

MESHSYSTEMS™

2014 North American IoT / M2M Software Platforms
Entrepreneurial Company of the Year Award



F R O S T & S U L L I V A N



50 Years of Growth, Innovation & Leadership

Background and Company Performance

Industry Challenges

Today's global customers demand cloud-based solutions that connect multiple, disparate devices in a cost-effective and efficient manner — all fast and dynamically. These demands are being met through wireless communication networks built entirely upon the "cloud infrastructure." These highly complex, cloud-based networks are interconnected through what is called Machine-to-Machine (M2M) or Internet of Things (IoT) platforms.

Solution providers are challenged with developing a cloud-based IoT / M2M solution that can be implemented across many applications and in numerous heterogeneous devices. Not only must solution providers knit together multiple heterogeneous devices and technologies, but they must also ensure the highest level of data security. Additionally, speed-to-market is as critical as delivering a cost effective IoT / M2M solution so as to deliver significant return on investment for any organization adopting the technology.

Mesh Systems™ stands at the forefront of the IoT / M2M space as it took an early lead in identifying and resolving challenges faced by companies wanting to utilize IoT / M2M technology. Customizable to meet any unique customer situation, MeshVista®, considered a best-in-class technology platform, delivers highly scalable device-to-cloud and cloud-to-device information exchange and control actions across wired, wireless and hybrid networks more efficiently than any other solution.

Entrepreneurial Innovation and Customer Impact

Product/Service Value

The concept of "connected industries" has led to the increase in the number of networked devices across a wide array of industry verticals. This has created demand for software solutions that can extract and aggregate data from a diverse set of devices and then in a real-time manner assimilate and present that data correctly for a specific application.

Mesh Systems has developed an innovative IoT / M2M cloud-based platform, known as MeshVista, that's designed to collect and collate unstructured and structured data from business systems, connected devices, and individual personnel across the enterprise. MeshVista, a third-generation IoT / M2M platform, ingests large amounts of telemetry data from different devices or sensor-points. For organizations searching for a platform to remotely service their connected devices, the Mesh Systems' solution provides an enormous advantage for companies looking to ensure sustained profitability by providing a window into how the device is performing and actions necessary to ensure uptime.

Best Practices Example: One implementation of the Mesh Systems' MeshVista platform

for the Smart Grid ensured real-time visibility into energy storage appliances. The application built on MeshVista, aggregates terabytes of data and produces an individualized control signal which is disseminated to the network of appliances. MeshVista also provides data interchange not only with devices, but also with third party broker applications looking to capture energy storage made available by aggregating the capacity of the storage appliances. This application, powered by MeshVista, helped transform the Smart Grid into the reality utilities expect. It did so by creating a massive network of energy devices, networked in the cloud and available for participation, thereby lowering energy costs for production/distribution entities as well as consumers.

Customer Service Experience

Today's organizations want service platforms empowered with robust functionality that remotely manages material consumption while also enabling both preventive maintenance and predictive failure analysis. In order to meet such arduous requirements, software providers need to develop software solutions using dynamic, versatile technologies. They must also continuously analyze and monitor underlying connectivity to devices and cloud-based infrastructure that supports the connectivity so that device connections remain fast and reliable.

The MeshVista platform operates as a "Platform as a Service" (PaaS) that utilizes real-time wireless technology to help customers connect, monitor, manage, control, and gather intelligence from remote devices cost effectively. To meet customer requirements, its service revenue model is highly flexible and can be based on data, per device, per connector or per user. Also of critical importance is the security aspect of the platform in that it allows secure, two-way communication between the server and networked equipment.

But what really sets MeshVista apart is the speed-to-market element. Mesh Systems provides a turnkey experience to an OEM that allows customers to deploy unique, highly-scalable solutions faster than their peers. This innovative service platform enables a truly superior, end-to-end experience.

Customer Ownership Experience

To be successful in this market, OEM organizations need to partner with reputable network service providers. Over the last few years Mesh Systems has built an industry-leading ecosystem of supply chain partners to ensure reliable and secure network services for its OEM customers. By partnering with carriers such as Verizon, Sprint and T-Mobile, the company can deploy devices on its IoT / M2M platform at scale for almost any application interchange. Mesh Systems takes on the complex, end-to-end integration process of connecting applications to network service providers. Their technology platform, MeshVista, makes this integration seamless because it is so adaptable to unique, customer demands.

Competitor Differentiation

In order to increase and sustain network connections into an IoT / M2M platform, software platform providers are expected to build systems and initiate implementation approaches that are advanced yet can be deployed quickly. Furthermore, the organization must have a differentiating product portfolio that meets a particular vertical industry's unique characteristics and requirements.

In this very fragmented and fast-moving industry, Mesh Systems offers a turnkey approach that other platform providers have not been able to achieve. Its best-in-class IoT / M2M platform extends from the cloud down to custom designed wireless devices that form the network for a particular application. As part of its solution, Mesh Systems provides hardware design, manufacturing and engineering services to quickly adapt a vertical application's requirements for OEM organizations. The complex solution set necessary to deliver a complete application is provided by Mesh Systems. OEM organizations can integrate with the platform for both industrial and non-industrial applications.

