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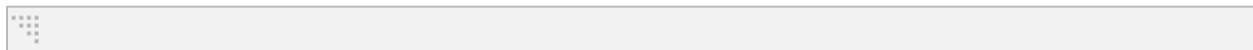
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Crain's Detroit Business looked for companies that licensed technology from local universities and decided to commercialize it here. Then we looked for those with something extra.

These are not yet billion-dollar companies — some have yet to crack the \$1 million mark and two are still pre-revenue, in the hopeful parlance of the business world. But they have been identified by business, academic or government leaders as companies that benefit or are poised to benefit other businesses and consumers, as well as the local economy. □

This list is subjective and not exhaustive. The selection of 10 companies that started within the past 10 years represents the research of reporter Sherri Begin, who contacted companies, universities, the state's economic-development arm and venture capitalists for information and insights.

From those conversations, we identified companies that are increasing revenue and employees, attracting the interest of national companies or federal agencies or developing technologies designed to improve lives or other products.

DNA Software**Location:** Ann Arbor.**Founded:** 2000.**Top executive:** CEO Don Hicks.**Source of technology:** Wayne State University.**What it makes or sells:** Software used to design genetic tests for applied research and diagnostic use.**Revenue:** \$1 million projected this year.**Number of employees:** 10.**Public and private capital:** \$2.7 million.

What gives it an edge: Customers include the **Centers for Disease Control** and **National Institutes of Health**, which has given DNA Software \$1.5 million in grants. The **U.S. Food and Drug Administration** is relying on the software to help detect pathogens in the nation's blood supply. The CDC is using DNA's software to design tests to quickly diagnose current and future strains of avian flu in people.

HandyLab Inc.**Location:** Ann Arbor.**Founded:** 2000.**Top executive:** CEO Jeff Williams.**Source of technology:** University of Michigan.**What it makes or sells:** Small, handheld devices known as labs-on-a-chip, which analyze fluids.

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CrainCommunications Inc.

Revenue: \$2 million a year in R&D contracts.

Number of employees: 33, hopes to be at 50 by May 2007.

Public and private capital: \$30 million.

What gives it an edge: Williams said HandyLab is the first to complete development of a miniaturized diagnostic tool for human testing. Wilmington, Del.-based **DuPont Qualicon** in November agreed to jointly develop food-testing tools with HandyLab and a Group B Strep bacteria test for pregnant women is expected this year.

Jadi Inc.

Location: Troy.

Founded: 1998, but began operations in 2003.

Top executives: President Ka C. Cheek, Vice President and CFO Jerry Atkinson.

Source of technology: Oakland University.

What it makes or sells: Navigation systems for military robots.

Revenue: \$0.

Number of employees: Eight, up from four in January. Within next year, expects to add four more.

Public and private capital: \$4 million.

What gives it an edge: Products aren't expected until 2007, but the company is getting national attention: It's working with Burlington, Mass.-based **iRobot Corp.** to place technology inside of iRobot's unmanned vehicles, and the company said **Microsoft Corp.** and **General Dynamics** also have expressed interest in using the technology.

Nanocerox Inc.

Location: Ann Arbor.

Founded: 1996.

Top executives: Chairman and CEO Steve Swanson, President and COO Peter Gray.

Source of technology: University of Michigan.

What it makes or sells: Customer-funded research and development on mixed-metal-oxide nanopowders and advanced ceramics for laser and anti-counterfeiting uses.

Revenue: \$1 million in 2005.

Number of employees: 15.

Public and private capital: \$4.4 million.

What gives it an edge: Gray said the company has grown from four employees in 2003 to 15 today and sells its products to **General Electric Co.** and **Raytheon Corp.** He said that the company soon hopes to crack the high-powered laser industry, which has no domestic suppliers.

Molecular Therapeutics

Location: Ann Arbor.

Founded: 2002.

Top executive: CEO Prasad Sunkara.

Source of technology: University of Michigan.

What it makes or sells: Nanoparticle drug-delivery products and molecular imaging technology for detecting cancer.

Revenue: \$4 million.

