



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

ANNUAL REPORT

AUGUST 2009 THE UNIVERSITY OF COLORADO AT BOULDER LEEDS SCHOOL OF BUSINESS



Deming Center Academic Director Steve Lawrence teaches an executive education program on renewable energy technologies.



“One of the things that distinguishes an entrepreneur is vision - the ability to see and articulate a future state. While a vision may inspire, in reality, it is simply words. The value lies in the work. Clear plans. Measurable progress. Rigor.



Combine a clear vision with disciplined execution, and an entrepreneurial organization is unstoppable. That powerful combination is precisely what’s happening at the Deming Center today and it’s why I’m so passionate about being a part of it.”

Sherri Leopard, Leopard; Deming Center board member and contributor to Vision 2014



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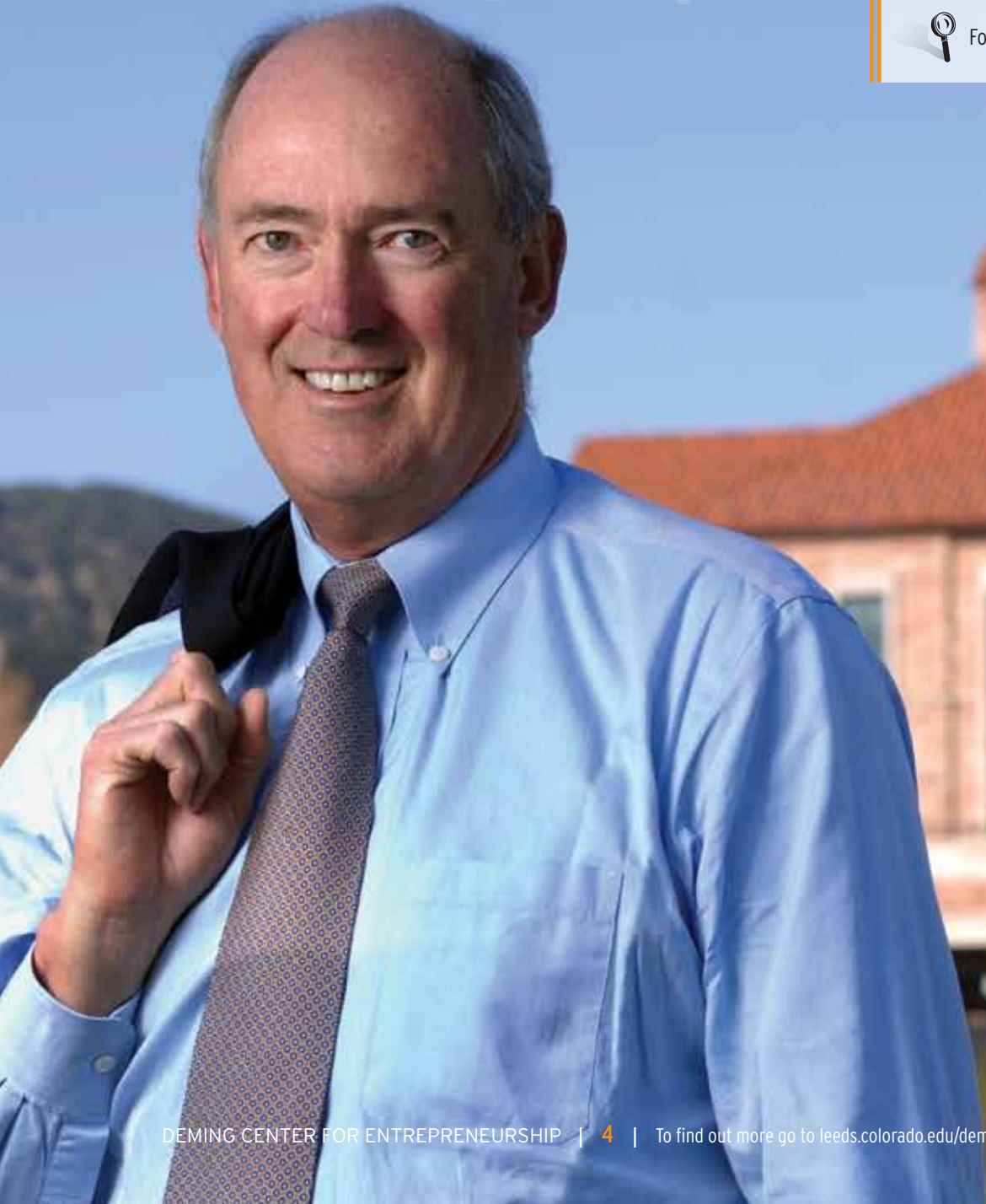
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CLOSER LOOK



For a closer look at the **Deming Center's Vision 2014**, visit leeds.colorado.edu/deming





ENTREPRENEURSHIP: NOW MORE THAN EVER

Executive Director's Letter

The Right Place at the Right Time

It has been an extraordinary year in business - one of re-thinking fundamentals. In this time of tumult and change I'm convinced the entrepreneur is more critical than ever - and that the Deming Center is ideally positioned to make a meaningful impact. Through our leadership in entrepreneurial thinking and our focus on sustainable business sectors, we are on the front edge of the changing face of business.

Times like These Call for What We Do Best

We give students skills to determine their path—or create a new one as the world changes. We provide cutting edge entrepreneurial training in the context of a well-rounded business education to prepare our students to shape the future of business. Our students get experiences that test their skills in critical thinking and problem-solving, teach them to make sound business decisions, and help them gain confidence in their ability to manage business. As a result, they can take an entrepreneurial approach to any business challenge.