Market Gaps

Organizations are interested in wireless IoT / M2M solutions that are designed and developed quickly, easily deployed, yet equipped with advanced functionality. These solutions must be capable of supporting fast adoption and huge volumes of data into and from the cloud. Solution providers are faced with a difficult task of developing these cloud-based IoT / M2M solutions that are safe, reliable and quickly deployed on a massive scale. With these issues in mind, Mesh Systems developed MeshVista to handle connections into its cloud from millions of end devices that send data 24/7/365.

MeshVista's technical architecture was designed and developed around providing its OEM customers a platform that contains features not available through other platform providers. The entire cloud-based framework is designed to provide low latency between devices while still interfacing with them — whether it is a human on a mobile device or third party data system interacting with the platform. It also supports numerous network types — wired, wireless, and hybrid networks. Data transfer between connected devices is designed to be a two-way flow, ensuring real-time, back-and-forth flow of instructions and feedback. Mesh Systems not only continuously develops and refines customer applications, it also focuses on upgrades and ongoing development of its platform, making vertical applications hosted on the platform more future friendly. This unique approach has enabled them to more comprehensively meet the needs of difficult IoT / M2M applications and end user requirements.

Blue Ocean Strategy

Modern industries are witnessing a new era of software and network monitoring for their

connected devices. These IoT / M2M platforms are expected to be versatile and flexible to suit dynamic markets, but also be equipped with multi-functional intelligent systems to validate key performance metrics in any given industry.

MeshVista is both flexible and versatile. Its applications are equipped with numerous modules that can be combined to support a customer's web or mobile application. Some of these modules include remote asset monitoring, remote asset management, remote asset connectivity, and business intelligence. These modules can also be individually integrated with existing software systems to ensure seamless data communication.

Best Practices Example: Mesh Systems has grown at an average rate of 250% over the last couple years through aggressive customer acquisition. The company has added multiple fortune 50 companies to its fast growing customer list in different vertical industries. Their vision to develop a broad functional set of platform components has allowed Mesh Systems to penetrate multiple industries such as food/beverage, security, advertising/promotion, energy and environmental.

One case in point allowed an OEM customer in the food/beverage space to bring its application to market less than six months. This solution set included specialized hardware devices and customized software in both devices and the cloud, all powered by the MeshVista IoT/M2M platform.

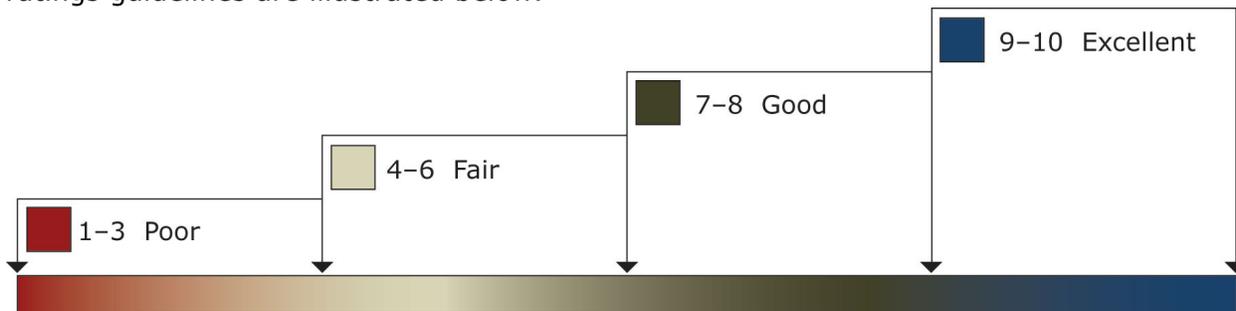
Conclusion

Mesh Systems' IoT / M2M platform, MeshVista allows enterprises to collect, aggregate, collate and distribute information from people, systems, and devices in real-time. This cloud-based platform boasts a best-in-class framework and is highly compatible with wired, wireless, and hybrid networks. As a turnkey provider, Mesh Systems deploys secure, end-to-end customer solutions faster and with more reliability than its peers. Its extensive ecosystem of supply chain and technology partners has ensured successful implementation of IoT / M2M solutions across a diverse set of industry verticals. Additionally its visionary approach toward development and customer acquisition has helped Mesh Systems gain considerable presence in the IoT / M2M software platform market. Because of its strong overall performance in the IoT / M2M Software market, Mesh Systems is recognized with Frost & Sullivan's 2014 North American Entrepreneurial Company of the Year Award.

Best Practice Award Analysis for Mesh Systems

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows our research and consulting teams to objectively analyze performance, according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale to allow for nuances in performance evaluation; ratings guidelines are illustrated below.



The Decision Support Scorecard is organized by Entrepreneurial Innovation and Customer Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criteria are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key players in as Company 2 and Company 3.

