Not too far from the University of Hawai‘i, a young boy was born who would, with a team of people, bring the Internet into the homes of millions. The young boy, Steve Case, believed that we would live in an interactive online world. When people thought this was a crazy idea, he persevered.

Case served as chair and CEO of America Online Inc. and later, chairman of AOL Time Warner. As co-founder of AOL, Case played an essential role in building the world’s largest Internet company, making the service a vital part of everyday life. Today, he is Chairman and CEO of Revolution, a company he launched that seeks to change the world by the investments it makes in people and ideas.

During a quiet half hour before a public lecture, Case sat with his wife Jean for an interview. Dressed in a green and brown aloha shirt, he shared his perspectives on entrepreneurship and gave advice for students starting businesses.

He believes passion, perseverance and people are the key ingredients for a successful entrepreneur.

Entrepreneurs need to have PASSION in their idea, said Case. “25 years ago, most people didn’t have personal computers. Of those people [that did], less than one percent were connected and the idea of the Internet was a foreign concept. We were passionate in the idea that someday we would live in a world where everybody would be connected,” he said.

PERSEVERANCE was a critical aspect in getting AOL off the ground too. “People didn’t see why average consumers would ever be interested in email and e-commerce,” he said. However, the team kept at it and it took a decade before the company gained significant traction.

Lastly, PEOPLE is the ability to recruit and motivate a team to make an idea possible. “Nothing of significance can be done by one person on their own,” he said.

A political science major, Case believes that higher education is not a requirement, but is important because it provides a good foundation for entrepreneurs. “It gives you a basic set of skills and a broad understanding that are increasingly useful in a complicated global world,” he said.

He added that the university setting provides valuable mentorship and allows students to expand their network. “In the case of UH, getting me to come back to speak or getting entrepreneurs working with students—it’s not just what happens in the classroom but how you connect with those people in the community that is critically important,” he said.

To student entrepreneurs, Case says, “Don’t give up.” He described the risk adverse culture in most communities. “Particularly in entrepreneurship, people are generally more focused on why something is going to fail than why something is going to succeed,” he said. “If you really believe in the idea, don’t give up, even if others doubt its success.”

Last July, Case was named co-chair of the National Advisory Council on Innovation and Entrepreneurship. He is excited for the opportunity to find ways to commercialize the tens of billions of research dollars that are invested in universities. In particular, he will look for ways to drive collaboration across competitive educational institutions to move ideas from the lab to the marketplace.

Case was featured as a guest speaker for the Kīpapa i ke Ala lecture series. About 600 people attended the Nov. 1, 2010 event at the Ala Moana Hotel. The series is sponsored by the Emmett R. Quady Foundation and Kamakura Corporation. For more information visit www.shidler.hawaii.edu/kipapa.
[Director's Message]

Dear PACE Ohana:

Last fall was another exciting semester assisting entrepreneurs as they move closer to their goals. PACE provided opportunities for students to network with executives and gain knowledge from high-profile speakers. Through other programs and annual competitions, PACE approved microloans and trained students to deliver elevator pitches. Seeing the gratitude and energy exhibited by the students makes our work very satisfying.

AN EVENING WITH STEVE CASE
The highlight last semester was definitely my interview with Steve Case, co-founder of AOL. Over 600 members of the university and business community were in attendance to hear this local-boy-does-good story. His interest in companies and technologies that provide benefit and change consumer behavior on a massive scale—think AOL—continues with his new venture aptly named Revolution. Could AOL have just been a warm-up act? Special thanks to John and Sue Dean of the Emmett R. Quady Foundation and Don van Deventer of Kamakura Corporation for sponsoring this successful event.

BUSINESS ADVICE AT A PRICE THAT CAN’T BE BEAT
Another way students learn from others is through our Professional-in-Residence (PIR) program. During half-hour appointments, students discuss their business ideas with a PIR of their choice. Special thanks go to six professionals who dispensed valuable advice to our students and faculty last fall: Piia Aarma, Eric Darmstaedter, John Davidson, Chenoa Farnsworth, Greg Kim and Jan Sullivan.

