

**CONNECT**<sup>®</sup>

The UCSD Program in Technology and Entrepreneurship

# 6th Annual Springboard Luncheon

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Springboard Sponsors

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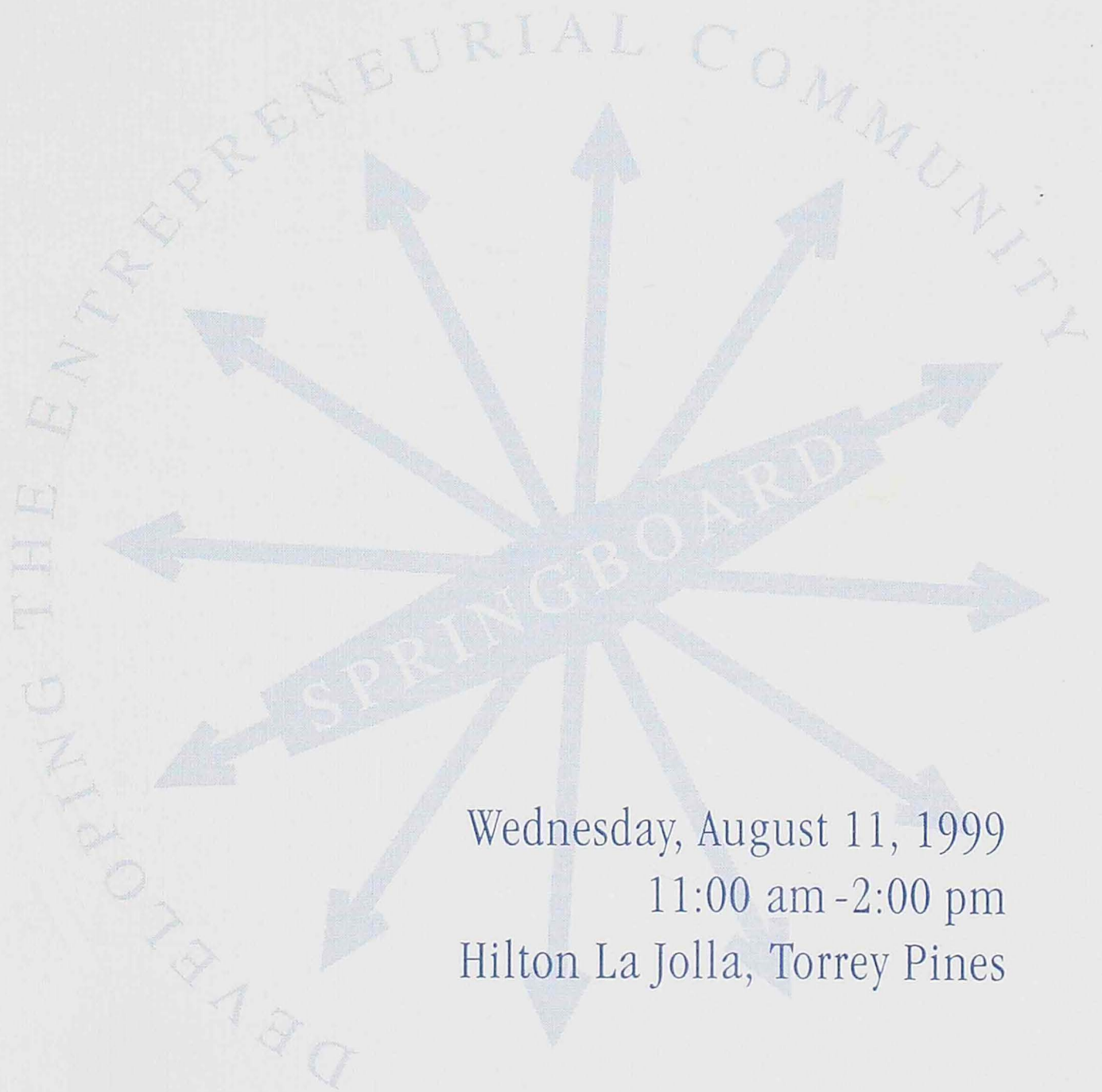
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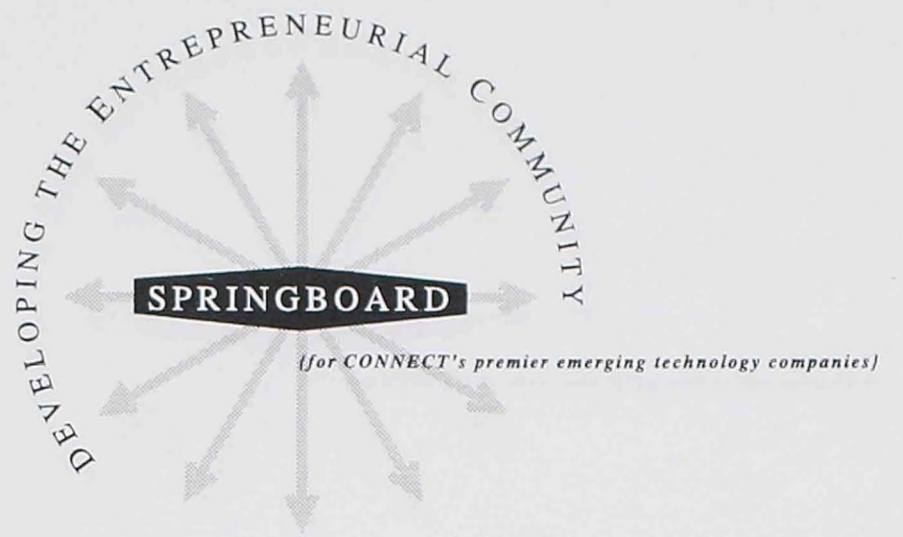
Gray Cary Ware & Freidenrich

PricewaterhouseCoopers LLP



Wednesday, August 11, 1999  
11:00 am - 2:00 pm  
Hilton La Jolla, Torrey Pines

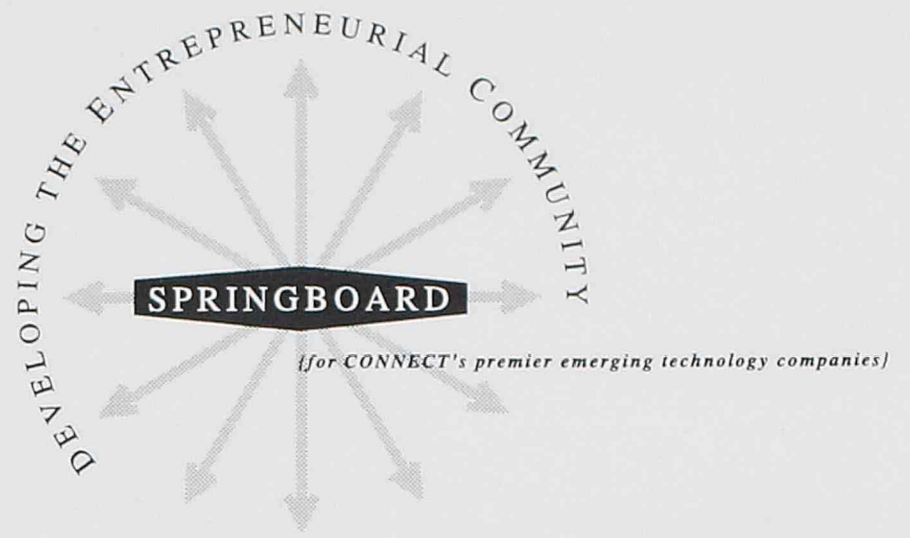




## Agenda

- 11:00 a.m. *Registration and Presenter Technology Demonstrations*  
 12:00 p.m. *Welcome Remarks and Lunch*  
**Berit Durler**  
 Associate Director, UCSD CONNECT  
 Chief Financial Officer, UCSD Extended Studies
- 12:30 p.m. *San Diego Venture Capital Update*  
**David Titus**  
 General Partner, Windward Ventures
- 1999 SpringBoard Review*  
**John Busch**  
 Springboard Management Fellow, UCSD CONNECT
- Springboard Presentations*
- Belstar Systems Corporation*  
**Mark Livingston**, President and CEO - *Wai Fishman*
- Cargo Technology, LLC*  
**Thomas G. Malone**, President, Founder, and CEO - *John McHardy*
- ChatSpace, Inc.*  
**Eric Olinger**, Founder and CEO - *Mike Bradley*
- Education to Go, Inc.*  
**Jules A. Ruggles**, Founder and CEO - *Tom Horish*
- MDi*  
**Steve Burns**, MD, Founder and CEO - *Mike Oliver*
- PanCel Corporation*  
**Dr. Fred Levine**, Founder - *Dr. Shlue*
- StoragePoint.Com*  
**Scott Zimmerman**, Co-Founder and CEO - *Dong Keim*
- 1:30 p.m. *Presentations conclude*





## 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 business opportunity. Successful applicants to the Springboard program begin a 2-month program which culminates in a presentation to a select group of UCSD CONNNECT sponsors and members.

After filing the Springboard application materials, the business opportunity is reviewed by the advisory committee for referral to the Springboard Coordinator. As interest in the Springboard program is high, it can take a few weeks for admission to the program.

During the program, the entrepreneur meets weekly with a CONNNECT Management Fellow for one-on-one coaching sessions. Management Fellows are experienced business executives who are knowledgeable about general management, start-up company issues, and raising money.

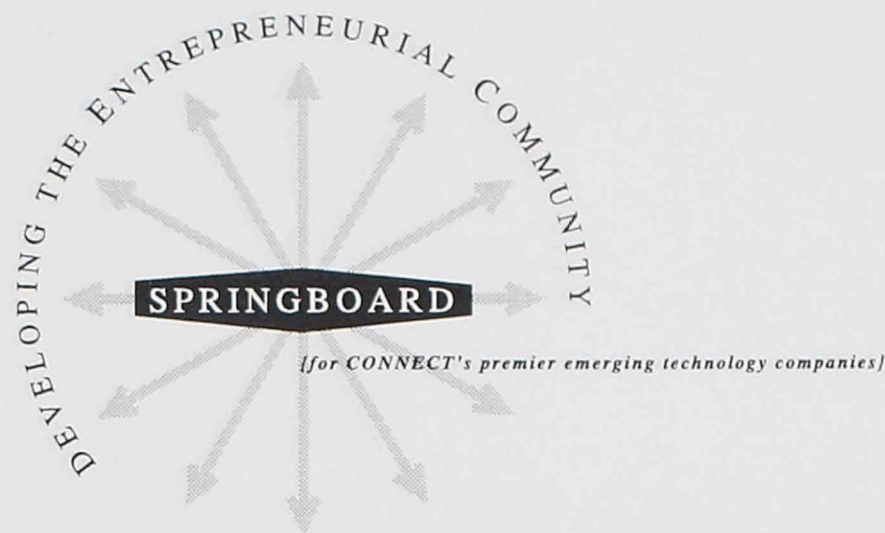
At the conclusion of the Springboard program, the entrepreneur will have developed a compelling presentation of his/her business opportunity. At the final Springboard meeting, this presentation is given in front of an expert panel created specifically to help the entrepreneur address his/her particular strategic issues. This group will typically include a venture capitalist, accountant, banker, 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, manufacturing, and other areas as needed.

