



# Slater Technology Fund:

State sponsored seed fund

Federal Laboratory Consortium for  
Technology Transfer  
March 17th, 2009



*Thorne Sparkman -- Slater Technology Fund*

# Slater Mission

Technology Innovation  
Often in Universities & Labs



Small,  
seed funded  
Start-ups

Slater Mission

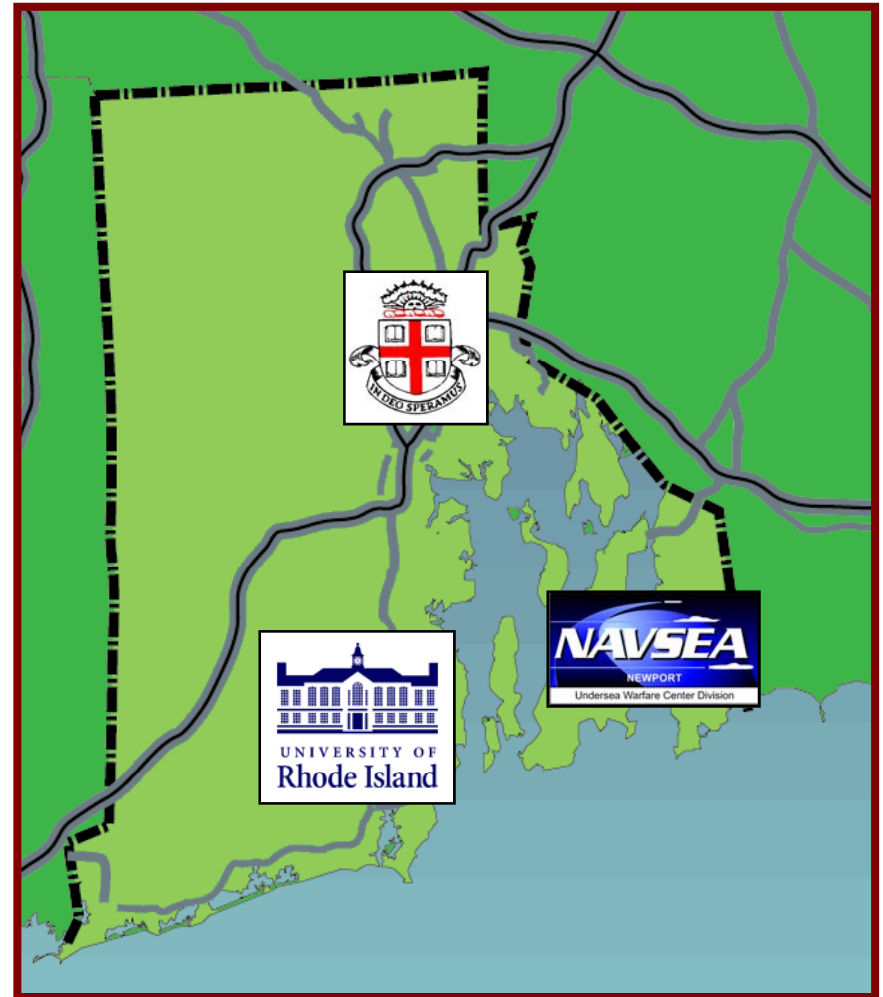
Large, growing,  
VC-funded  
RI companies



