

ARADIGM CORP
Form 424B3
June 20, 2003

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Prospectus Supplement No. 2
(To Prospectus dated April 15, 2003)

Filed Pursuant to Rule 424(b)(3) and (c)
SEC File No. 333-104119

27,281,687 Shares
Common Stock

This is a supplement to the prospectus, dated April 15, 2003 forming a part of the Registration Statement on Form S-3 (Registration No. 333-104119) filed by Aradigm Corporation relating to the offering and sale by selling stockholders of Aradigm (or by donees, pledgees, transferees and other successors in interest that receive such shares as a gift, pledge, partnership distribution or other non-sale transfer) of up to 27,281,687 shares of our common stock, which includes 4,016,124 shares of common stock issuable to the selling stockholders upon the exercise of warrants to purchase common stock. This prospectus supplement should be read in conjunction with the prospectus, and this prospectus supplement is qualified by reference to the prospectus, except to the extent that the information provided by this prospectus supplement supersedes the information contained in the prospectus.

The purpose of this prospectus supplement is to supplement the information set forth in the Prospectus regarding the selling security holders and to replace the selling security holder table set forth in the Prospectus Supplement No. 1 filed with the Securities and Exchange Commission on June 9, 2003. The table below includes (1) a correction to the footnote set forth in the prospectus for Penn Footwear Co., (2) the change in the holdings for New Enterprise Associates 10, Limited Partnership to reflect the distribution of an aggregate of 4,000,000 additional shares of our common stock to its partners and (3) for the selling security holders who received shares from New Enterprise Associates in this distribution:

their name

the shares of common stock beneficially owned as of June 17, 2003

the shares of our common stock offered under the Prospectus

the shares of our common stock owned after the offering

All of the information regarding beneficial ownership was furnished to us by or on behalf of the selling security holders. Beneficial ownership of the common stock listed in the table has been determined in accordance with the applicable rules and regulations under the Exchange Act of 1934.

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Security Holders	Shares Owned Prior to Offering		Number of Shares Being Offered	Shares Owned After Offering	
	Number (1)	Percent (1)		Number	Percent (2)
Penn Footwear Co. (3)	930,378	1.6%	930,378		--
New Enterprise Associates 10, Limited Partnership (4)	9,080,373	14.7	2,198,605	6,881,768	11.2%
NEA Partners 10, Limited Partnership	70,027	*	70,027		
California State Teachers Retirement System	344,393	*	344,393		
Washington State Investment Board	331,478	*	331,478		
BSNEA I, L.L.C	301,343	*	301,343		
California Emerging Ventures II, LLC	226,007	*	226,007		
Proctic	150,672	*	150,672		
Commonwealth of Pennsylvania State Employees Retirement System	105,471	*	105,471		
J.P. Morgan Pooled Venture Capital Institutional Investors II LLP	105,408	*	105,408		
Boston Safe Deposit and Trust, not individually but solely in its capacity as trustee of the Lucent Technologies Inc. Master Pension Trust	103,318	*	103,318		
HarbourVest Partners VI-Partnership Fund L.P.	95,569	*	95,569		
The Chase Manhattan Bank, as Trustee for First Plaza Group Trust	86,098	*	86,098		
Top Tier Investments, LLC	86,098	*	86,098		
Deutsche Banc Alex Brown Venture Investors Portfolio, LLC	75,336	*	75,336		
Danske Private Equity Partners K/S by Danske Private Equity A/S, its general partner	68,879	*	68,879		
Crossroads Constitution Limited Partnership	60,269	*	60,269		
Mellon Bank, N.A., as Trustee for the Bell Atlantic Master Trust	60,268	*	60,268		
CDB Web Tech International LP	60,268	*	60,268		
Asset Management Private Equity, L.P.	60,268	*	60,268		
The Norinchukin Bank	60,268	*	60,268		
State Teachers Retirement System of Ohio	60,268	*	60,268		
Salomon Smith Barney Venture Opportunities Fund III, L.P.	60,268	*	60,268		
Pension Reserves Investment Management Board	51,659	*	51,659		
Virginia Retirement System	51,659	*	51,659		
Citigroup Employee Fund of Funds I, L.P.	45,290	*	45,290		
Partners Group Private Equity Performance Holding Limited	45,201	*	45,201		
Private Equity Technology Partners III, C.V.	45,201	*	45,201		
Saratoga Investments, LP	45,201	*	45,201		
University Technology Ventures, L.P.	45,201	*	45,201		
Old Westbury Venture Capital Fund II, LLC	39,349	*	39,349		
Fort Washington Private Equity Investors III, L.P.	34,439	*	34,439		

