

Technology Tools for Deal Sourcing and Due Diligence

CDVCA Workshop
March 5th, 2003

Michael Gurau, President
CEI Community Ventures

Summary

- CCVI Overview
- Regional VC Activities
- Technology enablers for
 - Deal sourcing
 - Due diligence

CCVI Overview

CEI of Maine (non-profit parent)

- Maine based non-profit organization started in 1977
- Mission: *to help people and communities, particularly those with low incomes, reach an adequate and equitable standard of living,*
- Initiatives in:
 - Childcare
 - Affordable housing
 - Small business lending
 - Venture capital
- Two for-profit venture capital funds in operation
 - **CEI Ventures:** Founded 1995, investing second fund (\$20M)
 - **CEI Community Ventures:** Founded 2001, completing first fund (\$10M)

Michael Gurau, President
CEI Community Ventures

CCVI Overview

Fund Overview

- \$ 10 million CDVC fund (\$5M SBA match)
- \$3 million operational assistance fund (\$1.5M SBA match)
- Socially responsible, community development venture capital investments
- Maine, New Hampshire and Vermont distressed community focus
- Multi-sector, multi-stage (with SBA size cap)
- Staff of four (2, TBH)

Michael Gurau, President
CEI Community Ventures

Regional VC Activities

- Deal Sourcing
 - Networking
 - Marketing
 - Regional intelligence
 - Direct sourcing
- Due diligence
 - Management
 - Industry/Market/Competitive
 - Product/Technology
 - Financial

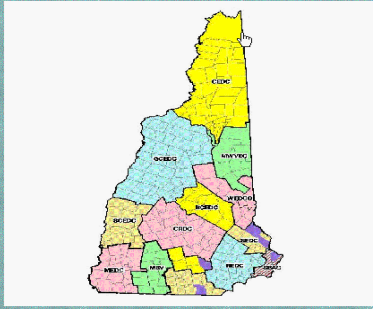
Michael Gurau, President
CEI Community Ventures

Deal Sourcing:

Network building and relationship mgt.


Web sources of regional
Contacts (EDAs, RDCs, etc)

**REGIONAL DEVELOPMENT CORPORATIONS
IN NEW HAMPSHIRE**




**Listing of
NH_Regional
Development Corporations**

CLICK ON REGION of interest to be linked directly to
Web Page of the local Regional Development Corporation

ECONI  Captured by Snagit
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MS Access/Excel network database


Type	Name	Company	State	Zip	Telephone	email
Local/State EDA	Curt Carter	Vermont Economic Development	VT	05620	802-828-5233	curt@thinkvermont.com
Local/State EDA	George Robson	Vermont Economic Development	VT	05620	802-828-5241	george@thinkvermont.com
Local/State EDA	Kiersten Bourgeois	Vermont Economic Development	VT	05620	802-828-5238	kiersten@thinkvermont.com
Local/State EDA	Janice St. Onge	Vermont Economic Development	VT	05620	802-828-3224	janice@thinkvermont.com
Local/State EDA	Phil Fagan	Vermont Economic Development	VT	05620	802-828-5235	phil@thinkvermont.com
Local/State EDA	Dan Towle	Vermont Economic Development	VT	05620	802-828-5232	dan@thinkvermont.com
Local/State EDA	Ken Horseman	Vermont Economic Development	VT	05620	802-828-5236	ken@thinkvermont.com
Local/State EDA	Don Kelpinski	Small Business Development Ce	VT	05061-0500	802-728-	du
Local/State EDA	Robert Zider	Vermont Manufacturing Extensio	VT	05060	802-728-	 Captured by Snagit Buy now to prevent this tag www.techsmith.com
Local/State EDA	Lance Matteson	Bennington County Industrial Co	VT	05257	802-442-5570	tech@cei.com

