



FOR IMMEDIATE RELEASE

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***TRILLIUM GROUP AND NEW YORK STATE COMPTROLLER ALAN G. HEVESI
ANNOUNCE MULTI-MILLION DOLLAR INVESTMENT IN AUCTION DIRECT USA***

Investment Positions Pre-Owned Vehicle Auto Retailer for National Expansion

ROCHESTER, N.Y. – Trillium Group and the New York State Common Retirement Fund are pleased to announce a multi-million dollar equity investment in Auction Direct USA, a Victor, N.Y. public auto auction and pre-owned vehicle facility with a unique sales strategy – one that represents significant cost savings for the customer and significant business opportunities for Auction Direct USA and its investors. The investment will provide the financial base necessary for Auction Direct USA to begin national expansion.

This is the fourth investment from the Trillium Lakefront Partners III Fund, a regional growth equity fund targeting growth and expansion opportunities across Upstate New York. The New York State Common Retirement Fund is the single largest investor in Trillium Lakefront Partners III.

““It’s not unusual for companies in New York to have a hard time finding the assistance they need. That’s where programs such as our in-state investment program can help. The state pension fund has committed \$414 million to 15 managers, including Trillium Group so that together we can provide New York companies with the assistance they need to expand and create jobs,” New York State Comptroller Alan G. Hevesi said. “At the same time, the pension earns a strong return on its investment. I am happy that the pension fund could play a role in helping Auction Direct USA to grow and achieve its highest potential.”

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Launched in October 2005, Auction Direct USA is already the largest pre-owned vehicle facility in the greater Rochester area. The company attributes its success to its innovative sales approach, open honest environment, and customer-driven mindset. Auction Direct USA customers can choose from a large selection of pre-owned cars, trucks, vans, and SUVs and purchase at auction reserve prices, plus a flat \$399 fee. All cars are top-shelf, prime vehicles and are available on a first come, first served basis at Auction Direct USA's Victor location. Customers can also view the complete inventory, bid for, and purchase cars online at www.AuctionDirectUSA.com.

"The sale of pre-owned vehicles represent the country's third largest retail category. Auction Direct is tapping into this huge market potential and is turning the traditional sales model upside down and empowering the consumer," said Chris O'Donnell, Trillium General Partner. "Our investment will provide Auction Direct USA with the capital base it needs to embark on its national expansion plans and to continue the momentum it has established over the last six months."

"There is no reason for a customer not to buy at Auction Direct USA," added O'Donnell. "In fact, about 40 percent of those who walk in end up buying from Auction Direct USA, compared to less than 15 percent of those who visit other dealerships when looking for a used car. People buy from Auction Direct USA because the savings are significant – up to \$2,500 - \$3,000 per vehicle, even more for higher priced vehicles. Over the past six months, Auction Direct USA has saved its customers close to two million dollars, relative the Kelley Blue Book."

"We sell cars for less because we have lower overhead than other dealerships," said John Iannone, a 20-year veteran of the automotive industry and Auction Direct USA's president and CEO. "Most other dealers count on a significant profit per vehicle. We may make less per vehicle but we are selling more – our approach embraces volume. We don't haggle over price with our customers because we have a flat fee. And, our inventory is of the highest quality so we can offer a three-day or 500 mile money-back guarantee, for any reason – no questions asked. We've found a niche here – one that represents a very significant business opportunity."

Auction Direct USA employs about 35 people. Several more locations are expected to launch throughout the country in 2006 and 2007. John Iannone and Todd Hoagey, the company's chief operating officer, lead the management team.

The Trillium Lakefront Partners III Fund seeks to make growth, buyout/recapitalization, and early stage minority equity investments in businesses that are either based in New York State or who maintain a significant presence within the state. Investments range from \$2 to \$6 million. For more information about the fund, contact Trillium Group at 585-383-5680 or visit www.trillium-group.com.

About Trillium Group

Trillium Group is a private equity firm focused on the financing needs of startup, early stage, and high growth businesses in New York State. Trillium invests through private equity funds under management, including the University Technology Seed Fund, the Monroe Fund, and the Trillium Lakefront Partners III Fund. Depending on business needs, equity investments range from as little as \$50,000 to several million dollars. Partners of Trillium Group are José J. Coronas, Dennis M. DeLeo, Bud Frame, Joseph L. Harris, Chris O'Donnell, Kevin J. Phelps and Frank P. Strong, Jr. For more information on Trillium, visit www.trillium-group.com.

About Alan G. Hevesi and the New York State Common Retirement Fund

Alan Hevesi was elected New York State Comptroller in 2003 and administers the State Retirement System, which represents 971,000 members and retirees, in addition to serving as sole trustee of the state's pension fund, which currently has assets of about \$120 billion. The fund, which is the second largest public pension fund in the United States, invests in a variety of securities, including public and private equity, real estate and fixed income. The \$364 million in-state investment program is part of the private equity portfolio. This program helps small businesses in New York State, which often have problems finding private equity investors to help them grow. For more information about the Fund and the program, visit www.osc.state.ny.us.

About Auction Direct USA

Founded in 2005, Auction Direct USA is America's only public auto auction committed to revolutionizing and legitimizing the pre-owned car business. Guided by principles of trust and open information exchange, Auction Direct USA provides a truly unique and satisfying automobile purchase experience. The company currently employs 35 people at its Victor, N.Y. location, with plans for national expansion. For more information, visit www.AuctionDirectUSA.com.

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