

# Podcast Interview



Camille Saltman, President, CONNECT  
Interviewed by: Phillip Battle, SSTi

*2011 Excellence in TBED Award Winner:  
Building Entrepreneurial Capacity*

Mr. Battle: Hello again and welcome to the SSTI Podcast. I'm Phillip Battle. Each episode we take some time to speak with an SSTI Excellence in TBED Award Winner. We talk to them to learn more about the work they do and some of the lessons they've learned along the way. Today I'm speaking with Camille Saltman, President of CONNECT, which has been helping to build a thriving entrepreneurial community in San Diego for almost 30 years. Because of the impressive record over that time, last year they won the SSTI Award for Building Entrepreneurial Capacity. Thanks for talking with us, Camille.

Ms. Saltman: Happy to.

Mr. Battle: Well it seems like with a long history like that, and being involved in so many initiatives – I'm trying to get a grasp of what CONNECT does. Can you distill for me the essence of CONNECT's role in the San Diego community?

Ms. Saltman: Absolutely. CONNECT is a regional program that was developed to help inventors, researchers, scientists, engineers and startup entrepreneurs with all the resources that they would need to successfully commercialize products and services. Since 1985, just over 25 years ago, we've worked with more than 3,000 individuals and companies, and helped them to raise capital, to put together a business model, a business plan, attract management talent, learn the fundamentals of running a company and provide them with networking recognition and exposure in the communities to business leaders and the media.

Mr. Battle: Those of some of the things that you do. Can you describe – is there a model you use to approach how to build a thriving entrepreneurial community like the one in San Diego?

Ms. Saltman: When we were originally created, we were a part of the University of California San Diego. Over the 25 years as the economy has changed and new sectors have evolved, our role has evolved and changed as well to meet the needs of the community. So I can give you a sense of where we started, and then where we are now, if that's helpful?

Mr. Battle: That would be great.

Ms. Saltman: We started out very much focused around the scientists and engineers within UC San Diego. We had a mentoring program that provided coaching. We had conferences and entrepreneur education programs,

and venture programs that provided a forum for companies to meet venture capitalists. As the economy evolved we were faced with different challenges within the region. As the cold war unwound, a lot of engineers found themselves without work, and we helped them transition into the private sector and to launch businesses that involved technology products, to apply their skills to the private sector. As the dot com era evolved there were lots of businesses that were started that where the entrepreneurs didn't necessarily have a lot of business experience and needed a lot of entrepreneurial education. As that sector changed and many of those companies went out of business, all those folks needed to be transitioned into new areas. We've gone through several recessions where capital became in short supply. Clean Tech became to come on the scene; many, many different changes over time.

Now we're an independent organization. We're a charity C-3 and we're also a C-6 association. We have an office in D.C. and a full time advocate there. We do a lot of work to educate policymakers about the needs of researchers and technology entrepreneurs, access to capital and solutions to some of the problems around shortage of capital, patent reform, and availability of talent. There is quite a range of issues that are being considered in D.C. and we found that really we had to have a presence there if we were going to have any impact.

We now have an innovation institute that is working on ways to bring innovation to our manufacturing and production cluster in America to restore middle class jobs and to bring a range of outsourcing back to America. We have a whole range of programs. We do about 370 events a year. We have about 20 programs to support the companies at all stages that are coming to us. We have a pretty strong partnership now with the other trade organizations in the community, and we're working together on some short term strategies to help San Diego move out of the recession and restore our economic competitiveness.

Mr. Battle: That is remarkably comprehensive and flexible too - from what you'd said was responsiveness to the local community. How large is CONNECT?

Ms. Saltman: We are about 22 staff, and we have about 1,800 volunteers. That group has been built over the last five years, and these folks do fairly high level work for us. They do mentoring, judging, screening, speaking, so they are really adding their business experience and their wisdom that they've gained, whether it is in their industry or in their professional occupation, whether they are a lawyer or an accountant, or a capital provider. They

really enable us to help about 200 companies a year through our mentoring program, to offer about 30 entrepreneur education programs, to judge about 150 product applications for our most innovative new product awards.

Mr. Battle: How do you go about attracting qualified people to volunteer or mentor with CONNECT?

Ms. Saltman: I was actually one of those volunteers when we started this process about seven or eight years ago.

Mr. Battle: So obviously they become passionate once they are involved?

