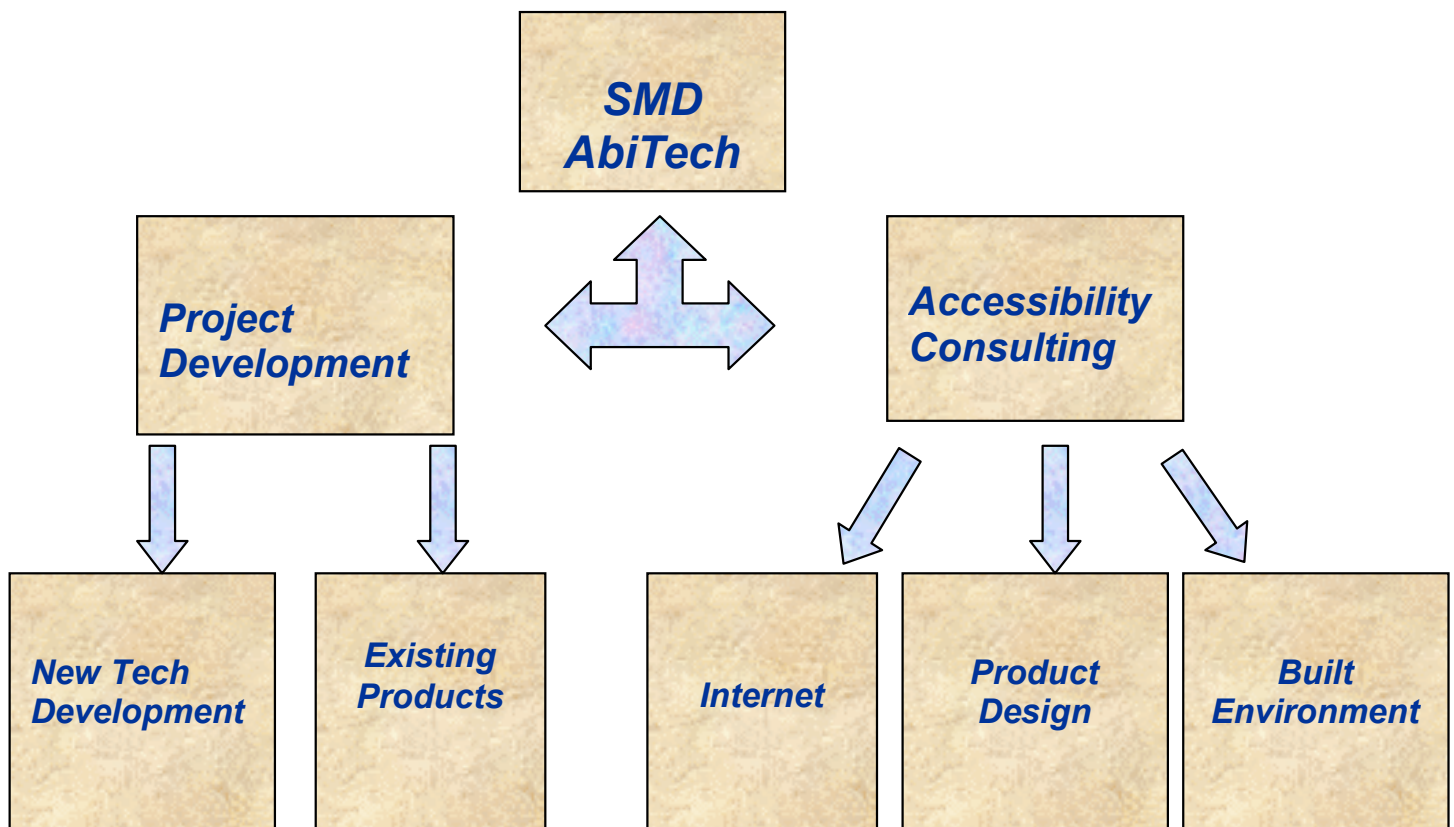


SMD AbiTech (Intended for Project Development)

1.0 Who Are We?

SMD AbiTech (Abilities and Technology) is a unique new Canadian initiative that accelerates the development and application of technology to improve the lives of people with disabilities and develops/refines commercial products to meet the needs of the high growth "baby-boomer" generation, many of whom will experience a loss of abilities associated with aging. SMD AbiTech also provides accessibility consulting services. SMD AbiTech draws together the expertise and support of private, public, and voluntary organizations across Canada. The diagram below represents AbiTech's areas of involvement:



2.0 Mission Statement

To be a leading Canadian Centre that accelerates the development and application of technology to improve the quality of life and productivity of individuals with disabilities; drawing together the expertise and involvement of private, public and voluntary organizations across Canada.

