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GeckoSystems Receives RFQ From EU Firm to Do Elder Care Robot Trials

CONYERS, GA--(Marketwire - December 2, 2010) - GeckoSystems Intl. Corp. (PINKSHEETS: GOSY) announced today that they have received a formal Request For Quote (RFQ) from FLAGMAN GRUPP LTD., in Tallinn, Estonia, for twenty (20) life support social robots (i.e. CareBots(tm)), training and spare parts.

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)."

"We expect this order to be in the mid to low six figures with delivery mid to late next year. Their interest is due to our groundbreaking in home elder care robot trials. Since late last year GeckoSystems has been involved in the world's first in home elder care robot trials to learn more about the realities of providing families with more cost effective solutions to enable them to take better care of their elderly parents for less worry, money and time," observed Martin Spencer, President/CEO, GeckoSystems Intl. Corp.

The Managing Director of the Flagman Grupp Ltd., Vladimir Beljakov, comments:

"The Social Robot (SR), such as GeckoSystems' CareBot, urged to solve partially a global problem of availability and modernization social and health services, and also expansion of a circle of contacts of quickly growing old population, by application modern IT tehnologi (technology).

"The first product of our joint activity with the American company GeckoSystems Intl. Corp. will be the house mobile robot, replacing medical workers which serve older persons in-home.

"From official sources (http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-08-072/EN/KS-SF-08-072-EN.PDF) it is known that in the European Union already today lives about 20 million people (that) is more then 80 years old and by 2060th year of such inhabitants there can be more than 60 million persons. This category of the population of Europe is the basic of spend component on social and health services. On it billions Euro are spent. It, as a rule, individual work with each client of medical staff serving them. Very big shortage of medical workers, as it morally very much a tough job is thus observed. Therefore more often older persons place in houses for aged as many of them have no relatives who would look after them. And in the presence of relatives service of the elderly

takes away huge time which as a rule doesn't suffice. Thus, placed in houses for aged, result -- they have strong stress, as they separate from habitual way of life and it becomes frequent the fatal factor.

"Our project urged to change this situation, as much as possible having robotized and having made comfortable this kind of social service for a numerous category of the population of Europe of advanced age.

"From above presented figures it is visible that if only 30 %-s' older persons are more senior 80 years to give our production, and this 6,6 million people -- that it will be necessary to make an order 7 million robots. Hospitals, which also have requirements for the future our production, here don't enter.

If to make even 20000 robots in a month, and it is a lot of, 30 years for their assemblage is required approximately, therefore it is necessary to start very large manufacture.

"Also the robotics is very perspective direction in car industry, security and other technics which will be urged to mechanize and automate completely not interesting, and sometimes dangerous work.

As the robot consists of several honeycombs of details from set of materials across all Finland can be placed various shops on manufacture of these details and kits which will be flown down on assembly manufacture, where there will be an assemblage, testing of kits, programming of robots and sending to their consumers.

"On manufacture will be involved, the trained experts of various directions: workers, experts of an average link, logistics, transport workers, IT experts, designers and many other experts. It is the real program on unemployment liquidation across all Finland. It is very big export potential as such robot on retail costs today in the USA 15000$. Thus it pays back itself less, than for one year.

"How the robot works:

"SR, being as much as possible simple in application will have set of functions which will give possibility without leaving the house (that sometimes is the biggest problem for the elderly person) to have following services: digital communication with doctor or the medical center on health diagnostics; vocal dialogue with friends with a choice of language of dialogue through the Internet (free of charge); a vocal calendar of reminders for day, week; the disturbing button for a safety communication; archive of the information and possibility of its reception in a vocal kind; security and ather functions; the order deferent services through the center of coordination of work of Social Robots (further CCW).

"Technological risks are minimum. Separately each function of the future product works for a long time and is successfully applied. On our product these functions will be united and adapted for the consumer. As a matter of fact at the initial stage the factory will carry out screw-driver assemblage of ready kits in the developed case with a running gear. Further the decision on the beginning or refusal of manufacture on the base of these kits will be accepted. Reduction in price or end product rise in price will be a decision making condition," concluded Beljakov.

Since Estonia is separated from Finland only by the Gulf of Finland, Mr. Beljakov is working with two government entities there, Tekes and TEM.

"Finland is one of the three most prosperous nations in the world. They have a well educated middle class and several decades experience in providing national healthcare. The US was the last of the top ten industrialized nations in the world to initiate national management of its healthcare system. Consequently, we are very pleased with their prudent focus on the continuing and growing elder care crisis as depicted by Beljakov in his preceding comments. We will be responding to his firm's unsolicited RFQ forthwith," opined Spencer.

