



The Birmingham News

University teams vie for tech funding

\$175,000 seed capital at stake

Wednesday, March 19, 2008

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One company, AT Bioscience, is led by University of Alabama in Huntsville professor Joe Feng, who thinks he has developed a process that identifies lung cancer genes and could save lives through early treatment.

Another, Intellectrode LLC, is led by University of Alabama at Birmingham professor Joe Bird, whose firm seeks to make software and equipment for pharmaceutical companies and other industries.

They are among eight finalists in Alabama Launchpad's 2008 business plan competition. The list last week was whittled down from 21 semifinalists. Alabama Launchpad is an entrepreneurial contest sponsored by the Economic Development Partnership of Alabama.

The eight teams, including five with ties to the University of Alabama, are competing for \$175,000 in seed capital to start their businesses. The finale will take place April 14 at the Bryant Conference Center on the UA campus in Tuscaloosa.

"The goal of the competition is to identify some of Alabama's most talented potential companies and give them the tools they need to succeed," said Glenn Kinstler, director of Alabama Launchpad. "There is a funding gap for start-up capital that is not unique to Alabama. With Launchpad, we want to help create technology- and knowledge-based companies in Alabama."

The contest began in September with 41 companies registered. This is the second year the EDPA has sponsored the competition. Teams must include at least one member with ties, either as students or former employees, to six participating universities - UAB, UA, UAH and Auburn, Alabama A&M and Alabama State universities.

Business plans can be for start-up or existing companies in high-growth industries such as biotech and information technology, provided the businesses have less than \$100,000 in equity and less than \$1 million in annual sales.

Last year's \$100,000 grand-prize winner was OccuMedic, led by Auburn chemical engineering professor Mark Byrne. OccuMedic created a type of lens that enables delayed drug release for eye treatments, a system deemed effective because the contact contains the medicine and doctors don't have to worry about missed or

inadequate doses.

Byrne is still in the research phase, Kinstler said. Last year's \$50,000 second-place winner, Halo Research, which developed a health monitoring system for the elderly, is on a fast track.

Halo Research, whose system can track vital signs such as when an elderly patient falls or has a stroke and send information wirelessly to caregivers, recently received an investment from the Huntsville Angel Network and Greer Capital Fund, a Birmingham venture capital firm.

"They co-invested \$1 million to help the company go to market," Kinstler said.

Last year's third-place \$25,000 winner, Intelligent Cellular Systems Inc., led by UAH master's graduate Aaron Hammons, also is doing well, Kinstler said. Hammons' company has completed an updated market analysis project and is negotiating funding from potential investors, he said.

Though the EDPA is known for its role in helping to lure multinational corporations such as Japanese automaker Honda to the state, the Alabama Launchpad program fits the agency's goals of helping groom successful new entrepreneurs, Kinstler said.

"There has been a lot of focus on manufacturing jobs in Alabama, but not much put on knowledge-based high-tech job," he said. "We want to raise awareness about tech jobs in Alabama. There is so much research done at Alabama universities we want to encourage that. It is about creating an ecosystem for technology and high-growth entrepreneurship in Alabama."

Information about the eight 2008 Alabama Launchpad finalists is available at alabamalaunchpad.com.

Judges from Phase III of the competition, which included 21 teams, were David Gray, chief executive of Daxko; Jennifer King, managing partner at Greer Capital Advisors LLC; Monro Lanier, vice president of Hickory Venture Group; Richard Wallace, managing director of Organization Success Management; and Lisa Williams, founder and president of 3D Research Corp.

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