NETWORKING MIXER
Entrepreneurs Club members met more than 30 business professionals at our Mahalo Mixer. Club members had the opportunity to share their ideas with business executives over dinner. Everyone was pumped up by the energy generated from the interactions. This is definitely a must-do event in 2011.

NEW INNOVATION COMPETITION
To the 18 teams who entered our first Breakthrough Innovation Challenge: Thanks for putting it on the line! Each team submitted a two-minute YouTube elevator pitch. The intent of the competition was to encourage students in the disciplines of art, science and engineering to showcase their innovations, and to identify these inventors and provide assistance in building business models around their innovations.

DONATION FOR ENTREPRENEURSHIP
Finally, a huge mahalo to Sharon Weiner, UH alumnae and vice president of global communications and government relations for DFS group, for her $150,000 pledge to PACE. $50,000 will be immediately available for new multi-year programs providing additional opportunities for students pursuing their entrepreneurial dreams.

As we open the new year, I’d like to thank all of you for your support of PACE. Our programs have been successful thanks to the countless business mentors and innovative students who believe in the spirit of entrepreneurship.

SUSAN YAMADA
PACE Executive Director
The Greatest Inventions Since Sliced Bread

A playful, competitive spirit was evident when Song Choi, Associate Dean of the UH College of Engineering, blurted, “We’re going to sweep!” at the final event of the 2010 Breakthrough Innovation Challenge.

In partnership with the College of Engineering and the Law School, PACE organized this competition that challenged UH students and faculty to publicize their innovations. Contestants were required to describe their innovation and the opportunity in a specific market, and submit it in the form of a two-minute video via YouTube.

Eighteen video submissions were viewed and ranked by a preliminary judging panel. Four were selected to continue in the competition. Each was matched with a mentor, who advised them as they prepared an oral presentation. The four finalists pitched their innovations and its commercial potential to a judging panel, which included Greg Kim, Dew-Anne Langcaon and Rob Robinson, on November 18, 2010.

Winners walked away with cash prizes and enthusiasm to further develop their innovations.

For more about the Breakthrough Innovation Challenge, visit www.shidler.hawaii.edu/bic

[Realize] Since Their UH Business Plan Competition Win

2008
NanoGreen, Inc. took first prize in the 2008 competition. The company has since changed their name to Adama Materials, Inc., a developer of nanotechnology-based advanced materials. On Sept. 29, 2010, Adama Materials announced that it had completed a $4.75 million Series A equity financing led by Artiman Ventures, along with Startup Capital Ventures, the company’s founders, and a group of Hawaii-based angel investors.

Adama Materials was founded by Donavan Kealoha, UH Law and Business School student, and Mehrdad Nejhad, UH Mechanical Engineering professor. Both remain actively involved with the company - Kealoha as Chief Administrative Officer and Nejhad as Chief Technology Advisory. The company now has active projects with tier-one aerospace and composites companies and several patents.

Kealoha says, “If it were not for the BPC, there would be no Adama Materials. Winning was just the start; the advice, support and access to resources provided by PACE was a big factor in helping us to secure our Series A funding.”

2009
Ka Mahʻiʻai Ihi o Wailea, a commercial maile plant farm on the Big Island, continues to conduct research on the ideal growth environment for the plants. They have successfully planted maile seedlings and are in the process of adding an additional five acres of native forestland to the mahi’ai or farm. In 2011, the company plans to undertake food and natural farming initiatives.

Diagenetix Inc. in the September 2010 Issue of Hawaii Business.

2010
Since their win in April, Diagenetix, Inc. has capitalized on the resources and publicity generated from the business plan competition

see WIN P4
to initiate the first steps towards product development and commercialization. The company was featured in the “Now Innovation” section of the September 2010 issue of Hawaii Business magazine.

Their technology has been successfully demonstrated on various prototype platforms as well as commercially available devices. Trials are being planned for certification of the technology for clinical, food-safety and agricultural markets.

