



Inside This Issue

[Message from the Chair](#)

[Pre-Seed Support Services Program Launched](#)

[Seed Investment Fund Launched](#)

Investment Closings

[RemoTV Inc.](#)

[Ipsogen Inc.](#)

[Nufern](#)

[Premise Corporation](#)

[Retail Optimization Inc.](#)

[Stevens Proof of Concept Inc.](#)

[Two New Tenants Move into CI's Science Park Lab Space](#)

[In Review – Crossroads 2007](#)

[In Review – BIO International Convention 2007](#)

[Staff Spotlight - Suzanne Kaswan](#)

[Staff Spotlight - John Murphy](#)

[Event Calendar](#)

[Message from the Chair](#)



When I became chair of Connecticut Innovations in March of 2005, I knew that CI was a unique organization charged with creating a vibrant technology economy. I knew that the work being undertaken by the staff was important

to the long-term economic well-being of the State of Connecticut. I was prepared to see interesting deals come along and face the challenges associated with

[Pre-Seed Support Services Program Launched](#)

In early May, Connecticut Innovations launched the **Pre-Seed Support Services Program**. This new initiative is designed to help technology entrepreneurs at the earliest stage of a company's development, commonly referred to as "pre-seed."

The program will help emerging technology entrepreneurs by identifying the services they need, **identifying commercialization services**

available in the state and providing limited funding for those services.

CI's goal is to prepare companies for future investment by CI and/or private investors. The program offers coordinated access to business services such as intellectual property reviews, technology reviews, business plan development, business plan reviews, market feasibility analysis and associated market entry strategies, mentoring and educational seminars. CI will first seek to find a no-cost solution to the business needs through its partners and then consider purchased services, with cost-sharing expected on the part of the client.

To be considered under this program, prospective applicants must be Connecticut-based entrepreneurs or companies that have a pre-beta product; proprietary technology; sustainable competitive advantage; definable, addressable market; technology that, when developed, could be considered for later investment by CI and/or private investors; and domain expertise. Additionally, prospective applicants must be at a pre-Series A stage in raising capital.



[Seed Investment Fund Launched](#)

In May, Connecticut Innovations also launched the **Seed Investment Fund** and announced its first investment through the fund – up to **\$450,000** in **RemoTV Inc.** of Madison, Connecticut. (See details of this investment under Investment Closings.) This \$2 million fund was designed to help entrepreneurs get new, technology-oriented companies off the ground in Connecticut.

Through the Seed Investment Fund, CI provides financial assistance to technology entrepreneurs, filling a critical funding "gap" at the early, seed stage of a company's development. Non-bioscience companies in Connecticut that are in a pre-Series A stage of development and that meet certain other investment criteria may be eligible for assistance through the fund. Companies may request funding of up to \$500,000, to be structured using equity or near-equity instruments. This program was designed to complement the existing Connecticut BioSeed Fund of CI, which offers financial assistance to emerging bioscience companies.

growing high-risk companies. Since 2005, I've experienced all this. But recently, what I've really seen and experienced is real excitement. In fact, these past two months have been the most exciting since becoming chair.

During these two months, the CI investment team closed six deals – more than we closed during all of fiscal year 2006. These six deals bring our total number of investments for the year to ten. Five of the ten companies that we invested in were recruited from outside the state. Three companies moved to Connecticut from other states; one moved from another country; and one established its North American headquarters in Connecticut. The investments range from a seed-stage investment to several follow-on investments and span the entire technology spectrum, thereby expanding the breadth of CI's portfolio.

So, you can see why I view this as such an exciting time. Not only are we making investments that allow Connecticut companies to grow here, but we are directly impacting the state's economic well-being by bringing new companies and jobs to the state. And there is more to come. CI's deal pipeline is the strongest it has been in over ten years. Currently, we have 35 companies in the pipeline that include both Connecticut, out-of-state and international opportunities. Forty percent of the companies in the pipeline are information technology companies and 35% are bioscience or medical device companies. The balance come from a variety of other technology sectors.

CI was the lead sponsor of Crossroads Venture Fair, the region's largest venture fair for early-stage companies. Held in Stamford, Crossroads attracted 66 presenting companies, many of which are of interest to CI. We also co-sponsored the Connecticut pavilion at BIO2007, held in Boston in early May. With over 22,000 attendees and over 1,900 exhibitors, this was a premier international event at which CI was able to showcase its unique value proposition. Our investment team made many valuable contacts, including several exciting international contacts that will likely generate investment opportunities in the future.

