



## SPEAKER SPOTLIGHT



Michael Feuer

### **TAKING IT TO THE MAX!**

**Michael Feuer is Chief Executive Officer and Senior Managing Director of Max Ventures LLC**, a private equity venture capital operations firm specializing in retail services; he also serves as a director of PsyMax Solutions, LLC, a Max Ventures portfolio company. Prior to Max Ventures he co-founded OfficeMax, Inc., an office products retail chain which grew to approximately 1,000 stores throughout North America. He served as its CEO and Chairman from inception (with one store) in April, 1988, through December 9, 2003, when the company was sold to Boise Cascade Corporation. He continues as a consultant to Boise Cascade under terms of an agreement through 2008. Mr. Feuer also serves on a number of philanthropic, educational and community Boards and Foundations, including University Hospitals of Cleveland (Ohio), United Way of Cleveland, Menorah Park Foundation for senior living, and Cuyahoga Community College Foundation, as well as serving his second term on the New York Stock Exchange Listed Company Advisory Committee.

Max Ventures works with emerging growth companies and new retail concepts, as well as mid-size retailers and busi-

nesses providing services to retail chains. Investments will be made in companies that may require an infusion of new capital, but more importantly, strategic and operational expertise to take a business to its next growth stage.

Feuer's PsyMax Solutions endeavor has a simple mission: to help employers dramatically reduce turnover. Using their proprietary tool, the Work Style Assessment (WSA) inventory, PsyMax Solutions focuses on helping employers find the right person for the right job. This allows companies in high-turnover industries like retail, restaurant management, hospitality, healthcare and financial services, to tackle their biggest challenge—finding and keeping the right people. Fortunately, Feuer is known for his insight into the importance of good hiring.

strategic planning, and marketing for technology and systems integration companies. A Sloan Fellow, Leach earned an MBA from the MIT Sloan School of Management.

JumpStart is a non-profit organization owned by CWRU, NorTech, Greater Cleveland Partnership, and all of the state universities in northeast Ohio. It is supported by the state of Ohio and the corporate and foundation communities of northeast Ohio.

Leach says the mission of JumpStart is “to accelerate the growth of early-stage ideas and businesses into venture-ready companies by delivering vital focused resources to entrepreneurs and the community.” In addition, for Cleveland to jumpstart its own financial regrowth, Leach says, “We have to be an impressive environment that lets people try. If we don't do it, then who will? We will fall further and further behind.”

### **JUMPSTART STARTS UP**



Ray Leach

**Ray Leach, Chief Executive Officer of JumpStart, Inc.**, brings 17 years of

technology and entrepreneurial experience in domestic and international business development,

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**OVA MEETINGS**

OVA meets monthly for lunch at  
The Union Club, 1211 Euclid Avenue.

The usual meeting schedule is:

11:30 Networking  
12:00 Lunch and Introductions  
12:45 Five-Minute Forum  
1:00 Main Speaker  
1:30 Adjourn

Check the calendar on page 4 for dates  
and speakers. For reservations, call the  
OVA office at (216) 566-8884, or e-mail  
to: [admin@ohioventure.org](mailto:admin@ohioventure.org).

# SPEAKER SPOTLIGHT

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JumpStart serves 15 counties of northeast Ohio. Companies must be located in northeast Ohio or willing to relocate here and must have a high potential for growth. Businesses also need a solid business plan, an exit plan, and must address a large potential market with protected technology or a protectable concept. Leach notes, "Every 120 days we go through the process. We accept qualified applicants to advise, assist, and accelerate the ideas and/or companies that have the potential to attract follow-on capital, increase high-paying jobs, and generate revenues that will result in increased economic wealth."

Leach notes that significant due diligence process focuses on the following: potential of technology, attraction of the market, ability of the team, revenue model, and the potential to generate return. The investment structure is: 75% will be convertible debt, 25% co-investing on Series A, staged investments, and performance based milestones. JumpStart will forge multiple connections to local, regional, and national venture capital and other sources of funding. Some of its most important goals include providing basic advisory services to 225 companies, consulting services for 135 companies, and investing \$9 million in at least 36 companies. Congratulations!

provides Ohio entrepreneurs private equity through his investment company, **USPrivatecompanies, LLC**, in Columbus, OH, where he is Principal.

Huston attended the University of Virginia on an NROTC scholarship, graduating with a BA in Economics. While serving as a navy Pilot stationed in Georgia, he obtained his MBA from Georgia Southern University.

In 2003, Governor Taft appointed Huston to the Ohio Venture Capital Authority, whose mission is to increase availability of professionally managed early stage capital for the state's entrepreneurs. In March, 2004, Huston co-founded the 50-member Ohio TechAngel Fund, LLC, one of the nation's largest angel funds. As a capital advisor, he seeks to bring controlled risk taking to his CEO clients, thereby helping enhance Ohio's economy via the job growth which these entrepreneurs drive.

Huston says that it is indeed a myth that there is no private equity capital available in Ohio. The fact is, according to Huston, that there are over 100 firms and funds in Ohio providing private equity capital today. In addition, he adds that more private equity capital is on the way. Huston feels that it is important that "we work toward the goal of funding companies here and staying here in northeast Ohio. We need to learn not to ask for money one round at a time, but to develop a plan and ask for money for the whole plan."

Huston mentions "lifestyle" companies (which include founders, family, and friends) and "high-growth" companies (including financial investors) as part of the road map to private equity capital in Ohio. High-growth companies can provide development assistance in the 15 counties here in northeast Ohio with seasoned entrepreneurs, investors, and business development professionals (for example: \$3 MM/yr for the next three years [50-800K with \$250K average] = 15/yr = 45 companies). Seems like an excellent equation for success!

