



# Portfolio Spotlight:

Portfolio Profile: Technauts, Inc.

Recognizing that no one knows what the future of the Internet will bring or how standards will evolve, Technauts develops software adaptable enough to integrate and exploit next-generation Internet and mobile Internet technologies without risk. The company is helping to deliver on the promise of making technology simple and ubiquitous by providing an infrastructure for Internet appliances, client devices, home networking products and mobile Internet solutions.

As the Internet continues to evolve and the mobile Internet enables an onslaught of new business models, human interfaces, devices, and capabilities, the demand for mobile Internet-based services will grow exponentially. In addition, technologies will need to be very simple in order to accommodate a mobile lifestyle. This means the future opportunity of the Internet will be about Web-enabled mobile access and technology delivering on ease of use. What has been missing from this scenario – until now – is a common infrastructure or platform to integrate new technologies, rapidly develop and deploy new services, and, in a consistently changing environment, mitigate risk.



Ravi Periasamy  
Founder/CTO

Technauts' software is a dynamic and scalable architecture that lets companies leverage emerging technologies such as operating systems, applications and communications protocols. By providing this flexible software architecture, Technauts allows companies to deliver a variety of new products, all on a common platform and without the risk typically inherent in being on the cutting edge. Because these elements can be easily replaced in the architecture, companies are not required to completely retool their products as operating systems, applications, and protocols change.

The goal of Technauts' software is to provide an infrastructure for solution providers that will enable them to develop solutions that are:

- Quick and efficient for time-to-market advantage
- Easily customizable and changeable for time-to-acceptance advantage
- Highly scalable to match the growing needs of the Internet and to target a wider variety of customers
- Easily adaptable to make use of evolving standards



Larry Deaton  
CEO/President

Within the nascent mobile Internet environment, information and access through multiple customer preferred interfaces will be the key value demanded by consumers and business customers alike as they become increasingly educated to the possibilities and benefits presented by this mobilized environment. Technauts expects to be a key player in the foundation of

making the Internet and mobile Internet the all-pervasive medium of information exchange.

The company is seeing global validation of its architecture and technology in all market segments. Technauts has signed contracts with companies in Japan, Asia, India and the US, and is in negotiations with others. Future plans call for expansion into China, Korea, Taiwan, EMEA, South America and Canada.

For more information, visit [www.technauts.com](http://www.technauts.com).

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## Mobile Internet: The New Frontier for Venture Capital



Rich Brown

Imagine a world in which a sales person, meeting with a major customer, needs the status of an outstanding order. He gets it in real-time using his mobile phone and the Internet. According to Aurora principals Erik Rasmussen and Rich Brown, that scenario is just around the corner and is providing interesting opportunities for investments in the mobile Internet space.

According to Rich, the mobile Internet is the "larger umbrella" that describes a huge movement in today's market to enable access to data from anyplace at anytime. Wireless, or remote access, is one aspect of that movement. Rich believes that both the consumer and enterprise markets will be affected in a big way by the shift to mobile Internet. As a result, an entirely new group of technologies and applications are evolving to accommodate the idea of ubiquitous access to information. These are the same technologies that interest Aurora in building its IT portfolio.



Erik Rasmussen

Erik explains that, on a microcosmic scale, as the landscape of mobile Internet begins to take shape, there are numerous technologies that enable the usefulness of what are commonly described as wireless devices—cell phones, pagers, etc... For example, the screens on wireless phones, the configuring of information, and how information gets to those phones are important components to functionality. On a macrocosmic scale, there are issues of how all devices can talk to each other (hence the formation of Bluetooth). Says Erik, "All of these issues create opportunities for new technologies to emerge, and strong investment opportunities for Aurora. The need for greater bandwidth, issues of security and authentication, and wireless technology in general, all contribute to cutting through the noise,"—getting the exact information you want no matter where you are.

"A critical aspect to optimizing these technologies is the ability to create an efficient user experience for individuals seeking information," says Rich. He also explained that Aurora sees enterprise applications as a high value add to these emerging markets. "Since more than 50% of corporate executives are mobile, real-time access to core data is essential," Rich adds. "This access is an extension of the millions of dollars that corporations have spent automating data through client/server architecture and the recent fixed Internet."

This mobile Internet phenomenon has implications for Aurora's current portfolio companies, as well as Aurora's focus on new IT investments. "Companies in our portfolio like Alerts, Porivo, Saffron, Peracom, InterAdNet, Technauts—all of these companies have something to offer to this shift to wireless," says Rich. "Aurora's most recent investments in Gadgetsplace and Brightpod (see "New Investments" p. 3) play an important role in both enterprise transactions and the service element of corporations utilizing the wireless movement to their best advantage."

