



Newsletters

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Wasatch Venture Fund First Quarter 2007 Newsletter

Wasatch's Newest Team Member: Geoff Woolley



Geoff Woolley joined Wasatch Venture Fund in 2006 as a Venture Partner. Geoff has worked as an entrepreneur most of his professional life. Mr. Woolley is the Founding Partner of both Dominion Ventures, Inc., and European Venture Partners ("EVP"). Over the past 25 years, Mr. Woolley has worked with over 300 emerging growth companies, including Bookham, Ciena, Xylan, Powersoft, Coinstar, Hotmail, Human Genome Sciences, Tivoli, and Vertex Pharmaceuticals.

Mr. Woolley currently serves on several University of Utah advisory boards. His board/chair positions at Dominion, EVP, MorAmerica Capital, University Venture Fund and Unitus Equity Fund bring strong deal flow to Wasatch. His company directorships include Brisk Heat, Hild Life Annuity, and SKS. Mr. Woolley received a B.A. in Finance from Brigham Young University and an M.B.A. from the University of Utah.

Q&A with Mr. Woolley:

1) You were one of the originators of the "venture leasing" concept. How did you develop this financing vehicle?

At Equitec Financial Group, Inc. I headed investments in a small team that pioneered venture leasing. Equitec owned a traditional leasing company that was performing poorly and needed to find a new direction. In assessing the quality of existing leases that were supposed to be A+ or better credits, I found two leases were actually with start-up companies. In visits to both of these start-ups, the leases had 50% letter of credits that required full cash deposit backing. Both companies proposed that Equitec release these deposits in lieu of options or warrants in the early stage companies. By removing these large cash collateral requirements and growing a portfolio of tense of emerging growth companies equity, management at Equitec, the idea was approved and the term venture leasing was coined.

After three years at Equitec I left to form Dominion Ventures, the first independent venture leasing fund that was raised from limited partners investing in traditional private equity. With very good success at Equitec, the largest fund raising challenge was not performance but my 24 years of age. In the end, Dominion's board was stacked with many gray haired legends from venture capital giving comfort to institutional investors.

2) How did you get acquainted with Wasatch Venture Fund?

I gained degrees in Utah from both BYU and the U of U. I was asked to lecture at the U's business school after a long absence from Utah and agreed to help give the U's Eccles business

Wasatch Events: Where We Have Been

Jan. 18-20: Kent, Todd, and Rachel attended the University Venture Fund Private Equity Summit in Salt Lake City, Utah. Kent was a keynote speaker on venture capital.

Jan. 22-23: Katie attended the Nanotech Investing Forum in Palm Springs, California.

Jan. 23-24: Katie attended the Cleantech Investor Summit in Palm Springs, California.

Jan. 31: Rachel attended the FundingUniverse Speedpitching Luncheon at the Miller Business Innovation Center in Sandy, Utah.

Jan. 30: Katie attended the Nano-Network of NM. Katie mced as chair of the Nano-Network. Jim Von Ehr, the CEO of Zyvex, was the featured speaker.

Feb. 6: Rachel attended the Life Science Angel Luncheon in Salt Lake City, Utah.

Feb. 6: Stephanie and Katie attended the Advisor Orientation Breakfast for the 2007 New Mexico Equity Symposium; they served as advisors for the event.

Feb. 7: Kent attended the Chamber of Commerce Giants in our Community Dinner, where Larry H. Miller was honored as a giant in the community, and the keynote speaker was John Stockton.

Feb.7: Kent attended the University of Utah's State of the School luncheon address; this address was for members of U of U's Business School Alumni Board.

Feb. 7-8: Todd and Rachel attended the Investor's Choice Reception and Conference by

school an entrepreneurial focus. Wasatch was a great supporter of the U's activities and a close relationship began with Kent, Todd and Nick. Over the last few years I've felt part of the Wasatch family.

3) What will be your role at Wasatch?

My role will be a Venture Partner and include making investments along with advising current portfolio companies. Over the last 25 years in the venture business, I have developed extensive deal flow from entrepreneurs, investors and friends. Wasatch is a good home to invest in some of these opportunities and added value to existing portfolio companies.

