



CONNECT[®]
ANNUAL REPORT 2011

CATALYZING INNOVATION

THROUGHOUT SAN DIEGO / ACROSS THE NATION / AROUND THE GLOBE

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WHAT WE STAND FOR

CONNECT catalyzes the creation of innovative life sciences and technology products in San Diego. We have assisted in the formation and development of more than 3,000 companies in the San Diego region since our founding in 1985. CONNECT is widely regarded as one of the world's most successful organizations linking inventors and entrepreneurs with the resources they need for commercialization of innovative products in high tech and life sciences. We have helped transform San Diego into one of the largest technology and life sciences hubs in the world. Our program has been modeled in more than 50 regions around the globe.

“CONNECT continues to evolve to address the challenges faced by our innovation economy, including development of new financing models, shaping public policy to stimulate commercialization, ethical implications of innovation and developing a path to rebuilding America's production clusters.”

Duane Roth
CEO, CONNECT

Key to our success has been the unique “culture of collaboration” between research organizations, capital sources, professional service providers and established industries, created by our Founding Director Bill Otterson.



BUSINESS CREATION



VENTURE CAPITAL



EDUCATIONAL CURRICULUM



RECOGNITION & COMPETITION



INNOVATION POLICY



CONVERGENCE CLUSTERS

SAN DIEGO STREET CRED



- **San Diego, Imperial Valley and Inland Southern California have been designated an Innovation Hub (iHub)** by the California Governor's Office of Business and Economic Development in 2010, in recognition of the region's innovation infrastructure and strong culture of collaboration.
- **In 2011 CONNECT was awarded the national *State Science and Technology Institute's Excellence in Tech-Based Economic Development Award for Building Entrepreneurial Capacity*.**
- **In 2010 CONNECT received the Innovation in Economic Development Award** from the US Department of Commerce for creation of Regional Innovation Clusters.

YEAR IN REVIEW

362 events



1,800 volunteers
(including speakers)



4.34 out of 5 average
quality rating



5,300 companies served



18,200 registrants



75 VC introductions



4.5M media impressions



22,000 distribution list



68 Springboard grads



12 reports & white papers



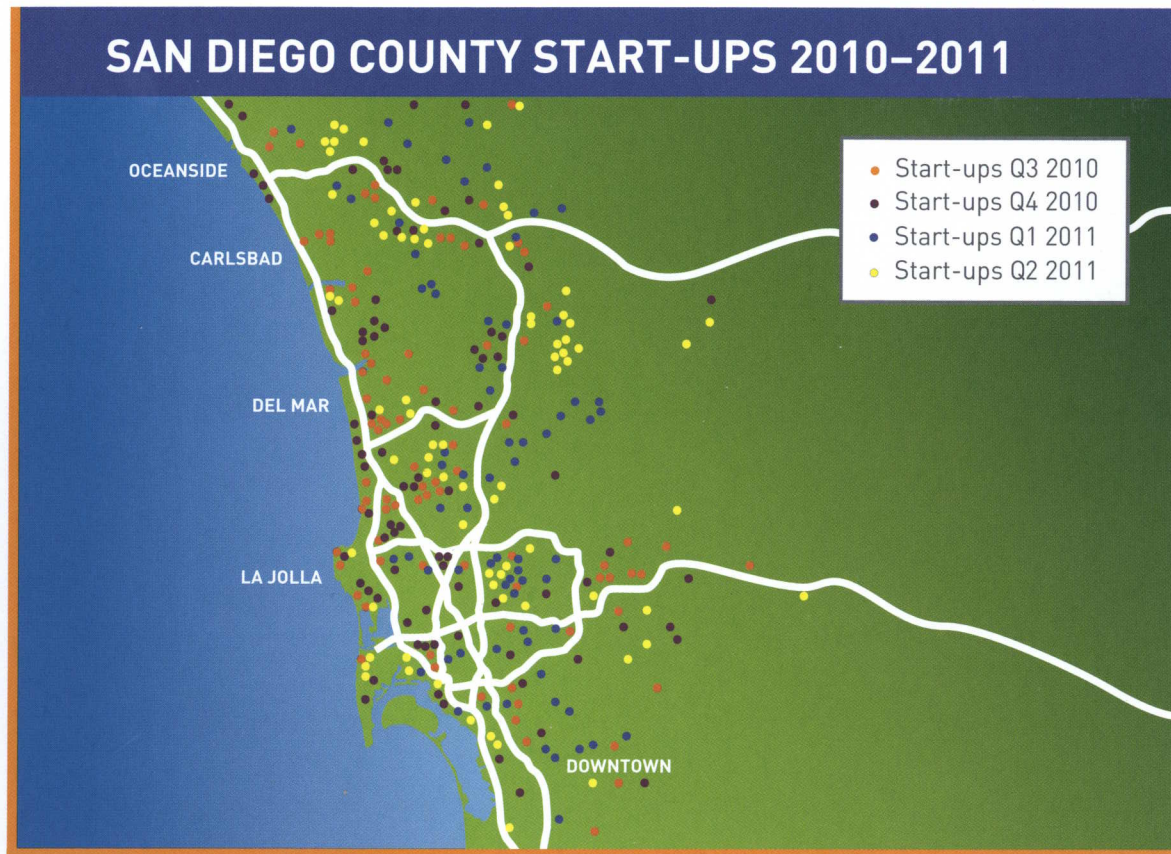
12 new programs



“CONNECT is really about creating local collaboration among all business partners in the community.”

