Greener Ventures 2006
“Risk: Winning & Losing in Entrepreneurship”
Dave Mott’86 to Keynote GV 2006, October 21st, 2006

Dartmouth alumni, faculty, students and staff who share a passion for entrepreneurship will again come together on October 21, 2006 at Tuck School of Business for Greener Ventures 2006, Dartmouth’s annual conference on entrepreneurship. Now in its fifth year, Greener Ventures aims at encouraging entrepreneurial activity among members of the Dartmouth community.

The keynote speaker for Greener Ventures 2006 will be David M. Mott ’86, Vice Chairman, CEO, and President of MedImmune, Inc. Previous Greener Ventures speakers have included Jeff Immelt ’78 (Chairman & CEO, General Electric), Sherri Oberg ’82, T’86 (President & CEO, Acusphere), Brent Frei ’88 (founder and former CEO, Onyx Software), Gregg Engles ’79 (Chairman & CEO, Dean Foods), and Jeff Citron (co-founder, Chairman, and CEO, Vonage).

In addition to perennial objectives of providing networking opportunities and learning about entrepreneurial ideas and execution, each year Greener Ventures has a broad theme relevant to entrepreneurship. Greener Ventures 2006 will focus on Risk: Winning and Losing in Entrepreneurship.

Risk is usually understood in the sense of uncertainty in outcomes, but mostly in the sense of negative outcomes. Taking risk is not a “yes” or “no” decision in life and business – risk is ubiquitous and universal, and the fact is we all constantly face risks. But there are important distinctions – between risks we take and risks we face; between the chance of misfortune and the chance of losing out on something good; between risk as we perceive it and risk as it really is. It’s been said that “managers accept risks, in part, because they don’t expect they will have to bear them.” The same can’t be said for entrepreneurs, but their preparation for dealing with risk often comes

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The Dartmouth Business Blog shares news and insights from the entrepreneurial and business community at Dartmouth, from Dartmouth alumni around the world, and from the Upper Valley of Vermont & New Hampshire

REGISTER FOR GREENER VENTURES!
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Founder’s Forum October 3, 2006
EnerNOC founders Tim Healy T’91 and David Brewster T’02

The Founder’s Forum is a series that features successful entrepreneurs sharing advice on how to turn ideas into a successful businesses. On Tuesday, October 3rd DEN Director Gregg Fairbrothers will interview the co-founders of EnerNOC in our Fall Founder's Forum. Join EnerNOC president, David Brewster T’02 and CEO Tim Healy '91, T’02 as they share the story of EnerNOC’s rise to success.

David Brewster T’02, President
Tim Healy T’91, T’02 CEO
EnerNOC
October 3, 2006
7:00pm-8:30pm
Murdough Center, Ankeny Classroom
Tuck School of Business

EnerNOC is the leading provider of full-service demand response and energy management solutions in the United States. EnerNOC enables energy users, energy suppliers, system operators, and utilities to reduce demand for electricity during periods of peak demand or supply shortfalls by proactively shedding non-critical loads, dispatching backup generators, and analyzing real-time data to optimize energy consumption.

EnerNOC’s demand response and energy management solutions deliver immediate bottom-line benefits to end-use customers and energy suppliers while helping to create a more reliable and efficient electricity grid for system operators and utilities.

Find out more visit www.enernoc.com

Since co-founding the company in 2001, David leads both Sales and Operations divisions of the organization and currently manages EnerNOC’s corporate development and regulatory affairs efforts.

Prior to EnerNOC, David worked at Beacon Power Corporation (NASDAQ: BCON), a manufacturer of energy storage and power conversion technologies for the renewable energy and distributed generation markets. David also evaluated emerging energy technologies for Winslow Management Company, a division of Adams Harkness, and developed corporate strategies for SolarBank, a global capital fund for the financing of solar energy.

David holds a Bachelor of Arts with High Honors from Wesleyan University, a Master of Environmental Management from Duke University, and a Master of Business Administration from the Tuck School of Business at Dartmouth.

As CEO, Co-Founder, and Chairman of EnerNOC, Tim has guided the company’s strategic course since its inception in 2001. Under Tim’s leadership, EnerNOC has experienced exponential growth in size, capacity, and revenue, significantly expanding into untapped markets across the United States and diversifying from demand response to total energy management.

