



 CONNECT | VENTURE ROUNDTABLE

Lead Sponsor

MORRISON | FOERSTER

June 11, 2009

**CleanTech**

Short runs (2)  
30-50

# Thank you Sponsors and Partners

Event

## Lead Sponsor



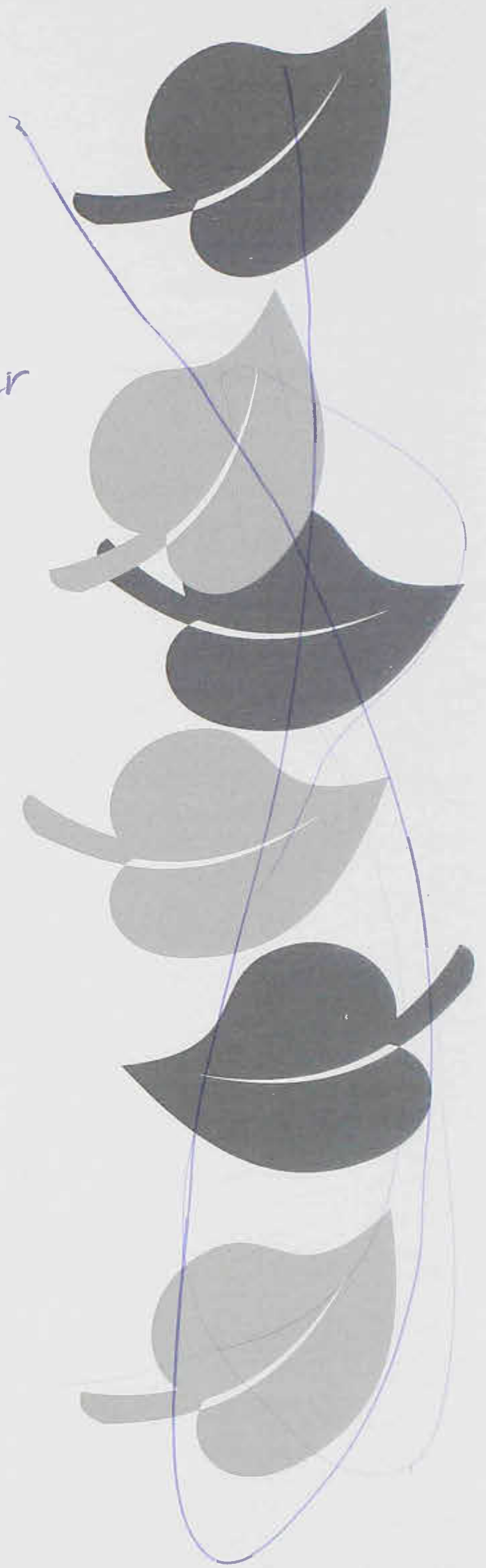
make bigger

## Supporting Sponsor



Make Bigger

## Event Partners



# Table of Contents

<b>Welcome Letter</b>	<b>1</b>
<b>Agenda</b>	<b>2</b>
<b>Cleantech Venture Roundtable Distinguished Judges &amp; Screening Committee</b>	<b>3</b>
<b>Sponsors</b>	<b>4</b>
<b>Presenting Company Profiles</b>	
<b>Viryd Technologies, Inc.</b>	<b>7</b>
<b>reMobile, Inc.</b>	<b>10</b>
<b>Malama Composites, LLC</b>	<b>16</b>
<b>adaptiveARC, Inc.</b>	<b>20</b>
<b>Zuumcraft, Inc.</b>	<b>24</b>

*→ remove comma*



June 11, 2009

Welcome CONNECT Supporters and Friends:

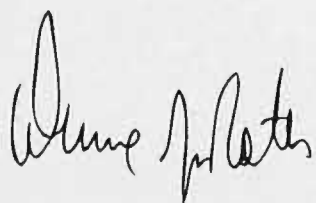
On behalf of CONNECT, we are pleased to welcome you to the 2009 Cleantech Venture Roundtable. The Venture Roundtable series aims to introduce you cutting edge, technologies developed in San Diego. Today we'll show you five technologies that represent San Diego's innovative and entrepreneurial atmosphere.

The companies selected to present today have passed a rigorous screening process conducted by two separate panels of industry experts, investors and business leaders. First, the Screening Committee volunteered their time to screen all of the applicants and provide coaching to the selected companies in preparation for today's presentations. Next, the Distinguished Judges reviewed presentations by the best 10 applicants and narrowed down the competition to five presenters. The time and expertise of these individuals is crucial to the integrity and success of this program, and CONNECT thanks the committee members for generously donating their time.

CONNECT would like to offer a special thanks to our lead sponsor and host, Morrison & Foerster LLP, our supporting sponsors, KPMG, and our event partners, CleanTECH San Diego, Clean Tech Open and the San Diego Venture Group, for supporting our efforts to present today's technologies which are poised to become the businesses of tomorrow.

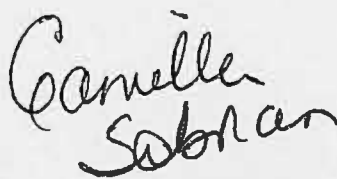
We hope that you enjoy today's program, and look forward to your participation in future CONNECT events.

Sincerely,



Duane Roth  
CEO, CONNECT

Chief Executive Officer,



Camille Sobrian  
COO, CONNECT

Chief Operating Officer,

# Agenda

## Venture Roundtable Program Agenda:

- 9:00 - 9:15am Breakfast, networking, and registration
- 9:15am - 9:30am Introductions and welcome remarks  
*remove*  
Duane Roth, CEO, CONNECT *Chief Executive Officer*
- Terry Moore, Executive Director, Morrison & Foerster Venture Network  
Chairman & Founder, The VC Roundtable
- 9:30 - 12:15pm Company presentations  
15 minute presentation followed by 15 minute Q&A session
- 9:30 - 10:00am Viryd Technologies, Inc. *remove comma*  
10:00 - 10:30am reMobile, Inc.  
10:30 - 11:00am Malama Composites, LLC
- 11:00 - 11:15am Break
- 11:15 - 11:45pm *10 am* adaptiveARC, Inc.  
11:45 - 12:15pm Zuumcraft, Inc.
- 12:15 - 12:30pm Guest speaker  
Claire Casey, Senior Vice President, Garten Rothkopf
- 12:30pm Concluding remarks  
Terry Moore, Executive Director, Morrison & Foerster Venture Network  
Chairman & Founder, The VC Roundtable
- 12:30 - 2:00pm VIP Luncheon Reception *ok*

# Distinguished Judges & Screening Committees

## Cleantech Venture Roundtable Distinguished Judges

Preet Aujla, Senior Manager, KPMG

Mike Elconin, President, Tech Coast Angels

John Helminski, Emerging & Renewable Technology Energy Program Manager, City of San Diego

Holly Lepre, Vice President, CleanTECH San Diego

Terry Moore, Executive Director, Morrison & Foerster Venture Network

James Mullen, III, Partner, Morrison & Foerster LLP

Arthur Nishioka, Manager, Kyocera International, Inc.

Craig Ruiz, Office of Economic Development, City of Chula Vista

David Saltman, Chairman, Pacific Integrated Energy

Camille Sobrian, Chief Operating Officer, CONNECT

Ruprecht von Buttlar, Director, Commercialization Programs, CONNECT

Andy Wood, Director, Business Development, Qualcomm Inc.

