

January 01, 2011

Winter 2011 newsletter

Northeastern University - IDEA, Northeastern's Venture Accelerator

Recommended Citation

Northeastern University - IDEA, Northeastern's Venture Accelerator, "Winter 2011 newsletter" (2011). *IDEA Newsletter*. Paper 7.
<http://hdl.handle.net/2047/d20003960>

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The IDEA Alumni Newsletter is a quarterly snapshot of what we're up to at the IDEA headquarters, the progress our ventures are making and more!



Winter 2011 Newsletter

Investor Insights: An Inside Look at Early Stage Venture Funding

IDEA hosted our biannual [Investor Insights](#) event on November 16 on Northeastern's campus. The event welcomed a panel of Venture Capitalists and Angel Investors for a dynamic discussion and inside look at the investing industry.

Our panel of investors included:

Dayna Balcome Grayson, Principal at North Bridge Venture Partners

Lee Hower, Co-founder of NextView Ventures

Joe Caruso, Founder of Bantam Group

Wan Li Zhu, Fairhaven Capital



The audience included a large number of entrepreneurs who either have or are planning a venture. They were able to ask the panel a variety of questions throughout the moderated discussion, focusing on early stage venture funding. The event also offered valuable networking opportunities in a comfortable environment with light refreshments.

Below is a recap of some of the responses to questions asked of our panelists. For a full summary of the event, please check out our blog [here](#).

What is your opinion on east coast vs. west coast investment?

When asked about the best geographical location for investment opportunities, our panelists agreed that there is no straight answer in terms of whether the east coast or west coast is more profitable for start-ups. "It is difficult to raise capital everywhere," said Hower. "You just have to go where there are smart people in your industry."

Do you have any advice for first-time entrepreneurs trying to build a business?



Grayson communicated that a fresh perspective is the best thing that young entrepreneurs have to offer, as long as you learn as much about your market as possible. She suggested finding mentors and advisors that have some experience and making them a part of the company.

What made you want to become entrepreneurs?

"Know who you are," said Caruso. "Don't do it for any other reason, such as money or 'coolness' factor."

"Not everyone is an entrepreneur," said Grayson. "There's something that exists within... Looking at myself, I love risk," she said.

Do you have any advice for building a team?

Zhu mentioned the importance of bringing in skill sets that enhance those of the existing team and are non-overlapping. "Note which skills you have and which ones you need," he said. Grayson suggested having a well-rounded network that includes at least one person who has started something new before. "Take lots of advice from various advisors, but know what purpose each piece serves," she said.

Is there a specific section of the business plan on which you place more emphasis?

Grayson said that having an “A+ team” is more important than anything. Then comes “size of market” and “technology.”

Zhu agreed, adding that “competitive landscape” is also heavily weighed. “It’s not that competition is bad,” he said. “But if there is too much competition it limits what you can create.”

The next [Investor Insights](#) will be held in late March.

Be sure to follow IDEA on [Twitter](#) and [Facebook](#) for up to date information on all of our events.

Mark your Calendar for NEXPO!

[NEXPO](#) is a celebration of the entrepreneurial groups, students and organizations in the Northeastern and Boston communities and is a unique opportunity to meet and network with fellow entrepreneurs.

When: February 15, 2012

Where: Curry West Addition

[Click here for more information](#)

Get Involved with IDEA!

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Congratulations to the Winners of the Husky Startup Challenge!

IDEA is a proud sponsor of the [Husky Startup Challenge](#) run by the [Entrepreneurs Club](#).

We are excited to welcome HSC participants as IDEA ventures!

Update from Michael Hans, IDEA CEO



Let me start off by saying that I hope you have all had a wonderful year of growth and accomplishment like we’ve had at IDEA. As we end our second full year of operations there’s a lot to look back on and celebrate.

IDEA, Northeastern’s Venture Accelerator, has received a tremendous amount of support this year from the [College of Business Administration](#), our Advisory Board, mentors, Northeastern faculty and staff, and of course the entire Boston, entrepreneurial community. I want to personally thank all of you who have donated your time, money and expertise to the program. Coming into this year I knew there was a lot of work to do, but I knew we would have tremendous support, and I was not proven wrong.

We were able to successfully give out \$90,000 in Gap Funding, work with nearly 100 new ideas, and most importantly help hundreds of students and alumni pursue their entrepreneurial goals. With 60 active ventures I’m convinced that we’ve only seen the beginning of what IDEA is capable of.

I’m proud to announce that our former marketing officer, [Chris Wolfel](#), will be replacing me as CEO in January. His leadership has helped transform the program and I know he’s going to lead its continued growth.

Thank you all for your support, particularly the student Management and Coaching Team who’ve dedicated countless hours of their time to the ventures that we work hard to support.

Happy holidays everyone!

Gap Funding Awarded to Three Recipients

IDEA is excited to announce our newest [Gap Funding](#) recipients:

SōREAL Cocktails

[SōREAL Cocktails](#) are exactly that—real. Never made with malt liquor or artificial ingredients, they will be the first low-calorie, organic bottled cocktails made with premium spirits that provide

freedom from the guilt associated with standard cocktails as well as the hassle of mixing them.



Starielle Newman, the company's founder, came up with the idea while she was working in marketing and promotions for Diageo, one of the world's largest liquor companies. Customers would often ask for nutritional information regarding the products. However, she found these questions difficult to answer since manufacturers of alcoholic beverages are not

required by law to disclose their ingredients. Starielle felt that customers had a right to know what they were putting into their bodies, and that there should be an organic option.

