



### May 2007 Table of Contents

- [Welcome](#)
- [News from Advantage](#): TomoTherapy IPO; SBA honors Zajac; Advantage addresses local business leaders
- [News about Advantage Investments](#): GridApp Systems; Pasteuria Bioscience; Synacor; Virent Energy Systems
- [About Us](#)

### [Welcome](#)

Welcome to Advantage Capital Partners' electronic newsletter for May. We think you and other opinion leaders in business, finance, government, economic development and higher education will find this month's news about Advantage investments and our innovative portfolio companies to be informative.

### [News from Advantage](#)

#### **Wisconsin's TomoTherapy completes \$185 million Initial Public Offering**

[TomoTherapy Inc.](#) completed an Initial Public Offering earlier this month, raising net proceeds of approximately \$185 million and becoming the latest Advantage-backed company to go public. Shares of Madison-based TomoTherapy began trading May 9 on the NASDAQ National Market under the symbol TTPY. The market reacted enthusiastically, with the share price rising almost 20% on its first day of trading.

TomoTherapy produces the [Hi-Art](#) system, one of the most advanced and versatile radiation therapy systems for the treatment of a wide variety of cancers. The Hi-Art system precisely delivers radiation with sub-millimeter accuracy to kill cancer cells while reducing radiation exposure to surrounding healthy tissue. TomoTherapy markets the system to university research centers, hospitals, private and governmental institutions and cancer treatment centers in North America, Europe and Asia. The company has more than 100 clinical partners in over 15 countries.

Advantage first invested in the company in 2000 through Wisconsin's Certified Capital Companies program. The TomoTherapy technology grew from research at the University of Wisconsin-Madison in the early 1990s and the company was founded in 1997. Since then, TomoTherapy has recorded 10 continuous years of growth and today has nearly 500 employees.

For more information on the IPO, go [here](#).

## Advantage's Zajac honored as SBA's Financial Services Champion



Scott Zajac, senior managing director of Advantage Capital Partners, was honored for his support of small business financing during Small Business Week earlier this month. Zajac was named Financial Services Champion of the Year by the federal [Small Business Administration's St. Louis District](#).

The award recognizes individuals who assist small businesses through advocacy efforts to increase the usefulness and availability of accounting or financial services. Criteria include assistance given small businesses to obtain financing, advocacy for changes in the financial services industry to assist small companies, encouragement of the flow of investment capital to small ventures and active support for legislative or regulatory action designed to help small firms.

"Scott was instrumental in establishing Advantage Capital's small business lending fund, a \$30 million business loan program specifically designed to provide financing for low-income entrepreneurs in distressed communities who would not otherwise qualify for conventional bank loans," said Judy Meador, publisher of *St. Louis Small Business Monthly*, who nominated Zajac. Advantage raised the fund in connection with the federal New Markets Tax Credits program. Read more about the SBA honor [here](#).

## Advantage to entrepreneurs: Venture capital helps wide range of companies

In contrast to the popular focus on high-technology companies, venture capital investors like Advantage Capital Partners help a wide range of companies, Senior Managing Director Scott Zajac told a group of leading St. Louis entrepreneurs at a May 15 breakfast organized by the [St. Louis Regional Chamber and Growth Association](#).

"We're generalists. We do invest in high tech, but we also do other things," he said. Local communities benefit from the economic development that results from investments and Advantage is focused on promising companies located in areas underserved by traditional venture capital.

Zajac advised the St. Louis audience that pending Missouri legislation to match the federal New Markets Tax Credit program would help Advantage invest more. "New Markets is an economic development tool that makes sense," Zajac said.

## News about Advantage Investments

### GridApp's Patchworks establishes new paradigm in database automation

[GridApp Systems Inc.](#) announced the introduction of Patchworks, the industry's first automated service that builds, certifies and delivers custom patching workflow bundles, reducing the time and cost associated with frequent patch deployments. Patchworks assumes the burden of managing software update patches released by all major database vendors, providing automated customization, validation and a simple one-click patch deployment. Information on Patchworks can be found [here](#) and at [www.clicknpatch.com](http://www.clicknpatch.com).

GridApp is a leading provider of database automation software and solutions. Advantage first invested in GridApp in 2004 through New York's Certified Capital

Companies program.

### **Pasteuria Bioscience raises \$5.3 million**

[Pasteuria Bioscience](#), a Florida-based agricultural biotech company, has completed the \$5.3 million closing of a Series B financing round led by LSP BioVentures, who joined the existing Series A investors, Advantage Capital and Gordon River Capital. Read more about this investment [here](#).

Founded in 2003, Pasteuria is focusing on the need for reducing plant parasitic nematodes in agricultural and turf markets. The company has developed a cost-effective process for the industrial production of Pasteuria bacteria, a naturally occurring predator of plant-parasitic nematodes. This process will allow commercialization of products to prevent billions of dollars in damage to a variety of agricultural and horticultural markets.

Advantage first invested in Pasteuria in 2003 through Florida's Certified Capital Companies program.

### **New York's Synacor extends NHL partnership**

The National Hockey League and [Synacor](#) have extended their partnership to offer premium services content for the 2007-2008 hockey season. This premium content – NHL Premium Video and Game Notes -- will be available to service providers who can then offer it to their high-speed data customers throughout the NHL's regular season, playoffs and Stanley Cup finals. As a promotion, Synacor plans to make some content available to selected clients through the remainder of this season's Stanley Cup Playoffs.

Based in Buffalo, N.Y., Synacor builds Internet tools and portals that simplify the way consumers get their digital media. Its technology platform provides private label portals, premium online content and email collaboration suites to broadband service providers such as cable operators, telecommunications companies, Internet service providers and others. Advantage invested in the company in 2003 in connection with New York's Certified Capital Companies program.

"Customers are increasingly turning to the Internet to view video content and get the inside scoop on their favorite sports team or player," said Ron Frankel, president and CEO of Synacor, which is based in Buffalo, N.Y. Read more about the NHL agreement [here](#).

### **Wisconsin's Virent joins with Shell to develop hydrogen from biomass**

[Virent Energy Systems Inc.](#) of Madison, Wis., and Shell Hydrogen LLC of Houston have begun a five-year program to develop and commercialize Virent's BioForming technology platform for hydrogen production. The two companies will collaborate on the development of hydrogen systems with the aim of deploying the new technology at Shell hydrogen fueling stations.

"This collaboration will speed development and deployment of our technology not only in hydrogen fueling station applications, but in the broader industrial hydrogen market as well," said Eric Apfelbach, Virent's president and CEO. Read more about the agreement [here](#).

Virent's patented BioForming process is the first commercial application of Aqueous Phase Reforming (APR), a unique and innovative pathway to biofuel and bioproduct production. Virent has an exclusive license to the APR process from the Wisconsin Alumni Research Foundation. Advantage invested in the company in 2005.

## About Us

[Advantage Capital Partners](#) is a venture capital and private equity firm focused on investing in promising companies located in areas underserved by traditional venture capital. With offices and partners in New Orleans, St. Louis and several other cities, Advantage Capital has raised more than \$750 million in insitutional venture capital since 1992.



Forward to a Friend

This email was sent to: [traftery@advantagecap.com](mailto:traftery@advantagecap.com)

This email was sent by: **Advantage Capital**  
7733 Forsyth Blvd. St. Louis, MO, 63105 USA

Go [here](#) to leave this mailing list or [modify](#) your email profile.  
We respect your right to privacy. [View](#) our policy.

Powered by:

**Brighton.**  
redefine