Members of the local business community have assisted Diagenetix to incorporate and provided helpful advice on their market entry strategy. The company is currently negotiating IP licenses through the UH Office of Technology Transfer and other potential partners. To support business development costs, Diagenetix has applied for federal SBIR funding and is seeking potential partners. To support business office of Technology Transfer and other negotiations through the UH.

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The team will represent the University at the San Diego State Venture Challenge in March, where they hope to garner further recognition and support.

For more about the UH Business Plan Competition, visit www.UHBusinessPlanCompetition.com

[Calendar]

FEBRUARY 4  Hoku Scientific Microloan Program Applications Due  By 5 p.m. at Shidler College Room E-301  www.shidler.hawaii.edu/microloan

FEBRUARY 5  Entrepreneurs' Bootcamp #1  9 a.m. at Shidler College Room A-101  www.uhbusinessplancompetition.com

MARCH 5  Entrepreneurs' Bootcamp #2  9 a.m. at Shidler College Room A-101  www.uhbusinessplancompetition.com

APRIL 18-19  High School Business & Marketing Plan Competition  7:30 a.m. at the Sheraton Waikiki  www.highschoolplans.org

APRIL 21  UH Business Plan Competition: Final Competition & Awards Ceremony  www.uhbusinessplancompetition.com

[Steppeing up the PACE] PACE Activities

OPEN HOUSE
PACE kicked off the fall semester with an open house on September 9. More than 40 students from various academic disciplines attended the event. After a presentation on the Center’s programs and resources, a current MBA student and a BBA alumnus shared their PACE experiences and encouraged those in attendance to take advantage of the opportunities PACE offers.

PATENT PRESENTATION
On Oct. 20, 2010 Jeff Rosedale, an IP attorney from Philadelphia law firm Woodcock, Washburn LLP, gave a presentation to 40 interested students on patent fundamentals and the importance of IP protection. It was held in conjunction with the Breakthrough Innovation Challenge.

HOKU SCIENTIFIC MICROLOAN FUND UPDATE
Hoku Scientific Microloans were distributed to two students in the fall. The engineering student and entrepreneurship student applied for the Microloan to help build and develop the core products of their business, Rave808 LLC. The purpose of their business is to provide an online resource and forum for rave goers, and to offer cutting-edge eclectic rave supplies and accessories.

PACE Activity
The Microlan program helps students bring their business idea to reality. The program allows UH students to apply for loans up to $5,000 at a nominal interest rate. To learn more about the program, visit www.shidler.hawaii.edu/microloan.

LUNCHROOM WITH CHENOYA FARNSWORTH
A small group of students from cross-disciplines met with Chenoa Farnsworth, managing director of Hawaii Angels, in a Lunchroom session on Oct. 20, 2010. Farnsworth answered questions about angel investing in Hawai‘i. The students also asked for advice on finding team members, taking their business ideas to the next level, and pitching to investors.

Farnsworth told the students to acknowledge the weaknesses of their plans and add team members to fill the gaps. “A big part of pitching is identifying where you are weak,” she said.

Farnsworth also spoke candidly on what she looks for in business plans. She said she looks for characteristics of a good leader. “Everyone has their own theory, but I like to bet on the horse (person). If the business fails, the person will reinvent [the business] and figure out a path to success,” she said.

PACE Business
The Entrepreneurs Club kicked-off fall 2010 with heavy recruitment, which brought in our largest incoming class of members since the first and second semesters of the club’s existence. With a majority of the new recruits being freshmen and sophomores, the entrepreneurial spirit is alive and growing in Hawai‘i. We are excited for the bright future for EC.

Throughout the semester, the club held various workshops and networking events along with the usual bimonthly meetings to help members learn and grow as entrepreneurs.

For the spring 2011 semester, the club will shift gears with the main purpose of helping members move forward with their ideas by starting their businesses. Along with club events, we will help the members that will participate in the annual UH Business Plan Competition.

To learn more about us, visit our website at http://ec.shidler.hawaii.edu.