

## **GeckoSystems Secures Manufacturing Quotes to Expand Elder Care Robot Trials**

CONYERS, GA, May 10, 2010 -- GeckoSystems Intl. Corp. (PINKSHEETS: [GCKO](http://www.geckosystems.com/) | <http://www.geckosystems.com/>) -- announced today that they have taken another critical step to make their elder care capable personal robot, the CareBot(tm), available to the consumer market. They are in the process of negotiating initial contract manufacturing quotes on their primary robot controller board, the GeckoSPIO(tm).

GeckoSystems is a dynamic leader in the emerging Mobile Service Robot (MSR) industry revolutionizing their development and usage with their "Mobile Robot Solutions for Safety, Security, and Service(tm)."

"Last week we visited Sparton Corporation's Electronic Manufacturing Services (EMS) in Brooksville, FL to better understand the reality of their ability to assist us as we initiate production of our key custom electronics, the GeckoSPIO(tm) robot controller board," reflected Martin Spencer, President/CEO, GeckoSystems.

Sparton EMS offers a new prototyping service for electronic assemblies that provides customers several benefits, including time and cost savings, with increased flexibility. Their services include a stand-alone, dedicated pilot line and engineering lab that offers a means of manufacturing and testing multiple aspects of a customer's existing or newly designed electronic assemblies before it is mass produced. Sparton's new capabilities are compatible with Proof-of-Concept (PoC) prototypes, where product design is still evolving, and Production-Ready (PR) prototypes, where final testing or certifications are the last step prior to full production.

"Sparton's new rapid prototyping service offers our customers direct access to production line equipment, manufacturing engineers, and manufacturing assets during the design cycle," said Gene Vigilante, director, Engineering Services, Sparton Corp. "The prototyping service doesn't timeshare with other production lines, but rather allows our customers access to a fully production-compatible line assembly, dedicated to PoC and PR prototypes, which significantly increases probability of first-time design success and shortens the product's time to market."

"After returning from my visit to Sparton Medical in Strongsville, OH, early February of this year, we realized their focus was on high end medical diagnostic equipment with relatively small batch sizes which enables them to readily produce our mobile service robots for professional healthcare. Since we consider Sparton to be a first tier contract manufacturer, we are now pleased to have toured their high volume manufacturing facility (100,000+ sq. ft.) in FL for production of our first consumer product, the CareBot. Sparton EMS is intimately connected to its Pacific Rim manufacturing plant in Vietnam. With low cost touch labor available to us in Asia by way of Sparton EMS, we are very excited about our recent review of their facility," reflected Mark Peele, Vice President, R&D, GeckoSystems.

"We took our key people on this trip and demonstrated one of our prototype personal companion robots, the CareBot(tm). We asked them to address the ramp up time and costs to produce 1,000 CareBots per month. Their general manager, Robert L. Grimm, II, indicated that they would be addressing those needed projections.

"Our ongoing world's first in home elder care robot trials have been proceeding since early December with several expected confirmations of genuine utility and some unexpected family benefits emerging. Given that we are anticipating pent up demand in the elder care marketplace, identifying manufacturers with this capability and confidence is of considerable importance to us.

"We now have quotes not only from Sparton-EMS, but also GRT Electronics. To our satisfaction, we learned that our in house estimates for the GeckoSPIO's manufacturer to be less than 10% off. In mid June we plan to visit another contract manufacturer more nationally centralized. We expect our focus on this kind of critical strategic business planning and execution to increase ROI for our shareholders," concluded Martin Spencer, President/CEO, GeckoSystems.

### **About Sparton Corporation:**

Sparton Corporation now in its 110th year, is a provider of complex and sophisticated electromechanical devices with capabilities that include concept development, industrial design, design and manufacturing engineering, production, distribution, and field service to technology-driven companies in the medical device, defense & security systems, and electronic manufacturing services markets. Headquartered in Schaumburg, Ill., Sparton currently has four manufacturing locations worldwide. The Company's Web site may be accessed at <http://www.sparton.com>.

### **About GeckoSystems International Corporation:**

Since 1997, GeckoSystems has developed a comprehensive, coherent, and sufficient suite of hardware and software inventions to enable a new type of home appliance (a personal robot) the CareBot(tm), to be created for the mass consumer marketplace. The suite of primary inventions includes: GeckoNav(tm), GeckoChat(tm) and GeckoTrak(tm).

