

MAY, 2001

YALE ENTREPRENEURIAL SOCIETY'S
OFFICIAL MAGAZINE

YES & *KNOW*

EXECUTIVE BOARD

DAVID POZEN, PRESIDENT
EVAN LEPATNER, VICE PRESIDENT
SERGE GROSSMAN, CFO
JULIAN REVIE, SECRETARY
NILS SCHULZE-HALBERG, CTO

ADVISORY BOARD

BRUCE ALEXANDER, YALE VICE
PRESIDENT

DAVID CROMWELL, SCHOOL OF
MANAGEMENT (SOM)

BARRY NALEBUFF, MILTON
STEINBACH PROFESSOR OF
ECONOMICS, SOM

CRAIG JOHNSON, VENTURE LAW
GROUP

REED HUNDT, FORMER FCC
CHAIRMAN; VENTURE PARTNER,
BENCHMARK CAPITAL

BILL DRAYTON, FOUNDER &
PRESIDENT, ASHOKA

LEN BAKER, YALE CORPORATION;
PARTNER, SUTTER HILL VENTURES

YESLETTER STAFF

WESLEY MITTMAN, EDITOR-IN-
CHIEF

ADAM REIN, WEBMASTER

CONTRIBUTING WRITERS:

DAVID BELLER, ALEXANDER
CLARK, SARAH CREWS, SEAN
GLASS, BRENNAN IGOE, ALEXI
NAZEM, JOSHUA NEWMAN, MAX
PITMAN, ADAM REIN, TOM
SULLIVAN, SHIRA TYDINGS.

INSIDE THIS ISSUE:

* FROM YES-NEW YORK TO Y50K:
YES WRAPS UP ANOTHER
SUCCESSFUL YEAR

* MICHAEL DELL SHARES THE HIS-
TORY OF ONE OF ENTREPRENEUR-
SHIP'S GREATEST STORIES

* Y50K: WITH 92 ENTRIES, TWO
UNDERGRAD TEAMS COME OUT ON
TOP



Opinion & Editorial

Go-Gurt and Green Ketchup: is the "new economy" really that new?

We all know the "new economy" is reinventing the ways in which we produce, distribute, and consume products. It's old news. But there's something very interesting about the new economy. It turns out that it's not so new.

Giant corporations like H. J. Heinz and General Mills are creating value and making the big bucks—not the Internet players we hear so much about. In fact, companies like Yahoo and Amazon.com are finding it difficult to generate revenue streams. Meanwhile traditional companies and investors are finding that product innovation in today's economy cannot and should not be limited to Internet bits and bytes.

It became obvious to me a few months back while purchasing yogurt at the grocery store. The lid on my Colombo yogurt (a General Mills company) contained a snap together spoon.

My initial reaction was it doesn't get better than this. Man, I remember those high school days—rushing to class with a yogurt and orange juice. A lot of times I would forget a spoon, so that meant a nice little DWSAY (driving while slurping a yogurt). Of course a spoon would have preclude me from steering my car with

any hands at all. So perhaps my forgetfulness was a mixed blessing. But tell that to my stained shirts.

While I wasn't planning on conducting any e-commerce transactions in the near future, you could be darn sure Colombo would have a place in my heart and fridge. And just when I thought it couldn't get any better, I discovered Go-Gurt (yogurt in a tube). General Mills is the "innovation station" behind this product as well. Bless those creative folks. Forget the whole spoon escapade, I could now slurp with ease and of course steer my car simultaneously. This was indeed killing not two, but three birds with one stone.

All it took was a few conversations about food innovation with friends and I was soon introduced to green ketchup produced by none other than H.J. Heinz. Don't worry, it tastes exactly the same. Perhaps Heinz is heeding advice from the fellows dishing out slurpees at 7-11. This was crazy. I would never consume yogurt or think about ketchup the same way again.