3.0 SMD AbiTech's Objectives:

- Establish leading capability in discovery, testing, application, and promotion of technologies to meet the needs and potential of people with disabilities;
- Implement technology development projects in a wide range of product and service segments to meet emerging consumer needs;
- Support Canadian business ventures by providing marketing insights, product evaluations, and product development criteria;
- Achieve mass appeal in broader markets by employing universal design techniques in technology applications, products and services;
- Build long-term alliances with international suppliers, manufacturers and venture capital providers to reach international markets; and
- Earn revenues from private and public sources, and support from charitable sponsors, to build a centre that is self-sustaining, and contributes to excellence of participating social service agencies and staff.

4.0 Why Are We Doing This?

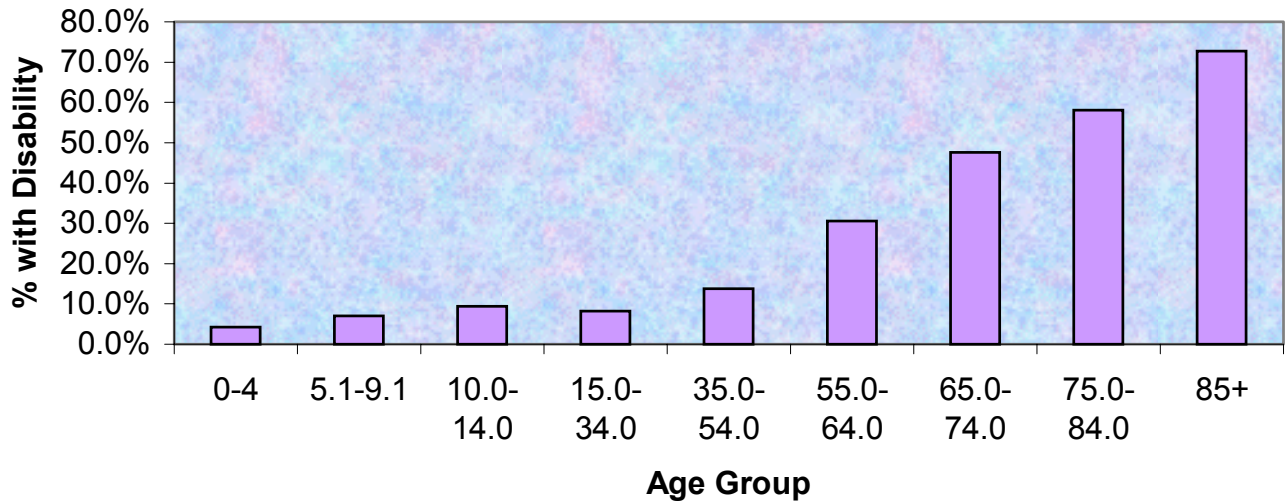
A convergence of business, social, and demographic variables have materialized that places SMD AbiTech in a position to provide solutions to a large and growing issue. In Manitoba, Canada, North America, and the World, populations are aging. For example, seniors in the Canadian population will grow from 3.5 million people in 1996 to an estimated 6.9 million by 2021. Similarly, by 2020 half of Europe's population is projected to be over 50 years old. These massive and sweeping demographic changes will impact business and social realities.

At least two forces are increasing the age of populations. The first is increased life expectancy. The second force is the aging of baby boomers. Currently baby boomers represent 1/3 of Canada's population. The first baby boomers, born in 1946, will turn 60 in 2006. A result will be the rapid growth of Canada's 60+ population. The growth rate of the seniors' population is therefore forecast to be many times larger than the growth rate of the overall population (growth ratio 3:1).

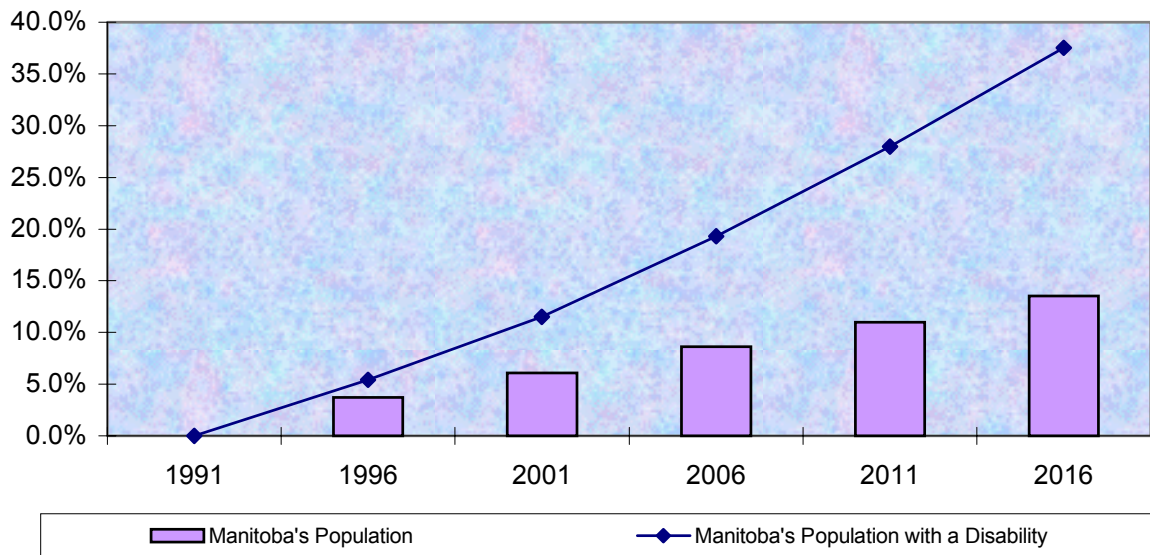
As the population ages, the incidence of disability will also increase as a direct relationship exists between aging and loss of abilities. Simply put, as individuals' age,

their abilities decrease. Therefore, the growth in numbers of people with disabilities is also forecast to grow at rates well above the growth rate of the overall population.

