

A Proposal for a TAB Venture Capital Fund* - Draft 1

What are the problems?

- The IEEE is slow to enter new technologies. Approvals take too long. For example, there was no way for IEEE to start a venture within a short time after September 11 - to explore what IEEE's technologies could do to minimize the chances of future terrorist attacks. Other organizations were far faster in starting new ventures in that area. The same happened in nanotechnology.
- Rather than encouraging and helping the entrepreneurs among us, we put up barriers and try to "shoot down" new venture proposals.
- Even after a venture receives all the approvals, the entrepreneurs receive minimal staff and volunteer support.
- We have an aversion to risk. We never fail.

A proposal

- Establish a TAB Venture Capital Fund, and a Venture Capital Committee. Allow any IEEE member to submit a business plan for a new venture (e.g., conference, workshop, publication...) The Venture Capital Committee would be authorized to decide whether or not to approve the venture, including the granting of up to a \$100K loan for startup. The decision would be made within 30 days.
- The Venture Capital Fund would be created out of TAB reserves. The new venture would be expected to repay the loan within five years.
- Once approved, the entrepreneur would be offered mentoring by a group of senior, experienced volunteers (e.g., former S/C presidents). At least one senior volunteer would be assigned to monitor the venture and periodically report to SPARC.

* John Vig, November 30, 2003