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Executive Summary

The Venture Catalyst Network is an innovative, community-oriented approach to strengthen entrepreneurship across the state of Oregon by focusing on people, programs, and capital. It is entrepreneur-led, as the Venture Catalysts are individuals with entrepreneurial experience who work in partnership with local economic development authorities in four regions in the state to provide direct technical assistance, facilitate connections to resources, and build ecosystem capacity.

Aligned with the Oregon Entrepreneurs Network (OEN), Venture Catalysts work in partnership with local economic development authorities in the Central Oregon, Willamette Valley/Regional Accelerator and Innovation Network (RAIN), West Metro (Washington County), and Mid-Valley regions. The Venture Catalyst program serves an important role in the state’s economic development portfolio because it emphasizes systematic ways to build ecosystems that will generate more entrepreneurs, businesses, scalable business growth, and industry diversification over time. Once established, these ecosystems can become dynamic economic environments that contribute to the state’s ability to create jobs and build a diverse industry mix important to the state’s economic competitiveness.

The Oregon Venture Catalyst Network began as a project of Economic Development for Central Oregon (EDCO) in 2006. Spearheaded by local business leaders and championed by U.S. Senator Ron Wyden, the Venture Catalyst program began as a 3-year pilot program. Proving its success in Central Oregon, the Venture Catalyst program officially launched 4 years later in Central Oregon and scaled to additional regions in the state in recent years. Designed from national best-practice research from the outset, the Venture Catalysts’ efforts to help entrepreneurs thrive and build infrastructure and capacity for regional entrepreneurial ecosystems is notable.
To better understand the impacts that the Venture Catalysts are having in Oregon, RTI International, a nonprofit research institute, conducted an independent evaluation from February to July 2020 to understand how the Venture Catalysts are impacting both the entrepreneurs and entrepreneurial ecosystems in which they work. This research focused on the Venture Catalysts’ efforts in 2018 and 2019. For this study, RTI

- surveyed 81 entrepreneurs served by the Venture Catalysts and 46 ecosystem partners (a response rate of 41%),
- conducted 13 follow-up interviews with entrepreneurs, and
- hosted 5 group interviews with 17 ecosystem partners.

The results are described by return on investment to the entrepreneurs and return on investment to the entrepreneurial ecosystem. The study concludes with findings and recommendations for the Venture Catalysts to consider as they seek to expand their impact across the state.

**RETURN ON INVESTMENT TO THE ENTREPRENEUR**

Entrepreneurs participate at high levels in the services provided by the Venture Catalysts. Both survey respondents and interviewees expressed that these services are also highly valued. Entrepreneurs in the study emphasized that the programs, connections, and pitch coaching provided by the Venture Catalysts gave them critical support that resulted in stronger business plans, effective pitches to raise capital, and access to wider markets. Entrepreneurs saw a measurable return in increased capital raised and sales, particularly in the Central Oregon and Willamette Valley/RAIN regions, which showed strong growth from 2017 to 2019. In the Mid-Valley and West Metro regions, founded more recently in the last 2 years, the results revealed high levels of participation and signals that companies are starting to fundraise and grow. Furthermore, women and people of color expressed that the Venture Catalyst Network provided them with access to networks and resources that they otherwise would not have known about, indicating that the program can be a vehicle for better diversifying entrepreneurship in the state.
Value of Services

Entrepreneurs highly valued the services of the Venture Catalysts, as seen in Figure ES-1. They most frequently attended programs and one-on-one meetings, as well as took advantage of connections to mentors and pitch coaching, rating these services above a 4 out of 5, on average.

Figure ES-1. Frequency of Services Received and Perception of Services Rated

<table>
<thead>
<tr>
<th>Service</th>
<th>One</th>
<th>Two</th>
<th>Three</th>
<th>Four</th>
<th>Five</th>
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<tbody>
<tr>
<td>Venture Catalyst-hosted programs</td>
<td></td>
<td></td>
<td>61</td>
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<tr>
<td>One-on-one meetings</td>
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<tr>
<td>Connection to mentors</td>
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<td>33</td>
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<tr>
<td>Pitch coaching</td>
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<td>38</td>
<td></td>
<td></td>
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<tr>
<td>Connection to ecosystem partners</td>
<td>25</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Review of business plans</td>
<td>20</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Connection to capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Serve on advisory teams</td>
<td>11</td>
<td></td>
<td></td>
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</tbody>
</table>

Source: RTI Survey
Note: Respondents were asked to rank services received on a scale of 1 to 5, with 1 being not valuable to 5 being very valuable.

Entrepreneurs’ perception of the Venture Catalysts’ services was very positive, and they emphasized a need for the services to continue and/or grow in three ways:

- **Continue services** in their current form, ensuring continuity over time.
- **Expand services** to serve more entrepreneurs and more regions and increase the number of people in relevant events and trainings. Engage in more promotion and marketing to better reach entrepreneurs and other ecosystem partners. Everyone interviewed and surveyed expressed value in the Venture Catalysts’ work. Some interviewees and survey respondents noted
that it would be difficult to scale the work of the Venture Catalysts without additional resources, including more people and funding.

- **Ensure a standard of quality** across regions and over time. Entrepreneurs were enthusiastic about their Venture Catalysts and valued their individual connections. Recognizing that the success of the regional program is closely tied to the individual Venture Catalyst, it will be important that quality standards continue for the program to retain its effectiveness with its services as the program evolves.

**Return on Investment**

The 81 companies surveyed that were supported by the Venture Catalysts raised a total of $24.1 million between 2017 and 2019, accessing a mix of grants, loans, and equity capital. Companies surveyed in the Willamette Valley/RAIN region (with Venture Catalysts since 2015) and Central Oregon region (with Venture Catalysts 2010) raised the most capital while entrepreneurs in the newest regions, Mid-Valley and West Metro, were in the early stages of raising capital at the time of the survey. (see Figure ES-2). This indicates the ecosystems are healthy and growing.

**Figure ES-2. Capital Raised by Companies Surveyed, by Region**
The Venture Catalysts are achieving their goals of increasing revenues and jobs in the state. From 2017 to 2019, the companies served by Venture Catalysts increased their revenues and employees each year, with a total of $17.5 million in revenue and 272 full-time equivalent (FTE) employees in 2019. Companies’ total revenue grew by 130% and employment grew by 59% from 2018 to 2019. These figures indicate the emerging role that entrepreneurship is playing in boosting the state’s economic performance across regions in Oregon.

RETURN ON INVESTMENT TO THE ECOSYSTEM

In addition to the Venture Catalysts’ role in generating return on investment for entrepreneurs and companies through capital, revenue, and employment, they also work to strengthening entrepreneurship as a component of regional economic development. Strengthening the entrepreneurial ecosystem components—such as service providers, capital investors, government agencies, research entities, and educational organizations—leads to more robust and sustained ways for increasing business growth, job generation, economic resiliency, and industry diversification. It is in this role that the Venture Catalysts may be having the most striking impact.

Contributions of the Venture Catalysts

Partners rated the Venture Catalysts’ contributions to their regional entrepreneurial climates highly. When asked how the Venture Catalyst has added value to the region’s entrepreneurial climate, respondents gave all items a rating above 4 out of 5 on average on a scale of 1 to 5, with 1 being not valuable to 5 being very valuable (see Figure 3-2).

The highest rated items were as follows: Assisting entrepreneurs in understanding the risks and rewards of launching a new business (4.50); Helping promote partnerships and leverage contributions of regional organizations (4.48); Helping entrepreneurs understand capital options and access investment resources (4.45); and Filling gaps in access to services or resources (4.44).
Venture Catalysts play a connector role, serving as the “boots on the ground for entrepreneurs,” linking entrepreneurs with service providers, hosting educational events that bring energy and “buzz” to the community, and “bring[ing] people out of the woodwork.” Their work has been central to helping minority, women, and rural entrepreneurs better connect to the ecosystem and helping underserved entrepreneurs access resources, capital, and markets.

**Multiplier Effect on Gross Domestic Product (GDP), Jobs, Income, and Tax Revenue**

The work of the Venture Catalysts with entrepreneurs can also drive new economic activity with multiplier effects on the regional and statewide economy. Supply chain spending, increased income, and local spending by employees ripples through the economy bringing wider impacts. This effect reached a high in 2019, when companies supported by the Venture Catalysts contributed a total of

- $16.8 million to state GDP through direct, indirect, and induced economic activity;
- 384 jobs; and
- $1.1 million to the state and local tax base.

These figures represent the contributions of the subset of companies that responded to the survey, so it is a conservative estimate of the economic benefits of the entrepreneurs served.

**Challenges to the Ecosystem**

The Venture Catalysts have been successful in supporting emerging entrepreneurial ecosystems in the four regions we examined, but there are persistent challenges on which entrepreneurs and service providers agreed.

Nearly two-thirds of the companies surveyed identified as minority- or women-owned businesses distributed across all regions and all industry types and ranging from bioscience to consumer products and services. Although they made up the majority of revenue, jobs created, and businesses, they received a small percentage (13%) of the total capital raised by companies during the 3-year period studied (2017 through 2019). Moreover, these enterprises had very little access to risk capital through angel and venture capitalist funding. Many entrepreneurs noted that the barriers to accessing capital are significant for minority- or women-owned businesses, and the
Executive Summary

Venture Catalysts were doing the best they could to work to overcome them.

Rural ecosystems served by the Venture Catalysts recognize the value of entrepreneurship as a tool for economic development and at the same time acknowledge the distinct challenges of being a rural entrepreneur. Venture Catalysts can play a role in connecting rural entrepreneurs but it will be important for them to develop strong partnerships between expertise in rural communities and expertise in entrepreneurship to build capacity for rural entrepreneurship in Oregon.

In 2020, the COVID-19 pandemic and economic crisis is at the forefront of many aspects of entrepreneurship in Oregon and around the world. Entrepreneurs interviewed and surveyed noted that the Venture Catalysts have been among the first resources to help small businesses connect to emergency loans, resources, and the tools needed to stay afloat in this crisis. They will require a high level of support in the immediate term to continue to grow and contribute to Oregon’s economic future.

