



# CEOCFO

## Interviews & News!

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### Since Becoming CEO In 2006, Robert Prunetti Has Transformed Performance Health Technologies Into A Public Company, Developing A Sales And Marketing Program Along With Partnerships To Bring Its Line Of Performance Evaluation And Rehabilitation Products To Market



#### Healthcare

Medical Appliances & Equipment  
(PFMH-OTC: BB)

Performance Health Technologies, Inc.

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Phone: 609-656-0181

Robert D. Prunetti  
President and CEO

#### BIO:

Robert D. Prunetti was appointed President and Chief Executive Officer of Performance Health Technologies on March 15, 2006. He has reengineered the company, launching new marketing and product development strategies.

Under his leadership and the support and guidance of the reconstituted Board of Directors, PHT has become a fully reporting public company. Mr. Prunetti has also served as President of Phoenix Ventures, a business development and public relations and management consulting firm. From January 1992 until December 2003, Mr. Prunetti also served as the Mercer County Executive.

In his nearly two decades of public service, he has served in a number of capacities, including Mercer County Budget Director, Director of Policy and Planning for the New Jersey Department of Human Services, Hopewell Township Administrator and Mercer County Freeholder. As County Executive, he has concentrated his efforts on strengthening Mercer

County's economy, revitalizing New Jersey's capital city. Some of his accomplishments are developing Mercer County Waterfront Park, Sovereign Bank Arena, Mercer County Open Space Preservation Trust Fund, and he establishes a free trade Zone and International Trade Center located at Trenton-Mercer Airport. Mr. Prunetti is a graduate of the College of New Jersey and possesses a Masters Degree from New York University.

#### Company Profile:

Performance Health Technologies, Inc. develops and markets performance evaluation and rehabilitation products that monitor and guide exercise and give real-time motivational feedback.

Over the past nine years, our medical and computer experts have brought together advanced software and medical technology in order to create MotionTrack™, our versatile proprietary technology platform. MotionTrack technology is the core of our device and computer software system that tracks and monitors motion and movement in real-time, providing instant visual feedback to the user. Our goal is to transform the way individuals exercise, train, and rehab from injuries by creating innovative products using MotionTrack™ that merge technology with exercise for more efficient and controlled therapy, injury recovery, and personal training and fitness.

Our products have been tested, accepted, and endorsed by leaders in the medical, rehabilitation and athletic communities. Our SportsRAC® Shoulder, Knee and Forearm systems have been installed in physical therapy clinics, and university athletic departments and with professional sports teams throughout the United

States and Canada, while our Core:Tx® follow-up has gained interest from a diverse field of individuals from orthopedic surgeons and neurologists, to occupational and physical therapists, as well as speech pathologists.

The evolution of PHT rests in the inherent versatility designed into the MotionTrack™ technology and affords us the opportunity to explore numerous additional markets, including personal fitness, athletic training, and occupational health and safety. Our future products will revolutionize the way individuals think about their personal health and fitness, and will reinvent the way they exercise and train.

#### Interview conducted by:

Lynn Fosse, Senior Editor  
CEOCFOinterviews.com

#### CEOCFO: Mr. Prunetti, how has Performance Health Technologies changed under your leadership as CEO?

Mr. Prunetti: "The biggest change is that the company has been focused. We are focused on a line of products and getting them to the point that we could offer them for sale and begin a marketing/sales program. That has been the biggest change under my leadership. That focus also includes all the things we had to do to become a public company and begin to trade our shares"

#### CEOCFO: What is Performance Health Technologies offering?

Mr. Prunetti: "Our MotionTrack™ rehabilitation platform merges technology with exercise for more efficient and controlled therapy, injury recovery, and personal training and fitness. Our premier wireless, PC-based rehabilitation product, Core:Tx®, utilizes MotionTrack™ tech-

nology to deliver interactive and engaging therapy to patients looking to regain motor control, coordination and balance following a surgery, brain injury or stroke.

Our technology leverages the latest in motion-sensing technology to turn neuromuscular re-education, or retraining the brain, into a game-like therapy system that is easy-to-use, both for patient and therapist. Our ability to sense motion is similar, but more sophisticated than Nintendo's popular Wii gaming system, and it allows us to customize a series of exercise programs that combine the appeal of computer gaming with physical therapy exercises to not only rehabilitate injuries, but prevent them too.

Core:Tx is a versatile tool that is compatible with and enhances existing rehabilitative, preventative, and strengthening protocols and equipment that enable neuromuscular re-education. When we are injured, the pathway between the brain and the muscles is disrupted and neuromuscular re-education, or retraining the brain, essentially engages the brain, muscle groups and joints at the same time in order to ensure rehabilitation

Through our series of exercises, we are able to not only rehabilitate the muscular movement, but the pathway as well, so that your brain and your muscles are properly engaged. Perhaps most importantly, our technology's ability to sense motion and provide feedback to the patient regarding their accuracy, range of motion and progress, hastens rehabilitation by motivating and engaging the patient."

**CEOCFO: How does this compare with other methods or products available today?**

**Mr. Prunetti:** "Most people don't like doing laborious rehabilitation exercise, which are not only boring, but painful in some cases. Currently, today's tried and true rehabilitation methods consist of repetitions on various types of resistance equipment. The motivation stems from

the therapists themselves, which can be challenging to maintain.

What we do is use multi-sensory feedback - auditory, visual and sensual - to stimulate responses from patients. This does two things. It motivates patients so they continue and the gaming aspect of it promotes competitiveness - patients are eager to see if they can beat their previous score.

Progress in rehabilitation can be perceptible and the ability to actually see the progress in very minute detail, provides concrete data to show you how well your rehabilitation is progressing.

**CEOCFO: Tell us about your sales and marketing and how people are currently purchasing your products; is it strictly for clinical use or do you also offer something for in-home use as well?**

**"Over the years, physical and occupational therapists have been searching for new ways to treat neuromuscular deficits. Clinicians have found that patients suffering from neurological disorders respond well to game-like programs, like ours." - Robert D. Prunetti**

**Mr. Prunetti:** "Our technology is being sold and tested by major rehabilitation hospitals nationwide. Currently, patients are using it in in-patient our out-patients settings via major hospitals, and you will increasingly see more people using it at individual therapists' offices. The next wave will be patients using the product in the home, where they will be able to continue therapy via the web, being continuously monitored by the clinical professional who first introduced them to the technology."

**CEOCFO: Is the physical therapy community welcoming your innovation?**

**Mr. Prunetti:** "Over the years, physical and occupational therapists have been searching for new ways to treat neuromuscular deficits. Clinicians have found that patients suffering from neurological disorders respond well to game-like programs, like ours. In terms of what I will call the institutional community, it is very receptive to new technology and very

receptive to the ability to be able to have new forms of rehabilitation that are engaging. The individual therapist takes a little bit longer, but there is no resistance to it and they are initially drawn to it because it is unique and kind of a cool new device they can use in their therapy. However, it does take a little bit longer to have them be comfortable with using the technology. So, I would say that it's very receptive to the rehab community, but it is a matter of education intrigue."

**CEOCFO: How competitive is your price structure?**

**Mr. Prunetti:** "While the software behind our technology is complex, our product line is functional, relatively simple to use and inexpensive compared to other alternatives available.

For example, we retail for approximately \$2,000. Alternative devices available in the rehab community are more complex and often invasive, ranging in price from \$7-8,000 all the way to \$60,000 if they utilize robotics. So, in terms of pricing, we're very competitive."

**CEOCFO: At those price it is almost a case of why not try it?**

**Mr. Prunetti:** "Exactly, and that is the kind of the response we are getting - especially with the major institutions. With Individual therapists it is going to take a little bit more if they're taking \$2,000 out of their pockets, but with institutions it is, 'let's try this!'"

**CEOCFO: How are your products and technology protected, patent-wise?**

**Mr. Prunetti:** "At PHT, we are always innovating. Our engineers work tirelessly to develop the latest tools that will keep our cutting-edge technology relevant and exciting. We currently have three patents pending and we continue to work with the U.S. patent office to refine those claims and hopefully in a relatively short order, we'll be approved."

**CEOCFO: Can you tell us a little about the research and why we should believe it?**

**Mr. Prunetti:** "While there are no specific historical studies that demonstrate the efficiency of our particular device,

there is an abundance of literature that supports the efficacy of the Core:Tx ® treatment method. We also have a library of case studies, anecdotal results, and testimonies from people saying how it has helped their rehabilitation to further support efficacy.”

**CEO CFO: Tell us a little more about the distribution of your products.**

**Mr. Prunetti:** “We have a growing in-house sales team of industry veterans in addition to a respected marketing and distribution partner with a network of about 30,000 therapists around the country at major institutions that helps us distribute our product. They have their own device they sell to major institutions and individual therapists via a unique marketing method. They conduct certification courses throughout the country for therapists and as those therapists go through these courses, they are introduced to the products both through the course as a method and a tool that could be used and during breaks, so it is displayed and demonstrated.”

**CEO CFO: What’s the financial picture like for Performance Health Technologies?**

**Mr. Prunetti:** “Right now, we are seeking to secure up to \$15 million. Now, we

do not look to raise it all at once, but we are looking to raise that in charges, probably the first charge for about \$3 million, then \$5 million and so forth. We are at the point where it is necessary for us to do this major raise and we have been working though that. We have been looking at the possibility of an institutional raise, which seems to be slimmer everyday, but also a retail raise through high net-worth individuals. That’s where we are right now and we’re sort of in a holding pattern until we can get an infusion of cash to implement some of the programs we have on the drawing board.”

**CEO CFO: Your concept is easy to understand!**

**Mr. Prunetti:** “Yes it is! Its rehab and any way we can make rehab more effective and efficient is obviously of interest. Right now, the Veteran’s Administration is looking at medical devices to assist military personnel dealing with an increasing number of traumatic brain injuries and post stress syndrome. One of the most interesting features about our device is the ability to provide rehabilitation services remotely.”

**CEO CFO: Why should potential investors be interested?**

**Mr. Prunetti:** “We have an innovative technology in a field that is growing rapidly. Right now, the rehab market is estimated to be about \$50 billion a year. We have a device that is very competitively priced, functional, easy-to-use, and as soon as it is recognized, you are going to see a tremendous activity in terms of sales and in terms of additional motivation for the company - I think that is why investors should be interested. So in a very short time, they’re going to see some significant results.”

**CEO CFO: What should people reading about Performance Health Technologies remember most?**

**Mr. Prunetti:** “What people are going to be reading about are two things in the coming months. One is that we have established relationships with significant institutions and relationships - meaning sales. Second, they are going to read about additional innovations and improvements in our device to give it even greater functionality. Those two things combined are what they are going to be reading about and more, which is going to lead to more significant sales in 2009.”





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