Prior to EnerNOC, Tim worked in the Energy Technology Laboratory for Northern Power Systems, Inc. Tim also held positions with Merrill Lynch, International Fuel Cells (now UTC Fuel Cells), and Commonwealth Capital Ventures.

Tim graduated from Dartmouth College with a Bachelor of Arts in Government and Economics and received his Master of Business Administration from the Tuck School of Business at Dartmouth.

This event is open to all members of the Dartmouth and DHMC Community: alums, staff, faculty, students and friends and family. Register Today! Email denet@dartmouth.edu
DEN start-up NeoVention has spun out its first company, WELLAN Medical Solutions, to produce the Ultra-Stand™, an innovative system designed to securely position an ultrasound probe during image-guided interventional medical procedures. A result of collaboration between engineering, clinical, and business resources in the Dartmouth community, the WELLAN Ultra-Stand (patent pending) frees clinicians for more essential work, enabling ultrasound guidance that is truly hands-free.

Ultrasound is no stranger to most hospitals, yet for years prohibitive costs restricted the technology to a few specific procedures. However, as the price, size and complexity of ultrasound machines has decreased, the utility of ultrasound has expanded into other areas of medicine, particularly guiding interventional procedures.

Using laptop-sized ultrasound machines costing tens of thousands of dollars, physicians who use ultrasound to guide the placement of central lines already consider it an emerging standard of care. Others are predicting that ultrasound guidance for other interventional procedures, such as regional anesthesia, will grow tremendously in the next five to ten years.

Two such visionaries, Dr. Brian Sites DMS’96 and Dr. Brian Spence Th’96, anesthesiologists at the Center for Ultrasound-Guided Regional Anesthesia at Dartmouth-Hitchcock Medical Center are developing the techniques and training for future regional-specialized anesthesiologists.

In order to block the pain signals from a specific region of a person’s body, anesthesia medicine needs to be precisely delivered to the nerves that send the pain signals. Traditional regional anesthesia techniques utilize anatomical landmarks to guide the placement of the needle, which can be challenging given the differences in anatomy from patient to patient. Using a carefully positioned ultrasound probe, the anesthesiologist can actually see and target the nerves while avoiding other body structures, regardless of anatomical uniqueness.

In addition to the training and techniques for ultrasound-guided regional anesthesia, Drs. Sites and Spence realized that a critical tool was needed. Delivering regional anesthesia is typically a two-handed procedure with one hand guiding the needle while the other hand depresses the plunger on the syringe. Using ultrasound requires a third hand and until the introduction of the Ultra-Stand, that meant adding a second person to the procedure.

Dr. Spence, an alumnus of the Thayer School of Engineering at Dartmouth, contacted Gregg Fairbrothers at the Dartmouth Entrepreneurial Network to see if he could help them find some engineering and business talents to more quickly develop an effective solution. Fairbrothers put the physicians in touch with
from managerial roles - if they have any preparation at all. Risk implies winners and losers, which has personal and professional consequences many times under-appreciated or ignored until too late. In Greener Ventures 2006 we will explore some of the aspects of risk – recognizing it, managing it, and dealing with failure – that go with the territory when you’re an entrepreneur. More than in most other places, the entrepreneur is face-to-face with risk every day, and the outcomes don’t always work out in their favor.

About David Mott ’86

In April, 1992 Dave Mott (D’86), walked away from a successful investment-banking career as a VP in Healthcare Investment Banking at Smith Barney, Harris Upham & Co. to become business development VP at a four-year old biotech company with no revenue, no approved drugs, and a pipeline of exactly one promising compound. Three years later, responsible for the FDA approval of the company’s only flagship drug, Synagis, Mott has related how the company went down to the wire financially in the face of an FDA notice of rejection. Today MedImmune (NASDAQ MEDI) does $1.2 billion in annual revenue and has a market capitalization of over $7 billion - - and Mott is Vice Chairman and CEO. At Greener Ventures 2006 Dave will talk about winning and losing and about dealing with risk in business. Says Mott, "Risk is in the very nature of our business. I lose all the time. When you're in the biotech business, you have to be able to take losing well. Well-executed experiments fail all the time, but that's why we do them - to see what happens. Our business teaches people to accept that it doesn't always come out in your favor."

