



Trident Capital is a leading venture capital firm with over \$1.2B under management in five separate funds with its most recent fund, Fund V, closing at \$519M. Trident invests primarily in companies providing business services (including business process outsourcing and financial services), marketing services, software, security and network infrastructure. We have four offices located in Palo Alto, CA; Westport, CT; Los Angeles, CA; and Lake Forest, IL. ❖

Featured Portfolio Company: SideStep

SideStep, the travelers search engine, serves as a marketing vehicle for travel providers, driving consumers to the sites of trusted brands to book their travel. SideStep showcases offers from dozens of partners, from JetBlue to Orbitz, from Holiday Inn to Hotels.com. Marketing via SideStep gives travel providers the chance to develop direct relationships with valuable customers and to close sales on their own Web sites – their most cost-effective distribution channel.

Travelers appreciate SideStep not only for the outstanding air, hotel and rental car values it offers, but also for the ease with which they can comparison shop using SideStep. By displaying its options side-by-side with those from sites like Travelocity, Expedia and Orbitz, SideStep helps consumers feel confident that they've found the Web's best travel bargains.

SideStep's target market – online travel – is now the Internet's largest commerce sector. Credit Suisse First Boston projects that the online travel space will expand from \$21B to \$71B in sales from 2001 through 2006 (a 28% CAGR). Penetration will grow from 10% in 2001 to 29% in 2006. SideStep is uniquely positioned to capitalize on this tremendous market opportunity by offering a travel solution that addresses the needs of both travel buyers and sellers.

The company's distinctive search engine technology was designed specifically for travel, an industry in which the pricing and availability of inventory are in constant flux. This technology enables SideStep to pull together dynamic information from numerous sources in a way that conventional search engines cannot.

SideStep delivers its search results to consumers both via the Web and by way of a downloadable toolbar. The toolbar makes it easy for customers to compare results side-by-side with other popular travel sites – one of SideStep's

most valuable features. For consumers who cannot or do not wish to download, the Web-based version of SideStep offers SideStep's same core search capabilities, checking dozens of Web sites to find consumers the best travel values.

SideStep was founded in November 1999. In August 2000, the team completed its first phase of technology development and signed its first partnership with US Airways. SideStep launched both the company and the service in November 2000.

Since that time, SideStep has grown rapidly to emerge as one of the Web's most popular travel resources. Winner of the Forbes "Best of the Web" and the TIME "50 Best Web Sites" awards, SideStep has developed a customer base of more than five million active travelers. In addition, the company has forged marketing partnerships with some of the most respected names in the travel sector, from travel suppliers like British Airways and Thrifty Car Rental to online agencies such as Orbitz. SideStep reached profitability in May 2002.

In January 2004, SideStep raised \$8 million from Trident Capital, bringing total capital raised to \$15 million (private investors funded SideStep's early growth). Woody Marshall, Managing Director of Trident Capital, noted, "We've been scouting for the next big winner in online travel for some time now and believe that SideStep is it. The company has built a successful and scalable business based on a combination of outstanding technology and deep industry relationships. With a strong head start and additional capital to accelerate its growth, SideStep will quickly emerge as a formidable player in travel search."

www.sidestep.com ❖





Trident Investment Activity



Medical Intelligence Inc.

E&C Medical Intelligence

In December 2003, Trident Capital and Galen Partners purchased 100% of E&C Medical Intelligence, a medical malpractice management software provider. Founded in 1999, the company sells a software and knowledge management platform that is implemented in the obstetrics wards of hospitals and is used by doctors, nurses and hospital administrators to electronically reduce medical errors and lessen medical malpractice risk. By improving patient safety and reducing litigation risk and severity, E&C is addressing two of most significant issues faced by hospitals and physicians. E&C is based in New York City and Israel. www.e-and-c.com



AdvanTech Solutions
The Human Capital Management Company

AdvanTech Solutions

In February 2004, Trident Capital led the \$26.2M recapitalization of AdvanTech Solutions, a profitable and rapidly growing provider of integrated human resource management services. Founded in 1998, AdvanTech provides a technology-rich HR outsourcing solution which includes services such as HR com-

pliance, health and welfare benefits administration, payroll, workers' compensation risk management and employee relations. The company currently distributes its services through a unique network of independent insurance agency partners operating in more than 60 markets in Florida, Georgia, Texas, North Carolina and Illinois. The company is based in Tampa, FL, and serves approximately 500 clients representing 20,000 worksite employees.