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Barr Foundation	34,439	*	34,439		
Mellon Bank, N.A., solely in its capacity as Trustee for the Bayer Corporation Master Trust, (as directed by Bayer Corporation), and not in its individual capacity	34,439	*	34,439		
Northwestern University	34,439	*	34,439		
Wilshire U.S. Private Markets Fund IV, L.P. (A)	34,439	*	34,439		
Pine Street I Holdings LLC	31,325	*	31,325		
DLJ Private Equity Partners Fund II, L.P.	31,124	*	31,124		
The New Mexico State Investment Council Land Grant Permanent Fund	30,285	*	30,285		
BSNEA II, L.L.C	30,135	*	30,135		
BSNEA IV, L.L.C	30,135	*	30,135		
Catherine M. Conover	30,135	*	30,135		
Castle Private Equity (International) plc	30,135	*	30,135		
Bankers Trust as a Trustee for an Undisclosed Limited Partner	30,135	*	30,135		
Robert and Ruth Halperin Foundation	30,135	*	30,135		
Lansforsakringar Liv Forsakringsaktiebolag (publ)	30,135	*	30,135		
LGT Capital Invest Limited	30,135	*	30,135		
Pearl Holding Limited	30,135	*	30,135		
Private Equity Investor PLC	30,135	*	30,135		
Private Equity Portfolio Fund III, LLC	30,135	*	30,135		
U.A. Local 467 Pension Trust Fund	30,135	*	30,135		
BancBoston Investments Inc.	26,518	*	26,518		
J.P. Morgan Pooled Venture Capital Private Investors II LLC	26,467	*	26,467		
DAF Global, LLC	26,135	*	26,135		
Fairview Ventures Fund I, L.P.	25,829	*	25,829		
Meyer Memorial Trust	24,108	*	24,108		
BSC Venture Fund LLC	20,919	*	20,919		
Abbott Capital Private Equity Fund III, L.P., by Abbott Capital Management, LLC, its Investment Manager	20,664	*	20,664		
Commonfund Capital Venture Partners VI, L.P.	20,664	*	20,664		
Thomas Weisel Global Growth Partners (B), L.P.	19,549	*	19,549		
Pomona Partnership Holdings III Portfolio, LP	17,683	*	17,683		
Alaska State Pension Investment Board by Abbott Capital Management, LLC, its Investment Manager	17,220	*	17,220		
Tucker Anthony Private Equity Fund IV L.P.	17,220	*	17,220		
Cornell University	17,220	*	17,220		
Credit Suisse First Boston Guernsey Branch	17,220	*	17,220		
Alfred I. DuPont Trust	17,220	*	17,220		
The Ford Foundation	17,220	*	17,220		
Iowa Public Employees Retirement System	17,220	*	17,220		
The Mohawk River Fund II L.P.	17,220	*	17,220		

