

F R O S T & S U L L I V A N

BEST PRACTICES

AWARDS

F R O S T & S U L L I V A N

2020 BEST PRACTICES AWARD



**2020 GLOBAL POST COVID-19 SOLUTION
PROPOSITIONING FOR SMART BUILDINGS
CUSTOMER VALUE LEADERSHIP AWARD**

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Background and Company Performance

Industry Challenges

Smart and intuitive buildings encompass a complex environment of physical systems, software and hardware platforms, and value-added services that need to support an open and efficient operating solution to enhance comfort, productivity, and novel user experiences. With the penetration of the Internet-of-things (IoT), the concept of device-to-enterprise integration and applications surrounding an increasingly complex world of new technologies is fast gaining momentum. Data-driven decision-making and actionable insights enable today's building operators to improve their performance thanks to measurable increases in accuracy.

However, the stringent lockdown measures of the COVID-19 pandemic have presented challenges for building owners and operators. These include operating smart buildings remotely, ensuring their continued efficiency, and supporting their users and occupiers. Added to these challenges is the uncertainty of preparedness that recalibrating the rebound and reentry measures would necessitate.

As the industry prepares to embrace the "new normal," navigating the challenges of managing smart buildings in a post-COVID-19 environment raises several questions and challenges. Among prolonged remote operations and the retuning of physical infrastructure elements, facility managers and operations staff must now cope with reentry planning and occupant safety measures at an unprecedented scale. Beyond health and safety challenges, exposures to cyber vulnerabilities have emerged that require meticulous planning to secure systems, networks, and physical infrastructure. Post-COVID-19 requirements will call for a massive remodeling of space that must simultaneously cope with the growing needs of interoperability, inter-communication, and the subsequent management of vast data streams. Keeping pace with such dynamic requirements means reentry support and partnering with customers has become an increasingly daunting task for product vendors. Beyond innovation and the consistent redesigning of service-value propositions, this requires adept knowledge of running buildings that only a few solution providers have been able to achieve with excellence.

A post-COVID-19 environment will place increasingly sophisticated demands on automation platforms. It will call for the leveraging of dynamic technological capabilities to integrate systems, harmonize data, manage remote functions, and even integrate seamlessly with city administration and municipal functions for input sharing. Edge-to-enterprise (E2E) platforms for buildings will become even more critical for tracking performance, delivering the right user experiences, monitoring crowd analytics, and helping the enterprise to drive strategic decisions for their asset portfolio. While back-end deployment and interoperability will be a struggle for many solution providers, key partnerships and collaborations have been proven to overcome such issues. Partnerships and collaborations are becoming increasingly important as suppliers of all sizes seek to offer a comprehensive, end-to-end customer solution in the post-COVID-19 environment.

Lynxspring's customer and business impact

Founded in 2002, Lynxspring has a longstanding reputation of technological acumen in the building automation and smart building industry, being a two-time recipient of Frost & Sullivan's Customer Value Leadership Award (2014 and 2019) and its Competitive Strategy Innovation and Leadership Award (2017). The company's edge-to-enterprise platform for IoT systems allows users to manage connected devices at the edge, in-network, and the cloud. Thriving on a documented history of strong client partnerships, Lynxspring has consistently led the smart-building space with value-adding solutions, meticulous product design, and proactive collaborations with customers and value-chain partners. The company's prompt outreach with customers, industry lobbies, and value-chain counterparts help it to envision the future of smart-buildings solution strategies in a post-COVID-19 environment.

