

Edison Venture Fund Ranked Among the Most Active Venture Investors in the US



Q3 2004 US REPORT
PWC MONEYTREE™ RESULTS
www.pwcmoneytree.com

For Q3'04, Edison ranked among the Top 50 most active venture investors in the US. Additionally, Edison ranked as one of the Top 5 most active venture investors based in the Mid-Atlantic. Edison completed 6 new investments in Q3'04.

2004 Edison Investment Activity Highlights:

- > **10 New Investments:**
 - > 3 NYC-based companies
 - > 2 NJ-based companies
 - > 2 MD-based companies
 - > 1 PA-based company
 - > 1 VA-based company
 - > 1 SC-based company
- > **6 Follow-on Investments**
- > **4 Company Sales**

NEW INVESTMENTS

Edison continues to focus on financial services with a \$4.5 million investment in **Pinnacle Taxx Advisors**, headquartered in White Plains, NY. Ovation Capital Partners co-invested in the \$6.0 million financing lead by Edison. Pinnacle provides tax preparation and financial planning services to middle income consumers. The company operates 30 offices in 10 states with 20,000 clients. The proceeds will be used to expand marketing and fund acquisitions.
www.pinnacletaxx.com



Edison announced a \$4.3 million investment in **TetraData**, located in Greenville, SC. Edison is the sole institutional investor. TetraData provides school data analysis software for the K-12 market. The company has implemented turnkey data warehouse solutions for 670 school districts in 29 states. These decision-making products aggregate, assess and report data on a student-by-student basis. Proceeds will be used to expand sales, marketing and development.
www.tetradata.com



Edison continues an active investment pace in New York and the education market with a \$4.0 million investment in **eChalk**. Headquartered in New York City, eChalk is the leader in online communication systems for K-12 schools. Edison is the sole institutional investor. Proceeds will be used to expand sales, marketing and development.

The company's suite of networked applications support email, lesson plans, homework, directory, announcements and calendar. www.echalk.com



Edison continues leadership in pharma IT with \$4.25 million investment in **Health Market Science**, located in King of Prussia, PA. HMS provides business intelligence solutions to healthcare and pharmaceutical companies. HMS maintains the leading healthcare contact database of over two million practitioners and over one and a half million organizations. The company provides packaged databases and application software as well as data acquisition and integration services. Proceeds will be used to expand marketing, sales and operations.

www.healthmarketscience.com



FOLLOW-ON INVESTMENTS

Edison Venture Fund announced investing \$2.0 million in a \$3.0 million follow-on investment round in **VFA**, located in Boston, MA. VFA provides web-based software and services for facilities condition assessment and capital asset planning. VFA has assessed over 16,000 properties worldwide. VFA facility software manages over one billion square feet of real estate assets. The proceeds will be used to accelerate growth through expanding software development, sales and consulting staff.
www.vfa.com



TRENDS & INSIGHTS

Edison investment professionals focus on specific market segments and regions. To read about industry trends and opportunities within the technology sector, please see Edison's newly designed website for sector overviews and regional highlights.

www.edisonventure.com/about/print.asp

> **John Martinson**

Education, Pharma IT

> **Joe Allegra**

*Enterprise Software,
Interactive Marketing, Wireless*

> **Bruce Luehrs**

Financial Services, Buyouts

> **Gary Golding**

Government Software, Telecom

> **Ross Martinson**

Business Services

> **Chris Sugden**

e-Commerce, Financial Services

> **Doug Petillo**

CRM, Supply Chain & Logistics

> **Michael Helmicki**

Security, Pharma IT, RFID

> **Cheryl Haze**

Healthcare IT

COMPANY EXITS

Edison announced the sale of **V-SPAN**, located in King of Prussia, PA. The private equity firm, Gores Technology Group, acquired V-SPAN and will merge the company with Wire One Technology. The combined company is the video conferencing industry's largest full service solutions provider. V-SPAN was founded in 1995, Edison participated in V-SPAN's initial institutional rounds during 1999 and 2000 to finance acquisitions, marketing and sales.

www.vspan.com

V-SPAN

Edison Venture Fund announced the sale of **Incurrent Solutions**, located in Parsippany, NJ. Online Resources Corp (Nasdaq: ORCC) acquired Incurrent Solutions for \$15 million in cash and stock. Incurrent, founded in 1997, provides a web-based suite of branded cardmember care services. Major credit card issuers include Sears, MBNA and EquiFax. Edison was the sole investor in Incurrent's first institutional round, then participated a year later in the company's second round.

www.orcc.com

**online
RESOURCES**

PORTFOLIO COMPANY

Liberty Tax advanced to #15 overall on *Entrepreneur* magazine's *Franchise 500* (January 2005) list. The company ranks among the top ten fastest growing franchises. Liberty is a retail income tax prep firm serving the US and Canada. Liberty is outperforming the early historical growth of H&R Block and Jackson Hewitt, the national leaders. www.libertytax.com