We inspire business leaders to offer living laboratories for students to explore ideas. The Center has cultivated a rich "Deming Network" of creative entrepreneurial thinkers who offer real-time business experience to our students. Collaboration with industry is a cornerstone of the Deming Center's approach—and a key to our success. We help students connect with leading industry sectors and get those students into roles where they can start to make a difference immediately.

We keep it fresh. Our program stays cutting edge because our business and campus partners stay at the edge of innovation. Under the broad umbrella of sustainable entrepreneurship, we support our students' desires to apply their skills to the world's big problems, whether in energy, food supply, or biotechnology.

Vision 2014: Building on Our Strengths

In this report we share our recent accomplishments and our plans for moving forward with our "Vision 2014." We crafted this vision with Deming Board leadership to capitalize on this time of change and emerge as an undisputed leader in entrepreneurial education and collaborative sustainable entrepreneurial initiatives.

Through *Vision 2014* we have also strengthened and inspired our board. We have over 40 business members of the Deming Board, and growing interest in the board and Deming Network from all industry sectors. I'm proud to report that in fiscal year 2009, the board achieved 100% participation in our fundraising efforts - this is a first, and a vote of confidence in the Center.

Thank you to all our friends and supporters reading this report - we look forward to bringing our vision to life through our continuing collaborations with you.

"My focus in entrepreneurship and marketing at CU has provided me with the confidence and skills to be flexible during a tight job market. I see this situation as an opportunity - I guess that's my inner entrepreneur talking."

Christina Kornreich (MBA '09)



MBA EMBODIES THE SPIRIT OF DEMING CENTER

MBA Profile

BY THE NUMBERS

- 20** Beyond Grey Pinstripes
Leeds ranking US
- 20** US News & World Report
entrepreneurship ranking
- 75** Number of students
in MBA Class of 2009
- 111** Number of students
in MBA Class of 2010
- 35** Number of students
Evening MBA Class of 2011

Graduate Lindsay Brust (MBA '09) embodies the Deming Center's energetic drive and collaborative spirit. At Leeds, Brust and her team won both the New Venture Challenge and the Leeds Business Plan Competition for their venture, KNOVA Learning. "Education isn't working for low-income students in the US. KNOVA learning has a plan that will help, including a longer school year, standards-based, research-validated programs, and a new way of empowering teachers."



Brust also launched the Graduate Entrepreneurs Association (GEA) mentoring program. "I wanted a mentor who would help me flesh out what I'm good at, what I can contribute and what I'm passionate about -- questions that seem obvious, but really aren't." The program connected nearly 20 students with business mentors in its first year. Brust was also a member of the elite Entrepreneurial Solutions consulting team. "I learned so much about the consultant-client relationship, setting up expectations, and problem-solving. It was an amazing way to exercise critical thinking skills."

As a Deming Center intern, Brust, and her teammate Aleana Sutton (MBA '09), completed the groundbreaking Boulder Natural Business Community Audit, quantifying for the first time Boulder's claim to natural and organic fame. "The opportunity to present the findings at Naturally Boulder Days - to tell leaders about the industry that they made - was a highlight of my Deming experience."

Since graduation, Brust is consulting and launching KNOVA Learning Colorado. She plans to open the first school in 2010. "Leeds gave me the knowledge to be able to start my own organization and the Deming Center provided a network I can use as mentors and resources." Brust admits it's a challenging time to graduate, but "it was the best time to be in school. At Leeds there was a community you could turn to with questions." She looks forward to remaining a long-term member of that community.



Leeds students traveled to Omaha to meet business icon Warren Buffett on a trip organized by Hunter Burke (MBA '10).

Josh Winer (MBA '10, pictured) reported: "The trip was the highlight of my MBA career thus far. Hands down. I was fortunate to sit across from Mr. Buffett at lunch. What really struck me was Warren's bullish, optimistic mentality. He told me, 'I've weathered many recessions like this, and you will too...perhaps five or six in your lifetime. You guys will begin your careers during an amazing time -- I'd give anything to trade places with you.' Warren is an incredibly generous and sincere man." Classmate Liz DiLorenzo (MBA '10) concurs: "Mr. Buffett held his integrity and compassion even after becoming the richest man in the world. It takes a very special person to do that."



LEEDS PHD “ESCAPING THE GREEN PRISON”

PhD Profile

Desiree Pacheco ('09 PhD Management and Entrepreneurship) is breaking important ground and reaching influential audiences with her research on sustainability. Her article, “Escaping the Green Prison: Entrepreneurship and the Creation of Opportunities for Sustainable Development,” has been accepted by the Journal of Business Venturing. Leeds scholars like Pacheco are bringing new attention to the evolving field of sustainable entrepreneurship.



Photo: Gradtrak

The paper shows how entrepreneurs can escape from the “green prison” by altering or creating institutions and conditions that establish the incentives of competitive games to encourage sustainable entrepreneurship.

Pacheco completed her Masters through the CU Environmental Studies Program and then transitioned to the Leeds School for her PhD. “I knew I should be in a business school studying the sustainability strategies of firms and the emergence of new firms addressing environmental issues. Environmental challenges might be the most important issues that businesses have to address in the coming years.”

