

The Downlink



Albuquerque Section

Sandia and TVC Assist Entrepreneurs and Small Businesses

Sandia National Laboratories (SNL) and Technology Ventures Corporation (TVC) provide services to assist small business owners and entrepreneurs in starting, maintaining and strengthening their businesses.

Services and Training for Entrepreneurs

Technology Ventures Corporation is a not-for-profit foundation which was founded by Lockheed Martin and also funded by that company and the Department of Energy's National Nuclear Security Administration. TVC helps to commercialize technology coming out of the national laboratories and regional industry, thereby increasing employment in New Mexico, Nevada and California. Engineers and scientists who are looking to start companies based on new technology may obtain project management services and assistance with formulating business plans, as well as

(continued from bottom left column), developing sales and marketing strategies from TVC.

TVC introduces new businesses to equity investors who could be interested in developing technology for its longer-term value. Each December, TVC selects approximately 20 high quality business plans to participate in an investment forum in the spring called the Equity Capital Symposium. According to Toni Balzano, TVC's public relations director, "It is a rigorous process for the entrepreneur, but may be rewarding. Approximately one out of every three participants receives seed equity funding."

TVC has also developed an entrepreneurial training program called the Center for Commercialization and Entrepreneurship Training (CCET). (continued below)

Aspiring entrepreneurs are invited to hear from leading experts in the areas of marketing research, human resources, intellectual property, investment funding and financial management. (See summer course listing on the next page.)

Technology Licensing

An individual/entrepreneur may work with Sandia National Laboratories to bring a technology or idea developed at SNL to market (e.g., technologies seen on the Sandia website (www.sandia.gov)). The lab retains its ownership, but provides the rights to market and sell its technologies, retaining a portion of the profits.

The Department of Energy (DOE) waives its rights to the technologies developed at SNL, but it does not waive its use rights. For example, any government purchases would not be subject to licensing costs for technology. (continued on next page)

Newsletter Editor

Marisa Ruffolo, Ph.D.
mruffolo@ieee.org

Paper Contest Winner

Joseph Craig, a NM Tech student, won first place in the IEEE Southwest Region Student Paper Contest for his paper, "Airborne Visible, Infrared, and Thermal Imaging System." He will compete in a 12-state regional contest in September.

TVC

<http://www.techventures.org/>
Toni Balzano
Director of Public Relations
Email:
toni.m.balzano@lmco.com

SNL Partnerships

[http://www.sandia.gov/
bus-ops/partnerships/index.html](http://www.sandia.gov/bus-ops/partnerships/index.html)

Small Business Assistance Program

[http://www.sandia.gov/bus-ops/
partnerships/sbp/nm-assist/index.html](http://www.sandia.gov/bus-ops/partnerships/sbp/nm-assist/index.html)
Mariann Johnston
Program Manager
Email:
mjohns@sandia.gov

Small Business Mentor/Protégé Program

[http://www.sandia.gov/
bus-ops/partnerships/sbp
/mp/index.html](http://www.sandia.gov/bus-ops/partnerships/sbp/mp/index.html)



CCET Courses

Entering the Entrepreneurial World
Wednesday, July 12

Market Research and the Marketing Plan
Wednesday, Aug. 9

Financial Management
Wednesday, Sept. 13

Preparing and Presenting
the Business Plan
Wednesday, Oct. 11

Operations Startup, Monitoring and Human
Resources
Wednesday, Nov. 8

Attracting Equity Investors &
Lessons Learned
Wednesday, Dec. 6

Time:

8 a.m. to Noon

Location:

New Mexico Science and
Technology Park
800 Bradbury SE
(near University Blvd.
and Cesar Chavez)

Seminars are free, but an R.S.V.P. is preferred.

To R.S.V.P., contact:
Antoinette Sabedra
Phone:

(505) 843-4109

E-mail:

antoinette.e.sabedra@lmco.com

According to Paul M. Smith of Sandia's Partnerships group, entrepreneurs should be aware that everything invented by someone who works for Sandia belongs to the DOE based on the provisions of the Atomic Energy Act. Sandians and entrepreneurs should keep this in mind as they discuss new technology ideas.

provide these services. Small businesses in Bernalillo County are allowed \$5,000 in services, while New Mexico small businesses outside of the county are allowed \$10,000 in services. 283 projects were completed in 2005, and the entire \$1.8 million was credited. The Sandia scientist/engineer who works on the project—the principal investigator (PI)—is

2007 International Science & Engineering Fair to be held in Albuquerque in May 2007

Dr. Harjit Ahluwalia will be the lead special awards judge for the IEEE Presidents' Scholarship of \$10,000. To volunteer to serve as a judge, please contact him at hsa@unm.edu. ISEF website: <http://www.intelisef2007.org/>.

Small Business Technology Assistance

Sandia National Laboratories' New Mexico Small Business Assistance program provides technical assistance services to small businesses. Sandia, which typically pays \$64 million in gross tax receipts to the state of New Mexico, is allowed up to \$1.8 million in tax credit to (continued on top-right column)

provided with a charge number for his/her work, and no center overhead is charged.

To qualify for technology assistance from Sandia, the small business should have a New Mexico tax ID, be a New Mexico business and have less than 500 employees. (continued below)

To be selected for the program, the technical services requested must be services that are not already provided by private industry. According to Mariann Johnston, the Program Manager for the Small Business Assistance Program, "We base the selection of program participants on the need of the small business, the economic and technical impact, as well as the opportunity it may give Sandia to improve its technology investment capabilities." Projects are determined on a calendar year basis, and all funds are committed by the fall months. The typical project involves 40 to 80 hours of work over 90 days.

