CSE

| CHALMERS SCHOOL OF ENTREPRENEURSHIP |

PROGRESS REPORT

July 04 - June 05

Highlights July 04 - June 05

- Awardwinning companies in Venture Cup, Lamera (Gold), Northern Lighting Systems (Silver)
- New venture capital to Lamera, Midorion, Vasasensor, Oxeon, Oiido, Tendera, and Parans
- Hans E Olsson donates 20 MSEK to the creation of the Hans E Olsson Foundation providing annual grants for CSE
- Establishment of CSE Lidköping Branch at Center for Innovation and Entrepreneurship in Lidköping – CIEL
- CSE extends recruitment scope and establishes project collaborations with researchers at Karolinska Institutet and at Uppsala University
- Vasasensor is announced "The springboard company of the Year" by Connect Väst. Vasasensor is also voted "The most interesting start-up company for venture capital" by the audience at the event
- Start of Gothenburg International Bioscience Business School – GIBBS
- Vehco receives a SEK 75 000 award from His Majesty Carl XVI Gustaf's 50th Anniversary Foundation
- Northern Lighting Systems was awarded the first price in the Swedish Environmental Innovation of the Year 2004 contest for contribution to sustainable uses of natural resources

Chalmers School of Entrepreneurship (CSE) – since 1997 – has been a pioneer and a leader in transforming research ideas into viable investment opportunities.

At CSE the responsibility of commercialization is spread from the shoulders of one individual – typically the researcher or inventor – to a team of venture creators, in a process that emphasizes sophisticated entrepreneurial learning.

CSE increases both the quantity and quality of early-stage deal flow, stemming from research. This is done by partnering with researchers who often are world-class in their field, but normally disinterested in pursuing entrepreneurship themselves full-time. Thus, today CSE has a strong track record of bridging the so called "valley of death" between research and business life.

CSE is well situated in the middle of the innovation system of Chalmers and Göteborg, and is famous for its leadership in university venture creation. In this environment CSE also has access to sophisticated services and a world-class network provided by the Center for Intellectual Property Studies (CIP). Together with CIP, CSE develops the knowledge -based entrepreneurship of tomorrow, using sophisticated intellectual property tools while linking up to a global network of legal, financial, and technology transfer expertise.

Currently, CSE not only attracts inventions from the local Chalmers environment but increasingly also other national universities, such as Sahlgrenska, Karolinska Institutet and Uppsala University, as well as from established firms, such as Volvo. With our newly established subsidiary in Lidköping we are also collaborating with regional entrepreneurial business activity.

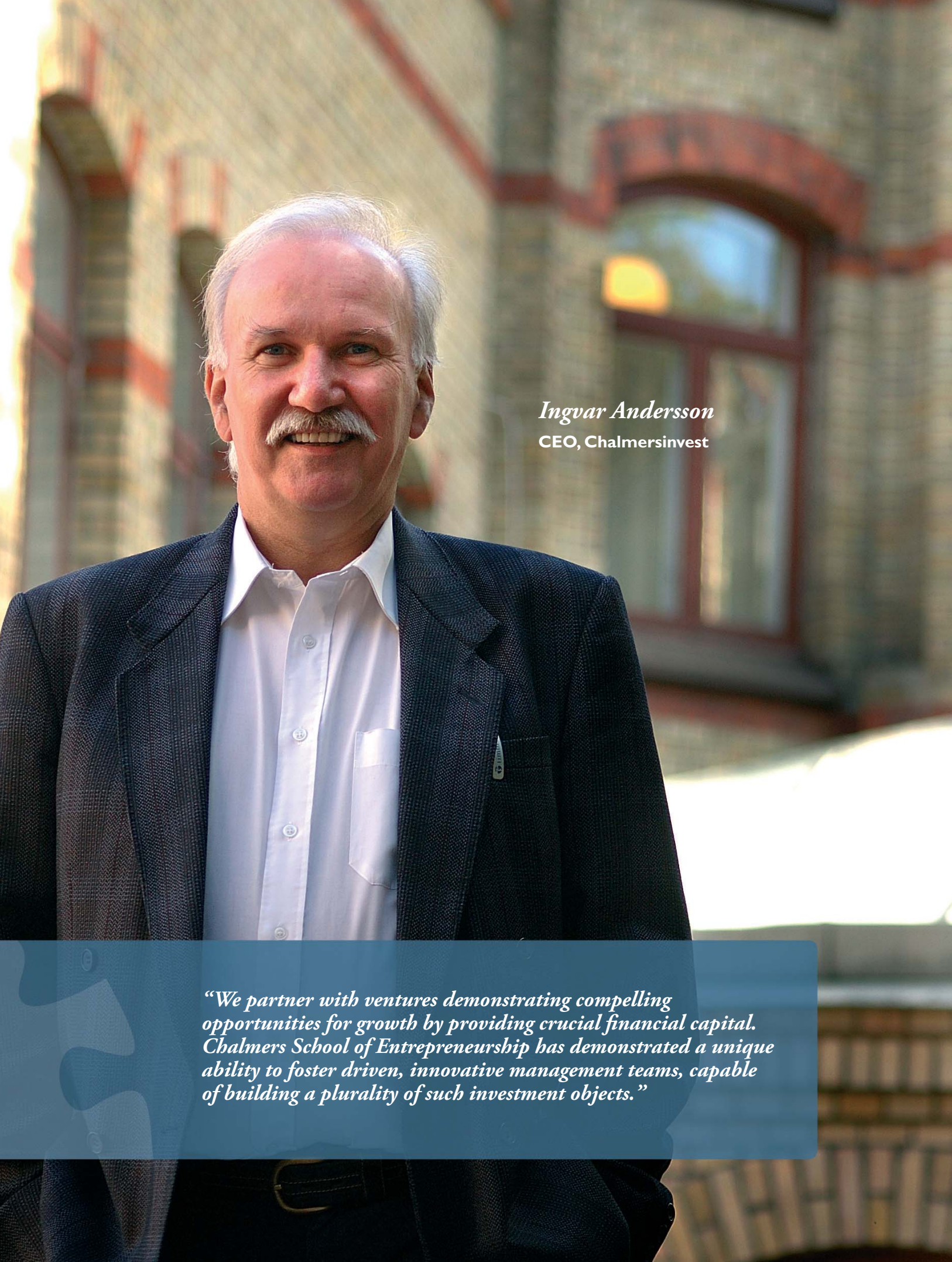
Since 2001, CSE Holding and CSE Incubation – fully incorporated under Chalmers – have acted as a pre-seed investor and an incubator creating early stage ventures. In this report we proudly present the results of our activities – representing the central core utilization objectives of many countries – the transformation of R&D into economic wealth.

Confident, through our recent start-ups in biotechnology, we are currently expanding our activities thru a joint venture with Sahlgrenska called GIBBS – Gothenburg International Bioscience Business School.

I would like to thank the 138 graduated students from CSE, our idea providers, partners, investors, faculty and associated network of experts, coaches and entrepreneurs for all their contributions so far.

Mats Lundqvist

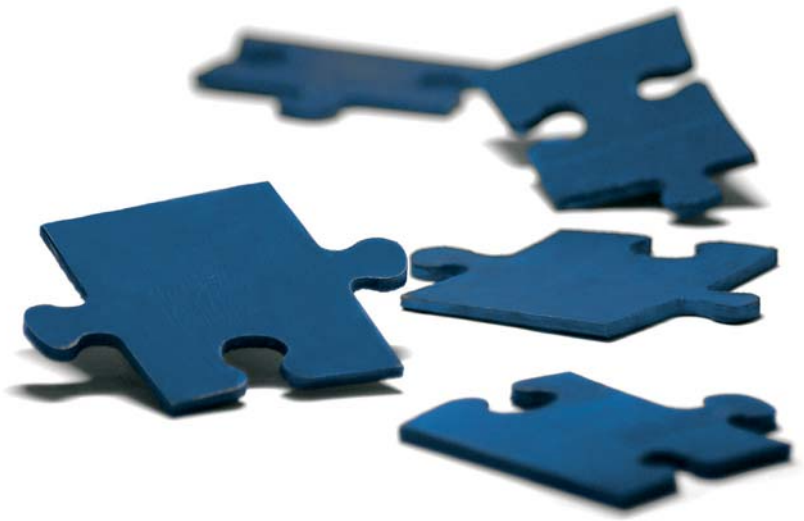
Director and co-founder of CSE
Chairman of the board of CSE Holding and CSE Incubation



Ingvar Andersson
CEO, Chalmersinvest

"We partner with ventures demonstrating compelling opportunities for growth by providing crucial financial capital. Chalmers School of Entrepreneurship has demonstrated a unique ability to foster driven, innovative management teams, capable of building a plurality of such investment objects."

