# Intellectual Property Prospector

## IP Assets Owned by Firms in Transition

November 27, 2006
Volume 1, Number 9

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**Intellectual Property Prospector** identifies United States and Canadian companies with more than $1 million in assets filing for bankruptcy or reporting other financial difficulty and profiles their ownership of intellectual property. The Prospector features companies that meet strictly defined, predetermined criteria and is designed to support the efforts of firms and individuals interested in identifying opportunities in the specific area of intellectual property, which includes patents, trademarks, trade secrets, and licenses, among others. Information is compiled weekly and the Prospector is distributed by email every Sunday evening to arrive before 9:00AM every Monday. The Prospector is published by Beard Group, Inc. (http://BeardGroup.com). For subscription information call Customer Service at 240-629-3300, ext. 27.

**Prospector Profile Selection Criteria:**

In order to appear in the **Intellectual Property Prospector**, a company must report ownership of intellectual property assets, as well as one of the conditions listed below:

- An event which indicates financial distress; e.g., default, distressed exchange offer, preferred dividend omission, debt at deep discount, restructuring, low rating, audit concerns, covenant problems, and loss/deficit.

- Chapter 11, 7, or 15 bankruptcy filing

- Section 363 Sales

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***Prospector Profile 06.0197***

**3D Systems Corporation**
26081 Ave. Hall
Valencia, CA 91355
(661) 295-5600

| | | |
|---|---|---|
| NAICS | | 511210 |
| Employees | | 351 |
| Revenue | (mil) | $139.67 |
| Income | (mil) | $10.08 |
| Assets | (mil) | $150.94 |
| Liability | (mil) | $81.47 |

(for the year ended 12/31/2005)

**Category:** Miscellaneous

**Event:** On November 20, 2006, 3D Systems Corporation announced that it has received a staff determination notice from The NASDAQ Stock Market stating that the company's common stock is subject to delisting from The NASDAQ Stock Market. The notice was issued in accordance with standard NASDAQ procedures as a result of the previously announced delayed filing of the Company's quarterly report for the period ended September 30, 2006.

**Intellectual Property:** At December 31, 2005, the Company holds 387 patents, which included 184 patents in the United States, 146 patents in Europe, 29 patents in Japan and 28 patents in other countries. The Company also holds 142 pending patent applications, which included 53 in the United States, 43 in Japan, 37 in European countries and 9 in other countries. The principal patents covering stereolithography processes expire at varying times ranging from 2006 to 2022. The principal patents covering selective laser sintering processes expire at varying times ranging from 2006 to 2024. The principal patents covering the 3-D printing processes expire at varying times ranging from 2008 to 2022. The Company is also a party to various licenses that have broadened the range of the available intellectual property. [SEC Filing 10-K 03-02-06]

**Description:** 3D Systems Corporation develops, manufactures and markets Stereo-lithography Apparatus (SLA) systems designed to produce 3-D objects from computer-aided design and manufacturing-generated solid/surface data.

**Officers:** G. Walter Loewenbaum, II (Chair); Abraham N. Reichental (Pres. & CEO); Charles W. Hull (EVP & Chief Tech. Officer); Assad A. Ansari (VP); Brian K. Fraser (VP); Stephen M. Goddard (VP); Robert M. Grace, Jr. (VP, Sec. & Gen. Counsel); Fred R. Jones (VP & CFO); Cary J. Love (VP); Kevin P. McAlea (VP); Ray R. Saunders (VP); Miriam V. Gold (Dir.); Jim D. Kever (Dir.); Kevin S. Moore (Dir.); Richard C. Spalding (Dir.); Daniel S. Van Riper (Dir.)

**Auditor:** BDO Seidman LLP

**Securities:** Common Stock-Symbol TDSC; NasdaqGM;
18,326,170 common shares outstanding as of August 11, 2006.

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***Prospector Profile 06.0198***

## Atari, Inc.

417 Fifth Avenue
New York, NY 10016
(212) 726-6500

| | | |
|---|---|---|
| NAICS | | 511210 |
| Employees | | 329 |
| Revenue | (mil) | $218.66 |
| Income | (mil) | ($68.99) |
| Assets | (mil) | $143.67 |
| Liability | (mil) | $70.46 |

(for the year ended 3/31/2006)

**Category:** Loss/Deficit

**Event:** Atari, Inc. announced that net loss for the six-month period ending September 30, 2006 was $6.8 million compared with net loss of $58 million in the year-earlier period. Net revenue for the six-month period ended Sept. 30, 2006, was $48.1 million versus $62.2 million in the comparable year-earlier period.

**Intellectual Property:** The Company has entered into licensing agreements with a number of licensors, including Warner Bros., Viacom/Nickelodeon, Sony Pictures, and FUNimation. The Company currently develops software for use with PlayStation, PlayStation 2, PlayStation 3, and PSP; GameCube, Game Boy Advance, Wii, and DS; and Xbox and Xbox 360, pursuant to licensing agreements with each of the respective hardware developers. Each license allows the Company to create one or more products for the applicable system, subject to certain approval rights, which are reserved by each hardware licensor. Each license also requires the Company to pay the hardware licensor a per-unit license fee for the product produced. [SEC Filing 10-K 06-29-06]

**Description:** Atari, Inc., together with its subsidiaries, engages in the publishing, development, and distribution of video game software in North America.

**Officers:** Bruno Bonnell (CEO, CFO & Dir.); Arturo Rodriguez (VP & Controller); James Ackerly (Dir.); Ronald Bernard (Dir.); Michael Corrigan (Dir.); Evence Charles Coppee (Dir.); Denis Guyennot (Dir.); Ann E. Kronen (Dir.); Thomas Schmider (Dir.)

**Auditor:** Deloitte & Touche LLP

**Securities:** Common Stock-Symbol ATAR; NasdaqGM;
134,765,510 common shares outstanding as of June 27, 2006.

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***Prospector Profile 06.0199***

**Cosine Communications, Inc.**
560 South Winchester Blvd., Suite 500
San Jose, CA 95128
(408) 236-7518

| | | |
|---|---|---|
| NAICS | | 541510 |
| Employees | | 1 |
| Revenue | (mil) | $3.32 |
| Income | (mil) | ($1.22) |
| Assets | (mil) | $23.84 |
| Liability | (mil) | $1.24 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 2, 2006, Cosine Communications, Inc. reported a $225,000 net loss on $134,000 of revenues for the third quarter ended September 30, 2006, compared with a $31,000 net loss on $785,000 of revenues for the same period in 2005. As of September 30, 2006, the Company's balance sheet showed $23.2 million in total assets, $709,000 in total liabilities, and $22.5 million in total stockholders' equity. Accumulated deficit as of September 30, 2006, stood at $517 million, as the Company has sustained net losses every year since inception.

**Intellectual Property:** The Company has relied on copyright, patent, trade secret and trademark law to protect its intellectual property. As of February 22, 2006, the Company has a total of 24 patent applications pending in the United States relating to the design of discontinued products, two PCT patent applications pending and a patent application pending in each of Japan and the European Union. The Company continues to offer intellectual property for license or sale. The Company continues to license software from network software application companies as necessary to offer existing customers transition support services through December 2006. [SEC Filing 10-K 03-24-06]

**Description:** CoSine Communications, Inc. is engaged in the development and sale of a communications platform designed to enable network service providers to rapidly deliver a portfolio of profitable communication services to business and customers.

**Officers:** Donald Green (Chair); Terry R. Gibson (Pres., CEO, CFO & Dir.); Charles J. Abbe (Dir.); Jack L. Howard (Dir.)

