

**The Combination Of USB Extension And Video Extension Solutions Delivers  
A True Remote Desktop In An Enterprise Or Consumer Environment,  
Including Using The TV As A PC**

**Industrial Products  
Electronic  
(IT-TSXV)**

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**Brian Donnelly  
Vice President, Sales and Marketing**

**BIO:** Brian Donnelly has been managing sales and marketing teams for technology companies for 17 years. Mr. Donnelly joined the Icron executive team in 2008. Previously, Mr. Donnelly's innovative sales and marketing programs helped Corinex Communications, Skillsoft, and Allan Crawford Associates achieve the #1 market share in their respective industries.

As a member of Corinex Communications executive team, Mr. Donnelly helped build the company into the largest Powerline communications company in the world via a 40 fold increase in sales in four years.

Mr. Donnelly was a former board member and Chairman of the Universal Powerline Association (UPA), and the previous Chairman of the UPA Marketing Working Group and a frequent invited speaker on home networking and access technologies. Mr. Donnelly holds an honours degree in Electrical Engineering from Simon Fraser University in British Columbia, Canada.

**Company Profile:** Icron is the global leader in solutions that extend the range of USB (Universal Serial Bus) connectivity. Icron's patented ExtremeUSB® technology extends USB 1.1 and 2.0 devices beyond the 5 meter connection limit and enable USB plus Video to be delivered over any wired or wireless transmission media at distances up to 40 km (25 miles). ExtremeUSB products are deployed in a wide range of markets including: digital home connectivity, industrial automation, medical imaging, aerospace, and Keyboard/Video/Mouse extension. USB Extension is offered as a standalone communications technology and often coupled with video extension to give a complete remote PC desktop. ExtremeUSB technology is available in a variety of formats including branded and private-label USB extender products, OEM embedded hardware and developer kits.

**Interview by: Lynn Fosse, Sr. Editor**

**CEOCFO:** Mr. Donnelly, it's been about a year and a half since we've spoken with Icron; what is the focus and vision today?

**Mr. Donnelly:** "Icron's traditional business has been USB extension over wired transmission media such as Cat 5 cables, fiber optics and also over wireless. What's new within Icron over the last several months is adding video extension

to our portfolio. The combination of USB extension and video extension solutions delivers a true remote desktop in an enterprise or consumer environment.

By having your keyboard, video, mouse and peripheral devices at a remote location from the computer, companies can deploy a powerful remote desktop that offers less physical clutter, higher security, a quieter work environment and easy maintenance of computers located in a central location. Our solutions offer more than just a display with a keyboard and mouse however, as we offer complete USB compatibility at the desk. This gives amazing flexibility to add other applications that utilize USB communication such as iPhone syncing, touch screens, uploading of content via USB drives, and high quality webcams.

We also support home applications where you may have one computer in one room and you want to be able to transmit the PC video and USB over to your TV for a PC on TV experience, complete with all of your standard peripherals like keyboard and mouse right at the comfort of your couch.

Our first PC-on-TV products will be out later this year."

**CEOCFO:** Would you explain, in layman's terms, about USB technology?

**Mr. Donnelly:** "Today everyone knows about the USB ports on your computer and what you can do with them; what they may not know is that there were over 3 Billion USB-enable devices that shipped last year. Each of those devices has a limitation, inherent to the USB specification, that limits the cable length that connects a USB device to the USB

port to 16 ½ feet (5 meters). However, Icron's ExtremeUSB® technology allows you to go farther than that. In fact, we can go up to 330 feet by using standard Ethernet cables (Category 5). We can even go up to 40 kilometers using a fiber optic cable. In essence, ExtremeUSB technology extends USB devices over long distances over various transmission media. For example, on a factory floor, the computer and monitor may need to be separated at longer distances to help with space, aesthetics, environmental, or safety concerns. In addition to the distance benefit, we also maintain native USB protocol, which means you don't have to add any software drivers or anything new to your computer. ExtremeUSB is true plug-and-play. When you plug in a USB device 300 feet away, such as a keyboard, mouse, flash drive, webcam, etc. it functions exactly as if you are plugging it directly into your PC. Our technology is unique because other systems that are trying to extend USB, require additional software loaded onto the system and aren't compatible with all of the different USB devices on the market."

