

# mit founders study

# 2003

We invite you to participate in the 2003 survey of MIT founders to expand our knowledge of entrepreneurship and enterprise creation. MIT graduates, students, and faculty have founded thousands of companies, and this new survey will contribute valuable insights into the entrepreneurial process and its sources of inspiration and support. We hope that our findings will create a deeper understanding of the factors encouraging discovery, innovation, and economic development and, by so doing, help encourage current and future generations of entrepreneurs by informing the institutions supporting them.

You may access this survey online by visiting our website at [web.mit.edu/surveys/founders](http://web.mit.edu/surveys/founders). If you have questions, contact us by email at [founders-study@mit.edu](mailto:founders-study@mit.edu) or by phone 617-253-3648.

We ask you to help by completing this survey even if you participated in our 1995 survey. We expect that the process will take less than 30 minutes. Please rest assured that our findings will be reported only in the aggregate and that the particular data you provide will be kept strictly confidential. We will be pleased to share our results with you before the end of the calendar year. We look forward to receiving your response by Friday, August 1st.

Your name: \_\_\_\_\_

What is your affiliation with MIT?

- Alumnus/a Course(s) \_\_\_\_\_ Degree(s) \_\_\_\_\_ Year(s) \_\_\_\_\_
- Faculty
- Staff

## companies you have founded

1. How many companies have you founded or co-founded over the course of your lifetime? \_\_\_\_\_
2. Please list them here, starting with the most recent:

	Company	City	State	Country	Year Founded	Operating Status*	If Closed, Year	Public or Private
A								
B								
C								
D								
E								

Check here if more than five. Feel free to attach a separate page listing those companies.

\*Under "Operating Status", please choose from the following three options: • in operation • acquired by another firm • out of operation

If you have founded more than one company, we are interested in learning about the one that you think is the most significant. Pick one, drawing from the criteria listed below, and use that as the focus of this survey.

Company Selected: \_\_\_\_\_

Headquarters' Location: City/State or Country \_\_\_\_\_

Reason Selected (Mark only one)

- First
- Most Successful
- Most Recent
- Most Important Technology
- Largest
- Other \_\_\_\_\_

Please answer the questions that follow for the company you have selected:

3. Please tell us your position with the company when it was founded and your current position, if you are still active.

List of Positions	At Company Founding	Current Role
President/CEO	<input type="checkbox"/>	<input type="checkbox"/>
Chairman (if not also CEO)	<input type="checkbox"/>	<input type="checkbox"/>
Chief Operating Officer	<input type="checkbox"/>	<input type="checkbox"/>
Chief Scientist/Chief Technology Officer/Chief of R&D	<input type="checkbox"/>	<input type="checkbox"/>
Chief Finance Officer	<input type="checkbox"/>	<input type="checkbox"/>
Chief Information Officer	<input type="checkbox"/>	<input type="checkbox"/>
Vice President	<input type="checkbox"/>	<input type="checkbox"/>
Outside Director	<input type="checkbox"/>	<input type="checkbox"/>
Consultant or Advisor	<input type="checkbox"/>	<input type="checkbox"/>
Other employee (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>
Not Active	<input type="checkbox"/>	<input type="checkbox"/>

4. If you are no longer still active in this company, are you currently (check as many as apply):

- |                                                                           |                                             |
|---------------------------------------------------------------------------|---------------------------------------------|
| <input type="checkbox"/> Working in another company that you have founded | <input type="checkbox"/> Employed elsewhere |
| <input type="checkbox"/> Starting a new company                           | <input type="checkbox"/> Retired            |
| <input type="checkbox"/> Consulting                                       | <input type="checkbox"/> Other              |

## company profile

5. In which industry would you categorize your company?

(Please mark one primary industry sector and as many secondary sectors as apply.)

Manufacturing	Primary	Secondary
Aerospace		
Drugs, Biotech, Medical Devices		
Chemicals, Materials		
Consumer Products		
Electronics, Computers, Telecommunications Devices		
Machinery		
Other Manufacturing		

Services	Primary	Secondary
Architecture		
Energy, Electric Utilities		
Telecommunications		
Finance		
Management & Finance Consulting		
Publishing, Schools		
Software		
Law, Accounting, Miscellaneous Business Services		
Other		

6. For most recent fiscal year available, what were:

- Total Company Revenues \$ \_\_\_\_\_ Fiscal Year \_\_\_\_\_
- Total Company Employment \_\_\_\_\_ Fiscal Year \_\_\_\_\_

7. What percentage of annual revenues is invested in R&D? \_\_\_\_\_% In Marketing? \_\_\_\_\_%

8. Where does your company generate its revenues? Please provide an approximate percentage by region

(the total should be 100%).

