Continuing to grow revenues in the fast growing IoT sector, DCS promises to "connect anything, anywhere"

written by InvestorNews | March 16, 2021 The number of Internet of Things (IoT) devices worldwide is forecast to almost triple from 8.74 billion in 2020 to more than 25.4 billion IoT devices in 2030. The global market for IoT enduser solutions is expected to grow from US\$212 billion in size at the end of 2019 to around US\$1.6 trillion by 2025. That would be a spectacular 7.5 fold increase in revenue. Another forecast is to reach US\$1.2 trillion by 2022 which would clearly mean even more rapid adoption.

One niche IoT company that could potentially ride the wave of the IoT movement is <u>Direct Communication Solutions Inc.</u> (CSE: DCSI | OTCQB: DCSX) ('DCS'). DCS is a technology solutions integrator focusing on connecting the IoT. DCS's solutions provide better ways for businesses to collect and assess business-critical data from all types of assets and devices using their hardware, software applications and scalable cloud services.

DCS's advantage and cloud-based IoT product portfolio

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Source: Company presentation

DCS <u>describe their service</u> as follows:

"DCS's experience harvesting solutions in this industry for

years positions them to develop and deliver seamless end-to-end, hardware to software solutions in the most efficient and costeffective manner. The end result – solutions for mass adoption. Saving its clients time, money and effort."

Some examples of DCS's technology and services are:

- MiFleet A GPS fleet monitoring and tracking software. It can be used for tracking, logistics, proof of delivery, and fuel consumption.
- MiSensors is a set-and-forget event cloud-based platform and end-user web application remote monitoring system, that can give intelligent data feedback from IoT devices/sensors. Applications are numerous but some include monitoring and/or automation of factories, power plants, pipelines, network operations centers, transport services, airports, and even spacecraft. On Nov. 25, 2020, DCS announced the addition of MiTag, a commercial-grade wireless sensor that incorporates eight sensor functions into one compact design. DCS <u>stated</u>: "The overall cost of a MiTag sensor deployment is up to 70% less than competing products, giving its users the opportunity to expand their use of sensors throughout their entire business."

MiTag - 8 in one IoT sensor

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<u>Source</u>

- MiCovid Cam: A temperature monitoring detection system. It has an AI thermal detector with cutting edge facial recognition and body temperature detection and is fully integrated into the DCS Web Services, allowing clients online instant access and results. You can read more <u>here</u>.
- AnalytIQ An IoT device deployment & management system.

 Web Services API's – A rapid web/ mobile development platform.

In recent news, DCS has <u>partnered with Hyperion Partners</u> (mobility solutions) and also with <u>Micron Wireless</u> (a global supplier of machine-to-machine (M2M) technology and products).

DCS's business model

DCS operates as a Software as a Service company. Clients can buy the hardware such as MiFleet, MiSensors (includes MiTag) or MiCovid cam and DCS collects a revenue based on the user activity. These revenues have the potential to be recurring and hence build each year as the business grows. 2019 revenue was US\$16.06M.

DCS's Channel & Strategic partners

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Source: Company presentation

Closing remarks

DCS is an up-and-coming IoT company with a motto to "connect anything, anywhere". With global IoT revenues forecast to grow 7.5x from the end of 2019 to 2025, it looks like DCS is in the right place at the right time.

Over the past year, DCS's product range has expanded considerably. Given this and their competitive advantages, it looks likely revenues will continue to potentially increase in the years ahead.

Direct Communication Solutions is headquartered in San Diego, California and has a market cap of C\$27M. One to watch in 2021 as they continue to commercialize their competitive IoT products

Chris Bursey on being an endto-end IoT solutions enabler and the compelling valuation of DCS

written by InvestorNews | March 16, 2021

"We did \$16 million last year in revenue. We are on track to ship some of that revenue into more recurring revenue stream at higher margins. We are undervalued..." starts Chris Bursey, CEO and Founder of <u>Direct Communication Solutions, Inc.</u> (CSE: DCSI | OTCQB: DCSX) (DCS), in an interview with InvestorIntel's Tracy Weslosky.

Chris went on to say that DCS is focusing on being a solutions enabler. DCS builds solutions for companies that allow them to take advantage of the Internet of Things (IoT). MiSensors is a part of the overall solution. He added, "If you look at the market today, it is one sensor function per sensor. We have combined eight sensor functions into one sensor. It is going to allow us to be disruptive in the market. It is an open architecture that we have built in the backend. You will be able to inject other sensors and other technologies as well."

Chris also spoke on DCS' Brewsee platform which is a beer life cycle monitor and control system. He said that the average loss in a keg of draft beer is roughly 20% across the industry. He continued, "We have designed a solution that will monitor the temperature, the flow, the CO2 pressure, foam over beer and shutoff valves. The bar and restaurant owners can take that data and see how many ounces of beer were poured versus how many are actually sold."

To access the complete interview, <u>click here</u>

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