So, stay tuned. CI has had a banner investing year and there is much more excitement to come. The citizens of Connecticut should be proud that they have such an effective organization leading the growth of technology in the state.

Investment Closings

Two "Firsts" for CI . . .

First Investment under Seed Investment Fund: RemoTV Inc.

In May, Connecticut Innovations completed its first investment under the newly launched Seed Investment Fund: an investment of up to **\$450,000 in RemoTV Inc.** of Madison, Connecticut.



RemoTV has developed a cellular entertainment platform that will stream PC-based audio and video content to multimedia cell phone users for free, while enabling users to share user-created content. This unique technology will allow cell phone users to access their media from anywhere; create their own channels or play lists; watch and listen to custom content created by users worldwide; and create group channels with family and friends. In short, the system will offer users a way to publish, share and manage multimedia content over cellular networks. The system incorporates the best of social networking and video publishing for the cellular phone audience and is unique in providing a platform for user-created content. It will also be one of the first cellular video services to be offered for free.

"We are pleased that RemoTV is the recipient of our first investment under the Seed Investment Fund," said Peter Longo, CI deputy director and executive vice president. "Our interest in early-stage investing is stronger than ever and we are demonstrating that interest by investing in exciting new companies like RemoTV." Longo added, "We were impressed by RemoTV's technology, which offers the ability to stream video and music from your personal home computer to your cell phone – or the cell phone of your friends and family – for free. It is an exciting step towards a truly 'connected' environment."

First North American Headquarters of Foreign Corporation to be Set up with Assistance from CI

In May, Connecticut Innovations completed an investment of **\$500,000 in Ipsogen Inc.** of Windsor, Connecticut. This was the first instance of CI helping to establish a subsidiary – the North American corporate headquarters – of a foreign corporation in Connecticut.



Ipsogen Inc. is the North American subsidiary of Ipsogen SAS (Ipsogen), a corporation located in Marseille, France.

While the French parent company was formed in 1999, its North American subsidiary has just decided recently to expand its U.S. headquarters in Connecticut.

Ipsogen is a life science company focused on the development and commercialization of molecular diagnostic tests that help oncologists determine the effectiveness of cancer treatments and guide therapeutic options. The company offers a full range of innovative molecular diagnostic products that are utilized by physicians to manage leukemia, a disease affecting 100,000 new patients per year in developed countries. Ipsogen is also developing tests that will be useful in monitoring the treatment of other forms of cancers, like breast cancer. The company's products are sold to clinical laboratories and hospitals worldwide.

"We are excited to have played a role in attracting a European-based biotechnology company to set up its North American headquarters in Connecticut," said Peter Longo, deputy director and executive vice president of CI. "We look forward to seeing Ipsogen prosper here." Longo continued, "With its strong core of early-stage bioscience companies, established pharmaceutical companies and university research laboratories, Connecticut is an attractive location for bioscience companies and researchers. Ipsogen

Elaine Pullen
Chair, Board of Directors
Connecticut Innovations

Two New Tenants Move into CI's Science Park Lab Space

This spring, Connecticut Innovations was successful in leasing the unoccupied portion of its 10,600 square feet of transitional laboratory space at 25 Science Park in New Haven. Two new tenants, each leasing 2,300 square feet, have helped to fill that space. They are **Cheminforma, LLC**, a startup drug discovery services company formed recently by two former Bayer scientists, and an innovative **glaucoma treatment company**. They join existing tenant **Matrix BioAnalytical Laboratories**, a company providing analytical laboratory services for the pharmaceutical industry.



The 10,600 square feet of space at Science Park that CI manages is designed to accommodate startup biotechnology companies on either a short- or mid-term basis. The fit out of this space was funded through CI's BioScience Facilities Fund, and the space now serves as a resource to biotechnology companies seeking transitional wet laboratory space. This space is one component of the BioScience Facilities Fund, which provides financial solutions to qualified biotechnology companies for the construction of wet laboratory and related space.

In Review – Crossroads 2007

On May 1 and 2, Connecticut Innovations took part in the **14th annual Crossroads Venture Fair**, presented by the Connecticut Venture Group. Once again, CI took on the role of lead financial sponsor. The event, which took place at the Marriott Hotel in Stamford, Connecticut, featured **presentations by 66 early- to late-stage companies** focused on IT, bioscience and diversified technologies. These companies were seeking a total of \$200 million – in amounts ranging from \$250,000 to \$30 million – and were able to “pitch” to an

has recognized these assets, and we are fortunate to have the opportunity to foster the company's ongoing innovation and growth here in our state.”

