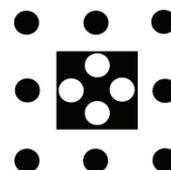


The New Enterprise Forum



The Entrepreneur's Link to Resources

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www.newenterpriseforum.org

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inner circle media



Hutchins Crang Marketing Communications



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Catching up with... NEF Entrepreneurs

In the news....

ERT Systems

The Company recently received \$126K through the Michigan Pre-Seed Fund, with Ann Arbor SPARK as the conduit. This funding matches the company's initial \$126K friends-and-family seed round, and will be used primarily for sales/marketing. ERT's product, Onsite ERT (Emergency Resource Tracking), uses a GPS-like system to provide a complete view of the emergency operation in real time, allowing, for example, a fire chief to know where his equipment and personnel are by using lightweight tags and a fast IT system that transmits the information on rugged laptops.

Founded in 2006, ERT quickly distinguished itself by winning various business community awards, including NEF Best Presentation and the GLEQ Business Plan Competition. Throughout 2007, it built market acceptance, implementing the system in several Michigan townships and Dayville, CT. They recently signed the cities of Ann Arbor and Frankenmuth. Together, these customers provide a revenue stream of more than \$5M. ERT has also begun marketing in national trade publications and shows.

See Entrepreneurs, Page 2

May GLEQ Events

The Spring Cycle of the GLEQ Business Plan Competition closed registration on Friday, April 18 with a record-breaking 79 companies registered to participate, a tremendous increase over last Fall's 47 registered companies. GLEQ will announce the winners of the Competition on June 12 at the MSU University Club in Lansing.

See GLEQ, Page 2

May Meeting Topic 2nd Annual Battle of the Elevator Pitches

It's our Second Annual Entrepreneurial Improv! And the "trash talk" has already begun! During this wild event four entrepreneurs compete to

present the best pitch for an imaginary, offbeat company -- with almost no time to prepare. Just before the event, our combatants will be given 30 minutes to review a "business plan" before giving a 3-minute pitch to a panel of investors -- and the audience. Last year, **Dick Beedon** delivered an energetic performance to raise funds for "You Need a Thneed, Inc." the near-extinct industry of Dr. Seuss's "The Lorax" (See video at www.youtube.com/newenterpriseforum).



Dick Beedon
2007 Champ

The Challengers



Ron Reed

This year's Challengers are: **Ron Reed**, Founder of Fullscope, an investor and entrepreneur; **Rich Sheridan**, CEO of Menlo Innovations, a software development firm; and **Roger Newton**, Founder of Esperion and co-discoverer of Lipitor.



Roger Newton



Rich Sheridan

See May Meeting, Page 2



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Get Involved in NEF!

Become a Member
(Visit www.newenterpriseforum.org)

*Our next Program
Committee meeting
is Thurs., May 22.

Join Our Program Committee

8 a.m., Ann Arbor Area Chamber of Commerce, 115 W. Huron at Main,
3rd Floor, Ann Arbor, MI 48104 • 734/665-4433 • FAX: 734/665-4191

Address questions about Program Committee or becoming a Showcase Presenter to
Committee Chair, Gerry Roston, at gerry@pairofdocs.net.

May Meeting, Cont. from Page 1

Judges and Special Guests

Our judges, Pete Farner of T-Gap Ventures; Michael Cole, Bank of Ann Arbor; and Mina Sooch of Apjohn Ventures, have many years' experience hearing pitches from fund-seeking entrepreneurs, but these will probably be the whackiest yet! Nonetheless, performances will be judged by strictly business-like standards: Does the pitch tell the story compellingly, is the opportunity likely to make money, and can the principals be trusted to behave professionally and meet agreed-to milestones? Well, the judges will probably have to forget that last one, but....

Keeping relative order throughout the proceeding will be Dr. David Brophy, fresh off two-days of pitches at the Michigan Growth Capital Symposium -- and helping to enliven the whole show will be Eleni Kalakos, whose coaching frees the reticent to deliver over-the-top performances. Oh, my!



Eleni Kalakos

Showcase Presentation

Also on the program will be a 10-minute pitch from DevHive, which is bringing to market a novel method for building custom software applications. They will cover their marketing strategy, business model, and present resource needs.

As always, our meeting offers great food and much productive networking. Because our meeting this month follows the serious fun of the Michigan Growth Capital Symposium, many from that event will join our audience; so expect lots of new faces and renewed contacts with those we don't see too often.

Please plan to join us on May 15th at the Eagle Crest for a wild and wonderful event!

