

3RD ANNUAL

Springboard Luncheon

WEDNESDAY, AUGUST 7, 1996 • 11:00 A.M. - 1:30 P.M.

HYATT REGENCY, LA JOLLA

DEVELOPING THE SAN DIEGO ENTREPRENEURIAL COMMUNITY



CONNECT®

The UCSD Program in Technology and Entrepreneurship

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HIGH TECHNOLOGY RESOURCE CENTER

AGENDA

- 11:00 - 11:50 a.m. Registration and View Exhibits
- 11:50 a.m. - 12:20 p.m. Welcome: **Bill Otterson**, Director, *UCSD CONNECT*
- 12:20 - 12:25 p.m. Introduction of John Dobak
Michael Kagnoff, *Brobeck, Phelger & Harrison LLP*
- 12:25 - 12:35 p.m. **John Dobak**, CEO, *Cryogen*
- 12:35 - 1:15 p.m. Springboard Presentations

1. Automotive Resources, Inc.

2. CellTherapy, Inc.

3. Fast Call Cellular, Inc.

4. Laurite Corp.

5. Team ASA

- 1:15 - 1:20 p.m. Wrap-up
- 1:20 - 1:30 p.m. Optional - View Exhibits

Nurturing the San Diego Entrepreneurial Community

Founded in 1985 at the urging of the local business community, UCSD CONNECT was created to contribute to the economic development of San Diego by nurturing high-tech entrepreneurship, facilitating interaction between the University and the business community and further developing San Diego's infrastructure. CONNECT's goals are to link high-tech and biotech entrepreneurs with the resources they need for success: money, markets, management, partners, support services, and technology, as well as access to government officials.

Often referred to as an incubator without walls, CONNECT has accomplished this through educational and networking programs, practical business seminars and technology transfer illustrations, demonstrations and international strategic and financing forums. Practical rather than theoretical, CONNECT's programs have been credited with giving company executives a "mental picture" of what they can achieve, while providing access to the resources which help accomplish these goals.

UCSD CONNECT

CONNECT's programs also serve business service providers — attorneys, accountants, and marketing specialists — by providing them with knowledge about emerging technologies and access to new business opportunities. The program functions as a catalyst for growth, providing a forum for the exchange of ideas and the opportunity to network with peers, and facilitates the ripple effect that the success of various high-tech industries has on the community which supports them.

Entering its second decade, CONNECT has been instrumental in nurturing technology companies, including telecommunications, multimedia, high technology, biotechnology, biomedical and environmental concerns, that have become the leaders in their industries. CONNECT also provides an opportunity for the biotech and high-tech communities to learn about research taking place at the University, and for the University community to learn about research taking place in industry.

CONNECT is entirely self-supporting and receives no funding from the University or the State of California. It is supported by membership dues, course fees and corporate underwriting for specific programs.

**UCSD CONNECT IS PART
OF THE DIVISION OF
EXTENDED STUDIES AND
PUBLIC PROGRAMS AT
THE UNIVERSITY
OF CALIFORNIA,
SAN DIEGO**

DIRECTOR:

WILLIAM W. OTTERSON

FOUNDER OF CIPHER DATA PRODUCTS, INC.; KNOWN AS UCSD'S ENTREPRENEUR-IN-RESIDENCE; CO-FOUNDER AND MEMBER OF THE BOARD OF SEVERAL LOCAL HIGH-TECH COMPANIES

DIRECTOR, OPERATIONS:

ROBERT LEACH

DIRECTOR, PROGRAMS:

BARBARA BRY

DIRECTOR, SPONSORS AND MEMBERS:

CAROLE EKSTROM

DIRECTOR, EMERGING TECHNOLOGY PROGRAMS:

ABIGAIL BARROW, PH.D.

COMMUNICATIONS:

ANDREA MOSER

Launching Technology Through Entrepreneurship

The Springboard program was started to assist high-tech and biotech entrepreneurs who are in the early stages of developing a concept and strategy for a business.

Successful applicants to the Springboard program are invited to make a presentation to a select group of UCSD CONNECT sponsors and members. This group will typically include a venture capitalist, accountant, corporate and patent attorney, marketing professional and an executive from a successful company in the same industry. Experts will also be drawn from insurance, real estate, human resources and other areas as needed.

The goals of the two hour Springboard meeting are to provide the entrepreneur with candid recommendations for the development of his/her business plan or concept and to help define the desired outcome of his or her efforts.

SPRINGBOARD

UCSD CONNECT launched the Springboard program in August 1993 to provide support for early stage high-tech and biotech entrepreneurs in the San Diego/Baja region. Springboard has now helped over sixty entrepreneurs develop their business strategies by assembling select panels of UCSD CONNECT sponsors and members to provide expert advice. Since their involvement, many of these entrepreneurs have further defined their strategies and many have successfully secured funding.