**CEO CFO:** Does everybody know about Icron or is education and awareness needed?

**Mr. Donnelly:** "We're currently doing about \$9 million in business, so certainly there are those that are aware of us. We're doing the bulk of our business in Europe and North America and are looking to expand into South America, Asia, and Australia. Our core business is in the industrial automation, medical diagnostic and enterprise markets and there's a lot of room for new customers in these areas. There are also some particular vertical markets, such as the the interactive digital signage market where we're starting to focus, especially with adding video extension to our USB extension technology."

**CEO CFO:** How do you raise awareness and how do you reach your potential customers?

**Mr. Donnelly:** "Our sales and marketing teams do a lot of hard work reaching out to the potential customer base, trying to find the needs and desires for USB extension and USB plus video extension. There

are a number of trade shows that we participate in to raise awareness and we advertise in places such as the USB resource guide and a few other media outlets. Last month we were at the Connections Digital Living conference in Santa Clara, CA that focused on OEMs for digital living. We showed a demonstration of our PC-on-TV over wireless technology at Connections and received interest from the media and analysts and potential customers. There are other trade events like the Consumer Electronics Show (CES), the Microsoft Windows Hardware Embedded Conference (WinHEC), Infocomm, CE-DIA, and others that we also attend to meet with customers and partners. We're going to take our video and USB extension technology for the home user, which we are calling PC on TV, and initially market through the OEM channel and out through the consumer brands that are selling at retail places like Best Buy."

**CEO CFO:** What is the revenue model?

**"We've added people, we're expanding our products and markets, and we've invested in cost reducing technology. If you add all of those together, I think the future looks really bright for Icron." - Brian Donnelly**

**Mr. Donnelly:** "We're selling primarily hardware solutions in a finished product, so everything comes in a box. Those finished products make up a large percentage of our sales. We also sell boards and modules to our OEM customers that embed our USB Extension technology into their products. We have some customers in the medical field who embed USB extension into some of their medical imaging devices. Some customers, such as InFocus, a leader in the digital projection market, utilize our technology alongside their devices to extend the distance that their product can be away from the PC. All in all, we sell our products through a large network of distributors and OEMs."

**CEO CFO:** How does Icron meet the challenges of what's been going on with the economy?

**Mr. Donnelly:** "We have been fortunate in that our Q1 numbers are about the same as last year, despite that fact that a lot of companies had tough Q1s this year. We also saw a fair number of new design

wins in Q1 that we are optimistic about translating into some strong numbers in the future. A big part of our prosperity is that we are not in that consumer space; we are in the enterprise and industrial space. We're selling to companies like Siemens, InFocus, Honeywell, and other customers that are more focused in the industrial space that have not been hit quite as hard. That is part of the reason. We also took the downturn of the economy as a time to actually acquire new talent. We added to our sales and engineering teams, and we actually invested while the economy was down to source from the good talent pool out there."

**CEO CFO:** What is the financial picture like for your today?

**Mr. Donnelly:** "We're very strong. We were profitable in 2007, in 2008, we upped our R&D spending to invest in the future and as such we were not profitable in 2008 and Q1 of this year. However, we are growing the organization and continuing to invest in new product development and market expansion, so we anticipate growth and stronger financial performance moving forward. We feel confident about the future. We are publicly listed

on the Toronto Venture exchange as IT.V, and invite the readers to have a look at our financials."

**CEO CFO:** In closing, lay it out for potential investors; why should they feel as you do, strong and confident about the future of Icron?

**Mr. Donnelly:** "One of the reasons is that we spent a lot of money over the last couple of years on R&D, around 29% of revenue. This has allowed us to cost reduce some of our technology and offer new products that we will be selling in the coming few quarters. This will allow us to expand our market share and strengthen our position with existing customers. We have added video extension to our technology portfolio and we will start shipping in volume in the next few quarters. We are looking to significantly increase our revenues with our new products and market expansion. We've added people, we're expanding our products and markets, and we've invested in cost reducing technology."