FINDINGS AND RECOMMENDATIONS

The Venture Catalyst program has overwhelmingly positive support from entrepreneurs, service providers, and government-related economic development staff in the four regions examined. In the regions where they work, the Venture Catalyst is both the glue that holds these evolving ecosystems together and the spark that shifts the mindset of entrepreneurs and their communities to embrace entrepreneurship as a viable path for job creation, business growth, and broader economic development in Oregon.

In fact, no one interviewed or surveyed suggested the program scale back or be eliminated. The program’s model appears to be highly effective. Challenges arise as the program considers ways to scale its program and operations in addition to ways ecosystem partners together can tackle the stubborn issues of increasing network and capital access for minority- or women-owned businesses; effectively expanding entrepreneurship in rural communities; and addressing the economic, public health, and social issues related to the COVID-19 pandemic.
Introduction

The statewide network of Venture Catalysts in Oregon, with the support and coordination of regional economic development organizations and the Oregon Entrepreneurs Network (OEN), works to strengthen regional prosperity through innovation and entrepreneurship throughout the state. Venture Catalysts are individuals who work in partnership with local economic development authorities in four regions in the state to provide direct technical assistance, facilitate connections to resources, and build ecosystem capacity. It is an innovative, grassroots, community-oriented approach to strengthen regional entrepreneurial ecosystems in Oregon by focusing on people, programs, and capital.

RTI International, an independent nonprofit research institute, conducted an impact evaluation of the Venture Catalysts between February 2020 and June 2020, with the goal of:

- Understanding the impact of the Venture Catalyst Network in achieving its objectives to cultivate and launch the growth of Oregon-based businesses and develop robust regional ecosystems.
- Collecting and analyzing data on race and gender demographics of entrepreneurs served and the degree to which Venture Catalysts are reaching and serving under-represented populations, including minority- or women-owned businesses.

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1 RTI is an independent nonprofit research institute providing technical services to governments, nonprofits, and companies worldwide. Our economic development practice has conducted evaluations and strategic plans for clients in more than 20 U.S. states. Please visit www.rti.org for more information.
Positioning the Venture Catalysts to conduct ongoing monitoring and evaluation of their programs and processes.

The final report, prepared by RTI, presents both the quantitative and qualitative findings on these topics. Analysts combined results from a survey and interviews with both entrepreneurs served by the Venture Catalysts and ecosystem partners across different regions of Oregon. The report is organized as follows:

- **Section 1** provides background on the Venture Catalyst program, research methods, and descriptive characteristics of the companies and ecosystem partners surveyed.
- **Section 2** describes the return on investment of the Venture Catalysts to the entrepreneur in Oregon with metrics such as capital raised and revenue generated and insights about how the Venture Catalysts add value to the entrepreneurs’ business start-up and scale-up trajectories.
- **Section 3** relays how other economic development–related organizations view the value of the Venture Catalysts as a part of the wider entrepreneurial ecosystem in the state.
- **Section 4** presents key findings and recommendations for the Venture Catalyst program.

### 1.1 BACKGROUND ON THE VENTURE CATALYST NETWORK

Initial support of a Venture Catalyst role began as a project of EDCO in 2006. Spearheaded by local business leaders Dan Hobin and Nori Juba and championed by U.S. Senator Ron Wyden, the Venture Catalyst program launched as a 3-year pilot program with the help of a federal appropriations grant of $232,750. The program officially launched in 2010 in Central Oregon with a focus on growing scalable traded sector companies in the region. The Venture Catalysts worked to support startups, create relevant programs, and better connect entrepreneurs to capital in Bend and the surrounding areas. Designed from national best-practice research in entrepreneurial ecosystems, the Venture Catalyst Network
connected early-stage entrepreneurs to programs, networks, mentoring, pitch coaching, and capital.\textsuperscript{2}

Building on its success in Central Oregon, the program scaled up to work with additional regions in the state. Five years later, in 2015, RAIN brought on a Venture Catalyst in the Willamette Valley region and in 2017 Southern Oregon Regional Economic Development, Inc. (SOREDI) did the same in Southern Oregon. Most recently, the Venture Catalysts expanded to West Metro in 2018 and to Mid-Valley in 2019.\textsuperscript{3} Today, the Venture Catalyst Network operates in four regions of Oregon, as shown in Figure 1-1.

Figure 1-1. Regions Served by the Oregon Venture Catalysts

\textsuperscript{2} The Venture Catalysts are not venture capitalists and do not provide their own capital or invest directly in companies served. Their role in aiding companies fundraise involves mentoring, business plan development, pitch coaching, and network connections to angel funders, seed funds, venture capitalists, grants, and loans.

\textsuperscript{3} The Venture Catalyst Network previously worked in Southern Oregon, which includes Grants Pass, Medford, Roseburg, and the surrounding areas in Southern Oregon along the border with California. The program ended in 2019.
The Venture Catalysts’ initial focus was on traded sector companies that could scale and sell products and services nationally and globally, which were most often found in population centers outside of metro Portland such as Bend, Eugene, and Salem. Although traded sector, scalable companies continue to be the focus, the Venture Catalysts have expanded to include more rural and main-street businesses primarily in the RAIN region. Today, Venture Catalysts actively work in four regions of Oregon:

- **Central Oregon**: Located within EDCO, Central Oregon includes Bend, Redmond, and the surrounding region. Bend and its nearby areas are a hub for outdoor recreation and a fast-growing outdoor consumer products industry.

- **Willamette Valley**: Led by RAIN, this region covers the rural communities around Corvallis, Eugene, and the southern Willamette Valley. The region includes Oregon’s major state universities and stretches to the central coast with a mix of small- and medium-sized towns.

- **West Metro**: This region represents the area around Hillsboro and Beaverton, including Washington County and the surrounding area. The Venture Catalysts also support entrepreneurs located in Portland, Vancouver, and the surrounding metro. Washington County is a large and fast-growing region of metro Portland and has a major tech and corporate presence.

- **Mid-Valley**: Coordinated through SEDCOR, this region includes Marion, Polk, and Yamhill Counties south of metro Portland. This unique region has a mix of value-added agriculture including wine and ag tech and a close connection to the Metro Portland.

The four regions represent a mix of major urban areas, midsize cities, university towns, and rural areas that each have unique economic development priorities and challenges.

Venture Catalysts are individual entrepreneurs who help a mix of early-stage businesses across geographies (e.g., urban, midsize, rural), industry types, and demographics (e.g., minority and women entrepreneurs). They guide aspiring and new entrepreneurs through the stages of assessing business needs, building a business plan, navigating investment, pitching
to investors, and scaling the business through workshops, one-on-one meetings, pub talks, and other events. In each region the Venture Catalyst works as a regional connector who interacts with the relevant economic development agencies, funders, networks, support service providers, and entrepreneurs. The nature of the four regions served and the agencies involved in each region vary, and no two Venture Catalysts work in the exact same way. Each has a different funding structure and different set of partners and serves a region with a unique history and economic development priorities.

The programs active in FY 2019 had a total price tag of $878,000: the Central Oregon and West Metro Venture Catalysts averaged a cost of between $100,000 and $135,000, while the RAIN region’s more extensive programming operated with an annual budget of $650,000.

1.1.1 Summary Performance Data of the Venture Catalysts

The Statewide Coordinator for the Venture Catalyst Network (i.e., the West Metro Venture Catalyst) collects summary statistics of the entrepreneurs served by the Venture Catalysts. Since its founding in the two regions (i.e., Central Oregon in 2010 and Willamette Valley in 2014), the Venture Catalyst Network has expanded to two new regions and has served more than 1,430 companies as of 2019 (see Figure 1-2). The Mid-Valley region, which started its Venture Catalyst program in the summer of 2019, has yet to report data but has already engaged 30 companies through its entrepreneurship programming.
In the reporting year ending in June 2019, the 315 companies served raised over $18 million in funding, generated more than $24 million in sales and had generated more than 173 FTE jobs across four regions, which included West Metro for the first time.

1.2 RESEARCH METHODS

To expand on data collected by the Venture Catalysts, RTI designed a study to evaluate the return on investment of the Venture Catalysts to entrepreneurs and the entrepreneurial ecosystem in Oregon and employed a three-part research process. Building off the existing performance data of the Venture Catalysts, RTI designed and conducted a survey of entrepreneurs and ecosystem partners.

The survey, included in Appendix A, was sent via email to 286 entrepreneurs and ecosystem partners in four regions and includes questions on company background, perception of services, quantitative metrics (e.g., fundraising, revenue, jobs), and open-ended questions on the value of services and impact.

Southern Oregon declined to participate in the survey.
on the ecosystem. The survey was deployed in late March 2020 during the onset of the COVID-19 pandemic and economic crisis. RTI added a question on the needs of companies as they adjust to the impacts of economic, health, and social disruptions.

The survey was open between March 31, 2020, and April 27, 2020, receiving 119 responses out of 286 for a 41.6% response rate. RTI then conducted follow-up interviews with 12 entrepreneurs to understand more nuanced ways Venture Catalysts help their enterprises and how Venture Catalysts can improve their impact. We then completed five focus groups with ecosystem partners in each of the four regions via videoconference, reaching an additional 17 people. These group discussions focused on specific ways the Venture Catalysts contribute to the entrepreneurial ecosystem and how the Venture Catalysts can enhance their role to advance entrepreneurship in Oregon.

RTI structured the findings from its research into two categories:

- **Return on investment to entrepreneurs**, which encompasses the value of services to companies. RTI captured this return on investment through analysis of the Venture Catalyst annual reporting data and survey questions related to perception of services, capital raised, revenue generated, and jobs created.

- **Return on objective to ecosystem partners**, which includes how the Venture Catalysts are helping foster regional prosperity through innovation and entrepreneurship. RTI captured this through a survey and follow-up interviews to examine how the Venture Catalysts are contributing to broad economic development objectives, including the following:
  - Strengthening opportunities for minority- or women-owned businesses
  - Connecting resources
  - Facilitating access to capital
  - Supporting healthy rural ecosystems
  - Helping businesses respond to the COVID-19 pandemic and economic crisis

The returns experienced by the entrepreneur and ecosystem overlap and reinforce each other. These delineations are made
to help structure the research and findings. Further, this study also recognizes that the entrepreneurs and ecosystem partners work with an array of service providers. Not all quantitative impacts are a result of the Venture Catalyst’s efforts alone. To best pinpoint the value that the Venture Catalyst brings, we asked questions about their role, services, and contributions, specifically. All of these results are reported in Sections 2 and 3. Next, we detail the characteristics of the companies and partners surveyed.

