



FOR IMMEDIATE RELEASE

IQS Records a Banner Year in 2006 with the FDA Regulated Marketplace

Cleveland, Ohio – February 19, 2007 - IQS, the leading provider of Enterprise Quality and Compliance Management Software announced 2006 year end results and a 200%+ increase in sales bookings derived from the FDA marketplace. “During 2006, we saw our strategic efforts in the FDA regulated marketplace bear fruit”, said Michael Rapaport, President and CEO of IQS. “During 2006 we more than doubled our FDA regulated client base. In addition to these new clients joining us in 2006 we expanded our staff of FDA regulated experts to support the demand for our software implementation and value-added consulting services demanded by the FDA marketplace. The year was capped off with a large contract from the FDA itself (See December 2006 release).”

One of the new clients, Blackstone Medical, needed more than just a software solution. They also were re-engineering their processes to leverage lean practices with focus on continuous improvement. They leveraged the IQS staff beyond software to assist with the overall project. Said Tara Lambert of Blackstone "IQS is able to provide personnel who possess intimate knowledge of the medical manufacturing industry. This knowledge allowed us to work together to create new processes that were optimized specifically for moving our business to a fully compliant, electronic process with the smallest impact possible on our current practices. We would recommend IQS to any organization in the industry undertaking the process of moving from a paper-based to paperless records keeping system.”

IQS has been a leader in the manufacturing quality marketplace and has worked with regulated FDA clients like Baxter, UMC, Dornier MedTech and others on both compliance and quality initiatives. Laura Weisensell, IQS' FDA practice leader shared that “Medical device and other regulated FDA regulated companies have the same inherent issues as other manufacturers; document and change management, non conformances, traceability and compliance. However, FDA clients have a higher level of scrutiny. They have to be able to track details like lot release, sampling, and everything must be interconnected to produce required traceability. One of the reasons I came to IQS, is that the foundation is sound. The fundamental data model that IQS is based on is detailed, and completely linked. It is comprehensive enough to handle any FDA



client's regulatory situation. Because it is built right from the ground up, compliance is a snap. Out of the box I can have clients up and running quickly, and spend my team's time focusing on overall optimization, not simply software implementation."

About IQS –

IQS is the industry leader in enterprise compliance and quality software solutions. IQS' software is used by over 20,000 users across medical devices, automotive discrete, aerospace and FDA regulated manufacturers. Customers large and small, such as Baxter, Blackstone Medical, Bio Tissues, Volk Optical, PolyOne, Eaton, Bonne Belle and Dornier MedTech, use IQS to optimize traceability, regulatory compliance, supplier collaboration, and overall quality management. Using IQS' out-of-the-box solution, customers are up and running in weeks, not years. IQS customers experience short payback times and bottom line returns on their investment. For more information, or an in-depth ROI model to understand your potential savings, visit www.iqs.com.

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