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## Company Press Release

SOURCE: Teligistics.com, Inc.

# Online Long Distance Rate Comparison Sites Flawed

## Consumers Inability to Read Billing and Biased Plans Skew Effectiveness

**HOUSTON, TX – October 9, 2000** - Teligistics.com President & CEO David Roberts announced today a warning about shopping for telecom products and especially long distance from a spate of new telecom procurement sites on the Internet.

Roberts commented, "It is amazing to me how many new telecom sites have recently popped up on the Internet eschewing a consumer watch-dog approach to offering long distance rate plans. What is even more incredible to me is the amount of money these sites have attracted in venture capital".

Roberts continued to warn, "The inherent problem with these sites is that the residential and commercial consuming public do not understand their current long distance bill to begin with. Many of these sites promote themselves as a consumer watchdog public service site for long distance rates, when in fact they are not unbiased, as they have resell or agency agreements with most, if not all of the carriers whose rates they post".

"To apply a rate plan to a company's or residential long distance plan without examining specific calling patterns, tendencies, and applications specific to the user is extremely flawed and could end up costing the user more than their old rate plan", claimed Roberts.

"Millions of dollars have been poured into approximately a half dozen sites with this similar business model. I predict most of these sites will fail by the time a second or third round of financing is needed. Just the fact that these sites have attracted this level of venture capital tells me there are many venture capital firms with more money than knowledge of the telecom and long distance markets. Purchasing long distance from a carrier is much more complex than simply quoting a rate plan. Not much if any consideration is given to applications solutions or other fees and factors that affects the net costs of these plans," quoted Roberts.

Roberts added, "The sites that offer some type of bill analysis fare somewhat better, but are still hampered by the same bias toward the rate plans they select to post and carriers they represent. Additionally, what happens if there is a problem or customer service issue? The fact is most of these sites do not have the back office support to handle customer inquires and trouble tickets. Most will refer you to the carrier if there is a problem and with margins squeezed at the carrier level, the customer support departments at most carriers are stretched thin and on hold times are unbelievably lengthy. These sites are no different than a boiler-room operation, except that the plans are marketed online and once the sale is made – forget it!"

Roberts claims the best way to evaluate a rate plan is to first understand your current bill to know what your calling patterns actually involve. For commercial users, it is somewhat more complex and time consuming as many long distance users receive detailed billing that may be several feet thick for heavy users and may require a consultant to fully evaluate this billing and their applications.

"Without a billing expert breaking down that bill and uncovering your true telecom "fingerprint", applying a new rate plan is only a guess and could end up costing more money than the plan they are trying to replace," said Roberts.

Teligistics.com, Inc. is a leading telecommunications consulting firm that uses patent-pending technology to reduce client telecom expenses in long distance, local services, data, and Internet applications. The company uses

proprietary software named "The Analyzer" to construct RFQ's using one of the largest tariff rate, discount, and promotional databases in existence for clients. Additionally, Teligistics.com uses this software application to audit the monthly billing for clients that is produced by telecom providers and to perform outsourced telecommunications services. To learn more about Teligistics.com, visit its Web site at [www.teligistics.com](http://www.teligistics.com).