**PROSPECTIVE
SPRINGBOARD
PRESENTERS IN-
CLUDE UCSD FAC-
ULTY INTERESTED IN
COMMERCIALIZING
THEIR DISCOVERIES;
LARGE COMPANY
EMPLOYEES WHO
WANT HELP THINKING
THROUGH AN IDEA
BEFORE PRESENTING
IT AS AN INTERNAL
PROJECT; OR ANY-
ONE INTERESTED IN
STARTING, OR WHO
HAS RECENTLY
STARTED, A HIGH-
TECH OR BIOTECH
COMPANY IN THE SAN
DIEGO-TIJUANA
REGION**

SPRINGBOARD ALUMNI

Aegis Medical Tech.	Femcap, Inc.	Obex Applications
Aircology	Financial Profiles, Inc.	OKbridge, Inc.
AQUAM International S.A. de C.V.	First Opinion	OIC Productions
Applied Hydrogel	Glycobiology Institute	Pacific Biomedical
Automotive Resources, Inc.	Health & Performance Engineering	Panther Communications
Axiom	High Text Publications	PRISA Network
Bacton Assay	In/Form Software, Inc.	R & D Technologies
Big Ideas Media	Interactive Simulations	Roy Laboratories
BioPraxis	Interactive Telesis, Inc.	Semaphore Multimedia
Bright Technologies	JV&A Design Group	Space Electronics
CareMed, Inc.	Laurite Corp.	Synchrony Applied Healthsciences
CellTherapy, Inc.	Legal Access Corp.	Team ASA
CST Images	Logical Designs, Inc.	TradeNet International, LLC
DeposiTech, Inc.	LuminOre, Inc.	Trauma Products
Digital Media SD, Inc.	Metallic Powers, Inc.	Video Memories, Inc.
Disabled Opportunity Centers	Metric Systems Corp.	Virage, Inc.
ElectriCiti	MSAT, Inc.	VMI
ElekTruk	Ndao, Inc.	Waterlink
Ergonomic Interface Keyboard	The Nemox Group	World Envirotech
Fast Call Cellular, Inc.	Nexin Pharmaceuticals	Wright Strategies



Automotive Resources, Inc.

“Clean, High Performance Automotive Technology”

OVERVIEW

Founded in 1990, ARI has patented and demonstrated a revolutionary, catalytic ignition system for all internal combustion engines. This catalytic ignition replaces all conventional ignition systems at one fifth the cost, and provides improved performance while dramatically increasing fuel economy and lowering emissions. In addition to the catalytic ignition system, ARI has developed other automotive and energy saving concepts for future commercialization.

This catalytic ignition system is called the SmartPlug™ due to its unique ability to internally sense engine conditions and fire the cylinder at the proper time. Distributors, coils, points, high voltage are all replaced by an intelligent device no bigger than a spark plug. Also, this device is 200 times more powerful than a standard spark. This powerful ignition event enables rapid and complete combustion even of difficult-to-ignite lean mixtures. Successful and consistent ignition of very lean mixtures has improved the fuel economy of ARI's test vehicle by 50% and shows promise of meeting future emission standards without requiring other costly emission control devices. Serious discussions are presently in process with several major automotive suppliers.

THE MARKET

The world wide market size is difficult to fathom. There are over 470 million engines in use in the world today with approximately 47 million more engines being made each year. The average number of units per engine would be six. With an estimated retail price of \$20, the estimated potential market could exceed \$60 billion. The largest and most competitive market is the automotive aftermarket with over 4.5 billion in annual sales of conventional ignition components in the USA alone. Marine, industrial and high performance markets represent less than 1% of the overall market. Nevertheless, these niche markets are easier to penetrate and represent over \$200 million annual potential.

PRODUCT AND TECHNOLOGY

ARI's primary product is intellectual property. Contract consulting and application engineering also are services which support this intellectual property product. This intellectual property becomes the basis for a patent and the design, development and demonstration of a new technology which answers a specific market driven need. Market verification is accomplished by small niche market manufacturing and marketing of the developed intellectual property. Licensing packages are then offered to all the major market players in order to realize the maximum potential market penetration and royalty income.

ARI's premier intellectual property package is the SmartPlug™ catalytic ignition system. This technology offers increased performance and economy to the end user and lower cost of compliance with Government regulations for the vehicle or engine manufacturer in addition to anticipated improvement in customer satisfaction and lower warranty cost. The vast majority of the market is accessed by offering non exclusive licenses to the major market players while niche marketing provides early market entry, market verification and cash flow.

STRATEGY

ARI has a two pronged strategy to commercialize its intellectual property:

Niche market manufacturing: ARI has identified and targeted three small unit volume, but large profit margin niche markets which can be penetrated relatively easily. These markets are the industrial engine market, the Indycar/Formula One market, and the dragster market. With just over 1 million in combined unit sales, these three markets could easily exceed \$200 million in gross revenue. The SmartPlug™ would represent a quantum leap in both performance and cost savings to these industries.

Licensing Packages: Licensing packages have been developed to be offered to the major automotive suppliers and engine builders. ARI's primary focus is on suppliers who are not presently involved in ignition system or component manufacturing. This allows ARI to offer to expand a supplier's existing product line and overcome the perceived threat to their existing primary product.

Additional Technologies: New technologies will be readied for commercialization when the premier technology has begun to generate significant income.

MANAGEMENT

Mark A. Cherry, founder and inventor of the SmartPlug™. He holds 5 issued U.S. Patents.

Michael R. Toomey, President and CEO. Has over 13 years at Canadian Imperial Bank of Commerce

James A. Cherry, Business Manager. 25 years proposal development at General Dynamics.

