

UNCHARTED TERRITORY

ENTREPRENEURS BREAK NEW GROUND AT A STARTUP INCUBATOR IN THE U.S. CAPITAL BY ERIN BRERETON

Tech entrepreneurs talk so much about "making the world a better place" that the phrase has been satirized on the HBO series *Silicon Valley*. That didn't deter Evan Burfield and Donna Harris from dubbing their Washington, D.C.-based business incubator 1776, giving it the motto "Where Revolutions Begin" and dedicating it to "reinventing our lives as

citizens." In this Q&A, Burfield and Harris discuss how startups use Washington as a base as they tackle some of the country's (and the world's) biggest challenges.

HOW HAS 1776 EVOLVED SINCE ITS START?

BURFIELD: The point of 1776 has always been about creating a community where the most promising startups could work with institutional partners, mentors, investors, and others to help develop those companies. Startups think they need introductions to investors most. What they actually need most often is to be connected with people who deeply understand the structure of these industries—what products and services they need, what pricing models work best, and how to really make a company viable.

HARRIS: Capital follows really good ideas, and startups frequently don't find funding because they lack solid mentoring.

ARE YOUR STARTUPS CENTERED ON ANY SPECIFIC INDUSTRIES?

BURFIELD: We see the most action in education, health care, energy, and city operations optimization. If you look at the population of the world that will be living in cities in 20 to 30 years, it opens up tremendous opportunities in the kinds of sectors that may have once scared venture capitalists away because cities are highly regulated and very complex.

WHAT DOES D.C. OFFER TECH STARTUPS?

HARRIS: We're in the nation's capital—one of the most powerful cities in the world. People dedicate time here to connecting with each other—that's the currency of the city. With the executive, legislative, and judicial branches of the federal government, the local D.C. government, universities, think tanks, and corporations here, there's incredible expertise that is a stone's throw away from our facility that may never really have thought about engaging with startups before. BURFIELD: A great example would be the call we got from the White House saying the president would like to come spend an hour and a half meeting with our startups the day before July 4. President Obama asked a lot of questions about companies' business plans and how they'd been impacted by the economy. Building an incubator four blocks from the White House makes a visit like that a lot more likely.

YOU HELD AN INTERNATIONAL CHALLENGE CUP BUSINESS COMPETITION IN 2013. WHAT WAS ITS CENTRAL GOAL?

HARRIS: The objective was to get into tech communities in major cities around the world, spend time mentoring companies tackling problems in innovative ways, and find the most promising ones. We selected one winner in each of four industries—four winners per city in 16 cities-and ended up with 64 really compelling companies. The competition allowed us to raise the visibility of 1776 and show that there are startups all over the world thinking about these challenges in a great way, tackling what we'd traditionally say are government's problems to solve.

HOW WOULD YOU DESCRIBE THE CURRENT GLOBAL STARTUP MARKET?

HARRIS: If you look across the world, there are emerging ecosystems literally on every continent—it's not just a U.S. phenomenon. We've been to Tel Aviv, Berlin, Cape Town, and everywhere in between in the past six months, and the communities look uncannily similar.

They're reading the same books, using the same language, tools, and technology-it is emerging truly as a uniform global ecosystem. Ideas and best practices are being shared; no one is holding on to information in a proprietary way. Entrepreneurs in each city are focusing on making their own communities vibrant, and once they grow their local companies, they can connect them to a huge global network. That's how startups are going to grow in the future.

As a founding sponsor of 1776, Morrison & Foerster has provided strategic support to member startups since the campus first opened its doors. Attorneys across a myriad of practices hold office hours, moderate **Q**&A discussions, and deliver salient presentations in an effort to help companies grow from a solid business and legal foundation. "We do our best to be good community members, in terms of mentoring and supporting the next generation of entrepreneurs," says Tom Knox, a partner in Morrison & Foerster's Corporate Department.

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DONNA HARRIS

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