



WHO WE ARE

IDP Industrial Development Partners (IDP) is an independent group of investment companies with offices in Germany and the United States. We are providers of patient growth capital, but more importantly we are accessible and enthusiastic service providers to our portfolio companies. Our regional offices facilitate closer and more frequent face-to-face contact with our portfolio companies, and allow us to develop a network of value added relationships within each community. We take an active role in developing and implementing an appropriate growth strategy at each portfolio company, and ultimately work together with management to expand the business and increase its long-term value.

INVESTMENT PHILOSOPHY

Each business has its own culture and its own style. The proper chemistry between organizations and individuals is critical for a successful business relationship. We believe a close working relationship with management is vital to a successful investment. We believe we can add value in many ways in the early development stages of a company. In the early development stage we support our portfolio companies with our resources and assist in the company in entering the market place. In later development stages we provide portfolio companies with important relationships to potential customers and potential strategic partners. We also actively support international expansions through organic growth or via acquisitions through our international network of contacts. Each of our portfolio companies receives the attention and focus of one or more of our senior investment professionals.

INVESTMENT STRATEGY

Types of Investment

IDP focuses on investments in companies that possess a near-complete core management team with the maturity, experience and vision to build and operate a successful company. The team must be uniquely positioned through product or market knowledge, relevant contacts and experience or “thought leadership” in their sector. The technical expert must be in place.

We also require that companies own unique, proprietary and defensible intellectual property that delivers superior performance and value to customers (e.g. algorithms, designs, patents, industrial processes, data, etc.) and has a lead over competitors.

We are open to opportunities in a diverse range of sectors, including Technology, Business Services, Publishing & Media, Medical Devices and Consumer Products.



Technology – IDP invests in companies that are creating new products and services to solve real problems by applying innovative technologies.

Business Services – IDP invests in companies that provide business services that are protected by a sustainable competitive advantage.

Media – IDP invests in specialized publishing companies that pursue a focused niche-market strategy that is expected to lead to a trade-sale to an obvious universe of strategic buyers.

Medical Devices – IDP invests in companies that have developed and demonstrated proof-of-concept of a proprietary medical device and seek capital to pursue regulatory approval such as a PMA or to finance a go-to-market strategy.

Consumer Products – IDP invests in companies that have developed and demonstrated proof-of-concept for distinctive products targeted at a mass-market retail channel.

We will actively consider other opportunities , but we do not invest in turn-around situations or project financings.

We look at many aspects of companies, but three questions typically start our conversation with you:

1. Is the timing and size of market appropriate for venture financing?

We seek companies with the potential to be large, independent businesses where market conditions support rapid growth or companies with the potential to be dominant in a clearly identified market niche.

2. Why will your team excel at building this business?

We are looking for a great team of people, those with the drive, intelligence and experience to succeed in their target market.

3. What unique advantage allows your company to thrive?

Markets are more competitive than ever. Our ideal company has identified a market, technical or other advantage that enables it to develop barriers to competition quickly.

Stage of Investment

We invest in companies that have developed and demonstrated proof of concept of a proprietary technology or product. Typically such companies are in the latter product development stages and / or early revenue stages. We selectively invest in seed-stage companies, if the management team is of exceptional quality and has demonstrated the ability to build a successful company in previous engagements.



IDP generally is a minority investor, partnering with other investors. Initial first or second round investments may range from \$250,000 to \$1,000,000. We continue our support, along with other investors, in subsequent financings and while the amount we invest varies based on the needs of each company, our current cumulative average investment is \$2 to \$3 million over the company's development. Our philosophy of financially supporting our companies throughout their development helps them attract other quality investors at each stage of financing. All investments are in equity or equity-linked securities.

Degree of Involvement

We are active investors. IDP has significant experience in addressing the issues that growing companies often face. Therefore, we typically join our portfolio companies' board of directors and work closely with their management teams. As a result, we primarily fund companies located within the general geographic location of one of our offices.

Investment Exit

IDP typically aims to exit its investments in five to seven years through a public offering of securities, sale to another company, share repurchase or recapitalization.