Pacheco has been hired at Portland State University for a position in Business Strategy and Sustainability as the “Hannah Anderson Emerging Scholar.”

Pacheco’s paper examines how entrepreneurial activity in sustainability is limited by the inability of markets to efficiently allocate environmental and social resources. The prisoner’s dilemma metaphor explains how entrepreneurs are often trapped into environmentally degrading behavior due to the divergence between individual rewards and collective goals for sustainable development.

Undergraduate Profile: Student Launches Goat Venture Sara Klymkowsky ('09 Finance) is putting her undergraduate Entrepreneurial Studies Certificate to work - literally. Klymkowsky is implementing the business plan she developed as her Leeds honors thesis. Besides completing a double degree in Finance and Biology, this year Sara launched “Capricious Ventures.”

Capricious Ventures will sell natural goat meat (chevon). “I’ve always worked with animals and I kept reading articles about how the U.S. is importing millions of dollars of goat from Europe.” Goat meat is naturally leaner than beef and tastes milder than lamb. “It’s the most consumed red meat in the world, just not in the United States.”

There are two distinct markets for goat meat - ethnic and natural/organic. “The natural and organic market is the segment I’m really passionate about.” Klymkowsky was inspired by Boulder entrepreneurs speaking in her business classes - “people interested in life balance, natural and organics products and corporate responsibility.”





“The Deming Center has been a leader in defining Sustainable Entrepreneurship as traditional entrepreneurship with an added focus on social and environmental responsibility, public policy, transparency, and global citizenship.”

Vision 2014 (For more on *Vision 2014* visit leeds.colorado.edu/deming)

In a study of 300 universities, CU was one of only 15 schools to receive an A- from the *College Sustainability Report Card*. Schools are graded in areas of climate change and energy, food/recycling, green building, student involvement, transportation, among others.



CLEANTECH VENTURE CHALLENGE

Board Member Sees the Future in Cleantech Venture Challenge

Each year the Deming Center brings together future cleantech entrepreneurs from around the world for the Cleantech Venture Challenge (CVC). The student participants rub elbows with industry professionals such as competition judge and Deming Board member Dan Friedlander.

Friedlander has been involved in five high tech start-ups, two that went public. He now focuses on business formation in cleantech and alternative energy. "Both present fantastic business opportunities and are monumentally important for the future." The CVC, as part of the Sustainable Opportunities Summit co-hosted annually by the Deming Center, provides a glimpse into potential sustainable technologies of the future. Friedlander participates because "we don't know what the key technologies will be in combating global warming, so we need to look at all of them and encourage the people who are developing them."

This year's winners were:

Ecoviv, Oxford University, U.K.: \$12,500

Husk Insulation, University of Michigan: \$7,500

Tetra One Source, University of Louisville: \$4,000

NALION Technologies, University of Waterloo, Ontario, Canada: \$1,000

Ecoviv enables data centers to significantly lower the power consumption of their servers through patent-pending software. Friedlander supports the Deming Center because it promotes clean energy innovation, which he believes creates economic opportunity and combats global warming. "Right now there's overwhelming interest in cleantech. We need to work to ensure there's an adequate market to support it."



MBA Student Launches Cleantech Student Group. Inspired by a passion for sustainable entrepreneurship, Maura Lohrentz (MBA '10) created the RASEI Student Alliance. The group fosters connections among CU researchers, government science agencies, cleantech entrepreneurs and Leeds MBA students.

Lohrentz hopes the Alliance will "provide Leeds MBA students with future work opportunities and subject matter for real world school projects, as well as actually achieve real progress in building the Colorado cleantech cluster." The Alliance has received support from the campus-wide Renewable and Sustainable Energy Institute (RASEI) to expand its efforts to serve students from business, law, engineering, environmental studies, biology, chemistry, and physics departments who are interested in the cleantech space. This year, the group provided support for a visit by speaker Bill Reinert, co-designer of the Toyota Prius. Future events will bring together CU researchers, graduate students and off-campus business people and scientists to share knowledge about specific clean technologies and issues.



RENEWABLE AND SUSTAINABLE ENERGY INSTITUTE

Cultivating the Energy Leaders of Tomorrow

As part of the team awarded the 2007 Nobel Peace Prize for raising awareness about climate change, instructor Paul Komor understands the importance of fostering the energy leaders of the future. Komor, Education Director of the CU Renewable and Sustainable Energy Institute, launched the Energy Certificate program this year. "Right now the student demand for energy courses vastly outstrips what we can offer. I intend to build CU-Boulder as the place to go for energy education."

Komor convened a diverse committee to design the interdisciplinary Energy Certificate. It focuses on technology, policy and commercialization of energy sources. Komor believes this broad base will allow students to address the tough questions, such as "How are we going to meet future energy needs while reducing carbon emissions?" He adds, "I don't know, and I hope to see them figure that out."

There are six courses in the program, including a required business course, Commercializing Alternative Energy, taught by Deming Center Academic Director Steve Lawrence (for more detail, see page 19). The first cohort of 33 students consists of graduate students in engineering, business, law and environmental studies. The program includes both a graduate and an undergraduate certificate.

Eric Frazier (MBA '10) notes, "One of the aspects I enjoy most about the Energy Certificate program is that I can take classes where business students are in the minority. The diversity of perspectives really enhances class discussion."

Komor comments that while engineers tend to focus on technology and law students focus on the regulatory environment, "Business students bring an entrepreneurial spirit. You can sense their enthusiasm for start-ups and instituting new technologies. It adds a nice spark."