The goals of the 1.5 hour final Springboard meeting are to provide the entrepreneur with candid recommendations for the development of his/her business plan and to help prepare for fund-raising efforts.

*Prospective Springboard presenters include anyone interested in starting, or who has recently started, a high-tech or biotech company; large company employees who want help thinking through an idea before presenting it as an internal project; or researchers and faculty interested in commercializing their discoveries in the San Diego region.*

Springboard has now helped over 120 entrepreneurs develop their business strategies. Since their involvement, many of these entrepreneurs have further defined their strategies and many have successfully secured funding. Through two other programs, Technology Brainstorming Meetings and Virtual Boards, UCSD CONNNECT will give similar assistance to entrepreneurs that are either too early, or too mature for the regular Springboard program. For information on either of these programs, please contact the Springboard Coordinator.





## Nurturing the San Diego Business Community

{UCSD CONNECT a program in the Division of Extended Studies & Public Programs}

### UCSD CONNECT

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 has accomplished this through educational and networking programs, practical business seminars and technology transfer 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.

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.

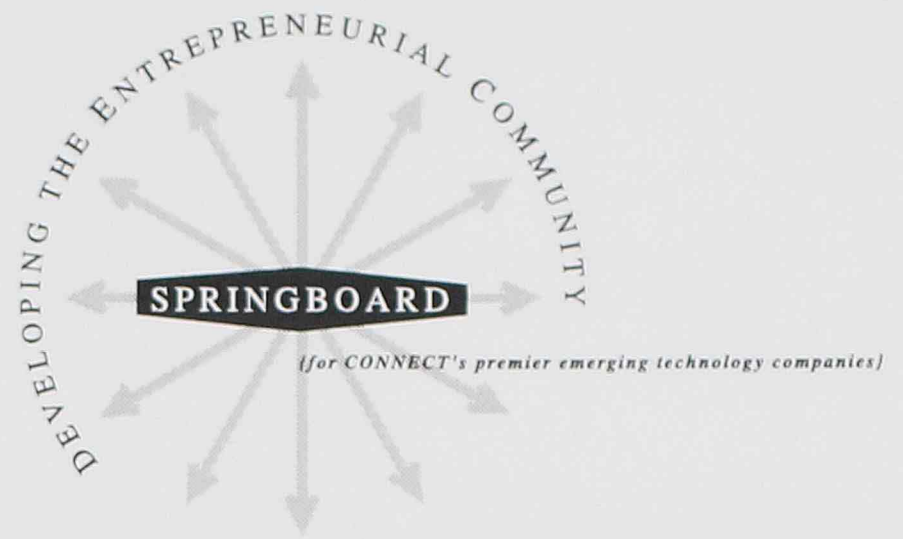
CONNECT also provides an opportunity for the biotech and high-tech communities to learn about research taking place at the University, and for the University community to learn about research taking place in industry.

### SANMEC

The San Diego Manufacturing Extension Center (SanMEC) is a private not-for-profit corporation funded through the National Institute of Standards and Technology (NIST) and the California Trade and Commerce Agency. SanMEC is the local affiliate of the Manufacturing Extension Partnership, a national network of more than 78 similar centers dedicated to providing professional consulting services to manufacturers on a fee-for-service basis. SanMEC provides services in three general categories: manufacturing modernization, strategic business planning, and workforce development. SanMEC's goal is to make San Diego manufacturers more profitable and more globally competitive.

*UCSD CONNECT also wishes to thank the University of California, Office of the President, and Proxima Corporation for providing funding for audiovisual and recording equipment for the Springboard program.*



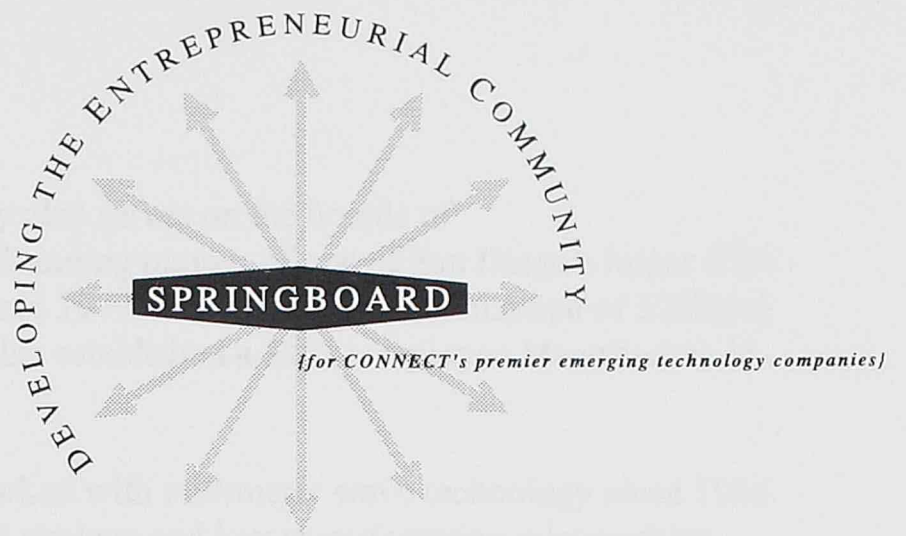


# 1999 Springboard Presenters

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## Belstar Systems Corp.

**Address:** 4370 La Jolla Village Drive, Suite 960,  
San Diego, CA 92122  
**Phone:** (858) 642-7545  
**Fax:** (858) 642-0322  
**email:** [mliving@earthlink.net](mailto:mliving@earthlink.net)  
**Web site:** [www.belstar.net](http://www.belstar.net)

**Chief Executive:** Joseph Pike  
**Presenter:** Mark Livingston,  
President, Founder

### COMPANY PROFILE

**Legal Form:** Delaware C Corporation  
**Date Established:** March 5, 1998  
**Number of Employees:** 5

**Stage of Development:** Beta trials  
**Funding Sought:** \$5 million  
**General Counsel:** Dan Reiss, Esq, VP Strategic Planning

### COMPANY OVERVIEW

BELSTAR is a designer and manufacturer of Outdoor Units (ODU's) for the Broadband Wireless Access (BWA) industry. The company plans to provide these ODU's to service providers and integrators who are developing this emerging global wireless multimedia market. In North America, over the next 10 years, this market represents capital expenditures for ODU's of several billion dollars. Due to the economic importance developing countries are placing on wireless multimedia infrastructures and the fact that BWA is a more efficient distribution alternative to wireline options, the international BWA opportunities are potentially equal to or larger than those in the competitive North American market.

This investment offers an opportunity for rapid growth with large potential customers (i.e. Lucent, Winstar, Nortel, Teligent, Formus, domestic & international LMDS license holders) and very large unit orders. The company has a significant lead on competition with a transceiver that will sell for a fraction of competitors' prices and exclusive world wide technology licenses from Northrop Grumman. Northrop Grumman is a government defense contractor and the leading Microwave Monolithic Integrated Circuit (MMIC) developer in the world.

BWA is similar to a wireless fiberoptic pipe. In one word, it's bandwidth. The availability of bandwidth to homes and businesses will have as significant an impact on communication and commerce as the telephone and railroad did. BELSTAR's high performance, low cost transceivers make wide spread adoption of BWA possible.

### MANAGEMENT BIOGRAPHIES

**Joseph Pike**, Chairman & CEO, Founder, Board Member, also serves on the boards BEL-Tronics Company and Ultrafem, Inc. He has acquired or started over a dozen companies.



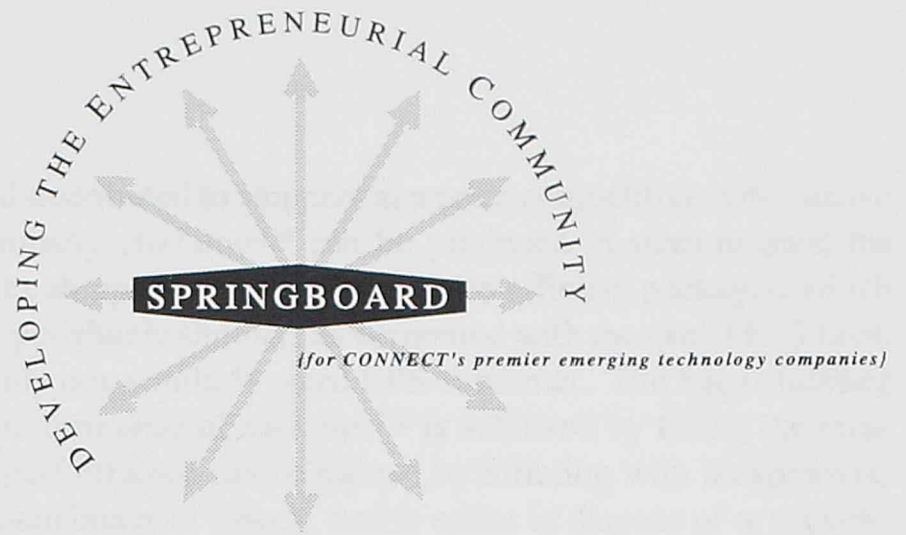
**Mark T. Livingston**, President, Founder, Board Member, currently also serves on the boards of Palomar Spring Water Co., Akcess Pacific Group, LLC. He was a founding partner of one of San Diego's larger CPA firms. He has worked with troubled or challenged organizations since 1979, including the reorganization of \$200mm lodging firm, turnaround of \$65 mm catalog direct marketer, and also established a 300+ employee Maquiladora in Tijuana, BC.

**James R. Plante**, Vice President, Founder, Board Member, has worked with millimeter wave technology since 1986. He is responsible for facilitating BELSTAR's product development strategy and key manufacturing relationships. Working with Akcess Pacific, Mr. Plante was instrumental in the acquisition and turnaround of BEL-Tronics, a Canadian designer and manufacturer of microwave products.