For US Companies	% of Total
US	
Non U.S.	

If Headquartered Outside U.S.	% of Total
Your Headquarters' Country	
The U.S.	
Rest of the World	

If available, what percentage of US sales is in your headquarters' state? \_\_\_\_\_%

9. Is your company located in Cambridge or Greater Boston (the area on or within the Route 495 belt)?

- Yes  No **If NO skip to question 11.**

10. What is your company's activity, including branches as well as headquarters, in Cambridge or Greater Boston?

	Cambridge	Greater Boston
What percentage of total company employment is in:		
What percentage of total company revenues originates in:		

# company information

11. How many people founded the company? \_\_\_\_\_

Please list all your co-founders and mark their affiliation, if any, with MIT, and the role(s) they served in the company's founding.

Founder Name	Alum	Student	Faculty/Staff	Non MIT	Technology	Finance	Marketing	Other
	<input type="checkbox"/>							
	<input type="checkbox"/>							
	<input type="checkbox"/>							
	<input type="checkbox"/>							
	<input type="checkbox"/>							

12. Where did you meet the other founders? (Mark as many as apply)

**While at MIT:**

- In Class/Course
- Doing research/lab (Specify) \_\_\_\_\_
- In your residence/living group  
(Specify) \_\_\_\_\_
- In connection with the MIT \$50K Entrepreneurship Competition
- In connection with other extra-curricular activities  
(Specify) \_\_\_\_\_
- Networking
- Socially
- Other (Specify) \_\_\_\_\_

**Before coming to or after leaving MIT:**

- At another university (Specify) \_\_\_\_\_
- In connection with the MIT Enterprise Forum
- In connection with MIT Alumni Activities Association  
(Specify) \_\_\_\_\_
- Through MIT contacts
- Working in business
- Working in government
- Family connections
- Networking
- Socially
- Other (Specify) \_\_\_\_\_

13. What was the source of the idea for the product or service leading to the founding of the company? (Please answer even if the idea came from one of your co-founders and not from you.) Mark one primary source and as many secondary sources as apply.

		Primary	Secondary
At MIT	Doing outside-funded research		
	Undergraduate Research Opportunity Program		
	Other research		
	In class		
	Graduate thesis		
	Informal discussion with students or faculty		
	Visiting scientists, engineers, or entrepreneurs		
	Working with an outside company		
	Professional literature		
	Other		
At Another University	Doing outside-funded research		
	In class		
	Informal discussion with students or faculty		
	Other research		
	Visiting scientists, engineers, or entrepreneurs		
	Working with an outside company		
	Professional literature		
	Other		
<i>Please Name the University Here:</i>			
Other Sources	Working in the industry		
	Working in the military or government		
	Research conference		
	Discussions with social/professional acquaintance(s)		
	Other		

14. Was intellectual property (patented or copyrighted material) a critical factor in the company formation?

- Yes  No

15. Were you an inventor or author of the intellectual property?  Yes  No

16. If yes, is the patent or other intellectual property owned by you or one of the founding team?  Yes  No

If not, did you license (or get an assignment of) its use from any of these?

- From MIT  From another company  
 From another university  From a government lab  
(Specify) \_\_\_\_\_  From an individual inventor

17. Prior to starting the company, did you receive financial help to demonstrate feasibility and/or develop a prototype?  Yes  No

If so, how much was this? \$ \_\_\_\_\_

Did this help come from any of the following sources (check as many as are appropriate):

- From a university (Specify) \_\_\_\_\_  State government programs  
 Federal defense research (DARPA/DOD)  Business community initiatives  
 Other federal research grant (NSF/NIH/DoE)  Friends, family  
 SBIR  Angel investors  
 Other \_\_\_\_\_

## Early Funding

18. How much capital did you raise to get your company off the ground? \$ \_\_\_\_\_

19. Roughly what percentage came from each of the following sources during the start-up phase (roughly defined as within the first year)

Funding Source	% (do not exceed 100% total)
Founders' personal savings	
Founders' credit card or borrowing	
Founders' families or friends	
Venture capital	
Company cash flow	
Commercial bank(s)	

Funding Source (continued)	% (do not exceed 100% total)
Angel investor(s)	
* University	
Government: federal	
Government: state	
Customers	
Suppliers	

\* Name of University \_\_\_\_\_

## role of mit

20. Which of these factors in your connection with MIT, if any, played a role in the founding of your company?

Check all that were relevant.