FUNDING SOUGHT

ARI is seeking \$5 million (staged) to enter niche markets and complete independent laboratory and EPA testing.

CONTACT INFORMATION:

Mark Cherry
Automotive Resources, Inc.
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San Diego, CA 92126
PH. (619) 689-7170
FAX: (619) 689-7177
E MAIL: SmartPlug@aol.com

CELLTHERAPY, INC.

Address: 15455 Garden Road
Poway, CA 92064

Phone: (619) 486-7099 (office)
(619) 822-0013 (lab)

FAX: (619) 748-6124

E-mail: 102333.1431@compuserve.com (Richard Slansky)
mgruenberg@ucsd.edu (Micheal Gruenberg)

Chief Executive: Mr. Richard B. Slansky

Presenter: Mr. Richard B. Slansky

Other Attendees: Dr. Micheal L. Gruenberg

COMPANY PROFILE

Legal Form: Corporation

Date Established: March 31, 1995

Number of Employees: 5 (3 Ph.D.)

Stage of Development: Early

Funding Sought: \$3 million

General Counsel: M. Wainwright Fishburn Jr., Partner, Cooley, Godward, Castro, Huddleson and Tatum (San Diego).

Patent Counsel: Stephanie Seidman, Ph.D., Brown, Martin, Haller and McClain (San Diego).

COMPANY OVERVIEW

CellTherapy, Inc. ("CTI") is a pioneer in the development of novel cell therapy manufacturing and treatment methods. CTI's platform technology enables the improvement and commercialization of current cell therapy protocols and the development of novel cell therapies for the treatment of a wide variety of human diseases. CTI is the first to develop cell therapy methods that utilize a class of immune cells called "regulatory cells". CTI is applying these methods to the treatment of autoimmune disease, infectious disease, cancer, allergic disease, transplantation and vaccination. CTI has broad patent protection pending on this technology platform. CTI is currently seeking \$3 million in order to establish a research laboratory, produce feasibility data in several disease indications and build a prototype manufacturing system capable of producing 10 patient treatments per month. (CTI has a single patient treatment prototype.) This funding will bridge the company to anticipated corporate partnerships which are expected to support the development of these therapies to commercialization. CTI is in the process of licensing its manufacturing technology to current developers of cell & gene therapies.

CTI raised initial seed capital in a Reg D offering. In January 1996, the company entered into a sponsored research agreement with the UCSD medical school to conduct feasibility research into the application of the company's technology to develop cell therapies for the treatment of autoimmune disease. The first abstract from this work has been accepted for publication. CTI received funding through a research contract with Boehringer Mannheim to evaluate the application of its technology to develop a cell therapy treatment for cancer. CTI & Boehringer Mannheim are discussing an expansion of this relationship.

TECHNOLOGY OVERVIEW

Cell therapy is a treatment method involving the infusion of immune cells that have been removed from a patient, manipulated in some manner outside the body and grown to large numbers. Current cell therapy methods have been limited to protocols for the treatment of terminal cancer and viral infections associated with AIDS. For example, cell therapy using tumor infiltrating lymphocytes (TIL) has been used to treat patients with incurable cancers. Despite initial promising results demonstrating up to 60% response rates and several cures, this type of therapy has yet to be commercialized. CTI has proprietary technology (patents pending and issued) which solves several fundamental obstacles to the commercialization of current cell therapy methods. One of the major impediments to commercialization of this type of therapy has been the severe toxicity associated with the need to infuse cells together with IL-2. IL-2 is a lymphokine necessary to promote the growth and viability of immune cells. CTI has developed technology which enables the expansion of immune cells to clinically-relevant numbers without the need for IL-2 (patent pending). This technology enables the administration of cancer cell therapies without the life threatening toxicities associated with prior methods. Current cell therapy methods are also hampered by the inability to economically expand sufficient numbers of immune cells for therapy. CTI has developed novel hollow fiber bioreactor technology (patents issued and pending) which enables the large-scale expansion of human immune cells for use in cell therapy protocols.

CTI has also pioneered the development of regulatory cell therapies to treat human diseases (patent pending). Regulatory immune cells control the immune response to invading pathogens. Imbalances in these regulatory cells are known to cause a wide variety of diseases, including autoimmune disease, infectious disease, allergic disease and cancer. CTI believes that its technology can be used to correct regulatory immune cell imbalances in these disease conditions.

CTI has developed technology (patent pending) to generate large numbers of regulatory immune cells from patients to enable the rebalancing of their immune systems. This is accomplished by removing blood from a patient with an imbalanced immune system, causing some of the cells to differentiate into the regulatory cells in short supply, growing these cells to large numbers and reinfusing the cells back into the patient to correct the regulatory balance. There is mounting evidence in animal models of disease that suggests that this type of therapy can reverse the symptoms or even cure several serious human diseases.

MANAGEMENT BIOGRAPHIES

Richard B. Slansky, MBA. Mr. Slansky serves as the Company's President, CEO and Director. He has over sixteen years experience operating companies with over eleven years experience managing complex manufacturing and distribution operations in the biotechnology industry. From 1989 to 1995, Mr. Slansky was the president and COO of Calbiochem-Novabiochem International, Inc., (now C-N Biosciences), a San Diego-based developer, manufacturer and marketer of biochemicals with annual revenues of over \$30 million. Most recently, Mr. Slansky has been involved with the creation and development of ALEXIS Corporation, a San Diego-based, early stage supplier of innovative life science reagents.

