

connect

THE WEEKLY NEWSLETTER OF UCSD CONNECT

Governor Gray Davis Praises California Institutes and University of California

In a recent interview with UCSD Connect Newsletter Editor Max Donner, Governor Gray Davis shared his thoughts about the role the new California Institutes for Science and Innovation and UC will play in the future growth of California's economy. A summary of his observations follows:

"The billion-dollar, multidisciplinary effort represented by the Institutes for Science and Innovation will focus resources and expertise from the public and private sectors to, literally, invent our future. These institutes will open the doors to new understanding, new applications and new products through essential research in biomedicine, bioengineering, nanosystems, telecommunications and information technology. For example, the California Institute for Telecommunications and Information Technology - located at UCSD and UC Irvine - will research and develop prototype technologies to extend the reach and capacity of the "new Internet."

Local businesses won't just be spectators. They will be partners. Industry partnerships will help move early-stage research developments into the commercial R&D pipeline. Small businesses can also benefit from the institutes' scientific and engineering expertise through service on scientific advisory boards. Access to UC's scientific leadership will also strengthen the firms' R&D plans and help them attract investors. The institutes were designed to combine the resources of the State of California and the University of California with the scientific expertise and entrepreneurial talents of hundreds of the State's cutting-edge businesses. Small businesses and startups will be an important part of the mix.

As Alan Greenspan noted a few months ago, the New Economy's R&D innovations benefit traditional companies, as well as the new high tech and dot-com businesses. New technologies have applications for companies that provide more traditional products and services. For example, online business practices have improved productivity and expanded their reach into new domestic and international markets. One of the benefits of the institutes will be to offer traditional companies further avenues for incorporating new technologies into their everyday business practices.

Furthermore, the institutes can provide a platform, or testbed, for the most advanced ideas in communications and IT that are central to the success of these industrial sectors. The new institutes will benefit the mainstays of California's economy in many ways, from the training of the next generation of digital artists to the development of new defense equipment.

Innovative high-tech and biotech partnerships between California scientists and entrepreneurs - many of which were spin-offs from the University of California's southern campuses - played a significant role in this recent economic boom. These entrepreneurial partnerships will continue to be vital to

sustaining and expanding business growth in the next five years.

California's technological innovations created new companies and, in some cases, entire new industries. Over the next five years, we can look forward to continued growth in these new industries similar to the advances experienced by San Diego's wireless communications firms. If businesses continue to incorporate new technologies into their practices, California will retain its worldwide competitive advantage."

Milken Institute Sees Bright Future for San Diego Area

San Diego scored consistently high marks in presentations at the Milken Institute's 2001 Global Conference, held March 20 and 21 in Los Angeles. The San Diego region ranked second on the Milken Institute's list of "Places to Watch" as a technology cluster with future potential as well as second among major metropolitan areas as one of the best places in America to do business, bested only by Atlanta, Georgia. San Diego was also listed as one of the most-recession proof regional economies, thanks to its diversified economy and stable base of contract research and government contractors. San Diego came in third place as a regional center for biotechnology. Austin, Texas and Boise, Idaho were also highly rated in several rankings, but San Diego had the distinction of being the only metropolitan area which rated highly in all of the Milken Institute's measures of high-technology clusters.

The San Jose Metropolitan area, center of the Silicon Valley technology community, dropped to 31st place on the Milken survey of best business climate, conducted jointly with the editors of Forbes Magazine. An overextended infrastructure and exceptionally high real estate prices were cited among the drawbacks limiting the area's future growth. The Institute's research also showed that Southern California's "Tech Coast," encompassing San Diego, Orange, Los Angeles and Ventura Counties has surpassed Silicon Valley in total output of high-technology goods and services. The Silicon Valley area remains the capital of venture capital, however, accounting for half of the venture capital invested in the U.S. last year.

Recent Milken Institute studies presented at the Conference also showed California ranked second in the Institute's "New Economy Index," a composite of measurements which track conditions best suited to high-technology business. Massachusetts earned the top spot in the ranking. Connecticut, Colorado and Washington were the other states ranked in the Top 5.