"We have not solicited sales of our CareBots since the late '90's due to our purchaser vetting requirements and lack of working capital to finance the manufacture of them. Nonetheless we continue to receive inquiries from individuals, etc. despite our not officially having any CareBots for sale.

"GeckoSystems' increasing visibility in the European Union and the continuing positive reaction to our innovative mobile robot solutions and products allows GeckoSystems the opportunity to become established as a significant player in the EU. With this substantive RFQ we may have our first EU partner that we will be able to supply cost effective solutions for their eldercare crisis and to develop other products tailored for the EU marketplace and the rest of the world. We are pleased to announce our new proximity to enjoying revenues after our many years as a Developmental Stage Company, with the prospect of not only net profits, but also cash flow positive such that our nearly 1400 investors can enjoy the ROI they deserve."

About Tekes:

Tekes is the main public funding organisation for research, development and innovation in Finland.

Tekes shares risks involved in development activities. With the financial support of Tekes, your company can implement the project on a larger scale, with more challenging targets and within a tighter time-frame.

Tekes can provide companies operating in Finland with funding for challenging

projects involving development of products, services, production methods, business concepts or competence of organisations.

Tekes can finance projects in all areas of technology and business. The funding is targeted at projected development work and can cover part of a project's expenses.

Tekes helps companies to develop their business in the following areas:Business model and strategy Customers and markets Products, services and production Management and personnel

http://www.tekes.fi/en/community/Home/351/Home/473

The Ministry of Employment and the Economy and Tekes have studied the exploitation of the European Union's Lead Market Initiative in the development of innovative products and services in Finland. The study reveals that Finland has good preconditions for creating lead markets and thereby strengthening its position as one of the world's most innovative economies.

The European Union's Lead Market Initiative (the LMI), "A Lead Market Initiative for Europe," aims to create an operating environment which fosters lead markets in a new way. The initiative strives to improve operating conditions for enterprises, by increasing demand for innovative solutions in a variety of ways.

The intention is to reform legislation in order to motivate enterprises to innovate. Another objective is to encourage the public sector to acquire a greater number of innovative solutions. In addition, the compatibility and marketing potential of new products and services are to be improved through standards.

The LMI covers six markets: electronic health care services (eHealth), bio-based products, recycling, sustainable construction, renewable resources and protective textiles. The study examined these from a national viewpoint and strived, on a broader basis, to identify sectors with the potential to develop into national lead markets. It also sought to draw up criteria, based on multiple perspectives, which would ease the assessment of such sectors, while analysing the measures required for promoting lead market sectors.

Prime candidates: electronic health care and welfare services, and wood-based biodiesel

According to the study, sectors can be found in all market areas that would qualify, from the Finnish perspective, as possible lead markets. These include electronic health care and welfare services for citizens, and wood-based biodiesel.

However, Finland cannot lead the way in all market sectors. Instead, national choices must be made. Market potential alone will not suffice as a basis for decision-making. Since public measures which promote and create markets are in

question, selection is inextricably tied to the sector's strategic significance to society.

Lead markets involve significant economic and social potential. In order to exploit this potential, it is essential that we are able to recognise the most promising sectors. The creation of markets requires clear, ambitious goals, a decision on the sectors in which Finland intends to lead the way, and identification of the measures needed to achieve this. Moreover, determined implementation is called for, alongside close cooperation between administrative sectors and other actors.

Throughout Europe, solutions are being sought to growing social challenges. These include climate change, ageing of the population and energy issues. The focal point of the innovation union, under preparation by the Commission, is to tackle these challenges with the help of innovations. Decisions are necessary on the national level, too. This study therefore forms an outstanding basis for preparing practical proposals for the national promotion of lead markets.

The study is published in the Ministry of Employment and the Economy's publication series as publication number 54/2010. It is available from the Ministry's web service at: http://www.tem.fi/index.phtml?C=98033&s=2086&xmid=4431

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About the Finnish Ministry of Employment and the Economy (TEM):

The Ministry of Employment and the Economy (MEE) is responsible for the operating environment underpinning entrepreneurship and innovation activities, securing the functioning of the labour market and workers' employability, as well as for regional development within the global economy. The Ministry was established in 2008, from the former Ministry of Trade and Industry, the Ministry of Labour and the unit responsible for regional development within the Ministry of the Interior.

http://www.tem.fi/?l=en

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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