

GCVA – Venture Capital Report

October 17, 2007

- **Venture Capital Funds**
 - **Ohio**
 - **Blue Chip Venture Company – Cincinnati**
 - **Draper Triangle – Cincinnati/Pittsburgh**
 - **River Cities Capital Fund – Cincinnati**
 - **Triathlon Medical Ventures – Cincinnati**
 - **Kentucky**
 - **Chrysalis Ventures – Louisville**
- **“Seed Syndication”**
- **Funds of Funds**
 - **Fort Washington Capital Partners – Cincinnati**
- **Incubators / Economic Development / Angels / Seed Investors**
 - **BIO/START**
 - **Queen City Angels**
- **“Seed Syndication”**

VC Fund

Activities

Blue Chip IV

Trilogy – Louisville, KY

- > Assisted-living and skilled nursing facilities in smaller markets
- > Sold to Lydian for \$295M, 34% IRR
- > Co-investors included Frontenac, Salix and Ft. Washington

Endocyte – West Lafayette, IN

- > Developing next generation receptor-targeted therapeutics to treat cancer and autoimmune /inflammatory diseases
- > Follow-on investment with Triathlon Medical Ventures

Blue Chip Validation Fund

AcelleRx – Cleveland, OH

- > Stem cell-based therapies for heart disease
- > Spun out from Cleveland Clinic
- > Participated in \$1.5M convertible note
- > Co-investors included Jumpstart, North Coast Angels and Larry Best (ex-CFO, Boston Scientific)

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VC Fund

Activities

Draper Triangle

New Investments

Entermedia Corporation – Pittsburgh, PA

- > Fund II company
- > Online media company focused on social entertainment
- > Led \$1.5M Series A round
- > Innovation Works Co-invested

COPD Partners – Pittsburgh, PA

- > Fund II company
- > Home-based oxygen generation and treatment
- > Led \$7MM Series A extension
- > Cardinal Partners, Birchmere Ventures and Delaware Innovation Fund Co-invested

CH Mack – Cincinnati, OH

- > Fund II company
- > Care management software
- > Led \$3M Series C round
- > QCA, Fort Washington and Health Foundation Co-invested

VC Fund

Activities

Draper Triangle

Follow-On Investments

Plextronics – Pittsburgh, PA

- > Fund II company
- > Printed electronics technology
- > Participated in \$21M Series B follow-on round
- > Solvay, Firelake Capital and Birchmere Ventures Co-invested

CardioInsight – Cleveland, OH

- > Fund II company
- > Medical device – non-invasive heart imaging
- > Participated \$300K Series A extension
- > JumpStart Co-invested

VC Fund

Activities

Draper Triangle

Liquidity

Precision Therapeutics – Pittsburgh, PA

- > Fund I company
- > Personalized medicine – targeting of breast cancer chemotherapy drugs
- > Filed for IPO

SpaElegance – Pittsburgh, PA

- > Fund I company
- > Online B2B marketplace for spa and salon professionals
- > Successful exit via management buy out

VC Fund

Activities

River Cities Capital Funds

Accelecare Wound Centers – Bellevue, WA

- > Provides specialized medical care for difficult-to-treat wounds such as diabetic ulcers
- > RCCF participated in \$4M Series B round
- > Co-invested with Bain Capital and SV Life Sciences

Centerre Healthcare – St. Louis, MO

- > Inpatient rehabilitation provider promoting joint venture partnerships with acute care hospitals.
- > RCCF participated in \$6M bridge financing
- > Co-invested with Sterling, Pacific Ventures, Baird, RiverVest and Three Arch

MindLeaders, Inc. – Dublin, OH

- > Provider of e-learning and employee development solutions
- > Acquired by Irish e-learning provider ThirdForce Plc (London AIM: THF) for \$18M
- > Co-investors included Chrysalis

National Medical Solutions – Brentwood, TN

- > Advanced Wound Care Centers, which provide clinical care to patients with complex medical conditions, including diabetes, obesity and congestive heart failure
- > Sold to Accelecare Wound Centers

VC Fund

Activities

Triathlon Medical Ventures

New Investments

Pradama – Louisville, KY

- > Bone-targeted drug delivery
- > Led Series A round
- > Kentucky Seed Capital Fund, Cardinal Ventures and KSTC Co-invested

