



The WPI Venture Forum is a program  
of the Collaborative for Entrepreneurship &  
Innovation at Worcester Polytechnic Institute



# Vantage<sup>SM</sup>

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### Join the WPI Venture Forum to

- Find a community with a shared passion for the entrepreneurial life at our frequent programs.
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- Gain practical knowledge you can use in business operations.
- Build your knowledge base and expand your network.

**It's an executive MBA in monthly installments for people starting or running companies.**

– Gail Radcliffe, PhD, Member

**“I got a lot of positive encouragement from my presentation. The business model is proving out, and consumers are loving the product. I’m glad we persevered.”**

— Bruce Ginsberg, *CEO of MooBella, Business case presenter*

**“The experience, contacts, and the support that we received as a presenting company was one of the key factors in closing our first [funding] round.”**

— The Nimbit team, *Business Plan Contest winners*

**“It is refreshing to see successful people who are willing to help those starting out.”**

— Member comment

# About the WPI Venture Forum

The mission of the WPI Venture Forum is to foster innovation, technological entrepreneurship and economic growth through a supportive peer environment. We serve innovative entrepreneurs and companies by providing educational programs, publications and networking to link up with entrepreneurial peers, mentors, and investors.

For more than 20 years, WPI Venture Forum programs have been educating and inspiring technology entrepreneurs while connecting them to the resources needed to start and grow businesses. Our many events are open to the public, and our attendee profile includes technology entrepreneurs and investors; C-level executives; business service professionals; manufacturers; researchers; inventors; and the faculty and students of area universities.

Join the WPI Venture Forum and immediately reap the benefits of educational program value, networking opportunities, and entrepreneurial peer support.

Don't miss this limited-time discount offer. Visit [wpiventureforum.org/Membership/join.html](http://wpiventureforum.org/Membership/join.html) to renew or become a new member at our special \$99 rate *before September 30th*.

**“We find that the process of presenting at the WPI Venture Forum helps early-stage companies become much more fundable.”**

— Dina Routhier, *Investor*

**“It’s a great way to find new investment opportunities and to network with other investors and business professionals.”**

— Will Cowen, *Investor*

**“We have found several new clients that we could not have found any other way.”**

— Shari Worthington, *Emeritus Executive Board member*



# Vantage

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# The Shape of Things to Come

by VIC MARCUS  
Moderator

September 13, 2011, 5:30-8:30 p.m., WPI Campus Center Odeum, register at [wpiventureforum.org](http://wpiventureforum.org)

Technological innovation has prompted sweeping changes in how we live and how we do business. Businesses face the challenge of incorporating new technologies and social media into traditional business models. The WPI Venture Forum will open its 21st season on Tuesday, September 13 with two keynote speakers who will offer a revealing look ahead to the promise that tomorrow's technologies hold for today's business entrepreneurs.

Scott Kirsner, longtime technology reporter and "Innovation Economy" columnist for the Sunday *Boston Globe*, constantly asks the question, "How do innovations that matter get introduced to the world?" He will offer his view of the future projected from his research and his conversations with technology visionaries. Social media forecaster Patrick O'Malley will address "the what, the why and the ROI" of these tools and techniques for future business success.

Kirsner has written award-winning articles for *Fast Company* and other technology publications, and has been a regular contributor to *Variety*, the *Hollywood Reporter*, the *Boston Globe*, *Wired*, the *New York Times*, *BusinessWeek*, *Salon.com*, *CIO*,



SCOTT KIRSNER



PATRICK O'MALLEY

the *San Jose Mercury News* and the *San Francisco Chronicle*,

among many other media outlets. His most recent book is *Fans, Friends and Followers: Building an Audience and a Creative Career in the Digital Age*, published in 2009. A native of Miami, he is a Boston University graduate and was part of the management consulting team that helped the *Boston Globe* launch its website *Boston.com*.

O'Malley loves and lives social media. A nationally known expert on LinkedIn, Twitter, Facebook, YouTube and search engine optimization for Google, he spent more than 20 years in computer operations, programming and performance, and was vice president of operations for Northern Light, an early Google competitor. √

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# A LETTER FROM THE CHAIR

## Who We Are, Where We're Going



Deirdre Sanders, Esq.

