



CONNECT®

The UCSD Program in Technology and Entrepreneurship

12TH ANNUAL
UCSD CONNECT
TECHNOLOGY FINANCIAL FORUM

Concept Forum & Reception



WEDNESDAY, FEBRUARY 21, 1996

5:30 P.M. - 8:30 P.M.

HOTEL DEL CORONADO

CO-SPONSORED BY:

Cooley Godward Castro Huddleson & Tatum

Knobbe Martens Olson & Bear

A UCSD CONNECT PROGRAM



2001Beyond.Com

4350 La Jolla Village Drive Suite 900 San Diego, Ca. 92122
619-457-4700 Fax 457-2602 E-mail: jan@2001Beyond.Com

Company Overview:

2001Beyond.Com provides advertising space to companies who want to reach a defined audience using online technology through the distribution of value added information. The first product we offer is the **School Profile**, an in-depth, comprehensive report on public/private schools. The report answers the critical question by parents who need unbiased information (whether they are moving or going to a higher grade level) "**How are the Schools**"? Besides offering advertisers, "billboards and links" on our Homepage, we are the first company on the Internet that provides a **hard copy downloaded with their own ad!** We also guarantee a **minimum** number of reports as an additional benefit.

Competitive Position:

We will reach our target audience distributing the 'School Profile' to **3** specific markets: the residential real estate industry; human resource departments of private/public companies and existing/new users on the Internet. Since there is no company offering school information online, our marketing plan is patterned after Netscapes' successful strategy, in which we will offer our information **free** to anyone (including providing software for those companies not on the Internet) in order to penetrate those markets quickly and establish 2001Beyond.Com as the "education information company" on the Internet. Most advertising space being sold on the Web today is to "Directory sites" such as **Yahoo, Lycos** which rely only on "billboards and links". Our primary market is to those local and regional companies that don't necessarily have the resources to fully utilize the Internet. We intend to be in over 12 major metropolitan markets in the US within the first **18-24 months** from launch.

Management:

CEO: Jan Anton has over 20 years in direct sales and marketing.

Technology Design: Mark Burgess-15 years in computer design/programming and is the author of over 100 articles.

Chief Programmer: Jeff Brown -12 years in C++ programming.

COO: Max Perlatti, Jr. 25 years CPA; Legal: David Fisher, 15 years/ new offerings.

Five year Revenue/Profits: \$36,000,000 revenue-\$11,000,000 profits

Amount of Funding: \$1,000,000-\$1,300,000

Strength: No competition/quick penetration of markets/
useful information for families/low advertising
rates/ large local/regional advertising mkt.

Weakness: Information is not proprietary

D P C T e c h n o l o g y

9586 Easter Way
San Diego, CA 92121-1931
USA



Voice: 619 / 622-1887
FAX: 619 / 622-1833
Email: dpc@dpc-tech.com

- The Company:** DPC Technology is a San Diego-based computer science and software technology company which will develop, market, and sell value added "Software Components" for programmers to use in developing industry-specific applications for a wide range of markets. The Company's first product is a **state-of-the-art 2D/3D graphic chart component called "PIC-TOOL"**.
- First Product:** **"PIC-TOOL"** (Platform-Independent Chart Tool / Object-Oriented Library) **enables software developers to easily reduce complicated numeric data to intuitive displays of information by simply "plugging" a software component object into their program.** PIC-TOOL chart objects can be delivered in any major computer operating system, and allow programmers to easily customize charts for industry-specific needs.
- The Benefit:** **PIC-TOOL saves software developers valuable resources and reduces time-to-market.** Software components like PIC-TOOL are pre-developed and pre-tested software "modules" that can save software development teams months or even years of time. A useful analogy would be pre-fabricated housing: modular pre-fabricated units can be assembled into a house in hours or days, whereas builders working through each stage of construction will take months to finish their task.
- PIC-TOOL delivers charts no other competitor can match in terms of power, price or platform.** PIC-TOOL incorporates numerous breakthroughs in a technology known as "object-oriented software" that enable both industry-specific customization and cross-platform delivery that simply are not available with any other tool. **Customers are already buying pre-release versions of the product.**
- The Market:** **PIC-TOOL has the opportunity to seize a large piece of a new and emerging market.** This year, more than \$100 million will be spent on software components. About 60 percent of these purchases are by programmers in large corporations who develop software for in-house use. The specialized needs of this industrial customer base will become DPC Technology's market focus.
- Reliable estimates size this market at more than \$1 Billion by the year 2000. 10 year forecasts predict spending will exceed \$3 Billion. As an emerging technology, *Computer Reseller News* believes that: "for entrepreneurs, VARs, consultants, and software publishing companies, software components are probably the largest opportunity of this decade" [June, 1995].
- From 5 to 15 percent of these customers have a need for charting components like PIC-TOOL. This indicates a current market size between \$5 million and \$15 million and projected market sizes up to \$150 million by 2000. In ten years, as the market matures, chart components such as PIC TOOL should account for revenues up to \$450 million.
- Competitors:** **The current market is fragmented, with no clear leaders.** There are hundreds of components being marketed by many small companies. Many of these competitors are extremely technology-oriented and focus on the existing "tools market" for independent programmers. In contrast, the marketing and publicity strategies for PIC-TOOL will differentiate DPC Technology from the "tools market" and will aim for the much larger "solutions market" at the corporate level.
- Marketing:** DPC Technology has formed **significant strategic alliances** with established software component vendors who have compatible technologies. These companies are willing to commit resources for co-marketing and custom development of DPC's PIC-TOOL product because of the enhanced value it delivers to their product lines. **These alliances provide tremendous validation** of DPC's products, leverage the Company's resources, and yield an **immediate and significant market presence.**
- The Team:** DPC Technology is led by Daniel Cunningham, who is an expert in the strategic uses of the emerging software component technologies and has direct experience in software startups. Daniel has also assembled both a **world-class board of advisors** who offer strategic guidance, and an outstanding **business operations core team** who are ready to move the Company ahead.
- Funding Goals:** The Company seeks an initial round of funding in 1996 of \$500 K to apply to continued market development for this proven product and other component software technology products.

