

John Martinson Will Receive
**The Sal Buccieri Venture
Memorial Impact Award**
at Early Stage East 2005



This award is given to an individual within the VC and entrepreneurial community who strives to create a better environment for all so that entrepreneurs achieve their dreams and attain success.

Sal Buccieri was an auditor and consultant to several Edison portfolio companies. "His enthusiasm and professionalism was inspirational to everyone," remembers John Martinson.

The ESE'05 conference is May 11-12th at the Penn's Landing Hyatt in Philadelphia, PA.

www.earlystageeast.org



NEW INVESTMENTS

Edison Venture Fund announced completion of a \$3.4 million investment in New Jersey-based **Portable Internet**. The company provides location-based wireless applications on cell phones and handheld mobile devices.

Portable Internet's software transforms GPS-enabled cell phones into workflow systems. Wireless handsets become low cost, ubiquitous wide-area terminals, enabling remote management of people, vehicles and assets.

Edison is the sole institutional investor. Joe Allegra will join the Board. Proceeds will increase sales, marketing and distribution channels with enterprise level partners.

www.portableinternet.com



FOLLOW-ON INVESTMENTS

Edison completed a \$3.0 million follow-on investment in **Mathsoft**. Based in Cambridge, MA, Mathsoft provides software for executing and managing complex engineering calculations. Edison's investment in Mathsoft totals \$6.5 million.

In 2001, Edison funded the management buyout of the Engineering and Education Products Division of MathSoft, Inc. Today, Mathcad products are sold in over 40 countries in 4 languages. Customers include engineering enterprises such as Bechtel, Intel, Lockheed Martin, NASA and Siemens. The proceeds will increase development, marketing, sales and services. www.mathsoft.com



Edison completed a \$3.0 million follow-on investment in Pennsylvania-based **Octagon**. Octagon provides R&D process management solutions for the pharmaceutical industry. Edison's investment in Octagon now totals \$6.4 million.

Octagon has successfully assisted clients to file over 90 electronic submissions to the FDA and similar agencies worldwide. The company's solutions streamline processes to create systemic improvements across the drug development lifecycle.

Octagon serves over 65 clients including AstraZeneca, Barr Laboratories, Endo Pharmaceuticals, Johnson & Johnson, Sanofi-Synthelabo and Wyeth. The proceeds will accelerate development, marketing and sales of Octagon's ViewPoint™ software.

www.octagonresearch.com



Edison completed a \$1.75 million follow-on investment in New-England based **Tangoe**. The company provides an enterprise-wide telecommunications expense management software solution and related professional services. Edison has invested a total of \$6.0 million in Tangoe and remains the sole institutional investor.

Tangoe's Communication Management Platform™ software provides companies with a single, unified application to monitor, control, and reduce telecommunications expenditures throughout the enterprise. The proceeds will accelerate Tangoe's sales and marketing in North America and Europe.

www.tangoe.com



TRENDS & INSIGHTS

Edison's Specialty Groups are Differentiated Resources

> Analysis Group

- > 3 senior due diligence professionals
- > Conduct market research and deal analysis

"Edison employs the processes and resources similar to those utilized by buyout funds to assess investment opportunities. These efforts result in a reduction of the risks associated with our growth capital investment strategy."

- Tom Vander Schaaff
Vice President Analysis



> Business Development

- > 7 BD professionals originate proprietary deal flow
- > Devoted to deal generation and market research

"We establish credibility early with entrepreneurs. Edison's seasoned team shares valuable experience in our target market segments."

- Steve Hovagimyan
Director of Business Development



COMPANY EXITS

Edison completed the sale of the financial services IT firm **Derivatives Portfolio Management**. Mellon Financial, based in Pittsburgh, PA acquired DPM in March of 2005. Based in Somerset, NJ, DPM provides fund administration and back-office outsourcing to the alternative asset management market.

DPM is regarded among the most successful and fastest growing firms in the hedge fund administration arena. The DPM acquisition enables Mellon to meet the needs of those clients who are seeking custodians with hedge fund expertise. Transaction terms were not disclosed. www.mellon.com



PORTFOLIO COMPANY NEWS

Archive Systems recently announced the release of a completely outsourced, turnkey solution for both paper and electronic records. Archive DPO is the first document lifecycle solution to encompass Web-based document imaging, document conversion services, workflow automation and off-site, hard copy records storage, all in one services-based offering. This solution allows companies to manage each element of document processing, from Source-to-Shred, through a single vendor relationship.

www.archivesystems.com



CambridgeSoft was awarded Frost & Sullivan's 2004 Technology Leadership award for the unique offline deployment capability used in version 9.0 E-Notebook Workgroup system. CambridgeSoft is a leading provider of desktop and enterprise-class electronic laboratory notebook software for the pharmaceutical and biotechnology industries. www.cambridgesoft.com



Fiberlink, a leading innovator and trusted enterprise partner for secure mobile workforce solutions, posted its 16th consecutive quarter of sequential revenue growth while recording its second consecutive full year of operating profits. The company's growing software and managed services business also contributed to record gross margins during 2004. www.fiberlink.com



GAIN Capital, a leading non-bank provider of foreign exchange trading and asset management services, announced the launch of *Learn to Trade Forex* (www.learn-to-trade-forex.com). This new online training course is designed to educate individual investors on the fundamentals of forex trading. www.gaincapital.com