Content



The Start of a New Venture

Chalmers School of Entrepreneurship represents an advantageous opportunity for inventors, researchers, Technology Transfer Offices and companies to start a new venture. A partnership with CSE will assure that your idea is transformed into a dynamic project. Three carefully selected and highly motivated students from CSE together with a business coach, an industry professional as chairman and an educational supervisor, work with the project for a year. The project's viability is both investigated and developed with the aim of being able to form a joint company at the end of the year.

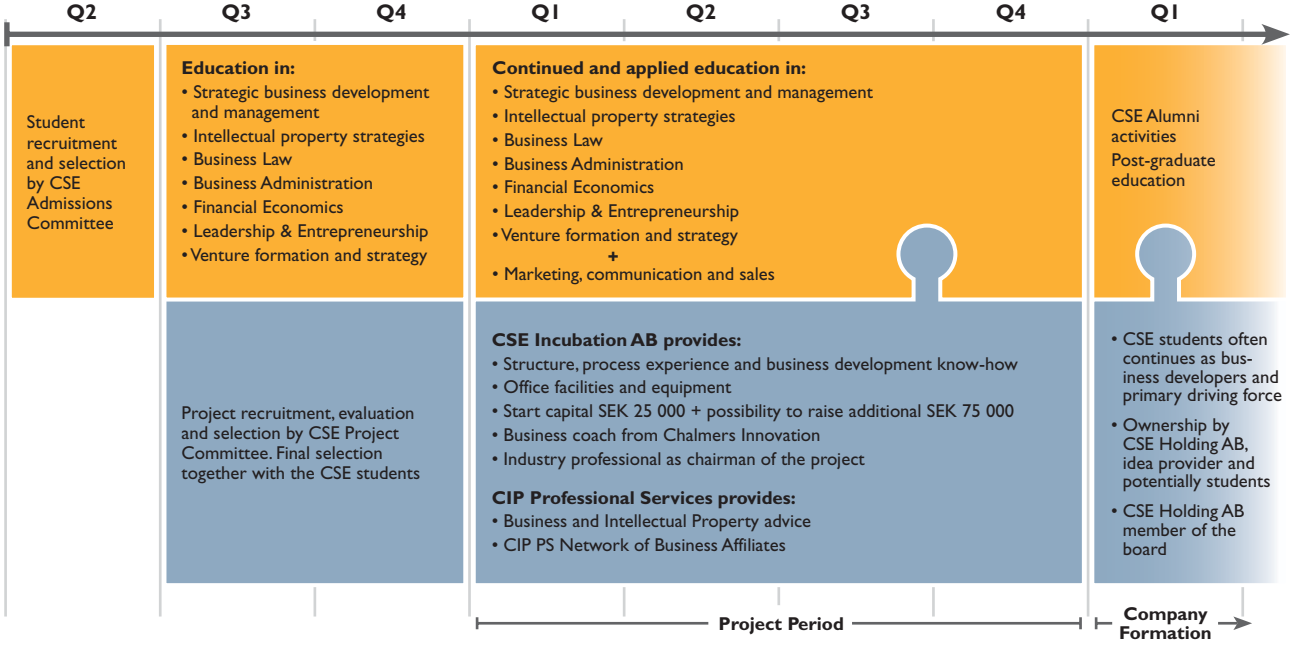
The project is favored by an action-oriented pedagogy as well as by a large, actively engaged network of teachers, entrepreneurs, expert advisers and others. An office with premises for meetings, IT and telecommunications is provided during the project year. The CSE students are granted start capital SEK 25 000 with a possibility of SEK 75 000 in addition, to cover, for example, visits to customers and fairs. Often the projects also apply for, and are granted, further financing during the year from the innovation system in Gothenburg and other external financiers.

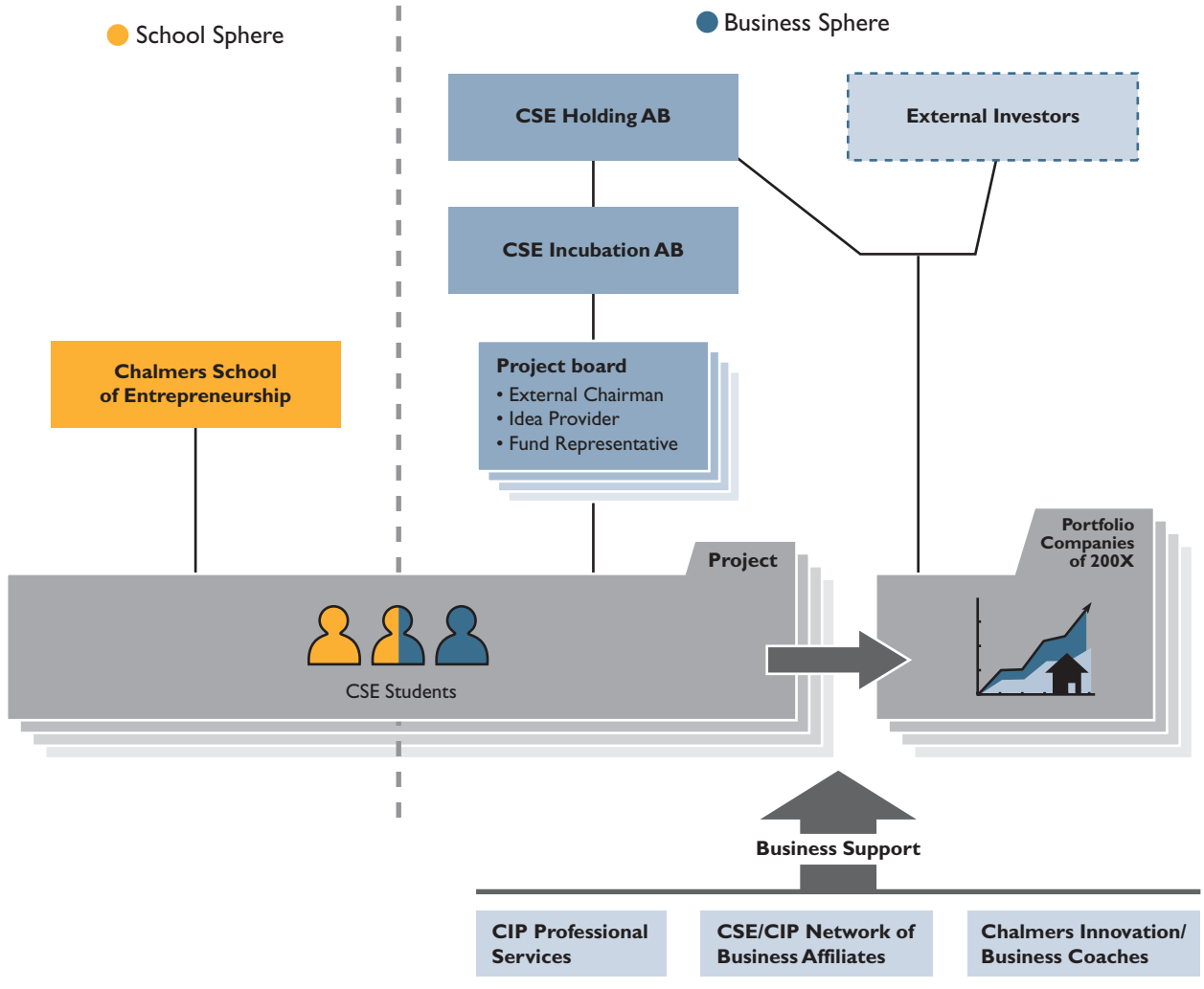
CSE offers all this in return for having an option on co-ownership in a jointly started company. The joint company starts at the year's end if the business idea is still considered to have potential. The co-ownership is in general divided by CSE Holding, the idea provider and key personnel from the project.