Starielle is currently pursuing a Bachelor's of Science in Business Administration with a concentration in Entrepreneurship. She focuses on business development, marketing, and sales for SōREAL Cocktails. Starielle's partner, Phillip Wess, handles operations, finance, and accounting for the business. His prior work includes operational planning and management, financial analysis, business development and software project planning. Philip graduated Summa Cum Laude with two degrees from Northeastern University: A Master's Degree in Technological Entrepreneurship, and a B.S. in Philosophy from the University Honor's Program.

SōREAL Cocktails plans to use the Gap Funding they have been awarded on the production of a prototype. They are planning to produce 100 cases of their margarita, which will be used for taste testing and as a proof-of-concept for distributors.

"Our world needs more businesses who are honest and who promote healthier options —SōREAL Cocktails does both," says Starielle. "We will always be transparent about the organic ingredients in our beverages and ensure that we are offering the healthiest possible mixed-spirits option without sacrificing taste."

SōREAL Cocktails plans to launch their bottled margarita product early next summer. Until then, be sure to check out their [website](#) for all the latest updates!

Njabini Apparel

[Njabini Apparel](#) seeks to empower disadvantaged Kenyan mothers by engaging them in sustainable business, granting them the opportunity to be self-sufficient, provide for their families, and save money for the future. The employed mothers craft handmade apparel that Njabini sells through their [website](#). Half of all company profits goes directly into the hands of the mothers and their families, ultimately stimulating the local economy.

The organization's founder, Mike Behan, was inspired to pursue the venture after volunteering with international NGO, Flying Kites Global, an organization that runs a children's home, primary school, and a host of capacity building programs in Kenya. In fact, 15% of the profits that Njabini Apparel earns are allocated towards financially supporting Flying Kites. The remaining 35% is reinvested into Njabini Apparel to grow, scale, and increase their social impact.

When asked who is involved with Njabini Apparel, Mike responded, "At the core of our business are the mothers we employ. They are the heart and soul of our operation and the reason we are working so hard to see this venture grow." Aside from the mothers themselves, Njabini has various supporters engaged in different capacities. Erin O'Malley, a marketing major at Providence College, serves as Njabini's marketing director and is, according to Mike, "truly the energy behind such a vibrant business." They also have an in-country manager and a product manager to oversee operations in Kenya. Njabini receives support from Northeastern's [Social Enterprise Institute](#), and has a core management team made up of mainly Northeastern students.



Njabini has made tremendous progress over the past 5 months, growing the number of mothers they employ from 5 to 17. The organization has goals of implementing a financial training and micro-credit program, as well as expanding their employment to 30 mothers in the next few months. They plan to use the Gap Funding they have been awarded towards expanding their product lines, strengthening their home networking revenue model, improving their web design and product branding, and covering a few capital expenses in Kenya, including the expansion of their now bustling workshop.

Njabini Apparel is a unique venture, born out of pure compassion and sincere enthusiasm for social entrepreneurship. Each piece of apparel is handmade and contributes to the greater goal of stimulating the local economy. Plus, the products make great gifts, and their priority shipping will enable receipt just in time for Christmas!

A message from Mike Behan, founder of Njabini Apparel:

"This spring semester Njabini will be actively looking to fill a few positions, including media production, graphic design, and operations officer. Positions will be posted on our [Facebook page](#), and [website](#). If you are interested and would like to get in touch with me personally, please e-mail behan.m@husky.neu.edu."

Tuatara Corp.

[Tuatara Corp.](#) was officially founded in 2010 with the purpose of creating a remarkably innovative online eLearning environment utilizing combined elements of eBooks, e-commerce, content creation, publishing, and social networking. Their innovative new study platform aggregates all the tools that college students need to take their coursework to a whole new level. Their vision is to provide the global education community with an online networking environment that enables users to share academic, social, and location-based information in a completely new way.



Tuatara Corp. plans to use their Gap Funding grant to invest in a critical business element called "Publisher Influence into Partnerships." This investment will help to further establish their branding and increase the amount of institutional users, as well as establish meaningful relationships with publishers. They also plan to hire a new team member to assist with contracts with major publishers in the Higher Education market space.

To learn more about Tuatara Corp., check out our '[Venture Spotlight](#)' on this IDEA Venture from our Fall Newsletter.

IDEA Grants \$90,000 to Student Run Ventures in 2011

Over the past year, IDEA has worked to expand our presence at Northeastern as well as increase our participation in the entrepreneurial community of Boston. We have seen an increase in the number of ventures that have come on board and worked with our mentors and coaches, as well as gains in our [Gap Funding](#) program.

Since 2009, IDEA has raised approximately \$400,000 to fund IDEA's operations and to propel our ventures forward through the Gap Funding process. This year alone, IDEA awarded \$90,000 in grants to student and alumni/ae ventures, bringing our total to \$125,500. There were 18 business plans pitched during 2011, an increase from the 10 that pitched last year. The ventures that have presented have been of an exceptionally high caliber. Our Gap Funding committee is confident that, if these ventures accomplish the milestones that IDEA has funded, their growth will accelerate.

Northeastern students and alumni involved with IDEA are starting ventures in a number of different industries. IDEA has funded 11 ventures since the inception of the Gap Fund. Four ventures are in the computing industry, two ventures in clothing, three in food and beverage, and individual companies in travel and music. IDEA is proud to be offering student run ventures the opportunity to expand and grow their businesses. We look forward to another great year in 2012.

Happy Holidays from the IDEA Team!
Thank you for all of your support over the past year! See you in 2012!

IDEA Service Providers



Our Mission

IDEA is Northeastern's student-run venture accelerator.
Our mission is to support and fund the rapid development of business concepts into viable ventures.

IDEA Newsletter Content by Sarah Dolan & Brittany Troy

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