**Auditor:** Burr, Pilger & Mayer LLP

**Securities:** Common Stock-Symbol COSN.PK; PNK;
10,090,635 common shares outstanding as of October 31, 2006.

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***Prospector Profile 06.0200***

## Digital Lightwave, Inc.

5775 Rio Vista Drive
Clearwater, FL 33760
(727) 442-6677

| | | |
|---|---|---|
| NAICS | | 334417 |
| Employees | | 79 |
| Revenue | (mil) | $12.88 |
| Income | (mil) | ($21.09) |
| Assets | (mil) | $8.31 |
| Liability | (mil) | $57.50 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** For the three months ended Sept. 30, 2006, Digital Lightwave, Inc. incurred a $2,095,000 net loss on $2,587,000 of net revenues compared to a $2,083,000 net loss on $4,898,000 of net revenues from the same period in 2005. At Sept. 30, 2006, the Company's balance sheet showed $7.3 million in total assets and $67.8 million in total liabilities, resulting in a $60.5 million stockholders' deficit. The Company's Sept. 30 balance sheet also showed strained liquidity with $7 million in total current assets available to pay $67.5 million in total current liabilities.

**Intellectual Property:** As of March 20, 2006, the Company has six issued patents relating to the NIC and NAA technology, and two issued patents relating to the DWDM technology in the United States. Currently, the Company has 14 patents pending relating to its technology. [SEC Filing 10-K 03-30-06]

**Description:** Digital Lightwave, Inc. provides various products and technology used to develop, install, maintain, monitor, and manage fiber-optic communication networks.

**Officers:** Dr. Bryan J. Zwan (Chair); Kenneth T. Myers (Pres. & CEO); Peter H. Collins (Dir.); Gerald A. Fallon (Dir.); Robert F. Hussey (Dir.); Robert Moreyra (Dir.)

**Auditor:** Grant Thornton LLP

**Securities:** Common Stock-Symbol DIGL.OB; OTC BB;
35,207,075 common shares outstanding as of March 20, 2006.

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***Prospector Profile 06.0201***

| | | | |
|---|---|---|---|
| **Emisphere Technologies, Inc.** | NAICS | | 325412 |
| 765 Old Saw Mill River Rd. | Employees | | 118 |
| Tarrytown, NY 10591 | | | |
| (914) 347-2220 | Revenue | (mil) | $3.54 |
| | Income | (mil) | ($18.05) |
| | Assets | (mil) | $18.99 |
| | Liability | (mil) | $33.88 |
| | (for the year ended 12/31/2005) | | |

**Category:** Loss/Deficit

**Event:** On November 8, 2006, Emisphere Technologies, Inc. reported a net loss of $8.158 million for the quarter ended September 30, 2006, compared with a net loss of $9.64 million for the same quarter of 2005. As of September 30, 2006, the Company's balance sheet showed $389.36 million in accumulated deficit, $34.82 million in total assets and $40.37 million in total liabilities, resulting in a $5.56 million stockholders' deficit. The Company had a $14.89 million deficit as of December 31, 2005.

**Intellectual Property:** As of December 31, 2005, the Company had 80 granted patents in the U.S. and had other patents issued or applications pending in various countries around the world. Of the Company's 80 patents, five were issued by the U.S. Patent and Trademark Office in 2005. Of the Company's patents granted in the U.S., one will expire in 2009, and the others, including those which cover its product candidates, will begin to expire in 2012. As of December 31, 2005, the Company had 53 patent applications relating to drug delivery technology pending in the U.S. The Company has pursued strategic international protection with approximately 101 patents and 249 patent applications pending internationally in a total of 41 different countries. The majority of the filings are made in Australia, Canada, the European Patent Office, Japan and Mexico. [SEC Filing 10-K 03-16-06]

**Description:** Emisphere Technologies, Inc., formerly known as Clinical Technologies Associates, Inc., is a biopharmaceutical company specializing in the oral delivery of therapeutic macromolecules and other compounds that are not deliverable by oral means.

**Officers:** Michael M. Goldberg (Chair & CEO); William Rumble (Controller & Prin. Acctg. Officer); Elliot M. Maza (CFO); Howard M. Pack (Dir.); Mark H. Rachesky (Dir.); Michael Weiser (Dir.); Stephen K. Carter (Dir.); John D. Harkey, Jr. (Dir.)

**Auditor:** PricewaterhouseCoopers LLP

**Securities:** Common Stock-Symbol EMIS; NasdaqNM;
28,233,304 common shares outstanding as of November 2, 2006.

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***Prospector Profile 06.0202***

## EMRISE Corporation

9485 Haven Ave., Suite 100
Rancho Cucamonga, CA 91730
(909) 987-9220

| | | |
|---|---|---|
| NAICS | | 336400 |
| Employees | | 329 |
| Revenue | (mil) | $41.05 |
| Income | (mil) | $1.29 |
| Assets | (mil) | $44.46 |
| Liability | (mil) | $17.45 |

(for the year ended 12/31/2005)

**Category:** Default

**Event:** On November 20, 2006, EMRISE Corporation announced that on November 13, it received a notice of default and demand for payoff from Wells Fargo Bank relating to the Company's current $1.5 million credit facility. The Company is obligated to pay all amounts owing under the Wells Fargo Bank credit facility by November 20, 2006. The Company is in the process of negotiating a forbearance agreement with Wells Fargo Bank under which Wells Fargo Bank is expected to agree not to exercise its rights under the notice of default through December 1, 2006.

**Intellectual Property:** The Company regards software, hardware and manufacturing processes as proprietary and rely on a combination of patent, copyright and trademark laws, trade secrets, confidentiality procedures and contractual provisions to protect proprietary rights. The Company has filed patent applications, and intend to file additional patent applications in the future, for various products with the U.S. Patent and Trademark Office and in the European Union, Japan, Canada and Brazil. In addition, the Company incorporates technology and software that is licensed from third party sources into its products. [SEC Filing 10-K 04-13-06]

**Description:** EMRISE Corporation is a multi-national manufacturer of defense and aerospace electronic components and communications equipment.

**Officers:** Carmine T. Oliva (Chair, Pres. & CEO); Randolph D. Foote (CFO); Laurence P. Finnegan, Jr. (Dir.); Otis W. Baskin (Dir.); Richard E. Mahmarian (Dir.)

**Auditor:** Hein & Associates LLP

**Securities:** Common Stock-Symbol ERI; NYSEArca;
38,081,750 common shares outstanding as of April 4, 2006.

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***Prospector Profile 06.0203***

**Endocare, Incorporated**
201 Technology
Irvine, CA 92618
(949) 450-5400

| | | |
|---|---|---|
| NAICS | | 334510 |
| Employees | | 152 |
| Revenue | (mil) | $28.27 |
| Income | (mil) | ($13.68) |
| Assets | (mil) | $32.24 |
| Liability | (mil) | $19.41 |

(for the year ended 12/13/2005)

**Category:** Loss/Deficit

**Event:** On November 9, 2006, Endocare, Incorporated reported that for the three months ended September 30, 2006, the Company had a $2.15 million net loss, compared with $2.89 million net loss in the same period in 2005. Total revenues for the 2006 third quarter were $6.7 million, compared with $7 million in the 2005 third quarter. As of September 30, 2006, the Company's balance sheet showed $19.26 million in total assets, $12.01 million in total liabilities, and $7.245 million in total stockholders' equity. Management says that if the Company fails to adequately address its liquidity concerns, then its independent auditors may issue a qualified opinion, to the effect that there is substantial doubt about the Company's ability to continue as a going concern.

**Intellectual Property:** As of December 2005, the Company has rights to 39 issued U.S. patents relating to cryosurgical ablative technology, including 4 in which the Company has licensed-in rights. Most of these patents relate to its cryoprobe technology for creating the freeze zone and precisely controlling the shape of the freeze zone produced by the cryoprobes. Additionally, the Company's patents relate to its computer guided system for assisting surgeons in properly placing cryoprobes in a patient, a computer controlled cryosurgery apparatus and method, a cryosurgical integrated control and monitoring system and urethral warming technology. The Company also has 14 pending Unites States patent applications relative to cryosurgical ablative technology. Additionally, it has 35 foreign patents and pending foreign patent applications in this technology area. [SEC Filing 10-K 03-16-06]

**Description:** Endocare, Incorporated engages in the development, manufacturing and distribution of health care products for the treatment of cancer and other tumors.