Ms. Saltman: Right, it's a good question. It's really that the secret sauce of CONNECT. Our founder recognized, and then the first executive director that the founding group hired, recognized that if San Diego did not foster a culture of collaboration, that San Diego would not be able to compete with an investment rich community like San Francisco or Boston. Everybody rolls their sleeves up, even competitors. All the defense primes, the professional services organizations like law firms and accountants, the industry companies, the venture capitalists all come and work together to try to give us a leg up against other regions that have more resources at their disposal. We try to also create these volunteer programs so that as companies are sold and executives transition out, they have a way to get connected to the community so they can get their next deal and we don't lose management talent to other regions.

Mr. Battle: You talk about some of that connective glue, it sounds like people in the community in San Diego have been very involved and motivated to help benefit the San Diego region. How do you go about creating an initiative that can build entrepreneurial culture in that way, to help them back innovativeness around the community? Mentoring, is that one of the keys to this?

Ms. Saltman: One of the keys to it is really that a rising tide lifts all boats. If we can work together to create a rich entrepreneurial culture, that creates business and jobs for everyone. That means deal flow for the law firms and the accounting firms. That means venture capitalists get to see the best deals as soon as they are scrubbed and ready. That means that for the CEOs and the CFOs and all the management talent, there are growing companies that they can work with and hopefully stay in San Diego, which is a very beautiful place, and not have to move away to another

region. It means a rich environment for the research institutions. We now have more than 80 and we've just had two announced in the last month, yet one yesterday. It was very exciting. Merck announced the launch of a \$19 million research institution yesterday.

Mr. Battle: Congratulations.

Ms. Saltman: Thank you. But these things happen because there is a rich supply of talented scientists in the region, so companies like Pfizer and Merck locate here to have access to this pool of people. The pool of people comes, and they bring their spouses because there are other opportunities for those folks to get jobs. Then all these different players, the bankers, the VCs, the lawyers all get deal flow as a result of the growth of the community. So it is really mutually beneficial to roll one's sleeves up and work together, because we all win in the end.

Mr. Battle: When you're at work building that sort of connective tissue in a community, it seems really difficult to track metrics, what your progress is, what CONNECT's contribution has been in the community. How do you do that?

Ms. Saltman: We've been evolving in that process over about six years now. It's an excellent question. We do it in a range of ways. At a very tactile level we track the companies we help. So we know for instance that last year 18,000 people registered for our programs. There were 5,300 discrete companies in that group that we helped. We count the number of volunteers, that's where the 1,800 came from. We count the quality rankings of the programs, the number of VC introductions. But then we also have worked with a number of economists. We purchase data on the number of startups in the region, and we break that down by cluster. We look at how many jobs startups created, how much funding they received. We track the number of patents published, patents applied for, MNA, IPO activity in the region. We look at the size of the overall innovation economy in each sector and whether that employment is growing. We compare that data to other regions. We also look at the wages and employment in the research institutions. We are now looking at the number of researchers we attract versus lose, who bring in more than \$1 million in research funding each year. We've discovered that in the last 18 months we've lost three but we gained seven, so that was good. We look at the number of products launched in the region. So we're trying to look at all the indicators, both at a tactile level with the

companies we touch, but also at a regional level over all. What seed size, what's the economic impact?

What are the really exciting things, and this really applies to any region around the world that we've found from tracking the metrics is that the economic impact of innovation companies is really profound. We have here in San Diego, only about 6% of our companies are innovation companies, but it's 10% of employees, and it's a full quarter of San Diego wages. That's because innovation companies pay 95% more than the average wage. We've also found that in recessions these jobs are far more resilient than the average job. The metrics have been helpful in getting policy makers to really support this kind of activity because it can have such profound economic impact in the region.

Mr. Battle: Because of your long term success, I know that CONNECT's been the inspiration for many initiatives across the county. If you could offer one piece of advice to those initiatives, what would it be?

Ms. Saltman: It's really important for the folks who are creating an initiative like this to go out to the community leaders, the family foundations, the individuals who really are making change in the community and get their support; both their moral support, as well as their financial support. I think we found that if the support just comes from government, everybody sits back in the community and waits for something to happen. But if all the community leaders are financially invested, and universities are invested, they roll their sleeves up and work to make sure that their investment pays off and they get behind the initiative and they give it credibility and they give it real grass roots energy. From that leadership you can then attract more support as you go along. So that would be my advice.

Mr. Battle: Well thank you so much Camille, we really appreciate it.

Ms. Saltman: Thank you for asking me to participate. I hope the information is helpful to other regions.

Mr. Battle: I believe it will be. If our listeners would like to learn more about CONNECT they can visit [www.connect.org](http://www.connect.org). To find out more about the SSTI Excellence in TBED Awards visit [www.sstiawards.org](http://www.sstiawards.org).