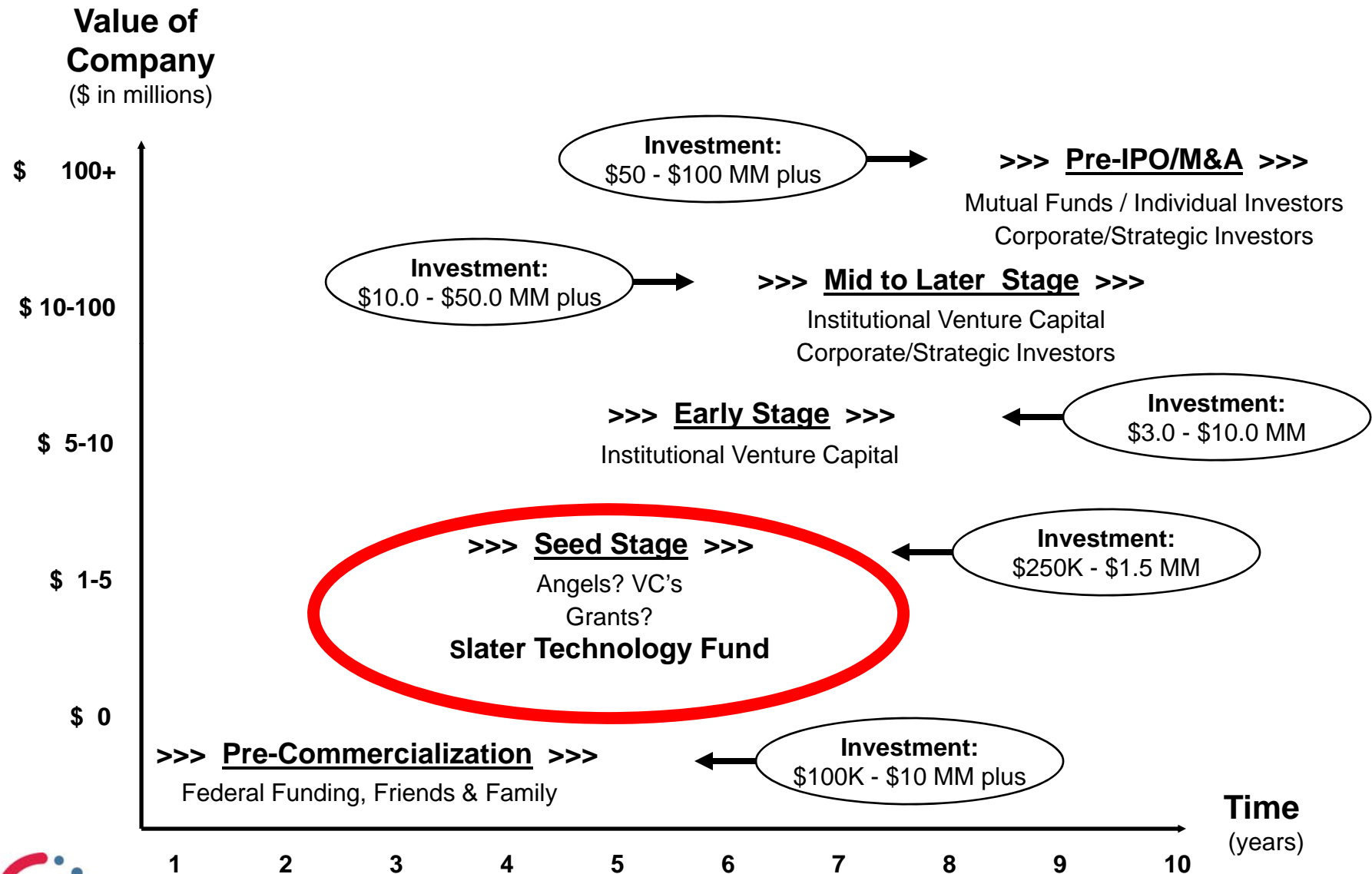
# Overview: Slater Technology Fund



- ▲ Rhode Island
- ▲ Early Stage
- ▲ Life Sciences & IT



# Financing Options: "horses for courses"



# Typical Deals

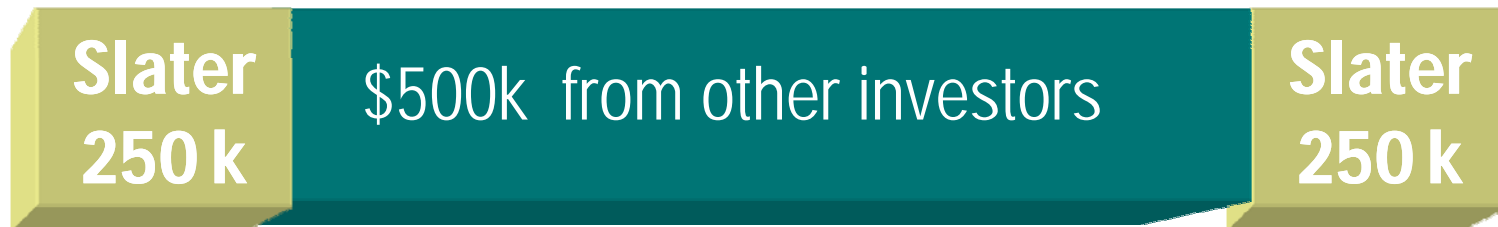
## ▲ Convertible Debt -- \$250k

- Unsecured, long term
- Converts into VC round (or common stock) at a discount
- Sets no valuation
- Other points: pool, board

## ▲ Series A Seed round -- < \$1m

- Valuations are \$2 to \$5m
- Convertible Preferred Stock
- Board of Directors
- Other investors, angel networks

