

TeleContinuity Inc.

BY CAROLYN TASCHNER
Daily Record Assistant Editor

When Hurricane Katrina pummeled the Gulf Coast, she left the area's communication systems nearly paralyzed. Widespread destruction, extensive flooding, mass evacuations, and power and phone outages left the usually buzzing business center of New Orleans desolate.

Weeks after the storm, even if telephones were ringing in office buildings, in many cases, no one was there to pick up. For such emergencies, a Rockville company is answering the call.

TeleContinuity Inc. links the traditional public telephone system with an Internet-based calling network to forward incoming calls to any device subscribers specify when an outage or emergency — fire, earthquake, flood, terrorist attack — forces them away from their usual lines of communications in a hurry.

"We're not a carrier; we're just there to maintain communications in emergencies," said Roy Pinchot, chief executive.

Fail-proof technology

A call dialed to a phone in an evacuated building rings on the subscriber's cell phone, home phone, laptop, PDA or other voice-enabled device, without the caller even realizing their call was forwarded by TeleContinuity.

To activate TeleContinuity service, subscribers must contact the company via Internet, e-mail, text message or phone (800-number) and specify where they would like to receive calls. TeleContinuity can have voice communications rerouted and in operation within minutes of receiving a subscriber's activation request.

The service costs \$5 to \$10 per month, per phone line, Pinchot said, plus an initial set-up fee. TeleContinuity charges usage fees of 5 cents to 8 cents per minute if it reroutes calls through a telephone line, but there is no usage fee for calls rerouted through an Internet connection.

The company's patent-pending technology requires no equipment at clients' offices, relying instead on nine switching

portals — points of presence (POPs) — scattered throughout the country. The company plans to have 100 POPs in place by this time next year.

When a subscriber chooses to active TeleContinuity's service, software and the POPs automatically intercept incoming calls and seamlessly transfer them from the public phone network to the Internet by converting voice to data packets that travel like e-mail. The service is a way to route calls around parts of the public phone system that are down or clogged because of an emergency event.

the Maryland Technology Development Center incubator in Rockville to perfect and market the product.

The state of Maryland invested in the startup, and the **Maryland Industrial Partnership** granted funds. The company won an 18-month, \$1.7 million **National Institute of Standards and Technology** grant in 2004 that really "got the ball rolling," said Pinchot. "That put us in business."

Currently, an initial round of angel investments keeps the 15-person company afloat. The company is in its second round of financing. Pinchot anticipates TeleContinuity will become profitable some time next year.

Last November the company opened an office in Chicago to push its product to the commodities and financial services industries. Pinchot said he is looking for new office space in Maryland and plans to graduate from the incubator within the next couple of months.

TeleContinuity's network went live a year ago, but the London subway bombings earlier this summer and Hurricane Katrina piqued government and private interest in the technology. The situations

showed what can happen to communications during emergencies and "definitely brought it all home" for companies questioning the need for a telecommunications continuity plan, Pinchot said.

"People realized for the first time that cell phones were not a continuity plan," he said.

TeleContinuity has "a couple thousand" phones on the system now, but it is equipped to handle many more. "It is possible to cover every phone line in the U.S.," Pinchot said, with some upgrades, though the most likely clients are those that must continue to function in emergencies. Government agencies and finan-

"We're not a carrier; we're just there to maintain communications in emergencies."

Roy Pinchot
Telecontinuity Inc.

"There is no single point of failure in the entire system," said Pinchot. The network's ability to flip-flop between the public phone system and the Internet, using switching centers throughout the country and bypassing areas affected by disasters, makes the technology fail-proof, he said.

If networks are disabled in New York, for example, a portal in Chicago could provide coverage to connect phone calls, seamlessly bouncing an incoming call between phone and Internet lines. In fact, disabled networks in New York inspired the technology.

Answering a need

After the Sept. 11, 2001 terrorist attacks temporarily halted Wall Street and Pentagon business, Roy Pinchot, Raul Vera and Michael Rosenberg saw the need for telecommunications continuity and formed TeleContinuity. Vera came up with the technology, and the startup moved into

Each issue of TechLink will feature a snapshot profile of an IT, biotech, telecom or other related startup working out of one of Maryland's business incubators. To recommend an incubated company, please contact Kristen Keener at (443) 524-8165 or via e-mail at kristen.keener@mddailyrecord.com.



ERIC STOCKLIN

From left: Michael Rosenberg, executive vice president; Roy Pinchot, chief executive officer; Raul Vera, chief technical officer

cial services clients were the first to show interest.

Business also was spurred by a late June regulation President George W. Bush signed requiring federal agencies to hammer out a telecommunications continuity plan to maintain service during a crisis or emergency situation.

"There is no other way because there is no other system," Pinchot said; he claims TeleContinuity's communications contingency technology is unique.

Businesses calling

Since May of this year, TeleContinuity has signed on **CapitalSource Inc.**'s New York office and the **U.S. Office of the Comptroller of the Currency**. **Booz Allen Hamilton Inc.** is offering TeleContinuity's service to federal agencies in various contract packages. The **Securities Industry Association** is offering member firms the service at a group discount. **MCI Inc.** is offering TeleContinuity's service in packages for federal and state government customers, and the state of Virginia has signed on for the service.

TeleContinuity also is fielding inquiries

from at least 14 other states, Pinchot said.

No government agencies or businesses in the Katrina-affected region had a TeleContinuity subscription on which to rely when the storm struck, Pinchot said, but the catastrophe might compel more people to think about preparedness.

"One of the things that Katrina has done is explain to people just how quickly phones can go down," he said.

In hindsight, officials on the Gulf Coast could have used TeleContinuity's network to maintain government contact, keep lines of voice communication open for crucial businesses, or even connect evacuated survivors to separated loved ones through rerouted home phone numbers, Pinchot said.

He said it is possible to subscribe users after an evacuation, but they would need a land-line dial tone or a working Internet connection and a cell phone, laptop or other voice device to set up the network electronically within a few hours.

The communications breakdown caused by Hurricane Katrina reinforces TeleContinuity's call for governments and businesses to prepare for such emergencies with the company's rerouting network.

TeleContinuity Inc.

Location: Maryland Technology Development Center

9700 Great Seneca Highway
Rockville, MD 20850

Phone: (240) 453-6308

Web site: www.telecontinuity.com

Founded: October 2001

Top executives, founders:

Roy Pinchot, Chief Executive Officer

Raul Vera, Chief Technical Officer

Michael Rosenberg, Executive Vice President

Purpose: Provides backup voice communications for government and business in the event of natural or man-made disasters by rerouting incoming calls and delivering them anywhere to any telecom device.

No. of employees: 15

"When there are tragedies — these kinds of disasters — it focuses peoples' minds on what they can do," Pinchot said. "It gives people a dose of realism."