

## Money Talks At Venture Forums (*IW Growing Companies, May 1999 issue, page 20*)

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Seminars, trade shows, and exhibitions exist to appease the information appetites of manufacturing executives. Venture forums serve a similar purpose for growing companies and entrepreneurs that want to locate multiple channels of capital.

One of the best places to get plugged into growth capital is at one of the many regional venture forums that take place throughout the U.S. each month. In California alone there are no fewer than seven "must-see" forums to attend each year between San Diego and San Francisco. A typical forum pairs a local college or university with eight to 10 small-firm consulting organizations, merchant banks, venture capital groups, small-business development agencies, a major accounting firm, and perhaps a securities underwriter. The events are abuzz with talk of start-up business plans, strategic partnerships, funding ideas, managerial talent, and referrals for any of these.

One hundred or more invited business plans, as well as some unsolicited ones, are offered to a selection committee during a three- to four-month screening process prior to a venture forum. The best of these plans are showcased at the one-day forum, which typically starts with several panels of experts in finance, marketing, and operations discussing general growth strategies. The program tells who's in attendance that day (the real money), what types of business opportunities they're looking for, and how to be sure your firm is "deal-ready." Perhaps 20 emerging growth companies are featured in the printed synopsis, and entrepreneurs from the top 10 or so of these firms get to tell their story first-hand, for 10 minutes each, during a plenary session. Entrepreneurs usually come packing notebook-PC slide-

shows showing the company's polished summary of growth potential and capital needs, while the audience takes notes.

However, it's outside of the morning's formal sessions where some of the best leads can be obtained. At lunch, for instance, personal introductions abound, discussions ensue, relationships are forged, and ideas are shared about "what might work" for your firm. The afternoon consists of growing companies' founders and senior managers in presentation break-out rooms throughout the site, answering questions and interacting with those who want more information on the business.

Even if you propose a plan and it is not selected for a formal presentation, don't let that stop you from showing up and talking up your own firm's growth potential and investment opportunity. Among the attendees you can meet are investment bankers, merchant bankers, individual investors, business owners, and representatives of private funding groups and venture capital firms. It's not uncommon to see entrepreneurs from non-presenting businesses passing out dozens of copies of their firm's executive summary throughout the day, because a good deal of the activity involves precisely those companies that are not part of the formal agenda. Likewise, deals aren't the sole outcome of a venture forum; other arrangements might involve an established company linking up with an emerging start-up based on complementary products or overlapping materials and production needs.

The seven-hour day of networking, referrals, pagers, cell phones, PCs, and impromptu conferences in the hallways and at lunch is the epitome of private enterprise and innovative thinking. Many funding deals are set in motion — and some are agreed to — that very day. Handshakes seal investors' and partnership intentions throughout the sessions, and dozens of meetings follow in the ensuing weeks to further explore capital possibilities and finalize negotiations.

Regular attendance at the top venture forums is part of normal business prospecting for active providers of growth capital. They know that great companies with excellent prospects can be found among the hundreds of exhibitors, presenters, panelists, and audience members. If your firm is looking for growth capital, a small entry fee and a day of your time at a top-notch venture forum might be one of the very best investments you can make.