Charles W. Hinman, Ph.D. Dr. Hinman serves as a member of the board or directors. Dr. Hinman spent twenty-two years with the Dow Chemical Company, holding various positions including Director of Pharmaceutical Research and Development. He also spent eight years at Diamond Shamrock Corporation holding the positions of Director of Life Science Research and Development and Director of Exploratory Research.

Jerry Bremer, CPA. Mr. Bremer serves as a member of the Board of Directors. He has over twenty years experience in public accounting and is currently the President of Schweitzer, Rubin, Karon and Bremer, a large regional certified public accounting firm located in Minneapolis.

Enrico Petrillo, MD. Dr. Petrillo serves as a consultant to the Board of Directors. Dr. Petrillo is Head of Medical Commercialization Activities at Fletcher Spaght, a Boston-based consulting firm specializing in corporate partnering, joint ventures, strategic alliances, venture development and licensing in the medical industry.

Micheal L. Gruenberg, Ph.D. Dr. Gruenberg is the founder and inventor of CTI's technology platform. He serves as Director of Research and Development. Dr. Gruenberg has over ten years of experience in the management of biotechnology research and development. He also formerly held an academic appointment at Harvard Medical School.

SCIENTIFIC ADVISORS/COLLABORATORS

Regulatory Cell Biology

Tim Mossman, Ph.D., Professor of Medicine, University of Alberta School of Medicine

Rheumatoid Arthritis

Gary Firestein, MD, Associate Professor of Medicine, UCSD School of Medicine

Peter Schur, MD, Professor of Medicine, Harvard Medical School

Sheldon Cooper, MD, Professor of Medicine, University of Vermont Medical School

Nathan Zvaifler, MD, Professor of Medicine, UCSD School of Medicine

Cancer

Timothy Eberlein, MD, Professor of Medicine, Harvard Medical School

Robert Figlin, MD, Professor of Medicine, UCLA Medical School

Augusto Ochoa, MD, Head, Cell Therapy Program, National Cancer Institute

Paul Sondel, MD, Professor of Medicine, University of Wisconsin-Madison

Transplantation

Terry Strom, MD, Professor of Medicine, Harvard Medical School

Multiple Sclerosis

Vijay Kuchroo, Ph.D., Associate Professor of Medicine, Harvard Medical School

Diabetes

Alexander Rabinovitch, MD, Professor of Medicine, University of Alberta

Ji-Won Yoon, Ph.D., Professor of Medicine, University of Calgary

Fast Call

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

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

Phone: (619) 756-0567

Fax: (619) 756-4147

Company Contact: William A. Krahel

Secondary Contact: John B. Owens

CORPORATE OVERVIEW

Legal Form: C Corp.

Annual Sales: Start-up

Financing Stage: Founding Round - Completed
Seed Round - Completed
Bridge Round - Completed

Total investment rounds to date: \$1.5 million

Amount Seeking: \$3.0 million

COMPANY AND MARKET OVERVIEW

Fast Call is finishing development of its proprietary mobile wireless communications platform, providing for:

- Wireless Credit Card Processing
- Two-Way Data/Transaction Processing
- Mobile Voice Communication
- 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 U.S. 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
(taxis, limos, shuttle buses, liveries)
- Virtually any service fleet vehicles
- Home health care providers
- Emergency fleets
(tow trucks, "roto-rooter" types)
- Package delivery vehicles
- Swap meet and outdoor vendors

MANAGEMENT:

William A. Krahel, Chairman/CEO
Richard S. Rager, Vice President & CTO
C. Thomas Musson, Vice President, Sales
John B. Owens, CFO

CURRENT ADVISORS

Legal: Brobeck, Phleger & Harrison, Newport Beach
Patent: Nydegger & Associates, La Jolla
CPA: Deloitte & Touche, Irvine

PROPOSED USE OF FUNDS

To complete the final production unit development of POS 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)

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 real time transactional processing. Patents applied for.

FINANCIAL PERFORMANCE & PROJECTIONS (POS ONLY)

<u>Year</u>	<u>Revenues</u>	<u>P-T Profits</u>	<u>% of Sales</u>
1996	\$ 63	(\$1,303)	n.a.
1997	\$ 5,063	\$ 628	12.4%
1998	\$14,963	\$ 4,166	27.8%
1999	\$28,508	\$ 8,094	28.4%
2000	\$43,830	\$13,027	29.7%

LAURITE CORPORATION

Address: 2588-D El Camino Real, Suite 333
City, State, Zip: Carlsbad, CA 92008
Phone: (619) 434-9682
FAX: (619) 434-4766
email: KenLaurite@aol.com

Chief Executive: Ken Lau
Presenter: Ken Lau
Other Attendees: Theodora Lau

COMPANY PROFILE

Legal Form: Delaware Corporation
Date Established: September 1985
Number of employees: 2
Stage of Development: First stage of financing
Funding Sought: \$3.5 - \$5.0 Million

COMPANY OVERVIEW

Incorporated by Ken Lau, Laurite Corporation is the designer, importer and seller of special lighting products to original equipment manufacturers (OEMs); a distributor for major lighting manufacturers and an exporter of lighting products to the Far East. Ken Lau has invested over 8 years of testing in order to develop the patented PowerLux™ line of products and has already test-marketed PowerLux™ products, which were manufactured overseas.

