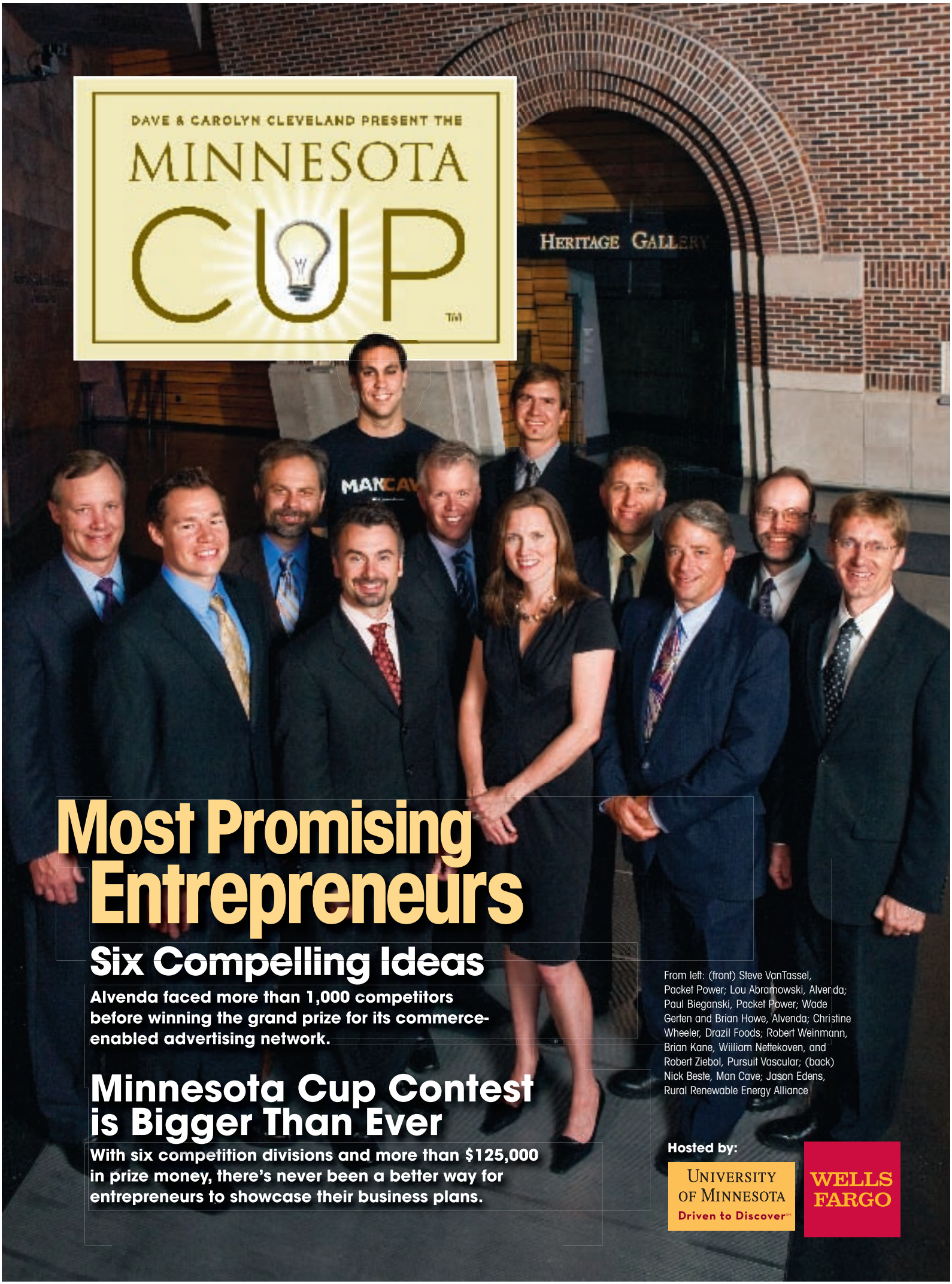

Most Promising Entrepreneurs

Six Compelling Ideas

Alvenda faced more than 1,000 competitors before winning the grand prize for its commerce-enabled advertising network.

Minnesota Cup Contest is Bigger Than Ever

With six competition divisions and more than $125,000 in prize money, there's never been a better way for entrepreneurs to showcase their business plans.

