HAPPY HOLIDAYS 2007

To All of Our Wonderful Clients, Suppliers, & Friends

When you've finished washing and dressing each morning, you must tend your planet. – Antoine de Saint-Exupéry, <u>The Little Prince</u>

2007 FINALLY, A LITTLE PEACE AND QUIET AROUND HERE!! OUR HEADS WERE STILL SPINNING FROM ALL OF 2006'S TRANSITIONS (NEW WAREHOUSE, NEW STAFF, NEWLY RETIRED FOUNDER FRANK), SO IN 2007 WE TOOK A DEEP BREATH AND SPENT SOME TIME GETTING THINGS BACK UNDER CONTROL. AFTER TAKING ON NEW PROJECTS IN ALAMANCE COUNTY, PITT COUNTY, AND PHOENIX, ARIZONA, WE ADMITTED THAT "WE DON'T DO PROJECTS OUTSIDE THE TRIANGLE" IS NO LONGER AN ACCURATE BUSINESS SLOGAN. ACE installer Ben Morris headed off to film school at the NC School of the Arts, leaving Brenda short-handed and dad Billy stuck with the tuition bill. Mark piled up Frequent Flyer points traveling to Phoenix and learned that 118 degrees is HOT, even if it IS a "dry" heat. IN HER QUEST FOR THE ERGONOMICALLY PERFECT CAD WORKSTATION, LINDA BOOSTED HER DESK UP ON INVERTED FLOWER POTS. Stock in Advil dropped 13% in one day when Jonathan had surgery for his ruptured disc. IN BETWEEN SCREENINGS OF "BENDING SPACE: GEORGES ROUSSE AND THE DURHAM PROJECT" (www.rousseprojectdurham.com), FRANK STOPPED BY THE OFFICE TO SHOUT WORDS OF ENCOURAGEMENT. Tim spent so much time wearing scrubs that strangers in the grocery store starting asking him for medical advice. After two wrist surgeries and six weeks in a cast, DI plans to check out other hobbies besides skateboarding. Mike, who avoided surgery but left at least 50% of the surface area of his body on trees, trails and rocks all over central NC, is doing some similar re-thinking about mountain bike riding. Both of them could have taken a clue from Brenda and Jan, who spent their time at the annual KONTEK winter ski outing getting aromatherapy at the Wintergreen Spa. Kim and Jonathan exhibited their photographic work in KONTEK's lobby during downtown Durham's annual Art Walk. Ben Wallace finished his boat project and got it in the water, just in time for frigid winter weather. Amy vowed never again to visit the kiddle ride section of the NC State Fair following her near-death experience on Crazy Mouse. **In spite of Sammy's** efforts to hack into the scoreboard computer, we lost every game in our inaugural season of **SOFTBALL** Original RGBGs Scott S., Wes, DJ, Brenda, Jan, Scott F., Jennie Peters & Bill McCraw were on hiatus after 2006's grueling touring & recording schedule (www.kontek.com/rgbgs). Rumors of a reunion tour are unconfirmed. DJ & Jennie kept busy with their band "Sea Cow", appearing at the Broad Street Café and recording their first CD. Erik's new home in North Durham put an end to biking to work. KONTEK gained a great new neighbor when Aircraft Acquisitions, Inc. moved in upstairs—but Gigi was secretly heartbroken to give up her dream of a luxury shelter for downtown Durham's abandoned Kitty Cats. Scott & Julian learned to disguise their voices and say "he no here" if the caller mentioned a DzWall problem in Birmingham, Alabama. Having pushed KONTEK's domain east to Greenville NC, Joel's new goal is to land a project in Bermuda ("it's not that much further, really"). Cameron, our most rabid Carolina fan, found himself again assigned to major installation projects at Duke Basketball.

After all the growth and transition of 2006, it's a good thing 2007 turned out to be a relatively calm year at KONTEK. It felt great to settle into our new warehouse, clean off our desks, wax the forklift, and learn the names of our new co-workers. We couldn't have survived two 2006s in a row. . .

We continue to rack up frequent flier miles (and speeding tickets, closer to home) as KONTEK's business grows beyond the Triangle. Working with our friends at Image Stream Medical, we finished our second project at St. Joseph's Hospital in Phoenix, Arizona--six cardiovascular operating rooms and procedure rooms. The intrepid traveling KONTEK team of Mark, Dan, DJ, Julian, and Kim have learned to travel light and check in early to get that "A" boarding pass.

A little closer to home (but still WAY far from the Triangle), we gained an important new client at Pitt County Memorial Hospital, whose new board room AV system will be ready just in time for Christmas. Joel assures our installation crew that Greenville's barbecue is the equal of Birmingham's and Phoenix's in every way, although the crew has pointed out that it's the Margaritas that really matter.

"KONTEK East" also worked closely with First Citizen's Bank on their new Raleigh corporate headquarters on Six Forks Road, and had another great year at WakeMed, where we followed up on last year's Heart Center Conference Center by installing new systems at the Andrews Center, the Conference Dining facility, a campus-wide public area video display system, and WakeMed's corporate offices at the Cottonwood Building.

As always, it was a great year for us at Duke University, with all kinds of interesting and challenging projects. The corner of Science Drive and Towerview was a particular hot spot, where we finished not only Duke Law's beautiful new lecture hall (our first classroom with extensive use of wide screen projection and native 16:9 sources) but also a wide range of upgrades at the Fuqua School. Fuqua's most recent MBA classroom upgrades represented KONTEK's 3rd generation of AV design for those rooms, whose original systems in 1989 were one of KONTEK's first major university projects. Duke Chapel received a new video production/streaming system for creating webcasts of Chapel services, concerts, and special events; check out the final product at www.chapel.duke.edu/media. Our friends at Duke Arts & Sciences continued their summer upgrade program, including especially the Old Art Museum project.

KONTEK vans were a frequent sight at UNC-Chapel Hill this year. At the Friday Center, we continued a multi-year program of modernizing the AV systems in its numerous (and beautiful) conference spaces. At Kenan Flagler's McColl Building, we upgraded the MBA classroom systems which we originally installed in 1997--KONTEK's first million dollar project. And at the Nursing School's Carrington Hall, we installed a state of the art dual-widescreen classroom.

We welcome Amy Blanton, her husband Jay, and son Niko. We say farewell to Eric Peters, Scott Frey, and Charles Hatfield, and wish them joy and fulfillment in their new jobs. Once a Kontekian, always a Kontekian--especially since those tattoos are so darn hard to remove.

The work we do at KONTEK is exciting, challenging, and satisfying because of the great projects our clients bring us and the great toys that our suppliers invent. But most of all, we treasure the special friends we've made. We wish you and your families a happy holiday season and a 2008 filled with peace, prosperity, and unexpected delights.

This year's holiday card picture was taken by Frank while he and Ellen traveled through San Sebastian in the Spanish Basque Country.

Frank Konhaus, Wes Newman, Dan Sanville, Gigi Krapels, Mark Ray, Brenda Pratt, Billy Morris, Ben Wallace, Sammy Truong, Scott Sublett, Tim Rabalais, Mike Juday, Joel Johnson, Jan Stutts, Jonathan Danforth, Cameron Powell, Julian Milano, DJ James, Linda Guzynski, Erik Benson, Kim Durack, and Amy Blanton

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