

## Notes from Draper University Community Meeting on Pilot November 20, 2012

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- Julia Yeh intro
- Tim Draper intro - Gave background on his relationship with San Mateo and discussed why he wanted to start Draper University
  - Pilot program for Draper University in June 2012, enormous success
  - 40 students for 30 days and at the end 4 students got funding for their businesses
  - Why we are here tonight is to discuss Part 2, our advanced study program – We want to offer deeper advice, coaching, inspiration
  - Our advanced study program is a more mature version of Draper University
  - This will be very similar to the June pilot program, there will be no cars from our participants and they will be staying only on floors 2-4 in the Benjamin Franklin

### **Community questions (Tim Draper answered all the questions):**

1. Q: Collective building, what are the plans?
  - A: Tonight's meeting is to discuss the pilot
  - We will be talking further about the plans for the Collective at an upcoming DSMA meeting and we will be inviting the public and city council
2. Q: Curriculum - Students and community
  - A: First thing is to go on to our website and see our videos from our June pilot program – Hear directly from students in the videos and here words like life changing, new outlook for my business, life direction
  - We have speakers who are leaders in their fields, daily group activities/projects
    - We focus on not just business but also marketing, social media, crowdsourcing, finance etc.
  - We teach the importance for students to learn and understand how to fail and to expect the unexpected
3. Q: What are the requirements for your students?
  - A: Age range is 18-27
  - They need to be a graduate of high school but do not need their college degree, students can be attending college or attend after graduating
  - Application is online and is unusual – looking for proactive innovators, not looking for good grades/SAT scores
4. Q: Explain more about the pilot program for Part 2 (what we are here to discuss tonight)
  - A: We want 25 students
    - More than students, young people starting businesses
  - Continue our unusual approach to teaching businesses lessons ie. Using beanbags & whiteboard paint on walls (nontraditional approach)
    - We'll have more coaching & mentors – Focused on making connections and networking
  - Much more to the individual vs. the group at large
    - Part one was more group-oriented, students were broken in to random groups of 4-5 to teach a team mentality
    - This pilot will focus on the company that the participant wants to start or has already started
  - Focused on helping our Part 2 participants businesses grow

- Other university deans (Cal Arts & USC) came to the June pilot program to see what Draper University was doing and how they can take some of our ideas to use at their schools
5. Q: What do you envision this looks like 5 to 10 years from now
- A: We don't really know yet, that is why we need to run pilots
  - We want to have a thriving ecosystem of students and entrepreneurs
  - Still trying to do new things and the goal is to bring wealth into the region
    - Students and attendees start a business at Draper University in Part 1 or Part 2 and companies are more likely to base it in San Mateo
6. Q: Is Draper University accredited, what do students get when they graduate?
- A: I talked to a well-known education lawyer and talked about accreditation – there are a ton of rules and regulation. What if you are not accredited? Then you do nothing and have more freedom
    - Two top US high schools (Andover & Exeter) are not accredited
  - We are getting credit from two different Stanford University departments for Stanford students if they attend Draper University
7. Q: What do you see as expansion?
- A: In traveling and talking about Draper University we have interest in China, Japan, Qatar and France. No immediate plans to expand further in San Mateo.
  - Immediate next step after we get up and running is to do an online university program, easier than buying more real estate
8. Q: Who are the Faculty?
- A: RAs who live-in to be with the students 24/7
  - During our pilot we had over 50 guest speakers, goal was not to have tenured faculty as speakers, we want people who live and breathe the business
  - Sample speakers included
    - Tony Hsieh, Zappos
    - Andy Chase, Morgan Stanley
    - Ron Johnson, JC Penny and Apple
    - Elon Musk, Tesla and Space X
9. Q: How many students did you have from Stanford in the pilot and what was the overall demographic?
- A: 7 students from Stanford but we had students from all over the United States and a few from around the world
  - This is a boarding school, students live here and attend classes on campus
  - Will want to have a local contingent in the class but want people from all over the world
10. Q: Lectures sound fabulous, can public come hear them?
- A: Yes we will open it up when we can
    - During our pilot program when we had Tony Hsieh here we invited the public to come watch
11. Q: With your activities like cooking and yoga, did you use local people?
- A: Yes, Alicia, the owner of Astaria, ran the cooking presentation and competition and was a speaker
  - Alicia Petrakis (who was in attendance) spoke:
    - It was fabulous, students were so engaging
    - They did a blind taste test of ingredients and a cooking challenge
    - After the hand-on part, I did a 40-minute presentation on our story as a restaurant because I am an entrepreneur