Extending E2E Portfolio by Preempting Future Needs

Lynxspring has a differentiated product-value proposition, one characterized by quick deployment capabilities through IP technology and strong backend service integration. Their ability to integrate an IoT platform easily and quickly reduces expenses and allows users to optimize processes sooner. This aspect will become critical in a post-COVID-19 environment—when financial crises and budget paucity will impact project decisions. At the same time, customers will need to make the necessary project changes to ensure their buildings, systems, and new technology deployments are compliant with new requirements. With Lynxspring's Edge Enabled™ IP product portfolio, customers benefit from a truly scalable smart integration E2E platform. The platform not only addresses their system integration needs today but provides an adaptable solution for better data and pattern visualization critical to managing their buildings' health and safety needs in the future. Customers can tap into the native intelligence of the E2E features and attributes to triage future pandemic-related demands and allow facility operators and occupants to maintain onsite vigilance and implement predictive mitigation measures. Lynxspring's E2E platform provides best-in-class service delivery and value enhancements through a well-synchronized suite of solutions to ensure timely integration and data visualization. A huge advantage for customers from investing in Lynxspring's suite of solutions is the ability to avoid cloud dependency and aggregate data and actions locally, at the device level. This feature allows customers to harness the power of edge intelligence, a need the E2E portfolio is designed to provide seamlessly.

Lynxspring's E2E platform enables users to connect and access data immediately from the platform and act upon it—as opposed to getting inside of devices, sensors, or pieces of equipment. Despite the imminent business challenges of COVID-19, Lynxspring has gone a step further in its innovation efforts and released upgraded products to deliver stronger integration value to its customers. These include the introduction of their Edge Enabled line of JENEsys® IP controllers and Onyxx® extender modules such as the Onyxx XM 3410 B that makes its E2E portfolio more robust and future-ready. It has become vital to ensure smart-building controllers are supported by modular, expandable input/output (I/O) modules that enhance capabilities and increase functionality. By adding this increased I/O

capacity, Lynxspring offers a differentiated solution. It allows customers to reap a wider range of multi-functional benefits and features in keeping with their changing needs.

Lynxspring's ability to focus on the market's evolving needs and nurture innovation confirms the company's diligence in engaging with its customers and solution partners.

Proactively Leading Customers, Partners and the Industry with Reentry Planning

IoT is an ecosystem. It encompasses multiple technologies that connect and interoperate through partner assimilation. Supporting strategic partnerships has been a major value differentiator for Lynxspring. In many ways, it's a proven way to disrupt traditional silos that stand in the way of progress. Lynxspring selects partners meticulously, ensuring that any partner's technology is cutting edge and sets it apart from the competitors. The company's collaborations with multiple industry lobbies and alliances have been well recognized within this industry. However, its exemplary efforts in galvanizing thought leadership, discourses, and ideation to envision post-COVID-19 smart-building requirements and reentry conversations deserves special mention. Lynxspring has been closely working with its customers to evaluate future needs, educating them on technology and services to consider. The company has also organized industry peer efforts to strategize new solution deliveries. This proactive effort has been highly applauded by its enterprise customers that are overstressed with resource and working capital shortages. This hands-on initiative of Lynxspring with its customers sets it apart from its competition.

Beyond the original equipment manufacturers (OEM), Lynxspring's rich network of system integrators, alongside the ecosystem of building owners and operators it works with, comprises a heterogeneous group of organizations and individuals that is expanding globally. The group caters to a myriad of assets: commercial buildings, institutional facilities, government, financial, retail, healthcare facilities, and critical infrastructure assets. Lynxspring's executive suite plays an active role in its internal and external strategic industry initiatives. It has been instrumental in expanding its brand value and expanding its customer base. For customers, Lynxspring's single most important value add is its ability to work with a truly brand agnostic suite of solution providers through its network. This makes their legacy technology investments worthwhile. The company's solutions are deployed across millions of square feet of assets in the United States and internationally. It remains fast-growing.

Lynxspring's professional services collaboration

A significant aspect of customer-value leadership is a company's commitment to comprehensive and ongoing professional service delivery solutions. For Lynxspring, this commitment starts at the outset of its customer journey with the pre-deployment assessment offered by the Lynxspring Professional Services (LPS) team. The LPS team collaborates with its customers to assess their individual needs and determine the most efficient route for integration and optimization. From there, LPS and the Lynxspring's core technology team draws up a strategic plan, an implementation roadmap, and a functional guide specification that outlines the project's operational value and desired outcomes. Lynxspring's immersive expertise in the building technology space and its understanding of the physical environment allows it to determine potential issues with usability and address

them predictively. Its comprehensive collaboration services portfolio consists of strategic advisory, system configuration, design, cybersecurity solutions, deployment services, analytics, project management, and award-winning certified training and coaching programs. Each of these elements is heavily directed at building its customer base globally. For its 2020 customer penetration strategy, Lynxspring will continue to invest in these tools to secure a stronger global footprint and segment penetration.