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Athena Pinnacle Awards to Honor Local Leaders

The third Annual Athena Pinnacle Awards will honor local leaders at a Luncheon Program at the Hilton La Jolla Torrey Pines on Thursday, April 12, starting at 11:30. Nominees in the corporate category are: Deloitte & Touche, LLP, NurLogic Design, Inc., Proflowers.com, Silicon Space and TEAL Electronics. Thirty five individuals have also been nominated.

Additional Directory Ad Space Available

The publication of the 2002 CONNECT Directory is set for the Membership Breakfast on October 25. Due to overwhelming response, we have additional advertising space available. The Directory is distributed worldwide and features a comprehensive listing of CONNECT's members and sponsors. Please contact Carole Ekstrom at 858-534-6114 to find out more about Directory underwriting opportunities.

HIGH TECH NEWS

Continuous Computing Corporation obtained an additional \$21 million in venture capital funding from venture capital sources. This round was led by Technology Crossover Ventures, with additional participation by Palomar Ventures, Smart Technology Ventures and individual investors. Will Griffith of Technology Crossover Ventures will join the Continuous Computing Board of Directors. Continuous Computing provides voice-over-packet platform solutions for telecommunications equipment manufacturers and application developers. The company made its initial presentation to venture investors at Connect's Springboard Program in November 1998.

e.Digital Corporation, a vendor of comprehensive digital product technology solutions, has introduced its Internet music player design incorporating IBM's Microdrive at the CeBIT trade show in Hannover, Germany. Two of e.Digital's product designs are featured by IBM's Storage Technology Division. The first is e.Digital's portable Internet music player design incorporating IBM's removable 340 MB Microdrive. The removable Microdrive to store over six hours of typical Internet music files.

WebSideStory, Inc., a provider of real-time Internet intelligence for e-business, has announced a new e-business optimization service package that is designed to help companies increase revenue through the use of real-time Web audience analysis. The service includes strategic consulting and training services and a new software application called HitBox DataWise, which allows users to create customized reports from HitBox Enterprise, a real-time Web audience analysis service for high-volume sites.

Inter-Continental Services Corporation has entered into a Letter of Intent for the acquisition of Global Access Telephone & Technology, Inc., a wireless ASP that supports the PDA (Personnel Digital Assistance) market. The acquisition requires approval by the shareholders of the Company who will vote on this matter at the Annual Shareholders Meeting scheduled for May 11, 2001 in San Diego. The company has also authorized a 1 for 3 reverse stock split of its common stock as part of the restructuring of the company which is also subject to shareholder approval. A new Board of Directors will assume their positions on April 13, with a new management team to be announced at that time.

HEALTH CARE BUSINESS

Aurora Biosciences Corporation has been granted a new patent entitled "Photon Reducing Agents For Fluorescence Assays." This patent includes claims to compositions for use in cell-based assays, particularly those utilizing fluorescence or luminescence measurements. The patent is the first of a family of allowed patent applications expected to issue over the next few weeks covering Aurora's cell-based assay technologies, according to a company spokesperson.

Oasis Biosciences of San Diego, a developer of high-throughput target validation technology and SNP-based diagnostics, has raised an additional \$ 7 million commitment from a private investor group. Current investor Artisan Ventures Limited is participating in this round, which has been led by GeneScan-Europe AG, a provider of molecular biology systems.

BIO 2001 will take place from June 24-27, 2001 at the San Diego Convention Center. Applications are now being accepted for companies interested in showcasing their latest technology at BIO 2001, the world's largest meeting and convention for the biotech industry. Start-up companies are invited to participate at the BIO 2001 Technology Partnering Forum. For further information contact Jennifer Andrews at 858-534-7403.

