



The New Enterprise Forum

Entrepreneur's Link to Resources

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www.newenterpriseforum.org

NEF Stakeholder Members



In the news...

NEF Entrepreneurs

Jennifer Baird, frequent Showcase Presenter to NEF in her various CEO/COO gigs at Sonetics Ultrasound Inc. (June 2003), Medcard (January 2004), and Accuri Instruments (October 2005) recently took the CEO reins at Accio Energy, an Ann Arbor start-up that is developing a wind-energy device that generates electricity but has no moving parts. Previous CEO, Dawn White, will stay with the firm as President and CTO. The company is preparing to seek venture funding to support technical development.

The device is described as “aerovoltaic” meaning that it uses wind to separate electrically-charged water particles and generate an electrical current, in somewhat the same way that electrical charges build up in a cloud during a thunderstorm and lead to lightning bolts.

Baird will continue to serve as CEO of Sonetics part-time. EDF Ventures’ Mary Campbell (founding member and Secretary of NEF) chairs the Accio Board of Directors. The Principals

See Entrepreneurs, Page 2

Upcoming Events

GLEQ News

“Making It In Michigan”

MSU Product Center Conference

Tuesday, October 26; 8:30 a.m. - 4 p.m.

Lansing Center, Lansing.

Michigan’s premiere specialty food show.

Keynote Speaker: Harvey Hartman, Founder/CEO, The Hartman Group, Inc.

Bring your idea to the “Developing It” session or attend educational sessions on recipe expansion, choosing the right co-packer, improving overall food safety, marketing, and finding the ideal customer for your product. For more info or to register, visit www.productcenter.msu.edu/

See GLEQ, Page 2

October Program

Ideas for Bootstrapping Your Business

You may have a business idea that can be launched with minimal capital, side-stepping involvement (at least for a while) of outside investors. Hear from our meeting panel some ideas for getting your venture off the ground and growing to the next stage.

The Panelists



Anik Ganguly of GAIN Group, LLC, invests in technology companies in SE Michigan. He was the CEO of a Southfield-based Enterprise Software company that grew to \$10M in sales in five years and was sold to Open Text Corporation (NASDAQ: OTEX). As the Executive VP, Products, he was instrumental in the growth of Open Text from \$23 million to \$415 million in sales over eight years through a combination of acquisitions and organic growth. His portfolio includes companies in digital marketing and enterprise software and he specializes in helping companies bootstrap.

Tim Damschroder, Bodman Longley & Dahling,

has worked with hi-tech companies at all stages of development, from start-up to acquisition or sale, and has assisted them through all types of growth transactions, from securing intellectual property to venture capital financing. He represented Accuri Cytometers in several venture-backed equity transactions totaling \$27 million over the last several years, with local participating venture firms including Baird



See Oct. Program, Page 2



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Sept. Program, Cont. from Page 1

Venture Partners, Arboretum Ventures, and Michigan Growth Capital Partners. For more information, visit www.pbdi.org.

Ned Staebler, recent candidate for State Representative in the Michigan House 53rd District, was previously Vice President of



Commercialization Board. Prior to that position, Ned was an Associate Director at Bear Stearns International Limited in London, England, where he traded proprietary derivative portfolios.

Entrepreneurial and Capital Services at the Michigan Economic Development Corporation. At MEDC he was responsible for the oversight of the Michigan Strategic Fund Board and the Strategic Economic Investment and

Showcase Presentation

Also on the program is a 10-minute presentation by SendGCash.com (Presenter Bill Clark). The Company is entering the International Money Transfer business (think Western Union) and will fill a niche for customers seeking a less expensive method of sending money to their friends and families. The firm's initial target market is the Philippines. The NEF Coaching Team for this presentation included Diane Durance (content lead), Lanny White (lead), Miche Suboski, Tim Streit, Lauren Bigelow, and Ed Clarke.

As always we will have great networking, hors d'oeuvres, and Open Forum, a segment in which we pass the mic for audience introductions. Hope you'll plan to join us on Thursday, October 21!

Entrepreneurs, Cont. from Page 1

presently hope to have the firm's manufacturing done in Michigan, using "the same machinery process, plants, and labor that are under-utilized today in our automotive industry," Baird said.

EDF Ventures (Founding Principals are all Founding NEF members) has celebrated two successful exits for portfolio companies in the last 24 months: HandyLab and most recently, Arbor Networks. These two, and a third such success story, that of HealthMedia (acquired by J&J in 2008), were recently cited as prime examples of the importance of U-M Tech Transfer Office licensing agreements in stimulating economic development, which is at record levels this year, according to Executive Director Ken Nisbet (former NEF Board member).

Become a Member

- Stakeholder \$500
- Corporate \$275
- Individual \$100
- Student \$25

For details of category benefits and payment of membership fees, visit www.newenterpriseforum.org

Join Our Program Committee*

All are welcome!

8 a.m., Workantile*

118 South Main, Ann Arbor

Enter through Mighty Good Coffee.

Address questions about Program Committee or becoming a Showcase Presenter to Committee Chair, Diane Durance, at diane@gleq.org.

*Our next Program Committee meeting is **Thursday, Oct. 28.**

GLEQ News, Cont. from Page 1

MichBio Expo

Tuesday and Wednesday, October 26-27 Marriott at Eagle Crest, Ypsilanti, MI. The largest single gathering of biosciences professionals in the state, attracting 530 participants and 57 exhibitors last year.

Day One

Michigan Emerging Biosciences Showcase. Biosciences companies present to an audience of venture capitalists, angel investors and institutional investors.

