



# ANNUAL REPORT

THE DEMING CENTER FOR ENTREPRENEURSHIP  
AT CU-BOULDER LEEDS SCHOOL OF BUSINESS  
SEPTEMBER 2010



**DEMING  
CENTER**  
*for*  
**ENTREPRENEURSHIP**  
Leeds School of Business



*"Already in my time at Leeds, I've met a diverse group of inspiring entrepreneurs. Hearing their stories has enabled me to figure out how my education applies to real world situations. I can really see how an entrepreneurial career can allow me to have an impact on the world that I believe in and am passionate about."*

– Matt Reisman, MBA '11, President, Graduate Entrepreneurs Association

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## FACILITATING PRODUCTIVE COLLISIONS FOR ENTREPRENEURS AND STUDENTS

Entrepreneurs, the word is out—Boulder is the place to be. *Bloomberg Businessweek*, *Fast Company* and *Kiplinger's Personal Finance* magazines all lauded Boulder this year as a hotbed of innovation and venture. And we at the Deming Center for Entrepreneurship have relished every opportunity this year to help make CU a deeply integrated part of the region's thriving entrepreneurial ecosystem.

This year's Annual Report is a testament to the way these efforts have been snowballing – and how students have led the way by connecting with Boulder's robust business network. Take a look at the student groups that have taken a cue from our other initiatives and have grown organically, or our new incubation program for renewable energy technology startups – you'll see what I mean.

We like to facilitate and promote “productive collisions” between and among CU initiatives, students, and our burgeoning business community. In fact, we're committed to initiating more of them in the coming months and years, along with infusing sectors such as biotech, cleantech, music, and journalism with entrepreneurial studies. No matter the setting, we believe that cross-campus efforts involving

education in entrepreneurship creates leaders who will excel and contribute to any solution. That's why we're working to engage students from all disciplines in the business of entrepreneurship.

In the meantime, I'm happy to say that the pundits are starting to acknowledge our efforts. Brad Feld – well-known founder of Boulder's highly-regarded software and internet venture capital firm, the Foundry Group – commented recently that the Deming Center is playing an important role in Boulder's culture of entrepreneurship by combining “an integrated academic curriculum with a connected learning environment that engages the broader entrepreneurial community to provide students with hands-on learning and mentorship.” And when *Kiplinger* named Boulder number four in its “Best Cities for the Next Decade,” it named CU and the Deming Center's partner in energy, the Renewable and Sustainable Energy Institute (RASEI), as a contributing factor to Boulder's rating.

As always, we're grateful for your ideas, input and engagement. We deeply value all the members of our academic and business community who make our daily work so opportunity-rich.

Paul Jerde  
Executive Director  
Deming Center for Entrepreneurship



## HIGH-ENERGY MBAs CREATE EXPLOSION OF INITIATIVES



*Outdoor Industry Club pictured from left to right: Dane Voboril, Beth Jensen, Bob Richards—Open Water Ventures, Hunter Burke, Terra Beaton, Josh Whitney and Frank Hugelmeyer.*

This year, highly-motivated MBA students launched five new groups to connect students with Boulder's thriving entrepreneurial culture:

### OUTDOOR INDUSTRY CLUB

Beth Jensen, Josh Whitney and Hunter Burke (MBA '10) worked with local industry leaders to create the Leeds Outdoor Industry Club. Terra Beaton and Dane Voboril (MBA '11) will lead the group this year. Beaton says, "I value that people in the outdoor industry are attuned to the importance of working hard while maintaining an active lifestyle."

### CU BIOTECH CLUB

This new club promotes interdisciplinary collaboration among CU students, faculty, and the biotech industry. *Full story on page 10.*

### SOCIAL ENTREPRENEURSHIP STUDENT GROUP

Emily Bosland (MBA '10) founded the Social Entrepreneurship group out of her coursework in sustainable business and emerging markets, as well as her participation in the Ashoka Changemaker Campus program at CU.

### CU ENERGY CLUB

This new group connects CU students to the renewable energy and cleantech industries. In its first year it enlisted 550 members, coordinated a dozen seminars, and organized the biggest student-run energy conference in CU history. Mackay Miller (MBA '10) founded the group. He says, "I moved to Boulder because I felt that this place had the ingredients to be a

world-class renewable energy innovation hub. And I'm part of a generation of people who have a tough time imagining working on anything else."

### ORGANIC BUSINESS STUDENT INITIATIVE

This student group promotes entrepreneurship and scholarship in natural and organic business. Founded by Jacqui Dietrich and Brianna Buntje (MBA '10), it will be carried forward by Jamie Corder, Kate Kelly, and Lianna Owens (MBA '11). Corder reflects, "Because of the OBI and Deming Center, I feel less like a 'lonely entrepreneur' and more a part of the collective consciousness of this industry."

## REINVENTING AND REVIVING THE DEMING VENTURE FUND

Enterprising MBAs Michael Euperio (MBA '10) and Rob Delwo (MBA '10) led the charge to dust off the dormant Deming Center Venture Fund (DCVF), retrofitting it to better meet the needs of students. Professor Bret Fund and Chris Wand, Deming Board member and veteran venture capital investor, were ready champions of the effort.

Established in 1998, the fund was never financially successful. Fund believed that the missing ingredient was student involvement. Students, faculty, and a board of practitioner advisors worked together to reinvent the program. The new DCVF will be run by students, an experience available at fewer than five percent of business schools nationwide. Fund explains, "The entrepreneurial curriculum gives only one perspective on entrepreneurship. Students must also get the perspective of the investor because this will shape how they create their businesses."