ChemNavigator, a pioneer in building an Internet hub of chemistry resources to streamline drug discovery, has expanded its iResearch System to automatically cross-reference Approved Drug Products data from the FDA's Orange Book. The latest addition to the growing iResearch System significantly broadens the supporting information provided to members who search the 1.2 million compounds available through ChemNavigator's global network of suppliers.

THE "BITS"

Axiom Biotechnologies Inc. announced that it has added Eric J. Feldman, M.D., Russell Glass, and Walter Moos, Ph.D., to its Board of Directors. Axiom Biotechnologies is a privately-held biotechnology company focused on the more rapid production of drugs through the application of its proprietary suite of rapid, high-definition cell assay resources.

M7 Networks, Inc., a mobile infrastructure services company, today announced that IBM executive and telecommunications industry expert Bill Erickson has joined the company as President and Chief Executive Officer and as a member of the Board of Directors. Mr. Erickson joins M7 Networks from IBM Global Services, where he most recently served as Vice President of Communications Sector Services, for Europe, the Middle East and Africa. M7 Networks provides a blended technology platform to enable Enterprises, Application Service Providers, and Network Operators to deliver mobile voice and data applications.

Jeffrey M. Ostrove, Ph.D., has been named president and chief operating officer of Ceregene, Inc., a San Diego-based biotechnology company focused on gene therapies for neurologic disorders such as Alzheimer's disease and Parkinson's disease. Ceregene is a majority-owned subsidiary of Cell Genesys, Inc. of Foster City. Dr. Ostrove was formerly chief operating officer of NeuroVir Therapeutics, Inc., of San Diego, which recently was acquired by MediGene AG of Germany.

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WHO'S DOING WHAT

At CONNECT

"Opportunities in Web Based Technologies" is being featured at the Temecula CONNECT Links meeting, April 6, 11:30 — 1:00 pm at the Temecula City Council Chambers, 43200 Business Park Drive, Temecula. This session, presented by Scott Gradert, Director of Business Development, ProSoft Corporation, will cover in detail how new web based technology can work for you. This discussion will lead to an exploration of potential solutions for legacy systems through to DotComs. RSVP, 909-699-3560 or mailto:lgonzales@swensonadvisors.com by April 4. Cost is \$8 for Temecula CONNECT members, \$10 for nonmembers.

Human Resources CONNECT Presents Sharon Jordan-Evans: "Love 'Em or Lose 'Em: Getting Good People to Stay" - Wednesday April 11, from 11:30 am - 1:30 pm at The La Jolla Marriott, 4240 La Jolla Village Drive. How can we retain our very best employees? Ask them what they want! Please join us at this special HR CONNECT luncheon as best-selling author Sharon Jordan-Evans discusses how we often overlook some of the easiest, most obvious, cost-effective tools to retaining the employees whom we most want to keep. Cost: \$55 for employees of CONNECT Member & Sponsor Companies, \$65 for non-member HR Professionals. To register, fax your registration and payment to 858-552-0649. For questions call 858-534-6114.

3rd Annual ATHENA Pinnacle Awards - Thursday, April 12 from 11:30 am — 2 pm at the Hilton La Jolla Torrey Pines. A celebration recognizing both men and women executives, educators and companies in San Diego's technology community committed to fostering the growth of women in their organizations. Cost: \$75 per person; \$750 for a table of 10; and \$1,000 to be a table sponsor. To register call, fax or email CONNECT at 858-534-6114 (phone), 858-552-0649 (fax) andconnectinfo@ucsd.edu.

"Help for High Tech Startup Companies" is being featured at the Temecula CONNECT Links meeting, April 25, 11:30 — 1:00 pm at the UCR Extension, 27919 Jefferson Ave., Temecula. This session, presented by Dave Smith, Core 21; Ed Setzer, Tech Coast Angels; and Brian Underhill, Inland Empire Economic Partnership Foundation, is designed to inform how Inland Empire universities and colleges help convert ideas into jobs and sales for the region. Learn how the TCA operates and what type investments gain traction with its members. Hear about the current resources of the Inland Empire region and the initiatives that are being implemented to nurture the needs of today's entrepreneur. RSVP, 909-699-3560 or write to mailto:lgonzales@swensonadvisors.com by April 23. Cost is \$8 for Temecula CONNECT members, \$10 for nonmembers.