## Cleantech Venture Roundtable Screening Committee

David Andresen, Director of Corporate Finance - Cleantech Group, Oracle Capital Advisors

Preet Aujla, Senior Manager, KPMG

Ilana Brand, Director, Innovation Programs, CONNECT

Dan Brogan, CONNECT Entrepreneur-in-Residence

Patrick Hanson, Principal, Cleantech Practice, Barney & Barney LLC

Lou Hess, CONNECT Entrepreneur-in-Residence

Mark Juergensen, President, CleanTech Energy, Inc.

Mario Larach, President, Kai BioEnergy Corporation

Terry Moore, Executive Director, Morrison & Foerster Venture Network

Ruprecht von Buttlar, Director, Commercialization Programs, CONNECT

Camille Sobrian, Chief Operating Officer, CONNECT

Carrie Stone, President & Founder, cStone & Associates

Marty Turock, CONNECT Entrepreneur-in-Residence

Kai Wenk-Wolff, Senior Director, Business Development, ENN Solar Energy North America



## Morrison & Foerster Venture Network

Refinement of the business plan and investor presentation

Development of a highly targeted list of institutional VCs and strategic partners from the Venture Network

### VENTURE NETWORK – VALUE FOR THE ENTREPRENEUR

The Morrison & Foerster Venture Network helps companies create and refine their business strategy and value proposition, and then identifies the strategic partners and investors best suited to the company. By combining an understanding of our client's business with deep relationships and years of experience with the investment community, the Morrison & Foerster Venture Network helps our clients more efficiently and effectively raise capital from our global network of venture capitalists and private equity investors.

The Morrison & Foerster Venture Network is unique. Terry Moore, Executive Director of the Network and an experienced venture capitalist, provides the entrepreneur with straight talk and targeted feedback. We work with an exclusive group of industry leaders by invitation only.

### VENTURE NETWORK – VALUE FOR THE VENTURE CAPITAL FUND

The Morrison & Foerster Venture Network provides venture capital funds with high quality, targeted deal flow in the domain areas of interest of individual partners within a fund, and at the right stage and size of investment for the fund. The targeted deal flow is from a trusted source -- a top tier global law firm with a preeminent emerging company and venture capital practice and vetted by a former venture capitalist. The participating VC fund agrees to review the deal and provide feedback on the investment opportunity to the Venture Network for the purpose of helping our client in their financing efforts.

Close relationships with 200 venture capital and private equity firms

### EMERGING COMPANY AND VENTURE CAPITAL PRACTICE

For more than three decades, Morrison & Foerster has provided expert counsel to life sciences, technology and cleantech companies at every stage of their development and growth – from initial business formation and intellectual property protection through venture capital financing, mergers and acquisitions, public offerings, and beyond. Armed with an intimate understanding of our clients' technologies and industries, the firm's 280 corporate lawyers are driven to achieve a client's business objectives and deliver success.

In 2008, financings raising approximately \$840 million

175 venture-backed life sciences, technology and cleantech companies

One of the 15 "Most Active Law Firms" according to the Private Equity Analyst

Please contact **Terry Moore, Executive Director – Venture Network** at [tmoore@mof.com](mailto:tmoore@mof.com) or (858) 314-7520, **Jay de Groot, Chair – Emerging Company and Venture Capital Practice** at [jdegroot@mof.com](mailto:jdegroot@mof.com) or (858) 720-5180 or **Steve Rowles, Chair – San Diego Corporate Group** at [srowles@mof.com](mailto:srowles@mof.com) or (858) 720-5198 for further information.

**Focused on  
serving  
cleantech  
company  
growth.**

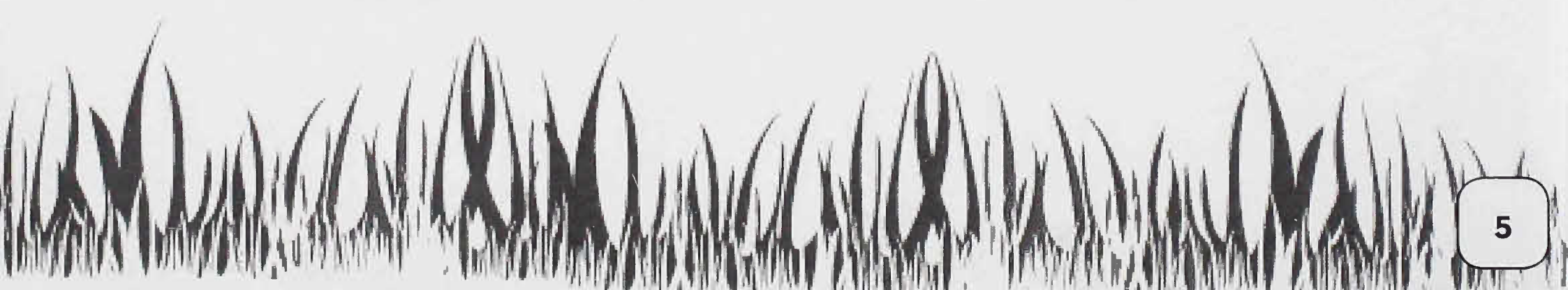
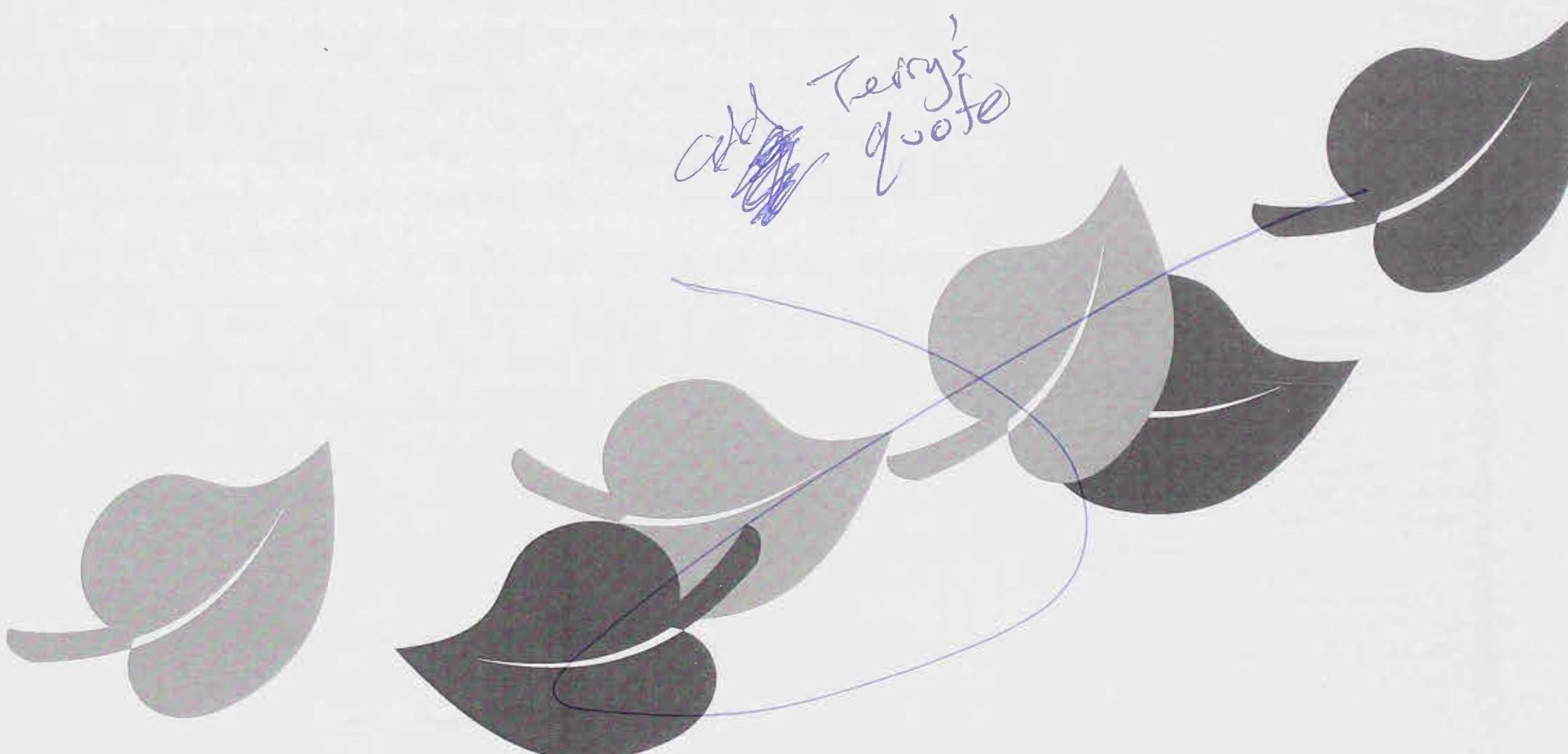
**Dedicated,  
experienced  
professionals  
locally and  
internationally.**