EDI Service Bureau, Inc.

A Full Service EDI Company



THE EDI SERVICE BUREAU, INC.

EDI Service Bureau, Inc. (ESBI) is a pre-launch company organized for the purpose of providing business information management and services, specializing in electronic data interchange on the **Internet**. It's flagship service is Total System Management, an outsourcing service for all EDI-related functions, targeted at medium-to-large U.S. corporations. ESBI is a joint venture between a group of experienced EDI executives and **Momentum Systems Limited**, an established publisher of communications management and Internet electronic commerce software. ESBI is headquartered in San Diego, with additional marketing representatives to be co-located in its JV partner's two offices (New Jersey and Denver). **ESBI has developed a business plan and strategies to attain sales of \$75 Million and a market valuation of \$100 Million in its sixth year of operation.**

ESBI's mission is *"To be the customer's most valuable information management partner."*

Product/Service Overview

ESBI offers its clients management and operation of their entire EDI function, much like MIS outsourcing companies take on a client's total MIS needs. In this role, ESBI will operate and maintain computers, EDI translation-, communications management- and mailboxing software, highly trained and qualified technical and management staff to service the EDI needs of its clients. The ESBI partnership with Momentum Systems now allows ESBI to offer a complete suite of value add Electronic Commerce services on the Internet. Using the proprietary F-Mail software, provided by Momentum, ESBI can provide secure, accountable, functionally acknowledged point-to-point transmission of EDI data, with full audit trails, at prices significantly below VAN-carried transactions. ESBI's Internet services expand market penetration and EC Service revenues.

Market Analysis

The consensus among those knowledgeable in the U.S. electronic commerce arena holds that the total market for EDI products and services will reach the \$3 Billion mark within the next five years, while growing at a compound rate of approximately 30% per year. Organizations which hold this view include Frost and Sullivan, The EDI Group, Limited and Input. ESBI has selected two industries to focus its efforts on: retail distribution, with emphasis on food-related businesses, and Healthcare. Leveraging the founders' in-depth experience in the food distribution business, retail distribution will be ESBI's initial sales thrust. This will be followed in the second year of operation by a major marketing campaign targeted at the P.O.-to-Payment processes of the Healthcare industry. ESBI plans to capture 2.5% of the \$3 Billion market to attain its 6th year sales target of \$75 Million.

Management

ESBI's executive management team currently consists of Dr. Michael Yang, President and CEO and Mr. Thomas Mongoven, VP Operations. Dr. Yang has over 20 years of broad experience in technology, entrepreneurship and senior management in electronics, manufacturing and distribution businesses. Most recently, as VP/CAO, he directed and managed the QR/CRP, EDI, and the MIS departments of a major international food manufacturing company. Mr. Thomas Mongoven served for the last 5 years as Director of EDI and Efficient Consumer Response for a major international grocery manufacturer. In addition to the technology and Sales and Marketing commitments of Momentum Systems, ESBI has secured the commitment of several experienced EDI systems, sales, and operations experts.

Use of Funds

\$2.5 Million in equity is sought for operating capital purposes, including equipment leases, marketing expenses and salaries.

Fast Call

Wireless Credit Card Processing • Mobile Telecommunications
Transaction Processing • Dispatch • GPS

• Company and Market Overview •

Fast Call is developing a low cost proprietary mobile wireless communications platform, providing for :

- Wireless Credit Card Processing
- Mobile Voice Communication
- Two-Way Data/Transaction Processing
- Dispatch and GPS Capability

The business was founded in 1994, primarily by experienced venture and start-up management. The initial voice communication application has been completed and beta tested. The wireless or mobile credit card processing application is the largest *immediate* use of the platform, which has been developed through prototype stages.

The market for wireless credit card processing systems is estimated to be 60% of the land-line or fixed credit card processing systems. Some of the **Target customers** for mobile/wireless credit card processing include:

- All for-hire vehicles (taxi, limos, shuttle buses, liveries)
- Virtually any service fleet vehicles
- Home health care providers
- Emergency fleets (tow trucks, "roto-roter" types)
- Package delivery vehicles
- Swap meet and outdoor vendors

• SUMMARY OF OTHER RELEVANT DATA •

Management: William A. Krahel, Chairman
John B. Owens, CFO
C. Thomas Musson, V-P Mktng.

Co. Contact: William A. Krahel

Sec. Contact: John B. Owens

Address: P.O. Box 7181
Rancho Santa Fe, CA 92067

Phone: 619-756-0567

Fax: 619-756-4147

Employees: Three

Current Advisors:

Legal: Brobeck, Phleger & Harrison
Newport Beach

Patent: Nydegger & Associates
La Jolla

CPA: Deloitte & Touche
Irvine

Amount of Financing: \$3.0 million

Proposed Use of Funds:
To complete the final production unit development of transaction processor, beta test and begin the initial manufacturing ramp-up

Current Investors:

All "accredited investors" to date (with management providing about 60% of all funding)

Legal Form: C Corp.

Annual Sales: Start-up

Financing Stage:

Founding Round - Completed

Seed Round - Completed

Total investment rounds to date: \$1.5 million

This (1st Round) - \$3.0 million

Other Product/Technology Features:

Unique combination of current off the shelf hardware with proprietary system software, firmware and circuitry. First known marriage of selected transmission technologies to achieve low cost transactional processing. Patents applied for.

Financial Performance & Projections: (\$000)

Year	Revenues	P-T Profits	% of Sales
1996	\$ 1,600	\$ (170)	(10.6%)
1997	\$12,750	\$ 3,900	30.6%
1998	\$24,050	\$ 6,200	25.8%



FINANCIAL PROFILES INC. • 5421 Avenida Encinas, Ste. A • Carlsbad, CA 92008
(619) 431-9400 • FAX (619) 431-9497

Mission Statement

Be the Premier provider of sales Presentation tools for the financial services Profession

Company

The first financial planning software company in the U.S. Formed in 1969, to create needs based, selling systems for financial service professionals.