The company intends to manufacture in the San Diego area and market the patented PowerLux™ line of electronic ballasts, adaptors and fixtures for Compact Fluorescent Lamps (CFLs). PowerLux™ products allow consumers to retrofit existing recessed downlights with high-wattage CFLs. CFLs are designed to replace incandescent lamps, providing four times more energy efficiency, and lasting up to ten times longer than incandescent lamps. The Company believes that the PowerLux™ line of patented products are technically superior to similar products on the market today, embodying features such as exclusive compactness and flexibility of design, enabling them to fit into smaller areas where other competitive products cannot. PowerLux™ patented adaptors are also reusable upon the end of the CFLs life span, providing additional benefits in the form of economic savings and waste reduction.

MARKET OVERVIEW

Most business lighting will soon become obsolete because of the National Energy Policy Act 1992 (Energy Act), which mandates the use of energy efficient lamps by stages from 1994 to 2001 rendering obsolete all major lamp types used today. Beginning Oct. 31, 1995, the Energy Act mandates the use of energy efficient lamp as substitute for the non-complying incandescent lamp currently used in recessed lighting. The Company's PowerRim™ adaptor results in an energy savings five times over the level set by the Energy Act.

After an in-depth evaluation, the National Institute of Standards and Technology (NIST) has estimated that there are 200 million pcs. of existing recessed downlights that are potential candidates for retrofitting with the patented PowerRim™. This translates to a \$14 billion market (200 million x \$70/pc. = \$14 billion) for PowerRim™, one of the PowerLux™ line of products.

PowerRim™ will be initially marketed directly to commercial markets such as hotel chains. Because hotel corridors and lobbies are continuously lit 24 hours a day, the use of the patented PowerRim™ can result in substantial energy savings to the hotel with payback within the first 7 months of use (assuming savings of \$100 per year per light on energy costs of \$0.10 per KWH). PowerLux™ can offer a complete line of energy-saving CFL products to the hotel to cover other lighting requirements.



OEM customers also present marketing opportunities to the Company. GE has placed PowerLux™ products on its 2D Lamp OEM suppliers list since GE found PowerLux™ products are fully compatible with GE CFL lamps after various stressful and stringent tests (industry standards). PowerLux™ patented "D-Wedge for 2D" and reusable adaptors also have symbiotic relationship with GE's 2D lamps.

PowerLux™ products will market products through selling organizations which will aggressively demonstrate cost and saving benefits, and provide incentives and sales commissions in order to motivate sales. Retrofits can be achieved on the spot, savings can be calculated and energy reductions can be measured in front of consumers with a watt meter.

The Company intends to introduce a pilot project in Los Angeles in which the city/utility company purchases PowerLux™ products and leases them to consumers. Savings in the consumer's electric bill will be used to lease the products, and both the utility company, the consumer and the Company will benefit as a result.

Traditional distribution channels can be explored later. Since energy conservation is of worldwide concern, PowerLux™ products will eventually be exported on a global basis.

The marketing of PowerLux™ patented products will be augmented by programs such as the "Green Light" program promoted by the EPA and the utility rebate program to encourage users to retrofit and profit by installing energy-efficient lighting. The EPA estimated that if all homes converted their incandescent lamps to energy efficient lighting, the savings in energy costs and pollution reduction would be equivalent to removing one-third of the 43 million vehicles off the road.

TECHNOLOGY OVERVIEW

In order to function, a CFL must be powered by a ballast. Ballasts come in two types: the conventional electromagnetic ballasts and the electronic ballasts. Electronic ballasts such as the PowerLux™ line of ballasts, are compact, lighter, more efficient and give off less heat than conventional types. In addition, electronic ballasts operate at high frequencies, are quiet and do not flicker, and therefore, will not cause headaches or create stroboscopic effects when used in the workplace.

In order for a CFL to achieve full efficacy and performance, the ballast used must be compatible with the CFL; thus, an 18W CFL must be driven by an 18W ballast. PowerLux™ offers reusable adaptors which can be used with any independent CFLs manufactured by the lamp manufacturers, including GE, Philips and Osram Sylvania.

Because PowerLux™ adaptors are reusable, rather than part of an integrated CFL-built-in ballast unit which must be discarded in its entirety when the lamp burns out, the PowerLux™ adaptor can be used again with a new lamp after the CFL section has burned out.

PowerLux™ consists of a complete line of electronic ballasts, re-useable adaptors and fixtures for CFLs. PowerLux™ products are covered by several patents which embody exclusive features such as compactness and flexibility of design which enables the adaptors to fit into areas competitive products cannot. In addition, PowerLux™'s unique technology has resolved thermal problems which have plagued the lighting industry, and is able to manufacture high-wattage CFL retrofits essential in recessed lights.

There is no known technique to accelerate testing for electronic lighting products. Years of valuable time have been invested in the testing and development of PowerLux™ products in order to ensure quality and efficiency. As a result of such testing, products are matured for manufacturing. GE Lighting has invested innumerable engineering hours to test PowerLux™ products and found that they are compatible and have even surpassed GE's stringent requirements (2.5 times over standard).