**Jack Van der Star**, Chief Technology, Founder, Board Member, is a professional engineer and has practiced in his field for twenty years. Prior to joining BELSTAR, Mr. Van der Star completed numerous communications projects including six complete cable head ends for Ameritech and is a patent holder on key technologies for video on demand being used by Diva systems.







## Cargo Technology, LLC

**Address:** P. O. Box 6727,  
San Diego, CA 92166-6727

**Phone:** (619) 483-0800

**Fax:** (619) 483-0088

**email:** tmalone@cargotech.com

**Chief Executive:** Thomas G. Malone, President

**Presenter:** Thomas G. Malone

**Other Attendees:** Bill Jenkins, VP Engineering  
Ross Clark, Advisory Board

### COMPANY PROFILE

**Legal Form:** California Limited Liability Corporation

**Date Established:** July 28, 1998

**Number of Employees:** 1

**Stage of Development:** Ready for release upon funding

**Funding Sought:** \$1- 2 million to complete round

### COMPANY OVERVIEW

Cargo Technology, LLC has developed *AirLiner*<sup>TM</sup>—a unique, proprietary and superior alternative to the molded expanded polystyrene foam boxes and inserts currently used to ship perishable cargo by air. Initial product development is complete and the product can be in production within 8-10 weeks. Experience and research show that shippers of perishable air cargo have a great need for a better insulated packaging product.

Examples of perishable cargo are seafood, meat, fruit, prepared foods and pharmaceuticals. The markets for insulated packaging materials for shipping perishable cargo by air are growing and estimated at about \$500 million annually.

Cargo Technology, LLC has been formed to facilitate outside investment for the development and marketing of the *AirLiner*<sup>TM</sup> product, and is seeking \$2 million of common equity financing to produce and launch *AirLiner*<sup>TM</sup>. In exchange for this funding, a 30% ownership position is available.

Management of the company has over 34 years of experience in design, manufacturing, and marketing of temperature systems including packaging. The company aims to launch *AirLiner*<sup>TM</sup> and aggressively compete to meet consumer's demand for fresh, reasonably-priced perishable commodities.

### PRODUCT AND TECHNOLOGY

*AirLiner*<sup>TM</sup> is an inflatable, insulating bag that converts an ordinary corrugated box into a cooler that is designed to keep perishables fresh and cold for at least 48 hours. Over **5 billion pounds** of perishables are shipped outside of refrigeration by airfreight each year. Most of these shipments are kept cold in expanded polystyrene (EPS) containers. EPS is a 33-year-old technology that is bulky, cumbersome, and prone to cracking and leaking.

*AirLiner*<sup>TM</sup> is produced from plastic films with internal baffles that create a construction that inhibits heat transfer through convection, conduction and radiation. The commonly available raw materials are combined in a unique production technique using conventional heat-sealing. This type of heat-sealing is designed for high-volume, low-cost production like that used in making balloons.

The company has secured the rights to an exclusive license for technology owned and patented by University of California and incorporated into *AirLiner*<sup>TM</sup>. Additionally, the inventors of *AirLiner*<sup>TM</sup> filed their own patent application in September 1998.





The superior *AirLiner*<sup>TM</sup> product can be manufactured, marketed and distributed to shippers at a price competitive with current EPS containers, while also returning attractive margins to the company. *AirLiner*<sup>TM</sup> can be produced in sizes to meet the differing needs of shippers of the perishable products. *AirLiner* can be shipped to users in flat, space-efficient packages, which use only a fraction of the warehouse space and delivery expenses for perishable shippers as compared with the use of EPS foam boxes. About 50 *AirLiner*<sup>TM</sup> bags fit into the space now taken by only one similarly sized EPS container. The bag is inflated using an inexpensive, proprietary nozzle. The beneficial thermal performance of *AirLiner*<sup>TM</sup> is achieved by filling the insulated plastic bag with ordinary air; significantly enhanced thermal performance can be gained by inflating with inexpensive, stable Argon gas. *AirLiner*<sup>TM</sup> does not crack or break as do bulky foam boxes or inserts, and is easier to dispose of or recycle.

#### *Major Benefits of AirLiner*<sup>TM</sup>

- Saves freight-in expenses vs. expanded polystyrene (Styrofoam) since it ships to packers un-inflated.
- Saves customer's warehousing costs - it stores un-inflated
- *AirLiner*<sup>TM</sup> keeps perishable products cold and fresh for over 48 hours. Users can ship by 2<sup>nd</sup> day service instead of Next Day to save freight cost.
- Helps meet strict, new government standards for shipping food products.
- Flexible design does not crack or break as do molded foam boxes.
- Environmentally friendly plastic films are easy to dispose of or to recycle compared to cumbersome, bulky foam boxes.

## MARKET OVERVIEW

#### *Market Highlights*

- Over 5 billion pounds of perishable commodities are shipped by air each year to, from and within the US.
- *AirLiner*<sup>TM</sup> target markets for packaging are conservatively estimated at nearly \$500 million annually.
- Existing technology is 30 years old, is bulky, and breakable.

Airlines require that refrigerated, perishable freight be packaged to withstand transit times of up to 48 hours without special attention. Most fresh, perishable product is currently shipped in 25-100 pound corrugated boxes packed with frozen gel-packs and insulated with EPS. These smaller shipments are tendered individually direct to airlines, or to expedited carriers such as Emery, UPS, or Federal Express.

The markets for packaging materials for perishable goods are highly fragmented by geography and commodity. For example, seafood shippers in Hawaii are unlikely to share information about packaging costs with seafood shippers in Florida. The utilitarian value of temperature controlled packaging is different from one commodity to another, depending on its value and sensitivity to temperature

About 5.5 billion pounds of perishables are shipped by air annually in both the US domestic and import/export markets, in nearly 100 million containers. The total market for packaging related to these shipments of perishables is conservatively estimated at nearly \$500 million annually. This estimate of market size was derived from data on perishable cargo obtained from major air passenger and cargo carriers.

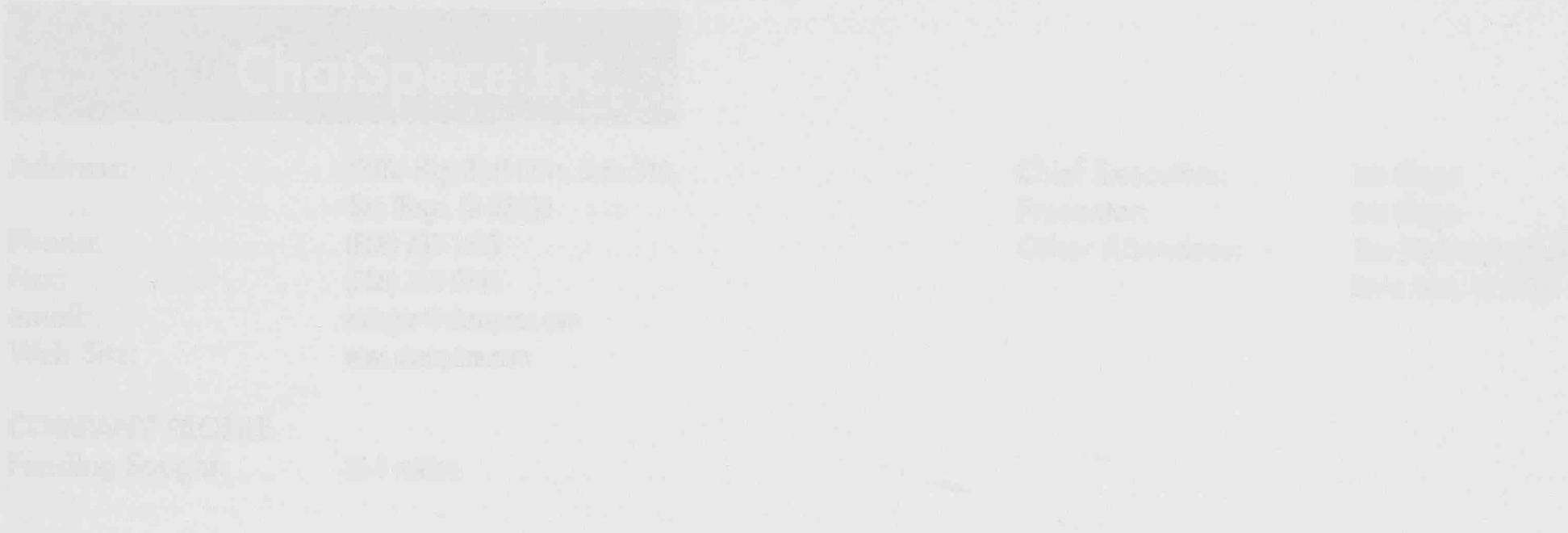
## MANAGEMENT BIOGRAPHIES

**Thomas G. Malone**, President, Founder and CEO, has over 14 years experience in entrepreneurial management. Mr. Malone is a skilled growth strategist, regularly assessing alternatives to ensure adequate growth and profits. He has perfected tactical skills in competitive situations, including new product development and launch. Mr. Malone has extensive national and international sales and marketing experience and is a skillful team builder.



**D. William Jenkins**, V.P. Engineering, experience includes the fast growth demands of a high-tech start-up as well as the disciplined environment of a large defense contractor. He has broad engineering experience in thermodynamics and gas systems, a strong background in mechanical system design and analysis, demonstrated ability in communication and organization, and experience in project management.

**Ross A. Clark**, Board of Directors, has extensive and broad business experience. He has managed or consulted in such diversified areas as energy, packaging, sports, automotive, venture capital and biotechnology. During his career, he has been actively involved in several trade associations and steering committees in the energy and other industries.



**ChoiSpace Inc.**

Address: 7140 ...  
 Phone: ...  
 Fax: ...  
 Email: ...  
 Web Site: ...

**COMPANY PROFILE**  
 Funding: ...

**COMPANY OVERVIEW**

As the demand for increased online interactivity, ChoiSpace is the leader in selling chat products and software to the world. The ...

... of service expectations are rising. With ChoiSpace software, the ...

... ChoiSpace offers the only product that ...

... ChoiSpace is not proprietary ...

**OUR UNIQUE TECHNOLOGY**

ChoiSpace Community Server, consists of a chat server ...

... ChoiSpace Community Server features include:

- ...
- ...
- ...