The Two Spheres

CSE comprises two closely interacting and mutually supportive spheres. On the one side CSE provides a top ranked Master level program preparing the students for the challenges of the knowledge economy by applying the world's most up to date business theory. Faculty members from CSE and CIP in close collaboration with industry executives and consultants from the business, intellectual property and legal community help the students develop the interdisciplinary skills necessary to design organizations, innovations and markets to create and extract maximum value for the firm.

On the other side CSE comprises a structured and focused business environment run under the professional management of CSE Incubation and CSE Holding. The projects are guided by CSE Incubation through experienced board members and at the same time supported in the operations by seasoned business professionals. The limited companies created at the end of the year from the projects considered viable are transferred over to the CSE Venture portfolio of year 200X held by CSE Holding and other external investors together with the co-owners of the respective projects. The business support function will be further enhanced the coming year by increased IP and strategic business development advice from CIP Professional Services.





Board of Directors

CSE Holding AB and CSE Incubation AB

Mats Lundqvist
Director and co-founder of CSE

Boo Edgar
Director GIBBS – Gothenburg International Bioscience Business School

Olle Lindén
Partner, Vinge law firm, Göteborg

Ulf Petrusson
Director Center for Intellectual Property

Johan Rask
Investment manager within biotech at InnovationsKapital

Letter from the CEO

CSE Holding has been involved in the early seed stage since 2001. We rely on the best available ideas and projects to come our way through the CSE deal flow process, which is improving continuously. In my opinion, there is always a steady flow of great ideas emerging from universities, companies and individuals, so the trick is to create an offer for these people that is interesting and suits their situation. Our offer is simple; if you want your idea to grow into a company, we can join forces and create value for its shareholders.

So far this year, we have experienced the return of the business angels and the VCs. The environment and the future potential appear to be brighter in the eyes of investors.

In 2005, three of the CSE04 projects have been successfully handed over to the incubators in the region; Aidera and PharmaSurgics to Sahlgrenska Science Park (SSP) and Lamera to Chalmers Innovation. Over the years, this hand-over has been a fruitful cooperation and in many cases it has been supported by the injection of capital from Innovationsbron Väst. Northern Lighting Systems has stayed on in the vicinity of CSE at MC2 as its technology is heavily reliant on high-tech laboratories.

During the year, the CSE03 companies have attracted capital: in the case of Vasasensor from business angels and in the case of Midorion from a combination of business angels and Innovationsbron Väst/Chalmers Innovation, whereas Oiido has received capital from GU Holding and Innovationsbron Väst.

The CSE02 companies have attracted capital during the year; Tendera was first out in a second round of financing, Oxeon attracted a combination of stock issue and loans from Industrifonden among others and Parans successfully looked for money via business angels.

Among the CSE01 companies, we find Avinode and Vecho, both of which have reached positive cash flow and steady growth. Avinode is the leading player in its market in Europe, the Middle East and Russia and is now growing rapidly in the US. CSE Holding made an exit in Avinode this year through a management buy-out. Vecho is now the leading player in Sweden in its field.

Some of the portfolio highlights:

- Vasasensor launched a pilot project with the world market leaders in equipment for the paper industry, Metso and Albany
- Parans delivered products to IKEA in Bilbao, Spain
- Midorion reached proof of principle for a state-of-the-art instrument for biosensing
- Northern Lighting Systems has shown electro-luminescence on all commercially interesting substrates

The development of our portfolio is very satisfying. However, early stage high-tech projects are associated with high risk. A few of our portfolio technologies have failed and, as a result, some of our companies have also failed. At the same time, we have already created winners and I am convinced that more and even greater winners will follow.

Another way of measuring the strength of our concept is to look at the ideas we attract and from where we get them. In recent years, we have seen more pioneering inventions, such as the new high brightness LED technology in Northern Lighting Systems and Midorion's analytical biosensor systems for life science applications.

In 2004, we ran projects with companies such as Volvo and Viking Telecom and right now we are collaborating with researchers from the Uppsala University and Karolinska Institutet. We are now expanding this concept and next year we shall be running 12 projects in parallel, biotech projects within the framework of Gothenburg International Bioscience Business School (GIBBS) and other high-tech ventures in the setting of Chalmers School of Entrepreneurship (CSE) both in Gothenburg and Lidköping.

Finally, I would like to thank our financial partners, our donor (Hans E Olssons Foundation), our idea providers, our students, the portfolio companies and other associates.

Anders Björkenbo
CEO of CSE Holding and CSE Incubation

CSE Holding in Brief

CSE Holding's portfolio consists of 13 companies created in the setting of Chalmers School of Entrepreneurship (CSE) in 2001-2004.

CSE Incubation is actively managing its project portfolio focusing on generating strong returns. Firstly through a structured evaluation of business ideas, secondly via intensive support from the Center for Intellectual Property Studies (CIP), thirdly by taking an active role on each project board and, last but not least, through the network of industry professionals and other carefully selected advisors.

The portfolio is now well diversified with companies in attractive areas of technology, such as telecom, biotech, nanotech, material technology, sensor technology, fiber optics and the Internet. CSE Holding is a very early stage investor, but it is normally active on the board for many years, mainly supporting the companies with business development know-how, financial advice and access to its network.

Company	Area of technology	Percentage of shares
Seed companies		
Aidera	Telecom/Biotech	35.0
Northern Lighting Systems	Nanotech	20.0
PharmaSurgics	Biotech	20.1
Oiido	Telecom/Biotech	13.0
Layerlab	Biotech	3.7
Tendera	Biotech	2.8
Start-up companies		
Lamera	Material technology	19.5
Midorion	Nanotech/Biotech	12.0
Vasasensor	Sensor technology	12.9
Oxeon	Material technology	3.7
Early growth companies		
Parans	Fiber optics	12.3
Avinode	Internet	*
Vecho	Telematics	5.1

*Exit with future sales agreement

Management

CSE Holding AB and CSE Incubation AB

Anders Björkenbo
CEO of CSE Holding and CSE Incubation

Anders has professional experience from various startup and growth companies and is Chairman of the Board of Prosilient Technologies. He sits in the following boards as CSE holdings representative; Vasasensor, Oiido, Aidera, PharmaSurgics, Northern Lighting System, Lamera. Anders holds a MSc and an MBA degree from Chalmers University.

Jonas Berggren
Director, Lidköping branch

Jonas was a management consultant at McKinsey & Company before he joined to the CSE staff in October 2004. He holds an MSc degree from Chalmers University of Technology and studied at CSE in year 2000. He has gained international experience mainly from the CTO position at Kenmore International in Bleicherode, Germany and exchange studies at ETH in Zürich, Switzerland.

Portfolio Companies

Chalmers School of Entrepreneurship has demonstrated a ability to, in interaction with others, evolve an idea until it becomes such a viable enterprise that both venture capital and renowned management can be attracted. The following pages present the current companies where CSE Holding is a co-owner, a setting started in 2001.

The chart below is a presentation of the overall results of the companies started by students from Chalmers School of Entrepreneurship during and after their education.

	Students (yearly)	Accumulated Companies	Accumulated Employments	Valuation (MSEK)	Turnover (MSEK/year)	Invested Venture Capital (MSEK/year)	Soft Loans and grants (MSEK/year)
1997	12	1	-	-	-	-	-
1998	15	1	-	-	-	-	-
1999	18	3	17	43	3.8	9.6	2.9
2000	15	8	56	182	9.2	41.5	3.2
2001	22	15	74	347	33.7	19.8	6.5
2002	16	18	114	245	41.0	56.3	4.4
2003	20	23	94	214	56.0	25.4	9.0
2004	20	31	156	Ca 300	90.0	44.7	11.0

Thirty-one new companies – still operating – have been started by former CSE students. In total, 230 new work positions have been created, of which 150 involve full-time employment. (All data are from January 2005.)

Content

Anders Brännström

CEO, Volvo Technology Transfer Corporation
Idea provider Lamera

"To remain competitive, enterprises of all sizes have to master the skills of creating, capturing and evaluating innovations. However, this is worth nothing without the ability to create value. Chalmers School of Entrepreneurship has demonstrated being a viable path to increase the successrate for commercialisation of results from research."

Lamera

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Using a strong media-boosted market approach, Lamera has successfully planted its message in the hearts and minds of customers and private investors. The venture, which is still only months old, has already acquired both pioneer customers and the financial trust to expand.