My mind wandered off, thinking about innovative parallels in the Internet universe—a universe where I devote a great deal of study. I drew mostly blanks. Perhaps

Application Service Providers (ASPs) could be conceived as new business models for software consumption, but everything else online (i.e. bookstores, news, stock quotes, etc.) seemed to be transported from the physical world. I might as well head to the local library, read the Wall Street Journal and come home to watch CNBC. It would be a lot more fun.

Not surprisingly, the traditional players have demand for their products and are making money. The New York Times reported a year's worth of the green ketchup was projected by Heinz to be sold within the first 90 days of release. It gets better. Go-Gurt is on its way to becoming a multi-billion dollar product. It recently propelled General Mills past Dannon as the nation's leading yogurt maker.

So the new economy isn't so...new. Rather than getting all caught up in the bits and bytes of the Internet, investors and consumers may want to instead head over to the grocery store. Indeed, this is where innovation is creating value and generating real revenue.

By Luke Fronefield

PHOTO POLL: Given the recent fluctuations in the stock market, what company would you invest in and why? By Rebecca Rosenthal



Ian Crawford
LAW '03

"I would not invest in anything having to do with the internet.

I would invest in something medium-term. What I mean by medium-term is a stock that is positioning itself to be bought out. The stock should be trading low and inexpensive so that when a deal is made the shareholders get large capital gains. I would invest for the long term in a company with slow growth."



Tammany Kramer
LAW '02

"I would invest in a company that deals with old people, geriatrics or biotech. The

reason to invest in geriatrics is because the older population is getting bigger and people are going to have to put resources into companies that work with them"



Aviv Aviod
SOM '01

"I would invest in the telecommunication industry. At the moment,

there is an overcapacity of companies so the stock prices are down and there are many shares to be bought cheaply. There is no doubt that there will be demand for new technology. Companies that currently have the deepest pockets will come out stronger than they are now because they will be able to invest in this new technology"

UNDERGRAD TEAMS MEMSTAR , ELMSEED ENTERPRISE FUND WIN Y50K

On April 14, two of the nine-two teams that submitted business plan proposals for the annual Y50K emerged victorious. Both teams, specifically MEMStar and Elmseed Enterprise Fund, were devised by undergraduate students, even though the majority of entrants were members of Yale's Graduate School programs. Before announcing the winners, President/Chief CEO of the University Alliance for Life-Long Learning and former President/COO of Merrill Lynch and Co. Herbert Allison '65 delivered the keynote address.

Drawing on examples from his own experiences, Allison discussed the importance of taking risks within one's profession. "Whether you will get the most out of your career will depend on whether you take the risk of trying to maximize your contribution to your profession and to the future lives of others by thinking and acting as an entrepreneur—imagining how to create value for the future and having the courage to act on your convictions," Allison said.

Allison also warned his audience to not pursue the traditional career paths that many Ivy League graduates often take post-college. Allison discussed the downside of attending a school like Yale, as it can "seduce you into taking the seemingly safe, conventional route through life. Doors open to jobs that offer favorable ratios of rewards to risk." Half-jokingly, Allison commented that an Ivy League education should come with a "warning label: caution, could be hazardous to your potential."

After Allison's speech, the panel of judges of the Y50K were introduced by the Chair of the Y50K Entrepre-

neurship Competition, Julian Revie '02. The panelists offered their overall assessment of the business proposals to the audience. Founder and CEO of Village Ventures Inc. Matt Harris commented that the plans were both "refreshing in that not one was on genomics or peer to peer net-



Herb Allison '65, former COO of Merrill Lynch, delivering the keynote speech at the Y50K.

working" and realistic in that they "did not attempt to change the world in six months." Many judges expressed similar opinions, as well as suggested that in the future the contestants should offer more in-depth analysis on the plans' sustainability, feasibility, and social impact.

Mayor John DeStefano and Bruce Alexander then announced the winners. Drumroll please.....