**KPMG LLP is proud to support CONNECT's Cleantech Venture Roundtable, which helps introduce investors to today's technologies that may become the businesses of tomorrow.**

**AUDIT • TAX • ADVISORY**



*add Terry's  
quote*





# big

INNOVATION



CONNECT is widely recognized as one of the world's most successful regional programs linking inventors and entrepreneurs with the resources they need for success.

“So far, San Diego remains a fertile breeding ground for entrepreneurs, despite the problems in the broader economy. That is due in large part to a non-profit organization, CONNECT, that was created 23 years ago to bring together people knowledgeable about business and investment capital with researchers at the universities and research institutes in San Diego.”

**The New York Times**

ok



**Presenter:**

John Todd Langdon, Chief Executive Officer

505 Cypress Creek Suite C, Cedar Park, TX 78613

Email: jlangdon@viryd.com

Phone: (512) 279-6224

Website: www.viryd.com

**Industry/Sector of Investment Opportunity:**

Wind Turbines

**Has a company been established? If so, when and what is the legal form:**

2007 Delaware Corporation

**Technology Readiness Level:**

Prototype in operation since January

**Patents Awarded:**

300+ patents and applications licensed from Fallbrook Technologies

**Patents in Progress:**

3

**Capital Raised and Source:**

\$5M+ from angel investors

**Revenue & # Employees:**

Pre-Revenue / 6 + 4 FTE contractors

**Amount of Funding Sought:**

\$12M

extra  
space

Inc.

## Company Overview

Viryd Technologies (Viryd) was founded in 2007 to develop and commercialize NuVinci® Continuously Variable Planetary (CVP) transmission technology for the wind industry. NuVinci CVP technology was invented by Fallbrook Technologies Inc. (Fallbrook) and enables a new class of continuously variable transmission (CVT).

## Technology or Product Description

Fallbrook began investigating the application of NuVinci technology in Wind Energy in 2004. NREL (National Renewable Energy Lab) studied the potential benefits of NuVinci CVP technology in a wind turbine application, and the findings showed a considerable performance benefit using NuVinci technology in lieu of a standard wind turbine transmission and power electronics systems. Viryd has an exclusive license to NuVinci technology for Wind Energy applications. As a first step, Viryd is developing a residential class wind turbine, incorporating the CVP technology, to demonstrate the benefits. The expected benefits are substantially lower cost (20% or more), greater energy capture (20% or more) which results in a lower overall cost of energy than other small wind turbines. Reducing system complexity also improves system reliability.

## Competition

Bergey, Proven, Southwest Windpower

## Sustainable Advantage

NuVinci continuously variable transmission

Advanced rotor designs

eCVP

## Marketing Plan

Sell drive trains to selected VAWT and HAWT partners

Sell complete OEM systems to partners with good distribution

Target multiple unit sales in attractive states/regions/locales with financial and installation partners

## Market Size

Small Wind Segment \$410B by 2020

Utility Class Wind \$50B by 2020

## Revenue Projections

\$100M Sales in 4 years

## Management Team

### John Todd Langdon, Chief Executive Officer

John Langdon has five years experience as the VP Marketing of thin film PV manufacturer HelioVolt; 11 years as CEO of channel marketing pioneer MediaNet (Intel Inside program) acquired by Affiliated Computer Services; and five years of new product development and marketing at Texas Instruments.

Chief Executive Officer

### Marty Price, Vice President Engineering

Marty Price has 25 years of successful experience in manufacturing, product development and management. Prior to joining the Company, Mr. Price served as the General Manager for the US Camshaft Manufacturing for ASIMCO Technologies.





**Presenter:**

Mark Bowles, Chief Executive Officer

2776 Saint Laurent Place, La Jolla, CA 92037

Email: bgenthert@remobileinc.com

Phone: (949) 632-2234

Website: www.remobileinc.com

**Industry/Sector of Investment Opportunity:**

Cleantech/Recycling Consumer Electronics

**Has a company been established? If so, when and what is the legal form:**

C-Corp; Nov. 6, 2008

**Technology Readiness Level:**

Gen 1 Kiosk is near completion

**Patents Awarded:**

Pending

**Patents in Progress:**

26 individual claims including: visual ID and inspection to estimate phone value, data disposition functionality, sale of applications and data, etc.

**Capital Raised and Source:**

Self funded by Founders

**Revenue & # Employees:**

Approximately \$1M in 2009 / 7

**Amount of Funding Sought:**

Seed round \$1M followed by \$5M Series "A"

## Company Overview:

reMobile is experiencing great early traction from cell phone carrier retailers and big box retailers for an electronic recycling kiosk (think of a CoinStar machine but for inspecting and buying used phones and other electronics) that automates the trade-in/trade-up and buy-back process for used phones, digital cameras, iPods, game cartridges and game DVDs, and other consumer electronics. The kiosk also provides other electronic services including phone data erase, phone unlocking and reflashing, Bill-Pay and POSA (point of sale activation), and other

*add 1/5"*

## An Explosion of "Retired" Mobile Phones

As the growth of wireless communications continues relentlessly and constant innovation ushers in new-generation technologies with expanded features, the last few decades have seen a relentless flow of retired mobile phones that are being displaced by new purchases. Greater than 80% of new phone sales replace an existing handset. Unfortunately, only a relatively small percentage of these displaced phones find their way into recycling channels. In the United States alone, more than one billion used phones are already sitting in drawers, with more than 150 million newly-retired phones joining them every year.

The unique reMobile approach focuses squarely on the need to boost collection volumes by reaching out to the owners of used handsets and providing both convenience and immediate incentives to draw them into the process. With these higher input volumes feeding well-established recycling/refurbishing relationships, reMobile will be able to drive up overall system efficiencies to create a very sustainable and profitable business model.

