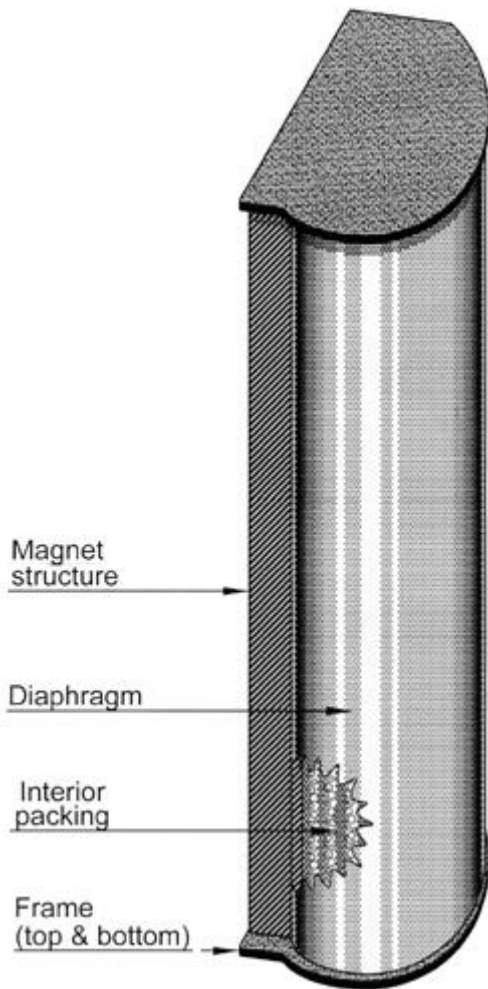




When potential investor Carl Smyth inquired about newly formed [Aero Loudspeakers](#), I was caught unawares and ignorant. Until I visited their site, that is. I recognized Linaeum as a brand I once sold while still in retail. I also recognized the Airfoil project of Impact Technologies that never got off the ground but promised, at the time, to become a rebirth of the Linaeum driver technology after the original Portland company had decided to license it to Radio Shack. Linaeum closed its doors as a dedicated High-End firm in the wake of that transaction and this unique bending-wave driver regrettably disappeared from the scene.

It's still not *entirely* back. Aero Loudspeakers has designs and patents on a next-gen driver that goes beyond even the Airfoil iteration. Still, designer Paul Paddock remains in the process of bankrolling the launch of his first line source statement project dubbed *The Frescobaldi*. President/CEO Graham Hallett, formerly of McIntosh Laboratory, Harman Kardon and Onkyo America; VP of Marketing Ed Brown, formerly with Harman Industries, Recoton, Yamaha, McIntosh Laboratory and Infinity; Roger Skoff of XLO and Glenn Pittmann, board director and consultant for a number of companies and prior Dean of the School of Management at NY State in Binghamton; are already on the roster of *Active Environments Research Organization* aka AERO. This is "a new corporation established in May of 2005 to apply startlingly advanced new technology in building the very best loudspeakers ever made. The company, which is still in the process of completing its capitalization, was conceived and initiated by audiophiles and will ultimately be owned by no more than four hundred audiophile investors who will own 100% of its stock."



The new Aero drivers' descriptions read as though Gallo CDT-reminiscent affairs though the text also suggests that at least two if not three different versions are combined in a line-source array to extent all the way down to 150Hz: "As presently configured, two low-diffraction vertical arrays of special Aero drivers will seamlessly cover the frequency range from 150Hz to 23kHz and far beyond. (The special Aero ultra-high frequency drivers have usable treble response to more than 40kHz.) Two self-powered woofer towers (of a minimum of one kilowatt each and with a design as unique and proprietary as the Aero drivers themselves), will complement the vertical arrays. With all the punch, weight and articulation you would expect from speakers intended to be the world's finest, they will carry the system's low frequency response from the critical warmth region all the way down to 12Hz, delivering tight, well-defined and potentially wall-cracking bass to nearly a full octave below the range of even the best existing systems.

"Because of the nature of the Aero drivers, conventional crossover networks of only 6dB/octave can be used without compromise for all of the midrange and upper frequencies. This will give the Frescobaldi system phase coherence unmatched by other speakers. Ultra-sharp low pass filters for the built-in 1000-watt minimum deep bass amplifier in each woofer tower will ensure pure and exciting transient response throughout the entire system. The appearance of the Frescobaldi system will be as exciting as its performance: Aero has arranged to engage world-famous Porsche Design Studio in Austria to create the styling of the Frescobaldi's cabinets. These will be a museum-quality visual statement, individually hand-crafted and flawlessly finished in polished metals, hand-rubbed lacquers, or the world's most exotic veneers or other materials."

Now you know about as much -- or little -- as I do on the planned renaissance of the Linaeum driver technology. How did I answer Carl Smyth's inquiry about whether he should invest in this company? With caution, naturally. That's nothing personal. In fact, I loved Linaeum and owned their speakers. I would like nothing better than seeing this technology reintroduced and succeed. The current climate in High-End audio retail is simply such that anyone investing for guaranteed returns is embracing risks that need to be counter-balanced by both resources and a true love of audio that goes beyond profits. Audiophiles everywhere owe a huge debt of gratitude to the silent investors who have capitalized -- and continue to -- many now famous companies. It's these behind-the-scene enthusiasts who were directly responsible for the rise of product solutions and technologies that are taken for granted today and which a clever inventor in his garage would otherwise never have brought to market. Money makes the world go 'round. Too often the successful business men and women who bankroll inventors and startup companies get no recognition. Once the Frescobaldi becomes commercial reality -- if it does beyond the Airfoil's short-term presence --, it'll be another example of committed music lovers lending their wallets and resources to help birth a statement product. That deserves applause. I herewith give mine.

How about investing into an audio company? If it were me, I'd identify an *existing* company whose products I liked and one that had already made a name for high-value products (the ones that actually sell). In speakers for example, it's no secret that I admire the work of Anthony Gallo and the Casey/Decaria team at Zu. I'd approach this type of designer with an offer. "I'm willing to cover R&D costs to fund the best speaker you know how to make." Once delivered, you'd be guaranteed not another silly \$100,000/pr attempt at saving the world from bad sound (the world doesn't care to be saved). You'd have a cost-effective statement product from a known designer with established distribution. You'd have instant sales to not only recoup your investment but a good chance to make dividends and percentages *on* that investment. Any proposed project that endeavors to build the "world's best" at cost-no-object pricing has to do battle with the established giants. In speakers, think Wilson Audio, Kharma, Dynaudio, B&W, Avantgarde Acoustic and other heavy hitters who own this segment. Only someone terribly naive would go to war thinking he could win against such entrenched firms - unless he were prepared to put in considerable time to develop a brand and spend the very long green in advertising. To someone prepared accordingly, I'd still recommend studying the actual sales figures and corporate annual turnovers of the big guys. Big in audio is puny compared to nearly everywhere else - not a scenario I think of as attractive to any serious investors doing due diligence...

