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Summary of Presenting Businesses

Connect Yorkshire's Summer Investment Forum
Wednesday 20th June 2007

*The Voltigeur Suite, York Racecourse, The Knavesmire,
York, YO23 1EX*

▶ www.connectyorkshire.org



Bringing emerging businesses and investors together, Connect Yorkshire's Summer Investment Forum is fast approaching. On the 20th June at York Racecourse we will be showcasing the very best regional technology businesses wishing to seek finance and if you haven't already registered we would be delighted to welcome you.

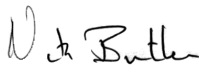
Just to give you a taster for the businesses that we will present you will find here a summary of each company – a short introduction to their potential. The Investment Forum offers the perfect opportunity for you to meet each of these companies on one day of multiply opportunities.

Each of the presenting companies have been through Connect Yorkshire's tough selection process and are now undergoing an intensive mentoring programme to ensure they are ready for your investment.

As well as the 9 presenting businesses, the exhibition area with be buzzing with up to 10 additional technology companies all looking for investment.

I look forward to seeing you on the 20th.

Best Wishes



Nick Butler, Executive Director

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Presenting Companies

Company A

Sector: Medical Device**Funding sought: £400,000**

Founded in 2005 Company A has developed a device designed to replace the Pap smear test as the primary screen for cervical cancer. This comprises an estimated market of 110m tests per year and revenues of £1.1bn.

Deriving from an innovation jointly owned by Sheffield NHS Hospitals Trust and Sheffield University, the device is a handheld probe that employs electrical impedance to gauge whether cells are cancerous. The device is inexpensive to produce, and incorporates a consumable element that is the main revenue source.

The company's technology is protected by three patent applications and offers significant benefits over the current standard – the Pap smear test. The diagnostic device is able to give immediate test results, detect cancer at an earlier stage and reduces the risk of test results becoming spoilt or compromised because there is no need to transport the tissue to a cytology lab. Patient trials have already indicated a performance superior to that of the Pap test. Company A aims to become the new gold standard primary cervical cancer diagnostic and hopes to achieve a CE mark on its product this summer.

The target market for Company A's probe will be those centres and surgeries offering the Pap smear test. Revenues will be generated both from the sale of the probe and consumables (namely the single-use sheath and tip). Whilst sales of the probe itself will be meaningful the majority of income will be generated from the sale of the single use sheath and tips which are predicted to equal the current patient traffic under going Pap smear tests. Company A anticipate being profitable by June 09 with a projected turnover of £5m in 09/10.

Company A is now seeking £400,000 to complete clinical demonstration of the probe's utility in a multicentre trial and also to optimize the product. The company has already received finance totalling £470,000.

Company B

Sector: Digital Media**Funding sought: £500,000**

Company B's technology brings together TV, Voice, Video and Data in one single package from one single supplier. The company has developed a solution to deliver Internet Protocol TV, on-demand content, internet access and VoIP telephony through a single broadband connection, set top box to TV and standard telephone handset.

2006 saw the formation of Company B and its successful bid to raise the initial seed money needed to develop a working demonstration system. The demonstration system went live during the first week of January 2007 and can be seen working from any broadband connection of 2mbs or more.

Company B has identified customers who have indicated support for rolling out a proof of concept trial in Sheffield. Delivering up to 400 end points with the technology, the concept trial system will incorporate a full channel line up from Freeview as well as on demand content from Universal and others including music on demand, music video on demand, movies and specialist content.

Company B has already received £265,000 in total to finance the business up to this stage. The business now requires £500,000 of investment for the build of a central portal plus working capital.

Company C**Sector: Labelling****Funding sought: £500,000**

Company C has developed a method to apply self adhesive labels without the need for the conventional waste silicone liner commonly associated with “stickers”. The company has a granted patent and additional applications are at an advanced stage which will protect the associated intellectual property.

The distinctive feature of a Company C’s linerless label is the use of micro-perforations to define the label shape. A Company C’s label is a self adhesive label with no waste liner which benefits to end users with double the number of labels in a reel (reducing downtime and improving efficiency), no waste liner for disposal, fewer label deliveries due to more per reel, less space of label storage, and a potential label price reduction with the reduction in material content.

Company C has adopted a business model whereby it licenses the technology to printers who can produce the labels in the form needed to exploit the technology. To date 3 licenses have been established with companies in the UK, US and New Zealand. Company C’s target is to establish licenses with leading printers in all major geographic markets who have the capacity to produce the distinctive linerless label on existing equipment. Such companies offer the quickest access to end users, the second level in the business’s marketing strategy.

The market for self adhesive labels is very broad and Company C’s developments are focused on sectors where the material content of the label is high, the level of waste critical, and where the actual label application is relatively simple. The food and general chemical product markets fall readily into this scope. Any product labeled in a round plastic container is open to Company C’s technology.

The label market is very diverse with Self Adhesive label growth closely related to the use of variable information printing of sell by dates for example. Company C has funded a development programme to ensure the “linerless label” can meet a wide range of end user applications.