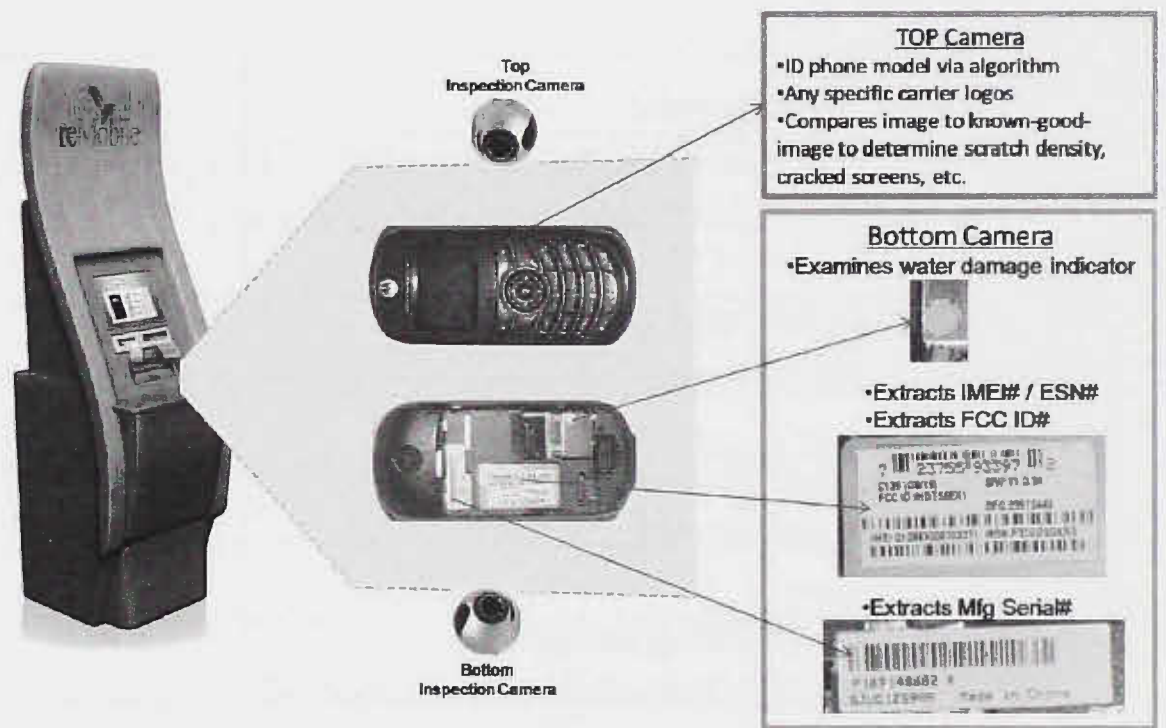
In order to bring those hundreds of millions of dormant phones out of household drawers and into the recycling stream, reMobile will deploy a broad-based and well-publicized network of kiosk-based convenient recycling points.

## Technology or Product Description:

### Patent Pending reMobile Kiosk Technology

reMobile's unique patent pending kiosk technology contains 26 claims for methods and implementation of automated inspection, evaluation and assessment techniques along with high speed processing capabilities to smoothly complete the transaction for the customer in a timely fashion.

Cameras simultaneously scan the top and bottom sides of the mobile handset – extracting ID and model information; checking for scratches or cracks, examining the water damage indicator and extracting serial number info.



### reMobile Kiosk Configurations and Deployment Scenarios

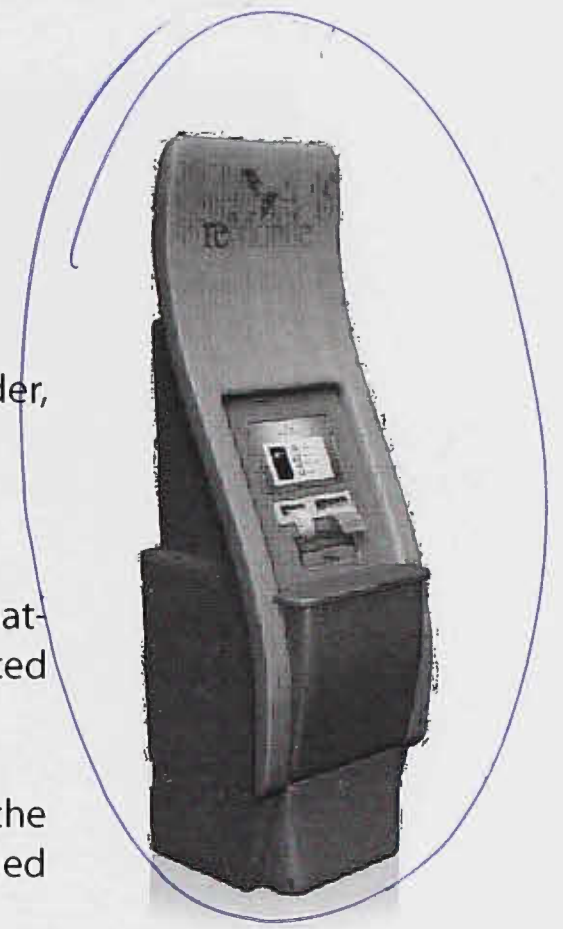
Depending on the specific deployment scenario, reMobile kiosks are configurable to meet the needs of electronic retailer, wireless carriers and OEMs. The same fundamental "automated evaluation engine" is used to support fully automated transactions for full self-serve recycling. Optional features can be tailored to support retailers and wireless carriers with a high customer engagement.

The kiosk can remunerate the consumer in various ways including gift card credits, coupons, online or mail-in rebates

Recycle Kiosk Features:

- Visual Recognition / pricing system
- Trade-in / Trade-up Services
- Data-erase and transfer feature
- Phone unlocking and reflashing
- Real-time payment in form of cash voucher, gift card, selected charity
- Phone is accepted and stored in kiosk until serviced
- 22" Color Touch-screen / embedded PC, Printer, MagSwipe, Barcode reader, Thumbprint, and Signature Pad, Ethernet data connection

*extra spaces*



### Competition:

reMobile is the only company in Trade-in/Trade-up Recycling space developing an automated approach to the collection problem. Nonetheless, \$50M VC dollars have been invested in non-automated collection methods within the last year.




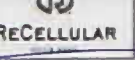






The market for recycling and refurbishing mobile phone handsets has evolved over the past decade and is currently characterized by a handful of companies that have emerged largely from opportunistic roots rather than as a result of any sort of strategic vision.

The largest player is ReCellular, with annual revenues of approximately \$150M and has received venture investment of \$15M led by InvestorAB. ReCellular's approach focuses primarily on carrier stores, collection boxes and mail-in bags. ReCellular has essentially taken a "low hanging fruit" approach to the market place by helping carriers address their immediate problem associated with disposing of retired phones and helping motivated consumers recycle their phones for the benefit of charitable causes. This has been a lucrative model but it lacks the financial incentives and outreach strategies needed to attract the consumers that are holding on to over one billion additional phones.

The other players in the market have largely evolved from eBay-based resellers of used mobile phones that moved into recycling primarily as an opportunity for collecting more used phones to feed their refurbishment business model. Their current approaches range from web-based (VenJuvo and Gazelle) to POS-based (FlipSwap). The web-based approaches of VenJuvo and Gazelle lack the immediacy of financial incentives, the barrier to consumers to box and mail-in the devices, the cost inefficiency of mailing, and broad-based outreach that are needed to bring in the bulk of retired phones that remain in drawers or end up in landfills. The growth strategy for these companies is to expose their buy-back systems via partnerships with large online retailers.