OUR HISTORY

In the early 1980s, the European venture capital industry was still in its infancy with few venture capital funds to invest in. In response to the lack of suitable investment vehicles, a German family of private entrepreneurs founded IDP in 1980 in Germany with a subsidiary in Switzerland. To this day, IDP remains independent from outside investors. The international expansion into the more mature American market for venture capital was achieved through the strategic relationship with Downer & Company, Boston in early 1981. Established in 1975, Downer & Company is an international investment banking firm specializing in middle-market cross-border corporate acquisitions, divestitures and strategic alliances. Since 1981, Downer & Company has advised IDP on all of its U.S. venture capital investments and one of its partners has served as a director on the Board of Directors of several IDP portfolio companies.

IDP has financed more than 40 new businesses across the years. We'd like to help you build yours.



TEAM

Investment Professionals

Thomas G. Fissler, Senior Managing Director, IDP Investments LLC, co-founded IDP-Group in 1980 and has over twenty years of experience as an investment manager in the private equity industry. In 1998, Thomas Fissler moved his residency from Germany to the U.S. to follow his U.S. investments more closely, as well as to create an independent investment vehicle apart from IDP for outside private equity investors located in Europe. Prior to his tenure with IDP, Mr. Fissler was involved in corporate development of an international manufacturing company for branded household consumer goods. He holds the degree of Diplom-Kaufmann from Ludwig-Maximilians University, Munich, Germany.

Email: TFissler@IDP-Investments.com

Advisor Partners

Robert H. Reilly, Special Advisor, has been advising the IDP-Group for over twenty years on its U.S. venture capital activities. Robert H. Reilly served as a director for Capintec, Inc.; Kitchen etc., Inc.; Aircuity, Inc.; and PreferredTime, Inc.. He is a former Managing Director of Downer & Company, where he was responsible for middle-market cross-border corporate acquisitions, divestitures and strategic alliances. Prior to joining Downer & Company, Mr. Reilly held a top position at a U.S. consulting firm. Mr. Reilly received his bachelor's degree in Economics from Boston College, and he completed four years of graduate study in Economics at Michigan State University.

Email: RReilly@IDP-Investments.com

STEPS TO INVESTMENT

Every idea and every business venture is unique. We evaluate your opportunity on its individual merits and tailor our support to suit the specific needs of your business. We recognize your time is precious, so we try to make the investment process as efficient as possible. Our process is generally conducted in the following five steps:

1. You submit your business concept to us via fax, email or regular mail to our office in your country. The ideal format is a brief, 2-5 page executive summary or business plan. We will review it and respond to you, generally within 2-4 weeks. Executive Summary templates can be downloaded from one of the websites we have provided links for under our Resources for Entrepreneurs section.



2. If your proposal appears to be a potential match for our firm, one of our investment professionals will contact you to request some additional information such as a complete business plan or set up a meeting.
3. After our initial meeting, we can generally tell if your company is a likely fit with our firm. If so, we'll perform some initial due diligence, such as speaking with persona, industry and/or customer references. If this diligence proves positive, we'll dive into deeper market, technical and team diligence, with your assistance.
4. Assuming our research results are positive, we'll bring your company in for a presentation and conversation with an expanded group of our investment professionals. We seek consensus among our professionals to ensure your company will have our firm's full support. Depending on the financial requirements we may, with your consent, invite other venture capital firms to look at your company.
5. We then complete any outstanding diligence and move into negotiations to agree upon valuation, terms and conditions. With negotiations completed successfully, we then complete final documentation and funding.

We approach every investment we make as a personal commitment. Because our dedication to helping your company is time intensive, we are very selective in our investment process.

Current Investments

MEDICAL DEVICES:

Capintec, Inc. (www.capintec.com)

Capintec, Inc. develops advanced medical monitoring devices and systems. The Company is a recognized world leader in the field of state-of-the-art radiation measuring and monitoring instrumentation, selling products worldwide. Capintec's systems are applied in the fields Nuclear Medicine, Nuclear Cardiology, Oncology, Endocrinology, Diagnostic Radiology, and Radion Therapy. Capintec was founded in 1964 and is based in Ramsey, New Jersey.

MEDIA AND COMMUNICATIONS:

InStream Media, Inc. (www.instreamglobal.com)

InStream Media provides innovative solutions to retailers and brands that drive sales and build customer loyalty through targeted advertising and promotions at the point-of-sale in retail locations globally.



BUSINESS SERVICES:

MealDetails, LLC (www.mealdetails.com)

MealDetails is the Orbitz or Travelocity for pharma catering – pulling together all the best caterers and deals into one easy-to-use free service. There is 100 % satisfaction guarantee, instant on-line pricing, 24/7 ordering, special discounts, expert help, online receipts and more.

