

## **FiberZone Secures \$12 Million in Funding to Advance Fiber Automation for Data Centers and Networks**

- *Funding to expedite rapid customer deployment of FiberZone's Automated Fiber Management (AFM) platform eliminating the industry's last manually-operated element in data center and network management*
- *Addressing a multi-billion dollar market opportunity, FiberZone's groundbreaking patented LOC technology facilitates the migration to new cloud services*
- *FiberZone's AFM customers include several major co-location and interconnection Internet hubs in the U.S. and abroad*

**Washington D.C. — August 3, 2011 —** FiberZone Networks, the leading provider of Automated Fiber Management (AFM) solutions for data centers and networks, announced today a \$12 million round of financing led by S-Group Capital Management. This investment will allow the company to continue to aggressively deploy its groundbreaking remote fiber connectivity solutions platform. Existing investors Novak Biddle Venture Partners also participated in this round. FiberZone announced today the appointment of Mr. Vladimir Yakushev, managing partner and Mr. Aidar Gabidoullin, partner at S-Group Capital Management, to its board of directors.

“We seek out innovative business ideas and experienced leaders, invest in companies that have the potential to become significant, and aim to generate an above-average financial return. We invest across a broad range of industries and at all stages of a company's growth.” said Mr. Vladimir Yakushev, managing partner at S-Group Capital Management. “FiberZone’s technology has solved a critical problem for next generation networks being deployed today by automating fiber management; thereby service providers can minimize network outages and restore service more quickly when they occur. With very strong optical performance, a power-less latching mechanism, and scalable, low-cost architecture, FiberZone is a strong and significant investment in our portfolio.”

“Datacenter operators are increasingly faced with the challenge to minimize labor requirements, eliminate database mismatches resulting from human error, optimize capex, facilitate testing and maintenance, and most importantly – launch new services to drive top-line revenues. FiberZone’s AFM platform facilitates new high-margin revenues, significantly offsets other capital expense and reduces operating expense, delivering a return on investment within less than one year.” said Tom Scholl, General Partner, Novak Biddle Venture Partners. “With this new infusion of capital, FiberZone has the means to maintain its leadership position in fiber automation, a critical market that only continues to grow as a massive build-out of high-speed access services increase worldwide.”

“With several industry-leading customers across 4 continents, FiberZone is uniquely positioned to address new global market opportunities including facilitating many of the world’s largest data center operators’ rapid migration to new cloud services.” said Dr. Hemant Kanakia, Chairman of the Board. “Our strong customer demand validates that real ROI is the core driver of the emerging fiber automation segment and FiberZone has emerged as the recognized leader.”

“With this funding round FiberZone will embark on a rapid sales and business development expansion in developed countries as well as emerging markets to address the explosive growth of next generation networks and data centers in the communications industry. The market for our products is experiencing tremendous growth, and we are now well positioned to benefit from that growth. We will be locating an increasing part of our operation in the U.S. in the next few months, and look forward to continuing to provide a strong value proposition to our customers” said Yosi Lahad, FiberZone's CEO.

### **About S-Group Capital Management Limited**

S-Group Capital Management (S-Group) is a private equity and venture capital company based in Moscow, Russia. S-Group manages financial assets of private investors headed by Mr. Alexei A Mordashov, the majority shareholder and CEO of OAO “Severstal” and ZAO “Severgroup”. S-Group Capital Management considers a wide variety of investment opportunities ranging from venture capital investments in high technology companies to developing strategic partnerships with international conglomerates in Russia. For more information, please visit <http://www.sgcm.ru>

### **About Novak Biddle Venture Partners**

Novak Biddle Venture Partners is a leading early stage venture capital firm focused on unique, cutting-edge technology investments in the Eastern United States, as well as targeted opportunities nationwide. With \$580 million under management, Novak Biddle operates five venture funds that currently provide equity financing and management assistance to 42 portfolio companies. Novak Biddle continues to seek business situations where the combination of ideas, dollars, experience, and relationships can create long term, sustainable value. A sampling of companies funded by Novak Biddle include: RFID first-mover Matrics, voice over IP trailblazer Telogy, education technology leader Blackboard Inc. and intelligent video surveillance pioneer ObjectVideo. For more information, visit [www.novakbiddle.com](http://www.novakbiddle.com).

### **About FiberZone**

FiberZone Networks delivers remote fiber connectivity solutions to datacenters and networks with its Automatic Fiber Management (AFM) product line, delivering reliability, flexibility, fault tolerance and management to the fiber infrastructure. FiberZone's AFM significantly increases network reliability and availability, reduces operating costs, minimizes network faults and human errors, and prevents revenue losses & SLA (Service Level Agreement) penalties. FiberZone's AFM product line utilizes patent-pending Latched Optical Coupling (LOCTM) technology that delivers reliable passive connectivity in a remotely-managed automated fiber management system. FiberZone's AFM product line has been deployed by leading datacenter and network operators in the U.S., Asia, and Europe. For more information, please visit <http://www.fiberzone-networks.com>

**For Press Inquiries, please contact:**

Sabrina Joseph  
Managing Partner  
[Morphoses](#)  
560 S. Winchester Blvd., Suite 500  
San Jose, CA 95128  
Tel: (408)236-7373