Day Two

Breakfast Policy Forum
Concurrent Track Sessions on Pharma, Medical Devices, Bio-based Technology, and Emerging Business topics.
Keynote speakers include Dr. Jeffrey E. Shuren
For more info or to register, visit www.michbio.org/eventcalendar/2010-10

TIECon Midwest Business Karma 3.0

Create, Connect, Collaborate
October 28 and 29, 9 a.m.- 10 p.m.
The Henry Ford, 300 Town Center Dr., Dearborn, MI.
For more info and a complete agenda, visit www.tieconmidwest.org/agenda
Register at www.tieconmidwest.org or www.detroit.tie.org

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LAST MEETING HIGHLIGHTS

Showcase Presentation

Local Orbit
Presenter, Erika Block

The Company is developing a system that will facilitate the connection between local food growers and restaurants, markets and consumers. Presently, the demand for locally-sourced food is exploding, yet methods of finding and purchasing local food remain limited. Communications between the industry players are inefficient, and online markets and services are inadequate.

Local Orbit's web platform adapts innovations popularized by Amazon and eBay to the needs of local food chains, making it easy for farmers to track inventory, tell their product stories, market their products, communicate with buyers, and manage direct sales. The revenue stream derives from two sources: the primary stream from a transaction commission paid by sellers, and a secondary stream from annual buyer membership fees and sales of data about local food markets. The beta version of the Local Orbit software is presently being tested in three markets: farm-to-restaurant (Ann Arbor), consumer hub model (Brooklyn, NY), and institutional ordering for school districts (Benzie County, MI).

Funding to date (\$95K) has stemmed from founders, angels, prize money, and a SPARK micro-loan. The Company is seeking \$1.5M for operations and staffing, management personnel (VP of Tech, Marketing Director, and CFO), software development, and marketing. Learn more at <http://localorb.it/sell-local/sell-local.php>.

Open Forum

Entrepreneurs

ThingstoTeach, Inc.; Ben Sayer (734/358-2781)

Company provides information products and web-based software as a service for genealogists. Seeking marketing advice.

Talent Available

Narnt Shch (248/348-7236)

Engineering development consultant in medical information and other fields for imaging and recognition technology. Seeks contacts.

Spiral Synthesis; Debra Christein (734/223-8185)

CFO for hire. Company provides financial management services for second-stage companies.

Stunning; Andy Ross (734/994-4288)

Company provides web and graphic design focusing on the innovative start-up company.

To have your company's resource or talent needs published in this space, please fill out a Business Introduction Form, available on the literature table at our meetings, and return it to a Board Member. Or mail to: New Enterprise Forum; 115 West Huron, Third Floor; Ann Arbor, MI 48104.

Featured Speakers

"Due Diligence Is Not for Sissies!"

Panel:

David Parsigian,
Honigman Miller Schwartz and Cohn LLP

Andy McColm, Early Stage Partners

Mahendra Ramsinghani, First Step Fund

Moderator:

Ted Dacko, Arbor Dakota

Our panel offered lively, from-the-trenches stories of preparing to do, doing, and surviving the undoing of the due diligence process.

First piece of advice to all entrepreneurs: Prepare for a due diligence review from the beginning. i.e., create and keep good records of **everything**. Then, as a daily practice, make both organization and honesty a habit (do not embellish "creatively" in the business plan, resumes, communications of any kind). Extend these practices beyond the obvious financial transactions to operational and relational ones as well: organizational structure, Board meetings, advisory relationships, taxes, IP protection; licenses, product development, customer relationships, contracts, etc.

During due diligence, IP is looked at especially closely to ascertain that you do, indeed, own what you say you do. This requires documentation from licensing institutions stating the rights and relationships they retain, if any. Be ready at any time to provide such documents -- and beware: Omissions and/or oversights may cause a "walk back" by an investor. Certainly, the laxness will prove to be a nightmare for your legal team. Missing items or facts that don't jibe can scuttle a deal entirely. Even at the end of long scrutiny, deals routinely require money placed in escrow to guard against "surprises" after the sale.

Despite the panelists' many warnings, they emphasized that simple, conscientious, complete record-keeping and basic business integrity (written, spoken, and intended) are the best preparations for a smooth due diligence process -- and a more profitable outcome!

THANK YOU!

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The New Enterprise Forum reviews business plans to determine the readiness of entrepreneurial ventures for presentation to the group. No independent investigation of claims or representation is made. Applicable securities laws place certain limitations on the manner in which an offer to sell securities may be made and on solicitations and advertisements to sell securities. Failure to comply could result in the loss of the private offering exemption. The New Enterprise Forum can assume no responsibility for the form or content thereof.

NEXT MEETING: Thursday, October 21, 2010 "Bootstrapping Ideas for Your Business"

Showcase Presentation

SendGCash
Bill Clark, Presenter

The Company is entering the International Money Transfer business (think Western Union) to fill a niche for customers seeking a less expensive method of sending money to friends and family. Target initial market will be the Philippines.

Panel

Anik Ganguly, GAIN Group, LLC

Tim Damschroder,
Bodman Longley & Dahling, LLP

Ned Staebler, MEDC

Get some ingenious tips on bootstrapping your firm to the next level of growth from experts who've seen it done successfully in many unusual ways!

Open Forum

Brief turn at the mic to introduce your business, marketing strategy, and present resource needs.

Meeting Sponsor

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Holiday Inn North Campus • Plymouth Road at US-23 • Ann Arbor, MI
Registration and networking begin at 5:00 p.m., program at 5:45 p.m.
Non-members \$20 at the door; students \$5



New Enterprise Forum
115 W. Huron at Main, 3rd Floor
Ann Arbor, MI 48104
October 2010

Inside:

- ✓ **October Program: "Bootstrapping Ideas for Your Business"**
- ✓ **NEF Entrepreneurs in the News**
- ✓ **GLEQ News**
- ✓ **Last Meeting Highlights**
- ✓ **Get Involved in NEF!**

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