FlipSwap's POS-based system solves a number of these challenges but it also has significant limitations in that; 1) its designed only to take back a single phone from a user as a trade-in during the process of agreeing to a new service contract, 2) it requires an expensive and tedious process of integration into the retailer's POS system, and 3) it invokes the costly, time-consuming, and subjective process of retailer staff to collect and evaluate the condition of each phone. Even with these flaws FlipSwap has managed to grow to nearly 25k phones per month and near \$20M in 2008 revenue.

*extra space*

					
<b>Primary Collection Method(s)</b>	 Web-based buying engine	 Web-based buying engine	 POS-based buying engine	 Carrier Store collection boxes, mail-in bags	 Web-based buying engine, Carrier Stores, charity boxes, POS, Kiosks
<b>Features/ Benefits</b>					
Financial Incentive for Consumer	Delayed 2-4 weeks	Delayed 2-4 weeks	Trade-ins only during contract activation	No financial incentive	Immediate
Target Financial Incentive for Charity Collectors	None	None	None	Delayed	Direct / Immediate
Data Erasing	No Guarantee	No Guarantee	No Guarantee	No Guarantee	Happens During Recycling Process
Convenience Factor	Requires User Shipping	Requires User Shipping	Limited to phone retailer only	Limited largely to Carrier Stores	Ubiquitous
Awareness Factor	Low	Medium	Medium	Medium	High
<b>Profile</b>					
<b>Amt invested</b>	?????	\$10.4M	\$14M	\$15M	N/A
<b>Investors</b>	Sable Lion Ventures	Venrock, Rockport	RRE, NGEN	InvestorAB	N/A
<b>Annual volume 2008 (est)</b>	50k (est)	100k (est)	300k (est)	6M	120k

## Sustainable Advantage:

Remobile's sustainable competitive advantage will be a combination of 1) a wide and deep patent portfolio, 2) establishing early and long-term channel partner agreements providing highly desirable footprints at major phone carrier retailers and big box retailers with first-to-market trade-in/trade-up kiosks.

## Marketing Plan:

### Target Customers:

- 1. Electronic Retailers: BestBuy, Target, Walmart, Costco, Fry's
- 2. Office Supply: Staples, Office Depot
- 3. Wireless Carriers: Verizon, ATT, T-Mobile, Sprint, Cox
- 4. Pre-Pay Carriers: Cricket, Metro-PCS, PagePlus
- 5. OEMs: Dell, HP, Nokia, Intel

### Go-to-Market in Three Phases

#### Phase 1 (2009):

1. Upon Series "A" funding, acquire the assets of CollectiveGood at a prenegotiated value of approximately \$350k, and maintain and extend CollectiveGood businesses, continue relationships with existing CollectiveGood partners for logistics and buying of collected phones downstream. Maintain and Expand current relationships and co-promotions with LetsTalk.com, Viacom (MTV, Comedy Channel), Warner Music, RecycleBank,, and other online partners.
2. Demonstrate and trial first generation web-based "pricing kiosk" with key partners including ad promotion and/or co-op promotion, pilot emphasis on gathering key usage metrics. 5-10 Staples stores and regional wireless carrier stores, converting them from "box behind the counter" to visible web-based "pricing kiosks" combined with co-op promotion / advertising.
3. Expand retailer & OEM partner agreements to sponsor promotional programs that use the kiosk for new Trade-



in/Trade-up programs.

4. Finalize design and development of "visual inspection kiosk".
5. Secure host partners in retail and carrier stores for pilot of "visual inspection kiosks" in Q1'10.

Phase 2 (2010):

1. Beta launch first network of 50-100 "visual inspection kiosks" and promotion with host partners .
2. Expanded launch and promotion totaling 550 kiosk placements by end of 2010.
3. Market test basic functionality "data erase" feature in limited number trial to determine efficacy and ROI.
4. Expand relationships beyond existing CollectiveGood partners for logistics and buying of collected phones, and vertically integrate management of inventory downstream.

Phase 3 (2011 and on):

1. Expand network build out of "visual inspection kiosks" and promotion with host partners with a total of 1,100 kiosks in 2011. An eventual network build out of 4,400 kiosks in the US by 2014.
2. Expand the kiosk system horizontally to handle a variety of electronic devices such as iPods, GPS, PCs, etc.

**Market Size:**

Over 1B recyclable phones in US households with a current estimated value of approximately \$12 billion and refreshing at the rate of \$5B per year. All categories of consumer electronic with vibrant resale markets total more than \$20B annually in the US alone.

B  
space

**Revenue Projections:**

	Sales	Gross	Overhead
Last Year	512k	275K	260K
Current Year (projected)	1.1M	118K	1.7M
Next Year	5.6M	1.1M	4.4M
Year 3	31.2M	10.1M	5.6M
Year 4	86.1M	32.3M	6.6M
Year 5	158.3M	61.6M	7.3M

**Management Team:**

**Mark Bowles, Chief Executive Officer, Founder**

Mark Bowles has 20 years experience in wireless, semiconductor, and distribution industries including 7 years at Motorola and the formation and funding of 5 venture-backed tech start-ups resulting in a total of 4 M&A's (2 over \$100M). He has three patents pending and received his eMBA from Pepperdine. Mr. Bowles start-up experience includes the formation and funding of five venture-backed tech start-ups resulting in a total of four M&A's (two over \$100M).

**Michael Librizzi, Chief Operating Officer, Founder**

Micahel Librizzi has 22 years in mobile communications and semiconductor industries focused on US and international carrier and OEM sales. He has experience as VP Marketing, Business Development, and Operations. At Brooktree, he managed operations shipping of ~ \$25M quarterly chipset revenues. He has two patents issued, three pending. U.S. Navy submarine veteran. He holds a BSEE, eMBA from SDSU. His start-up experience includes the role of founder and patents and was a key executive at NextWave Wireless (NASD: WAVE), Entropic (NASD: ENTR), Silicon Wave (acq by RFMD), and Brooktree (acq by CNXT).



**Robert Genthert, Chief Financial Officer**

Robert Genthert has 30 years experience as a Financial and Operations executive serving as a CFO/V.P. of Finance and Administration with over fifteen years of experience at Fortune 50 companies including TimeWarner, a \$4.5B division of Disney, and in start-ups including DVD kiosk pioneer MovieCube. His start-up experience includes raising \$100M in capital over past ten years.

**Eric Rosser, Senior Vice President, Sales & Marketing**

Eric Rosser is intimately familiar with the world's largest mobile phone OEMs, carriers, and mobile phone channels. He was Founder and CEO of several successful technology companies, and held top sales, marketing and executive management roles for the past 20 years at a number of private and public technology companies. Mr. Rosser holds a B.S. degree in engineering from Harvey Mudd College.

**Seth Heine, Chief Green Officer**

Seth Heine has 9 years in mobile recycling as Founder & CEO of CollectiveGood and GreenPhone. He possesses a deep understanding of the mobile recycling market, supply chain and issues. He received his MBA from Thunderbird University. He was previously Founder & CEO of CollectiveGood and GreenPhone.

**Notes**

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---





**Presenter:**

Leif R. Christoffersen, Chief Executive Officer

*Leif R. Christoffersen*

10326 Roselle Street #103, San Diego, CA 92121

Email: leif@malamacomposites.com

Phone: (858) 353-3830

Website: www.malamacomposites.com

**Industry/Sector of Investment Opportunity:**

Advanced Materials / Composites / Green-Focused

**Has a company been established? If so, when and what is the legal form:**

California LLC / March 2008

**Technology Readiness Level:**

Technology is proven in the marketplace – currently generates revenue. Projected to be profitable next year.

