Connecticut Innovations

Press Release

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Connecticut Innovations Commits $800,000 to High-Technology Startups

Rocky Hill, Conn., August 20, 2013 – Connecticut Innovations (CI), the state's quasi-public authority responsible for growing Connecticut businesses through innovative financing and strategic assistance, today announced that it has committed funding totaling $800,000 through its Pre-Seed Fund to five startup ventures focused on innovations in biotechnology, clean tech and information technology:

CaroGen Corporation (Hamden)	$150,000 funding commitment
CMB Exchange LLC dba American Oil Solutions (Bridgeport)	$150,000 funding commitment
Engineered Carbon Solutions Inc. (Norwich)	$150,000 funding commitment
ImStem Biotechnology Inc. (Farmington)	$150,000 funding commitment
ReadyDock Inc. (West Hartford)	$200,000 follow-on funding commitment

"CI's Pre-Seed Fund continues to make its mark on emerging, technology-based companies in all parts of the state," said Claire Leonardi, chief executive officer of CI. "With these five companies, we have now supported and advised a total of 43 technology ventures through the fund. Building a strong technology community in Connecticut by nurturing innovative companies like these is a high priority of the Malloy administration."

CaroGen Corporation is an emerging biotechnology company with a new platform technology for generating potent and safe vaccines. The company's platform is based on replication-proficient, virus-like vesicles (rVLVs) that allow target antigens to accumulate in high levels in cells, thereby amplifying specific immune responses and creating more potent immune therapies. CaroGen, which has licensed its core technology from Yale University, will focus initially on a treatment for patients with chronic hepatitis B infections, which can cause chronic liver disease and put patients at

high risk of death from cirrhosis of the liver and liver cancer.

“CaroGen’s work on developing vaccines is not only important from a public health standpoint, but is part of a growing biotech industry that is creating well-paying, high-tech jobs throughout Connecticut,” said Speaker of the House Brendan Sharkey (D-Hamden). “CaroGen is an important member of our local business community, and I am glad we can help them continue to grow right here in Hamden.”

American Oil Solutions (AOS) is an emerging clean tech company that has developed an advanced, closed-loop, pollution-free pyrolysis and post-processing system to turn used tires into high-value products. When tires are pyrolyzed, they are heated in an oxygen-free environment to generate gas, oil, scrap steel and carbon char. The gas is recycled and used to feed the energy needs of the pyrolysis. The oil (for heating and fuel), scrap steel and carbon char can be sold to commodity dealers. AOS’s technology focuses on the post-processing steps and helps to maximize the value of the marketable pyrolysis end products.

Engineered Carbon Solutions Inc. (ECS) is an emerging clean tech company that has developed a hybrid fuel from recycled materials. This fuel serves as a cost-effective substitute for existing wood pellets as an alternative heating fuel. The company’s Frog City Fuel brand pellets, made from recycled paper, waste coal and biodiesel, are compatible with existing home heating pellet stoves and boilers and provide the same BTU content as premium wood pellets at a lower cost, delivering heat to households at a fraction of the cost of home heating oil.

“I am thrilled that Engineered Carbon Solutions Inc. of Norwich is the recipient of Pre-Seed Fund assistance,” remarked State Representative Emmett Riley (D - Norwich). “This company is an asset to the area and a benefit to Connecticut as it continues to explore and develop alternative fuel sources.”

ImStem Biotechnology Inc. is an emerging biotechnology company developing cell therapeutic products derived from human embryonic stem cells for use in tissue repair and treatment of neural, heart, vascular and blood system and autoimmune diseases. ImStem is currently focused on developing a cell therapy product for the treatment of multiple sclerosis and other autoimmune diseases. The company’s core technology, licensed from the University of Connecticut Health Center, revolves around a unique method to derive mesenchymal stem cells with high efficiency.

ReadyDock Inc. is a developer of modular technology for secure storage, charging and disinfecting of computer tablet devices. Its technology is useful in hospitals, laboratories and anywhere bacterial infection is a risk. A main driver of the need for ReadyDock’s technology is hospital-acquired infections (HAIs). HAIs can have a significant adverse financial impact on hospitals, making disinfection technology such as that provided by ReadyDock an attractive solution. In addition to receiving this follow-on investment commitment of $200,000 from CI, ReadyDock received an investment of $150,000 through CI’s Pre-Seed Fund in 2012.

CI’s Pre-Seed Fund is an important catalyst in the state’s high-tech economic

development engine. It supports the formation of new Connecticut technology companies by providing funding, mentoring and access to business and technical resources.

About Connecticut Innovations Inc.

Connecticut Innovations (CI) is the leading source of financing and ongoing support for Connecticut's innovative, growing companies. To maximize each business's growth potential, CI tailors its solutions and often combines its funds with resources from other financial leaders to provide venture capital and strategic support for early-stage technology companies; flexible loans for established companies with new innovations; grants that support innovation and collaboration; and connections to its well-established network of partners and professionals. Through all these initiatives, CI has helped bring $4 billion in financing to Connecticut companies. The state's most active early-stage investor, CI has created more than 26,000 jobs. For more information on CI, please visit www.ctinnovations.com.

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