“Ipsogen is extremely excited about having Connecticut Innovations on board as a strategic partner to help the company in the development of its U.S. operations from Connecticut,” said Vincent Fert, founder and chief executive officer of Ipsogen. He adds, “The entrepreneurial spirit of Connecticut Innovations’ team, focused to attract and help international biotechnology projects, fits well with our U.S. strategic plan to become a worldwide leader in the molecular diagnosis of cancers.”

CI Invests \$151,427 in Nufern

In May, Connecticut Innovations made an investment of **\$151,427 in Nufern** of East Granby, Connecticut. CI's investment was part of a \$2.5 million investment round also involving Lightspeed Venture Partners, Lake Street Capital, Axiom Venture Partners, HRLD Venture Partners, Storm Ventures and Jolimont Ventures. This funding round will carry the company to a larger equity investment round later in the year.



Nufern, founded in 2000, is a leading innovator in the design and manufacture of specialty optical fiber and fiber lasers and amplifiers for a diverse range of industries. With over 100 standard and 300 custom fibers, engineering expertise in the area of optical fiber integration, and a process optimized for repeatable high quality, Nufern is committed to enabling customers and advancing the field of photonics. Many of the company's products are incorporated into lasers and amplifiers that, in turn, are used in advanced defense applications and in many industrial marking, cutting and welding applications. Nufern has capitalized on a growing market interest in fiber lasers and its own competitive strengths – a strong intellectual property portfolio, skilled team and world-class 60,000-square-foot manufacturing facility – to become a leading supplier of fiber, fiber laser and amplifier products.

“The Nufern team has made tremendous strides in growing this company over the past two years,” said Peter Longo, CI deputy director and executive vice president. “We are pleased to be able to help Nufern accelerate its growth by participating in the current funding round. And we are excited by the future prospects of the company. Its specialty fibers are unique and could render the company's technology disruptive in the marketplace – which could result in significant returns to Nufern and the state down the road.”

Nufern President and CEO Martin Seifert commented, “Nufern greatly values the key contribution made by Connecticut Innovations in helping Nufern to significantly expand its operations in Connecticut to serve customers in the fast-growing fiber laser market.”

CI Invests \$1.3 Million in Premise Corporation

In April, Connecticut Innovations completed an investment of **\$1.3 million in Premise Corporation** of Farmington, Connecticut. CI's investment was part of a \$6.3 million Series B round also involving Aetna Ventures, LLC, Milestone Venture Partners LP, Inflection Point Ventures LP and other investors.



Premise Corporation is a healthcare information technology company that provides intuitive and clinically focused Patient Flow Solutions to the healthcare industry. The Premise solution can transform manual, fragmented processes into fast, automated workflows. Premise delivers innovative patient flow and business intelligence solutions that optimize patient flow, streamline bed management, increase hospital capacity, accelerate bed turnover and leverage complex data on demand.

Peter Longo, CI deputy director and executive vice president, stated, “We are

audience that included 95 investors. All told, the event attracted about 450 attendees.



On the second day of the event, **CI hosted a special session entitled "New Services and Funding Resources,"** at which CI discussed its two newly launched initiatives – the Seed Investment Fund and the Pre-Seed Support Services Program – as well as other well-established CI initiatives.



Charlie Moret, Connecticut Innovations' managing director of business development, speaks at the CI session "New Services and Funding Resources."

Crossroads continues to be an important event that provides entrepreneurs the opportunity to gain essential visibility in the investment community. The Crossroads tradition will continue April 29-30, 2008. Save the date!

In Review – BIO International Convention 2007

The 2007 **BIO International Convention** took place May 6-9 at the Boston Convention and Exhibition Center. With a record 22,366 attendees from 48 states and 64 countries and over 1,900 exhibitors, this event has become the world's largest gathering of biotechnology leaders and companies. This year's theme was "New Ideas. Bold Ventures. Global Benefits."

pleased to be participating as an investor in Premise's latest round of funding." Longo continued, "The company has a number of key strengths that attracted our attention early on. First, its management team includes two individuals previously affiliated with former successful CI portfolio companies. Second, its technology is timely and fills a critical need in the marketplace. And, third, the company has been successful in attracting a number of 'blue chip' customers like Hartford Hospital, Yale-New Haven Hospital, Massachusetts General Hospital, The Cleveland Clinic and UCLA Medical Center. We hope to see the company continue to grow and make an impact in the healthcare arena."