## ChatSpace Inc.

**Address:** 12760 High Bluff Drive, Suite 310,  
San Diego, CA 92130  
**Phone:** (858) 259-1823  
**Fax:** (858) 259-0754  
**email:** eolinger@chatspace.com  
**Web Site:** www.chatspace.com

**Chief Executive:** Eric Olinger  
**Presenter:** Eric Olinger  
**Other Attendees:** Tom Hillebrandt, President  
Steve Niles, VP & CTO

### COMPANY PROFILE

**Funding Sought:** \$3-5 million

### COMPANY OVERVIEW

Riding the wave of increased online interactivity, ChatSpace is the leader in selling chat products and services to the small and mid-sized business market. Today, there are over 300,000 people per month using our products and services on over 10,000 ChatSpace chat sites. The largest web hosting ISP in the country is using ChatSpace software to offer chat to their user base and leading online businesses are using it to interact live online with their customers.

Online customer's level of service expectations are rising. With ChatSpace software, businesses can convert web site visitors into sales and deliver superior customer service.

Since most small and mid-sized businesses use ISPs for their web presence, ChatSpace's technology was designed for the ISP sales channel. ChatSpace offers the only product that easily scales to allow ISPs to offer chat services to thousands of users.

Another unique feature of ChatSpace is its proprietary *Community Directory*, which is a chat portal site that dynamically lists sites running ChatSpace software. The ChatSpace *Community Directory* is one of the largest listings of chat sites on the Internet and one of the top ten chat portals (according to WebSideStory rankings).

ChatSpace is well-positioned for explosive growth and a sustainable lead in its market.

### PRODUCT AND TECHNOLOGY

The ChatSpace *Community Server*, consists of a chat server engine, a web server engine, and a Java-based chat client interface. It is designed to allow the easy creation of online communities to complement online content. An integrated ecommerce engine supports subscription-based services such as online daytrading, distance learning and auctions. It is highly scalable with the ability to run hundreds of chat sites per server and thousands of concurrent users per site.

Some ChatSpace *Community Server* features include:

- Well-established C++ and Java technology.
- Ability to run on Windows NT, the fastest growing, and best performing, network application platform.
- An interface easily accessible by any standard web browser.



The growth in real-time messaging applications (like chat) on the Internet has driven online businesses to integrate these technologies into their online services. The result is better customer relationship, improved use of other online services and reduced support costs. The ChatSpace *iInteract* products combine an award-winning chat engine with a web-based knowledge base designed to collect, manage, and publish Frequently Asked Questions (FAQs). This powerful combination, launched to the market this summer, is already drawing excitement from small and mid sized businesses that can now access the same technology available to the Fortune 500.

ChatSpace products are also available as hosted solutions. With many products, customers have the option of either purchasing a one-time license for the software or paying a monthly hosting fee. Either way, ChatSpace software is extremely easy to install, set up, and run from their web site. ChatSpace also offers special versions of its software to web hosting businesses (ISPs and developers) and to large online communities.

Some ChatSpace product advantages include:

- Total cost of ownership is thousands of dollars less than competitive products.
- ISPs can provide ChatSpace's services, under a revenue-sharing model, with no investment on their part.
- The products install and run out of the box in minutes—creating immediate value to the customer.
- Standards-based customization provides a simple and reliable way to grow the solution set.

## MARKET OVERVIEW

Online customers' expectations have risen along with the tide of new businesses online. If customers can't find what they are looking for in a few clicks, they are gone. Using ChatSpace software, businesses can communicate with their customers from the web site, in real-time, to keep the customer and keep the customer coming back.

Ideal uses of chat on the web site include providing sales and customer support, holding chat events or letting customers chat with each other. In a recent survey by Internet research firm Jupiter Communications, 41% of online consumers indicated that chat would increase their likelihood to transact online. Further, 33% of merchants surveyed intend to add chat as a customer service tool. The real-time communities created by online chat bring repeat traffic, increase the time spent on a site and build customer loyalty.

Based on research done by the Yankee Group and IDC, ChatSpace estimates there will be in excess of 6 million small businesses online by 2002, representing a market for chat products and services in excess of \$500 million.

From a competitive perspective, the majority of chat technology companies, such as Acuity, eShare, Balisoft, and SiteBridge, have focused on the large corporate site segment with complex, expensive solutions. Their pricing ranges from \$2,000 to over \$125,000 for custom helpdesk type solutions.

With pricing in the \$200-\$2,000 range for a core set of features, ChatSpace has chosen to target the small to mid-sized business sites.

ChatSpace's competitive advantages and barriers to entry include:

- Lowest priced customizable chat solution of any major competitor.
- Only chat company focused on the ISP sales channel. ChatSpace's rapid penetration of this channel will be a significant barrier to competition.
- Its unique *Community Directory* will grow into a major chat portal site bringing together hundreds of thousands of chat sites and millions of users.

ChatSpace plans to start marketing by targeting key niche revenue opportunities in turnkey chat-commerce sites, developing the ISPs and web developers as co-marketers of the technology, and building product brands through publicity directed at the small business market.

Key chat-commerce opportunities, addressed by direct sales efforts, include:

- Online daytrading and stock brokers (ChatSpace is the leader by a wide margin in this category with 50% of the current market).
- Real-time auction formats.
- Distance learning classrooms.





ChatSpace will market to the channel through:

- Targeted email sponsorships.
- Banner advertising and sponsorships on ISP focused sites within internet.com.
- Direct mail.
- Telemarketing.
- Attending focused trade shows.

ChatSpace will create “pull” for these services by marketing to small and mid-sized business through:

- Targeted email sponsorships.
- Banner advertising and sponsorships on small business content sites.
- PR efforts aimed at product reviews in small business trade publications.
- Online forums highlighting small businesses doing it “right” online.

ChatSpace will build its brand and *Community Directory* chat portal site through:

- Co-branding ISP versions with the ChatSpace name and automatically including their sites in the *Community Directory*.
- Offering a free downloadable, limited feature, version of the product to seed the sales channels.
- Putting a link to ChatSpace in the user interface of low-cost, high volume, products.
- PR efforts aimed at product reviews in computer trade publications.
- PR-related speaking opportunities and references in print media presenting ChatSpace executives as experts on online interaction.

## MANAGEMENT BIOGRAPHIES

**Eric Olinger**, Founder & CEO, is the co-developer of the technology and brings to the company an operating knowledge of software marketing and a solid business background. He has over 15 years of experience in software development and product management including work at Peregrine Systems, SpectraGraphics, and Sun Networks.

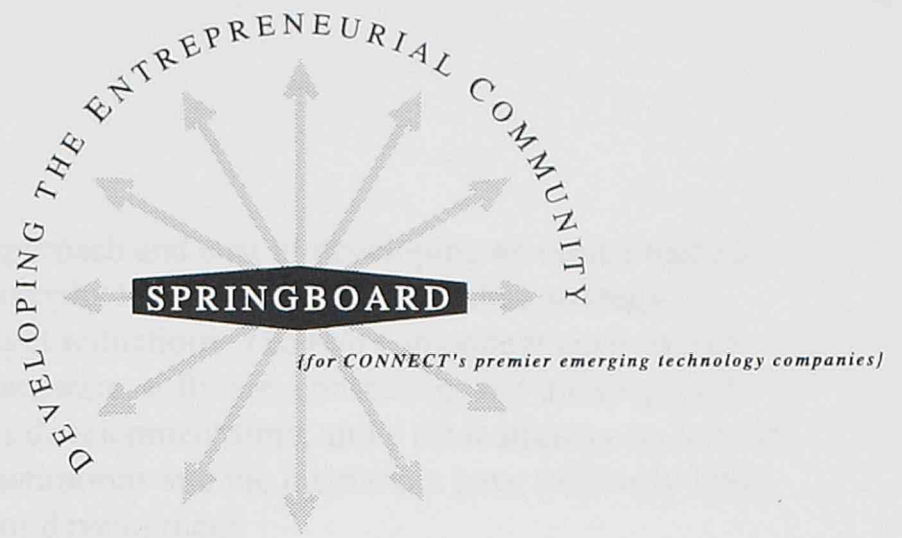
While at Peregrine, Mr. Olinger launched the company into new technology areas and developed key OEM relationships with HP, IBM, and Sun. He personally led the development of several multi-million dollar software products for enterprise network management.

**Tom Hillebrandt**, President, has more than 12 years of management experience and is a former Internet startup CEO for Link sandiego.com, Inc., a local ISP, and DITR Marketing, Inc., one of the first online marketing and electronic order processing businesses for software developers. Mr. Hillebrandt was also the CFO of Emerald Systems and Director of Finance for Ventura Software, Inc. (A Xerox Company). Prior to his work in the software and Internet industry, he was a CPA with KPMG Peat Marwick. Mr. Hillebrandt has an established record in operations, finance, human resources, as well as an in-depth knowledge of Internet electronic commerce and the software industry.

**Steven M. Niles**, Vice President & CTO, is the other co-developer and technical lead for the ChatSpace product. Mr. Niles has over 14 years of client/server and network software development experience including work at Peregrine Systems, Candle Corporation (enterprise network and systems management), and General Dynamics.

Mr. Niles has also been directly involved in the Internet chat (IRC) development community. He helped shape the nature of the chat server market with the first commercial IRC server for Windows (released in 1996).





## Education to Go, Inc.

**Address:** 28991 Front St. Suite 201,  
Temecula, CA 92593  
**Phone:** (909) 506-6647  
**Fax:** (909) 506-6547  
**email:** jruggles@ed2go.com  
**Web Site:** www.educationtogo.com

**Chief Executive:** Jules A. Ruggles, Founder  
**Presenter:** Jules A. Ruggles  
**Other Attendees:** Craig A. Power, President, Founder  
Ray Plevyak, Financial Consultant

### COMPANY PROFILE

**Legal Form:** California Corporation  
**Date Established:** August 1, 1997  
**Number of Employees:** 12

**Stage of Development:** Early stage - profitable  
**Funding Sought:** \$3 million - first round

### COMPANY OVERVIEW

Education To Go is an Internet-based, early-stage company that develops and distributes online instruction to and for educational institutions. Education To Go is successfully using a "first mover strategy" to establish a new standard for online instruction to secure market leadership. Specifically, Education To Go has integrated a Web-based Learning System with an e-Service marketing model available to institutions online, eliminating the need to purchase a system and the associated ongoing management costs.

The Internet is evolving faster than any other mass market medium in history, and it is leaving no industry untouched. Online instruction is rapidly shaping the future of education and transforming virtually all of its institutions. These institutions are just awakening to the power of a technology that promises to expand access for more students, at lower costs, and with improved learning outcomes. In the future most, if not all, institutions will offer an online alternative to classroom instruction to remain financially viable and competitive.

