

Los Angeles Times

The Next Wave

For Safety, Police Track Themselves

A computer monitors movement of Gardena patrol cars and undercover detectives. The department is the first in the nation to use the system.

By TRACY JOHNSON
SPECIAL TO THE TIMES

Gardena police are taking law enforcement in a new direction: Instead of just tailing the bad guys, they're tracking the good ones.

Using a system like the one used to recover stolen cars, Gardena is monitoring the movement of its patrol cars, prisoner transport vehicle and undercover detectives. It is the first law enforcement agency in the nation to use the high-tech system to follow its police force.

"I feel more comfortable using Teletrac," said Officer Nick Pepper. "If for some reason I get into trouble, they will know right where I am and will be able to find me." The system, named for the Garden Grove company that developed it, is similar to its competitor LoJack, a security system that enables police to track stolen cars. Teletrac tracks each police vehicle by paging it every 10 seconds with a radio signal sent from control towers on mountain tops and high rise buildings as far north as Ventura and as far south as Palm Springs.

Each time the vehicle is paged, its location is displayed on a computerized map.

In Gardena, Teletrac transmitters have been installed in more than four dozen police vehicles. Each vehicle is equipped with a small black box that receives the signal and sends it to a computer at the dispatch center and police station.

The system also can replay high speed chases so authorities can create a record of the chase. It includes panic buttons that can be activated when officers are in distress; the system locates the nearest backup unit.

City landmarks such as parks and schools can be put into the system. Along with those points of reference, Gardena has added a local doughnut shop and a convenience store.

The system is provided free to Gardena because police there were the first to use it, but future

customers will pay about \$600 per device.

Gardena police are just getting the hang of the system, but it has already come in handy. In October, police were in pursuit of an armed robbery suspect, and by tracking the officer who was following him, they were able to set up a perimeter and arrest the suspect.

Teletrac has long been used to solve cargo and auto theft crimes, much like LoJack.

"Teletrac really saved our investigations in more than a couple of cases," said Lt. Ron Boyd of the Los Angeles Port Authority, which has recovered several stolen cars at the port with Teletrac. "It has been very helpful when it comes to tracking the movement of stolen goods."

The Los Angeles County Sheriff's Department has set up decoy cars equipped with the device as bait for car thieves. Honda Preludes seemed the car of choice for thieves last year, so Teletrac was installed in a vehicle that would automatically lock the suspects in the car and cut off the engine if it became a target.

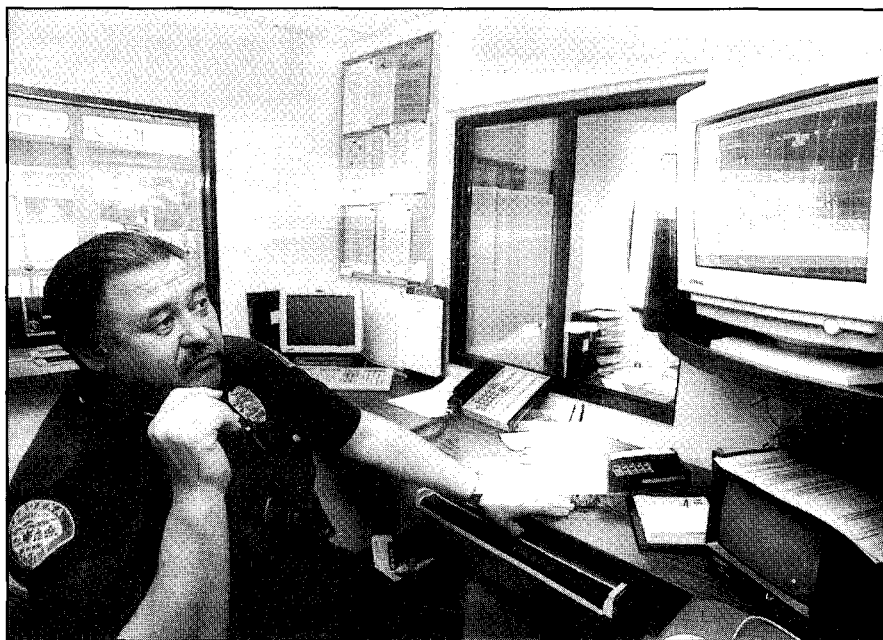
A two-day sting operation in Lancaster resulted in the arrest of 11 juveniles.

The department also has used Teletrac for electronic surveillance. Detectives obtained a court order in 1991 to secretly install the system in the car of a convicted child molester who was on parole.

Jim Harris, a retired lieutenant who led the investigation, said detectives tailed Joseph Noble for 45 days and during that time he stopped at more than 100 parks and school playgrounds, a violation of his parole. Followed by a sheriff's car, Noble was caught masturbating near schools in Long Beach and Studio City.

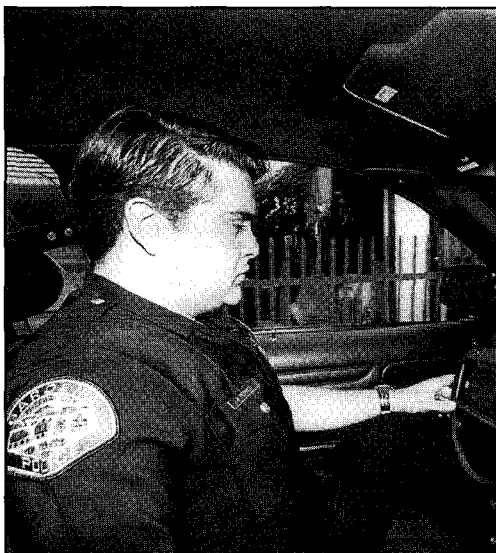
He was arrested and later convicted of indecent exposure and sent to prison.

