

Attachment 36

Blackstone Launchpad Future Vision (Including
a New Name, TEX)

UGS Program Review
Fall 2019



OCTOBER 2019



TEXAS ENTREPRENEUR EXCHANGE

Scale, Current Offerings, and the 4 Year Vision

THE UNIVERSITY OF TEXAS AT AUSTIN

School of Undergraduate Studies, Austin Technology Incubator, Office of the Vice President of Research

TEXAS ENTREPRENEUR EXCHANGE

Scale, Current Offerings, and the 4 Year Vision

A Collaboration Leveraging UT Austin's School of Undergraduate Studies, the Austin Technology Incubator, and the Office of the Vice President of Research to Advance Research-Driven Entrepreneurship on Campus

The Texas Entrepreneur Exchange (TEX) is an initiative at The University of Texas at Austin with the goal of advancing research-driven entrepreneurship, via an interdisciplinary resource pipeline, to drive campus-wide innovation that contributes to regional and national economic growth.

Scale

UT by the Numbers
Strategic Collaboration
Partners & Impact

UT by the Numbers



The University of Texas at Austin is consistently ranked as one of the top ten largest universities in the U.S. with a current population of **52,000 students and 3,200 faculty members.**

By the numbers, UT Austin consists of...

18

Colleges &
Schools

12.4K+

Courses

156

Undergraduate
degree programs

139

Graduate degree programs
(237 including doctoral)

1.3K+

Student
organizations

400

Study abroad
programs

124

Countries
represented

\$786

U.S. & international
patents issued (past 10
fiscal years)

\$156M

Raised in licensing
revenues (past 10 fiscal
years)

\$600M

Awarded in
sponsored
projects ('16-17)

Strategic Collaboration



The **Texas Entrepreneur Exchange** is supported by three University of Texas at Austin entities – the *School of Undergraduate Studies (UGS)*, the *Austin Technology Incubator (ATI)*, and the *Office of the Vice President of Research (VPR)*.



Our mission is to deeply connect research hubs on campus with the vast entrepreneurial ecosystem at UT and in Austin to become a pipeline for both high impact entrepreneurial education and technology transfer. Given our discipline-agnostic placement under the School of *Undergraduate Studies* and a close sister-organization partnership with the *Austin Technology Incubator*, TEX strategically serves as the connective tissue across a huge campus.

Partners & Impact



We currently work with 14 colleges and entities such as the *Office of Technology Commercialization (OTC)* and the *Office of Industry Engagement (OIC)* – both of whom report to the Office of the Vice President of Research. Furthermore, *I-Corps™* is a National Science Foundation initiative to increase the economic impact of research it has funded by offering researchers and scientists a 7-week hands-on course and \$50,000 team grants to test the commercial viability of their innovation. UT Austin is the hub for Southwest I-Corps™ (consisting of Texas A&M, MD Anderson Cancer Center, Rice University, and Texas Tech), and Southwest I-Corps™ is housed under the *The Vice President of Research*.

Due to the scale of the university, TEX's strategic sponsoring entities, and our partners, the advancement of this initiative has the potential for massive impact.



TEXAS A&M
UNIVERSITY.



RICE



TEXAS TECH
UNIVERSITY.

Current Offerings

Current Offerings

The Texas Entrepreneur Exchange currently helps students of all backgrounds navigate the UT entrepreneurship ecosystem. Given the abundance of entrepreneurship-specific opportunities on campus – from 40+ departmental initiatives to various student organizations (such as Genesis – a on-dilutive venture capital fund managed by students for students) – our program curates and tailors student experiences based on where a student currently resides in their entrepreneurial journey – from ideation to scale.

Our curation allows students to explore entrepreneurship at their own pace while creating an inclusive cross-disciplinary environment that encourages them to make an impact through entrepreneurship and innovation. Our current offerings include:

- **RESOURCE EDUCATION.** We educate students on the resources available to them on campus – from courses that give them credit for working on their venture over a semester to an entrepreneurship minor to accelerator programs. Our partnerships with most of the entities on campus allows us to serve as a pipeline that connects students to customized support for the full spectrum of the startup cycle: *ideation, technology and product development, IP and legal advice, market validation, competitive landscape analysis, business modeling, fundraising, marketing and public relations, and strategic planning.*

Current Offerings continued...