www.advantechsolutions.com



Transware

In March 2003, Trident invested in Transware, a leading content globalization company, with the participation of existing investor Oyster Technologies. Transware transforms existing content or creates new multilingual content for its clients in virtually any language and any media format. Supported media formats include software, web sites, multimedia files, presentations, databases, user guides, training courses, surveys, brochures, advertisements and more. While many companies do purely translation work, Transware goes one step further by providing localization of content into a specific language and culture. Localization ensures that a cultural group feels that the

content was created specifically for them and not repurposed from somewhere else. For example, Transware provides localization of content for customers from the U.S. to the U.K. – same language, different cultures. Transware has traditionally focused on working with content developers, but recently brought in a new U.S. sales team that is gaining significant traction with fast growing and globalizing end-users such as Cisco, Dell and The Harvard Business School. www.transwareplc.com



Emic Networks

In March 2003, Trident invested \$3.75 million (co-investor Nordic Venture Partners also put \$3.75 million into the deal) in Emic Networks, an early-stage software company focused on the growing adoption of open source software. Emic Networks provides customers with the ability to use the MySQL open source database in a highly available and scalable manner. In essence, Emic's solution narrows the functionality and scalability gap between open source databases and high-end databases (such as Oracle), but for a fraction of the price. www.emicnetworks.com ♦

Nasdaq Top Percentage Gainers in 2003



Trident Capital portfolio companies Epicor Software (EPIC) and Evolving Systems (EVOL) were among the top 25 companies of the Nasdaq's Top Percentage Gainers in 2003.



Trident Portfolio Company News



Arxan Technologies, a provider of a revolutionary, tamper-proofing software toolkit that enables ISVs to build tamperproof software modules for commercial and government markets, received a \$1.2 million grant from the Indiana 21st Century Research and Technology Fund to build a system to analyze and validate software protection. "This grant validates the strength of the Arxan team, the power of our unique anti-tamper approach, and the importance of our work to the government and national security," said Rich Earley, CEO of Arxan.

The Indiana 21st Century Fund board selected 21 proposals out of 117 submitted. The list approved by the board must receive final approval from the State Budget Committee. "The work has significant promise for the government market, and Arxan's demonstrated success in this field makes it well-suited to lead the development and commercialization of these software protection assessment tools," said Tony Armstrong, CEO of the Indiana 21st Century Research and Technology Fund.

Through the collaborative efforts of Purdue University and Ball State University, Arxan will leverage its expertise and research to develop a unique set of tools and techniques to efficiently and economically assess and quantify software protection. The project will create tools for software developers to use as a means to incorporate effective protection techniques into their applications, and an evaluation framework that provides quantitative measures of threats and code vulnerabilities. www.arxan.com



Invention Machine Corp., a leading provider of software that optimizes and accelerates the innovation process, announced a significant new agreement with Whirlpool Corporation. Whirlpool Corporation, noted for its bold innovations and designs, will deploy Invention Machine's Goldfire Innovator™ to Whirlpool engineers and R&D staff to support IP analysis and technology planning as well the improvement and extension of existing products and product features. Goldfire Innovator brings unprecedented simplicity, structure and discipline and enhanced predictability to the innovation process - spanning idea generation and new product development, the renovation of existing products, and the improvement of production processes. Goldfire Innovator delivers, within a single desktop platform or "dashboard", comprehensive functions and content that aid the innovation process. Goldfire Innovator offers:

- Proven problem-analysis tools and methodologies that guide users to solutions;
- Semantic knowledge retrieval, providing fast, pinpoint access to relevant content; and
- Proprietary patent information and access to more than 9000 scientific effects and over 2000 scientific websites, unprecedented for their depth and relevance to innovation research.

Companies using Goldfire Innovator benefit from greater conversion rates of ideas to products; better products, designed with a knowing eye on competitive offerings; streamlined manufacturing processes; and faster time-to-market - all at lower cost. www.invention-machine.com



In December 2003, financial transaction processor Merchant e-Solutions raised \$7 million in a Series C financing led by 3i US. The financing, which was done at a significant step-up to the previous round, allowed MES to acquire Transcom Payment Services to further drive revenues in its direct sales channel. With the acquisition, MES now processes credit and debit transactions for over 45,000 merchants and 100 banks and distribution partners. In addition, the company provides its web-based technology platform to 200,000 thousand merchants. Trident has been an investor in MES since early 2000 when the executive team left Bank of America to start the company.

www.merchante-solutions.com



Odysey Logistics & Technology Corporation, a provider of global transportation and logistics services to process manufacturers, acquired Omni Logistics, the market leader in bulk trucking services in the United States. The Omni acquisition makes Odyssey the largest non-asset owning bulk trucking company in the country.