eNewsletters to keep awareness high
with partners and relationships



Container Technologies Industries: Rural Manufacturing Jobs

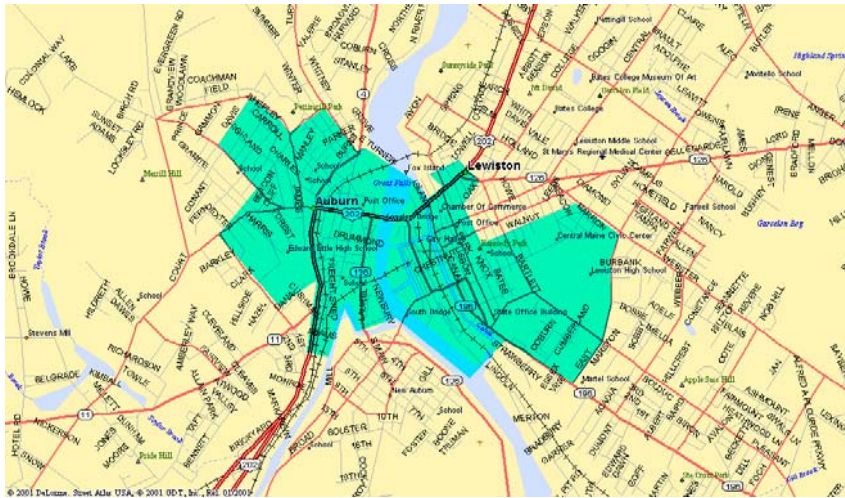
SJF portfolio company Container Technologies Industries, LLC (CTI) produces engineered steel containers. The company is located in Helenwood, Tennessee (Scott County), an area with a 31% poverty rate. SIF invested increased federal contractor business. CTI had 31 employees at the time that SJF first invested, and agreed to add an additional 16 jobs as a result of the investment. But with strong sales growth, they have instead added close to 100 jobs. Dorothy Silcox works in CTI's finishing department, where she paints the

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Deal Sourcing Marketing (NMVC)

Map as marketing brochure



Press release with map as centerpiece

CEI Community Ventures Launches Distressed Community Venture Capital Fund Targeting Lewiston-Auburn Maine

CONTACT:
Michael Gurau
(207) 772-5356

FOR IMMEDIATE RELEASE
5:00 PM EST, March 2003

Portland Maine. CCVI launched a unique community development venture capital fund targeting selected communities in Maine, New Hampshire and Vermont. In the Lewiston-Auburn area, the targeted region where investments are sought is shown in the map below.



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Deal Sourcing

Regional/sectoral Intelligence by email/web

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Brattleboro Reformer

[Today's Headlines](#)

[Victims of fire named](#)

DUMMERSTON -- One of the men who died in Monday's blaze at a Rice Farm Road home lost his life trying to rescue the other man, state police reported Tuesday. Frank Little, 59, and Gary Clement, 24, were both killed in the blaze....[story](#)

[Local News](#)

[Voters approve](#)

BRATTLEBORO
\$15,476,128 b
School district
8.43 percent o
which lasted sl
attended, with

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Bennington Banner

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[Wrestling is out, and roadway signs](#)

BENNINGTON --

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Environmental News Portal
The Bonda Report at
www.bondareport.com

Welcome to the Bonda Report (www.bondareport.com)
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St. Johnsbury, Vermont · Wednesday, February 12th, 2003 · Updated 11:00am

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LOCAL NEWS

Caledonia District Court

Tribble Sentenced To 35 Years To Life

BY ANDREW McGREGOR, Staff Writer
Wednesday February 12, 2003

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Boston Business Journal

Daily Edition
Wednesday, February 12, 2003 | Archives | Other Email Alerts

so little time...

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change

Mass. consumer confidence plummets, lowest since 1992

Mass. IG: State dropped \$65M Big Dig claim

State Street to cut 1,000 jobs

[bizjournalsDirectory](#)
Showcase of leading local businesses and services.

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CEI Community Ventures

Deal Sourcing:

Web DB and Directories for direct-sourcing deals

CD ROM of Dir. of Mfrs

Web database company directory

Alternate Names
Previously merged with: Software Artistry, Inc.

Ownership
Unit of Public company. Formed in 1989. Capitalized by Private Investment.

Size
Sales and employment figures have not necessarily been adjusted for mergers, acquisitions or divestitures.

