

CONTACT: Lisa A. Hephner, Media Manager
PHONE: 330-434-3154
FAX: 330-434-1409
EMAIL: lhephner@quatech.com

PRESS RELEASE

FOR RELEASE March 4, 2003

QUATECH COMPLETES SECOND YEAR OF DOUBLE DIGIT GROWTH; REVENUES DOUBLED SINCE 2000 BUYOUT

AKRON, OH – March 4, 2003 – Quatech, Inc., one of the industry's leading suppliers of serial connectivity solutions, announced that it continued to gain market share with a second year of double-digit sales gains.

Fiscal 2002 sales increased 41 percent, on top of earlier gains that has led to double the revenue posted in 1999. Quatech is the fastest-growing supplier of serial port connectivity products, with more than 2500 customers purchasing its products during 2002.

"Our emphasis on product and corporate reliability, coupled with a concentration on building expertise within several key market segments, has fueled much of our expansion during the past three years," according to Steve Runkel, president/CEO. Runkel, along with company Chairman William Roberts, led an investment team that purchased Quatech in 2000.

Quatech is the largest supplier of serial connectivity products to the financial services/banking and airport management industries. In addition, it is growing market share in the rapidly-growing retail/point-of-sale, kiosk, building network, and mobile computing environments.

During 2002, Quatech successfully launched a new Serial Device Server product line, brand named "ThinQ™," that will be a driver for a significant portion of the company's growth going forward, Runkel explained.

"PC sales are forecast to increase during 2003, which is a strong leading economic indicator for the company. As corporations begin to install new PC equipment that no longer include serial ports, they still need to connect these new systems to already-installed printers, card readers, cash registers and other peripherals that communicate only through a serial port. Products such as our ThinQ Serial Device Server represent a fast-growing segment of the market, for us and throughout the industry, that enable corporations to preserve their investment in millions of dollars of capital equipment by network enabling installed serial-port based devices," Runkel said.

Quatech competes with U.S.-based as well as overseas competitors that produce inexpensive, commoditized versions of its products. The company has been able to accelerate its growth despite strong price competition in its industry by emphasizing both product and corporate reliability.



“Every product that we manufacture in our facility is tested before it ships – every product, not a statistical sample,” explained Runkel. “Beyond that, we realize that companies today are seeking vendors that do more than produce a product that works, but one that ships on time and provides outstanding applications and field support. We define that as total reliability, and that level of service has allowed us to win accounts where we clearly were not the low-price leader. Our record of quality and on-time reliability were worth more to the customer than an initially cheaper purchase price that created expensive problems for them in the field after installation.”

About Quatech

Quatech supplies the industry's most reliable data connectivity solutions. It achieves this high level of reliability by virtue of quality design and manufacturing, and service and support that exceed expectations. Its customers include Fortune 500 companies, government agencies, and small and mid-size system integrators and VARs in a variety of markets including banking, retail, industrial process control, security, and hospitality. Quatech is the number one provider of serial connectivity to financial institutions, serving five of the top 10 U.S. banks. Founded in 1983, and headquartered in Akron, Ohio, the company sells and supports its solutions through a network of distributors in over 30 countries. Website: www.quatech.com.

#

ThinQ™ is a trademark of Quatech, Inc.