The primary market for this product is the family for use in eldercare, care for the chronically ill, and childcare. The primary distribution channel for this new home appliance is the thousands of independent personal computer retailers in the U.S. The manufacturing infrastructure for this new product category of mobile service robots is essentially the same as the personal computer industry. Several outside contract manufacturers have been identified and qualified their ability to produce up to 1,000 CareBots per month within four to six months.

The Company is market driven. At the time of founding, nearly 12 years ago, the Company did extensive primary market research to determine the demographic profile of the early adopters of the then proposed product line. Subsequent to, and based on that original market research, they have assembled numerous focus groups to evaluate the fit of the CareBot personal robot into the participant's lives and their expected usage. The Company has also frequently employed the Delphi market research methodology by contacting and interviewing senior executives, practitioners, and researchers knowledgeable in the area of elder care. Using this factual basis of internally performed primary and secondary market research, and third party research is the statistical substance for the Company's sales forecasts.

Not surprisingly the scientific statistical analyses applied revealed that elderly over sixty-five living alone in metropolitan areas with broadband Internet available and sufficient household incomes to support the increased costs were identified as those most likely to adopt initially. Due to the high cost of assisted living, nursing homes, etc. the payback for a CareBot(tm) is expected to be only six to eight months while keeping elderly care receivers independent, in their own long time homes, and living longer due to the comfort and safety of more frequent attention from their loved ones.

Using U.S. Census Bureau data and various predictive statistical analyses, the Company projects the available market size in dollars for cost effective, utilitarian, multitasking eldercare personal robots in 2011 to be \$74.0B, in 2012 to be \$77B, in 2013 to be \$80B, in 2014 to be \$83.3B, and in 2015 to be \$86.6B. With market penetrations of 0.03% in 2011, 0.06% in 2012, 0.22% in 2013, 0.53% in 2014, and 0.81% in 2015, we will anticipate CareBot sales, from this consumer market segment, only, of \$22.0M, \$44.0M, \$176M, \$440.2M, and \$704.3M, respectively.

The foregoing forecasts do not include sales in non-metropolitan areas; elderly couples over 65 (only elderly living alone are in these forecasts); those chronically ill --regardless of age-- or elderly living with their adult children.

The Company's "mobile robot solutions for safety, security and service(tm)" are appropriate not only for the consumer, but also professional healthcare, commercial security and defense markets. Professional healthcare require cost effective, timely errand running, portable telemedicine, etc. Homeland Security requires cost effective mobile robots to patrol and monitor public venues for weapons and WMD detection. Military users desire the elimination of the "man in the loop" to enable unmanned ground and air vehicles to not require constant human control and/or intervention.

The Company's business model is very much like that of an automobile manufacturer. Due to the final assembly, test, and shipping being done based on geographic and logistic realities; strategic business-to-business relationships can range from private labeling to joint manufacturing and distribution to licensing only.

Several dozen patent opportunities exist for the Company due to the many innovative and cost effective breakthroughs embodied not only in GeckoNav, GeckoChat, and GeckoTrak, but also in additional, secondary systems that include: GeckoOrient(tm), GeckoMotorController(tm), the GeckoTactileShroud(tm), the CompoundedSensorArray(tm), and the GeckoSPIO(tm).

The present senior management at GeckoSystems has over thirty-five years experience in consumer electronics sales and marketing and product development. Senior managers have been identified for the areas of manufacturing, marketing, sales, and finance.

While GeckoSystems has been in the Development Stage, the Company has accumulated losses to date in excess of six million dollars. In contrast, the Japanese government has spent one hundred million dollars in grants (to Sanyo, Toshiba, Hitachi, Fujitsu, NEC, etc.) over the same time period to develop personal robots for their eldercare crisis, yet no viable solutions have been developed.

By the end of this year, the Company plans to complete productization of its CareBot offering with the introduction of its fourth generation personal robot, the CareBot 4.0 MSR. The Company expects to be the first personal robot developer and manufacturer in the world to begin in-home eldercare evaluation trials.

### **What Does a CareBot Do for the Care Giver?**

The short answer is that it decreases the difficulty and stress for the caregiver that needs to watch over Grandma, Mom, or other family members most, if not much, of the time day in and day out due to concerns about their well being, safety, and security.

But, first let's look at some other labor saving, *automatic* home appliances most of us use routinely. For example, needing to do two or more necessary chores and/or activities at the same time, like laundering clothes and preparing supper.

