The Effective Segue of Collegiate Business Plans to Seed-Venture Funding and Launch

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Undergraduate and graduate collegiate entrepreneurship programs typically provide opportunities for students to develop formal business plans for innovative start-up companies. At Level-1, plans formulated within a class are often presented to the class. At Level-2, plans are presented at a department- B-School- or institution-wide competition. At Level-3, plans are presented at a regional/national competition involving numerous institutions. But the vast majority of collegiate programs do not have a programmatic Level-4, namely regular deal-flow channels direct to angel investors/capital sources. One of the best measures of the effectiveness of an entrepreneurship program should be the consistent level of student-developed ventures that get fully-funded and successfully launched. Programs should then be on-going sponsors of regular internal deal-flow.

At Level-1, student peers/colleagues within the course are the audience for the business plan presentation. The faculty member and students provide feedback and ideas on how to improve the pitch and hone the overall packaging of the innovative product-service concept. At Level-2, the Department of Management, or the B-School, or the college/university hosts a campus-wide competition for business plans to present to either a panel of faculty and/or local-area entrepreneurs and business-related professionals. The “winners” often receive a trophy or plaque, and checks for some nominal amount ($1,500 to $5,000), and very rarely are the winnings used to help launch the venture, but are typically spent by the student(s) on personal purchases. At Level-3, the student venture team travels to an outside-sponsored location/event and competes against business plans from other colleges and universities, presenting to one or more judging panels of venture-related professionals. The “winners” generally receive a trophy or plaque, and larger checks ($5,000 to $10,000 or even $20,000), and these are sometimes used for baseline pre-launch/seed-related venture expenditures, but most often are divided among the students and spent on personal purchases unrelated to the venture.

This workshop will examine how collegiate entrepreneurship faculty, department chairs, deans, and center directors can develop and implement a true Level-4 program within their curriculum. These five venture-funding strategies will be open for discussion and ideas among attendees:

- Intra-institutional designated venture funds
- Intra-institutional joint-ventures with national/regional science grants
- Joint-venture/alliance with an institution-sponsored local-area venture-investor network
- Joint-venture/alliance with an outside/independent local-area venture-investor network
- Joint-venture/alliance with a regional/national venture-investor network and forum