



FOR IMMEDIATE RELEASE

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**COROWARE SIGNS AGREEMENT WITH VIDYO TO OFFER MONTHLY
SUBSCRIPTIONS FOR VIDEO CONFERENCING SERVICE**

Offers Free One-Month Trial of VidyoConferencing™

Redmond, WA – May 21, 2009 – Coroware Technologies, a subsidiary of CoroWare, Inc. (OTCBB:COWI) announced today that they have signed an agreement with Vidyo, and can now offer customers affordable subscription packages for video conferencing services powered by Vidyo's award winning products and technology.

CoroWare can now offer customers a variety of monthly subscription packages for VidyoConferencing™. This high-definition (HD), multi-point video conferencing service can be delivered to enterprise and small business customers over broadband and 3G wireless Internet connections.

"Small and medium sized businesses are showing greater interest in monthly telepresence subscription plans since they eliminate the need to purchase and operate their own communication infrastructure," said Marty Hollander, senior vice president of marketing at Vidyo. "By offering an affordable telepresence service, these customers can benefit from improved collaboration while reducing the impact of travel."

Monthly service plans can scale from individual desktop video conferencing to complete telepresence rooms. Customers can select from a range of monthly plans instead of purchasing and maintaining their own telepresence system and network infrastructure.

"We believe Vidyo's technology is simply revolutionary in that it makes video conferencing accessible to anyone with a broadband Internet connection," said Chuck House, Chairman of CoroWare. "By deploying a managed service based on Vidyo's platform, CoroWare will be able to deliver a very affordable telepresence service on existing LAN, broadband Internet, or 3G mobile networks."

Recent headlines have indicated there are times when travel is not advisable because of health risks or budgetary concerns. Responding to this challenge, CoroWare, in cooperation with Vidyo, is offering one free month of its Personal Telepresence Service to any business or organization that needs to reduce business travel.

"Personal telepresence is an effective business continuity solution for organizations that need to quickly respond to travel restrictions or other commercial interruptions" said Lloyd Spencer, CEO of CoroWare. "Working cooperatively with Vidyo, we can offer one month telepresence service at no charge for businesses taking active steps to address travel concerns such as budget and safety."

Visit www.coroware.com/telepresence for more information. Contact sales@coroware.com for subscription pricing and to take advantage of the one-month free trial offer.

About Vidyo, Inc

Vidyo, Inc. is making personal telepresence a reality. Personal telepresence enables anyone, anywhere and at any time to communicate in multi-party video conferences using a personal computer, with HD quality over converged IP networks. Leveraging its patented technologies built on the new H.264 Scalable Video Coding (SVC) standard, Vidyo delivers the industry's best error resilience and lowest latency videoconferencing over the Internet and general-purpose networks. Vidyo's technology for OEMs and end-to-end product solutions for enterprises support point-to-point and multi-point connections that include a variety of different platforms ranging from Mac & Windows desktops to dedicated room solutions. Vidyo has achieved international recognition, and industry accolades including a DemoGod award, Best of Interop, and Frost & Sullivan's 2009 Conferencing and Collaboration Product of the Year for its groundbreaking technology. Based in Hackensack New Jersey and founded in 2005, Vidyo is backed by top tier venture capital investors, including Menlo Ventures, Sevin Rosen Funds, Rho Ventures, and Star Ventures. Learn more at www.vidyo.com.

About CoroWare

Headquartered in Redmond, WA with employees and partners around the world, CoroWare Technologies is a company built on integrity, ingenuity, and good old-fashioned hard work. CoroWare specializes in providing communication and automation products and services to optimize the technology investments of enterprise customers. Offering a broad spectrum of customized customer-focused solutions, including telepresence, robotics development and IT lab management, CoroWare combines the flexibility of a small company with international resources to design the right-sized solution at the right price. CoroWare's experts understand the challenges companies face to keep business running smoothly, meet project deadlines, implement innovative ideas and stay within budget. For more information on all of CoroWare's products and services visit www.coroware.com.

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