RETAIL CHAIN

KaBloom, Ltd. (www.kabloom.com)

KaBloom is an innovative flower retail chain that offers a broad range of high quality flowers, bouquets and potted plants at discount prices. The Company also provides customer with e-commerce purchase options. Recently, the Company successfully shifted from a pure company-owned store model to a franchise store model. KaBloom, Ltd., founded in 1998, is based in Woburn, Massachusetts.

HEALTH CARE AND COMMUNICATIONS

PreferredTime (www.preferredtime.com)

PreferredTime, Inc. coordinates interactions between pharmaceutical sales representatives and medical providers at times that they both prefer. Pharmaceutical sales representatives from 150+ firms (including all 20 of the top 20 pharmaceutical firms), and medical providers around the US, use PreferredTime's rep coordination services. The Company was founded in 2003 and is headquartered in Allston, MA.

Past Investments

Integrative Medicine Communications, Inc. (www.onemedicine.com)

Integrative Medicine Communications, Inc. is an information services provider, empowering healthcare professionals, consumers, and executives to combine the best of conventional and alternative medicine for optimal healthcare. IDP invested in 1998 and supported the Company through 2001 when it was sold to ADAM, Inc., a leading provider of multimedia health content that is publicly-traded on NASDAQ under ADAM. Bob Reilly served on the Board of Directors on behalf of IDP.

STAPLA Ultraschall-Technik GmbH (www.stapla.de)

STAPLA Ultraschall-Technik GmbH is a leader in the market of ultrasonic metal welding. IDP invested in the first institutional round of financing of the Company in



1984. Thomas Fissler was a member of the Board of Directors and was a key contributor in the trade-sale process to the Schunk Stiftung in 1997.

Staples, Inc. (www.staples.com)

Staples (Nasdaq: SPLS) is a \$19 billion retailer of office supplies, furniture and technology to consumers and businesses. Headquartered outside Boston, Staples invented the office superstore concept and today is the largest operator of office superstores in the world. In 1986, Downer & Company under the leadership of Robert Reilly, led the initial fundraising effort of Staples, Inc. Mr. Reilly was a key contributor in the creation of the original business plan for Staples. IDP was a first-round investor in Staples and exited the investment shortly after the IPO in 1989.

Virotech GmbH (www.virotech.de)

Virotech GmbH, now Genzyme Virotech GmbH, develops and manufactures infectious disease diagnostic products based upon ELISA™ technology. In 1988, IDP participated in the buyout of Virotech GmbH. Thomas Fissler was a member of the Supervisory Board. He introduced the Company to Genzyme Corporation and was instrumental in structuring the trade-sale to Genzyme Corporation in 1993.

Angiolink Corporation (www.angioliink.com)

Angiolink Corporation develops medical devices that benefit the patient and improve standards of care. The lead product, the EVS™ vascular closure system, is a novel mechanical closure device based on a proprietary stapling technology that can be used for general wound closure and for closing the access puncture used in catheterization procedures. Angiolink, based in Taunton, MA, was organized in 1999 by leading physicians. IDP co-led the Series B round of financing of Angiolink and Robert Reilly was a member of the Board of Directors. In November 2004, the Company was sold to Medtronic, Inc., a publicly listed company focused on medical technology that provides lifelong solutions for people with chronic disease.

CellMed AG (www.cellmed.com)

CellMed AG focuses on the development of an innovative biological drug delivery system for the therapeutic treatment and prevention of a variety of diseases. The core of CellMed's intellectual property and technology is the CellMed UHV-Biopolymer, which is used as a material to encapsulate cells and tissue. The capsules marketed as CellBeads®, are micro-implants that contain living cells, which produce proteins in the human body over a desired period of time. The Company was founded in 2000 and is based in Alzenau, Germany. In March 2005, the Company was sold to Biocompatibles International PLC, a medical device company focused on the treatment of cancer and cardiovascular disease.



Biocompatibles International is a publicly listed company on the London Stock Exchange.

