



For Immediate Release

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Innova Selected for TNInvestco Status and \$20 Million in Credit Allocations

MEMPHIS, Tennessee, November 5, 2009 – Innova, a pre-seed, seed and early stage investor focused on starting and funding high-growth companies in the Biosciences, Technology and Agbio fields across the state of Tennessee, announced today that it has been awarded TNInvestco status and \$20 million in tax credits by the Tennessee Department of Economic and Community Development.

Specifically, Innova Fund II, LP was selected for the designation. The Tennessee Small Business Investment Company Credit Act was signed into law in July, 2009 and offers \$120 million in gross premiums tax credits to insurance companies for investment in the six designated TNInvestcos. A total of six TNInvestcos were authorized to invest funds in qualifying Tennessee start-up and small businesses, focusing primarily in early-stage where companies have the greatest need for investment dollars.

“The state of Tennessee should be commended for its vision and innovation in its creation of the TNInvestco model and program. This is a very creative approach to spurring economic investment in the state, and Innova is honored to have been selected,” said Ken Woody, president of Innova. “This selection will allow us to continue our mission and charter at Innova. We look forward to our role in helping to identify and lead investment rounds for high-potential business opportunities, to advise and mentor entrepreneurs and to facilitate follow-on investments.”

Through its relationship with Memphis Bioworks Foundation, Innova is able to provide entrepreneurs with access to incubator facilities, training and mentoring, industry networks and seasoned executives. Innova’s investment team will now include Jan Bouten, an experienced VC investor, formerly with The Aurora Funds in NC.

Since Innova was first funded under the MemphisED Initiative of *Memphis Fast Forward*, the company has screened more than 200 potential business investments, and has made seven promising investments in the Memphis area. These investments have also attracted an

additional \$6 million in follow-on investment. The companies range from Biotech and Medical Device companies to Technology and Tech Service companies. All are performing well and ahead of expectations.

“The expertise and experience of the Innova team, the resources of the Memphis Bioworks Foundation and the support we receive as a key initiative of the Memphis Fast Forward and MemphisED programs, create an environment that we believe has the potential to achieve what the TNInvestco program is designed to enable – ‘transformational economic development’ in the State of Tennessee,” said Dr. Steven J. Bares, executive director, Memphis Bioworks Foundation. “We are honored to have been entrusted by the State for this ground-breaking program.”

Innova will work closely with insurance companies throughout Tennessee and the US to secure investment funds in exchange for the tax credits with an intent of making investments in Tennessee companies in early 2010.

Innova

Innova invests in early-stage, high-growth companies that have the potential to grow into significant economic contributors. The organization focuses on Tennessee-based companies with strong intellectual property or other competitive advantages in the Biosciences, Technology and AgBio fields. Innova was created by the Memphis Bioworks Foundation to help establish Memphis as a national center of excellence in entrepreneurship. Innova’s goal is to nurture the growth of high technology and entrepreneurial efforts across the state of Tennessee that will result in significant job creation, economic growth and competitiveness. To learn more about Innova, visit www.innovamemphis.com.

Memphis Bioworks Foundation

The Memphis Bioworks Foundation is a not-for-profit organization, formed to lead the collaboration between public, private, academic and government entities to accelerate the growth of the bioscience industry in the region. Memphis Bioworks strives to leverage and expand the regional strengths in the biosciences through education, research, job training, and commercialization. Memphis Bioworks is leading the development of the UT-Baptist Research Park, which serves as the focal point of the city’s biomedical economic development. Memphis Bioworks® Foundation also earlier this year launched TECworks, an entrepreneurship development organization with a mission to enable aspiring entrepreneurs and emerging companies in technology and biosciences by providing experience-based education and business services. For more information on Memphis Bioworks Foundation and TECworks visit www.memphisbioworks.org and www.tecworks.org.