- I was also able to see the business plan competition at the end of the program, they were beyond impressive in front of a very distinguished panel of VC judges
  - If I was given an opportunity like Draper University when I was starting my career maybe I wouldn't have faced some of the challenges as I did when starting the restaurant
- 12. Q: Pilot – Did you gain any metrics, what was your conclusion from your pilot?
  - A: It was fantastic which is why we want to run another pilot for our advanced students where we will test a few new ideas
  - Objective is for companies to get funding and to see how their companies will do in the real world
  - Lots of good feedback from pilot students and how want feedback for the more mature program - Then we will know exactly how we want to move forward
- 13. Q: Are the students paying to attend? One quarter or how long are they here for? Are you here for it every day?
  - A: We are currently testing the best model whether it is traditional tuition, 2% of your income for 10 years, owning a piece of your business or having it be free?
  - Trying a lot of things for how we can get the students, we don't want to limit it to people who can afford it, we want the best and brightest
- 14. Q: Being a neighbor, how does this affect the community – visual and economic
  - A: This meeting is just for our advanced pilot program
  - The only thing we can discuss now is getting a generator for sprinkler system
  - Come to DSMA meeting in early December to learn more
- 15. Q: Types of businesses you encourage?
  - A: Part 1: We are open to all industries– more flexible in our business plan competition we had everything from a French Fry shop to jewelry to women's health to high-tech
    - Mentioned student alumni Surbhi who started a medical device company to diagnose fallopian tube blockage – she raised funding from the venture capitalists at the pilot program
  - Part 2: Most likely more focused on high-tech companies
- 16. Q: Describe from the program a student's perception, what do they have to do to get accepted and what do they get out it
  - A: Surbhi, won our first business plan competition
    - She is of Indian descent and had a women's problem with a doctor. She realized that the camera they used during a procedure was too thick and made it really difficult for doctors to diagnose fallopian tube blockage
    - She knew the technology was out there and thought she could make it better and get greater results with patients and doctors– she had an idea but had nowhere to go and was out of college
    - First program at Draper University is the place for her to go, take the first step in building her business
    - It was magic confidence, she could try and don't need to be highly successful right out of the gate
    - She ended up getting funding for her company
    - If she attended Part 2 of the program she would get more hand-on help to run her business with encouragement with more mentoring – allowing her business to move forward
  - Chrissy, makes customized jewelry



## **Comments from the community:**

### **Alicia Petrakis, Owner of Astaria restaurant**

- We have gone through 5 landlords, a recessions and 2 failed projects
- If the Benjamin Franklin was supposed to be hotel it would have been by now
- We don't get much traffic at the end of 3<sup>rd</sup> Street, we are a destination restaurant
- Not many retailers could come to a building that size, pay for it and make money
- We want someone who will fit in and have a good use, this is the future for San Mateo

### **Jeanette Oberholser, Manager of The Collective**

- The Collective was open for 37 years; I have heard how important it was. I know more than anyone, I miss it everyday
- Things changed on our block, we didn't get a lot of business. It was perfect for the dealers we had but it wasn't profitable
- The last owner continued to pour money into it and it wasn't doing it well, we had a huge space and we couldn't afford the rent
- When I was there and saw Draper University running, there was so many activity and action
  - Draper University would have helped me if it was around when I started my first business
- The town needs to be patient and positive, the creativity will trickle down and I think the community will grow because of this

### **Maureen Hurley, CEO of Startup-HQ**

- Owns the Incubator on 2<sup>nd</sup> street, moved to San Mateo for the real estate and to start a business. San Mateo and Burlingame has started to thrive and there is a great vibe here
  - Had offices in downtown San Francisco and downtown Palo Alto
- Nature of the shops will be different, things are changing
- Something good will happen and get a little more hip and trendy in the downtown area
  - Maybe wait a year and see something great happen