"I'm not sure we would have been able to catch him without Teletrac," Harris said.

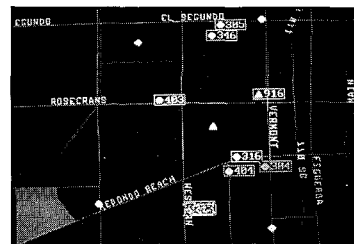


Los Angeles Times Photo

Officer Bill Moreno, at police headquarters, monitors screen that shows location of police cars. The system also can be used in surveillance.



Los Angeles Times Photo



Los Angeles Times Photo

Officer Nick Pepper, left, in Teletrac-ed car, says: "If for some reason I get into trouble, they will know right where I am. Screen displays location of squad cars using three-digit numbers."

Teletrac

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Not For Release

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Poised for Long-Term Growth:

TELETRAC, INC., ACQUIRES THE ASSETS OF AIRTOUCH TELETRAC (1996)

(KANSAS CITY, Mo., 1996) – Teletrac, Inc., announced that it had recently acquired the assets of AirTouch Teletrac, a subsidiary of AirTouch Communications, Inc. Teletrac was founded in 1988 and specializes in wireless remote fleet management, two-way data communications and security technology for commercial fleet management and consumer vehicles. Under the new management, Teletrac plans to increase the number of customers in existing markets while expanding its location and tracking technology infrastructure within additional U.S. markets. The terms of the transaction were not disclosed.

“By keeping a careful eye on industry trends, I’ve been able to recognize start-up markets with high-growth opportunities. By acting on these opportunities as they’ve flourished, my team and I have capitalized on the market potentials of several industries, including profitable ventures in cable television and paging. We’ve been able to translate our efforts into a successful track record for the companies we’ve owned,” said James A. Queen, chairman and chief executive officer of Teletrac Inc. “Now we’ve identified the same high-growth potential within the wireless, two-way data communications location

and tracking industry. Purchasing Teletrac was our entry into this new market that we believe is ripe with opportunities.”

MTA-EMCI, a leading national telecommunications consulting organization, agrees. “Our research has found that one service lacking in the current wireless network is accurate location ability. We believe that location ability is the ultimate evolution for the wireless industry,” said Elliott Hamilton, director of MTA-EMCI’s wireless consulting division. “MTA-EMCI’s research into consumer and business demand for wireless location services finds that the U.S. market approaches 5 million business users and 17 million consumer users that desire locational services. Teletrac has the ability to leapfrog current messaging service providers, such as in the paging industry, and provide the next generation of messaging/location service.”

By being at the forefront of an entirely new industry, Teletrac is setting high standards for combining messaging with accurate location ability. “As we look to the future of Teletrac, growth of the fleet management segment of our customer base has reinforced our decision to enter the location technology marketplace. We also see enormous potential in the fact that Teletrac is the dominant player within this growing marketplace,” Queen continued. “We believe we can set the pace for the industry and maintain our leading position.”

Teletrac’s technology is used by fleet managers in the major metropolitan markets of Chicago, Dallas/Ft. Worth, Detroit, Houston, Los Angeles and Miami to locate, track, manage and communicate with their vehicles. Teletrac plans to expand its service areas throughout the Eastern corridor. Proposed future service areas include Atlanta, Boston, Milwaukee, New York, Orlando, Philadelphia, San Diego, San Francisco and Washington, D.C./Baltimore.

Fleet Director, Teletrac’s proprietary, PC-based software system, tracks the routes of commercial vehicles so that companies can locate their vehicles and cargo effectively and

accurately, at any time, 24 hours a day. Fleet Director also provides drivers and cargo added security in case of vehicle hijackings or theft. With the use of an alert button, drivers can immediately notify their dispatchers of a potential problem and their location.

Current customers using Teletrac's service include Emery Air Freight, Brinks Security, Super Shuttle, Mary Kay Cosmetics, TCI, Acco Air Conditioning, Houston Metro Transit Authority and Michigan National Bank, to name few.

Law enforcement officials across the country also have embraced Teletrac's technology as an important weapon in the fight against commercial cargo and consumer vehicle theft. "Teletrac's system has proven to be an effective tool to locate and track stolen vehicles and cargo," said Jim Harris, a private cargo security consultant and retired Los Angeles County Sheriff's Department lieutenant. "Teletrac's superior technology combined with new, aggressive management is good news for businesses, consumers and law enforcement officials who use Teletrac in the fight against vehicle and cargo theft. As a member of the Los Angeles County Sheriff's Department, we recovered millions of dollars in stolen cargo and vehicles using Teletrac. It was and continues to be an extremely important part of our crime fighting team."

