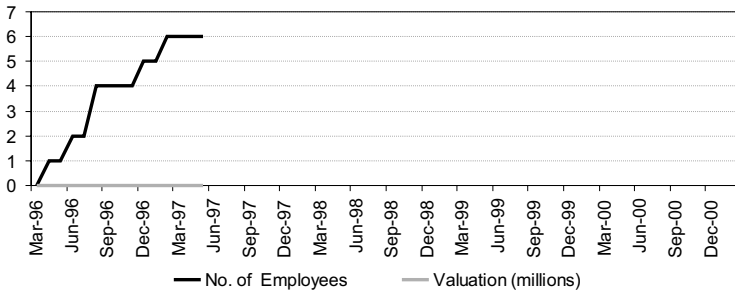


May 1997



Amazon.com IPO skyrockets

Silencing any doubts about its chances on the public market, Amazon.com (AMZN) ended the day \$54 million richer as its long-awaited initial public offering soared 30 percent above its opening price . . . The IPO raised \$54 million for Amazon, giving the company a market value of \$438 million . . .

CNET News.com
May 15, 1997

Businesses Find the Web a Friendly Mall

For all the hype over online commerce, cyberspace has yet to prove the retailing miracle many hoped it would be . . . What's missing? The answers seem to be everything . . . value, a great experience and added convenience . . . But business-to-business is another story . . . Forrester Research Inc. predicts business-to-business trade online will swell to more than \$65 billion by 2000 from about \$600 million in 1996 . . .

Investor's Business Daily
May 19, 1997

Angels



Our first taste of outside investment created an almost instantaneous craving for more.

When Jack made good on his promise to connect us with potential investors, we scrambled to produce a short business plan and slide presentation. The business plan would be sent to several angels.

Angel investors are private individuals who invest small amounts of money—say twenty-five to two hundred fifty thousand dollars—in the early stage of companies. Most angels have made their money as entrepreneurs. They know a great deal about the situation these new businesses are in. They have been there.

Within a month, our first meeting was set up. Jack gave Jeff and me directions to a house in the upscale community of Los Altos Hills. This meeting was going to be a bit unconventional. Most first presentations and discussions were held in conference rooms. Meeting on neutral ground kept meetings from getting too personal. This kept the potential investor shielded from personal feelings that might get him or her suckered into an otherwise irrational investment.

Jeff picked me up on a cloudy morning. We followed the directions into the hills, up winding roads, and parked next to a locked gateway. We stepped out of the car and caught a glimpse of a large house over the gate. Shrouded by trees, the estate had been designed to evoke among visitors, in equal measure, feelings of insecurity and importance. It worked.

Jeff and I looked at each other with trepidation and pleasure, then pressed the intercom button adjacent to the gate. Although the place looked empty, we were quickly buzzed in. As we walked toward the house along a path across a large expanse of lawn, a glance to our right revealed a small collection of pristine luxury and collectors' cars in the driveway.