CU-Boulder's Renewable and Sustainable Energy Institute (RASEI), in partnership with National Renewable Energy Laboratory (NREL), works to solve global energy challenges through research, education and technology commercialization. RASEI explores not only the technology, but the policies and socio-economic shifts required to make renewable and sustainable energy a reality.



RENEWABLE AND SUSTAINABLE ENERGY INSTITUTE

Prius Designer Brings Business Insight to Leadership Council



Boulder is occasionally termed the Prius capital of the world. Whether or not that's true, the Prius does have roots here in one of CU's graduates. Bill Reinert (Engineering '80), co-designer of the Toyota Prius and National Manager of Toyota's Advanced Technology Group, reconnected with CU through a Deming Center invitation to speak at the Sustainable Opportunities Summit. From there, he got interested in how CU's energy research might be valuable to Toyota as it continues to drive innovation in the auto industry. Reinert joined CU's Renewable and Sustainable Energy Institute (RASEI) Leadership Council this year.

The Leadership Council provides strategic insight to staff and researchers. It consists of influential corporate leaders, entrepreneurs, investors, scientists, and policymakers. Reinert was inspired to join the Council "because it's integrated across various colleges at the University and can provide students a broad perspective on energy policy. From a business angle that's very appealing." Reinert works to "bring a sense of business needs to the Council – which are different than those of academia or pure research."

Reinert asserts that while the economic downturn may slow RASEI in reaching some of its goals, "that shouldn't deter anybody." He believes that RASEI will be ready to capitalize when the economy recovers. Other Council members come from companies such as Xcel Energy, Sun Microsystems and SAIC, as well as Deming Center Executive Director Paul Jerde.

Alternative Energy Gets a Kick-Start

The Deming Center fosters entrepreneurship and business development of renewable energy technology as part of the campus-wide Renewable and Sustainable Energy Institute (RASEI). The Deming Center worked with CU's Technology Transfer Office to select the winners of Proof-of-Concept grants to three promising cleantech technologies.

- **Nano-technology** for more reliable, safe and lightweight batteries in laptops, electric vehicles and personal electronics: Professors Conrad Stoldt and Se-Hee Lee, Engineering, \$50,000.

- **High voltage "smart" electronics for photovoltaics** – a cost-effective way to make solar installations more flexible and efficient: Professor Robert Erickson, Engineering \$50,000. (This technology is currently under license negotiations with a manufacturer.)
- **Microchannel Heat Exchanger** to boost energy efficiency through affordable technologies appropriate for applications in developing countries: Professor John Zhai and PhD Candidate Dave Denkenberger, Engineering, \$30,000.





Liz Lowry (MBA '09), WhiteWave Foods CEO Joe Scalzo and VP of Responsible Livelihood Ellen Feeney in WhiteWave's cafeteria that features local, organic food and a reduced carbon footprint.

“Our 2008 intern, Liz Lowry, contributed to the development of an on-line employee sustainability education program and the management of a zero waste partnership project. The internship not only provided a practical hands-on learning opportunity for Liz and exposure to the industry, but has added a valuable resource to our department in achieving vital company objectives.”

Ellen Feeney, Vice President of Responsible Livelihood, WhiteWave Foods



ORGANIC BUSINESS INITIATIVE

Progress Report

The Organic Business Initiative (OBI) began in 2007 to promote education and entrepreneurship in the increasingly important area of natural and organic products and services, a key industry sector in the Boulder community and a highly entrepreneurial one. The OBI Steering Committee, consisting of leaders from Boulder's natural and organic industry, identified the importance of a two-way street between the natural products industry and students. The Committee also envisioned the Initiative as helping to create a platform for all business to move in a more sustainable direction.

The mission of the OBI is to foster entrepreneurial leaders, world-class scholarship and research in natural and organic business that result in sustainable business models and innovations that inspire transformation across all industry sectors. The OBI provides the natural and organic industry a laboratory for fresh business models, product innovations and technological solutions – as well as a source of future talent and empowered entrepreneurs. For Leeds students, the OBI cultivates a connected learning environment by building bridges with

the business community through case-based coursework, sustainability curriculum, mentorships and internships. **The Initiative creates value for businesses, students and the community by nurturing inspired and hard-working students, as well as by offering support and expertise to natural and organic business entrepreneurs.** Finally, our mentorship program allows natural and organic leaders to give back to the community.

Successes to Date

- MBA students completed the groundbreaking Boulder Natural Business Community Audit. It captured for the first time the scale of Boulder's \$2 billion natural business industry.
- Leeds students wrote business plans for Bhakti Chai and Reel Lawn, two sustainable product startup companies.
- Five students shared their talents and motivation as interns with Naturally Boulder, Pixie Mate and WhiteWave.
- Distinguished speakers from the industry shared expertise in classrooms and workshops, including leaders from WhiteWave, Celestial Seasonings, Rudi's Organic Bakery, Izze, Greenmont Capital, Aurora Organics Dairy and more.
- The Leeds School of Business and the Deming Center for Entrepreneurship hosted events, including the Naturally Boulder Days opening event with over 100 participants.



“We are social change agents. Organic food is the way we get to demonstrate what we believe in: social responsibility and contemplative leadership concepts.”