Teletrac's new ownership is committed to growing its service and customer base. "Teletrac is our organization's only business. We are focused on location and tracking technology and are looking for avenues to expand our services. With a strong management team and solid technical expertise, we have the winning combination to maintain Teletrac's position as a leading provider of vehicle location and security solutions," Queen said.

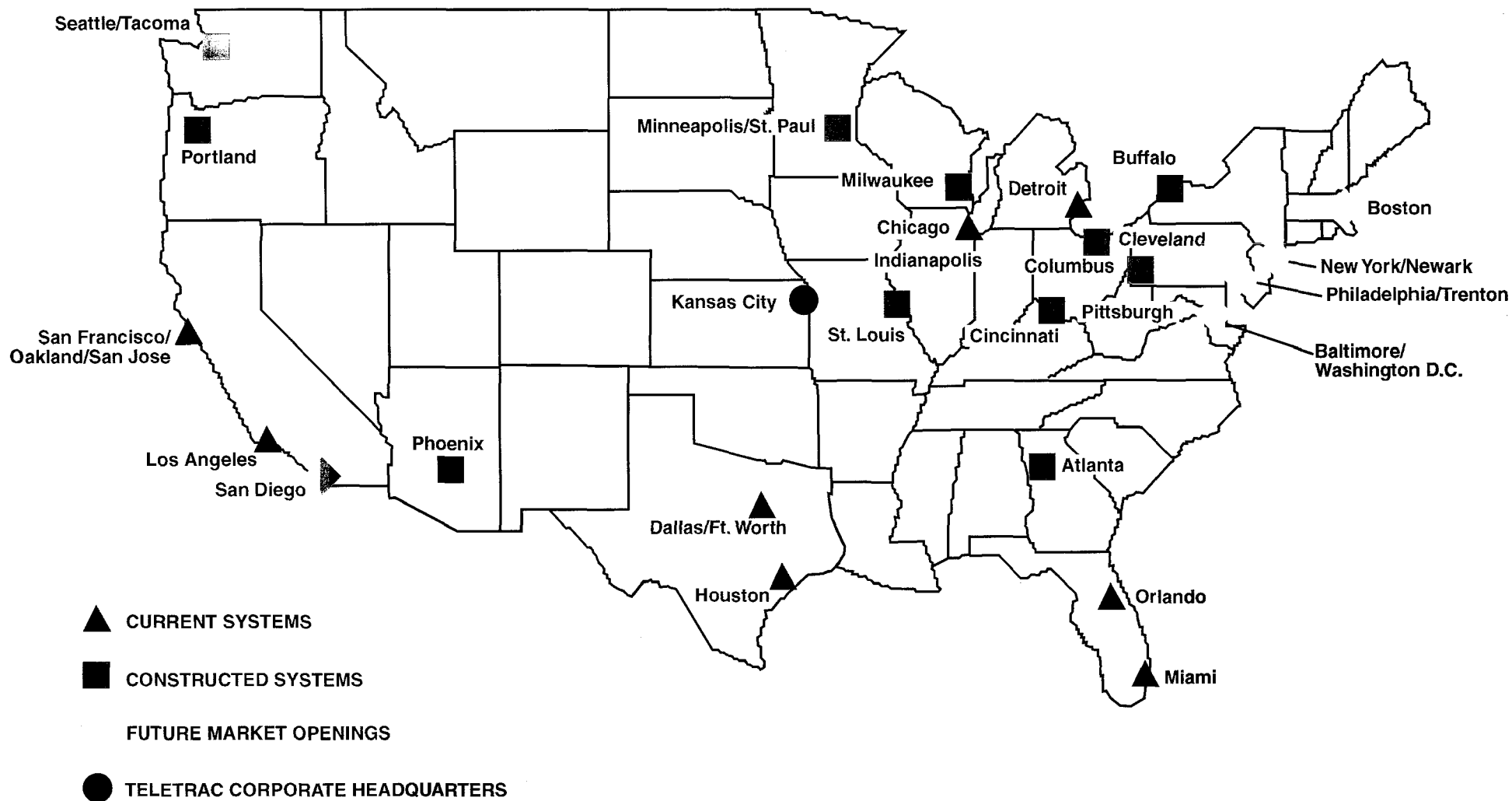
Other industry research analysts have also recognized the potential market opportunities for Teletrac. "Our research clearly indicates that location technologies and services are the next arena in the wireless sector poised for tremendous growth. Teletrac appears

extremely well positioned to participate in this next phase of growth," said John Bauer, senior vice president, telecommunications analyst for Lehman Brothers.

Teletrac's corporate headquarters are located at 2323 Grand, Suite 1100, Kansas City, Mo., 64108. For more information, contact Tom Schad at (816) 474-0055.

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TELETRAC SERVICE LOCATIONS



Teletrac

Teletrac

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TELETRAC

Quick Facts

SUMMARY:

Teletrac specializes in wireless remote fleet management, two-way data communications and security solutions for commercial fleet and consumer vehicles. In 1996, Teletrac experienced significant revenue growth and is now positioned as a market leader in the mobile resource management industry.