Business Concept

Lamera is both a flagship and a prototype in the aim of Chalmers School of Entrepreneurship to offer spin-off assistance to the industry. The pioneer client turned out to be the industrial giant Volvo who had developed a new lightweight material. Disappointed by the lack of acceptance in the conservative, cost-driven automotive industry, but with high hopes for the technology, Volvo Technology Transfer turned to CSE to produce a co-owned spin-off with a new market focus.

Built on the transferred patent portfolio, Lamera is the result of the challenge – a material-supply company that offers stainless steel with all its advantages at a very low weight to customers within the aircraft industry, the defense industry and the industry for exclusive consumer goods.

Progress

During the incubation time at Chalmers School of Entrepreneurship, Lamera conducted a very detailed investigation of the potential market value for the technology in different market contexts. The intense market dialog pinpointed three segments in which the technology could potentially create extraordinary values; secondary structures within the aircraft industry, ballistic applications within the defense industry and exclusive consumer goods.

The news value of the discovery was so substantial that Lamera formulated a media strategy to leverage it into free market communication. Through a series of articles and interviews in domestic and international media, the opportunities offered by the technology were successfully communicated to the targeted segments. The resulting market pull effect among pioneers has been so strong that in some cases Lamera has been able to charge more than one hundred times (!) the price of conventional materials.

Anders Axelsson, CEO and Mattias Grufberg, Market Manager

In the spring of 2005, Lamera won first prize in the Venture Cup business plan competition in recognition of its market sensing achievements. In addition to the promising market development, this started to attract considerable interest among private investors who are now funding not only market efforts but also the development of an industrial pilot plant to meet increased demand.

Outlook

For the management team of Lamera the next 12 months will focus very heavily on living up to expectations – from the market, industrial partners and the investors. Pioneers will expect Lamera to assist their prototyping projects, industrial production partners will expect Lamera to lead the technological transfer needed to build the pilot plant, while investors will expect demand to be increased and leveraged in a way that builds confidence to match their expectations of a future return on investments. To live up to these expectations, the management team will need to recruit both further technological knowledge and new muscle for the market machinery.

Background/History → July 04 - June 05 → Outlook → 2007

- Technology developed by Volvo
- Patent granted
- Research partnership with MIT and Cambridge University

- Strong market skimming strategy that targets specific segments with great needs
- Effective PR campaign that has created widespread product awareness
- Award-winning business plan that has paved the way for value extraction (1st price Venture Cup)
- Pioneer customers accept steep pricing
- Emission to expand has attracted both capital and trust

- Recruitment of new sales channels and extended technological expertise
- Preparation for the next expansion-driven stock emission.
- Increased sales efforts to extend the range of prototyping
- Assisting product development to acquire the first volume customer
- Tech transfer into the development of the pilot plant

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Aidera's business idea is to automate the reporting process of diabetics' meter data in order to secure higher quality in treatment of diabetics and to enable a more efficient working procedure for healthcare providers.

Anders Sonesson, CEO

Business Concept

Today, glucose meter data are reported manually and therefore constitute time-consuming processes. Healthcare providers have expressed a request for, and a willingness to pay for, an automated system. In order to provide the service, Aidera has established contacts partly to adapt the technical solution and partly to verify the system on prospective customers. Healthcare providers have shown an anticipated interest in defraying the expenses and implementing Aidera's system.

The system transfers meter data from the glucose meter at the patient's home to a secure website. Data is transformed and displayed graphically and made accessible for both the patient and the healthcare provider.

Aidera creates

- Efficiency for healthcare providers and patients, by direct time saving whilst reporting.
- Efficiency for healthcare providers, indirectly through time savings via disengaged nursing facilities since "home care" can be offered.
- A pedagogic tool that renders quality improvements for patients, healthcare providers and society in general by reducing the risk of complications associated with diabetes.
- Product differentiation for glucose meter companies.

Progress

During the last 12 months, Aidera has established co-operations with all major companies in glucose meter businesses: Roche Diagnostics, Bayer Healthcare, Abbot Diabetes Care and Lifescan (Johnson&Johnson). Aidera has also finished the first generation of the concept. Trials are being executed over a time period of 3-9 months at key targets such as Sahlgrenska University hospital, Malmö University hospital, Lund University hospital, Stockholm Söder Hospital and Capio S.t Göran's Hospital in Stockholm.

Aidera's first product is Diasend (www.diasend.com).

Outlook

The trials will be evaluated together with patients and healthcare providers during the spring 2006 and will set requirement specifications for Aidera's commercial concept. During the fall of 2006, Aidera will have conceptualized the business proposal and launched the first set of commercial products and services. The main focus during 2006 will still be diabetes though. Aidera's complete system for transferring data enables trials in other areas such as asthma and blood-pressure, where positive contacts already have taken place.

Background/History	July 04 - June 05	Outlook
• Collaboration was set up between students at CSE, Viking Telecom AB and Sahlgrenska University Hospital	• Established co-operation with Roche Diagnostics, Bayer Healthcare, Abbot Diabetes Care and Lifescan (Johnson&Johnson) • Proof of technology were accomplished • Trials started. Trials are in progress at the following hospitals: Sahlgrenska University Hospital, Malmö University Hospital, Lund University Hospital, Stockholm Söder Hospital and Capio St. Göran's Hospital • Aidera became a part of Sahlgrenska Science Park • Completed development of system and 100 prototypes	• First round of financing will be secured • Evaluate the trials together with patients and healthcare providers to create a requirement specification • Start commercial development and sales • Market introduction in fall 2006 • Start trials for other business areas (blood-pressure and asthma)

NORTHERN LIGHTING SYSTEMS
"A new generation of light"

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Northern Lighting Systems is providing the new generation of light. By combining state-of-the-art semiconductor material research and a new, patent-pending production process, we create nanostructures that emit white light more efficiently than any other light source in the world.

Business Concept

Northern Lighting Systems AB develops, manufactures and sells the vital, light-emitting component in High Brightness LEDs. Offering a direct substitute for existing chips, our nanostructure, zinc oxide-based chips provide advantages in all the areas our customers list as being necessary to bridge the gap between niche applications and the general lighting market, namely:

- Higher light intensity
- Higher energy efficiency
- Significantly lower cost
- Higher flexibility in product design
- Direct emission of white light, eliminating the need for phosphors
- Tunable nuances of white light from cool to warm

Our vision is to lead the way for HB-LEDs towards the substitution of conventional light sources such as incandescents and fluorescents.

Progress

Major breakthroughs have been made during the last twelve months. Within R&D, we have verified the chip structure, the production process and shown electro-luminescence on all commercially interesting substrates, thereby moving away from the costly materials used in the industry today.

A strategic alliance has been set up with an international lighting company and major 1st and 2nd tier customers have been approached successfully. These interactions have confirmed our belief regarding the customer benefits and the advantages of NLS technology.

The company was also given the Swedish Environmental Innovation of the Year 2004 award and finished in second place in the finals of the Venture Cup business plan competition.

NLS is in the process of raising seed funding amounting to SEK 8.5 M, which will last until the end of 2006, when we expect to be ready to start industrial production.

Outlook

During the next year, NLS will focus its efforts on accelerating technical development. Strengthened by our latest breakthroughs and being on schedule, we feel confident about being able to deliver customer product demonstrators by the end of 2006. Furthermore, experienced professionals with industrial expertise will be recruited.

Large resources will also be devoted to expanding the patent portfolio with three new patents.

NLS will participate in the two major HB-LED conferences in 2006, Strategies in Light and Blue Taiwan.

The main objective in 2006 will be to take the company and the technology to the point at which large-scale production can commence.

Björn Axling, Director Marketing & Sales, Victor Kouzmine, Technology Project Manager and Jesper Echardt, CEO

Background/History

- In the late 1990s–early 2000s, HB-LEDs show great potential to replace traditional light sources for general lighting purposes but are kept back by inadequate intensity and high cost
- In March 2003, Professor Willander's research group receives SEK 10 M from the Foundation for Strategic Research
- In June 2004, Northern Lighting Systems is founded, addressing the key problems in the industry by introducing zinc oxide and a unique production process

July 04 - June 05

- In November 2004, NLS is given the Swedish Environmental Innovation of the Year award, as well as being one of the winners in Vinn Nu early stage funding
- In January 2005, NLS participates in the Innovation Cup national finals
- In May 2005, NLS finishes in 2nd place in the Venture Cup finals
- In May 2005, NLS sets up a strategic alliance with an international lighting company
- In June 2005, NLS makes a breakthrough in product development making it possible to exclude all the costly wafer materials used in the industry today

Outlook

- The seed funding round will be closed in October 2005
- Additional patent applications will be filed in 2006
- A prototype will be ready for customer demonstrations by the end of 2006
- NLS will continue to approach the major potential customers by attending the key industry conferences of the year

Kjell Olmarker

CEO, Orthopaedic Research & Development AB
Professor Sahlgrenska University Hospital
Idea provider PharmaSurgics

"Chalmers School of Entrepreneurship has proven collective strength, competence and experience in their work of transforming complex research into successful business."

