

NEWS RELEASE

GLENGARY CONTACT:

JIM KENNY
(216) 902-3800-x13
JKENNY@ROOPCO.COM

ARIA ANALYTICS CONTACT:

LAURI GROSS, DIR. OF COMMUNICATIONS
(440) 834-0656
LGROSS@5ITECH.COM

GLENGARY PROVIDES ARIA ANALYTICS WITH FUNDING AND EXPERTISE TO COMERCIALIZE PRODUCTS

Cleveland, OH (May 9, 2005) – Cleveland venture catalyst Glengary, LLC announced today its investment in Aria Analytics, Inc., a Cleveland startup advancing to market a unique device for characterization of complex fluid compounds and solubles. Aria's patented technology, based on acoustic mechanical impedance (AMI), is a novel platform for a variety of instruments with applications in food, beverage and chemical industries, as well as medical diagnostics.

As the first of its kind in the Midwest, Glengary invests both financial and human capital in client or portfolio companies. Aria Analytics was launched by 5iTech, LLC and a group of Russian inventors in 2003. 5iTech, also a Cleveland company, specializes in the commercialization of technologies developed by scientists from the former Soviet Union. It resides at the Cleveland Manufacturing and Technology Center operated by CAMP.

Stephen Haynes, a Glengary managing director, stated its investment decision in Aria Analytics was greatly influenced by the extraordinary promise of Aria's novel approach to rapid characterization analysis, the advanced stage of Aria's technology development, and the strength and cohesiveness of the U.S. and Russian teams driving the technology.

more...

“The two teams representing the technical and business/management sides of the company have joined forces very effectively,” said Haynes. “They have clearly delineated technical and business development responsibilities and have already tackled many tasks that we often find unaddressed by other startups.” He credited this cohesiveness to the skill of the 5iTech team that launched the startup and to the efforts of Christina Vacca, Aria’s chief operating officer.

According to Mr. Haynes, Glengary was also impressed by the dedication of the Russian team. Three members of the Russian team just ended eight weeks away from their families in Russia while completing the technology transfer to the US team. Not even the recent cold weather in Cleveland could distract them from their objectives.

“They’re a very bright and dedicated group,” said Christian Bernadotte, Glengary operating partner and former executive at Nordson Corporation. He represents Glengary’s human capital investment in the Aria Analytics, as he is serving the role of Acting CEO to help bring the company through its next stage of development and growth as rapidly as possible.

Vacca, recruited to Aria by 5iTech last fall, has extensive experience in device and reagent manufacturing at Bayer Diagnostics, Ciba-Corning and Chiron. Her expertise will guide Aria in product development. “We’ve assembled an impressive team of experienced professionals to develop the product,” said Vacca. “We’re now glad to have access to the expertise afforded us by our operating partnership with Glengary, as we’re looking forward to working together to drive Aria products to market. Glengary’s business model and especially its marketing skills provide us with substantial outreach and market access as we approach potential partners in the food and beverage and polymer industries.”

Glengary and 5iTech also see the potential for additional synergies arising from collaboration on the Aria project. This is the third successful Ohio technology

more...

startup based on Russian technology that Leon Polott of 5iTech has advanced.

“Former Soviet technologies represent an excellent opportunity for growth in our region,” said Haynes. “Moreover, we are pleased to find that Leon has been cultivating a business culture complementary to Glengary’s own approach: a strong sense of civic responsibility of doing well while doing good. We’re looking forward to more opportunities for collaboration between Glengary and 5iTech to bring additional startups to Northeast Ohio,” which was echoed by Polott.

Aria Analytics

Aria Analytics is a start-up company commercializing a device based on patented acoustic mechanical impedance (AMI) technology developed at the Russian Institute of Applied Physics at Nizhny Novgorod. The Aria device provides rapid characterization of complex liquids by drying a micro-sample of liquid on an oscillating quartz crystal and obtaining a unique and reproducible signature of that liquid. Aria’s AMI technology has many medical and industrial uses as well as multiple applications for the food, beverage, and chemical industries.