**Officers:** Craig T. Davenport (Chair, Pres. & CEO); Michael R. Rodriguez (SVP & CFO); John R. Daniels (Dir.); David L. Goldsmith (Dir.); Eric S. Kentor (Dir.); Terrence A. Noonan (Dir.); Thomas R. Testman (Dir.)

**Auditor:** Ernst & Young LLP

**Securities:** Common Stock-Symbol ENDO.OB; OTC BB;
30,648,934 common shares outstanding as of October 31, 2006.

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***Prospector Profile 06.0204***

## Icagen, Incorporated

4222 Emperor Blvd., Suite 350
Durham, NC 27703
(919) 941-5206

| | | |
|---|---|---|
| NAICS | | 325412 |
| Employees | | 72 |
| Revenue | (mil) | $8.79 |
| Income | (mil) | ($20.25) |
| Assets | (mil) | $54.39 |
| Liability | (mil) | $20.40 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 13, 2006, Icagen, Incorporated shares remained well below the $1 mark after losses widened in the third quarter. The Company reported a 2006 third quarter net loss of nearly $5.5 million, or 25 cents per share, compared to a loss of about $4.8 million, or 22 cents per share, in the 2005 third quarter. Revenue was $2.1 million, down slightly from the $2.3 million in the same period a year earlier.

**Intellectual Property:** As of February 28, 2006, the Company owned or licensed 60 U.S. patents and 50 U.S. patent applications as well as numerous foreign counterparts to many of these patents and patent applications. The Company's patent portfolio includes patents and patent applications with claims directed to the composition of matter, pharmaceutical formulation and method of use of many compounds, including ICA-17043 and the lead compounds that the Company is developing for the treatment of epilepsy and neuropathic pain. The Company considers two patents directed at ICA-17043 and two patent applications covering a chemotype which includes the lead compounds that the Company is developing for the treatment of epilepsy and neuropathic pain to be material to its business. [SEC Filing 10-K 03-15-06]

**Description:** Icagen, Incorporated is a biopharmaceutical company focused on the discovery, development and commercialization of orally administered small molecule drugs that modulate ion channel targets.

**Officers:** P. Kay Wagoner (Pres., CEO & Dir.); Richard D. Katz (SVP & CFO); André L. Lamotte (Dir.); Anthony B. Evnin (Dir.); Charles A. Sanders (Dir.); Dennis B. Gillings (Dir.); Richard G. Morrison (Dir.); Martin A. Simonetti (Dir.); Adeoye Y. Olukotun (Dir.)

**Auditor:** Ernst & Young LLP

**Securities:** Common Stock-Symbol ICGN; NasdaqGM;
22,312,266 common shares outstanding as of October 31, 2006.

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***Prospector Profile 06.0205***

## Intertape Polymer Group, Inc.

9999 Cavendish Blvd., 2nd Fl. Ville
Saint Laurent, Quebec H4M 2X5 Canada
(514) 731-7591

| | | |
|---|---|---|
| NAICS | | 326100 |
| Employees | | 2,700 |
| Revenue | (mil) | $801.84 |
| Income | (mil) | $28.06 |
| Assets | (mil) | $897.38 |
| Liability | (mil) | $471.41 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 14, 2006, Intertape Polymer Group, Inc. posted a third-quarter loss of $123.3 million, down from a year-ago profit of $6.6 million. The loss amounted to $3.01 per share for the three months ended September 30, compared to earnings of 16 cents US per share for the same period in 2005. The Company said sales were $200 million, down slightly from $201.2 million last year.

**Intellectual Property:** Intertape Polymer Group has approximately 150 active registered trademarks, 58 in the United States, 32 in Canada, and 60 foreign, which include trademarks acquired from American Tape, Anchor, Rexford Paper Company, Central Products Company, and Flexia. The Company currently has 47 pending trademark applications. The Company has pursued patents in select areas where unique products offer a competitive advantage in profitable markets, primarily in engineered coated products for which the Company has 3 patents and 11 patents pending, film for which it has 6 patents and 12 patents pending, tape products for which it has 9 patents and 5 patents pending, adhesive products for which it has 1 patent and 7 patents pending, and container products for which it has 1 patent. [SEC Filing 40-F 03-31-06]

**Description:** Intertape Polymer Group, Inc., through its subsidiaries, engages in the development, manufacture and sale of polyolefin plastic and paper-based products and complementary packaging systems for use in industrial and retail applications in North America.

**Officers:** Michael L. Richards (Chair); H. Dale McSween (EVP); Jim Bob Carpenter (EVP); Duncan R. Yull (EVP); Victor DiTommaso (VP & Treas.); James A. Jackson (VP & CIO); Andrew M. Archibald (Sec. & CFO); H. Dale McSween (Interim CEO); Ben J. Davenport, Jr. (Dir.); L. Robbie Shaw (Dir.); Gordon R. Cunningham (Dir.); John E. Richardson (Dir.); Thomas E. Costello (Dir.)

**Auditor:** Raymond Chabot Grant Thornton LLP

**Securities:** Common Stock-Symbol ITP; NYSE;
8.5% senior subordinated notes due August 1, 2014.

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***Prospector Profile 06.0206***

**JMAR Technologies, Inc.**
10905 Technology Place
San Diego, CA 92127
(858) 946-6800

| | | |
|---|---|---|
| NAICS | | 334510 |
| Employees | | 65 |
| Revenue | (mil) | $9.16 |
| Income | (mil) | ($8.03) |
| Assets | (mil) | $16.32 |
| Liability | (mil) | $11.76 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 14, 2006, JMAR Technologies, Inc. posted a net loss of $2.7 million on revenues of $962,101 for the quarter ended September 30, 2006. The Company's September 30 balance sheet showed $84 million in accumulated deficit, $378,578 in stockholders' equity and strained liquidity with $5 million in total current assets available to pay $6.5 million in total current liabilities.

**Intellectual Property:** JMAR's patent protection efforts have resulted in the issuance of 20 U.S. patents and 10 foreign patents. JMAR currently has filed 12 pending U.S. patent applications, 7 pending foreign applications and 8 provisional patent applications. The issued patents contain numerous claims covering various types of laser plasma X-ray sources, high-brightness solid state lasers, point-source lithography system technology, advanced collimator technology, improved X-ray source chambers, improved laser amplifiers, internal imaging of semiconductor devices (nanotomography), laser ablation of materials, ultraviolet and EUV microlithography systems, Advanced Optical Scanning Microscope systems and X-ray lithography stepper technology, each of which represents an opportunity for growth for JMAR. The expiration dates of these patents range from 2010 to 2023. Some of the more recent pending and provisional applications cover aspects of the X-ray and Optical Scanning Microscopes and X-ray Nano Probe products. [SEC Filing 10-K 04-11-06]

**Description:** JMAR Technologies, Inc. develops laser-based equipment for imaging, analysis and fabrication at the nano-scale.

**Officers:** Charles Dickenson (Chair); C. Neil Beer (Pres., CEO & Dir.); Dennis E. Valentine (CFO & Chief Acctg. Officer); Charles A. Dickinson (Dir.); J. Paul Gilman (Dir.); Edward P. O'Sullivan II (Dir.); Barry Ressler (Dir.)

**Auditor:** Singer Lewak Greenbaum & Goldstein LLP

**Securities:** Common Stock-Symbol JMAR; NasdaqCM;
39,496,915 common shares outstanding as of November 7, 2006.

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***Prospector Profile 06.0207***

## KANA Software, Inc.

181 Constitution Dr.
Menlo Park, CA 94025
(650) 614-8300

| | | |
|---|---|---|
| NAICS | | 541511 |
| Employees | | 121 |
| Revenue | (mil) | $43.13 |
| Income | (mil) | ($17.97) |
| Assets | (mil) | $35.71 |
| Liability | (mil) | $45.50 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 14, 2006, KANA Software, Inc. incurred a $582,000 net loss on $13.1 million of net revenues for the three months ended September 30, 2006, compared with a $1.2 million net loss on $10.9 million of net revenues from the same period in 2005. As of September 30, 2006, the Company's balance sheet showed $28,388,000 in total assets and $32,910,000 in total liabilities, resulting in a $4,522,000 stockholders' deficit. The Company's September 30 balance sheet also showed strained liquidity with $14.2 million in total current assets available to pay $27.6 million in total current liabilities.