BioVex – Woburn, MA

- > Targeted treatments for cancer and prevention of infectious diseases using oncolytic virus technology
- > Led \$25M financing to fund late stage clinical trials
- > NSV, Harris & Harris, Forbion, Genechem, Avalon, Innovent, Credit Agricole, Lloyds and Scottish Equity Partners Co-invested

VC Fund

Activities

Triathlon Medical Ventures

Follow-On Investments

Celleration – Minneapolis, MN

CS Keys – Indianapolis, IN

Endocyte – West Lafayette, IN

Hydrocision – Boston, MA

CoLucid Pharmaceuticals – Indianapolis, IN

Symphony Medical – Cleveland, OH and Laguna Hills, CA

Mitralign – Boston, MA

Liquidity

Remon Medical – Boston, MA

> Ultrasound-based intrabody wireless communication and monitoring devices

> Acquired by Boston Scientific

VC Fund

Activities

Chrysalis Ventures

Appriss Inc. – Louisville, KY

- > Provider of technology solutions to law enforcement
- > Secured a strategic investment from Bain Capital Ventures and JMI Equity providing a successful exit
- > Co-investors included CID Equity Partners, Richland Ventures, Mayfair Capital and Windcrest Partners

MindLeaders, Inc. – Dublin, OH

- > Provider of e-learning solutions
- > Acquired by Irish e-learning provider ThirdForce Plc (London AIM: THF) for \$18M
- > Co-investors included Richland Ventures and River Cities

Digitalsmiths – Raleigh-Durham, NC

- > Digital video asset management technology company
- > Co-led \$6M Series A round
- > Co-invested with The Aurora Funds and individual investors

VC Fund

Activities

Chrysalis Ventures

Mobile Armor – St. Louis, MO

- > Managed services provider of Enterprise Mobile Data Security
- > Co-led in \$6M Series A round
- > Co-invested with Dolphin Equity Partners

Chronicity, Inc. – Dallas, TX

- > Provider of integrative treatment in a retail setting for chronic conditions such as Fibromyalgia and Chronic Fatigue and Attention Deficit Hyperactivity Disorder (ADHD)
- > Led \$5M extension of Series A round
- > Company then acquired Fibromyalgia & Fatigue Centers

ConnectivHealth (formerly FWI, Inc.) – Nashville, TN

- > Enables the distribution of health information for healthcare professionals and consumers
- > Participated in \$2.1M follow-on round following company's acquisition of Relegent
- > Co-invested with Petra Capital Partners

VC Fund

Activities

Chrysalis Ventures

Intechra – Jackson, MI

- > Electronics lifecycle management (ELM) provider
- > Participated in \$30M follow-on round
- > Co-investors included Richland Ventures, Oxford Bioscience Partners, First Avenue Partners, Sewanee Partners, SJF Ventures
- > Company then made two acquisitions in July 2007 and launched a national logistics network

Richard Vance named Operating Partner in August 2007

Dave Wilkins and John Willmoth join as Executives-in-Residence in July and September 2007, respectively

VC Fund

Activities

Direct Investments: Fort Washington

Altela, Inc. – Albuquerque, NM

- > Provides water desalination and remediation services
- > Follow-on investment
- > Co-investors included EnerTech and Verge

Aspen Avionics – Albuquerque, NM

- > Manufactures device displays for aircrafts
- > Follow-on investment
- > Co-investors included Wasatch, vSpring and Granite Ventures

Bluefire Security Technologies – Baltimore, MD

- > Offers a security solution designed for wireless devices
- > Follow-on investments
- > Co-investors included JK&B Capital

VC Fund

Activities

Direct Investments: Fort Washington

EMN8 – San Diego, CA

- > Self-service solutions for quick service and fast casual restaurants
- > Follow-on investment
- > Co-investors included GRP

Earthstone International – Santa Fe, NM

- > Manufacturer of abrasives and agricultural growing media
- > Follow-on investment

Exagen Diagnostics – Albuquerque, NM

- > Engaged in the discovery and sale of molecular diagnostics
- > Follow-on investment
- > Co-investors included Tullis-Dickerson, Wasatch and vSpring

Novarra – Chicago, IL

- > Software infrastructure for Wireless Web applications
- > Follow-on investment
- > Co-investors included JK&B Capital