MANAGEMENT

TEAM:

James Queen -	Chairman & CEO
Sam Stewart -	Vice President & CFO
Larry Jennings -	President, Commercial Division; Vice President, Operations
Alan Howe -	Vice President, Finance & Corporate Development
Jim Seng -	Vice President, Engineering
Steve Scheiwe -	Vice President, General Counsel
Randy Field -	Vice President, Marketing
Bruce Lemay -	Vice President, Consumer Division

CORPORATE

OWNERSHIP:

In January 1996, a management team purchased the assets of AirTouch Teletrac and renamed the company Teletrac, Inc. Under its new ownership, Teletrac plans to increase the number of customers in existing markets while expanding its location and tracking technology infrastructure in international and additional U.S. markets.

THE TECHNOLOGY:

Teletrac services are supported by a network that operates on radio frequencies in the 900 MHz band. The network is extremely accurate and reliable. It processes location information in fractions of seconds and calculates position status within 150 feet of a vehicle's exact location. It also transmits two-way messages between dispatchers using the company's proprietary Fleet Director™ software and vehicles equipped with Fleet Director message terminals.

A key element of this system is the Teletrac communications and mapping software. The software enables system operators to simultaneously view micro and macro sections of a geographical coverage area so they can locate an entire fleet or a single vehicle.

**PRODUCTS/
SERVICES:**

Fleet Director™ – A fleet management system that combines vehicle location, mobile data communications and security into an integrated equipment and service package. Features include:

- Two-way messaging
- Message store and forward
- Location verification
- Emergency alerts
- Message acknowledgment
- Driver status reports
- Stolen vehicle recovery
- Vehicle sensor alerts

Fleet Reporter™ – A fleet management system for smaller fleets that provides users with daily activity reports and access to real-time vehicle location information. Companies use Fleet Reporter to increase productivity and efficiency.

Teletrac™ – A consumer vehicle-location product which offers a variety of security and travel information options, such as real-time stolen vehicle tracking and electronic yellow pages. The Teletrac also provides its owners with an alarm system that automatically notifies Teletrac dispatchers as soon as the alarm is activated.

KEY CUSTOMERS:

Teletrac has more than 65,000 users, covering shipping, utilities, security and transportation industries. Customers include: Emery Air Freight, Brinks Security, Entex, Mary Kay Cosmetics, Merchants Home Delivery Service, Acco Air Conditioning, Houston Metro Transit Authority, Dallas Independent School District and Michigan National Bank.

**CURRENT
MARKETS:**

Chicago, Dallas/Fort Worth, Detroit, Houston, Los Angeles, Orlando and Miami.

**1997 EXPANSION
MARKETS:**

In 1997, Teletrac plans to expand into San Francisco and San Diego, and as many as six other markets, including Indianapolis, Columbus, Boston, New York, Philadelphia, and Washington, D.C./Baltimore.

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TELETRAC Frequently Asked Questions

Question: What is Teletrac?

Answer: Teletrac is a leading provider of real-time vehicle location information and two-way messaging for commercial fleets. Commercial fleets use Teletrac as a fleet management tool with location, communication and security applications.

Question: How does Teletrac work?

Answer: Teletrac is a ground-based system that relies on monitoring stations located around the perimeter of a city. These stations each send out signals that reach out and "find" vehicles equipped with Teletrac sensors. Commercial customers who own the Fleet Director™ software simply log onto the network from their personal computer to instantly identify the location and status of any or all of their fleet vehicles.

Question: What are Teletrac's products/services?

Answer: Teletrac offers three location information services:

- Fleet Director™ -- for commercial fleets
- Fleet Reporter™ -- for smaller commercial fleets
- Teletracer™ -- for consumer automobiles

Question: How is Teletrac different from other location technologies?

Answer: Teletrac's chief advantages are real-time accuracy, reliability and cost. Teletrac offers an accurate, productive fleet management system that includes real-time vehicle tracking and precise location.

And, unlike GPS, which requires line-of-sight to satellites, Teletrac's system penetrates buildings like paging signals and can provide precise location information even if the vehicle is in an alleyway, a tunnel or in a parking garage. This significant advantage over GPS is just one reason that companies are turning to Teletrac. The bottom line is that Teletrac offers a more cost-effective human resource management tool which increases a company's productivity and profits.

Question: Does Teletrac actually do the monitoring of vehicles for customers?

Answer: No, Teletrac supplies companies the technology and software to monitor their own fleet. Only at the request of law enforcement agencies, or at the request of customers in times of systems breakdown or special needs, will Teletrac agree to monitor.

Question: How effective is the Teletrac system in recovering lost or stolen vehicles?

Answer: Teletrac has an outstanding record of assisting law enforcement agencies and customers in recovering their lost or stolen vehicles. In fact, Teletrac has an approximate 90 percent success rate in recovering vehicles and a more than 70 percent success rate in recovering vehicles in two hours or less.

TELETRAC'S Glossary of Terms

Vehicle Locator Unit (VLU):
The VLU is a "black box" about the size of a paperback book that is placed on a Teletrac-equipped vehicle. It receives and transmits information sent on Teletrac's radio frequency from Teletrac's network of antennas. Some VLU's are actually digital transceivers that can also send and receive messages.
Fleet Director™:
A fleet management system that combines vehicle location, mobile data communications and security into an integrated equipment and service package. Companies use Fleet Director™ to better coordinate their vehicles and maximize productivity.
Fleet Reporter™:
A fleet management system for smaller fleets that provides users with daily activity reports and access to real-time vehicle location information. This information, provided by Fleet Reporter™, helps companies increase their productivity and efficiency.
Teletracer™:
A consumer vehicle-location product which offers a variety of security and travel information options, such as real-time stolen vehicle tracking and electronic yellow pages. The Teletracer™ also provides its owners with an alarm system that automatically notifies Teletrac dispatchers as soon as the alarm is activated.
Real-Time Location:
All Teletrac systems determine a vehicle's location in real time, which means the vehicle's location is transmitted onto the user's computer screen almost instantaneously.