The DCVF facilitates interaction among students, alumni, faculty, industry professionals and local entrepreneurs. Next year James Hathorn (JD/MBA '11) and Dane Voboril (MBA '11) will oversee the fund's investment activities. The business and campus communities are rallying behind the project. Says Fund, "It's somewhat surprising how much excitement there is about all of this, but it makes sense because it fits what we're about here – building the next generation of entrepreneurs."





## UNDERGRADUATE PROFILE: STUDENT LEADER EMBRACES POWER OF NETWORKING



Park ('11 Operations Management) rebuilt the Deming Center's Collegiate Entrepreneurs' Organization (CEO).

When undergraduate Daniel Park wanted more opportunities to nurture his budding entrepreneurial spirit, he did what any good entrepreneur does – he created them. To help undergraduates connect with Boulder's thriving entrepreneurial community,

"The experience and people I've encountered have shaped me in ways that I never could have imagined. I have gained a better understanding about my abilities, goals, and future."

Park shared the experience he gained through CEO in an organization called CXO. The company assists high-level executives from different backgrounds in networking to enhance their performance. Deming interns help CXO clients learn more about each other and network more successfully.

Park is majoring in Operations Management and minoring in Economics while pursuing the undergraduate Certificate

in Entrepreneurship. He has taken Entrepreneurial Environments and Entrepreneurial Finance, and will complete the capstone Business Plan Preparation class in the fall. He credits the certificate program for giving him insight into the entrepreneurial world and providing highly relevant guidance on starting one's own business. Park notes, "I've had the pleasure of meeting remarkable entrepreneurs, angel-investors, and faculty members through the program. The Certificate has given me further reason to believe that my choice of attending CU-Boulder was the right one. It's opened my eyes to a whole new realm of possibilities and dreams that I hope to achieve in the future."



Leeds MBA 2010 grads (left to right) Jeff Palmer, Jay Wilson, Eric Frazier and Ryan Broshar (not pictured) took home the top prize of \$6,000 at the second annual CU New Venture Challenge for their work with StrEat Chefs. StrEat Chefs, in its customized Airstream trailer, brings gourmet dining to the streets, carrying on the global tradition of street food – in style!



## PHD PROFILE: LEEDS PHD GETS RETURNS ON UNIQUE IPO RESEARCH



Markus Fitza, Leeds 2010 PhD graduate in Business Strategy and Entrepreneurship, has invested years researching strategic issues in the context of startup funding. Fitza's unique exploration of the advantages of IPO underpricing in attracting stakeholders has attracted him his own attention, including a position at Bentley University in Boston as Assistant Professor of Strategy and Entrepreneurship.

While at Leeds, Fitza authored articles for the Strategic Management Journal, exploring the value VCs add to their portfolio and the performance implications of VC diversification.

He also taught courses in entrepreneurship and strategic management. But the heart of Fitza's work is a unique perspective on IPO underpricing as an important vehicle for attracting key employees and customers by increasing a firm's visibility and its perceived transparency and reputation. He argues that even though most research focuses on maximizing the revenue generated by an IPO, underpricing, in fact, works to the advantage of the issuing firm.

Fitza, who earned his MBA from the University of Oxford, came to Leeds to complete his doctoral work because, "Leeds is one of the best entrepreneurship programs in the country and I found this was the best match for my interests at the nexus between strategy, technology and entrepreneurship."



## MBA TAKES CLEANTECH TO HEART— AND TO MARKET

Lindsay Holden (MBA '10) graduated from Leeds with all the confidence and inspiration she needed to go to market with a clean technology she believes in. After courses and an internship in sustainable business, technology innovation, and entrepreneurship, Holden partnered with Dr. Ryan Richards of the Colorado School of Mines (CSM) to launch the company Airegen, which boasts a patent-pending process for synthesizing a cost-effective petroleum substitute.

Holden built the company on cleantech coursework at CU: "I was connected with Dr. Richards through my Management of Innovation and Technology class. A group of students and I did a commercialization assessment on his technology. I liked the technology so much that after the class I approached him about forming a company to apply for some grants for proof of concept. We formed Airegen in November of 2009."

Holden, who also has a dual BS from CU in Chemical and Environmental Engineering, then took the course Renewable Energy Projects, completing a variety of projects and analyses for the Airegen business plan. Taking full advantage of Boulder and CU's cleantech community, Holden is working with the Boulder Innovation Center to find a board of advisors, and will work with the CU Entrepreneurial Law Clinic to take the firm from an LLC to a corporation.

Holden is also fueling her venture with her experience gained from a Deming-sponsored internship at the CU Technology Transfer Office (TTO). Holden reflects, "My internship at TTO gave me the expertise to know what type of technology I was looking for and confidence to participate in the foundation of a technology-based startup." She is moving to San Francisco, taking with her the knowledge she gained at CU. "There have been so many people who inspired me in my experience at Leeds – great energy is contagious!"



*"Working at the CU Technology Transfer Office was the best internship I could have hoped for. I learned how to analyze, protect, market, and license IP. I was able to enhance my negotiation skills. I formed countless relationships at CU and in the Boulder community. I became familiar with state of the art developments in chemical engineering."*

— Lindsay Holden, MBA '10

## RETOOL: OPPORTUNITIES IN THE NEW ENERGY ECONOMY

The rapid growth of renewable energy is a bright spot in a troubled economy. Clean energy companies are expanding, and federal stimulus funds are flooding into the industry. In response, the Deming Center launched a four-day certificate program that positions participants to get ahead of the curve in this emerging sector. The course explores:

- Which technologies have the greatest short- and long-term promise?
- How are costs and pricing for renewable energy technologies changing?
- How do federal and state policies affect the growth of different technologies?