PharmaSurgics

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PharmaSurgics in Sweden AB originates from collaboration between the Sahlgrenska Academy and Chalmers School of Entrepreneurship. The company was founded in the fall of 2004, after extensive research by Professor Kjell Olmarker and lactoferrin expert Inger Mattsby-Baltzer, PhD.

Business concept

PharmaSurgics develops and commercializes novel treatments for various infectious and inflammatory diseases, utilizing potent sequences derived from the breast milk protein lactoferrin. The innate antibacterial and anti-inflammatory properties combined in a natural sequence, which is both inexpensively manufactured and protected by international patent applications, give this sequence an unmatched character.

PharmaSurgics is focusing on the development of a novel treatment for the prevention of post-surgical adhesion formation following abdominal and gynecological surgery. Surgeons confirm the critical need for effective treatments for the annual 3.5 million high-risk surgical interventions that are performed. In spite of this, existing therapies have not been adopted to any large degree by surgeons.

In addition, PharmaSurgics is currently setting up collaboration with a large industrial partner for the development of a topical treatment for advanced wound healing.

PharmaSurgics' goal is to build the company through partnerships and license agreements. Clinical trials will be conducted by partners, but marketing and distribution rights for regional markets will be retained to generate steady cash flows and for use as a showcase for licensees.

Progress

During the last 12 months, PharmaSurgics has gone from a project at Chalmers School of Entrepreneurship to a venture-financed biotech startup located at the Sahlgrenska Science Park business incubator.

PharmaSurgics is currently able to demonstrate an 80 percent reduction in adhesions in verified animal models, an unrivalled figure in comparison to all published data. In addition to this, PharmaSurgics can present very promising data from studies of additional applications, such as ulcerous colitis, rheumatoid arthritis and back pain related to nerve injuries.

Fredrik Sjövall, CEO and Mattias Münnich, Project coordinator.

PharmaSurgics is currently completing a venture capital financing round raising approximately SEK 4 million for one year of further development. The financing round is planned to end in October.

Outlook

PharmaSurgics has three main goals for the next year:

1. Screen, evaluate and choose a product formulation
2. Strengthen the knowledge of the mechanisms that give peptides their wound-healing properties
3. Carry out a financing round attracting capital for preclinical and clinical trials.

Background/History | July 04 - June 05 | Outlook | 2007

- Professor Olmarker made his accidental finding during in vivo studies
- Professor Olmarker presented the innovation at CSE
- A project group named PharmaSurgics was formed

- Proof of technology was accomplished
- The project known as PharmaSurgics became PharmaSurgics in Sweden AB
- PharmaSurgics was among the winners in VINN NU 2004
- PharmaSurgics became part of Sahlgrenska Science Park business incubator
- A collaboration agreement with an industrial partner was signed (Jun 05)

- First round of financing is secured
- PharmaSurgics' most important patent is approved in the US
- A product prototype is developed
- A second round of financing is secured
- Proof of concept in human

2003

Erik Dahlbergsgatan 11A, 1st floor, SE-411 26 Göteborg
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Oiido simplify communication with a new headset superior to everything previously seen.

Business Concept

Oiido sells and develops a new type of headsets based on patented bone conduction technique. The bone conduction technique can be used both as a loudspeaker as well as a microphone. Used as a loudspeaker the bone conduction vibrator enables the user to communicate without having to cover the ear ways. On the other hand when used as a microphone the vibrator creates a possibility to communicate in environments with high levels of background noise. The headsets of Oiido are developed to assist professional users in extreme environments.

Even if you work close to a source of high decibels, at a stonemason's or paper mill, for example, you are always able to maintain your communicative receptiveness and attention. Oiido transmits sounds directly to the inner ear through the cranium – unaffected by the surroundings. When wearing our headset in a changing sound environment, it is very easy to adapt. Remove your earplugs and hear both your surroundings and the communication system without any problems.

Jonas Dahlgren and Tobias Good co-founders of Oiido

Progress

It has taken 25 years of research and several patents to develop the revolutionary bone conduction vibrator (the BEST-vibrator) that is the core of Oiido's business. By combining the BEST-vibrator with the noise canceling microphone Oiido has taken secure radio communication in noisy environments a huge step forward. Oiido has developed headsets with push-to-talk functions for environments when only one user speaks at a time as well as full duplex headset. With the full duplex headset the user can communicate as natural as with a cellular phone. During the development of the headset Oiido has focused on purposeful and pure design. Simplicity, functionality and ergonomics are important to enable secure communication for the end user. During the development of the headsets it has also been important for Oiido to make a product that can be varied and adjusted to the different needs of the customer. During the last year Oiido has, among other things, made the first delivery of headsets to the Swedish Road Administration. Oiido has during this period also completed the first venture capital investment round. These investments have enabled preparations for mass production.

Outlook

The future for Oiido is bright. Some of the things the company will focus on are continuous sales to heavy industrial users. Oiido will also look into the possibility to increase sales by finding a strategic partner. Moreover, focus will also be on reducing the cost for production. World leading technology combined with competitive prices is a combination that cannot be beaten.

Background/History | July 04 - June 05 | Outlook → 2007

- Founded at Chalmers School of Entrepreneurship
- Research team gets ready for the commercial application of the BEST
- Academic validation of quality

- The unique headset design is realized
- First headset delivery to the Swedish Road Administration
- Venture capital investment round one
- Oiido wins design competition among many other prestigious awards
- Preparations for mass production

- Strategic collaboration to increase sales volumes
- Reduced cost of production
- Continuous sales to heavy industry users

MIDORION

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Midorion AB utilizes a unique patented method for ultra-sensitive biosensors. The innovation originates from interdisciplinary academic research within miniaturization and nanoscale fabrication, along with advanced chemistry coupling at Chalmers University of Technology and Göteborg University.

Business Concept

Midorion AB develops and markets analytical biosensor systems for life science applications. The lab-on-a-chip technology enables medical researchers and pharmaceutical companies to acquire unique information that was previously beyond their reach, in order to create a better understanding of human diseases.

The Midorion biosensor comprises biosensor chips, a read-out instrument and software.

Competitive advantages:

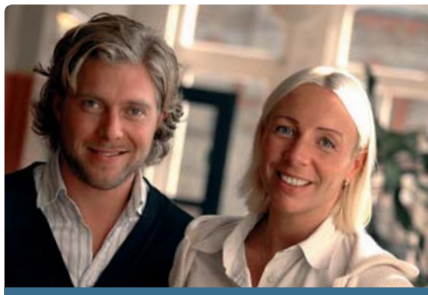
- Detection of molecules in ultra-low concentrations
- Parallel trials
- Real time read-outs
- Easily managed system

Today, Midorion is focusing on developing biosensor systems for life science research and clinical diagnostics.

The technology platform also enables unique utility in a wide range of other applications. Midorion will establish a licensing program with companies which have the infrastructure and market experience to bring end-user products to market in a specific application area.

Midorion has three international patent-pending applications and is working continuously to establish an even stronger IPR position. The patent applications cover the use of the unique technology in all biosensing applications.

Progress



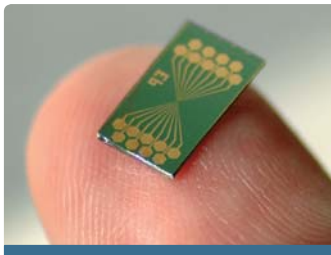
Patrik Nordberg, CEO and Dr Linda Olofsson, CSO.

Since the foundation of Midorion, the company's technology platform has attracted a great deal of interest from several industries such as life science research companies and homeland security.

During the last 12 months, Midorion has conducted cutting-edge technology development. With proof of technology, Midorion has shown that the technology will enable state-of-the-art instruments for biosensing.