### 1.3 CHARACTERISTICS OF COMPANIES SURVEYED

Of the 119 respondents to the survey, 81 identified as entrepreneurs who had received services from Venture Catalysts in the last 2 years, and 46 were ecosystem partners, including investors, mentors, service providers, or other community partners. Responses were distributed across the four participating regions, as shown in Figure 1-3, with the largest number from the West Metro region.

**Figure 1-3. Survey Responses, by Region**

<table>
<thead>
<tr>
<th>Region</th>
<th>Responses</th>
</tr>
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<tbody>
<tr>
<td>West Metro</td>
<td>39</td>
</tr>
<tr>
<td>Willamette Valley/RAIN</td>
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</tr>
<tr>
<td>Central Oregon</td>
<td>30</td>
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<tr>
<td>Mid-Valley</td>
<td>25</td>
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Source: RTI Survey Question 2. Southern Oregon declined to participate in the survey.

The Venture Catalysts serve entrepreneurs in a variety of industries ranging from consumer products to software to
services and outdoor products. Illustrating the variety of businesses served, “other” was the most frequent category identified by respondents, which ranged from media to health care. Additionally, software, food and beverage products, and other consumer products were the most frequent industry type. Figure 1-4 outlines the distribution of respondents, by industry type.

While the Venture Catalysts initially served traded sector companies exclusively, they have expanded to include main-street businesses, primarily to strengthen entrepreneurship in rural areas. Of all the companies surveyed, 83% identified as traded sector. There were 14 non-traded sector companies surveyed in the Willamette Valley/RAIN region as part of its extended rural focus.

Figure 1-4. Survey Responses, by Industry Type

<table>
<thead>
<tr>
<th>Industry Type</th>
<th>Number of Respondents</th>
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</thead>
<tbody>
<tr>
<td>Other</td>
<td>15</td>
</tr>
<tr>
<td>Software or App Development</td>
<td>14</td>
</tr>
<tr>
<td>Food &amp; Beverage Products</td>
<td>11</td>
</tr>
<tr>
<td>Other Consumer Products</td>
<td>10</td>
</tr>
<tr>
<td>Retail</td>
<td>7</td>
</tr>
<tr>
<td>Biotech/Life Sciences</td>
<td>7</td>
</tr>
<tr>
<td>Professional and Technical Services</td>
<td>6</td>
</tr>
<tr>
<td>Outdoor Products</td>
<td>4</td>
</tr>
<tr>
<td>Advanced Manufacturing</td>
<td>4</td>
</tr>
<tr>
<td>Clean Tech</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: RTI Survey Question 3. “Other” responses included health care, media, and other products and services.

As seen in Figure 1-5, Businesses responding to the survey tended to be young and have had very recent interactions with the Venture Catalysts: the median year of company founding was 2017 and the median year of engagement with the Venture
Catalysts was 2019. This is likely because approximately half of the responses received were from the Mid-Valley and West Metro regions, which started their Venture Catalyst programs within the last 2 years.

The survey responses represented a high percentage of minority or women business ownership: more than 63% of respondents identified their businesses as minority or women owned (see Figure 1-6).

Figure 1-5. Survey Responses: Year Founded and Year Engaged With Venture Catalysts

Source: RTI Survey Question 6.
Minority or women business ownership spanned across industries and geographies. Businesses owned by women were most common in the food and beverage, retail, and “other” industries. Minority-owned businesses were most common in the software and biotech sectors, and businesses that were both minority- and women-owned were most frequent in the professional services, consumer goods, and food and beverage products industries.

### 1.4 CHARACTERISTICS OF PARTNERS SURVEYED

RTI also received survey responses from 46 ecosystem partners in all four regions, with the largest numbers in West Metro and the Mid-Valley regions, as shown in Figure 1-7.

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5 Some respondents from “other” companies wrote in that their industries were hospitality and tourism, health and fitness, and other services.
Respondents included staff at accelerators, incubators, small business development centers (SBDCs), government-related economic development entities, or other start-up service organizations. Partners identified themselves as investors, professional service providers such as lawyers and accountants, and subject matter experts.
Return on Investment to Entrepreneurs

Since 2013, the Venture Catalysts have served 1,430 companies, including 315 in Fiscal Year 2019. The return on investment for entrepreneurs as a result of those services includes improved capacity and networks, mentoring, fundraising, increased revenue, and increased job creation. In this section, we evaluate how entrepreneurs perceived those services and how those services contributed to raising capital, growing revenue, and employee hiring.

2.1 VENTURE CATALYST SERVICES

The Venture Catalysts in each region directly add value through their services, which include running programs, providing one-on-one mentoring and connections, pitch coaching, business plan review, and creating connections to capital. Although each region is unique, aspiring entrepreneurs routinely look to the Venture Catalysts for their services to open doors, provide mentorship, make connections, and share their knowledge of the ecosystem to help their businesses come to life and thrive. Overall, the services are viewed as high quality by entrepreneurs—nearly all services received a rating above 4 on a scale of 1 to 5 on average, with the lone exception being connections to capital.

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6 The Venture Catalysts do not directly provide capital to companies.
7 Survey respondents were asked to rate services on a scale of 1 to 5, with 1 being less valuable and 5 being the most valuable.
2.1.1 Services Received

Figure 2-1 shows that entrepreneurs most frequently engaged the Venture Catalysts through hosted programs such as pub talks, pitch competitions, or regional events or courses. It is through these activities that the Venture Catalyst takes on its more prominent role of ecosystem connector. Interviewees revealed how vital these programs are to their business because they help the entrepreneur “connect with people,” “connect with funders,” and “raise their profiles.” In helping entrepreneurs become better networked, interviewees noted benefits such as readily being able to “connect with resources and people that likely trimmed 4 to 5 months off my timeline [to launch the company].” These activities are appreciated by new entrepreneurs and entrepreneurs seeking exposure outside a specific industry vertical because they offer exposure to broader resources, networks, and other communities to which these entrepreneurs may not get exposed. The events are described as high energy with an atmosphere of community which in turn fosters a sense of trust, shared learning, and motivation to grow their businesses.

Figure 2-1. Services Received and Perception of Services Rated

Respondents were asked to rank services received on a scale of 1 to 5, with 1 being not valuable to 5 being very valuable.

Source: RTI Survey Questions 8 and 9.
One-on-one meetings was the second highest service in which entrepreneurs engaged the Venture Catalysts. Interviews revealed that the value of these meetings is high because the Venture Catalyst serves as a much-needed sounding board for the entrepreneur. Multiple interviewees made reference to the Venture Catalyst in familial terms, referring to them as “like family,” “like an encouraging parent” or “a good uncle.” Entrepreneurs generally feel they can approach the Venture Catalyst in confidence to test ideas and share fears. Two interviewees commented that this level of trust is present because the Venture Catalyst program does not seek longer term monetary compensation, steers the entrepreneur in directions that are best for the business, and basically does a great job “of meeting the entrepreneur where they are.”

The survey respondents and interviewees also mentioned the ability of Venture Catalysts to connect entrepreneurs to mentors or other resources. In fact, when asked about the quality of services provided, survey respondents gave “Connection to mentors” one of the two highest ratings on quality of services provided—an average of 4.6 on a scale of 1 to 5. An interviewee stated, “The Venture Catalyst has a finger on the pulse of what is out there, I have no time to figure that out,” indicating that having someone make that connection for him was helpful.

The interviewees emphasized the critical function that pitch coaching provided them. Pitch coaching helped entrepreneurs prepare an effective pitch deck to funders, but the coaching also helped entrepreneurs know when to best make a pitch during their company’s evolution. More importantly, several interviewees talked about how working through the process of pitch coaching helped them wrestle with much larger hurdles and address critical defining characteristics of their companies. Several interviewees said the process of creating a stronger pitch helped them define their product offerings, identify target markets, rethink their business model, and provide other key fundamentals to developing a strong foundation for an enterprise. One interviewee said, “The process of preparing the pitch really helped me shape the company.” He goes on to explain that he would not know what his company would look like without the coaching. Another interviewee said that the pitch process “saved me a bunch of time because it helped me narrow down focus on product offerings which went hand in
hand with developing a stronger pitch. The Venture Catalyst had a really good grasp on what he is doing and how to help.” Interviewees also noted the time saved by not pitching too soon and the embarrassment avoided of pitching with a poor-quality deck, which may have left a bad first impression with potential investors.

The interviewees highlighted the interconnections between the services, such as connecting ecosystem partners, Venture Catalyst–hosted programs, one-on-one meetings, and connection to mentors. From the entrepreneur’s perspective, these connections to others are a benefit of having an expanded network as a result of engaging with the Venture Catalyst. Programs offer a way to connect to more entrepreneurial networks (e.g., pub talks); one-on-one meetings and email exchanges are an outlet for the Venture Catalyst to provide tailored advice to an entrepreneur; and mentoring is a way to provide direct technical assistance or advice to the entrepreneur. All of these activities connect the entrepreneur to partners across the ecosystem.

An interviewee said one of the most positive outcomes she experienced from working with the Venture Catalyst was “increased connections.” Another said, “The Venture Catalysts opened doors that I didn’t know existed.” Entrepreneurs tended to experience all of these connections as an expanded network of support to help them. As one interviewee described, “It takes a village to raise an enterprise, and the Venture Catalyst is part of the team.” Another said, “Venture Catalysts bring tremendous networks. They also create a culture of lifting people up which builds trust for entrepreneurs struggling to start and grow their business.”

Similar to findings about one-on-one mentoring and pitch coaching, entrepreneurs value a critical yet friendly sounding board for a business plan review. Survey respondents gave this service one of the highest ratings for value received, with an average of 4.6 on a scale of 1 to 5. One interviewee said that being connected to his Venture Catalyst “was almost like going to business school.” Venture Catalysts are described as having very little ego and effective communicators who “cut through the jargon,” as an interviewee said. Others described the help they received on their business plans as critical for
helping them pivot effectively, create commercialization strategies, and “grease the wheels on their efforts.”

The service least used was **Advisory teams** according to the survey results (i.e., 11 respondents); they were not mentioned by interviewees in our conversations.