Greetings and welcome back to the WPI Venture Forum! I hope that you all had a great summer and are refreshed and ready to start the new year of WPI Venture Forum events and programs.

Our Executive Board and Committee Chairs have been meeting and working throughout the summer on plans for the coming year and beyond. Like the businesses of many of our members, the Board has determined a need to discuss our past milestones, our current status, and, most importantly, our objectives for the coming years. As a result, we are developing a strategic plan and objectives for governance, goals and guidance for our Board, Committees and volunteers.

Because the WPI Venture Forum's mission is to serve business innovation and technology entrepreneurship in New England, its long-term vision is to be the leading community for entrepreneurs in New England that:

- Has a diverse and growing membership;
- Is a welcoming, practical, high-integrity destination for entrepreneurs and all associated with entrepreneurial activities;
- Operates in a fiscally responsible manner that provides for the WPI Venture Forum to grow and continue to offer high quality support and resources to our target markets; and

- Provides full service – a wide range of content focused on entrepreneurial growth.

To that end, we have developed programs throughout the coming year around a broad variety of topics including Innovation

in Life Sciences, Cloud Computing, and the Evolving Landscape of Manufacturing. Please join us on September 13 for our kickoff program: "The Shape of Things to Come: Where Are the Opportunities?" Scott Kirsner from the *Boston Globe* and Patrick O'Malley, a social media corporate consultant, will be our speakers.

We're also kicking off our new membership drive, and now is a great time to become a member if you aren't one already (*see this newsletter for details*). If you are a member, you can strengthen your personal and professional network by getting more involved, joining a committee and participating in our programs and events. I look forward to seeing you at the next event.

Sincerely,

Deirdre Sanders, Esq.

Chair, WPI Venture Forum

Principal and Shareholder, Hamilton Brook Smith Reynolds

# Preparing for the Changes While Waiting For Patent Reform

The US House of Representatives recently passed the Leahy-Smith America Invents Act. While both the House and Senate have now passed patent reform bills, the differences between the bills must be reconciled before the changes in US patent law are enacted and take effect. However, two sets of changes common to both bills must be considered in preparing and filing patent applications: what does “first inventor to file” mean in a practical sense, and what are the changes in the value of the pre-filing grace period?

The new system will give priority to the “first inventor to file” instead of the “first to invent.” Much has been made of the “first to file” aspect, and Federal courts may be searching for exact definitions of “first inventor to file” for years to come. However, it would be prudent to pay careful attention to naming inventors, in addition to being prompt in filing patent applications.

The “first to file” part of “first inventor to file” will probably lead to an increased use of the provisional patent applications, a type of US utility patent application with a reduced filing fee and a limited one-year life span that is not examined for patentability. The application is kept secret unless the benefit of its filing date is claimed by a later patent application.

The benefit of a provisional patent application is limited unless it provides adequate disclosure of an invention that is claimed in a later non-provisional patent application. It is not required to include claims that define the scope of the desired protection for the invention. However, including claims provides two important advantages. First, it provides a measure of the adequacy of the disclosure. Second, including claims provides a way to be sure the inventors are correctly identified when filing a provisional patent application. The second consideration is

important, since the system will be “first inventor to file,” not simply “first to file.”

In addition, to claim the benefit of the filing date of the provisional patent application in a later non-provisional patent application, the applications must have at least one named inventor in common. Errors, either in omitting an inventor or in listing a non-inventor, can be corrected easily if the errors were made without an intent to deceive. However, under the new system, the effect of the one-year grace period before the filing date is limited to providing exceptions for only the activities of the inventor(s) — and those who obtained the subject matter directly or indirectly from the inventor(s) — that would constitute prior art if done by others during the grace period.

Specifically, a public disclosure that would otherwise destroy the required novelty of the invention, if made within a year or less before the filing date of the patent application shall not be considered prior art if the disclosure was made by the inventor(s) — or by another who obtained the subject matter disclosed directly or indirectly from the inventor(s); or if the subject matter disclosed by another had, before such disclosure, been publicly disclosed by the inventor(s) — or another who obtained the subject matter disclosed directly or indirectly from the inventor(s).