Products

Profiles+ is a comprehensive personal and business planning software based program. With a total of 13 modules, it prepares graphical analysis for such topics as: retirement planning, estate tax, college planning, survivor needs, income tax analysis, business valuation, and employee benefits. *Picture This* is a software "gallery" of over 150 of the financial services industry's best sales and financial concepts. A full catalog of support materials accompany these two software products.

Marketing

The direct marketing staff supports a total user base of over 20,000. Financial Profiles' products are licensed to both independent financial service reps and several dozen widely recognized and highly respected insurance, banking, and investment companies such as: Equitable Life, John Hancock, Mutual of New York, Mass Mutual, Principal Financial Group, NatWest Bank, National City Investments, and AIG. *Profiles+* is the leading financial needs analysis software program now used by members of the International Association for Financial Planners (IAFP), based on its 1995 membership survey.

Financials

	1994	1995	1996	1997	1998
	Actual	Actual	Budget	Projected	Projected
Revenue	2,416,000	3,200,000	4,200,000	5,500,000	7,097,366
+ %		33%	36%	31%	27%
B.T. Profits	392,000	850,000	1,355,000	1,997,000	2,595,000
% Revenue		27%	32%	36%	37%

Personnel

Thomas C. Hansch, CLU, CFP President and owner, Richard A. LaFetra VP Chief Financial Officer, William T. Overman, Ph.D. VP Product Development, Kirk V. Bays VP Sales and Marketing, G. Ronald Smith VP Corporate Systems. We still enjoy the experience and insights of the founders, August Hansch CFP and William McMurry CLU, CFP, two of the financial planning industry's original leaders. FPI employs 34 full and part-time associates. This number is expected to grow to 45 in 1997.

Use of Funds

This debt-free sub-s corporation is seeking a partnership, merger, or acquisition

Conclusion

Banks, insurance, and investment companies are rushing to figure out how to equip and train their representatives in financial needs analysis. With substantial market share, superior product, and 26 years of goodwill, Financial Profiles Inc. is capitalizing on this opportunity.

"Transforming Financial Visions into Reality since 1969"

E-mail: thansch@profiles.com

Web site: www.profiles.com

Fusion Pharmaceuticals

Company Description: Fusion Pharmaceuticals is a drug delivery company developing *in vivo* intracellular delivery systems. These chemical-mediated (*i.e.* non-viral) delivery systems will enable the commercial development of genes and other biologically active biopolymers as prophylactic and therapeutic agents in both acute and chronic clinical applications.

Mission Statement: Fusion Pharmaceuticals will develop delivery systems that are required to enable the enormous therapeutic and prophylactic potential of modalities such as genes and biologically active biopolymers.

Technology/Product Overview: Delivery of compounds such as genes and other biopolymers across the cell membrane to intracellular targets remains a major unfilled need for prophylactic and therapeutic medicine with enormous commercial potential. *Fusion Pharmaceuticals has been founded to develop the delivery systems needed to exploit the potential of genes and other biologically active biopolymers.*

Genes as drugs have great potential in many therapeutic and prophylactic applications. A great deal of research is being conducted both in academia and industry discovering new genes, their functions and their potential therapeutic applications. These discoveries will lead to a revolution in medicine. The key step to turning these discoveries into pharmaceuticals is their delivery not only to the desired site of action but also into the cytoplasm of the targeted cell.

The most direct application of genes as drugs is their use as vaccines. Fusion Pharmaceuticals is developing Mucosal Polynucleotide Vaccines. The mucosal lining is the first line of attack of pathogens and it is now established that mucosal immunity is conferred by a separate immune system compartment and regulated in a different fashion than the systemic immune system. However, current vaccines cannot induce mucosal immunity against bacterial and viral pathogens that enter the body through mucosal routes. Fusion Pharmaceuticals has demonstrated that their gene/polynucleotide delivery systems elicit the required immune response in the mucosal lining.

Fusion Pharmaceuticals has a threefold business/scientific strategy unlike any of its competition. First, we will develop Mucosal Polynucleotide Vaccines for bacterial and viral pathogens based on our proprietary DNA delivery technology accomplishing what current vaccine technologies cannot. Second, we will expand our technology to develop targeted and other systemic gene and biopolymer therapies. Third, we will form alliances with companies in need of delivery technology for their proprietary gene, biopolymer or small molecule products. The company will be comprised of scientists with expertise in gene therapy, non-viral gene delivery, drug formulations, drug delivery, medicinal/organic chemistry, molecular biology, pharmacology and virology.

Market Analysis: Mucosal Polynucleotide Vaccines can be developed for a number of pulmonary, gastro-intestinal and sexually transmitted bacterial and viral pathogens. Effective mucosal vaccines against any of these pathogens represents significant markets. Following successful development of an effective delivery system a number of vaccines or multi-component vaccines will be readily developed.

Management Team: Fusion Pharmaceuticals has been founded by David Schwartz, Ph.D. who will be Vice President- Chemistry and Dr. Robert Malone, Director and Founder of the UC Davis Gene Therapy Program who will chair the Scientific Advisory Board.

Use of Funds: Fusion Pharmaceuticals' proprietary gene delivery technology can enable Mucosal Polynucleotide Vaccines and thereby redefine vaccinology. The company will initially focus its technology and resources on the development of mucosal polynucleotide vaccines for a few selected pathogens.

