

September 24, 1997

Asensio & Company issues Strong Sell on ErgoBilt, Inc.

ErgoBilt, Inc. (OTC Stock Trading Symbol: ERGB) (Price: \$14.00) has been promoting its Fon'iks Writer as a new and better technology for the court reporting and Rapid Text Entry markets. Just yesterday the Company issued a press release announcing an endorsement by Fuller & Parker's President Reesa Parker. Foster & Parker, a small Dallas freelance court reporter agency, has had a long relationship with ErgoBilt's promoters. Ms. Parker, who is herself a shorthand reporter, does not know the Fon'iks Writer writing theory and therefore cannot operate ErgoBilt's machine. In fact, none of Fuller & Parker's court reporters own a Fon'iks Writer and none know how to use the machine. As shown below the Fon'iks Writer has been unsuccessfully promoted for over 11 years.

The Fon'iks Writer is neither new nor better. ErgoBilt's Fon'iks Writer is merely a shorthand machine with Computer Aided Translation ("CAT") capabilities. These machines are commonplace. There are many similar machines already on the market that offer better performance at lower cost including the Stenograph that has a 70% market share. Not only are ErgoBilt's product and market size claims exaggerated but its management has failed to tell investors that its alleged new product is actually the 14 year old Digitext-ST. The Digitext-ST was developed by Digitext, Inc. a defunct public company that went broke trying to sell its machines. The Digitext/Fon'iks Writer has been on the market for over 11 years under at least three other names. ErgoBilt has privately and without public disclosure licensed Digitext's old, obsolete patents and hired its promoters and former President, CEO and Director. Among ErgoBilt's new former-Digitext employees is "Larry West" whose real name is Lawrence West Melquiond and who Digitext directors accused of abuses including unauthorized payments.

Instead of disclosing its dealings with Digitext's former employees, ErgoBilt announced that it obtained the Fon'iks Writer from Computer Translation Systems & Support, Inc. ("CTSS"). CTSS does not possess any patents or trademarks and may not have even been incorporated until after entering into its alleged deal with ErgoBilt. In fact, there are two different shell corporations called CTSS that have been used to promote the Digitext investor scheme. It appears that ErgoBilt obtained its alleged Fon'iks Writer product rights from Harold I. Schein, who had recently obtained it from Digitext's defunct public shell in lieu of payment of an alleged \$56,324 debt. We know of no legitimate purpose for ErgoBilt's alleged acquisition of CTSS.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks.