Insight gives executives, line managers and business analysts immediate and unprecedented access to sophisticated, powerful analytics that transform sensor and other machine-generated data into real-time operational intelligence. Using the Savi Hybrid Lambda Architecture<sup>™</sup> that provides all the analytic benefits of the "Big Data" Lambda Architecture without sacrificing the mission-critical consistency of real-time online transaction processing, Savi Insight helps accelerate decision-making, identify and help mitigate unforeseen risks, and improve operational performance and profitability.

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Savi Tracking<sup>™</sup> -- Commercial enterprises, organizations and government agencies are able to dramatically reduce troublesome blind spots and improve overall operations and efficiency with the versions of Savi Tracking released in 2013. The most recent release in March 2014 featured improved asset detail, expanded sensor compatibility and advanced cloud configuration and security controls, all of which make it easier for organizations to improve asset visibility, share information across divisions and companies, and integrate with existing enterprise information systems.

Sensors & Other Hardware -- Savi introduced several new products including sensors, readers and portable deployment kits that deliver immediate and dramatic advances in storage capacity, performance and usability. Leveraging Savi's System-on-a-Chip<sup>™</sup> which combines a full ISO 18000-7 active RFID solution into one silicon chip package, the new hardware makes it possible for organizations to rapidly establish a complete aRFID system in any environment, increase the speed of data capture and ultimately collect more sensor data to improve efficiency, reduce risk and more confidently manage operations.

## Rapidly Expanding Partner Ecosystem:

In order to broaden Savi's geographic and market distribution, increase product and technology penetration in key markets and provide service and support on a global scale, Savi has been active in building a comprehensive partner strategy and ecosystem. This includes strategic partnerships with several vendors including Identec Solutions, a global provider of wireless solutions that improve efficiency, safety and security in harsh operating environments; and Orbcomm, an innovator and leading provider of tracking, monitoring and control services for the transportation market. Additionally, Savi assembled a large group of vendors to support the company's successful bid as the prime contractor on the U.S. Department of Defense RFID-IV contract (see below for details).

### **Consolidated Operations**

To improve accountability and the ability to respond quickly to market opportunities, Savi finalized the transition of its headquarters office to Alexandria, VA. This included the closing of Savi's then-largest location in Mountain View, CA. In addition to the facility change, most functions were relocated to Savi offices in Alexandria and Lexington, KY including all hardware engineering, supply chain management, finance, legal, information technology and human resources.

### MOMENTUM IN 2014

Continuing to build upon the successes in 2013, Savi carried that momentum into 2014 leveraging the company's 25 years of experience with sensors and sensor data to solve today's challenges including:

- Emerging Sensor Analytics Market -- As the market at large continues to grapple with the challenges of Big Data, businesses and industry analysts are recognizing the importance of sensors in the Internet of Things (IoT) and Machine-to-Machine (M2M) technologies. According to research firm Gartner Group, "...with the added complexities introduced by new data sources (such as real-time events and sensors) and new types of analysis, new opportunities will emerge to build business value." Savi's 25 years of experience with sensors and sensor analytics puts the company significantly ahead of other vendors, particularly recent market entrants which lack the understanding of the complexities of sensor behavior or data.
- RFID-IV Contract Award Win -- In April the United States Department of Defense (DoD) awarded Savi a five-year contract as the sole provider to the RFID-IV program (Contract #: W52P1J-14-D-0014). The RFID-IV award follows the \$204 million solicitation issued by the DoD in September of 2013 to support the Product Director Automated Movement and Identification Solutions (PD AMIS) mission. As the initial RFID-IV contract, it establishes a \$102 million ceiling for Savi to provide the DoD and other agencies with a comprehensive array of hardware and software products including active Radio Frequency Identification (aRFID) sensors, readers, Real-Time Location Systems (RTLS), Satellite Communication (SATCOM) and related solutions for global asset planning and tracking of personnel, equipment and sustainment cargo worldwide. Savi partnered with several world-class technology and services providers including Identec Solutions AG, Intermec by Honeywell (NYSE: HON), Orbcomm (NASDAQ: ORBC) and Ubisense (SEA: UK: UBI), Northrop Grumman (NYSE: NOC) and Evanhoe and Associates.

#### About Savi

Leveraging 25 years of leadership in sensor technology, Savi is pioneering sensor analytics solutions that create operational intelligence from the Internet of things. Applying big data technologies to machine-generated data, Savi solutions are trusted to run the world's largest and most complex asset tracking and monitoring network, serving the U.S. DoD, Allied military and more than 250 commercial companies around the world. For more information about Savi visit <u>www.savi.com</u>.

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#### **Supporting Resources:**

Savi Brings The Power of Sensor Analytics to the Internet of Things (Press Release) http://www.savi.com/company/news/releases/savi\_insight/

U.S. Department of Defense Selects Savi as Sole Provider for RFID-IV Contract (Press Release) http://www.savi.com/company/news/releases/rfid-iv/

Savi Launches New Sensors, Readers and Portable Deployment Kits That Deliver Dramatic Performance Enhancements (Press Release) http://www.savi.com/company/news/releases/new-hardware-launches/

Management Team Bios (web page) http://www.savi.com/company/management/

#sensoranalytics, #savi, #IoT, #bigdata, #analytics, #m2m

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