Company C has been financed to date with £491,000 of private investment. The business is now seeking £500,000 to cover ongoing trial and development expenses and providing technical support in the US and Europe.

Company D**Sector: Healthcare IT****Funding sought: £500,000**

Company D develops, markets, sells and supports the UK’s best-selling clinical patient notes systems for ophthalmology departments and hospitals. It is used in 30 NHS Trusts and 4 private hospitals. The system has been sold to one hospital in Saudi Arabia and the company expects to sell the system to hospitals in Singapore and Australia in the next 12 months.

Formed in 1997, Company D has taken advantage of an opportunity to provide an electronic clinical patient notes systems. The company’s developed system has the following huge advantages over the conventional papers notes:

- Information can be accessed at several hospitals within an organisation (e.g. at St James’s Hospital and Leeds General Infirmary), without paper notes having to be transported from one place to another.
- The system can automatically generate correspondence with GPs, eliminating the cost of secretaries typing them up from dictated messages.

- At the click of a button, the results of the various medical and surgical treatments can be displayed (e.g. operative complication rates).
- Detailed audit of medical and surgical outcomes. With paper notes, auditing results is a huge time-consuming, expensive and inaccurate way of analysing results, and only a sample of patients can be used. This audit capability of the system has been the main reason that NHS Trusts have purchased the system.

Although competitive systems do exist, Company D's believes its solution is by far the best designed. As a result Company D's three competitors have only managed to sell their systems to one hospital each.

Currently Company D's target market includes principally NHS ophthalmology departments and eye hospitals as well as private hospitals in the UK. With plans to expand throughout the world, Company D is now ready to target ophthalmology departments and hospitals across the global.

The business has been financed to date from director's savings and from sales. Growing steadily since incorporation the sales function now needs £500,000. The investment would be used to rapidly develop further products by opening a development office in India and to support sales in Singapore.

Company E

Sector: Chemicals

Funding sought: £1.2m

Company E was founded in 2004 based on IP generated at York and Cambridge Universities. The company is a spin-out venture from the University of York and is backed by a strong consortium which includes Amaethon Ltd, IP Group plc and the Viking Fund. Processing a suite of patent applications which are centered around the use of ethanolanmonium products as solvents in a variety of applications, Company E has an impressive intellectual property portfolio.

Company E's core offering is a contract research, design and development service, with the focus on creating bespoke solvents for industrial processes. The business works with each customer to assess their requirements and design a suitable product that performs optimally in the customer's application. In particular Company E aims to achieve and maintain a world leading position as a developer and supplier of liquid ammonium salts and of processes utilising these materials.

The business also has over 100 products available from its product catalogue. These can be used for R&D testing however, due to the many permutations of ionic liquids it is statistically unlikely that the optimal product for a customer's application will be in the catalogue. This is where the design service can be utilised to create the optimal solvent.

Company E is developing novel solvents which have the potential to revolutionize several multi-million pound markets. It has already demonstrated success in the dissolution of biomass (relevant to the biofuels and biorefining industries), in the dissolution of complex polymers (relevant to the recycling industry), in the handling of difficult pharmaceuticals and in natural product extraction. The company leads the field in the development of novel extraction technologies for the extraction of the key anti-malarial drug artemisinin.

Company E's primary target market has been large Pharmaceutical and Chemical companies who require a highly selective and / or more environmentally friendly solvent. With focused activities on this market mainly in UK and Europe to date, expansion to US customers are planned for 2007/08. Given the nature of the product there are also possible applications within other markets such as food and cosmetics.

To date Company E has raised approximately £1m of private sector investment in two rounds. The business is now seeking £1.2m of further finance to invest in the technology with process and application patent development and to further secure its commercial position in the market.

Company F**Sector: Screen materials and Digital screen networks****Funding sought: £280,000**

Formed in 2003 Company F has developed unique digital display technologies for use in narrowcasting. Working in partnership with research institutions, academic bodies and key industry names, Company F's digital display products have applications in environments such as retail, leisure, institutional and corporate buildings, events and exhibitions.

All competitive screens use Fresnel, Lenticular and microbead lensed elements. These lenses have innate restrictions to their performance and resultant products do not meet practical market requirements. Company F's use imprinted "nano"-lensed elements that disperse the light through the screen fully, meaning its screens are brighter, clearer, with a wider viewing angle than the competitive marketing leading products. The technology also means that Company F's products have unique flexibility allowing them to be mounted in a wider variety of straight or curved frames, stands and window fittings. Consequently, the products have a broader range of applications when used in retail attention screens, event and exhibition stands and outdoor screen enclosures.

Markets can be split into retailers, brand owners, and corporate & institutional offices. Medium term goals are to exploit the corporate & institutional markets with an office & boardroom presentation product. Long term goals are to develop the core screen component for Rear Projection Television market exploitation.

