

Times Union

Section: BUSINESS

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Date: Saturday, September 7, 2002

BEST OF BUSINESS IDEAS SEEK VENTURE CAPITAL

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Biotech firms, information technology companies and other young high-tech enterprises from the Northeast are hoping scarce venture capital dollars come their way following next month's SmartStart Venture Forum.

The Empire State Venture Group, a consortium of academia, venture capitalists and private investors, met with companies Thursday and Friday to whittle down about 40 applicants to the roughly 30 that will make their case for funding during the second annual event, which will be held Oct. 2 and 3 at the Albany Marriott on Wolf Road.

The final cuts won't be made until Monday, but forum organizers said the companies run the high-tech gamut and come from across New York state, as well as Connecticut and New Jersey.

"I think they're at least equal to, if not better in some respects, to the companies that presented last year," said Robert Buckley, Empire State Venture Group coordinator.

Last year, 27 firms presented their business plans. Ten companies secured funding totaling more than \$20 million.

The companies this year stand a good chance of winning over prospective investors, despite a downturn that has seen venture firms pulling back, according to a statement from Frederick A. Provorny, director of Albany Law School's Science and Technology Law Center at Rensselaer Technology Park and president of the Empire State Venture Group.

In the second quarter of 2002, venture firms returned more money to their partners than they raised for new investments, according to a report by the Arlington, Va.-based National Venture Capital Association.

And PricewaterhouseCoopers' quarterly venture capital survey measured just \$15.5 million in venture money invested in upstate New York in the second quarter, the lowest tally since 1998.

The current state of the venture capital industry will be the topic of a roundtable discussion among venture capitalists during next month's forum.

Marc M. Goloven, senior regional economist at JPMorgan and a member of the state Budget Division's Economic Advisory Board, will participate in that discussion and will deliver the forum's keynote address.

More than 70 companies originally applied to present at this year's forum, including several firms that received funding last year and are looking for second rounds.