

High-tech, high society

Kendall Powell finds out how to make those key business connections.

At dinner parties in San Diego's high-tech neighbourhoods no one needs to ask what you do for a living — they'll have heard already on the grapevine — but everyone will want to know how you met your first venture capitalist.

For San Diego is a high-tech networker's paradise. Surrounded by the neighbourhoods of La Jolla, Torrey Pines, Del Mar and Sorrento Valley, the city's Golden Triangle is home to much of the region's high-tech industry and its support services. Just around the corner are four world-famous academic research institutions — the University of California, San Diego (UCSD); the Salk Institute for Biological Studies; the Scripps Research Institute; and the Burnham Institute. In any week, an industrious entrepreneur can easily attend two or three networking events.

And they need to. For the budding entrepreneur, making connections can win them a mentor to show them the ropes and provide crucial leads to investors. "Companies seek out people they know or have met, often through personal relationships. That's why two companies collaborate, not because they saw it in a magazine or read about it on the Internet," says Gary Pisano, a professor of technology management at Harvard Business School.

Pisano and other experts say that the bigger the local network, the easier it is for technology start-ups to find people to hire and the more likely it will be for those people to remain in the area. "If I want to do biotech, I think about Boston, San Francisco or San Diego and not a midwest city without other firms around if I lose my job," says Pisano.

And San Diego's geographical compactness and good climate give it a definite edge



when it comes to sociability. "There are only two degrees of separation in San Diego and people are very willing to connect people," says John Otterson, managing director of the San Diego office of the Silicon Valley Bank.

Small worlds

This degree of intimacy can, however, be both a blessing and a curse. "If you are 'in' in San Diego, you'll always be in — even if you have a bad idea at some point," says a former biotechnology executive, who wishes to remain anonymous. "But if you're 'out', you are out." In areas such as San Francisco and Boston, he says, more competition between venture capitalists means that it is easier for an entrepreneur to secure initial funding.

On the other hand, the cut-throat atmosphere in these other technology-driven hotspots makes cooperation between firms more difficult than in 'small town' San Diego, say locals. "When I talk with people from the San Francisco Bay Area or spend time there, they always describe that as being a more

competitive atmosphere, and San Diego as more collaborative, more open. There's a tremendous sense that we raise the boat out of the water more by working together," says Sanford Ehrlich, director of the San Diego State University Entrepreneurial Management Center.

Good connections

Events hosted by industry-specific organizations are key to getting hooked into the inner circle of the close-knit San Diego technology world. "San Diego is the best networked telecom community in the world," claims Marco Thompson, chairman of volunteer community group the San Diego Telecom Council, and chief technical officer at computer engineering and software company Wind River Services in San Diego. It is at these networking meetings, tech leaders say, that an entrepreneur with an innovation or idea for a start-up should start making the rounds, shaking hands and swapping cards.

But meetings are only the first step. After

getting your face known and picking the brains of top executives about pitching a business plan, the rookie entrepreneur must find the right venture-capital firm or investors' group. One 'unmissable' monthly event is the San Diego Venture Group's breakfast meetings, held at the Hyatt Aven-tine in La Jolla. These allow entrepreneurs to rub shoulders with executives of local ven-ture-capital firms. Further down the line, the monthly dinner meetings of the San Diego Tech Coast Angels introduce selected small companies to a group of private investors who will individually provide seed funds of up to \$2 million.

The small size of many companies in San Diego can be a bonus. Bud Bromley, of Pasadena-based software firm ViaLogy, who has worked at molecular-detection firms in both San Francisco and San Diego, says that the latter's mix of mostly small companies means fewer layers of middle management for an entrepreneur to work his or her way through.

"You can make presentations directly to an executive in a San Diego company instead of to a third-level manager," says Bromley. Currently vice-president for business development at ViaLogy, which makes software to enhance the performance of microarrays and protein chips, Bromley networks out of his home in the Rancho Santa Fe neighbour-hood (see 'Working the neighbour-hood', right).

And there's no denying that San Diego's climate and geography help. San Diego workers say that they are much more likely to catch up over drinks when it doesn't involve driving across the San Francisco–Oakland Bay Bridge or struggling through a Boston snowstorm.