Faced with monumental change, many institutions lack the management, technical, and entrepreneurial skills necessary to integrate this new technology into their academic cultures and administrative systems. Education To Go is taking advantage of the Web's growth as a commerce and distribution platform to provide a new, simplified, and more affordable solution to online instruction.

The president of Learning Resources Network (LERN)—a 4,300 member, adult learning association from 14 countries—believes that the future for online learning systems is the Education To Go e-Services model and has freely recommended that their membership consider this alternative.



## PRODUCT AND TECHNOLOGY

Educational institutions face two significant problems today: the approach and cost of developing an online management and distribution system for instruction, and the teaching philosophy that will power their online strategy to provide affordable courses to students while achieving overall budget reductions. The two component costs associated with an online system are site development, which includes hardware, software, consulting, and training; and course development, which includes software, training, instructor's development time, and a clear strategy on how to teach a course online or from a distance. Unfortunately, both the institutions and the instructors have relatively little experience with either aspect of the online environment, delivery, or development.

Consequently, many institutions are each spending millions of dollars to build online distribution and management systems. In addition, because of the belief that a classroom course is the best learning environment for the student, many, if not most, programs have developed courses that are effectively 'analogs' of the physical classroom with a one-to-one design that limits the number of students that an instructor can actually support. In a nutshell, these courses are expensive and lose money for these institutions.

Education To Go has developed an optimal solution that helps educational institutions remain focused on their academic mission, while simultaneously saving them vast sums of money and providing them with positive revenues. The company's e-Service program offers clients a professionally-managed and shared *Course Delivery and Management Platform* and an automated *Course Development Platform* available without cost to any participating institution.

## MARKET OVERVIEW

According to Merrill Lynch Research, the total education and training market is estimated to be \$600 billion. This figure includes academic instruction (from K-12 through post-secondary), along with non-credit/certificate adult continuing education and professional training—representing a population of approximately 128 million students. The National Institute of Standards and Technology estimates the total online learning marketplace will be \$46 billion by 2005. Foreign language markets are even larger than the US market when taken together, and people accessing the Web in other languages is the fastest growing group online today according to Global Reach, an online media company.

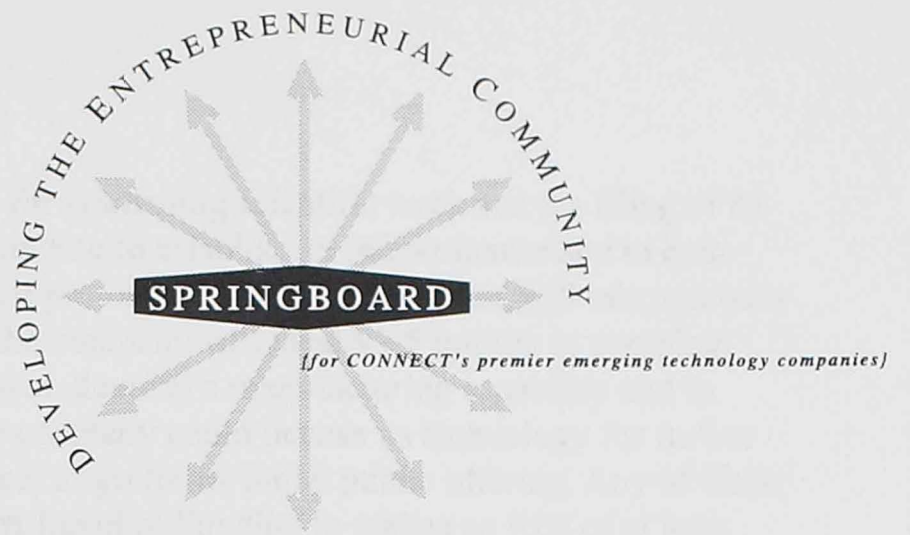
## MANAGEMENT BIOGRAPHIES

**Jules A. Ruggles**, Founder & CEO, is a founding partner and became CEO in 1999 when the company moved from a general partnership to an S-corporation status. Prior to forming Education To Go, Mr. Ruggles worked most recently in micro-enterprise development in South America and earlier was a business lecturer on foreign expert status in China. Mr. Ruggles has over 20 years experience in various management positions in banking, distribution and, management consulting. In 1980, he received an MBA in Finance from California State University, Los Angeles.

**Craig A. Power**, Founder & President, is also a founding partner. He is a UCLA graduate, teacher, and contract computer programmer who created commercial applications for a nationwide real estate chain, numerous small to mid-sized businesses, and government agencies. He co-wrote, filmed, and edited an interactive videodisc-based biology series for the Los Angeles Unified School District, and developed a multimedia authoring system used for ESL instruction in Orange County, California. He developed a pioneering series of Internet-based computer workshops in 1995, providing personalized online instruction to tens of thousands of working adults around the globe. He has 14 years of classroom experience and 11 years of experience in computer-assisted learning.







## Magnetic Diagnostic, Inc. (MDi)

**Address:** 427 1/2 Sherman Canal, Venice, CA 90291  
**Phone:** (310) 306 4042  
**Fax:** (310) 574 2692  
**email:** cwakefield@earthlink.net

**Chief Executive:** Steve Burns, MD  
**Presenter:** Steve Burns

### COMPANY PROFILE

**Legal Form:** California Corporation  
**Date Established:** February 1994  
**Number of Employees:** 1 full time/7 part time

**Stage of Development:** Early  
**Funding Sought:** \$1-3 Million

### COMPANY OVERVIEW

Magnetic Diagnostic, Inc. or MDi (formerly named American Biotechnology Workgroup, Inc.) is an early stage company formed to create medical diagnostic equipment based on downsizing the well documented technology, magnetic resonance spectroscopy, (MRS). MDi's first instrument, *The Home Diagnostic Center (HDC)*, is a NON-INVASIVE instrument to measure key panels of analytes including Glucose Monitoring, Diabetic Management Panel (glucose, pH, ketones, total water, lactate, AGE), Lipid Panel (cholesterol, HDL, LDL), ER Panel (glucose, BUN, creatinine, Na, K, CL), bone Marker Panel, Metabolism Panel, plus ethanol, lithium, and others. The HDC is a downsized and specialized version of the Magnetic Resonance Spectrometers used in universities around the world for research to measure the chemical composition of human tissue. Patients will insert their hand in the HDC, and the analyzer will safely and rapidly read the desired analytes.

MDi is currently in negotiations with The Aerospace Corp., (the satellite people) who will provide their engineering and miniaturization expertise to assist with the creation, and testing of MDi's prototype. A partnership with Aerospace will reduce MDi's total budget by over \$3,000,000.

The HDC will consist primarily of a magnet system, electronics, and computer components for analyzing and storing data (and a natural link to the internet through medical management software). The firm's technology, MRS (which is closely related to the medical diagnostic tool known as magnetic resonance imaging, "MRI") is based on the principle that nuclei of atoms present in molecules behave differently in response to a magnetic field. The MRS instrument aligns the nuclei in a magnetic field and excites them with a radio-frequency pulse. The characteristic signal emitted by the nuclei makes it possible to identify and quantify the nuclei of interest, for example, glucose.

Creation of the HDC, has become feasible within the last several years due to the miniaturization of magnet technology and advances in techniques of MRS. The company has conducted feasibility studies that show that the HDC can be expected to measure analytes in the hand and can be expected to meet the company's size specifications.



The company raised over \$450,000 from founders and supporters for continuing scientific work and the filing of its patents. The company is seeking \$1-3 million in its first level of funding to establish an infrastructure and to complete the development work leading to the creation of its downsized prototype. It is anticipated this will take one year to complete. For the second level of funding it is anticipated that the company will need \$3-5 million to complete clinicals for FDA clearance (510k), and insurance company approval, develop a manufacturing capability and to initiate marketing activities. Before, or after the second round, the company could license its technology for further development, or joint venture, or form a strategic corporate alliance, or go for its initial public offering. Any of these funding alternatives would allow a prospective investor in our First Level of Funding to realize an ROI of at least 30% to 50% annually.

#### **MARKET OVERVIEW:**

MDi's initial target market is the screening, monitoring, and management of diabetes. According to the 1997 in-depth study by Frost and Sullivan, the revenue from the sale of invasive meters and test strips is forecast to reach \$2 Billion by the year 2003 in the U.S. alone. F&S also project that within five years post-introduction, a non-invasive home glucose meter will already have captured 20% of the market, and growing. This would amount to sales of at least \$400,000,000 in the domestic market alone.

Since MDi anticipates substantial overseas sales of the HDC, the company actually expects to reach annual sales of \$500 Million within five years of the date of initial shipments. Traditionally, the U.S. market represents 40% of the global diagnostic market.

The company expects to initially price the HDC at \$5,000 a unit and market to hospitals, clinics, and medical professionals who will either utilize or prescribe the HDC for their patients. Economies of scale will allow the company to reduce the end user price to \$2,000 as volume builds.

Diabetics are currently paying from \$20 to \$80 a month to purchase test strips for their invasive home meters. It is expected that consumers will be able to make a one-time purchase or lease the HDC with a monthly payment equal to or no more than what they are currently paying for test strips alone.

The HDC will be designed to require little or no training. Potential users in the U.S. includes the homes of approximately 16 Million diabetics as well as hospitals, emergency rooms, doctor's offices, and remote military field sites. Future sites could include corporate wellness centers, schools, drug stores, health clubs, airports, and law enforcement vehicles (ethanol measurement).

**BECAUSE THE HDC IS NON INVASIVE, IT CAN BE SHARED. BECAUSE IT CAN BE SHARED IT CAN BE EVERYWHERE. DIABETICS WILL NO LONGER BE OBLIGATED TO CARRY AROUND THEIR OWN METERS.**

MDi will also market the Home Diagnostic Center for non-diabetic uses including but not limited to: point of care diagnostics, screening for hypoglycemia, monitoring of lithium levels in manic depressives; measuring of cholesterol to evaluate the risk of coronary artery disease; monitoring of non-diabetic renal disease; measuring of ethanol levels for industry (especially those with safety-sensitive jobs such as airline pilots) and law enforcement use by police officers. MDi intends to be closely involved in the development of new scanning technologies based upon its technology, and the firm intends to develop a broad line of products as the technology allows.

#### *Internet Connection*

Because the HDC has a computer component as an integral part of the instrument, the HDC can plug into internet healthcare management systems in-house or with an outside partner. This information will empower the diabetic and will provide the patient more accurate self care. At the same time it will give health care providers the ability to use internet based diabetes management programs to substantially reduce facility utilization and improve patient outcomes.

