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## **Update: GeckoSystems' CEO & Japanese Officials Set Agenda for "Life Support" Robot Summit**

CONYERS, GA--(Marketwire - November 3, 2010) - GeckoSystems Intl. Corp. (PINKSHEETS: [GOSY](#)) announced today that their CEO, Martin Spencer, will be meeting with senior Japanese government officials per their request in early December to discuss the societal impacts of life support personal companion robots, such as GeckoSystems' CareBot(tm).

GeckoSystems is a dynamic leader in the emerging mobile robotics industry revolutionizing their development and usage with "Mobile Robot Solutions for Safety, Security and Service(tm)." GeckoSystems has been conducting the world's first, in-home elder care robot trials for nearly a year.

"We are very impressed (with) your effort to spread robot technology to the field, especially for the elderly care, showing on your website. Communication between CareBot and elderly was fascinating in the real caring field. In Japan, we are trying to establish the legal issues for developing and spreading elder care robot technologies to such areas. By doing this we would expect to open up the way to develop and establish Japanese standards and legal systems for personal robot providers," stated Dr. Kentaro Kotani, Professor, Kansai University, representing the Japanese government's New Energy and Industrial Technology Development Organization (NEDO).

"We are pleased and honored to meet with these senior Japanese government representatives to discuss many areas of mutual interest. As far as I know there are no specific laws for utilization of personal robots in Japan yet. I think Dr. Kotani and his sponsors, including NEDO, have started the research toward the new law. This is Agency under Ministry of Economy, Trade and Industry (METI), like JETRO. It seems METI has now realized that it is very important to prepare the specific Law(s) for the personal robots to be used widely in the aging society, and had NEDO to take up this project. NEDO assigned the project to a foundation called Manufacturing Science and Technology Center (MSTC). Dr. Kotani is sponsored by this organization," stated Mr. Hajime Yasumatsu, Chairman, Yasu, Inc.

Accompanying Dr. Kotani will be Dr. Masahiro Kato from the Department of Robot Technology Promotion, Manufacturing Science and Technology Center (MSTC).

The present agenda for the meeting, includes, but is not limited to:

1. What are your thoughts on the safety policy of personal robots in the US where the product liability law is very severe?
2. What are your thoughts on the necessity that the government sets up some kind of regulatory approval system on personal robots like automobiles to secure the safety? If yes, what kind of regulatory approval system will be considered as appropriate?
3. What kind of care-giving tasks are expected socially for the robots in the US, and what are Gecko's business model and service image toward satisfying those social needs?
4. In order to wide-spread the robots among the general public, what kind of subsidizing program would be thought to be effective and necessary? (For example, in the case of Japan the user would apply for a grant and the government would give a subsidy from the taxpayers' money to the user. How would it be about in the US?)

At this time, GeckoSystems' management considers it to be prudent to not disclose their probable questions and areas of interest regarding this upcoming meeting.

The Japanese have their own eldercare crisis because of the size of their WWII widow population. Due to their understanding of the high costs of sufficient and appropriate eldercare, the Japanese government has spent one hundred million dollars (\$100,000,000) in grants (to Sanyo, Toshiba, Hitachi, Fujitsu, NEC, and others) over the last ten plus years to develop "life support" personal robots for their own eldercare crisis, yet no viable solutions have been developed by them.

"It is very satisfying to receive this international recognition for the dozens of years of hard work by the many engineers and programmers that have created our plethora of mobile robot solutions here at GeckoSystems. I believe their interest in us is due to the reality that we have a complete multitasking 'life support' robot product, the CareBot. Demonstrably, our on going world's first in home elder care robot trials continue to garner numerous significant domestic and international relationships for us regarding our business model, technologies available for licensing, and interest in joint domestic and international ventures. We continue to expect technology-licensing revenues to precede revenues from product manufacturing and sales.

"The cost saving benefits of GeckoSystems' suite of mobile robot technologies will generate multiple revenue streams for GeckoSystems in the form of licensing, royalties, training, and sales of various hardware systems and subsystems. I expect the synergies revealed in these confidential discussions to result in distribution into the Japanese market and to enable significant cost reductions in

the systems and subsystems we import from Japan. As one would expect, licensing revenues and a more competitive cost structure will increase shareholder value and ROI for our stockholders," concluded Spencer.

