

Venture-capital forums joining forces

by Kevin Tampone, Journal Staff

11/10/06: ALBANY — Two of upstate New York's major venture-capital forums are joining forces next year to create an event organizers say could draw venture capitalists from around the country and highlight the region's best start-up firms.

UNYTECH's Upstate New York Venture Forum and the SmartStart Venture Forum, run by Albany's Center for Economic Growth (CEG), will become a single event in 2007. The first edition of the joint forum will be in Albany, but in 2008 and beyond, the event will move around to various locations in the state, says Peter Pritchard, a program director at the CEG, an economic-development organization focused on high-tech businesses.

"This is now more of a regional partnership," Pritchard says. "There's lots of competent individuals working in these regions and coming up with high-quality deal flow."

The events had slightly different, but complementary, objectives and audiences. The UNYTECH forum focused mainly on early-stage firms looking for seed money or angel investors, says Robert Genco, vice provost and director of the University at Buffalo Office of Science, Technology Transfer, and Economic Outreach.

Genco is also one of the organizers of UNYTECH, a collaborative effort among colleges and economic-development agencies including Alfred University, Binghamton University, Cornell University, The State University of New York College of Environmental Science and Forestry, Rensselaer Polytechnic Institute, Rochester Institute of Technology, Syracuse University, the State University of New York (SUNY) University at Albany, SUNY University at Buffalo, and the University of Rochester.

UNYTECH's forum aimed to highlight mainly university spin-off companies, Genco says. In its four years, 38 companies have presented at the conference and 19 have received a combined total of \$36 million in private financing, state, and federal grants.

The forums have been held in Canandaigua, Rochester, Buffalo, and Syracuse.

"The companies are based on technologies that are usually patented or protected somehow, but still need a lot of development before they're ready for later-stage investments," Genco says.

In addition to financing, the UNYTECH event has helped companies connect with professional services, development agencies, and other entrepreneurs.

The SmartStart event, held in Albany, focuses on later-stage businesses and aims to connect firms with investors, Pritchard says. The businesses are generally established and likely to have some product sales.

They are at the point where they are looking for venture capital and investors are likely to be interested in them, Pritchard says.

Since 2001, participating companies have received more than \$55 million in private financing thanks to the event. The combined event will run two days, with the first day concentrating on earlier-stage companies and the second emphasizing businesses that are further along.

Combining the two forums will allow investors to look at ideas ready for investment in the present

and promising ideas that might be attractive in the future, Pritchard explains. The event will draw companies from all over the state, creating a situation that could bring venture firms from places like California or Boston, he adds.

Because of the broad scope of the new forum, investors will know they are seeing the best of what New York has to offer, Pritchard says. Although many of the companies will come from Upstate, Pritchard plans to work with the CEG's downstate counterparts to attract firms to the event from that area as well.

UNYTECH and SmartStart had been working jointly prior to the merger decision, Genco says. The two conferences have each featured some of each other's participants for the past two years, he says.

Most of the planning for the new event will be done by SmartStart, leaving the UNYTECH group free to develop other ways to highlight Upstate's leading start-ups, Genco says. The group is considering several potential new initiatives now, although he declined to discuss details.

"Our feeling was that our end of the state, and upstate New York, in general has not been given the credit or recognized as a technology engine," he says. "There's really a hotbed of activity here, although it's geographically dispersed."