

ITEC: For Entrepreneurs.

Where Ideas Are Grown and Nurtured.

BY ALISSA MARIELLO

The sun sneaks into the fifth-floor room in concentrated streaks, landing on the walls, and across the desk. As the Institute's executive director, **Jonathan Rosen** has given this speech a million times. Sitting behind his desk in a suit and tie, he folds his hands, pauses just for a moment as he gathers his thoughts, and begins to tell the story of the Institute for Technology Entrepreneurship and Commercialization (ITEC).

"Our first and main responsibility is to the students," he says.

ITEC's primary mission is to enhance the experience of all Boston University students by sharing the School of Management's experience and expertise in entrepreneurial development, commercialization, and management. Students University-wide use ITEC as a resource. Meanwhile ITEC students gain experience by working on projects with students from other Boston University schools and colleges, such as the College of Engineering and the School of Medicine—even with the School of Law.

The Institute's secondary mission is to provide education and training for professionals who are either seeking to earn a degree or are simply looking to advance or change their careers. Some of these professionals may have already



From left, Jonathan Rosen, Angus Shaw, Peter Russo, and Kimberly Mangino discuss a business plan.

ITEC students' experiences are enriched by working on projects with students from other Boston University colleges.

achieved success in their fields but are looking to make a career change or open up that dream business. Some may be doctors looking to advance an idea that came to them while in practice; some may be engineers looking to create a business plan for a product they've created.

Within these two goals, ITEC also focuses on the global community of entrepreneurs and entrepreneurs-to-be. Several international governments have created partnerships with the School, selecting

grad-level students to study entrepreneurship here and later return home to start new companies. Some of those who come to study have already started a company but need help growing it, while others seek to understand US markets and how to enter them. ITEC works with students at every stage through a variety of programs, including partnerships, science park education, workshops, and an online certificate program, among others.

The New Entrepreneur.

In the past, the traditional entrepreneurial model in which a person or group was willing to take on a huge amount of risk for the chance at a big financial payoff was the norm, with the successful people creating jobs and wealth in the US and else-

where. But, according to Rosen, there's a new model afoot. Rosen says, "There's nothing wrong with the traditional model, but it's been gradually augmented by ventures created on a different principle, taking advantage of the best resources from the beginning, no matter where they are in the world. We say that these companies are 'born global.'"

And they call for the new entrepreneur.

Thus Boston University, through ITEC, began to focus on preparing the new entrepreneur for success: These days, it requires a new business model, a new financial model, and, just as importantly, strategies for working across gradually disappearing boundaries.

Across the (B)Universe.

The goal of ITEC—to make its teachings, opportunities, and management philosophy available to students across the university—is based on the recognition that it's not business students alone who are interested in—and can benefit from—the School's offerings and expertise.

For example, many technology companies seek more than just a brilliant engineer when they recruit for CIOs; they're looking for a brilliant engineer who understands technology in the broader business context. Similarly, an entrepreneur's business idea may have sprung from a passion for medicine or law, but, for it to progress, he or she needs to understand the business side of the idea and cultivate his or her leadership skills. Goodbye "jack of

Goodbye "jack of all trades" and "master of none"; companies are now recruiting for a "master of many."

eSPRIT de BU.

Alice Cheng is no novice when it comes to navigating BU's campuses.

The "Triple Terrier" started off as a computer science major in the College of Arts and Sciences, earned a master's degree in computer science at Metropolitan College next, then went back again to the School of Management for an MBA, which she will receive this May. She took advantage of eSPRIT. (See page 17.)

While she was earning her two most recent degrees, Cheng has also been working full-time on BU's Medical Campus. She's currently Manager of Medical Campus System Operations. It was this role that led her to the School to pursue an MBA, and to the eSPRIT program during the first semester it was offered.

Cheng says, "The eSPRIT program was an eye-opening experience for me...and taught me how to look at the different aspects of business operations." Cheng's project was related to a polymer used to aid osteoarthritis sufferers, and her team's role was to produce a concept stage business plan to figure out where the product fits in the market, who the target customers were, what the competitive landscape looked like, and what level of funding was required. The three-person team's final recommendation was based on research about the product's market and interviews with VC consultants, doctors, researchers, and healthcare specialists.



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One example of the way ITEC fuses the art, science, and technology of business is by offering all undergraduates in biomedical engineering the opportunity to learn about entrepreneurship through a module offered in senior year. In 2008, ITEC plans to expand that program to all engineering students.

