SONY

Sony Electronics Inc., Security System Group

1 Sony Drive, Park Ridge, New Jersey 07656 Telephone (201) 358-4954 Fax (201) 358-4927 www.sony.com/professional

June 28, 1999

Dear National Account Branch Manager:

Enclosed is information introducing Sony's **HSR-1 Digital Video Recorder**. Sony Security Systems is proud to introduce this important new product and share this information directly with our Security National Account customers.

HSR-1 Advantages:

The HSR-1's unique features are its high performance capability and low maintenance costs. By utilizing a hybrid design including a hard disk drive (HDD) and a digital video (DV) tape, the HSR-1 can achieve higher mechanical reliability at reduced maintenance costs and at higher resolution compared to conventional time lapse recorders. The HSR-1 also incorporates built-in multiplexing capability, which allows for independent recording and monitoring of up to 16 camera inputs.

Enclosed in this package is the following information:

- HSR-1 brochure
- VHS demo tape (9 minute length) providing an overview of HSR-1 Features, applications and additional information
- A product maintenance comparison of the HSR-1 to conventional VHS Time Lapse Recorders

I am sending this package to your attention with the request that you share it with your sales personnel. Although your branch may have already been introduced to the HSR-1 by your local Sony Security Systems Sales Representative, we want to make certain this information is made available in a timely manner.

Please contact your local Sony Sales Representative for a demonstration of the HSR-1. Or you may call Sony's product support number at 1-800-883-6817 or visit our website at www.sony.com/professional for additional information.

Thank you for your time in reviewing and distributing this product information.

Sincerely,

David Harrell

National Accounts Manager Sony Security Systems

DHanell

Sony Electronics Inc.

Maintenance Comparison of the HSR-1 Digital Hybrid Recorder And Conventional VHS Time Lapse Recorders

By utilizing a hybrid design incorporating a hard disk drive (HDD) and DV tape drive, the HSR-1 Digital Hybrid Recorder can achieve higher mechanical reliability and reduced maintenance as compared to conventional time lapse recorders working continuously during the recording process. The DV tape drive works only while recording the image data when transferred from the HDD, leaving the tape transport and heads in the HSR-1 Digital Hybrid Recorder stationary most of the time. Thus, mechanical transient motion and head running time of the HSR-1 Digital Hybrid Recorder are dramatically reduced to approximately 25% compared with conventional time lapse recorders. This reduction in running time translates into significantly higher recording reliability and dramatically reduced usage of the recording heads, capstans, motors and tensioners, resulting in reduced running costs. Simply put, the HSR-1 Digital Hybrid Recorder will run approximately four times longer than conventional VHS recorders before requiring major service (head, capstan, guides, and tensioners).

Conventional time lapse video recorders, running in 24 hour mode, typically require service/overhaul after one year or 8,760 hours. The HSR-1 will run for 4 years or 35,040 hours under the same conditions*. Following from this, using \$350 as an average service charge for overhauling a conventional VHS time lapse recorder, the HSR-1 Digital Hybrid Recorder can save you more than \$1,000 in service costs alone over a four-year period of ownership. Of course, the \$1,000 savings is just part of the benefit. Customer dissatisfaction due to removal and installation of the product, service calls to the end user location, time the unit is out of service and the expense associated with loaner product while the recorder is being overhauled are all to be considered.

In 24 Hour Recording Mode over a Four Year Period:

HSR-1 Maintenance Cost = \$350.00 Traditional VHS Maintenance Cost = \$1,400.00

Maintenance Cost Savings* = \$1,050.00

^{*} These figures are for comparison only. They assume recording in 24 hour mode on both a conventional time lapse video recorder such as the SVT-L200 and the HSR-1 Digital Hybrid Recorder using DV270MEM2 DV tape. Results may vary with operating conditions such as temperature, humidity and cleanliness of the operating environment.

-2-

Tape Running Cost Comparison of the DV270MEM2 DV Tape and Hi Grade VHS Tape

Conventional time lapse recorders subject VHS tape to high levels of stress brought about by the rotary head constantly turning on the tape while recording. The HSR-1 Digital Hybrid Recorder, utilizing a hybrid design, stores recorded information constantly to its internal hard disk drive, streaming the information to the DV tape drive at intervals that require it to run only 25% of the time. Because of this, not only is the mechanical life of the DV tape drive substantially increased, but reusability of the DV tape is also dramatically extended, as compared to VHS. *In fact, each DV270MEM2 DV tape can be reused 1,000 times without any noticeable recording or playback deterioration, or approximately twenty times longer than High Grade Professional VHS tapes. Just as important, storage space requirements and tape rack systems can be reduced by 95% due to the high reusability of the DV tape.

In 24 Hour Recording Mode over a Four Year Period:

HSR-1 DV Tape Usage = 1.5 DV270MEM2 tapes Conventional VHS Time Lapse Recorder Tape Usage = 29.2 High Grade VHS Tapes

End User Price Comparison:

(Two) DV270MEM2 DV Tapes = \$ 99 98 (Thirty) High Grade VHS Tapes = \$203.10

Tape Cost Savings using the HSR-1 = \$103.12

 These figures are for comparison only. They assume recording in 24 hour mode on both a conventional time lapse video recorder such as the SVT-L200 and the HSR-l Digital Hybrid Recorder using the DV270MEM2 DV tape. Results may vary with operating conditions such as temperature, humidity and cleanliness of the operating environment.