Greener Ventures 2006 will be held at the Tuck School of Business from 9:00 am until 5:30 pm on Saturday, October 21, 2006. In addition to panels on topics such as “Dealing with Failure,” attendees will also have the chance to hear from the Dartmouth founders of two successful companies, -- GlycoFi and Wily Technology – each of whom was acquired in the past year for $400 million in cash. Dartmouth startup companies will also be presenting themselves throughout the conference in the DEN Startup Showcase. Business Intelligence Advisors will close the conference with an interactive presentation of its Strategic Information Collection techniques. The audience will learn techniques to detect deception during in-person, telephonic and written communications. Running in parallel to BIA’s presentation will be four mini-sessions on subjects such as how to divide founders stock, romantic and family ties in a management team, and how to choose, recruit and compensate good directors.

In addition to the conference, the grand opening of the Dartmouth Regional Technology Center – a 34,000 square-foot technology incubator built in cooperation with local economic development groups, Dartmouth, and the State of New Hampshire – will occur at 4pm on Friday, October 20th.

Greener Ventures 2006 is jointly organized by the Dartmouth Entrepreneurial Network (Dartmouth College), the Center for Private Equity & Entrepreneurship (Tuck School), Thayer School of Engineering, Dartmouth Medical School, the Norris Cotton Cancer Center, and the Dartmouth-Hitchcock Medical Center, with help from the Rockefeller Center through the Portman Fund.

Premier sponsors for Greener Ventures include Borealis Ventures, and Advanced Technology Ventures. Workshop and Conference sponsors include Sheehan Phinney Bass & Green and Support Sponsor Michael Gonnerman.

For full program details or to register for Greener Ventures, please visit our website www.greenerventures.com
NeoVention, a DEN company focused on developing breakthrough medical technologies.

Drs. Spence and Sites had developed some early prototypes, but wanted something that could bend into nearly any position and stay put. After more than a dozen prototype iterations by NeoVention, the current Ultra-Stand has proven reliable and effective and is now being evaluated by other clinical specialties both at DHMC and nationally.

“The key to the Ultra-Stand’s utility is the elegant simplicity of its design,” said Katherine Hickey Th’03, co-inventor of the Ultra-Stand. Set on a solid base, the stand employs a universally flexible arm – perfect for the complicated movements of a procedural room – and a clamping “hand” to secure an ultrasound probe, enabling hands-free operation by clinicians.

WELLAN is currently raising angel money and recruiting an advisory board to help launch the product. Prior to this point, their efforts were dedicated to eliminating and mitigating risks so that the opportunity for investors was clear, focused and obvious. To that end, they’ve received unsolicited requests to purchase the devise from physicians that have heard about a probe positioning device in use at Dartmouth, as well as a letter of intent from a major public company regarding a potential distribution agreement. As the new business grows, the team at WELLAN plans to hire manufacturing and office staff and move from its current location in the Whitman Mill building near the Green in Lebanon to the new Dartmouth Regional Technology Center in the Centerra Resource Park.

“The DRTC provides the space we need to expand and we’re excited because it is so close to DHMC.” said Aaron Gjerde, president of the new company. “And because we are creating good jobs in a growth industry, it gives the DRTC the ability to leverage job creation grant money to help fit-up our space.” Other benefits to are shared conference facilities, access to Dartmouth libraries, and networking with other start-ups.

Katherine Hickey Th’03, director of operations for WELLAN Medical Solutions, is currently a visiting engineer at Dartmouth College’s Thayer School of Engineering and helps run the Cook Engineering and Design Center. An experienced inventor and designer, she is the holder of several patents pending, an internationally-featured speaker in the field of lead-free manufacturing, and the co-author a book on the same topic, entitled SMT: WEEE/ RoHS Implementation. She is a graduate of Smith College and holds a BE in biomedical engineering and a Masters of Engineering Management from Dartmouth College.