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Montagu Newhall Global Equity Partners LP	17,220	*	17,220		
Pensioenfonds Metaal en Techniek	17,220	*	17,220		
Kleinwort Benson (Channel Islands) Limited as Custodian for Preferential II Limited	17,220	*	17,220		
Barings (Ireland) Limited as Custodian for Schroder Private Equity Funds plc	17,220	*	17,220		
SVB Strategic Investors Fund, L.P.	17,220	*	17,220		
U.S. Bancorp Piper Jaffray Private Equity Partners I, L.P.	17,220	*	17,220		
Utah Retirement Systems, by Abbott Capital Management, LLC, its Investment Manager	17,220	*	17,220		
The Rector & Visitors of the University of Virginia (A)	17,220	*	17,220		
BSNEA III, L.L.C	19,067	*	15,067	4,000	*
Georgia Tech Foundation, Inc.	15,067	*	15,067		
Rockefeller Brothers Fund, Inc.	15,067	*	15,067		
Rockefeller Foundation	15,067	*	15,067		
Southwestern Medical Foundation	15,067	*	15,067		
3Com Ventures, Inc.	15,067	*	15,067		
Citigroup Pension Plan	15,067	*	15,067		
Crown Premium Private Equity Technology Ventures SICAV	15,067	*	15,067		
W.K. Kellogg Foundation Trust	15,067	*	15,067		
John S. and James L. Knight Foundation	15,067	*	15,067		
Boston Safe Deposit and Trust Company, solely in its capacity as Trustee of The Kroger Co. Master Retirement Trust, (as directed by The Kroger Co.), and not in its individual capacity	15,067	*	15,067		
MSD Portfolio LP Investments	15,067	*	15,067		
myCFO Investment Partners I, L.P.	15,067	*	15,067		
Nider Investments, LLC	15,067	*	15,067		
Oberlin College	15,067	*	15,067		
QP Investments LLC	15,067	*	15,067		
RMF Private Equity Fund 2001, L.P.	15,067	*	15,067		
Professor Richard Sapper	15,067	*	15,067		
Vega Invest (Guernsey), Limited	15,067	*	15,067		
Citigroup Employee Fund of Funds (Master Fund) I, L.P.	14,980	*	14,980		
The New Mexico State Investment Council					
Severance Tax Permanent Fund	14,919	*	14,919		
Employees Retirement System of the State of Hawaii, by Abbott Capital Management, LLC, its Investment Manager	13,776	*	13,776		
Ewing Marion Kauffman Foundation	13,776	*	13,776		
Nortel Networks, Inc.	13,776	*	13,776		
AC Private Equity Corp.	13,561	*	13,561		
Northern Trust Company, Trustee Bristol-Myers Squibb Master Trust	13,067	*	13,067		

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UBS Global Asset Management Trust Company as Trustee of The Brinson Partnership Fund Trust - 2001 Primary Fund	12,963	*	12,963		
Alcyon Ltd.	12,915	*	12,915		
Johns Hopkins University	12,054	*	12,054		
2000 Champion Ventures (Q), LP	11,021	*	11,021		
The Travelers Indemnity Company	10,045	*	10,045		
Adams Street Partnership Fund - 2002 U.S. Fund	9,723	*	9,723		
Pratt Street Ventures XIII, LLC	9,040	*	9,040		
Frank Russell Global Private Equity Fund of Funds, L.P.	8,610	*	8,610		
The Bunting Family II, LLC	8,610	*	8,610		
California Institute of Technology	8,610	*	8,610		
Carnegie Mellon University	8,610	*	8,610		
Trustees of the Cheyne Walk Trust	8,610	*	8,610		
Community Foundation Silicon Valley	8,610	*	8,610		
Glenmede Private Equity Fund II LLC	8,610	*	8,610		
G. Grandchildren 1986 Trust George P. Levendis, Trustee	8,610	*	8,610		
Northern Trust Company as Trustee for the Illinois Municipal Retirement Fund, by Abbott Capital Management, LLC, its Investment Manager	8,610	*	8,610		
The James Irvine Foundation	8,610	*	8,610		
Board of Fire & Police Pensions Commissioners of the City of Los Angeles, by Abbott Capital Management, LLC, as Investment Manager	8,610	*	8,610		
Munder NetNet Fund, a series of The Munder Funds, Inc.	8,610	*	8,610		
Novell, Inc.	8,610	*	8,610		
Pension Private Equity K/S II	8,610	*	8,610		
University of Pittsburgh of the Commonwealth System of Higher Education	8,610	*	8,610		
The Northern Trust Company as Trustee of the Vulcan Materials Company Master Pension Trust	8,610	*	8,610		
University of Washington	8,610	*	8,610		
Capita Trust Company Limited as Trustee of Westport US Private Equity Fund II	8,610	*	8,610		
The President and Trustees of Williams College	8,610	*	8,610		
Wilshire Australia Private Markets Fund	8,610	*	8,610		
Wilshire IAM Fund, L.P.	8,610	*	8,610		
Commerce & Industry Company	7,850	*	7,850		
HarbourVest Partners VI-Parallel Partnership Fund L.P.	7,749	*	7,749		
EFG Trust II, Edward M. Glassmeyer, Trustee	7,534	*	7,534		
Emont Ltd.	7,534	*	7,534		
522 Fifth Avenue Fund, L.P.	7,517	*	7,517		