Steve Demos, Steering Committee Member



COLLABORATION IN ACTION

Interns Help Bring CU Discoveries to Market

The unique three-way partnership among the Deming Center, the non-profit Boulder Innovation Center (BIC) and the CU Technology Transfer Office (TTO) epitomizes the Deming Center's commitment to cross-campus and private sector collaboration. BIC staff member Eric Gricus (MBA '06) is at the heart of the alliance. Gricus, a Leeds graduate and former TTO / Deming Center intern, now works at BIC, connecting start-ups with resources to help them succeed. The majority of BIC clients utilize inventions run through the University's TTO. MBA interns work both directly in the TTO and with BIC clients.

The TTO analyzes hundreds of technologies discovered by CU researchers. The BIC then works with those that have the most commercial potential. Intern Lindsey Holden (MBA '10), supporting two TTO technologies in the BIC pipeline, has been impressed by the process. "Behind the walls of CU, people are working away and discovering things. I have 12 inventions from one researcher. There's a lot going on here that you don't realize."

Interns research the commercial potential of discoveries and provide support to those funneled to BIC. BIC facilitates relationships between the entrepreneurial community and CU researchers. BIC convenes management teams for the start-ups, as well as provides guidance, and potentially interns, during the incubation period.

Intern Fiona Ferguson (MBA '10) is working on three joint TTO / BIC technologies, while Peter Popp (MBA '10) has one case going through the BIC process. Popp has a PhD and worked as a scientist at NOAA, but came to Leeds to break into technology-based business. His internship utilizes his technical background while exposing him to the business side of technology. He is getting experience that "you just can't get in the classroom."

Holden, working with a technology that just went to start-up phase with BIC, concurs: "Going to school for entrepreneurship is one thing, but seeing it actually happen - to see people forming a company - is completely different. It's much more exciting to see it happen for real."



Interns Peter Popp (MBA '10), and Fiona Ferguson (MBA '10) with Eric Gricus (MBA '06).



JOIN THE DEMING NETWORK! Over 2000 business people are affiliated and engaged with the Deming Center. We urge you to join this growing network at leeds.colorado.edu/JoinDeming.





Nobel Laureate and Deming Center Announce Bioscience Initiative



Nobel Prize-winning chemist Tom Cech headlined the Deming Spring Networking Night, which launched the Bioscience Initiative for the Deming Center. The event brought together over 100 innovators and business people in the industry, including representatives from 3Q Matrix, Bionimbus Inc., Bioptics and Sun Microsystems. Professors Thomas Cech and Leslie Leinwand were the guests of honor.

Cech is director of the Colorado Initiative in Molecular Biotechnology (CIMB), and Leinwand is serving as Chief Scientific Officer. Bioscience technology is an emerging industry focus area for the Deming Center. The Center will facilitate entrepreneurial partnerships with the CIMB, and Leeds faculty will help design entrepreneurial education for its students. The CIMB boasts involvement from four Nobel Laureates (including Cech), and engages world-class scholars and students in solving the most challenging problems in human health – while creating economic opportunities.

Cooley Godward and Kronish LLP sponsored the event, along with the Leeds Graduate Entrepreneurs Association.

“Entrepreneurship by its nature is interdisciplinary. To get a new result, you have to look outside of what you would normally do. Entrepreneurship happens at the edges of established paradigms, where ideas collide.”

Steve Lawrence, Academic Director,
Deming Center for Entrepreneurship





FACULTY SPOTLIGHTS

Kornish Web Marketing Research Takes Off

Marketing professor Laura Kornish is diving into new research about the impact of on-line reviews generated by the common question “was this review helpful to you?” Dr. Kornish also received tenure this year. “It’s wonderful to have the freedom to go in a new direction, and it’s been energizing. With tenure I feel like I can take this risk and pursue something challenging that might have a big impact.”

Kornish believes that while companies offer “helpfulness reviews” to improve consumer decision-making, manipulation of these reviews might be doing just the opposite. Some manipulation is blatant, as when a marketing manager offered money for positive reviews online, but Kornish is interested in how much more happens behind the scenes.

Her preliminary research indicates that manipulation is definitely an issue in some cases. “If you want to promote a product you can have people write 5-star reviews and rank low reviews as unhelpful, and vice-versa.” This creates a pattern in the data that she statistically analyzes. Her research is important not only for consumers, but for companies determining marketing norms and ranking sites, that are eager to preserve consumer confidence.

Having an Impact Beyond the Classroom

Is all money the same? Maybe not, according to Professor Sharon Matusik. Her recent research on how venture capital adds value to entrepreneurial ventures is extending the impact of her work far beyond the classroom.

Matusik’s research shows that VCs create the most value when they are highly specialized in one industry or when they are highly diverse and invest in a broad range of industries. A “middle of the road” approach is the least beneficial. “VC firms are knowledge-intensive businesses and they create value through their knowledge,” Matusik explains. “There are efficiencies associated with specialization. On the other hand, diversification provides an ability to manage complex problems and lead companies to finding Plan B as needed.”

Matusik presented these findings to the Deming Center board and the Rocky Mountain Venture Capital Association this year. “The response was extremely positive. From their questions and comments I got enough ideas for research to keep me busy for years!”

While her research has an impact outside the classroom, Matusik also loves teaching, especially at Leeds. She received tenure this year and looks forward to many years of teaching future entrepreneurs. “A lot of students are drawn here for entrepreneurship. That contributes to a dynamic classroom environment. They’re asking questions that are out of the box.”