A similar exception is available for subject matter in a patent or published patent application filed within a year or less before, with the exception available if the subject matter disclosed was obtained directly or indirectly from the inventor(s) or if the subject matter disclosed had, before such subject matter was effectively filed, been publicly disclosed by the inventor(s) — or another who obtained the subject matter disclosed directly or indirectly from the inventor(s) or a joint inventor; or if the subject matter disclosed and the claimed

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*by*

ROGER P. ZIMMERMAN, PHD, JD

invention, were owned by the same person or subject to an obligation of assignment to the same person, not later than the effective filing date of the claimed invention.

The ability to claim the priority of a patent application that was filed earlier depends on properly identifying the inventor(s). The grace period of one year or less before the filing date of a patent application will only provide exceptions for disclosures that would otherwise be prior art if the disclosure is linked to the inventor(s) — or those who obtained the subject matter directly or indirectly from the inventor(s). The importance of establishing who is an inventor will be at least as important under “first inventor to file” as it is under a “first to invent” system.

*Roger P. Zimmerman is a patent attorney in the intellectual property group of Bowditch & Dewey, LLP. He can be reached at rzimmerman (at) bowditch.com. This article is for informational purposes only and is not legal advice. This information is not intended to create, and receipt of it does not constitute, a lawyer/client relationship. ✓*

# A LOOK AT THE JUNE 2011 MEETING

## Record Year For

by

JANINE M. SUSAN, PHD



*Mark Scott of Factor Bioscience*



*Five-Minute Pitch Contest winners Matthew Angel and the nine other finalists, behind the seated judges.*

### Thanks to Our Mentors

#### Mentors from Wolf Greenfield:

Patrick Waller  
Kuangshin Tai  
Ed Walsh  
Tobias Brambrink

#### Mentors from Gesmer Updegrove:

Tom Durkin  
Steve Snyder  
Peter Moldave

#### Mentors from WPI Venture Forum:

David Thibodeau '78  
Barb Finer  
Jerrold Shapiro, PhD  
Otto Prohaska  
Brigid Siegel

### Thanks to the First-Round Judges

Phil Cyr '86  
Darleen Flaig  
Andrew Goloboy, CPA  
Tom Lynch, IV, '05  
Jerrold Shapiro, PhD  
Janine Susan, PhD

The fifth annual Five-Minute Pitch Contest was notable for its record number of applications and the quality of the top ten finalists. The top ten delivered their pitches at the June 14th meeting of the WPI Venture Forum to vie for \$3,000 in cash prizes.

Prior to the final round, each contestant was matched with a mentor who provided coaching and critique. Each presentation was also filmed. All 32 contestants were invited to showcase their company at a poster session held before and during the networking breaks on the evening of the final round of competition.

Each finalist was strictly limited to a five-minute, timed presentation by co-moderators Daniel Young of Wolf Greenfield and Justin Nesbit of Gesmer Updegrove. A three-minute question and answer session followed each pitch.

The audience and judges employed identical score sheets to evaluate and rank the competing finalist companies. The contestants' presentations were evaluated and rated on: the quality of the business model; the application of innovation; the market opportunity; their competitive advantage;

their leadership team; and, the overall quality of the pitch.

This year's distinguished final round judges were: Karl Büttner, Chief Mentorship Officer for Mass Challenge; William "Bill" Contente, Partner at Gesmer Updegrove LLP; Jason Honeyman, Shareholder at Wolf Greenfield P.C.; Gus Weber, Entrepreneur-in-Residence with Polaris Venture Partners; and Marcia Dougan Woods, MPH, Business Development Manager at Pioneer Valley Life Sciences Institute.

### Audience and Judges Agree

For the first time in the contest's history, both audience and judges chose the same pitch as their winner. The \$1,500 audience choice award and the \$1,500 judges' prize went to **Factor Bioscience** as presented by Chief Science Officer, Mark Scott. Judge Bill Contente described Factor Bioscience as an exciting company with a "swing for the fences play." Scott delivered a strong, complete pitch, Contente added, by fully addressing each of the judging categories.