The Small Business Assistance Program team also works with leverage projects in which five or more companies come together to solve an industry-wide problem (e.g., crop production issues). Funding of \$50,000 to \$120,000 is granted over a one-year period and the PI leads the work effort. Proposals for leverage projects are released in August and are due in October.

Jennifer Sinsabaugh is the Technology Transfer Project Manager for the program. She works to match PIs with appropriate projects. The overall response has been positive, and many PIs continue working with the program from year to year. (continued on next page)

Small Business Management Assistance

The Sandia National Laboratories' Mentor Protégé Program (MPP) is a one-year, with an optional second year, business-to-business mentoring program. This program helps small businesses who have been in business for at least three years develop skills in areas such as finance, marketing, project management, government procurement and implementing the ISO Standards.

According to Corina Gallegos, MPP Program Manager, "Engineers who own small businesses often focus on areas of technical expertise with a passion. However, to run a business well and make it profitable, business expertise is also required. That's where the MPP comes in. MPP matches protégés with mentors who have expertise in the areas the protégé needs most help."

The MPP assists regional small businesses that have more than two, but less than 500 employees. The region includes New Mexico, California, Arizona, Utah, Colorado, Nevada and West Texas. (continued at top-right column)

For Sandia, strengthening its regional supply chain makes good business sense, therefore it provides funding for administration of the program.

The Mentors, who are regional businesses or staff from within Sandia, volunteer their time to assist these small-business protégés. The program also has Business Services Advisors who volunteer to provide short-term, solution-based assistance to the Mentor-Protégé teams.

The program accepts applications year-round for both protégés and mentors, and selections occur in December to start the program in January. Normally, about 15 mentor-protégé teams are selected for each program year. Their first meeting consists of an orientation, during which the protégé and mentor establish specific business goals for the year. They usually start with a needs assessment and then develop action plans. The teams meet monthly to review their progress.

The MP Program is in its fifth year of operation. Over 100 mentor and protégé participants have participated in the program.

Lessons Learned in Entrepreneurship

Jim L. Novak, a research engineer at Sandia National Laboratories and a member of the IEEE Albuquerque Section, founded SenSolve, Inc. in 1997. With licensed technology originating from his then nine-year career at Sandia, SenSolve successfully developed from a garage shop to an equity capital-backed company in 1999.

Through his experience, Jim learned several lessons which may benefit New Mexico technology entrepreneurs. For example, investor interest in a start-up will peak during negotiations and then drop off following the close. Because it may be difficult to get rapid decisions later, the entrepreneur and the

investment team should be sure to agree upon all decisions required for a rapid start before the deal closes. Also, staged investments requiring a series of milestones mitigate investor risk and can protect the entrepreneur. Early milestones should emphasize internal accomplishments, such as presenting at a trade show, while later milestones emphasize external events, such as market success.

If you would like a copy of Jim's article, "Lessons Learned in Equity Capital Negotiation and Execution," or you have questions regarding business ventures, please contact TVC at (505) 246-2882 or visit their website at www.techventures.org.



40th Annual IEEE ICCST

The IEEE International Carnahan Conference on Security Technology (ICCST) is an annual conference sponsored by a number of organizations that have a sincere interest in creating an open forum for the exchange of information related to security technology.

The ICCST is directed toward the research and development aspects of electronic security technology, including the operational testing of the technology. It establishes a forum for the exchange of ideas and dissemination of information on both new and existing technology.

Sandia National Laboratories has been participating in this conference for many years. The United States has several members on the Executive Committee, including one from Sandia. Mr. Daniel Pritchard, in the Security Systems and Technology Center at Sandia, is also presently serving as the Webmaster and as a member of the organizing committee for the 2006 conference.

The 40th Annual ICCST will be held in Lexington, Kentucky, on Oct. 16-19. For more information, visit the conference website at <http://www.carnahanconference.com>.

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www.illustratus.com





IEEE

July 2006						
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- 12** CCET Course
Entering the Entrepreneurial World
8 a.m. to Noon
800 Bradbury SE
Contact: Antoinette Sabedra
antoinette.e.sabedra@lmco.com
- 19** SPIN
11:30 a.m. to 1 p.m.
UNM Continuing Education Facility
1634 University Blvd. NE
Contact: Deborah Ortiz
daortiz@comcast.net
- 26** IEEE Board Meeting
11:30 a.m. to 1 p.m.
SCALO Northern Italian Grill
3500 Central SE
Contact: Ray Byrne
rhbyrne@sandia.gov

August 2006						
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- 1** Board Elections will be held in September. If you are interested in running for an office, please contact Chair Gerald Wood (gwood66@comcast.net) in August.
- 9** CCET Course
Market Research and the Marketing Plan
8 a.m. to Noon
800 Bradbury SE
Contact: Antoinette Sabedra
antoinette.e.sabedra@lmco.com
- 16** SPIN
11:30 a.m. to 1 p.m.
UNM Continuing Education Facility
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daortiz@comcast.net
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rhbyrne@sandia.gov

September 2006						
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- 1** Board Elections will be held in September. Exact date to be determined.
- 13** CCET Course
Financial Management
8 a.m. to Noon
800 Bradbury SE
Contact: Antoinette Sabedra
antoinette.e.sabedra@lmco.com
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