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	Number (1)	Percent (1)		Number	Percent (2)
UBS Global Asset Management Trust Company as Trustee of The Brinson Partnership Fund Trust - 2002 Secondary Fund	6,956	*	6,956		
Trustees of Amherst College	6,888	*	6,888		
Trustees of Boston University	6,888	*	6,888		
Kleinwort Benson (Channel Islands) Limited as Custodian for MC Partners Limited	6,888	*	6,888		
Frank Russell Capital/OMERS, L.P.	6,888	*	6,888		
Private Equity Access Fund II, LLC	6,780	*	6,780		
David A. Stamm	6,780	*	6,780		
Bayview (NEA10), L.P.	6,629	*	6,629		
Thomas Weisel Global Growth Partners (A), L.P.	6,280	*	6,280		
Katherine S. Ingalls	6,027	*	6,027		
James T. McManus	6,027	*	6,027		
O-S Ventures	6,027	*	6,027		
Theresa W. and Robert J. Ryan, Joint Tenants	6,027	*	6,027		
Bayview 2000, L.P.	6,027	*	6,027		
Joshua S. Boger	6,027	*	6,027		
Edward M. Cluss, Jr. and Patricia A. Cluss	6,027	*	6,027		
FEA II, L.P.	6,027	*	6,027		
Fox Family Portfolio Partnership	6,027	*	6,027		
Legacy I, LLC	6,027	*	6,027		
The Queen s Health Systems	6,027	*	6,027		
Saal Family Partners, L.P.	6,027	*	6,027		
Pradeep S. Sindhu	6,027	*	6,027		
Board of Trustees of the Leland Stanford Junior University	6,027	*	6,027		
Zisman Equities Group, L.P.	6,027	*	6,027		
Brinson Partnership Fund Program Entity A	5,875	*	5,875		
Standish Ventures V LLC	5,756	*	5,756		
Morris Ventures	5,726	*	5,726		
B&S 2002-C GmbH	5,682	*	5,682		
Lauer & Co. Agent for: Pew Memorial Trust	5,682	*	5,682		
Brinson Partnership Fund - 2001 Primary Fund, L.P.	5,393	*	5,393		
Alps Investment LLC	5,166	*	5,166		
Paul or Evelyn Baran, as trustee of the PAUL AND EVELYN BARAN AGRMT of 23 May 1984	5,166	*	5,166		
Calconn Private Equities II, LLC	5,166	*	5,166		
Munder Future Technology Fund, a series of The Munder Funds, Inc.	5,166	*	5,166		
PEI Capital Partners, L.P. II	5,166	*	5,166		
Pension Plan of Piper Marbury Rudnick & Wolfe LLP	5,166	*	5,166		
Rensselaer Polytechnic Institute	5,166	*	5,166		
The Rose Hills Foundation	5,166	*	5,166		
Stuart Foundation	5,166	*	5,166		

