



TechStars set to rise over Boulder

Local technology gurus launch summer technology startup boot camp

By Greg Avery
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Banks rejected David Cohen and David Brown 13 years ago when they started Pinpoint Technologies Inc. in Deland, Fla. So, they and a third partner cobbled together money from family and credit cards to launch their technology business.

"We didn't have any money. We had a great idea," Brown said recently, recalling the start of what would become Zoll Data Systems.

Their ambulance and emergency dispatch software company became a 1990s success story. It moved to Boulder, expanded quickly from three to 65 employees and was bought for an undisclosed sum by defibrillator manufacturer Zoll Medical in 1999.

These days, Cohen and Brown invest in other people's startups. They're starting a program to help novice entrepreneurs sidestep some routine obstacles, find funding and launch their technology businesses with guidance from veterans who have been there.

This week Cohen, starts recruiting 20 to 30 young entrepreneurs for TechStars, the summer-long boot camp he will run with the goal of attracting entrepreneurs to Boulder to help them make their startups flourish.

The 10 teams will use the program to get their businesses off the ground, receiving a small amount of funding to do so. At the end of the summer, the TechStars teams will pitch their ideas to venture capitalists and have a shot at winning more funding to grow.

Cohen and Brown got two other big names in the Boulder tech startup scene involved as partners in TechStars — Brad Feld, a principal of venture capital firm Mobius Capital Management's office in Superior, and Jared Polis, who built Web companies into millions before he reached 30, including Bluemountainarts.com and ProFlowers.com.

Cohen also assembled a list of about 40 proven entrepreneurs from the area who will help mentor the TechStars teams this summer, dropping by to chat, give advice and conduct workshops.

Looking back, Cohen sees missteps and difficulties he could have avoided with Pinpoint if he and Brown had a network of business mentors.

"We probably could've gotten where we did twice as fast, if only we'd known the value of contacts and connections," said Cohen, now 38.

For a would-be tech entrepreneur, TechStars could end up being the once-in-a-lifetime shot at launching a company with so many resources close at hand.

Being able to plug in to Boulder's tech company network and have proven entrepreneurs acting as sounding boards and advisors will be the most valuable part of the experience, Cohen said.

TechStars will grant each team \$15,000, expecting the teams to be two- or three-person squads that split the money to cover some living and business expenses.

Cohen is looking to lease space in downtown Boulder for the TechStars teams to use for free as their hub. The place will be informal and fun, stressing creativity and energy.

He said he hopes the teams make the most of Boulder's summer ambiance, the mentors and a chance to worry about nothing else but getting started.

"We want to see three great companies emerge," he said.

Polis said the program will be looking for candidates with passion, the key ingredient for success.

Teams that don't win funding at the end of the summer still will benefit from the experience and have a summer to remember, Polis said.

"There's nothing that compares with the thrill of the early days of a company," he said.

Given the relatively small sums of money the startup teams initially get, it's assumed their ideas mainly will be in computer software or Internet applications, since those have low overhead costs, Cohen said.

TechStars mostly will attract college-aged entrepreneurs or recent college graduates, he predicted, but the program isn't limited to any age group.

He expects most of the TechStars teams this summer will be from Colorado, but the program is designed to attract national attention.

Cohen has been drumming up interest in TechStars among University of Colorado business and technology leaders in Boulder and Denver. TechStars has a marketing campaign to reach out to the 100 top business schools, in addition to using the founders' own connections to Stanford, Princeton and the Massachusetts Institute of Technology.

The founders also have reached out to the National Center for Women and Information Technology, which is based on CU's campus, to encourage female technophiles to apply for TechStars. Feld, of Mobius Capital Management, is a center board member.

Women start more businesses than men nationally, but their companies are rarely involved in technology, said Lucy Sanders, the center's chief executive and also executive-in-residence at CU's Alliance for Technology, Learning and Society center.

Students involved in technology and business, male or female, will jump at the chance to take part in TechStars — especially when they hear about the collection of local executives, company founders and venture capitalists that has been assembled to be mentors, she said.

"There's a fabulous opportunity here," Sanders said. "It'd be like going to graduate school in entrepreneurship."

TechStars is similar in scale and approach to Y Combinator, a venture capital firm that incubates technology startups in Massachusetts and Mountain View, Calif., each year. The founders of that group — Trevor Blackwell, Paul Graham, Jessica Livingston and Robert Morris — have connections to Harvard University and MIT and had ties to the creation of the Segway vehicle, the Yahoo! online store and several books on technology.

Cohen said he created TechStars to give something back to other entrepreneurs, he said, and to do something that helps enrich Boulder's business environment, already considered one of the leading areas for technology companies.

The exposure to Boulder should inspire some successful TechStars teams to keep and grow their businesses in the community, he said. Over time, TechStars could deepen Boulder's already well-regarded

entrepreneurial talent pool, and strengthen the area's reputation with out-of-state venture capitalists, TechStars organizers said.

"We want TechStars to both help breed more early-stage companies and help bring visibility to the area," Feld said.

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