



PAETEC

NEWS RELEASE

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FOR IMMEDIATE RELEASE

New RIT/PAETEC Partnership Changes Nature of Academic-Industry Collaboration

\$1 million agreement launches ‘Corporate R&D’ at RIT program

ROCHESTER, N.Y. (March 19, 2008) – Rochester Institute of Technology and PAETEC, the Rochester-based telecommunications company, have entered into a new research agreement that will greatly enhance the transfer of technological innovations to industry and promote regional economic development. The partnership includes \$1 million worth of research and development projects over three years and involves faculty and graduate students from numerous RIT colleges. The first project will be initiated out of the College of Applied Science and Technology.

The collaboration is the first project created under RIT’s new Corporate R&D program, which seeks to enhance cooperation and technology transfer between academia and industry by allowing businesses to retain rights to intellectual property generated during the research projects. The program has been created from concepts presented in a series of speeches, white papers and op-eds by RIT President Bill Destler, which focus on the need for new paradigms in university-industry collaboration.

“This program will work to change the way universities and companies do business and assist in creating enhanced opportunities for technology transfer, basic research and

economic development,” Destler says. “I would like to thank PAETEC for being the inaugural member of Corporate R&D at RIT program and look forward to opportunities for additional collaboration in the future.”

RIT and PAETEC will focus their collective efforts on the company’s Advanced Solution Group, specifically the PINNACLE Communication Management Suite and Allworx VoIP product lines. RIT researchers and the PINNACLE team will tackle a significant challenge that many businesses face, which is how to manage the proliferation of mobile devices, the mobile workforce and lifecycle management. The end goal of the initiative with RIT will be a decrease in costs for business customers associated with managing wireless services and mobile devices.

“Innovation and telecommunications are synonymous with each other, more so today than ever before with the advancement of Internet Protocol and data management technologies,” said Jack Baron, president of PAETEC’s Advanced Solutions Group. “More than 100 RIT graduates are currently members of the PAETEC family, and many are responsible for developing the solutions we offer for enterprise telephony that no other provider can emulate. The pipeline to local talent has always been strong. We see this as an opportunity to strengthen these ties while benefiting our business in the near-term.”

RIT’s Corporate R&D program seeks to develop targeted applied research projects between RIT faculty and graduate students with companies in a wide variety of fields. For research projects that fit this model, the company will retain intellectual property developed during the project in exchange for a fee, which is part of the fixed pricing structure for these projects. Under this agreement, RIT will retain the right to publish and conduct further research that builds off of the work. The program seeks to streamline negotiations that often slow collaboration between universities and industry and provide added value to all partners.

“Our institutions of higher education in the U.S. are still without question the finest in the world and they possess a reservoir of intellectual talent and creativity unmatched anywhere else,” Destler adds. “But, in order to properly utilize these resources a new relationship is needed between business and academia in which hundreds of companies

discover that they can once again afford to do new product research and development, while identifying future employees at the same time. We see the Corporate R&D program as the first step in this transformation.”

For more information on Corporate R&D at RIT visit
<http://www.rit.edu/research/corporate>.

Note: Founded in 1829, RIT is an internationally recognized leader in professional and career-oriented education enrolling more than 15,000 students. The university offers 350 programs of study in eight colleges, and has one of the oldest and largest cooperative education programs in the world. RIT’s modern, 1,300-acre campus is located in Rochester, the third largest city in New York state.

About PAETEC:

PAETEC (NASDAQ GS: PAET) personalizes communications solutions for business customers across the U.S. by offering a comprehensive suite of data, voice and IP services, as well as enterprise communications management software, network security solutions, CPE and managed services. For more information, visit www.paetec.com.