

NEWS RELEASE

For Immediate Release

Contact: Jeff Hovis
Product Genesis
617.234.0070 x385
infoma@productgenesis.com

Product Genesis Spins Out Metro New York Design Studio.

Cambridge, MA, January 16, 2004 – Product Genesis, Inc. (“Product Genesis” or the “Company”), the premier Strategic Innovation consulting firm, today announced it has entered into an agreement with the principals of its metro New York design studio to spin out that group as an independent company. The new firm will be known as FactorsNY, LLC.

The spinout accomplishes two important objectives for Product Genesis. First, it allows Product Genesis to better focus on the needs of its core Strategic Innovation clients. Second, it reestablishes the market focus of the outstanding metro New York industrial design and human factors group.

Matthew K. Haggerty, Principal and Founder of Product Genesis, noted that “Focus is a critical element of delivering best-in-class Strategic Innovation services to our corporate clients. By separating our groups, we allow each team to do what they do best. Our Cambridge team remains focused on Strategic Innovation consulting. The FactorsNY group continues its historical excellence in industrial design and ergonomics services. Our clients benefit from the more concentrated services direction of each team.”

Product Genesis, Inc. and FactorsNY, LLC will remain close partners in the product innovation space.

About Product Genesis

Product Genesis, headquartered in Cambridge, Massachusetts, specializes in Strategic Innovation consulting services that help our clients create new opportunities, a sustainable competitive advantage, and increased shareholder value. Spun out of the MIT Innovation Center in 1986, Product Genesis has worked with diverse organizations from venture capital and private equity-backed firms, to Global 1000 corporations, accelerating their success in the industrial, commercial, consumer, medical and technology markets.

For more information about Product Genesis, visit www.productgenesis.com.