Understanding the right organizational fit for Lynxspring's E2E solution is a key consideration in its customer engagement process, which it supports through a multi-channel approach. The company offers webinars that promote its technology and how it can be utilized in various environments. These are key tools and processes in the current cash-strapped environment that Lynxspring leverages to stay focused on growing its customer base.

In the present scenario, where customers are grappling with the uncertainties of what to expect from technology deployment under post-COVID-19 reentry requirements, Lynxspring's collaborative service solutions meet a crucial need for apprehensive building owners and operators. These are being imparted via collaborations with top industry forums, association-led activities, and customer sessions. Lynxspring has confirmed its longstanding collaborations with key building services professionals and asset companies directly during these difficult times to assist with reentry guidance while continuing to foster new relationships.

The organization's value proposition is now well-established, and its footprint among enterprise, small-to-medium customers, as well as the partner community reinforces its platform for growth. With a limited number of entrenched competitors and the niche it enjoys with a comprehensive solution suite, Lynxspring is in a position to continue strong growth in the coming years.

Conclusion

A truly innovative technology, a highly customer-centric market strategy, and a profound understanding of the smart-building space have provided Lynxspring a distinctive edge in the market. However, the ability to channel these capabilities to support its customers and partners in these stressful and uncertain times makes it an exemplary contributor of reset and rebound measures. The company has consistently led with cutting-edge technology, collaborative service solutions, and a strong commitment to supporting secure, open, and interoperable architectures. This has poised the company for continued growth in a highly complex and evolving market. With its highly innovative vision, commitment to quality, and proactive leadership in supporting the industry through the COVID-19 challenge and reentry strategies, Lynxspring earns Frost & Sullivan's 2020 Customer Value Leadership Award in the global smart buildings market focused on post-COVID-19 solution propositioning.

Significance of Customer Value Leadership

Ultimately, growth in any organization depends upon customers purchasing from a company and then making the decision to return time and again. Delighting customers is, therefore, the cornerstone of any successful growth strategy. To achieve these dual goals (growth and customer delight), an organization must be best-in-class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Customer Value Leadership

Customer Value Leadership is defined and measured by two macro-level categories: Customer Impact and Business Impact. These two sides work together to make customers feel valued and confident in their products' quality and long shelf life. This dual satisfaction translates into repeat purchases and a high lifetime of customer value.

Key Benchmarking Criteria

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated Customer Impact and Business Impact according to the criteria identified below.

Customer Impact

- Criterion 1: Price/Performance Value
- Criterion 2: Customer Purchase Experience
- Criterion 3: Customer Ownership Experience
- Criterion 4: Customer Service Experience
- Criterion 5: Brand Equity

Business Impact

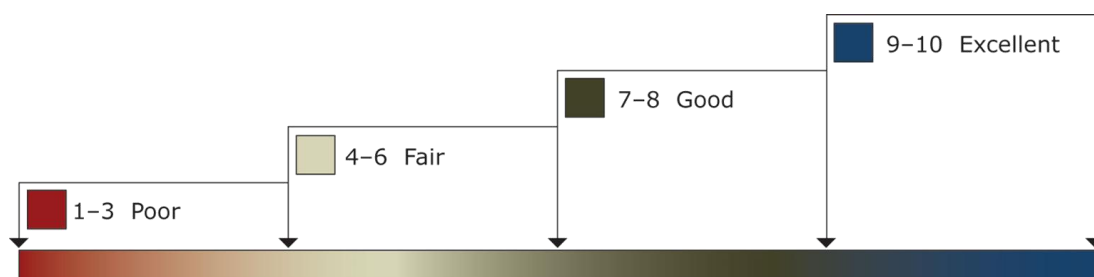
- Criterion 1: Financial Performance
- Criterion 2: Customer Acquisition
- Criterion 3: Operational Efficiency
- Criterion 4: Growth Potential
- Criterion 5: Human Capital

