

Taking Stock In
Austin



austin entrepreneurs
FOUNDATION

engage

Today's Community Status

Austin's burgeoning technology industry is still in its youth even though small technology companies are responsible for most of the recent growth in our economy. Fueled by tremendous potential, these companies are positioned to dramatically affect Austin's future.

From the vantage point of local non-profit agencies, these rising stars hold the key to extraordinary resources that can dramatically improve the quality of life in and around this city. Agencies read of start-up companies raising millions in venture capital and expect to see some of that money directed back into Austin. If that doesn't happen, these entrepreneurial companies are perceived as indifferent to the city they have chosen for their corporate headquarters.

On the flip side, today's competitive high-tech companies live in a demanding, fast-paced world. Their 24 x 7 culture and the cash-restrictions inherent in start-up ventures severely limit the time and money they have to invest in community-focused endeavors. Their employees are exclusively engaged in the monumental task of launching the business, which leaves virtually no room to share their talents within the community.

The good news is that what today's entrepreneurs lack in time and cash, they more than make up for in energy and potential. Since traditional strategies for community involvement don't fit the high-speed high-tech business model, new vehicles for participation must be found. Austin Entrepreneurs Foundation (AEF) delivers the solution.



our mission

To facilitate a culture of stakeholding in our community in which entrepreneurial companies share their potential with non-profit organizations fostering a positive relationship in which the philanthropic sector benefits from the success of these companies and emotionally engages in their journey.





exchange

Strategies to build the future

What enterprising young companies can offer the community is a portion of their potential through stock options. This model has proven highly effective for entrepreneurial companies as a motivational tool for their employees. Stock options inspire employees to work hard to achieve company goals. And start-ups are able to reward employees for their efforts and willingness to participate in the risks inherent in working for a new venture.

Austin Entrepreneurs Foundation has created an innovative program that benefits local companies and community groups by applying this model in the Austin community. When a company reaches out to share its potential success with local non-profit organizations, everyone wins.

company benefits:

Tap available resources. Draw from an existing fund when the liquidity event occurs - typically when the company grows large enough to begin contributing to the community.

Boost contributions. Finance community giving through equity rather than operating earnings, resulting in significantly larger contributions than what might be available in the operating budget.

Promote local presence. Execute a meaningful, tangible community action plan early in the company's history, which generates favorable reactions from the community and employees.

Attract employees. Earn a strong reputation as a community-minded organization, which serves as a powerful recruiting tool.

Maximize involvement. Gain assistance from the Foundation in screening charities and educating employees on the value of community giving.

Improve community. Participate directly in the process of enhancing Austin's quality of life.

Gain recognition. Leverage a small, symbolic gesture made early in the company's history far beyond what the original contribution was worth.

community benefits:

Increase donations. Gain a substantially greater infusion of cash into the community based on the Foundation soliciting option grants on behalf of local stakeholders.

Enhance lifestyles. Improve the quality of life in and around Austin based on non-profit organizations having increased resources to drive their efforts.

Promote Austin. Maximize Austin's position as a unique, desirable place to live and work.

Unite organizations. Foster greater understanding of and support for the small technology company's lifecycle. Inspire shared enthusiasm for the success of local ventures.



give

Avenues for participation

There are two opportunities to be part of the Austin Entrepreneurs Foundation program: as an underwriter or an AEF member. Explore your opportunities:

Underwriters

The success of the AEF rests on the solid support of Austin companies with a track record for investing in local entrepreneurial ventures and community programs. Our

goal is to raise cash to fund the Foundation's operational expenses and provide community-building programs for members.

To join visionary Austin companies that have already become underwriters for the Foundation, you must make a pledge and establish a payment plan. In turn, your contribution will:

- Provide the framework for a highly leveraged benefit to the community.
- Position your firm as a stakeholder in this important endeavor.
- Create a community culture that promotes outreach and stakeholding between technology companies and the local non-profit community.
- Message your commitment to the future of Austin's quality of life to clients, employees and the community.
- Set a strong leadership example for other companies and clients.
- Generate positive momentum in the new millennium.

founding underwriter levels:

\$50,000 - Visionaries

\$25,000 - Champions

\$10,000 - Partners

Levels are not service industry exclusive. This is a total amount, not a one-time payment.

AEF Members

Launching a technology company is an all-consuming endeavor that leaves minimal time for community involvement. The Austin Entrepreneurs Foundation provides you with a smart, efficient opportunity to impact the community today and as your enterprise flourishes in the future. Becoming a member opens doors and builds opportunities by enabling you to:

- Expand your reach immediately.
- Make a meaningful difference for yourself and your employees.
- Invest in the future of your company's reputation.
- Deliver value without impact to your income statement.



AEF is committed to maximizing the value we deliver to our members. Our services include the following:

Donor Advised Fund (DAF) Agreement:

- You and your company control the gifts made from your fund.
- AEF requests 10 percent of your DAF to support ongoing operations.

Community Opportunities:

- AEF provides investment advice to Foundation members.
- We serve as a virtual Community Affairs Director to your organization for volunteerism and other outreach opportunities.

Venture Philanthropy:

- Using venture capital techniques, AEF invests in social entrepreneurs who are looking at changing the way community service addresses our social challenges. Your company can participate by offering leadership and energy in addition to any contribution from your DAF.

Charter Austin Entrepreneurs Foundation Underwriters

Visionary

Austin Ventures
Dazel Corporation
Morgan Stanley Dean Witter
Scient
TL Ventures

Champion

Austin American-Statesman
BancBoston Robertson Stephens Inc.
BMC Software
Gray Cary Ware Freidenrich
Gunderson Dettmer
Hambrecht & Quist
PriceWaterhouse Coopers
Trellis Partners
Vignette
Wilson Sonsini Goodrich & Rosati

Partner

Bank of America
Centerpoint Ventures
Colliers Oxford Commercial
Comerica
Ernst & Young
Goldman Sachs
Gottesman Co.
Growth Capital Partners
Hill Partners
Hire Tech
Imperial Bank
Murphree Venture Partners
PowerShift Ventures
SG Cowen & Company
SSM Ventures
Silicon Valley Bank
Spot Associates
Techxas Ventures
Trammell Crow Co.
Triton Ventures



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