Camille Saltman
President, CONNECT
Entrepreneur Magazine

SAN DIEGO'S INNOVATION ECONOMY



820+

NEW JOBS
CREATED
BY SAN DIEGO
START-UPS

18 SAN DIEGO
START-UPS
RECEIVED
\$53 Million

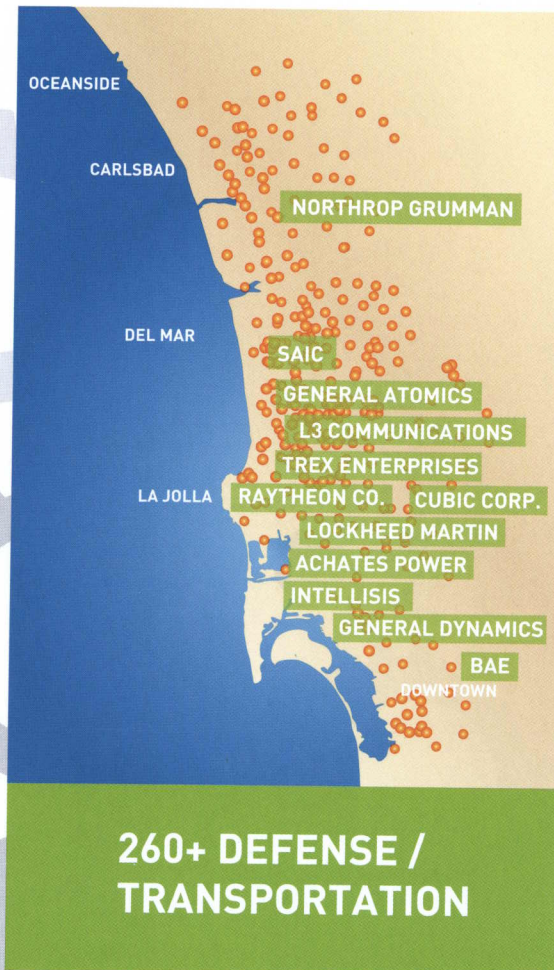
324

NEW INNOVATION
COMPANIES
LAUNCHED

SAN DIEGO INNOVATION MEASURES 2010-2011

- + State leader in National Institutes of Health funding
- + Almost 6,400 patents published

SAN DIEGO'S TECHNOLOGY CLUSTERS

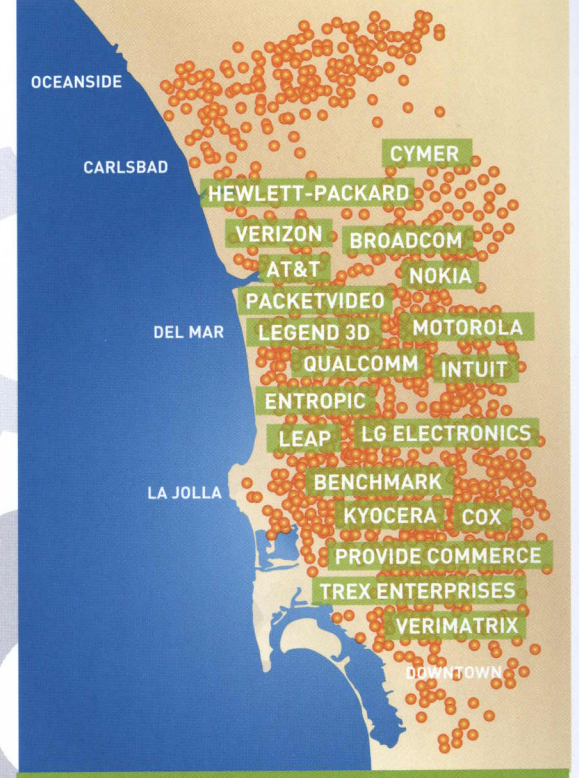




800+ CLEANTECH / ENVIRONMENTAL

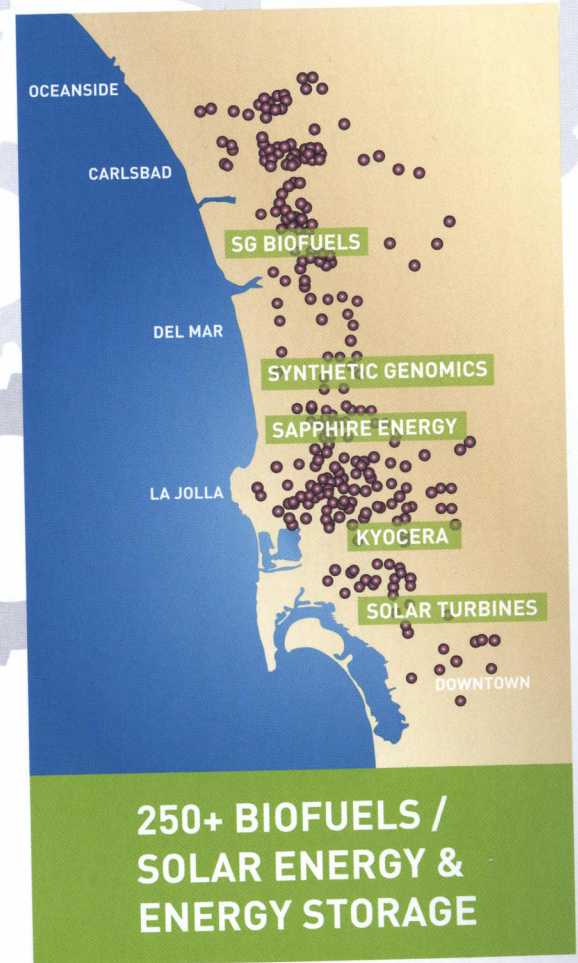
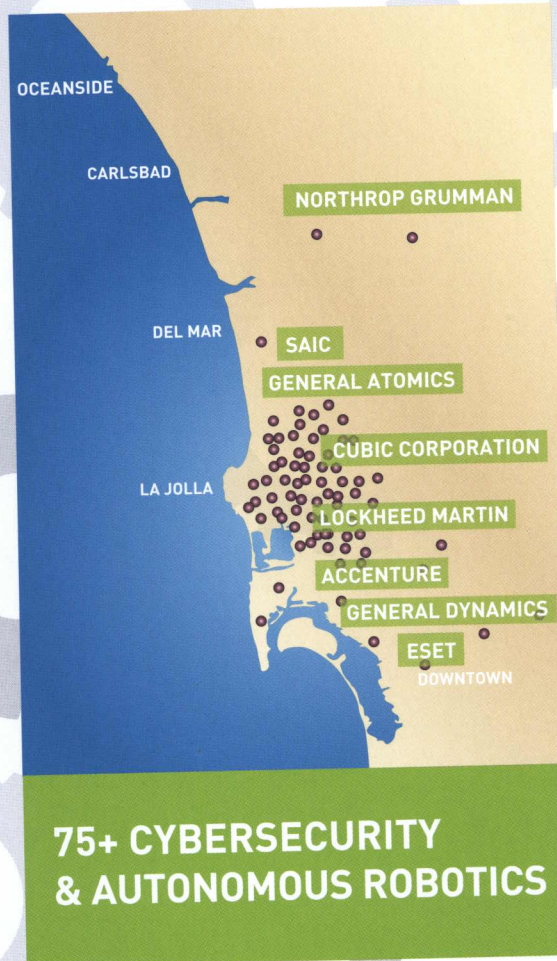


600+ SPORT INNOVATORS



3,000+ IT / WIRELESS / COMMUNICATIONS / SOFTWARE

SAN DIEGO'S CONVERGENCE CLUSTERS



SAN DIEGO'S OUTSOURCING CLUSTER



5,000+

NEARSOURCING
COMPANIES IN
SAN DIEGO



Thanks to our Nearsourcing Program and partnership with The Connectory, a searchable database of 5,000 local outsourcing companies, we can strengthen San Diego's supply chains and make connections to local innovation companies.

