



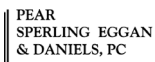
# The New Enterprise Forum

## The Entrepreneur's Link to Resources

Vol. XXIV, No. 9 • October 2009

www.newenterpriseforum.org

### NEF Stakeholder Members



### Presenter Updates October 2008

The Presenter was Eran Bashan, Ph.D., Founder/President of Hygieia. The company is developing an algorithm-based glucose meter that provides superior glycemic control for diabetics. Core technologies were developed at U-M Metabolism, Endocrinology, and Diabetes division. Commercialization targets the 148M people whose insulin-treated disease is "inadequately controlled."

In the last year Hygieia formed an exceptional team including Dr. Bergenstal the president-elect for medicine and science of the American Diabetes Association; and industry experts Robert Parnell and Jeffrey Culver, who have years of experience as senior executives at market leaders in the glucose monitoring space. Hygieia has also entered discussion with all market leaders about incorporating Hygieia's technology in their products. In addition, they began building their first product in Korea, and expect regulatory clearance and market launch in Q2/2010.

On the clinical front, Hygieia completed a second (prospective) clinical study with excellent results. An NIH application (Phase I) for a third clinical study was ranked between excellent and outstanding. The Company is currently awaiting a funding decision, and is optimistic about receiving

See Updates, Page 2

### GLEQ News Upcoming Events

E2Detroit Conference:

Developing the Right Entrepreneurial Team

Thursday, October 15, 7 a.m.- 6 p.m.,  
Wayne State University, Community Arts  
Auditorium and McGregor Center,  
495 Ferry Mall, Detroit

Register at [www.e2detroit.wayne.edu](http://www.e2detroit.wayne.edu)

See GLEQ, Page 2

### Sept./Oct. Duet:

### The Devil's in the Details Part 2: Valuation

The October meeting, again a Joint Meeting with Ann Arbor SPARK, will continue exploring the details of deal-making. This month's focus will be on valuation.

### Panel of Experts



Tim  
Damschroder

**Timothy Damschroder of Bodman** advises clients in business and corporate finance, securities, tax, and intellectual property law. He specializes in hi-tech companies from start-up to transactions involving IP, venture capital financing, and eventual sale or IPO. He

holds a J.D. from the University of Detroit School of Law and an A.B. from U-M.

### Chris Rizik, Renaissance Venture Capital CEO and Fund Manager

is also a co-founder, partner, and board member of Ardesta LLC, the nation's first accelerator for the nanotechnology and microtechnology field. Chris successfully led negotiations and closings of more than twenty venture capital transactions for Ardesta, following his time as a managing director for Avalon Technology, LLC—where he secured more than 30 venture capital transactions in a three-year period.



Chris Rizik

**Eric Siczka, President & CEO, Pixel Velocity** has spent the past 15 years commercializing technologies and building

See Oct. Program, Page 2



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Skip@annarborspark.org

### Phil Tepley, SBTDC

734/547-9170, tepleyp@gvsu.edu

### Ray Waters, Detroit Community Loan Fund

313/886-2163, ray\_waters@sbk.com

### Oct. Program, Cont. from Page 1

Michigan-based enterprises, with experience in technology creation, product development, operations, and financing. Most recently, he was with EOtech Inc, a leading provider of holographic weapon sights, where he built the firm from a start-up product concept into a fully integrated manufacturing facility. He holds eight patents, a BSEE degree from Kettering Institute, and an MBA from U-M.



Skip Simms

Keeping the program moving and on-topic just as he did last month will be **Moderator Skip Simms**, Executive Director at Ann Arbor SPARK and Administrator of the Michigan Pre-Seed Capital Fund.