**Raising capital** is routinely one of the most challenging parts of starting and scaling a business. Forty-two percent of survey respondents said that the Venture Catalysts had helped improve their ability to access capital with greater connections. Entrepreneurs rated “Connections to capital” with the lowest score (i.e., 3.7 on a scale of 1 to 5). Venture Catalysts help prepare entrepreneurs to raise capital through services such as pitch coaching and warm introductions to angels and others in capital networks, but they are not individual funders or venture capitalists. A survey respondent made this connection, stating that if they had not engaged with the Venture Catalyst, “it would be hard and lonely. I’ve met with some bankers and gotten bad advice: I think I teach them [now] what I’ve learned with Oregon RAIN. [The Venture Catalyst] had me connected with 15 people within a week.” Another survey respondent commented that if not for the Venture Catalyst, “we probably would not have pitched for angel funding ... and if we had, we certainly would not have been successful.” Two interviewees also noted that a new seed fund did emerge as a result of the Venture Catalysts’ work.

Generally, those who described how the Venture Catalysts had impacted their ability to raise capital fell into one of three groups:

- **Successfully raised capital.** Forty-two percent of respondents said they were successfully able to access capital due to Venture Catalyst services (see Section 2.2) and that there has been a measurable increase in the capital raised by entrepreneurs across all stages and regions. For many, the Venture Catalysts provided an important opening to capital networks and preparation through pitch coaching. As one entrepreneur said, “If the Venture Catalyst had not told me about funding opportunities, I would not have known about them and I would not have applied [for] nor been awarded funding.”

- **Were at an early stage and had not yet tried to raise capital.** Most of the companies served by the Venture Catalysts are young and their engagement with
the network was recent—46% were founded in 2018 or later, and 74% engaged with the Venture Catalysts for the first time in the last 2 years. A survey respondent wrote, “I was unaware of capital sources. I have not tried to get any capital so far (bootstrapping at this point) but I now know of programs and connections I did not before.” Several interviewees echoed this comment. These entrepreneurs valued the direction from the Venture Catalyst on timing to raise capital (i.e., pre-seed or revenue generating) and the early introductions to potential investors. The Venture Catalyst creates a path for the entrepreneur—when ready—to pitch to investors. Early connections help to develop these relationships.

- **Struggled to raise capital.** Although a handful of respondents thought the Venture Catalysts were providing all the services they could or should be providing, many had suggestions for additional services they would benefit from. One common response was requests for services around capital. Some requested additional sources of funding, more direct contact with and introductions to investors, and more help in general around identifying and securing sources of capital.

One repeated concern was the regional differences in capital availability; some respondents were concerned that local capital sources were scarce, and they had to connect with out-of-state funders to secure capital. As one survey respondent noted, “The problem is the capital network here is slow and conservative—so very little available for pre-seed and some of the bigger organizations act more like banks.”

### 2.2 ECONOMIC IMPACTS TO ENTREPRENEURS

In this section we summarize the degree to which entrepreneurs served by the Venture Catalysts raised capital, generated revenue, and added employees to their businesses. These data build from the understanding about the specific contributions of the Venture Catalyst described in detail in the preceding Section 2.1. The impacts highlighted in this section are a result of all efforts that helped enterprises grow. Describing them shows how concerted efforts to support entrepreneurship is impacting Oregon’s businesses and economy overall.
### 2.2.1 Capital Raised

Capital raised through grants, loans, angel, and venture funding provide early-stage and growth companies the resources needed to grow and scale. Although the Venture Catalysts do not provide capital directly to companies, they help companies access investors and prepare for investment through programming, mentoring, business plan review, and pitch coaching. The return on investment to entrepreneurs is measured by the amount of capital raised.

**Total Capital Raised, by Capital Type**

In total, entrepreneurs surveyed reported raising $4.9 million in 2017, $6.3 million in 2018, and $12.9 million in 2019, representing a steady increase each year (see Table 2-1).

Most of the capital in all years came from grants, loans, and angel funding, with several large venture capital awards in 2017 and 2019.

<table>
<thead>
<tr>
<th>Capital Type</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$3,152,000</td>
<td>$2,849,000</td>
<td>$3,203,000</td>
</tr>
<tr>
<td>Loans</td>
<td>$15,000</td>
<td>$1,567,000</td>
<td>$487,000</td>
</tr>
<tr>
<td>Angel</td>
<td>$725,000</td>
<td>$1,419,000</td>
<td>$3,673</td>
</tr>
<tr>
<td>Venture Capital Fund</td>
<td>$1,000,000</td>
<td>$0</td>
<td>$5,501,000</td>
</tr>
<tr>
<td>Crowdfunding</td>
<td>$10,000</td>
<td>$17,500</td>
<td>$3,000</td>
</tr>
<tr>
<td>Other</td>
<td>$40,000</td>
<td>$392,000</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4,910,000</strong></td>
<td><strong>$6,255,000</strong></td>
<td><strong>$12,886,000</strong></td>
</tr>
</tbody>
</table>

Source: RTI Survey Question 12.

Most respondents did not raise capital from 2017 through 2019, with only 34 companies (42% of respondents) reporting raising any capital. The amount of capital raised was not evenly distributed across industries, regions, or some demographics, which we detail in subsequent sections. Capital was more likely to go to biotech, clean tech, and software companies located in more established regions, and was less likely to end up with minority- or women-owned businesses.

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8 This number is reported from the 81 companies that responded to the survey and does not represent the total venture capital raised by all companies in served by the Venture Catalysts from 2017 through 2019.
Of all entrepreneur respondents, 41% agreed that Venture Catalyst services impacted their ability to access capital. When asked in follow-up interviews to describe how these services helped them access capital, almost all listed one of three ways: (1) the Venture Catalyst informed them of sources of capital they would not have been aware of otherwise; (2) they met funders and made personal connections to capital providers through events; or (3) the Venture Catalyst gave them advice, pitch coaching, or other mentorship that helped them secure capital. Interviewees’ responses reinforced these survey results.

**Capital Raised, by Industry**

As seen in Figure 2-2, capital tended to go toward companies in high-growth sectors including biotech and software: biotech companies raised $1 million in 2017, $3 million in 2018, and $7 million in 2019. Software companies raised $2 million in 2017, split mostly between venture and angel funding, while “other” industries raised $3 million in mostly angel and grant funding in 2019. Clean tech companies raised about $2 million every year from a mix of mostly grants, loans, and angel funding. No remaining industry raised more than half a million dollars in capital in any single year.

**Capital Raised, by Region**

Regionally, entrepreneurs in the two established regions raised sizable amounts of capital. The high levels of capital from a variety of sources indicate a healthy presence of angel, venture capitalist, and loan funding in addition to grants. Note that these capital totals only represent the subset of companies surveyed by RTI and are not the total amount of capital raised in each region.

- Companies surveyed in the RAIN region brought in the most capital, a total of $13 million driven by sizable venture capital funding in 2019.
- Companies surveyed in Central Oregon raised a total of between $2 and $3 million each year from 2017 through 2019.

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9 This question was asked independently of how much capital they raised.
Companies in the newest regions (West Metro and Mid-Valley) reported lower amounts of capital raised, primarily from grants and angel funding:

- Companies in the West Metro raised more capital in 2019. After raising a total of $818,000 from 2017 through 2018 mainly from grants, they were able to raise $3 million in 2019, driven by angel funding. The Venture Catalyst started work in the region in June 2018.

- Companies in the Mid-Valley, the newest region in the Venture Catalyst Network, had raised $18,000 as of 2019.

By region, the data shows that capital is more available to companies in the established regions, as seen in Figure 2-3, with more mature companies and a longer track record of work with the Venture Catalyst Network. For example, RAIN had a higher concentration of companies that had been in business for 5 years or longer and were at a stage to attract venture capitalist funding. Based on the growth of the Willamette Valley/RAIN and Central Regions, it is likely companies will see more and larger deals as the ecosystems mature and companies continue to engage with the network in the West Metro and Mid-Valley regions.
There is a large disparity in access to capital by minority- or women-owned businesses, as seen in Figure 2-4. This is a universal challenge in the start-up world and highlights the importance of the Venture Catalysts’ role in connecting underserved entrepreneurs to networks and supporting them as they seek access to capital. From 2017 through 2019, companies that were minority- or women-owned businesses raised approximately $3.5 million, while companies that were nonminority- or nonwomen-owned raised $21 million in capital.

Survey respondents and interviewees noted that minority- or women-owned businesses face multiple challenges to raising capital, predominantly that risk capital such as angel and venture capitalist funding relies heavily on networks, which tend to represent the Silicon Valley demographic of white men. They emphasized the importance of the connector role of the Venture Catalysts to “bring people out of the woodwork” and break those networks open to facilitate capital access.
2.2.2 Revenue Generated

In 2019, the companies surveyed reported $17.5 million in revenue, a 130% increase from the prior year. Forty-six entrepreneurs reported generating some amount of revenue in any of the last 3 years; the rest of the respondents did not respond or earned no revenue.

Biotech companies earned the highest revenues, bringing in a total of approximately $10 million in the last 3 years. Advanced manufacturing, clean tech, food and beverage, and software companies all had $1 to $2 million in sales in the last 2 years; retail was close behind, averaging almost $1 million in annual revenue from 2017 to 2019. Companies offering professional services, outdoor goods, and other consumer products reported having lower revenues.

Companies in the Central region reported the highest 2019 revenue, excluding one outlier response, with $6 million in sales in 2019. Mid-Valley companies reported steady revenues, earning about $3 million annually from 2017 to 2019, and companies in the Willamette Valley/Rain region saw steady

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10 “Other” companies reported the highest revenue, with $6 million in sales in 2019, led by the insurance industry.
revenue growth from $1 million in 2017 to about $2.5 million in 2019. West Metro area companies had lower revenues, excluding one outlier response.

Minority- or women-owned businesses were among the businesses generating the most revenue: they were 63% of businesses responding and generated 68% of the revenue reported. Minority- or women-owned businesses generated over $8 million in revenue in 2019, but they accounted for a small percentage of the total capital raised: only 13% of the capital over the 3 years examined went to minority- or women-owned businesses, which we will explore further in Section 3.4.

