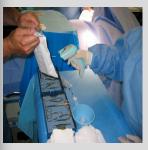
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## **Technologies Solutions Group, LLC**

### **Letter from the President :**

A year of uncertainty accurately describes 2013. The Affordable Care Act, Sequestration, and debt ceiling negotiations plague not only healthcare but the economy at large. Readmission penalties, falling CMS reimbursement rates, and across the board budget cuts have made propagating new products challenging to say the least. Uncertainty is the operable word when describing healthcare in today's environment.

With any business plan change is essential to react to market conditions and unforeseen events that occur during the product maturation cycle. As you are aware, Sani-Track, our premier product, endeavors to decrease HAI occurrences through a program of 24/7 hand hygiene monitoring. When development began HAI events were a 47 billion dollar problem industry wide. Hospitals have reacted to this by implementing manual internal plans along with industry advancements that have cut this figure to 10 billion. Although still considered a serious problem the urgency has dissipated.

Through in depth interviewing and analysis we have uncovered literally a dozen applications at the patient room level that can be addressed with Sani-Track over and above the hand hygiene initiative. We have integrated barcoding into the platform to better address some of these needs. As the industry changes and evolves we are well positioned with this platform to meet the challenges we see coming in 2014.

We have also found that there is a need for Sani-Track in a variety of other venues such as nursing homes, acute care centers, surgery centers and clean rooms. We plan on capitalizing on potential strategic alliances along with an all out push for AIDC revenue to speed up the sales cycle and ultimately a positive bottom line.

It is still our opinion that healthcare will be forced to enable efficiencies on many different levels to stabilize margins and in essence survive within their existing business model. Our primary goal in healthcare remains; Increase the level of patient care and safety while mitigating risk to the hospital. If executed effectively this should bring value to all of our investors. Through the systems and products we implement we feel we are still very well positioned to achieve these said goals and drive TSG to profitability in 2014.

My warmest regards,

Ton Jukson





#### Sani-Track System pilot at Bedford Village Nursing Home

Bedford Village Nursing Home, located in New Bedford, Massachusetts provides the following services: Nursing Home and Skilled Nursing Facility. Bedford Village Nursing Home has received 5 stars from Medicare and an average user review rating of 5 stars.

It provides medical nursing service for seniors with serious illnesses or disabilities twentyfour hours a day delivered by registered nurses, licensed practical nurses, and certified nurse aids.

Nursing care facilities cater to several types of patients: some patients require short-term rehab while recovering from surgery; others require long-term nursing and medical supervision. In addition, some nursing homes offer specialized care programs for Alzheimer's or other illnesses, or short-term respite care for frail or disabled persons when a family member requires a rest from providing care in the home.

Additionally, Bedford Village Nursing Home is a skilled nursing facility (SNF). It is primarily engaged in providing skilled nursing care and related services for residents who require medical or nursing care; or rehabilitation services for the rehabilitation of injured, disabled, or sick persons.



Bedford management will be utilizing Sani-Track for hand hygiene compliance monitoring, CMS billing verification, and asset tracking.

TSG is in talks with other Nursing Home and Assisted Living national chains.















### Lean Manufacturing; a Healthcare Industry Perspective

There are many ways to explain what Lean Healthcare is, leading to different definitions.

In the spirit of Lean principles, we submit the following brief description and definition of Lean Healthcare and invite your feedback.

Originally developed by Toyota after WWII as the Toyota Production System, Lean has become recognized as the premier process improvement system in the world.

It has gained traction in Healthcare due to significant improvements in safety, quality, lead time, and financials through the application of Lean principles and tools.

Definition: Lean Healthcare is a structured way of continuously exposing and solving problems to Eliminate Waste in Systems that deliver Value to Customers (Patients).

Lean engages all levels of the organization in the elimination of Waste in all processes.

#### The 8 Wastes in Healthcare are:

- Defects
- · Overproduction
- Waiting
- · Confusion
- · Transportation
- $\cdot$  Inventory
- Motion
- · Excess Processing

As more leaders in an organization begin leading its implementation, Lean becomes their operating model. Since Lean principles and tools apply anywhere there is flow (of products, people, or information), it can be applied to any process: operations, clinical, business office, and support services.

More recently, Lean Healthcare has been successfully applied to new facilities design, resulting in better space utilization, lower design and construction costs, and more efficient operations.