*The HDC is the missing link between the medical community, the internet and the patient for patient care and over the net real time diagnostics.*





### *Competition*

In the aggressive race to introduce a non-invasive (or minimally invasive) glucose monitoring system, competitors agree on one thing: such a product promises enormous potential, both for the companies involved and for diabetics. Both start-up companies and established leaders see a painless glucose testing system as the next major breakthrough in the diabetic industry.

If diabetics have a painless way to monitor their glucose levels without drawing blood, they will likely choose that method over current systems, which require the use of a lancet and test strips — even if it means spending more money. This threatens the position held by: LifeScan, Roche and Bayer, the leaders in blood glucose testing.

There are a number of groups in the U.S. attempting to develop glucose testing devices based on other non-invasive or semi-invasive technologies. The other non-invasive glucose measurement instruments may be some variant of an optical device, all of which currently have problems with size, reliability, calibration, accuracy, and variations in measurement due to skin characteristics, exercise, dehydration, or the intake of certain foods. After years of experimentation, developers of the optical devices have been unsuccessful in obtaining FDA approval due to such problems.

Semi-invasive approaches involve a variety of instruments that puncture the skin using lasers or lancets or chemicals which extract interstitial fluid from the body. All of these violate the skin integrity and are expected to have problems with calibration, skin infection, or discomfort. Minimed has come out with an implantable. This device lasts for just three days and can only be read by a doctor. Most people agree they would rather have a non-invasive instrument.

### **Barriers to Entry by the Competition**

There are significant barriers to entry for other companies:

- Patents are applied for, and will be updated as each facet of the HDC is optimized.
- Research on the technology is costly and time consuming.
- There is only a limited pool of scientists with relevant expertise.
- “First to Market” advantages will apply.
- MDi has its strategic alliance with the Varian Corporation and is in negotiation with The Aerospace Corp.
- MDi has the world-acknowledged, best MRS scientists, giving MDI an established team of experts, leaders and innovators in Magnetic Resonance Spectroscopy.

### **Use of Funding:**

Set up infrastructure, lab and hire full-time scientists and technician; purchase 60 MHz research instrument; define optimal field strength for small magnet; optimize pulse sequences to be used for each analyte to be measured; complete definition and design and order, take delivery and test small magnet(s); construct 1<sup>st</sup> prototype using small magnet and “off the shelf” component parts (CPU, circuitry, box), and provide working capital.

### **MANAGEMENT BIOGRAPHIES:**

**Dr. Steven Burns**, M.D, President, CEO Director and co-founder of the company received his M.D. from UCLA. Dr. Burns is currently Director of Occupational Medicine and Urgent Care for the Graybill Clinic in Escondido, California. He has 25 years primary care experience. He understands the needs of diabetics, the market, and managed care.

**Ms. Carol Wakefield**, Secretary/Treasurer, CFO Director and co-founder of the company received her BA from UCLA. and also completed their Executive MBA Program. Ms. Wakefield has served as a business advisor and financier in the banking industry since 1975. She is currently MDi’s only full-time employee.

**Mr. Jerry McLaughlin**, *R.Ph.*, a Marketing Consultant and Director of the company, received his BS in Pharmacy at the University of New York at Buffalo. Mr. McLaughlin brings has over 25 years of medical diagnostic instrument senior management experience with firms such as Beckman Instruments, Boehringer Mannheim and most recently DPC, one of the fastest growing diagnostic companies in the world.



**Dr. Thomas Schleich**, PhD, Chief Scientist, Consultant and a Director of the company, is currently serving as Chairperson and Professor of Chemistry, UCSC, Professor of Pharmaceutical Chemistry, UCSF, and Adjunct Professor of Biological Chemistry, Department of Biological Chemistry, School of Medicine, UCD. Dr. Schleich is an expert in the application of MRS to living systems, and has many publications and honors to his credit.

**Dr. James Shoolery**, PhD, a Consultant and Director of the company, is currently serving as Consultant to Varian Inc., Palo Alto received his Ph.D. in physical chemistry from the California Institute of Technology. Since 1952, Dr. Shoolery along with the Varian Brothers, was one of the pioneers of NM spectroscopy. In fact, the MRS laboratory at Varian is named the "James Shoolery Laboratory." Dr. Shoolery is a leader in MRS applications development.

**Dr. Boban John**, PhD, Research and Development Manager, Consultant and Director of the company, received his Ph.D. from University of Alberta, Edmonton, Canada. Dr. John's specialty is the development of gradient applications spectroscopy. He has published and holds patents relating to gradients in MRS technology.

**Dr. Alan Rath**, PhD, a Consultant and Director of the company received his Ph.D. from UCSD, and presently is Applications Scientist, Spectroscopy Imaging Systems Corp, Varian. Dr. Rath has published extensively, and holds six patents relating to MRS coils and apparatus.

**Mr. Marvin Anderson**, a Consultant and Director of the company, received his BS in engineering from the University of Cincinnati. Mr. Anderson was employed for 31 years by Varian as Manager, Laboratory and Focus Magnet Engineering Departments. Mr. Anderson has designed MDI's small permanent magnet to be used in the HDC.

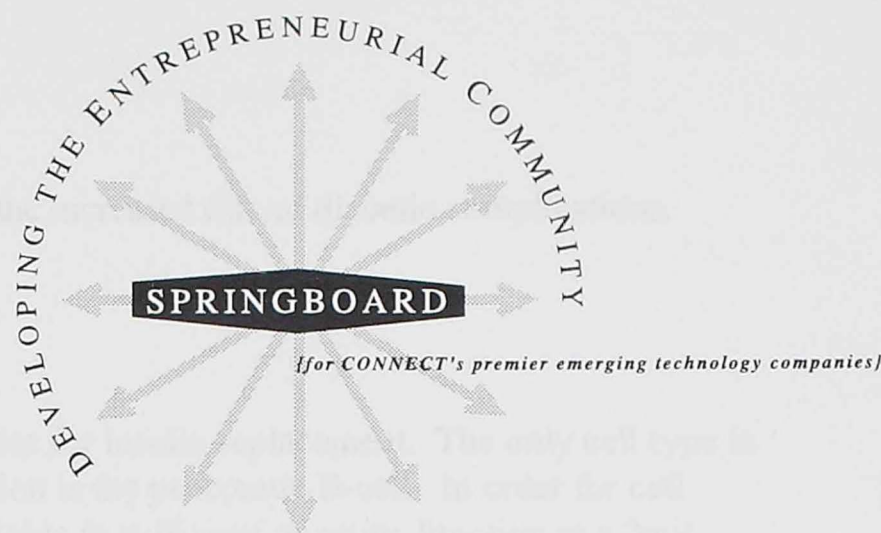
**Mr. Robert Abraham**, Director and co-founder of the company is a graduate with an M.S. degree in Electrical Engineering from George Washington University and M.A. in Business Management from the UCLA. Mr. Abraham has 20 years engineering experience designing automated test equipment for the aerospace industry.

**Patents:**

The company filed for U.S. Patent for NMR Apparatus and Method on December 23, 1997, Serial No. 08/977,072. The company filed its PTC application (i.e., foreign filing of the MDI U.S. application) on December 23, 1998. The PTC application filed in The Hague covers all foreign countries having a treaty relationship to the U.S.







## PanCel Corp.

**Address:** Center for Molecular Genetics, UCSD School of Medicine,  
La Jolla, CA 92093-0634  
**Phone:** (858) 534-5979  
**Fax:** (858) 534-1422  
**email:** flevine@ucsd.edu

**Presenter:** Dr. Fred Levine

**Address:** White Pines Management, 2401 Plymouth Road, Suite B  
Ann Arbor, MI 48195  
**Phone:** (734) 747-9401  
**Fax:** (734) 747-9704  
**email:** ibund@whitepines.com

**Contact:** Ian Bund

**Funding Sought:** \$6 million initially

### COMPANY OVERVIEW

PanCel is an early-stage cellular therapy company that develops technologies for the creation of human cell lines, genetic engineering of cell lines, and cell transplantation therapies for the treatment and cure of major human diseases. Diabetes is the first disease target of the company's research and development efforts. PanCel's scientists are the first to expand human pancreatic cells that express the insulin gene outside the body. These cells are highly sought after for research, transplantation, drug testing, and testing of encapsulation techniques for cell transplantation.

### MARKET OVERVIEW

There are about 120 million people worldwide and 16 million individuals in the United States afflicted with some form of diabetes mellitus. About 10% of patients have Type I, autoimmune diabetes, while the remainder have Type II diabetes, which is associated with obesity and is rapidly increasing in developed countries. About 20% of patients with Type II diabetes require insulin therapy. There are over 30,000 newly diagnosed cases of Type I diabetes each year. Additionally, PanCel is targeting the pharmaceutical and drug discovery companies that are evaluating potential new therapies for Type-II diabetes.

#### *The critical need for a cure:*

While insulin therapy allows diabetics to survive, it is not a cure for this chronic disease. About 178,000 people die each year in the U.S due to diabetic complications at a cost of \$44 billion. Currently, there is no



therapy that adequately controls blood glucose levels and prevents the increased risk of diabetic complications.

## **PRODUCT AND TECHNOLOGY**

*PanCel's cell-based therapies will lead to a cure:*

PanCel believes that the cure for diabetes rests in cell-based strategies for insulin replacement. The only cell type in the body that exhibits appropriate glucose-responsive insulin secretion is the pancreatic B-cell. In order for cell therapy for insulin replacement to be feasible, the cell must be available in sufficient quantity, function as a "normal" insulin-producing cell and escape the immune response. To meet the above requirements, PanCel is pursuing two approaches: 1) in vitro expansion of primary B-cells from human fetal and adult tissue and 2) human B-cell lines.

*Patents are pending and issued for PanCel's intellectual property:*

The core technologies for the expansion of primary human pancreatic endocrine cells and the development of human pancreatic endocrine cell lines are covered by granted or pending patents. PanCel has obtained exclusive rights to this technology from UCSD and through continued research agreements with the university will have exclusive rights to new technology developed in the university-based laboratories of Drs. Levine and Hayek. The founders of PanCel are the world leaders in culturing human pancreatic endocrine cells. Competitors have focused primarily on rodent islet cells while the PanCel founders have focused exclusively on human cells for the past decade.

*PanCel's business strategy is focused and fiscally responsible:*

PanCel's goal is to become a leader in cellular therapy. The company will leverage its proprietary nine discoveries and expertise to maximize strategic collaborations in the development and commercialization of new therapies.

