

## **Digi Connect WAN Launch Q&A**

February 24, 2005 v2

### **Business related topics:**

#### **1. Why do you call this a cellular product?**

*A: We are using the general term “cellular” to refer to wireless networks built initially for mobile phones. Today, these networks generally fall into 3 groups, depending on the underlying technology on which they are based. The three technologies are GSM, CDMA, and IDEN. Carriers have been upgrading their networks to better support higher and higher data rates.*

#### **2. Isn't cellular a very different business than Digi's traditional business?**

*A: Cellular is a logical extension of our current business. Today, Digi provides device networking solutions over Ethernet, WiFi, Bluetooth, and POTS (Plain Old Telephone Service). Cellular is another mechanism to reach devices and groups or networks of devices. With cellular, Digi is providing connections for hard to reach devices and groups of devices.*

#### **3. Connect WAN GSM is Ethernet to cellular. How about serial to cellular?**

*A: Today's announcement is about the Digi Connect WAN GSM, our Ethernet to GSM product. As Digi already provides serial to Ethernet capabilities with many products, it would be logical to expect a serial to cellular product from us in the very near future.*

#### **4. What are your plans to work with other wireless technologies, mesh, WiMax, etc.?**

*A: We provide “commercial grade” device networking solutions. We work with our customers to understand their needs. We also track emerging technologies. When these technologies become commercially viable, and satisfy our customer's device networking needs, Digi intends to provide appropriate solutions.*

#### **5. You call this a “Remote Device Networking Product.” Does that mean that the revenues from this product line fit into the Device Networking business unit?**

*A: No. Digi Connect WAN falls into our Connectivity Solutions product group. Note that historically there are numerous other products in Connectivity Solutions that can and are used for remote device networking.*

#### **6. Is revenue guidance for this quarter or coming quarter changing because of this announcement?**

*A: No.*

**7. How many products do you expect to sell?**

*A: This information is confidential. We do expect to be a leader in this space.*

**Product related topics:**

**8. Is the Connect WAN a router?**

*A: The Connect WAN is a specialized gateway/router with features especially focused on connecting remote sites and their devices and providing backup network connectivity. It routes traffic from a local device or network through the carrier's wide area network to an end site or application.*

*In backup network applications, the Connect WAN often connects to an existing router, providing a backup connection through a cellular network.*

*However it is more than just a router, it is a specialized solution for connecting remote devices and networks to a central network, across a cellular connection.*

**9. What routing features are in this product?**

*A: We do basic routing from the private IP device or network to the internet or WAN. Additionally, the Connect WAN features network address translation (NAT), access control lists (ACLs) and port forwarding to manage the flow of traffic.*

**10. What experience does Digi have at building routers?**

*A: There actually has been routing capability in many of our device server and terminal server products that we have been shipping for years, so we have plenty of experience. Digi has no plans to compete in the general router market. We are focused on device networking, so our products are designed to connect devices or networks of devices.*

**11. Do you have plans for a CDMA version of the product?**

*A: Today's announcement is focused on GSM. We certainly are looking at all other viable technologies for providing commercial grade device networking, but don't have any other announcements today.*

**12. What is different about the Digi Connect WAN from your competition? Why are you unique?**

*Routing/Firewall functions (NAT, Port forwarding, Access Control Lists)*

*First gateway/router with high speed EDGE capability*

*The ability to maintain persistent connections:*

*Digi provides a suite of tools which allow a customer to tailor their connections based on application requirement. These include; activity-timers, keep-alives and watchdog timers.*

*Integrated management:*

*Connectware management tools are built into the Connect WAN GSM. These tools provide our customers the ability to deploy, manage and monitor thousands of Connect WAN GSMs and their associated wireless connections.*

*Carrier relationship with Cingular:*

*Cingular's Wireless WAN services are delivered via the Connect WAN. [See their press release.](#)*

*Worldwide customer support center:*

*Digi has an extensive worldwide customer support center.*

### **13. What is Connectware Manager?**

*A: Connectware Manager is an enterprise software product. Connectware Manager is a management platform for managing Connect WANs and their associated wireless connections.*

### **Service related topics:**

#### **14. How will you support customers who have an issue but don't know if it is the carrier or Digi?**

*A: Customers will call the party they believe will fix their problem. Digi's Connectware will help them identify where the problem resides.*

*Digi has a defined escalation procedure with Cingular. The receiving party owns the problem and will engage the other as needed. Our goal is customer satisfaction and rapidly resolving the customer's issue, wherever it originates.*

#### **15. How much does the service cost?**

*A: Carrier plans cost between \$2 and \$80 (unlimited) with a variety of different options for different customer situations. We recommend you speak with Cingular for more information.*

#### **16. An issue with cell phone usage is overage charges. If you go over your minutes you can wind up with high per minute charges. Is this the same situation with the rate plans? Can a customer monitor minute usage?**

*A: Carriers like Cingular offer pooled plans for data so that one device can go over with no overage charges, provided the aggregate of all sites does not exceed the total of the pooled plan.*

*If customers do go over their pooled plan, there is a charge for overages, usually by the kilobyte. Connectware can help a customer track the usage per site to help manage costs.*