ITEC reaches out similarly to all University alumni. It welcomes any BU graduates who have gone on to start their own companies, offering to help them move their businesses to the next phase. On the flip side, ITEC invites experienced entrepreneurs back to the School to share their knowledge with current students looking for real-world advice.

They evaluate student projects, judge competitions, present guest lectures, and in some cases even teach or co-teach entrepreneurial courses.

ITEC's cross-collaboration and sense of community extends even further—from one end of the earth to another, in fact. Consider this: Boston University has one of the five largest populations of international students among US private universities. Walk into any classroom, and you can find anywhere from 15 to 20 countries represented. "These students enrich the education experience by bringing their particular perspective, their cultural background, their priorities, and their sense of how they're providing economic development in their countries," says Rosen. "So we as

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faculty respond to those expectations by incorporating a recognition into our teaching methods that a solution in one place of the world might require a very different solution somewhere else.” The idea of creating a company “born global” goes beyond the United States, and thus ITEC, with the leadership of **Peter Russo** and **Paul McManus**, has established partnerships with many countries and universities.

Twice a year, a program run and taught by Peter Russo, executive-in-residence and director of Entrepreneurship Programs at ITEC, and Paul McManus, ITEC’s director of International Programs, hosts Norwegian students for a program with two immersive 14-week tracks. In one track, students go through an internship at a technology company in the Boston area. “We try to make students more effective at their internship,” says Russo, “but at the same time, we ask them to come into class and share their observations about what’s going on in their companies. So they get a perspective on everyone else’s internship as well as their own.” The program also mentors students who have already created a business plan.

Every fall, ITEC, in cooperation with the Executive Learning Center, offers the Graduate Diploma in Entrepreneurial Management, through which a group of approximately 15 international students come to the School for an entire semester. Already in its third year, this four-month program requires

students to take six courses, one of which provides a capstone experience and encourages them to apply their learning to their own business plan. The program climaxes with a presentation at the end of the semester.

Social Entrepreneurship.

According to Rosen, many new entrepreneurs are now looking beyond the profit incentive for ways to help solve the world’s problems. This idea necessitates the creation of a new approach to venture formation that presents attractive financing models as well as sustainability techniques. “There is a growing awareness,” explains

Rosen, “that even the largest foundations cannot maintain entrepreneurs through additional grants forever and ever. The long-term solution is really based on the creation of sustainable enterprises, often in low-resource situations, that will allow social benefits to be provided on a continuing self-sustaining basis. These new enterprises are both nonprofits and for-profits, but their motivation is to provide solutions to complicated world problems.” One way ITEC prepares students for this challenge is through classroom challenges, such as the one Professor McManus sets out for his students to create a business plan that can create \$1 billion

Worldly Scholar.

Paul McManus understands the world of business. And the business of the world.

With an MBA from Boston University in hand, Paul McManus began his professional career in 1988 as an engineer at Digital Equipment. Almost 20 years, several management positions, and a successfully founded-then-acquired company later, McManus is a full-time faculty member at the School, an executive-in-residence in the strategy & policy department, the director of International Programs for the ITEC, and the director of the Venture Mentoring Program at BU’s Office of Technology Development.

Of the three core courses required in the School’s entrepreneurship concentration, McManus teaches two. Introduction to Entrepreneurship focuses on opportunity recognition and process development, and Entrepreneurial Management discusses the details of managing an established, but growing, venture. In addition, he’s introducing a course called Government, Society, and the New Entrepreneur.

He also teaches international students in Building and Leading Entrepreneurial Organizations, and Entrepreneurial Management for international students as part of the Norwegian Entrepreneurship Program.

“My role in international programs,” explains McManus, “is to connect with our global partners and collaborators. It’s to look at developing curriculum and programs for our students at BU in cooperation with departments around the world in order to provide the international experience: bringing the world to BU, on one hand, but also giving our students the opportunity to reach out and connect into the world.”



So Fine to be Online.

Beth Goldstein virtually nurtures the New Entrepreneur.

Selected as one of the top five entrepreneurial e-learning programs in the US by *Fortune Small Business Magazine*, the School's Online Graduate Certificate in Entrepreneurship offers the best of both worlds: students receive a top-notch education from experienced entrepreneurs and the same classroom experience as their fellow on-campus peers—in the comfort of their own home and according to their own schedule.