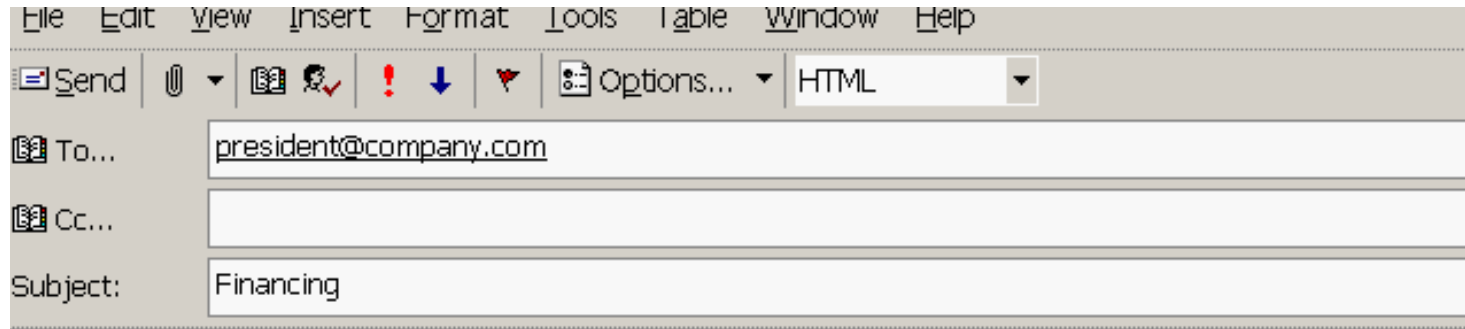
Sales ¹	1998	1999	2000	2001
Date	Mar 31	Mar 31	Mar 31	Mar 31
Sales (\$m)	\$350.0 ²	\$1,500	\$1,500	\$512.5 ²
Year-to-year change				5.8%
Compound				3.6%

1. Most recent years for which data are available ("—" indicates data not provided).

Michael Gurau, President
CEI Community Ventures

Deal Sourcing

Sourcing deals from your desktop



Dear President Joe,

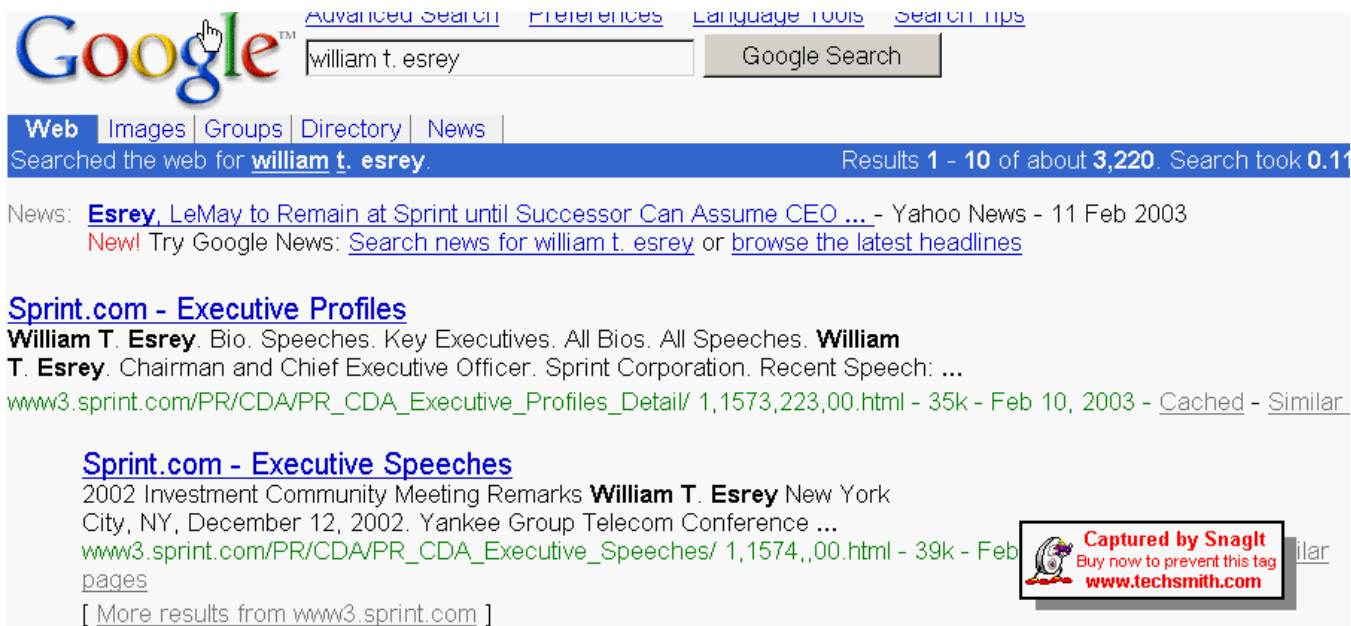
I write to explore your interest in growth financing. I manage a socially responsible....

Michael Gurau
President
CEI Community Ventures, Inc. (CCVI)
2 Portland Fish Pier, Suite 201
Portland, ME 04101



Michael Gurau, President
CEI Community Ventures

Due Diligence: Management



The image shows a screenshot of a Google search interface. The search bar contains the text "william t. esrey". Below the search bar, there are several search results. The first result is a news article from Yahoo News dated 11 Feb 2003, titled "Esrey, LeMay to Remain at Sprint until Successor Can Assume CEO ...". The second result is a link to "Sprint.com - Executive Profiles" with a brief description of William T. Esrey's role as Chairman and Chief Executive Officer. The third result is a link to "Sprint.com - Executive Speeches" with a brief description of a 2002 investment community meeting. A watermark for "SnagIt" is visible in the bottom right corner of the screenshot.