Social Entrepreneurship:

Second Runner-up: WiredMD Group
First Runner-up: Donation Registry
Winner: Elmseed Enterprise Fund.
 Created by undergrads James Choy '03, Katharine Harvey '03, Nowshad Rizwanullah '03, and Gabriel Kuris

'03, Elmseed Enterprise Fund intends to use microcredit as a means of providing small business loans to aspiring entrepreneurs living in poverty. As Chuy stated, "Microcredit currently helps millions of people start businesses and make money in Third World countries. We would use the same techniques to provide loans to small entrepreneurs in New Haven." This team will receive \$10,000 in services and \$10,000 in cash.

For Profit:

Second Runner-up: MediCompliance
First Runner-up: OneTrace Inc.

Winner: MEMStar. MEMStar, created by undergrads, is a developing organization dedicated to bringing electronic devices based on MEMS (micro-electro mechanical systems) technology to consumers. They hope to specialize in security and tracking applications to MEMS technology, targeting consumers both directly, through standalone device sales, and indirectly, via strategic partners with consumer electronic manufactures. This team will receive \$15,000 in services and \$15,000 in cash.

Interested in Getting Involved in YES and Know?

Please Contact Wesley Mittman

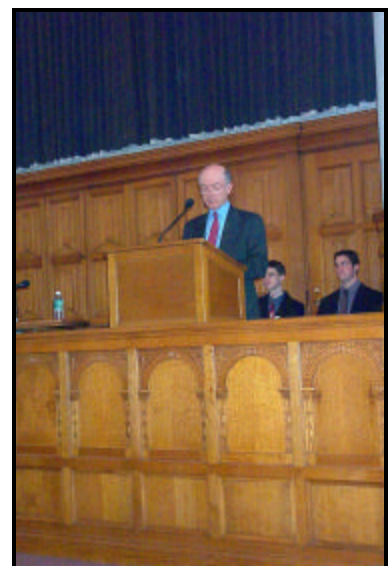


The Second Annual Y50K

April 14, 2001

Keynote Speaker:
Herb Allison '65,
Former President/COO
of Merrill Lynch

Winners:
For Profit: MEMStar
Social Entrepreneur-
ship: Elmseed
Enterprise Fund



Y50K Keynote Address by Herb Allison, Former COO/Pres. of Merrill Lynch

You who are members of YES are probably above average... even among the elite students of Yale. I'm excited to be with you and to absorb some of your energy.

The YES organization itself is a product of entrepreneurship. The large number of you here today proves it's a great success. Congratulations to the founders and current leaders.

Now, while I'm happy to be here, I'm not quite sure why YES would want to have a guest speaker at its award luncheon.

After all, everyone knows that successful entrepreneurs rarely listen to anybody. That's why they succeed despite odds that would discourage most people.

So I'm glad that my remarks precede the awards ceremony, because you have to put up with me to find out who won. But, if I'm going to keep you interested, I'd better focus on some questions at the top of your mind.

It's a safe bet that one of those questions is what direction your personal future should take. Right now, given the economic situation, that question may seem more difficult, more scary, than it did just a year ago.

With the plunge of the NASDAQ and the scarcity of venture capital, you may think that you'll have to defer that dream of being an entrepreneur, of making an early impact and having the freedom to chart your own course.

Well, I intend to convince you that, even though capital is scarce right now, the opportunities for aspiring entrepreneurs are better in some ways today than last year and, in fact, better than ever before.

I'll also try to persuade you that, to fulfill your unusual potential to make a difference in this world, you must summon the courage and commitment to be entrepreneurial in whatever you do.

Let me begin by making clear what I mean by "entrepreneurial". The dictionary defines an "entrepreneur" as a person who organizes, operates, and assumes the risk for a business venture.

I would define the term more broadly, as a person who organizes, operates and assumes the risk for any venture, not only one in the business world. It might just as well be a non-profit or department of government.