The program allows students to engage 24x7 through online discussion boards, simulations, and chat rooms; participation is a large part of each student's grade. Each class also includes a live, real-time discussion as well. With four core courses covering strategy and entrepreneurship, marketing and sales, entrepreneurial leadership and organization, and finance and funding, students gain the fundamental knowledge they need to launch and grow a successful business and realize their business visions.

"Each course focuses on the students' businesses," says Beth Goldstein, program director and marketing lecturer. "It's not an academic exercise; it's all very real and personal." For consideration, students should have a bachelor's degree and business experience, and ideally a well-articulated business concept. For more information or to apply, visit www.bu.edu/startup.

"We try to make students more effective at their internship, but at the same time, we ask them to come in and share their observations about what's going on in their companies."

in revenue or positively affect the lives of 1 billion people. ITEC works closely with **Kristen McCormick**, who directs the Public and Nonprofit Program, and **Mark Allan**, who directs the Health Sector Management Program at the School of Management.

eSPRIT.

Begun in the fall of 2007, eSPRIT is another ITEC program that allows students to get hands-on, real-world experience taking new ventures through the processes of commercialization and growth, while fulfilling their course requirements. Under the direction of senior School of Management professors,

students have the option of teaming up with University researchers and international entrepreneurs. They create an analysis of a company's existing problem and write a report that details possible solutions. But it doesn't end there. Through the eSPRIT program, students may continue to work with the same company throughout the year, looking at a different angle of the business each time. In the end, the students gain extensive experience in a particular field, and perhaps make a positive impression, leading to a job offer after graduation.

eMBIR.

ITEC's research initiative, Entrepreneurial Models for Business Innovation and Research (eMBIR), focuses on the innovation of business models and the commercialization of new ideas. Not only is university research being funded by both federal monies and corporate sponsorships, but venture capital investment is also being accompa-

nied by non-profit investment, wherein investors are willing to forgo interest.

"We're finding, and students are finding, that traditional business models are not working as well as they once did because they don't fully take into account the hybrid and international natures of business that include multiple areas of specialization," says Rosen. The first eMBIR workshop, on new venture capital models, was hosted by **Vinit Nihjawan** this past April.

With the light now sinking low, Rosen stops, and looks up. "How did we do?" he asks. Not too shabby at all. ■



\$50K Case Comp.

Winners Announced at April 9 Event.

Four finalist teams presented their plans to a panel of judges consisting of venture capitalists and other business leaders. The judges considered the quality of each team's written business plans as well as their ability to communicate the goals of their plan.

The 2008 winning team, led by Roberto Reif (ENG '08), also included Jonathan Scherer (MSIS '08, MBA '09), Dave Spenciner (PE, ScM, MBA '09), and Adam Winston (MBA '08). The team won for its disposable medical devices business, called Essense Medical.

Direct Approach.

Brian Hession, MBA '06.

BY ALISSA MARIELLO

As he packed his weathered suitcase, **Brian Hession** (MBA '06) had no idea that today he would be the proud owner of successful direct marketing company Oceanos Marketing.

He didn't know he'd be named the "Most Successful Direct Marketer Under 30" in 2003 by the New England Direct Marketing Association or that Oceanos would be named the fifth fastest-growing private company by the *Boston Business Journal* in 2006. And he didn't know that, in 2007, Oceanos would become No. 362 on the renowned Inc. 500 list of fastest-growing private companies in America.

Hession was pack for Kobe, Japan, where he would spend his first semester of business school, as part of the School of Management's International Management Program (IMP). "The study abroad program was extremely intensive," says Hession. "You had to complete five graduate courses in a 12-week period of time—but it provided the groundwork for me to start a business.

"In that first year or two of owning a business, you're basically working around the clock to get the business launched. From the study abroad program, I learned a better work ethic and more confidence that I was able to function in a very uncomfortable situation." By the time he boarded the plane on his way back to Boston, Hession knew he had what it takes to be an entrepreneur.



Brian Hession

A stronger businessman upon return, Hession continued his studies as a part-time MBA student, focusing on entrepreneurial management.

His first class was with Professor **Peter Russo**, executive-in-residence and director of Entrepreneurship Programs. "Taking Starting New Ventures with Professor Russo on how to write a successful business plan was extremely important and made me think about aspects of the business I had to consider as I laid the groundwork for building out the company. So between my study abroad and the fundamentals I learned in the entrepreneurial program, I developed a good combination of skill sets that most likely were pivotal in getting Oceanos started."