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	Number (1)	Percent (1)		Number	Percent (2)
Walton Investment IV, LLC	5,166	*	5,166		
The Travelers Insurance Company	5,022	*	5,022		
KFLP-II Limited Partnership	4,821	*	4,821		
ING Pomona Private Equity Fund	4,773	*	4,773		
Woodbrook MB LP	4,735	*	4,735		
Hobart Family Limited #7	4,520	*	4,520		
EDS Retirement Plan Trust	4,518	*	4,518		
PEI Capital Partners, L.P.	4,305	*	4,305		
The 2001 Primary Brinson Partnership Fund					
Offshore Series Company Ltd.	4,116	*	4,116		
Picotte Venture Capital Fund I, LLC	3,616	*	3,616		
Private Equity Portfolio Technology Fund, LLC	3,616	*	3,616		
State Universities Retirement System	7,344	*	3,444	3,900	*
Iceship & Co. by State Street Bank & Trust Co. as Trustee for the Brown & Williamson Tobacco					
Master Retirement Plan	3,444	*	3,444		
Caravan Trust	3,444	*	3,444		
Comerica Capital Advisors Incorporated	3,444	*	3,444		
Siguler Guff Advisors, L.L.C. on behalf of a client	3,444	*	3,444		
Munder @ Vantage Fund	3,444	*	3,444		
Timothy J. Rink	3,444	*	3,444		
Stewardship Foundation	3,444	*	3,444		
Venture Capital Private Equity Fund	3,444	*	3,444		
Thomas Weisel Strategic Opportunities Partners, L.P.	3,444	*	3,444		
Pomona Partnership Holdings III, LP	3,373	*	3,373		
Cornish & Carey Commercial Venture Fund, LLC	3,013	*	3,013		
Jennifer Bergantino	3,013	*	3,013		
Dahl Family Trust dated 10/31/89 as amended 5/3/90, Robert K Dahl, trustee	3,013	*	3,013		
Giancarlo Family Trust U/D/T 11/2/98, Charles Giancarlo, Trustee	3,013	*	3,013		
Malcolm Hecht, Jr. Revocable Trust B	3,013	*	3,013		
Hemant Kanakia	3,013	*	3,013		
Hemant Kanakia, GRAT	3,013	*	3,013		
Mario M. Morino Trust	3,013	*	3,013		
Family Neukermans Trust U/A DTD 01/21/93 Armand Neukermans & Eliane Neukermans, Trustees	3,013	*	3,013		
James D. Norrod	3,013	*	3,013		
The Pivotal Trust dated 7/20/2000	3,013	*	3,013		
A. Brooke Seawell	3,013	*	3,013		
D.R. Stephens Separate Property Trust UAD May 1, 1983 D.R. Stephens, Trustee	3,013	*	3,013		
Jeannette Symons Living Trust	3,013	*	3,013		
Richard L. Thompson	3,013	*	3,013		
Phil White	3,013	*	3,013		

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	Number (1)	Percent (1)	Number	Number	Percent (2)
John M. McQuillan IRA Rollover	3,013	*	3,013		
Joseph W. Alsop	3,013	*	3,013		
Morteza Ejabat Trust	3,013	*	3,013		
Robert A. Ellis Revocable Trust	3,013	*	3,013		
Michael J. Homer, Trust	3,013	*	3,013		
K&M Family Partners Ltd.	3,013	*	3,013		
Leslie Investments, LLC	3,013	*	3,013		
Jonathan MacQuitty	3,013	*	3,013		
The Poizner Family Trust dated 3/3/98, Stephen L. Poizner, Trustee	3,013	*	3,013		
Saal Family Foundation	3,013	*	3,013		
Thomas H. Scholl	3,013	*	3,013		
Tomasetta Family Partnership, L.P.	3,013	*	3,013		
2000 Champion Ventures, LP	2,755	*	2,755		
Brinson Partnership Fund - 2002 Secondary Fund, L.P.	2,672	*	2,672		
Orange County Employees Retirement System	2,583	*	2,583		
The 2002 Secondary Brinson Partnership Fund Offshore Series Company Ltd.	2,260	*	2,260		
Northern Trust Bank as Trustee for W. Clement Stone Children s Trust Norman C. Stone Trust Share	2,260	*	2,260		
Avondale LLC	2,260	*	2,260		
Whitemarsh Associates	2,260	*	2,260		
DLJ Multi-Manager Private Equity Fund, L.P.	2,135	*	2,135		
Erik T. Engelson, Trustee of the Erik T. Engelson Trust UDT, dated March 29, 2000	1,958	*	1,958		
ABB Anlagestiftung Private Equity World 1	1,722	*	1,722		
BDB Family L.P.	1,722	*	1,722		
BNA Associates, L.P.	1,722	*	1,722		
Mary Morse Cargill Revocable Trust	1,722	*	1,722		
Chestnut Investor, LLC	1,722	*	1,722		
Entrepreneurs Endowment Fund LLC	1,722	*	1,722		
Glynn Investment Co. LLC	1,722	*	1,722		
KKP Holdings LLC	1,722	*	1,722		
Meresman Investments LLC	1,722	*	1,722		
Living Trust of Stephens F. Millard 9/16/91	1,722	*	1,722		
Morgan Venture Fund LLC	1,722	*	1,722		
Quattrone Family Trust UTA DTD 9/4/91	1,722	*	1,722		
Kanwal S. Rekhi and Ann H Rekhi as Trustees of the Rekhi Family Trust DTD 12/15/89	1,722	*	1,722		
Trustees of the Ronald Family Trust B	1,722	*	1,722		
The Rector & Visitors of the University of Virginia (B)	1,722	*	1,722		
Boston & Co. A/C# WERF 1963002	1,722	*	1,722		
Francis H. Zenie	1,722	*	1,722		
Bayshore Boulevard Associates, LLC	1,507	*	1,507		
Boutros Family Trust UAD 5/23/00	1,507	*	1,507		