This acquisition will add a sophisticated bulk transportation network to Odyssey's existing service offering, creating new logistics and transportation efficiencies for its customers. Omni's innovative technology, validated by the process manufacturing industry, uses complex algorithms to match cargo movements and determine scenarios that allow improvements in the continuous loaded miles that a truck can travel. This improves asset utilization for the trucker and translates directly into

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Trident Liquidity Events

XaCCT Technologies acquired by Amdocs Limited



On February 19, 2004 Amdocs (NYSE: DOX), the world's leading provider of billing and CRM products and services for true integrated customer management, completed the acquisition of XaCCT Technologies, Inc., a privately-held provider of industry-leading mediation software to Communications Services Providers. On December 22, 2003, Amdocs disclosed its agreement to acquire XaCCT's outstanding

shares for approximately \$29.5 million, subject to certain adjustments, of which approximately \$13.5 million was paid in cash and the balance in 560,777 Amdocs Ordinary Shares.

"We are excited that Amdocs has decided to acquire XaCCT," said Eric Gries, President & CEO of XaCCT Technologies. "The combination of best-in-class mediation and billing and CRM products will ensure that our customers continue to sustain their competitive advantage in the market."

XaCCT is a recognized industry leader in mediation software which serves as a crit-

ical link between networks and OSS/BSS systems. Mediation involves the collection, filtering, correlation and formatting of voice, data, content or commerce usage information from the network. XaCCT provides the industry-leading convergent mediation platform for telecommunications service providers such as wireline carriers, mobile operators, cable operators and managed services providers. XaCCT's carrier-class Network-to-Business Platform enables service providers to monetize their network traffic by harnessing network information to create new value-based services and lower operational costs. ❖

Derivatech acquired by SunGard



On April 5, 2004, Front Capital Systems, an operating unit of SunGard (NYSE:SDS), acquired Chicago-based Derivatech Risk Solutions, Inc., a provider of foreign exchange derivatives pricing, analytics and risk management systems. Founded in 1996, Derivatech has offices in New York, London and Chicago.

Its *dt Compass* trading and risk management system for FX derivatives is currently used by numerous key FX players.

Derivatech's products provide complex volatility surface modeling, flexible pricing and valuation of exotic options and structured products in real time, an extensive set of risk derivatives calculated from a volatility surface, a user-friendly model development kit, strip pages and more.

"In addition to the dramatically larger asset class offering provided in FRONT

ARENA, Derivatech will now be able to offer an even greater level of FX and FX derivatives software solutions, services and support," said Nicholas K. Hatzopoulos, chief executive and co-founder of Derivatech. "Leveraging our widely acclaimed and innovative approaches to providing comprehensive FX derivatives solutions with Front's product line will help bring tremendous value to our customers." ❖

CCBN Acquired by The Thomson Corporation



On March 12, 2004, The Thomson Corporation (NYSE: TOC; TSX:TOC) acquired CCBN, Inc. (Corporate Communications Broadcast Network). Boston-based CCBN provides web-based solutions for the investment community, offering services to enhance the way companies communicate and meet disclosure requirements, and assists investors in managing and leveraging this information. CCBN's investor relations,

website hosting, webcasting and disclosure services are utilized by corporate communications professionals at more than 3,000 companies to deliver information via interactive and multi-media solutions. CCBN's StreetEvents service offers institutional and individual investors a one-stop solution for managing corporate disclosure information by aggregating conference calls, webcasts, transcripts, call summaries and other financial information into a single application subscribed to by more than 15,000 investment professionals.

"We are delighted to have reached this agreement with Thomson and are excited

about the world-class content, analytical tools and innovative product solutions this transaction will bring to customers of both companies," said Jeffrey P. Parker, chairman and chief executive officer of CCBN. "Thomson Financial's infrastructure and product line are highly complementary to our existing offerings, and will help continue CCBN's mission of improving communications between public companies and the investment community. I am confident that CCBN's valued employees and creative spirit will thrive as part of Thomson." ❖



Trident Portfolio Company News

Odyssey Logistics & Technology continued from page 3

cost savings for all members of the supply chain. Omni has earned a reputation for excellence in trucking complex cargoes that often have specialized handling and shipment requirements.