**Intellectual Property:** The Company relies upon a combination of patent, copyright, trade secret and trademark laws, and contractual restrictions, such as confidentiality agreements and licenses, to establish and protect its proprietary rights. The Company currently has six issued U.S. patents, four of which expire in 2018 and two of which expire in 2020, and a number of U.S. patent applications pending. The Company's pending applications, if allowed, in conjunction with its issued patents, would cover a significant portion of the technology underlying its products and services. The Company has also filed international patent applications corresponding to some of its U.S. applications. In addition, the Company has several trademarks that are registered or pending registration in the U.S. or abroad. [SEC Filing 10-K 07-06-06]

**Description:** KANA Software, Inc. engages in the development, marketing and support of customer communications software products.

**Officers:** Michael S. Fields (Chair & CEO); John M. Thompson (EVP & CFO); Jerry R. Batt (Dir.); William T. Clifford (Dir.); Dixie L. Mills (Dir.); John F. Nemelka (Dir.); Michael J. Shannahan (Dir.); Stephanie Vinella (Dir.)

**Auditor:** Burr, Pilger & Mayer LLP

**Securities:** Common Stock-Symbol KANA.PK; PNK;
35,236,561 common shares outstanding as of October 31, 2006.

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***Prospector Profile 06.0208***

## Krispy Kreme Doughnut, Inc.

370 Knollwood Street
Winston-Salem, NC 27103
(336) 725-2981

| | | |
|---|---|---|
| NAICS | | 722110 |
| Employees | | 4,251 |
| Revenue | (mil) | $543.36 |
| Income | (mil) | ($135.76) |
| Assets | (mil) | $410.86 |
| Liability | (mil) | $302.18 |

(for the year ended 1/29/2006)

**Category:** Loss/Deficit

**Event:** Krispy Kreme Doughnut, Inc. reported a $135.8 million net loss on $543.4 million of revenues for the fiscal year ended Jan. 31, 2006, compared with a $198.3 million net loss on $707.8 million of revenues for the same period in 2005. At June 30, 2006, the Company's balance sheet showed $410.8 million in total assets, $302.2 million in total liabilities, and $108.7 million in total stockholders' equity. The Company's balance sheet at Jan. 29, 2006 also showed strained liquidity with $147 million in total current assets available to pay $153.9 million in total current liabilities.

**Intellectual Property:** The Company's doughnut shops are operated under the Krispy Kreme name, and it uses over 40 federally registered trademarks and service marks, including "Krispy Kreme" and "Hot Doughnuts Now" and the logos associated with these marks. The Company has also registered some trademarks in approximately 30 other countries. The Company generally licenses the use of these trademarks to franchisees for the operation of their doughnut shops. The Company also licenses the use of certain trademarks to convenience stores and grocery stores in connection with the sale of some products at those locations. [SEC Filing 10-K 10-31-06]

**Description:** Krispy Kreme Doughnuts, Inc. sells doughnuts and related items through company-owned and franchise stores.

**Officers:** James Morgan (Chair); Daryl G. Brewster (CEO & Dir.); Michael C. Phalen (CFO); Douglas Muir (CAO); Mary Davis Holt (Dir.); William T. Lynch (Dir.); Robert S. McCoy, Jr. (Dir.); Andrew J. Schindler (Dir.); Robert L. Strickland (Dir.); Michael H. Sutton (Dir.); Lizanne Thomas (Dir.); Togo D. West, Jr. (Dir.)

**Auditor:** PricewaterhouseCoopers LLP

**Securities:** Common Stock-Symbol KKD; NYSE;
61,838,994 common shares outstanding as of September 29, 2006.

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***Prospector Profile 06.0209***

## NeoMedia Technologies, Inc.

2201 Second St., Suite 600
Fort Myers, FL 33901
(239) 337-3434

| | | |
|---|---|---|
| NAICS | | 541512 |
| Employees | | 51 |
| Revenue | (mil) | $2.16 |
| Income | (mil) | ($9.15) |
| Assets | (mil) | $12.41 |
| Liability | (mil) | $8.18 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 9, 2006, NeoMedia Technologies, Inc. posted a net loss for the three months ended September 30, 2006 of $30,909,000, a difference of $28,959,000, from the $1,950,000 loss for the three months ended September 30, 2005. As of September 30, 2006, the Company's balance sheet showed $87.82 million in total assets, $44.04 million in total liabilities, $2.93 million in preferred stock and $40.85 million in total shareholders' equity. The Company's September 30 balance sheet showed strained liquidity with $13.74 million in total assets available to pay $43.96 million in total current liabilities.

**Intellectual Property:** On April 12, 2005, NeoMedia acquired 4 search-oriented patents issued in the U.S. and pending in Europe and Japan from LoyaltyPoint, Inc. for $1.5 million cash and 10% royalties on all future sales for a period of ten years. On May 13, 2005, the European Patent Office (EPO) issued a Notice of Allowance based on proceedings conducted during April 2005 in The Hague. On February 1, 2006, the U.S. Patent and Trademark Office issued a new patent to NeoMedia covering the capture and processing of bar codes explicitly from camera cell phones. [SEC Filing 10-KSB 03-30-06]

**Description:** NeoMedia Technologies, Inc. develops proprietary technologies that link physical information and objects to the Internet.

**Officers:** Charles W. Fritz (Chair); Charles T. Jensen (Pres., CEO & Dir.); David A. Dodge (VP & CFO); Martin N. Copus (COO); William E. Fritz (Dir.); James J. Keil (Dir.); A. Hayes Barclay (Dir.)

**Auditor:** Stonefield Josephson, Inc.

**Securities:** Common Stock-Symbol NEOM.OB; OTC BB;
663,369,101 common shares outstanding as of October 23, 2006.

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***Prospector Profile 06.0210***

**ON Semiconductor Corporation**
5005 E. McDowell Rd.
Phoenix, AZ 85008
(602) 244-6600

| | | |
|---|---|---|
| NAICS | | 334413 |
| Employees | | 10,539 |
| Revenue | (mil) | $1,260.60 |
| Income | (mil) | $100.60 |
| Assets | (mil) | $1,148.50 |
| Liability | (mil) | $1,448.80 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On October 30, 2006, ON Semiconductor Corporation reported that as of September 29, 2006, its balance sheet showed $1,416,700,000 in total assets, $1,417,500,000 in total liabilities and $19.5 million in Minority interests in consolidated subsidiaries, resulting in a $20.3 million stockholders' deficit. The Company posted a $76.8 million net income on $420.9 million of revenues for the quarter ended September 29, 2006, compared with a net income of $23.5 million on $313.6 million of revenues for the same period in 2005.

**Intellectual Property:** As of January 24, 2006 the Company had approximately 547 U.S. and foreign patents and approximately 365 patent applications pending worldwide. The Company's patents have expiration dates ranging from 2006 to 2024. Additionally, the Company has rights to more than 270 registered and common law trademarks. As part of the recapitalization, Motorola assigned to the Company approximately 295 U.S. patents and patent applications, approximately 292 foreign patents and patent applications, rights to over 50 trademarks previously used in connection with the Company's products, rights in know-how relating to at least 39 semiconductor fabrication processes and rights in specified copyrightable materials. In addition, Motorola licensed on a nonexclusive, royalty-free basis other patent, trademark, copyright and know-how rights used in connection with the Company's then existing products and products contemplated in its long-range plans. [SEC Filing 10-K 02-22-06]

**Description:** ON Semiconductor Corporation designs, manufactures and markets a portfolio of power and data management semiconductors and standard semiconductor components that addresses the design needs of electronic systems and products.