Google [Advanced Search](#) [Preferences](#) [Language Tools](#) [Search Tips](#)

william t. esrey

[Web](#) [Images](#) [Groups](#) [Directory](#) [News](#)

Searched the web for **william t. esrey**. Results 1 - 10 of about 3,220. Search took 0.11

News: [Esrey, LeMay to Remain at Sprint until Successor Can Assume CEO ...](#) - Yahoo News - 11 Feb 2003
New! Try Google News: [Search news for william t. esrey](#) or [browse the latest headlines](#)

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William T. Esrey Bio. Speeches. Key Executives. All Bios. All Speeches. **William T. Esrey**. Chairman and Chief Executive Officer. Sprint Corporation. Recent Speech: ...
[www3.sprint.com/PR/CDA/PR_CDA_Executive_Profiles_Detail/1,1573,223,00.html](#) - 35k - Feb 10, 2003 - [Cached](#) - [Similar](#)

[Sprint.com - Executive Speeches](#)
2002 Investment Community Meeting Remarks **William T. Esrey** New York City, NY, December 12, 2002. Yankee Group Telecom Conference ...
[www3.sprint.com/PR/CDA/PR_CDA_Executive_Speeches/1,1574,,00.html](#) - 39k - Feb
[pages](#)

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Due Diligence: Industry/Market/Competition

Industry/company info from web DB svcs

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News

- General News
- Company News
- Industry News
- People News

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Market/industry/tech/comp. info
from online trade journal

ISP Planet
The Intelligence Center for the ISP Community
February 12, 2003

- Broadband Tax Credit Bill Re-Introduced
- FCC Schedules Ultra Wideband Show
- Can the Spam, Say Office Workers

Breaking News >

Features

DSL Prime News: The Inside Source Dave Burstein
[February 12, 2003] All around the world, DSL deployment continues. A viable, competitive market is emerging in France. But in question as standards development starts to bog down CLEC Technical

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Competitive data from www.sec.gov/edgar

COMPETITION

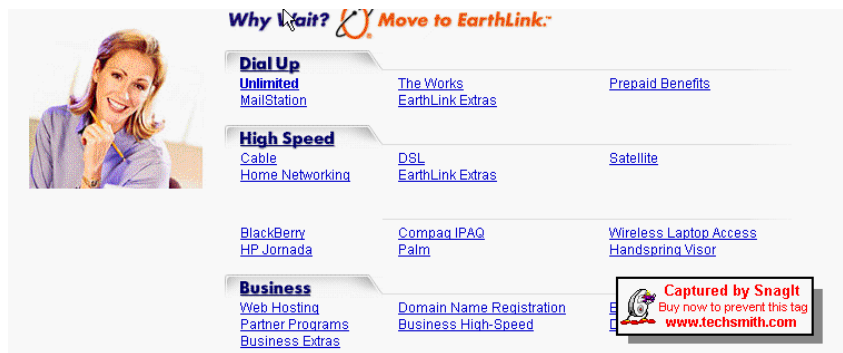
The Internet services market in which the Company operates is extremely competitive, and the Company expects competition in this market to intensify in the future. The Company's current and prospective competitors include many large companies that have substantially greater market presence and financial, technical, marketing and other resources than the Company. The Company competes (or in the future is expected to compete) directly or indirectly with the following categories of companies: (i) national and regional ISPs such as Bolt Beranek & Newman, Inc. ("BBN"), IDT Corporation ("IDT"), MindSpring Enterprises, Inc. ("MindSpring"), Netcom On-line Communication Services, Inc. ("NETCOM"), PSINet and UUNET; (ii) established online services such as America Online, CompuServe, Prodigy and the Microsoft Network; (iii) computer software and technology companies such as Microsoft; (iv) national telecommunications companies such as AT&T Corp. ("AT&T"), MCI Communications Corporation ("MCI") and Sprint Corporation ("Sprint"); (v) regional Bell operating companies ("RBOCs"); (vi) cable operators such as Comcast Corporation ("Comcast"), Tele-Communications, Inc. ("TCI") and Time Warner, Inc. ("Time Warner"); (vii) nonprofit or educational ISPs.