"This significant investment reaffirms we're on the right track to satisfy growing demands for our solutions and to capture significant market share," said Eric Rosow, co-founder and chief executive officer of Premise. "This backing allows us to continue to provide innovative, best-in-class applications by accelerating our strategic growth plans and expanding our solutions roadmap. We look forward to working with Connecticut Innovations and our other investors as we continue to build a world-class software company serving the healthcare industry."

CI Invests up to \$1 Million in Retail Optimization Inc.

In April, Connecticut Innovations completed a Series A investment of up to **\$1 million in Retail Optimization Inc.** of New Haven, Connecticut.



Retail Optimization Inc. offers an Internet-based optimization solution to both retailers and consumer packaged goods (CPG) manufacturers. The company's proprietary Total Store Optimization software applies next-generation marketing science and predictive analytics to enable retailers and CPG manufacturers to determine optimal category space, location, product selection and inventory investment to maximize financial performance while improving the consumer shopping experience. The goal of this software – and ultimately of the retail channel – is to predict demand at the storefront and use that prediction to optimize the consumer interface to the retail supply chain for best performance. By enabling retailers to effectively plan space, layout, assortment and inventory storewide, the software creates a more efficient operating environment for users in which inventory investment and out-of-stocks are minimized; product positioning is tailored to customer preferences; new product failures are reduced; and sales and profits are increased. Retail Optimization is led by an experienced management team that has been successful in executing similar business models in the retail industry.

"By serving as Retail Optimization's first institutional investor, CI is fulfilling its mission of assisting entrepreneurs when they have the greatest need for our assistance – at the earliest stages," said Peter Longo, CI deputy director and executive vice president. "We are investing in a cutting-edge company that is filling a critical but underserved niche in the retail software market. Demand for its solutions is keen, as demonstrated by their rapid adoption by companies such as Coca-Cola, Kraft and Meijer, among others." Longo added, "We are delighted to play a part in the company's growth and equally delighted that the management of Retail Optimization decided to locate the company in Connecticut."

"We are extremely pleased with our interaction with Connecticut Innovations," said Retail Optimization president Vaughn Roller. "CI typifies the value-add investor, which brings so much more than capital to the table. CI has brought an operational understanding of the enterprise software business and a set of key business relationships which Retail Optimization has been able to leverage immediately."

CI Invests \$500,000 in Stevens Proof of Concept Inc.

In March, Connecticut Innovations completed a seed-stage investment of **\$500,000 in Stevens Proof of Concept Inc. (SPOC)** of Stamford, Connecticut. CI made this investment through its





Members of the Connecticut Innovations team take a break for a photo at the Connecticut pavilion. From left to right they are: Pauline Murphy, director of investments; Kevin Crowley, director of investments; Gladys Rivera, marketing manager; and Matthew Smith, managing director of investments.

Complementing BIO2007's technical, business and policy sessions were keynote addresses by Michael J. Fox, who spoke about "Driving the Development and Availability of Novel Therapeutics" and Her Majesty Queen Noor of Jordan, whose presentation was entitled "Biotechnology and Its Impact on Global Health."

Connecticut Innovations participated in BIO as an exhibitor in the Connecticut pavilion, along with CURE, DECD, Connecticut bioscience companies and leading research universities. Here attendees were able to learn how the state supports bioscience companies, entrepreneurs and researchers. Key exhibit messages included Connecticut's easy access to capital, generous incentives and friendly environment.

CI also served as the sponsor of the opening-day panel session entitled "Dos and Don'ts of Biotech Start-ups." Over 200 people attended this session, which featured speakers Harry Penner, Jr., chairman and CEO of CI portfolio company Marinus Pharmaceuticals Inc., and Steve Bloch, MD, venture partner with Canaan Partners.



As part of CI's outreach, recruitment and

Connecticut BioSeed Fund.

SPOC was formed in July of 2005 at Stevens Institute of Technology, Hoboken, New Jersey, by its University Research and Enterprise Development office along with Dr. Norman Marcus, a leader in pain management, and Stevens undergraduate students in biomedical engineering. SPOC has developed a proprietary point-of-care medical diagnostic system, consisting of a medical device and methodology that pinpoint the specific myofascial (muscle) trigger points causing pain. The patent-pending device is the first use of electroneural stimulation for diagnostic purposes. SPOC's diagnostic system will benefit patients by helping to eliminate treatments that prove to be ineffective, such as surgical procedures, and by allowing physicians to more effectively locate and treat muscles that generate pain.