Factor Bioscience is an early-stage company that provides cells to pharmaceutical

# Five-Minute Pitches



Mark Scott of Factor Bioscience (back row, center) stand flanked by the evening's co-moderators and

companies for drug screening and regenerative medicine. Factor's patent-pending RNA-reprogramming technology was listed as one of *Science Magazine's* Top 10 Breakthroughs of 2010. Their RNA-reprogramming technology is the only known method for creating stem cells efficiently and safely without using viruses or causing mutations. In addition, the technology derives stem cells from a patient's skin cells, thus avoiding the ethical issues surrounding embryonic stem cells.

## The Runner-up Pitches

**Arctic Sand**, presented by Nadia Shalaby, was voted first runner-up by the audience judges. Arctic Sand uses patented MIT technology to build power converter chips to deliver more computing functionality within an existing power budget. Although the technology is applicable to various industry sectors, Arctic Sand is first targeting server and network data centers, which spend more than \$50 billion a year on electricity to power servers and cooling systems.

**Axena Technologies, Inc.**, presented by Jonathan Brown, was voted second runner-up

by the audience judges. Axena Technologies is an early stage start-up company focused on combating healthcare-associated infections (HAIs). Axena has developed an antimicrobial coating that can be applied to medical devices to prevent surface bacterial growth, proactively reducing the risk of associated infections.

**Advirna**, presented by Alexey Wolfson, is a research tool business company providing a novel generation of RNAi reagents and related services for research in industry and academia. Advirna's proprietary, self-deliverable RNAi reagents open new research possibilities in functional genomics research, target validation and biomanufacturing.

**Apt Health**, presented by Probal DasGupta, offers small physician groups and private practices an online service designed to replace paper based documents and processes with their electronic counterparts. The company's service provides an online ecosystem that automates patient interaction, electronic health records, practice management, e-prescriptions, clinical

CONTINUED ON PAGE 6

## WPI DEAN MARK RICE LAUNCHES THE INNOVATOR'S MBA



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SCHOOL OF BUSINESS

# A Look at the June 2011 Meeting

CONTINUED FROM PAGE 5

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*Audience members discuss their evaluations of the finalist presentations before voting.*

diagnostics and revenue-cycle management in one comprehensive solution.

**Coventry Associates, Inc.**, presented by Craig Gardner, is developing a patented positioning and deflection compensation technology. The technology is being applied to automate and standardize machine tools used for grinding bearings for the \$50.5 billion bearing industry.

**Energy Harvesters LLC**, presented by Larry Grumer, is commercializing a personal electronics mobile power source. Embedded within footwear or provided as a pliable insole, the device charges batteries as you walk or directly powers devices such as footwear heaters and GPS locators without the need for batteries.

**Groupize.com**, presented by Charles de Gaspe Beaubien, is an online tour operator that combines the latest travel technologies and the best practices for group travel. Groupize.com provides groups with the tools to easily plan, book and socialize their trips online, revolutionizing the group travel booking process for suppliers, group planners and distributors.

**RxCap**, presented by Steve Xu, is developing a patent pending device to insert

into existing pill bottles that reminds patients when to take medications, provides instructions on the proper use or dosing of medications, and assesses patient adherence practices. The device costs less than \$1 and aims to improve medication adherence by working within existing medication distribution channels.

**Teleos Solar**, presented by Michael McGonigle, is developing technology that will enable CIGS (copper, indium, gallium, selenium) solar module producers to achieve and sustain a substantial performance and cost advantage over current thin-film productions. With years of experience in semiconductor crystal growth research, the company intends to supply novel process-step manufacturing equipment that will boost module performance.

*Janine M. Susan, PhD is an attorney with Burns & Levinson LLP, a full-service law firm with offices in Boston, Providence and New York City. Janine specializes in advising entrepreneurs on intellectual property issues focusing primarily in the Chemical and Life Sciences sectors, serves on the WPI Venture Forum Program Committee, and can be reached at jsusan (at) burnslev.com. ✓*

# Community News

## Pitch Finalist Among MHT “Women to Watch”

Elena Polyakova, CEO & President of Graphene Laboratories Inc., a finalist in the June 2010 Five-Minute Pitch Contest, has been named to the *MassHighTech* list of “2011 Women to Watch.” Her company, spun out of Columbia University, plans to bring functional graphene materials and devices to market.