### Showcase Presenter

Also on the program are presentations by two entrepreneurial firms: **Advanced Battery Concepts** (www.advancedbatteryconcepts.com) which is developing GreenSeal™ Bipolar Technology that enables low cost, large-format, rechargeable batteries that are longer-lasting, more powerful, and safer than competitors; and **BioLogic Engineering** (www.BioLogicEngineering.com) which has developed the BLAST!™ System, a motor-driven strength training machine with a video game-like biofeedback display with capabilities far exceeding traditional weights and other exercise machines.

As always at our monthly meetings, we will have great networking, hors d'oeuvres, and the Open Forum, during which we pass the mic for audience introductions. Please plan to join us for this informative program at **SPARK Central, 330 E. Liberty A2 on Oct. 15!**

**FYI: The A2 Library Parking Lot adjacent to the SPARK building is now closed for construction. Please seek alternate lots.**

### Updates, Cont. from Page 1

\$340K from NIH in October.

### October 2007:

**The Presenter was Keith Wittrup for EdgeHealth**, a MacBeedon Partners venture whose technology, called Redcord, was developed in Norway for use in neuromuscular rehabilitation therapies. Since the presentation, ActivCore, LLC, a leading health and fitness company in the growing area of functional exercise (FEX) has become the exclusive US distributor of the Redcord System. ActivCore, has combined an entrepreneurial execution team with respected experts to capitalize on the opportunity and hopes to become a market leader in FEX through the marketing, sale, and development of Redcord tools and knowledge.

### 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](http://www.newenterpriseforum.org)

### Join Our Program Committee All are welcome!

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, Diane Durance, at [diane@gleq.org](mailto:diane@gleq.org).

\*Our next Program Committee meeting is Thursday, Oct. 22.

### GLEQ, Cont. from Page 1

#### TiECon Midwest 2009

MI's largest entrepreneurship conference  
Fri., October 23, and Sat., October 24,  
8 a.m.-10 p.m., The Ritz Carleton, Dearborn  
Register at [www.tieconmidwest.org](http://www.tieconmidwest.org).  
Keynote speakers include Dr. Roger Newton, Esperion Therapeutics; Rick Snyder, Ardesta; Daniel Mulhern, Michigan's First Gentleman; and Greg Main, MEDC.

**\*\*NEW\*\*BlueWater Angels' Pitch Night**  
Wednesday, October 14, 6-10 p.m.,  
Saginaw Valley State University, Curtiss Hall,  
Emeriti Room

Pre-registration required, call 989-839-2333 or e-mail [receptionist@mmic.us](mailto:receptionist@mmic.us).

Current and prospective angel and venture capitalist investors, as well as the entrepreneurial community are invited.

#### Distinguished Innovator Speaker Series:

Michelle and Aaron Crumm,  
Founders of Adaptive Materials, Inc.  
Friday, October 30, 3-4 p.m.,  
Stamps Auditorium, Walgreen Drama Center,  
U-M North Campus, Ann Arbor  
To register, call 734-763-1021.  
Sponsored by U-M Center for Entrepreneurship and MPowered.

# Last Month Meeting Highlights

## Showcase Presentation

**Audiallo**  
**Aaron Nelson, CEO**

The Company is a semi-conductor firm designing a biologically-inspired, audio-processing technology which targets the hearing aid and high-end consumer audio markets. Its Wave Signal Processor (WSP) offers benefits of lower development cost, increased battery life, and better hearing. The latter benefit derives from the processor's ability to match the human auditory system, as opposed to the relatively few channels of modern hearing aids.

The principals are founders of an internet marketing and localization venture sold to a Japanese-based software firm. Their technical advisor in the present venture is a professor and pioneer in computer engineering and digital signal processing who also serves on their Board. The several competitors in both targeted market segments have common limitations, i.e., digital technology.

The Company is seeking \$500K for fabrication and prototype, IP protection, and finalizing its strategic partnership with Sound Design Technologies. For more information, visit [www.audiallo.com](http://www.audiallo.com) or contact Nelson at 651/210-1472.

## Open Forum

### Entrepreneurs

**Inventure Enterprisers, Inc.; Robert Fulk (517/755-8688)**

Company provides workflow management of homeland security organization background, creating better processes/results.