2.2.3 Jobs Created

Entrepreneurs reported that they employed 268 people in 2019, with a 59% year-over-year job growth from 2018. Firms’ increase in capital or in revenue allows them to hire more staff, which in turn allows them to expand their businesses and generate regional economic impact through local employment and spending. As seen in Figure 2-5, Entrepreneurs reported that they employed 268 people in 2019: a 59% year-over-year job growth from 2018.¹¹ Employment grew each year in all regions and was highest in the Willamette Valley/RAIN and Central regions, where responding companies employed nearly 100 people in 2019.

Employment also grew at all businesses regardless of minority or women ownership status, but employment levels differed across these groups. Minority- or women-owned businesses employed 137 people, or 51% of the total employment. At businesses that were nonminority- or nonwomen-owned, employment doubled over the 2-year period, growing from 64 in 2017 to 131 in 2019.

¹¹ Total employment grew from 120 employees in 2017 and 170 employees in 2018. This figure represents FTE positions, including the entrepreneurs, their co-founders, contractors, and any employees on payroll.
2.3 HOW TO IMPROVE SERVICES FOR ENTREPRENEURS

Venture Catalysts received high marks for their services helping entrepreneurs accumulate the economic impacts described in Section 2.2. To help inform ways the Venture Catalysts can expand on these impacts, RTI asked entrepreneurs in the survey and in interviews for ideas. Responses were for the Venture Catalysts to do the following:

- **Continue existing services.** Many respondents said they would not recommend or do anything differently, but simply strengthen and amplify the services provided. Commonly in interviews, entrepreneurs expressed their desire for the Venture Catalysts to “continue to be highly accessible to the entrepreneur,” “continue pub talks,” and “continue to provide pitch support.” Interviewees mentioned that because the Venture Catalyst services are free to the entrepreneur, the trust levels between them are higher because there is no hidden agenda that the entrepreneur has to navigate.

- **Scale everything.** Interviewees and survey respondents offered many ideas on how to improve the Venture Catalyst program; most fell under the theme of wanting more. Frequently, their ideas included expanding programs and resources.
  - **More Venture Catalysts:** Several interviewees said, “Venture Catalysts are spread too thin.” One interviewee offered that there should be five Venture Catalysts.
Many respondents said they would not recommend or do anything differently, but simply strengthen and amplify the services provided. Commonly in interviews, respondents expressed their desire to “continue to be highly accessible to the entrepreneur,” “continue pub talks,” and “continue to provide pitch support.”

Several interviewees said, “Venture Catalysts are spread too thin.” One interviewee offered that there should be five Venture Catalysts in each region. Another said he would really “just like to clone my Venture Catalyst.”

- **More People at Venture Catalyst Events:** Suggestions ranged from having more investors attend pitches to creating more events (e.g., monthly or bi-monthly) with many experts for entrepreneurs to learn from and ask questions.

- **More Geographic Reach:** Some interviewees said that they could benefit if their Venture Catalyst had more time to make connections for the entrepreneur in regions outside of the Venture Catalyst’s assigned area of service provision.

- **More Promotion of Venture Catalyst Services:** Some entrepreneurs who felt that they had learned of the Venture Catalyst by chance suggested that better marketing through other kinds of business-related organizations, such as Chambers of Commerce; social media; and local media, such as radio and newspapers, may better raise awareness of the Venture Catalyst services, especially in rural areas.

- **Ensure a standard of quality across Venture Catalysts.** The success of the Venture Catalyst is highly dependent on the quality and fit of the individual in the role. For example, many interviewees would comment on the outstanding performance of a Venture Catalyst and describe how this individual changed the trajectory of their company and the landscape for the entrepreneurial ecosystem. Some entrepreneurs engaged with the ecosystem for years adding that their current Venture Catalyst was new to them and that not all Venture Catalysts are created equally. The contrast between the benefits offered by two different Venture Catalysts was remarkable to some entrepreneurs and ecosystem stakeholders interviewed, highlighting the importance of making quality hires that fit the Venture Catalyst roles and responsibilities.
Return on Objectives to Ecosystem

In addition to the Venture Catalysts’ role in generating return on investment for entrepreneurs and companies through capital, revenue, and employment, they also are working toward the objective of strengthening entrepreneurship as a component of regional economic development. Strengthening the entrepreneurial ecosystem components—such as service providers, capital investors, government agencies, research entities, and educational organizations—leads to more robust and sustained ways for increasing business growth, job generation, economic resiliency, and industry diversification. It is in this role that the Venture Catalysts may be having the most striking impact.

In the short term, this research shows the ecosystem benefits quantitatively from increased local income, spending, and tax revenue from which to provide local and state services such as roads, schools, and public health and safety. Furthermore, during the COVID-19 pandemic and economic fallout the Venture Catalysts now are serving in a new role helping businesses navigate assistance programs and providing unforeseen business support.

In the medium to long term, strengthening the ecosystem will result in the formation of stronger entrepreneurial and capital networks, cultural change supportive of entrepreneurship, and better access for minority- or women-owned businesses. The Venture Catalysts are building formal and informal structures to support entrepreneurship for future generations.
3.1 THE ROLE AND IMPACT OF VENTURE CATALYSTS IN THE ENTREPRENEURIAL ECOSYSTEM

Entrepreneurial ecosystems are dynamic habitats that nurture enterprises to start up and scale up. Healthy ecosystems require many different kinds of organizations, institutions, and people to thrive—similar to the diverse elements that comprise a rainforest, as described by Hwang and Horowitt. In Oregon, multiple entities and many people create the fabric of the entrepreneurial ecosystem. In this section we describe the role that the Venture Catalysts play within the state’s wider ecosystem and the effectiveness of their work. There are growing enhancements to a statewide infrastructure that is a direct result of Venture Catalyst efforts (see text box).

Infrastructure for Entrepreneurial Ecosystem Started or Catalyzed by the Venture Catalysts:

- Bend Venture Conference: Large-scale venture event in the Pacific Northwest
- PubTalks: 100+ attendance at events across regions to connect the ecosystem
- Founders Pad: Early-stage start-up fund and accelerator
- Cascade Angels: Angel fund (now Cascade Seed Fund)
- 7 Peaks: Aided development of venture capitalist fund
- CRAFT3: ”Higher risk” loan provider recruited to Bend
- Stable of Experts: 120+ mentors
- Industry Cluster Support: Tech Alliance; Food Products, Outdoor Industry via Bend Outdoor Worx Startup Incubator

Entrepreneurs and ecosystem stakeholders further detail how the Venture Catalysts have impacted their regions. We summarize their feedback derived from responses from 46 ecosystem survey respondents and follow-up interviews with 17 relevant partners.

3.1.1 Venture Catalysts Contributions to the Ecosystem

Partners rated the Venture Catalysts’ contributions to their regional entrepreneurial climates highly. When asked how has the Venture Catalyst role added value to the region’s entrepreneurial climate, respondents on average gave all items a rating above 4 out of 5 on a scale of 1 to 5, with 1 being not valuable to 5 being very valuable (see Figure 3-1).

The highest rated items were as follows: Assisting entrepreneurs in understanding the risks and rewards of launching a new business (4.50); Helping promote partnerships and leverage contributions of regional organizations (4.48); Helping entrepreneurs understand capital options and access investment resources (4.45); and Filling gaps in access to services or resources (4.44).

Comments from the survey and interviews elaborate on how Venture Catalysts are perceived within their entrepreneurial ecosystems. Ecosystem partners repeat the importance of their presence and role as a “connector between funding sources ... knowing who does what and how.” Similarly, a survey respondent commented that it is “great to have boots on the ground in the different regions meeting and connecting with entrepreneurs one-on-one.”

Figure 3-1. Partners’ Perceptions of Venture Catalysts’ Added Value to the Region’s Entrepreneurial Ecosystem

Note: Scale ranges from 1 to 5, with 1 being not valuable to 5 being very valuable.

Source: RTI Survey Question 19.
Expanding on this tactical and connective role, one interviewee said, “There is a need for those out scouting and honing in the ecosystem... The Venture Catalysts do a huge amount of work prioritizing their own local pipeline and assigning resources.” Another relayed that it is the “first time the region has had someone whose role is strictly to help these businesses grow to scale.”

Ecosystem partners also commented on the changes they have noted in the regions’ entrepreneurs as a result of the Venture Catalysts’ presence, responding that the Venture Catalysts “match people to mentors, watch them over time, do pre-vetting [of companies] and get early-stage companies into the pipeline,” and “I have seen many new/young entrepreneurs gain confidence and refine their product under [Venture Catalysts’] guidance. Meeting with a seasoned professional like [the Venture Catalyst] can help give an entrepreneur the confidence and guidance to properly bring their product to market. I’ve seen it myself!” Another interviewee described the functions of the Venture Catalyst as “the glue that keeps things going.”

Survey respondents said that “Venture Catalysts bring people out of the woodwork (even if we’re stuck at home). They are doers, creators, and connectors. Completely invaluable to the ecosystem. The model and role is of enormous importance to entrepreneurs and those who support the ecosystem.” Another noted, “I think there is a certain vibe [the Venture Catalyst] brings to the community—intelligence, friendliness, can-do attitude, Connector, Facilitator—I would really miss not having this role available. As an investor, it’s the community aspect that keeps me plugging in.”

The lowest rated was “Engaging underserved entrepreneurs, including women and entrepreneurs of color” (4.22). Some follow-up comments from interviews and surveys representing rural areas relayed that the Venture Catalysts had done a good job of setting an agenda for entrepreneurship as a viable economic development strategy, “creating a culture change in some rural areas for thinking about entrepreneurship.” When asked about how the Venture Catalysts improved engagement with underserved entrepreneurs, all interviewees discussed how this was an ecosystem issue. Interviewees noted that Oregon or their respective ecosystems were doing better in this regard,
but there was much more work that needed to be done (see Section 3.4 for more on this topic).

Venture Catalysts are also viewed as bringing energy, passion, and focus for entrepreneurship. They were noted for “always showing up”—especially in more remote communities—and for disrupting the status quo for economic development in positive ways by introducing and energizing new agendas for economic development more broadly. Interviewees commented that the pub talks generate “a buzz” that cannot readily be replicated. Additionally, the Venture Catalysts were praised for meeting different ecosystems “where they are” and not trying to “copy Portland’s model and replicate it everywhere.”