\$1 million seed financing

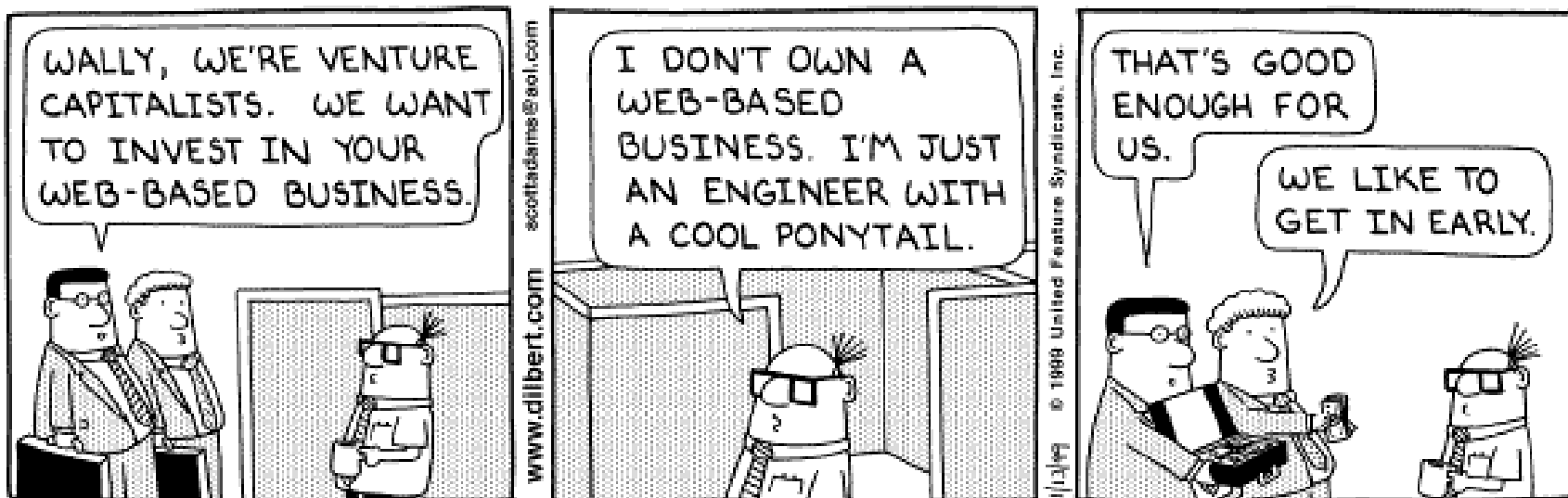


# Working with Slater

1. Email a partner
  - Email the right one, something short and sweet
  - Get a referral
2. Get the pitch meeting, interest the partner
  - Big problem, great solution, great people
3. Pitch advisory board, due diligence points
  - Prepare people in advance: customers, industry
4. Investment Committee
5. Deal with Slater



# Criteria for Investment



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# What we look for

- ▲ Team
  - Domain experience
  - Industry rolodex
  - Raised money
  - Sold companies
  - Network of people
- ▲ Technology
  - Order of magnitude better
  - Protectable, hard to replicate
- ▲ Traction
  - Beta testers
  - Customers
  - Resellers
  - Mindshare
- ▲ Market
  - Big, Growing
  - Easy to access
  - Undergoing change, urgency
  - Good customers, rich
  - Short sales cycles



