

fall 2008

sirti spotlight

Ivus Energy Innovations, Pacinian receive infusion of capital via Sirti Technology Growth Fund

The Sirti Foundation Board and the Business Development Corporation of Eastern Washington recently finalized a loan via the Sirti Technology Growth Fund for Ivus Energy Innovations and is scheduled to close a loan to Pacinian in early December.

Ivus Energy Innovations' loan of \$370,000 will be used to fund final prototyping and production build-out of their first product, a mission critical professional flashlight that fully recharges in 90 seconds. Using ultracapacitor technology and a patented Flashpoint™ Charging System, the flashlight is rated for 50,000 charge cycles with virtually no degradation of capacity. The flashlight is currently available for pre-order through 5.11 Tactical, a leading manufacturer of equipment and clothing for law enforcement, military, and fire fighting professionals. (For more on Ivus' recent success, see article on page 2).



"Sirti's strategic advice and market wisdom over the past year and a half was instrumental in getting our company to this critical point," said

David Alexander, CEO of Ivus Energy Innovations. "Thanks to the financial infusion from Sirti Foundation and the BDC, we're now poised to finish prototyping and roll out our product on a worldwide scale."

Pacinian develops revolutionary haptic touch technology for computing and consumer electronic devices. The company's breakthrough chip set technology allows key and touch centric computing devices to produce tactile feedback while improving the user's experience. The \$350,000 loan and the \$800,000 funding received from northwest angel



investment groups will be working capital for Pacinian as they fulfill a business development contract with

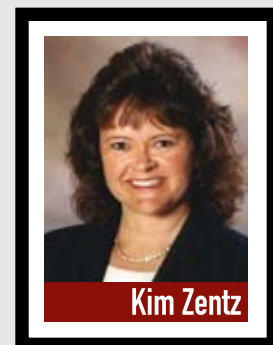
a Fortune 100 electronics manufacturer and pursue new market opportunities.

"Sirti's assistance during this process was truly invaluable," said Jim Schlosser, CEO of Pacinian. "Their extensive knowledge of the tech sector and investor community helped us receive this important financing and gain market traction."

"Ivus Energy Innovations and Pacinian are exactly the type of companies the Sirti Technology Fund was designed to support," said Kevin Cable, President of the Sirti Foundation Board. "Both have the ideal combination of innovative technology and passionate, disciplined leadership that successful tech companies need."

Director's Take

The latter part of 2008 will long be remembered as a tumultuous time for businesses and the economy. Business failures, the Dow, and financial bailouts seem to be the topics of the day and despondent expressions of 'would of, could of, should of' are often heard. But all is not broken. The entrepreneurial spirit is alive and well at Sirti. We continue to hear firsthand the exuberant expressions of 'did it, got it, sold it' from our technology-based clients. They are innovating and receiving patents. They are seeking growth capital and receiving funding. They are solving real-world problems and receiving orders. In this difficult economic environment, Sirti is accelerating the growth of innovative companies and providing a positive economic impact.



Kim Zentz

The \$3 million Sirti Technology Growth Fund has become an increasingly vital asset for Sirti and the Sirti Foundation. With the curtailment of traditional very early stage funding vehicles such as friends and family, credit cards, bank loans, and angel investor financing, Eastern Washington's start-up, emerging and expanding technology-based companies need Sirti's flexible revolving loan fund more than ever. We are able to deliver access to capital and make strategic introductions to regional angel investment groups. As a result, Sirti has become the critical source of funding for a growing number of Eastern Washington's technology companies that present growth opportunities in the midst of an economic downturn.

Announced just a year ago in conjunction with Gonzaga University School of Law, the Sirti IP/BizNet legal services program has exceeded all expectations in addressing the business-critical legal services technology companies need for their successful formation, protection and long-term value creation. Companies are being formed, patent applications are being filed and contracts are being written by Gonzaga University law students supervised by expert attorneys at regional firms—all at low or no cost.

I invite you to read about the success our clients are achieving on multiple fronts. They deserve a shout-out for their entrepreneurial spirits and their significant contributions to our regional economic recovery.

GeoData Technologies closes equity financing round, announces new clients

GeoData Technologies, the leading provider of 3D collaborative software for the real estate industry, has successfully closed an equity round of financing to fund the ongoing development of SiteSeer3D™ and further market expansion. Funding was provided by four angel investment groups and lead by WIN Partners LLC, a Spokane / Coeur d'Alene angel fund.



SiteSeer3D allows buyers to visualize properties that meet their search criteria using high resolution, photo-realistic aerial imagery combined with data sets such as parcel boundaries and MLS data and photos. Buyers visit the site virtually to analyze the property, views and neighborhood from all directions before they even leave their home or office.

"Sirti was instrumental in the success of this financing round," said Mark Williams, CEO of GeoData. "Their expertise and connections within the investment community helped expedite the process and put us on track for further success in the real estate market."