- Fellow students  Specific offices, groups, or activities  
 Faculty or staff  Entrepreneurship Center  \$50K Entrepreneurship Competition  
Anyone in particular? \_\_\_\_\_  Enterprise Forum  Technology Licensing Office  
 Research work  Venture Mentoring Service  Alumni Regional Club  
 Contact with entrepreneurial network  Other \_\_\_\_\_

## The entrepreneurial environment

21. Was MIT's entrepreneurial environment a factor in your choice to attend MIT or to work at MIT?  Yes  No

22. Did the reputational benefit of your association with MIT help you to acquire funding?  Yes  No

Did it enhance your credibility with clients and suppliers?  Yes  No

23. Does your company currently have or anticipate having an ongoing connection with MIT?  Yes  No

(Check all that apply)

- Recruiting new employees  Specific offices, groups, or activities  
 Licensing technology  Entrepreneurship Center  \$50K Entrepreneurship Competition  
 Funding research  Enterprise Forum  Technology Licensing Office  
 Joint research with MIT faculty and/or staff  Venture Mentoring Service  Alumni Regional Club  
 Faculty Advisors or Directors  Other \_\_\_\_\_

## key location and success factors

24. Did you start your company where you were living at the time?  Yes  No

If yes, were you living there because (check all that apply):

- You grew up there  
 You had attended a school or university there  
 You were employed there  
 Other (please specify) \_\_\_\_\_

25. What factors influenced the location of your company?

	Decisive	Important	Less Important	Not Important
Access to venture capital and other funding				
State and local government assistance programs				
Access to MIT				
Proximity to key research facilities or key researcher				
Access to other major universities				
Access to skilled professional workers (engineers, managers)				
Access to skilled (blue-collar) labor				
Access to unskilled labor				
Proximity to major markets				
Favorable regulatory environment				
Favorable tax climate				
Low business costs				
Quality of life				
Good network of suppliers				
Network of contacts				
Low-cost land and rental space				
Available land for building				
Ample and reasonably priced housing				
That's where I lived				
Other factors				

Skip Questions 26-28 if you are not currently active with the company

26. When you plan for an expansion, what factors will help determine where it occurs?

	Decisive	Important	Less Important	Not Important
Access to venture capital and other funding				
State and local government assistance programs				
Access to MIT				
Proximity to key research facilities or key researcher				
Access to other major universities				
Access to skilled professional workers (engineers, managers)				
Access to skilled (blue-collar) labor				
Access to unskilled labor				
Proximity to major markets				
Favorable regulatory environment				
Favorable tax climate				
Low business costs				
Quality of life				
Network of suppliers				
Network of contacts				
Low-cost land and rental space				
Available land for building				
Ample and reasonably priced housing				
Proximity to company headquarters or other existing company operations				
Other factors				

27. Do you plan a major expansion in the next two years?  Yes  No

28. What factors are critical in giving your company a continuing competitive edge?

	Most Important	Important	Less Important	Not Important
Access to capital				
Government support programs				
Innovation/new technology				
Niche product				
Time-to-Market				
Superior performance				
Market image/brand recognition				
Dominant market position				
Customer service/responsiveness				
Employee enthusiasm/creativity				
Management expertise				
Competitive cost structure				
Offshore outsourcing				
Other (please specify) _____				

### comments

Please share your stories and your thoughts about your entrepreneurial experiences, your connections with MIT (past and current), your lessons learned: any comments of your choosing. Feel free to attach additional pages.

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### an appreciation and an invitation

We are grateful for your participation in the MIT Founders Survey 2003. We hope to share our preliminary findings before the end of the year.

We invite your continued involvement in our ongoing research on entrepreneurial activity. We hope that you will be willing to participate in follow-on studies related to additional companies you have founded or on specific aspects of the entrepreneurial enterprise. Please let us know if you are so willing.

- Yes, I am willing to be contacted for follow-on studies
- Email Address (if available): \_\_\_\_\_

### confidentiality and release of information

Your privacy is our highest priority. The information you have provided will be reported only in the aggregate. From time to time, we are asked by MIT administrative offices and the news media for the names of MIT-associated founders, their companies, and the industries and technologies with which they are associated. We would like your permission to release that information when so requested. Please check below **ONLY** if we do not have your permission.

- Do not release my name or the name of my company to MIT offices.
- Do not release my name or the name of my company to the news media.

Please return the survey in the enclosed envelope pre-addressed to the MIT Founders Survey 2003, 77 Massachusetts Avenue, Cambridge MA 02139.

You may also fax it to 617-258-8690. Let us know if you would prefer to complete the survey through a telephone interview or if you have any questions by calling the MIT Founders Project at 617-253-3648.

*We thank you for your participation!*