"The mobile Internet is the new frontier," says Erik, "and Aurora is poised to be a player by investing in technologies that will make a difference."

### on the inside...

<i>Natus Files for IPO</i>	2
<i>Aurora Names VP Finance &amp; Admin</i>	2
<i>Management Forum</i>	2
<i>Investment Team in the Community</i>	2
<i>Recent Investments</i>	3
<i>Portfolio List</i>	3
<i>Portfolio Spotlight - Technauts</i>	4



# Portfolio News

## Natus Files for IPO

San Carlos, CA-based Natus Medical, Inc. filed for an IPO in July. The company filed with NASDAQ under the symbol BABY. Natus manufactures and markets non-invasive, proprietary medical devices and related supplies designed to rapidly screen for common, well-defined disorders in newborns. Founded in 1989, Natus has created a platform of screening technologies that can be easily used by medical and non-medical personnel in hospital nurseries, providing for early detection of medical conditions such as hearing impairment. [www.natusmed.com](http://www.natusmed.com)

# Aurora News

## Aurora Names VP Finance



Bill Lampley  
VP, Finance &  
Administration

Bill Lampley, CPA, was hired in September to assume the role of VP, Finance & Administration for Aurora. Bill will provide assistance to early stage companies in which Aurora makes investments. He will also work with Aurora to ensure timely financial reporting. Bill came to Aurora from Fulcrum Financial Advisors in Raleigh, where he served as VP of Finance & Administration. He has more than 20 years of experience serving in public accounting and in private company settings.

## Aurora & Portfolio Companies Share Expertise at Management Forum

On August 31, Aurora's Jeff Clark moderated a 90-minute panel discussion for 150 Research Triangle (NC)-based entrepreneurs on the topic of "Recruiting & Retaining Top Management". At the invitation of the Council for Entrepreneurial Development, Jeff and selected Aurora portfolio panelists developed content and shared their expertise with the assembled entrepreneurs. Panelists included Jim Skinner, CEO, Xanthon, Inc.; Rich West, CEO, TriVirix International, Inc.; Mary Jane Swecker, HR Recruiter, Alerts.com; and Will Holmes, CEO, Porivo Technologies, Inc.



### Editorial Information

The Aurora Update is a quarterly publication published by The Aurora Funds, Inc., a Research Triangle Park, NC, based venture capital partnership that invests primarily in early stage life science and information technology companies in the southeastern U.S. Aurora also has offices in McLean, VA, and Birmingham, AL. Pam Newton edits The Aurora Update. For more information, contact [pam@aurorafunds.com](mailto:pam@aurorafunds.com); or (919) 484-0400. [www.aurorafunds.com](http://www.aurorafunds.com)  
Harbert Management Corporation (HMC) is a merchant bank located in Birmingham, AL, that invests in a series of asset classes through the Harbinger family of funds. HMC is lead investor in Aurora's third fund, Harbinger/Aurora Ventures, LLC.

## Aurora Investment Team In The Community, Q3

**Scott Albert** was the guest speaker at a Small Business & Technology Development Center conference on the topic of venture capital and served as NC's Venture Ambassador to the Early Stage East Conference earlier this summer.

**Jeff Clark** moderated the CED EntreForum panel on "Recruiting & Retaining Top Management" and participated on a panel whose topic was "Investor Mindset", both were presented to more than 100 entrepreneurs.

**Will Brooke** was the guest lecturer at the University of Alabama's MBA program on venture capital.

**Rich Brown** participated in a CED-sponsored review of early stage companies and their business plans; as a panelist at an E-Commerce conference in Durham, NC; on a Springboard 2000 conference selection committee review in RTP, NC; and at a University of North Carolina at Chapel Hill Executive MBA business plan review session in Chapel Hill, NC.

**Erik Rasmussen** was a guest lecturer at Boston College to a group of students on the topic of electronic commerce.

**Jim Adair** participated on two early stage company review panels at CED; and on a selection committee for a public forum for early stage companies, also sponsored by CED. He served as a panelist at Duke University's Annual Entrepreneur and Venture Capital Club Symposium in September.

**Tim Taylor** served on a panel aired on a national PBS TV broadcast with NASA's Space Station office. Tim represented the private industry investment perspective on the panel.

