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INSTEON Alliance/SmartLabs, Inc., Booth #25908, South Hall 2, LVCC

INSTEON Has 40% Market Share of the Emerging Home Control Marketplace Says West Technology Research With New INSTEON Alliance Members OSRAM Sylvania, D-Link and Best Buy, 2007 Poised to be a Good Year for INSTEON

CES Las Vegas, NV – Jan. 7, 2007 – SmartLabs, Inc., the inventor of the INSTEON wireless home control networking technology and organizer of the INSTEON Alliance, announced today that new research by West Technology Research Solutions finds that INSTEON has 40 percent of the emerging wireless home control market with its INSTEON wireless home control networking technology.

"In our estimation, INSTEON has 35 to 40 percent of the emerging home control market," said George West, senior analyst at WTRS, one of the premier independent analyst firms closely tracking the competitive landscape for emerging wireless networking systems for the home. "In 2006, INSTEON had more design wins and products ship than competing technologies."

"Manufacturers are looking for near-term revenue opportunities and home control is a nascent market that could turn into a multi-billion dollar revenue opportunity," continued West. "The INSTEON strategy is a sound one: to ensure that INSTEON technology is integrated in core home subsystems while working with players like Hewlett-Packard, D-Link and Best Buy to link home automation with communications and entertainment in the home."

The INSTEON Alliance has steadily grown the market share for INSTEON-enabled products by concentrating on manufacturers of core home subsystems—a strategy that will lead to the introduction of over 60 INSTEON-enabled products from 50 different manufacturers in the first half of 2007.

"Competing technologies may have mindshare, but we've got market share," said Ken Fairbanks, vice president of business development at SmartLabs and spokesman for the INSTEON Alliance. "More manufacturers are designing products with INSTEON technology and we have a larger installed base. Today there are 18 different manufacturers with 36 INSTEON-enabled products. With significantly more manufacturers and products on the way, we've generated great momentum for INSTEON going into 2007."

Key new INSTEON Alliance members include OSRAM Sylvania, D-Link, Venstar and Best Buy For Business. INSTEON Alliance partners include the world's largest manufacturers of core home control subsystems:

- **OSRAM Sylvania**, the second largest lighting enterprise in the world
- **D-Link**, the worldwide leader in networking solutions for the home
- **Broan Nu-Tone**, the market share leader with over 80% of the ventilation-fan market
- **Balboa Instruments, Inc.**, the world's largest supplier of electronic controls to the pool and spa industry
- **Venstar**, a leading manufacturer of residential thermostats, sold under the Carrier brand
- Weiland Sliding Doors, a manufacturer of European-style sliding window doors distributed through Anderson and Pella Windows
- **BRK Electronics**, a manufacturer of residential safety products, including fire alarms, carbon monoxide detectors and security sensors, sold under First Alert and other brands

"Thanks to INSTEON, manufacturers can inexpensively integrate home control technology into their products," continued Fairbanks. "The ease of installation and out-of-the-box interoperability are strong selling points—for end users as well as manufacturers—and these benefits are backed up by the effective INSTEON go-to-market strategy."

INSTEON-enabled products coming to market include products for lighting control, security and safety control, ventilation and comfort control, pool and spa control, access control and environmental control, as well as multiple home automation software applications that make home control and management possible from anywhere in the world via computer or mobile device.

In all, 13 INSTEON Alliance partners will demonstrate their INSTEON-enabled home control products at the SmartLabs booth, #25908, South Hall 2, Las Vegas Convention Center (LVCC). D-Link will preview its INSTEON-enabled router, Venstar will preview its Carrier brand of thermostats, Broan Nu-Tone will unveil its complete line of SmartSense ventilation fans using the INSTEON technology and Weiland Sliding Doors will demonstrate INSTEON-enabled remote control of its high-end window walls.

New home automation and control software from HomeXperience, PowerHome,
Promixis and Universal Devices, as well as Embedded Automation and Cortexa
Technology, will show how homeowners can manage their home using their controller of choice including a keypad, personal computer, media center or mobile device.

For more information about INSTEON and the INSTEON Alliance, please visit www.insteon.net.

About INSTEON

SmartLabs' INSTEON wireless home control networking technology uses a simple, low-cost combination of wireless and power line communications to link core home systems such as lighting, security, comfort control, consumer electronics, appliances and safety sensors, allowing them to be controlled or monitored from anywhere in the world. INSTEON-enabled products also bridge to other networks, such as Wi-Fi LANs, the Internet and telephony and entertainment distribution systems, allowing INSTEON to serve as the foundation for a very robust integrated home control environment. The INSTEON Alliance offers a focused community for developers and manufacturers to incorporate the INSTEON standard into their products. Information about INSTEON can be found at www.INSTEON.net.

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