2009-2010 FACULTY

Sanjai Bhagat (Finance)
 Jay Ballantine (Accounting)
 Joe Buczkowski (Finance)
 Maw Der Foo (Management & Entrepreneurship)
 George Deriso (Management & Entrepreneurship)
 Bret Fund (Management & Entrepreneurship)
 Mat Hayward (Management & Entrepreneurship)
 Laura Kornish (Marketing)

Steve Lawrence (Management & Entrepreneurship)
 Chris Leach (Finance)
 Sharon Matusik (Management & Entrepreneurship)
 Ron Melicher (Finance)
 Dale Meyer (Emeritus)
 Page Moreau (Marketing)
 Frank Moyes (Management & Entrepreneurship)
 Liz Snowden (Management & Entrepreneurship)

Tony Tong (Management & Entrepreneurship)
 Sousan Urroz-Korori (Finance)
 Eric Wiseman (Management & Entrepreneurship)
 Rich Wobbekind (Finance)
 Eva Yao (Management & Entrepreneurship)
 Brad Bernthal (Law)
 Kurt Smith (Engineering)
 Ray Wilson (Engineering)



BY THE NUMBERS

260+

Published books, articles, and book chapters written by Leeds entrepreneurship faculty.

\$250,000

Dollars awarded to a team led by Deming Center faculty **Sousan Urroz-Korori** and Professor **Stephen Lawrence** by the Eurasia Foundation. The grant was for the Online Women and Entrepreneurship (OWE) program, available in both English and Farsi at www.deminghelp.org.

8

Number of technology start-ups that instructor **George Deriso** has either founded or worked with at the executive level. Last fall Deriso started raising capital for yet another venture.

90

Student teams that competed in the preliminary round of the Leeds Net Impact Case Competition. Instructor **Eric Wiseman** is the faculty advisor to this nationally regarded Leeds competition and has secured Xcel Energy as next year's sponsor and case subject.

60+

Universities and government agencies that have hosted professor **Sanjai Bhagat** to present on corporate governance and entrepreneurship, including Harvard, Yale, Stanford, U.S. Securities and Exchange Commission and U.S. Department of Justice.

29

Newspapers and magazines that covered **Mathew Hayward's** book, *Ego Check: Why Executive Hubris is Wrecking Companies and Careers and How to Avoid the Trap*. Includes the Washington Post, Fortune, Inc, Fast Company and USA Today.

40

Miles run by marketing professor **Laura Kornish** to celebrate her 40th birthday this year.



INNOVATION IN THE CLASSROOM

Saving the Economy One Entrepreneur at a Time

“Entrepreneurship is what is going to save our economy. We can’t rely on GM. All the new inventions, technologies and jobs will be coming from entrepreneurs. That’s what will drive our economy and continue to drive our economy. That’s always been the case.”

Frank Moyes, Scholar in Residence

After 12 years of teaching entrepreneurship, Scholar in Residence Frank Moyes feels it’s more important than ever. And he backs his words with action. Moyes developed a new class this year, Entrepreneurial Leadership, as part of the undergraduate Entrepreneurship Certificate. Moyes launched the course to fill a gap in the curriculum and give students a taste of entrepreneurship “from the inside.”

Budding entrepreneurs in this class will work with start-up companies to see first-hand the unique problems small companies face, typically ones that require creativity and comfort with an unstructured environment. Mainly Moyes wants to expose students to the fact that “entrepreneurial ventures are hard, things are more intense.”

Moyes screens the companies carefully to ensure that students face meaty challenges. He jokes, “I don’t want them to just be making coffee, though everyone does need to learn how to make coffee.”

Before teaching, Moyes started several businesses and worked extensively in Europe. He’s grateful he found teaching, and loves working with both undergrads and MBAs. “Undergrads are so enthusiastic. The advantage is that they don’t



know something can’t be done. MBAs have experience so they don’t go off on flights of fancy, but they convince themselves that something can’t be done.”

Moyes is taking a sabbatical until Fall 2010. He’ll visit family in Singapore and two former students starting businesses in Thailand. He will also visit China to see how the entrepreneurial climate there compares to the U.S. “As a country we do a better job than anywhere else in the world of supporting entrepreneurship. It’s one of the great things we do – we take risks and if we screw up, no big deal. We try again and get it right the next time.”





Deming Center Curriculum Keeps Pace with New Energy Economy



Want to know what's hot and what's not in the new energy economy? Steve Lawrence, Deming Center Academic Director, has the answers for you. His new course in "Commercializing Alternative Energy" is another example of how the Leeds School's entrepreneurship curriculum aligns with emerging industries and provides students with information on the cutting edge of entrepreneurial opportunities.

Lawrence got the idea for the course three years ago when he taught a survey course in clean energy. Alternative energy technologies are a longstanding interest of Lawrence's, and this year the timing was right. "Right now energy is hot and there's a lot of ferment and chaos in the industry. That's where entrepreneurs thrive."

The class examines the real commercialization opportunities in the reasonable near term in alternative energy while also feeding the strong student interest in sustainability.

Lawrence has high hopes for the course: "There's so much hype out there about renewable energy. I want students to know the facts. I encourage students who get a clear-eyed perspective on the next big thing to let me know and we'll go into business together!"

And now there's no need for non-students to miss out. The Deming Center's new executive education program, RETool, provides a short version of this class for the external community.

CLOSER LOOK



For a closer look at RETool visit leeds.colorado.edu/retool.