RETool was first offered in the spring of 2010, and is being offered again in the fall 2010. Participant Mike DeFabio says of the program, "The Renewable Energy Course was amazing! I was blown away by how organized, professional, and educational this certificate program is."

Participants may take all four courses to earn a RETool Renewable Energy Certificate, or may take courses individually.

See <http://leeds.colorado.edu/RETool> for more info and registration.





# DEMING FUELS CLEAN ENERGY EFFORTS WITH TECHNOLOGY INCUBATION PROGRAM

The Deming Center deepened its investment in the campus-wide Renewable and Sustainable Energy Institute (RASEI), hiring Trent Yang as Director of Entrepreneurship and Business Development. Yang used his VC and startup experience to roll out a new incubation program targeting cleantech research from CU. The program focuses on bringing early market analysis, industry expertise, and proof of concept funding to guide researchers towards successful commercialization of their technologies. The program is already having a big impact. Yang explains, “Not only are we getting a couple of startups out of our first year, but it was a great learning experience for students and faculty interested in the early technology commercialization process.”

## HIGHLIGHTS FROM FIRST YEAR INCUBATION RESULTS:

- Received 12 applications from 10 departments, including Aerospace, Electrical Engineering, Mechanical Engineering, Chemical Engineering and Biochemistry
- Received applications from over 200 industry leaders seeking to participate in assessment teams
- Identified five CU technologies with significant commercial potential

## SELECT TECHNOLOGIES FROM FIRST YEAR INCUBATION CLASS:

### *Tigon Enertech*

Yang’s team recruited a proven entrepreneur to lead the company, which developed highly efficient gear and control systems for airplanes, boats, scooters and bikes. It has already received funding from a local aerospace incubator.

### *Building Integrated PV and Thermal*

RASEI awarded proof of concept funding to entrepreneur Chad Corbin, who, along with engineering professors John Zhai, Michael Brandemuehl and Gregor Hentz, developed a photovoltaic system for electricity and hot water production.

### *Distributed Hydrogen Production*

Engineering Professor Al Weimer developed a two-step solar-thermal process for creating renewable hydrogen. The RASEI incubation program provided market interest validation and proof-of-concept funding.

RASEI, a partnership between CU-Boulder and the National Renewable Energy Laboratory, works to create innovative solutions that will provide abundant, clean energy sources to power the 21st century and beyond. See <http://rasei.colorado.edu> for more information.



## CU ENERGY CERTIFICATE PROGRAM GRADUATES FIRST CLASS

The CU Energy Certificate is an interdisciplinary program of the Renewable and Sustainable Energy Institute that is open to all CU-Boulder students by application.

### 2010 ENERGY CERTIFICATE RECIPIENTS

Total: 7 Graduate, 4 Undergraduate  
Leeds Students: 6 MBAs (86% of inaugural graduate class)

### ANTICIPATED 2011 ENERGY CERTIFICATE RECIPIENTS

Total: 34 Graduate, 37 Undergraduate  
Leeds Students: 16 MBAs, 4 Undergraduate



*"The Deming Center programs, events and professional network more than satisfied my expectations. My courses pushed me to explore what makes alternative business models work. This awesome combination makes me confident that I can bring the insight and abilities essential to knocking sustainable business models out of the park."*

— Jacqui Dietrich, MBA '10



## THE MAKING OF AN ORGANIC BUSINESS LEADER

Even as a student, Jacqui Dietrich (MBA '10) was leading businesses towards achieving sustainability goals along with profitability. As a graduate, she is on track to be a leader in the natural and organics industry.

Dietrich got on the right track interning with the Deming Organic Business Initiative (OBI). She reflects, "I was able to develop an amazing professional network in natural/organic products and services. I got a unique perspective on the trends, business models and innovative concepts that shape the industry." She organized the first-ever Deming/Naturally Boulder Networking Night and co-founded the Organic Business Student Initiative.

She was awarded the Steve Demos and Mark Retzliff Entrepreneurship Fellowships. Retzliff, a Deming Board Member, also acted as Dietrich's mentor. Dietrich feels she gained immensely from his 40 years of experience launching and managing game-changing natural product companies such as Alfalfa's Market and Horizon Dairy. Through the Entrepreneurial Projects course, Dietrich collaborated with the Culinary School of the Rockies, local chefs, and farms to design a regional community center to integrate food and farm education and promote community-wide access to fresh, local food.

Dietrich is now launching Third Space Partners to help entrepreneurial companies achieve performance and sustainability goals.

## WHERE SUSTAINABILITY "RUBBER MEETS THE ROAD"

The Deming Center is developing a series of cutting-edge sustainability case studies with funding from the Educational Legacy Fund. The case studies will be available to schools across the country.

Deming interns wrote a case study on Pharmaca Integrative Pharmacy that was used in Leeds' core MBA marketing course. Professor Sue Grant explains, "The Pharmaca case provided students a vehicle that allowed them to use theory they were exposed to in the classroom and apply it to a real-world problem, where the rubber meets the road."

Interns also produced a case study on Eco-Products, Inc., a provider of environmentally friendly food containers. Finance professor Chris Leach integrated the case into his class, reflecting, "It's one thing to be exposed to the theory of sustainability, it's another to actually sympathize through the case with the entrepreneur's attempt to carry out that mission. Students can see that the perfect can be the enemy of the great. You can't get that out of a textbook."

Grant agrees that the sustainability cases are important tools: "Coupled with face-to-face interactions with the company, the Pharmaca case provided students with a 'teachable moment' like no other. Working on a live case is like MBA boot camp."



## SPONSOR SPOTLIGHT

Barney Feinblum, Deming Board member, Organic Business Initiative Advisory Committee member and Leeds MBA alumnus, has spent the past 31 years managing and growing natural and organic companies, including industry icons Celestial Seasonings and Horizon Dairy. In 2002 he founded Organic Vintners, importers of organic wine. Feinblum serves as a mentor for MBA students and has sponsored several student projects.