CONTACT: David Schwartz

Fusion Pharmaceuticals

1544 Valleda Lane, Encinitas CA 92024 (619) 436 2808 FAX (619) 436 6209

ISCHEM CORPORATION
354 Gravilla Street
La Jolla, California 92037
(619) 459-5396 FAX (619) 459-8122

ISCHEM Corporation plans to deliver information to physicians based on clinical diagnostic patient measurement and "trained" "non-linear" computer analysis that will assist in understanding the underlying chemistry of ischemic heart disease in the tested patient, and to facilitate intervention with therapies, to prevent restenosis after angioplasty, to regress individuals presenting with heart disease, and to prevent healthy individuals from progressing to heart disease. A series of diagnostic measurements, focused around the oxidative theory of heart disease, will be performed for each profile. The profiles will be compared by trained non-linear computer analysis to populations that are known to remain healthy and those that progress to disease (outcome analysis).

Technology

The Company's technology is centered on the measurement of components of the human antioxidant defense system and the non-linear analysis of their interaction and meaning using trained non-linear computer analysis. Oxidants, oxidant generating systems, antioxidant proteins and small molecules, oxidizable molecules and repair systems all interact in complex ways having their impact on heart disease. Oxidation happens when defense systems are overwhelmed causing "oxidative stress". Trained non-linear computer analysis can be used to spot non-linear patterns in data and predictively link these patterns to clinically relevant outcomes. Non-linear analysis has been shown in similar circumstances to be superior to linear statistical analysis presently performed on studies to derive meaning for variables; especially if the variables are inter-correlated as the variables in heart disease are. International research in ischemic heart disease is now focused on further understanding the effects of oxidation and the importance of reduction/oxidation (redox) balance on heart disease. Some researchers theorize that many, if not most, of ischemic heart disease risk factors change the redox balance, thereby effecting patient outcome. ISCHEM plans to give physicians an understanding of patient redox balance and its importance in patient therapy outcome.

Market

Approximately one-half of all individuals in western civilization now die of the vascular disease being addressed by ISCHEM. The Company's first target marketing will be to cardiologists performing angioplasty. The bulk of the angioplasties are performed in regional centers allowing for ease of marketing and service. Large cost savings from using the service would benefit HMO's. 86% of potential cardiologist customers, independently surveyed at the 1995 American Heart Association Scientific Sessions meeting showed familiarity and interest in cardiac research in oxidation and 42% showed desire to use this information for patient therapy. National service will be provided from the start through contractors who draw and ship serum to the Company's national lab. Reimbursement is already in place with Medicare and private insurance carriers. ISCHEM is not under the jurisdiction of the Food and Drug Administration (FDA) and plans to have HCFA and state approval to operate 6 months after funding.

Proprietary Position

Proprietary protection is available for trained non-linear computer analysis. Trained non-linear computer analysis cannot be reverse engineered from the clinical information sold to physicians, allowing for the protectable sale of pure information. Trained non-linear computer analysis cannot be constructed without appropriate primary data (including appropriate samples) and study end-points. Since the primary test data and non-linear training are not available to competitors, ISCHEM has a protectable proprietary position in the marketplace allowing for a market advantage.

Financial Projections

ISCHEM seeks \$6.7 million for total financing. Sales are forecasted after two years. A positive cash flow is forecasted after three years. Sales in the +\$100,000,000 range are possible in five years. Profit margins are large. Going public in three years is contemplated for investor liquidity.

KDH Technology Group

501 West Broadway, Suite 1310
San Diego, California 92101-3505
619-696-SCAN (7226)
800-888-4916
619-696-5871 Fax

KDH TECHNOLOGY GROUP

THE COMPANY - KDH Technology Group is a software development and service company that has developed a proprietary, technologically superior suite of integrated software tools designed to automate professional offices. The software system is called Manage_Well. The company's first product is developed specifically for law offices and corporate legal departments as the company's owners have provided litigation support for law firms for the past 18 years and have extensive expertise in that area. However, because Manage_Well is designed for use by professionals, they plan to expand their efforts over time to supply software and services to accounting, medical and engineering offices as well.

THE PRODUCT - Manage_Well provides an easy to use format that allows law firms or practice groups to scan materials (including case documents, depositions, photographs, audio and video) into computerized files; store such material in a variety of platform environments; build intelligent database structures configured for each case; conduct indepth research queries upon the mass of information which can then be displayed for review, organized and annotated for presentation, downloaded for portability on a laptop, FAX'd, E-mailed, or printed. Rather than describing Manage_Well as "user friendly," we have built Manage_Well to be "user focused." It appeals to attorneys because it reflects the way lawyers think and work. The end-user per seat price is \$1500.

THE MARKET - At present 35% of law firms are computerized, with 90% expected to be computerized by the year 2000. KDH has initially targeted computerized law firms, practice groups, and corporate legal departments and expects an average sale to be \$20,000. This places the present market opportunity at \$300 million, growing to nearly \$750 million in five years.

DISTRIBUTION - KDH plans to effect national distribution through a select group of value-added resellers (VARs). Highly experienced VARs will be selected based on quality, resources, and experience in sales to the legal sector. KDH will offer extensive support and training to the VARs in order to enhance their value to their customers and facilitate Manage_Well sales.

CURRENT POSITION - KDH has completed development of Manage_Well for legal. It is presently installed in five locations with four more scheduled this month. KDH is looking for \$1,200,000 to expand its facilities, hire personnel, and launch our marketing program. KDH has significant strategic alliances in place including Prentice Hall Legal and Financial Services and LiveNote, Inc. Impressive VAR interest has been expressed through Connecting Point, Mitratch and ICS.

MANAGEMENT TEAM - KDH's management teams consists of Cory Dickman, President; Deane Kitlas, COO; Lawrence Delsen, interim CFO; Virginia Rybski, interim Director of Marketing; Keith Altman, Director of Sales. Upon funding the company will seek an industry experienced CEO and Marketing Director to accomplish the goals of the business plan.



PROPOSAL FOR SEED FINANCING

Submitted by Joseph Kraut*

IN CONFIDENCE

Summary: Seed capital is sought for the purpose of establishing a new molecular bioscience-based company in San Diego. The objective of the Company will be to design and develop novel vaccines and antibiotics specifically for the prevention and treatment of common acne (*acne vulgaris*).

