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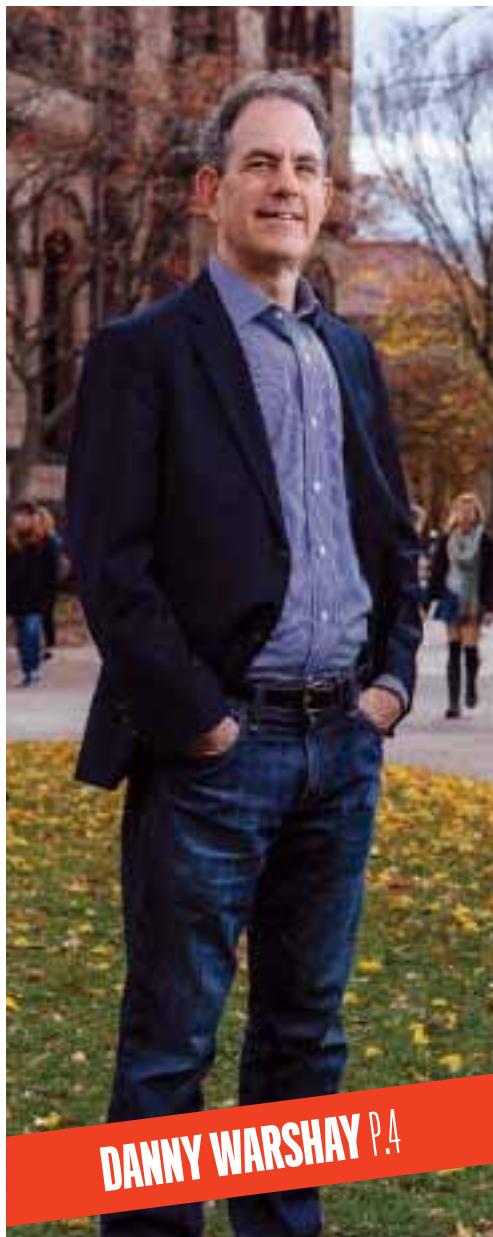
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SCALING INNOVATION: STARTING AND GROWING A BUSINESS IN R.I.

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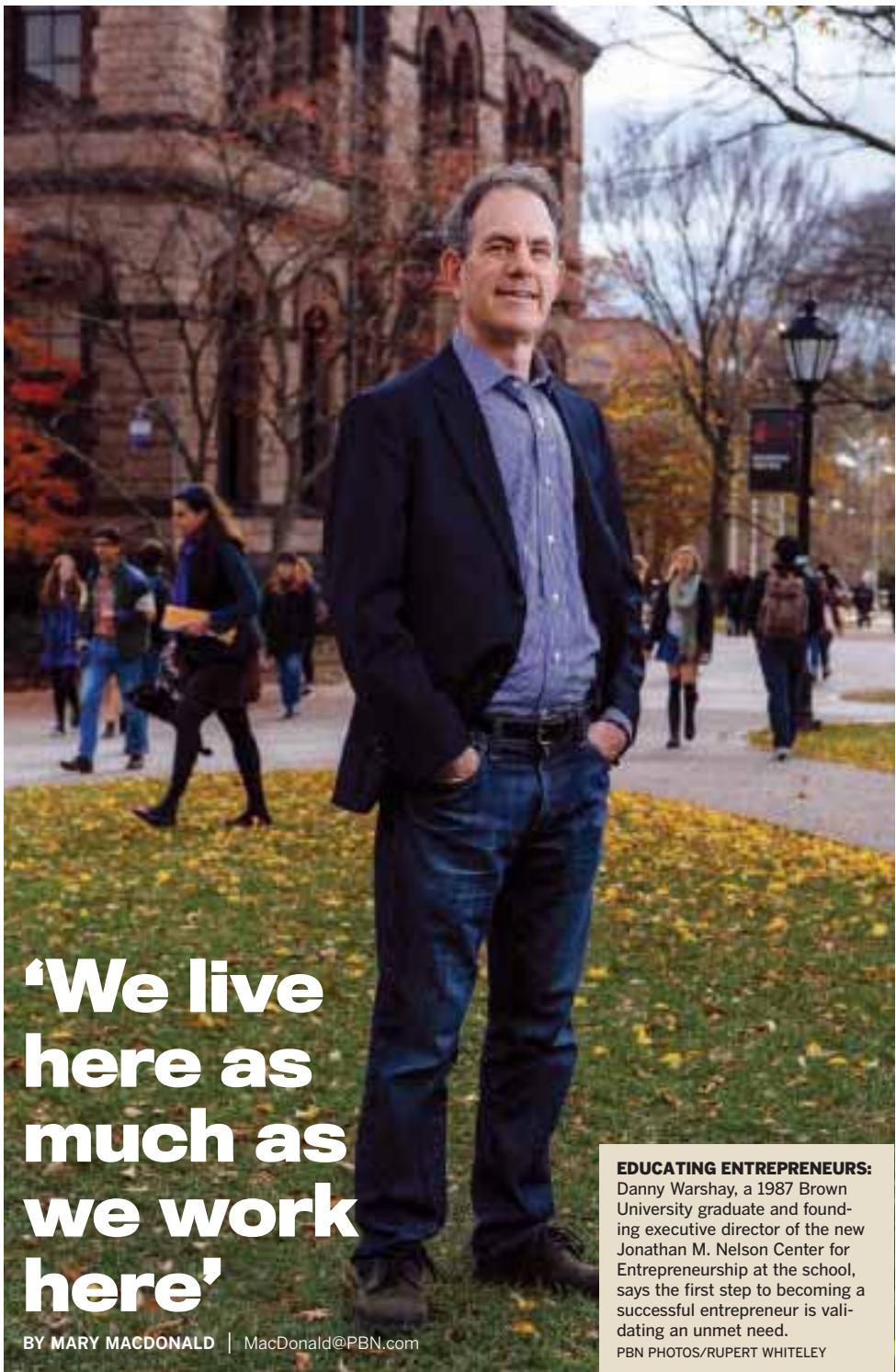
'We live here as much as we work here'