When asked hypothetical questions about what the ecosystem would be like if the Venture Catalysts did not exist, ecosystem partners responded that there would be significantly fewer start-ups, and those that did launch would be facing more barriers, growing more slowly, and raising less capital. Interviews with entrepreneurs elicited similar responses. A survey respondent said, “If the Venture Catalyst program didn’t exist, we would be looking at a stagnation of small business in the area. Now more than ever we need Oregon RAIN to help the community get back on their feet.” An interviewee replied, “I don’t even want to think about that scenario [of the Venture Catalyst not existing].”

3.2 ECONOMIC IMPACTS OF ENTREPRENEURS SURVEYED ON THE STATE OF OREGON

Companies supported by the Venture Catalysts in 2019 contributed a total of 384 jobs and $16.8 million to state GDP through direct, indirect, and induced economic activity and increased the state and local tax base by $1.1 million.

13 RTI used IMPLAN Pro with data for Oregon in 2018.
multiplied effect through industry and local spending to capture indirect and induced impacts of changes to local economies. RTI used the data collected from entrepreneurs in the survey (i.e., number of FTE employees and amount of revenue) to estimate the economic impacts on the state of Oregon from all companies involved with the Venture Catalyst Network combined in 2019.

The companies supported by the Venture Catalysts in 2019

- Contributed a total of **$16.8 million to state GDP** through direct, indirect, and induced economic activity;
- Generated **384 jobs**; and
- Added **$1.1 million to the state and local tax base.**

This data represents a subset of the companies served by the Venture Catalysts; therefore, the total economic contribution is likely higher.

- Companies surveyed directly employed 268 FTE staff and earned $17.5 million in revenue during 2019. According to this analysis, RTI estimates those direct impacts paid $6.7 million in wages and contributed $7.9 million in value added to Oregon’s state GDP.
- The companies involved in the Venture Catalyst Network also indirectly supported an additional 116 jobs, $5.5 million in wages, and $8.9 million in state GDP (see Figure 3-2) through indirect and induced spending. Although Venture Catalyst Network–involved companies employed the most staff in the medical and diagnostic laboratories, software publishing, and food manufacturing sectors, the indirect impacts of their work support the most jobs in sectors like finance, agricultural production, restaurants, real estate, and medical services. Indirectly, these companies’ activities supported the highest wages in management services, wholesale trade, and medical care.

In addition to the monetary impacts of direct, indirect, and induced spending, the Venture Catalysts have impacted the ecosystem through the creation and support of events, programming, conferences, angel networks, lenders, mentor networks, and industry associations that have had a multiplier effect on the ecosystem beyond the program itself. Those impacts are described in Section 3.1.

Together, all the direct and indirect economic activities of these companies created an extra $1.1 million in Oregon state and
local tax revenues. Figure 3-2 summarizes these economic contributions to the ecosystem.

Figure 3-2. Economic Contribution Totals

| Source: RTI Survey Question 2, IMPLAN. |

3.4 ECOSYSTEM CHALLENGES

As partners across all the regions noted, entrepreneurship as a tool for regional economic development is a challenge: it does not bring the ribbon-cuttings or large announcements of firm relocations. Instead, it involves a high level of risk with longer timelines to generate ecosystem-wide momentum and results in large-scale economic impact. Through their work, the Venture Catalysts and their regional collaborators face two significant barriers—based on our surveys and interviews—for fostering a healthy entrepreneurial ecosystem. They are related to lack of growth for minority- or women-owned businesses and recent challenges stemming from the economic crisis resulting from the COVID-19 pandemic. The lack of access to capital underpins these two challenges and, as discussed in Section 2.2, risk capital is concentrated in select industries and narrow
demographics and there are severe barriers to capital for minority- or women-owned businesses and rural businesses.

3.4.1 Overcoming Barriers for Minority- and Women-Owned Businesses

As survey results found, there is a large discrepancy in capital access for minority- or women-owned businesses (see Section 2.2) that is not readily explained by other measures of company performance captured in the survey, such as industry type, revenue, or jobs created. Over the 3-year period examined, minority- or women-owned businesses surveyed represented 63% of responses and 68% of revenue generated, indicating their revenue generation was on par with non-minority- or women–owned businesses. It is not necessarily a result of industry sector differences: the biotech sector (which raised the most capital) had equal representation from minority and women founders but a large discrepancy in those founders’ access to capital.

Across all industries and regions, minority– or women–owned businesses surveyed represent

- 63% of companies
- 68% of revenue generated
- 51% of jobs created
- **13% of capital raised**

Some minority and women founders reported that investors were unlikely to fund their companies due to lack of access to networks and lack of interest in their businesses, emphasizing the importance of the Venture Catalysts in breaking down those barriers and providing them the opportunity to get in front of investors and pitch. One respondent noted that without the Venture Catalysts, “for founders like us, we would be completely deserted.” Some partners identified the need to better serve minority– or women–owned businesses, showing that this need is recognized by stakeholders in the ecosystem. Ecosystem partners interviewed echoed these sentiments claiming that all partners needed to do more and do better. They relayed that programs and initiatives are making inroads into this issue, but that much more needed to be done.

Furthermore, two of the ecosystem partner interviews were conducted after the Black Lives Matter protests escalated across the country in June 2020. Responses from ecosystem partners...
partners were much more acute about the importance of diversifying entrepreneurship and access to capital than those from interviews conducted in May and early June.

The challenges for expanding opportunities and reaching a more diverse base of entrepreneurs with relevant resources is systemic and complex; the Venture Catalysts seem to be making some small inroads. For example, some survey respondents suggested the Venture Catalyst Network was already a force for introducing entrepreneurs from less traditional areas into the ecosystem networks. One entrepreneur, when asked how the ecosystem would be different without the Venture Catalyst Network, responded that “the networking would be less efficient, and more ‘good old boy’ community. The Venture Catalyst helps introduce new people to the mix.”

3.4.2 **COVID-19**

Finally, the timing of this study, spring of 2020, coincided with the outbreak of COVID-19 in the United States, stay-at-home orders, and social distancing requirements. These orders are having severe and continuing economic consequences as a result of temporary business closures. Businesses involved in the Venture Catalyst Network are experiencing the disruption from these events.

Both entrepreneurs and partners were asked an open-ended question about what other challenges, including COVID-19, their business and ecosystem was facing, and what services the Venture Catalyst Network could provide to help. Although a handful mentioned challenges besides COVID-19, almost all were concerned with the impacts of the disease. One entrepreneur said, “I am concerned that COVID-19 will have a chilling effect on entrepreneurship and decrease the pipeline of innovative new businesses in Oregon for years to come.”

Many entrepreneurs described the direct impacts to their businesses. One entrepreneur who made most of their sales at farmers’ markets by giving out free samples has been hit very hard; another entrepreneur who made most of their sales at conferences and other in-person events has had to scramble to revise their marketing strategy. One respondent had a client base of mostly senior citizens, relying on in-person events, and has struggled to shift to remote videoconferencing.

“I am concerned that COVID-19 will have a chilling effect on entrepreneurship and decrease the pipeline of innovative new businesses in Oregon for years to come.”

—Entrepreneur
Entrepreneurs face many new operational challenges, like supply chain disruptions, the inability to have all their staff work on-site at the same time, and even delays in launching their businesses. Some entrepreneurs in particular relevant industries described surges in demand or rapid onsets of work to develop tools that could help crisis response.

Partners’ concerns were not as specific to their individual companies, but broadly overlapped with entrepreneurs’ concerns. The uncertainty surrounding the crisis was a major concern; not knowing how long events will be disrupted, how long consumer confidence will be decreased, and when (if ever) businesses may resume normalcy are all on the minds of ecosystem partners. Many worried the crisis would disrupt the progress made in entrepreneurship for a long time.

Both groups expressed that entrepreneurs would have even greater appreciation and need for the support provided by the Venture Catalyst Network during the crisis and through the recovery from it. Interviews with entrepreneurs revealed that the Venture Catalysts were very helpful to them in navigating emergency loans for their businesses that they otherwise would not have known about or would not have known how to effectively apply. A survey respondent reported that the Venture Catalyst “is the connection small businesses like mine need right now to stay afloat. If we didn't have this support structure, I know I wouldn't make it through this global pandemic.” They also commented how they hoped the Venture Catalysts would be able to figure out how to maintain the networking resulting from their pub talk and related in-person events.

### 3.5 HOW VENTURE CATALYSTS CAN EXPAND THEIR POTENTIAL

Along with inquiries into broader ecosystem challenges, we asked partners where they saw the most potential for improved collaboration and access to services within the ecosystem. Although some responded that no changes were needed and Venture Catalyst services were excellent, many also had suggestions for ways Venture Catalysts could help the ecosystem further advance. These ideas mainly fell into two types: service improvements, and operational and business model improvements. These improvements will by no means
effectively address the wider ecosystem challenges noted in Section 3.4, but they may help the Venture Catalysts deepen their impact on the state.

3.5.1 Services
In terms of ways to improve services many survey respondents mentioned steps to deepen existing networks and widen reach, for example, building out an online infrastructure for ecosystem partners to centralized lists of statewide contacts and resources and share updates. Others wanted to see Venture Catalysts reach beyond their regions more to match entrepreneurs with relevant mentors statewide, for example. Several interviewees noted that Venture Catalysts could have more impact if they scaled across more communities. This is consistent with findings from entrepreneurs on suggestions for improving services (see Section 2.1). An ecosystem partner interviewee said that the Venture Catalyst program “is one of the most effective things I’ve seen in entrepreneurial support in the last 20 to 30 years ... it’s an example of what [Oregon] has done best.”

Other suggestions included expanding events and establishing forums for ecosystem partners to connect more frequently. This would help partners learn from each other and develop more comprehensive and linked service offerings to entrepreneurs. It also would create opportunities to “celebrate success, create stronger networks, promote entrepreneurship, and motivate stakeholders.” The interviewees expanded that this would help combat the isolation that exists in “the start-up and entrepreneurial landscape.” A few survey respondents also commented that there are always ways to strengthen university and entrepreneurial collaborations and identify more consistent and reliable sources for capital.

3.5.2 Operations and Business Model
Partners also made suggestions for improving the Venture Catalyst operations and business model. Similar to findings from entrepreneurs (see Section 2.1), many comments suggested that there need to be more Venture Catalysts or to narrow the number of different stakeholders to whom Venture Catalysts respond. Both of these comments suggest that the Venture Catalysts may be spread too thin.
Some had specific suggestions for changes to the Venture Catalyst model, like rotating Catalysts from region-to-region every few years similar to an entrepreneur-in-residence model. Other survey respondents suggested Venture Catalysts may benefit from more sector specific training. Countering this suggestion, a few different entrepreneurs interviewed stated that one of the value adds of the Venture Catalyst was their broad-based business knowledge and ability to connect entrepreneurs to networks outside of industry specific areas.