TSG is enhancing our entire product line to react to and address, LEAN philosophy.

**Russell S. Gardner III, CMO** 

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#### AIDC New Directions

Manufactures in our industry continue to consolidate. There are two major players manufacturing and distributing AIDC products through the AIDC supply chain; Motorola and Honeywell. TSG enjoys a platinum level discount with Motorola, and has been successful in passing all accreditation tests associated with qualification for same. TSG plans to use this product knowledge and discount advantage, to propagate our AIDC products through-out our varied AIDC market verticals.

TSG also represents companies that manufacture barcode printers (Sato/America), print and apply applicators (ID technology) and unique scanning products (cypherlab)



# **Medical Product Update:**



The 2<sup>nd</sup> generation design of Sani-Track is nearing completion as the development team finalizes implementation of a new USB interface for peripheral devices.

Once completed, Sani-Track will be capable of supporting external barcode scanners and other USB-based data collection devices further expanding its ability to monitor healthcare activities. In addition to the new USB interface, Sani-Track 2.0 boasts a variety of improvements to form, fit and function.

The footprint of Sani-Track has been reduced so that it consumes barely more wall space than a standard sanitizer dispenser itself. The dispenser mounting system has been redesigned to better seal the electronics compartment against water and dust infiltration.

This new system hides the mounting features themselves for improved aesthetics and a cleaner look, and allows Sani-Track to be mounted in tighter spaces underneath cabinetry and other wall-mounted devices.

Sani-Track software continues to be updated and enhanced. Some of the major updates included additional reporting capabilities and automated data delivery.

Future enhancements and software plans include a User Interface (UI) facelift, updated reports, and possible iOS and Android applications for visibility and management.



## Website Update:

The TSG website went through a major redesign and is looking better than ever. The plans are that the website will become a hub though which current and perspective clients will be able interface with every aspect of TSG business. They will have the ability to see the latest news, follow us on social media (Twitter, Facebook, etc.), place support tickets, get information and browse our entire product line.

#### **CURRENT EVENT HEADLINERS:**

- Bedford Village Nursing Homes Sani-Track pilot operational. ٠
- TSG begins talks with Capital Funding Group's healthcare segment, comprised of 60 nursing homes.
- TSG amass industry experts to begin grant writing process, to be titled; Healthcare Hierocracy, Impediment to Change
- TSG contracts with Ameritech for 3<sup>rd</sup> equity based capital raise.
- Visi-Sponge surgical system being re-tooled to address Lean Manufacturing principles.

















#### AIDC Sales Update:

**Campbell Soup-** TSG implemented a network based inventory control system which would receive and disseminate ingredients To 22 Campbell soup kitchens for manufacturing of sample pouches and testing. System included portable wireless terminals for tracking, barcode printers, warehouse rack labeling and integration services.

**National Security Agency**- TSG was contracted to perform an application analysis of how NSA processes shipments at their packaging stations in their primary warehouse facility. After said analysis TSG recommended replacing existing laser printers with wide mouth direct thermal printers. With the volume that they generate this should improve throughput by 25%, decrease the overall cost of the labels and drive down service and maintenance costs to virtually nothing. TSG will be replacing 10 packaging stations while securing ongoing label business.

**Serta** – A Serta manufacturing plant in Landover MD was looking for an automated solution for merchandise return. TSG surveyed the situation and suggested that the fleet use batch portable terminals for the pickup and reconciliation process. TSG wrote an application that allows the truck driver to scan mattress and manifest and print a receipt for the customer. All data is downloaded upon return to the terminal and imported into Serta's existing ERP system. Future plans for this equipment include sales order entry and route accounting.

### **TSG Employee Profile**

#### Chanelle Akpabli



Chanelle is TSG's office manager and lead accounting tech. She is working towards completing a bachelors degree in accounting.

Chanelle has been with TSG since its inception, and with Tom since she was 20 years old – around 10 years. Her goal with TSG is to meet diverse management demands, keep books in order and help keep office running smoothly

On her off time Chanelle enjoys, writing, looking over books of art, cycling, trying out new recipes on family members, and enjoy listening to music . Chanelle has been married almost 7 years and lives in the Baltimore area with two dogs – a Doberman pincher and pit-bull mix.