**Patents Awarded:**

0

**Patents in Progress:**

2 provisional patents filed, 5 more will be filed in next 3 months

**Capital Raised and Source:**

\$500,000 raised from management and family / friends

**Revenue & # Employees:**

\$600,000 projected revenue for 2009 / 8

**Amount of Funding Sought:**

\$5M

## Company Overview

Malama Composites, LLC ("Malama"), is a leading innovator and producer of rigid polyurethane foam made from clean, renewable hydrocarbon sources ("Foam").

## Technology or Product Description

Features	Benefits
Uniform & tighter cells	More durable and consistent products
High water resistance	Greater product longevity; expanded applications
Degradable & Recyclable	Superior life cycle performance; compliance
Price competitive	Customers focus on higher quality traits
Higher R-value (Insulation)	Improved energy efficiency of homes and buildings
Less GHG emissions	Lower liability, Tax/carbon credits, LEED certification
Less energy to manufacture	Lower costs, LEED certification, Tax credits
Less toxic	Improved health, LEED certification, Tax credits
Better tooling	Shortens product development time

## Competition

No other company currently produces rigid sheet foam made from natural oil polyols – confirmed by North American Composites and Composites One – the 2 largest distributors of rigid sheet foam in North America. Malama's Foam is cost competitive with conventional, non-renewable petrochemical foam.

## Sustainable Advantage

Malama's next-generation, high-density polyurethane foam contains 30-40% natural oil polyol (NOP) by weight. Net result: better performance, greener, price competitive.

## Marketing Plan

Malama will market through local media and industry media channels as well as through its customers, distributors, strategic partners, and licensors.

## Market Size

\$41B for polyurethanes

## Revenue Projections

>\$10M in 2010

## Management Team

### Leif P. Christoffersen, Chief Executive Officer

Leif Christoffersen received his BA in Economics from Hobart College and his MBA from UCSD's Rady School of Management. His experience includes watershed management, organic produce exportation, agroforestry extension, forest inventories, climate change policy development, bioprospecting conflict management, environmental education, renewable energy consulting for biofuels, wind energy, and solar energy.

*the UC San Diego*

*Renzo*

**Ned McMahon, Chief Operating Officer**

Ned McMahon is a veteran of the polyurethane industry and leads the Company’s product development and manufacturing operations, having developed the Company’s methods and formulas for producing clean, rigid polyurethane foam.

**Rick Halperin, Chief Financial Officer**

Rick Halperin, CPA holds his MBA and has over 25 years experience in financial and operational management, strategic planning, business development and entrepreneurial endeavors, with special emphasis on green industries and socially responsible initiatives.

**Archie Wright, General Counsel**

Archie Wright received his J.D. from Cornell Law School and has over 30 years experience as an in-house general counsel and corporate partner with major law firms. As voted by his fellow San Diego lawyers, he holds a superior “AV” rating from Martindale-Hubbell Law Directory.

**Notes**

Horizontal lines for taking notes.







**Presenter:**

Kris Skrinak, President

7683 Sitio Manana, Carlsbad, CA 92009

Email: kris@adaptivearc.com

Phone: (858) 525-1133

Website: www.adaptivearc.com

**Industry/Sector of Investment Opportunity:**

Environmental Technology

**Has a company been established? If so, when and what is the legal form:**

Incorporated in 2008

**Technology Readiness Level:**

First production system to be complete in June

**Patents Awarded:**

2

**Patents in Progress:**

5

**Capital Raised and Source:**

\$500K in Angel investments

**Revenue & # Employees:**

Pre-Revenue / 6

**Amount of Funding Sought:**

\$1M

## Company Overview

adaptiveARC Inc. is an environmental technology that transforms environmentally harmful waste into beneficial energy. adaptiveARC's technology significantly reduces waste volume and toxins while converting problematic waste streams into clean, safe alternative energy. Our systems employ our patented Cool Plasma Gasification process that utilizes a combination of plasma fields, pulse technology and UV detoxification to produce the most cost efficient, cleanest and energy efficient solution on the market.

## Technology or Product Description

Transform waste into alternative energy using our patented Cool Plasma Gasification technology. The alternative energy can be in the form of electricity, ethanol, bio-fuels and hydrogen.

The Cool Plasma Gasification process converts waste or many other feedstocks into commercially viable outputs using plasma field dynamics. Waste flows through a plasma arc electrical field in an oxygen deprived processor chamber. This produces an extremely high heat environment (1300°C) instantaneously breaking down the waste feedstock into its molecular components. This super heating without oxygen is not incineration and does not generate the problematic exhaust emissions produced by burning waste. Instead our Cool Plasma Gasification creates a clean fuel called syngas that can be used to generate a wide range of valuable outputs including electricity, liquid fuels, ethanol and fertilizer. The waste feedstock material introduced into this process is detoxified and its volume reduced at a ratio of 20:1. The only solid by-product is an inert ash material.

## Competition

Pyrogenesis, InEnTech, Plasco, alterNRG, Startech

## Sustainable Advantage

Our competitors simply use arc-plasma technology to heat waste on a bed of pumice or other material. This creates syngas and reduces the waste but requires expensive scrubbers, inflexible systems and their plasma torches use the majority of the system's energy output leaving little remaining power for the grid. Our Cool Plasma Technology produces syngas and reduces waste with the advantages of:

**Smaller Cost.** Our systems sell at 30-50% less than our competitors.

**High Efficiency.** Our systems only use a small fraction of power output to run the system, typically 10-15%. The remainder can be used to produce clean alternative energy for other uses.

**Flexible System.**

- **Scalable.** Our system sizes start at 25 tons per day and scale all the way to 9000 tons per day.
- **Modular.** Our systems are built in modular units of 25, 100, 250 and 1000 tons per day. These modules can be connected into any configuration between 25-9000 tons per day.
- **Portable.** Our processors are built on wheels for easy installation and mobility. Our 25 ton per day system fits on the back of a semi-trailer for maximum mobility.
- **Small System Footprint:** Since we don't need extensive scrubbing equipment our system footprint is much smaller than our competition. This reduces the land investment costs for our customers.

## Marketing Plan

Targeting biomass, MSW and hazardous waste producers. The sales pitch is about increasing their revenue stream through alternative energy production and extending the life of landfills.



## Market Size

Waste is a \$40B market in the USA alone. Worldwide it is over \$100B. The global need for alternative energy will drive the desire to stop burying this resource in the ground and instead convert to energy.

## Revenue Projections

\$5-10M within first year of funding of early adopter customers with a \$1B sales pipeline of second customers waiting to see a system in production.

## Management Team

### Kris Skrinak, President

In 1983, with a B. S. Economics / Mathematics from King's College, Kris entered mergers and acquisitions at Goldman Sachs. He later moved to the quantitative strategies group run by Fischer Black where he built one of the first fully electronic trading systems. This powerful system traded up to 12% of the volume on the New York stock exchange between 1983 and 1987. After the crash of 1987, he left Goldman to consult with banks that sought to implement this technology including: Swiss Bank Corporation, Bank of America and Salomon Brothers. In 1993, while at Sun Microsystems he developed a craving for entrepreneurial ventures. His first start-up was Capital Technologies (CapTech).

CapTech developed SiteRock, a outsource system administration organization of over 100 professionals and FogLight a network monitoring system. FogLight was acquired by Quest Software, Inc. (NASDAQ: QSFT) and SiteRock by Navisite, Inc. (NASDAQ: NAVI). In 1997, Kris left CapTech to be the lead investor and President of the Web-based investment research firm, ClearStation.com. After 18 months of aggressive growth, Kris guided the sale of the company to E\*TRADE Financial (NYSE: ET). He is currently Executive Partner at Indigo Capital Management, LLC where he created pingnote.com and blink12.com.