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Due Diligence Product/Technology

Company web site product description



Why Wait? Move to EarthLink.

Dial Up
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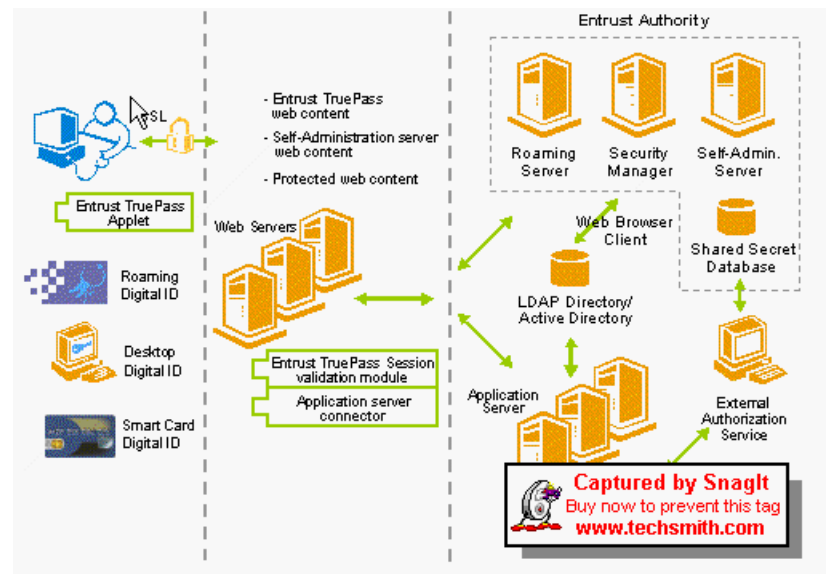
High Speed
[Cable Home Networking](#) [DSL EarthLink Extras](#) [Satellite](#)

BlackBerry
[HP Jornada](#) [Compaq IPAQ Palm](#) [Wireless Laptop Access Handspring Visor](#)

Business
[Web Hosting](#) [Domain Name Registration](#) [Partner Programs](#) [Business Extras](#) [Business High-Speed](#)

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Product architecture



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Due Diligence: Financials/Exit

Exit valuation from publicly traded comparables: finance.yahoo.com

Views: [Basic](#) - [DayWatch](#) - [Performance](#) - [Real-time Mkt](#) - **[Detailed](#)** - [\[Create New View\]](#)

EARTHLINK INC (NasdaqNM:ELNK) - Trade: [Choose Brokerage](#)

Last Trade 3:59pm	5.10	Change -0.03 (-0.58%)	Prev Cls 5.13	Open 5.13	Volume 455,650	<p>ELNK 11-Feb-2003 (C)Yahoo!</p> <p>Small: 1d 5d 1y none</p> <p>Big: 1d 5d 3m 6m 1y 2y 5y max</p>
Day's Range 5.04 - 5.20	Bid 5.02	Ask 5.09	P/E N/A	Mkt Cap 784.9M	Avg Vol 1,028,818	
52-wk Range 4.33 - 11.68	Bid Size 1,000	Ask Size 1,000	P/S 0.58	Div/Shr 0.00	Div Date N/A	
1y Target Est 7.33	EPS (ttm) -1.11	EPS Est 0.11	PEG 1.45	Yield N/A	Ex-Div N/A	
Chart , Financials , Historical Prices , Industry , Insider , Me Options , Profile , Reports , Research , SEC Filings , ...						

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Comparable P&L data from sec.gov/edgar

CAPTION:
I

	INCEPTION (MAY 26, 1994) THROUGH DECEMBER 31, 1994		YEAR ENDED DECEMBER 31, 1995
	(in thousands, except		
\$)	<<	<<	
STATEMENT OF OPERATIONS DATA:			
Revenues:			
Recurring revenues.....	\$ 53	\$	2,422
Other revenues.....	58		606
Total revenues.....	111		3,028
Operating costs and expenses:			
Cost of recurring revenues.....	4		1,055
Cost of other revenues.....	12		349
Sales and marketing.....	37		3,711
General and administrative.....	169		2,062
Operations and customer support.....			59
Total operating costs and expenses.....			16

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Technology Tools Summary

- **Web** for research
- **eMail** for direct contact communications
- **Outbound eNewsletters/email** for relationship management
- **Inbound subscription to e-news services** for local intelligence and opportunities
- **CD-ROMs** and **Web DBs** for direct opportunity sourcing

Michael Gurau, President
CEI Community Ventures

Thank you

Michael Gurau, President
CEI Community Ventures