"Odyssey offers logistics and transportation services in all modes with the unique capability to handle the particular requirements of bulk and hazardous materials," said Bob Shellman, CEO of Odyssey Logistics & Technology. "Omni is a strategic addition to our service portfolio, bringing more than 20 years of operational experience and a broad understanding of the needs of process manufacturers. The addition of Omni underscores a main differentiator for Odyssey, which is to be an asset-neutral, carrier-neutral provider of optimized outsourced logistics services."

Omni's existing infrastructure will be fully integrated into Odyssey's Global Trading Platform, a unique, Net-native, transportation management infrastructure. Omni's customer base of more than 200 process, chemical and consumer packaged goods manufacturers will benefit from Odyssey's comprehensive logistics management service offering. www.odysseylogistics.com



iRobot, a leading developer of mobile, intelligent robots for defense, industrial and consumer applications, announced that it has finalized a contract worth an estimated \$32 million to develop a next-generation Small Unmanned Ground Vehicle (SUGV) for the U.S. Army's groundbreaking Future Combat Systems (FCS) program. The SUGV is a portable reconnaissance and tactical robot that can enter and secure areas that are either inaccessible or too dangerous

for humans. SUGVs act as eyes and ears for soldiers, providing real-time intelligence while allowing the soldiers to stay out of harm's way.

"Robots like the SUGV are transforming the way wars are fought today in places like Iraq and Afghanistan, and well into the future, helping to ensure that our soldiers can react quickly and decisively to unforeseen challenges," said Vice Admiral Joe Dyer (U.S. Navy, Ret.), executive vice president and general manager of iRobot's Government & Industrial Robotics division. "The FCS program is at the forefront of a revolution in military technology, and iRobot is honored to be entrusted with such an important component of the program."

The new contract will allow iRobot to grow its engineering department by over 15 percent in 2004 alone. iRobot joins 22 other partners selected as part of a "Best of Industry" team to lead the development and demonstration phase of the Army program. Boeing [NYSE: BA] and Science Applications International Corporation (SAIC) together serve as the Lead Systems Integrator for FCS.

FCS is a networked "system of systems" composed of 18 components, from troop carriers and self-propelled artillery to robots, unmanned ground vehicles, unmanned aerial vehicles and sophisticated sensors. It uses advanced communications and other technologies to link soldiers with the components of the system, giving them access to data that can provide a much more accurate picture of the combat environment than is now available. The new equipment will replace many of the heavier tanks and other vehicles that have been in the Army's inventory for decades. www.irobot.com



Thor Technologies, Inc., the secure enterprise provisioning expert, announced the availability of an Identity Management prototype developed jointly with Booz Allen Hamilton, a global leader in strategy and technology consulting. The prototype was created to demonstrate the critical role of Identity Management in transitioning to emerging "Net-Centric" operating models. Net-Centricity is a major transformation within the Department of Defense aimed at improving collaboration. The technical requirements for becoming Net-Centric include comprehensive "information assurance" best practices that ensure the integrity, security and manageability of an entity's access across the network. The prototype adheres to those stringent best practices and proves how a well-architected Identity Management solution supports the Net-Centric vision for enabling ubiquitous access to reliable decision-quality information across multiple communities.

"We were delighted to collaborate with Booz Allen Hamilton on this Identity Management engine prototype. It gives us the opportunity to demonstrate the technical prowess of our product in delivering deep, secure provisioning in highly complex environments, while maintaining incredibly high standards for information assurance," said Alberto Yopez, Chairman and CEO, Thor Technologies. "This is yet another example of how Identity Management initiatives solve pressing business, technology and security issues associated with using the Internet as an open forum for information sharing and collaboration." www.thortech.com ❖

A private equity firm focused on the networked economy

Trident Capital was founded in 1993 to invest in information and business outsourcing companies. By consistently helping entrepreneurs build industry leading technology and services businesses, Trident has become one of the most successful private equity firms in the country. The firm leverages a partnership that has invested in more than 150 companies and has held senior operating, consulting and investment banking roles at organizations such as AT&T, IBM, Dun & Bradstreet, Morgan Stanley and Bain. To date, Trident has raised five funds and manages over \$1.2 billion in committed capital. The firm operates out of offices in Palo Alto, CA; Westport, CT; Los Angeles, CA and Lake Forest, IL.

Trident invests principally in the following sectors:

- Business Process Outsourcing
- Marketing Services
- Enterprise Software and Services
- Security Software and Services
- Financial Services
- Health Care Technology Services
- Communications
- Innovation

Investment Sizes: Up to \$30M

Transaction Types:

- Early Stage Growth Capital
- Expansion Stage Financings
- Management Buyouts
- Spinouts

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