Several ecosystem partners relayed their concerns about the financial model for the Venture Catalyst program. Many partners stated a need for existing resources to simply increase. They thought funding seemed “cobbled together” and that this would be unsustainable. Suggestions included accessing foundations, corporations, and state government for more consistent funding to scale operations.

Ecosystem partners representing rural areas had mixed comments about how the Venture Catalysts could improve collaboration and effectiveness. On the one hand several interviewees and survey respondents voiced deep appreciation for the Venture Catalysts working in their communities. Representatives from some economic development organizations said that the Venture Catalyst was much better at focusing on entrepreneurship while also freeing them up to work on all the other parts of their job. On the other hand, a few interviewees described a “creative tension” with existing rural development organizations, suggesting that a clarity in roles and responsibilities may be helpful. Regardless, the Venture Catalysts were viewed as healthy disruptors and bringing new energy into rural ecosystems. See Section 3.5 for more findings on rural areas.

One clear, repeated message was that lack of visibility is an issue for Venture Catalysts. Ecosystem partners thought many entrepreneurs were not as aware of the Venture Catalyst services as they could be. They suggested increased focus on marketing the program across diverse platforms. Interviewees echoed these comments suggesting that improved promotion would be helpful via social media, local newspapers and radio, and Chambers of Commerce depending on the type of communities the Venture Catalysts are engaging.
Findings and Recommendations

Building off the findings about the return on investment of the Venture Catalysts to entrepreneurs (Section 2) and to the wider ecosystem (Section 3), we offer overarching findings paired with recommendations to sustain or increase the impact Venture Catalysts are having in Oregon. Findings and recommendations are categorized by relevance to the entrepreneurial ecosystem, the role of the Venture Catalyst, and to the Venture Catalyst Network’s programs and operations.

4.1 ECOSYSTEM

The Venture Catalyst program’s most significant impacts have occurred in the ecosystems in which they operate. Designed from best practice, this grassroots and organic model for entrepreneurship has slowly and steadily been building the infrastructure for people, programs, and access to capital to thrive. These ecosystems are still young or emerging. More time and resources to nurture their growth will help ensure the ecosystems’ structures and functions (both formal and informal) will take hold to support scalable business growth across Oregon.

**Finding: When entrepreneurial networks have a chance to grow, they flourish.**

The Venture Catalysts have accelerated a cultural change in Oregon to support entrepreneurship as a viable economic development strategy for job creation and industry diversification. Through their work, ecosystems are taking hold
Venture Catalyst Network. Impact Study and Evaluation

across multiple regions in Oregon that might not have without the Venture Catalysts. In his book *Startup Communities*, author Brad Feld argues that successful entrepreneurial ecosystems such as Boulder, Colorado, took approximately 20 years from their start to flourish and become self-sustaining with founders with successful exits that generate virtuous cycles by reinvesting in the region as angels or venture funders.¹⁴ The experience of Central Oregon and RAIN, regions with at least 5 to 10 years of Venture Catalyst activity, represent two regions that are on that trajectory. They are showing signs of growing sources of capital, start-up revenue growth, and an emerging entrepreneurial ecosystem. The new regions (i.e., West Metro and Mid-Valley) are on course to follow on the same path if given the opportunity.

**Recommendation:** Continue to tell the story and share the successes and lessons learned of the ongoing transformation of Central Oregon and the RAIN region as they mature as ecosystems. Provide spaces to apply the lessons learned to West Metro and Mid-Valley recognizing that they are at an early stage on a similar path. Consider scaling the program to regions that are not currently served by the Venture Catalysts and could benefit from intentional efforts to build healthier entrepreneurial ecosystems.

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**Finding:** Minority and women entrepreneurs are underserved by traditional sources of risk capital and because of that entrepreneurial ecosystems are not reaching their full potential.

Minority- or women-owned businesses made up the majority of businesses surveyed and generated the majority of revenue and jobs, but only received 13% of the capital raised. This is a universal challenge: minority and women entrepreneurs are often excluded from traditional sources of risk capital across the country and note that angel or venture funds are most often raised through networks that they do not have access to. Those surveyed noted that the Venture Catalysts were working to bring them into those networks and without their support, the capital raised would likely have been lower. Ecosystem partners

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agreed that the Venture Catalysts were doing what they could but the barriers to capital are significant.

**Recommendation:** Continue to support minority and women entrepreneurs by connecting them to networks and funders and recognizing their potential to have significant regional economic impact through generating revenue and jobs. Advocate for new resources to create or augment existing programs that assist minority- or women-owned businesses with accessing risk capital.

**Finding:** There is no one-size-fits-all solution to capital for companies served by the Venture Catalysts, and companies rely on a mix of funding sources to move their businesses forward.

The Venture Catalysts serve a wide variety of businesses, ranging from main street retail to food and beverage, outdoor, software, and bioscience. Each industry sector and region has different needs, and the Venture Catalysts’ one-on-one approach has allowed companies to access a mix of grants, loans, crowdfunding, angel, venture, and other funds. Additionally, many companies served are at a very early stage and will be looking to fundraise in the near future.

**Recommendation:** Continue to guide companies through the process of raising different types of funds including grants, loans, angel, venture, and other sources of funding based on their needs. Encourage new funds—such as a recently created seed fund—to increase local supply of capital to Oregon entrepreneurs.

**Finding:** Many partners value that the Venture Catalysts have effectively established their lane in entrepreneurship and economic development bringing energy and buzz to places that are in decline or transition, while some note “creative tensions,” especially in areas that overlap with rural development.

Venture Catalysts are praised for physically “showing up” in rural communities, not just having an office in another town or urban areas that rural entrepreneurs can access. These face-to-face interactions are deeply valued. It was also noted across all types of communities, but especially rural ones, that Venture
Catalysts bring a new energy around job creation and business potential. On the other hand, an interviewee commented that it was not a good idea for a Venture Catalyst to come in and leave rural areas and there was a need for local capacity building.

**Recommendation:** Continue to explore with rural entrepreneurs the value that the Venture Catalysts bring to them and how the Venture Catalysts can support rural entrepreneurial ecosystems in sustained ways. Work collaboratively with rural partners to ensure local capacity building and local ecosystem growth.

### 4.2 VENTURE CATALYSTS

**Finding:** The Venture Catalysts are highly valued as the go-to resources and connectors for entrepreneurship in the communities in which they work.

They are valued for their business savvy, relevant skills and experiences, directness, supportive attitude, and ability to meet each entrepreneur and each ecosystem where they are. The Venture Catalysts are seen by entrepreneurs as trusted advisors with no agenda. Many local economic development agencies appreciate outsourcing the activities to support entrepreneurship to the Venture Catalysts thereby freeing up their time to focus on the other aspects of economic development important to the community. No one surveyed or interviewed suggested eliminating or scaling back the Venture Catalysts or their work in any way.

**Recommendation:** Continue to fund the Venture Catalysts to support and grow entrepreneurship and consider scaling to other regions in Oregon.

**Finding:** Many entrepreneurs and ecosystem partners suggested that there was a need for more Venture Catalysts; some reflected that the existing Venture Catalysts may be spread too thin.

Multiple interviewees and survey respondents representing both entrepreneurs and ecosystem partners recommended that the program scale in two different ways. First, within existing ecosystems where Venture Catalysts operate, partners and
entrepreneurs reported a desire for more Venture Catalysts to help. Many also suggested that the program scale to communities across the state. Under both scenarios it is evident that the Venture Catalyst Network would need to increase funding to scale.

Recommendation: Seek funding sources to expand the number of Venture Catalysts to provide broader support of entrepreneurs within existing regions as well as extend to new regions, or make sure existing Venture Catalysts manage priorities and workloads effectively to minimize potential for excessive responsibilities.

**Finding:** The success of the Venture Catalyst is highly dependent on the individual in the role.

The agency and effectiveness of the position rests almost solely on the individual. Key traits that were mentioned of effective Venture Catalysts were all-around business acumen, experience in start-ups or scale-ups, and knowledge of the region. Mostly, it is important for the regions to recruit and retain quality talent. Further, if performance is an issue, it will be critical to address it quickly to ensure trust and reputation of the role is not comprised. Due to the high dependency of program success on these individuals, it is important to reduce the risk of an underperformer in this role and reward high performers.

Recommendation: Set quality and performance standards for Venture Catalysts. Identify high performing Venture Catalysts and use them to train others. Check in with ecosystem partners and entrepreneurs to get confidential, objective feedback on the Venture Catalyst. One way to do this is to issue a quick pulse survey annually to the entrepreneurs and ecosystem partners to create strong feedback loops. This may prove to be more difficult if no statewide organization will serve as the leader for the Venture Catalyst Network, and if there is not a Venture Catalyst Statewide Coordinator who serves in an oversight role.

**4.2 PROGRAMS AND OPERATIONS**

**Finding:** The roles and responsibilities of the Venture Catalyst are well designed and they are tailored effectively to meet the needs of each unique region.
The Venture Catalysts are energizing the economic development landscape by providing relevant information and connections to a broad range of entrepreneurs punctuated with events that bring people together. Venture Catalyst–hosted programs such as pub talks are popular and have high attendance, and participants value the one-on-one connections, accessibility, and access to mentors. Participants value the pitch coaching and many of those who were able to raise capital directly attribute the pitch coaching to preparing them for connecting to fundraisers.

The Venture Catalyst program also does a good job overall of tailoring its programs and services to the unique traits of each local and regional economy. Some rural ecosystem partners noted sensitivities to Venture Catalysts entering rural communities in ways that could be unsustainable, for example if there is a funding shortfall and the program is disbanded. Additionally, in some rural communities with older populations, the Venture Catalyst may need to check on best ways to communicate with entrepreneurs and market the program. For example, Facebook groups and print materials may be more effective than platforms used in other ecosystems in the state.

