CSUN Faculty & Staff

FAQ: Why Engage LACI@CSUN

California State University, Northridge (CSUN) and the LA Cleantech Incubator (LACI) have come together to create a world-class entrepreneurial capability and culture within CSUN and establish the San Fernando Valley’s reputation as a leader in innovation and entrepreneurship. The LACI@CSUN Business Incubator will increase the number, quality and success of startups from in and around CSUN. We will ensure that as those businesses succeed, they remain a vital part of the LA economic engine.

We help startup companies succeed and grow by providing easy access to office space, providing successful mentors and coaches that are experts in specific markets, technologies or in building and growing businesses. We do this by hiring great executives in residence (EIRs) who provide regular business guidance. We also do this by leveraging the great resources of our partners and the business community.

The strategy behind this engagement is not just about building great companies. The reputation that this effort can bring has the potential to help secure additional sponsored research, attract more individual and corporate donations, improve faculty and student retention and provide additional opportunities for career advancement.

CSUN has tremendous resources in its faculty, staff, alumni and students and while we’ll help some of those build businesses, we will engage many others as experts in their fields that can help the startups that we work with. We hope to engage CSUN colleges and faculty with our companies to help refine their innovations, demonstrating and documenting the efficacy of those innovations, and getting those innovations deployed.

The following questions and answers are meant to help you as faculty and staff understand how we work, how you can engage with LACI@CSUN, why administration and staff should be interested in bringing innovations to LACI@CSUN, and what benefits accrue to the University from your involvement and the success of the LACI@CSUN startups.

If these FAQs don’t cover a particular question or concern, please be sure to contact us at laci@csun.edu and we’ll answer your questions and add them to future versions of this document. Erik, Kevin and the growing LACI@CSUN team look forward to engaging with you to help grow CSUN’s capabilities and reputation around innovation and entrepreneurship.

Best Regards,

Erik Steeb
Director, LACI@CSUN
Q: I have a startup business or an idea of my own. Can LACI@CSUN help?
We can help. Whether you are just thinking about forming a company or already have a team in place and in the market, we can help you get started, refine your business strategy, win your first target customers and prepare for venture investment. To find out more, contact us via one of the methods shown in the footer of this document.

Q: I am concerned about the Intellectual Property that I have developed with others on campus. I think something I’ve worked on might have promise “in the business world,” but that world is really foreign to me! How does this all work?
As educators, you know that all learning starts with a single step! There are a lot of things to understand in moving forward, and we can help break it down into manageable pieces. With regards to Intellectual Property (“IP”) concerns, we know confusion about how this area works can sometimes get in the way of moving an innovation forward. Unlike other Universities that have been commercializing research and development for many years (Stanford, Berkeley, MIT, etc.), CSU campuses do not have a long history of commercializing intellectual property. We are working with the CSUN’s Tech Transfer Office to clarify how it works. In general, Universities own Intellectual Property developed by its employees. At the same time, if an idea is commercialized, the University will compensate the inventors appropriately. Also, there are opportunities to better define any further Intellectual Property ownership, business ownership, and other management compensation going forward if done in a business setting vs. as a CSU internal project. The first step is a discussion on what has been developed, whether it has commercial application, and then the details can be worked out so that it is fair to the faculty, the University, and the business stakeholders. (In other words, we can help, but it takes a conversation to get started!

Q: Are you in this just to make money off of research done on campus?
We understand potential skepticism in the academic community. We are structured as a non-profit and we truly believe in doing well by doing good. We also believe that everyone benefits when a product or service is delivered to customers to solve those customers’ needs. And, yes, we believe that those involved in discovering, developing and delivering these products and services can and should benefit for their very hard work! For these opportunities that come out of CSUN, the rewards can then be filtered back into the community in the following forms: ownership interest to the inventors, managers, employees, University and others; donations back to the school; increased employment opportunities for students, alumni and others in the community; and enhanced reputation for the faculty and University.

