

Foundation Focus

Secrets to Success

As the 2008 LES Foundation Graduate Student Business Plan Competition Gets Underway Eyes Are On Two-Time Winner UIC — What's Their Secret?

By Lydia Steck

As the 2008 LES Foundation Graduate Student Business Plan Competition gets underway, University of Illinois Chicago (UIC) Professor Rod Shrader shared secrets to his program's success at turning out winning teams during a recent LES Chicago Chapter meeting.

In just under three years, Shrader has built a world-class entrepreneurship program within the UIC School of Business that other universities are looking to emulate.

After running a "low tech" business plan competition for a number of years, Shrader said he was inspired to start the UIC Technology Entrepreneurship Center after attending the Stanford Roundtable on Entrepreneurship Education. "It became clear that if we wanted to really be competitive we were going to have to ramp our game up," said Shrader.

Much to his surprise, the program was an immediate success. "I thought it would take five years of falling and scraping our knees before we had a clue," he said. "We were successful right away because we had phenomenal students who were able to compensate for the things we didn't know in the beginning."

The first team out of the gate (OrthoAccel Technologies, Inc., based on technology to speed orthodontic correction) has recently been acquired by a Texas company that is building a portfolio of medical device companies.

OrthoAccel is expected to bring its first product to market next year.

Subsequently, Shrader has seen a steady stream of successes, including Sanogene Therapeutics, Optimal Visions Corporation and Flow Diagnostics. To date, UIC student teams have won over 43 prizes in various business plan competitions along with hundreds of thousands of dollars in prize money. They have prevailed over teams from Harvard, Stanford, Northwestern and Chicago.

Shrader will tell you that one of his secrets to success is simply that his program attracts students who are "the best of the best." He also credits a strong relationship between the UIC College of Business, the



From left: Jim Vlazny, Ada Nielsen, UIC Professor Rod Shrader, Chicago Chapter Chair Russ Garrison, and Catherine Vorwald.

Office of Technology Management (OTM) and the inventors of the technologies.

As a Research I university, UIC does a tremendous amount of federally funded research. Technologies that end up in Shrader's program have usually been passed on by industry and other potential investors, but still hold significant promise in the eyes of the OTM.

"OTM has been fantastically generous in giving us amazing technologies," said Shrader. I went begging for scraps three years ago and since then they have repeatedly given us technologies that we could really sink our teeth into."

Shrader's three-course sequence begins with the basics of starting a technology venture—strategy, business plans, licensing in and out. In the second course, students then choose a technology and write a business plan. The finale is the UIC Concept2Venture Business Plan Competition where students receive outside guidance from judges on how to make their companies more real world.

Shrader offers a third course in the spring where students can move on and actually option the technology that they're working on and start talking to investors.

"Students revise their business plan 20 or 30 times based on the feedback they get from judges at competitions like the LES Competition. This feedback helps them to focus and refocus their plans until ultimately they know their stuff better than the judges. It's a great process to see unfold. It's quite a remarkable learning experience to watch take place," said Shrader.

So, will a UIC team make it to the winner's circle again this year?

If so, they will have to overcome some pretty stiff competition. For the first time,

the LES Foundation Business Plan Competition is accepting entries from across the globe. Five teams will compete in the final round of competition at the 2008 LES International Conference in Chicago, May 4-7.

Shrader will have two teams submitting plans for this year's competition. "These teams have already begun to gain momentum and have been named as semi-finalists in several regional competitions," said Shrader.

One of the UIC teams is being mentored by LES member and Mentorship Chair Jim Vlazny, who has judged and mentored other teams over the years. "I've been extremely impressed working with these student teams and I encourage LES members to get involved. Members can really contribute a lot to these students and have a very enjoyable time and learn something in the process. I think this Competition is a gem for LES."

This type of participation has also been key to the success of the UIC program. Shrader has firmly established a web of external partnerships in the business community that he uses to provide lectures and mentorship, as well as companies that provide teams with pro bono services. All of this interaction helps to keep the experience "real" for students.

"We are straddling the academic exercise and the real world. Before a student starts my class I try to disavow them of the notion that they are going to take a company to market. Rather, they're going to be able to lead a company forward for a couple of steps and then pass the baton to someone else who is better qualified to move the company forward. However, the skills they develop in that process are life changing," said Shrader. He is now looking to integrate his model across the UIC campus into other hotbeds of new technology like the schools of engineering and medicine.

Shrader ended his presentation to the Chicago LES members without mentioning what might be the most important success factor of all—the involvement of a dedicated and talented professor, but any UIC team will tell you that they've got that one nailed with Shrader.