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To Visual Management Systems, Inc. Shareholders:

After a few very busy months, I wanted to offer an update for our shareholders on the state of the company, recent news and events and exciting progress we have made in several areas of our business. I also wanted to discuss the ongoing efforts in shareholder communications.

What is iPDG and how will it affect me?

In January of this year, I made a press release that our public parent company, Visual Management Systems, Inc. would be formalizing its new mission by changing its name to that of one of our subsidiaries, Intelligent Product Development Group. As most of you know, we are in our seventh year in business and for almost that entire time, have been operating two related – yet different – subsidiaries. These subsidiaries, Visual Management Systems, LLC (“VMS”) and Intelligent Product Development Group, LLC (“iPDG”) both are surveillance specialty companies but have very different missions.

VMS is a systems integrator. It sells, installs, services and supports digital video surveillance systems for commercial customers. VMS maintains an active customer roster of thousands of well-known commercial operators. We have done work in large and small locations, in about 40 U.S. states and the Caribbean for end-users ranging from “Mom & Pop” corner stores to various levels of government. Installation and integration are excellent means of client acquisition and VMS has derived more than \$20 million in revenue from this work and built an excellent book of business that continues to grow to this day. It will likely remain a core part of who we are, but there are some areas we have reconsidered when reviewing the business as a whole.

Successful installation and integration operations are very resource intensive. The company needs a large staff to sell, install and service this equipment. It needs extensive warehousing to keep the materials and supplies and it requires a fleet of vehicles to dispatch its inventory and technicians. There are many other costs such as fuel, insurance, rent, etc. which make growing our business through expanding VMS very challenging.

iPDG is a software development company. Through years of research and field practice we felt strongly that we understood the recipe for commercial success in digital, network and hybrid surveillance platform design. Our engineers, developers and graphics designers work exclusively to generate and improve on new technologies to improve the availability, usability and *sale-ability* of our products. As they create new and improved versions of software as well as entirely new products and concepts, our experienced technical staff builds and assembles user-ready products and tests them in real customer scenarios. We

live and breathe surveillance technology and have thousands of customers using our systems every day.

The iPDG business model is, however, quite different. Instead of selling to the end-user like VMS, iPDG sells through dealer, distributor and independent sales organization channels. VMS will continue to offer iPDG products, but only to professional end-users, existing clients and enterprise organizations with the ability to perform or contract their own installation. Licensing iPDG software and selling product through distribution is far less resource intensive and can allow the company to focus its energy, time and dollars on marketing to the kind of customers that will allow us to scale up to critical mass.

So, after more than six years of integration experience and revenues driving its efforts, iPDG has now become the area that management will focus its attention. This is why we announced our name change and why I am pleased to announce that our Board of Directors approved that name change and why we are in the process of making it official with our regulatory bodies and the state of Nevada.

How are things going, in general?

Since we began our transition in the last few months of 2008 (yes – 2008!) we have been developing product, processes and opportunities. After a very trying and difficult 2009, all of our hard work is starting to produce results.

We have launched two amazing new product lines – the TrueHybrid™ and the FlexTHSM. We have engaged a master dealer to serve as a distributor of the core iPDG products and to build a domestic dealer network. We have engaged an established international business partner to serve as our global distributor. And perhaps most importantly, we have been developing some enterprise sales opportunities that are ready to go live and validate all of our hard work.

Our national master dealer is now up and running. They are introducing the iPDG product line to new prospective dealers each day. They have engaged seasoned veterans from the industry who bring decades of experience as well as a book of business to the table. Our first orders from this group began coming in January and this month. We have dedicated a lot of time and resources to helping them get started and are very excited to see results coming in the form of orders.

Our international partner, who became our trade partner in August of last year, has also begun producing its first orders. While they have extensive experience in many industrial applications, the surveillance business was a new venture. We have worked tirelessly to build their business from the ground up and are very happy that we are beginning to receive requests for proposals, bids and quotations from them as well.

VMS continues servicing its customer base and has ongoing orders from several large-customers for new products as well as service and maintenance. Revenues in this business continue even though we haven't made any proactive attempts to solicit new accounts in more than a year.

When will the shareholders get news and updates?

The company has made an effort to kick off public relations and investor relations campaigns. We have not been very successful because the programs require the same thing – news, news, news! Our management, board and legal advisors all agree that releasing news without substance is worse than releasing no news at all. While VMS’s business model was conducive to offering up lots of announcements with dozens of new customers every month, the new iPDG model is different.