The *automatic* washing machine needs no human intervention after the dirty clothes are placed in the washer, the laundry powder poured in, and the desired wash cycle set. Then, this labor saving appliance runs *automatically* until the washed clothes are ready to be placed in another labor saving home appliance, the *automatic* clothes dryer. While the clothes are being washed and/or dried, the caregiver

prepares supper using several time saving home appliances like the microwave oven, “crock” pot, blender, and conventional stove, with possible convection oven capabilities.

After supper, the dirty pots, pans, and dishes are placed in the *automatic* dishwasher to be washed and dried while the family retires to the den to watch TV, and/or the kids to do homework. Later, perhaps after the kids have gone to bed, the caregiver may then have the time to fold, sort, and put up the now freshly laundered clothes.

So what does a CareBot do for the caregiver? It is a new type of labor saving, time management *automatic* home appliance.

For example, the care giver frequently feels time stress when they need to go shopping for 2 or 3 hours, and are uncomfortable when they have to be away for more than an hour or so. Time stress is much worse for the caregiver with a frail elderly parent that must be reminded to take medications at certain times of the day. How can the caregiver be away for 3-4 hours when Grandma must take her prescribed medication every 2 or 3 hours? If the caregiver is trapped in traffic for an hour or two beyond the 2 or 3 they expected to be gone, this “time stress” can be very difficult for the caregiver to moderate. Not infrequently, the primary caregiver has a 24 hour, 7 days a week responsibility. After weeks and weeks of this sometimes tedious, if not onerous routine, how does the caregiver get a “day off?” To bring in an outsider is expensive (easily \$75-125 per day for just 8 hours) and there is the concern that medication will be missed or the care receiver have an accident requiring immediate assistance by the caregiver, or someone they must designate. And the care receiver may be very resistant to a “stranger” coming in to her home and “running things.”

So what is it worth for a care receiver to have an *automatic* system to help take care of Grandma? Just 3 or 4 days a month “off” on a daylong shopping trip, a visit with friends, or just take in a movie would cost \$225-500 per month. And that scenario assumes that Grandma is willing to be taken care of by a “stranger” during those needed and appropriate days off.

So perhaps, an *automatic* caregiver, a CareBot, might be pretty handy, and potentially very cost effective from the primary caregiver’s perspective.

### **What Does a CareBot Do for the Care Receiver?**

It’s a new kind of companion that always stays close to them enabling family and friends to care for them from afar. It tells them jokes, retells family anecdotes, reminds them to take medication, reminds them that family is coming over soon (or not at all), recites Bible verses, plays favorite songs and/or other music. It alerts them when unexpected visitors, or intruders are present. It notifies designated caregivers when a potentially harmful event has occurred, such as a fall, fire in the home, or simply been not found by the CareBot for too long. It responds to calls for help and notifies those that the caregiver determined should be immediately notified when any predetermined adverse event occurs.

The family can customize the personality of the CareBot. The voice’s cadence can be fast or slow. The intonation can be breathy, or abrupt. The voice’s volume can range from very loud to very soft. The response phrases from the CareBot for recognized words and phrases can be colloquial and/or unique to the family’s own heritage. The personality can range from brassy to timid depending on how the care giver, and others appropriate, chooses it to be.

Generally, the care receiver is pleased at the prospect of family being able to drop in for a “virtual visit” using the onboard webcam and video monitor for at home “video conferencing.” The care receiver may feel much more needed and appreciated when their far flung family and friends can “look in” on them anywhere in the world where they can get broadband internet access and simply chat for a bit.

Why is Grandma really interested in a CareBot? She wants to stay in her home, or her family's home, as long as she possibly can. What's that worth? Priceless. Or, an average nursing home is \$5,000 per month for an environment that is too often the beginning of a spiral downward in the care receiver's health. That's probably \$2-3K more per month for them to be placed where they really don't want to be. Financial payback on a CareBot? *Less than a year-* Emotional payback for the family to have this new *automatic* care giver? *Nearly instantaneous-*

**Safe Harbor:**

Statements regarding financial matters in this press release other than historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and as that term is defined in the Private Securities Litigation Reform Act of 1995. The Company intends that such statements about the Company's future expectations, including future revenues and earnings, technology efficacy and all other forward-looking statements be subject to the Safe Harbors created thereby. The Company is a development stage firm that continues to be dependent upon outside capital to sustain its existence. Since these statements (future operational results and sales) involve risks and uncertainties and are subject to change at any time, the Company's actual results may differ materially from expected results.

*Contact:*

<http://www.geckosystems.com/>

or

Main number: 1-866-CAREBOT (227-3268)

International: +1 678-413-9236

Source: GeckoSystems Intl. Corp.