

Inc.

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Top Entrepreneurship
Courses
2011

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DO IT YOURSELF

King of the Online Sellers

Rob Kalin, founder and CEO of Etsy, has built the world's largest flea market. It has spurred 400,000 new businesses.

Now he's raking in the millions

By Max Chafkin

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THE OTHER SIDE OF THE TABLE

NEW VENTURES

Willamette University
TAUGHT BY: Rob Wiltbank

Investors excel at sizing up entrepreneurial companies, because they see so many. Rob Wiltbank wants students similarly exposed. So while half his M.B.A. candidates at Willamette, a small liberal-arts school in Salem, Oregon, are launching start-ups, the rest are evaluating start-ups while embedded with angel groups. "We are learning entrepreneurship from both sides of the table," says Wiltbank, an associate professor at Willamette.

The 10 students who join local angel groups in this yearlong course aren't passive observers. Collectively, they have \$100,000 to spend. That money is raised through gifts from alums and other supporters. Returns are reinvested or used to seed companies started by other members of the class.

Student angels assess entrepreneurs based on criteria laid out by Wiltbank: They must do things on the cheap, measure progress with milestones, and make hay from surprise developments.

Recently, students passed on a developer of communications software because, "though he was a sharp guy, he wanted to spend way too much money," says Wiltbank. Instead, they invested \$50,000 in a leaner legal-software company that ultimately reached \$600,000 in sales.

The angels can also kick bucks toward their classmates. "We have not yet written a large check to a student opportunity, though I think we will this year," says Wiltbank. He is bullish on a venture called ScribeStat, which dispatches note takers to trail doctors in emergency rooms and other chaotic environments.

When the whole class convenes, tire kickers pass on wisdom to tire builders and probe for holes in their business models. And what do investors learn from their classmates? "The emotional side of it," says Wiltbank. "With their friends, they see firsthand the elation and suffering of being an entrepreneur."