The National Institute of Standards and Technology (NIST) has selected PowerRim™ as a worthy invention for a DOE grant in their Energy Related Inventions Program (only 2% of submissions have met such criteria.) NIST studies showed there are 200 million existing recessed downlights waiting to be retrofitted

with PowerRim™. If only 5% converted to PowerRim™, the savings in energy is equivalent to 660,000 barrels of oil per year! PowerLux™ is proud to make a contribution for pollution reduction and work for a better environment. PowerRim™ is the only viable retrofit solution for replacing high-wattage 100W to 150W incandescent lamps in recessed downlights.

USE OF FUNDING

	Minimum	Maximum
Inventory	\$1,010,000	\$1,400,000
Personnel Recruitment & Training	200,000	300,000
Leasehold Improvements	30,000	35,000
Capital Expenditure	560,000	835,000
Working Capital	1,700,000	2,430,000
Total:	\$3,500,000	\$5,000,000

MANAGEMENT BIOGRAPHIES

The management team has proven experience in all aspects of technology; the formation, development and growth of major leading companies in the lighting and high-tech industry as well as experience in world-wide marketing and sales. All members of the management team have weathered many storms successfully.

Ken Lau, Founder and President, has over 20 years experience in lighting industry worldwide. Member of IESNA. Former Regional Manager of OEM & Specialty Lamps, PHILIPS LIGHTING, USA, where he successfully introduced CFLs; former General Manager of Lighting Division in PHILIPS HONGKONG LTD., where he reorganized hemorrhaging, loss-giving and fragmented departments into a profitable \$34 million Lighting Division; duties also included marketing responsibility of miniature lamps worldwide, in which he boosted production capacities by six-fold to become a 260 million pieces per year, 3 shifts, global supply center.

CFO (name withheld), 8 years experience as financial controller in large high-tech and computer manufacturing.

Chief Technical Officer (name withheld), 9 years experience in large electronic ballast design and production. Set-up production of several electronic ballast plants in other parts of the world.

Chief Engineering Officer (name withheld), 9 years design and engineering experience in large electronic lighting company.

BOARD OF DIRECTORS

Ken Lau, Chairman
Theodora Lau, Director

CURRENT INVESTORS

Self funded, Over \$350,000 out of pocket expenses.

FINANCIAL OVERVIEW AND PROJECTIONS

	(\$000's omitted)				
FYE	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues:	\$4,500	\$15,000	\$30,000	\$90,000	\$150,000
Income Before Taxes:	\$884	\$5,330	\$12,459	\$32,727	\$54,545



EXECUTIVE SUMMARY

Team Advanced Systems Associates (Team ASA™), designs, develops and markets after-market high-speed networking software and hardware solutions. These solutions are targeted at the Professional PrePress and MultiMedia market segments. Drivers for Team ASA's proprietary high speed communications protocol, **FiberTalk** have been developed for Sun SPARC™, Silicon Graphics Inc™, Apple Power Macintosh™ workstations, and Novell Netware™ servers. Future drivers include Windows-NT and AIX servers.

Team ASA's current line of products includes cross-platform drivers for FiberTalk and the **Stallion** line of 100 Megabit FDDI adapters. Team ASA's current development plans call for making FiberTalk a Multi-network, Multi-topology protocol. FiberTalk will be ported to Fast Ethernet (100BaseT), ATM, 1 Gigabit Ethernet, and Fibre Channel adapters.

Team ASA's line of software drivers and hardware adapters enable the user to transfer large volumes of data between Apple Macintosh, Silicon Graphics, Sun SPARC workstations and Novell Netware Servers at very high speeds. In many cases, Team ASA supplies the only high speed cross-platform intranet solution in the market place.

Team ASA's long range goal is to provide the Professional PrePress and MultiMedia market segments with high-speed Intranet solutions. The FiberTalk Protocol supports multiple platforms and networking topologies. Team ASA will focus on network topologies with transmission rates of 100 Megabits to 2.4 Gigabits per second.

TEAM ASA PRODUCTS

In mid-1992, the company began work on the first Fiber Distributed Data Interface (FDDI) adapter. The Stallion line of adapters provides high-performance networking to Apple Nubus-based computers. The Stallion product consists of a network adapter and software drivers. The Stallion enables a Macintosh workstation to access nodes by way of a fiber-optic media using both standard and/or FiberTalk protocols.

To increase connectivity Team ASA began working on porting its FiberTalk protocol to other platforms. The first was Novell Netware, followed by Silicon Graphics workstations and then to the most recent offering the Sun SPARC station. Team ASA's products enable PrePress and MultiMedia users to transfer data at extremely high rates over a distributed heterogeneous network. Before Team ASA no solution existed.

Team ASA will continue to increase high speed connectivity in its products. This goal will be achieved by continuing to port the FiberTalk protocol to higher speed network topologies, popular high end PrePress, MultiMedia servers and workstations.

MARKET FOCUS

Team ASA's products are aimed at two primary market segments. The PrePress market is a \$10 Billion dollar mature market with well-established players. The MultiMedia Market is a much younger \$2 billion dollar market place with few established players. The MultiMedia market is one of the fastest growing markets in world today.

