

**Selling Stakes Again, Edison Sees Solid Return From CambridgeSoft**

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Edison Venture Fund is selling its stakes in some of the start-ups it has backed with Edison IV, a \$116 million vehicle raised in 1998, the firm said.

"We all have to be creative with our exits in this environment," said Managing Partner John Martinson. "It's not a lack of confidence in the companies at all. For companies that are successful, we'll offer to sell our shares back if it's time for us to exit, if it's that time in the life of our fund."

So far, Edison has sold shares of ReTec Inc., Liberty Tax Service Inc. and CambridgeSoft Corp., Martinson said. In 2001, Edison took part in an \$11 million round for Liberty Tax, a retail tax preparation firm, which was the company's second round of funding, according to VentureWire archives. Edison had also invested in the company prior to that.

Martinson did not give detailed information about the stakes in ReTec or Liberty Tax, but the firm said in a prepared statement Wednesday that it has seen a return of 11 times its initial investment in life sciences research software company CambridgeSoft.

"They built a lot of value," Martinson said. "They grew tenfold since we invested in them."

Edison made about \$40 million in the company shares buy-back, the Lawrenceville, N.J.-based firm said in a news release. The firm had invested about \$5 million in total, which included follow-ons and secondary purchases from early shareholders, the firm said.

The firm saw a 3X return on its follow-on investments, the firm said.

Attempts to reach CambridgeSoft were not immediately successful.

CambridgeSoft makes research software for the pharmaceutical, biotechnology and chemical industries, company information said. The Cambridge, Mass.-based company raised more than \$26 million from Edison, Goldman Sachs & Co. and Health Evolution Partners, according to VentureWire archives. In 2002, according to VentureWire archives, Edison said it invested \$3.2 million in CambridgeSoft in the first outside funding for the company, which was founded in 1986.

Goldman and Health Evolution have not exited their investments in CambridgeSoft, Martinson said.

<http://www.cambridgesoft.com>