## MTDC Funds Illume Software

WPI Venture Forum sponsor Massachusetts Technology Development Corporation (MTDC) announced a new investment in a mobile software company, Illume Software. MTDC led the \$2.4 million round of financing for the developer of the popular iZUP application, which uses GPS technology and other sensors to temporarily disable communications functions on mobile devices while driving.

## ECI Biotech Emerging Tech Loan Recipient

The MassDevelopment Emerging Technology Fund has awarded a \$630,000 loan to WPI Venture Fund sponsor ECI Biotech. The fund targets technology-based businesses that are starting or expanding manufacturing in Massachusetts. The loan should assist the company

with commercialization of its ExpressDetect® rapid infection detection technology.

ECI Biotech has also announced its selection as a participant in the Massachusetts Life Sciences Center Internship Challenge Program. The company hired four biochemistry and engineering students as full-time interns this past summer as part of its practical, hands-on STEM workforce development program.

## Zipcar IPO

Zipcar, the car-sharing company whose former chief marketing officer Nancy Rosenzweig presented at the December 2009 meeting, launched a very successful IPO in mid-April, issuing 9.7 million shares and raising \$174 million.

## Altaeros Energies in *Boston Globe*

Audience members who heard the case presentation at April’s WPI Venture Forum meeting heard in person what readers of the Sunday *Boston Globe* later learned about Altaeros Energies and its tethered aerostat in Scott Kirsner’s “Innovation Economy” column on April 17. The article quotes CEO Adam Rein and examines competitors and the funding environment for airborne wind power generation.

## Quick Hit Sold to Majesco

The online football game company, Quick Hit Inc., has sold the majority of its assets to game publisher Majesco Entertainment Co. for \$836,000, according to *MassHighTech*. Quick Hit CEO Jeff Anderson was the keynote presenter at the March 2011 WPI Venture Forum meeting. ✓

## SECOND TUESDAY MONTHLY PROGRAMS 2011-2012

WPI CAMPUS CENTER ODEUM,  
5:30-8:30 P.M.

### September 13

The Shape of Things to Come

### October 11

Life Science Innovation

### November 8

Annual Business Plan Contest

### December 13

Impact of Cloud Computing

### January 10

Marketing Your Business

### February 14

Financing War Stories

### March 13

Sports Industry Entrepreneurship

### April 10

Manufacturing’s Evolving Landscape

### May 8

Managing Today’s Workforce

### June 12

Five-Minute Pitch Contest

Check the [wpiventureforum.org](http://wpiventureforum.org) home page announcement box for program listings throughout the year.

# June Meeting Awards

## Kalenian Award

WPI Professor Diana Lados and Xiang Chen, developers of a high-strength lightweight material that may accelerate the nation’s ability to reach its ambitious transportation, energy and environmental goals, have won the \$25,000 2011 Kalenian Award. David Wolf of Wolf Greenfield & Sacks, P.C., presented the award on behalf of Paul Kalenian and donated \$5,000 of in-kind services.

## Leadership Award

Longstanding volunteer and WPI Venture Forum radio host Bob Hokanson received the third annual Leadership Award. Past chair Mitch Sanders PhD ’88, ’92 presented the award to Hokanson in absentia, describing him as a “consummate news reporter and radio personality.” The radio show has aired since the organization’s first years and has enjoyed Arbitron ratings as high as 8,000 listeners per quarter hour of the show. ✓

# Shifting Sands in Life Sciences Funding and Commercialization

The recent worldwide economic downturn has touched many sectors including the once-robust life sciences. Early-stage and established life science companies alike will have to contend with changing paradigms in funding, development, and commercialization if they are to survive. Currently, the life science space is facing serious hurdles in the translation and commercialization of innovation. They include rising costs of research and development and cautious investors tying their investment to set milestones as a way to reduce their risk.