**Recommendation:** Continue to reinforce the current roles and responsibilities of the Venture Catalyst. Continue to tailor Venture Catalyst programs to the uniqueness of local and regional economies. In rural communities, consider seeking longstanding rural institutions to support the Venture Catalysts to ensure shared institutional learning and long-term sustainability of effective entrepreneurial support programs in rural Oregon.

**Finding:** Activities such as connecting with mentors, pub talks, and pitching events are deeply appreciated by entrepreneurs.

They create connections, build more robust networks, and establish more vibrant communities. They generate a “buzz” in the community that has not existed. Pitching events help entrepreneurs practice their pitch, and the process of preparing for the pitch helps shape the company more effectively.

**Recommendation:** It will be important during the COVID-19 pandemic to figure out ways to continue to connect groups of
entrepreneurs across communities in ways that sustain the ability of people to connect as groups and in networks but also comply with stay-at-home or social distancing orders in place.

**Finding: There are opportunities to reach more entrepreneurs with marketing and room to clarify the term Venture Catalyst.**

Some interviewees felt lucky to be introduced to the Venture Catalyst because they learned about them seemingly by happenstance. They suggested that intentional marketing could reach many more entrepreneurs in need. Suggestions included more use of social media and—in more rural communities—outreach through Chambers of Commerce, weekly papers, and radio stations are effective. For some, the term “Venture Catalyst” is confusing because of its similarity to “venture capitalist.” Creating clearer descriptions of the Venture Catalysts’ roles and how they help entrepreneurs in marketing materials may help.

**Recommendation:** Design and implement a marketing strategy for digital and nondigital platforms including websites, social media, and print materials.

**Finding: The funding model lacks sustainability.**

Several interviewees noted that the Venture Catalysts do not have enough consistent funding to function in ways to sustain and scale their work. Suggestions included seeking and securing funds over longer periods to continue the work underway. This finding coupled with many responses that the Venture Catalysts should scale is cause for concern without more sustainable funding.

**Recommendation:** Identify diverse funding sources from the corporate sector, foundations, and state government to help sustain and scale operations.

**Finding: There is a need for better metrics on services accessed, how they are impacting underserved entrepreneurs, and the work underway in each region.**
The metrics currently reported by the Venture Catalysts (i.e., businesses served, capital raised, revenue, jobs) are useful but insufficient to do ongoing monitoring and evaluation of effectiveness of services. It is important to know how the services are working and how they are connecting underserved entrepreneurs to capital and new markets. In addition, Bi-annual reports of key activities, attendees, notable outcomes for example will help partners communicate results and relay the importance of investment in Venture Catalysts to local government agency funders and others.

**Recommendation:** Each regional Venture Catalyst can survey annually how their services are perceived and how underserved (i.e., minority, women, and rural) entrepreneurs are accessing them. They can track discrepancies in access to capital by underserved entrepreneurs to identify areas for action. Next, develop an easy-to-use template with key activities and any notable outcomes if relevant to populate and send to funding partners each quarter. Quantify metrics such as number of participants when possible.

### 4.3 CONCLUSION

The Venture Catalyst program is a relatively small, regionally driven effort that has generated impressive impacts to entrepreneurship across Oregon. Entrepreneurs and ecosystem partners agree that it has been a valuable resource to connect entrepreneurs—with each other, to resources for technical assistance and business start-up support, and to capital investors. This study shows that the impacts that the Venture Catalysts are having on their entrepreneurial ecosystems is striking. The regions that have had the Venture Catalyst program the longest, like Central Oregon and the Willamette Valley, are beginning to experience substantial benefits as a result. For example, new elements of entrepreneurial infrastructure are in place, including investment funds and incubators, more robust networks, and greater business growth activity. Given that ecosystems take decades to establish, Oregon is well underway to nurturing these growth engines in entrepreneurship especially in the two regions where the Venture Catalysts have worked the longest. It will be important to continue to invest in the ecosystem to sustain the progress
that has been gained. It will also be key to continue to seed the early-stage investments of the two newer regions in the Venture Catalyst Network to build on the momentum gained in the last year for the Mid-Valley region and in the last 2 years for West Metro. Despite the likely growing pressures on state and local government budgets due to the ongoing economic crisis, the prospects for continued investments in the Venture Catalyst program is encouraging given its relatively low-cost of approximately $130,000 per region per year. Interviewees and survey respondents concur that the Venture Catalyst is both the glue that holds these evolving ecosystems together and the spark that shifts the mindset of entrepreneurs and their communities to embrace entrepreneurship as a viable path for job creation, business growth, and broader economic development in Oregon.
Appendix A: Survey Questions

1. Do you consider yourself an entrepreneur or an ecosystem partner? (select one)
   a. Entrepreneur, actively received services from Venture Catalysts in the last 2 years
   b. Ecosystem partner (may include angel investor, venture fund, service provider, municipality, educational institution, mentor, nonprofit organization, etc.)

2. In which region of Oregon did you engage with the Venture Catalyst Network? If your company is in multiple regions, select the region where you were most actively engaged. (select one)
   a. Central Oregon (Deschutes, Jefferson, Crook counties)
   b. Southern Oregon (Jackson and Josephine counties)
   c. RAIN Region: Southern Willamette Valley (Lane, Linn, Benton and Lincoln counties)
   d. Mid-Valley region (Marion, Polk, and Yamhill counties)
   e. West Metro (Washington, Multnomah and Clark counties)
For Entrepreneurs (if entrepreneur selected in question 1)

3. Which of the following areas best describes your core business? (select one)
   a. Agriculture Tech
   b. Biotech/Life Sciences
   c. Clean Tech
   d. Outdoor Products
   e. Other Consumer Products
   f. Food & Beverage Products
   g. Advanced Manufacturing
   h. Retail
   i. Professional and Technical Services
   j. Software or App Development
   k. Other—Write In ___________

4. What year was your company founded?
   (number): ___________

5. Does your company identify as a: (select one)
   a. Minority-owned Business
   b. Women-owned Business
   c. Both Minority-owned and Women-owned Business
   d. None of the above

6. What year did your business first engage with a Venture Catalyst?
   (number): ___________

7. Describe the services you received from the Venture Catalyst in the last 2 years (select all that apply)
   (randomize)
   a. One-on-one meetings to discuss business venture, critical issues, next steps
   b. Connection to industry experts or mentors
   c. Connection to ecosystem partner programs
   d. Connection to capital (equity or debt)
   e. Venture Catalyst–hosted programs (e.g., pub talks, workshops, pitch competitions, start-up weekends)
   f. Pitch coaching (i.e., prepping for raising capital)
   g. Detailed review of business plans, marketing plans, financial plans, etc.
   h. Recruit/serve on advisory teams or boards.

8. On a scale of 1-5 (with 1 being not valuable to 5 being very valuable), how do you perceive the value of the services provided by the Venture Catalyst in your region? (scale, 1-5) (pull from the ones selected in Question 7)
9. Any additional comments on the quality of the Venture Catalyst services? (open-ended)

10. Did the insights, advice, or connections from the Venture Catalyst have an impact on your ability to access capital (ex. grants, loans, angel money, VC fund, etc.)? (select one)
   a. Yes
   b. No

11. (If yes in Q8) If yes, please explain how the Venture Catalyst’s services helped you access capital (open-ended)

12. How much capital did you raise in the following years? (fill-in, numbers)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
<td>Grants</td>
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<tr>
<td>Loans</td>
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<td>Angel</td>
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<td>VC Fund</td>
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<tr>
<td>Crowdfunding</td>
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<td></td>
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<tr>
<td>Other, please describe</td>
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</tbody>
</table>

13. How much revenue did you generate in the following years? (fill-in, numbers)

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<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
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<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
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</tbody>
</table>

14. How many Full-Time-Equivalent (FTE) staff did you employ in the following years (counting yourself and your co-founders)? This can include payroll and contractors. (fill-in, numbers)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tbody>
<tr>
<td>FTE Staff</td>
<td></td>
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</table>
15. What percent of your 2019 sales were: (estimate to the nearest 5%) (fill-in, numbers. Question is not required)
   a. Local (within your immediate region):
   b. Out of region but within Oregon
   c. Other US states
   d. International

16. Are there any entrepreneurial services missing from your region that you would like to see the Venture Catalyst or the ecosystem provide? (open-ended)

17. If the Venture Catalyst program did not exist, would the entrepreneurial ecosystem be different? If so, how? Please describe. (open-ended)

For Ecosystem Partners (if ecosystem partner selected in question 1)

18. What role do you play when you engage with entrepreneurs working with the Venture Catalysts? (select all that apply)
   a. Mentor, advisor, or coach
   b. Investor (e.g., equity: angel, seed, or venture)
   c. Funder (e.g., debt: lender, microenterprise fund)
   d. Subject matter expert (e.g., product, industry or technology expert)
   e. Entrepreneurial ecosystem partner (e.g., accelerator, incubator, SBDC, or other organization directly serving startups)
   f. Trade association, economic development organization or other group promoting business development
   g. Professional service provider (e.g., attorney or accountant)

19. On a scale of 1-5 (with 1 being not valuable to 5 being very valuable), how has the Venture Catalyst role added value to the region’s entrepreneurial climate? (rate 1-5, including N/A (not familiar))
   a. Assisting entrepreneurs in understanding the risks and rewards of launching and growing a new business so they are more prepared to take advantage of regional resources.
   b. Helping entrepreneurs understand capital options and access investment resources.
   c. Helping to promote partnerships and leverage contributions of regional organizations and resources
   d. Reaching out to and engaging underserved entrepreneurs including women and entrepreneurs of color
   e. Improving community perceptions of entrepreneurship
   f. Filling gaps in access to services or resources
20. In what areas do you see the most potential for improved collaboration or improved access to services? (open-ended)

21. Overall, how would you describe how the Venture Catalyst Network has made an impact in the entrepreneurial ecosystem? (open-ended)

22. If the Venture Catalyst program did not exist, would the entrepreneurial ecosystem be different? If so, how? Please describe. (open-ended)

**All Respondents**

23. Please tell us what else is important for us to know or understand about your business that we have not asked about, including anything specific to the challenges resulting from COVID-19. (open-ended)

As an incentive for participation, survey respondents have the option to enter a random drawing for a $50 Amazon gift card. We will be awarding four gift cards in each Venture Catalyst’s region. If you are interested in entering a prize drawing, please fill in your email address below. Participation is optional. All email addresses will be stored separately from the survey responses and will not be shared. (email address)