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speechvantage Secures Investment From PA Early Stage

Enhanced management team will leverage investment to help drive increased market penetration and build out the expansion of existing and new applications

Horsham, PA – October 3, 2002 – speechvantage, a leading end-to-end integrator of speech applications and services, today announced an investment from PA Early Stage, a family of venture funds that makes investments in technology-based companies. The company also announced the appointment of four key executives who will be responsible for capitalizing on the speech technology market opportunity, increasing overall awareness of speechvantage and growing the existing portfolio of packaged applications.

“PA Early Stage recognizes the value of speech-enabled applications, the opportunities for improving customer service and employee satisfaction across the enterprise and how these translate into market and revenue opportunities. speechvantage has already proven the value of its technology with multiple Fortune 500 client implementations including GSK, Ann Taylor, Astra Zeneca (UK Office) and Mellon Bank,” said Mike Bolton, CEO of PA Early Stage. “We believe that our active role in identifying marketplace synergies and client opportunities will help to grow this company into a recognized name and leader in providing the best speech solutions for the marketplace.”

Additionally, speechvantage announced the appointment of four key executives including Chetan Patel, CEO, David Hellhake, COO, Jack Roken, Executive Vice President of Sales and Glenn L. Doherty, Vice President of Sales. With collective experience of over 25 years in the speech-enabled and CRM technology arenas as well as experience in the financial services, retail and healthcare/pharmaceutical sectors, the team will collaborate to increase market share and expand the company’s existing portfolio of products and services.

“Our speech solutions have already provided clients with improved customer service, reduced costs and a significant return on investment within the first few months of implementing a speechvantage application,” stated Patel. “Our experienced team will be an important factor in communicating this key benefit and increasing the universal acceptance of speech-enabled applications.”

According to Datamonitor, revenues for speech recognition hardware, software and services amounted to \$650 million in 2000 and is estimated to grow over 40% per annum to \$5.6 billion by 2006. Offering applications and services that improve worker productivity, decrease operating expenses and enhance customer service, speechvantage is well positioned in the speech technology marketplace and will benefit from the increased demand for automated speech recognition applications.

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About speechvantage

speechvantage is a leading packaged and custom speech applications and services provider that works with global enterprises to define, develop and deploy speech recognition and text-to-speech solutions that reduce operational costs, enhance customer service and provide a measurable return on investment. Based in Horsham, PA speechvantage has assembled a network of partners and customers including SpeechWorks (NASDAQ: SPWX), Nuance (NASDAQ: NUAN), VoiceGenie, Avaya, BBN, Ann Taylor, Astra Zeneca, HIP, Mellon Bank, University of Pennsylvania and Bank of Nova Scotia. For more information: visit www.speechvantage.com or call 215-369-9900.

About PA Early Stage

PA Early Stage is a family of venture funds that makes investments in early stage technology-based companies in the information technology and lifesciences arenas. Headquartered on Safeguard Scientifics' (NYSE:SFE) corporate campus in Wayne, Pa., PA Early Stage has \$151.5 million under management and focuses on technology-based companies in the software, IT services, communications, Internet applications, healthcare and life sciences, and financial services arenas. The fund can be found on the Web at www.paearlystage.com.

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