At present there exists no effective treatment that is free from severe side effects. In the U.S. alone more than 4 million patients per year visit dermatologists for treatment of acne; it is estimated that more than 17 million persons in the U.S. are affected. Clearly the potential world-wide market is many times as large.

Recently, three crucial scientific advances have coincided to create an opportunity to defeat this affliction. One is the accumulation of evidence that acne is indeed caused by a particular species of bacterium, *Propionibacterium acnes*. The second is the emergence of the science of molecular-structure-based drug design. And the third is a sudden, unexpected advance in the technology for rapidly determining the total nucleotide sequence of any bacterial genome. Thereby at one stroke the biology of a target organism, in this case *P. acnes*, is revealed in its entirety.

An especially noteworthy feature of the plan calls for the Company quickly to sequence the entire *P. acnes* genome and to use that sequence as the basis for patent filings covering both drug design and vaccine design. This strategy should provide a time window during which the Company is protected against competition from the large pharmaceutical firms.

I estimate that initial funding of about \$500,000 for one year should suffice to establish a research laboratory, culture *P. acnes*, isolate the required genomic DNA and begin sequencing. Determination of the complete genomic sequence will cost about \$1.5 M and take 6 months; that phase should probably be subcontracted. Drug and vaccine design based on the genomic sequence will then require substantial further funding, but if it seems strategically appropriate, the Company's assets at this point could be sold outright.

***Joseph Kraut** is Professor Emeritus and Research Professor in the Department of Chemistry and Biochemistry at the University of California, San Diego. He has been a faculty member at UCSD since 1962, was a cofounder of Agouron Pharmaceuticals, Inc. and is a member of the National Academy of Sciences.

phone(619)-534-3366
fax (619)-534-4864
email jkraut@ucsd.edu

MSAT, Inc.

6048 Cornerstone Court, Suite E
San Diego, California, 92121
Phone: (619) 453-2900
Fax: (619) 453-2929

Company Profile

Legal Form: California Corporation
Date Established: March 23, 1995
Funding Sought: \$1.0 Million

Company Overview

MSAT, Inc., is a high technology company specializing in the design, development and manufacture of unique antenna systems and subsystems for the Satellite Communication ("SATCOM") industry. The initial product focus is a Company proprietary flat antenna design for the Satellite TV industry servicing the boat/marine, RV and home market segments.

Marketing Overview

The success of DirecTV's digital high power satellite TV broadcast system created this vast market. In the June 7, 1995 issue of SATELLITE BUSINESS NEWS, top DirecTV executives predicted that "a little more than a year from now, 3 million homes will have DirecTV/DBS systems." The total market is in its infant stage and offers a tremendous opportunity for the Company to capture a large share of a niche market segment.

Technology Overview

The boat/marine antenna design offers a fully automatic antenna system that by simply entering a 3 digit code number, the antenna will find the satellite of choice, all within 10 seconds and track the satellite while the boat is under way. The Company's flat antenna product technology patent has been applied for.

Use of Funding

The Company is seeking \$1,000,000 for financing (1) sales development to expand in both the U. S. and international markets; (2) new product development; (3) production tooling to support manufacturing the product at the lowest cost and highest volume; and (4) inventory for system assembly.

Personnel

San Amarillas, President, John Cain, Manager Software Development, Jim Asbury, Senior RF/Microwave Engineer, Fred Verd, Senior RF Engineer, Frank Nieman, Senior Mech. Engineer

Financial Overview and Projections

(000,s omitted)

FYE:	1996	1997	1998	1999
Revenues	\$1,000	\$4,000	\$6,000	\$8,000
Income Before Taxes	\$100	\$800	\$1,200	\$1,600



WHY YOU SHOULD INVEST IN NOVATEC ?

Novatec Laser Systems, Inc. was formed in 1991 to develop advanced solid state laser-based surgical systems for ophthalmic applications in refractive and pathologic disorders. Its investors include ophthalmologists practicing refractive surgery. Management believes that the Company presents an attractive investment opportunity for the following reasons:

Large and Growing Market : About 60% of the world population suffers from some sort of refractive error. Approximately 90 million Americans are myopic, 40 million are hyperopic, and 55 million are astigmatic. About 300 surgical systems (principally excimer-laser based) are currently believed to be in use. This is expected to grow to approximately 10,000 systems within the next ten years.

Near-term Revenues : Since Q1 of 1995, the Company has delivered six systems and is currently negotiating the sales of 14 additional systems (for a projected gross revenue of approximately \$6 million in 1996).

Easily Defined and Financially Strong Customers : Purchasers of the Novatec system will be major hospitals and well positioned ophthalmologists in large private practices which are easily reached via trade shows, trade magazines, scientific publications and meeting presentations. These purchasers are strongly capitalized for the type of surgical equipment offered by the Company.

Short Pay-back Period : Given the estimated payback period of less than two years, the Company believes it will not be difficult to convince customers of the economics of purchasing the Novatec system.

Competitive Advantages : Management believes that the Novatec surgical unit is the only one that integrates the two principal refractive surgical approaches: corneal surface ablation and intrastromal mode. Currently, excimer lasers can only be used for corneal surface ablation and the solid state lasers for intrastromal uses. Additionally, the Novatec system can also be used to treat intraocular disorders including glaucoma, cataract and vitreoretinal diseases. Excimer lasers have the disadvantages of expensive installation and maintenance because they utilize a toxic gas. In addition excimer lasers are much more limited in use, patients experience slower epithelium closure after surgery, and excimer lasers have a more limited correction range than the Novatec system.

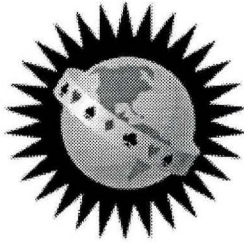
Efficacy : The Company completed Phase I FDA trials in September, 1994. The successful results led to an approval to proceed to Phase II in November, 1994. Phase II clinical trial results show that the efficacy level of the Novatec laser at 1-3 months is comparable to the latest technology offered by the leading competition at 6-12 months time points.

