



Press Release

Pittsburgh-based Robotics Company Closes on \$1.5 Million Funding Round to Commercialize Hospital Automated Delivery System: Innovation Works invests \$500,000 side by side with private investors

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PITTSBURGH, PA — Robotics manufacturer Aethon, Inc, formerly Probotics, Inc., has closed on \$1.5 million in seed stage financing to commercialize its automated delivery system for hospitals. Private investors joined with Innovation Works to achieve this financing, far exceeding the company's goal, despite the nation's extraordinary political and economic backdrop.

Private local investors committed \$1 million to Aethon's seed stage financing. Innovation Works, a publicly funded venture capital organization serving Southwestern Pennsylvania, invested \$500,000, raising its total investment in Aethon to \$800,000. Florri Mendelson, President and CEO of Innovation Works said, "We're very enthusiastic about Aethon and its market potential. Their proprietary technology, established partnerships, and exceptional management team were key factors in our decision to back the company. We're also pleased that other investors recognize the company's strengths. Together, we're not only investing in Aethon, but the region's growing robotics market as well."

Aethon developed and patented a unique navigation technology that enables the company's TUGs[®] to attach to existing supply carts and move them throughout hospitals. Hospitals typically have as many supply carts as they do beds, underscoring the large amount of materials and supplies that are moved three shifts daily, seven days a week in that environment. Facing tremendous cost pressures, hospitals will now have a viable method for automating the delivery of supplies and material while freeing patient caregivers from a tedious and unproductive responsibility.

Application testing is being conducted in partnership with UPMC at their St. Margaret facility. UPMC, through its Diversified Services Group is also an investor in Aethon. It is expected that after conducting successful trials at St. Margaret, Aethon will deploy TUGs throughout the UPMC system. Pilot installations in other national centers of medicine will occur in 2002, followed by a national product introduction.

"For hospital administrators, there is nothing more important than finding ways to improve systems that allow doctors and nurses to provide better patient care," says Rick Sobehart, CEO of St. Margaret's. "Anything we can give caregivers that results in their having more time to spend with patients and supplying them faster and more predictably is a priority for our spending and our success. Automating in-hospital deliveries goes directly to the heart of that opportunity, so we are excited to be deploying this technology."

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The Aethon TUG is the product of more than 30 man-years of engineering research and development led by the company's founder and CEO, Henry Thorne. One of America's pioneering robotics engineers, Mr. Thorne is a graduate of CMU's Robotics Institute and has invented several of the world's most accepted robotic tools for automation.

"It's a tribute to not only our team and our technology, but the strength of American capitalism that we were able to far surpass our raise requirement in spite of the events of September 11," said Thorne. "Investors saw an opportunity to invest in a low cost robot serving an important need in a large market and elected to pursue it, regardless of the backdrop."

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