About Dr. Kentaro Kotani:

Dr. Kotani is a researcher in the field of human-machine interaction. He is a member of the Investigation Committee for Personal Robot Law and Systems, commissioned by Japanese independent administrative institution to investigate desirable safe technology, laws, international standards and social system in Japan. He works for MSTC (Manufacturing Science and Technology Center) to which NEDO assigned the project.

Professor Kentaro Kotani, Ph.D. Dept. of Mechanical Engineering Faculty of Engineering Science, Kansai University 3-3-35, Yamate-cho, Suita, OSAKA 564-8680, JAPAN Tel (+81)6-6368-1121, ext.5596, Fax (+81)6-6388-8785 E-mail: kotani@kansai-u.ac.jp

<http://w3hfe.iecs.kansai-u.ac.jp/kotani/kotani1.html>

About Dr. Masahiro Kato:

Masahiro Kato, Ph.D. Department of Robot Technology Promotion, Manufacturing Science and Technology Center 1989 MS, Electrical Engineering, Seikei University 2001 Dr. Eng., Mechanical Engineering, Waseda University

Research Background:

1989-2001 Hitachi, Ltd., Mechanical Engineering Research Laboratory, Researcher  
2002-2008 Hitachi, Ltd., Central Research Laboratory, Researcher  
2009-2011 Manufacturing Science and Technology Center (MSTC), Manager

Courses Taught:

The voice interactive human interface for the household appliance control Robot

About the Japanese Government's Ministry of International Trade and Industry (MITI):

In 1949, the Ministry of Commerce and Industry was reorganized and the Ministry of International Trade and Industry was established.

Its internal subdivisions consisted of eight bureaus: Minister's Secretariat, Trade Bureau, Trade Promotion Bureau, Enterprise Trade Bureau, Textile Trade Bureau, General Merchandise Trade Bureau, Machinery Trade Bureau, Chemical Trade Bureau, and Iron and Steel Trade Bureau. In addition, four agencies, Resources Agency, Small and Medium Enterprise Agency, Industrial Technology Agency, and Patent Office; eight regional trade and industry bureaus; and four regional coal

bureaus were established as external subdivisions.

Excerpts from "One Hundred Actions to Launch Japan's New Growth Strategy:"

--Revise systems in medical and nursing care service sector and create related industries, digitize medical care, medical interaction, support new bio-industry creation, foster development of innovative medical equipment and life support robots, etc.

Fostering development of innovative medical equipment and life support robots, etc. By taking advantage of the country's superior manufacturing technology, we will promote development and commercialization of innovative medical equipment, task-solving medical equipment, and life-support robots, which provide support for care and movement. Commercialization of the life-support robot is much expected in nursing care and other fields.

In accordance with the road map drawn for the purpose of obtaining international standards for the "Ten strategically important fields for international standardization" due to be determined within the current fiscal year, we will promote an appropriate international standardization compatible with the business strategy adopted by our industry. Especially in the Asian region, we will develop jointly with Asian countries such standards as are likely to adequately evaluate the strengths of Japanese products for presentation as international standards.

At the same time, we will create a safety and performance evaluation system that will permit superior products and technologies to be appropriately evaluated in advanced fields and thereby work to improve our capability of certification.

We will create R&D projects in accordance with the processes of not only technology development, but also international standardization, technological demonstration, and formulation of safety/performance standards, with an eye to commercialization and dissemination of subject technologies.

Promotion of R&D in cutting-edge fields:

In order for our country to maintain/improve its competitiveness over a long period, it is necessary to continue opening up frontiers across the world through technology and innovation. The government will therefore provide proactive support, especially for the promising ten cutting-edge fields as shown below.

1. Robots: Life support robot commercialization project  
2. Aircraft: Small civil transport aircraft development survey  
3. Space: R&D on advanced space systems incorporating miniaturization and other features  
4. Etc.

For more information:

<http://www.meti.go.jp/english/aboutmeti/policy/2011policies.pdf>

About New Energy and Industrial Technology Development Organization (NEDO):

As Japan's largest public management organization promoting research and development, NEDO has a crucial mission to carry out.

Message from their Chairman, Mr. Seiji Murata:

"International competition in the field of research and development of advanced technology has increased considerably in recent years, and in order for Japan to secure and strengthen its industrial competitiveness in such a challenging environment, it is essential that the nation's research and development activities are promoted more strategically than ever before.

