

**2009 North American Building Automation Systems
Product Differentiation Innovation of the Year Award****Delta Controls, Inc.**

The 2009 Frost & Sullivan Product Differentiation Innovation of the Year Award in the North American Building Automation Systems (BAS) market is presented to Delta Controls, Inc. (Delta) for its integrated building automation solution encompassing HVAC, lighting, and access control. Delta has been at the forefront of universal BACnet platform to its customers with a unified infrastructure that improves building efficiency, maximizes cost savings, and reduces greenhouse gas emissions. Additionally, the award recognizes Delta's sound business strategies which include superior product development in controls and user interface, dedicated customer service and partnership programs, continued global expansion, and active involvement in major issues pertaining to intelligent and green buildings.

Delta is a leading innovator and implementer of BACnet technology providing end-users the tools and options to better manage facilities. With over 25 years of industry expertise, Delta's core principle is based on its founders' conviction in usability technology, which is designed to empower end-users with higher control and flexibility. This principle has continued to drive the company to embrace open protocols. As a private company, Delta is the largest independent controls manufacturer in North America, and has experienced a commendable growth rate of over 20 percent in the last three years.

Delivering Innovative & Evolutionary Technology

Delta's BACnet platform supports the movement towards intelligent buildings change that is envisioned to incorporate interconnected sub systems. This allows sharing of information within a building and streamlines it on to an enterprise system from where management can control and monitor the buildings' operations.

With one unified approach using native BACnet infrastructure that encompasses the same core technology and operating software in HVAC, lighting and access controllers, end-users can integrate and easily adapt to ever-changing operational scenarios and add to third-party vendor architectures. Delta's revolutionary technology enables end-users to collect information from buildings and identify operational inefficiencies, and subsequently resolve them. From a green building perspective, end-users can capitalize on accurate and concise intelligence relating to

the energy performance of a building in order to achieve lower energy consumption and enhanced efficiencies.

Delta's integrated BACnet platform provides operational excellence and ease in maintaining the functionality of individual system by continuously monitoring, diagnosing, and taking preventive action with scheduled maintenance. Dealing with system and component failures is critical as conventional techniques fail to provide effective resolution and are incapable of problem isolation. This ideology has enabled Delta to provide a fully integrated native BACnet building automation solution encompassing HVAC, lighting, and access developed in-house. The creation of this unique value proposition has, to some degree, made competition irrelevant to Delta.

Further, the packaged solution empowers the end user to create simple connections to real-time, Web-based data, and the network enterprise. The Delta platform enables building owners and managers to meet their business objective by controlling cost and energy consumption. This implies more sophisticated methods of control without compromise on the usability of the software. To meet these growing demands, Delta incorporates a built-in reporting "drag-and-link" technology, automatic device discovery, "save-as-Web page" drawing tool, tenant portal, virtual stat, derived network addressing (DNA), and other software features that empower end-users with more flexible control capabilities.

The company is positioned for sustained growth with its high-quality, reliable automation products and services that emphasize ease of use, quick installation, BACnet standards, and interoperability.

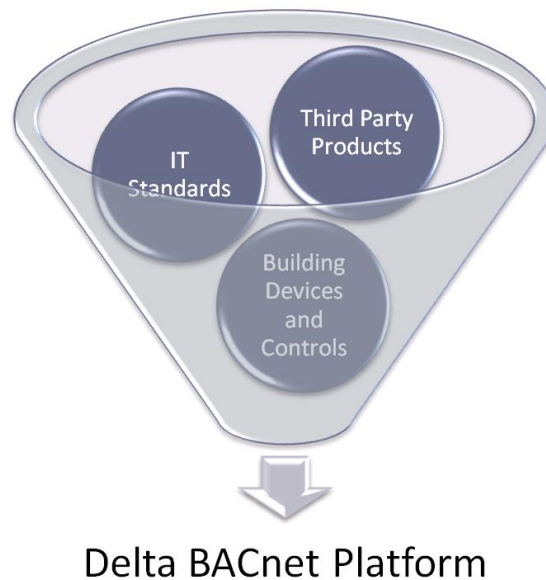
Propagating Interoperability with IT Standards

Having anticipated the technical future of the building automation industry, Delta is focused on a promising roadmap with its product line woven around standard Information Technology (IT) infrastructure. The market for building automation control systems is going through a technological transition from being proprietary to offering a more open approach for control solutions. Delta continues to be a strong proponent of open and interoperable systems supporting IT-friendly solutions for managing building facilities. Delta was the first company in the late 90s to put ethernet on its building controllers, and has maintained that until today. While the industry is still struggling with protocol issues, Delta has realized that IT is going to lead the industry in the future, and based on this wisdom, the company is firmly focused on developing and managing a product line that conforms to IT standards.