- **SPACE.** We provide physical space for coworking and small events as a needed resource and to facilitate serendipitous connections amongst student entrepreneurs. Our coworking space is located in one of the two main student activity centers on campus (Flawn Academic Center).
- **MENTORSHIP.** We connect students to university and community mentors from diverse industries to provide insights on student ventures and to talk about their own entrepreneurial journeys.
- **PARTNER-SPECIFIC OPPORTUNITIES.** We provide students access to opportunities through educational partners, such as Techstars (a worldwide network that helps entrepreneurs succeed) and participation in their global events, to corporate partners, such as Amazon Web Services and their free or discounted services for our students and faculty.

(We recognize that not every student served by our program will go onto starting their own company but, regardless, will be better prepared to enter the modern workforce with an entrepreneurial mindset.)



The Four Year Vision

Overview

1 / Continuation and Expansion of Our Summer Accelerator

2 / The Entrepreneur's Gap Year Fellowship

3 / Faculty Grants for Problem-Driven & Industry-Guided Research

The Four Year Vision Overview

The stakeholders we currently serve lean towards undergraduate students from all majors, but our vision is to expand our offerings to underserved talent pools: **faculty members with commercially viable research** and **graduate students / recent grads** – individuals with immense potential and energy to generate impact but lacking in deep industry expertise and needing additional facilitated support.

Additionally, we have identified three interrelated key issues in the current UT entrepreneurial ecosystem:

1. undergraduate students' focus on **“lower denominator” problems**,
2. the inefficiency of **retrofitting research** to a current market need,
3. and the binary nature of **educational-only vs. venture creation-only outcomes** when it comes to entrepreneurship.

First, given undergraduate students' lived experiences, their problem spaces tend to gear towards “lower denominator” problems such as *How do I sublet my apartment? How do I curate my travel experience in a new city? Where should I go for lunch? Etc.* The challenges of “lower denominator” problems is the redundancy of proposed solutions, the high level of competition that results as a consequence, and the underutilization of talent to tackle high impact market problems.

The Four Year Vision Overview continued...



Secondly, when it comes to translating university research to the marketplace, we recognized that starting with identified and curated problem spaces increases the efficiency and effectiveness of applied research to be commercialized. In other words, starting with a deep understanding of the problem space provides a tight focus (scope, timeframe, etc.) for applied research projects that increases the likelihood of societal and market success. The inefficient alternative is to filter through basic research and try to retrofit it to a market need.

Thirdly, current entrepreneurship opportunities for students on campus tend to be purely educational with a focus on learning objectives and those off campus in the greater Austin ecosystem are purely about venture success.

We have developed three programming pillars to better serve current and future stakeholders in a way that synergistically addresses these key issues:

1 / Continuation and Expansion of Our Summer Accelerator

2 / The Entrepreneur's Gap Year Fellowship

3 / Faculty Grants for Problem-Driven & Industry-Guided Research

1 | Continuation & Expansion of our Summer Accelerator

Stakeholders: *Undergraduate students, graduate students and recent grads, sometimes faculty*

For the last 11 years, the *Austin Technology Incubator* has been running an 8-10 week summer accelerator called **SEAL (Student Entrepreneur Acceleration and Launch)**. SEAL picks the most promising student or faculty-run startups from across campus and helps teams confront their next market-driven milestone, serving as a go vs. no-go gate to “what’s next” i.e. shutting down or a transition into the mainstream Austin startup ecosystem.

Typically about 33% of the startups that go through SEAL either shut down or do a massive pivot at the end of the program while about 33% go on to raise funding in the next 6-12 months (cumulatively \$100M+ so far, with \$300M+ of exits).



1 | Continuation & Expansion of our Summer Accelerator



A major function of SEAL is to plug university startups into the Austin entrepreneurship ecosystem so that those with real promise and momentum do not die out in the “no man’s land” between maxing out university resources and before they can find a new home in one of Austin’s community-based programs.

Grant funding will allow us to continue running SEAL annually in addition to meeting the needs of a rapidly evolving entrepreneurship ecosystem at UT, in Austin, and in Texas at large. Expansion could look like running industry-specific summer accelerators to scaling the model to other Texas university partners such as Texas A&M and UT Dallas – both with student populations of 70,000 and 29,000, respectively.