BY THE NUMBERS

26

Faculty Teaching
Entrepreneurship Courses

201

MBA Students Enrolled In
Entrepreneurship Classes 2008 - 2009

9000+

MBA Student Contact Hours In
Entrepreneurship 2008 - 2009



Board Members

Dennis Ahlburg, Leeds School of Business
David Allen, CU Technology Transfer Office
Peter Behrendt, New Enterprise Association
Paul A. Berberian, Entrepreneur
Brad Bernthal, CU Law School
Tim Bour, Boulder Innovation Center
Royal Carson III, Carson Private Capital
Dan Caruso, Zayo Group
Joyce Colson, Colson-Quinn Attorneys
Timothy H. Connor, Sequel Venture Partners
Arthur E. Dawson, University of Colorado Foundation
Frank B. Day, Rock Bottom Restaurants
Robert H. Deming, Benefactor
George Deriso, Consultant
Robert M. DiScipio, Aegis Analytical
J. Michael Egan, Steadman Hawkins Research Foundation
Perry R. Evans, Local Matters
Larry Fenster, Margarita Group, LLC

Michael C. Franson, St. Charles Capital
Daniel Friedlander, Investor
Robert Gill, The Topaz Group
Scott Green, Google Inc.
Susan Greene, e-media group
Steve Hane, Ampulse
Marley Hodgson, Mad Greens
Kirk Holland, Vista Ventures
Paul Jerde, Deming Center for Entrepreneurship
Larry Jones, StarTek, Inc.
Carl Koval, CU Energy Institute
Steve Lawrence, Deming Center for Entrepreneurship
Barb Lawton, College of Engineering and Applied Science
Michael S. Leeds, Executive Fliteways, Inc.
Dean Leffingwell, Consultant
Kyle Lefkoff, Boulder Ventures
Sherri Leopard, Leopard
C.J. Lett III, Living Naturally, LLC

James Linfield, Cooley Godward Kronish
Kiyoshi Murata, Murata Corporation
Marty Murphy, National Renewable Energy Laboratory
Kimbal Musk, OneRiot
Paul Nelson, Center for Revolutionary Solar Photoconversion
Jon Nordmark, eBags Inc
Linda Peotter, Metal Trading Corp
André Pettigrew, Denver Office of Economic Development
Misha Plam, BiOptix
Mark Retzlloff, Aurora Organic Dairy
David Ryan, Green Spark Ventures
David Rzasa, ASD Inc
Charlie Sander, Confio Software
Marc Silverman, CoCap Group
Kurt Smith, College of Engineering and Applied Science
Bud Sorenson, Sorenson Limited Partnership

Kurt Smith, College of Engineering and Applied Science
Adrian Tuck, Tendril Networks, Inc.
Chris Wand, Foundry Group
Mark Willner, nFlexion LLC
Ray Wilson, College of Engineering and Applied Science

The Deming Center thanks those stepping down from the board for their service and support:

Barbara Mowry, Silver Creek Systems
Courtney Price, VentureQuest, LTD (on sabbatical)
Juan Rodriguez, Appian Ventures
Nathan Thompson, Spectra Logic
Tom Washing, Sequel Venture Partners
Phil Weiser, Silicon Flatirons Telecommunications Program

CU LEADS Leeds Entrepreneurship alumni unite! Eric Gricus (MBA '06) has revitalized the CU LEADS Alumni group. This group of local entrepreneurial alumni meets regularly to share feedback about their ventures and broaden their network. "MBA programs are built on the strength of their alumni," says Gricus. He wants to create a network where any Leeds graduate can count on fellow alumni accepting the first call. "It's up to you to make sure they accept the second call."

Gricus is working with students to establish a web interface so alumni can post business opportunities and Leeds students can request class speakers or mentors. Gricus volunteers his time to CU LEADS because "I believe CU Leeds can become one of the top MBA programs in the country. Strengthening the alumni relationship with the Deming Center is how I give back to Leeds." **To join CU LEADS contact Gricus at Eric.Gricus@gmail.com.**



"The Deming Center was a true catalyst of my entrepreneurial drive during my four years at CU. During my senior year I started a communications company with some very smart entrepreneurs I met in the business plan class. The Deming Center donated free office space, helped us find free legal support and even connected us with our first sales leads. They helped me start and grow every venture I was involved in at CU. You will not find a bigger advocate for the Deming Center than me."

Nick Sowden, ('07 Management and Entrepreneurship)

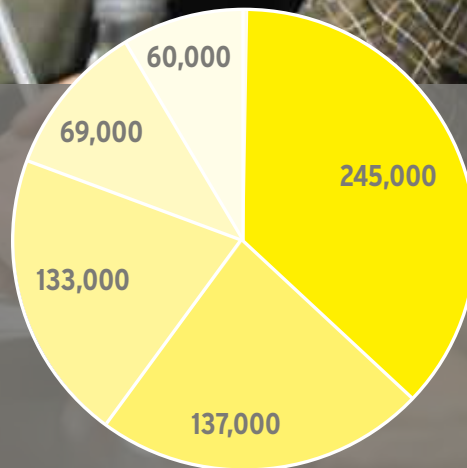


Deming Center Operational Budget July 1, 2008 - June 30, 2009

Sources

Carryover	137,000
Leeds School of Business	133,000
Endowments	60,000
Philanthropic contributions	245,000
Contracts & program revenue	69,000

