

**JOHN MARTINSON RECIPIENT
OF NVCA OUTSTANDING
SERVICE AWARD**

The NVCA's Outstanding Service Award was presented to John Martinson, Edison Venture Managing Partner, at 2006 NVCA Annual Meeting held in San Jose, CA. Industry leaders were recognized for their significant contributions to the venture capital community. The honor is presented to an NVCA member who has committed extraordinary time, resources and dedication to advocacy efforts on behalf of the venture capital industry.

During his eight year tenure on the NVCA Board of Directors and as Chairman, John played an instrumental role in expanding membership and research programs. He lobbied on many important issues at both the national and state levels. John is actively involved in guiding many venture, angel, entrepreneurial, technology and educational organizations in the Mid-Atlantic region.

With 28 years of venture capital experience, John led 150 equity financings and served on the BOD of 40 companies. In 1986, John established Edison Venture Fund, which has financed more companies in NJ, PA, MD, and VA than any other private equity firm.

Congratulations John!



Joe Aragona, NVCA Chairman, presents Outstanding Service Award to John Martinson.

THE QUARTERLY NEWSLETTER OF THE EDISON VENTURE FUND

EXITED TRANSACTIONS

PTC (Nasdaq: PMTC) purchased Cambridge, MA-based **MathSoft** for \$65 million. MathSoft provides software for executing and managing complex engineering calculations.

In 2001, Edison funded the management buyout of the Engineering and Education Products Division of MathSoft, Inc. John Martinson led the investment and served on the Board of Directors for five years. Michael Tomasic, Cambridgesoft's CEO, participates as Edison Director Network member. Jake LaMotta initially served as an Edison Director and then joined MathSoft as Executive VP Sales and Services for the Americas.

Edison achieved nearly 10X return on the initial \$3.5 million investment. A \$3.0 million follow-on investment made in early 2005 returned over 3X. Edison realized \$43 million and generated 57% IRR from \$6.5 million cumulative investment. www.mathsoft.com



Follett acquired **TetraData**, the leading provider of data warehousing, analysis and reporting solutions for K-12 education. The software is installed in 300 K-12 school districts serving over 1.5 million students. Edison led the sole institutional financing of \$4.5 million in 2004.

John Martinson and Dick Cook, an Edison Director Network member, served on TetraData's Board of Directors. Cook was CEO of MAPICS, a public ERP software company and early Edison investment, which grew above \$300 million revenue. Ryan Ziegler, Investment Manager, served as Board Observer. www.tetradata.com



CA, Inc. (NYSE: CA), one of the world's largest information technology management software companies, purchased **MDY**. Based in Fairlawn, NJ, MDY is a leading independent records management software vendor.

In 2002, John Martinson, Managing Partner, and Chris Sugden, Partner, led the sole expansion-stage financing of \$3.5 million. Joe Allegra, General Partner, and Dave Hickey, Edison Director Network member, served on the Board of Directors. www.mdy.com



NEW INVESTMENTS

Edison completed a \$4 million investment in **LogicTree**, based in Bowie, Maryland. LogicTree provides innovative speech-enabled data access solutions for the directory assistance and transit markets.

Gary Golding, General Partner, along with Phil Sweatman, Edison Director Network member, serve on LogicTree's Board of Directors. Sweatman is an executive of former Edison portfolio company Relay Technologies. Orlando Mendoza, Analysis Associate, conducted Edison's due diligence process. www.logictree.com



Edison completed a \$5 million investment to acquire and capitalize the **ManagedPay** business of Soluziona. Based in Media, PA, ManagedPay provides workflow solutions for high-volume accounts payable processing.

Matt Townley, ManagedPay CEO, is the former CEO of another Edison investment, Longview Solutions. Doug Petillo, Partner, and Andy Thomson, an Edison Director Network member, serve on the Board of Directors. Thomson is CEO of BoxBundles and former CEO of SMX, an Edison investment acquired by Faro. Orlando Mendoza, Analysis Associate, led Edison's due diligence process. www.managedpay.com



Edison completed a \$5.5 million investment in **NeatReceipts**. Based in Philadelphia, the company provides scanning productivity solutions for individuals, business professionals and organizations of all sizes.

