



For Immediate Release

Total Billings, Inc. Bucks Trend, Closes \$3.0 Million Round

Venture Capital seems to grow more scarce, and Investments Groups more cautious with each passing quarter – however, the right formula can bring success.

For Total Billings, Inc. (TBI), a twenty-three year old Fayetteville Company, with a renewed entrepreneurial and innovative spirit, the winning formula was a well-defined business strategy, a differentiated product offering, an experienced management team and a rapidly growing customer base.

Total Billings, Inc. as its name implies, is engaged in providing businesses and government organizations with a wide range of billing services. Since its inception over twenty years ago, it has been a pioneer in offering its clients "Best of Breed" solutions for the outsourcing of invoice production and distribution. In March 2001, it launched Total Mail Manager (TMM), a web-enabled software application that allows Total Billings' customers to maintain complete control over their outsourced transaction processing functions and choose from a wide range of web-enabled transaction processing services.

Earlier this year, Total Billings' President Greg Stadermann, engaged Commerciality a Durham based consulting group led by Reid Conrad. Commerciality, helped refine TBI's emerging strategy. A series of presentations to Venture Capital Groups throughout the Southeast this spring caught the attention of both Dogwood Equity and Frontier Funds who collectively invested \$3.0 million. These funds will be used to add additional sales staff, continue to improve the TMM capabilities, and provide working capital to finance growth.

TMM is a secure, Internet based platform that captures data and tracks mail from its earliest stage of production, through the hand-off to the USPS delivery channel. The TMM platform provides real-time interactive links between the mailer, the mail production facility and the postal service. Data is archived providing an easily accessible audit trail and historical record of every mail piece. This Net-collaboration technology enables all parties involved in the process

to work hand-in-hand as partners rather than in a serial, over the wall mode. TMM fosters real time communications between TBI and their customers. They can simultaneously look at shared information files, individual documents and job status details. This is a major advancement over the process employed by other mailing services businesses that simply send data from PC to PC or mainframe to server.

This interactive application fulfills the market's need for enhanced back office / front office processing efficiencies by providing functionality that streamlines Customer Relationship Management, Process Management and Distribution Channel Management.

Through the TMM platform, TBI has connected the dots between traditionally disparate document transaction functions and has made the transition from physical to digital bill, statement and invoice presentment and payment virtually seamless. TMM combines functions that have traditionally required multiple vendors into an integrated solution set.

Specific TMM features include:

- Improved transaction processing efficiencies
- Minimum production, postage and distribution costs
- Accelerated cash flow
- Seamless migration path from physical to digital document management
- Maximum delivery channel and archival options for both physical and electronic documents
- Enhanced control over the entire transaction document work flow and life cycle
- Productivity data to evaluate and improve resource utilization
- Pinpoint Accountability
- Improved Quality Control
- Enhanced communications via collaborative information exchanges

In developing TMM, Total Billings' was successful in executing a collaborative / distributed design architecture. This zero install, zero foot print approach totally eliminates the challenges typically associated with the implementation of enterprise applications. It has changed the traditional outsourcing business model from one of "Hand-off and Hope" to one that makes all parties to the process true partners with common purpose. Through TMM the client has complete visibility and control over the entire process from the time a file is transmitted to Total Billings until it is handed-off to the delivery channel partner, the USPS for physical documents or in the case of digital documents, the designated service provider.

Although TMM is extremely robust and capable of handling the millions of daily transactions processed by upper tier corporations and institutions, Total Billings' primary market focus has been on bringing e-Business infrastructure and capabilities to smaller and mid-sized organizations. They now have access to e-business transaction processing technologies that heretofore were only available to companies with significant IT resources and budgets.

This strategy has produced results. Total Billings' customer base has grown 152% in the fifteen months since TMM was introduced to the market.

Dogwood Equity is a Private, Limited Liability Company located in Raleigh, NC that serves as the general partner and manager of the North Carolina Economic Opportunities Fund. The Fund focuses on investing in and building well-managed high growth companies located in rural and smaller city markets outside of the largest urban areas of North Carolina. It emphasizes investments in companies across a variety of industries, including manufacturing and services.

Frontier Capital is a private investment firm based in Charlotte, NC with investments throughout the Southeastern United States. Its investment focus includes both high and low technology businesses with an emphasis on business services, software and outsourcing.

Total Billings is headquartered in Fayetteville, NC. Their business plan for calls for continued penetration of markets in North Carolina and the Southeastern US over the next eighteen months with national expansion thereafter.

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