Liberty Tax Service is the #1 fastest growing branded tax service for the 2004 season. The company opened 311 new offices in 2005, and realized a 35% increase in tax returns. www.libertytax.com



Maptuit, the leading provider of trucking, tracking and traffic services, reached a record-breaking milestone delivering 150 million routes to customers during the 1st quarter of 2005. Maptuit optimizes routes for consumers and businesses throughout North America. www.maptuit.com



NFR Security announced that its intrusion prevention offering was named *Datamation's* "Product of the Year" in the Enterprise Security Software category. Sentivist was selected for its patent-pending Confidence Indexing™ feature which resolves the

industry-wide problem of false positives and promotes user confidence in deploying intrusion prevention technologies.

www.nfrsecurity.com



Vocus was named to *Software Magazine's* Software 500. Vocus is the global leader in on-demand software for public and government relations. www.vocus.com

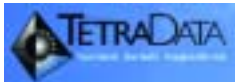


Octagon announced that 2004 revenue increased 80% over 2003 revenue. Octagon pursues four lines of business including Regulatory, Clinical, Process and IT Solutions.

www.octagonresearch.com



TetraData announced the release of their DASH™ product. This K-12 public education dashboard and data portal gives stakeholders from the state level to the school level a quick and easy way to monitor a school system's health from day-to-day in real time. www.tetradata.com



TrueCommerce received a \$450,000 state grant for the creation of 210 Pennsylvania-based jobs over the next 3 years. The company provides electronic transactional platforms that enable small and mid-sized companies to conduct business with mass merchants such as The Home Depot and Wal-Mart. www.truecommerce.com



VFA announced that its flagship software, VFA *facility*, has been named one of the top 100 products of 2004 by *Buildings* magazine. The *Buildings'* 2004 Editors' Choice program highlights solutions covering all areas of the facility management industry. VFA *facility* 6.1 is a scalable, Web-based capital asset planning and management software system. www.vfa.com



FUND NEWS

Check out Edison's newly designed home page. Read about new fund investments and upcoming regional events Edison professionals are participating in at www.edisonventure.com.



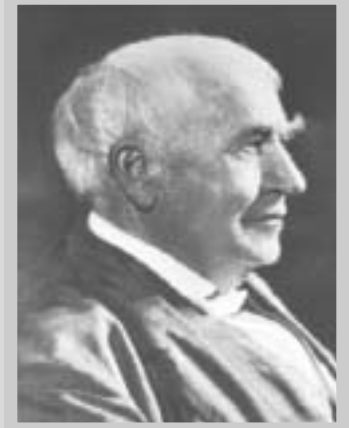
On January 31st, 2005, **Lenard Marcus** joined Edison's Lawrenceville, NJ office as a Business Development Associate. Lenard will contact entrepreneurs and extend Edison's ability to identify investment opportunities in New Jersey and New York that match the firm's investment strategy. Lenard resides in Jersey City, NJ with his wife, Charlotte. He graduated from Stanford and received an MBA from Columbia University.

ALL IN THE FAMILY

Congratulations to the Vander Schaaff family! On April 3rd, Tom and Sarah Vander Schaaff brought into this world a health baby girl, Heidi Adair, who is their first child.



DID YOU
know?



Edison Venture Fund was named after America's greatest inventor and entrepreneur, Thomas Alva Edison. His inventions created new industries and markets. Here are some Edison milestones:

- > "Little Al" Edison was born on Feb. 11, **1847** to middle-class parents in Milan, OH. Edison was the last of seven children in his family.
- > In **1857**, Edison set up his first chemical laboratory in the cellar of his home.
- > By **1892**, Edison General Electric Co. merged with another company to become the General Electric Corp. we know today - Edison was a major stockholder.

VALUE ADDED SERVICES:

MANAGEMENT & FINANCIAL COUNSEL • BUSINESS & FINANCE REFERRAL NETWORK • EDISON DIRECTOR NETWORK • HUMAN RESOURCE ASSISTANCE



MORE THAN EXPANSION CAPITAL...

Human Resource ASSISTANCE

When Edison invests in a company, the value received with a venture investment goes far beyond the money. Edison professionals bring the experience of financing and guiding nearly 150 companies, as well as recruiting and operational experience in development, sales, marketing, finance and executive management. Over 19 years and 5 funds, we've built many successful companies by working closely with entrepreneurs, helping guide and supporting important human resource initiatives.

The Edison team is augmented by the Edison Director Network, our network of technology industry contacts, and organizational development consultants. We assist our portfolio companies in

identifying and recruiting management and key staff through our extensive referral network, our internal human resource specialist and database, and a network of technology-oriented search firms. We advise on compensation and benefits, plus help structure competitive packages for top talent.

Edison's sponsorship and backing enhances an emerging company's credibility and visibility with employee candidates. Our investment professionals are associated with many successful companies in the Mid-Atlantic region, plus, Edison professionals hold a series of peer and industry sessions throughout the year to promote networking and commercial contacts between our portfolio companies.

GROWTH CAPITAL • MANAGEMENT BUYOUTS • ACQUISITIONS
• CORPORATE SPINOUTS • SECONDARY STOCK PURCHASES

WWW.EDISONVENTURE.COM

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