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Coactive Networks Names William Owens, Paul Saffo and Charles Fraser to Its Advisory Board

Residential Gateway Pioneer Continues Market Leadership and Growth in 2001

SAUSALITO, California, January 31, 2001 – Coactive Networks, the leading provider of gateways for connecting the Internet to all devices in homes and businesses, today announced the appointment of William Owens, Paul Saffo and Charles Fraser to its advisory board. Together, these distinguished businessmen bring recognized experience and proven knowledge in their respective fields to Coactive Networks.

The Coactive Networks' advisory board consists of industry leaders and senior executives who provide the company with seasoned advice on business and technology strategies. Owens, Saffo and Fraser will add diversity and unique expertise in several key areas, assisting Coactive in its most aggressive and pivotal year to date as it continues to lead the exploding residential gateway sector.

"We are fortunate to have an unparalleled group of advisors on board," noted David Gaw, president and CEO of Coactive Networks. "2001 will be a critical year for Coactive Networks, as we lead the mass deployment of truly smart home capabilities and technologies. Our newest advisors bring the insight and expertise to contribute greatly to our success this year and beyond."

William Owens

Owens currently serves as co-chief executive officer and vice chairman of Teledesic LLC, an innovative telecommunications company, funded in part by Bill Gates, where Owens shares leadership of the company alongside technology veteran Craig McCaw. Prior to Teledesic, Owens was president, chief operating officer and vice chairman of Science Applications International Corp, the nation's largest employee-owned, high-technology company.

Owens also leverages an extensive career in government and military services, where he most recently served as vice chairman of the Joint Chiefs of Staff, making him the second highest ranking military officer in the U.S. During this tenure, Owens was responsible for the reorganization and restructuring of the armed forces in the post Cold War era. Widely recognized for bringing commercial technologies into the Department of Defense for military applications, Owens was the architect of the Revolution in Military Affairs (RMA), an advanced systems technology approach to operations that is the most significant change in the system of requirements, budgets and technology for the four armed forces since World War II.

Coactive Networks Press Release

Owens was also the deputy chief of Naval Operations for Resources, Warfare Requirements and Assessments, and served as commander of the U.S. Sixth Fleet in 1990 and 1991. Among many additional posts, he was also a senior military assistant to Secretaries of Defense Frank Carlucci and Dick Cheney, the senior military position in the Office of the Secretary of Defense.

Owens has written more than 50 articles on national security and authored the book *High Seas*. His latest book, *Lifting the Fog of War*, was published in April 2000.

Owens is a graduate of the U.S. Naval Academy with a bachelor's degree in mathematics. He holds bachelor's and master's degrees in politics, philosophy and economics from Oxford University and a master's in management from George Washington University.

Paul Saffo

As director of the Institute for the Future, Saffo has long served as a technology forecaster studying long-term information technology trends and their impact on business and society. The Institute for the Future is a 30-year old foundation that provides strategic planning and forecasting services to major corporations and government agencies.

Saffo's essays have appeared in numerous publications, including *The Harvard Business Review*, *Wired Magazine*, *Civilization Magazine*, *The Los Angeles Times*, *The New York Times*, *Fortune Magazine*, among others. He is the author of *Dreams in Silicon Valley* and *The Road From Trinity*. In 1997, Saffo was a McKinsey judge for *The Harvard Business Review*, and in the same year, was named one of one hundred "Global Leaders for Tomorrow" by the World Economic Forum. He was recently named a member of the Royal Swedish Academy of Engineering Sciences.

Saffo also serves on the advisory boards of AT&T Technology, the World Economic Forum, Global Issues Group, and the Stanford Law School Advisory Council on science, technology and society.

He holds degrees from Harvard College, Cambridge University and Stanford University.

Charles Fraser

As president of Charles E. Fraser Co, Ltd. and president of the Community Design Institute, renowned real estate developer, Charles Fraser, provides planning/programming services to private sector clients with large-scale new town or beach resort development interests. A leading developer in the U.S. and abroad, Fraser has provided top-level consulting services for The Walt Disney Company's new town of Celebration in Orlando, FL (1987-1997); the Metropolitan Water District of Southern California (1996-1998) on its five billion dollar Eastern Water Reservoir now under construction; and Abu Dhabi Offsets on new town planning, among other key projects.

Fraser was also the founder and chairman of The Sea Pines Company, 1956-1983, where he spearheaded planning and community growth for the principal resort on Hilton Head Island, South Carolina. Under his leadership, this eight-square-mile area grew to become one of the largest privately owned beach and golf resorts in the United States. There are currently more than 5,000 residences and four golf courses in this community. It is ranked by *Tennis* magazine as the top tennis resort in the world, and boasts renowned golf courses, drawing thousands of sports enthusiasts and vacationers annually.

Under Fraser's direction, other communities planned and initiated by Sea Pines include: Amelia Island Plantation, Florida; River Hills Plantation, South Carolina; Hilton Head Plantation, South Carolina; Kiawah Island Resort, South Carolina; Brandermill, Virginia; and Palmas del Mar, Puerto Rico, which today has more than 18,000 dwellings.

Coactive Networks Press Release

In the 1980s, Fraser developed an interest beyond real estate, and established companies to acquire FCC licenses in the Specialized Mobile Radio (SMR) field. These licenses were merged in 1994 with Dial Page, which in turn merged with Nextel, today's dominant SMR wireless provider. As an advisor to Coactive Networks, he will merge his interest in technology and real estate development via the company's residential gateway solutions for the truly smart home.

Prior to The Sea Pines Company, Fraser worked as an associate with Hull, Barrett & Norman, and as attorney-advisor to the office of the Secretary of the Air Force, where he served for two years.

Fraser is a graduate of the University of Georgia and attended Presbyterian College. He also holds a J.D. from Yale Law School.

About Coactive Networks

Coactive Networks extends Internet access to every device, appliance, control system and computer – Connecting Networks to the Real WorldTM. By providing a central link from these devices to the Internet, the Coactive Connector® and Coactive Router product families deliver a new class of telemetry e-services to homes and businesses worldwide. The leader in Internet telemetry, Coactive Networks delivers affordable, scalable connectivity with a highly integrated third-generation residential gateway platform and the patent-pending distributed object technology of the IOConnect ArchitectureTM. Coactive Networks is a privately held corporation based in Sausalito, California. More information on Coactive Networks can be found at www.coactive.com.

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