Since approximately 100 million people in the United States suffer from chronic pain and approximately 80% of Americans suffer from some form of pain in their lifetime, the potential market for such a system is enormous.

"We are very excited to be investing in a company that has developed a tool that allows for a revolution in the accuracy and precision of muscle pain diagnosis," said Peter Longo, deputy director and executive vice president of CI. "And we are delighted that the management of SPOC, whose technology was developed at the Stevens Institute of Technology in New Jersey, has decided to locate the company in Connecticut." Longo added, "We hope that SPOC's diagnostic tool will become as common as the stethoscope and that all doctors will carry one in their pocket."

"SPOC's diagnostic device is disruptive – it will revolutionize neck and back pain diagnosis and treatment practices," said Dr. Helena Wisniewski, vice president of University Research and Enterprise Development at Stevens Institute of Technology, who launched SPOC and serves as a member of the board. Wisniewski added, "We are very pleased to enter into a relationship with CI, an organization committed to commercializing technologies for the public good, which is aligned with Stevens' Technogenesis® paradigm."

SPOC chief executive officer Dr. Vikki Hazelwood said, "The entrepreneurial environment within Stevens has fostered a very successful collaboration between Stevens' biomedical engineers and Dr. Marcus. Now, with the financial support from CI, I am confident that we have extremely solid footing upon which we can commercialize the product."

Staff Spotlight – Suzanne Kaswan



Connecticut Innovations' 40 employees, as well as new hires, will be the turf of **Suzanne Kaswan**, who recently joined CI as the **human resources manager**. In this role, she will be involved in a full range of human resource functions including recruitment, training and employee relations.

In addition to the general human resources function, Suzanne's specific initiatives are to develop career series for the jobs at CI, to revise and update the employee handbook, to streamline the training process, and to assist in improving the performance management process.

Suzanne stated, "I am excited by the challenges of my new position. I look forward to the opportunity to put effective human resources systems in place that will benefit the employees of CI."

Suzanne brings to CI 16 years of experience in the human resources field. Previously, she worked at the Department of Administrative Services as a human resources consultant. She also has done consulting in the private sector in the areas of recruitment, classification and compensation.

Suzanne earned a bachelor's degree in English from the University of Connecticut.

technology transfer effort, on May 7 CI jointly sponsored a reception with Boston University (BU). BU alumni attending BIO2007 were invited to meet with CI staff members to hear about CI initiatives relating to bioscience and why Connecticut is an attractive place to consider relocating a bioscience company or developing a new business. The reception proved to be worthwhile and well-received with 137 in attendance.

One additional highlight of the event occurred on May 8. Late that afternoon, visitors to the Connecticut pavilion were treated to a wine and cheese tasting reception that featured wines from Chamard Vineyards of Clinton, Connecticut, and cow and sheep cheeses from Sankow's Beaver Brook Farm in Lyme, Connecticut.

BIO 2008 will take place June 17-20 in San Diego, California. Save the date!

Staff Spotlight – John Murphy



Connecticut Innovations' expanded, improved and redesigned website is just one of the many projects that **John Murphy, marketing manager**, has worked on for CI. Many of the graphics

you see in CI and Connecticut Clean Energy Fund newsletters, presentations, printed materials, advertisements and electronic communications are also his handiwork.

John joined CI in 2004. In his role as marketing manager, John is responsible for a broad range of marketing efforts, including website development, collateral material design, marketing communications, public relations and market research. Prior to joining CI, John developed his hands-on marketing skills over the course of 16 years with Integrated Industrial Systems, a machinery engineering and manufacturing firm in Yalesville, Connecticut.

John said, "I really enjoy my marketing work at Connecticut Innovations and the Connecticut Clean Energy Fund. My job requires both creativity and technical knowledge that provide unique challenges on a daily basis."

John holds a bachelor of science degree in communications from Eastern

Event Calendar

Date	Event	Location
June 6	Connecticut Venture Group Tech Transfer Conference	UConn Avery Point - Groton, CT
June 19-20	Connecticut Center for Advanced Technology - The Future of Manufacturing Is Innovation 2	Pratt & Whitney Air Museum - East Hartford, CT

For a complete details of these and other events, please visit the [Events page at www.ctinnovations.com](http://www.ctinnovations.com)

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Connecticut State University. In his spare time, John enjoys playing the drums in a band that travels to entertain audiences and gatherings statewide.

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