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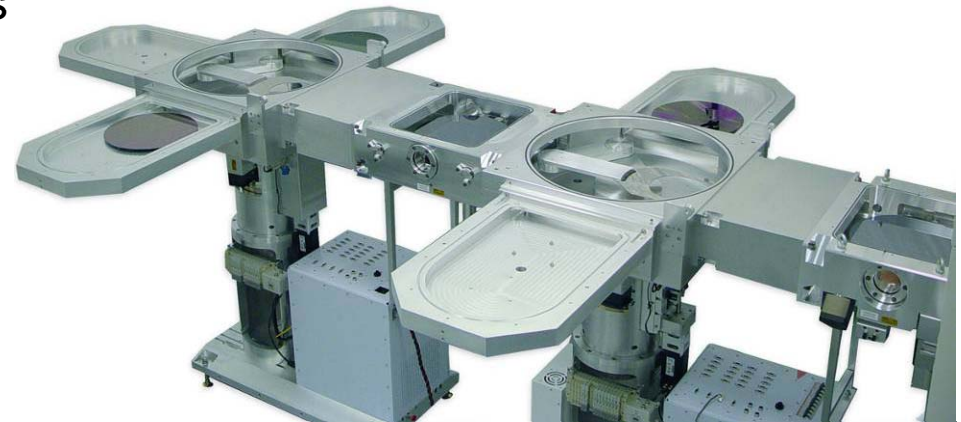
***Boston Entrepreneur's
Network***