Best Practices Award Analysis for Lynxspring

Decision Support Scorecard

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard. This tool allows research and consulting teams to objectively analyze performance according to the key benchmarking criteria listed in the previous section, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation. Ratings guidelines are illustrated below.

RATINGS GUIDELINES



The Decision Support Scorecard considers Customer Impact and Business Impact (i.e., the overarching categories for all 10 benchmarking criteria; the definitions for each criterion are provided beneath the scorecard). The research team confirms the veracity of this weighted scorecard through sensitivity analysis, which confirms that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

The results of this analysis are shown below. To remain unbiased and to protect the interests of all organizations reviewed, Frost & Sullivan has chosen to refer to the other key participants as Competitor 1 and Competitor 2.

<i>Measurement of 1-10 (1 = poor; 10 = excellent)</i>			
Customer Value Leadership	Customer Impact	Business Impact	Average Rating
Lynxspring	10	10	10
Competitor 1	8	6	7
Competitor 2	6	6	6

Customer Impact

Criterion 1: Price/Performance Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market.

Criterion 2: Customer Purchase Experience

Requirement: Customers feel they are buying the optimal solution that addresses both their unique needs and their unique constraints.

Criterion 3: Customer Ownership Experience

Requirement: Customers are proud to own the company’s product or service and have a positive experience throughout the life of the product or service.

Criterion 4: Customer Service Experience

Requirement: Customer service is accessible, fast, stress-free, and of high quality.

Criterion 5: Brand Equity

Requirement: Customers have a positive view of the brand and exhibit high brand loyalty.

Business Impact

Criterion 1: Financial Performance

Requirement: Overall financial performance is strong in terms of revenue, revenue growth, operating margin, and other key financial metrics.

Criterion 2: Customer Acquisition

Requirement: Customer-facing processes support the efficient and consistent acquisition of new customers, even as it enhances retention of current customers.

Criterion 3: Operational Efficiency

Requirement: Staff is able to perform assigned tasks productively, quickly, and to a high quality standard.