Glengary LCC

Glengary LLC is a venture catalyst enterprise – a new breed of venture capital organization – combining an unparalleled network of support services with merchant banking and investment capital. Believed to be the first of its kind in the Midwest, Glengary provides a uniquely organized approach to the investment process, committing, in tandem, both human and investment capital, thereby improving a client company’s opportunity for success.

5iTech

5iTech is a leader in identifying and commercializing technologies developed by scientists from the top R&D labs of the former Soviet Union. 5iTech selects high-tech and industrial technologies for their advanced stage of product development and outstanding potential for commercial success in the US markets. The company partners with former Soviet scientists to form US technology startups and aggressively supports its startups by providing professional management, access to capital and launching new products into the market.

5iTech also delivers comprehensive technology-based growth-consulting services to its western industrial partners. 5iTech’s staff of professionals brings to its clients an extraordinary mix of hands-on industry experience, senior-executive level perspective and a rare depth of knowledge in a number of disciplines including chemistry, physics, biotech, material science and engineering. 5iTech further buttresses its client’s strategic planning, acquisition and growth by providing cost-effective technology solutions from its extensive pipeline of R&D sources in the former Soviet Union.

Dow Jones VENTUREWIRE
Tuesday, May 17, 2005

o Aria Receives Seed Capital, Eyes \$1.2M Series A For Liquid Testing Device

Cleveland -- Aria Analytics Inc., a start-up commercializing an acoustic mechanical impedance, or AMI, analytical device to determine the makeup of fluids, said it received less than \$500,000 in seed capital. Aria will now seek \$1.2 million in a Series A round "to be completed by the fall," according to Chief Operating Officer Christine Vacca.

Vacca said the first investment came two weeks ago from Glengary LLC, a venture firm focused on early stage companies in Northeast Ohio. The Cleveland-based company expects a number of investors in the Series A round to come from Glengary contacts.

Aria Analytics has also been funded by technology transfer company 5iTech LLC.

Aria technology uses sound waves to determine the composition of liquid.

Proceeds from the forthcoming round will be used to develop a prototype of the device in six months with a launch anticipated in approximately 18 months.

"What this does is uses sound waves to look at the changes in a drop of liquid as it dries," Vacca said.

Aria technology uses properties of drying complex liquids to generate unique signatures that can later be used for comparisons, quality control and medical diagnostics. The company said its device works by drying a micro-sample of a liquid on an oscillating quartz crystal to obtain a signature from impedance measurements of the drying drop. The test takes about five to 30 minutes.

Thanks to initial work at the Russian Institute of Applied Physics at Nizhny Novgorod where the technology was originally developed, Aria has preliminary data regarding applications in medical tests as well as quality control in industries such as specialty chemicals and food and beverage, Vacca said.

5iTech seeks to commercialize technologies developed by scientists from countries of the former Soviet Union. After it was spun off from 5iTech in 2003, Vacca said Aria has recently been working with a research and development team to finish technology transfer for eventual commercialization in the U.S.

"Beer is the area where our Russian colleagues worked; we have worked in dairy," Vacca said. However, she added the technology is applicable to "any kind of product that has a shelf life."

For example, a beer - or dairy - company could use Aria's technology to determine how its product ages.

"Today, most industries have to run a battery of tests to see how fresh something is ... this would give you one test to tell whether you're meeting specifications," Vacca said.

Aria will initially launch products in specialty chemicals and food and beverage to be followed by medical applications in about two or three years, Vacca said, at which point Aria will address FDA regulatory hurdles.

In addition to its capital investment, Glengary Operating Partner Christian Bernadotte joins Aria as acting chief executive. Vacca said she essentially served in that role prior to Bernadotte's arrival.

Aria has eight employees.

Contact Aria: 216-391-7761

Receive daily e-mail news about the universe of venture capital, private equity, and high-tech startups -- subscribe to VentureWire at: <http://www.venturewire.com>

©2005 Technologic Partners