## “CONSCIOUS CAPITALISM” THRIVES AT LEEDS

Leeds business students learn not to leave their conscience at the office door, and that doing good can make good business sense. Affirming this message, the Leeds Center for Education on Social Responsibility (CESR) hosted the first annual Conscious Capitalism Conference with additional support from the Deming Center.

CESR Director Dr. Donna Sockell explains her inspiration: “The world of tomorrow will be shaped by our students today. A conference about what is possible to achieve in business when you are driven by your values, you are creative, and you take risks, can only serve to stimulate our talented students’ minds and encourage them to dream about the positive differences they can make in the world.”

The conference hosted 84 students from seven schools. Students were encouraged to think about developing businesses the “new fashioned way,” which Sockell describes as “businesses that have a direct effect on society’s well-being.” Conscious Capitalism II will be held at CU-Boulder in February 2011.



## MBA CHANGEMAKER INSPIRES OTHERS

In 2009, CU was chosen as one of nine universities in the national Ashoka Change Your Campus initiative. Emily Bosland (MBA ‘10) and Leeds instructor Francy Milner participated in the cross-campus Changemaker leadership team. Bosland gained a berth on the committee from her work cultivating a culture of social entrepreneurship at Leeds by leading a campaign that convinced Leeds to expand its Social Entrepreneurship in Emerging Markets course, as well as inspiring a social entrepreneurship student group.

*From left to right: CU students Jenny Spencer (International Affairs), Paul McBride (Architecture), Emily Bosland (MBA ‘10), and Ian Carter (JD ‘12) were featured as part of the Denver Ashoka Change Your City campaign. They were honored by Mayor Hickenlooper and pictured on this billboard near the Denver Art Museum.*

## EMPOWERING SOUTH AFRICAN ENTREPRENEURS



In South African townships, entrepreneurs are vital agents of change. This summer seven CU-Boulder students supported them through the “Entrepreneurship Empowerment in South Africa” study abroad course. Professor Frank Moyes, who has taught the

course three times, reflects, “South Africa has amazing opportunities for success, but there’s a gap between where the country wants to be and where it is. There’s poverty, an AIDS epidemic and people living in shacks. I think entrepreneurship is going to be the solution to South Africa’s issues. It’s not going to come from NGOs or from the UN. It has got to come from the South African people.”

The six-week course, sponsored by the University of Western Cape, CU-Boulder and others, combined classroom training with field work. Classes explored issues faced by South African entrepreneurs in the townships, relics of the apartheid system. Students worked with startups including a preschool, a newspaper, a township tourist hostel and a local African cuisine caterer specializing in cultural tourism. Deliverables included a website, marketing materials, a bookkeeping system, a pricing system and a customer prospect list.

Moyes says, “Students and clients learn from each other. The entrepreneurs have no formal business training, so they gain a lot. And the students get their minds away from theory and get down to practical applications of what they’ve learned.” The students, including six from Leeds, worked in teams of both South African and American students. Moyes notes that while participants “want to make a difference in the lives of South Africans, ultimately the difference that is made will occur within themselves.”





## MARKETING RADICAL INNOVATION: “I’LL TAKE ONE! WHAT IS IT?”

Henry Ford said, “If I’d have asked customers what they wanted, they would have told me, ‘A faster horse!’” Ford, an entrepreneur who created a revolutionary product never before seen by consumers, might have been intrigued by marketing professor Page Moreau’s recent research on Evolutionary Approaches for Revolutionary Products. Moreau explores how to position a radically innovative product that doesn’t fit neatly into existing categories: whether to tout it as a pioneer of an entirely new category (because, as she says, “research shows products succeed when they’re perceived as innovative”), or position it as a member of an existing category, so consumers can understand the product.

Moreau researched groundbreaking products such as the Kindle, the iPad and the iRobot Roomba, a device resembling a giant, battery-powered hockey puck that scoots across the floor. Moreau says of the Roomba (a robotic vacuum cleaner), “If you showed people a Roomba and said how innovative it is, they’d say, ‘But I don’t know what it is!’”



Moreau’s work uncovered some surprises. “What we’ve found is that people perceive the product to be more innovative, ironically, when you give them the existing category.” She believes this is because consumers need a baseline reference point that allows them to understand the innovations. “You have to balance the consumer’s need to understand the product with the marketer’s desire to establish perceptions of innovativeness, which is a key driver of adoption.” Marketers strike the balance through product positioning. “Ironically, we find that the least radical positioning leads to the highest perceptions of innovativeness. You’re always balancing the consumer’s fear of risk with their desire for novelty.”

Moreau’s research was funded by the Marketing Science Institute, which has been funding academic research for the business community since 1967. She says, “For the last 10 years, understanding how consumers make adoption decisions for new products has been one of the priorities of the business community.”