THE PREPRESS MARKET

The PrePress Market includes Publishers of Newspapers, Catalogs, Books and Magazines, Ad Agencies, Service Bureaus, OEM, VARs and Resellers. As the evolution of desktop publishing continues, larger amounts of data and images will be edited, stored, and printed digitally. The PrePress market has several large suppliers of high performance workstations, servers, and Raster Image Processor (RIP) engines, but no single solution for passing data quickly between these existing platforms. The estimated size of the existing PrePress market for Local Area Networks (LAN) and Wide Area Networks (WAN) is \$2 Billion dollars.

THE MULTIMEDIA MARKET

The MultiMedia Market consists of Video Editing, Audio Editing and Recording as well as publishers of CD-ROM, Software Games Publishers, Radio and TV Broadcasters. The need for high bandwidth LAN and WAN connections is driven by full motion digital images, interactive applications, and games. The MultiMedia market is one of the fastest growing markets in the world today. The MultiMedia market is currently \$2 Billion dollars, and expected to triple in the next 5 years.

THE MULTIMEDIA MANAGEMENT

Team ASA's principals have worked as a team for Synergy Microsystems, having held significant positions in administration, management, hardware engineering, and software engineering. Team ASA President **Mark Murray** was formerly Director of Engineering for Synergy Microsystems. Mr. Murray has over 18 years experience in business management and engineering of similar products.

Team ASA Vice President of Engineering, **Carl Winder** is a former Co-Founder of Synergy Microsystems. Mr. Winder's experience in both business administration and software engineering spans two decades of successful companies and projects.

Team ASA Interim Vice President of Marketing and Sales **Steve Campbell** has over 20 years experience as a senior marketing executive, with high technology software and communications companies. Steve has held senior marketing positions with Convex, FPS Computing, and Perkin Elmer Corporation.

Team ASA Vice President and CFO **Steven Hamilton** has more than twenty years experience as a CFO with existing high Technology companies.

Team ASA Director of Sales **W. Thomas Hoyt** has 10 years experience selling into the PrePress market. Mr. Hoyt has previously held senior positions with Atex and DK&A, and has extensive international sales experience.

Team ASA Director of Manufacturing **Tomi Wittl** has more than 13 years experience in the production of high technology based single board computers and peripherals. Ms. Wittl is also a former employee of Synergy Microsystems.

Team ASA's management team is supported by RCG Management services, RCG provides a full range of business consulting services.

Team ASA's legal services are provided Brobeck Phleger & Harrison LLP. The Brobeck law firm provides crucial support and advice in all aspects of Team ASA's business.

PATENTS

Team ASA believes their FiberTalk software protocol is unique and will be applying for patent protection on elements of the design.

USE OF PROCEEDS

Team ASA is seeking to raise \$2,500,000 of equity

Use of Proceeds	
(\$000)	
Sales and Marketing	\$750,000
Development	\$750,000
Capital Equipment	\$450,000
Working Capital	\$550,000
Total	\$2,500,000

FINANCIAL PROJECTIONS

Summary financial projections through the year 2000 follow. Details are in the Financial section and Appendix A of this document.

	1996	1997	1998	1999	2000
Sales	\$564	\$4,316	\$15,523	\$31,733	\$50,338
Gross Margin	\$309	\$2,690	\$10,569	\$21,667	\$34,943
Total Operating Expenses	\$574	\$1,986	\$7,644	\$15,398	\$24,139
Net Income (Loss)	(\$148)	\$401	\$1,609	\$3,487	\$6,025
Cash from Operations	(503)	(273)	928	344	3,406

CONCLUSION

Team ASA is well positioned with existing products and a large customer base to become a premier supplier of high-speed networking products for the PrePress and MultiMedia market segments. Team ASA will be able to achieve these growth and sales goals by executing a well thought out, and aggressive, marketing strategy. This strategy calls for demand creation and fulfillment through a Multi-tiered distribution channel. The benefit to the customer is increased efficiencies and cost saving as a result of reduced network bottleneck and significant performance improvement.

In concentrating on high-speed networking products, Team ASA will leverage in-house developed proprietary technologies, strategic relationships, and distribution channels to develop a growing and profitable company. Investors should note the attractiveness and uniqueness of the Team ASA strategy:

- Market leader in high-speed fiber optic networks for the PrePress and MultiMedia markets;
- Proprietary technology;
- Dedicated management team with the experience and vision to make it happen;
- Projected financial performance will result in rewarding exit valuation

SPRINGBOARD SPONSORS

ARTHUR ANDERSEN LLP

Arthur Andersen LLP is an international organization providing tax, audit and business consultation services. Andersen Consulting, a member of the Arthur Andersen worldwide organization, provides management information systems consulting. The worldwide organization provides services to its clients through over 360 offices in over 75 different countries, including 90 offices in the United States.

The San Diego office is composed of professionals experienced in all aspects of tax, audit and business consultation. They assist local high-tech and biotech companies of all sizes in addressing a wide range of business issues, such as strategic planning, international tax and doing business internationally, business systems consultation, mergers and acquisitions and raising capital.

BROBECK, PHLEGER & HARRISON LLP

Brobeck, Phleger & Harrison LLP is a full service law firm with over 400 attorneys in a high-tech network of offices in San Francisco, Palo Alto, San Diego, Los Angeles, Orange County, Austin, Denver, and New York, and joint venture offices in London and Prague. The Firm represents many of San Diego's most prominent emerging growth companies and venture capital firms.