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William J.B. Brady III	1,507	*	1,507		
Arthur & Barbara Friedman Revocable Trust	1,507	*	1,507		
Marion H. MacMillan Family Trust	1,507	*	1,507		
Metcalfe Family Trust, John Metcalfe and Valerie Metcalfe, Trustees	1,507	*	1,507		
1996 Stradford-Wunderlich Rev. Trust	1,507	*	1,507		
The Alexander Living Trust	1,507	*	1,507		
Kim B. Edwards	1,507	*	1,507		
Francine Gani 2002 Living Trust	1,507	*	1,507		
Marcel Gani 2002 Living Trust	1,507	*	1,507		
Daniel L. Harple, Jr.	1,507	*	1,507		
The JGA Trust under agreement dtd 9/18/00, Joseph Ansanelli, Trustee	1,507	*	1,507		
Mahendra Kaul	1,507	*	1,507		
Bernard M. Kramer, M.D., Inc. Profit Sharing Plan	1,507	*	1,507		
Milagro de Ladera, L.P.	1,507	*	1,507		
Sara Ostrofsky	1,507	*	1,507		
Ronald S. Posner	1,507	*	1,507		
The Ramsay Family Trust DTD 10/17/94	1,507	*	1,507		
N & A Raza Revocable Trust UAD 03-22-97	1,507	*	1,507		
Stone Family Trust Share B	1,507	*	1,507		
Robert P. Taylor and Anne D. Kaiser	1,507	*	1,507		
Ronald J. Vidal	1,507	*	1,507		
Yock Family Revocable Trust Dated 7/21/93 as the Separate Property of Paul G. Yock	1,507	*	1,507		
Thirty-O Leary Living Trust Dated March 8, 1990	1,378	*	1,378		
Emerson Street Ventures, a California Limited Partnership	1,291	*	1,291		
Michael E. Herman Revocable Trust	1,291	*	1,291		
Frank M. Fischer	1,206	*	1,206		
Paul C. Nehra, MD	1,206	*	1,206		
Lauer & Co. Agent for: J.H. Pew Freedom Trust	1,205	*	1,205		
DLJ PEP II Employee Fund, L.P.	1,180	*	1,180		
Buuck Family Limited Partnership by Wells Fargo Bank MN N.A as custodian for Robert E Buuck, General Partner	1,119	*	1,119		
Richard M. Berkeley	1,055	*	1,055		
R. David Dicioccio, Jr.	1,055	*	1,055		
Malcolm Hecht, Jr. Revocable Trust A	904	*	904		
Robert W. Frick	904	*	904		
George Trust dated 7/27/00	904	*	904		
Pivan Nigam and Ruma Nigam, Co-Trustees of the Nigam Living Trust u/t/a dated September 16, 1999	904	*	904		
Robert K. Anderson	861	*	861		
Rod A. Beckstrom Trust U/D/T 11/21/95	861	*	861		