BY MARY MACDONALD | MacDonald@PBN.com

DANNY

Warshay is shaping Brown University's strategy on entrepreneurship.

The 1987 Brown graduate is the founding executive director of the new Jonathan M. Nelson Center for Entrepreneurship at the school. He has taught entrepreneurship at his alma mater for more than a decade, and now works with the university community, as well as representatives of government and business, to encourage collaboration through the center's activities. He also founded G-Form LLC, a Rhode Island sports-equipment manufacturer, among other companies.

What are the biggest obstacles to starting a business in Rhode Island?

I don't think about it that way. It may partly be a function of my being focused on entrepreneurship. People who are in entrepreneurship generally don't think about hurdles. They think about how to overcome hurdles perhaps, but even more generally, how to advance things positively. I have experience starting businesses here since I was a student at Brown, back in the '80s. When I was a student here, it never entered my mind what the hurdles were to starting a business, we just started one. In retrospect, I spoke about this at a forum a few years ago, we were like mutants. We were pretty rare, in the mid-1980s, to be tech entrepreneurs. There was no community. There was no real support. It never occurred to us there could be a different kind of environment. Fast-forward to today ... and there is a ton of community support and infrastructure and framework for aspiring entrepreneurs. That's why I enjoy focusing on entrepreneurship in Rhode Island. In general, I do think it's a good place to start a business.

Why, is it the size of the state?

Yes, generally. Whenever I'm asked by aspiring entrepreneurs or people who are entrepreneurs who are thinking about moving here, I always describe it as two sides of the same coin. On the one hand, it doesn't have the depth of the Research Triangle, or Silicon Valley or even Kendall Square. But on the other hand, it's the kind of community that's pretty easy to engage in an evening. If you went to one **Slater [Technology Fund]** networking event, literally, you would meet most of the key players you would want to meet if you were thinking about starting a company here. And all of them would be gracious and supportive and encouraging and helpful. I don't know that you would find that typically in most of the other places that I mentioned.

Does Rhode Island have the resources to help companies develop innovative products or services?

One thing Rhode Islanders tend to do, and I think I do this myself occasionally, is to think very provincially about the community in which we live. And we think about it in a proprietary way, like it has to be within the borders of Rhode Island to qualify as our community. And yet, I think we do ourselves a disservice by trying so doggedly to protect ourselves as being distinct from the Greater Boston area. ... We really are a part of the Greater Boston entrepreneurial ecosystem. And we do ourselves a disservice to resist that approach. It feeds into the perception from the Boston resources, [including] venture capitalists and others, that we're not really a part of that system. But we are.

How do we get beyond that "border"?

Most people don't think in terms of that border, most entrepreneurs don't. Is it reasonable for me to tap into resources, people, money, that are in Massachusetts? If I could wave a magic wand, would I want there to be more resources here in Providence? Sure. I know the state and governor are doing a great job in trying to attract some of those resources. I'm part of that ecosystem now as executive director for the Nelson Center for Entrepreneurship at Brown University. We're a resource. Other universities are providing those resources. The way the governor and her staff think strategically about that is a good thing. I think they acknowledge that entrepreneurship is a key to economic development, probably more than any other administration I've been exposed to. I see that in a very positive way. But it doesn't preclude Rhode Islanders from accessing resources elsewhere, and that happens probably more than it's ever happened. If you're thinking about entrepreneurs who are roughly my age, 52, this is a really attractive place to start a business, not just for the business reasons, but for personal reasons, and lifestyle reasons. Let's face it, we live here as much as we work here. And so, it's

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being able to be in a place where it's easier to commute, and get around, where the cost of housing is relatively low, compared to other places, and where it's a good place to raise a family. The scale of what Rhode Island represents is attractive. It's easy to access the right resources. You could literally call up [Stefan Pryor], the secretary of commerce, and probably get him on the phone or at least get an appointment with him. Imagine doing that in California? So, the scale of what you have here is quite acceptable. I was part of a startup called G-Form. The founding president and I always told the story of how we were able to develop a new product in under a week, and it was because we had access to our whole supply chain. It was all within a 20-minute drive. That was everything from the chemical for our products to the molding facility to the cut and sew factory, to the shipping, the warehousing. You couldn't get that if you were in California, let alone in China. It proved to us that Rhode Island was a really good place to start a company.