Entrepreneurs, Cont. from Page 1

Aastrom Biosciences Inc. (Founder Doug Armstrong, NEF Entrepreneur of the Year 1998, Showcase Presenter 9/93), a regenerative medicine company, had "positive results" with its first two "compassionate use" patients treated in Germany with Aastrom's stem cell therapy for severe chronic heart failure. Aastrom's process uses a patient's own cells to make products treating chronic vascular, cardiac, bone, and nerve tissue diseases and injuries. For more information, visit aastrom.com or call 734/ 930-5555.

Five-Year Update...

Our meeting topic in May 2003 was "How to Tell It; How to Sell It," featuring Ron Reed, investor and entrepreneur, who shared strategies he used to obtain funding for Fullscope, Inc. of Ann Arbor. His advice continues to ring true today:

1. Reach targeted sources via introduction, not a mailed/mailed business plan;
2. Raise capital when you can brag about major milestones;
3. The Executive Summary is the most important document; financials, business model, and "how you sell" is the most important info;
4. At first meeting, explain what you do;
5. Do NOT use a power point; design your own slides, beginning with the 'ah-haa!' and no more than three slides total.

GLEQ, continued from Page 1

Through the support of the Michigan Economic Development Corporation (MEDC), a founding sponsor of the GLEQ, the organization has received a two-year 21st Century Jobs Fund Grant which will allow it to enhance its business training and coaching programs to help Michigan technology start-ups.

For more detailed information about GLEQ, contact Diane Durance at diane@gleq.org.

Last Meeting Highlights

Showcase Presenters

Lambert Technologies CEO Todd Gross, Presenter

The Company is a Michigan-based start-up that is developing technology known as S³, or Strain Sensitive Skin, a tool allowing engineers to see and solve strain problems in objects under load. S³ is a luminescent coating which can be applied to object surfaces for testing. When put under load, the coating emits light with various intensities proportional to the strain incurred. The technology's competitive advantages over other methods are ease of application, ability to cover large and complex surfaces, production of many data points in just hours, and non-destructive composition. The result is optimal design of large objects and structures and faster design cycles, efficient use of resources, and reduced development costs for customers, which include major players in aerospace, industrial equipment, and test labs. For more information or to contact Gross, visit www.lambertech.com.

Open Forum

Pure Visibility; Catherine Juon (734/213-8100) Company provides search engine marketing. Seeking students for "AdWords Success Workshop", 2nd Fridays.

Elaine Schneider (513/312-0455)

Speaker, marketing consultant, author of "How Smart Small Businesses Grow". Newly returned to area. Seeking opportunities.

Apologies to Best Employment Solutions



for omitting their logo in the "Parade of Stakeholders" on Page One in last month's newsletter.

The Southfield, MI-based firm is a leading Professional Employer Organization (PEO) offering tools to decrease employment administration costs, benefit costs, and liability while increasing employee retention. For more information, visit www.bestpeo.com or call (248) 559-6899.

THANK YOU!

To NEF stakeholder member,
MI SBTDC (Michigan Small Business Technology
Development Center)
for sponsoring the April meeting.

Featured Speakers

"America's Next Top Business Model: Web 2.0"

Panel: Howard Brown, CircleBuilder Software
Joe Minock, AccuGet.com
Steve Schwartz, RateMyStudentRental.com
Rick Warner, ParkingCarma

Moderator: Ian Bund, Plymouth Venture Partners



Ian Bund

Moderator Ian Bund explained to the panel his company would look for strong management, revenue stream, positive near-term cash flow, and a growth need that requires money. Then he asked each panelist to briefly pitch to those criteria.



Howard Brown

Howard Brown of CircleBuilder software stressed management team and cash flow in describing his social networking tools for faith organizations. Rick Warner of Parking Carma focused on the cash flow stemming from customer-paid access to quality parking information. Steve Schwartz of RateMyStudentRental.com emphasized the impact of his service on student selection and rating of housing and on landlords' improvement of their properties. Joe Minock noted the valuable database-building and information-sharing aspects of his company's services. All four firms are

members of DigitalEdge Michigan, a growing network of entrepreneurs and CEO's.



Steve Schwartz

Bund pressed for concrete info on their business models and learned all still have negative cash flow (6-24 months out) and only two expect to seek funding or to sell their businesses as exit. With that, Bund's work was done and the discussion turned to the new and different nature of the Web 2.0 business model itself. To many, such firms appear to be lifestyle businesses only and extremely difficult to "monitize" because they sell "social networking" or information. There was consensus among the panelists, however, that once a firm proves it can deliver the information or communication customers desire, they generate revenue -- and then are as viable an investment opportunity as traditionally structured firms. The difference is simply that assets in these firms are digital. Predictions are "the revenue will be huge."

Four companies to watch! Keep tabs on them by visiting: circlebuilder.com; accuget.com; ratemystudentrental.com; and parkingcarma.com.

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.