*Maps are for illustrative purposes only.

SPRINGBOARD PROGRAM FAST FACTS

365
graduates

1,300+
companies assisted

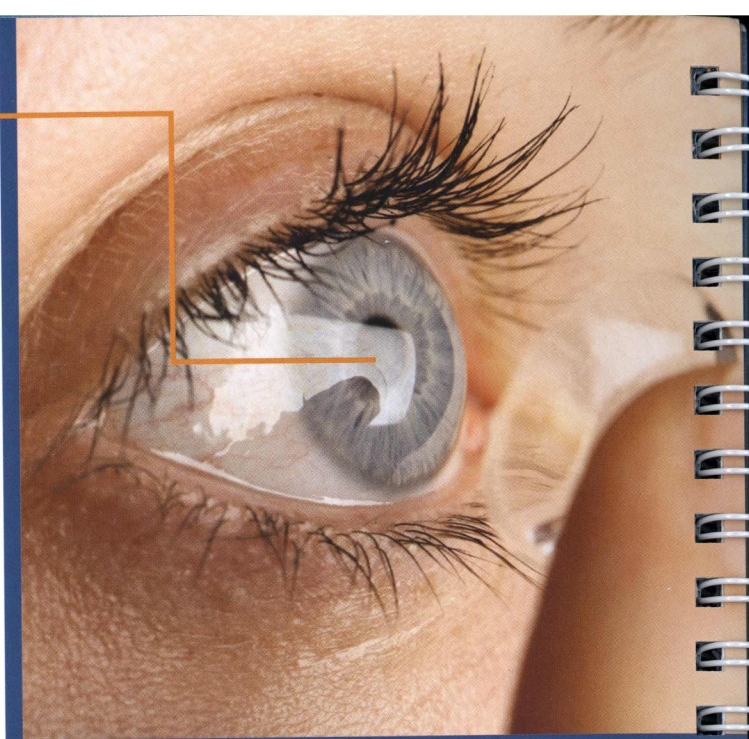
\$735
million raised

INNOVEGA

2010 SPRINGBOARD GRADUATE
2011 DEAL NETWORK PRESENTER
2011 VENTURE ROUNDTABLE WINNER

2011 awarded \$500K NSF SBIR grant
2011 awarded \$1.1M DARPA SBIR grant
2011 awarded \$800K contract from
UC San Diego

Innovega has developed a nano-fabricated contact lens-based platform that enables capture of high-performance media in applications that involve military training and battlefield operations.



BUMP.COM

2011 SPRINGBOARD GRADUATE
2011 DEAL NETWORK PRESENTER

2006 raised \$500K A-round
2009 raised \$1.4M B-round
2010 raised \$100K B1-round

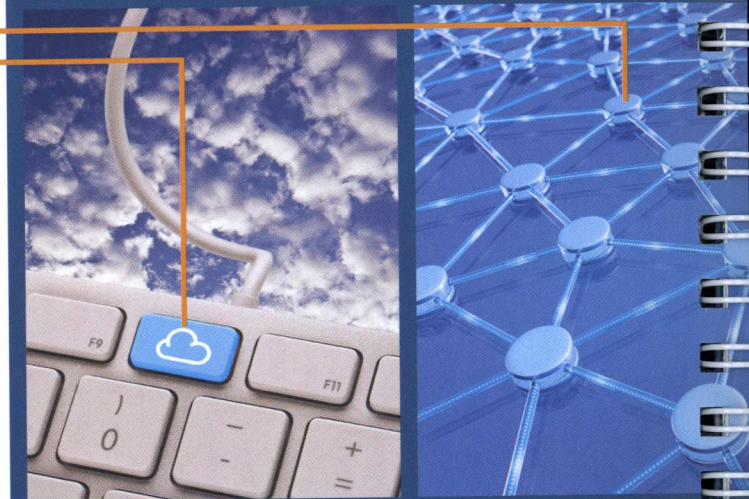
BUMP.com is a mobile web/mobile safety, communication and membership platform that allows you to connect with people you don't know yet.

LONOCLOUD

2011 SPRINGBOARD GRADUATE
2011 DEAL NETWORK PRESENTER

2011 raised \$850K seed round

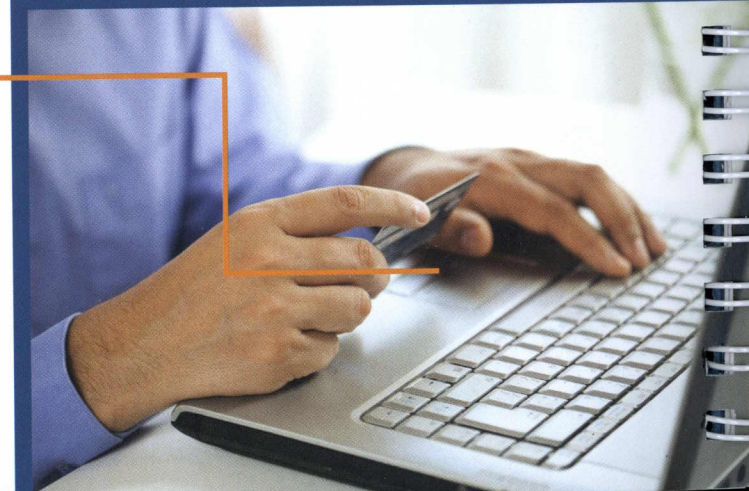
LONOCLOUD, INC. develops a high performance cloud operating system platform that allows mission critical applications to efficiently migrate to the cloud.