What industry offers the greatest potential for growth through innovation in Rhode Island and why?
There is probably some merit to it but I tend to shy away from those "pick the winner" kind of exercises. There is really rich entrepreneurship in food, and it's no accident; it's probably a function of **Johnson & Wales [University]** being here. Design, you have **[Rhode Island School of Design]**, which is one of, if not, the best design schools in the world. You have lots of departments at Brown, data sciences and computer science and engineering, lots of different disciplines. But I hate to pick the winner, because I don't know that I would be right. And I also don't like top-down initiatives. I like them better to bubble up.

When people are coming into your program, what are they interested in?
A very wide range. Everything from food and computer science to neuro-technologies, and just about everything you could think of, medical, biotech. That's partly a function of how diverse and interdisciplinary and cross-collaborative Brown's ecosystem is. We're here to serve all of that ecosystem. Our mission at this new center is making entrepreneurship an essential part of the Brown experience. As a result, we're collaborating with all sorts of people throughout that ecosystem: The music department, the brain-science initiative, public health, the medical school, RISD and lots more.

Can entrepreneurship be curated, or does someone have to think that way to begin with, have an entrepreneurial mindset?
Definitely not. If it were, I would not have any purpose in my teaching entrepreneurship. I've been teaching entrepreneurship at Brown and around the world for 11 years. And there is no evidence in … the academic literature that there is any personality trait that is inherent to being entrepreneurial. The way I describe it is that entrepreneurship has found a home at the engineering school at Brown. Sometimes people describe entrepreneurship or entrepreneurs themselves as [having] "an entrepreneurial spirit." I always scratch my head when I hear that. I don't know what it means. I don't know what you would do to replicate a spirit. I don't know how you teach it. Instead, if you think about it being in the engineering school, it's not accidental. I always say, if you wanted to teach somebody how to build a bridge in engineering, you wouldn't go out and say, "Go out there and have a bridge-building spirit." … And if you go out there and it doesn't work and the bridge falls down and the cars don't survive, go out there and be persistent and try again. And that's often how people think of entrepreneurship. Instead, in bridge building, there's a deliberate, structured process, a beginning, middle and an end. And every bridge can be different, aesthetically, functionally. And that's true in entrepreneurship, too.
The way I teach entrepreneurship is by distilling out the key principles in entrepreneurship, and teaching them in a beginning, middle and end process, leaving lots of room for variation in terms of mission and function and purpose. But there is a structured process. And there is one I can teach.

What is the beginning, is it testing an idea?
No, that's often what people think. What I teach as the bedrock, first part of the process is something I call bottom-up research, which is finding and validating an unmet need. Too often, I find people, especially technology people, doing the opposite. They start with the technology and they're a solution looking for a problem. Instead, I like to teach people how to empathetically and anthropologically find and validate an unmet need. The way I think about entrepreneurship, and the way I think it works particularly well in a place like Brown, is it's a methodology for solving problems. That's part of the reason why it's so expansive and can fit into so many disciplines. It's not just business. It can be for solving public health problems. We met recently with the School of Public Health. One of the deans was at first

a little curious about whether the entrepreneurship center would have anything to do with public health. We chatted, and he said, "I'm with a team developing an app in China that will help connect AIDS patients to health resources." And I said, "Well, you're an entrepreneur." And he said, "I didn't even know I was." That led to us doing a workshop with them and we're going to be doing a number of other things around how entrepreneurship can solve public health problems.

You're getting students from high school and prep schools. Are they coming to you with problems they can solve? Are they thinking this way when they arrive on campus?
Some are. Different than from when I was a young entrepreneur, people are being exposed to entrepreneurship and venture creation even before they go to college. Sometimes I get experienced entrepreneurs in my classes. And they have a lot to teach, as well as learn. In other cases, people have maybe heard the word "entrepreneurship" but they don't understand what it means and they're getting a first exposure to it. We have a continuum in the way we at the center work with students, faculty and alumni all over the world, and that's everything from engagement to empowerment. You might find yourself on campus the first week and be nominally interested in entrepreneurship and not really understand what it is. We've structured a host of programming to help introduce those kinds of students to what entrepreneurship is about and how you get started. Then you might take an interest in advancing your commitments. Your entrepreneurship may be starting to do something. That's the [intermediate] stage. And the latter stage is: How do we empower our constituents to take steps beyond just thinking about it and being inspired by it, but really create a new venture that will extend even beyond Brown, and will encourage people to stay in the Rhode Island community? ∎

People who are in entrepreneurship generally don't think about hurdles. **Entrepreneurship … is a methodology for solving problems.**