



For Immediate Release

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PRESS RELEASE

RCD OBSERVES RAPID GROWTH FROM TELECOM'S HIGH DEMAND ON PASSIVE COMPONENTS



Manchester, NH - July 25, 2000 - RCD Components Inc., a leading manufacturer of resistors, coils, and delay lines has shown rapid growth in resistor, inductor and IPD sales from booming telecom equipment demands. RCD recently announced their vigorous growth, being fueled by the new opportunities of the telecom-equipment market. "We're solving system problems associated with telecom designs and continue to drive the creation of a new generation of products," said Al Arcidy Vice President of Marketing. The opportunities ahead for RCD and other leading passives companies supplying the telecom-equipment market are tremendous. OEMs are expected to ship more than 400 million cellular-phone units this year, according to Dataquest Inc. and Nomura Research. Last year, the industry sold 285 million units, up 90% from 150 million units in 1998. New telecom system designs require more functionality, miniaturization, and integration of passive components than ever before. "Under the pressure of increased performance requirements, RCD has developed an entire line of power resistors dedicated exclusively for telecom applications," added Arcidy.

RCD's recent ownership/partnership with Nicrom Electronics, a leading Swiss manufacturer, and acquisition of Industrial Midwec's resistor line, coupled with RCD's 27 years of surge resistor experience, has allowed their rapid growth into the telecom component market. RCD has released many new products for the telecommunications market over the last 12 months, and has specially developed a full line of surface-mount surge protection, with performances equivalent to through-hole devices. "Telecommunication systems providers are now turning to SMT based resistors because compared to the through-hole versions they allow for faster automatic insertion, accommodate more lines per product, and eliminate the need for the through-hole board, and provide increased miniaturization. These advantages will yield a tremendous cost saving for telecom system vendors," Arcidy added.



"Our real success isn't only about our innovative technology, but owed mostly to our world-class delivery performance. When most of our competitors are pushing out deliveries, we're moving them in! Unlike many other manufacturers in the passive components industry, RCD responds quickly to the capacity needs from 'spiked demands'. We don't believe in the "wait-and-see" attitude like so many of our competitors, instead we anticipate and react to insure a more consistent delivery. After all, if you can't deliver, why bother developing new products?", Arcidy added.

For samples or detailed product information, contact RCD Components Inc., at 520 East Industrial Park Drive, Manchester, NH USA 03109. Phone: (603) 669-0054, Toll Free Order Hot Line: (877) RCD-COMP, or Fax: (603) 669-5455.

RCD continues to be one of the fastest growing passive component manufacturers due to its ABZED™ ABsolute ZERo Defect guarantee, fast turnaround on non-standard products, and inventory in excess of 2 billion components.