From left: (front) Steve VanTassel, Packet Power; Lou Abramowski, Alvenda; Paul Bieganski, Packet Power; Wade Gerten and Brian Howe, Alvenda; Christine Wheeler, Drazil Foods; Robert Weinmann, Brian Kane, William Nettekoven, and Robert Ziebol, Pursuit Vascular; (back) Nick Beste, Man Cave; Jason Edens, Rural Renewable Energy Alliance

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WELLS FARGO

BIOSCIENCES DIVISION WINNER

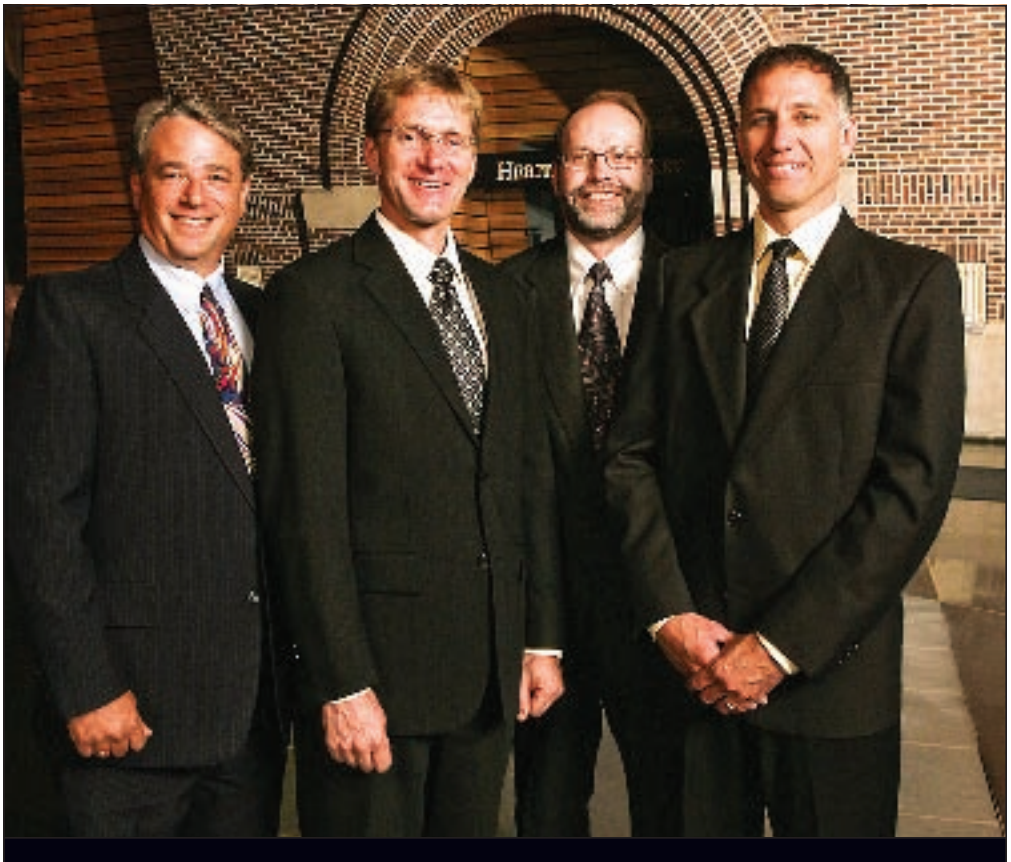
PURSUIT VASCULAR

Division supported by

The BioBusiness Alliance of Minnesota

Lurie Besikof Lapidus & Company, LLP

MASLON
MASLON EDELMAN BORMAN & BRAND, LLP



Brian Kane, Robert Ziebol, William Nettekoven, and Robert Weinmann

Being on dialysis is a dangerous game. If the underlying illness requiring dialysis doesn't cause patients' death, infection often will. Pursuit Vascular believes it has a breakthrough way to prevent these infections, which kill 22 percent of dialysis patients with catheters and cost more than $1 billion annually.

When people's kidneys don't function properly, they must receive dialysis three times a week to remove toxins from their blood. Hemedialysis patients typically have a permanent catheter in their chests to remove tainted blood and return the cleaned blood to their bodies.

But that catheter is a ripe breeding ground for infection, and dialysis patients contract an average of one-and-a-half bloodstream infections a year. Often they get better with antibiotics. But others

Prizes for winner

- $20,000 in seed capital
- Business organization, or services of similar value, from the law firm of Maslon
- Accounting assistance from Lurie Besikof Lapidus & Company, LLP
- Presentation consulting by Joan Moser of Spoken Impact
- A scholarship to attend the 23rd annual Minnesota Venture & Finance Conference hosted by The Collaborative

Review board members

- **Tim Laske**—Senior Product Development Director, Ph.D., Medtronic, Inc.
- **Beth Leonard**—Partner, Lurie Besikof Lapidus & Company, LLP
- **Dan Mallin**—Cofounder, Minnesota Cup; Managing Partner, Magnet 360
- **Shawn McIntee**—Partner, Maslon
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- **Stephen Parente**—Associate Professor, Department of Finance, Carlson School of Management, University of Minnesota
- **Jay Schrankler**—Executive Director, Office for Technology Commercialization, University of Minnesota
- **Steve VanNurden**—Chair, Office of Intellectual Property for Mayo Clinic Health Solutions
- **Dale Wahlstrom**— CEO, The BioBusiness Alliance of Minnesota

require hospitalization, and some people die.