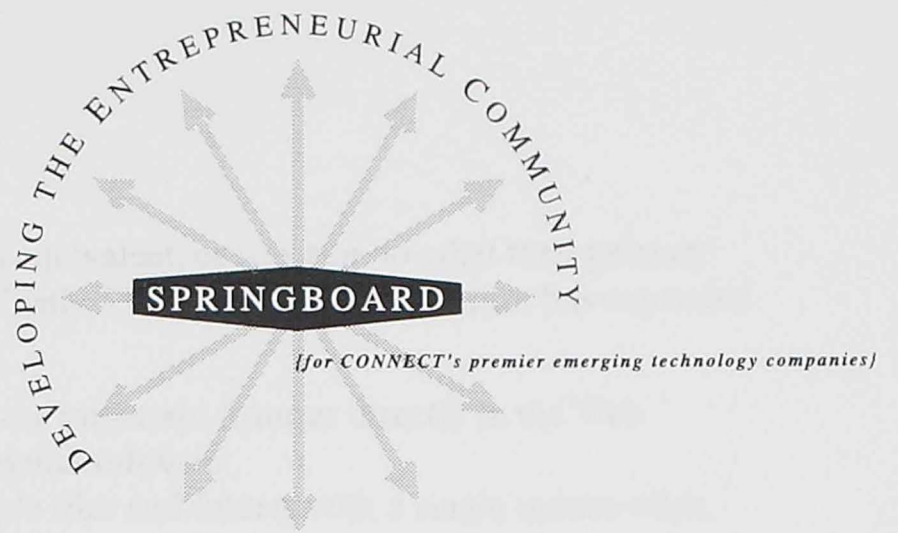
## **PANCEL'S FOUNDERS:**

**Dr. Alberto Hayek**, a pediatric endocrinologist and expert in islet cell transplantation; **Dr. Fred Levine**, a pediatric Geneticist who is an expert in gene transfer and gene therapy; and **Ms. Gillian Beattie**, a research scientist with over 30 years experience in human cell culture. The chairman of the board is **Mr. Ian Bund**, President at White Pines Management, L.L.C., a private equity fund which is an active partner in financing and growing businesses with proven, capable management teams, and outstanding prospects for growth. PanCel management also recognizes that to realize its goal to develop a cellular cure for diabetes that scientific collaboration will be key. A scientific advisory board with expertise to expand and complement the founders will be assembled in the first year.

*Timeline and Financial Requirements:*

Within two years, the company will perfect the expansion of the human B-cells and scale up production of these cells for commercialization. Differentiated and undifferentiated expanded human B-cells will be PanCel's first products. These cells will be marketed to drug discovery and pharmaceutical companies either through direct licensing agreements or through a distribution partnership with a major supplier of cell lines and culture materials to the biotechnology and biopharmaceutical industries. Development of cell lines for transplantation is a longer term goal with anticipated initiation of clinical trials within three to five years and marketing of a final product in eight to ten years. PanCel management recognizes that developing a cure for diabetes is a long-term process that will require significant financial resources. To minimize the early-stage capital requirements, research agreements will be entered into with UCSD to fund further research at the university and to ensure PanCel's access to the technology. Commercializing expanded human B-cells as interim products is a short-term strategy to help fund continued development. PanCel will need to engage major corporate partners for long-term success. PanCel is seeking \$1.1 million for the first year and an additional \$5 million in years two and three.





## StoragePoint.Com

**Address:** 15950 Bernardo Ctr. Dr., Suite J,  
San Diego, CA 92127  
**Phone:** (858) 676-3900  
**Fax:** (858) 676-3998  
**email:** scott@storagepoint.com  
**Web Site:** www.storagepoint.com

**Chief Executive:** Scott Zimmerman  
**Presenter:** Scott Zimmerman  
**Other Attendees:** Bob Chalfant, VP Marketing  
John Strahl, VP Business

### COMPANY PROFILE

**Legal Form:** California C Corporation  
**Date Established:** January 21, 1998  
**Number of Employees:** 8

**Stage of Development:** Version 2.0 released April 1999  
**Funding Sought:** \$750 Thousand - Series B round  
**General Counsel:** Gray Cary Ware & Freidenrich

### COMPANY OVERVIEW

StoragePoint provides Internet users with universal access to an "office on the Internet." *Click-n-Go Office™* gives customers—as they move between home and office, or from hotel room to airport kiosk—a way to use a Web browser from any location to securely read and share data residing on a computer somewhere else. The company aims to capitalize on the fact that Internet access points are becoming as pervasive as telephones. Their *WebDrive™* technology enables telecommuters, consultants, small-business employees, traveling professionals—anyone who uses more than one Internet access point—to get to their data, download it, update it, keep it synchronized, and forward it to others—all from anywhere in the world. It frees small companies and individuals from a variety of maintenance and backup expenses and hassles. This "Webtop" software *requires no installation* and takes advantage of industry-standard security.

### MARKET OVERVIEW

Internet users are increasingly recognizing a need to access their data from anywhere, at anytime, and from any computer using only a Web browser. In addition, most small companies lack the time, money or skill to provide themselves with tape-backup devices and dial-in servers. By serving these needs, StoragePoint expects the served market for virtual desktops (a subset of the Application Service Provider industry) to grow to 73M users in five years. A Forrester Research study estimates the size of the Application Service Provider market at \$21B within five years.

StoragePoint intends to capitalize on the following developments:

- Growing popularity of virtual offices and telecommuting.
- Expansion of wireless computers and non-PC Internet devices where synchronized and shared data are required.
- Skyrocketing amount of data that computer users need to keep and share.
- Wide deployment of high-speed Internet access.



CONNECT®



## PRODUCT AND TECHNOLOGY

StoragePoint has developed in one year a level of technology that is equivalent, or superior, to what their primary competitor has developed in three years. StoragePoint has expended only \$350K while the competitor has expended roughly \$12M.

StoragePoint's *WebDrive™* is the only product available offering these important features directly in the Web browser—without requiring users to download and install any additional software:

- *Multi-Select File Transfer*: Users can upload or download multiple files and folders with a single mouse-click.
- *Automatic Folder Management*: WebDrive automatically mirrors the user's file folders on the server.
- *"Smart HTTPS"*: StoragePoint.Com speeds the encryption of the user's private data and is fully compatible with corporate firewalls and proxy servers.
- *Compression*: WebDrive compresses files before they are transmitted. This typically doubles transmission speed and effective capacity on the server.

## MANAGEMENT BIOGRAPHIES

**Scott Zimmerman**, Co-Founder and CEO, has 16 years of commercial experience in the software and networking industries. He was Software and New Technology Manager at Azron Inc., where he successfully led a rapid-development team that produced several releases of an award-winning three-tier medical record system. He is also the author of several Internet books. He began his computer career working on spacecraft navigation databases at Jet Propulsion Laboratory. Prior to that, he won the Overall World Frisbee Championships 8 out of 9 years and set the still-current Guinness World Record for the longest throw of any object (1,257 feet).

**Robert Chalfant**, VP of Marketing, has 20 years of domestic and international business experience marketing and selling high-tech products in the automotive, cable TV, fiber-optic, and satellite industries. As Cable TV Marketing Manager at Panasonic headquarters in New Jersey, he was selected to start a new division, which achieved double-digit market share within three years. He also led the team that sold the first MPEG-2-compatible digital TV system in China and South Korea. A decorated U.S. Navy veteran, he graduated *cum laude* from Ohio University with a B.Sc. in electrical engineering and holds an MBA from Harvard University.

**John Strahl**, VP of Business Development, brings 25 years of executive management to StoragePoint. He has launched and run a number of technology companies including Orbit Interactive (now Alteer), an Application Service Provider delivering patient medical records and workflow solutions; and Action Technologies, a provider of communications management software. As president of Summit Group, he has done extensive business development consulting for AT&T Bell Laboratories, Aetna, The World Bank, Los Angeles Times Mirror Cable TV, and several other clients. Mr. Strahl received an MBA degree from the University of California, Irvine (UCI) and serves on the board of the UCI Graduate School of Management Alumni Network.

**David Scotese**, Co-Founder, VP Product Development, Director, was formerly Senior Software Engineer with Azron Inc., where he developed wireless pen-based software. Earlier he was Software Engineer with Galleon Capital Management, where he developed stock-market analysis software. He has earned a reputation for developing new technology at genius speed. He graduated *cum laude* B.Sc. in Cognitive Science from University of California at San Diego.

**Anand Rama**, Chief Technology Officer, has over 10 years of career experience in image processing and document management systems on Unix and Windows. He was formerly a Senior IT Consultant with PricewaterhouseCoopers LLP in San Francisco serving several Fortune 500 clients. Prior to that, he was in charge of neural-network development at Audre Inc. He has an MS in Mechanical Engineering with a 4.0/4.0 GPA from the South Dakota School of Mines and Technology.

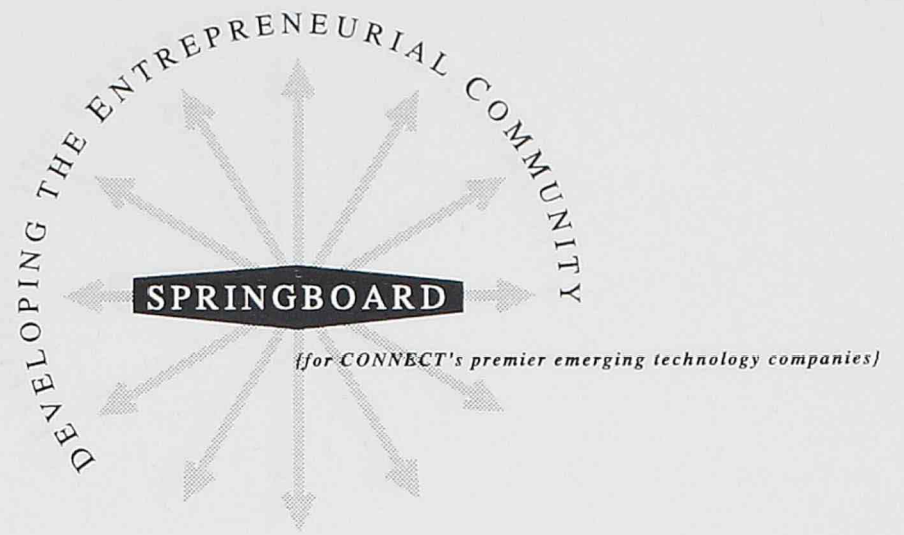




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## SanMEC

**Address:** 9663 Tierra Grande Street, Suite #204, San Diego, CA 92126  
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**email:** [sanmec@sanmec.org](mailto:sanmec@sanmec.org)  
**Web Site:** [www.sanmec.org](http://www.sanmec.org)

**Number of Employees:** 15  
**Held:** Nonprofit

### OFFICERS

Frederick A. Brunn, President  
David Dinerman, VP, Business Development  
Dennis Schultze, Director, Client Services  
Michelle Mendez, Controller

SanMEC, the San Diego Manufacturing Extension Center, is a not-for-profit, fee-for-service corporation dedicated to providing general and technical business consulting to small manufacturers around San Diego County. SanMEC's goal is to improve the profitability, productivity, and the global competitiveness of its manufacturing clients. SanMEC's service portfolio includes consulting services in four main areas which are:

manufacturing process improvement (i.e., lean manufacturing, cell manufacturing, shop floor layout, MRP and ERP); business planning (i.e., financial, marketing, strategic and facility); quality systems (i.e., ISO 9000, 14000, supplier development and qualification); and workforce development (i.e., individual training programs). SanMEC is also able to identify other resources within the manufacturing community when skills are not available directly through SanMEC for a particular project. SanMEC is partially funded by the National Institute of Standards and Technology (NIST) and the California Trade and Commerce Agency. For information and seminar dates, call SanMEC at (619) 530-4890 or visit their web site at [www.sanmec.org](http://www.sanmec.org).





