

GainSpan Secures \$20 Million in Series B Funding

Infusion of Capital Paves Way for Global Business Expansion and New Market Penetration

SUNNYVALE, Calif., Dec. 19 – GainSpan, an innovator in Wi-Fi[®] sensor network technology, today announced it has completed its series B funding round, raising a total of \$20 million. The round is being led by Opus Capital with participation from returning investors including Intel Capital, New Venture Partners, OVP Venture Partners and Sigma Partners. Opus General Partner Carl Showalter will join the GainSpan board of directors.

GainSpan will use the additional funding for continued technology innovation, global business expansion and new market penetration. The company plans to expand its global sales and marketing force and will target several new and emerging markets beyond its initial industrial and commercial automation focus. Funds will also be used for product development, both to expand its Wi-Fi semiconductor product family and to continue developing solutions around both software and silicon architectures.

“Opus has had a strong interest in wireless sensor networks and had been looking for the right investment opportunity,” said Carl Showalter, general partner, Opus Capital. “While investigating a number of early-stage startups, it became clear that many companies were planning on incorporating the GainSpan GS1010 system-on-chip product. Their unique approach of using Wi-Fi as the foundational technology paired with an end-to-end solution that encompasses both silicon and networking software made them the ideal choice.”

Incubated in Intel’s New Business Initiatives (NBI) Group in 2004, GainSpan Corporation was founded in September 2006. The company develops Wi-Fi semiconductor and software solutions that provide years of battery life for sensors and other connected devices. Its unique approach leverages the ubiquitous Wi-Fi infrastructure and enables Wi-Fi devices to run up to 10 years on a single AA battery, making it possible for people to save money, save energy and work smarter.

“We are excited to have both Opus Capital and Carl Showalter join the GainSpan team,” said Vijay Parmar, CEO of GainSpan. “Their participation is another vote of confidence in our business strategy and approach to enabling new capabilities for saving energy and improving quality of life. I look forward to benefitting from their technology investment experience to help guide GainSpan to the next stage. With this additional funding, we will be able to expand product and market development to drive the rapid adoption of Wi-Fi sensor networks in a broad range of applications. We’re confident that our solution will make wireless sensor networks a reality and will change the rules of engagement for years to come.”

About Our Investors

About Opus Capital

Opus Capital is a venture capital firm with more than \$1 billion capital under management, investing in committed, high integrity entrepreneurs building early-stage technology companies. The team has participated in the successful outcomes of more than 80 companies (including 50 IPOs) in the U.S. and in Israel including AirGate PCS, Electronics for Imaging, FedEx, Genesys, Harmonic, Precept Software and Vantive. Opus Capital is headquartered on Sand Hill Road in Menlo Park, California. For more information, visit <http://www.opuscapitalvc.com>.

Press Release



GainSpan
Corporation

440 N. Wolfe Road
Sunnyvale, CA 94085
U.S.A.
+1 (408) 454-6630

info@GainSpan.com
www.GainSpan.com

Press Release

About Intel Capital

Intel Capital, Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Intel Capital invests in a broad range of companies offering hardware, software and services targeting enterprise, home, mobility, health, consumer Internet, semiconductor manufacturing, and cleantech. Since 1991, Intel Capital has invested more than US\$6 billion in approximately 1,000 companies in more than 40 countries. In that timeframe, about 157 portfolio companies have gone public on various exchanges around the world and another 187 have been acquired by other companies. In 2006, Intel Capital invested about US\$1.07 billion in 163 deals with approximately 60 percent of funds (excluding Clearwire) invested outside the United States. For more information on Intel Capital and its differentiated advantages, visit <http://www.intelcapital.com>.

About New Venture Partners LLC

New Venture Partners LLC, the global venture capital firm dedicated to corporate technology spinouts, has over \$700 million under management. The firm provides a bridge between technology corporations and traditional venture capital. Through its unique, hands-on approach, it offers a systematic process for commercializing innovations and provides an alternative path to market for corporate technologies. For more information, visit <http://www.nvpllc.com>.

About OVP Venture Partners

For nearly 25 years, OVP Venture Partners has led the drive into new, high-growth technology markets in the Pacific Northwest. OVP makes early stage investments in communications, software, security, semiconductors, digital biology, and nanotechnology. The firms' record of 52 liquidity events – including 22 IPOs – leads the region. The OVP team has a passion for working with ground-breaking entrepreneurs and high-caliber investors, and is known for its track record and personal integrity. OVP has over \$750 million in capital under management and is currently investing its seventh fund. OVP has offices in Seattle, WA and Portland, OR. More information on the partnership is available at <http://www.ovp.com>.

About Sigma Partners

Founded in 1984, Sigma Partners focuses on identifying exceptional entrepreneurs with creative ideas and supporting them in building great companies. For over two decades, the firm has invested in over a hundred early stage companies, and its portfolio has consistently outperformed. In 2007, we raised \$500 million for Sigma Partners 8, bringing our total capital under management to over \$2 billion. We continue to invest today in the same way we have since our inception, by identifying great entrepreneurs and collaborating with them to build strong businesses. For more information, visit <http://www.sigmapartners.com>.

About GainSpan

GainSpan is a technology innovator and leader in Wi-Fi semiconductor and software solutions that provide years of battery life for sensors and other connected devices. GainSpan brings Wi-Fi sensor networks to life with breakthrough technology that leverages the ubiquitous Wi-Fi infrastructure and enables Wi-Fi devices to run up to 10 years on an AA battery. GainSpan solutions enable people to save money, save energy and work smarter. For more information, visit <http://www.gainspan.com>.

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