Currently, Delta is releasing a product platform placing Internet protocol (IP) controls at the unitary level - such as VAV, fan coils, heat pumps, and other smaller

controllers. This revolutionary concept not only facilitates simplification of the process of connectivity and integration, but also makes building management easier for the end-users, creating powerful solutions and sound technology to build bridges between systems and devices to accomplish true building automation intelligence.

Chart 1.1 exhibits key factors contributing to Delta's Product Differentiation Innovation Award in the North American BAS market.



Perhaps no other technology has had as profound an impact on the Building Automation market as the Internet and Delta BACnet platform is well positioned to evolve with current and future IT requirements. For the company, this translates into a huge competitive advantage and an opportunity to consolidate its leadership position. Connecting electronic devices of the various subsystems in a building through an IP backbone lies at the heart of the intelligent building concept. Delta has only one agenda, which is to offer a native BACnet building automation system that addresses the needs of the system integrators and the IT industry, providing a gateway for converging data unto an IP platform for seamless information sharing.

Expanding Through Strategic Alliances & Partnerships

In order to become the preferred supplier of building automation control systems, the company has entered into technology alliances with network component suppliers. A more recent alliance includes the Constellation New Energy Alliance,

building on demand response solutions to reduce energy costs and realize energy savings.

The technology alliances not only benefit end-users by offering standard networking devices consistent with the company's control panels, but also provide cost-effective and reliable solutions for the customers.

Delta has a strong and organized distribution channel for sales and maintenance services through independent system integrators or partners. In addition, the company reaches out to clients through extensively networked company-owned sales and services offices. Setting a priority to help customers succeed in their business and provide a quick, on-time response to their demands has set the company apart from its competitors.

Conclusion

Delta's growing accomplishments and strong revenue growth are a result of its sound vision and delivering on that vision. The company has made its mark in the BAS industry as a pioneer in the open BACnet framework. For all these reasons listed, Delta is the worthy recipient of the 2009 Frost & Sullivan Product Differentiation Innovation Award in the North American Building Automation Systems market.

Award Description

The Frost & Sullivan Award for Customer Value Leadership of the Year is conferred upon the company that has demonstrated excellence in customer values through its products and services that offer superior value to customers and aid them with increased profitability, and reduced life cycle costs. The recipient company has continually focused on providing value added products and services, addressing the changing customer needs across the industry, thereby enabling them to expand their customer base across verticals and horizontals. In addition, the recipient company has shown unparalleled commitment to lead on technological innovations pertaining to changing customer needs by offering products that are specific to both general and niche applications coupled with cost effectiveness.

Research Methodology

To choose the recipient of this award, the analyst team tracks all the manufacturers in this domain, their products, their unique value-added services to customers, and

its ability to help customers overcome their challenges in new upcoming applications. The selection process includes rigorous discussions with market participants in this domain accompanied with extensive secondary research on market and technological trends. All the data collated from market participants is compared, analyzed, and ranked to comprehend the relative positions of these companies. Company that holds the first position is declared as the recipient.

Measurement Criteria

In addition to the methodology described above, there are specific criteria used in determining the final ranking of competitors in this industry. The recipient of this Award has excelled based on one or more of the following criteria:

- Responsiveness to customer needs
- Expansion of customer base
- Offer a "one-stop shop" in response to customer demands
- Providing value added services ensuring better Return on Investment(ROI)and better product life cycle cost benefits for customers
- Enhanced quality and reliability of products
- Technological innovation and leadership to address critical customer needs
- Strategic mergers and acquisitions or joint ventures to provide additional benefit to customers

About Best Practices

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, partners with clients to accelerate their growth. The company's TEAM Research, Growth Consulting and Growth Team Membership empower clients to create a growth-focused culture that generates, evaluates and implements effective growth strategies. Frost & Sullivan employs over 45 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from more than 30 offices on six continents. For more information about Frost & Sullivan's Growth Partnerships, visit <http://www.frost.com>.

www.awards.frost.com