# Advanced Image Enhancement

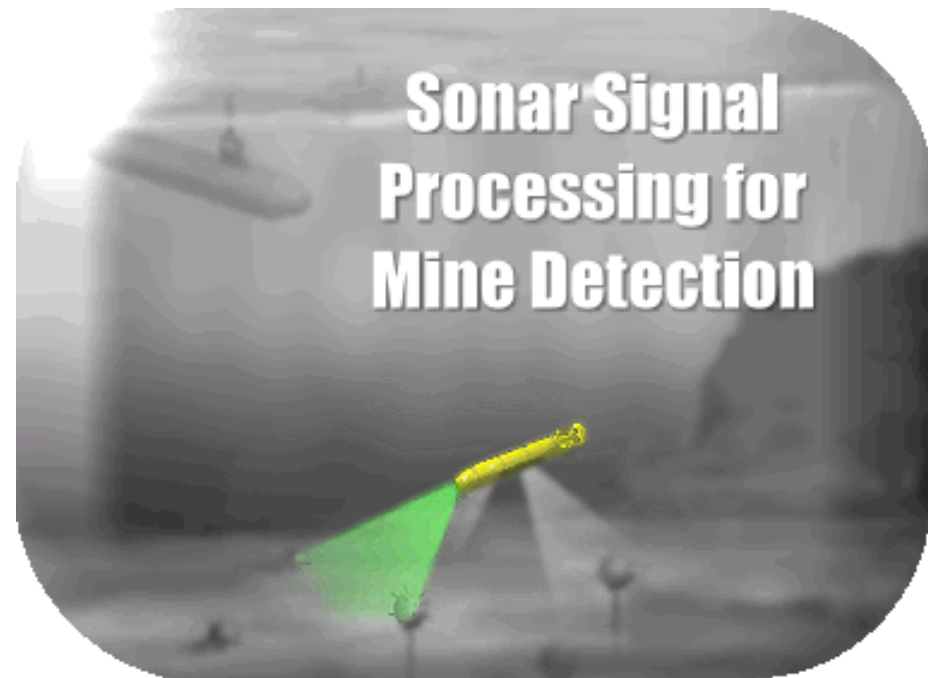


## NUWC R&D Leader

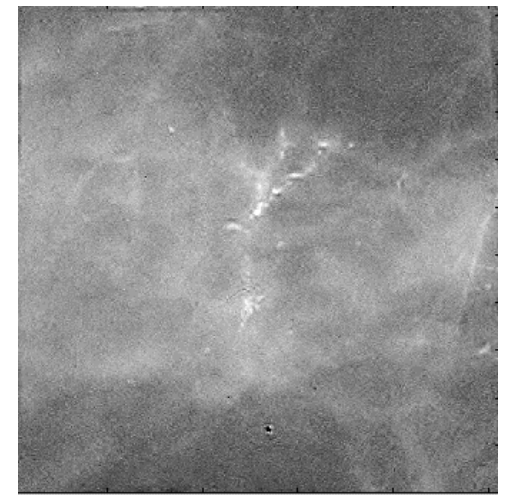
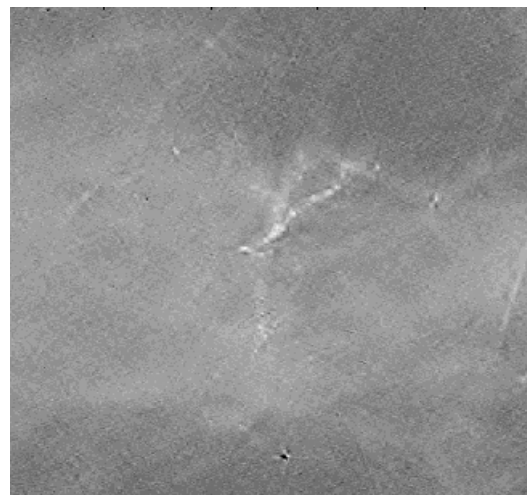
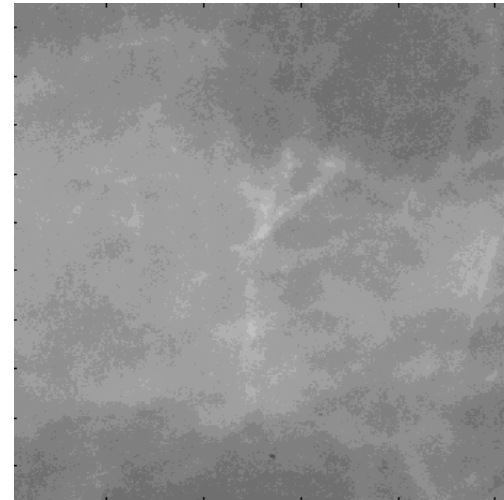
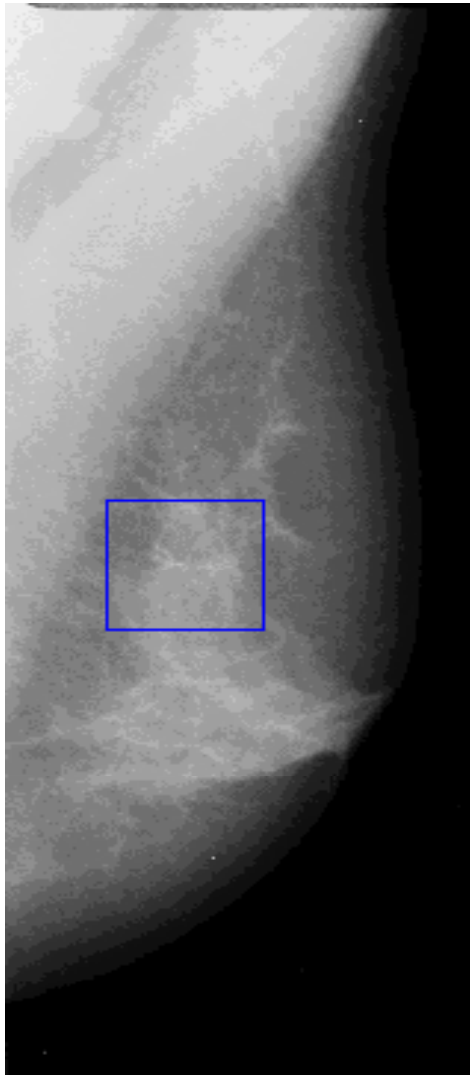
- ▲ 30% of total Navy invention disclosures
- ▲ Ranked first in one or more:
  - # of disclosures
  - # of patents filed
  - # of patents issued

