

UCSD CONNECT NEWSLETTER
TUESDAY, DECEMBER 18, 2001
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UCSD CONNECT NEWSLETTER
TUESDAY, DECEMBER 18, 2001

1. Weekly News Bulletins
 - a. Training for the Technology Executive

For San Diegans wishing to develop professional business skills with an entrepreneurial focus, choices can be limiting. One option is a family of courses designed for the entrepreneur -- CONNECT Entrepreneur Development. Run collaboratively between UCSD CONNECT and the Business Department at UCSD Extension, the series provides emerging technology companies and their executives with educational conferences, seminars, courses and programs to address a variety of issues.

The courses include How to Start and Finance Technology Companies, Best Practices in Entrepreneurship/Intrapreneurship, Technopreneurial Marketing, How to Develop a Business Plan, CRM for Emerging Technology Companies, Marketing Strategies for Emerging Technology Companies, Intellectual Property for Biotech Companies, and How to Manage an Early Stage Biotech Company.

Starting and Financing Technology Companies is conducted by Ken Olson, who said the students "are smart, educated, typically have an advanced degree and a lot of experience in a technical field. We teach them how to start a real business -- how to raise capital and take on partners. What we do is give them a methodology to succeed."

Dr. Michael A. Lutz teaches Technopreneurial Marketing. "Times are tough and raising money is even tougher," he said. "Face the reality that you have to bootstrap your company for the next couple of years. This course is designed for the bootstrapper -- it covers many techniques to get your product to market on a shoestring."

Marketing Strategies for Emerging Technology Companies is taught by Barbara Bry, Vice President, Business Development, Proflowers, Inc. "This short course is aimed at technology entrepreneurs who want an overview of how to think about developing a marketing plan for their company," said Bry. "In these tough times, marketing has become even more important as technology companies realize that just having the newest best thing isn't enough to generate revenue."

For additional information about CONNECT Entrepreneur Development, visit <http://www.connect.org/programs/edconnect>. Registration is now open for the Winter 2002 season. Register at <http://www.extension.ucsd.edu>.

b. CCAT Receives Over 80 Responses to First Solicitation

The Center for Commercialization of Advanced Technology (CCAT) will begin the final selection of award recipients this week for the solicitation that closed on October 31. Local universities, government, industry, research laboratories, and individual entrepreneurs submitted more than eighty applications requesting support services provided by CCAT. The solicitations represented a wide range of innovative technologies in the fields of biomedicine, biochemistry, electronics, computer software and hardware, networks and communications, and information management systems. Recipients will be announced in mid-January, 2002.

CCAT aims to identify, evaluate, fund and accelerate the development of dual-use technological concepts that can be applied by both the government and the private sector. If accepted to the program, applicants (depending on the maturity of the technology) will receive various commercialization services such as: marketing assessments; market and business plan development or validation; independent product development, test and evaluation; and/or research and development mini-grants to fund efforts by the applicant. CCAT is a public-private collaborative partnership between academia, industry, and government uniting UCSD CONNECT, UCSD Jacobs School, San Diego State University Foundation and Entrepreneurial Management Center, Orincon Corporation, and SPAWAR.

2. Life Sciences

a. Two New Collaborations for Isis Pharmaceuticals

Isis Pharmaceuticals of Carlsbad has finalized collaborative agreements with two companies since December 13. The first is with Amgen of Thousand Oaks, Calif. Amgen and Isis will collaborate on antisense drugs utilizing Isis' proprietary second-generation chemistry, called 2-O-methoxyethyl, to inhibit several gene targets. Antisense drugs work at the genetic level to interrupt the process by which disease-causing proteins are produced. The therapeutic area of research and financial terms of the transaction were not disclosed.