**Officers:** J. Daniel McCranie (Chair); Keith D. Jackson (Pres. & CEO); Bob Mahoney (EVP); William Bradford (SVP); Donald Colvin (SVP, Treas. & CFO); William George (SVP); George H. Cave (SVP, Gen. Counsel & Sec.); Peter Green (SVP)

**Auditor:** PricewaterhouseCoopers LLP

**Securities:** Common Stock-Symbol ONNN; NasdaqGS;
325,435,623 common shares outstanding as of October 20, 2006.

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***Prospector Profile 06.0211***

## Reader's Digest Association, Inc.

Readers Digest Rd.
Pleasantville, NY 10570
(914) 238-1000

| | | |
|---|---|---|
| NAICS | | 511130 |
| Employees | | 4,300 |
| Revenue | (mil) | $2,386.20 |
| Income | (mil) | ($117.40) |
| Assets | (mil) | $2,122.10 |
| Liability | (mil) | $1,947.00 |

(for the year ended 6/30/2006)

**Category:** Loss/Deficit

**Event:** On November 1, 2006, Reader's Digest Association, Inc. reported net losses for the 2007 first fiscal quarter ended September 30, 2006, were $26.7 million compared with $8.2 million net loss in the comparable quarter of 2006. Revenues were $517.1 million, up slightly versus last year's revenues of $516.4 million. As of September 30, 2006, the Company's balance sheet showed $2.2 billion in total assets, $2.1 billion in total liabilities, and $138.3 million in total stockholders' equity. As of June 30, 2006, the Company had $175 million in total equity. The Company's September 30 balance sheet showed strained liquidity with $824.1 million in total current assets available to pay $899 million in total current liabilities.

**Intellectual Property:** The Company owns numerous trademarks that are used in its businesses worldwide. Two of the Company's most important trademarks are “Reader’s Digest” and the “Pegasus” logo. In addition, its significant trademarks include “QSP”, “Books Are Fun”, “Taste of Home”, “Allrecipes.com”, “Select Editions” and the names of many of its magazines, features and other products. The Company believes that the name recognition, reputation and image that it has developed in each of its markets significantly enhance customer response to its direct marketing sales promotions. For these reasons, trademarks are important to its business, and the Company aggressively defend its trademarks. [SEC Filing 10-K 08-21-06]

**Description:** The Reader’s Digest Association, Inc. engages in the publication, marketing, and delivery of magazines, books, recorded music collections and home entertainment products worldwide.

**Officers:** Thomas O. Ryder (Chair); Eric W. Schrier (Pres. & CEO); Michael S. Geltzeiler (SVP & CFO); Thomas D. Barry (VP & Controller); Jonathan B. Bulkeley (Dir.); Herman Cain (Dir.); Lee Caudill (Dir.); Walter Isaacson (Dir.); William E. Mayer (Dir.); John T. Reid (Dir.); Lawrence R. Ricciardi (Dir.); William J. White (Dir.); Ed Zschau (Dir.)

**Auditor:** Ernst & Young LLP

**Securities:** Common Stock-Symbol RDA; NYSE;
94,983,480 common shares outstanding as of October 31, 2006.

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***Prospector Profile 06.0212***

## Remy International, Inc.

2902 Enterprise Dr.
Anderson, IN 46013
(765) 778-6499

| | | |
|---|---|---|
| NAICS | | 336000 |
| Employees | | 1,622 |
| Revenue | (mil) | $1,228.95 |
| Income | (mil) | ($96.98) |
| Assets | (mil) | $871.18 |
| Liability | (mil) | $1,175.49 |

(for the year ended 12/31/2005)

**Category:** Low Rating

**Event:** On November 14, 2006, Standard & Poor's Ratings Services lowered its corporate credit rating on Remy International, Inc. to 'CCC' from 'CCC+'. The outlook is negative. "The downgrade stems from the Company's inability to improve very weak earnings and cash flow, leaving the Company with shrinking prospects for meeting its December 2007 maturity of its $145 million senior notes," S&P analyst Nancy C. Messer said. The Company recently lowered its earnings guidance for 2006 to a range that is not sufficient to cover cash interest expense.

**Intellectual Property:** Pursuant to a Trademark License Agreement, General Motors granted the Company an exclusive license to use the “Delco Remy” trademark on and in connection with automotive starters and heavy-duty starters and alternators until July 31, 2004, extendable indefinitely at the Company's option upon payment of a fixed $0.1 million annual licensing fee to GM.The Company had also been granted a perpetual, royalty-free license to use the “Remy” trademark. The “Delco Remy” and “Remy” trademarks are registered in the United States, Canada and Mexico and in most major markets worldwide. As part of the Company's acquisition of Delphi Corporation’s light duty alternator business, the Company and Delphi Technologies, Inc. entered into a license agreement dated November 30, 2002, by which it licensed from Delphi certain patents and technical information used in the manufacture and remanufacture of belt-driven automotive generators and alternators. [SEC Filing 10-K 03-31-06]

**Description:** Remy International, Inc., formerly known as Delco Remy International, Inc., is a global manufacturer and remanufacturer of aftermarket and original equipment electrical components for automobiles, light trucks, heavy-duty trucks and other heavy duty vehicles.

**Officers:** Harold K. Sperlich (Chair); David R. Muir (SVP & Chief Procurement Officer); Kerry A. Shiba (SVP & CFO); Gerald T. Mills (SVP & Chief HR Officer); Amitabh Rai (VP & Controller); John H. Weber (CEO & Dir.)

**Auditor:** Ernst & Young LLP

**Securities:** 2,503,024 common shares outstanding as of September 30, 2006.
11% senior subordinated note due May 1, 2009;

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***Prospector Profile 06.0213***

## SpatiaLight, Incorporated

Five Hamilton Landing, Suite 100
Novato, CA 94949
(415) 883-1693

| | | |
|---|---|---|
| NAICS | | 334419 |
| Employees | | 31 |
| Revenue | (mil) | $0.24 |
| Income | (mil) | ($14.02) |
| Assets | (mil) | $11.55 |
| Liability | (mil) | $15.96 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 9, 2006, SpatiaLight, Incorporated posted a $4,173,985 net loss for the quarter ended September 30, 2006. The Company had revenues of $298,046 for the quarter ended September 30, 2006, as compared with revenues of $58,457 for the same period in 2005. The Company reported a net loss of $15,111,236 for the nine months ended September 30, 2006. Revenues for the nine months ended September 30, 2006 were $442,888, compared with revenues of $197,365 for the same period in 2005. As of September 30, 2006, the Company's balance sheet showed $10,562,948 in total assets, $15,029,944 in total liabilities and $1,947,909 in temporary equity, resulting in a $6,414,905 stockholders' deficit.

**Intellectual Property:** The Company currently has five U.S. patents and has other U.S. and international patent applications pending. The scope of the issued patents includes physical structure design of the metal layers used for light blocking in the silicon die, several silicon die circuitry designs, and a dual panel system design. The applications are in the area of light engine level system enhancements and drive circuitry concepts. The Company's currently issued patents will all expire between 2011 and 2017. [SEC Filing 10-K 03-16-06]

**Description:** SpatiaLight, Incorporated develops, designs, manufactures and markets miniature high-resolution active matrix liquid crystal displays for computer, video and other applications.

**Officers:** Lawrence J. Matteson (Chair); Theodore H. Banzhaf (EVP); Don S. Suh (SVP & CEO); David F. Hakala (CFO, Chief Acctg. Officer & COO); Michael S. Jin (Chief Tech. Officer); Claude Piaget (Dir.); Robert C. Munro (Dir.)