## Challenges

- ▲ Tiny Target in Vast Space
- ▲ Varying Densities of Medium
- ▲ Cluttered with Ambiguous Features



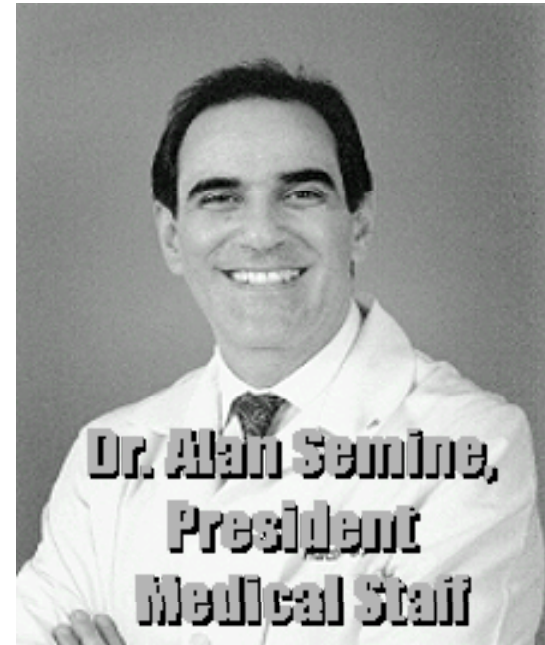
# Proof of concept led to commercialization



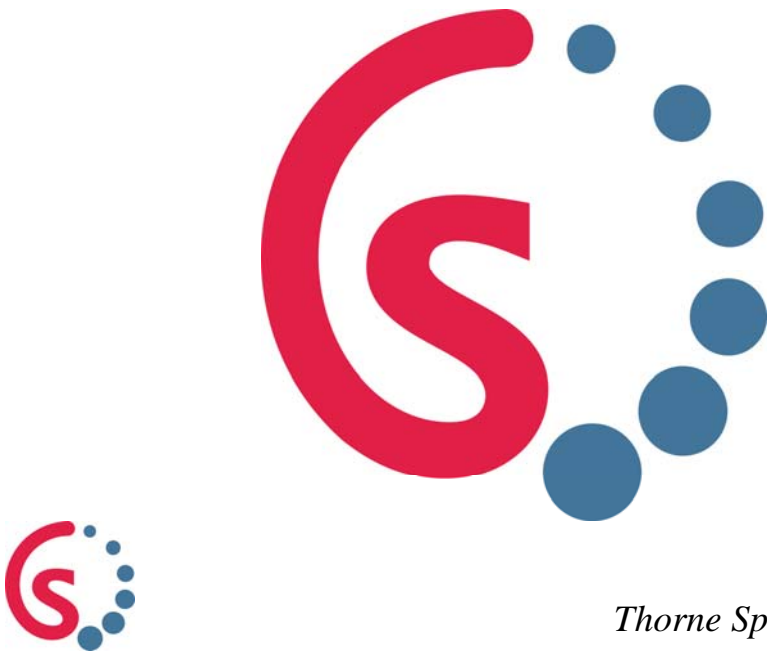
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# Building a company: AIE

- ▲ Technology Validated on Medical Images
- ▲ Patents filed for Wavelet-based Radiology Tools



- ▲ AIE formed around exclusive Navy IP
- ▲ Slater Fund seeds start-up



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# AIE today

- ▲ Angel investment
- ▲ Team and BoD expansion
- ▲ Clinical Study
- ▲ FDA Approval
- ▲ Hologic partnership & licensing
- ▲ Revenue commences



# Contact Information

- ▲ Thorne Sparkman
- ▲ <http://www.slaterfund.com>
- ▲ [thorne@slaterfund.com](mailto:thorne@slaterfund.com)
- ▲ 401-831-6633