Status Message Terminal (SMT):
The SMT is a communication device installed in a vehicle that allows the driver to send and receive up to four pre-set status messages to and from the dispatcher using the Fleet Director™ system. The SMT features an LCD readout screen and a series of message buttons.
Message Display Terminal (MDT):
The MDT is a communication device which is installed in a vehicle that allows the driver to send and receive up to 40 pre-set status messages to and from the dispatcher who is using the Fleet Director™ system. The MDT transmits free text messages as well as pre-set and form messages.
Global Positioning System (GPS):
GPS is a location information tool which consists of 24 satellites that circle the Earth every 12 hours and continuously emit radio signals giving their position and the time of day. GPS is capable of determining a vehicle's location within 350 feet of accuracy, but requires a line-of-sight to the vehicle. Because of this, GPS works best when used in rural areas, where there aren't buildings blocking the satellite transmissions.
Panic Alert:
A panic alert is an event initiated when a driver presses an optional "panic" button installed in some vehicles. An emergency alert signal is transmitted from the vehicle to the Teletrac network of towers and is relayed to the Teletrac Control Center. If a customer is logged into the Gateway, the Control Center notifies them of the emergency signal via a Fleet Director™ Panic Alert Window.
Status:
The status of each vehicle using the Fleet Director™ system is one of a set of pre-programmed typical vehicle operations. For example, a vehicle's status may be "On Site" or "In Route." With the touch of a button, the dispatcher using the Fleet Director™ system can locate all of the fleet vehicles with a particular status.
Tracking:
Teletrac Fleet Director™ customers can locate a vehicle, address, or landmark on a map, and have their Fleet Director™ system redraw the map so that an item is visible. This action is called tracking.

Pre-set Message:
A status message pre-programmed into Teletrac's Fleet Director™ software and into the Status Message Terminals (SMT) or Message Display Terminals (MDT) in a fleet of vehicles. To send a message, the Fleet Director™ user, simply picks the appropriate pre-set message from a list and sends it to a vehicle.
Form Message:
Similar to a pre-set message, a form message is also a message that is pre-programmed into Teletrac's Fleet Director™ software and into the Status Message Terminals (SMT) and Message Display Terminals (MDT) in a fleet of vehicles. This message however has part of the message kept blank, so that variable information can be filled in the blank at the time the message is sent. Form messages can be inbound (sent by a driver) or outbound (sent to a driver).
Free Text Message:
A free text message is a message that is composed specifically for a single transmission or broadcast. Free text messages can be as long as 98 alphanumeric characters.
Landmark:
Teletrac customers are able to personalize their Fleet Director™ system by creating landmarks for specific locations, regions or routes. These landmarks will appear on the on-screen map for easier location identification.
Location: A customer can conduct a location search in six simple steps.
<ol style="list-style-type: none"> 1. Log-on to Teletrac's Gateway computer, using the Fleet Director™ software. 2. Send a location request. 3. The Gateway computer transmits the instruction to the Teletrac towers. The towers send a paging signal to the vehicle. 4. The vehicle's Vehicle Locator Unit (VLU) responds with an answering signal. 5. Teletrac's receiving antennas relay the signal back to the Gateway computer. 6. The Gateway computer calculates the vehicle's locations and sends the location information back to the customer.

TELETRAC Management Team

James A. Queen, chairman and chief executive officer, acquired the assets of AirTouch Teletrac in January 1996. Queen's extensive paging industry experience enabled him to take Teletrac from a primarily research and development-focused corporation to one that is also sales and marketing-focused.

He previously served as chairman and chief executive officer of Premiere Page since its inception in 1988. While with Premiere Page, he was responsible for its initial formation as a start-up enterprise through an initial public offering of its stock in December 1993. He also conducted a merger with another paging operator in December 1994 to form the fifth largest paging company in the United States.

He is a member of The Executive Committee (TEC) and a Fellow of the Kaufman Foundation. Queen received a bachelor's degree from the University of Missouri in 1972.

Samuel Stewart, Jr., CPA, vice president and chief financial officer, is responsible for the company's financial management. Prior to joining Teletrac, Stewart was vice president of finance and chief financial officer of CompuSpeak, Inc. From 1991 through 1994, he was vice president and chief financial officer of Premiere Page. Stewart also has been vice president and treasurer of Health Midwest and served as audit manager and in other roles with Arthur Andersen & Co.

He is a certified public accountant and has both a bachelor's degree in mathematics and a master's degree in accounting from the University of Missouri.

Lawrence Jennings, president of the commercial division of Teletrac and vice president of operations, is responsible for carrying out the company's vision and expansion plans for the transportation market. Jennings has more than 20 years of experience in the telecommunications industry, having served as vice president of operations for Premiere Page before joining Teletrac's team. Earlier in his career, Jennings was general manager for Centel Cellular/United Telespectrum, Inc. Jennings has a keen understanding not only of vehicle location technology, but also of how the technology can be applied as a management tool for trucking companies.

