

086. FUNDING FOLLIES

Who's getting funded? Seeking funding these days is not for the faint of heart. Still, there are hundreds of companies in Arizona doing it. Just who are they?

BY RICK GIBSON

ACCORDING TO QUINN WILLIAMS, a partner at the law firm of Snell & Wilmer and well-known deal catalyst, the fundraising market has begun to heat up. "Since the first of the year, I've met over 50 companies in the process of seeking angel or venture capital." Ah, words to live by—let's hope.

Most funding takes the form of equity or debt financing coming from friends and family, angels and occasionally from venture capital funds. With great perseverance and timing, some deals will actually get done. Since many investors are being more careful now, the terms are often tougher than expected. And lest we forget, the real task at hand is not fundraising, but making great products and getting them sold.



HERE IS A LIST OF SOME ARIZONA COMPANIES SEEKING FUNDING:

3D Compression Technologies

CONTACT 480-460-8251

URL 3dcompress.com

WHAT THEY DO Advanced software compression

CenOp, Inc.

CONTACT 520-749-6394

URL cenopinc.com

WHAT THEY DO Real-time information software for retail operations

Harmonia Medical Technologies, Inc.

CONTACT 520-321-0725

WHAT THEY DO Technologies for management of lower urinary tract obstruction

I-Methods

CONTACT 480-816-9605

URL imethodsusa.com

WHAT THEY DO Worldwide secured financial transactions

Lockstep Systems, Inc.

CONTACT 480-596-9432

URL lockstep.com

WHAT THEY DO Web site content protection software

ReaLink

CONTACT 480-449-2600

URL realink.com

WHAT THEY DO Software technology providing appraisal services to mortgage banking

Regenesis Biomedical, Inc.

CONTACT 480-970-4970

URL regenesisbiomedical.com

WHAT THEY DO Technologies for wound management

Syn-Cor Systems, Inc.

(formerly CardioWest Technologies)

CONTACT 520-694-7735

URL cardiowest.org

WHAT THEY DO Manufacturer and distributor of the total artificial heart (TAH)

The CreditExchange

CONTACT 480-941-1008

URL creditexchange.com

WHAT THEY DO Internet products for credit departments

Viator Networks, Inc.

CONTACT 480-964-8061

URL viatornetworks.com

WHAT THEY DO Technologies for high-speed Internet access for commercial buildings

COMPANIES THAT HAVE RECEIVED FUNDING:

Apta Software

FUNDING Several million dollars

SOURCE Angels

WHAT THEY DO Internet-based financial management solutions for K-12 school districts. Services enable school districts to use powerful financial applications without requiring the installation of new hardware and without placing additional demands on a district's internal information technology personnel.

MGMT Stephen Gardner, CEO; Alfredo M. Diaz, president/COO

CONTACT 520-663-0250

URL aptasoft.com

Collaborate Solutions Inc.

FUNDING more than \$600,000

SOURCE Angels

WHAT THEY DO Developing a highly secure online workplace for financial planners, attorneys, investment advisors, insurance agents, etc. to interface with their clients as they collaborate to plan and implement the clients' financial activities.

MGMT Paul Robb, founder/CEO

CONTACT 520-885-3274

URL collaboratefinancial.com

CU Realty

FUNDING Approx. \$100,000

SOURCE Angels

WHAT THEY DO Allows customers to conduct much of the home buying or selling process online and interact with real estate professionals.

MGMT Mike Corn, CEO & co-founder;

Craig Davis, COO & co-founder

CONTACT 480-922-0032

URL curealty.com

CyraCom International, Inc.

FUNDING \$3 million total in last three rounds

SOURCE Angels

WHAT THEY DO Instant telephone translation using a patented telephone and a unique programmable switch computer that allows you to respond to request in 150 languages in no more than a few minutes.

MGMT Jerry Tumarkin, chairman

CONTACT 520-745-9447

URL cyracom.net

ImaRx Therapeutics Inc.

FUNDING \$8 million

SOURCE Venture capital and angels

WHAT THEY DO Company is applying the tools of biotechnology to the development of sophisticated proprietary drug and gene delivery technologies.

MGMT Dr. Leon Unger

CONTACT 520-770-1259

URL imarx.com

Inversionista Online

FUNDING \$500,000

SOURCE Investment bank

WHAT THEY DO Offer financial services to Latin Americans and U.S. Hispanics in the Spanish language via the Internet and traditional means. IO currently has strategic alliances with Internet technology organizations and Latin American financial entities.

MGMT Frank Almada, founder/CEO

CONTACT 520-664-2001

URL inversionistaonline.com

LightSharp

FUNDING \$1.5 million

SOURCE Corporate investor and angels

WHAT THEY DO Digital imaging technology that electronically rearranges the scattered light created by lens systems and cameras, thereby significantly improving the contrast, color, balance and resolution of photos taken by digital cameras.

MGMT Charlie Luebbering, president;

Kevin Garcia, chief scientist; Wayne Hall,

product development manager

CONTACT 520-547-1942

Protein Therapeutics

FUNDING more than \$2 million

SOURCE Angels

WHAT THEY DO Developing a new class of non-toxic drugs for the treatment of autoimmune diseases. The company is currently conducting FDA-approved clinical trials in children with juvenile rheumatoid arthritis at three children's hospitals in Southern California. Other applications for the drug include adult rheumatoid arthritis, ulcerative colitis, Crohn's disease, Meniere's disease and several others.

MGMT Dr. Leon Barstow, CEO

CONTACT 520-574-1632

URL protein-therapeutics.com

SOME OTHER IMPORTANT FUNDINGS IN ARIZONA:

- Alliance Medical
- Environmental Support Solutions
- iPhysicianNet
- Instrumentation Metrics
- Primarion

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Bob Morrison of Desert Angels, Tucson (edesertangels.com) and Rob Moss of Business Development Partnership, Phoenix (bdpartnership.com) contributed to this article. Disclosure: Mr. Gibson may somehow be involved with some of the companies mentioned. This article does not constitute an offer to solicit or sell any securities.

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Look for our upcoming "Resource Lists"—from business plan writers and attorneys, to financials and creative help. This will be a valuable 'must-save' section.

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rick@hotventures.com to be a part of listing.