In order to develop state-of-the-art biosensor instruments, Midorion has established several academic and industrial partnerships focusing on different objectives. These partnerships ensure purpose-designed technology development.

Midorion has also attracted a great deal of interest from the media and was also chosen as the winner of the Innovation Cup 2004.



*Biosensor chip (5*9mm) with 9 detection sites.*

Outlook

During the next year, Midorion will focus on product development with three demanding goals.

1. Delivery of demonstration instrument to an academic collaboration partner.
2. Accomplishment of Proof of Concept.
3. Successful detection and quantification of one relevant protein in serum.

Midorion will also continue investigating the specifications and design for a diagnostic chip for cancer and cardiovascular diseases.

Background/History	July 04 - June 05	Outlook
• Dr. Olofsson, CSO, finished her Ph.D. studies of "Nanofabrication of single electron transistors and evaluation of miniature biosensors"	• Successful sub10nm gap fabrication	• Demonstration instrument to customer
• The first patent application was filed. Covers usage of SET for biosensing	• Second round of financing	• Proof of concept
• Foundation of Midorion AB	• First prototype of read-out instrument	• Successful FP6 financing application
• Winner of Innovation Cup 2004	• Proof of technology	• Quantification of one protein in serum
• Dr Olofsson awarded Albihns scholarship	• Two new patent applications	• Third prototype series for early sales
• Winner of Venture Cup, 1st and 2nd stage	• Detection level at pM, Market leader	• Fourth round of financing
• Founders received TBSG scholarship	• Second prototype	• Biochip with parallel channels
• Midorion became part of Chalmers Innovation Incubator	• Third round of financing	• First production line of product 2.1
	• Midorion received Vinnova funding	

2007

Bill Brox

CEO, Imego
Idea provider Vasasensor

"Focusing on generating strong returns from our research by forging partnerships with determined, creative management teams, we have a continuous interplay with Chalmers School of Entrepreneurship."

vasasensor

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Vasasensor is in the last phase of product development and is preparing for the delivery of the first sensor system in 2006. The product will increase production and save millions for paper mills.

Business Concept

Vasasensor AB is a spin-off from the Imego (Institute of Microelectronics in Göteborg) research institute and Chalmers School of Entrepreneurship. The innovation arose from needs in the paper manufacturing industry and the technology was developed at Imego. Vasasensor is now developing a sensor system for process optimization in paper mills. Great interest in the technology has also been shown by several other industries. Vasasensor is located in Göteborg, in close contact with the expertise and laboratories at Imego.

Vasasensor offers a wireless sensor system called PressEyes® to paper mills. The system supervises deformation such as the pressure profile in a paper machine press nip during the dewatering of paper pulp. PressEyes consists of small passive sensor units suitable for integration into conveyer belts or roll covers, in combination with a stationary receiver unit.

Integrated wireless sensor units in the paper machine clothing (PMC) offer unique information about the pressure profile in the paper machine during full-speed operation. The instant feedback to the operator enables increased production and reduced costs such as:

- Increased dewatering efficiency
- Improved paper quality
- Less machine downtime
- Reduced amount of spillage

Vasasensor has a patent-pending application in several countries and is continuously working to further improve its IP situation. The patent also includes Vasasensor's technology as used in other applications. This will make it possible for Vasasensor to expand in several other industries in the future.

CEO Sofia Johnsson together with co-founder Brodde Wetter (right) and product developer Gustav Perers (left).

Progress

Vasasensor has developed the product and run pilot tests together with, and co-financed by, two world-leading suppliers in the paper industry, one manufacturer of PMC and one manufacturer of paper machines. By cooperating with a large company, Vasasensor can avoid the barriers to entry that exist in the paper industry. During the last year, Vasasensor has validated PressEyes in industrial-like conditions in a research paper machine and has received a great response from both potential customers and partners. Vasasensor has also received a great deal of attention in the media and was chosen as "The springboard company of the year" and "The most interesting start-up company for venture capital" by Connect Väst, Sweden. In May 2005, Vasasensor raised SEK 4 million in venture capital.

Outlook

PressEyes will be ready for delivery by the beginning of 2006 and Vasasensor already has several customers that are ready to become reference mills.

Vasasensor is also investigating the opportunity to raise more venture capital in order to expand more rapidly into a larger part of the market.

Background/History | July 04 - June 05 | Outlook | 2006

- Scientist Christer Johansson discovers a technique to measure pressure-sensitive films wirelessly
- Great interest in a technique of this kind is shown by the paper industry
- A project called Vasasensor is set up by three students at CSE together with Mr. Johansson
- Vasasensor raises "soft capital", employs technicians and starts the development of the sensor system
- Vasasensor is one of the winners in the Venture Cup business competition
- Vasasensor AB, a Swedish joint-stock company, is founded
- Vasasensor runs successful pilot tests, together with world-leading suppliers in the paper industry
- Vasasensor raises even more "soft capital"
- Vasasensor raises SEK 4 M in venture capital
- Vasasensor is chosen as "The most interesting start-up company for venture capital" by Connect Väst, Sweden
- Vasasensor is one of the finalists in SKAPA 2005
- Vasasensor's product PressEyes is ready for delivery at the beginning of 2006
- PressEyes is sold and installed at at least one reference mill
- Vasasensor prepares for expansion into an international market
- If needed for market expansion, Vasasensor secures a second round of venture capital

oXeon

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TeXtreme fabrics, produced and marketed by Oxeon, enable manufacturers of high-performance composites and ballistic protection to lower the weight and increase the performance of their products.

Business Concept

Oxeon develops, produces and markets tape-woven reinforcement fabrics to international producers of composites and ballistic protection. By using Oxeon-TeXtreme, customers are able to reduce the weight and increase the performance of their products. Aircraft, extreme cars, boats, bullet-proof vests and helmets can be made lighter and more efficient.

TeXtreme is a patented, unique, tape-woven fabric which is produced in a revolutionary weaving process developed by Dr Nandan Khokar at Chalmers University of Technology. All the patents and the know-how related to tape weaving technology and tape-woven structures are now being exploited and are fully owned by Oxeon.

Nandan Khokar working on the Tape Weaving Machine

Progress

During the past year, Oxeon has completed the development work and manufacture of the machinery necessary to deliver test volumes of TeXtreme. The first square meters of in-house produced TeXtreme have been delivered and are now being evaluated in Formula 1 cars, aircraft structures and extreme boats. To speed up the market introduction of TeXtreme and to be able to add a well-known name to the market communication, Oxeon has signed a market evaluation agreement with one of the leading companies in the advanced composite industry.

In the ballistic market, Oxeon has initiated an extensive evaluation project with one of the leading players in the ballistic field. Through this evaluation project, the tape-woven structure will be thoroughly evaluated in terms of ballistic protection performance.

Outlook

During the next year, Oxeon will be focusing on introducing TeXtreme into some applications in the advanced composite industry. By verifying TeXtreme in the most performance-driven segments of the market, we believe we can build a solid foundation for further expansion into volume segments. Simultaneously, fundamental tests will be performed to lay the foundations for wider expansion in the ballistic protection market over the next few years.

Oxeon will also prepare for the essential expansion in production capacity. Oxeon's patents serve as a solid foundation for further expansion either by licensing out the weaving technology to different players in the textile industry or by building a textile company producing unique tape-woven products for different applications. Based on today's resources and market knowledge, the expansion strategy is a combination of licensing and fully controlled production.

Background/History | July 04 - June 05 | Outlook | July 2006

- Dr Khokar invented tape weaving technology
- The commercialization of the technology began at CSE
- The initial investments by CSE, Chalmers Innovation, Innovationsbron and Chalmersinvest made it possible to produce the first prototype machine

- Additional investments from Start Invest, Chalmersinvest, Innovationsbron and Industrifonden, among others, were made
- Development of in-house, small-scale production capacity completed
- Market development agreement signed with major player in the advanced composite industry
- Extensive evaluation project in the ballistic protection market initiated

- Market introduction of TeXtreme
- First commercial products made using TeXtreme (most probably Formula 1 cars/chassis)
- Evaluation project on the ballistic protection performance of TeXtreme will be completed
- Preparation for the essential expansion in production capacity
- New round of financing for expansion

LAYERLAB

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Layerlab is a biotech company, aiming to support drug researchers by developing immobilization technologies for membrane-bound bio-molecules. With Layerlab's products, drug developers will be able to screen drug substances both more rapidly and with greater accuracy.

