University of Colorado Boulder: Destination Startup
ABOUT DESTINATION STARTUP

Destination Startup drives venture capital investment in university startups across the Mountain-West region through an annual showcase event and national network of investors. In the three years during which Destination Startup has run, a total of 57 startups have pitched to 143 venture capital investors, and participating startups have gone on to raise $82M. Founded and run by CU Boulder, Destination Startup has grown to include 10 different research institutions across 6 states and is truly a regional initiative.

THE CHALLENGE OF RAISING CAPITAL

It is a well-known phenomenon that the vast majority of US venture capital is deployed to companies on the West and East coasts. Venture capital firms themselves are predominantly located on the coasts (76% in California, Boston, and New York alone, according to the Brookings Institute) and these firms tend to invest locally. As a result, startups in the middle of the US are chronically underfunded and the lack of early capital can be a significant barrier to innovation and economic development. For university-based startups, this can mean not only a dearth of investment funding, but an obstacle to translating breakthrough research innovations. To help meet these challenges, CU Boulder launched Destination Startup in 2019 to attract investors to Colorado and connect them with high potential startups spun out of CU Boulder and its surrounding universities and federal research laboratories.

MEETING THE CHALLENGE AND BUILDING VALUE FOR INVESTORS

Destination Startup was designed to attract investors that might otherwise miss opportunities in Colorado and surrounding states, and also designed to create value for those investors. Collectively, universities across the Mountain-West region boast excellent startup generation. The universities that send companies to Destination Startup spun out 45 new startups in the most recent year tracked by the Association of University Technology Managers (2019). This combined number of startups is greater than MIT (25) or Stanford (24). CU Boulder posited that investors would be very interested in seeing a curated showcase of the best startups from this deep pool of new businesses if they could be conveniently arranged into a single event. Early
conversations and “customer discovery” with investors confirmed this hypothesis and Destination Startup was launched in 2019. The first edition of the event featured 24 startups from Colorado’s research universities, 251 total attendees, and 31 investors. 2020 yielded a similarly successful event, connecting another 16 startups from across the state, 45 investors, and 266 attendees.

NECESSITY YIELDS INNOVATION

In 2021, Destination Startup shifted to a purely virtual format to accommodate the ongoing pandemic. All company pitches were hosted online, with startups and investors able to connect over both live and on-demand sessions, plus an array of online networking functions and a remotely conducted wine-tasting event. The transition to a virtual event increased engagement across the board. In addition to the participating Colorado research institutions (University of Colorado, Colorado State University, Colorado School of Mines, University of Denver, and the National Institute for Standards and Technology in Boulder), Destination Startup 2021 welcomed startups from the University of Utah, Montana State University, University of Wyoming, University of Nebraska, and University of New Mexico. A total of 23 startups were selected (from 45 applicants) and represented a best-of-the-best across the region. Investor engagement increased in the virtual format, with 133 registered investors from all over the country, and strong representation from coastal venture capital firms. CU Boulder is excited to expand the 2022 edition of Destination Startup to include startups from universities Kansas, Texas, and Oklahoma.

CU BOULDER DISPLAYS REGIONAL LEADERSHIP IN DESTINATION STARTUP

By increasing the visibility of university-originating startups to coastal venture capital, Destination Startup has grown the innovation ecosystem in Colorado and throughout the Mountain-West. CU Boulder takes pride in raising the profile of not only its own startups but those of our neighboring universities and federal laboratories. The multi-institution approach to Destination Startup is rooted in a commitment to strengthening entrepreneurial opportunities for all, and an inseparable connection between Innovation and Place. Destination Startup is managed by Venture Partners at CU Boulder, which collects all startup, investor, attendance, and investment data.

MORE THAN CAPITAL

Destination Startup seeks to not only attract investment capital for regional startups, but also to build value in those companies themselves. During the application process, participating startups are paired with mentors from CU Boulder’s extensive mentor
network. Each company has multiple opportunities to hone its investment pitch in practice sessions with mentors, often refining not only the company’s pitch but its underlying business model and path to market. Destination Startup participants are offered an opportunity to join a formal Pitch Academy training session delivered by Rockies Venture Club, Colorado’s angel investor group. In these ways, Destination Startup trains and develops the entrepreneurial skillset of startup founders and builds the innovation talent pool across participating universities.

DESTINATION STARTUP SUCCESS STORY: MEATI FOODS

Two graduate students in CU Boulder’s College of Engineering and Applied Science formed the startup company Emergy to commercialize inventions based on their graduate work. Originally, Emergy sought to use fungus to grow battery materials within electrolytic cells. After completing several entrepreneurial programs and venture competitions, Emergy made a significant and bold pivot. While market demand for fungal-sourced battery materials was low, the technology could also be used to grow fungal-derived protein for a “clean” meat product, a growing and attractive market. Emergy rebranded as Meati Foods and participated in the 2020 edition of Destination Startup. Six months after participating in Destination Startup, Meati Foods closed a $25M Series A investment round, led by Acre Venture Partners. The two CU Boulder PhD’s, Justin Whitely and Tyler Huggins, continue to lead Meati Foods as CTO and CEO, respectively, and the company is selling its alternative protein foods in restaurants around Colorado.
ABOUT APLU
The Association of Public and Land-grant Universities (APLU) is North America’s oldest higher education association. APLU is a research, policy, and advocacy organization dedicated to strengthening and advancing the work of public universities in the U.S., Canada, and Mexico. The association's membership consists of public research universities, land-grant institutions, state university systems, and affiliated organizations.

APLU's mission is to: expand access and improve student success to deliver the innovative workforce of tomorrow; advance and promote research and discovery to improve society, foster economic growth, and address global challenges; and build healthy, prosperous, equitable, and vibrant communities locally and globally.

Based in Washington, DC, the association's work is furthered by an active and effective advocacy arm that works with Congress and the administration as well as the media to advance federal policies that strengthen public universities and benefit the students they serve.

ABOUT THE IEP UNIVERSITIES PROGRAM
APLU and its Commission on Economic and Community Engagement (CECE) established the Innovation and Economic Prosperity (IEP) Universities Program to help higher education institutions codify, elevate, and advance their campus enterprise supporting economic and community development.

The IEP designation program recognizes institutions that have demonstrated a meaningful, ongoing and substantial commitment to economic and community development, growth, and economic opportunity.

The IEP awards program recognize exemplary and innovative projects in university-based economic and community engagement:

- **Talent** and workforce development
- **Innovation**, entrepreneurship, and tech-based economic development
- **Place** development through public service, outreach, and community engagement

Learn more at: [www.APLU.org/IEP](http://www.APLU.org/IEP)