The second is a target validation collaboration and patent license agreement with Chiron Corporation of Emeryville, California. In the partnership, Chiron gains access to Isis' expertise and experience in the application of antisense technology as a tool for gene functionalization and target validation and a license to specific patents within Isis' functional genomics suite of patents. With this intellectual property license, Chiron can use the Ribonuclease H (RNase H) mechanism of action for its in-house antisense-based functional genomics program. RNase H is the most common and potent mechanism of action employed by antisense when used as a functional genomics tool. Specific financial terms of the deal were not disclosed.

b. Q3DM and GNF Enter Collaborative Agreement

Q3DM Inc., a provider of high resolution, high throughput cellular imaging solutions, announced that it has entered into a collaborative agreement to develop multiple assays on its High Throughput Microscopy (HTM) platform with the Genomics Institute of the Novartis Research Foundation (GNF). Under the terms of the agreement, Q3DM and GNF will collaborate to develop a suite of applications using HTM technology for high-throughput, cell-based screening and to develop for commercialization a set of assays, reagents and software modules.

The Genomics Institute of the Novartis Research Foundation (GNF) is a research institution that was founded to develop state-of-the-art functional genomics technologies and to exploit them in the biomedical discovery process. Funded by the Novartis Research Foundation, a Swiss commercial foundation, GNF is building a 180,000 square foot laboratory complex in La Jolla, California. Mark McWilliams, Q3DM's president & CEO, expressed confidence that the company's EIDAQ 100 High Throughput Microscopy Platform and the HTM technology will enhance GNF's ability to conduct high throughput cell-based screens and to identify novel therapeutic targets much more rapidly than with their existing technology. Q3DM was a presenter at CONNECT's Technology Financial Forum for 2001.

3. High-Tech News

a. CONNECT Announces Springboard Graduate

UCSD CONNECT's Springboard program has awarded a Springboard Graduate - Cum Laude Diploma to Stan Gafner, the founder, president & CEO of PurOptix, for his presentation at the Springboard Breakfast meeting Tuesday, December 11 and for completing the Springboard program.

Mr. Gafner and the founding team started PurOptix in the Summer of 1999 to develop and produce an optical networking technology invented by co-founder Dan Havens. To date, the company has developed four products and has shipped to its first domestic customer. The company is gearing up for its first international deployment with a major Middle Eastern

telecommunications carrier in March. The project is expected to generate \$90 million in revenue for PurOptix over the next four years.

PurOptix manufactures optical concentrators, commercial and residential optical gateways, high-speed Web access and interactive TV-enabled digital settop boxes. The PurOptix AON (Advanced Optical Network) products are sold to communications carriers and utilities that wish to expand revenues by delivering voice, video, and data 'triple play' services made possible by extending their fiber optic infrastructure to the customer premises. PurOptix expects the market for its optical equipment to exceed \$1 billion by 2003.

Springboard is a free, year-round program that helps aspiring entrepreneurs turn their business visions into reality. It is available to early stage high-tech and biotech companies that have raised less than \$5 million. The six week program provides personal, one-on-one coaching, refinement of the business strategy, development of a compelling presentation and introductions to business leaders and capital providers.

The program includes the Springboard Breakfast, where a panel of senior business executives listens to the presentation and provides candid feedback and suggestions about the business opportunity and development strategy. Follow-on mentoring is provided through partnerships with the San Diego Telecom Council, San Diego Software Industry Council, MIT Enterprise Forum and the San Diego Venture Group.

To date, 184 Springboard graduates have raised \$230 million. Visit Springboard online at <http://www.connect.org/programs/springboard/index.htm> for more information, or contact Dennis Leidall, Springboard Program Manager, at dleidall@ucsd.edu.

b. WiredRed Secures Contract with Department of Labor

With what may be the largest enterprise deployment of corporate IM (instant messaging), San Diego's WiredRed Software announced that the U.S. Department of labor (DOL) has purchased 18,000 seats of e/pop Alert, the company's new instantaneous emergency notification system. The product will provide the DOL with the ability to notify personnel located throughout its Washington, DC headquarters about emergencies, meetings, and important memoranda in real time.