Total 644,000

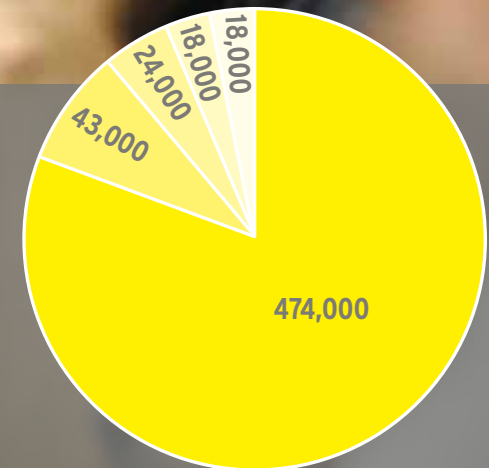


Uses

Salaries & benefits	474,000
Consulting & contracts	18,000
Events	43,000
Travel	24,000
Operational expenses	18,000

Total 577,000

Carryover 67,000





Fundraising

These extraordinary economic times highlight the relevance of what Deming offers - innovation, can-do enthusiasm and a focus on sustainable technologies to address our most pressing environmental and energy needs.

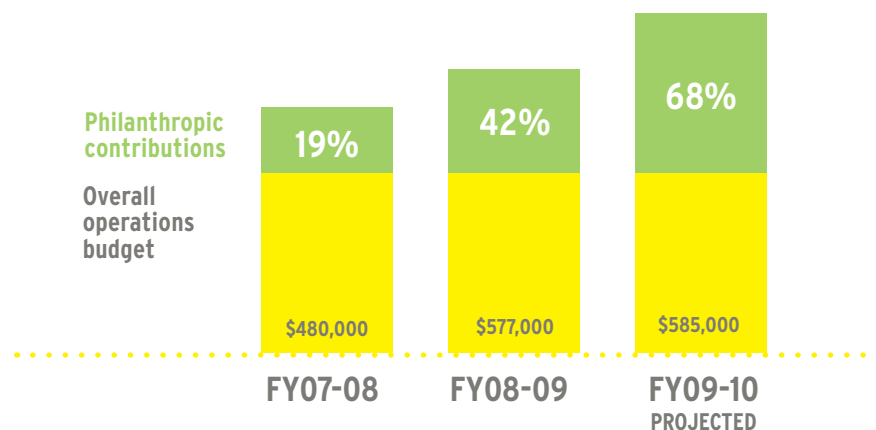
Our friends and supporters have stepped up to maintain and build our programs. The Deming Center relies on philanthropic investments for a significant portion of its operating budget, as well as for dedicated support for student scholarships, business plan competitions, and other programs.

In fiscal year 2009, committed Deming Center supporters stepped up their giving. Gifts to Deming Center operations more than doubled, allowing us to expand our offerings and efforts. In fiscal year 2007-08, the Deming Center raised 19% of its operating budget from donations. In 2008-09 it was 42%. Our goal for 2009-10 is to raise 68% of our operating budget from donations.

Your support at this critical time helps us continue our outstanding legacy of entrepreneurial research, education and leveraging collaborative alliances in the areas of cleantech, bioscience, and natural and organic entrepreneurship. In today's society - one in which change is a constant,

and economic disruptions force us to act nimbly and astutely - the entrepreneurial mindset is essential. By maintaining our ability to provide this education, you invest in a vibrant future of innovation and opportunity for our students and partners.

We understand that these challenging times may have affected your ability to give this year. But every gift, no matter the size, helps us educate tomorrow's leaders. For your support, we THANK YOU!



The Deming Center's Growing Success in Building a Base of Financial Support:

- Operations giving:
 - Fiscal Year 2006-07 \$86,000
 - Fiscal Year 2007-08 \$91,000
 - Fiscal Year 2008-09 \$245,000
- Fiscal Year 2008-09 100% participation from Deming Center Board in Annual Giving
- Committed Pledges for future years through 2011: \$220,000

The Deming Center's Development Goals:

- Fiscal Year 2009-10 Operations Giving Goal: \$400,000
- Grow total operations giving to \$1 million per year by 2012.
- Seed bioscience activities and assess opportunities for greater cross-campus entrepreneurship activities.

CLOSER LOOK



TO MAKE AN INVESTMENT IN THE DEMING CENTER, please visit www.cufund.org/demingcenter.
For inquires and questions please contact Trisha McKean at Trisha.McKean@cufund.org or 303.492.5424.



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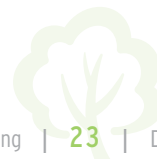
Dennis Ahlburg
Sarah Behunek
George Deriso
Frances Draper
Donald Gaines


Kurt Smith
Leo Tsuo
Chris Wand
Ray Wilson



“First of all, I owe and I know I owe. And the one thing I owe is a debt of gratitude to the university and in part to Burt Kolb who was my inspiration and mentor. He helped me enormously. He helped me understand the opportunities around me and then gave me the opportunity to learn, grow, develop and understand how the world works.”

Chris Andersen, Founding Sponsor of the Cleantech Venture Challenge



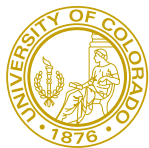


“My words of advice for new students – take advantage of the entrepreneurship curriculum at Leeds. See what it’s like to surround yourself with people thinking way outside the box, while applying the science of business. These are the people who accomplish the impossible.”

Blossom Tichenor (MBA '06)



**Always Be Entrepreneurial:
Challenge. Create. Act.**



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

**The Robert H. and Beverly A. Deming
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