**Global Inventions Solutions & Services; Michael Wiley (810/659-2802)**

Michigan inventor; has invention capable of "adding thousands of jobs in state, 300,000 more across USA". Seeking computer people, capital, advice, personnel.

**Graviteeup; Scott Ringlein (313/815-1141)**

Consultant for consumer golf products company. Seeking capital, advice. See website at [www.graviteeup.com](http://www.graviteeup.com).

### Talent Available

**Bill McManus; 734/604-3867**

Recently sold software company; seeking next opportunity. Tech background, "master of sales/marketing".

## Featured Speakers

**"The Devil's in the Details  
Part 1: Term Sheets and Investor Rights"**

### Panel:



Uzma Ahmad,  
Dykema



Mike Klein,  
Online Tech.



Mahendra  
Ramsinghani,  
U-M  
TechTransfer

### Moderator:



Skip Simms,  
Ann Arbor  
SPARK,  
MI Pre-Seed  
Capital Fund

**Slides of the panel discussion  
are available on the NEF website  
[www.newenterpriseforum.org](http://www.newenterpriseforum.org)**

### Some pearls:

Mike: "Put it all out there", go for "over-disclosure".

Mahendra: "Control is important to investors only when things begin to go wrong."

Skip: "There are other ways to influence/have a say without being on the Board."

Although investors contend you can't "shop a deal", Mike would "strongly discourage *not* shopping." Hmmmm...seems to be a bit of a difference of opinion, there. Are we surprised?! Stay tuned for next month's episode, October 15 at SPARK Central!

## THANK YOU!

To NEF stakeholder members  
**GDI Infotech and Ann Arbor SPARK**  
for sponsoring the September meeting.

**Videographer:**  
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(734/323-4901)

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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: Thurs., October 15, 2009 \*

Please note  
special location

## "THE DEVIL IS IN THE DETAILS, PART 2: VALUATION AND WHAT COUNTS"

### Showcase Presentation

**Edward Shaffer,**

#### **Advanced Battery Concepts**

The Company is developing GreenSeal™ Bipolar Technology to enable low cost, large-format, rechargeable batteries that are longer-lasting, more powerful, and safer.

**Chuck Cole, CEO**

#### **Bio Logic Engineering**

The Company has developed the BLAST!™ System, a motor-driven strength training machine with a video game-like biofeedback display that has capabilities far exceeding traditional weights and other exercise machines.

### Featured Speakers

#### **Panel**

**Timothy Damschroder, Bodman**  
**Chris Rizik, Renaissance Venture Capital**  
**Eric Sieczka, Pixel Velocity**

#### **Moderator**

**Skip Simms**  
**Ann Arbor Spark**  
**MI Pre-Seed Capital Fund**

What's the process for determining valuation -- and who sets it? Get the facts from those on both sides of the negotiating table!

### Open Forum

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

### Meeting Sponsors

ANN ARBOR  
**SPARK**

Joint Meeting Sponsor

**bodman**  
ATTORNEYS & COUNSELORS

Stakeholder Sponsor

**\*Special Location: SPARK Central, 330 East Liberty Street, Ann Arbor**  
**Registration & networking begin at 5:00 p.m.**  
**\$20 for non-members • Students \$5**

**\*The A2 Library Parking Lot adjacent to the SPARK building is now closed for construction. Please seek alternate lots.**



**New Enterprise Forum**  
**115 W. Huron at Main, 3rd Floor**  
**Ann Arbor, MI 48104**  
**October 2009**

### Inside:

- ✓ "The Devil Is in the Details, Part 2: Valuation and What Counts?"
- ✓ Presenter Updates  
Hygieia  
Edge Health
- ✓ GLEQ News
- ✓ Last Meeting Highlights
- ✓ Get Involved in NEF!

Thank You to Our Program Partners...



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