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**SmartStart Venture Forum Attendance Outpaces Last Year
for Both Entrepreneurs and Investors**

*Empire State Venture Group Brings 28 Exhibiting Companies Together to
Present Business Plans, Work with Mentors and Collaborate with Colleagues*

Albany, NY — Oct. 9, 2002 — Empire State Venture Group, Inc., a non-profit consortium of academic, public and private organizations promoting technology entrepreneurship throughout the Northeast, announced today that attendance at its second annual SmartStart Venture ForumSM outpaced last year's event by nearly 20 percent, with more than 320 entrepreneurs and investors participating. Twenty-eight exhibiting companies – selected for the promise of their business plan and the strength of their technology – presented at the two-day Forum. These presenters represented industries ranging from biopharmaceuticals to nanotechnology to semiconductors and were chosen from dozens of applicants after successfully completing a rigorous nomination, application and mock presentation process.

“Forums like this one present the opportunity for an emerging company's technology to be showcased and its business plan to be heard,” said Dr. Clinton Ballinger, CEO at Evident Technologies, a nanotechnology manufacturing and applications company that draws upon its semiconductor nanocrystal expertise to develop sophisticated, cost effective, innovative devices and products. “The SmartStart Venture Forum also provides developing companies with direct access to capital, investors, mentors and an established network of entrepreneurs. We're confident that attending Forums like SmartStart and educating these audiences about Evident Technologies will convince them that we are well on the way to creating a market for mass-produced extremely high quality, low cost semiconductor nanocrystals, as a necessary step in securing funding.”

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In addition to the 28 companies in attendance at this year's Forum, more than 90 Venture Capital and private investors flocked to the event from all over the Northeast and Middle Atlantic states. Many of these attendees participated in an Investor Roundtable held the first night of the Forum. Topics of discussion at the Roundtable included market demand, company valuations and how a down economy will affect financing for start-ups. Investors also addressed and debated how the financing climate has evolved to accommodate large firms (making \$5 million and larger investments), small firms (providing \$1-2 million dollar rounds) and "angel" investors (offering "seed" money to get companies started.)

"We're very hopeful that our presentation at the SmartStart Venture Forum will help push us into our next round of funding," said David Barthel, CEO of APPRO Healthcare, Inc., a manufacturer of single-use medical devices that raised \$1.8 million in its first round of financing after attending last year's Forum. "We attend a lot of Venture Capital and financing events throughout the country, but we can say that the SmartStart Venture Forum definitely is one of the best organized and effective events we've participated in to date."

"This year's event was extraordinary in scope and attendance," said J. Montieth Estes of Boylan, Brown, Code, Vigdor & Wilson, LLP in Rochester, New York. Estes is also working to raise additional financing for the Genesis Fund, which will provide seed funding to technology start-up companies throughout New York state. "There is no question that this year's event and the exhibiting companies were stronger than last year's Forum, and last year's was an extraordinary event. We can only hope that this strength will translate into an even great number of companies securing funding for their ventures."

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Companies presenting at this year's Forum included:

APPRO Healthcare, Inc. – Buffalo, NY
Autotask – Rensselaer, NY
Biodiesel Technologies, Inc. – Paul Smiths, NY
CardioMag Imaging, Inc. – Schenectady, NY
Connected Energy Corp – Rochester, NY
Crystal IS, Inc. – Latham, NY
Diamond Visionics, LLC – Vestal, NY
Drug Risk Solutions, LLC – Schuylerville, NY
Ecochlor, Inc. – Morrisville, NY
EcoTech Solutions, Inc. – Vestal, NY
Evident Technologies, Inc. – Troy, NY (**Named “Company Most Likely to Receive Funding”**)
ExerGen Biosciences, Inc. – New York, NY
Folsom Technologies, Inc. – Castleton, NY
Gene Network Sciences, Inc. – Ithaca, NY
InSciTek Microsystems, Inc. – Fairport, NY
LifeTesting LLC – Ardsley, NY
MedGraph, Inc. – Rochester, NY
Microlanguage LLC – Amherst, NY (**Award for “Best Presentation”**)
PJSolutions Inc. – Fairport, NY
Psyche Pharmaceuticals, Inc. – Rensselaer, NY
REAL COSMETICS, Inc. – New York, NY
Silicon Imaging, Inc. – Clifton Park, NY (**Award for “Best Exhibit”**)
Starfire Systems, Inc. – Watervliet, NY
SwingCam, Inc. – Astoria, NY
Terakeet Corp. – Syracuse, NY
VALOGIX, Inc. – Saratoga Springs, NY
Velox Logic, Inc. – Victor, NY
Wirespeed Technologies, Inc. – Vestal, NY

“We continue to be pleased and amazed by the quality of the technology and business plans that our exhibitors present here at the SmartStart Venture Forum,” said Professor Frederick A. Provorny, president of Empire State Venture Group and director of the Science and Technology Law Center[®] at Albany Law School. “We select companies that we believe are strong candidates for funding even under the difficult market conditions we are experiencing currently. Ten of the 27 companies selected to present at last year’s SmartStart Venture Forum secured funding for their ventures, totaling more than \$20 million, as a result of their participation. Not

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only was this year's crop of companies even stronger than last year's exhibitors, their presentations were seen by more investors from more firms across a wider geographic area. We're confident that this step up will mean that even more companies will find the financing they are seeking as a result of this year's Forum."

The SmartStart Venture Forum is a two-day event bringing exceptional technology companies together with venture capitalists and private investors. As part of their participation in the annual forum, exhibiting companies have access to a select network of experienced mentors and the Empire State Venture Group's collective resources. More than 70 partner companies and organizations are working with Empire State Venture Group to sponsor and coordinate this year's second annual SmartStart Venture Forum.

For more information about the second annual SmartStart Venture Forum, please visit www.smartstartvf.com or www.esvg.org.

About Empire State Venture Group

Empire State Venture Group is a non-profit consortium of academic, public and private organizations working to foster and promote technology entrepreneurship throughout the Northeast. Created as a collaboration between the Science and Technology Law Center at Albany Law School and other public and private sector groups and companies, the Empire State Venture Group provides entrepreneurs with access to a network of resources throughout New York, New Jersey, Connecticut, Maine, Pennsylvania, Rhode Island, Vermont, Massachusetts and New Hampshire. Empire State Venture Group hosts networking forums, educational meetings and conventions and is the organizer and host of the annual SmartStart Venture Forum. For more information, please call (518) 283-8890 or visit www.esvg.org.