

February 2012

Dear Friends:

In addition to our continual pursuit of new investments during 2011, we devoted a majority of our time adding value to a number of our portfolio companies. In fact, three of our companies are doubling in size as a result of acquisitions! A highlight of activity within our fund is presented below:



**Celebration Restaurant Group** – Celebration, FL.

We acquired CFL Pizza, a group of 90 Pizza Hut stores in Central Florida, from Yum! Brands in 2009 in conjunction with a long time veteran of Yum! Brands. We completed a major remodeling of all CFL's stores in 2011, and our business has responded very favorably. Celebration recently acquired 40 Taco Bell stores located in Florida and Georgia, making us one of the largest U.S. franchisees of Yum! Brands.



**Designer Protein** – Carlsbad, CA, was purchased in April, 2011 from Next Proteins. Designer Whey is a leading line of protein powder products and is a pioneer in the sports nutrition market. Since closing the acquisition, the company has introduced a line of protein bars and a line of ready-to-drink protein shakes. We also successfully completed a nationwide search for a new CEO post closing. Other products include Aria (women's protein products) and The Biggest Loser licensed products.

[www.designerwhey.com](http://www.designerwhey.com)



**Gogo** – Itasca, IL (formerly Aircell), continued to roll out its network for onboard inflight entertainment.

Gogo has over 1,500 systems installed on most of the leading airlines in the U.S. A number of new features have been introduced including the ability to download movies in flight, and tests for a system in China are to begin in 2012. The company is also the leading provider of voice and Internet communications onboard private aircraft.

[www.gogoair.com](http://www.gogoair.com)



**indoorDIRECT** – Dallas, TX, is the country’s fastest growing place-based media operator, featuring the BITE program on screens in QSR locations in the top media markets. The company is building out 2,500 locations under agreements with major chains, including Taco Bell and Wendy’s. Recently, the company entered into a joint venture with PRN (a subsidiary of Technicolor) to manage its sales and marketing efforts.

[www.indoordirect.com](http://www.indoordirect.com)



**Interboro Insurance** – Mineola, NY, Long Island’s largest homeowners and automobile insurer has entered into an LOI to acquire the AutoOne and AutoOne Select insurance companies from One Beacon Group. The acquisition will permit Interboro to expand its auto business across New York and numerous other states.

[www.interboroinsurance.com](http://www.interboroinsurance.com)



**Jack Rogers** – New York, NY, designs and sells iconic women’s sandals and shoes. The company has continued its strong growth by adding new products and new accounts. In 2011, the company opened its flagship store on Madison Avenue to rave reviews!

[www.jackrogersusa.com](http://www.jackrogersusa.com)



**JVC Media** – Ronkonkoma, NY, acquired two stations on Long Island – WJVC “My Country 96.1” and WRCN “Classic Rock 103.9”. WJVC launched the only country station serving the New York metro market and has been extremely popular. JVC now operates four FM stations and is Long Island’s only locally owned radio group.

[www.jvcbroadcasting.com](http://www.jvcbroadcasting.com)



**ORBCOMM** – Fort Lee, NJ, the leading provider of global satellite data communication solutions for asset tracking and management, successfully launched two new satellites. The company is planning to launch 18 new satellites through 2014 as a second generation constellation to replace its existing satellites.

[www.orbcomm.com](http://www.orbcomm.com)



**Zevia** – Culver City, CA, is the leading dedicated seller of zero calorie, all natural carbonated sodas. Northwood acquired a controlling interest in this pioneering company together with a new management team in 2010. During the past year, Zevia redesigned the labeling on its cans, introduced seven new flavors and introduced a line of 16 oz. cans. Many new doors have been opened and an aggressive marketing campaign is planned for 2012. Additionally, stevia (the natural sweetener used in Zevia) was recently approved for use in Europe, adding a number of international markets for Zevia.

[www.zevia.com](http://www.zevia.com)

On an organizational note, we are pleased to announce that Jamie Schiff joined our team in 2011. Jamie is a graduate of Trinity College and has a Masters in Real Estate development from Columbia University.

Northwood remains as enthusiastic as ever about our business model and believes the current environment will provide us with many attractive investment opportunities. We continue to invest in **venture capital** situations and **buyouts** in the **communications, retail/consumer, manufacturing** and **financial services** sectors. Northwood thrives on creativity and our ability to be opportunistic and responsive when presented with unusual and complicated situations. We appreciate the broad support we have received over the years from so many of our friends and look forward to working with you again.

Regards,

Peter G. Schiff  
Managing Partner

Henry T. Wilson  
Managing Partner

Paul R. Homer  
Principal

James G. Schiff  
Associate

## CURRENT PORTFOLIO

<b>ATLANTIS BIDDING</b>	U.S. WIRELESS COMMUNICATIONS (39 GHz)
<b>CELEBRATION RESTAURANT GROUP</b>	PIZZA HUT AND TACO BELL FRANCHISEE IN SOUTHEAST
<b>COMMUNITY BROADCASTERS</b>	OPERATES RADIO STATIONS IN WATERTOWN, NY
<b>DESIGNER PROTEIN</b>	SPORTS NUTRITION PRODUCTS
<b>THE HEALTHY BACK STORE</b>	SPECIALTY RETAILER OF BACK-RELATED PRODUCTS
<b>GOGO</b>	GOGO INFLIGHT INTERNET AND VOICE COMMUNICATIONS
<b>HYGRADE METAL MOULDING</b>	MANUFACTURER OF WINDOW COMPONENTS
<b>IBEX OUTDOOR CLOTHING</b>	DESIGNS AND SELLS WOOL-BASED OUTDOOR CLOTHING
<b>INDOORDIRECT</b>	NATIONWIDE RESTAURANT-BASED TELEVISION NETWORK
<b>INTERBORO INSURANCE</b>	LONG ISLAND'S OLDEST P&C INSURER
<b>JACK ROGERS</b>	ICONIC WOMEN'S FOOTWEAR
<b>JVC MEDIA</b>	OPERATES RADIO STATIONS ON LONG ISLAND, NY
<b>ORBCOMM</b>	SATELLITE COMMUNICATIONS SERVICES
<b>PACIFIC DATAVISION</b>	INSTANT VOICE INTERNET MESSAGING
<b>REDBUILT</b>	ENGINEERED WOOD-BASED STRUCTURAL SOLUTIONS
<b>TRISTATE CAPITAL BANK</b>	MIDDLE MARKET BUSINESS BANK
<b>ZEVIA</b>	ZERO CALORIE ALL NATURAL SODAS

### About Northwood

Northwood Ventures partners exclusively with successful management teams to make equity investments in privately held companies. We invest in venture capital and management buyout opportunities in a broad range of industries, with a particular interest in the communications, retail/consumer, manufacturing, and financial services sectors. Northwood's flexible and opportunistic investment philosophy allows us to creatively evaluate and structure investments to meet the needs of each situation. Since our establishment in 1983, we have invested in approximately 160 companies.