Our target customers are much larger than our traditional ones from the past. Each new contract has proven to take some specialty engineering or customization. We are working one-to-one with enterprise clients buying software, hardware and services for many locations at a time. Our customers have their own business policies and procedures to deal with as well as budgets to conform to. Additionally, please remember that we work in a security-related field. Many of our customers do not want us to broadcast news about their business to the world.

Can you provide guidance on contracts or revenues?

As I indicated earlier, the company is not willing to publish news before it is meaningful. I will however share a few projects we have been working on and are excited about.

VMS Projects:

Two of our existing customers have made major commitments to the company since the beginning of the year. A multi-state and multi-location quick service restaurant chain has contracted us to upgrade all of their existing locations from our legacy VM1 and VM2 products to TrueHybrid™ platform recorders. They will be integrating their systems to their point-of-sale system and adding high-resolution IP cameras to the mix to improve the overall coverage in their locations. This work has already begun and will continue throughout the course of the year.

Another customer, a national cinema chain, has informed us that they are purchasing and building several more theater locations. They have contracted us for the existing locations, and provided us a timeline for completion of the balance of the new locations as well. These two contracts represent between \$250,000 and \$500,000 of combined revenue for the company during this calendar year as well as adding to our maintenance revenues going forward.

iPDG Projects:

New iPDG products will be marketed through distributors and dealers. Success in those channels can be judged by the reception the products are receiving. With that in mind, we’re off to a good start.

iPDG is working closely with a group who has shown interest in becoming a national master dealer/distributor. We are excited about how quickly they have managed to get some traction in the industry. Our new partner started its campaign and immediately began placing orders.

The FlexTH products, called *FlexTouch* and *FlexGO* have already been demonstrated to regional security dealers and national security products distributors. All of the prospects were excited to see something new and fresh and are currently negotiating contracts and purchase orders with our new master dealer. We expect the larger scale order flow to commence soon and for the agreements to expand into our full line of products.

Through an introduction from Woodbridge Security, a Louisiana-based dealer, iPDG was recently offered an opportunity to build a custom application for use in the oilfield services industry for hybrid DVRs to be installed on oil rigs with limited communications capabilities. We quickly adapted a version of our flagship TrueHybrid™ SP and it is in the customer's facility undergoing a battery of tests. Pending end-user approval, iPDG's line card will include an all-new new product designed for this very large, and presently underserved vertical.

TrueHybrid™ and Flex's newest engine, "Version 4.0" is nearing completion and it will round out our product offering by using the best available compression algorithms offering even greater picture quality, increased storage, faster data transmission and an access to a greater range of hardware and camera providers.

Even more exciting is that Version 4.0 will allow iPDG products to be specified for residential use. Because of their low cost, simple wireless installation, flexibility and ease-of-use, the FlexTH lines are perfectly suited for residential sales and even the largest security dealers have indicated interest in offering them for sale to their customers.

In Summary

We continue working diligently to improve our product offerings, increase revenues and achieve profitability for the first time since becoming a public company. We have made dramatic changes in the way we work and where we allocate our resources.

Every day, we hope that the toughest times are behind us and that our future is as bright as the opportunities I have discussed and still others that I haven't. Shareholders should visit our websites, www.vmscctv.com and www.intelligentpdg.com for updates and can call our NJ headquarters 877-323-CCTV or Mercom Capital 512-215-4452 with questions and comments.

Our belts are tight and our shoulders are down, but our heads remain held high and we are optimistic that we will emerge from the last eighteen months of hardship, a stronger and more effective company than ever before.

As always, accept my continued thanks for your ongoing support.

Warm regards,

/s/ Jason Gonzalez

Jason Gonzalez
Chief Executive Officer
Visual Management Systems, Inc._

About Visual Management Systems (Intelligent Product Development Group, Inc.)

Visual Management Systems, Inc. (Intelligent Product Group Inc.) and its subsidiaries VMS, LLC and IPDG, LLC are committed to developing and implementing industry-leading video security technology at affordable price points. For more information, visit <http://www.intelligentpdg.com> or call 877-323-CCTV.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Certain statements in this press release constitute 'forward-looking statements' within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company to be materially different from any future results, performances or achievements express or implied by such forward-looking statements. The forward-looking statements are subject to risks and uncertainties including, without limitation, changes in levels of competition, possible loss of customers, the company's ability to attract and retain key personnel, the company's ability to raise capital, the continued cooperation of creditors and vendors, national and local economic conditions, the ability of the company to reach agreements with the proposed distributor, joint venture and integration partners discussed in this release, conditions and trends in the video surveillance and security industries in general, the ability of the company to attract enterprise-scale customers, changes in interest rates, commercial acceptance of the company's products, the effect of government regulation on the company's operations and other factors described from time to time in the company's filings with the Securities and Exchange Commission.

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