I believe that the word, "entrepreneur," doesn't simply describe a person's role in an enterprise. It has a more existential meaning, as one who is independent-minded, and who has the vision, confidence and drive to lead change.

The excitement and fulfillment of an entrepreneurial life is captured in the words of Alfred Sloan who, as you know, built General Motors and pioneered many of the concepts that shaped management practices in the 20th Century. Sloan said that:

The greatest real thrill that life offers is to create, to construct, to develop something useful. Too often we fail to recognize and pay tribute to the creative spirit. It is that spirit that creates our jobs. There has to be this pioneer, the individual who has the courage, the ambition to overcome the obstacles that always develop when one tries to do something worthwhile, especially when it is new and different." You're probably already sold on Alfred Sloan's philosophy, but you may be wondering why I believe that opportunities are greater now.

First, the capital markets more rational: investors' expectations for new ventures are more

modest, so you'll be given more time to build a sound business.

Also, venture capitalists will be looking for business plans that are practical. The kinds of grandiose ideas that were perversely attractive to investors in recent years won't get a hearing. Solid proposals will face less competition.

Equally important, opportunities for entrepreneurial people are no longer found only in small companies. In fact, they never were. There are plenty of challenges for entrepreneurs in even the biggest organizations. My own experience is an example. Until recently, I had worked for only two employers: the US Navy and Merrill Lynch—some would call them giant bureaucracies.

But I was fortunate to find many entrepreneurial opportunities in both. I served in the Navy during the Vietnam War, and learned how entrepreneurial the military can be when it's struggling.

At age 24, while serving a one-year tour in Vietnam, I recommended forming a new unit of small boats to patrol shallow inlets along the coast, and then was ordered to create the group, scour Vietnam for the right kind of boats and engines, and train the crews. That new capability got the attention of the Navy's SEAL teams, which joined with us to conduct joint operations.

After business school, I still wasn't sure what I wanted to do with my career, so I decided to try investment banking because it offered a fast pace, variety and a chance to look at a lot of different industries.

I interviewed with several Wall Street firms. Morgan Stanley told me that, before I could run a deal myself, I'd have to carry a senior person's briefcase for five years. Merrill Lynch told me they were growing fast and were desperate for more bankers. I could run my own deals in 12 months.

Morgan Stanley was relatively huge. It had about 250 employees. Today it has 60,000. Merrill then had only 50 bankers (now it has 50 times that number), so to me it seemed to offer far more entrepreneurial opportunity. Of course I joined ML even though it then had far less prestige than Morgan Stanley. A year later, I was part of an eight-person team that started the company's first investment banking office in Europe. After two more years, I was managing a start-up venture in Iran that was ML's first business in the domestic capital markets of any country outside the US.

We wrote the rules for the Tehran Stock Exchange, managed the first IPOs and privatizations in that country, published securities research in Farsi, created a market for Iranian government securities, and much more.

I was on my own, with almost no supervision. It was wonderful preparation for managing a global business 20 years later.

The leading companies today are far larger than those 20-30 years ago, but they offer entrepreneurial opportunities that are just as great. If you look closely at most large companies today, you'll find that they're organized into small units of 20-40 people. The top-heavy, command-and-control management hierarchies of thirty years ago have been replaced by networks of teams connected by direct communications and shared objectives and incentives.

To adapt rapidly and remain competitive, com-

panies have had to decentralize and delegate power. Small operating units are given considerable autonomy so they can respond quickly to changing markets. Entrepreneurial opportunities will be nearly identical for individuals working within large, networked organizations or small, independent ones. Some of you may counter that a small company is more exciting because it moves at a faster pace. I'm not sure that's still the case.

All organizations, large or small, depend on suppliers, customers, shareholders and sometimes regulators that are outside their borders and beyond their control. They can't move faster for a sustained period than those external parties allow.