Layerlab has launched its first beta product, a reagent kit for immobilization technology used in surface-based biosensors.

Business Concept

Layerlab was founded in 2002 with the aim of commercializing a revolutionary biosensor technology, developed by a group of researchers at the Department of Applied Physics at Chalmers University of Technology.

The technology offers drug-developing companies the widely enhanced use of their existing biosensors.

Today, Layerlab has developed its first reagent kit application for the immobilization of membrane-bound proteins for use in surface-based biosensors.

Layerlab is currently based at the business incubator at Chalmers Innovation, next to Chalmers University of Technology.

The technology can be used in several applications and the first product, which is being launched in the fall of 2005, is a beta product for drug developers.

The immobilization kit will enable drug developers to measure the membrane-bound proteins with existing biosensor technology, which has not previously been possible.

Progress

Since the start of Layerlab, there have been different business segments in which the technology can be used. One of them is the field in which Layerlab is now launching its first product.

Linnéa Hult, CEO

The other segments will be developed to use the full potential of the technology. These segments could include antibody purification, coagulation studies or new biosensor development. Layerlab has now employed one person to work on the support and development of the first product, an immobilization kit.

Outlook

During the next 6 months, Layerlab will verify the market for the first product and decide on the next market segment and its product.

Layerlab has four main goals for the next year:

1. Initiate sales of the first product, the immobilization kit, to the first 10 customers and evaluate the response from them.
2. Screen, evaluate and choose the next segment in which the technology can be used; there are three to choose between.
3. Recruit a CEO with several years' business experience from the biotech industry.
4. Secure financing for the next round.

Background/History | July 04 - June 05 | Outlook | 2007

- In 2002, Dr. Fredrik Höök, together with researchers at applied physics at Chalmers, made a breakthrough showing that it was possible to measure membrane-bound proteins in existing biosensors
- A project was started at the Chalmers School of Entrepreneurship in the fall of 2002
- In January 2003, the company Layerlab AB was set up and moved to the business incubator at Chalmers Innovation
- Layerlab was one of the 20 winners of Vinnu competition in 2003

- Collaboration with an industrial partner showing proof of concept
- Financing secured to launch beta product
- Change of CEO
- Two new patent applications sent for registration

- Second product concept verified in collaboration with industrial partner
- Recruitment of technology expertise in our next segment
- Financing secured in longer term
- Recruitment of new CEO

"...an amazing collaborative journey, originating from an unshaped idea, creating multiple products with promising sales forecast."

Bengt Steneby

Architect MSA
Idea provider Parans

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Sunlight in a cable! Imagine an indoor environment where outdoor light is always present, or a house that has sunlight in every single room.

Business Concept

The importance of natural light in buildings is known by everyone who has experienced dark, dull rooms. It is also crucial within architecture. Most buildings have rooms that are unpleasant, due to the lack of natural light. Parans offers a product that can bring in the healthy natural light through a flexible fiber optic cable. Conventional ways to bring natural light into buildings, such as light shafts and atriums, have the major drawback of occupying a fair amount of the valuable space in a building. This is completely avoided when

SkyPort

Björk luminaries

using Parans' system, resulting in the important economic advantage of using buildings more efficiently. Furthermore, Parans' system is installed with a minimum of interference with the building, thereby preserving its charisma. This also enables fast and easy installation.

Parans' system consists of the light-collecting panel, SkyPort, the light-transporting cable, SunWire, and the light-emitting luminaries, Björk.

Progress

During the last 12 months, Parans has been transformed from a developing company into a young organization with rapid growth. First delivery to IKEA Iberica in late 2004 was a major milestone for the company. Raising capital from private investors during the spring of 2005 was another important step. Marketing efforts in Sweden and key European markets have resulted in a rocket start of the fall 2005. Substantial orders have been received from forefront clients, including hospitals, museums and large corporations.

Sunlight in a Cable

Outlook

In the coming year Parans will face very exciting challenges. The fast growing sales have to be matched with a modern industrial manufacturing organization. A lot of effort will be put into manufacturing. Building an efficient market organization through resellers will also be a key to success the coming year. Making sales and installations work through resellers will make it possible for Parans to focus on manufacturing and marketing.

Background/History | July 04 - June 05 | Outlook | 2007

- The idea arises as inventors Bengt Steneby and Torsten Mattsson search for a solution to the well-known problem of lack of natural light in deep buildings
- Co-founders Nils Nilsson, Nils Wirell and Marcus Fransson form a team with Bengt Steneby and Torsten Mattsson
- The team runs the project at Chalmers School of Entrepreneurship for one year
- The team starts the company Parans Daylight to develop the idea commercially

- First customer, IKEA, installs the technology in its new furniture store in Bilbao, Spain
- Parans is covered in more than 40 major newspapers and magazines
- Parans raises financing from private investors
- The first reseller starts selling the product in Barcelona, Spain
- Another five important reference installations are sold

- Parans engages more resellers in Spain and Italy
- Parans reaches positive cash flow
- More European markets are opened
- The product is launched in key American states, including California

tendera

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Tendera is currently developing its first product, a rapid diagnostic test for patients suffering from periodontitis (gum disease). Within the next year, the company will have a working clinical prototype.

Business Concept

Tendera was founded early in 2003 on the basis of more than ten years of research by Professors Maude Wikström and Stefan Renvert concerning the destructive dental disease known as periodontitis, a well concealed but common disease that, in its severe form, affects 5-10% of the adult population. Today's diagnostic method consists of the dentist assessing a number of risk factors and signs of existing damage. Tendera is currently developing its first product, an easy-to-use, disposable, rapid diagnostic test kit that clearly indicates whether the patient is suffering from progressive periodontitis or if the disease is healed or dormant. With a better diagnostic tool, dentists and dental hygienists will be able to offer their patients substantially more effective treatment based on the degree of disease activity.

Maude Wikström, idea provider and Professor in Oral Microbiology

Progress

The last year's activities have focused on product development. Our partners have presented breakthroughs in two of the most critical processes in the early product development phase. Tendera has produced preclinical proof of principle which is a demonstration in a laboratory setting that some critical components of the technology work.

After a successful round of financing, the company is now headed by Per Jansson, D.D.S., along with Thomas Bengtsson, one of the founders. The business concept has been tested successfully against a handful of American opinion leaders and an external patent expert reviewed Tendera's patent situation, before the PCT patent application was submitted, and concluded that good patentability remains.

Outlook

For clinical proof of concept, Tendera has initiated a clinical study with one of the most renowned laboratories in periodontal research. Within the next year, Tendera will have conducted a multicenter clinical trial to further demonstrate the working principles of the test in a true clinical setting. Product feasibility studies have been carried out and a working prototype will be available by the end of the summer of 2006. After this phase, the company will seek additional financing to plan production and get the product ready for launch.

Background/History	July 04 - June 05	Outlook
• Research by Professors Maude Wikström and Stefan Renvert in the 1990s concluded that biochemical markers could be used for the early detection of periodontitis	• Secured second round of financing	• Multicenter study to confirm working principles in a clinical setting
• Collaboration with CSE in 2002	• Per Jansson, D.D.S., appointed new CEO	• Working prototype produced within next 9 months
• Tendera private limited company founded in 2003 with seed capital from GU-Holding	• Collaboration with leading scientists in London, UK	• Further financing to secure production preparation and product launch
• Swedish patent application filed	• Breakthrough in product development	
	• Pre-clinical proof of principle achieved	
	• PCT patent application submitted	

VEHCO
VEHICLE COMMUNICATIONS

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Vehco develops and markets computer-based solutions for trucks and road carrier companies. Our ambition is to be the market leader, as well as the technological leader, in Sweden and so far we have succeeded.

Business Concept

Vehco offers computer-based solutions that create opportunities for road carriers to improve their efficiency and increase their profitability. Our product Co-Driver is the market-leading solution in Sweden for vehicle follow-up and communication between office and truck.

Co-Driver enables a more efficient information flow between the staff at the office and the driver, as well as the truck in the field. In the truck, Co-Driver consists of a standard pocket PC with a mobile GPRS connection and the Co-Driver software. At the same time, the device in the truck is a tool for the driver and a system that collects information from the vehicle. At the office, Co-Driver is installed on a traditional PC and is used for receiving/collecting, analysing and sending different kinds of information to the driver and the truck.