### THE FACULTY

Sanjai Bhagat (F) ♦ Jay Ballantine (Accounting) ♦ Maw Der Foo (M & E) ♦ George Deriso (M & E) ♦ Bret Fund (M & E) ♦ Mat Hayward (M & E)  
 Laura Kornish (M) ♦ Steve Lawrence (M & E) ♦ Chris Leach (F) ♦ Sharon Matusik (M & E) ♦ Ron Melicher (F) ♦ Dale Meyer (Emeritus) ♦ Page Moreau (M)  
 Frank Moyes (M & E) ♦ Liz Snowden (M & E) ♦ Tony Tong (M & E) ♦ Sousan Urroz-Korori (F) ♦ Eric Wiseman (M & E) ♦ Rich Wobbekind (F)  
 Eva Yao (M & E) ♦ Jeff York (M & E) ♦ Seth Murray (Engineering) ♦ Sandra Fish (Journalism) ♦ Brad Bernthal (Law) ♦ Jeff Nytych (Music) ♦ Joan Braun (Music)

Key: F = Finance M&E = Management & Entrepreneurship M = Marketing





## E-CERTIFICATE RAISES THE BAR TO KEEP UP WITH STUDENTS



Leeds entrepreneurial students so love a challenge that when faculty introduced more difficult requirements for the undergraduate Certificate in Entrepreneurial Studies this year, it actually sparked

new interest in the program. The new criteria were designed to increase the academic rigor and practical experience of the E-Certificate program through added networking requirements, more written assignments and a capstone written exam. Professor Bret Fund, who led the certificate revisions, reports, “A lot of the students have heard about the changes and asked if they can follow the new requirements even before they’re in place. We’ve added more requirements, but students like it because it helps validate what they’re all about.”

Neil Almy, who graduated this spring, transferred from the Engineering School specifically to pursue the E-Certificate. He explains, “I was working with my dad on an invention and we had no idea how to bring the product to market.” He considers pursuing the certificate as “absolutely the best decision I ever made,” and applauds the new requirements. He is particularly excited about the new requirements to participate in the Collegiate Entrepreneurs’ Organization and get involved in the entrepreneurial ecosystem. “It provides students with a unique perspective outside of the classroom,” states Almy, “which is important because successful entrepreneurs are not necessarily all about academics.” He made the most of the certificate program, winning the undergrad business plan competition in 2009, and placing third in the New Venture Challenge in 2010.

Historically around 50 students participate in the E-Certificate program, but Fund suspects the new requirements will attract even more. He concludes, “We have an outstanding program and this was an attempt to make it even better.”

## BY THE NUMBERS

- 15+** Papers presented by Leeds Entrepreneurship faculty in the past year.
- 12** Finalists, from 51 applicants, selected to participate as case studies for Laura Kornish’s Marketing of High-tech course.
- 800** Conference attendees at the 2009 Strategic Management Society Annual Conference in Washington, D.C. where Tony Tong was nominated for the SMS Best Conference Paper Award.
- 5** Languages spoken by Leeds doctoral student Dan Lerner, which came in handy while teaching a class in Madrid, Spain at the Instituto de Empresa (a top 10 business school) on Corporate Entrepreneurship and Innovation.
- 3** Leeds doctoral students who were selected to attend the 2010 Babson College Entrepreneurial Conference Doctoral Consortium in Switzerland.
- 4** Startups being launched by students from George Deriso’s MBA Business Planning class.
- 2** Top awards received by an article coauthored by Leeds professor Sanjai Bhagat: one of the Best Corporate and Securities Articles of 2009 by the Vanderbilt Law School publication Corporate Practice Commentator; and the De Brauw Blackstone Westbrook Law Prize for the best paper in the Law series awarded by the European Corporate Governance Institute.
- 9+** Papers published in the past year by Leeds entrepreneurship faculty.

## LEADING E-FINANCE TEXTBOOK GOES GREEN

When you’ve already authored the leading entrepreneurial finance text book, there’s nowhere to go but... green! Leeds Professors Chris Leach and Ron Melicher’s Entrepreneurial Finance textbook has sold tens of thousands of copies as far away as New Zealand, and boasts international editions sold in India, Bangladesh, Nepal, Pakistan and Sri Lanka – and yet the authors found a way to improve the book by integrating material on sustainable businesses and social entrepreneurship into the new edition. Leach and Melicher have incorporated snapshots of sustainable business ventures such as a green building lumberyard in the Northwest, an algae biofuel company, a small-scale wind turbine manufacturer, and Chipotle’s “Food with Integrity” program.

Leach explains that the textbook was written during the height of the high-tech economy, but now sustainable ventures have become a more meaningful part of the entrepreneurial landscape. He describes the additions to the edition as “a new twist on how you can have a passion for changing the world and not shy away from the hard-core issues of how to operate a business. We’ve branded E-Finance with a broad audience as a Colorado thing, and we want to show that it isn’t only narrowly applied to software and high-tech companies.”

The text book also considers for-profit companies with non-profit social missions, such as D.light, which designs and markets solar rechargeable lights for households without electricity. Leach explains that by incorporating these stories “we wanted to lay out part of Leeds overall approach—that you can do social entrepreneurship without being a 501(c)(3) non-profit.”

While the textbook explores both for- and non-profits, Leach admits a bias for-profit-based models “because they have a more sound financial basis.” He says, “Whether you like it or not, if you want to change the world you’re probably going to have to make money to make it work.”







Josh Bueller and Bill Freytag

## SPONSOR SPOTLIGHT: BILL FREYTAG

How do you take a business with no revenue and sell it for \$2.5 billion? The first step is to find a renowned biotech entrepreneur like Bill Freytag. Freytag— who has founded six biotech companies, run four, and served on the boards of at least 10 others— is now mentoring CU students and sharing his priceless insights into the unique world of biotech entrepreneurship.

CU Biotech Club founder Josh Bueller comments, “It’s a blessing to talk to someone who is so vested in providing a real mentorship role. His experience speaks for itself; I couldn’t ask for a better mentor. He makes time for students and is genuinely interested in connecting us to other members of the business community.”

Freytag also serves on the boards of Leeds, the Deming Center and the CU-Denver Business School, and was instrumental in bringing Tom Cech back to Colorado to help launch the Colorado Initiative in Molecular Biotechnology (CIMB) at CU-Boulder. Reflecting on his many successes, he says, “There’s so much serendipity involved in these things. I couldn’t have charted this course, but I was looking for it and I found it. That’s the definition of the difference between luck and fortune— I’ve been lucky in my life, but I’ve always looked for it.”