## *The Ohio Road Map to Private Equity Capital*



John O. Huston

During his 30-year banking career, **John Huston** has held positions ranging from Chief Lending Officer and Chief Credit Officer to CEO at banks in five major U.S. cities. Since retiring in 2000, he has been an advisor, columnist and frequent speaker in his area of expertise: optimizing a company's capital structure. An active business angel, he

# FIVE~MINUTE FORUM

## SEPTEMBER 23 MEETING:

There were no five-minute forum presenters in September.

## OCTOBER 11 MEETING:

**Rain Maker Group of Akron, OH**, provides turnkey support systems for middle market companies in 30 days for under \$50,000. The company offers a quick-start approach that accelerates the value of implementing a decision support system. Benefits of the plan include low risk prices and predefined tools that accelerate intuitive end user practices. Its product, Accelerated Analytics™, is a comprehensive toolkit for jumpstarting a decision support system and infusing the best business practices. Rain Maker's technical partners include ProClarity and Microsoft. The company is seeking an introduction to customers and key staff members as well as Beta participation in middle market retail and distribution. In addition, Rain Maker is seeking funding to move forward with its business plan. For information, contact **Chad Symens, President**, at **330-705-8703**.

## NOVEMBER 8 MEETING:

**Creative Vinyl Products of Canton, OH**, manufactures a stainless steel product that fits into vinyl siding and snaps in and out. The company has already created an "S" hook, and original type hook, a flower pot, a downspout holder, and are working on shutter installation, a hose reel, and a mailbox. No tools are needed to use this product and all designs are patented. With a large number of homes in the United States with vinyl siding, Creative Vinyl Products can easily keep up with sales demand by manufacturing 36,000 clips per day in 10-hour shifts. The company is working with Lowe's and Bethlehem Lighting and are in several stores already. Creative Vinyl Products is seeking funding for marketing, expanding and building inventory, and for hiring sales people. For information, contact **Derek Diss, President**, at **330-484-0636**.

**Advanced BioSensors, Inc., Mentor, OH**, is an S-corporation that works with a consortium to design, develop, manufacture, and commercialize a superior wireless, MEMS fabricated, dermal, percutaneous continuous glucose monitoring device. The micro-sensor platform incorporates a novel, biocompatible polymer, which extends the useful life of the microsensor beyond the current FDA limit of three days. The product, called the **Messenger**, is the first to measure glucose in the dermis versus the fatty, subcutan-

## NOVEMBER (Continued)

eous tissue. Smaller than any other system, about the thickness of a human hair, less or no pain is experienced upon inserting the sensor. Wireless connectivity from the sensor to a wristwatch type monitor/recorder can be provided to alert patients and medical professionals of the current level of glucose, trends, and a pending crisis of hypo/hyperglycemia. The company is planning to employ the product for veterinary as well as human use, and has already submitted the sensor to the U.S. Army's metabolic monitoring program for review.

Team members include Steris Corporation and CAMP, Inc. Advanced BioSensors, Inc. is seeking funding for Stage I—prototype development and testing; Stage II—veterinary commercialization; and Stage III—FDA approval and human commercialization. For information, contact **Dr. Albert Kretz, President**, at **(440) 918-9880**, or via email at **info@advancedbiosensors.com**.

## MEET NEW BOARD MEMBER DAVID BROWN



David Brown

David Brown is the **Managing Director** of **Red Hawk Associates, Ltd.** Over the past three decades, he has specialized in helping management and other stakeholders solve urgent problems relating to strategy, organization, and operations. Many of his clients wish to transform their businesses, leveraging off new selling channels. His clients range from the middle market to the Fortune 500. Some of his assignments are related to turnaround consulting, turnaround management and investment banking related to selling or refinancing troubled businesses. In addition to advising clients, he was crisis manager of a troubled \$165 million fabricator and distributor.

Brown has advised or been referred by numerous lenders and equity sponsor groups, including Bank One, National City Bank, Key Bank, Huntington Bank, Star Bank (now Firststar) and Foothill Capital. He co-authored *The Turbo-charged Company*, which Bernard Marcus, CEO of the Home Depot, described as "logical, well-thought out and proven in organizations across America." He holds an MBA from Carnegie-Mellon University and a Bachelors of Science degree in economics from Georgetown University's School of Foreign Service. Brown has worked in more than 60 countries and speaks proficient French. He is or has been a member of a number of boards, including the Turnaround Management Association (he is one of fewer than 250 Certified Turnaround Professionals). He is the Immediate Past President of the Northern Ohio Chapter of the TMA. In addition, The Ohio Venture Association welcomes David Brown as a new board member.

## CALENDAR OF EVENTS



### Speakers for Upcoming Meetings:

- |                 |   |
|-----------------|---|
| <b>March 14</b> | Mark Stubler<br><i>Draper Triangle Ventures</i> |
| <b>April 11</b> | Michael DeAloia<br><i>City of Cleveland</i>     |
| <b>May 9</b>    | Tom Giffen<br><i>Roy Hobbs Baseball</i>         |
| <b>June 13</b>  | Packy Hyland<br><i>Hyland Software</i>          |
| <b>July 11</b>  | Mark Coticchia<br><i>CWRU</i>                   |

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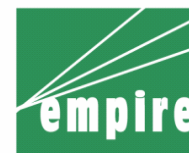
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