

TeleSphere gets investment to help roll out services across U.S.

STAFF REPORT

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TeleSphere, a Phoenix-based managed telecommunications and Internet services provider, announced that Hawkeye Capital LLC has made an investment of an undisclosed amount in the company.

The venture capital firm is led by telecom executive John Chapple.

Hawkeye becomes a minority shareholder in TeleSphere. Chapple will serve on the company's board of directors.

Hawkeye joins Rally Capital as another telecommunications venture firm that has recently invested in TeleSphere. Rally made its initial investment in TeleSphere in 2005 and has made several subsequent investments. Dennis Weibling, president of Rally Capital, serves as chairman of TeleSphere.

TeleSphere offers a suite of fully hosted voice telecommunications and data services that address telephony, local- and wide-area networking, and voice and data

solutions for small to midsize businesses by using the same PBX-rich feature sets that *Fortune* 500 companies have used in the past, but at a fraction of the cost.

"I have been involved in providing communications services to businesses and consumers for nearly 30 years and have personally witnessed these services become the lifeblood of businesses large and small," said Chapple. "TeleSphere's service offering has the opportunity to extend valuable business telecommunications

services to the business masses. Previously, economics limited these services to select businesses that had reached a size that they could invest heavily in telecom infrastructure and support."

TeleSphere provides voice and data services to customers in 40 states. The company plans to roll out services aggressively to customers in markets throughout the United States.

Chapple is former chairman and chief executive of Nextel Partners.