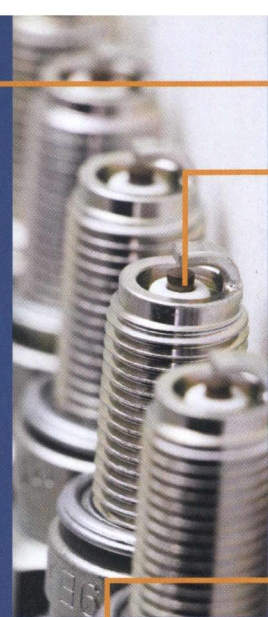


SWOOPTHAT

2011 SPRINGBOARD GRADUATE
2011 MIP FINALIST
2011 TECH COAST ANGELS QUICK PITCH FINALIST
2011 SDVG PITCHFEST WINNER

SwoopThat is a leading provider of textbooks by course as well as course search technology for over 150 colleges in the nation.





ELLIPTIGO

2009 SPRINGBOARD GRADUATE
2009 & 2010 DEAL NETWORK PRESENTER
2010 MIP WINNER

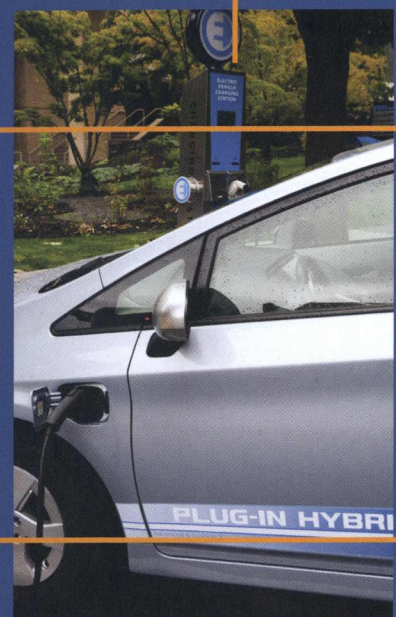
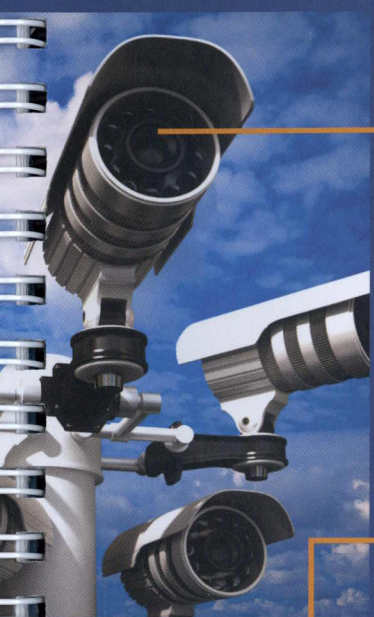
[2009 raised \$775K seed round
2010 raised \$1M+ A-round
2011 Closed B-round]

ElliptiGO, Inc. is the creator of the world's first elliptical bicycle, which combines the best aspects of running and cycling.

MULTISPARK

2010 MIP WINNER
2011 SPRINGBOARD GRADUATE
2011 DEAL NETWORK PRESENTER

Multispark has developed the PowerSTAR high performance spark plug which will revolutionize the \$6.2B spark plug industry.



MICROPOWER TECHNOLOGIES

2010 DEAL NETWORK PRESENTER
2011 MIP FINALIST
EVONEXUS™ INCUBATOR COMPANY
2011 TECHAMERICA AWARDS WINNER

[2010 raised \$2.2M B-round]

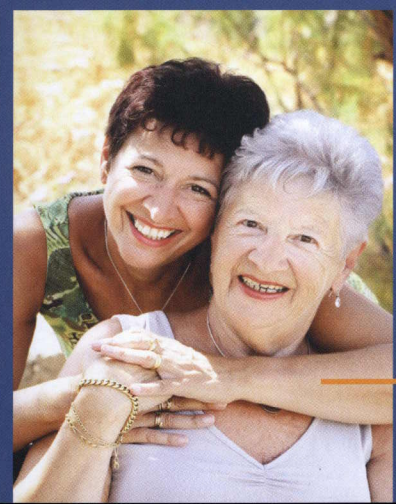
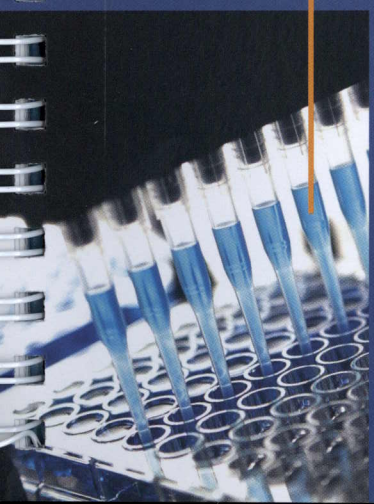
MicroPower Technologies is the creator of the world's most power-efficient solar wireless video camera technology.

350GREEN

2010 SPRINGBOARD GRADUATE

[2011 raised \$650K in grants]

350Green is a developer of wide scale electric vehicle charging networks in major cities in the United States and around the world.



COLLABORATIVE LIFE SCIENCES

2011 SPRINGBOARD GRADUATE

[\$11M capital raised to date]

Collaborative Life Sciences, L.P. is developing 18 biotherapeutic development programs over the next three years that address major unmet medical needs.

INDEPENDA

2010 SPRINGBOARD GRADUATE
2010 DEAL NETWORK PRESENTER

[2011 raised \$1.6M seed round
2011 raised \$200K of venture debt]

Independa software subscription services help caregivers keep their loved ones in their home—longer, more safely and more comfortably.

ELEMENTS OF CONNECT



BUSINESS CREATION

Accelerating the success of innovators at all stages of growth

SPRINGBOARD

The world renowned Springboard program provides hands-on mentoring by industry veterans for innovators at the discovery, technology transfer, commercialization, transition and global bridging stages of company development. More than 200 entrepreneurs-in-residence (EIRs) and 300 domain experts are available to coach researchers and start-ups in business planning, fundraising, financial projections, marketing, engineering and IP. Springboard works closely with Sanford-Burnham Biotechnology Accelerator and Janssen Labs in San Diego (J&J) to assist in the assessment and ongoing support of early stage life science start-ups accepted into the incubators.