Doug Petillo, Partner, and Michael Kopelman, Vice President, serve on the Board of Directors along with Pete Truscello, an Edison Director Network member and former CEO of Danyl. Tom Vander Schaaff, Vice President Analysis, led Edison's due diligence. www.neatreceipts.com



Edison Venture completed a \$3.6 million investment in **Regent Education**. Based in Frederick, MD, the company provides financial aid management software for colleges and post secondary institutions.

Gary Golding, General Partner, serves on the Board of Directors along with Bill Donnelly an Edison Director Network member and VP of Business Development for Vocus. Lou Pugliese, former CEO of Blackboard, is Regent's Chairman.

Tom Vander Schaaff, Vice President, Analysis, conducted Edison's due diligence along with Lenard Marcus, Investment Manager. www.regenteducation.com



Edison completed a \$3 million investment in **SmartAnalyst**. Headquartered in New York City, SmartAnalyst provides outsourced custom research products and analytics for financial, pharmaceutical and consumer product markets. The proceeds will fund development, sales, marketing and services.

Chris Sugden, Partner, serves on the Board of Directors with an executive from a successful Edison investment. Tom Vander Schaaff, VP Analysis, and Ryan Ziegler, Investment Manager, led Edison's due diligence. www.smartanalyst.com



FOLLOW-ON INVESTMENTS

Edison completed a \$2 million follow-on investment in **Correctnet**, a market leader in delivering advanced data management and Internet-based publishing solutions. The company serves more than 750 client firms of leading fund administrators, prime brokers, and service providers.

Michael Kopelman, Vice President, along with Loren Hulber, member of the Edison Director Network and former CEO of Incurrent, serve on Correctnet's Board of Directors. www.correctnet.com



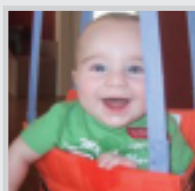
Edison completed a \$2.1 million follow-on investment in **Exclaim** (formerly dotPhoto). Edison's cumulative investment reached \$5 million. Exclaim will utilize the proceeds for marketing and development.

Chris Sugden, Partner, serves on the Board of Directors with Edison Director Network member, Jim Sheward, CEO of Fiberlink.

Exclaim is a leading provider of photo, video, multimedia applications, content, and services for wireless users. Digital photo sharing and storage services are offered through websites for consumers and professionals. www.exclaim.com

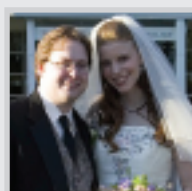


ALL IN THE FAMILY



Amy and Michael Kopelman (VP) welcomed their son Ethan on April 15th. Ethan weighed in at 8lbs 9oz. He now tips the scale at 17 lbs 8 ozs! THAT'S A BIG BOY! Congratulations to the Kopelman Family.

Jennifer and Orlando Mendoza (Associate, Analysis) welcomed baby girl No.3, Alexandra Mendoza. Madisen and Olivia are overjoyed with their new sister.



Mrs. Mary-Elise Sheets (VA Office Manager) and husband Andy walked down the aisle in beautiful Silver Spring, MD. Edison wishes Mary-Elise and Andy a lifetime of everlasting love and happiness.

Congratulations Mr. & Mrs. Robinson! Connie (NJ Receptionist) and Bill were married this past spring. The couple honeymooned in Spring Lake, NJ. Wishing you health and happiness.



EDISON NEWS

PROMOTIONS

CHRIS SUGDEN & DOUG PETILLO

Edison Venture Fund announced the promotions of Chris Sugden and Doug Petillo to Partner. They recommend venture investments and guide portfolio companies. Both serve on Edison's Investment Committee which approves all financing commitments and exit transactions.

Sugden led Edison's investments in Edgetrade, Exclaim (dotPhoto), In-Person Payments, Operative, Pinnacle Tax, Satori and SmartAnalyst. Chris serves as Director of Edgetrade, Exclaim (dotPhoto), Gain Capital, IPP, Operative, Pinnacle Tax and SmartAnalyst.