Co-Driver has many advantages; it is, for instance, compatible with all truck manufacturers and our customers have proven cost savings. In addition, Co-Driver is very popular among drivers, who regard it as a very easy-to-use tool.

Progress

Vehco was founded in January 2001 by the innovator Anders Tingström, after he presented his idea to the Chalmers School of Entrepreneurship. During the spring of 2001, extensive surveys of the basic need for a computerized tool for truck drivers were carried out. This soon resulted in the development of Co-Driver.

In August 2002, Co-Driver was launched on the Swedish market and, soon after that, Vehco received its first order. During 2003, Vehco made its commercial breakthrough with many new installations and customers, including AA-bolagen, one of the largest road carrier companies in Sweden. Vehco further increased its market share in 2004 and is now the market leader as well as the technological leader in Sweden.

Outlook

Our goal is to provide the market with the best tools to increase the efficiency of road carrier companies. We are able to offer a cost-efficient, cutting-edge product by using standardized, hyper- modern ICT hardware. Our vision is that, in the future, every truck owner should have attractive, profitable and reliable options to benefit from the latest technology and that he/she should have a tool for cost cutting in various aspects of his/her business.

Martin Lackéus, CEO

Background/History

- Jan 2001 – project selected by CSE
- Sept 2001 – Vehco awarded 2001 student project in Sweden
- Aug 2002 – product launch Co-Driver
- Mar 2003 – Breakthrough order from one of Sweden's leading road carrier cooperatives, AA-coperative

July 04 - June 05

- Aug 2004 - Vehco market leader in Sweden for vehicle follow-up and communication between office and truck
- Feb 2005 – major order from one of Sweden's leading road carrier cooperatives, Smålands logistics
- May 2005 - Vehco receives award from His Majesty the King for contribution to sustainable uses of natural resources
- Jun/Jul 2005 – major order from a global road carrier corporation

Outlook

- International expansion
- Continued growth
- Contract more road carrier companies

Exit Companies

Below follows a selection of companies started by Chalmers School of Entrepreneurship (CSE), from projects owned by CSE Incubation AB, and eventually sold by CSE Holding AB:

Avinode

Avinode is a global marketplace for the air charter industry. The company has quickly established itself as the leading European marketing and business channel for industry professionals, with more than 450 aviation companies as clients. Today, Aviondes database contains over 800 aircraft and the company has established itself as the leading player in Europe, Russia and Middle East and are growing rapidly in the US. The client list ranges from small local brokers or aircraft operators to large corporations with an international or worldwide presence. Avinode was founded within CSE in January 2001, by entrepreneurs with backgrounds from Amadeus, Volvo Aero Corp. and Chalmers. Today, Avinode is partly owned by Bonnier Business Information AB, a member of one of the largest media groups in Europe.

SECUREON

Secureon started out as a project at Chalmers at the peak of the dot-com era at the end of the last millennium. The idea was to patent a unique copy protection system, developed by Stefan Mankefors, PhD, and then either license the technology or develop it into a company. Eventually, Secureon was founded in October 2001 by investors and entrepreneurs from Chalmers . In 2003, Secureon was run as a restart project at CSE. A first product shipment in 2003 continued in 2004 with the exhibition at Comdex Scandinavia and the announcement of more customer and partner agreements.

The product, known as Lime, is an easy-to-use licensing tool enabling software on demand. Used by software developers, publishers and corporate IT managers, it enables organizations to reduce costs, optimize time and minimize risks through term-based licensing and flexible delivery solutions. In the summer of 2004, Secureon was acquired by Gatespace Telematics AB and forms a strong unit within management of software licenses and services.

AMBRIA DERMATOLOGY

Ambria Dermatology is a research and development company focusing on new solutions in dermatology science. The company was one of CSE's projects during 2001 and the technology is a patented pentane-1,5-diol delivery platform for improving dermal delivery of topically applied pharmaceuticals. Ambria's intellectual property position is built on several patent families (granted patents as well as pending patents), in-licensed rights and product trademarks.

Ambria currently has several products under development, primarily pre-clinical, where two products have undergone early clinical testing.

The technology will initially be deployed in products addressing significant unmet medical needs in large patient groups such as the treatment of multiresistant bacteria, infected atopic dermatitis, psoriasis and exzema. We also see a use of the platform in the cosmetic market for treating dry skin and dandruff. Furthermore, the platform could be attractive in the chemical/technical market, e.g. to improve hospital disinfectants.

This is a choice of four companies that have been projects within CSE but which never have been owned by CSE Holding or its predecessors.

Pilotfish

Making things talk

Pilotfish optimize and manage complex wireless data communication to and from mobile entities. According to an ancient legend, the pilot fish guided sharks to new feeding grounds. At Pilotfish, the aim is to find new, profitable services for customers, based on wireless gateway solutions.

The company was founded in 1999 after having been run as a project at CSE in 1998, and originates from an advanced technology research project by Chalmers and Ericsson. Since then, Pilotfish has worked with a large number of industrial companies, developing advanced systems by using wireless communication. The solutions are based on three separate parts:

(1) wireless gateways

(2) telematic servers

(3) expertise - professional service

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qsense

Q-Sense develops and markets research instruments based on the patented QCM-D (Quartz Crystal Microbalance with Dissipation Monitoring) technology . Since 1999, Q-Sense is the leading supplier of QCM-based instruments used for characterization of molecular binding events taking place on various substrates, for example biomaterial interfaces . Q-Sense instruments are found in more than 20 countries all over the globe.

Q-Sense AB was founded in 1996 by a group of researchers at Applied Physics, Chalmers, where QCM (Quartz Crystal Microbalance) related research had been in progress since the 1970s. The company was one of CSE's projects during 1997 and 1998. In the beginning of 1998, Q-Sense began to develop its first commercial product, which resulted in the D300 system, the world's first multifrequency QCM that is also able to measure structural properties of adsorbing molecular layers. Today, Q-Sense has a subsidiary in the United States and a well-established distributor network in Europe and Asia. During 2005, the second generation research system, Q-Sense E4, was launched successfully and is now being used by Procter & Gamble among others in their daily research.

saligus

Saligus develops and sells process equipment for bacteria elimination in pumpable solutions. The project was started by CSE students in the fall of 2003 but the company is a spin-off from SIK, the Swedish institute for food and biotechnology in cooperation with Chalmers Innovation.

The equipment is based on Saligus' patented technology, etorisation, and can be easily adapted to existing processing equipment. Etorisation is a non-thermal process for the elimination of bacteria. The treatment is performed at ambient, sub-ambient, or slightly above ambient temperature for less than one second and thus, energy loss due to the heating of food is minimized.

Concerning food quality attributes, etorisation is superior to traditional heat treatment for food, because it circumvents or greatly reduces the detrimental changes to the sensory and physical properties of food. Since no heat is used in the process, qualities such as taste, smell, color and consistency of the food product are preserved, as are the nutritional value of the food.

ARBORITEC

Arboritec develops and manufactures premium finishing products for wooden floors. The unique nanostructure of the products results in several desired characteristics, such as first-class quality, durability and user-friendliness. Being the most environmental friendly products of today's market is another valuable feature for Arboritec's products. The company has two subsidiaries outside Sweden and in the year 2004, the company was serving ten export markets. In the next few years, Arboritec will enter another seven to ten markets. The technology originates from research conducted at Chalmers. In 1997, a project at CSE investigated commercial opportunities, eventually resulting in Arboritec being founded in 1999 by a former CSE student .

CSE Special Acknowledgements

Idea providers

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Tendera

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Avinode

Nandan Khokar
Oxeon

SIK and *Martin Lindgren*
Saligus

Stefan Mankefors
Secureon

Viking Telecom AB
Aidera

Volvo Technology Transfer
Lamera

Service providers

Deloitte

Ernst & Young

KPMG

Mannheimer Swartling

MAQS

Setterwalls

Vinge

Öhrlings PriceWaterhouseCoopers

Partners

Center for Intellectual Property Studies – CIP

Chalmers Industriteknik

Chalmers Innovation

Chalmersinvest

Centrum för Innovation och Entreprenörskap i Lidköping – CIEL

Connect Väst

Föreningen Framtidens Företag

GU Holding

Innovationsbron Väst

Sahlgrenska Science Park

Venture Cup Väst

Region Västra Götaland

Vinnova

"Entrepreneurship is part science,
part determination... *the rest is pure art*"

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