E/pop is the company's flagship product, and Allen Drennan, CEO and founder WiredRed, said it was designed specifically for sprawling, campus-type facilities like the DOL. News of the contract is also in today's (12/18/2001) New York Times, appearing online at <http://www.nytimes.com>. WiredRed recently graduated CONNECT's Springboard Program and was a presenter at the SDSIC's Investment Conference in October 2001.

c. Wingcast and Verizon Form Agreement

Wingcast, a San Diego-based telematics services and applications company and Verizon Wireless announced that the companies have forged a strategic relationship to deliver wireless voice and data when the Wingcast service launches next year. Wingcast, LLC was founded in October 2000 by Qualcomm and Ford Motor Company to provide wireless services for automobiles (telematics). The alliance enables Wingcast to offer consumers a variety of voice-activated services, including emergency services, high-speed data, and location-based applications, which it will deliver over Verizon's wireless network.

Wingcast's initial telematics service, including hands-free, high-speed data and voice services, will be available in certain Ford and Nissan vehicles. Under the agreement, Wingcast will develop wireless pricing plans that meet the unique needs of its customers while delivering telematics services over Verizon's digital network. Wingcast will offer voice plans and service bundles exclusive to Wingcast customers.

4. The "Bits"

a. Bill Sullivan to Serve as Managing Partner of Brobeck San Diego

Veteran trial attorney William F. Sullivan will serve as Managing Partner of the San Diego office of Brobeck, Phleger & Harrison LLP. Sullivan was elected to fill the vacancy left by Richard Parker, who became firmwide Managing Partner last month. This is Sullivan's second term as the Managing Partner of the San Diego office, having held the post from 1992 to 1996. He also served as firmwide Managing Partner from 1996 to 1998. Sullivan is the leader of Brobeck's San Diego Litigation Group and is a member of the firmwide Securities Litigation Group. His practice takes him to courtrooms throughout the nation and focuses on securities and complex business litigation with emphasis on technology, intellectual property and contract disputes.

b. CONNECT Technology Financial Forum Deadline for Applications Coming Soon

The deadline for applications to present at CONNECT's 18th annual Technology Financial Forum is December 28. The event will feature an exhibit hall and presentations from promising early stage information technology and telecommunications oriented companies from Southern California. Presenters from the 2000 program raised over \$250 million, and despite difficult market conditions, last year's presenters have raised over \$50 million. If you will be seeking funds in the first quarter of next year, or if you have a client who may be seeking funds, now is the time to apply. For more information, visit Technology Financial Forum on the Web at <http://www.connect.org/programs/financialforum/index.htm>. To register, go to <https://www.connect.org/programs/financialforum>.

5. Angel Angles

How Tech Coast Angels Works Together

By Charles Mathews, President, San Diego Tech Coast Angels

San Diego Tech Coast Angels (SD TCA) brings to early-stage companies the investment and mentoring capacities of over 200 savvy and active angel investors. SD TCA is part of the Tech Coast Angels (TCA) network and has close relations with both the Orange County and Los Angeles networks.

Each network is involved in the initial screening of investment opportunities that are posted online as funding applications to the TCA central Web site, <http://www.techcoastangels.com>, according to the geographic location of the company making the application. The central Web site also contains an extensive database of functional and market knowledge, and areas of investment interest and capability, of the members of all of the networks. Available only to members of TCA, this database empowers a network reviewing an investment opportunity, or a member who is mentoring a company, to bring to bear a particular market, technology, or

functional knowledge appropriate to the funding application -- if that expertise is not available to the individual member's first review of the investment opportunity.

Once a network has taken a company through a screening process and determined that a funding application is of real interest, one or more members of that network become a sponsor of the company and introduce the entrepreneur and the investment opportunity at dinner meetings of all three networks. Occasionally these separate dinner meetings are combined into joint meetings of two or more of the networks. The entrepreneur gets to present a screened investment opportunity to a broad range of potential investors in a short period of time, and quickly knows whether there is sufficient interest among all members of TCA to be reasonably assured of reaching the investment objective.