<i>Measurement of 1-10 (1 = poor; 10 = excellent)</i>			
Entrepreneurial Company of the Year	Entrepreneurial Innovation	Customer Impact	Average Rating
Mesh Systems	9.0	9.0	9.0
Competitor2	8.0	8.0	8.0
Competitor3	7.0	8.0	7.5

Entrepreneurial Innovation

Criterion 1: Market Disruption

Requirement: Innovative new solutions that have a genuine potential to disrupt the market, obsoleting current solutions and shaking up competition

Criterion 2: Competitive Differentiation

Requirement: Deep understanding of both current and emerging competition to create and communicate strong competitive differentiators in the market

Criterion 3: Market Gaps

Requirement: A clear understanding of customers' desired outcomes, the products that currently help them achieve those outcomes, and where key gaps may exist

Criterion 4: Blue Ocean Strategy

Requirement: Strategic focus in creating a leadership position in a potentially "uncontested" market space, manifested by stiff barriers to entry for competitors

Criterion 5: Passionate Persistence

Requirement: A deep belief in the "rightness" of an idea, and a commitment to pursuing it despite seemingly insurmountable obstacles

*Customer Impact***Criterion 1: Price/Performance Value**

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market

Criterion 2: Customer Purchase Experience

Requirement: Customers feel like they are buying the most optimal solution that addresses both their unique needs and their unique constraints

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service

Criterion 4: Customer Service Experience

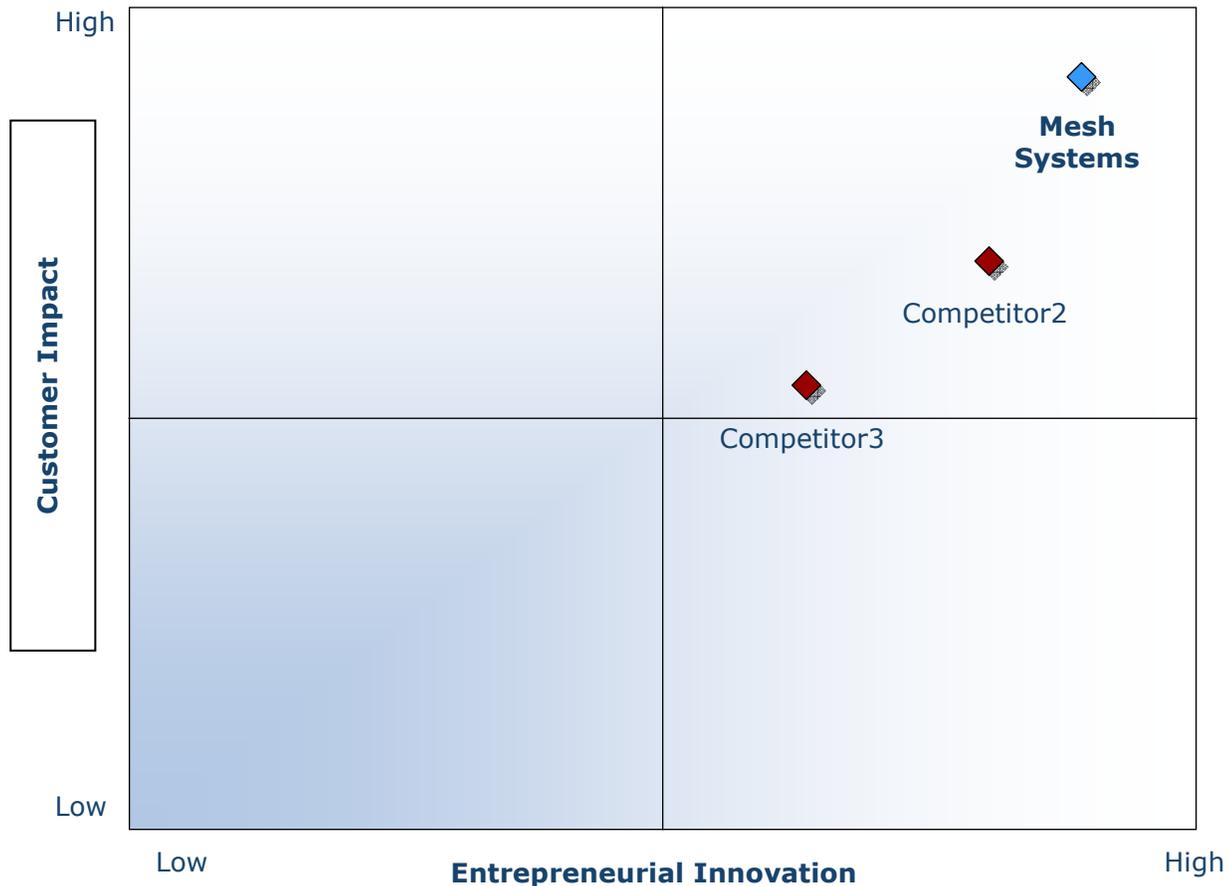
Requirement: Customer service is accessible, fast, stress-free, and of high quality

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts can then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best in class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages almost 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 31 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.