### Christian Juvan, Vice President, Science

Christian was born in Germany and moved to Austria with his family at an early age. While in college during summer vacations, Christian traveled through Europe, the Middle and Far East. He learned first hand about extreme poverty and its effects. This formed a framework for his activity later in life. Christian immigrated to the United States in 1968 after working for 2 years in Austria at the University Institute in Vienna for nuclear physics. His decision to immigrate was based on his desire to do research and to develop new technologies in the area of electrical pulsed energy. He started working at Cal Tech in Pasadena in the early 70's on the development of lasers, holography and optical computing. He then moved to private industry for several years working on the development of high energy equipment for the national nuclear fusion programs. Christian obtained patents in the area of pulsed plasma technology in the 80's and decided to go into business as an inventor and entrepreneur. He found applications for his technology in the area of liquid mining, waste destruction, liquids sterilization, and lately gasification of solid compounds (waste to energy conversion).

He has participated in founding several corporations since leaving private industry 20 years ago and continues his research and development in applied plasma physics, continuing with innovative work for its application.

### Gabriel Jebb, Vice President, Operations

Gabriel's entrepreneurial spirit started at a young age in the early 90's. While most of his friends were taking college courses, Gabriel was busy solving the early network integration problems of the World Wide Web with his startup company IMC Technologies, Inc. His technology interests later expanded to include electronic document management and interactive media, which prompted his next corporate creation Global Image, Inc. In 1996, he grew weary of technology and sold his controlling interest in both companies to travel the world. Five years and nearly 50 countries later, he was ready to return to the United States and pursue his life long-passion of hang gliding and paragliding. In 2001, he became the managing director of the Torrey Pines Gliderport, in San Diego. Over the next few years he built the largest

paragliding school and tandem flight center in North America. His efforts in the flight community were recognized in 2003 when he received the prestigious Instructor of the Year award from the United States Hang Gliding and Paragliding Association.

**Notes**

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

---

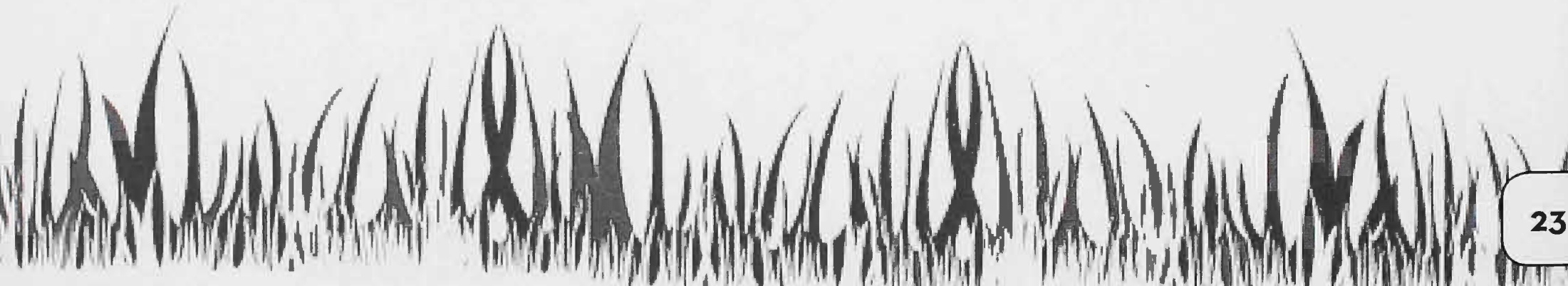
---

---

---

---

---





**Presenter:**

William A. Lofft, Chief Executive Officer

10635 Atrium Dr, San Diego, CA 92131

Email: wlofft@zuumcraft.com

Phone: (760) 518-5917

Website: www.Zuumcraft.com

**Industry/Sector of Investment Opportunity:**

Transportation – Very Light Electric Vehicle

**Has a company been established? If so, when and what is the legal form:**

Delaware C Corp, Jan 16, 2008

**Technology Readiness Level:**

In commercial production

**Patents Awarded:**

N/A

**Patents in Progress:**

2 Domestic & 2 International Patents filed and 1 Provisional

**Capital Raised and Source:**

\$100k Management, friends and Service Provider

**Revenue & # Employees:**

Pre- Revenue / 10

**Amount of Funding Sought:**

\$400k seed, \$4M Series A

## Company Overview

ZuumCraft, Inc. - an early stage company - designs and manufactures three wheeled very light electric vehicles (VLEV's) to provide environmentally sensitive short distance personal transportation. The first generation product, the Zuumer®, has been under development for three years and is in full production. An active Patent Strategy is underway and senior management has been recruited. Manufacturing agreements have been negotiated in China under very favorable terms. The first product shipments will take place the first week in June.

## Technology or Product Description

The Zuumer® is a three-wheeled electric vehicle designed for short distance personal transportation. A 16" pneumatic front wheel is steered with conventional bicycle handle bar controls. The front wheel houses a brushless 1000W electric hub motor that provides front wheel drive to pull the vehicle through turns, and up hills. In the back two 8" pneumatic rear wheels and disk brake assemblies are connected to the articulating control arms of our patent pending L2S® lean steering technology. The removable 48 volt Lithium-polymer battery pack is located within the frame under the riding deck.

The Zuumer® falls within the definition of electric bicycle under California and other Motor Vehicle Codes and will be ridden, on bike paths and in bike lanes along the side of surface streets. The Zuumer® can cruise at 15–20 mph and has a range of up to 20 miles!

## Competition

Competitor products that enable human ground transportation range from walking shoes to Ferraris. ZuumCraft views direct competition segmented into three categories:

- Light Electric Vehicles
- Transportation Solutions which cost about \$2000
- Lean (tilt) Steering Vehicles

## Sustainable Advantage

Zuumers feature the patent pending Lean2Steer® (L2S®) system. L2S® enables a vehicle to tilt into the center of a turn rather than outward. Further, the semi-independent rear wheels of a Zuumer, a part of the L2S® system, allow for all three vehicle wheels to remain in firm, secure, contact with the ground in even the tightest turns at high speed and in all riding conditions (from dry stand-still to radical turns on wet pavement).

In addition, Zuumers feature a robust, state of the art, Li-ion polymer batter pack (enabling a range of up to 20 miles), an in-hub, brushless, front-wheel motor (enabling speeds of up to 20 mph), and a smart controller (enabling torque control, power management, vehicle alarm and more).

The combination of company proprietary and patented technologies with custom solutions developed by our suppliers helps create unrivaled ride. Not unlike the physical sensation of carving through waves or over snow covered mountains, the Zuumer creates a stable and safe comfort zone that is without equal. And it's just plain fun!

Simply stated, the Zuumer's integrated systems define a novel platform, one which performs (leaning / handling) in a manner that will define a new class of vehicles.

## Marketing Plan

The company has analyzed requirements for the Zuumer in 11 distinct vertical markets. Starting with beach communities, we will progress through corporate and college campuses, resorts, recreation, industrial, and municipal verticals, all the while selling to the short distance rider - directly through our ecommerce site.

These markets have been thoroughly researched and sized, particularly in the US Sunbelt. ZuumCraft customers want some intersection of Utility, Green Transport, and just plain Fun.