Disability Increases with Age



Population Increases in Percentage against 1991 levels



The demographic trends dictate governments will have to seek new solutions to enable the medical system to manage the unavoidable increase in demand. Governments seeking solutions will pose an opportunity for industry. However, industry players also must mitigate a threat. Industry will have to ensure products are designed to effectively compete in the shifting market that will be increasingly dominated by seniors and people with disabilities. The baby boomers that will soon dominate this market space will be affluent, have high levels of education, a high comfort level with technology and increased quality of life expectations as they age. This population segment will have some of the highest levels of discretionary income in history, and a strong desire to maintain an independent lifestyle and high quality of life. However, they will have higher expectations for consumer products to be accessible and enabling.

SMD AbiTech's key comparative advantages are expert knowledge of the needs of this specialized market, and unique linkages to peer agencies. SMD is a member of the Easter Seals/March of Dimes National Council. The affiliation provides the agency with a means of exchanging information of importance to people with disabilities with organizations across the country. The member organizations that make up the National Council have a combined annual operating budget in excess of \$100 million and are the single largest providers of community-based programs and services to people with disabilities in Canada.

Specifically, SMD AbiTech can provide the following:

- Leverage 50 years of experience working with the disabled community and managing an \$8 million program;
- Connect with 35,000 disabled clients;
- Links with provincial and national health agencies;
- Connected with industry & academia;
- Respected by public & private sponsors;
- Experienced in business and technology; and
- Possesses a successful Product History.

5.0 What We Offer Industry

5.1 Background

Demographics indicate that the number of seniors and people with a disability is expected to increase at a rate three times faster than that of the general population. This market space therefore represents a huge market opportunity that should yield significant returns. Additionally, aging baby boomers will be driving the growth of the disabled population. Baby boomers are forecast to have the highest levels of discretionary income in the history of the world, and are prepared to spend money on products that will help maintain independence and a high quality of life. This is a market of opportunity.

"The buzz about the disabled market is likely to become a roar when the results of Census 2000 are released"

5.2 Who Can SMD AbiTech Help?

5.2.1 Established Industry

- **Product Development and Refinement**

The aging consumer base means products will have to be more accessible. An aging population will experience a wide variety of lost abilities, and often multiple disabilities for individuals. Consider the single lever faucet, designed for people with disabilities. However, because the design represented a product improvement – a move to a more user-friendly product for everyone, the simple design change resulted in a huge market share for the innovative firm. Additionally, competing tap manufacturers became forced to add the feature to product lines, or risk losing a large market segment. SMD AbiTech specializes in product development and design to ensure products incorporate accessibility aspects and are poised to succeed in the changing market.

- **Increased Productivity and Competitiveness**

Strategic employers are recognizing that demographic trends will have important employee and corporate impacts. Just as the general population is aging, so too is the workforce. Older workers are vulnerable to more frequent and serious incidences of functional limitation. Smart Workplace programs that ensure that today's, and tomorrow's employees with disabilities can be as effective and efficient as possible are a good investment in ensuring an aging workforce will also be able to participate effectively and efficiently for years to come.

Additionally, an "accessibility" initiative can improve productivity. Consider the single lever faucet example again. A single lever faucet was a product improvement for people with disabilities that had dexterity problems limiting the use of turning on and off two knobs. The single lever faucet, because of ease of use, is also more efficient. For example, if I wish to wash an apple with a single lever faucet, I can: 1) take the apple from the fridge, 2) turn the tap on, 3) wash the apple, 4) turn the tap off, and 5) eat the apple. With the other system I must: 1) take the apple from the fridge, 2) put the apple down, 3) turn the taps on, 4) pick the apple up, 5) wash the apple, 6) place the apple down, 7) turn the taps off, and 8) eat the apple. Through the design of accessible products and processes, human energy is maximized, and efficiency results.

SMD AbiTech can work with established producers to apply universal design to their operations with the goal of improving the efficiency of operating systems.

5.2.2 New technology entrepreneurs

New technology entrepreneurs realize the potential of the seniors and disabled market space but need assistance with product development. Some examples of the services AbiTech offers to industry include:

5.3.3 Services Offered

- Research - assess needs & outcomes
 - Product Development, Testing and Refinement
 - Utilization - test, adapt & apply
 - Promotion - inform, educate & train
 - Strategic Planning
 - Business Planning and Networking
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