"As part of this endeavor, a number of important issues need to be addressed. For example, research activities must be organized and carried out so as to foster innovation, and suitable strategies having specific technology development targets must be promoted to enhance Japan's industrial competitiveness. An institutional framework that enables frontrunners to overcome obstacles hindering technological innovation must be supported as well. It is also necessary to promote commercialization of research results, develop strategies to secure intellectual property rights, and establish practical technology management policies. All of these as well as other issues need to be responsibly dealt with in a timely and appropriate manner.

"Since its establishment in 1980, and especially after its reorganization as an incorporated administrative agency in October 2003, NEDO has played a unique role in the field of technology development. As Japan's largest public research and development management organization, we will endeavor to more effectively promote advanced technology that will enhance Japan's industrial competitiveness and resolve energy and global environmental issues.

"After analyzing the latest domestic and international technology and market trends, NEDO selects and focuses on truly necessary projects by identifying the clear purpose and expected outcomes of the research. It strategically and intensively promotes research and development, leveraging the collective efforts of the industrial, academic and governmental sectors with the aim of achieving each project's research objectives.

"NEDO performs objective evaluations based on the latest technological and commercial trends, and thus is able to quickly revise the plan for a project, including acceleration, expansion, downsizing and termination."

"Promotion of R&D through the concept of "Selecting and Focusing"

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Responsive revisions to project plans through objective evaluations

NEDO performs objective evaluations based on the latest technological and commercial trends, and thus is able to quickly revise the plan for a project, including acceleration, expansion, downsizing and termination.

For more information: <http://www.nedo.go.jp/english/introducing/index.html>

### **About Yasu, Inc.:**

Yasu is a U.S. corporation domiciled in Missouri that provides professional services including business development support, networking events, extensive market intelligence, access to bilingual Japanese businesses, and English to Japanese translation of sales and technical information.

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

#### **About the CareBot:**

GeckoSystems has focused on mobile robot safety for over ten years. Their first product, a family care robot, has multiple layers of safety precautions. These safeguards are enabled three ways: mechanical, electronic, and using computer software. First, the robot is very stable and difficult to tip over since nearly seventy percent of its weight is less than eight inches above the floor and sits low between large, ten-inch diameter wheels. The wheels are wide and soft enough such that if the robot did go over a child's arm, for example, it would not break the skin or any bones. Second, multiple layers of sensors are fused to provide a safety umbrella to enable actionable situational awareness. Going outward from the center of the CareBot is the GeckoTactileShroud(tm), which detects where on its shroud it has been bumped by people or animals. The CompoundedSensorArray(tm) detects virtually everything in the front and to the sides of this fully autonomous mobile robot up to thirty inches. Obstacles more distant are detected by twin ultrasonic rangefinders. Third, the advanced AI navigation software, GeckoNav(tm), takes in the hundreds of sensor readings per second and using its high level situational awareness, consistently avoids unforeseen static and/or dynamic obstacles for safe movements.

Like an automobile, the CareBot is made from steel, aluminum, plastic, and electronics, but with ten to twenty times the amount of software running. It has an aluminum frame, plastic shroud, two independently driven wheels, multiple sensor systems, microprocessors and several onboard computers connected by a

local area network (LAN). The microprocessors directly interact with the sensor systems and transmit data to the onboard computers. The onboard computers each run independent, highly specialized cooperative/subsumptive artificial intelligence (AI) software programs, GeckoSavants, which interact to complete tasks in a timely, intelligent and common sense manner. GeckoSuper, GeckoNav, GeckoChat, GeckoScheduler and GeckoTrak are primary, high level GeckoSavants. GeckoNav is responsible for maneuvering, avoiding dynamic and/or static obstacles, seeking waypoints and patrolling. GeckoChat is responsible for interaction with the care-receiver such as answering questions, assisting with daily routines and reminders, and responding to other verbal commands. GeckoTrak, which is mostly transparent to the user, enables the CareBot to maintain proximity to the care-receiver using sensor fusion. The CareBot is a new type of Internet appliance, a personal assistant life support robot, that is accessible for remote video/audio monitoring and telepresence.

### **About the Company:**

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, to be created for the mass consumer marketplace. The suite of primary inventions includes: GeckoNav, GeckoChat and GeckoTrak.

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 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 factual basis for the Company's sales forecasts.

"We project 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. We expect these sales despite --and perhaps because of-- the present recession due to pent up demand for significant cost reduction in eldercare expenses," opined Spencer.

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.

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.

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 caregiver 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 caregiver, 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 any where 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.

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