**Auditor:** Odenberg, Ullakko, Muranishi & Co. LLP

**Securities:** Common Stock-Symbol HDTV; NasdaqCM;
41,938,653 common shares outstanding as of November 6, 2006.

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***Prospector Profile 06.0214***

**Tapestry Pharmaceuticals, Inc.**
4840 Pearl East Circle, Suite 300 W
Boulder, CO 80301-2408
(303) 516-8500

| | | |
|---|---|---|
| NAICS | | 325412 |
| Employees | | 31 |
| Revenue | (mil) | $0.00 |
| Income | (mil) | ($17.54) |
| Assets | (mil) | $16.47 |
| Liability | (mil) | $5.59 |

(for the year ended 12/28/2005)

**Category:** Loss/Deficit

**Event:** Tapestry Pharmaceuticals, Inc., reported a $3.6 million net loss for the third quarter of 2006 ended Sept. 27, 2006. This compares to a net loss for the third quarter of 2005 of $5.5 million. The company did not generate any revenue and had an accumulated deficit of $119.4 million as of Sept. 27, 2006. The Company's balance sheet at Sept. 27, 2006, showed $30,209,000 in total assets, $4,770,000 in total liabilities, and stockholders' equity of $25,439,000. Grant Thornton LLP previously raised going concern doubts about the Company's ability to continue as a going concern after auditing its financial statements for the year ending December 28, 2005.

**Intellectual Property:** The Company owns licensed issued patents and have applied for patents relating to its oncology programs. The Company has applied for and will continue to apply for patents covering technologies, processes and products as and when it deems appropriate. [SEC Filing 10-K 02-23-06]

**Description:** Tapestry Pharmaceuticals, Inc., together with its subsidiaries, develops therapies for the treatment of cancer.

**Officers:** Leonard P. Shaykin (Chair & CEO); Patricia Pilia (EVP & Dir.); Gordon Link (SVP & CFO); Bruce W. Fiedler (VP & Controller); Stephen K. Carter, M.D. (Dir.); George Gould (Dir.); Elliot M. Maza (Dir.); Arthur H. Hayes, Jr., M.D. (Dir.); Robert E. Pollack, Ph.D. (Dir.); Richard N. Perle (Dir.)

**Auditor:** Grant Thornton LLP

**Securities:** Common Stock-Symbol TPPH; NasdaqCM;
3,485,755 common shares outstanding as of February 22, 2006.

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***Prospector Profile 06.0215***

## Tarrant Apparel Group

3151 East Washington Blvd.
Los Angeles, CA 90023
(323) 780-8250

| | | |
|---|---|---|
| NAICS | | 448120 |
| Employees | | 183 |
| Revenue | (mil) | $320.42 |
| Income | (mil) | ($35.88) |
| Assets | (mil) | $151.24 |
| Liability | (mil) | $115.88 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 14, 2006, Tarrant Apparel Group posted a net loss of $25,352,414 on revenues of $54,645,223 for the three months ended September 30, 2006, compared with a net income of $1,702,417 on revenues of $69,566,080 for the three months ended September 30, 2005. As of September 30, 2006, the Company had an accumulated deficit of $114,094,373 and stockholders' equity of $16,116,448. The Company's September 30 balance sheet also showed strained liquidity with $72,882,949 in total current assets available to pay $77,311,752 in total current liabilities.

**Intellectual Property:** As part of the Company's private brands strategy, the Company acquires ownership of or rights to a brand name and sells apparel products under this brand. The Company has ownership rights to the registered trademarks "American Rag Cie," "Gear7" and "NO! Jeans." In addition, the Company has acquired license rights to design, market and distribute certain apparel products under the Cynthia Rowley, Alain Weiz and Jessica Simpson brands. [SEC Filing 10-K 04-03-06]

**Description:** Tarrant Apparel Group is a provider of casual apparel, serving mass merchandisers, department stores, branded wholesalers and specialty chains located in the United States by designing, merch and ising, contracting for the manufacture of, manufacturing directly and selling casual apparel for women, men and children.

**Officers:** Gerard Guez (Chair & Interim CEO); Todd Kay (Vice Chair); Corazon Reyes (Treas., CFO & Dir.); Milton Koffman (Dir.); Stephane Farouze (Dir.); Mitchell Simbal (Dir.); Joseph Mizrachi (Dir.); Simon Mani (Dir.)

**Auditor:** Singer, Lewak, Greenbaum & Goldstein LLP

**Securities:** Common Stock-Symbol TAGS; NasdaqGM;
30,543,763 common shares outstanding as of November 10, 2006.

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***Prospector Profile 06.0216***

## TenFold Corporation

698 West 10000 South
South Jordan, UT 84095
(801) 495-1010

| | | |
|---|---|---|
| NAICS | | 511210 |
| Employees | | 47 |
| Revenue | (mil) | $5.71 |
| Income | (mil) | ($5.43) |
| Assets | (mil) | $2.14 |
| Liability | (mil) | $5.08 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** TenFold Corporation reported a $2,065,000 net loss on $1,107,000 of revenues for the three months ended Sept. 30, 2006, compared with a $341,000 net loss on $1,492,000 of revenues in the comparable period of 2005. At Sept. 30, 2006, the Company's balance sheet showed $3,211,000 in total assets and $3,602,000 in total liabilities resulting in a $391,000 stockholders' deficit. The Company's September 30 balance sheet also showed strained liquidity with $2,942,000 in total current assets available to pay $3,602,000 in total current liabilities.

**Intellectual Property:** The Company relies primarily on a combination of patent, copyright, trade secret and trademark laws, and nondisclosure and other contractual restrictions on copying and distribution to protect proprietary technology. The Company has received three separate patents in the United States. The first patent (US Patent # 6016394) relates to EnterpriseTenFold. The second (US Patent # 6016643) relates to TenFold AutoTest, the automated testing technology. The third patent (US Patent # 6301701) relates to its computer-assisted testing of software application components. The Company has these patents issued and pending in other countries. The Company's trademark portfolio contains a variety of U.S. and international trademark registrations and pending trademark applications. [SEC Filing 10-K 03-31-06]

**Description:** TenFold Corporation provides services and technology for building Service Oriented Architecture-compliant applications.

**Officers:** Robert Felton (Chair, Pres. & CEO); Alexei Chadovich (SVP-R&D); Samer Diab (VP); Robert Hughes (CFO); Robert Trounce (VP); Jeffrey Walker (EVP & CTO); Sally White (VP)

**Auditor:** Tanner LC

**Securities:** Common Stock-Symbol TENF.OB; OTC BB;
46,502,013 common shares outstanding as of February 28, 2006.

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***Prospector Profile 06.0217***

## Therma-Wave, Inc.

1250 Reliance Way
Fremont, CA 94539
(510) 668-2200

| | | |
|---|---|---|
| NAICS | | 334400 |
| Employees | | 250 |
| Revenue | (mil) | $66.29 |
| Income | (mil) | ($8.75) |
| Assets | (mil) | $59.38 |
| Liability | (mil) | $34.39 |

(for the year ended 3/31/2006)

**Category:** Loss/Deficit

**Event:** Therma-Wave, Inc. reported that net revenues for the fiscal second quarter 2007 were $15.8 million, down $2.1 million or 12% sequentially from $17.9 million recorded in the fiscal first quarter 2007. Net loss for the 2007 second fiscal quarter was $1.95 million. At Oct. 1, 2006, the Company's balance sheet showed $59.749 million in total assets, $36.559 million in total liabilities, $7.260 million in redeemable convertible preferred stock, and $15.930 million in total stockholders' equity.

**Intellectual Property:** The Company's current product families, Therma-Probe®, Opti-Probe®, Opti-Probe® CDtm and RT/ CD®, use proprietary and patented technology to provide precise, non-contact, non-destructive measurement for the basic building blocks, or process modules, used in the manufacture of integrated circuits. Opti-Probe systems significantly improve upon existing thin-film metrology systems with the successful integration of up to five distinct film measurement technologies. The Company has patented three of these core technologies (BPR, BPE and RCSE) and two technology combinations. [SEC Filing 10-K 06-15-06]

**Description:** Therma-Wave, Inc. engages in the development, manufacture, and sale of process control metrology systems used in the manufacture of semiconductors.

**Officers:** Papken S. Der Torossian (Chair); Boris Lipkin (Pres., CEO & Dir.); Joseph Passarello (SVP, Sec. & CFO); David Aspnes (Dir.); G. Leonard Baker (Dir.); John D'Errico (Dir.); Peter Hanley (Dir.); Nam Pyo Suh (Dir.); Lawrence Tomlinson (Dir.); Gregory Graves (Dir.); John Willinge (Dir.)