GLOBAL CONNECT SUMMIT

The Summit brings together 100+ global thought leaders from industry, venture capital, regional innovation clusters, government and technology transfer to explore acceleration of technology commercialization. Topics include the role of policy, innovative new financing models, successful academic incubators, technology transfer and proof of concept centers, commercial initiatives to build regional innovation clusters and programs to build entrepreneurial capacity.

SPRINGBOARD GLOBAL BRIDGE

UC San Diego Global CONNECT has launched CONNECT organizations around the world. Technology entrepreneurs from these regions participate in a Springboard Global Bridge when they want to launch in the US market. This fee-for-service program assigns a Springboard EIR with related business, domain and market experience. The EIR provides remote coaching to assist each company in developing their US business and market strategies. The program culminates with a "graduation" panel in San Diego, where the companies present a refined business and market model to a customized panel of 8 to 10 experts, including capital providers, potential strategic partners and customers. The goal is to attract companies to locate their US operations in San Diego.

DESTINATION SAN DIEGO

This intensive technology-based commercialization review and investor preview is available to out-of-region start-ups on a limited basis provided they have a local San Diego sponsor. A selection committee chooses 6 to 10 applicant companies each month for participation. Fundamentals of the week long program include: expert advice by a team of current and former CEOs, VCs, angels and successful entrepreneurs. The process includes product development reviews including technology risk assessment, strategic business planning, marketing strategy and financial modeling advice; fundraising coaching including strategy, alternative options, valuation and term sheet negotiation; due diligence preparation, IP and corporate law advice; sales and marketing strategy and presentation skills coaching.

CONNECT-ASSIST

Community-based initiative to help research institutions recruit and retain key faculty.

CONNECT COMMERCIALIZATION COUNCIL

The Council is dedicated to improving the process of technology transfer by assessing regional capacity to effectively move discoveries to commercialization.

LEADERSHIP DINNERS

Moderated, invitation-only discussions featuring industry thought leaders.

CONNECT ENEWS

CONNECT publishes an email newsletter that is distributed to 18,000 opted in business leaders each week. ENews includes news and developments relating to our mentored companies, member news, updates on CONNECT initiatives, partner and iHub news and key community business creation-related events.



VENTURE CAPITAL

Connecting innovators to the financial resources necessary for success

VENTURE ROUNDTABLE

Connecting VCs and angel investors to investment-ready deals in life sciences, cleantech, digital media and knowledge management/information dominance.

VENTURE ROUNDTABLE ROADSHOWS

Winners of CONNECT's four Venture Roundtable programs have the opportunity to participate in CONNECT Roadshows to regions such as the Bay Area and Boston in order to accelerate their ability to access capital. CONNECT members with offices in those regions and strong venture and angel relationships host the Roadshows and invite local investors.

VRT QUICKPITCH AT THE SDVG SUMMIT

CONNECT Venture Roundtable winners have the opportunity to present at the San Diego Venture Group's Annual Venture Summit. More than 100 VCs from across the US attend the Summit each year. VRT winners present in a Quick Pitch format.

FINANCIAL FORUM

Education of innovators on all sources of capital and development of new funding models including distributed partnering, academic research partnerships, government backed ventures and private venture backed models.

DEAL NETWORK

Investment-ready companies present to private gatherings of high net worth investors. Events are held in private homes and are structured to ensure quality one-on-one networking opportunities.

CONNECT/CALIT2 GRANTS PORTAL

The portal, developed in collaboration with UC San Diego Calit2, helps innovators access all federal grants available in their area of focus.

CONNECT RESEARCH & INNOVATION SUMMIT

CONNECT partners with *Xconomy* for the annual Research & Innovation Summit. Themed "Rock Stars of Innovation" the Summit presents leading San Diego scientists, the nation's top tier VCs and the headline grabbing companies they are backing. An "All-Star VC Jam Session" hosted by the legendary Bill Walton kicks off the 2012 meeting.

AFFILIATE PROGRAM:

SAN DIEGO TECH COAST ANGELS (TCA)

The San Diego network of the TCA is managed by CONNECT. TCA is the largest angel network in the US, operating five networks in Los Angeles, Orange County, San Diego, Westlake/Santa Barbara and the Inland Empire. TCA has also launched the Angel Syndication Network, an affiliation of angel investment groups across the US that have banded together to provide entrepreneurs with more and larger financing rounds before leaving the angel system. TCA is the number one source of start-up funding in Southern California.

ELEMENTS OF CONNECT



EDUCATIONAL CURRICULUM

Accelerating the learning curve of innovators

CEO STRATEGY FORUM

A membership-only community of growth CEOs from technology and life science companies. The group hosts an extraordinarily successful CEO each month in a private setting to share successes, challenges, confidential business strategies and management techniques.

FRAMEWORKS WORKSHOPS

Economical, content-rich educational programs that provide founders, CEOs and business leaders with the vocabulary and a "framework" they need to be "C" level managers. 30+ workshops offered each year.

FRONTIERS IN SCIENCE & TECHNOLOGY

Monthly lecture series showcases ground breaking research efforts from San Diego's more than 80 research institutes. The series aims to enhance the dialogue between the business community and San Diego's leading scientists, engineers and researchers.

ETHICS CENTER

The Ethics Center brings the public and researchers together to explore how science can best serve society. Through forums, projects and resources, the Center gives stakeholders an opportunity to share perspectives on the ethical implications of new developments in science and technology.

SOUTHERN CALIFORNIA EMERGING TECHNOLOGIES CONFERENCE (SCET)

SCET brings together top business experts, capital providers and successful entrepreneurs to explore the latest business trends in the innovation economy. The conference focuses on new financing models, accelerating growth through commercial partnerships, getting a jump-start by accessing local supply chains, survival tactics for accessing global markets and trends in M&A.

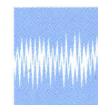
ENTREPRENEURS FOR YOUNG INNOVATORS

Unique science, technology, engineering and mathematics (STEM) program inspires middle and high school students to pursue careers in life sciences and technology by introducing them to local entrepreneurs with exciting technology products. CONNECT partners with a broad range of community STEM programs to expand our reach and impact. Young Innovators provides a real world perspective on the exciting careers available in technology.