Criterion 4: Growth Potential

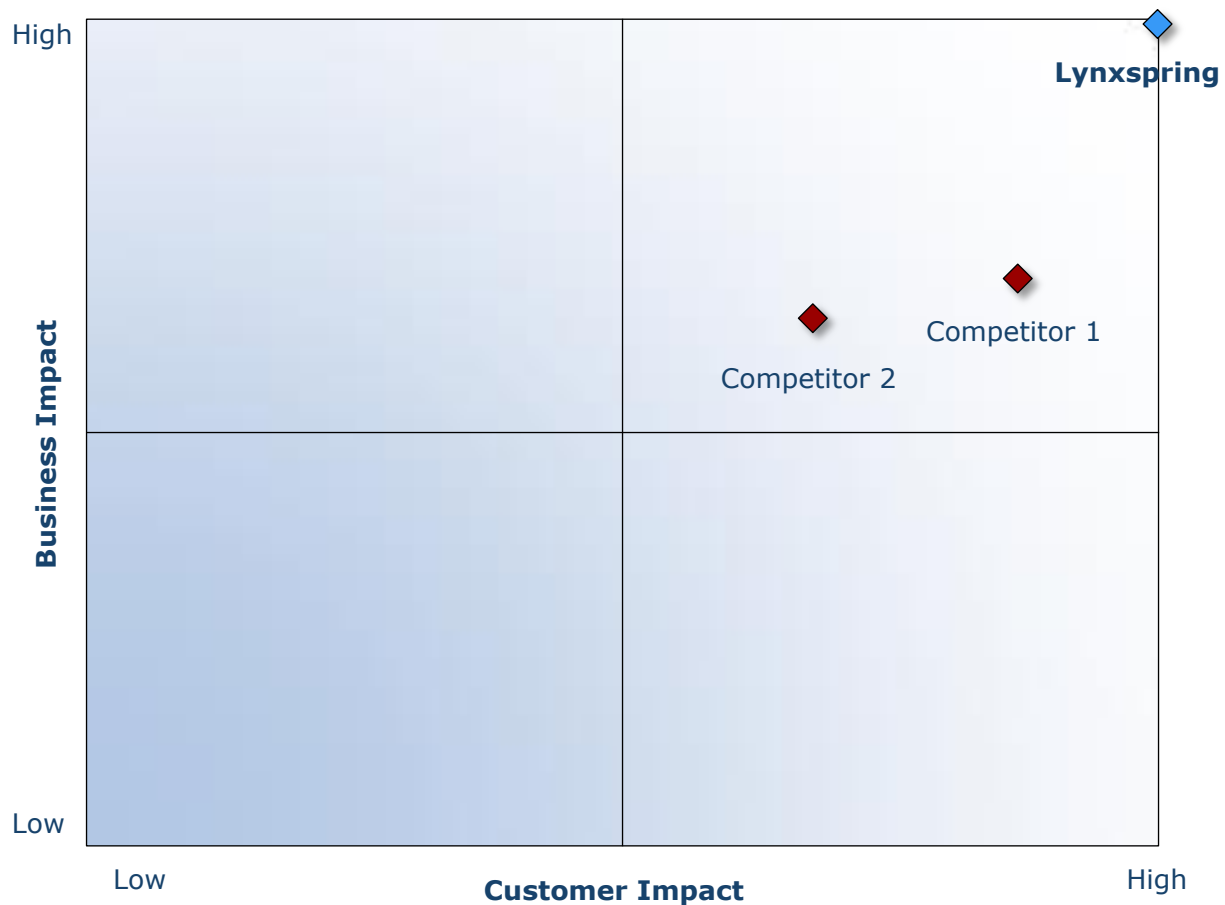
Requirements: Customer focus strengthens brand, reinforces customer loyalty, and enhances growth potential.

Criterion 5: Human Capital

Requirement: Company culture is characterized by a strong commitment to quality and customers, which in turn enhances employee morale and retention.

Decision Support Matrix

Once all companies have been evaluated according to the Decision Support Scorecard, analysts then position the candidates on the matrix shown below, enabling them to visualize which companies are truly breakthrough and which ones are not yet operating at best-in-class levels.



Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate Award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify Award recipient candidates from around the globe	<ul style="list-style-type: none"> • Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies 	Pipeline of candidates who potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	<ul style="list-style-type: none"> • Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates 	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	<ul style="list-style-type: none"> • Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps 	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	<ul style="list-style-type: none"> • Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles 	Final prioritization of all eligible candidates and companion best-practice positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	<ul style="list-style-type: none"> • Share findings • Strengthen cases for candidate eligibility • Prioritize candidates 	Refined list of prioritized Award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	<ul style="list-style-type: none"> • Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates 	Final list of eligible Award candidates, representing success stories worldwide
7 Perform quality check	Develop official Award consideration materials	<ul style="list-style-type: none"> • Perform final performance benchmarking activities • Write nominations • Perform quality review 	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best-practice Award recipient	<ul style="list-style-type: none"> • Review analysis with panel • Build consensus • Select recipient 	Decision on which company performs best against all best-practice criteria
9 Communicate recognition	Inform Award recipient of Award recognition	<ul style="list-style-type: none"> • Present Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance 	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share Award news with stakeholders and customers	<ul style="list-style-type: none"> • Coordinate media outreach • Design a marketing plan • Assess Award's role in future strategic planning 	Widespread awareness of recipient's Award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry participants and for identifying those performing at best-in-class levels.

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS



About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.