# Recent Investments

## Brightpod, Inc.

Aurora led a \$5 million investment in Brightpod, Inc. in September. Brightpod is a mobile Internet service company, a spin out of Ericsson headquartered in RTP. The company's mission is to be the leading provider of mobile Internet services for mid-sized enterprises that are seeking to establish and maintain a web presence, Internet and/or Intranet that is accessible to and optimized for, wireless access using Wireless Access Protocol (WAP). Brightpod will provide a menu of mobile Internet services that are defined around high value-add verticals and implemented in very short time frames. Brightpod intends not only to service the need for medium-sized business' wireless site development and hosting providers, but also anticipates continued growth in the WAP market as enterprises crave increasingly new and better applications that meet changing, unique market needs. [www.brightpod.com](http://www.brightpod.com)

## Foresight Corporation

In August, Aurora invested in a \$6 million round in Foresight Corporation (Foresight). Headquartered in Dublin, Ohio, Foresight is a leading provider of B2B e-commerce infrastructure solutions used by companies to rapidly deploy and integrate web-extended enterprise applications. Foresight, founded in 1990, commands an early lead in the Internet Application Integration (IAI) market with its technology to bridge EDI and other legacy business systems to the web. Foresight enables companies to form and participate in the next stage of Internet-based exchanges, Electronic Partner Networks (EPNs). The company's first product, Tradesite™, created for their new business strategy has rapidly gained acceptance and successfully leveraged its credibility with existing customers in the EDI tools market. Currently, more than two-dozen global companies have implemented TradeSite™ to support Internet-based selling, procurement and logistics. [www.foresightcorp.com](http://www.foresightcorp.com)



Robert A. Fisher  
CEO/President

## Gadgetsplace, Inc.

Aurora participated as a co-investor in a \$5 million series A round in Gadgetsplace. Founded in January 2000 in Raleigh, NC, the Haht Commerce spinout has begun to develop and operate an online mobile e-business portal to facilitate Internet-based business interactions via Internet-enabled wireless devices. Gadgetsplace enables existing Internet applications and content to be instantly extended to support wireless interactions without modification to the current Internet or Intranet site. The Gadgetsplace portal converts and delivers existing Internet or Intranet applications on the fly to the appropriate handheld device. [www.gadgetsplace.com](http://www.gadgetsplace.com)



David Motsinger  
Founder/CEO/President

## Aurora's Active Portfolio Companies

Alerts.com

[www.alerts.com](http://www.alerts.com)

Blackboard, Inc.

[www.blackboard.com](http://www.blackboard.com)

Brightpod, Inc.

[www.brightpod.com](http://www.brightpod.com)

Cogent Neuroscience, Inc.

[www.cogentscience.com](http://www.cogentscience.com)

Emageon

[www.emageon.com](http://www.emageon.com)

Engenia Software, Inc.

[www.engenia.com](http://www.engenia.com)

Foresight Corporation

[www.foresightcorp.com](http://www.foresightcorp.com)

Gadgetsplace, Inc.

[www.gadgetsplace.com](http://www.gadgetsplace.com)

Haht Commerce

[www.habt.com](http://www.habt.com)

Insect Biotechnology, Inc.

[www.insectbio.com](http://www.insectbio.com)

InterAdNet

[www.interadnet.com](http://www.interadnet.com)

MERIX Bioscience, Inc.

[www.merixbio.com](http://www.merixbio.com)

MicroMass

Communications, Inc.

[www.micromass.com](http://www.micromass.com)

Natus Medical, Inc.

[www.natusmed.com](http://www.natusmed.com)

Nexan, PLC

[www.nexan.com](http://www.nexan.com)

Nobex Corporation

[www.nobexcorp.com](http://www.nobexcorp.com)

Norak Biosciences, Inc.

[www.norakbioscience.com](http://www.norakbioscience.com)

OxiDyn, Inc.

[www.oxidyn.com](http://www.oxidyn.com)

Peracom Networks, Inc.

[www.peracom.com](http://www.peracom.com)

Porivo Technologies, Inc.

[www.porivo.com](http://www.porivo.com)

Saffron Technology, Inc.

[www.saffrontech.com](http://www.saffrontech.com)

Technauts, Inc.

[www.technauts.com](http://www.technauts.com)

TriVirix International, Inc.

[www.trivirix.com](http://www.trivirix.com)

United Emergency Services, Inc.

[www.unitedemergency.com](http://www.unitedemergency.com)

Unitive Electronics, Inc.

[www.unitive.com](http://www.unitive.com)

VetCentric.com

[www.vetcentric.com](http://www.vetcentric.com)

ViroLogic, Inc.

[www.virologic.com](http://www.virologic.com)

Volumetrics

*no web site available*

Xanthon, Inc.

[www.xanthon.com](http://www.xanthon.com)