New Office Location and New Office Manager



With the new year, Wasatch has moved to a new office location: the newly renovated Zions Bancorporation building, just across the street from Wasatch's old office in Gateway Tower West. Wasatch's new address is:

1 South Main Street, 8th Floor
Salt Lake City, Utah 84111

Wasatch's phone number and fax number are still the same:

(P) 801-524-8939

(F) 801-524-8941

Wasatch has also gained another team member- Karli Thomas, the new office administrator. Karli has replaced Shauna Duke, Wasatch's office administrator of four years. We will miss Shauna, but we are excited to have Karli join the ranks and assist Wasatch in reaching its 2007 goals!

New Financings



TriCipher, Inc. \$15 million series C, lead by RBC Tech Ventures. Offers a software solution on an appliance that provides strong security to identity management systems.



LeftHand Networks Insiders Round, lead by JP Morgan and Sprout Ventures. LeftHand Networks pioneered the open iSCSI SAN market and is the only storage vendor to build enterprise-class SANs on industry-standard platforms. A key differentiator for LeftHand is its patented SAN/iQ storage clustering software.



Everdream Corporation Insiders Round, led by Rho Capital and Canaan Partners. Everdream

the Wayne Brown Institute.

Feb. 8: Michael attended the Utah Valley Entrepreneurial Forum.

Feb. 13: Katie attended Biomedical Tuesday, hosted by the NMBBA. Katie attended as a member of the NMBBA.

Feb. 16: Michael and Rachel attended the Mountain West Capital Network Entrepreneur of the Year Luncheon at the Little America Hotel in Salt Lake City, Utah.

Feb. 20-21: Stephanie attended the Venture in the Rockies Colorado Conference. She participated as a moderator of six companies during the conference.

[More ...](#)

Wasatch Events: Were We Will Be Next

Feb. 21-22: Todd and Stephanie will be attending the Invest Southwest Conference in Phoenix, Arizona. Stephanie is on the screening panel.

Feb. 23: Todd will be on the screening panel for the Stoel Rives Innovation Awards; nominations are due Feb. 23.

Mar. 2: Rachel will be attending the Rocky Mountain Voices Slopecast 2007, a social media and podcasting event.

Mar. 2-4: Rachel and Todd will be attending the 2007 Rocky Mountain Bioscience Venture Capital Meeting on the Mountain.

Mar. 8: Michael will be attending the Utah Valley Entrepreneurial Forum.

Mar. 15: Wasatch will be attending the Mountain West Capital Network Deal Flow Luncheon.

Mar. 22- Todd will be attending the Utah Governor's Economic Summit; he will be on the venture capital panel.

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Akimbo to Carry Yahoo Video Content

Akimbo Systems Inc., a video-on-demand service that uses the Internet to deliver shows to television sets, said Wednesday it inked a deal to bring video from Yahoo Inc. to its subscribers. Akimbo, a privately held company based in San Mateo, Calif., said viewers will be able to browse a regularly updated selection of Yahoo's popular videos, then watch the clips on their TV screens,

provides secure, web-hosted IT software-as-a-service that automates the tasks associated with PC management.



Exagen Diagnostics is an emerging leader in the discovery and development of practical prognostic genomic markers that enable physicians and patients to make better choices when treating serious diseases.

Portfolio Company Highlights



DivX, Inc. was named on [Forbes List of Top 5 IPOs of 2006](#). DivX is [currently valued](#) at \$767 million. DivX is a digital media format that puts the tools of digital expression directly into the hands of the people.

Since 1999, a global following has embraced DivX as a way to free digital video from the constraints of physical media. Today, DivX technology lets millions of people share in a vivid flow of events and ideas, projected through images that come alive to inspire, amuse, inform, educate and entertain.



Ragula Bhaskar: [Data Mining Success](#)- FatPipe's CEO gains recognition. Under Bhaskar's leadership, FatPipe's growth rate was more than 44 percent in 2004 and 33 percent in 2005. In 2006, his firm was ranked 381 in the Deloitte Technology Fast 500 survey of the quickest growing companies in North America and 64th in Mountain West Venture Group's survey of the top-100 fastest growing Utah companies.