FAST Video Security AG (www.fast-security.com)

FAST Video Security AG develops cutting-edge products for digital recording, transmission and processing of video signals. These products are used in security and surveillance applications such as property and land intruder-presence detection through observation for investigation services and airports to remote maintenance and traffic monitoring, as well as in electronic advertising / information transfer (POI) applications. FAST Video Security was founded in 1994 and is based in Hünenberg, Switzerland. IDP made its initial investment in December 2001 and in 2005, the Company was successfully sold to NICE Systems, Ltd., a leading provider of advanced content analytics of telephony, web, radio and video communications. NICE Systems is publicly listed on the NASDAQ stock exchange.

Aircuity, Inc. (www.aircuity.com)

Aircuity, Inc. provides a highly automated, cost-effective data collection and analysis system that empowers facility managers and building service personnel to manage and operate buildings more efficiently. Aircuity's vision is that their unique monitoring infrastructure and expert technology become a standard component of every new building management system installed in commercial buildings worldwide. Aircuity, based in Newton, MA, was formed in 2000 as a spin-out from Phoenix Controls Corp., a Honeywell subsidiary. Aircuity has been acquired by a group of British investors.

FAQs

1. What stages of companies are you interested in?

We are primarily interested in early- and expansion & development stage companies. We are frequently the first venture capital firm to invest in the companies we fund. We also invest selectively in seed-stage companies, if the management team has demonstrated the ability to build a successful company in previous engagements.

2. Do you have geographic preferences for investments?

To provide our companies with the value that can only come from personal attention, we invest primarily in companies near our offices in Germany and the United States.

3. What types of companies do you invest in?

We invest in sectors where our professionals have experience - business and consumer services and industrial products and services. We will actively consider



opportunities in other industries as well, but we do not invest in turn-around situations or project financings.

4. What does IDP look for in entrepreneurs?

IDP seeks to back outstanding entrepreneurs with a strong desire to succeed. Although no specific background is required, we look for the following in founders; domain knowledge of a particular industry, ability to think and react quickly to changing markets and competitors, ability to attract and retain an outstanding team and a desire to create long-term wealth for founders, employees and shareholders.

5. What is the best way to get introduced to IDP?

Compelling business opportunities present themselves in many ways. Priority is always given, however, to companies with well-constructed business plans and to individuals or management teams referred by entrepreneurs, lawyers, accountants, consultants or other professionals who are well known to the firm.

6. Does IDP always want a board seat?

We almost always serve on the board of directors of our portfolio companies. The specifics of the composition of the board of directors depends on investment size, syndicate and company needs.

7. What is the process for making an investment decision?

Please click on link to *Steps to investment*.

8. Do you sign non-disclosure agreements? If not, how can I be sure you won't steal my idea?

Of course, we respect the sensitive nature of your idea. Our reputation is critical to our success, so we are careful not to divulge information inappropriately. However, for legal reason, we are unable to sign non-disclosure agreements before you present your basic idea. We prefer that you send us non-confidential information at first, until we determine if there is mutual interest. If there is mutual interest and our due-diligence activities require signing a non-disclosure, we will work with you to assure we maintain confidentiality.

9. How long before I will hear back from you? Will someone call me?

Our usual response time is 2-4 weeks. We make a point to respond to every plan submitted as quickly as possible either via the telephone, email or regular mail.

10. Does IDP usually control portfolio companies?

No. We are typically a minority investor.

11. Does IDP invest in public companies?

We typically do not invest in companies that have already undergone an IPO.



12. Is IDP dependant on outside investors, such as banks?

No. IDP is a privately-held group of investment companies that is completely independent from banks or other institutional investors.

13. How can I find out more about your firm?

If you have a specific question, you can email us at the appropriate office, and we'll do our best to respond to your inquiry as quickly as possible.

14. What is your relationship with Downer & Company?

Downer & Company has been IDP's strategic partner for U.S. investments since 1981. Robert Reilly has frequently represented IDP's interests on a board level of its portfolio companies. Through this relationship, IDP's portfolio companies benefit, in addition to the IDP value-added, from the expertise and experience of the entire Downer & Company staff. For more information on Downer & Company, please visit their website at www.downer.com

Contact

U.S. OFFICE

IDP Investments LLC
60 State Street
Suite 1100
Boston, MA 02109
Tel.: +001 617 350 3100
Fax: +001 617 350 7222
Email: usa@idp-investments.com

GERMAN OFFICE

IDP Industrial Development Partners GmbH & Co. KG
Postfach 1226
D-61452 Königstein
Tel.: +49 (0) 6174 4017
Fax: +49 (0) 6174 25356
Email: germany@idp-investments.com