Aaron Gjerde, president of WELLAN Medical Solutions, is the founder and Principal Consultant of Verden Group Ltd. For the past 12 years Gjerde has led national and international technology projects for clients such as 3M, Cargill, GE Capital, Best Buy, and US Bank. He earned his BA in International Economics from St. Olaf College, and was one of the first recipients of the Finstad Entrepreneurial Studies Grant.

WELLAN Medical Solutions, established in 2006, harnesses the clinical, engineering, and business talents of the Dartmouth region of New Hampshire to market and manufacture breakthrough medical devices.

For More information contact Aaron Gjerde 603-676-8601 aaron@neovention.com

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In 2001, I graduated Dartmouth and began trying to buy up college real estate using equity from high net worth individuals. It took me over a year to find my first property, a $1.050 million dollar 35 unit apartment complex next to UMASS Amherst. Since then I have continued to acquire property next to universities and colleges around the country, and have also expanded my strategy to include military bases. To date, I own and operate approximately 2,400 apartments (roughly $200 million of property) in ten states and twelve markets. The organization has grown very quickly and we’re now ramping up for another period of accelerated growth. We expect to double our apartments under ownership by this time next year. The primary driver of the growth I’m anticipating is one of our newest products, which places equity for investors completing 1031 exchanges and yields high rates of return.

IRS tax code section 1031 allows real estate investors to defer taxes on capital gains upon the sale of real estate if they re-invest the sale proceeds in “like kind property.” Essentially, if one sells a property for a gain, and re-invests the sale proceeds in more property, that person can defer the capital gains taxes.

In 2002 the IRS issued guidance, which if followed, allowed an investment in a Tenant In Common (TIC) structure to be eligible for 1031 treatment. A TIC structure allows up to 35 people with 1031-eligible money to co-invest in a property and obtain a direct, but fractional ownership stake. To put it simply, prior to 2002, in order to accomplish a 1031 exchange, an investor had to roll the sale proceeds into one project, and then manage it by him/herself. The 2002 IRS guidance affords that same person the opportunity to invest alongside others, through Woodlark, for example, and end up owning an institutional asset.

The business has changed and my job has changed. Now I’m more of a manager then anything else. I guess that’s what happens when you’re no longer the sole employee of the company. I manage relationships, product flow, and equity flow, I guide the company and most importantly, I create new revenue streams. Recently I was fortunate to hire a friend of 8 years, Sean O’Brien, to run day-to-day operations of Woodlark. Having him join us has added a lot to our capability. Currently Woodlark is looking for a VP of acquisitions and a marketing/PR company with a background in real estate marketing and finance. Anyone interested or wanting to pass on a referral should contact me at ARosenblum@wlfund.com or call (914) 285-4133.

Hopefully I’ll write in a couple of years with a couple of thousand more apartments. By the way, if anyone wants to live in a great apartment building near DHMC and close to campus we own the 145 unite Stone Farm Apartments on 42 Wolf Road, we’re full right now but give me a call and I’ll see what I can do!
**Ask Mike**

**QUESTION**

*How many VCs should we pitch?*

"After dancing around with a local investors group for six months, we just got shot down for a really stupid reason. My partners say that next time we should hold discussions with at least a dozen VCs at the same time, so we don't get caught like this. Is that considered legitimate?"

**ANSWER**

Venture firms don't look kindly on people who carry on multiple negotiations, and they'll almost certainly find out. Good firms will spend four to eight weeks on due diligence (calls to customers and prospects, discussions with technical experts, developing an exit scenario) and document preparation. They won't make this investment if they feel you may dump them for a higher bidder.

Of course, it's okay to talk to several firms simply to assess their interest in the deal. The delicate question is how to decide when these discussions get serious enough for you to stop talking to other VCs. It sounds like your first group wasn't ever convinced you were an investable prospect, or else they were distracted by internal issues (for instance, partner turnover or raising new funds). If you sense a lack of enthusiasm on their part, look elsewhere.

But you may not have wasted the six months you spent "dancing around" with your first VC firm. Why not ask them for a referral to a few other funds that might be a better fit? After all, they already know a lot about you and might be happy to do a little matchmaking. The venture community is pretty small and favors tend to be remembered.

