



## In NY, much ventured, gained

### Venture capital investments in metro area rise 41 percent, Survey finds; 3 LI companies benefit

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March 6, 2007

Venture capital investments in the metropolitan area rose 41 percent in the fourth quarter of 2006, with three Long Island Companies sharing in those gains and attracting significant financing, According to a survey.

The three that received a total of \$26.6 million in funds during the quarter are:

Kamino International Logistics of Valley Stream, which provides services to manage global supply chain and freight operations.

AGI Dermatics of Freeport, which makes and sells topical prescription and over-the-counter skin care drugs.

Vuepoint of Roslyn Heights, which provides technology to deliver information throughout a company's operations.

The lists come from the quarterly MoneyTree Report, conducted by PricewaterhouseCoopers, Thomson Venture Economics and the National Venture Capital Association.

"I think the fact that we have three companies as an indication of the entrepreneurial spirit on Long Island," said Pearl Kamer, chief economist for the Long Island Association. "... I think it's something in our favor that they were recognized as deserving of venture capital, and the fact that the companies have a high-tech component indicates the direction of where the Long Island employment base has to go."

Although fourth-quarter investments nationally dropped from the previous quarter's \$6.6 billion to \$5.7 billion, companies in the metropolitan area received about \$550million - an increase of about \$92.7 million from the third quarter, the report said.

Overall, 2006 marked the highest level of investment since 2001, with venture capitalists investing \$25.5 billion in 3,416 deals, according to the survey. The life sciences sector - biotechnology and medical services industries - ranked as the top sector and jumped from \$6 billion in 2005 to \$7.2 billion in funding for 2006.

Kamino International Logistics received \$21 million in the fourth quarter, the survey said. No one at the company was available yesterday for comment.

AGI Dermatics, under president and chief executive Daniel B. Yarosh, received \$5.5 million, according to the report.

The funds will be used to extend clinical studies of the drug Dimericine, which the company says holds promise for treating patients with skin cancer and pre-cancers. The money also will be used to "accelerate the growth" of its Remergent brand of skin-care products.

"That enthusiasm of financing, we believe, emphasizes the importance of market opportunities that exist for AGI and its brand Remergent," said Barbara Hayes, the company's marketing director. "And it provides validation for our scientific breakthroughs."

Vuepoint officials said the company raised \$4 million in December, although the survey stated it received \$96,000. This is most likely because of gaps in reporting, said a spokeswoman for PricewaterhouseCoopers. Finding the funds was not difficult, said Ara Ohanian, the company's chief executive and president. The company was able to raise \$10 million in 2001 and these days receives an average of four to five calls a month from interested venture capitalists, he said.

"I think that we've had a lot more inquiries over the past two years by venture capitalists because we reached a stage where we are mitigating a lot of risk but are also promising good solid growth," said Ohanian. "We are still in the early stage, but not too early and we happen to be profitable, which makes investors more interested."

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