Number of employees: 20.

Public and private capital: \$15 million.

What gives it an edge: Sunkara said the company went from three employees when it started to 20 today, and reported revenue from the first year of operation. The company also works with pharmaceutical and biotech firms on evaluating their anti-tumor drugs using its imaging technology.

NanoBio Corp.

Location: Ann Arbor.

Founded: 2000.

Top executive: CEO Michael Nestor.

Source of technology: University of Michigan.

What it makes or sells: Develops topical anti-infective products and vaccines against infections, including cold sores, nail fungus and influenza, using a nanoemulsion technology.

Revenue: \$0.

Number of employees: Nine, looking to double that number within three years.

Public and private capital: \$61 million.

What gives it an edge: During its first six years, NanoBio secured \$31 million in angel investment, federal and state grants. Last Monday, NanoBio announced it secured another \$30 million in private equity funding from **Perseus L.L.C.** to expand and extend its clinical trial program for three drug candidates (*See story, Page 1*). NanoBio is talking to an undisclosed big pharmaceutical company about licensing one of its drug candidates.

SciTech Development L.L.C.

Location: Detroit.

Founded: 2001.

Top executive: CEO Earle Holsapple III.

Source of technology: Wayne State University.

What it makes or sells: Development of drugs used to treat skin and pancreatic cancers and of other technologies such as an ultrasound imaging device that can distinguish between benign and cancerous masses in the breasts.

Revenue: \$250,000.

Number of employees: Five.

Public and private capital: \$3.5 million.

What gives it an edge: SciTech is working with the **Stanford Research Institute** on cardiac-cell toxicity studies in order to better regulate drug dosage and with **Campbell University Pharmaceutical Sciences Institute** to develop a method for mass-producing intravenous cancer chemotherapies. The delivery method could be applied to other cancer drugs as well. Before the end of the year, SciTech plans to file an Investigational New Drug application with the **U.S. Food and Drug Administration**, the first step in the approval process of a topical drug it is developing with **Ferndale Laboratories Inc.** In three years, the company expects revenue of \$2 million, Holsapple said.

Sensicore Inc.

Location: Ann Arbor.

Founded: 2000.

Top executive: President and CEO Malcolm Kahn.

Source of technology: University of Michigan.

What it makes or sells: Handheld devices and other systems for testing and monitoring the purity of water.

Revenue: \$2 million.

Number of employees: 50.

Public and private capital: \$27.5 million.

What gives it an edge: The company has tests being conducted in about half the major cities in the U.S. It plans to double its number of employees and increase revenue to \$15 million next year.

SenSound L.L.C.

Location: Grosse Pointe Farms.

Founded: 2003.

Top executive: CEO Sergio Mazza.

Source of technology: Wayne State University.

What it makes or sells: Technology that can pinpoint origins of sound in objects and display the results as a three-dimensional image.

Revenue: \$800,000 in 2005.

Number of employees: 10.

Public and private capital: \$900,000.

What gives it an edge: The holographic tool allows manufacturers to reduce the noise in their products, and testing already has been done for the Big Three. SenSound has sales and provided services to the OEMs and several tier-one suppliers in Germany, South Korea and China. It also has customers in aerospace, consumer appliance and medical device manufacturers. SenSound expects to double its revenue this year.

Soar Technology Inc.

Location: Ann Arbor.

Top executive: President and CEO James Rosbe.

Founded: 1998.

Source of Technology: University of Michigan.

What it makes or sells: Software that has human-like reasoning ability for military and intelligence applications.




Revenue: \$6.2 million in 2005. Rosbe said he expects the company's 2006 revenue to increase to between \$8 million and \$9 million.

Number of employees: 49.

Public and private capital: \$100,000.

What gives it an edge: The company has received military and government contracts for its air-combat simulation software from **NASA**, the **Air Force Research Laboratory**, **Office of Naval Research**, **U.S. Army Research Institute** and **Defense Advanced Research Projects Agency**. Rosbe takes the long view to success: "What we are working on is going to be universal in 50 years, pervasive throughout all computer systems."



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