University of Michigan Frankel Fund Invests in Ambiq Micro, Developers of What May Be the World’s Most Energy-Efficient Microcontroller

Two young entrepreneurs from the University of Michigan recently led the firm to win $250,000 in funding from Cisco Systems and Draper Fisher Jurvetson

Ann Arbor, Mich. – September 1, 2010 – The Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies at the University of Michigan Ross School of Business today announced that the Ross School of Business’ Frankel Commercialization Fund, the country’s first student-led pre-seed investment fund, signed a term sheet to provide the initial investment for Ambiq Micro. The investment closed today and financing amounts are not being disclosed.

Ambiq Micro is developing next generation energy-efficient microcontrollers that have the potential to substantially extend the battery life of wireless devices. The technology could be used in smart credit cards, sensors that control temperature or detect motion in smart homes and buildings, and a variety of medical and mobile devices. The University of Michigan-based Ambiq Micro was founded by Dennis Sylvester and David Blaauw, professors of electrical engineering and computer science at the University's College of Engineering, and Scott Hanson, a post-doctoral Fellow at the College of Engineering who is currently serving as the company’s CEO.

“This investment comes at a critical time for the company and will be essential in helping us to move quickly to capitalize on our opportunity,” said Hanson. “The support, networking and mentorship provided by the Frankel Fund have been critical in translating our ideas into a winning business plan, and now in helping Ambiq Micro to demonstrate its technology to customers.”

Prior to the investment by the Frankel Fund, the Fund’s own student partners, Phillip O’Niel and David Landman, both MBAs 2010, assisted Hanson and his co-founders in forming the company. They also joined with Hanson to compete in business plan competitions throughout the country where they honed their investment presentation skills and raised seed money for the company.

The seed investment from the Frankel Fund comes on the heels of a $250,000 prize announced on July 1 by Draper Fisher Jurvetson (DFJ) and Cisco as part of their co-sponsored Global Business Plan Competition for university and business school students. The Frankel Fund investment, along with the DFJ/Cisco investment, will be used to support early product development and customer evaluation activities.

Throughout the 2009-2010 academic year, Ambiq Micro and the student team also received mentoring, coaching and prize awards from the Zell Lurie Institute. The company won the Pryor-Hale Award for Best Business as part of the Institute’s Michigan Business Challenge in February and validating its unique technology and growth potential, Ambiq Micro was selected to present at the Institute-hosted Michigan Growth Capital Symposium in May – slots usually reserved for more mature venture-backed start-ups.
“This is a great example of different schools of the University working together to create a culture of innovation,” said Thomas Porter, executive-in-residence at the Zell Lurie Institute. “This investment further demonstrates the promise of start-up companies emerging from the University, as well as an illustration of the tremendous support those companies receive from throughout the University to grow.”

Ambiq Micro also received support from the University of Michigan’s Office of Technology Transfer. “We saw great potential in Ambiq Micro’s technology at an early stage and focused Mentor-in-Residence resources from our Venture Center to help further its commercialization plans,” according to Ken Nisbet, Director. “We’re pleased to see the interest and financial support that the company has attracted thus far.”

About the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies / Center for Venture Capital & Private Equity Finance at the Ross School of Business at the University of Michigan

The Institute and its Center for Venture Capital and Private Equity Finance bring together a potent mix of knowledge, experience and opportunities from the front lines of entrepreneurship and alternative investments. The student learning experience is further enhanced through internships, entrepreneurial clubs, organizations and events that serve to provide viable networks and engage the business community. The School’s two student-led investment funds, with over $5M in management, immerse students in the business assessment and investment process. Members of the Advisory Board include Samuel Zell, Chairman of Equity Group Investments; Michael Hallman, former COO of Microsoft Corporation; and Eugene Applebaum, Founder of Arbor Drugs, Inc. For more information, visit the Institute at www.zli.bus.umich.edu.

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