The members of all networks cooperate in many other ways, as well. Members of one network can introduce companies of which they have particular knowledge to the network serving the geographic area in which the company is located, thereby lending an additional level of credibility to the funding application. Members of all networks share a wealth of information on a wide range of topics of interest to angel investors, have access to a set of investment standards and term sheets, and exchange views on specific investment opportunities on the members-only side of the central Web site. In addition, the three networks cooperate in organizing educational opportunities and special interest groups on topics of interest to angel investors.

So, SD TCA offers early-stage companies access not just to the added-value contributions of its 50 members, but to those of the entire TCA, one of the largest networks of accredited investors in the country. Whether you are an entrepreneur seeking investment of the money and time of experienced angel investors or an individual interested in becoming associated with a savvy and active group of angel investors, you are invited to visit the central Web site and learn more about TCA and its networks.

6. Connections

FORWARD VENTURES -- AWAITING REVIEW

7. Who's Doing What

AT CONNECT

**** CONNECT Entrepreneur Development (CED) Winter 2002 Courses are available for registration. The CED courses are designed for entrepreneurs and executives with early-stage technology organizations looking to strengthen business and/or entrepreneurial skills. The complete listing:

---- *How to Start and Finance Technology Companies*, with Ken Olson: Thursdays 6-9 p.m., Jan. 1 - Mar. 14

---- *Best Practices in Entrepreneurship/Intrapreneurship*: Wednesdays 7-10 p.m., Jan. 9 - Mar. 13

---- *Technopreneurial Marketing*, with Michael Lutz: Wednesdays 7-10 p.m., Jan. 9 - Mar. 13

---- *How to Develop a Business Plan*, with Michael Green: Mondays 6-9 p.m., Jan 7-28

---- *CRM for Emerging Technology Companies* with Darren Gooding and Uday Ghatikar: Mondays 6-9 p.m., Feb. 4-25

---- *Marketing Strategies for Emerging Technology Companies*, with Barbara Bry: Mondays 6-9 p.m., Mar. 4-18

- Intellectual Property for Biotech Companies, with Cathryn Campbell: Tuesdays 6-9 p.m., Jan. 15-29
- How to Manage an Early Stage Biotech Company, with Cathryn Campbell: Tuesdays 6-9 p.m., Feb. 5 – Mar. 12

More information, see the feature article in this Newsletter and visit <http://www.connect.org/programs/edconnect>. To register, go to <http://www.extension.ucsd.edu>.

At UCSD

**** UCSD Extension Winter Quarter begins in January. To find out more, attend one of the student orientation meetings offered at all three campuses:

- La Jolla: Saturday, January 5 from 9-10:30 a.m.
- Sorrento Mesa: Wednesday, February 6 from 6-7:30 p.m.
- North County Center: Thursday, March 7 from 6-7:30 p.m.

Get answers to all your questions, find out about financial aid, how to enroll, online courses, career services and more. Additional information is available on the Web at <http://www.extension.ucsd.edu>, or call 858-534-3400.

**** “UCSD Neurosciences Graduate Seminar Series” upcoming schedule:

- How Worms Poop and Why You Should Care: Jan. 8
- Host is Tonya Mead & Christine Paczkowski (title TBA): Jan. 15
- Molecular Mechanisms of Gating and Modulation of Cyclic Nucleotide-Gated Channels: Jan. 22
- Distinct Regulation and Roles of bHLH Transcription Factors in Spinal Cord Development: Jan. 29

For more information and seminar locations, call 858-534-7875. All seminars open to the general public.

AROUND TOWN

**** “Women and Leadership: Findings on a Local and National Level” is the 2001 Annual Athena Survey Presentation. The survey monitors the progress of executive women and the programs that support them in the San Diego technology, biotech and business communities. The results of Athena's 2001 survey will be presented together with the results of a similar study performed by Catalyst, a New York-based research and advisory organization that works to advance women in business. Featured speakers are Tamar Elkeles of Qualcomm; AnneMarie Kaiser with the law firm of Knobbe, Martens, Olson & Bear; and Theresa Isaacs of Catalyst. Thursday, January 10, 7:15 to 9:00 a.m.; Radisson Hotel, 3299 Holiday Court, La Jolla; Cost: \$40/Athena members, \$50/non-members, \$60/walk-in; RSVP & Info: <http://athena.ucsd.edu> or 858-822-4987.