Backed by the Nstar proof of concept fund the company has fully developed its first products which are now already in the market place. The company is now seeking £280,000 of investment over the next 6 -12 months in order to fund the following key areas:

- support and develop a substantial reseller network across Europe,
- assist in the setup of a new support & manufacturing site to meet increased demand,
- meet IP protection costs worldwide,
- medium and long term product development,
- sales and marketing of the products nationally & internationally.

Company G**Sector: Diesel Engineering****Funding sought: £250,000**

Company G have developed and refined a system that reduces the amount of diesel required in any engine by the introduction of a secondary fuel. The system uses advanced computer control technology to inject small quantities of gaseous fuel into the air intake of the engine to improve its overall efficiency. Research and product development has been funded by the Managing Director over the last 2 years, resulting in a proven product that is on the market and making steady but small sales.

The product offers the user the advantage of reduced fuel cost and routinely an overall saving of 15-20% is seen with an average payback time of just 9 months. The secondary fuel increases the overall efficiency of an engine. It is also around half the price of diesel (although only used in small quantities – typically a substitution rate of 15% is used).

Company G has two product versions aimed at HGV's, light commercials and high mileage cars. It has broken into the Far East and is conducting trials in Indonesia and Malaysia.

The principle used by Company G is not unique and has been in use overseas for many years, however previous systems have been crude and not offered the safety and reliability. Company G believe that their patented technology allows superior control of fuel flow and offers competitive advantages such as limited interference in the vehicle's own Engine Control Unit, a much lower substitution rate, improved safety and fewer alterations to the vehicle.

To date the business has been funded by both the management team and bank finance totalling £450,000. The management team believe that the business could grow organically through cash flow, however in order to capitalise on the technology at a fast pace they are seeking an equity partner. Company G now requires £250,000 of investment to finance final development work, purchase a vehicle and for working capital to bring in some sales experience allowing penetration of the UK and overseas markets.

Company H
Sector: Information Technology
Funding sought: £250,000

Company H is an innovative company that has utilised a research and development grant to develop novel approaches to the problems of protecting data and servers. By carrying out research into the feasibility of providing multiple network security functions on very high speed network links, Company H is developing a hardware-based product that combines multiple security functions at low latency and high-speed so as to secure high-speed transmission links. A small team of experienced engineers and business managers have successfully demonstrated the technology and is expected to trial with France Telecom later in the year.

The company's proprietary technology and IP includes a unique architecture and design based on programmable silicon coupled with in-house developed highly parallel algorithms that make extensive use of 'thin-slicing' and knowledge abstraction techniques. This enables the product to achieve total-packet inspection for vast quantities of high-speed packet data without the overflows and latencies of current market solutions.

The products features and competitive advantages include:

- Performance of over 30 times the current state-of-the art (with in addition much lower latency and for multiple security functions),
- Affordable deployability beyond the perimeter, i.e. on 10GigE trunks and aggregator links,
- Multiple functionality in one appliance – no Unified Threat Management (UTM) appliances currently exist for more than 2 Gb/s,
- High performance complex deep packet inspection, an increasingly essential security function. All products today do deep-packet inspection with a processor engine, and are thus heavily performance-constrained,
- Advanced functionality, with low latency suitable for Voice and Video over IP.

The company has defined its target market as large enterprise and Service Providers as well as other security vendors who will be reached via OEM sales.

In total the company has already invested over £150,000 of founders funds and a research & development grant. Now seeking £250,000 Company H will use the equity investment it hopes to raise to match development grant funding, undertake customer trials and launch its product onto the market.

Company I

Sector: Leisure Industry

Funding sought: £276,000

Based on the games rules of football, Company I have developed an interactive sport/leisure activity whereby uniquely engineered B Karts (dodgem cars) are fitted with a 'ball kicker' device. Players drive B-Karts (dodgem cars) to score goals and can be played by individual players or in teams.

Company I plans to create stadiums in which the interactive sport/leisure activity across the UK and would adopt a commercial operation very similar to that of ten pin bowling. It is anticipated that each stadium would have a turnover of £500,000 within the first two years. Once established as a brand, Company I would then seek to offer license agreements and franchises overseas with royalties paid per game monitored via internet. The business would supply 'game sets' and provide back-up facilities.

Company I's core technology, the 'ball kicker' device is protected by a pending patent and has multiple applications including to assist wheelchair users in playing football. The wheelchair football attachments have NHS registered accessory status allowing them to be fitted to NHS issued wheelchairs, giving a wide range of disabled person the opportunity to play football. Over 100 simple versions are now in use by 12 newly formed Powerchair Football clubs.

The founder has already invested £350,000 into Company I, and has developing a prototype stadium. The business now requires £276,000 of investment to set up the first stadium.

About Connect Yorkshire

Connect Yorkshire nurtures emerging technology and life science companies, by linking them with the resources they need to succeed: Investment, markets, management, partners and support services. We have the backing of industry and commerce, the Regional Development Agency and universities, all committed to working together to open doors, from raising initial funding through to multi-million pound deals.

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