Presentation Agenda

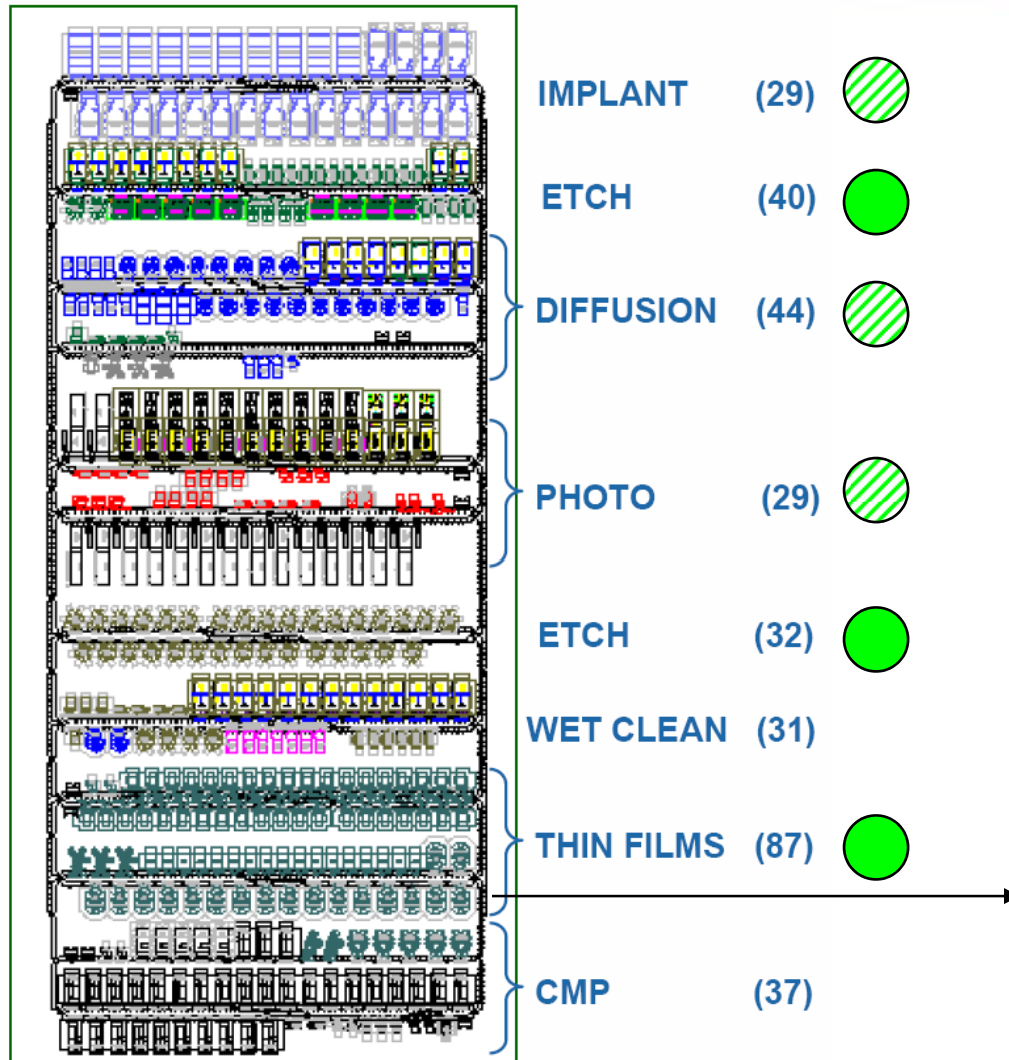


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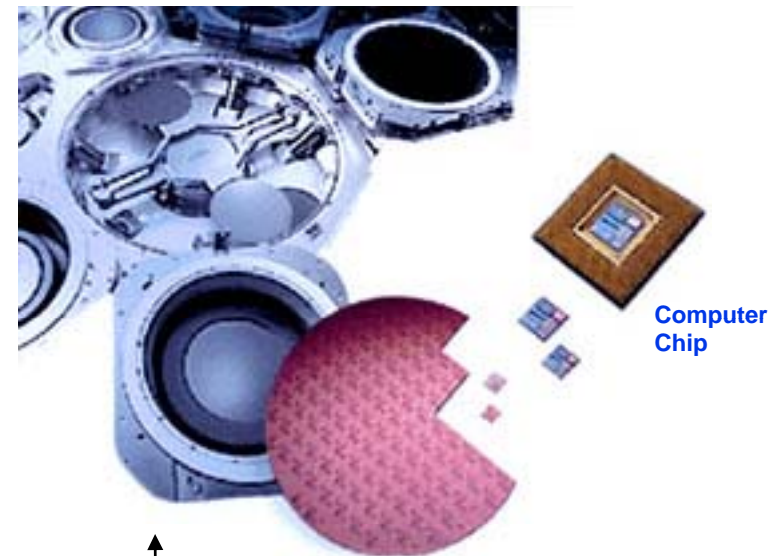
- **Introduction**
 - BlueShift Technologies Products
- **Strategy**
 - Concepts and Benefits
- **Company Timeline**
 - Near death twice
- **Core strengths**
 - Board, team, network
- **Lessons learned**



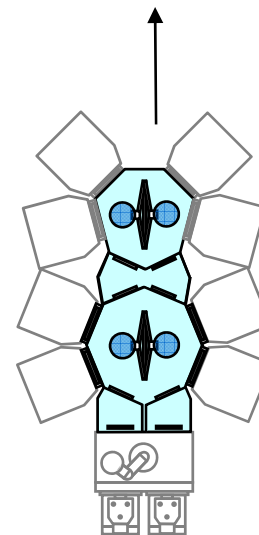
Semiconductor Manufacturing



Process Tools (329)



Computer
Chip



- **Fab Cost**
 - \$3-5 billion
 - 700-800 machines
 - 40,000 wafer per month
 - Each has 500+ chips
- **Equipment Cost**
 - \$2-6 million each
 - Many different types
 - Usually limited by process
- **Opportunity**
 - \$1.4 b in vac autom 32%/y/y growth
 - \$0.3 b in software, 21% y/y growth

Fab Advantages and Cost Benefits

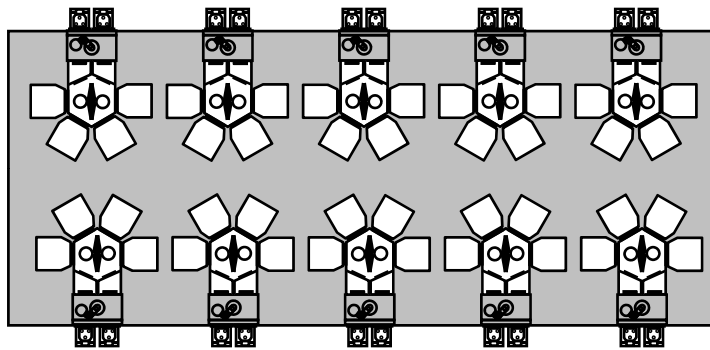


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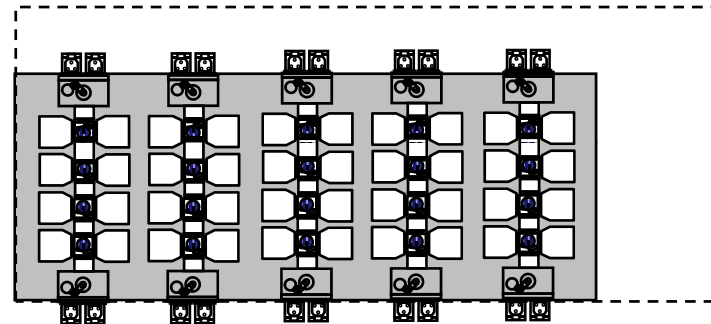
Today



