



Semaphore Appointed General Partner of VC Fund

National banks hire global consultancy to assess, reorganize and manage technology holdings. Firm sees demand for service and further market development.

We are pleased to announce that Semaphore has been appointed General Partner (GP) of WBCW Capital Fund, L.P., a technology fund formerly of Palo Alto, California. The fund, owned by original investors Wells Fargo, Bank of America, Citicorp and Washington Mutual, has invested in 19 early-stage technology companies located in the United States and Europe. The fund is now headquartered at Semaphore's corporate office. These premier banks have shown significant confidence in Semaphore to assess, advise and manage the WBCW portfolio. Stepping into an active management role is a natural progression of the deep Technology Diligence and Business Advisory Services we provide to VC and Private Equity clients.

We have had de facto similar responsibilities advising General and Limited Partners but, to our knowledge, this is the first time a corporate entity such as Semaphore has been asked to actually step in to take over day-to-day responsibilities as GP.

With VC investment remaining sluggish, hundreds of funds - particularly SBIC oriented funds - continue to suffer. Semaphore expects and is negotiating more such assignments in the continuing difficult environment facing technology funds.

We continue to see a burgeoning secondary market for fund portfolio company investments and LP positions. We also see the further development of an acquisition market for funds *in toto* whereby entire operating funds are being sold to other operating entities to solve specific problems, accommodate particular investor interests and/or secure refinancing/recapitalization.

Neither WBCW Capital nor any of its predecessor affiliates or portfolio companies has been a prior client of Semaphore's.

As WBCW GP, Semaphore is focused on;

- Assessing Fund ownership positions,
- Strategizing liquidity event positioning for each investment;
- Securing new investment and recapitalizing worthy portfolio firms,
- Providing operating counsel,
- Mapping all applicable strategies and actions, and
- Execution of work-out plans.

Semaphore personnel leading this effort include Thomas Hillman, an experienced Washington DC based VC operator and entrepreneur. He is assisted by Sheldon Freedman, a long experienced NYC based software executive and transactional attorney; John Sirvydas, Semaphore Chief Technology Officer, Crispin Miller, head of the Technology Diligence Practice and other senior personnel in the US and Europe.

Semaphore advises and executes specific actions. We face up to the difficult assessment and reparation of portfolio entities and entire venture funds. We succeed in discovering, securing and protecting the most current value while positioning for growth, reinvestment and profitable disposition allowing all parties to move on to successful future opportunities

If you wish to speak about this market or if we can assist in some way please do not hesitate to ring me directly on 978 794-3366 X 322 or write to mdisalvo@sema4usa.com.

About Semaphore: www.Sema4USA.com

Mark S. DiSalvo is CEO of Semaphore, a fifteen-year consultancy with principal offices in Boston, London and Zurich, provides technology diligence, science-to-market IP transfer, investment and business advisory services to investment banks, private equity and venture capital firms, academic research institutions, universities, the legal community and global public/private corporations.