**** “Extending the Enterprise” is presented by the San Diego Software Industry Council (SDSIC). The event is a chance to gain a better understanding of wireless platforms as useful computing devices that extend enterprise data and application resources. Panelists include Steve Kiser of Peregrine Systems, Jeff Ross of Wireless Knowledge, Dan Schieler of Airprime, Hans Wichary of Kyocera Wireless and moderator Larry Mittag of Stellcom. Wednesday January 10, 5:30 to 8:00 p.m.; La Jolla Marriott, 4240 La Jolla Village Drive; Cost: \$20/SDSIC members if paid in advance, \$30 at the door, \$40/non-members if paid in advance, \$45 at the door; RSVP: <http://www.sdsic.org> or fax registration to 858-793-0655.

**** "Venture Outlook 2002" is presented by the San Diego Venture Group. Panelists will include Tom McConnell of New Enterprise Associates and the National Venture Capital Association, John Diekman of Bay City Capital, Tom Clancy of Enterprise Partners, and Jeremy Glaser of Cooley Godward. Wednesday, January 16, 7:00 to 9:00 a.m.; Hyatt Regency Aventura, 3777 La Jolla Village Drive, La Jolla; Cost: no charge for members, \$45/non-members with reservations prior to deadline, \$50/non-members at the door; Reservations are required for both members and guests and must be made by Friday, January 11. Reservations: <http://www.sdv.org>, 619-308-9423 or reservations@sdvg.org.

**** "eCommerce is Alive and Well" ^{how} is presented by the San Diego Software Industry Council (SDSIC). A panel of experts will discuss ^{how} e-businesses are fundamentally sound despite the bursting of the IT bubble. Panelists include Paul Stannard of SmartDraw.com, Chris Jennewein of the San Diego Union Tribune/SignonSanDiego, and Dan Plashkes of eAssist Global Solutions. Tuesday, January 15, 5:30 to 8:00 p.m.; La Jolla Marriott, 4240 La Jolla Village Drive; COST: \$20/SDSIC members, \$20 if paid at the door, \$40/non-members if paid in advance; \$45 at the door; RSVP: <http://www.sdsic.org> or fax registration to 858-793-0655.

**** "SD TCA Angel Seminar," is presented by the San Diego Tech Coast Angels (SD TCA). The seminar will provide an in-depth overview on angel investing for accredited investors who are interested in becoming angel investors, or who have limited experience as angel investors. Successful entrepreneurs who have exited their businesses and high net-worth individuals with senior business experience are encouraged to attend. Local experts in angel investing will conduct the event and cover a wide range of topics. Thursday, January 17, 7:30 a.m. to 4:30 p.m., with refreshments from 4:30 to 6:00 p.m.; San Diego, specific location TBA; Cost: \$250/TCA and Aztec Venture Network members, \$350/non-members; To register (limited to first 25 participants): Karen at CONNECT, connectca@ucsd.edu or 858-534-6114; Sponsorship Information: Don Grimm at grimmdw@aol.com or 858-259-5278; Event Information: Bill Payne at bpayne@san.rr.com or 858-759-1616.

For a comprehensive listing of current events in the technology industry, visit the Southern California Technology Calendar at <http://www.socaltechcalendar.com>.

8. Send Us Your News By Friday

Editor: Brian Blazeovic
Editor-At-Large: T George Harris

The CONNECT Newsletter is published weekly on Tuesdays by UCSD CONNECT. The deadline for submissions is 5:00 p.m. on Friday prior to Tuesday publication. CONNECT welcomes company information and program announcements; however, all information is printed at the discretion of UCSD CONNECT and only on a space available basis. The Newsletter does not print company earnings reports or job listings. Event announcements must include date, time, sponsoring organization, a brief description and a contact phone number.

SEND COMPANY NEWS AND ANNOUNCEMENTS to connect5@ucsd.edu.

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