GeoData also recently announced that it has secured new contracts from two major real estate brokerages – Tomlinson Real Estate Group based in Coeur d'Alene, Idaho and Prudential Steamboat Realty from Steamboat, Colorado. Both brokerages will use SiteSeer3D to make their agents more effective and provide better service to their clients.

"Both the Tomlinson Real Estate Group and Prudential Steamboat Realty are forward-thinking in their approach to marketing. They recognize that SiteSeer3D will improve their ability to market properties as well as market the brokerage. They have adopted leading-edge technology to help themselves stand out from the crowd and appreciate the fact that SiteSeer3D promotes customer service and human touch," stated Mark Williams, President of GeoData Technologies.



Ivus Energy Innovations secures capital, prepares for roll out of first product

IVUS Energy Innovations recently announced that they have successfully raised \$750,000 in capital that will be used to fund production build-out of the firm's mission critical, professional flashlight that recharges in 90 seconds. IVUS raised \$375,000 in equity financing from three northwest angel investment groups with Ponderosa Capital, LLC taking the lead position. An additional \$370,000 was secured via the Sirti Technology Growth Fund.



The capital comes as IVUS prepares for a worldwide roll out of their flashlight beginning in early 2009. 5.11 Tactical, a leading manufacturer of equipment and clothing for law enforcement, military, and fire fighting professionals, is the worldwide distributor of the IVUS flashlight, branded as the "Light for Life". Using ultracapacitor technology and a patented Flashpoint™ Charging System, the flashlight recharges in just 90 seconds and is rated for over 50,000 charge cycles. The "Light for Life" is currently available for pre-order by police, fire, and military personnel through the 5.11 website and sells for \$169.99.

"IVUS Energy Innovations is definitely a stand out among northwest technology start-ups," said Kim Zentz, Executive Director of Sirti. "David Alexander and his team truly leveraged the full scope of Sirti's acceleration services. With Sirti's guidance, IVUS navigated the process of accessing critical sources of funding and is now strategically and financially poised to take their innovation to a very receptive market."

Space for start-ups

With the recent graduation of Matrical and Innovation Computing, the **Sirti Building on Riverpoint Boulevard** has state-of-the-art space available for start-up, emerging and expanding technology-based companies. Featuring a unique combination of office, lab, cleanroom, and meeting facilities, the Sirti Building is located in the heart of Spokane's University district and Innovation Zone. Space is available at competitive market rates with month-to-month leases available, and comes complete with sweeping views of the Spokane River, Riverpoint Campus and Gonzaga University.



The **Sirti Technology Center (STC)**, currently filled to capacity, will soon have space available as well due to upcoming client graduations. Featuring 28,000 square feet of wet lab, light manufacturing, and office space, the STC is located adjacent to downtown Spokane on the edge of the University District and the Innovation Zone. The STC combines a contemporary business atmosphere with an advanced IT infrastructure.

Space in either Sirti facility gives entrepreneurs ready-access to the breadth of Sirti consulting services, including access to capital, business consulting, marketing and branding, access to legal services, and more. For more information about space at Sirti facilities, contact Tim Williams at 509-358-2000 or visit sirti.org.

Upcoming Discovery Series Events



The Spokane Science, Technology & Business Discovery Series highlights new and breakthrough developments in science, technology and their business applications by showcasing Washington state scientists and business leaders, particularly from the Spokane region.

Discovery Series presentations begin at 8:00 am and open with a buffet breakfast at 7:30 am at the Spokane Club. The intimate setting encourages discussion with a Q&A session following the speaker's presentation. Each session adjourns promptly at 9:00 am.

January 16, 2009: Roger Woodworth of Avista Utilities on Smart Grid technologies and the benefits for America's power generation and distribution.

February 20, 2009: Patricia Hunt of the WSU School of Molecular Biosciences on the environmental factors - especially in plastics - that affect reproductive health.

For more information visit, www.technology-alliance.com or email Kim Stearns at kim@technology-alliance.com.

Alliance of Angels 10-Minute Pitch Clinic on December 11th



Raising capital from Angel investors can be a challenge, particularly given just 10 minutes to distill your entire business plan into a compelling presentation. What information is critical? How much detail is enough, or too much? What do angel investors consider when evaluating an investment opportunity?

Sirti is a proud sponsor of the upcoming Alliance of Angels 10-minute pitch clinic on December 11th, designed to help entrepreneurs put their best foot forward when presenting to a group of angel investors.

Where: K&L Gates Offices
618 West Riverside, Suite 300
Spokane, WA 99201-0602

When: Thursday, December 11th
Registration at 2:00 p.m.
Workshop from 2:30 to 5:00 p.m.
Reception from 5:00 to 6:00 p.m.

Seats for the event are \$50 each. For more information and to register online, visit www.allianceofangels.com.

Plant Care Technologies partnership receives research funding

A collaborative project between Plant Care Technologies and the Washington State University Wood Materials and Engineering Laboratory has received \$99,778 in Phase 1 Research and Technology Development funding from Washington Technology Center.