Team Highlights



Kent Madsen gives speech at the University Venture Fund Private Equity Summit

Kent was a keynote speaker on venture capital at [University Venture Fund's Private Equity Summit](#) on January 19, 2007. UVF's website stated that UVF is an independent venture capital firm committed to improving the quality of entrepreneurial education for a diverse group of students at its participating universities. Each year UVF hosts the UVF Private Equity Summit, where business students from all over the country come to share best practices and learn from investment industry professionals. From panels on venture capital and entrepreneurship to

leveraged buyouts, to the basics such as liquidations and legal, UPES tackles all the issues in private equity today.



Katie Szczepaniak is elected onto the Board of Directors of the New Mexico Biotechnology and Biomedical Association

Katie was elected onto the Board of Directors of the NMBBA. Established over a decade ago, the New Mexico Biotechnology and Biomedical Association (NMBBA), works to support and develop the bioscience industry in New Mexico and El Paso, Texas. NMBBA's website stated that NMBBA strives to provide a forum for information exchange related to life science activities, develop initiatives to enhance small business success, provide education regarding the NM biosciences, help establish collaborations, and

publicize the bioscience industry.

THE NMBBA website also stated that NMBBA is managed by a Board of Directors through organizational planning, membership recruiting, meeting planning, marketing, and public

without extra charge. Video coming from Yahoo includes featured user-submitted clips selected by Yahoo editors and the most-watched clips of the week and of all time. [More ...](#)

Invest Southwest VC Forum Has CopperKey Inside

The Invest Southwest Capital Conference completed its search for the 13 most promising early-stage and emerging growth companies seeking equity capital in the region, and CopperKey made the list!

In late February, CopperKey will join the other 12 firms in making a presentation to a group of venture capital, private equity and angel investors. To get us and the other firms "in shape" for that event, Invest Southwest organizers have provided mentoring teams for each company made up of legal, operations and marketing experts experienced in helping firms raise capital. [More ...](#)

North Dakota State University Acquires DriveSafety Simulator to Study Mental Representations of Complex Visual Information

The Center for Visual Neuroscience at the Department of Psychology of North Dakota State University, Fargo, ND, has installed a DriveSafety DS-600c driving simulator with Q-Motion (tm) as a tool to help them study mental representations of complex visual information. [More ...](#)

AdOn Network Offers Advertiser Retargeting Option

AdOn Network, a leader in providing innovative keyword-targeted advertising solutions for advertisers and publishers, today announced the release of the Advertiser Retargeting feature which provides advertisers the opportunity to communicate to their customers after the customer has visited their Website.

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These Services Make Backing Up Your Files Safe And Inexpensive

Everybody understands that it's important to back up your computer. But few have the time or the discipline to do so. And that's why, when hard disks fail, computers are stolen or destroyed, or viruses corrupt data, so many important files are lost. You could, of course, automatically back up your files to an external hard disk, attached to your PC or to your home network. But that can get expensive, and it doesn't store your backup remotely, so any disaster at your home or office could also wipe out your backup drive. There's another method: backing up over the Internet to

relations. Networking activities include monthly Biomedical Tuesday luncheons. NMBBA further serves its membership of over 180 member and 100 device, diagnostics, bioinformatics and pharmaceutical companies by sponsoring key networking events, workshops, and conferences.



Stephanie Spong is elected to the Board of New Mexico Angels at their annual meeting

Stephanie is elected to the Board of New Mexico Angels at their annual meeting on January 24, 2007. New Mexico Angels was formed in the Spring of 1999 to invest in New Mexico-based high growth potential early stage and seed companies. (NMA was previously New Mexico Private Investors, Inc.; the name changed in 2006.) NMA's website stated that NMA is not a venture fund, and it does not make direct investments;

it does, however, serve as an intermediary between its members and potential investment opportunities. It's members make direct investments through the vehicle of NMA. NMA's members come from diverse business and investment backgrounds, enabling the members to be able to provide contacts, mentoring, and other assistance in growing businesses, including serving on boards and team building.

a remote server somewhere. This is automated and solves the location issue, but in too many cases it has been costly and complicated, usually with quotas on how much you can back up.

[More ...](#)

Diabetes Diagnostics; VeraLight's Bloodless Screening Device May Help Stem Global Diabetes Epidemic

A newly developed non-invasive, diabetes screening device was shown to outperform conventional blood tests, and may be ideally suited to detecting the more than 70 million individuals worldwide who have undiagnosed type 2 diabetes, according to research findings presented in Capetown at the 19th World Diabetes Congress of the International Diabetes Federation. [More ...](#)

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