## Arthur Andersen LLP

**Address:** 701 B Street, Suite 1600, San Diego, CA 92101  
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**email:** Richard.C.Bigelow@us.arthurandersen.com  
James.A.LoPresti@us.arthurandersen.com  
**Web Site:** www.arthurandersen.com

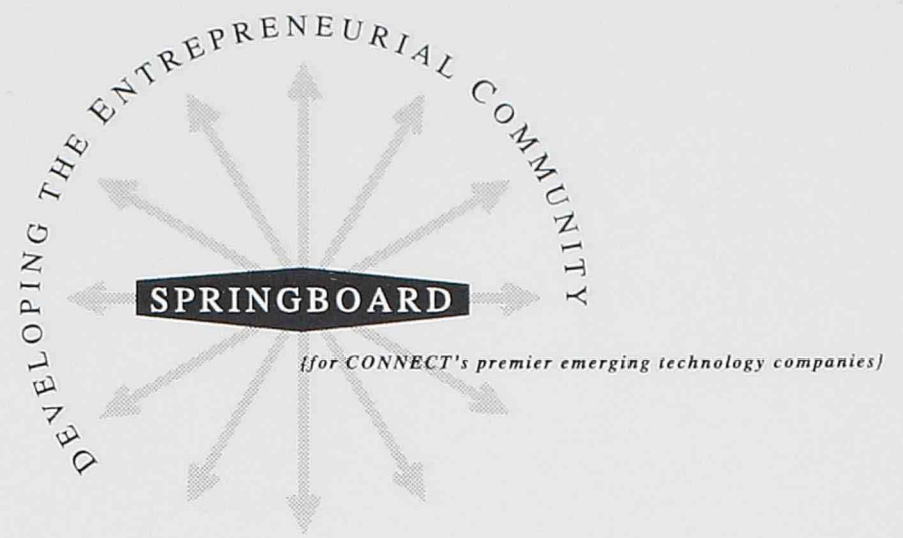
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### OFFICERS

Richard C. Bigelow, Managing Partner  
Robert S. Shanley, Partner  
William P. Malone, Partner  
Michael W. Samson, Partner  
James A. LoPresti, Director of Business Development

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## Brobeck Phleger & Harrison LLP

**Address:** 550 West C Street, Suite 1200, San Diego, CA 92101  
**Phone:** (619) 234-1966  
**Fax:** (619) 234-3848  
**Web Site:** [www.brobeck.com](http://www.brobeck.com)

**Category:** Law Firm  
**Held:** Privately

### OFFICERS

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John A. Denniston, Partner, Business and Technology ([jdenniston@brobeck.com](mailto:jdenniston@brobeck.com))  
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Faye H. Russell, Partner, Business and Technology ([frussell@brobeck.com](mailto:frussell@brobeck.com))  
William F. Sullivan, Partner, Litigation ([wsullivan@brobeck.com](mailto:wsullivan@brobeck.com))

Brobeck, Phleger & Harrison LLP, is a national leader in the representation of emerging growth companies. Brobeck is a full-service law firm with over 550 attorneys in a high-tech network of offices in San Francisco, Palo Alto, San Diego, Los Angeles, Orange County, Austin, Denver, New York, Washington, D.C., and a joint venture office in London. The firm represents many of San Diego's most prominent emerging growth companies and venture capital firms. In 1998, Brobeck completed over 250 venture capital financings totaling nearly \$1 billion. Representative venture capital clients include Enterprise Partners and Kleiner Perkins Caufield & Byers. The firm has particular expertise in the representation of technology companies in such fields as software, Internet, life sciences, medical device, telecommunications, and environmental and safety issues. Brobeck is also a leader in the area of initial and secondary public offerings. In the past three years, Brobeck attorneys served as counsel for more than 190 public offerings. Brobeck is experienced in all forms of corporate partnering, licensing and research collaboration arrangements, as well as mergers and acquisitions.





## City National Bank

**Address:** 4275 Executive Square, Suite 750, La Jolla, CA 92037  
**Phone:** (858) 642-4950  
**Fax:** (858) 642-4952  
**Web Site:** [www.cityntl.com](http://www.cityntl.com)

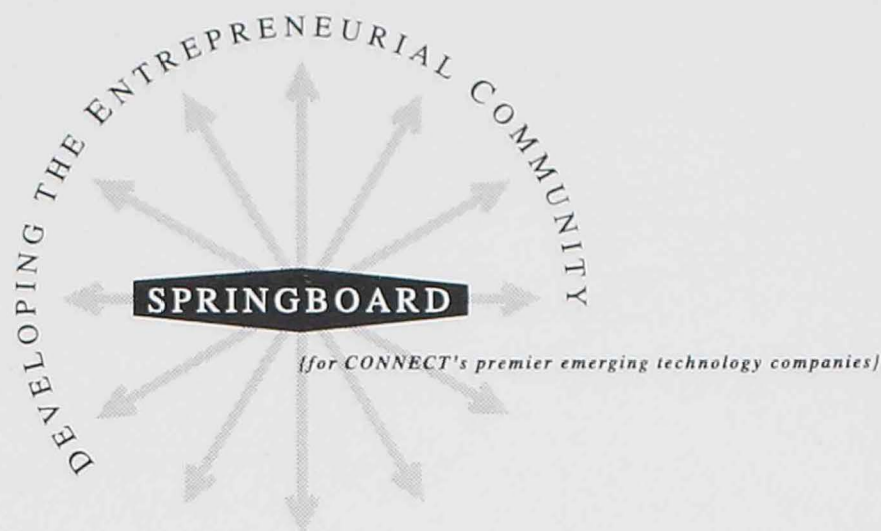
**Number of Employees:** 1,700  
**Held:** Publicly  
**Stock Symbol:** CYN

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**Category:** Law Firm

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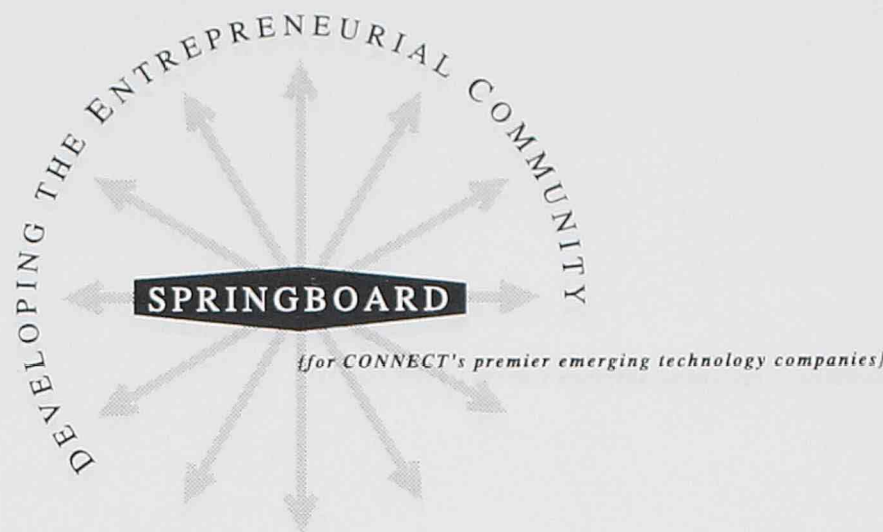
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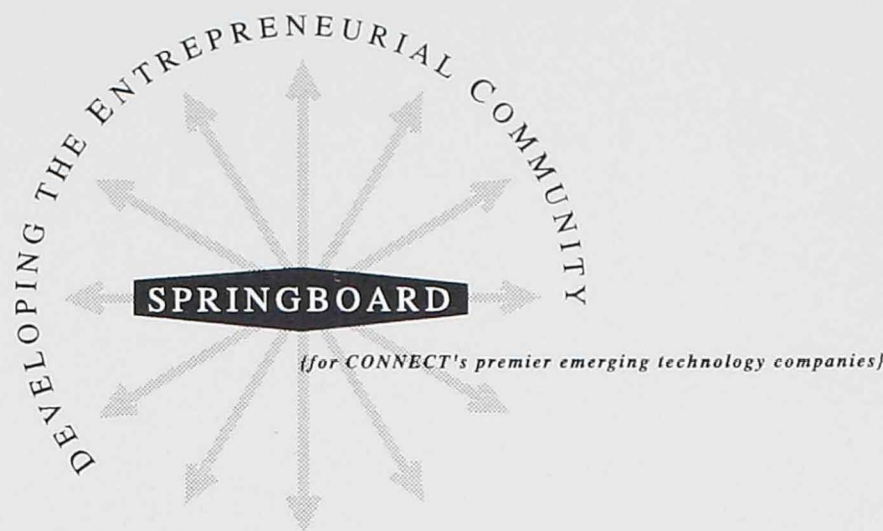
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**Number of Employees:** 140  
**Held:** Privately

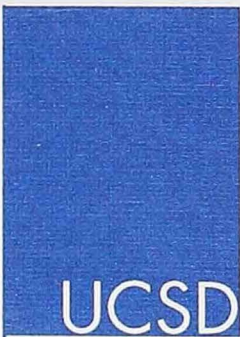
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