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Gary Bowen	861	*	861		
BPE Institutional Partners G.m.b.H	861	*	861		
Gregory 1993 Investment Trust U/A DTD 7/21/93, David J Gregory, Trustee	861	*	861		
Hillcrest Capital Investors LLC	861	*	861		
Komisar/Dunn Family Trust	861	*	861		
Jay T. Last	861	*	861		
Menlo School	861	*	861		
William G. Myers Roth IRA	861	*	861		
Orion QP Ventures III L.P.	861	*	861		
Marc Ostrofsky	861	*	861		
Henry A. Plain, Jr. and Lisa M. Plain, Trustees The Plain Family Trust, U/D/T dated September 7, 1994	861	*	861		
Neil J. Rappaport and Susan J. Rappaport, Trustee of the Rappaport Family Trust, dated March 31, 1997	861	*	861		
John T. Sakai	861	*	861		
Daniel S. Simpkins	861	*	861		
Swingyer Partners	861	*	861		
Lauer & Co. Agent for: Mabel Pew Myrin Trust	775	*	775		
International Capital Partners, Inc. Profit-Sharing Trust	753	*	753		
44 Eastview Family LLC	753	*	753		
Sanjiv Ahuja	753	*	753		
Bernal Family Trust UDT dated November 3, 1995, Ronald Daniel Bernal & Pamela Mayer Bernal Trustees	753	*	753		
Robert J. Carpenter	753	*	753		
Gayle Crowell	753	*	753		
Kirk A. Cruikshank & Bette Lee Cruikshank, Trustees, Cruikshank Family Trust 10/1/97	753	*	753		
Stuart M. Gordon	753	*	753		
The Gregory C. Gretsches Trust, Gregory C. Gretsches, Trustee	753	*	753		
Joe E. Kiani	753	*	753		
Stanard T. Klinefelter	753	*	753		
John R. Mashey	753	*	753		
James A. McDonald	753	*	753		
The Parulkar Family Revocable Trust of 12/29/99, Guru Parulkar, Trustee	753	*	753		
WUCO Capital LLC	753	*	753		
Donald L. Thiry Trust dated 4/7/82	689	*	689		
Buuck Family Foundation by Wells Fargo Bank MN N.A. as Agent for Robert E. Buuck, President	603	*	603		
Lauer & Co. Agent for : J.N. Pew Trust	603	*	603		
Julian A. Brodsky	602	*	602		

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Security Holders	Shares Owned Prior to Offering		Number of Shares Being Offered	Shares Owned After Offering	
	Number (1)	Percent (1)		Number	Percent (2)
Van Dyke Partners	602	*	602		
James W. Bullock	602	*	602		
David Cheriton	602	*	602		
James Friedman	602	*	602		
Michael D. Lesh	602	*	602		
Seth Lieber	602	*	602		
Francis A. Moody	602	*	602		
The Babak & Lisa Marie Yazdani Trust UTA dtd 4/27/00	602	*	602		
Paul L.Gomory, Jr. Trust	517	*	517		
G. Kirk Raab	517	*	517		
Meng Partners	452	*	452		
Daniel P. Finkelman	452	*	452		
Mohammed N. Islam	452	*	452		
Robert J. McGovern	452	*	452		
Maurice Werdegar	1,930	*	430	1,500	*
Brody Family Trust U/T/D 8/15/86	430	*	430		
Daniel Burstein	430	*	430		
Chadwick H. Carpenter, Jr.	430	*	430		
Key Capital Corporation	430	*	430		
Sheila R. Kresch	430	*	430		
Thomas H. Layton or his successor under the Thomas H. Layton Separate Property Revocable Trust, November 29, 1999, as amended	430	*	430		
Joseph A. Liemandt	430	*	430		
Audrey MacLean and Michael Clair, as trustees, or their successors, of the Audrey MacLean and Michael Clair Trust Agreement UAD 12/1/90	430	*	430		
Makower Family Trust U/D/T dated 5/6/97	430	*	430		
Trust u/w William C. Whitridge	430	*	430		
Peter D. Behrendt	376	*	376		
Peter D. Fenner & Nancy R. Fenner, as Trustees of the Peter D. Fenner & Nancy R. Fenner Living Trust dated 2/2/99	344	*	344		
Fontaine Revocable Living Trust DTD 3/23/84	344	*	344		
Lauer & Co. Agent for: The Medical Trust	344	*	344		
The Edward C. Oldfield, Jr. RLT dtd 11-18-96					
Edward C Oldfield, Jr. Trustee	344	*	344		
Ramaswami Family Revocable Trust	344	*	344		
Vrolyk Family Trust U/A DTD 11/20/84, as amended John R. and Tamisie Honey Vrolyk, Trustees	344	*	344		
Barbara A. Cannon	301	*	301		
Silverleaf Partners LLC	301	*	301		
The Per A. Suneby Revocable Trust	301	*	301		
Horst R. Adam	301	*	301		
William Michael Fagen	301	*	301		

