



press Release

Cenetec, Gainesville, University of Florida Partnership to Speed Pioneering Technology Entrepreneurs to Market

Technology Accelerator Company to Anchor New Technology Enterprise Center

October 18, 2000 GAINESVILLE, Fla. - The City of Gainesville, the University of Florida and Cenetec, LLC today announced a public-private partnership that paves the way for pioneering technology entrepreneurs to turn their ideas into successful enterprises.

The partnership makes Cenetec, the private sector technology accelerator company, the anchor tenant at Gainesville-Alachua County's new Technology Enterprise Center (TEC). The parties say the agreement is a "critical link" in tapping the wealth of intellectual capital at UF -- one of the nation's top 20 public research universities - and in building the Internet Economy potential of the region.

Conchi Ossa, the City's economic development director, and Cenetec President Scott H. Adams said the company will occupy about half of TEC's 30,000 square feet. By January, 2001, Cenetec will transform the space into a fast-track, high value-added incubator focused on Internet infrastructure and technology start-ups. As many as 16 companies in a year will receive comprehensive and intensive services, chosen through a competitive selection process.

The Gainesville facility will be Cenetec's third in a series of technology accelerators. Cenetec currently has accelerators operating in Boca Raton, where it is headquartered, and in Miami. The firm was co-founded by Adams and William D. Hager, Cenetec's chairman and CEO. Adams, an Internet pioneer grew Hiway Technologies from a back bedroom start-up to the world's largest Web hosting company, then sold it to Verio (NASDAQ: VRIO) in 1999. Hager was formerly president of the National Council on Compensation Insurance and co-founder of Silicon Beach Venture Capital.

"Cenetec gives us the ability to fast-track the TEC, which is designed to capitalize on the technology transfer and commercialization opportunities with University of Florida and ultimately, to fuel our high-wage, high skill job growth," said Ossa, the driving force behind the project. "Led by accomplished Internet entrepreneurs, Cenetec is a single source with the expertise and resources to attract, identify and nurture the region's most promising technology start-ups." Ossa noted the \$2.6 million TEC also will house eight to 10 independently operating start-ups in other technology fields. Located on the City's east side, it also is viewed as a key to the area's revitalization.

Cenetec is expected to be a catalyst for creating an integrated regional and university entrepreneurial infrastructure. "Technology transfer is an important part of the research enterprise at the University of Florida, but the path from lab to marketplace has many hurdles," said Win Phillips, UF vice president for research and dean of the graduate school. "Cenetec's 'technology acceleration' business model provides a unique boost to inventors and small companies. This is good news not only for UF and the community, but for the public, which is the final beneficiary of the successful transfer of UF-developed technologies."

UF has historically licensed technologies, primarily in the medical and biotech fields, but will now be able to capitalize on technology commercialization opportunities spinning off of its respected College of Engineering and computer science programs, Dr. Phillips added. He noted

there is a fast-growing trend among public research universities to participate in initiatives that more aggressively help to commercialize campus-spawned intellectual capital.

For Cenetec, Gainesville offers "tremendous potential to create a pipeline that speeds new technologies to market," said Adams. "Part of our vision to be the premier technology accelerator company is aligning with institutions that share our commitment to advancing the Internet economy. That opportunity exists in Gainesville, and we believe there's a significant demand for our type of services." Adams has played a lead role in South Florida's emergence as the InternetCoast, and was seed donor for Florida Atlantic University's new InternetCoast Institute.

Cenetec's intensive concept - nurturing entrepreneurs to achieve in six months what might otherwise take two to three years - is designed to move high potential, early-stage firms to market "at Internet speed." Companies undergo a rigorous applications process based on viability of their leading edge technology or first-to-market product, and their management. In return for negotiated equity participation, Cenetec companies are readied for a solid market entry with support including:

- A veteran technology and business "braintrust" guiding entrepreneurs along a disciplined incubation track.
- Access to Cenetec's own pool of venture capital-like funds during acceleration, and to Cenetec's venture capital contacts for post-acceleration, second stage funding.
- Turnkey office space, electronic infrastructure, shared business services staff, costly technology tools and high value-added services from Cenetec's strategic partners.

Cenetec will occupy temporary quarters while recruiting a projected 15-member operational staff. Start-ups can find information on the Cenetec application process on-line at www.cenetec.com.

By co-locating at the TEC, Cenetec will function as an "incubator within the incubator" and a partner in the City of Gainesville's economic development program, said Ossa. As anchor tenant, Cenetec also will help the TEC reduce its dependence on government operating subsidies and achieve greater financial strength more quickly, she added. Initiated by the City, the new facility received support from Alachua County, and was funded by grants from the U. S. Department of Commerce, Economic Development Administration, and private sector support.

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About Cenetec: Cenetec is the technology accelerator company speeding pioneering technology entrepreneurs to market. It was founded in February, 2000 along Florida's InternetCoast. Current facilities include a 25,000-square-foot technology accelerator and headquarters at Boca Raton Florida's T-Rex Technology Center, and an 18,000-square-foot technology accelerator in Miami, Florida, a gateway to the Latin American market. The company's venture capital investors include Rock Creek Capital, HIG Ventures, Interprise Technology Partners and Sun Capital Partners. Cenetec can be reached at 4950 Communication Avenue, Suite 900, Boca Raton, Florida 33431, 561-981-0200; www.cenetec.com.

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