At UCSD

"California Electricity Markets" is the topic of talk to be given by energy expert Severin Borenstein April 11 at the Faculty Club at the University of California San Diego. The 7:30 a.m. breakfast meeting is the second in this year's UCSD Economics Roundtable. Borenstein is director of the University of California Energy Institute and Professor of Business Administration and Public Policy at UC Berkeley. He serves on the Board Governors of the California Power Exchange and on the California Attorney General's Gasoline Price Task Force.

AROUND TOWN

Digital Vikings - The Network for Scandinavian Professionals in Southern California Meeting- Wednesday, April 4 at 5 pm, 6455 Lusk Boulevard (Ericsson). This month's program is a social event with rounds of networking, dinner, dessert and ending with the showing of a Swedish movie with English subtitles. The cost to attend is \$20, which is payable in cash on location. This includes one drink, and Swedish pea-soup dinner followed by dessert of 'semlok' (almond paste and whipped cream stuffed buns) and genuine Swedish coffee. Registration is required! For more information or to register, visit <http://www.digitalvikings.com> or call Tony P. Krvaric, Executive Director at 858-382-1797.

The San Diego Telecom Council - April 5 from 5 - 7 pm at the La Jolla Marriott. The Telecom Council is launching a national recruiting and branding campaign designed to support local telecom companies attract skilled talent to the region. Speakers include: Marco Thompson, SDTC President; Amy Flicker, PacketVideo; John Pagliaro, The Townsend Agency; Leo Spiegel, Mission Ventures; Jackie Townsend, The Townsend Agency and Malcolm Wood, Wireless Facilities, Inc. For more information and this event and upcoming programs contact Telecom Council Executive Director Eileen Lyle at 760-930-9191, lyle@sdtelecom.org.

Ernst & Young Entrepreneur of the Year Awards Nomination Deadline — April 6. Nominations are being sought for San Diego's annual Ernst & Young Entrepreneur of the Year Awards. This award is given in various categories and is for entrepreneurs who have created and sustained growing business ventures. The Gala Banquet will be held June 13th at 5:30 pm at the Hilton La Jolla Torrey Pines. For a nomination form or additional information, please contact Irene Veca at (619) 235-5061 or irene.veca@ey.com, or obtain a nomination form directly from <http://www.ey.com/us/eoy>.

AeA Human Resources Roundtable - Wednesday, April 11, 7:15-9:00 a.m. at the La Jolla Marriott. For more information contact Tammy Carney at 858-452-9288 x100

Eighteenth IEEE Symposium on Mass Storage Systems and Technologies — April 17 — 20 at the Hyatt Regency Islandia in San Diego. Held in cooperation with the 9th NASA Goddard Symposium, the symposium combines technical papers, posters and a vendor expo. A round table on emerging technologies, a hallmark of these Symposia, will be chaired by Dick Watson and includes a panel of experts discussing promising new technologies. For more information visit <http://www.storageconference.org/2001>.

Life Science Industry Council (LINC) CEO Quarterly Breakfast - Wednesday, April 18 at 7:30 am at Cortex Pharmaceuticals, 15231 Barranca Parkway, Irvine. For more information call 949-475-0485.

MIT Forum San Diego Chapter - Wednesday, April 18, from 5 to 8 p.m. at the La Jolla Marriott. Special program on business models on will be moderated by Gregg Carpenter of Marsh Inc and Scott Horseley of KPBS. Panelists are Curt Nelson, Silicon Space, Mark Kelley, Leap Wireless International, and Mike Perry.

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American Corporate Council Association (ACCA) – San Diego: “Employment Law Update” – Thursday, April 19 from 8:30 am – 1 pm at the Radisson La Jolla. Featuring Mr. Greg Sindici, Esq. Of Littler Mendelson. Cost: \$35 for ACCA members, \$45 for guests and non-members. To RSVP call 619-260-2022 or sandiego@exclusivelylegal.com.