Alan Howe, vice president of finance and corporate development, is responsible for the company's planning and growth. Howe came to Teletrac from WirelessCo., L.P., where he was director of corporate development. WirelessCo. (a joint venture of Sprint, TCI, Comcast, and Cox Cable) successfully acquired multiple personal communication system licenses throughout the United States. Prior to WirelessCo., Howe held various finance positions at Sprint in its wireless task force and corporate treasury group. Before joining Sprint, Howe was an assistant vice president at Manufacturer's Hanover Trust.

He received a master's degree in business administration from the Indiana University Graduate School of Business and a bachelor's degree in business administration from the University of Illinois.

James Seng, vice president of engineering, comes to Teletrac from the engineering consulting firm of Project Group 2000, where he was president. From 1990 to 1994, he was vice president of engineering at Premiere Page where Seng managed a large engineering staff and a wide-area paging network that covered the Midwest and Southeast. Previously, Seng was employed by Paging Network, Inc., as a regional systems manager.

Steven Scheiwe, general counsel and secretary, came to Teletrac from Premiere Page, where he also served as general counsel and secretary. At Premiere Page, Scheiwe was actively involved in raising equity capital, developing real estate and managing human resources.

He received a bachelor's degree from the University of Colorado in 1982 and a juris doctorate degree from Washburn University in 1986.

Randy Field, vice president of marketing, brings to Teletrac more than 20 years experience in marketing, market development, sales and engineering, including 10 years of international business and management expertise. Field comes to Teletrac from Libby International, Inc., a manufacturer of power generation equipment, where he served as vice president of market development. Prior to Libby International, Field was owner/president of Design Assist, a product and global market development consulting company, serving clients ranging from a \$100 million database management company to major microelectronics manufacturer clients. Field received his bachelor's degree in engineering from Arizona State University in 1976.

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Corporate Backgrounder:

TELETRAC, A LEADER IN LOCATION INFORMATION

Teletrac is the nation's leading provider of land-based location information and associated two-way wireless messaging to both consumer and business customers. The company's highly successful, extraordinarily accurate, proprietary system for vehicle location and messaging currently is used by 65,000 customers in seven of the country's top metropolitan markets, including: Dallas/Ft. Worth; Miami; Orlando; Chicago; Detroit; Los Angeles and Houston. The Kansas City-based company currently is expanding operations into as many as eight additional key markets.

The Teletrac System: Setting Industry Standards

The company's proprietary system for vehicle location and messaging currently is used by consumers and vehicle fleets in top U.S. metropolitan areas. The system is unique and extremely effective. The company is setting the standards for land-based location, monitoring, and associated messaging service technology.

Teletrac's system provides reliable, low-cost, accurate vehicle location and recovery services, and associated messaging services, designed for metropolitan commercial fleets and consumer vehicle owners. Teletrac has a premier market position as the second largest provider of location services to the fleet industry and the largest provider of land-based services with an established customer base of 65,000 fleet and consumer units currently in service. Teletrac's 1,800 fleet location accounts lead the industry.

Remote Fleet Management

The company specializes in wireless remote fleet management and two-way data communications for commercial vehicles. State-of-the-art locating and tracking technology solves many productivity and security issues, and a carefully designed two-way communication system ensures swift, cost-effective delivery and receipt of accurate messages.

Teletrac's commercial service centers on Fleet Director™, the company's exclusive, PC-based software system. Fleet Director™ uses a network of radio transmitter-receivers to locate and track commercial vehicles.

Upon contacting the Teletrac network control center, dispatchers can find company vehicles and cargo in seconds -- accurate to within at least 150 feet, even within buildings or parking garages. This ability to immediately find any vehicle anywhere in the coverage area is an extremely valuable component of fleet operations.

Responsiveness to customers is enhanced, as are cost-effective operations and cargo security.

For example, a fleet dispatcher, fielding a customer request for a pickup, can quickly assess the current status of all units and drivers and simply call upon the unit closest to the customer.

Speed of service and driver productivity are easy to monitor and measure, because Fleet Director™ can retain a history of vehicle activity -- a log of all driver stops, breaks, and other status information for later analysis. The activity of drivers using company vehicles for side jobs or personal business or simply wasting time can be monitored and documented.

Security and Safety

Security and safety also improve with Fleet Director™. Hijacked or stolen vehicles and cargoes can be tracked quickly, bettering the chances of preventing the crime, protecting drivers, recovering property and retaining customers. In addition, companies can monitor drivers making stops in unsafe areas and drivers who encounter vehicle trouble can get help right away.

Besides its real-time tracking function, Fleet Director™ allows two-way digital communication between vehicle operators and dispatchers. Teletrac's licensing for dedicated air space means companies send and receive messages without interference or delay.

Drivers and dispatchers exchange digital text or status messages that display on a screen, which eliminates the miscommunication often associated with radio or telephone messages. The viewable messages are retained for playback or printout as needed, so, even if drivers are away from vehicles when messages arrive, they'll get the directive once they return. Also, time isn't lost repeating calls or returning pages, and the necessity for drivers to stop and take notes is reduced. And because of two-way wireless data communications, all messages are kept private and secure.

