



Entrepreneurship@UBC

Real-world learning for our future success.

The Faculty of Applied Science and the Sauder School of Business at the University of British Columbia have joined together to create a campus-wide initiative that will promote and encourage the development of entrepreneurial business skills among students.

This initiative will invite interested students with promising new ideas for businesses, services or products to apply to a newly created UBC open-ended venture fund for financing. Applications will be evaluated by an investment board, and the most promising and economically viable will receive pre-seed capital to support pre-commercialization activities. Successful student entrepreneurs will also be offered the unique opportunity to partner with a mentor who has a proven track record in entrepreneurship, business, angel investing or venture capital.

All investments of the fund would be structured as unsecured convertible debentures. It is anticipated that over time the fund will become self-sustaining based on reinvestment into the fund from returns generated by successful investments, and as such will foster generations of UBC student entrepreneurs. The fund will create a powerful learning experience for students to gain, in a concrete way, the skills to create a profitable business that will in future bring benefits to our industries and our communities and have a positive impact on entrepreneurial growth and economic development for Canada's future.

The Faculty of Applied Science and the Sauder School of Business are currently seeking partners to create an initial capital fund of \$10 million over the next five years to support *Entrepreneurship@UBC*. The Deans of Applied Science and Sauder of School of Business are

fully committed to this initiative which will in future be expanded to include UBC students from all faculties.

Recognizing the importance of this initiative, the British Columbia Innovation Council has joined the initiative as the founding partner. We are working with several governmental bodies at both the federal and provincial levels to support the initiative.

We strongly believe in both the efficacy of this program and the great importance of these skills for the success of our collective economic future. Please help us support our students today and our communities tomorrow by getting involved and making a contribution to *Entrepreneurship@UBC*.

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Q&A

What is Entrepreneurship@UBC?

Entrepreneurship@UBC is a university-wide program designed to foster and support a culture of entrepreneurship amongst students and ultimately the UBC community. It will enhance the business and entrepreneurial skills of students across the disciplines.

The *Entrepreneurship@UBC* Fund will provide students with the opportunity to apply for pre-seed capital financing to take their ideas from conception to investor readiness with the aid of experienced mentors from the business community.

What will the program do?

The program as a whole supports classes, extra-curricular activities, guest lectures and other learning opportunities to help students gain the skills they need if they choose to use their education to create and grow their own business.

The Fund will be available to students with enterprising ideas for new products or services to apply for pre-seed financing so that they can create prototypes, conduct market research, and explore the feasibility of bringing their ideas to market. By investing in student created businesses the Fund will bring students together from across faculty boundaries, support UBC's already successful track record of commercialization and, most importantly, provide very real, very tangible experiential learning opportunities for UBC students.

How will the Fund work?

Students will submit applications to the Investment Board, which will be comprised of business leaders, entrepreneurs and venture capitalists. The Board will evaluate the business plan and application of each student or student group, and choose the most viable plans in which to invest.

Once chosen, students will receive up to \$100,000 in pre-seed funding, and will be matched with a business mentor to guide them through decision-making and growth of their idea into a marketable business. Up to ten students or groups of students will receive funding each year.

How will UBC pay for this?

The Fund will be owned and operated by UBC and will be funded by donations and grants from private donors, government, non-governmental organizations and other private organizations to UBC. UBC currently has initial commitments/potential commitments from alumni and the BC Innovation Council. UBC is seeking further investors to create a \$10 million capital fund to provide the basis for the *Entrepreneurship@UBC* Fund. The financing to students would be made in the form of a "convertible debenture". Should the venture succeed, the debenture will be converted into shares in the incorporated new venture at a pre-designated milestone. It is anticipated that in future, the fund will recapitalize enough to be self-sustaining so as to foster generations of student entrepreneurs.

All investments will be made strictly on the evaluation of the economic potential of an applicant's business plan. Donors and other contributors are not investors in the Fund and therefore will not assume any of the risk arising from the management and investment of the Fund.



How will it be run?

There will be two governing bodies associated with the Fund: the Advisory Board and the Investment Board. The Advisory Board will set the investment policy for the Fund and suggest areas in which the Fund should invest. The Investment Board will make investment decisions by choosing the specific student entrepreneurial venture in which the Fund will invest. The Fund will typically appoint a member of the Investment Board to the board of each portfolio company.

Who can serve on these boards?

We welcome all interested persons to volunteer, and are specifically looking for business leaders who have angel investment or venture capital expertise, and / or expertise in valuing start-up businesses. In addition, members of the UBC community will be represented on both boards.

Who can be a mentor, and how will the relationship work?

Mentors will be chosen from the business community, and will be sought based on criteria including: UBC alumnus (preferred but not required); excellent reputation in the business community; auditable track record in entrepreneurship, business, angel investing or venture capital; expertise in technical areas of interest; appropriate skills; and a keen interest in the university, its students and entrepreneurship.

These mentors will be encouraged to provide entrepreneurial advice to student companies in which the Fund has invested. An effective mentor / protégé relationship is one that must evolve naturally

between the participants. Consequently, beyond offering the connection, the Fund will not structure the relationships or impose requirements on the parties.

Who will benefit?

Students will be the primary beneficiaries of this program and the fund, through the enhancement of their university education to include skills they can use as entrepreneurs, in the business world, and / or in their later careers.

UBC strongly believes that this program will in time bring significant benefits to Canada and our economy through the creation of new businesses, new employment opportunities, and new intellectual property.

Furthermore, Canada's communities and citizens will benefit from newly created products and services that will enhance lives, build personal capacity, and sustain our global success.

How can I get involved?

We welcome any and all persons interested to collaborate with us on educational offerings, guest lectures, financial contributions to the Fund, mentorship, and / or committee membership. Please contact us to find out how you can help!



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