BlueShift



Traditional Equipment
10 Systems, 40 Process Modules



Linkable Equipment

**40% to
50%
Higher
Space
Utilization**

QuickLink modular linear system

- 40% Smaller Footprint
- 30% Lower Capital Cost
- >10% Increased Throughput
- >10% Lower Installation Cost
- Fewer misprocessed lots (int. metrology)

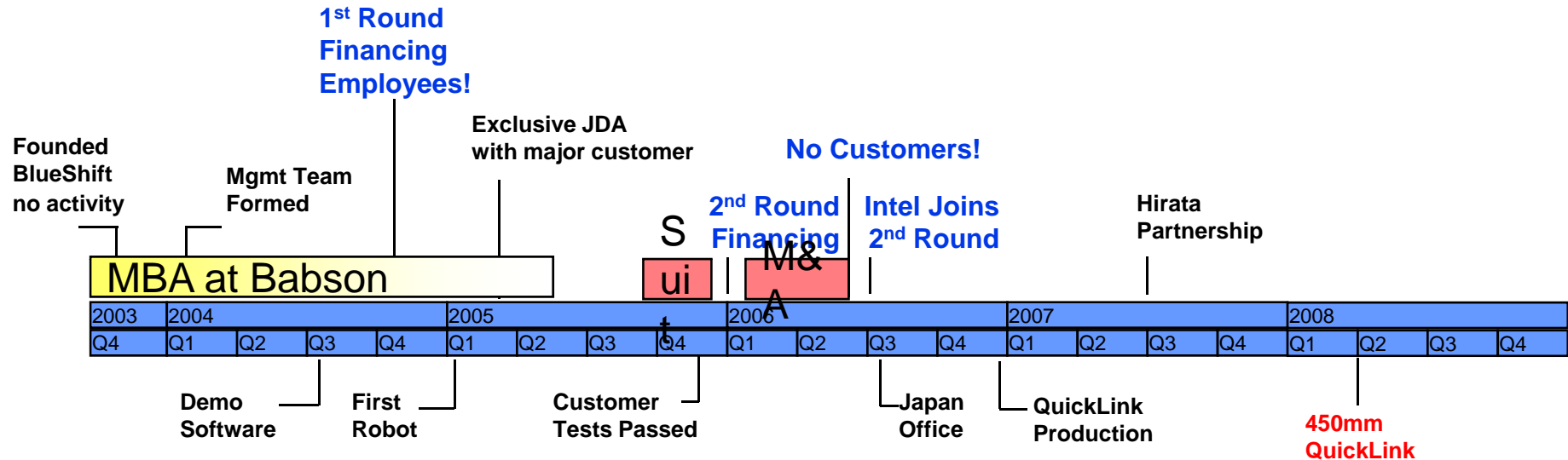
>200M\$ CapEx Savings/Fab

>180M\$ OpEx Savings/Yr

BlueShift Company Timeline



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- **Current Status**
 - Shipping products to Equipment Makers and Installations in Fabs
- **Strong Team**
 - 29 Employees: 11 Mechanical Electrical, 11 Software, no resignations until 2007
 - Significant relevant experience in the industry
- **Company Mission**
 - Deliver highly flexible, affordable, open automation architectures for multiple process applications
- **Business Strategy**
 - Deliver systems and software to OEMs for integration with new and existing processes
 - Show End Users the value of a novel approach to semiconductor manufacturing
- **Strong Patent Portfolio**
 - 26 patent applications on concepts and software in progress, 1 issued

Core Company Strengths



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- **Board of Directors**
 - 6 Members from the beginning, 3 independents
 - Lots of experience in our space (semiconductor automation)
 - Great contacts
- **Management Team**
 - Formed early on
 - Working well together
 - Same basic philosophy on design and buy vs. build of systems
- **Network**
 - Good advice
 - Good partners, attorneys
- **Luck**

Lessons learned



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- **Strategic alliance problems, the 800lb gorilla**
 - Knowing the organization
 - Getting management buy-in
 - Overwhelming by the larger partner (legal, resources, duplication)
 - Uneven balance of power
 - Heavy handedness
 - Lack of leverage over key strategic issues
 - Assumption that small company has no alternatives
 - Slow response times by large company
 - Internal Champion at large company may change jobs, now what?
 - Tendency to operate at ends of spectrum: supplier vs. acquisition
- **Very careful with exclusivity**
- **Find out the end-game possibilities**
- **Have a plan B**
- **Create a good Board, non-investor experts**
- **Keep your network going**

Questions for the Panelists?

Panelists:

Peter van der Meulen

Founder, President and CEO, BlueShift Technologies

Julie Palen

Founder & CEO, InterNoded, Inc.

Sandra E. Serkes

President & CEO, Valora Technologies, Inc.

Moderator:

Janet Britcher

President, Transformation Management

www.transformationmanagement.com