Northwest Technology Ventures

Presentation to
Oregon University System Board

May 2, 2008
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Gordon B. Hoffman

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NTV: $14 million seed and pre-seed venture fund
- Funded in June 2002 by Oregon Growth Account
- "inherited" 57 investment assets in 17 companies from the ORTDA

Focus: Technology-centric, R&D commercialization
- Technology commercialization from Oregon's universities, research institutions, corporate research
- High-value, high-leverage, pre-seed and seed financing
- Oregon companies exclusively

Management
- William Newman, PhD - 12 years venture experience; MIT research faculty (biomedical); founded MIT spin-out; Ph.D. in ME; MBA, Sloan
- Gordon Hoffman - serial entrepreneur (semiconductors/EDA software); angel investor; created OGI Technology Commercialization Office; MSEE Stanford
Investment Strategy

Spinout
- Up to $500K initially
- Up to $1M in follow-on with partner

“Spin-in” to Universities
- Bring existing companies to the university
  - Access to facilities, expertise, consultative advice, clinical trials
    - Octavian, VeriWave: PSU; Ambric: OGI, PSU; Acrymed: OHSU
  - Encourage research, incubation, equity transfer

Seedling strategy
- $10-100K investments
- Technology development, institutional business opportunity
  assessment, IP protection
- Prepare company for seed investment; license rights if not feasible

Investment Activity Overview

15 Investments in portfolio to date (all Oregon companies)
- 12 university / research related
  - 7 spin-out, 5 for research access
- 12 active and 3 liquidated
  - 6 seeking follow-on rounds

Key financial leverage:
- $9.3 million invested or committed
- Portfolio has raised $109.3 million
- 12:1 leverage

Key economic leverage:
- 327 total portfolio company employees
- 214 Oregon employees
- Hi-tech jobs; professional, exempt employees
- Federal Payroll tax, 2006: $4.2 million
- Oregon Payroll tax, 2006: $1.8 million
## Northwest Technology Ventures Investment Portfolio

<table>
<thead>
<tr>
<th>Company</th>
<th>Employees Total</th>
<th>Employees Oregon</th>
<th>Spinout?</th>
<th>Research Affiliations (1)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AboutUs.org</td>
<td>37</td>
<td>13</td>
<td></td>
<td></td>
<td>Open Source &amp; social network</td>
</tr>
<tr>
<td>Acrymed (2)</td>
<td>45</td>
<td>45</td>
<td></td>
<td>OHSU</td>
<td>Drug delivery</td>
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<tr>
<td>Adapx</td>
<td>31</td>
<td>1</td>
<td>OGI</td>
<td></td>
<td>Multi-modal input</td>
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<tr>
<td>Ambric</td>
<td>68</td>
<td>68</td>
<td></td>
<td>PSU, UW, BU, Halmstad</td>
<td>Semiconductor architecture</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Yale, Indiana U, U</td>
<td></td>
</tr>
<tr>
<td>Artielle</td>
<td>4</td>
<td>4</td>
<td>OHSU, VA</td>
<td></td>
<td>Autoimmune disease</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>OHSU</td>
<td></td>
</tr>
<tr>
<td>BeSang</td>
<td>2</td>
<td>2</td>
<td></td>
<td>Stanford, Albany NanoTech</td>
<td>Fabless semi, 3D memory technology</td>
</tr>
<tr>
<td>Clinicient</td>
<td>68</td>
<td>35</td>
<td></td>
<td></td>
<td>Management software, health care</td>
</tr>
<tr>
<td>NeuroProtect</td>
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<td>0</td>
<td>OHSU, Legacy</td>
<td>ONPRC, NIH</td>
<td>Stroke protection and treatment</td>
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<tr>
<td>Octavian / AISI</td>
<td>24</td>
<td>24</td>
<td></td>
<td></td>
<td>Full-wafer test and burn-in</td>
</tr>
<tr>
<td>Perpetua Power</td>
<td>4</td>
<td>4</td>
<td>PNNL</td>
<td></td>
<td>Energy technology</td>
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<tr>
<td>Receptor Biogix</td>
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<td>0</td>
<td>OHSU</td>
<td>Imperial, UCLA</td>
<td>Cancer biotech</td>
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<tr>
<td>Stelar Tools (3)</td>
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<td></td>
<td></td>
<td>EDA software</td>
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<tr>
<td>Vigilan</td>
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<td>14</td>
<td></td>
<td>OHSU</td>
<td>Software for community based care</td>
</tr>
<tr>
<td>Virogenomics</td>
<td>4</td>
<td>4</td>
<td>OHSU</td>
<td>PSUs, UO</td>
<td>Drug discovery and validation</td>
</tr>
<tr>
<td>Zeus Semiconductor (3)</td>
<td>0</td>
<td>0</td>
<td>OGI</td>
<td>PNNL, WTC</td>
<td>Semiconductor material</td>
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</tbody>
</table>

### Employee Totals

<table>
<thead>
<tr>
<th>Total</th>
<th>Oregon</th>
</tr>
</thead>
<tbody>
<tr>
<td>327</td>
<td>214</td>
</tr>
</tbody>
</table>

**Total capital committed for investment by NTV** $9,317,779

**Total capital raised by companies in NTV portfolio** $109,343,000

Notes:

1. Research affiliations encompass activities such as sponsored research agreements, clinical and preclinical studies, etc.
2. Acrymed has been sold to I-Flow, Inc but maintains its Oregon operations.
3. Stelar and Zeus were sold as asset sales, and have no independent operations or employees.

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