For start-ups, this means that capital resources are more focused on successful results at each stage of the development pathway rather than the overall success of a company. This has led to instances where funding is withdrawn at the earliest sign of negative results, ending some ventures before they had the opportunity to realize their true potential.

For early stage life science companies, the funding challenges are even more daunting. Federal sources such as the National Institute of Health and National Science Foundation and state funding sources such as the Mass Life Science Center have become key starting pools of capital for early stage companies that represent too great a risk for equity investors. Nonetheless, it is unlikely that the complex and time-sensitive issue of early-stage innovation funding will be exclusively delegated to federal and state governments.

Adding to the uncertainty, Initial Public Offerings (IPOs) have all but dried up in the life sciences, causing executives to seek alternative funding sources such as intellectual property licensing deals and development partnerships. Private investment in public equities (PIPEs) as well as mergers and acquisitions (M&As) have further become the exit strategy favored by many private investors

compared with traditional IPOs.

Alternatives have emerged to accelerate early research and development toward commercialization. Angel “groups” have come to serve as bridges between early stage companies that have grown beyond the available state and federal resources but are still not ready to attract venture capitalists (VCs). Like most VCs, angel groups tend to select a variety of technology investments, not just the life sciences.

New trends are being adopted by some VC firms such as “venture capital in reverse.” This novel approach leverages the existing resources of the VC in identifying innovative ideas in the marketplace and then assembling an expert team to develop them, a strategy that allows VCs to play a hands-on role in setting up and operating their portfolios in order to better control the burn rate and maximize output.

In the present and foreseeable life sciences market, early-stage companies will contend with numerous challenges that will require a multidisciplinary set of skills and experience to be both successful and able to handle the complexity of emerging technologies, including the need to better complement development efforts with commercialization targets. Investors can address these issues if they increase their internal capability to develop partnerships by extending the depth and breadth of their resources by coupling scientific and technological expertise with business know-how.

The commercial side of the life sciences is being transformed by investment changes that may see VCs relying more on PIPEs as a result of the slowdown in IPOs, which are leading to changes in the exit strategies of private companies.

Not surprisingly, even public companies in this industry are also turning to PIPEs as an investment source to drive early-stage devel-

by

**MICHAEL KAISER**

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opment. Another financing tool that merits attention in the process of taking innovative life sciences products to a commercial level is syndication because it allows for larger investments to be spread across multiple parties. However, it is more likely we will continue to see the trend towards more M&A deals as cautious investors seek to reduce risk and shorten investment timelines due to their concerns with the delays inherent to the IPO process.

Notwithstanding the challenges the life sciences industry is facing, the overall prognosis is a positive one because the US is a recognized global leader in biopharmaceuticals and medical devices, attracting overseas investment that will complement and expand our nation’s current and future academic and business resources and expertise. The life sciences is a solid pillar of the American economy and it is fairly safe to predict that the best is yet to come by virtue of its innovations, competitive advantages and capital investments.

*Michael Kaiser, Vice President Global Alliances for Munevar & Associates, Inc., brings to the team 25 years of life science and new market risk analysis experience with small to medium-size biopharma companies. He can be reached at mkaiser (at) munevarassociates.com. √*

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**NEXT PROGRAM:** THE SHAPE OF  
THINGS TO COME

**Tuesday, September 13, 2011**

WPI, WORCESTER

*Campus Center Odeum*

**NETWORKING: 5:30 – 6:30 P.M.**

**MEETING: 6:30 – 8:30 P.M.**

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WPI CAMPUS CENTER ODEUM, 5:30-8:30 P.M.

<b>September 13</b>	The Shape of Things to Come
<b>October 11</b>	Life Science Innovation
<b>November 8</b>	Annual Business Plan Contest
<b>December 13</b>	Impact of Cloud Computing
<b>January 10</b>	Marketing Your Business
<b>February 14</b>	Financing War Stories
<b>March 13</b>	Sports Industry Entrepreneurship
<b>April 10</b>	Manufacturing's Evolving Landscape
<b>May 8</b>	Managing Today's Workforce
<b>June 12</b>	Five-Minute Pitch Contest

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