## CHARTING THE UNIQUE TERRITORY OF BIOTECH ENTREPRENEURSHIP

Imagine raising startup capital to produce something that won’t exist for a decade, or convincing someone to buy your company before it generates one dollar of revenue. These are the unique challenges of biotech entrepreneurship, where it can take up to 10 years to develop a therapeutic drug or medical device, and even longer to become profitable. Because biotech falls outside many of the norms of business education, MBA student Josh Bueller founded the CU Biotech Club to create a forum where students and faculty could connect with members of the biotech industry to find answers to the questions unique to this sector. He jokes, “I’m sure my classmates were getting frustrated with me asking questions like, ‘What happens if you don’t have any revenues in your company? What does a balance sheet look like then?’”

Bueller hopes interacting with successful biotech professionals will help him merge his passion for health solutions with business savvy. He explains, “Profits always have to be the end goal to make things happen, but anybody in bioscience has to have a personal concern for the state of the world’s health. There’s unmet need in almost every sector of health care and you can’t go after everything that’s important to you. You have to know which ideas are most fundable.” Bueller came to Leeds with more than 10 years experience in neuroscience research to learn the business side of biotech. He explains, “I wanted to stop researching the things that could help people feel better, and actually start making the products that make people better.”

Biotech Club members come from business, engineering or biology programs. This fall the group will offer a seminar series designed by biotech business leaders (and Deming Board members) Bill Freytag and Jim Linfield, together with Colorado Initiative in Molecular Biotechnology Assistant Director Jana Watson-Capps, to expose students to a rich network of advisors and contacts in the biotech community. The club will also facilitate the creation of new biotech curriculum at Leeds, taught by industry leaders. Bueller is pleased with his choice to come to CU-Boulder: “There is a thriving entrepreneurial community in Colorado and I feel especially encouraged by the local environment here in Boulder.”





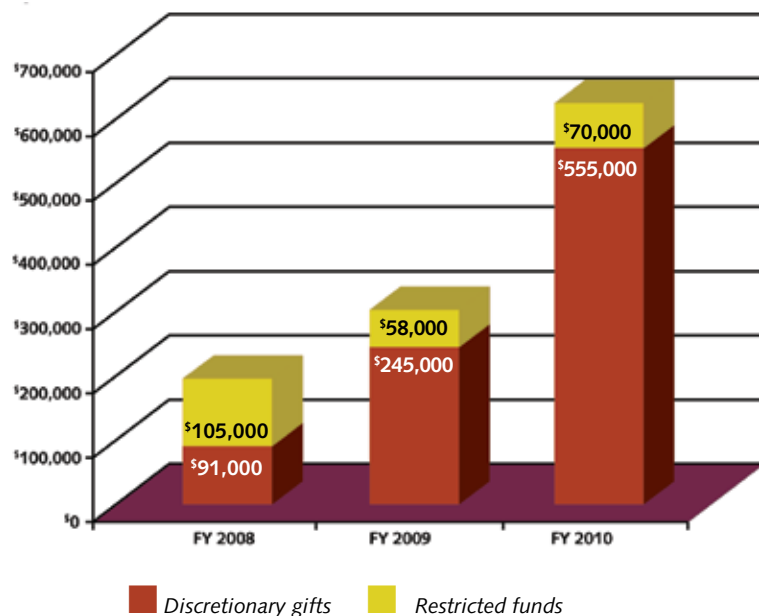
*"As entrepreneurs ourselves, my husband and I want to support a program that benefits entrepreneurship education across campus. Also, supporting CU higher education helps strengthen our Colorado work force. We know that funding for stellar programs requires outside donations these days, and we believe our contribution to the Deming Center is money well spent."*  
 – Linda Peotter, CEO, Metal Trading Corp, Deming Board Member

## FUNDRAISING

The Deming Center had its most successful fundraising year since the start of the Center. Participation by alumni, parents, board members and the business community is at an all-time high. Philanthropic investors have resoundingly cast their votes of confidence in the entrepreneurial initiatives at CU. We are grateful for every gift from \$20 to \$200,000. It all has a significant impact on the future of our entrepreneurial ecosystem. We couldn't do it without you.

To explore how you can be a part of the Deming Center's success, please contact Trisha McKean at [Trisha.McKean@cufund.org](mailto:Trisha.McKean@cufund.org). To make a direct investment in the Center, please visit [www.cufund.org/deming](http://www.cufund.org/deming).

## DEMING CENTER PHILANTHROPIC CONTRIBUTIONS FISCAL YEAR 2010



## DEMING DONORS 2009-10

### \$25,000+

Anonymous  
 G. Chris Andersen  
 Royal Carson  
 Steve Demos  
 Olson Family Foundation  
 Mark Retzliff  
 Toyota Motor Sales

### \$10,000 - \$24,999

Frank and Gina Day  
 Larry and Helayne Jones  
 Louis and Harold Price Foundation  
 Charlie and Leanne Sander  
 Harry Trueblood Foundation

### \$1,000 - \$9,999

Ball Corporation  
 Alexander and Sally Bracken  
 Peter Behrendt  
 Paul Berberian  
 Braemar Energy Ventures  
 Cindy Carrillo  
 Dan Caruso  
 William Chambers  
 Jim Cloar  
 Joyce Colson  
 Tim Connor  
 Jim Deters  
 Robert DiScipio  
 Kenneth Dulin  
 J. Michael Egan

