

## **Battelle Ventures Joins \$4.65-million Series B Financing of MII, an Infrared-Imaging Company and Oak Ridge National Lab Licensee**

*Marks the fund's first investment in advanced materials*

**Princeton, N.J., Dec. 6, 2005** – Battelle Ventures, L.P., has joined the \$4.65-million Series B financing of Multispectral Imaging, Inc. (MII), the developer of a low-cost, high-performance infrared detector, the critical component of night-vision and thermal-imaging systems. This marks the fund's first investment in the advanced-materials sector.

Battelle Ventures and its affiliate, Innovation Valley Partners, joined as new investors in the second tranche of the round, participating with existing investors Spencer Trask (which led), SAS Investors and Rho Ventures.

“MII is working to solve the cost problem that makes the wide applicability of night-vision and thermal-imaging products impractical, if not impossible,” says Battelle Ventures General Partner Kef Kasdin, who has joined the Board of Directors of the company, headquartered in Parsippany, N.J. “Unlike its competitors, MII plans to use only semiconductor-industry standard materials and processes, which should significantly reduce costs,” she continues.

MII CEO Matt Miller adds, “While thermal imaging has been used extensively by the military for night vision and vision enhancement, the high cost of this technology has limited commercial applications.

“Our microcantilever technology, licensed exclusively from Oak Ridge National Laboratory (ORNL),” he continues, “lets us build our detectors without the need for special materials and processes, and that will have major implications for volume production and cost.”

Kasdin says that because of Battelle Ventures' close relationship with ORNL and the firm's interest in security and surveillance, she had been following MII's progress for some time. “We are confident,” she says, “that MII has a truly disruptive technology and will not only take business from established players, but also will develop new markets. As costs come down, new applications and end users will emerge.”

Dr. Miller, who has a Ph.D. in solid state physics from Princeton University, says that the company's customers will be infrared-camera manufacturers, and that markets to be addressed are first responders (police, firefighters, search and rescue), the automotive industry and any organizations requiring the security capabilities of high-performance, low-cost infrared imaging systems.

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Most recently president and CEO of NxtWave Communications, a leading supplier of semiconductor chips for digital TV, for which he raised three rounds of funding and oversaw its merger with publicly traded ATI Communications, Dr. Miller says the proceeds of MII's Series B financing will be used to produce "prototypes for customer evaluations and then to support pilot production."

#### **About Battelle Ventures**

Battelle Ventures, L.P., is an independent \$150-million venture fund that invests in technology companies at many early stages of development, from companies looking for seed or start-up capital through pre-revenue companies raising later rounds of financing.

The fund, which is based in Princeton, N.J., is actively seeking to invest in companies in the following five key areas: life sciences; information technology; homeland security; energy; and advanced materials/nanotechnology. With its investment in MII, it now has investments in all these sectors.

Battelle Ventures enhances and adds value to its portfolio companies by leveraging the technologies and expertise of Battelle Memorial Institute and the National Laboratories it manages or comanages for the U.S. Department of Energy.

For more information about Battelle Ventures and its previous deals and its portfolio companies, go to [www.battelleventures.com](http://www.battelleventures.com).

For more information about MII, go to [www.multispectral.net](http://www.multispectral.net).

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