Consumer Auto Services

Along with its commercial value, Teletrac technology has general consumer appeal. The company's consumer vehicle recovery service provides its customers an extremely rapid and reliable stolen vehicle recovery service, which tracks and locates stolen vehicles faster, more successfully, and less expensively than the products of Teletrac's few competitors. In addition, the service allows a subscriber to initiate vehicle location in other emergency or roadside assistance situations.

To date, the stolen vehicle recovery service has recovered 70 percent of stolen vehicles within two hours of the theft and about 90 percent of all stolen vehicles tracked via the Teletrac system.

The same core technology currently in use in fleet management already is proving itself with automobile location and protection, and has further potential application for personal messaging systems.

According to J.D. Power & Associates, more than \$500 million is spent annually on vehicle alarms and anti-theft systems. FBI statistics indicate that a vehicle is stolen every 20 seconds. Various law enforcement agencies regularly use Teletrac to "tail" target vehicles in undercover operations and to help combat automobile theft.

While most consumer vehicle recovery systems require that a car be reported stolen before the tracking process begins, Teletrac automatically starts tracking when a vehicle alarm is triggered, or when the vehicle is moved without authorization, saving significant recovery time.

Along with benefiting from anti-theft and stolen vehicle recovery features, consumers value the "peace of mind" services, such as navigation and roadside assistance, that Teletrac can offer.

The Competition

Teletrac's chief advantages over the competition are in real-time accuracy, reliability and cost.

Teletrac offers an accurate, productive fleet management system through features such as real-time tracking of vehicles, precise location capability, and reserved transmission frequencies. The Teletrac system is available at comparatively lower cost -- about the same as equipping vehicles with two-way radios -- when matched against other similarly advanced technology.

By comparison, Global Positioning System (GPS) technology does a good job of tracking vehicles in long-haul or over-the-road applications. GPS systems have nationwide coverage, but are only accurate as long as the vehicle is in the line-of-sight to a satellite. GPS loses its effectiveness in mountainous terrain and in large cities or within buildings. And while GPS locators and receivers are becoming more affordable, the cost to send real-time, repeated data back to a dispatcher via a cellular or ESMR communications link is extremely expensive.

Another system, LoJack, is used primarily in the consumer market. LoJack can work in a case of theft, but only under specific conditions. If Police must receive notification by means of a police report. They must also have LoJack tracking devices in their cruisers and be able to activate the system in a timely fashion. This is unlikely because these tracking devices are installed in only a few law enforcement vehicles, and the cruisers must be within roughly two miles of a stolen vehicle in order to locate it. It often takes several hours to days before a police report is filed. This report is needed to activate a LoJack search; by then, a stolen vehicle likely has been disposed of or driven from the area. LoJack is available for a similar price but provides far fewer features.

Capitalizing on a Rich Spectrum

Teletrac holds licenses to utilize 6 MHz of licensed radio transmission frequency spectrum (an enormous bandwidth) in the 900 MHz frequency range for wireless location, monitoring, and associated messaging services. The ability to capitalize on this rich spectrum is one of the keys to the great accuracy of the Teletrac location and monitoring system.

In addition to the seven existing markets, Teletrac holds licenses for radio spectrum in an additional 20 key metropolitan areas. The company has completed its network construction in nine of these markets and expects to begin offering commercial service in several in 1997. Upon completion of its network build-out, Teletrac's services will be available to 15 top metropolitan areas.

\$250 Million in Research

The product's development can be traced back to AirTouch Teletrac, and its predecessor, PacTel Teletrac, which invested more than \$250 million into research and development to design the extremely accurate, technologically sophisticated, proprietary software and hardware that is at the heart of the system.

In 1995, current CEO and Chairman James A. Queen assembled a highly respected, experienced corporate management team, most of whom had successfully worked together before in similar ventures in the paging and cable television industries. In 1996, they purchased the assets of AirTouch Teletrac and chose the new name, Teletrac, Inc.

This expert new ownership and management team, broadly experienced and successful in wireless communications, knows how to take the company and successfully launch it in new directions. One of their first steps has been to refocus the company from research and development to sales and marketing. Taking advantage of the new leadership team's knowledge and strengths, Teletrac now is very market- and customer-driven, rather than being primarily product-driven.

The company is also working to maintain its leadership position as the low-cost, location information provider. Management is reducing costs through a number of initiatives, including eliminating non-strategic product development, utilizing strategic resellers of its products, updating system infrastructure to permit greater operating efficiencies, centralizing network monitoring sites into three regions and using existing marketing and distribution channels for new product roll-out. In addition, Teletrac expects to substantially reduce its network operating and build-out costs through the more efficient use of its spectrum.



Elite Director

Teletrac

the Leader

Teletrac's Fleet Director is the leading wireless fleet management system because it works. Any fleet — large or small — can benefit from this unique business tool. By tracking all your vehicles, all the time, you can improve your company's efficiency, productivity and security. And gain a powerful advantage over your competition.

Location

Fleet Director lets you locate one or all of your vehicles instantly and accurately to within 150 feet. Your dispatchers can quickly spot the driver closest to the customer in need of service. Then, using Fleet Director's proprietary tracking technology, the dispatcher can direct that driver along the shortest route to the pickup, delivery or job site.