To that end, we have carefully built a combined traditional and non-traditional Marketing Strategy for each vertical and are currently rolling out an aggressive Social Media Program for several of the early targeted verticals. In addition, we have scheduled an active demonstration program in those same verticals as soon as product arrives in June.

## Market Size

Total Market (TM): \$22B  
 Total Available Market (TAM): \$600M (Limited Regional US Distribution)

	2009	2010	2011	2012	2013
<b>Units Sold:</b>	231	2,740	8,506	11,058	13,823
<b>Revenue</b>	509	5,359	14,996	19,495	24,369
<b>Cost of Goods Sold</b>	280	2,412	7,348	9,553	11,941
<b>Gross Margin</b>	229	2,947	7,648	9,942	12,428
<b>Gross Margin %</b>	45%	55%	51%	51%	51%
<b>SG &amp; A Costs</b>	165	2,197	5,249	6,433	8,042
<b>SG&amp;A %</b>	32%	41%	35%	33%	33%
<b>Net Operating Income (EBIT)</b>	64	750	2,399	3,509	4,386
<b>NOI %</b>	13%	14%	16%	18%	18%
<b>Net Income</b>	36	427	1,368	2,000	2,500
<b>NI %</b>	7%	8%	9%	10%	10%

## Management Team

### William A. Lofft, Chief Executive Officer

Bill brings 30 years of executive and financial management experience. He has founded, owned, operated, financed, served on the board of directors, and been an executive for a broad array of media and technology businesses. As a CEO, he has raised over \$50 million of capital investment. He received his BA from the University of California, Santa Barbara in Economics, and his MBA in Finance from San Diego State University, where he also lectured in Finance.

### Tom Boyd, Chief Evangelist/Founder

His professional career, which has spanned almost 20 years, has been focused on sales of electronic components, such as semi-conductors, often to such international icons as Qualcomm and Akamai. In technical sales, he has been recognized by Sony, Toshiba, NEC, and Oki Semiconductor as a national top producer. At Milgrey Electronics where he helped set up the company's San Diego branch; he established multiple sales records including a \$1M month in the first year. At VA Linux, Tom quickly became an impressive salesman - on a team of twenty people, he alone was responsible for 20% of all sales. The combination of his inventor's mindset and his exposure to technology, coupled with his suspension and steering expertise has resulted in the design of a perfect solution to short distance personal transportation - the Zuumer.

**Rasyad Chung, Chief Technology Officer**

Rasyad founded Nextsport, makers of the Fuzion kick scooter, which has sold 2 million units to date. In addition he has spent a total of 14 months on the ground in China over the past several years and has gained insight into production, engineering, supply chain management and quality control. Rasyad has a demonstrated ability to optimize factory relations as well as integrate specific factory competencies into product design, thereby lowering cost and creating value. Nextsport has launched 10 products based on Rasyad’s designs; all manufactured in China, and distributed through Sports Authority, Toys-R-Us, Costco and Wal-Mart. The company has been recognized as Vendor of the Year by Toys-R-Us and was this year ranked as the 10th largest manufacturer of wheeled sporting goods products in the U.S.

**Amish Parashar, Vice President, Operations**

Amish is an experienced inventor, entrepreneur, and adviser to technology companies. Serving on and leading three founding teams prior to ZuumCraft, Amish has created technologies, commercialized inventions, and started new organizations. Focusing on operations and start-up value creation, he was a founder and instructor within the Dartmouth Six Sigma Program. Having served on advisory and governance boards, he is currently chairman of the International Humanitarian Foundation, Inc.

**Jim Scott, Vice President, Administration**

Jim Scott has over 20 years combined management experience in start-up and rapid growth-middle market software, Internet, and high-tech companies. These include enterprise data management and control software, mechanical PLM software and services, multimedia products, remote collaboration systems, online contextual merchandising solutions, and renewable energy technologies. His expertise includes P&L management, strategic and business planning, team building and leadership, and senior management of sales, marketing, and business development. Start-up and turn around roles include CEO, COO, VP and Board member.

**Stacie Morris, Vice President, Marketing**

Stacie’s recent background is deep in consultancy and business development with both Fortune 100 companies and start-ups - domestic and international. Previous experience includes Business Development Director with Travelport (formerly Cendant), where she worked on re-vamping sales operations for an online venture, defining corporate strategy and completing acquisitions and integrations, as well as consultancy with Accenture. As a consultant and trusted adviser, Stacie has worked with Barclays Bank PLC, JP Morgan, Ericsson, BP, Motorola, and Sony Playstation.

**Greg Grosset, Manager, Custom Products**

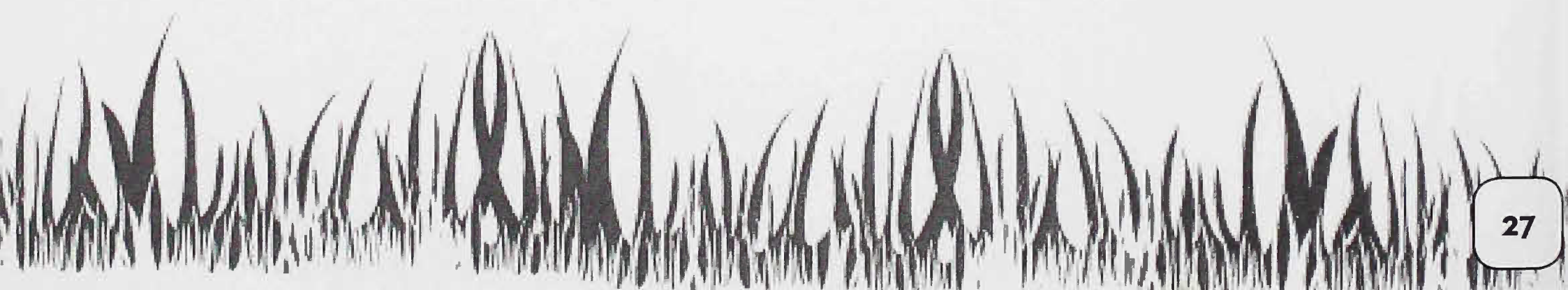
Greg is the founder of Total Performance Inc. He is a uniquely mechanical person and his obsession is building high-end performance, custom automobiles and engines. His work has been published in countless print and TV media and includes building tube chassis drag cars, Trophy Trucks, and Class 1 race motors. He has breathed life into the nationally renowned \$600,000 Barrett-Jackson vehicle and the Obsidian SG One Mustang. With this extraordinary background, Greg will put the Custom Zuumers in a class all of their own, which will in turn, define the ZuumCraft Celebrity Program planned for the near future.

**Notes**

---

---

---





CONNECT | 8950 Villa La Jolla Drive, Suite A124 | La Jolla, CA 92037 | (858) 964 - 1300 | [www.connect.org](http://www.connect.org)



#### **About CONNECT**

CONNECT is a non-profit organization dedicated to creating and sustaining the growth of innovative technology and life science businesses in San Diego. Serving as a proven neutral broker, CONNECT is widely regarded as the nation's most successful regional program linking high-technology and life sciences and entrepreneurs with the resources they need for success: technology, investment, markets, management, partners, and support services.

CONNECT's services are tailored to meet the varying needs of San Diego entrepreneurs at all stages of their business life cycles and growth. Since its inception in 1985, CONNECT has assisted in the formation and development of over 1,500 companies. CONNECT's success is directly attributable to the generous, unfailing support of its friends and supporters. For more information on CONNECT or its programs, contact us at (858) 964-1300 or visit [www.connect.org](http://www.connect.org).