After hours

Although San Diego is the seventh largest city in the United States, it often feels like one big campus. This is a result of the 'ten-minute effect'. With 90% of technology companies located within ten minutes of the UCSD campus, a lot of business social-izing takes place at the restaurants and hotels in the Golden Triangle and nearby.

"Tutto Mare right off Executive Drive is buzzing anytime of day, any day," Tom Jurgensen, an intellectual-property lawyer with BKF Jurgensen, offers as an example. You need to get there very early to get a table for lunch,

and you'll always see someone you know.

According to Jurgensen, the atmosphere at Tutto Mare and at Café Japengo, another Golden Triangle favourite, is younger and livelier than at traditional business restau-rants in downtown La Jolla such as George's or La Valencia. "George's is where you consum-mate the deal or go afterward to celebrate. But the early-on talking goes on at these higher-energy places," he says. For breakfast meet-ings, everyone heads off to Milton's, a Jewish deli just off highway I-5 in Del Mar.

British expatriate Alistair Mann and the

group he founded, BioBrits, take over the deck at Karl Strauss Brewery Gardens, a former Japanese restaurant converted into a brewpub complete with koi pond. BioBrits, a group of about 100 Britons working in biotechnology, meets every other month for "pure socializing", says Mann, principal at Mann International, a corporate partnering consultancy. The group ranges from post-docs to chief executives and keeps them in touch not just with each other but with the UK biotech scene. These informal meetings can help junior people get to know successful senior executives, and Mann knows of at least one postdoc who has got a job through their BioBrit connections.

Working the neighbourhood

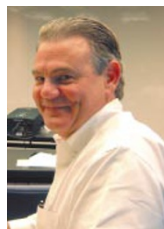
If Bud Bromley doesn't already know you, he'll not be shy about introducing himself. Connecting with people is his way of life.

Bromley often runs into business partners and colleagues at neighbourhood events. Being a family man, those include little league and soccer games at the Rancho Santa Fe recreation fields, homeowner's association meetings and the picnic tables at the beach in Del Mar. It doesn't hurt that he lives in one of the most exclusive neighbourhoods in northern San Diego, which houses technology chief executives, serial entrepreneurs, and their lawyers and bankers.

Bromley says that you can just as easily make an important introduction on the sidelines of your kids' soccer game as at a black-tie soiree to celebrate a neighbour's fiftieth birthday.

He gained his friendly networking attitude from his years at Hewlett-Packard, he says, where he was taught "managing by walking around". The idea is to get to know your colleagues face-to-face, and just talk about what's important. Bromley thinks San Diego has broadened this philosophy to include the whole community. "My attitude is that we're all just ex-colleagues working at different companies. We're not trying to get confidential information out of them, just staying in touch with no particular agenda."

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Bud Bromley says it's good to talk.

Surfing the network

Not surprisingly, it doesn't hurt to surf in San Diego. Otterson and his colleagues from the financial and legal communities used to hold Saturday morning business meetings at the surf breaks at Windansea or Black's Beach. "Some days we talked specifics, some days we talked concepts, and some days we just surfed," he says. The group still meets on an ad hoc basis when schedules and waves allow.

Otterson helped to found the UCSD Cancer Center's Luau & Longboard Invitational, which raises about \$200,000 a year for pilot projects in cancer research. Company teams get paired with a surfing legend, and the event concludes with a Polynesian-style luau where execs turn in their black tie for boardshorts.

On a more formal note, the Symphony at Salk event brings out Nobel laureates, academics and La Jolla society to listen to the San Diego Symphony Orchestra beneath the stars on the institute's seaside courtyard. "It's a melding of arts and sciences, fashioned after Jonas Salk's ideas, that reaches out to many different people who have interests in art, music and science," says event chair, Betty Vale.

San Diego's small-town charm, even as the city grows, remains a draw. "Merck, Novartis and Johnson & Johnson are all building millions of square feet for major research centres. They like the fact that San Diego has energy and a huge intellectual capital. But it is still a smaller community that is very interconnected," says Jurgensen. ■

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