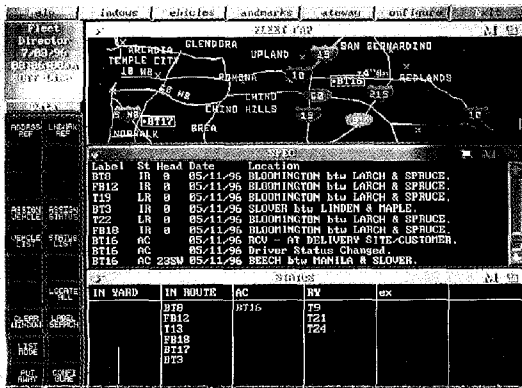
In addition to locating a particular vehicle, you can also track vehicles to ensure they are being used properly. Fleet Director helps you improve productivity by minimizing side jobs, excessive stops and off-hour use.

Communication

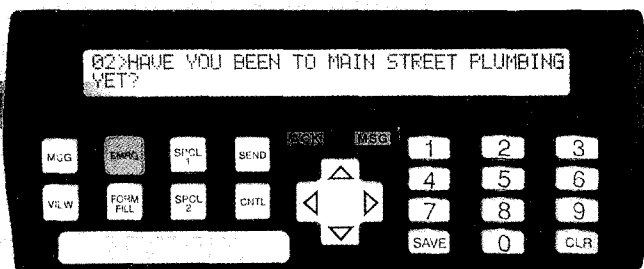
With Fleet Director's real-time, two-way data communications, you never have to search for a clear voice channel or wait for a reply from a pager. And since the driver *reads* the message, you don't have to worry about miscommunications. You can even provide your drivers with messages in their native language.

To send a message, your dispatcher simply types the words and presses a button. Within seconds, the message is delivered to the driver's Message Display Terminal and a confirmation is automatically sent back to the dispatcher.

If your driver happens to be away from his vehicle, the message is stored until he returns. The driver can even activate a status button that lets dispatch know if he is "on a break," "at the scene," or "en route." These exclusive Teletrac features make Fleet Director the most efficient wireless communications system available.



Fleet Director lets you monitor every vehicle's activities around the clock — and in real time.



The Message Display Terminal can receive and store text messages up to 98 characters. It also can send status messages from driver to dispatch.

Security

There is no better system for recovering stolen vehicles and

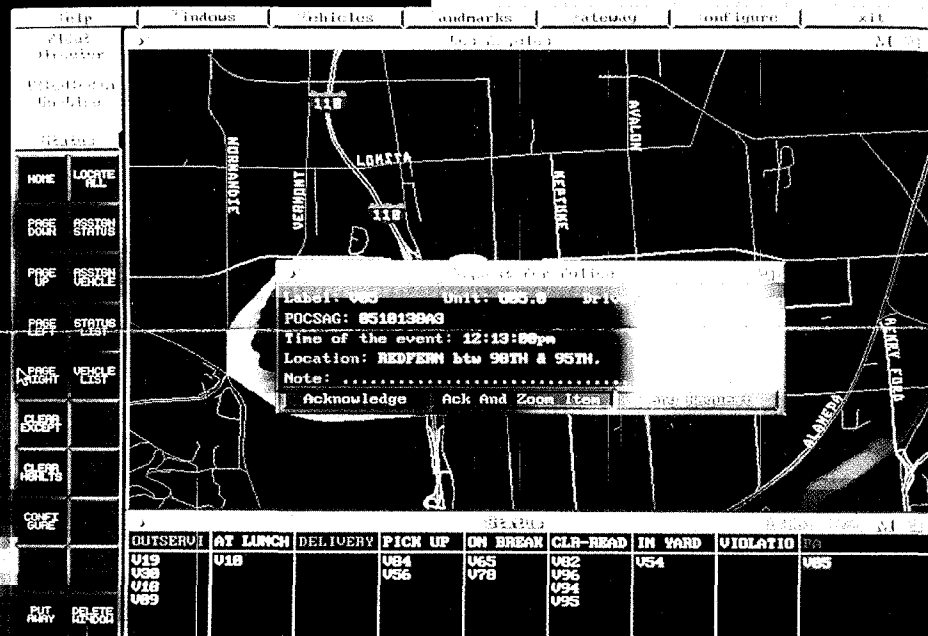
cargo than Fleet Director. If a vehicle or shipment moves without authorization, or deviates from a pre-arranged route, Fleet Director displays an alert on your dispatcher's computer screen.

Fleet Director also ensures the security of your drivers. If a driver is ever threatened, he or she can simply press an "emergency alert" button installed in the vehicle.

When a dispatcher receives the emergency signal, he or she can direct police to within 150 feet of the endangered driver or stolen vehicle.

On The Road To A More Efficient Business.

Fleet Director is more than a wireless data communications system. It is also a highly effective location detector. A technologically advanced tracking device. And an extremely reliable security system. In fact, Teletrac's Fleet Director gives you every advantage you need to drive your fleet to the top of your industry. Find out more about Fleet Director today. We want to be your partner in fleet-management.



A red, pop-up display alerts your dispatcher to a driver who needs assistance. Fleet Director's location software also notifies the dispatcher when a vehicle has deviated from a predetermined schedule, route or area.

Teletrac

800-800-7501
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