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Algisys, LLC of Cleveland, OH, USA
Awarded \$150,000 National Science Foundation SBIR Phase I Grant

CLEVELAND, OH: May 4, 2010: Algisys, the one year old Biotech Company focused on delivering omega-3 fatty acids to the supplement, food & beverage, animal feed, and pharmaceutical industries, has been awarded a \$150,000 Phase 1 SBIR (Small Business Innovation Research) grant from the National Science Foundation.

CEO Michael LoPresti commented, "We have achieved a significant milestone with this important award. In light of the fact that SBIR grants are highly competitive, the federal government has made a major step to validate the commercial potential of our technology and the value of investing in our company." According to the federal government, only 15% of those that applied for SBIR grants in 2008 were awarded Phase 1 funding. SBIR grants are a means to selectively develop and commercialize only the most promising domestic technologies. According to CNN Money, "The SBA Office of Technology sees this project of the federal government as a way to fund the early, innovative ideas of some of the most creative thinkers."

Algisys is engaged in the growing, harvesting, and processing of algae for the production of omega-3 fatty acids and high protein biomass. According to Dr. Charles Roe, Chief Technology Officer at Algisys, "This Phase 1 award will fund a significant portion of the commercial scale-up and optimization of our unique process to manufacture omega-3 fatty acids and biomass from algae." Dr. Roe, who co-authored the grant with the company's Chief Science Officer Dr. Zhiyou Wen, was informed that this Phase 1 grant could potentially qualify Algisys for an additional Phase 2 SBIR grant of up to \$750,000.

Algisys has an exclusive global license on the IP and technology resulting from research conducted by Dr. Wen over a 12 year period. Dr. Wen's ongoing research at Virginia Tech is predominately related to the growth and processing of high protein strains of algae containing omega-3 fatty acids. Both globally and in the US, omega-3 fatty acids represent a multibillion dollar market with multiple market segments such as Food & Beverages, Animal Feed, Pet Food, Supplements, and Pharmaceuticals.

Algisys is also working with BioEnterprise, the Cleveland-based business formation and acceleration organization focused on promoting the growth of bioscience companies and supporting the commercialization of biotechnologies. Dr. Glen Gaughan, BioEnterprise's Director of Business Development, stated that "BioEnterprise is very pleased that the Algisys team has taken another step toward achieving their business objectives. They've made steady progress and have impressed us with their diligence and focus. Algisys is a good example of the growing regional strength in bioscience commercialization." Mr. LoPresti and Dr. Roe, who are the cofounders of Algisys, believe this award also represents an investment in Ohio, which has been hit hard by the economic down turn.

Earlier this year, Algisys was awarded a \$25,000 grant from CIFT (The Center for Innovative Food Technology) to develop a novel omega-3 encapsulation process. Algisys has also received part of it's initial funding through the investment firm of Tower Wealth Management located in Shaker Heights, OH, which is managed by S. Sterling McMillan III and Ensign Cowell. Algisys CEO, Michael Lopresti remarked, "As we look for additional investors, it is encouraging that NSF was confident enough in our unique technology and our ability to commercially produce our products that they awarded Algisys this grant."

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