

The FreshTracks Flurry

October 2007

Vermont Investors Forum at the Stoweflake – Friday 11/2/07

The 15th annual Vermont Investors Forum will be held in Stowe this Friday, as 9 Vermont growth companies and numerous “Innovators” get the chance to pitch to a room full of angels, venture capitalists and commercial bankers. “There are many interesting companies presenting this year and a larger than normal crop of inventors for the ‘Innovators Corner’”, said Cairn Cross, Managing Director of FreshTracks Capital and co-chair of the VIF Steering Committee.

In addition to the exciting crop of entrepreneurs presenting this year, Cairn highlighted the other programming scheduled at the event, noting, “This year’s lunchtime keynote speaker will be a strong addition to the schedule. We have attracted Liddy Karter, Managing Director of Karter Capital to the event.” Karter Capital is a women-led investment banking and venture advisory firm based in New England with sector expertise in retail, financial services, software and environmental services. Mr. Cross continued, “Also, Mike Gurau from CEI Community Ventures in Maine will lead a GreenTech panel discussion featuring several Vermont entrepreneurs and their emerging companies, which should give us a clearer view into Vermont’s efforts to stand out in this sector.”

Please visit www.vermontinvestorsforum.org for more information.



Village Ventures CEO & Partner Fund Summit

Village Ventures hosted its first ever CEO & Partner Fund Summit at the Charles Hotel in Cambridge, MA from 10/24-10/26. The event was well attended by fund managers from the 14 Village Ventures affiliate funds, as well as CEOs from portfolio companies across the network. In attendance from FreshTracks were Charlie Kireker, Tim Davis and Lee Bouyea, as well as portfolio company CEOs Tom Witschi from [EatingWell](#), Ben Kaufman, founder of [mophie/Illuminator](#), Eric Schmidt of [Applied Nanoworks](#), and Mike O’Neill of [GetWell Network](#). Noted panelists included members of the Blackstone Group, MIT Entrepreneurship Center, *Fast Company* and *The Boston Globe*. Some key takeaways from the conference include:

- Matt Harris, CEO of [Village Ventures](#): The VV network has now grown to over \$750MM of capital under management with about 50 investment professionals. Investments have been made in 129 companies which collectively represent \$750MM in annual revenue, and more than 3,500 employees.

**FreshTracks II
Current
Investments**

[ISIS](#)
[NativeEnergy](#)
[NEHP](#)

**FreshTracks I
Current
Investments**

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[Applied NanoWorks](#)
[Brighter Planet](#)
[ClearSource](#)
[EatingWell](#)
[GetWell Network](#)
[Magenta Medical](#)
[mophie](#)
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- Christopher Pasko, Sr. Managing Director for M&A Services at [The Blackstone Group](#): Data indicates that private equity acquisitions have leveled off slightly in 2007, but the strategic acquisition market remains strong, with a lot of larger companies having ample cash on hand to complete transactions. In Q3 2006 the US M&A market saw \$61Bn in activity, with 40% strategic and 60% private equity buyers, while Q3 2007 saw \$49Bn of activity with 90% strategic and 10% private equity buyers.
- Kenneth Morse, Managing Director of the [MIT Entrepreneurship Center](#): Professor Morse focused on high level Sales and Sales Management, providing the group with some compelling takeaways for CEOs when formulating their elevator pitch, noting that the pitcher must make an appeal to the customers “head, heart, gut and wallet” all in 55 seconds. Morse indicated that the approach should “convince the client that your firm can deliver the value and the expertise which meets the client’s needs, and convince the client that their “pain” is urgent and requires action”.



NativeEnergy Forms International Partnership With 3C

FreshTracks portfolio company *NativeEnergy* and 3C, two major purveyors of Renewable Energy Credits for the voluntary high-quality carbon market, announce the first known intercontinental partnership between a European and a U.S.-based offset provider. The formation of this large-scale alliance will have significant impact on the development of high-quality carbon offset projects across the globe.

The partnership provides a unique opportunity for 3C to supply European clients with high-quality U.S. based offsets, while *NativeEnergy* can now make Verified Emission Reductions (VERs), under the Kyoto Climate Treaty protocol in Europe, available to their U.S. client base.

“We are very pleased to enter into a partnership with 3C to further the development of high quality carbon offsets projects both in the U.S. and around the world,” says Tom Boucher, President of U.S. based *NativeEnergy*. “The opportunity to collaborate with a leading company who shares in our value to ensure the development of high-quality projects is exciting.”


“As the demand for voluntary offset credits is rapidly increasing, this partnership will set the scene for professional and globally integrated carbon solutions,” says Sascha Lafeld, Board Member of 3C Holding AG. “While there is a lot of discussion about fungibility and the need for harmonization for carbon credit standards, this partnership offers clients first hand practical and credible GHG emission reduction solutions”, adds Björn Fischer, Managing Director of 3C The Carbon Credit Company, 3C’s recently launched US subsidiary based in Washington DC.



About FreshTracks Capital

FreshTracks Capital II L.P. (www.freshtrackscap.com) is the second fund raised by FreshTracks Capital and is part of the Village Ventures nationwide network of venture capital funds. Since inception, FreshTracks Capital I raised \$11 million and invested in 14 portfolio companies. *NativeEnergy*, *ISIS* and *NEHP* represent FreshTracks II's first three investments for the new portfolio.

FreshTracks focuses its investment in private growth-oriented businesses, primarily companies in close geographic proximity to Vermont. Its founding partners, Cairn Cross and Charlie Kireker, were joined in the third quarter of 2005 by Lee Bouyea and Tim Davis, whose bios can be found [here](#). FreshTracks is an affiliate fund in the Village Ventures national network of funds, which collectively have close to \$500 million in capital under management, directed by some 35 venture professionals in 14 distinct funds.



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