Barney Feinblum  
 Larry Fenster  
 Michael Franson  
 Robert Gill  
 Steve and Amy Hane  
 Marley and Jennifer Hodgson  
 Kirk Holland  
 Mike Huguelet  
 Paul and Marilyn Jerde  
 Ewing Marion Kauffman Foundation  
 Robert Kyle  
 Stephen Lawrence  
 Michael Leeds  
 Dean Leffingwell  
 Sherri Leopard  
 C.J. Lett  
 Jim Linfield  
 Chuck Marcy  
 Robert McKenzie  
 Linda and Jeff Peotter  
 Jim Peterson  
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 Posit Partners  
 R. Brian Reagan  
 David Ryan  
 David Rzasa  
 Shell Oil Company  
 Marc Silverman  
 Chris M. Smith  
 Roger Smith  
 Bud Sorenson  
 John Dmitri Tadich  
 Martin Wenzel

### \$1 - \$999

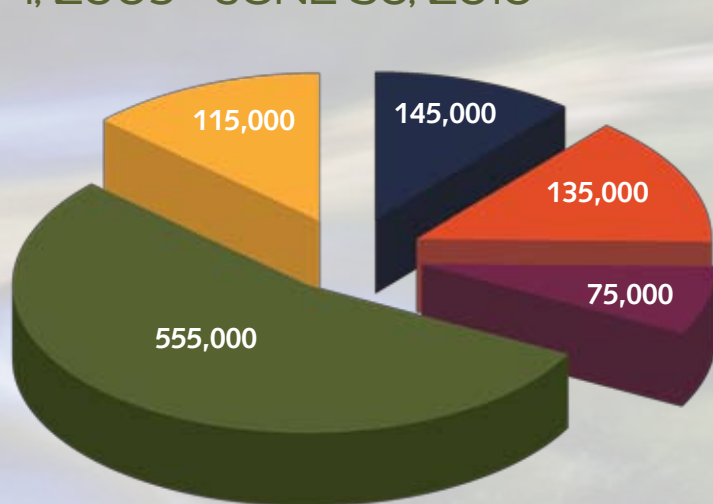
Dennis Ahlburg  
 Elias Bachmann  
 Sarah Behunek  
 Marianne Brumley  
 George Deriso  
 Donald Gaines  
 Kenneth Gamauf  
 Douglas Goldman  
 Susan Greene  
 Matthew Karpas  
 Kyle Lefkoff  
 Patrick Love  
 Trisha and Jess McKean  
 David Ross  
 Michael Treu  
 Adrian Tuck





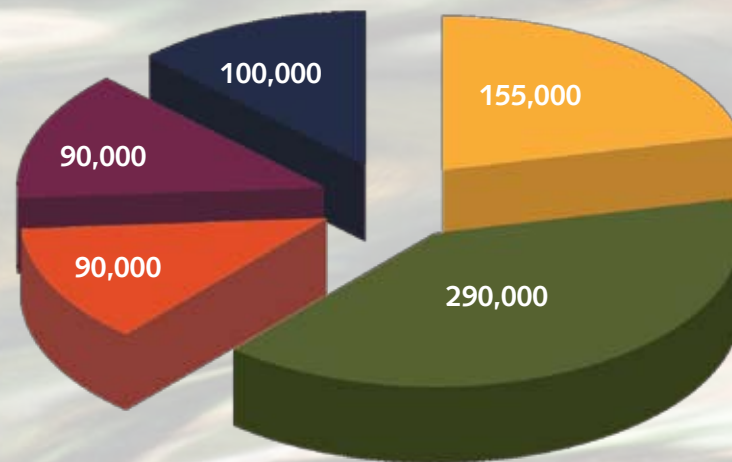
# DEMING CENTER BUDGET

JULY 1, 2009 - JUNE 30, 2010



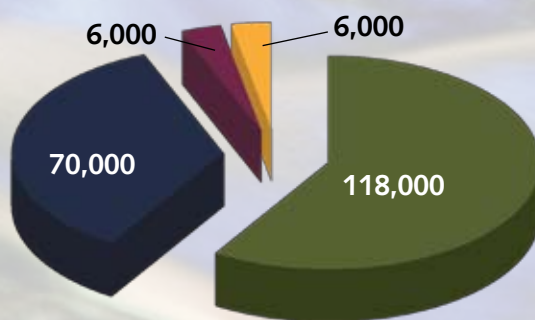
## OPERATIONS SOURCES

Program Reserve	\$115,000
Philanthropic Contributions	\$555,000
Leeds School of Business	\$145,000
Contracts & Program Revenue	\$135,000
Endowment Earnings	\$75,000
<b>Total</b>	<b>\$1,025,000</b>



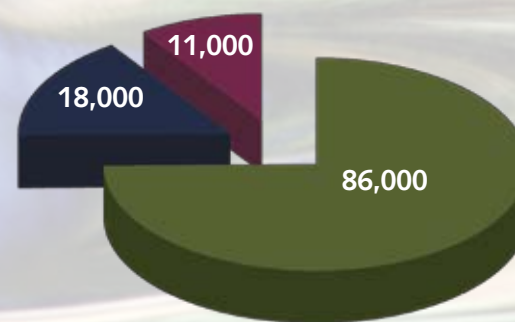
## OPERATIONS USES

Student Support	\$290,000
Business Community Engagement	\$155,000
Cross-campus & Executive Education	\$100,000
Faculty	\$90,000
Operations	\$90,000
Program Reserve	\$300,000
<b>Total</b>	<b>\$1,025,000</b>



## RESTRICTED FUNDS SOURCES

Program Reserve	\$118,000
Scholarships & Fellowships	\$70,000
Intern Support	\$6,000
Venture Fund	\$6,000
<b>Total</b>	<b>\$200,000</b>