AFFILIATE PROGRAM:

MIT® ENTERPRISE FORUM SAN DIEGO

The Forum is about education, networking, and community among business leaders, technologists, capital and service providers. We discuss the business issues of leading technology and life sciences companies in a public forum using a unique business case study method to uncover valuable insights about presenting companies.



RECOGNITION & COMPETITION

Promoting San Diego's ground breaking discoveries and breakthrough innovators

ENTREPRENEUR HALL OF FAME AWARDS

Hall of Fame honors San Diego's innovation pioneers and provides support for STEM programs to create Young Innovators of the future. Members include individuals who have achieved distinction for founding, leading or advancing a San Diego life sciences or technology based business or organization. Honorees include Irwin Jacobs, Walter Zable, Ivor Royston, William Rastetter, J. Robert Beyster, Neal Blue, Linden Blue, Peter Preuss, Gene Ray and Howard "Ted" Greene.

MOST INNOVATIVE NEW PRODUCT AWARDS

MIP is to San Diego's technology industry what the Academy Awards™ is to the movie business. Ground breaking new products with global impact are honored. Two extraordinary individuals are recognized with Distinguished Contribution Awards in Life Sciences and Technology and a company that has made a significant impact in society is presented with the William W. Otterson Award.

CONNECT WITH CONNECT

Three times a year the technology community comes out to network with 500 to 800 business leaders from all of San Diego's technology clusters and see ground breaking displays of new technology.



INNOVATION POLICY

Representing innovation companies on Capitol Hill and in Sacramento on barriers to commercializing discoveries

CONNECT INNOVATION INSTITUTE

In 2010 the CONNECT Innovation Institute was established to develop and publish white papers on innovation policy and competitiveness in the global economy. The Institute's first project "Innovation and Production—Reviving US Prosperity" was undertaken to explore the strategic investments and policy initiatives that are needed to stimulate the growth of production clusters in regions across the United States. Five targeted academic papers have been completed to identify opportunities for policy recommendations. A deeper analysis of the policy recommendations, financing and competitiveness issues is being held in DC in partnership with the Brookings Institute in early 2012.

WASHINGTON, DC OFFICE

The DC office helps shape public policy on behalf of San Diego's innovation economy and adds a credible voice for entrepreneurs and start-up issues at the federal level. The mission is to educate Congress and the Administration on innovation issues from the tech start-up perspective. The office proactively identifies legislative issues that impact the region, acts as an advocate for innovators and start-ups and takes an important leadership role in public policy on behalf of the region's innovation economy. Top policy priorities include: intellectual property, investment capital, regulation, research development and workforce.

SAN DIEGO INNOVATION ASSETS REPORT

This report showcases the depth and breadth of our region's innovation assets and inventories: the number of research scientists in San Diego who bring \$1 million or more in grant awards to the region each year and the overall change in research talent coming into or leaving our key research organizations; the new products launched in the last year; listings of the 80+ research institutes, incubators and proof of concept centers; VCs, angel investor groups and trade organizations; San Diego's outsourcing cluster; and science, technology, engineering and math (STEM) education programs.

CONNECT INNOVATION REPORT (CIR)

CIR is commissioned by CONNECT on a quarterly basis and provides an economic indicator of the strength and impact of the innovation economy. The Report compares San Diego to selected regions, and includes: the number of new start-ups; start-up job creation; wages and employment (San Diego only); a public policy brief; M&A activity; private placement investment; initial and follow-on public equity offerings; patent activity; federal research grants; and private research organization employment and wages. In addition to original data, the Report contains highlights from: The Fermanian Business and Economic Institute Da Vinci Biomimicry Index; the Vistage CEO Confidence Index and the PricewaterhouseCoopers Moneytree™ data on venture capital investment.

PUBLIC POLICY NEWSLETTER

The CONNECT Public Policy Newsletter is released weekly to provide expert analysis on the impact of policy discussions and decisions that are of specific concern to the innovation community and provide suggestions on how to lend a voice on particular issues.

WHITE PAPERS

Available White Papers and Publications include *Southern California: A Nexus of Innovation*, *The Distributed Partnering Model for Drug Discovery and Development*, published by the Kauffman Foundation, *Seven Innovation Policy Ideas to Spark an American Recovery* and *A Third Seat at the Table*, published by the Brookings Institute.

THE PATIENT ROLE IN THE FDA DRUG AND DEVICE REVIEW PROCESS

CONNECT and the Hastings Center are partnering to create a two-day working meeting in Washington, DC that employs the Hastings Center's method of interdisciplinary scholarship, coupled with ongoing media and stakeholder engagement, to develop a "policy brief" with recommendations for improving the FDA regulatory process.

ELEMENTS OF CONNECT



CONVERGENCE CLUSTERS

Accelerating innovation with shared information and collaboration

SPORT INNOVATION

SD Sport Innovators drives the growth of San Diego's vibrant sports economy by offering innovative programs and services to start-ups, entrepreneurs, mature companies and service providers. Services include connecting the action and sport industry with researchers who have developed new applications in advanced materials and clean technology and helping companies access capital, networking and business mentoring. The organization is headed by NBA legend Bill Walton and has an Advisory board and a full time staff team.

OUTSOURCING IN SAN DIEGO

The San Diego region hosts an outsourcing cluster 5,000+ companies strong. CONNECT works with San Diego's EDCs and the Chamber of Commerce to help both large and small innovation companies "nearsource" to local suppliers in the region; assists local supply chains to partner and compete; and provides workshops on the benefits of staying virtual in order to increase innovation and decrease cost and time to market.

WIRELESS HEALTH, SOLAR ENERGY, ENERGY STORAGE, BIOFUELS AND BIOMIMICRY

San Diego, Imperial Valley and Inland Southern California have been designated an Innovation Hub by the State of California Governor's Office of Business and Economic Development (GoBiz). CONNECT is the designated manager of the iHub. iHub initiatives include the launch of a CONNECT organization in Inland Southern California and a Biomimicry BRIDGE program to create biomimetic solutions for corporations with the help of scientists from the San Diego Zoo, UC San Diego, UC Riverside and San Diego State University.