A Sirti client since 2007, **Plant Care Technologies** is a Pullman-based nursery bioproducts company that produces a tree bark plant growing medium for use as a plant mix component by the region's horticultural, ornamental and landscape nursery industry. The funding will be used to study the commercial feasibility of using heat-treated waste-wood products as an alternative to traditional plant-growing media.



After one year, Sirti's IP/BizNet exceeds expectations



October marked the one year anniversary of IP/BizNet, Sirti's groundbreaking legal services program. Sirti IP/BizNet was developed in

partnership with Gonzaga University School of Law and Eastern Washington law firms to address the legal services needs of Sirti's technology based clients. Through the program, legal services are performed for Sirti clients by Gonzaga University law students with supervision and final review by expert attorneys from regional law firms.

Client Work Summary

Patent Applications:	10
Business Law:	25
Trademarks:	13
Incorporations:	8

Auction Pipeline scores at NAAA Convention

Auction Pipeline, an innovative web-based network for independent auctions in the auto remarketing industry, secured three new partner auctions while attending the National Auto Auction Association Convention in Washington D.C. Sirti's Market Development and Communications Staff developed the company's tradeshow booth graphics, full-color brochure, and media kit in preparation for the event, held September 29th – October 2nd.



"The Sirti Marketing team's guidance and expertise helped make the show a resounding success," said Scott Finkle, President of Auction Pipeline. "In the span of a few short weeks, they were able to help us extend our brand, define a PR strategy, and position us for continued success."

Located in the Sirti Technology Center, Auction Pipeline's online platform allows auto dealers to bid on remarketed vehicles online from anywhere in the country. The three new partnering auctions, located in Denver, Phoenix, and Corpus Christi, gives the network 22 of the nation's leading independent auctions.

After one year, the program has been tremendously successful. 5 local law firms, 30 Sirti clients, and 10 interns have participated in IP/Biz Net. (Law firms hired 6 of the interns after their involvement.)

Sirti would like to thank the following firms, as well as the Gonzaga University School of Law and participating interns for their involvement in IP/BizNet.



Sirti Executive Director Kim Zentz receives YWCA Woman of Achievement Award



Years of exemplary service in the engineering and technology fields earned Kim Zentz, Sirti's Executive Director, the first ever YWCA 2008 Woman of Achievement Science Award. Zentz was honored, along with five other Achievement Award recipients, at the YWCA Women of Achievement Luncheon held on October 8th.

All of us at Sirti congratulate Kim on this remarkable achievement and thank her for her significant economic contributions to our region.

Sirti congratulates two graduates

We're pleased to report that **MatriCal**, a producer of innovative products for the life science research market, has graduated from Sirti. The company has moved from its space in the Sirti Building and relocated to an expanded facility 17,000 square foot facility located in the Riverwalk Plaza at 1007 E. Trent in Spokane.



Innovation Computing has also graduated from Sirti and moved into a new headquarters at 7307 N. Division in Spokane. The company specializes in providing high quality network design and network maintenance services to educational institutions and businesses.



Both Matrical and Innovation Computing are poised for long term success in their respective industries. We wish them both all the best moving forward.

Sirti intern joins Wells Fargo

October was an exciting month for former Sirti Intern Nathan Zarowny. Not only did he graduate from Gonzaga University with a Masters in Business Administration (MBA) with a concentration in Finance, he also recently accepted a position as a credit analyst with the Financial Analyst Program at Wells Fargo bank in Spokane.

Sirti's newest off-campus clients

IBQ Systems is an application service provider (ASP) focused on increasing productivity in the insurance industry via the internet. IBQ's products concentrate on the exchange of data between insurance companies and agents. By moving the industry away from paper based transactions, IBQ increases the efficiency of the insurance sales and maintenance process, while also reducing the cost per transaction. www.ibqsystems.com



Minds-i creates innovative construction toy systems designed to empower the creativity and imagination of kids and adults. Minds-i kits free consumers to create almost anything they can envision, then make their creation to do most anything they desire. From simple, static structures to large-scale, high-performance race-ready vehicles and battle robots, the MINDS-i system unleashes creative potential from the beginner to the most experienced enthusiast. www.mymindsi.com



Szen Corporation is a full-service company based in Kennewick that provides a fully integrated suite of golf business management and resort management software applications designed to be scalable and adaptable to multiple hospitality applications. Their customized platform provides unmatched usability and integration of key functions, such as POS pricing, inventory, data management and sales analysis to a national and international roster of clients that includes the Coeur d' Alene Resort in Idaho, the Dirab Golf Club in Saudi Arabia and Desert Canyon Golf Resort in Washington. The company is driven by a passion to help customers succeed by delivering tools that can increase their productivity and profitability. www.szencorp.com



Sirti's newest on-campus client

GeoData Technologies, based in Sandpoint, ID, recently added an office at the Sirti Building on Riverpoint Boulevard. GeoData Technologies, delivers SiteSeer3D, a web based real estate sales solution that gives viewers the ability to digitally tour a building, location, or acreage in 3D through up-to-date aerial photography overlaid on satellite imagery. www.geodatatechnologies.com



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