VC Fund

Activities

Direct Investments: Fort Washington

OpenPages – Waltham, MA

- > Provides compliance, enterprise governance, risk management and financial reporting automation software
- > Follow-on investment
- > Co-investors included Matrix, Charles River and Globespan

Touchdown Technologies, Inc. – Baldwin Park, CA

- > Manufacturer of parallel wafer probecards using MEMs technology
- > Follow-on investment
- > Co-investors included Adams Capital Management and Meritech

Exits: Fort Washington

Personal & Informatik AG – Wiesbaden, Germany

- > Human resources software and services provider
- > Company sold to 35 institutional investors in Europe and the US
- > Co-investor was Carlyle Europe Technology Partners

Trilogy Health Services – Louisville, KY

- > Co-investors included Salix Ventures, Frontenac and Blue Chip

Fund of Funds

Activities

Investments:

Fort Washington

Audax Private Equity Fund III, L.P. – Boston, MA

> \$1.0 billion mid-market buyout fund

Brentwood Associates Private Equity IV, L.P. – Los Angeles, CA

> \$400 million consumer-focused buyout fund

CincyTech Fund I, LLC – Cincinnati, OH

> \$10.4 million seed-stage venture capital fund

Corsair III Financial Services Capital Partners, L.P. – New York, NY

> \$1.5 billion financial services-focused buyout fund

Frazier Healthcare VI, L.P. – Seattle, WA

> \$550 million multi-stage healthcare venture capital fund

Fenway Partners Capital Fund III, L.P. – New York, NY

> \$750 million mid-market buyout fund focused on branded consumer products and transportation and logistics

Fund of Funds

Activities

Investments: Fort Washington

FTVentures III, L.P. – San Francisco, CA

> \$600 million growth stage venture capital fund focusing on companies serving the financial services industry

New Mountain Capital III, L.P. – New York, NY

> \$3.0 billion mid-market buyout fund

NGP Midstream & Resources, L.P. – Irving, TX

> \$1.5 billion energy infrastructure and resources fund

Shasta Ventures II, L.P. – Menlo Park, CA

> \$250 million IT-focused early-stage venture capital fund

Incubator

Activities

BIO/START

P2D Inc.

- > Drug treatments for depression, diagnostics and drug treatments for stroke and head injury
- > \$894,000 in SBIR Funding

PDS Biotechnology

- > Prevents and cures viral diseases and cancer
- > \$150,000 in SBIR Funding

Bexion Pharmaceuticals

- > Biologic product to treat a broad-range of cancers
- > \$145,000 in SBIR Funding

BIO/START

- > Life Science Catalyst and Community
- > \$1,575,000 Ohio Third Frontier Entrepreneurial Signature Program Grant 2007-2009
- > To provide risk reduction services to life science companies to enable pre-seed, angel, venture and strategic partner investments

Angels

Activities

Queen City Angels

TPG (Perseverance Technologies) – Cincinnati, OH

- > University student retention solution
- > Invested \$315,000

Xanthostat – Cincinnati, OH

- > Blood and fluid analysis technology
- > Invested \$100,000 in pre-seed round

HOPS Technology – Cincinnati, OH

- > Process improvement software
- > Invested \$75,000

TraDiCom – Cincinnati, OH

- > Next generation vending machine
- > Invested \$40,000 in follow-on round

Vyante – Indianapolis, IN

- > Market intelligence software
- > Invested \$290,000 in pre-seed round

C.H. Mack – Cincinnati, OH

- > Healthcare patient management solution
- > Invested in round led by Draper Triangle

Seed Syndication

Activities

Akebia Therapeutics

Cincinnati, OH

- > Cardiovascular drug development (IP licensed from P&G)
- > Founded by Triathlon Medical Ventures, Sigvion Capital, Joseph Gardner (P&G) and Robert Shalwitz (Abbott)
- > Launched with \$1.2M seed financing led by Triathlon with co-investors Blue Chip Validation Fund, CincyTech Fund, QCA First Fund and Tri-State Capital Growth Fund

iStatus

Cincinnati, OH

- > Hosted software platform for distributors
- > Launched with a \$650,000 seed financing led by Blue Chip Validation Fund with co-investors CincyTech Fund, QCA First Fund and various Queen City Angels

Zipscene

Cincinnati, OH

- > Creates localized content for media websites
- > \$1M seed financing led by CincyTech Fund with co-investors Blue Chip Validation Fund and a local angel investor