KNOWLEDGE MANAGEMENT & INFORMATION DOMINANCE

Investment in the warfighter is critical to maintain our Homeland Security at home and abroad. Private sector commercialization of defense related technologies can help protect our vital infrastructure and our global competitive advantage. CONNECT brings together research institutions, innovation companies, integrators, federal labs and SPAWAR to facilitate technology transfer and accelerate development of solutions in both directions.

AFFILIATE PROGRAM:

REGENERATIVE MEDICINE

The Stem Cell Meeting on the Mesa is the premier global business development and scientific event in regenerative medicine. The meeting features a nationally recognized Scientific Symposium attended by 600 leading scientists and researchers and first-ever Investor and Partnering Forum designed to facilitate a bridge between academia and industry through one-on-one meetings and further the translation of clinical research. CONNECT participates in the planning of the Symposium and is contracted to provide program management support.



PRIORITY ONE

Expand and Leverage Springboard

Accomplishments:

SBIR Reauthorization/SBIC Development

- Participated in House and Senate working group on SBIR Reauthorization
- EcoATM testified at a congressional hearing on SBIR Reauthorization

Regulation—Net Neutrality & FDA Reform

- Helped organize a private meeting with a FCC Commissioner for Sotera Wireless and AppSmyth to explain the impact of FCC regulations on the start-up process
- Filed official comments with the FCC on the impact of net neutrality on small businesses
- Filed general and reply comments on the issues pertaining to Broadband Reclassification and Wireless Services as they relate to the innovation economy
- Filed comments on FDA/FCC Wireless Health Convergence
- Testified at a field hearing on FDA Reform hosted by House Oversight Committee Chairman, Congressman Darrell Issa
- Testified at a field hearing on the impact of regulatory uncertainty in the drug and medical device approval processes hosted by the House Energy and Commerce Committee

Intellectual Property

- Active in patent reform and PTO funding bill leveraging San Diego's top IP minds to draft amendments and write coalition letters representing the impact on innovation
- Participated in IP Counterfeiting panel organized by the US Chamber of Commerce representing the start-up perspective
- In conjunction with the SDIPLA, filed first US Supreme Court Amicus Brief on winning side of decision, maintaining strong patent protections for start-ups

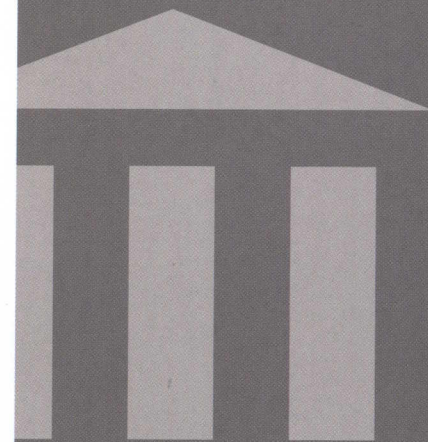
Working:

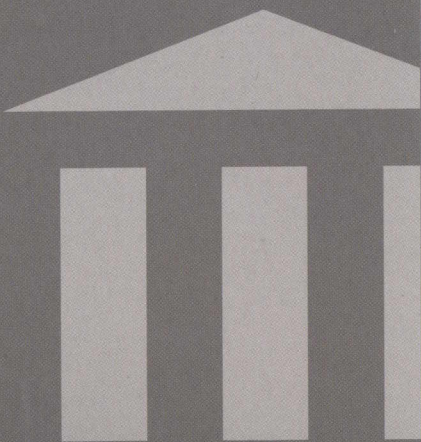
- Promote Destination San Diego
- Work on SBIR Reauthorization legislation
- Represent the innovation economy in ongoing discussions surrounding patent reform regulation and PTO funding debate
- Organizing Public Policy Forum on the America Invents Act featuring USPTO Director David Kappos in December 2011



Each year, the CONNECT Foundation and Association Boards of Directors define key focus areas to drive the innovation economy in San Diego. These priorities provide a framework for CONNECT's policy agenda.

POLICY PRIORITIES





PRIORITY TWO

Seed New Clusters

Accomplishments:

Cyber/Privacy Legislation

- Participated in a panel for the GSMI Annual Security Summit on policy barriers to commercialization for cyber start-ups with a San Diego small business, ThreatSTOP

Working:

- Host related Innovation 101 Capitol Hill Briefings in Washington, DC
- Production Clusters: Initiative underway to explore the strategic investments and policy initiatives that are needed to stimulate the growth of manufacturing clusters in regions across the United States



PRIORITY THREE

Attract More Investment Capital to San Diego

Accomplishments:

- CONNECT was involved in, and advocated for, several capital formation policy issues, including:
 - Helped draft Repatriation Bill (H.R. 1036) and joined WIN coalition to support repatriation
 - Engaged accounting professionals to discover hindrances to capital formation caused by accounting standard FAS 167
 - Regulation A: Endorsed H.R. 1070 to increase Reg A cap and joined Reg A Coalition to support increasing Reg A Direct Public Offering cap
 - SEC Regulatory Reform: Submitted joint letter with SDVG and SDTCA regarding burdensome SEC regulations for start-up capital
 - Sent letter to House of Representatives leadership endorsing four capital formation bills
- Arranged for Ridge Diagnostics and eemRa to testify at a congressional hearing on access to capital issues

Working:

- Continue to be involved in legislation pertaining to Repatriation, FAS 167, Reg A and SEC Regulatory Reform
- Involved in working group of organizations advancing four House-passed capital formation bills in the Senate



PRIORITY FOUR

Attract and Develop More Talent in San Diego

Working:

- Advocating for the Start-Up Visa Act to attract more foreign entrepreneurs to invest in San Diego
- Advocating for the STAPLE Act
- Advocating for Start-Up Act, authored and introduced by the Kauffman Foundation, to Congress and will continue to work with the Foundation to support this bill



PRIORITY FIVE

Brand San Diego as an Innovation Hub



iHub

SAN DIEGO
IMPERIAL VALLEY
INLAND SOUTHERN CALIFORNIA

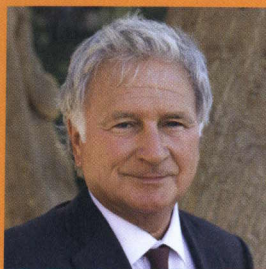
Accomplishments:

- Created and published an Innovation Agenda for the 112th Congress
- Hosted two Innovation 101 Capitol Hill briefings on the action and sports industry and biofuels industry engaging over 100 congressional staffers
- Organized four successful Public Policy Forums on The Administration's plans for innovation policy, intellectual property, wireless health and clean tech engaging over 450 attendees and participants
- Hosted private roundtables with:
 - US Assistant Secretary of Commerce for the EDA, John Fernandez
 - Director of the National Institute for Standards and Technology, Patrick Gallagher
 - USPTO Commissioner for Patents, Robert Stoll
 - Congressman Bob Filner
 - Congresswoman Susan Davis
 - Congressman Brian Bilbray
 - Congressman Duncan Hunter
 - General Counsel of the Department of Commerce, Cameron Kerry
- Coordinated three Patent Examiner Technical Training Program seminars, engaging five San Diego companies and over 250 patent examiners

Working:

- Partnering with the USPTO to continue to deliver high quality Patent Examiner Technical Training Program seminars presented by San Diego companies/researchers
- Organizing three Innovation 101 Capitol Hill Briefings and four Public Policy Forums on issues impacting the innovation economy
- Continued dissemination of white paper "Seven Innovation Policy Ideas to Spark an American Recovery"

THE CONNECT TEAM



Duane Roth
CEO



Camille Saltman
President



Timothy Tardibono
Vice President,
Public Policy &
Chief Counsel



Bethany Kraynack
Director,
Innovation
Programs



Taylor Peterson
Director,
Education
Programs



**Ruprecht
von Buttlar**
Director, Business
Creation &
Development



Karen Winston
Director, Affiliate
Programs



Steve Hoey
Associate Director,
Business Creation
& Development



Jessie Womble
Associate Director,
Public Policy



SD SPORT INNOVATORS

SD Sport Innovators is a business accelerator that connects and drives the growth of San Diego's vibrant sports economy by offering innovative programs and services for start-ups, mature companies and service providers.



Richard Duncan
Office Manager



Lauren Kunin
Manager,
Business
Development



Laura Parsons
Manager,
Innovation
Programs



Lauren Panetta
Production
Manager &
Web Master



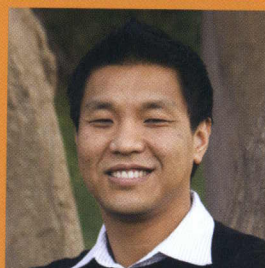
Linda Wells
Manager,
Education
Programs



Orlee Dykan
Senior Program
Coordinator,
Education
Programs



Madelaine Holden
Senior Program
Coordinator,
Affiliate Programs



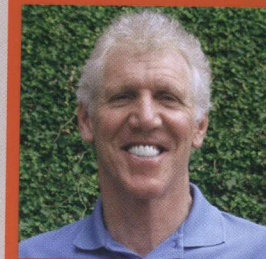
Woo-Jin Shim
Program
Coordinator,
Business Creation
& Development



Stephanie Elliott
Executive
Assistant to the
President



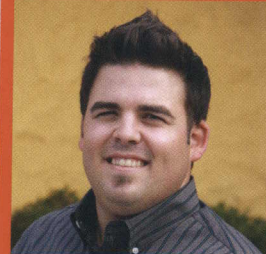
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Administrative
Assistant to the CEO



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Executive
Chairman,
SD Sport Innovators



Lisa Freedman
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Garrett Hale
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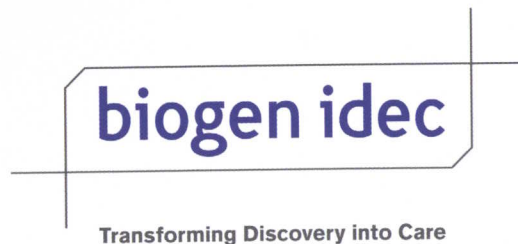
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CONNECT COMBINED STATEMENT OF FINANCIAL POSITION
 (June 30, 2011)

Assets	
Cash	\$ 289,732
Investment	6,390
Accounts receivable	48,052
Property and equipment	104,385
Total assets	\$ 448,559
Liabilities and net (liabilities) assets	
Accounts payable and accrued liabilities	\$ 172,710
Deferred revenues	647,290
Obligations under capital leases	83,333
Total liabilities	903,333
Net (liabilities) assets	
Unrestricted	(559,030)
Temporarily restricted	104,256
Total net liabilities	(454,774)
Total liabilities and net liabilities	\$ 448,559

CONNECT COMBINED STATEMENT OF ACTIVITIES
 (For the Year Ended June 30, 2011)

Changes in net assets—unrestricted	
Revenues	
Membership dues	\$1,321,900
Event underwriting	1,230,054
Program fees	312,494
Management fees from affiliates	218,720
Education contributions	119,500
Total revenues	3,202,668
Net assets released from restrictions	22,906
Expenses	
Program services	2,592,272
Support services:	
Management and general	405,818
Fundraising and development	420,420
Total expenses	3,418,510
Decrease in net assets—unrestricted	(192,936)
Changes in net assets—temporarily restricted	
Designated contributions	54,162
Net assets released from restrictions	(22,906)
Increase in net assets—temporarily restricted	31,256
Net liabilities at beginning of period	(293,094)
Net liabilities at end of period	\$(454,774)



The Combined Condensed Financial Statements have been derived from the financial statements of CONNECT Association and CONNECT Foundation for the fiscal year ended June 30, 2011. The financial statements for both CONNECT Association and CONNECT Foundation were audited by Swenson Advisors, LLP and are available upon request at the CONNECT offices.

\$1.1 BILLION INVESTED IN INNOVATION

Over our 26 year history, Enterprise Partners has invested in more than 150 companies, representing over \$1.1 billion and currently has \$700 million in active capital under management. Enterprise focuses on seed, early stage and promising later stage companies across a broad spectrum of technologies and the life sciences.

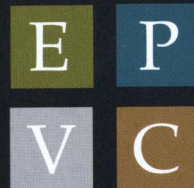
Enterprise Partners salutes CONNECT and its contribution to making San Diego and Southern California one of the most important global centers of innovation in both life sciences and high technology. Our region now is the second most active market in the world for venture-backed companies.



CARL EIBL



DREW SENYEI



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8950 Villa La Jolla Drive
Suite A124
La Jolla, California 92037
858.964.1300

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