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The light bulb for Oceanos clicked on over Hession's head while he was working for a direct marketing agency in Braintree in the late 1990s. From there, he went to work for Digitas, a marketing consulting firm in Boston. But he soon felt, based on the changing dynamics of the marketing industry, "there was a real opportunity to start a company that had much more of a strategic, consultative approach within data acquisition."

And that's exactly what he did. He founded Oceanos in 2002 as an independent marketing consulting company offering a strategic alternative to the traditional list brokerage model. Rather than simply provide cookie-cutter lists, Oceanos Marketing analyzes performance history to determine the best lists for use in direct mail, email, and telemarketing campaigns. "Our unique differentiator," says Hession, "is that, since we're tracking the historical performance of data sets across our entire client roster, we're able to provide the best-performing lists within certain industries or niches. We're helping clients find data sets that not only reach their target audience but that have performed above the average historically."

According to Hession a dedication to customer centricity underlies Oceanos' success. "We help our clients understand how the data sets work within their particular marketing programs. Just because one database works for Sun Microsystems doesn't mean it will work well for Iron Mountain. We're coming to the table with much more of a strategic viewpoint. If we're not able to help our clients identify and reach out to their ideal prospects, then they're not going to be able to fill their pipeline as efficiently, and, at the end of the day, that's going to affect their stock price."

As for the future, although Hession has dismissed the idea of managing databases for major publishers and research companies, as that would compromise one of the company's key differentiators—*independence*—he has laid the tracks for growth in other areas.

In addition to Oceanos, Hession started two other companies: Bentley Promotions and Lighthouse. Bentley Promotions helps many Oceanos clients prepare for trade shows or provide gifts to clients by developing giveaway products. And Lighthouse complements Oceanos as well by focusing on data processing, print, and mail.

"Lighthouse makes it a little bit easier for our clients to order postal data and then utilize our sister company to handle the mail house and printer aspect of the program. It's a way for Oceanos to sell postal lists to clients and get around the apprehensiveness clients have if they haven't worked with printers or mail houses before. If we can give them the comfort of handling that for them, then they'll be more likely to order more postal data from Oceanos."

Clearly, Hession likes to make direct connections. ■

Shroom to Grow. BY JENNIFER IVERS

Aron Ponticelli (MBA '99) understands what it means to grow a business...literally. Together with his father Jack Ponticelli, he founded Piedmont Valley Truffles, one of the leading growers and distributors of black truffles in the Western Hemisphere.

In addition to his role as president of Piedmont Valley Truffles, farmed in Surry and Yadkin Counties, North Carolina, he is also director of a Greenwich, Conn.-based financial software company providing enterprise solutions for investment management firms. Previously, he was a founding partner of a web-based transportation exchange and e-procurement ASP funded by Goldman Sachs, and he worked on Wall Street with Brown Brothers Harriman & Co. as a financial analyst.

How do you get from finance to fungi? It all started with Jack, Aron's creative and entrepreneurial father (who, among many, many other activities, has run a hot-air balloon business, is a woodworker and gunsmith, and now also helps train the truffle-sniffing dogs employed on the farms).



Jack talked truffles relentlessly for awhile and eventually Aron began to tune in. He worked on a business plan for the new venture ("thanks to the School of Management Starting New Ventures course") and began to network with bankers, angel investors, entrepreneurs, chefs, and others in his hometown of New York City.

Over the course of two years Jack and Aron completed the plan and successfully raised the initial capital to fund operations on 30 acres until the company was profitable. Realizing truffles could be made into a much larger business than just a few acres on a single farm, Aron believes cooperation among growers and distributors will benefit everyone, much like the early efforts of Robert Mondavi in Napa Valley during the 1970s benefitted the California wine industry in general.

"It's important to be open-minded and flexible when you're starting a business, and if quality of life is important to you, to be willing to take some risks and be patient. You never know where things might lead." In the case of truffles, it takes five to seven years for the host trees (filberts and oaks) to allow for truffle production. So Aron and his Dad took a big leap of faith in 2002 when they got started. However, Aron predicts that in 10 to 15 years, as a result of their efforts to grow the industry as well as the tubers, they'll be running a \$20 million business with a 75% profit margin. In addition, they're selling high quality organic truffle oil, and have plans to extend to truffle salt and other products. To learn more, visit them on the web at www.nctruffles.com. ■