Whether it's better to work in a small or a large organization should depend largely on what resources are required for the kind of work you want to do. If, for instance, you want to be an investment banker, you're probably better off in a leading firm that has all the resources to meet the needs of clients. If you want to get involved in distance learning, as I am now, you have little choice but to join a small company or start your own.

What will be most important to your job satisfaction, whether you work in a large organization or a small one, is whether that organization will allow you to use your creativity and education in an entrepreneurial way. It's a rare organization that tolerates people who challenge its basic premises and myths.

The urge to protect and preserve the tried and true approach is almost irresistible once a company has invested in people and processes and has a management that rose to power through devotion to the existing model.

Those who advocate change are often viewed as naive or disloyal. This is true whether the organization is five years old or 50, and has 100 employees or 100,000. I could give you many examples from my own career, but I'll cite just one. I have to admit that there's another aspect to that story I told you about the opportunities Merrill gave me in Europe and the Middle East.

About nine months after I joined the company and was working in New York, I sent the Division Director a 10-page memo telling him that the Division was unfocused and poorly organized, and recommending changes from top to bottom.

Less than a week later, I was offered the opportunity to move 3,600 miles from the New York office to Paris. I remained in exile for a biblical time, seven years, before I could get another job in New York.

So you can see that one person's vision and entrepreneurship is the majority's heresy. The services that will have greatest value years from now are unimagined today or threatening to established players. That's why creating those new services will have such large rewards.

A truly creative, entrepreneurial effort that will yield extraordinary success in the future is, at the outset, always under-appreciated, low in status and lonely. The opposite is usually true as well: a career choice that is popular and prestigious today will probably prove disappointing by your middle age, because too many talented people are choosing the same path.

The lesson for you is this: deciding on a pursuit where you can have major impact on the

(Continued on page 8)

MICHAEL DELL GIVES YALIES A GLIMPSE INTO HIS COMPANY'S ORIGINS

Just one day after Dell Computer Corporation announced that it planned to meet earning estimates, founder Michael Dell was joking with Yale students. This was the first good news the market had had in quite some time and caused both the Dow Jones industrial average and the Nasdaq composite index to rise. As second-year student Sean Gallagher said after the speech, "You can't time it any better."

The April 6 lecture, kept off the record due to Dell's effect on the market, was packed with 200 business-minded students, mostly from Yale's School of Management. As Dell began his remarks, he assured the audience that he would conduct the lecture more or less informally. Dell proceeded to talk about founding Dell Computer Corporation. The idea began in his childhood when he had access to a computer terminal which he found very interesting.

That interest in computers led Dell to consider making computers more affordable to the average consumer. He found an opportunity to commoditize what had been very expensive. This led him to selling computers directly, saving the consumer quite a bit of money. Dell's business strategy has been to stay ahead of the trend in commoditizing products. This has led Dell Computer Corporation to begin the trend of selling more than just the personal computer to individuals. When undergraduate Leo Shklovskii asked Dell what is the next market ripe for commoditizing, School of Management Dean Jeffery Garten chimed in saying Dell knows but won't tell.

Students seemed impressed with Dell after hearing him speak. Shklovskii came in without a perspective of a Fortune 500 CEO. After the lecture, Shklovskii described Dell as "solid, focus, someone who

knows what he is doing" saying it was "more of a feeling" with which Dell left him. First-year School of Management student Ekaterina Curry said, "One thing I'll take away is how a person so powerful and successful is so down-to-earth."

Dell conveyed both the talent and perseverance necessary to create a market, a market Dell Computer Corporation leads today as the nation's top producer of desktop and notebook computers. However, what was most refreshing was the genuine nature of Dell's remarks. Fortune Magazine's ranking of Dell Computer as the third most admired company comes as no surprise with Michael Dell at the helm.