## RESTRICTED FUNDS USES

Scholarships & Fellowships	\$86,000
Intern Support	\$18,000
Faculty Support	\$11,000
Program Reserve	\$85,000
<b>Total</b>	<b>\$200,000</b>

# DEMING CENTER FOR ENTREPRENEURSHIP BOARD MEMBERS

David Allen, CU Technology Transfer Office  
 Peter Behrendt, New Enterprise Association  
 Paul Berberian, Entrepreneur  
 Brad Bernthal, CU Law School  
 Tim Bour, Boulder Innovation Center  
 Alexander Bracken  
 Cindy Carrillo, Entrepreneur  
 Royal Carson III, Carson Private Capital  
 Dan Caruso, Zayo Group  
 Bill Chambers, Entrepreneur  
 Jim Cloar, Medtronic, Inc.  
 Joyce Colson, Colson-Quinn Attorneys  
 Tim Connor, Sequel Venture Partners  
 Arthur Dawson, Flatiron Consulting  
 Frank Day, Rock Bottom Restaurants  
 Robert Deming, Benefactor  
 George Deriso, Consultant  
 Jim Deters, Ascendant Technology  
 Robert Discipio, Aegis Analytical  
 Frances Draper, Boulder Economic Council  
 J. Michael Egan, Steadman Hawkins Research Foundation  
 Perry Evans, Local Matters  
 Barney Feinblum, Organic Vintners  
 Larry Fenster, Margarita Group, LLC  
 Michael Franson, St. Charles Capital  
 Bill Freytag, Entrepreneur  
 Daniel Friedlander, Investor  
 Robert Gill, The Topaz Group  
 Scott Green, Google Inc.  
 Susan Greene, e-media group  
 Steven Hane, Ampulse

Marley Hodgson, Mad Greens  
 Michael Huguelet, St. Charles Capital  
 Paul Jerde, Deming Center for Entrepreneurship  
 Larry Jones, StarTek, Inc.  
 Carl Koval, CU Renewable and Sustainable Energy Initiative  
 Manuel Laguna, Leeds School of Business  
 Steve Lawrence, Deming Center for Entrepreneurship  
 Barb Lawton, College of Engineering and Applied Science  
 Chris Leach, Leeds School of Business  
 Michael Leeds, Executive Fliteways, Inc.  
 Dean Leffingwell, Consultant  
 Kyle Lefkoff, Boulder Ventures  
 Leslie Leinwand, CU BioScience Institute  
 Sherri Leopard, Leopard  
 C.J. Lett III, Living Naturally, LLC  
 James Linfield, Cooley Godward Kronish  
 Chuck Marcy, Entrepreneur  
 Robert McKenzie, Crown Castle USA  
 Jane Miller, Charter Baking Company  
 Dr. Lawrence "Marty" Murphy, National Renewable Energy Laboratory  
 Paul Nelson, Saoradh LLC  
 Linda Peotter, Metal Trading Corp  
 Jim Peterson, Ball Corporation  
 André Pettigrew, Climate Prosperity Project  
 Mikhail Plam, AmideBio, LLC  
 Arthur Rancis, Amidex Inc.  
 Mark Retzloff, Aurora Organic Dairy  
 David Ryan, Green Spark Ventures  
 David Rzasa, ASD Inc  
 Charlie Sander, Confio Software

Marc Silverman, Mountain Angel Capital  
 Chris Smith, Cochlear Americas  
 Bud Sorenson, Sorenson Limited Partnership  
 Adrian Tuck, Tendril Networks, Inc.  
 Casey Verbec, Touchpoints Trust Group  
 Chris Wand, Consultant  
 Martin Wenzel, Colorado Energy Management LLC  
 Ray Wilson, College of Engineering

THE DEMING CENTER  
 THANKS THOSE STEPPING  
 DOWN FROM THE BOARD  
 FOR THEIR SERVICE AND  
 SUPPORT...

Kirk Holland, Access Venture Partners  
 Jon Nordmark, Wambo  
 Kiyoshi Murata, SilentAir Corporation  
 Kimbal Musk, OneRiot  
 Kurt Smith, College of Engineering & Applied Science  
 Mark Willner, nFlexion



*"I've served as a Deming Board member for over 10 years. The experience has been rewarding and has allowed me to develop many long term relationships through service as a mentor, a class guest speaker and service on the executive committee. I have found the students, faculty and fellow board members a joy to work with, teaching me something new with each interaction. As the new Chairman of the Board, I am excited about helping the program fulfill its five-year plan of advancing the adoption of sustainable entrepreneurship."*

– Larry Jones, Deming Center Board Chair, President and CEO, StarTek, Inc.







**DEMING  
CENTER**  
for  
**ENTREPRENEURSHIP**  
Leeds School of Business

THE ROBERT H. AND BEVERLY A. DEMING  
CENTER FOR ENTREPRENEURSHIP  
419 UCB  
Boulder, CO 80309-0419  
phone: 303-735-5415  
email: deming@colorado.edu  
web: leeds.colorado.edu/deming



Yvonne Min Photography

## THE LAST WORD

*"Despite multiple jobs at different startup companies, I have never been exposed to such an entrepreneurial environment as I have been as a manager at Trep Cafe. The experience has reinvigorated my confidence in running my own business in the future."*

– Matt Hardy, ('11 Finance),  
Financial Manager at the student-run Trep Café

EXECUTIVE DIRECTOR: Paul Jerde  
ACADEMIC DIRECTOR: Steve Lawrence  
MANAGING DIRECTOR: Alison Peters  
RASEI BUSINESS DEVELOPMENT DIRECTOR: Trent Yang  
ASSISTANT DIRECTOR: Patty Graff  
EXECUTIVE ASSISTANT: Jody Reale

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