**LIBERTY
TAX
SERVICE**

Maptuit is the leading provider of trucking, tracking and traffic services. WNBC4 in New York has licensed Maptuit's RealTraffic™ service and rebranded it as Navigation4. RealTraffic powers online traffic information service to help commuters around New York City. www.maptuit.com

Maptuit

NFR Security's Sentivist™ intrusion prevention solution was named the "Hot Pick" by *Information Security* magazine. NFR develops and markets a range of information security products. Fortune 1000 clients include pharmaceutical, telecommunication, financial and government agencies. www.nfrsecurity.com

(nfr)(security)

Satori business performance management software was selected by Caliber Collision Centers to facilitate their growth initiatives and strategic operational plans. Caliber currently owns and operates 68 facilities with annual revenues of approximately \$200 million. U.S.I. Holdings, the 9th largest insurance brokerage in the US, also selected Satori for their on-demand financial reporting solution. www.satorigroupinc.com

**satori
GROUP**

Sentrx and **Taratec** recently announced a new annual Pharmacovigilance Audit Service. This new offering helps life science companies understand and document their compliance with pharmacovigilance laws, regulations and guidances. It helps biopharmaceutical companies demonstrate a dedication to patient safety. www.sentrx.com www.taratec.com

sentrx
safety matters

TARATEC

Skila was awarded the Software/IT Company of the Year at the NJTC Gala Awards in East Brunswick, New Jersey. Skila provides solutions to the pharmaceutical industry that increase their marketing and brand effectiveness. www.skila.com



Voxware, (OTC: VOXW), is a leading supplier of voice-based solutions for the logistics workforce. AutoZone, the nation's largest retailer of auto parts and accessories, selected the VoiceLogistics solution for implementation in over 3,400 North American stores. www.voxware.com



Tangoe was recognized by Deloitte's Technology Fast 50 program for Connecticut. The Rising Star award is a special designation for fast-growth technology companies that have been in business less than five years. Tangoe is a leading provider for telecom expense management solutions. www.tangoe.com



VFA was honored among New England's fastest growing technology companies in Deloitte's Technology Fast 50 Program. VFA provides web-based software and services for facilities condition assessment and capital asset planning. www.vfa.com



Vocus on-demand PR software was selected by drugstore.com, inc. to automate and manage its public relations. drugstore.com is a leading online provider of health, beauty, vision, and pharmacy products. Vocus is the global leader in on-demand software for public relations and government relations. www.vocus.com



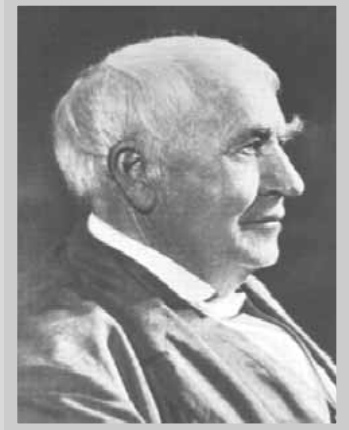
FUND NEWS

Check out Edison's newly designed home page. Read about our market segment specialties and regional focus at www.edisonventure.com.



On November 29th, 2004, **Orlando Mendoza** joined Edison's Lawrenceville, NJ office as a Business Development Associate. Orlando identifies and contacts promising companies in Pennsylvania and Delaware that match Edison's investment strategy. Orlando resides in Radnor, PA with his wife, Jennifer, and two daughters.

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:

- > At Menlo Park, NJ, Edison's site for the first institutional research laboratory, he assembled a technical team referred to as his **"one hundred earnest men."**
- > Edison set a goal for his laboratory team: **"Invent some minor thing(s) every ten days, and some big thing every six months."** Edison created the first research organization.
- > A placard on the wall at the Menlo Park laboratory read: **"There's a way to do it better – find it."**

VALUE ADDED SERVICES:

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



MORE THAN EXPANSION CAPITAL...

Business & Finance REFERRAL NETWORK

When Edison invests in a company, we bring value-add services. Respected as a lead investor, we're recognized for thorough analysis and dedication to success. Over 18 years, 5 funds and 125+ investments we've supported successful companies by working closely with entrepreneurs and leveraging a valuable business and finance referral network.

Edison's network includes potential customers, distributors, and key decision makers. We facilitate relationships with corporate, financial and government institutions. Edison also introduces partners and assists with the development of key service provider relationships.

Edison's sponsorship and backing enhances an emerging company's credibility and visibility with vendors, customers, employee candidates and financial institutions. We refer lenders and other investors, plus attract buyers and intermediaries for strategic acquisitions or an optimal exit. Our investment professionals are associated with many successful companies in the Mid-Atlantic region. Edison's Limited Partners also serve as product test sites.

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

WWW.EDISONVENTURE.COM

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