- By Michael Dawson

This Fall, the Yale Entrepreneurial Society Presents:

"Opening Doors, Opening Minds:
The Evolution of Women in
Business and Entrepreneurship
1980-2001"

September 21, 2001

For more information, or to sponsor,
Contact Shira Tydings
(shira.tydings@yale.edu)
Or Wesley Mittman
(wesley.mittman@yale.edu)

Herb Allison's Keynote Address at Y50K Gala, continued from Page 6

world is like shooting clay pigeons—you have to aim well ahead of where most people are today. If you choose well, your contemporaries will be sure you're wrong, because they will be judging by today's measures of value.

But being entrepreneurial, having a willingness to go on a novel and perhaps lonely direction, can conflict with some of the characteristics that got you into Yale. You're here in part because you know how to conform, to behave in all the right ways. You probably had an A average in high school. You were the team captain; you were president of the right clubs and diligently performed work in your community. You've been given lots of positive reinforcement for conforming to expectations. Why are you now going to change course and go against the grain?

When I was an undergraduate at Yale, I felt that a lot of my classmates had more self-assurance and more accomplishments than I did and would go on to great success. Some did achieve the potential I saw in them, but many opted for the traditional career paths that were relatively safe, that offered prestige and a comfortable living but didn't fully tap into their interests and potential.

At my 15th Yale reunion, a panel of classmates expressed bewilderment that their complacent expectations of success after graduation, and the prestige of the careers they had decided to pursue, had been upended—in the turmoil of the civil rights, technological and globalization revolutions—by other groups of people and other occupations that back in 1965 were hardly acknowledged.

An Ivy League education is a wonderful privi-

lege, but it has a downside: it can seduce you into taking the seemingly safe, conventional route through life. Doors open to jobs that offer favorable ratios of rewards to risk: Wall Street, consulting, corporate law, Washington.

As you near graduation, new realities (peer pressures and financial needs) start to insinuate themselves into your ambitions and idealism. Some of your friends, people you respect, decide to take the traditionally popular career or grad school options. Perhaps you confront requirements to earn your own way and repay obligations. You may start to wonder whether your dream is realistic; maybe it's too risky, maybe you're not yet ready, maybe you won't have what it takes to be the next Fred Smith of Federal Express or Donna Dubinsky of Hand-spring or Franklin Raines of Fannie Mae. You may start thinking that perhaps those traditional paths out of Yale are traditional precisely because they make practical sense. After all, the rewards and social status are pretty attractive; and you'll be able to hold your head high at reunions.

Because it gives you access to such tempting, comfortable futures of low risk and material rewards, an Ivy League education could come with a warning label: caution, could be hazardous to your potential.

I'm not saying that there's something wrong with pursuing traditional careers like investment banking, consulting or law. In fact, I don't believe that any profession is somehow morally superior to any other. After all, I myself was an investment banker. I'm not talking about the choice of a profession, but about the way you perform your role in it. And that brings me to

the most important criterion for success: your own character, your courage to be entrepreneurial.

Whether you will get the most out of your career will depend on whether you take the risk of trying to maximize your contribution to your profession and to the future lives of others by thinking and acting as an entrepreneur — imagining how to create value for the future and having the courage to act on your convictions.

....As you think about your own future, I suggest that sometime in the next few days you ask yourself what your dreams are. And be honest with yourself; don't be afraid to admit your ambitions because you fear that they may be beyond your grasp. If you don't yet have a clear dream, ask yourself what doubts about yourself you want to overcome. Then think about what you'd need to do to prepare yourself to reach your dream or overcome those perceived shortcomings. Summon the courage commit to your plan and don't be afraid to take whatever risks it entails. I guarantee that your risk of failing isn't as great as you may fear. First because you have ability and energy you haven't begun to tap, and second because, even if you were to fall short of your dream, you'll still have plenty of time to succeed in another direction. If you take the risk of testing yourself to the fullest, you're bound to do great things and be rewarded in ways you can't imagine.

So I wish you bold dreams, occasional fear and some sleepless nights as you struggle to cope with the challenges you set for yourself. May your demons bring you the great happiness that only comes to those who dare to make a difference.