Future Upgrades and Ease of System Expansion : New procedures, such as correction of high myopia, hyperopia and astigmatism can be added to the Novatec system with software and it can be upgraded on-site at a minimal incremental cost. Many new procedures are also currently under development.

Patent Protection : Founders of the Company have ten patent applications, three allowed and seven pending.

USE OF FUNDS

The Company is seeking \$6,000,000 in third round of financing to (1) expand marketing and sales in the US and international markets; and (2) expand manufacturing infrastructure to support the anticipated sales volume increase.



OKbridge

Bridge on the Internet

<http://www.okbridge.com>

Overview. Founded in 1990, OKbridge provides an on-line service which enables people to play the game of duplicate bridge live through the Internet. OKbridge seeks to become the premier worldwide provider of on-line bridge games and bridge information.

On-line bridge offers many benefits to avid bridge players. It can be more convenient than playing at a bridge club, since one can play at any time of day or night from the comfort of a living room. In many areas, playing bridge on-line is less expensive than visiting bridge clubs. OKbridge already has an established customer base of over 2,000 users, so there is a wide selection of partners and opponents, and some of the world's top players use OKbridge regularly. It provides a unique learning environment, as it is possible to kibitz the games of advanced players, and complete records are kept of all hands played. And OKbridge provides a variety of additional services which cater to avid bridge players, such as weekly on-line tournaments and annual knockout competitions.

The Market. The primary market consists of avid bridge players. Approximately 500,000 people belong to national bridge organizations in countries which have Internet access. Estimates indicate that the value of the primary market will eventually exceed \$20,000,000.

Product and Technology. The core technology consists of an Internet-based server plus client software for accessing the server. The game is platform-independent and can be used by anyone with access to the Internet. For Windows users, there is a graphical interface which features full-size playing cards.

The OKbridge client software is distributed freely over the Internet, but the software cannot be fully used until after a subscription has been purchased. Depending upon the type of client software used, the price of an annual subscription varies from \$50 to \$79, with a \$20 discount for students. The average revenue per subscription is about \$65.

Strategy. OKbridge is the leader in the on-line bridge market, with over a 60% share, and it is the most sophisticated of the on-line bridge services. We plan to strengthen these competitive advantages through offering additional bridge-related services and vigorously pursuing intellectual property protection.

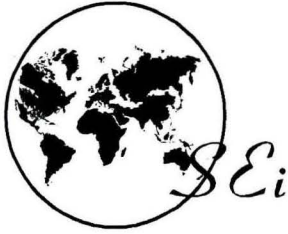
In addition, we seek to create new competitive advantages through obtaining licensing agreements from national bridge organizations. This strategy will provide us with ready access to a market of 300,000 to 500,000 customers. We also plan to expand our World Wide Web publishing capability so as to become the premier source of on-line bridge information. This will increase the exposure of our interactive bridge game and will create new sources of revenue through advertising, product sales, and the dissemination of information.

Management.

Matthew Clegg, Founder and Owner. Ph.D. candidate in Computer Science at the University of California, San Diego.
John Belden, President and CEO of OCTuS, a San Diego company in the field of computer telephone integration.

Funding Sought. We seek up to \$500,000 to be used to recruit a management team and to market the product.

7987 Camino Huerta, San Diego CA 92122
Phone: (619) 558-3408 FAX: (619) 558-8546
matt@okbridge.com



SPACE ELECTRONICS INC.

- COMPANY OVERVIEW:** Space Electronics Inc (SEI) is an employee-owned company producing micro-electronic components capable of surviving the high-radiation environment of satellite, spacecraft and space probe missions. Our microcircuits are currently being flown aboard CRRES (Combined Radiation & Release Experimental Spacecraft), GEOTAIL, GPS (Global Positioning System), NASA ISTP (International Solar & Terrestrial Physics), SSUSI, and TOMS (Total Ozone Mapping Spectrometer).
- PRODUCT:** Rad-PakTM and PLAS-PAKTM are unique, patented integrated shielding concepts which improve low energy radiation tolerance, allowing components to survive a minimum of 100krad(Si) radiation dosage. This technology which enables space programs to use off-the-shelf components in their integrated circuits, represents not only a significant cost savings, but also the ability to use state-of-the-art components. (Other forms of radiation hardening take 18-36 months, cost over \$500K, and result in components one or two generations behind current state-of-the-art.) A good example would be Intel's monolithic high-density chip which represents a generation leap over existing space microcircuits. SEI can provide radiation hardened Intel high density monolithic chips within weeks of an order.
- MANAGEMENT:**
- CEO: Robert M. Czajkowski has over 30 years of high technology, managerial and entrepreneurial experience in the aerospace industry. His career includes two prior successful start-ups.
- COO: David J. Strobel has 23 years of microelectronic experience and is nationally recognized in the field of space electronics. He founded the predecessor organization to SEI, the Microelectronic Technology Center at SAIC.
- CFO: Paul E. Blevins has over 13 years of experience in financial and operating management positions with emerging technology companies. His career includes many successful financings, including an IPO in 1987.
- COMPETITION:** After 45 months of operation, SEI expects to do over \$10M in sales in 1996. At the current time SEI has no direct competition.
- STRENGTHS/WEAKNESS:** With a 200% growth of production orders every year, additional funding is needed to support cash flow needs, expansion of capacity, and elimination of production bottlenecks. Self-funding does not permit the rate of growth justified by our competitive advantage.
- STRATEGY:** During the next two years, SEI plans to pursue a policy of aggressive growth to take advantage of its technology, market position, and market demand. SEI management believes with adequate capital it can sustain a doubling of volume each year.
- FUNDING:** \$1,500,000

SUPERSET'93

Business Description.

Superset'93 Inc. was established to sustain the installed base of Superset graphic arts workstations and develop new products for a broader market segment to enable a major breakthrough in the output (printer) production of Photo Realistic Images. Superset'93 Inc. is a California based C corporation, incorporated in Nevada in June of 1993.