**QUESTION**

*How do I break bad news?*

"We sent our board members a preliminary version of next year's budget, and now I'm in the awkward position of telling the board that we no longer feel we can make these numbers. I feel like a total jerk. What can I tell them?"

**ANSWER**

Delivering bad news is not easy. One of my greatest compliments—I think—was when an investor told me I do a great job of delivering bad news.

The first question your board members are going to ask is likely to be, "Are you really sure about the new numbers?" Resist the temptation to be optimistic: If you're wrong this time, you'll blow your credibility completely. So be sure you've got the facts right and you have management buy-in on the message. Some of your board members will probably do a little digging on their own, and you don't want the forecast to turn into a political football. You should also move quickly to get the word out. Call each director and explain what went wrong and how the change affects your projected cash position (that's what they really care about). Then follow up with a more detailed e-mail or fax that provides supporting information.

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**Stellaris Runner-up in The Wall Street Journal’s Technology Innovation Contest**

Stellaris Corporation was recently selected from more than 600 applications as a runner-up in the Energy and Power category of The Wall Street Journal’s 6th annual Technology Innovation Contest. The contest celebrates novel technologies representing true breakthroughs in numerous fields including energy and power, medicine and medical devices, security, software, and wireless. Stellaris was founded by Jim Paull ’67, Th’68 in 2005 to realize the goal of making solar a true economic alternative to conventional sources of energy. “We are honored to be selected as a runner-up in The Wall Street Journal’s highly competitive, worldwide Technology Innovation Awards contest,” said Jim Paull, President of Stellaris. “We are pleased the diverse panel of judges found our ClearPowerT solar technology to be a true breakthrough innovation.”

Stellaris' patent-pending ClearPowerT technology makes solar power affordable while greatly improving aesthetics. Passive concentrating optics and unique assembly techniques are at the core of ClearPowerT technology which can be incorporated into skylights and building curtain walls, as well as in standard photovoltaic modules. Stellaris reduces manufacturing costs by decreasing photovoltaic material requirements, increases electrical output by reducing optical inefficiencies, minimizes maintenance cost by eliminating mechanisms that track the sun, and augments energy production on cloudy days. Additional information about Stellaris can be found at www.stellaris-corp.com.
The Dartmouth Regional Technology Center is officially open for business. The first tenants are moving into the building located in Centerra Resource Park. For more information contact Carrie Newton at 603-676-3300 or email info@thedrtc.com
DEN Fellows
Colin Blaydon
Director, Tuck’s Center for Private Equity and Entrepreneurship, Dean Emeritus, Tuck School of Business.

Philip J. Ferneau ’84, TU’96
Adjunct Associate Professor of Business Administration, Tuck School of Business. Managing Director, Borealis Ventures

Peter T. Glenshaw
Managing Director, Dartmouth Venture Initiatives

Mark Israel
Director, Norris Cotton Cancer Center

Aaron Kaplan
Associate Professor of Medicine & Director, Device Development Lab, DHMC

Roger Sloboda
Professor of Biological Sciences, Dartmouth College

Fred Wainwright, TU'02
Executive Director, Tuck’s Center for Private Equity and Entrepreneurship. Adjunct Assistant Professor of Business Administration, Tuck School of Business

GREENER VENTURES BOSTON
Thursday, November 9th, 6:00 pm to 8:30 pm; 125 High Street, 17th Floor (Merrill Lynch), Boston.

Modeled on the Greener Ventures conference conducted annually at Tuck School of Business, our inaugural "Greener Ventures Boston" will be a workshop for brainstorming and idea sharing among alumni interested in entrepreneurship. This exciting event will be relevant and beneficial to all levels of business startup experience, from first-time entrepreneurial aspirants to seasoned venture professionals. Led by a panel of experienced VC’s and successful entrepreneurs, participants will engage on real business-planning challenges in a case-study format. Doors open at 6:00 pm; the program itself will begin at 6:30. Please contact Andrew Blackwell ’94 at a_blackwell@ml.com or 781-283-5652 with questions or if you plan to attend (there is no charge but we need names to arrange for building access).

We have not selected all the final case studies, so if you have a business plan that would like us to consider for Greener Ventures Boston, please contact Andrew Blackwell ’94.