**Auditor:** PricewaterhouseCoopers LLP

**Securities:** Common Stock-Symbol TWAV; NasdaqGM;
37,114,067 common shares outstanding as of May 31, 2006.

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***Prospector Profile 06.0218***

**TranSwitch Corporation**
3 Enterprise Drive
Shelton, CT 06484
(203) 929-8810

| | | |
|---|---|---|
| NAICS | | 334400 |
| Employees | | 198 |
| Revenue | (mil) | $32.90 |
| Income | (mil) | ($23.75) |
| Assets | (mil) | $86.83 |
| Liability | (mil) | $83.62 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** TranSwitch Corporation incurred a $725,000 net loss on $9.6 million of net revenues for the three months ended Sept. 30, 2006, compared to a $1.3 million net loss on $7.2 million of net revenues from the same period in 2005. As of Sept. 30, 2006, the Company's accumulated deficit widened to $319.2 million from $311.5 million of deficit at Dec. 31, 2005.

**Intellectual Property:** Through the end of 2005, the Company has been issued or became an assignee of 123 presently maintained patents worldwide with an additional 72 patents pending worldwide. Of that number, the Company has been assigned 54 presently maintained United States patents, of which two are co-assigned. Among the worldwide patents pending, there were 31 United States patents pending. Many of the United States issued and pending patents were also filed internationally. Internationally, there are 25 patents pending in specific countries with an additional 16 filed in the European Patent Office (EPO) or under the Patent Cooperative Treaty (PCT). The Company also has been granted registration of 18 presently maintained trade or service marks in the United States and has one more trademark registration awaiting approval. The Company has also obtained 4 presently maintained trademark registrations under the European Community Trademark (ECT) procedure and has one pending trademark awaiting approval in Canada. [SEC Filing 10-K 02-21-06]

**Description:** TranSwitch Corporation, along with its subsidiaries, engages in the design, development, marketing, and support of integrated digital and mixed-signal semiconductor devices for the telecommunications and data communications markets.

**Officers:** Alfred F. Boschulte (Chair); Dr. Santanu Das (Pres. & CEO); Peter J. Tallian (SVP, Treas. & CFO); Gerald Montry (Dir.); James M. Pagos (Dir.); Albert E. Paladino (Dir.); Erik H. van der Kaay (Dir.); Hagen Hultzsch (Dir.)

**Auditor:** UHY LLP

**Securities:** Common Stock-Symbol TXCC; NasdaqGM;
112,722,744 common shares outstanding as of February 15, 2006.

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***Prospector Profile 06.0219***

## Tripos, Incorporated

1699 S. Hanley Rd.
St. Louis, MO 63144
(314) 647-1099

| | | |
|---|---|---|
| NAICS | | 511210 |
| Employees | | 327 |
| Revenue | (mil) | $55.42 |
| Income | (mil) | ($4.29) |
| Assets | (mil) | $66.82 |
| Liability | (mil) | $37.30 |

(for the year ended 12/31/2005)

**Category:** Covenant Problems

**Event:** Due to the financial performance of the third quarter of 2006, Tripos, Incorporated was not in compliance with the minimum net worth covenant under its credit facility with LaSalle Bank NA. The Company has requested a waiver of the covenant violation for the period ended September 30, 2006. LaSalle Bank does not intend to renew or extend the revolving credit facility beyond January 1, 2007, the maturity date of the facility. The Company reported a net loss of $4.4 million on $7.7 million of revenue for the three months ended September 30, 2006. As of September 30, the Company's balance sheet showed strained liquidity with $17.5 million in total current assets available to pay $26.2 million in total current liabilities.

**Intellectual Property:** The Company licensed its workstation software through the execution of license agreements with each customer. The Company relies upon a combination of patent, copyright, trademark, and trade secret laws to protect its intellectual property. License and non-disclosure agreements are used to establish and protect the proprietary rights in its products. The Company holds four key patents in the area of analysis of the relationship of chemical structure to activity: one issued in the early 1990's on its SYBYL CoMFA product, another issued in 1998 on its Hologram QSAR, and two on its ChemSpace technology issued in 2001. In addition, the Company has patents on its compound selection, library design, and visualization technologies and on pKA prediction methodology. The source code for its products is protected both as trade secret and as unpublished, copyrighted work. [SEC Filing 10-K 04-12-06]

**Description:** Tripos, Incorporated offers informatics and research products and services for drug discovery.

**Officers:** Ralph S. Lobdell (Chair); John P. McAlister, III (Pres., CEO & Dir.); B. James Rubin (SVP & Sec.); John D. Yingling (VP, Chief Acctg. Officer & CFO); Stewart Carrell (Dir.); Gary Meredith (Dir.); Ferid Murad (Dir.); Alfred Alberts (Dir.)

**Auditor:** BDO Seidman LLP

**Securities:** Common Stock-Symbol TRPS; NasdaqGM;
10,281,712 common shares outstanding as of November 13, 2006.

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***Prospector Profile 06.0220***

## TRM Corporation

5208 N.E. 122nd Ave.
Portland, OR 97230
(503) 257-8766

| | | |
|---|---|---|
| NAICS | | 561439 |
| Employees | | 451 |
| Revenue | (mil) | $233.91 |
| Income | (mil) | ($8.87) |
| Assets | (mil) | $341.78 |
| Liability | (mil) | $201.86 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 14, 2006, TRM Corporation recorded a loss of $101.2 million, or $5.92 per share in the third quarter, compared with income of $318,000, or 2 cents per share, in the year-ago period. Sales fell to $51.1 million from $57.9 million. ATM sales fell 12 percent to $43.6 million. The Company also said it will cut sales, general and administrative expenses by 15 percent in the initial step of a restructuring plan that aims to change the Company's cost structure and split its two business lines. The restructuring also will involve headcount reductions in the ATM service division to realize cost savings beyond the initial 15 percent.

**Intellectual Property:** Most of the Company's ATM and photocopier locations are identified by distinctive yellow, green and black trapezoidal signs bearing “TRM ATM™,” “Got Cash?,” “TRM Cash Machine™,” “TRM Copies™” and “TRM Photocopies.” The Company has registered the name “TRM Corporation™” and its “TRM Copies™” and “TRM ATM™” trademarks for signage used in the United States, and “TRM Cash Machine™” for signage used in the United Kingdom. Those trademarks currently expire between 2009 and 2011 but can be renewed. The Company considers its business name and brands to be important to its ATM and photocopier businesses. [SEC Filing 10-K 03-31-06]

**Description:** TRM Corporation and its subsidiaries deliver convenience services to consumers in retail environments.

**Officers:** Jeffrey F. Brotman (Chair, Pres. & CEO); Richard Stern (EVP); Ashley Dean (EVP); Daniel E. O’Brien (CFO); Jon S. Pitcher (Prin. Acctg. Officer); Nancy Alperin (Dir.); Edward E. Cohen (Dir.); Slavka Glaser (Dir.); Hersh Kozlov (Dir.); Alan D. Schreiber (Dir.); Harmon S. Spolan (Dir.); Tony C. Banks (Dir.)

**Auditor:** PricewaterhouseCoopers LLP

**Securities:** Common Stock-Symbol TRMM; NasdaqNM;
17,089,844 common shares outstanding as of June 30, 2006.

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***Prospector Profile 06.0221***

## UTStarcom, Incorporated

1275 Harbor Bay Parkway
Alameda, CA 94502
(510) 864-8800

| | | |
|---|---|---|
| NAICS | | 517310 |
| Employees | | 6,300 |
| Revenue | (mil) | $2,929.34 |
| Income | (mil) | ($487.36) |
| Assets | (mil) | $2,366.05 |
| Liability | (mil) | $1,437.51 |

(for the year ended 12/31/2005)

**Category:** Miscellaneous

**Event:** On November 17, 2006, UTStarcom, Incorporated is once again facing delisting from the Nasdaq National Market. This time, the Company received a notice for missing a filing deadline for the quarter ended September 30 with the SEC. The Company previously announced that it was delaying the quarterly filing until after it completed its voluntary review of its grant practices and determined whether the findings would impact its financial statements. The Company intends to request a hearing to stay the delisting. If a favorable ruling is not issued, Company shares will be delisted on November 27, 2006.

