



CARNEGIE SPEECH APPOINTS NEW CEO AND CLOSES \$3.4M SERIES B ROUND OF FUNDING

The Intelligent Language Learning Company Also Appoints New Board Members and Readies for Rapid Growth in 2012

Pittsburgh, PA – May 2, 2012 – Carnegie Speech, the intelligent language learning company, today announced the appointment of its new CEO, Paul Musselman and the closing of a \$3.4M series B round of financing.

Mr. Musselman joins Carnegie Speech with more than 15 years of executive management and global experience in strategy, corporate development, finance and sales. He has held various executive roles in strategic development at major technology firms including Intel Capital, IBM, Net Perceptions, Misys and Amdocs. Most notably, Mr. Musselman led IBM's EMEA corporate development team where he received the IBM Global Services Leadership Award and KPMG's Deal of the Year Award. He was also awarded the prestigious Intel Achievement Award for his role in Intel's acquisition of Digital Equipment Computer Semiconductor Division. Mr. Musselman holds a bachelor's degree from the University of California, Berkeley and a master's degree from Harvard University. He is a twelve year decorated veteran of the U.S. Army Special Forces and a graduate of the Defense Language Institute where he studied German.

"English is the world's language, and there is no company that can teach the world more effectively, efficiently and globally than Carnegie Speech. With a potential market measured in billions of people wanting to speak and understand English, there are few opportunities like the one that Carnegie Speech has before it," said Mr. Musselman. "The passionate team at Carnegie Speech has developed a teaching company's technology that is far and away best-in-breed, and is already serving more than 110 corporate and institutional/educational customers worldwide."

Musselman continued, "Being able to speak English fluently with a native tongue/accent is key to achieving a better life for professionals and others around the world; and I'm proud to be part of the team making this aspiration a reality for learners globally."

The series B round of funding was led by Golden Seeds investment firm along with returning investor group Osage Venture Partners and new contributions from New York Angels. Funds from the round will be used to fuel rapid growth of the company and will be largely allocated to increase sales and marketing efforts in the U.S. education sector, and international enterprises in the technology, call center and aviation industries.

"English is the top language being learned throughout the world and Carnegie Speech has the solution to make it accessible," said Stephanie Newby, founder and managing partner of Golden Seeds. "Carnegie Speech is bringing together a seasoned management with a unique technology that offers the only fully closed loop of speech assessment and individualized performance training at the right time in the market."

“As the demand for proficient English speakers continues to grow in the global market, we see a major opportunity for a technology that can deliver significant business impact and help stimulate local economies,” said Nate Lentz, Managing Partner of Osage Venture Partners.

As part of the new financing, the company is also announcing new board members Stephanie Newby of Golden Seeds, Nate Lentz of Osage Venture Partners, Al Zollar retired from IBM and Paul Musselman:

Al Zollar, *Lead Independent*

Al retired from IBM in 2011, where he was the general manager of IBM Tivoli Software from 2004 to 2011. Previously, Al was general manager, IBM iSeries, where he was responsible for the iSeries (formerly AS/400) server product line. Al is a board member of the Chubb Corporation and is a 2011 fellow of the Harvard University Advanced Leadership Initiative.

Stephanie Newby, *Founder and Managing Director. Golden Seeds*

Stephanie brings 20 years of experience in financial services in Sydney, London and New York, the majority of which was with JPMorgan. In 2004, she founded Golden Seeds. She is also a former member of New York Angels and an investor with Boldcap Ventures. Stephanie is a board member of Foster Wheeler AG. She holds a Bachelor of Arts from the University of Sydney.

Nathanael V. Lentz, *Managing Partner, Osage Venture Partners*

Nate Lentz joined Osage Venture Partners in 2008 having previously been the President and CEO of Verticalnet, Inc. Prior to Verticalnet, Nate was a Partner at Mercer Management Consulting and led both the San Francisco and the Hong Kong offices. Nate began his career at Chemical Bank in New York. He is a graduate of Brown University and of the Stanford Graduate School of Business where he graduated with honors. He serves on the Board of Directors of Carnegie Speech, Collections Marketing Center, Landslide Technologies, InstaMed, Hard Metrics, ProtonMedia and FieldView. He is also a board observer of BA-Insight.

About Carnegie Speech

A global leader in the development of spoken language training software, Carnegie Speech prepares enterprises and individuals to speak and understand new languages through personalized, immediate and pinpointed language analysis and instruction. Incorporating the linguistic expertise and technical innovations developed through decades of research at Carnegie Mellon University's Language Technologies Institute, Carnegie Speech maximizes the effectiveness of spoken language instruction while minimizing training time and expense. From spoken language training to facilitate commerce and enhance education, to mission-critical communications to improve safety and security, Carnegie Speech products are used by Business, Aviation, Government, Education and Health Care enterprises that depend on effective spoken language communications. Carnegie Speech is based in Pittsburgh, PA and its primary investors include Osage Venture Partners, Golden Seeds and New York Angels. Visit www.carnegiespeech.com for more information.

Media Contact:

Jocelyn Johnson, KCSA Strategic Communications, 212-896-1267, jjohnson@kcsa.com