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FOR IMMEDIATE RELEASE

IFBYPHONE SECURES \$4.6 MILLION IN NEW ROUND OF FUNDING

Infusion of Venture Capital Insures Continued Expansion Despite Economic Downturn

CHICAGO—Nov. 18, 2008—In the middle of an economic slowdown and a drought in venture capital funding, Ifbyphone said today it has secured \$4.6 million in a second round of institutional funding from five venture capital firms.

Ifbyphone is a hosted telephone application platform company that provides small and medium-sized businesses with telephony features that enable them to create phone solutions that enhance customer conversations, increase sales and lower costs.

The funding round was jointly led by Apex Venture Partners and Origin Ventures, who also invested in Ifbyphone's first round of institutional funding. They were joined by Spring Mill Venture Partners, i²A and Blue Crest Capital Finance, L.P.

"We view this new round of funding as a strong endorsement of our growth and expansion strategy," said Ifbyphone founder and CEO Irv Shapiro. "It positions us extremely well to continue our expansion during these complex economic times."

"We are very excited to be a part of the Ifbyphone investor group," said Ken Green, co-founder and managing partner at Spring Mill Venture Partners. "We believe that Ifbyphone represents the next great wave of Internet-enabled business services, allowing small and medium-sized businesses access to capabilities previously only available to their larger competitors. This kind of service offers an opportunity to level the competitive playing field."

To learn more about Ifbyphone's affordable suite of online telephony applications, such as [voice broadcasting](#), [Smart Toll Free Numbers](#), [Google Analytics Call Integration](#) and [interactive voice response](#) (IVR), visit <http://www.ifbyphone.com>.

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About Ifbyphone

Ifbyphone is a hosted telephone application platform company that provides small and medium-sized businesses (SMBs) with tools to enhance customer conversations, drive sales, and lower costs. Leveraging Ifbyphone's extreme usability, developers and marketers can quickly create solutions ranging from simple click-to-call links to sophisticated call-routing and interactive-marketing systems. Ifbyphone's solutions are available directly to SMBs and through a network of resellers. For more information, [click to speak to a sales professional](#) or visit the [Ifbyphone Web site](#).

About Origin Ventures

Origin Ventures is a venture capital firm investing in early-stage companies. The firm invests capital and leverages its entrepreneurial, marketing and management expertise to help facilitate the growth of early-stage companies. The principals of Origin Ventures have been involved in successful entrepreneurial activities since the mid 1980s.

About Apex Venture Partners

Apex Venture Partners is a national venture capital firm based in Chicago. With more than 20 years' experience financing early stage IT businesses, Apex has invested in more than 140 companies since inception. The partners at Apex look for companies that have unique products or services that address large potential markets in which customer needs are not being addressed.

About Spring Mill Venture Partners

Spring Mill Venture Partners is an early stage venture capital firm focused on investing in strong management teams in high-growth information technology and life sciences companies located in the Midwest region. We take an active role by providing the strategic and tactical assistance that early stage companies need to grow and prosper. More information is available at www.springmillvp.com.

About i²A

The Illinois Innovation Accelerator Fund (i²A) is an innovative \$10 million early-stage investment fund which invests in companies primarily in technology-enabled products and services, new media and education products and services, and consumer and retail products. The fund's goal is to provide the first external professional capital raised by companies and nurture them through their early stages of growth. Visit www.i2afund.com for more information.

About BlueCrest Capital Finance, L.P.

BlueCrest Capital Finance, L.P., a U.S.-based commercial finance company, provides debt-financing solutions to development-stage companies in a broad range of industry sectors including IT, Communications, Hardware, Software, Semi-Conductor, Electronics, Energy, Medical Device and Life Science. The team, which has been together continuously since 1998, pursues debt transactions in the \$1 million-\$25 million range and has consummated approximately 900 transactions with total commitments in excess of \$1.9 billion.