New Magazine Hopes to Bridge Gap Between Students and Politicians

Entrepreneurship comes in many different forms. Whether it means starting a small business or embarking on an artistic endeavor, being an entrepreneur means pouring your heart, soul, and time into a project that you conceive of individually.

Last fall, following the long-fought presidential campaign, a handful of Yale undergraduates and Yale Law students conceived of an idea to bring together various political opinions in the form of a dynamic, non-partisan political magazine called The Politic. As is the case with most successful entrepreneurial endeavors, the time was right. In light of the Yale Tercennial, a yearlong celebration underscored by the continued emergence to national political prominence of many Yale alumni, we naturally sought to fill the pages of our Inaugural Issue, due out April 20th, with the vast experiences and insights of the greater Yale community.

Striving to both inform our readers of important national issues as well as high-

light the vast achievements of Yale alumni, The Politic serves as a dynamic means to promote greater understanding and cooperation between politicians and students of policy, activists and academics, alumni and current Yalies, all in the hopes of nurturing a cohesive interest in public service. Stirred by a faith in the importance of an exchange of ideas, The Politic is dedicated to the belief that powerful ideas spawn powerful social change. Our Inaugural Issue is comprised of original editorials and issue pieces from prominent alumni including Sen. John Kerry, Sen. Gary Hart, Cong. David Price, Cong. Sherrod Brown, Commentator David Gergen, and Nobel-Prize Winning Economist James Tobin.

Like any entrepreneur, we have had to forge dynamic relationships with many members of the Yale community, including the Yale Law School, AYA, the Tercennial Office, and the Development Office. Moreover, in order to enhance the

breadth and overall quality of our magazine, we are reaching out to local and national businesses as well as alumni around the country for support as we strive to assure The Politic's long-term success and permanence.

While our magazine currently goes out to the greater Yale community, including prominent alumni, faculty, and students, we are now seeking a new level of excellence. We urge you to visit our website, www.thepolitic.org, in order to access our dynamic content as well as information as to how to get involved as a sponsor, advertiser, or subscriber.

YES Concludes Its Most Successful Year Yet, Marked by Alumni Events

Looking back on YES's second year, it is remarkable to see how much the organization has grown and how quickly. With over a thousand members, YES has become the most popular club at Yale, and it continues to grow rapidly. In fact, according to Evan LePatner, Vice President of YES, "When we first set foot on campus back in September, YES had 200 or so members. By the end of that first month alone, we had nearly 350 YES members." As these members got more involved, according to LePatner, YES continued to grow in many other ways as well. The organization has made a concerted effort to expand into the greater entrepreneurial community. For instance, this year YES had its first ever event in New York, and worked closely with Henry Fernandez and the mayor's office, trying to get more involved in the New Haven economy. On the expansion of YES, LePatner commented, "It is hard to explain the wondrous feeling that comes with being a part of something that is truly impacting the lives of people on campus, in New Haven, and throughout the world."

Just last weekend, the Y50K, YES's year-long business planning competition, came to a spectacular close at its award ceremony and reception. The Y50K improved greatly since its inaugural year with many more proposals of higher quality submitted. According to David Pozen, YES president, "The Y50K was a great success. 92 teams entered, up from just 41 last year. The entries were more diverse and more sophisticated. Also, City Hall and the SOM came on as new partners, and we had several new sponsors. It was all on a much bigger scale and on a more advanced level this year. And it was great to see 41 teams enter the social entrepreneurship category." The winner of this year's for-profit competition was MEMStar, an organization designed to bring MEMS (micro-electro-mechanical systems) to everyday consumers, and the winner of the social entrepreneurship prize was Elmseed Enterprise Fund, a group that will bring microcredit to New Haven for the first time, allowing New Haven residents to more easily invest in their futures. Both groups were led by undergraduates. The competition in both groups was very strong, and the winners demonstrated superior business plans for the judges at the event.