**Intellectual Property:** The Company relies on a combination of patent, copyright, trademark and trade secret laws, as well as confidentiality agreements and licensing arrangements, to establish and protect proprietary rights. The Company holds U.S. and foreign patents for existing products expiring between 2014 and 2023, and have patents pending in both the U.S. and in foreign countries. [SEC Filing 10-K 06-01-06]

**Description:** UTStarcom, Incorporated designs, manufactures and sells telecommunications equipment and products and provides services associated with their operation. Its products and technologies fall into three major categories, wireless, wireline and switching.

**Officers:** Hong Liang Lu (Chair, Pres. & CEO); Ying Wu (Vice Chair & EVP); Francis Barton (EVP, CFO & Dir.); William Huang (SVP & Chief Tech. Officer); Jimmy Khoo (SVP); Jeff Clarke (Dir.); Larry D. Horner (Dir.); Allen Lenzmeier (Dir.); Thomas J. Toy (Dir.); Ying Wu (Dir.)

**Auditor:** PricewaterhouseCoopers LLP

**Securities:** Common Stock-Symbol UTSI; NasdaqGS;
120,839,532 common shares outstanding as of August 1, 2006.
7/8% convertible subordinated notes due March 1, 2008.

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***Prospector Profile 06.0222***

## Valence Technology, Inc.

12201 Technology Blvd., Suite 150
Austin, TX 78727
(512) 527-2900

| | | |
|---|---|---|
| NAICS | | 335912 |
| Employees | | 37 |
| Revenue | (mil) | $17.21 |
| Income | (mil) | ($32.72) |
| Assets | (mil) | $11.63 |
| Liability | (mil) | $87.84 |

(for the year ended 3/31/2006)

**Category:** Loss/Deficit

**Event:** On November 11, 2006, Valence Technology, Inc. incurred a $4,725,000 net loss for the fiscal 2007-second quarter ended September 30, 2006, compared with a net loss of $8,000,000 in the second quarter of fiscal 2006. As of September 30, 2006, the Company's balance sheet showed $18,724,000 in total assets and $74,834,000 in total liabilities, resulting in a stockholders' deficit of $64,720,000.

**Intellectual Property:** The Company relies on patent protection for certain designs and products. The Company holds approximately 146 United States patents, which have expiration dates through 2025 and has about 38 patent applications pending in the United States. The Company continually prepares new patent applications for filing in the United States. The Company also actively pursues patent protection in certain foreign countries. [SEC Filing 10-K 06-29-06]

**Description:** Valence Technology, Inc. engages in the development and commercialization of phosphate-based lithium-ion technology, known as Saphion.

**Officers:** Carl E. Berg (Chair); James R. Akridge (Pres., CEO & Dir.); Thomas F. Mezger (Asst. Sec. & CFO); Roger A. Williams (Gen. Counsel & Sec.); Vassilis G. Keramidas (Dir.); Bert C. Roberts (Dir.); Alan F. Shugart (Dir.)

**Auditor:** Helin, Donovan, Trubee & Wilkinson LLP

**Securities:** Common Stock-Symbol VLNC; NasdaqSC;
101,758,259 common shares outstanding as of November 3, 2006.

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***Prospector Profile 06.0223***

## VWR International, Inc.

1310 Goshen Parkway, PO. Box 2656
West Chester, PA 19380
(610) 431-1700

| | | |
|---|---|---|
| Employees | | 6,100 |
| Revenue | (mil) | $3,138.20 |
| Income | (mil) | $41.30 |
| Assets | (mil) | $2,542.40 |
| Liability | (mil) | $1,412.87 |

(for the year ended 12/31/2005)

**Category:** Low Rating

**Event:** On November 14, 2006, Moody's Investors Services held its Caa1 rating on VWR International, Inc.'s senior subordinated unsecured guaranteed notes, due 2014 and assigned a loss-given-default rating of LGD6 to the notes, suggesting that note holders will experience a loss of 90 percent in the event of default.

**Intellectual Property:** The Company has more than 50 different registered and unregistered service marks and trademarks for its products and services. The marks VWR, VWR International and the VWR logo are material to its business. Other trademarks that the Company considers significant to its business include VWR BioMarke, VWR Stocktracker, BDH, Prolabo, Cryopro, Sargent-Welch, Boreal, Astroscan, Scholar, Science Kit, Scientifics, Cenco, Citri-Pure and Vial to Volume. A significant number of its marks were owned by Merck KGaA. [ SEC Filing 10-K 03-31-06]

**Description:** VWR International, Inc. distributes scientific equipment, supplies, chemicals and furniture and offers other excess products from manufacturers to customers.

**Officers:** James W. Rogers (Chair); John Ballbach (Pres., CEO & Dir.); Jack Wyszomierski (EVP & CFO); Matthew Malenfant (SVP); Manuel Brocke-Benz (SVP); Charles Canfield (SVP); Theodore Pulkownik (Dir.); Kevin Leak (SVP); George Van Kula (SVP, Gen. Counsel); Jon Michael Colyer (VP); B. Charles Ames (Dir.); Joseph F. Eckroth, Jr. (Dir.); Lewis S. Edelheit (Dir.); Brian P. Kelley (Dir.); Joseph L. Rice, III (Dir.); Richard J. Schnall (Dir.); Carl T. Stocker (Dir.); Robert J. Zollars (Dir.); Robert L. Barchi (Dir.); Alan W. Dunton (Dir.)

**Auditor:** KPMG LLP

**Securities:** 100 common shares outstanding as of November 14, 2006.

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***Prospector Profile 06.0224***

**WorldGate Communications, Inc.**
3190 Tremont Ave.
Trevose, PA 19053
(215) 354-5100

| | | |
|---|---|---|
| NAICS | | 334210 |
| Employees | | 70 |
| Revenue | (mil) | $2.26 |
| Income | (mil) | ($6.85) |
| Assets | (mil) | $21.23 |
| Liability | (mil) | $7.51 |

(for the year ended 12/31/2005)

**Category:** Loss/Deficit

**Event:** On November 9, 2006, WorldGate Communications, Inc. reported a $3.61 million net loss for the three months ended September 30, 2006, compared with a $1.99 million net loss in the comparable period in 2005. Revenues for the three and nine months ended September 30, 2006, were $962,000 and $1.66 million, respectively. As of September 30, 2006, the Company's balance sheet showed $12.98 million in total assets, $8.84 million in total liabilities, $130,000 in redeemable preferred stock, and $4.01 million in total stockholders' equity.

**Intellectual Property:** The Company relies on patent, trade secret, trademark and copyright law to protect video phone intellectual property. Although the Company has filed multiple patent applications for products and technology, it currently only holds one issued patent. [SEC Filing 10-K03-31-06]

**Description:** WorldGate Communications, Inc. is in the business of developing, manufacturing and distributing video phones for personal and business use to be marketed with the Ojo brand name.

**Officers:** John A. Williams (Pres. & CEO); Daniel W. Muehl (VP & CFO); Randall J. Gort (Sec. & Chief Legal Officer); Thomas Baruch (Dir.); James Saalfield (Dir.); Christopher Mitchell (Dir.); Hal M. Krisbergh (Dir.); Steven C. Davidson (Dir.); Clarence L. Irving, Jr. (Dir.); Martin Jaffe (Dir.); Jeff Morris (Dir.); Lemuel Tarshis (Dir.)

**Auditor:** Marcum & Kliegman LLP

**Securities:** Common Stock-Symbol WGAT; NasdaqSC;
40,443,190 shares of common stock outstanding as of November 1, 2006.

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