Petillo led investments in FinePoint, ManagedPay, NeatReceipts, True Commerce and USADData. Doug serves as Director of Log-Net, ManagedPay, NeatReceipts, TrueCommerce and WAM.



LENARD MARCUS

Edison Venture Fund announced the promotion of Lenard Marcus to Investment Manager. Lenard relocated to Edison's McLean, Virginia office. He discovers and evaluates investment opportunities and guides existing portfolio companies.

Lenard participates in due diligence and structuring of investments. His activities include market research, technology assessment and financial analysis. He represents Edison at venture, entrepreneurial and technology associations.



Lenard is a graduate of Stanford University with a MBA from Columbia Business School. He has five years operating experience in software and business services. Lenard completed two successful years in Edison's Business Development program in deal generation and analyzing investment candidates.

DONNA USISKIN



Edison congratulates Donna Usiskin on her promotion to Director of Business Development. Since joining in 2003, Donna has tracked and sourced many investment opportunities. She maintains industry segment specialties in Healthcare and Pharmaceutical Information Technology.

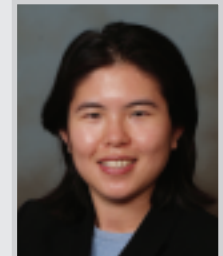
Donna has over ten years experience of sales experience in the software industry. She previously served as Vice President of Sales for Connexive, an exited Edison investment. Donna earned a BA degree in Psychology from Rutgers University.

Donna manages the Business Development Team, which originates investment candidates through research, referrals and proactive outbound prospecting. The Business Development group communicates with over 2500 companies which fit Edison's expansion stage profile. Edison cultivates relationships with referral sources such as attorneys, accountants, bankers, investors and other service providers.

WELCOME

DAHLIA KANG

Edison welcomes Dahlia Kang to the Business Development team. Dahlia focuses on generating investment opportunities and conducting analysis of emerging information technology companies in New York and New Jersey. She targets e-commerce, interactive marketing, media, wireless, enterprise infrastructure and human resources.



Dahlia has five years experience in marketing for the media, e-commerce, and interactive marketing industries. She was a marketing manager for NBC Cable Networks during the rebranding of CNBC, the launch of MSNBC and ShopNBC, and acquisitions of Telemundo and USA.

Dahlia earned a MBA from NYU Stern School of Business and BA from Princeton University.

Edison completed a \$1.9 million follow-on investment in **Telarix**. Based in Vienna, VA, Telarix simplifies a carrier's overall network by proactively controlling interconnects for policy management tasks and call route provisioning.

In 2003, Edison was the sole investor in the company's first institutional round of financing. Edison's cumulative investment in Telarix has reached \$7.4 million.

Gary Golding, General Partner, serves on the Board of Directors along with John Kealey, Edison Director Network member. www.telarix.com



Edison Venture completed a follow-on investment of \$1.5 million in **CoreStar** of Timonium, MD. Edison's total investment in CoreStar is \$8.5 million.

Gary Golding, General Partner, and Ross Longfield, Edison Director Network member, serve on CoreStar's Board of Directors.

CoreStar originates, underwrites, funds and sells residential non-conforming mortgages. CoreStar currently lends in 46 states. www.corestar.com



MORE THAN EXPANSION CAPITAL...

Edison Director Network

EDISON DIRECTOR COLLEGE – FAIRLEIGH DICKINSON UNIVERSITY

The Edison Director College attracted 90 BOD members of portfolio companies. John Martinson organized the full day program conducted at the Madison, NJ campus of Fairleigh Dickinson University.

Rothman Institute professors in entrepreneurship provided academic research results. Experienced directors shared best practices on how to organize Boards. Panel members offered

proven methods to accelerate growth. The panel members also highlighted the value-added by directors in supporting business development and exit preparation.

The Edison Director Network, led by Joe Allegra, General Partner, conducts semi-annual programs. The Edison Director College will be sponsored every two years. The hosting university will rotate among top business schools such as Darden (Univ. of VA), Harvard, Stern (NYU) and Wharton (Univ. of PA).



WWW.EDISONVENTURE.COM

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