2 | The Entrepreneur's Gap Year Fellowship

Stakeholders: *Graduate students and recent grads*

The Entrepreneur's Gap Year Fellowship is a two-semester immersive program open to 3-5 recent graduates (1-2 years out) and current grad students to tackle high impact market problems in a deep and facilitated manner. *The Entrepreneur's Gap Year Fellowship* fills the transitional gap between educational-only vs. venture success-only opportunities by providing 50:50 value – high impact entrepreneurial education and a greater rate of venture success as a result.

The immersive program will be led by an entrepreneur-educator with support from relevant *Austin Technology Incubator* vertical directors. The fall semester, phase one, will look like problem discovery, validation, and characterization (cost, implication, and value) as well solution exploration (identifying sources that could generate new solutions to the problem). The spring semester, phase two, will focus on piloting and testing a prototype solution.

2 | The Entrepreneur's Gap Year Fellowship continued...



The problem spaces that students will explore lie within the verticals that *Austin Technology Incubator* specializes in: circular economy, energy, food and agtech, healthcare, mobility, and water.

For example, a healthcare-focused version of the fellowship can consist of fellows interviewing nurses and doctors at the Dell Seton Medical Center (the primary teaching hospital for Dell Medical School at UT Austin) about their day-to-day challenges and researching current solution sources in the first semester. For the second semester, fellows then partner with the Medical Center to pilot and test a prototype solution.

The 3-5 students in *The Entrepreneur's Gap Year Fellowship* will receive a 9-month stipend to cover basic living expenses. The fellowship program will also include a small budget for travel expenses in phase one and a budget for the prototype solution in phase two.

Faculty Grants for Problem-Driven & Industry-Guided Research

3 | Faculty Grants for Problem-Driven & Industry-Guided Research

Stakeholders: Faculty, undergraduate students, graduate students

When it comes to faculty and research, we identified a need that arises when faculty members realize their malleable research could be turned into a product or service and “*what happens next?*” Given a research faculty member’s prominent focus on academia – without necessarily having existing industry experience or expertise – and their full-time commitment as professors, faculty members interested in technology transfer benefit from being paired with an industry expert and additional staff in the form of student teams that can support primary and secondary market research as well as a member of the professor's research team.

(In mixed startup teams that come out of universities, we noticed that faculty members tend to be more successful in the role of a scientific and technical co-founder with an industry professional or graduate researcher moving onto serve as an executive and to be the driving force behind the venture.)



3 | Faculty Grants for Problem-Driven & Industry-Guided Research

Our semesterly faculty grants would first connect a faculty member currently doing research to an industry mentor (who would receive a stipend for the semester) to help with problem exploration – from structured interviews with other experts to curating their agendas at industry conferences (covered by a travel stipend). The *Austin Technology Incubator's* mentorship program called TEXVMS (Texas Venture Mentoring Service) is based off of the MIT Venture Mentoring Service model and is a natural fit for the mentorship pool.

Secondly, the faculty grants would provide course buyouts (providing funding to “release time” by paying the semesterly salary equivalent of teaching a course) for 1-2 talented TAs to serve as additional manpower to help with customer discovery and problem exploration.

Given the open-ended nature of applied research (1-4+ years), this grant would help shape the remaining research path to align with industry requirements without forcing a timeline onto faculty members. Within the context of the ecosystem, this grant could also support a faculty member after I-Corps™ participation (if their research was funded by the NSF) and before the SEAL summer accelerator depending on the stage of the team.

WHY TEXAS ENTREPRENEUR EXCHANGE?

The Texas Entrepreneur Exchange (TEX) is an initiative at The University of Texas at Austin with the goal of **advancing research-driven entrepreneurship, via an interdisciplinary resource pipeline, to drive campus-wide innovation that contributes to regional and national economic growth.**

Supporting the 4 year vision of the Texas Entrepreneur Exchange will bolster current entrepreneurial services and expand our offerings to new, historically underserved stakeholders. By helping us expose students to the potential societal and economic impact of applied research, engage more deeply with faculty, and facilitate an intentional pipeline for technology transfer through high impact education, you play a key role in elevating the UT Austin entrepreneurship ecosystem to drive innovation for the region, country, and the world at large.



TEXAS

The University of Texas at Austin