

COMPANIES MAKE THEIR PITCH FOR CASH

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Caption: PHOTOS BY PAUL BUCKOWSKI/TIMES UNION COLIN HILL, CEO of Gene Network Sciences of Ithaca, presents a company overview to investors at Tuesday's SmartStart Venture Forum in Colonie. Below, a Logical Images computer shows its software that helps diagnose smallpox.

Bioterrorism was a distant threat before Sept. 11.

Today, it's on the minds of politicians, police and health care professionals nationwide, and a Rochester firm, Logical Images Inc., said the medical information software it develops could help doctors spot telltale outbreaks of otherwise unfamiliar maladies.

"Physicians don't know how to diagnose smallpox or anthrax," said Nancy West, a physician and the president and chief executive of the company. "They've never seen it."

Logical Images was one of 27 companies from New York state making presentations Tuesday at the SmartStart Venture Forum at the Albany Marriott on Wolf Road, an event that brought together venture capital firms and companies looking for investments.

Logical Images, for instance, hoped that any of the 50 prospective investors at the event would pony up \$1 million to finance expansion of the business, which West said will help health care professionals make more accurate and more efficient diagnoses.

Other firms, such as Fulfill-Net Solutions Inc. of Troy, were looking for much more: It wants as much as \$5 million to grow the business, which uses high-technology and software to track supply chains and inventory from warehouse to trucks moving along highways.

"We have a product out there that works. We have customers," said Theodore J. Thien, the company's chief operating officer. "But we need to get our name out."

Despite an uncertain economy, the forum attracted investors from New York City, Boston and elsewhere in the Northeast -- more than organizers expected for the first in what is planned as an annual event to showcase the Capital Region and New York state companies.

Investors said opportunities still are out there, though many venture firms are taking longer to decide on the companies in which they will invest. They're also thinking longer and harder about their exit strategy -- how they'll recoup their investment.

Mike Roer, executive director of the Connecticut Venture Group, a Fairfield-based association that connects venture investment professionals with young companies, said the forum was going smoothly and likely would attract return-attendance next year.

"Do they have a critical mass of high-quality companies ready for investment? Yes they do," he said of the forum's organizers.

Albany Law School's Science and Technology Law Center spearheaded the conference, with partners from around the state. The organizers pared more than 100 business plans to the 33

companies that were given presentation space; 27 of those also were given eight minutes to make their sales pitch to the venture firms. Eleven companies were from the Capital Region.

The presenters were trying merely to convince the investors to take a second look; it could be months before any deals are finalized. But organizers said some deals were likely, despite what a national venture capital association last week called a difficult time for the industry.

And while the companies were showing off their business plans, organizers also wanted to show investors from out of the area that the Capital Region has companies worth investing in.

“We've come to be known as a region that can spawn great ideas and great companies,” said Kelly Lovell, president of the Albany-based Center for Economic Growth, an economic development group.