



TELLURIDE VENTURE ACCELERATOR

Matching Entrepreneurs with Funding and Mentors

Advancing Economic Success

March 17, 2015

Washington DC



BACKGROUND

- Community foundation serving SW Colorado
 - Make community grants, create impact initiatives, convene around social issues, and steward charitable grants
 - 2000; 4.5 staff
 - No endowment; \$4 M/year grants; top 4 grant-revenue turnover
 - Not your Grandma's CF
 - Initiatives - start, run and fund
 - Mission (program related) investment activity
- Mission = improve quality of life (QOL)
 - QOL = economic expansion/opportunity

LOCAL ECONOMY RICH HISTORY

- Local economy
 - Dependent on housing starts/sales & tourism
 - OPM/no diversification
 - No career opportunities
 - Need to leverage other assets
- Rich history of innovation, invention and reinvention
 - Well-known collaboration LL Nunn, Nikola Telsa and George Westinghouse in 1891 forever changed energy delivery
 - Mining era transformed the region; produced hundreds of millions of dollars in economy activity and employed thousands
 - 70s and 80s brought transformation world-class skiing and tourism destination.
- What's next? Need to usher in innovation/reinvention to ensure prosperity



RURAL COMMUNITIES - SIX ECONOMIC SECTORS

- Agriculture
- Resource extraction
- Real estate
- Tourism
- Light manufacturing
- Entrepreneurship



ENTREPRENEURSHIP

PROVEN ECONOMIC DEVELOPMENT ACTIVITY

- New companies – those 5 years old or less – produced 2/3 of the 40 million net new jobs between 1980 and 2005
- 1977-2005: existing firms lost 1 million jobs net combined per year, while new firms add an average of 3 million
- 4 of top 10 metros with highest tech start-up density in Colorado
- Add to local consumptive economy
- Leverages human and financial capital and networks
- Leverages infrastructure – Broadband, workforce, housing, access

Telluride rich in untapped human, network and investment capital

ENTREPRENEURIAL ECOSYSTEM - ACCELERATORS

TELLURIDE VENTURE ACCELERATOR

- Organize human and financial capital into a “ecosystem”
- Immersive 5-month residency program
 - February-July
 - Lean Start-Up curriculum
 - \$25,000 investment for 4% equity stake + support for travel and lodging
- 6+ companies per year
- 85+ highly successful mentors – business CEO’s and founders
- 8 entrepreneurs-in-residence per year

BY THE NUMBERS

- Partner Companies (provide equity to hang with us) 3
- Local Companies (local founders) 5
- Mentor Companies (mentors founders) 15
- TVA Companies 6/year
- TVA Alumni companies 10
- ~50 Companies currently
- 85+ Mentors
- 200 + Investors



ACCELERATOR COMPANY RESULTS

- Four 2013 TVA companies raised \$1.9M
 - Globa.li – secured entire first round (~\$600k) from Telluride community
 - 75% of companies raised \$300k within first year vs. 30% industry benchmark
- Six 2014 TVA companies raised \$3M
 - Commitments of over \$1M within 24hrs
 - Two companies fully subscribed with two others close – entirely from Telluride community
- TVA Partner companies raised \$5M+
- Created Telluride Venture Fund - \$2M local venture fund/carry
- Blackstone Innovation, Small Business Administration National Accelerator, Colorado Economic Development Commission supported
- Top VC firms hosted partner meetings with companies

WHY AND WHAT MARKET OPPORTUNITIES

- Welcome to the private sector!
- Insights from analysis
 - Untapped resident and visiting human and financial capital
 - Deep quality networks
 - Risk tolerance
 - Venture philanthropy
 - Impact investing as a initiatives vs investment
- Our niche
 - We started, run and own initiative
 - Take the lead/not just convene
 - Lack of government interest
 - Our donors/prospects as mentors

REGIONAL OPPORTUNITIES

- Colorado State “calling card”
 - Innovation
- Los Alamos National Labs 5 hrs. vs Denver 8 hrs.
 - National labs – cauldrons of IP
- Regional cooperative efforts Durango, Montrose & Grand Junction
 - Other start-ups
 - Soft landing
 - Networking
 - Talent
 - Regionally connected economy



RESULTS

- Activate human and financial capital
 - Successful CEO's as mentors; motivated & committed volunteers
 - Anchor beyond vacationing
- Company headquartered here
 - Career jobs
 - Capital
 - Founders move to Telluride



LEARNINGS

- New demands
 - Private markets – discipline, focus and results (outcomes)
 - Fundraising
 - Start-ups
 - Real estate and increased broadband
- Again?
 - Actively source TVA companies
 - Educate, community awareness
 - Five year funding commitment

QUESTIONS?

TELLURIDE  FOUNDATION