Mission Statement.

The mission of Superset'93 Inc. is to design, develop and market a family of products which enables significant production gains for printing from a wide variety of printing devices used in general office and commercial printing environments.

Product/Technology Overview

Superset'93 Inc. has developed technology and designed a unique family of products which enables P.C. users to directly attach multiple printer devices (up to seven) and drive all of the printers independently and simultaneously at full speed from a Windows based menu.

The product will also perform equally in a heterogeneous network environment from a single PC node. The product has been demonstrated to printer manufacturers including ENCAD, HP, XEROX and others.

Superset'93 Inc. has applied to the US Patent Office for a broad application of this technology and have received a Patent Pending status while the application is in review.

Marketing Analysis

Superset'93 Inc. has conducted two market studies which established the viability of the first series of products and the pricing sensitivity in the different market sectors. We are confident that we can support the market requirements in each segment with adequate gross margins to accommodate multiple channels of distribution.

There is no similar solution available in the market for PCs. Any alternative solution is more complex, much more expensive, less productive and requires a more expensive computer (i.e.: Workstation). There are and estimated 96 thousand commercial installations where cost effective production expansion is required and 20 million print devices available in the general office environment today with a forecast of and additional 5 million per year added for the next five years.

Use of Funds.

Superset'93 Inc. Is soliciting \$1 Million dollars of equity investment which will facilitate full production implementation of the first generation product family of Printer/Routers, long range market strategy development and product distribution. The funds will also facilitate production readiness for the second generation of the product which addresses the general office environment.

The approximate distribution of funds for the first year of operation will be: Employee compensation \$444,000, Facilities \$67,200, Outside engineering services \$101,000, Marketing and engineering consultants \$78,000, Capital purchases \$67,000, Advertising \$60,000, Marketing \$60,000, Legal and accounting services \$14,400.

Management Team.

Thomas Enright: President and Chief Executive Officer. Mr. Enright brings to NGI over twenty years of management experience in sales and marketing and business management. He has held executive positions in private companies and in public companies with revenues exceeding a billion dollars per annum.

Larry Dickson Ph. D: Vice President and Chief Scientist Dr. Dickson received his Ph.D. at Princeton in 1971. He taught mathematics and related subjects at Purdue University, The University of South Wales and the University of Washington. He was engaged in basis research in aerodynamics simulation and digital surface definition at Boeing in the late 1970s. Dr. Dickson was a founder at Superset where he developed proprietary algorithms and mathematical code for the companies image and color manipulation products.

Richard Stanford: Vice President of Engineering. Richard Stanford holds an Sc.B in Physics from Brown University and an MS in Engineering Physics from Case Western Reserve University and an MS in Engineering Sciences from UCSD.

9823 Pacific Heights Blvd. Suite J San Diego, CA 92121

Phone 619-587-6003 FAX 619-587-6082

Surgical Grade Software

3503 Santa Clara Way Carlsbad, CA 92008-2165

Voice: (619) 720-9692

Fax: (619) 720-9014

Internet: tgill@interserv.com



Company Description

Surgical Grade Software (SGS) was formed to provide sophisticated (powerful yet simple) business/clinical software and services to the health care industry. The first challenge was to develop a high-quality health care office system as a foundation for ongoing services. The development goal has been accomplished with superb results as confirmed by trial marketing and beta testing.

The second challenge is to market the product and to support an on-going revenue stream including lucrative claim submission services. A strategy to accomplish this second goal has been planned in detail and awaits additional funding for implementation.

Product and Market Overview

The product, *Practice Perfect*, is a mass-market quality Windows program which far exceeds the standard for the marketplace. It seamlessly integrates all major office functions, dramatically improving office efficiency. There is no other product which can claim comparable functionality and ergonomics, spanning medical, dental, and chiropractic market sectors.

Health Informatics magazine estimates that the market for medical application software will grow to \$6.05 billion in 1996. Given this large market, it is amazing that it is dominated by antiquated XT vintage software offerings which are extremely inefficient and crude compared to *Practice Perfect*.

It is estimated that at least 4 Billion insurance claims are submitted each year. The massive revenue this represents is diffused across cottage billing services, clearinghouses, and management organizations. SGS will realize substantial on-going revenue by handling submissions on a per-claim basis. *Practice Perfect* makes the billing and claim submission process so clean and efficient that it will save the practitioner substantial revenue in processing and managing claims.

External Market Factors

Industry trends including practice size migration, managed care, home health, computerization, and insurance audits all work to benefit SGS. *Practice Perfect* is poised to ride the Windows-95 tidal wave. Acute concerns by physicians regarding audit accountability are answered reassuringly by *Practice Perfect's* clinical records section. *Practice Perfect* is ready to serve the desperate 72% of physicians in office-based practices. It is also scalable to meet the demands of large groups and clinics.

Management Service Organizations are the first to recognize the critical need for improved software to reduce the estimated 15-30% of total physician revenue lost to under-billing and 6-9% paid for insurance billing. Even within capitated pay systems, *Practice Perfect* is still necessary to manage the practice and provide reporting. Fee structures take advantage of capitated payments.

In short, the need for SGS products and services cannot be undermined by external factors, only made more profound. In fact, the product and the business plan provide for substantial expansion and corporate growth to capitalize on market trends and increasing industry demands.

Use of Funds

Development of the product is complete. Funding of \$2 million is now required to put sales, marketing, and product service functions in place and to maintain the business until positive cash flow is generated. The funding will be used for marketing, administrative costs and facilities.

The first quarter will see the company attract key management personnel, move into a new headquarters, hire and train staff, develop marketing materials, and launch the product. Thereafter regional sales and support centers will be established when necessary to service key market areas while selling direct nationwide.

