

Mass. startup challenge eyes Conn., N.Y.

[Alexander Soule](#) | Nov 04, 2011 | [Comments 2](#)



Mukesh Sud, right, is creating a business plan competition at Fairfield University, even as MassChallenge eyes one for startups ready to launch. He is pictured here with an undergraduate, left, in a course he teaches at the Dolan School of Business and guest speaker Lisa Joaquim, who owns the Trek Bicycle Store in Fairfield.

A startup factory of sorts in Massachusetts is considering launching its model in Connecticut, though New York City is likely its first target for any expansion.

Under the tagline “we help entrepreneurs win,” the MassChallenge “accelerator program” is a few months into the second year of an annual startup competition that awards \$1 million in prizes to up to two-dozen companies, while also operating as an incubator, providing entrepreneurs with offices, support and mentors.

In the course of an impressive debut year, MassChallenge helped some 110 startups raise \$90 million in outside funding, while creating 500 jobs from scratch. In July, Oracle Corp. acquired the first MassChallenge participant – Ksplice, whose software allows technicians to apply security patches and fix bugs in the Linux operating system without rebooting computers.

Another 125 companies are participating this year.

John Harthorne, MassChallenge CEO, said he attended a September meeting of the National Governors Association in Hartford and was approached by a Connecticut official interested in potentially exploring launching MassChallenge here.

Harthorne said MassChallenge is not a magic wand – many participating startups would have launched on their own and several more disbanded after completing the program. But those entrepreneurs told him the experience had crammed into months what it would have taken them three years to learn.

“I’m very confident that our model can ... rally the existing infrastructure and make it stronger,” Harthorne said.

Business plan competitions have long been ensconced at universities as a teaching tool, dating back to the original MIT \$10K competition at the Massachusetts Institute of Technology, now known as the MIT \$100K. They continue to flourish – the Fairfield-based Entrepreneurship Foundation and several other entities hold a semiannual contest for college students. And only last month Fairfield University announced its own competition led by Mukesh Sud, hired as an assistant professor a few years ago to energize its entrepreneurship studies (see related story on page 6).

In signing a jobs bill last month, Gov. Dannel P. Malloy freely borrowed ideas from other state and federal entities – but either skipped over MassChallenge or was unaware of its short track record.

Instead, Malloy brought in Startup America Partnership L.L.C. run by former Priceline.com executive Scott Case to create a state affiliate providing mentorship and other services to entrepreneurs.

In late October, Massachusetts unveiled its own Startup Massachusetts affiliate at the MassChallenge awards ceremony.

After initial hoopla, however, entering November Startup Connecticut had done little more than provide links to a few local events, a Twitter stream and two-dozen support organizations, directing interested participants to the state Department of Economic and Community Development – without providing a name as a point of contact.

If Startup Connecticut launched in somewhat decentralized fashion, Malloy hopes to help startups gravitate to mentors, via a \$25 million commitment to supporting four startup incubators and using the new Stamford Innovation Center as a model.

Global Entrepreneurship Week (GEW), which kicks off beginning Nov. 14 sponsored by the Kauffman Foundation, includes a three-day Startup New Haven competition to build a web or mobile application in the course of a weekend, with the winner getting six months free rent at the CTech@Science Park at Yale incubator. A similar Startup Weekend Hartford was held in September, sponsored by Northeast Utilities, the Connecticut Technology Council and the Connecticut Incubator Network – there has been no word on whether a similar contest could emerge in Stamford, which is looking to groom a cluster in new media.

MassChallenge has proved a formidable fundraiser in its short history, winning support from the Massachusetts state government, colleges, nonprofits and companies – including Norwalk-based Xerox Corp. As a nonprofit, Harthorne said he has no qualms about letting local institutions take the lead in running any Connecticut version of MassChallenge.

“We would definitely be interested in Connecticut,” Harthorne said. “We would give away our model.”

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