To prevent infection, Blaine-based Pursuit Vascular has invented a new disposable device called the ClearGuard Antimicrobial Catheter Lock. It's essentially a rod filled with an antimicrobial agent that screws onto the catheter's cap after dialysis, killing bacteria before they enter the bloodstream.

Pursuit Vascular CEO Robert Ziebol conceived the idea of inserting a device into patients' catheters that remains until their next dialysis session. Calling on 22 years in product development, including 15 years for medical devices, Ziebol knew he was onto something promising. The company's testing shows that ClearGuard will reduce infection by 75 percent.

Medical providers currently fight infection by squirting antimicrobial agents into catheters, which has also cut infections by 75 percent. However, these antimicrobials can leak into the body and cause dangerous side effects, including death. Other catheters have internal coatings of antimicrobials, but the coatings are effective only for one to two weeks. ClearGuard's differentiator: It prevents antimicrobials from entering the bloodstream because the rod inside the catheter expands and acts as a stopper.

"Not only will ClearGuard save lives, it saves health care dollars," says Ziebol. "The net result is that it would save 17,000 lives a year and reduce health care costs by $700 million in the United States alone. I would like to see our device accepted as the standard of care in dialysis centers."

Ziebol and his three partners started Pursuit Medical in 2008 as an incubator that would team with physicians to commercialize their medical device inventions. From it, Pursuit Vascular was born, and ClearGuard quickly gained favor. "As we started digging into its potential, it rose to the top so high that we've virtually put all of our resources into bringing it to forward," Ziebol notes.

Starting as a self-funded entity, Pursuit Vascular spent 2008 developing ClearGuard, building prototypes, and testing them. Clinical trials will begin in the second quarter of 2010, and Ziebol expects to receive regulatory approval by mid-2012. Kicking off sales in Europe in 2011 and in the United States the next year, the company projects $2.5 million in revenue by 2012, $75 million the following year, and $200 million by 2014.

So far the toughest challenge has been securing financing. "We're still a young company, so attracting attention has been difficult," says Ziebol. "Investors are choosing to fund companies that have sales already and have already proven out their business." Now that Pursuit Vascular can claim a Minnesota Cup win, Ziebol believes the company will have a more robust case.

Semifinalists

- **OrthoCor Medical**—John Dinusson, Kin-Joe Sham, John VeLure, David Schlicksup
- **NasoNeb Sinus Solutions**—William Flickinger
- **Kinexum**—Lisa Jansa
- **Critech**—Alex Ash, Maureen Holler, Adam Truhler
- **TransEnd Surgical Technologies**—Gregg Sutton, Tim Kinney
- **Targeted Gene Modification-Study Amazingly**—Jiquan Gao, Feng Zhang, Xiaohong Li
- **Hibernicor**—Andrew Rivard

FINALISTS

RAPID DIAGNOSTEK

Rapid Diagnostek developed a small, portable biosensor that can tell medical providers in seconds whether someone has swine flu or malaria. It's a huge improvement over current diagnostic technology, which can take 10 to 30 minutes while technicians collect blood or urine, get a sample to the lab, and mix in a reagent to detect pathogens.

The biosensor has wide application in many markets, including veterinary, medical, agriculture, biodefense, food safety, and the environment—providing a $14 billion opportunity. Rapid Diagnostek will license its technology to partners, and they will develop devices specific to the needs of their industry. First up will be veterinary diagnostics in 2011, then human diagnostics the next year.

President and CEO Harry Norris expects to build Rapid Diagnostek into a $150 million company. "It's a game changer that can be used from a medical tent in Africa to the back of an ambulance," he says, adding that it inspired him to jump into his first startup in his mid-50s. "There is no lab required, no reagents, and there is only one step to prick the finger, hold up the sensor, and in 60 seconds you have an answer. It's transformational."

VATRIX MEDICAL

When people have a weak spot in one of their arteries—called an aneurysm—it is often difficult for doctors to detect, and current treatment options are invasive and potentially life-threatening. Vatrix Medical is developing new ways to diagnose aortic aneurysms and treat them before they fatally rupture.

Building on the way doctors stabilize tissue heart valves, Vatrix uses tannins to strengthen aortas with aneurysms, which makes artery walls four times stronger. It also stops the progression of aneurysmal disease and reduces the risk of aortic rupture.

"Vatrix is one of the few companies that offers the full, complete package to treat patients," says President and CEO Matt Ogle, who previously worked at St. Jude Medical and his first startup, Lumen Biomedical. "We can help physicians identify patients with aneurysmal disease, manage their disease, and treat it when the time is right."

The market for Vatrix's product is large: One in 15 people older than 65 develop aneurysmal disease. Ogle projects that the company will approach $100 million in revenue in its first four years, starting sales in Europe by the end of 2010. Vatrix hopes to enter domestic markets in 2013.