Summary

Practice Perfect is a market-ready opportunity which can yield not only substantial product income, but tremendous on-going claims revenue as well. It is so dramatically superior to the competition noise-level that it immediately attracts the notice of office managers and physicians. Required funding is very small relative to even modest success and a real opportunity exists to take over the national medical market just as Quicken took over accounting. A video tape product demonstration and a business plan are available from SGS President Tyson Gill.



VICTORY SPORTS, INC. BUSINESS SUMMARY

Company Contact:

Jerry Preeper
Phone: (619) 231-2000
Fax: (619) 231-1222
E-Mail: preeper@allsports.com

Management:

Jerry Preeper -- President/CEO

Industry:

Software Developer & Publisher:
Screen Savers for Retail Markets
and Corporate Promotional Use.

Legal Form:

California Corporation.

Number of Employees:

One.

Bank:

Bank of Southern California.

Auditor:

None -- Self Prepared.

Law Firm:

Ferrette & Slater.

Current Investors:

None.

Amount of Financing Sought:

\$100,000 -- Marketing
\$ 35,000 -- Product Development
\$ 60,000 -- Overhead
\$ 30,000 -- Inventory
\$ 25,000 -- Contingency
\$250,000 -- Total

Business Description: Jerry Preeper founded Victory Sports in 1994 to develop college football screen savers. I have developed two college products (Nebraska and Oklahoma) that are being sold direct and in retail outlets. Victory Sports has also created an efficient development model and screen saver engine to add titles quickly at low development costs. Finally, I have four other screen saver titles (non-college) now available.

Company Overview: Victory Sports differentiates itself by focusing on highly targeted markets with strong consumer demographics and easily identifiable consumers. I have developed a strong marketing plan and am now establishing distribution channels for these products. In the future, the company can sell additional products to these customers and channels of distribution.

Product/Technology Description: Sports Screens™ screen savers highlight some of the greatest players, coaches and games of individual college football teams. Each title includes 20 action-packed images & 50 brain-teasing trivia questions and appeals to alumni & supporters of all ages. This aspect of the product makes Victory Sports' products unique and gives the company a significant competitive advantage. Sports Screens™ retails for \$29.95 and requires Windows.

Market Analysis: The screen saver market has one dominant player, Berkeley Systems (After Dark) and hundreds of smaller competitors. Since screen savers are an "impulse" buy, the key to success in this market is product content. Victory Sports has found a largely untapped market niche and developed a unique and high-quality product for these generally affluent consumers. ESPN recently estimated the market size for licensed products of the NFL, NBA, NHL, MLB and NCAA at approximately \$13.5 billion annually. This is a significant market and the consumer base for the collegiate market is replenished each year as 20% to 25% of this country's college students graduate and a new freshman class is admitted. Victory Sports' college products have quickly gained significant market acceptance, proving that the company will be a successful competitor in this market.

Specializing In Innovative "Sports Screens"™ Screen Savers

1520 State Street • Suite 270 • San Diego, CA 92101 • Phone (619) 231-2000 • Fax (619) 231-1222



WORLD ENVIROTECH SERVICES & TECHNOLOGIES, INC:
A POLLUTION PREVENTION COMPANY MANUFACTURING
ENVIRONMENTAL BIOTECHNOLOGY-BASED PRODUCTS

COMPANY

World Envirotech was founded in early 1994 by the CEO to develop, make and sell biofiltration systems that use microorganisms to eliminate hazardous and toxic wastes in the vapor phase. These waste gases originate from environmental cleanups, industrial operations, the petrochemical industry and municipal waste disposal. World Envirotech has successfully developed, produced and sold its first proprietary product, the *CarbonSaver 14^m* biofilter, to both private and public sector clients in Washington state.

PRODUCT/SERVICE

The Company provides *proprietary biofiltration systems* that reduce hazardous and toxic gases to harmless substances, such as carbon dioxide and water. It does this through *innovative bioreactors* that provide a suitable environment for bacterial oxidation of contaminants. Through this product, the Company offers cost savings of 30% to 50% over the current best methods available to users. It offers the additional benefit of on-site destruction of contaminants with no additional use of electricity or natural gas energy.

MARKET INFORMATION

The company projects a potential available market for biofiltration systems of \$400 million in 2000, with actual industry sales of \$150 to \$200 million. Markets served include environmental remediation (cleanup), odor control and air pollution control. Overall annual revenues in these market segments currently exceed \$10 billion. Key drivers of these markets include federal, state and local clean air regulations; property transfers (for the cleanup markets) and nuisance law (for odors). Market segments of interest are projected to grow 10% to 15% annually for the next five years.

MANAGEMENT

The CEO, Jerry Yudelson, is a trained environmental engineer with nearly twenty years of technical, marketing and management experience in the environmental services industry; he has successfully sold many new environmental products and services to technical buyers. The CEO is currently the president of the industry's main trade association in Oregon. The Company's Chief Technology Officer is a specialist with a doctoral degree in filtration systems. The Chief Engineer has completed more than 50 major environmental cleanup projects for the chemical industry since 1988. Other management teams members are available immediately.

FINANCIAL PROJECTIONS (FY ending 9/30)

(000's)	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Sales	\$ 105	\$ 432	\$2,447	\$8,163	\$15,209
Net Profit	\$ (34)	\$ 20	\$ 178	\$ 617	\$ 1,285

INVESTMENT NEEDS

The company has raised seed capital of \$150,000 and is looking to raise a second round of \$350- \$500,000 to increase placement of field units to serve major oil companies. The market opportunities are immediate; however, the company's ability to respond to them requires additional investment at this time. A further round of investment of \$1.5 to \$3.0 million is anticipated within 15 to 18 months, to meet market growth and competitive opportunities nationally and to market advanced proprietary biofiltration technology.

invsumm2.196



U C S D C O N N E C T
A Division of Extended Studies and Public Service
Mail Code 0176
La Jolla, CA 92093-0176
(619) 534-6114
Fax (619) 552-0649
E-mail: connect@ucsd.edu
Homepage: <http://www.connect.org/connect>