Post Merger: Managing the Human Resources Issues – Tuesday, April 24 from 7:30 – 9:30 am at the La Jolla Marriott. Featuring Bernadette Kenny, executive vice president chief global sales and marketing officer for Lee Hecht Harrison. Most organizations have learned that there are significant challenges to bringing together two companies who appear to be perfect partners. In this session, Bernadette will share how organizations can make the most of the merger opportunity by developing a strategic workforce management plan and how to address key issues, such as transition, retention, and recommitment. There is no charge for this session but space is limited. To RSVP please call Lee Hecht Harrison at 858-457-7700 by Tuesday, April 17.

The Pink Slip Party - Monday, April 23 from 5:00 - 7:30 p.m. at Karl Strauss Brewery, 9675 Scranton Road, San Diego. Attendance is free. Outplacement experts and recruiters will join jobseekers at this special networking event.

TECH 2001 San Diego — Thursday, April 26 at the La Jolla Marriott. The world of advanced networking is expanding and evolving daily. To capitalize on these emerging opportunities, TIG developed TECH 2001 to increase awareness and educate prospective buyers of the most advanced technologies the computer industry has to offer. The event is free. To RSVP call 800-858-0549 or fax 858-566-8794.

Survivor: Beating the Odds in the HR Jungle - Thursday, April 26 at 8:30 am at Humphrey's by the Bay. This all-day event features keynote speaker Timothy C. Hoerr, President of LifeVision, Inc., who will give a talk entitled “Align and Win: Creating alignment from a corporate perspective.” Cost: \$129. To register or for more information contact the T Sector at 619-232-8887 or events@thetsector.com.

The American Heart Association's 5th Annual Research Roundtable Luncheon – Friday, April 27 from 11 am – 1:30 pm at the La Jolla Marriott. Guest speakers: Manuel A. Villafana, chairman of the board, CEO and founder, ATS Medical, Inc.; Howard E. “Ted” Greene, Jr., retired biotechnology entrepreneur; and Timothy J. Wollaeger, general partner, Kingsbury Associates. The luncheon will be moderated by John Doback, M.D., president, CEO and founder, INNERCOOL Therapies, Inc. For more information or to register call 619-497-5746.

The American Heart Association's 12th Annual Royal Heart Ball - Saturday, May 5 from 6:30 p.m.-midnight at the El Cortez by Co-Chairs Duane & Renee Roth of Alliance Pharmaceuticals and Peter & Peggy Preuss of The Preuss Foundation. This year's honoree is Dr. David Collins of Children's Hospital. Please call (619) 291-7454 for more information.

California Health Care Symposium 2001- Hyatt Regency Embarcadero Ctr, San Francisco, May 10 - 11, 2001. Leaders

from all sectors of California's health system are to discuss and debate the major challenges facing California's system of healthcare finance and delivery at a two day event.

Trade Mission to Santiago, Chile — May 12 — 19. The San Diego World Trade Center has organized a one-week trade mission to Santiago, Chile. Companies from the San Diego region with a focus on developing trade and commerce (products and services), exports, imports, investments, strategic alliances and partnerships in one of the most sophisticated markets in South America are now registering to participate. This is an opportunity for San Diego companies to participate in round-table meetings, presentations and receptions. Optional one-to-one matchmaking meetings pre-scheduled with the most appropriate contacts in Santiago, Chile, whether potential distributors, suppliers or government agencies can be arranged. An alternate two-day visit to Cordoba, Argentina is also included. Cost: \$2,950 for members (including CONNECT members), \$3,200 for non-members. For more information on participating in this mission, please call Hugh Constant, Vice President, at (619) 615-0868 x103 or hconstant@sdwtc.org.

Send us your news by Friday

Editor: Max Donner

Editor-At-Large: T. George Harris

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connectnews@ucsd.edu