

Nasdaq center aims to build relationships with startups

September 24 2015, by Brandon Bailey



People mingle in the courtyard of the Nasdaq Entrepreneurial Center Thursday, Sept. 24, 2015, in San Francisco. Facing stiff competition from rival exchanges to lure the next hot IPO, New York-based Nasdaq, through an affiliated foundation, opened the center to provide business training, mentoring and networking opportunities for early stage startup founders—maybe even the next Mark Zuckerberg or Larry Page. (AP Photo/Marcio Jose Sanchez)

Nasdaq has long been known as the "tech-heavy" stock exchange, where

some of Silicon Valley's best-known companies have gone to sell shares. Now, as it faces stiff competition from rival exchanges to lure the next hot IPO, it's reaching out to business startups before they go public.

New York-based Nasdaq, through an affiliated foundation, is opening what it calls an "Entrepreneurial Center" Thursday in a trendy commercial district south of San Francisco's Market Street. It's promising business training, mentoring and networking opportunities for early stage startup founders—maybe even the next Mark Zuckerberg or Larry Page.

"We want to support amazing entrepreneurs, who may be starting a company today or their next three companies down the line, who will remember the things they were taught as part of the Nasdaq community," said Nicola Corzine, a veteran startup investor who will operate the center as its executive director.

Nasdaq executives say they have a long tradition of working with young companies, and the new center is open to entrepreneurs in other sectors besides tech. Still, it's no coincidence the center's in a region rife with new tech startups. Facebook, Google and Apple are all traded on Nasdaq.

The move comes as Nasdaq's chief rival, the New York Stock Exchange, has increased its outreach to the tech sector in recent years and has lured some high-profile startups like Twitter, which held its initial public offering on the NYSE in 2013. Twitter's decision to list on the NYSE came after Facebook's debut on Nasdaq in May 2012 was marred by technical glitches that tarnished the exchange's reputation.

"Your competitor always wants to make advances in your area of strength, and we also make advances in areas that may not have been our strength 10 years ago," said Bruce Aust, a vice chairman at Nasdaq who

is also president of the new center. As an example, he said Nasdaq is now home to a number of airlines that might have chosen the NYSE in the past.



People talk in the lobby area of the Nasdaq Entrepreneurial Center Thursday, Sept. 24, 2015, in San Francisco. Facing stiff competition from rival exchanges to lure the next hot IPO, New York-based Nasdaq, through an affiliated foundation, opened the center to provide business training, mentoring and networking opportunities for early stage startup founders—maybe even the next Mark Zuckerberg or Larry Page. (AP Photo/Marcio Jose Sanchez)

"Nasdaq is all about growth companies," Aust said, while downplaying concerns about the rival exchange. "So we feel pretty good about our position."

Silicon Valley is home to a number of tech "incubators" and other

programs that support new startups, sometimes in exchange for equity. Aust said the new center will work with those programs while offering unique opportunities of its own, such as mentorships or informal classes taught by executives at successful Nasdaq companies. Silicon Valley law firm Wilson Sonsini, which advises a number of tech companies, is one of several sponsors.

There's no charge for entrepreneurs to participate, but they'll be screened for at least two references from advisers, fellow entrepreneurs or even university professors, Corzine said. Programs are also open to students or recent graduates with ideas for a new business.



Nasdaq CEO Robert Greifeld speaks at the unveiling of the Nasdaq Entrepreneurial Center Thursday, Sept. 24, 2015, in San Francisco. Facing stiff competition from rival exchanges to lure the next hot IPO, Nasdaq, through an affiliated foundation, opened the center to provide business training, mentoring

and networking opportunities for early stage startup founders—maybe even the next Mark Zuckerberg or Larry Page. (AP Photo/Marcio Jose Sanchez)

The new center fills 13,000 square feet of remodeled space that includes meeting areas, a media training studio where founders can develop videos to promote their companies, and a coffee shop for casual networking.

In recent years, some high-profile tech startups like Uber, Airbnb and Snapchat have delayed going public and opted to continue raising money from venture capitalists and other private sources. Aust said Nasdaq's got that trend covered, as well: It launched a "private market" service last year that helps companies raise money from investors without issuing publicly traded stock.

"Nasdaq has always been about being a source for companies to raise capital," he said.



Dignitaries, including Calif. Lt. Governor Gavin Newsom, center left, Nasdaq CEO Robert Greifeld, center right, and Golden State Warriors' Festus Ezeli, rear left center, join in applause during the unveiling of the Nasdaq Entrepreneurial Center Thursday, Sept. 24, 2015, in San Francisco. Facing stiff competition from rival exchanges to lure the next hot IPO, New York-based Nasdaq, through an affiliated foundation, opened the center to provide business training, mentoring and networking opportunities for early stage startup founders—maybe even the next Mark Zuckerberg or Larry Page. (AP Photo/Marcio Jose Sanchez)



Dignitaries, including Calif. Lt. Governor Gavin Newsom, center, Nasdaq CEO Robert Greifeld, center right, and Golden State Warriors' Festus Ezeli, center left, ring the closing bell for the Nasdaq exchange during the unveiling of the Nasdaq Entrepreneurial Center, Thursday, Sept. 24, 2015, in San Francisco. Facing stiff competition from rival exchanges to lure the next hot IPO, Nasdaq, through an affiliated foundation, opened the center to provide business training, mentoring and networking opportunities for early stage startup founders—maybe even the next Mark Zuckerberg or Larry Page. (AP Photo/Marcio Jose Sanchez)

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