

Quarter/Dates of Activity: Q2 October 2007 through December 2007
Seed Grant: Building Investment and Entrepreneurship in the San Joaquin Valley
Grantee Organization: Golden Capital Network/Pacific Community Ventures
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Description of this Quarter's Activity and Impact on Partnership Goals and Objectives:

The activities of this grant are designed to foster a dynamic business climate to encourage and support entrepreneurs (Strategic Action Proposal Economic Development Goal #3), by addressing important needs in three areas:

1. Building local private equity investment capacity, particularly at the stages between friends/family and later-stage private equity;
2. Developing a strong infrastructure that supports entrepreneurship and business growth;
3. Initiating and sustaining venture capital deal flow generation programs and activities.

During the second quarter of the grant (Oct - Dec 2007), the following activities occurred to support the overall goals:

- PCV - The equity education workshop series got under way with a presentation to entrepreneurs and service providers at the BizTalk Event in Visalia (Tulare County) on Oct 4. A second workshop was delivered on the campus of Fresno State (Fresno County) to a group of entrepreneurs and professors on December 4.
- PCV, CVBI and the Lyles Center all partnered with the Central Valley Fund and participated in a venture forum designed to increase the knowledge and awareness of Equity Capital in the region and increase deal flow. This event entitled the "Central Valley Venture Forum" occurred on October 17th, 2007 and was attended by over 100 participants and brought over 20 experts in the area of venture capital together for the event. Eight companies presented their businesses in hopes of attracting equity capital for growth.
- CVBI conducted two separate Entrepreneurship Level One Training Workshop at the all day BizTalk Event in (Tulare County) entitled "Business!" and "Developing Unmatched Networks".
- CVBI hosted the Pacific Incubation Network, a division of the National Business Incubators Association, on November 30, 2007. Attendants came from Tacoma, WA and Carson City, NV as well as local and regional cities in California such as Reedley, Tulare, Visalia, Porterville, San Jose, Santa Cruz, Palo Alto and Long Beach. It was a successful Incubation Networking Conference that enabled existing incubators and entities interested in incubators to share information and best practices.
- A second workgroup for regional stakeholders in developing infrastructure to support entrepreneurs and business expansion was held on November 5, 2007 and hosted by the City of Clovis EDD. Dr. Delore Zimmerman, from the Praxis Strategy Group, presented on the topic of "Building a High Performance Region In an Innovation-Driven Global Economy". The event was attended by business development professionals, educators and representatives from state and local elected officials.
- Progress has been made towards creation of a centralized resource search network supporting business start up and expansion. Representatives from Stanislaus County, Kings County, Tulare County and Fresno County are working together towards developing this platform. The goal will be to create a vehicle that is comprehensive, regional and sustainable.
- Golden Capital Network participated in conference calls and in-person meetings with key Stockton-area business and policy leaders via the San Joaquin Partnership to plan launch of angel investment group activities.
- Golden Capital Network provided newly formed San Joaquin Angels templates for organizing angel investment group.

- Golden Capital Network created San Joaquin Angels informational brochure content and invitation letter.
- Golden Capital Network provided support for planning of upcoming Feb. 20, 2008 launch of San Joaquin Angels.
- Golden Capital Network finalizing legal documents for angel capital fundraising.

Planned Activities for next 3-6 months

- CVBI is continuing work with Porterville City College in establishing an incubator on campus.
- CVBI will be conducting a Entrepreneurship Level One Training Workshop at the Madera Community College campus (Madera County) and the Reedley City College (Fresno County) campus.
- Equity 101/Financing Business Growth workshops are being planned for Madera County on January 16, 2008. Additional plans are under way in Merced and Stanislaus Counties for second quarter '08.
- The CEO Forum on Employee Development will be delivered in March of 2008 entitled "Hiring and Retaining Key Employees". This event will be facilitated by Ray Smilor of the Beyster Institute, a nationally recognized speaker and author on this subject. Partnerships have been developed with the SBA, Regional SBDC and UC Merced and SCORE to market event to entire San Joaquin Valley.
- Another CEO Forum is in the planning stage for the second quarter of 2008 and will focus on Operational Excellence.
- PCV continued the planning of the Executive Education Events, CEO Forums geared toward CEOs of growing San Joaquin Valley companies and designed to increase management capacity at those companies.
- Golden Capital Network will provide planning and event support for San Joaquin Angels launch event on Feb. 20, 2008.
- Golden Capital Network will arrange ongoing meetings with key business leaders in banking, law, accounting, and other influencers to support development of angel fund.
- Golden Capital Network, through new separate legal entity, will begin raising capital for angel investment fund.
- Golden Capital Network will continue to provide support for San Joaquin Angels.
- Golden Capital Network will plan activities in Fresno-area, in coordination with other partners.
- The next regional stakeholder meeting has been calendared for January 17, 2008 in Modesto.

Challenges/Problems/Bottlenecks/Feedback

- Cooperation and communication are key challenges in continuing the effort to bring "buy in" from all the stakeholders in the economic development of the region. The need to directly engage business and investment leaders shows the most promise to maximize results towards some objectives, not necessarily through nonprofit or quasi-government channels.
- Financial resources are also a bottleneck to complete some of the assignments (ie: the comprehensive directory). Limited funding has required a retooling of original goals in the creation of the directory but progress has been made in this endeavor.
- Travel distance remains a problem for some communities to have representation at the various workgroups. While efforts need to be made to have face to face interaction, video or telephone conferencing might be explored for interim planning sessions. Although some meetings may be rotated around the eight-county region, Fresno still offers the most venues for large meetings and is fairly central geographically.

If you have coordinated any outreach, please describe briefly.

- CVBI Board Secretary Dr. Marianne Dunklin, Professor at Fresno City College, has donated her time to training City College instructors on the entrepreneurship curriculum. Collaborative efforts are under way with approximately 6-8 professors that have all received monies from the Coleman Foundation to being work on placing incubators on their respective campuses. Dr. Dunklin has also been working in concert with Dr. Thomas Crow, Chancellor of the State Center Community College District, in placing these incubators and implementing the entrepreneurship instruction on the SCCC campuses.
- Golden Capital Network is focused on Stockton-area for initial activities. Most outreach efforts building upon San Joaquin Partnership relationships.
- CVBI CEO Craig Scharton spoke at University of the Pacific (San Joaquin County) on the topic of incubation and entrepreneurship.