Among the other great successes of the year was YES-New York, YES's first event in New York City and a marker for the expand-

ing network of YES affiliates. The event was designed to "build up our New York alumni membership, expose interested alums in the NY area to what we're doing, and take an important first step on the road to making YES a truly national network," said Pozen. At the event, many students, faculty, alumni, and New York financiers packed into a room at the Yale club to hear a talented panel of speakers give their views on "building after the bubble." Afterwards, a reception was held during which attendees were encouraged to take the opportunity of the event to network. Inspired by the success of the event, YES will soon have a full time New York branch.

Apart from YES's business-oriented events, the group hosted sponsored several educational seminars and speakers, all fostering a greater sense of entrepreneurial involvement at Yale. There were several educational teambuilding events designed to help those interested in the Y2k and Y50k find teams and learn how to plan for a successful business, including writing a good proposal. Aside from seminars, the many speakers that came to Yale were insightful and educational, discussing many different fields of entrepreneurship. Among the most notable speakers were Donna Dubinsky, creator of the Palm Pilot and CEO of Handspring, Michael Milken, speaking on the promise of the twenty-first century, John DeStefano, Mayor of New Haven, and the two men running against him in the upcoming election, Joel Schiavone and Martin Looney. Brennan Igoe, YES head of speakers, commented on these events by saying, "We tried to bring a range of speakers that could educate YES and the rest of Yale on the current state of entrepreneurship and where it will go in upcoming years. We were also lucky that all three mayoral candidates approached us, hoping to further Yale's relationship with the economy of New Haven. The speakers were all fantastic."

Although this year was a tremendous success on its own, YES plans on making several improvements for next year, including specific events that will expand YES's national horizons. Following in the footsteps of YES-New York, Julian Revie—who will succeed Pozen as President—will be directing upcoming YES conferences in Boston and Silicon Valley. He and Pozen hope to expand nationally and eventually internationally, with an eventual goal of YES branches all over the globe. According to LePatner, "In the years

ahead, you will see YES satellite groups in cities throughout the world, feeding off the energy of local entrepreneurs and off the energy and excitement that is coming from the labs and dorm rooms of students and faculty here at Yale." Pozen also stated that he would love to see YES get Yale alumni more involved all over the country. In addition to expanding around the country, YES plans on having several new events in New Haven next year. Among these will be a conference series in the fall on issues surrounding entrepreneurship, more events focused on biotechnology, and a youth venture program where YES staffers will work with local high school students as mentors for their social entrepreneurship ideas.

In addition to expanding nationally and eventually internationally, YES has many other lofty goals for the future. The first of which is to expand and organize the people at the top of the organization, providing greater manpower and efficiency. "Even within our organization," said LePatner, "Dave and I worked very hard this year to cultivate the right people that would consistently do more and do it at a higher level than before, and we plan to continue this search in years to come." A great help to the YES staff will be the full time YES office in New Haven, which plans to open in the fall. YES staffers then hope to expand the capital network of YES, opening opportunities to all YES affiliates interested in starting businesses. The organization also plans to greatly expand the social entrepreneurship side of YES so that the social conscience of the group will remain a focus as YES grows.

The founders of YES created the organization to fill a void in the Yale community. Just two years ago, there was no group in all of the University that created entrepreneurial opportunities for any student with interest. YES has opened the eyes of Yale and New Haven in the past year, and it continues to open eyes and opportunities of entrepreneurship to Yale affiliates everywhere. But they never plan to lose focus of the true spirit of entrepreneurship. Perhaps LePatner stated it best, saying, "YES is about more than just business plans. We are about real, live people."

-By Max Pitman

**GET INVOLVED IN THE YALE ENTREPRENEURIAL SOCIETY.
CONTACT JULIAN REVIE '02 OR EVAN LE PATNER '03,
OR COME TO YES' NAPLES NIGHTS HELD EVERY SUNDAY
AT NAPLES PIZZERIA, 9 P.M.**