Q: How does LACI@CSUN help startup companies?
For new innovations on campus that are not yet companies, LACI@CSUN can help with services designed to set up a new company. Those services include:

- a market assessment study to confirm market demand & viable use case for the innovation
- legal entity creation through our law firm partners
executive management team recruitment and terms negotiation
naming, branding and identity creation marketing services

For existing companies, LACI@CSUN offers three core sets of services:

- **Plug & Play office space** with flexible and low cost lease terms for desk space, conference rooms, telephone, internet, shipping & receiving, reception and more. This makes office setup a simple process that keeps the executive team focused on the core business.
- **Executive coaching & mentoring** that helps innovators navigate the complexities of creating, building and funding a startup business. Our executives in residence (EIRs) have started and funded growth businesses themselves, have been through the challenges associated with that process and coach our startups through building and growing their businesses.
- **Access to Networks** that are critical to refine their solutions, secure investment in their companies, engage business partners, find executive talent and win new customers.

**Q: Does the LACI@CSUN incubator only work with cleantech companies?**

No, our effort with CSUN is not exclusive to cleantech. Downtown, our focus is on cleantech but with the CSUN collaboration, our goal is to marry the strengths of LACI with those of CSUN. CSUN is well respected for its technical strengths in the colleges of Engineering & Computer Science and Science & Mathematics. But there are also well-recognized strengths in education, health & human development, arts, media & communications and more. The same can be said for the CSUN alumni. LACI@CSUN will leverage these strengths and support startups in all of these areas.

**Q: Where do the startup companies come from?**

Startups may come from the many great innovations under development within CSUN colleges and administration offices. They may come from independent faculty or staff ideas, from current students or from alumni. There are also many innovative people across the San Fernando Valley and beyond that are in need of support for their startup.

**Q: How is the LACI@CSUN incubator currently funded and staffed?**

CSUN has committed three years of funding to help the incubator get established and become self-sustaining. Both LACI and CSUN are providing staffing to the effort. From LACI staff, Erik Steeb is Director and Kevin Randolph is Deputy Director. From CSUN staff, Julia Potter is assisting with partnerships and Marcella Tyler is assisting with marketing.

**Q: Will the incubator make a profit?**

LACI@CSUN is a non-profit organization operating as a part of LACI, a California 501(c)3 business. While the incubator does not make a profit, it is required to generate revenue needed to cover the costs of staff, programs and physical space. The majority of this revenue comes from grants and sponsorships from corporations and individual donors.
Q: Do the startup companies pay for services?
Yes. While we work to keep costs very low for these startups, it’s important that they are financially committed to moving forward. Companies pay a monthly fee of $500 per month for space and services and commit a small equity stake in the business to the incubator. This small equity stake ensures that our interests are aligned. The incubator succeeds as the companies we work with succeed.

Q: What does CSUN get out of establishing LACI@CSUN and helping these startup companies?
By making an investment in the incubator, CSUN hopes to provide opportunities for faculty, students, and staff and for community partners to create vibrant businesses in the local area, contributing to the overall development of the regional economy. And by offering internships to its students and expanding its educational outreach with experiential learning, CSUN builds upon its reputation for innovation and entrepreneurship.

There are clear economic benefits as well. In return for its investment, CSUN will receive royalties and/or equity from these startups, which will be reinvested in innovation and research to support future scholars and entrepreneurs.

There are soft benefits as well. Building a reputation of innovation and entrepreneurship can attract new sponsored research, attract and retain staff and students and provide new opportunities for alumni to engage as mentors and advisors to the companies in the program. And, as CSUN and other higher education organizations have discovered, having a growing cadre of successful alumni can generate new endowments and gifts to the university.

Q: How can I help the startup companies as a faculty member?
Startup companies are in need of mentors, advisors, and coaches who can help young companies navigate through the complexities of their technology, operations, procurement, engineering, globalization, outsourcing, marketing, sales, business development, personnel management, financial management, reporting, documentation, customer discovery, channel management, and strategic partners, to name a very few. The complexity of starting a new business can be greatly advantaged with the care, concern and helpful guidance of those that can bring wisdom, counsel and advice to the myriad of issues that small companies face.

Q: Are there internship opportunities for CSUN students?
Yes! The companies within the incubator and the incubator itself offer great internship opportunities for students. LACI@CSUN is currently working with the CSUN Career Center to fill three intern positions:

- an operations intern who will learn non-profit organization management, the detailed operations of a business incubator and the fundamentals of building a startup.
- a marketing intern who will learn how to develop and execute a marketing awareness campaign including print, online, partner and event elements.
- a research and grants intern who will work with the incubator and early stage companies and learn market sector research, grants research and application and grant management.