In 1994, Brobeck completed over 200 venture capital financings totaling more than \$500 million. Brobeck is experienced in all forms of corporate partnering, licensing and research collaboration arrangements. Representative venture capital clients include Enterprise Partners, Kleiner Perkins Caufield & Byers, and Domain Associates.

Brobeck is also a leader in the area of initial and secondary public offerings. In 1994 alone, Brobeck attorneys served as counsel for more than 40 public offerings, including 21 initial public offerings.

COOLEY GODWARD CASTRO HUDDLESON & TATUM

Cooley Godward's San Diego office provides business and litigation counseling to technology and emerging growth companies. Cooley Godward represents private and public companies in a wide range of industries, including biotechnology, computer hardware and software, multimedia, semiconductor, telecommunications and specialty retailing. They have extensive expertise in public and private financings, mergers and acquisitions, joint ventures and technology licensing, and other strategic intellectual property transactions. Since opening the San Diego office in early 1992, they have represented issuers and underwriters in approximately 50 public offerings for Southern California companies. Cooley Godward's San Diego litigators represent growth companies in a wide range of matters, including technology and securities litigation, as well as employment and commercial disputes.

Cooley Godward's long history of working with emerging companies places them in a unique position to help earlier stage company clients through their growth cycles and to represent more effectively larger public companies. They are quick to find creative solutions and to assist clients in structuring and negotiating complex business transactions. Because Cooley Godward has worked extensively with venture capital firms and investment banks, they have developed a substantial network of relationships in the financial community, which can be very valuable to clients. Cooley Godward also has offices in San Francisco, Palo Alto, Menlo Park, Boulder and Denver, Colorado.

COOPERS & LYBRAND LLP

Coopers & Lybrand LLP is an international accounting and professional services firm with over 66,000 professionals in more than 550 offices in over 120 countries.

The Southern California Client Service Center of Coopers & Lybrand employs approximately 900 professionals. The High Technology Group consists of 21 partners and managers dedicated to meeting the needs of San Diego's high-tech community. Coopers & Lybrand regularly advises clients on a wide range of issues, including strategic planning, raising capital, private and public offerings, mergers and acquisitions, systems evaluation, international business and tax planning and human resources.

Local high-tech clients range from large, multinational corporations to local start ups, including: AGE Logic, AP Labs, Applied Digital Access, Geometric Results, Inc., GreyStone Technology, Gryphon Software, Kyocera International, Peregrine Semiconductor, Planet Polymer Technologies, Quantum Design, Saehan Media, Samsung, Sanyo, Safeskin Corporation and CRYOGEN.

GRAY CARY WARE & FREIDENRICH

Gray Cary Ware & Freidenrich is one of the leading technology law firms in San Diego and the Silicon Valley. Their clients include public and private companies at all stages of growth, from start-up to Fortune 500. Twenty-five years of experience in Silicon Valley, nearly 70 years of leadership in the San Diego market, and a Golden Triangle office positions them in the heart of the technology, venture capital, biotechnology, and emerging growth industries arenas. A full-service law firm, Gray Cary provides corporate, securities, litigation, commercial, intellectual property, patent, employment, real estate, land use, environmental, tax, trusts, and estate planning services to clients representing a full spectrum of California's key industries. The Corporate and Securities Group provides a depth of experience, strategic advice, and value to entrepreneurial high growth and technology companies, as well as venture capital, investment banking and financial institutions. From January, 1994 - November, 1995, the firm represented clients and underwriters in over 40 public offerings and over 30 mergers and acquisitions, reinforcing their ability to work effectively and efficiently with clients in such high profile transactions.

HIGH TECHNOLOGY RESOURCE CENTER

The High Technology Resource Center provides coordinated business and technical assistance to emerging or established high technology, manufacturing and defense conversion-oriented businesses in the San Diego region. For years, defense spending has been a cornerstone of San Diego's regional economy. In the early 1990s, the livelihood of one in six San Diegans was directly tied to defense spending. Recent decreases in defense spending mean decreased economic opportunity for San Diego companies and the people they employ. Between 1989 and 1993, defense-related employment dropped over 37%, adversely impacting tens of thousands of San Diegans. San Diego's High Technology Resource Center was formed to work with local manufacturing and high technology-oriented companies to provide (1) access to business and technical experts, (2) advanced training and (3) related business development resources to improve competitiveness in regional, domestic and international markets. The High Technology Resource Center is a centralized facility which coordinates and provides a variety of business and technical assistance services to companies in the San Diego region. The Center is a partnership of regional service providers and a network of expert consultants who work with companies to enhance their competitiveness. Through a series of public-private partnerships with an array of business development, academic and technology-oriented resources, the High Technology Resource Center offers a complement of technical assistance services to small and medium sized manufacturers and high technology companies throughout the San Diego region. San Diego's High Technology Resource Center was created as one of five programs under the auspices of The San Diego Technology Council (SDTC), a regional body combining the resources of industry, high technology, labor, training, academia, finance and world trade experts.

Springboard Luncheon

WEDNESDAY, AUGUST 7, 1996 • 11:00 A.M. - 1:30 P.M. • HYATT REGENCY, LA JOLLA



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