Security Holders	Shares Owned Prior to Offering		Number of Shares Being Offered	Shares Owned After Offering	
	Number (1)	Percent (1)		Number	Percent (2)
David F. Foster	301	*	301		
Hsing-Chung Lee	301	*	301		
Oak Stone Ventures, LLC	301	*	301		
Orlando W. Springs	301	*	301		
Richard A. Redelfs	258	*	258		
The Goodman Family Trust	172	*	172		
Kamran Sistanizadeh	172	*	172		
Wilshire U.S. Private Markets Fund IV, L.P. (B)	172	*	172		
Stanford T. and Donna M. Young, as community property	172	*	172		
522 Fifth Avenue Fund, L.P. - 2002 Program	114	*	114		

* Less than one percent (1%)

- (1) The shares of common stock owned prior to the offering equals the sum of (a) shares of common stock, (b) shares of common stock issuable upon conversion of shares of Series A preferred stock and (c) shares of common stock issuable upon exercise of warrants. Percentages are based on 59,203,660 shares of our common stock that were outstanding (on an as-converted to common stock basis) on June 17, 2003. In calculating the percentage for each selling security holder, the shares represented by item (b) above are included in the denominator of the shares outstanding for that selling security holder but are not included in the denominator for any other person.
- (2) Percentages are based on 59,203,660 shares of our common stock that were outstanding (on an as-converted to common stock basis) on June 17, 2003.
- (3) Includes 170,885 shares of common stock issuable upon exercise of warrants.
- (4) Includes 2,448,562 shares of common stock issuable upon exercise of warrants (including a warrant to purchase 2,198,605 shares of common stock received in connection with the warrant repricing agreement), including warrants to purchase 999 shares of common stock held by NEA Ventures 2001, L.P. In addition, includes 9,998 shares held by NEA Ventures 2001, L.P. Also includes 1,033,057 shares of our Series A Preferred Stock that are convertible at any time into 4,132,228 shares of Common Stock. According to a Schedule 13D Amendment No. 1 dated April 25, 2002, and filed jointly by New Enterprise Associates 10, Limited Partnership (NEA 10), NEA Partners 10, Limited Partnership, Stewart Alsop, James Barrett, Peter J. Barris, Robert T. Coneybeer, Nancy L. Dorman, Ronald H. Kase, C. Richard Kramlich, Thomas C. McConnell, Peter T. Morris, Charles W. Newhall III, Mark W. Perry, Scott D. Sandell and Eugene A. Trainor III, each of the aforementioned general partners of NEA 10 has shared dispositive and shared voting power with respect to the shares held by NEA 10. Each of the aforementioned disclaims beneficial ownership as to the shares held by NEA 10, except to the extent of their pecuniary interest therein. John Nehra is a member of our board of directors and a limited partner of NEA Partners 10, Limited Partnership, the general partner of NEA 10.

We may from time to time supplement or amend the Prospectus to reflect the required information concerning and transferee, pledgee, donee or successor to the selling security holders named in the prospectus.

The date of this Prospectus Supplement is June 20, 2003.