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# Boulder Technology Incubator ready to hatch

By MARK DOWLING

The Boulder Technology Incubator has nearly hatched.

With a director onboard and \$400,000 in pledged funds, the joint effort of 20 local businesses has its sights set on a January startup date.

The incubator will help high-tech companies in the Boulder area get started, said Robert Calcaterra, who began his position as director of the not-for-profit corporation Nov. 1.

Ball Corp.'s Aerospace Systems Group in Boulder has agreed to lease 21,000 square feet to the incubator at 1727 Conestoga St. The space will be leased to startup companies, Calcaterra said, who will receive free use of computers and other equipment as well as free accounting, legal and business management advice from the incubator staff.

Calcaterra said he has spoken with "four or five" companies interested in locating in the incubator. These firms work in energy conservation, computer hardware and construction, he said.

A variety of businesses and individuals have offered financial and in-kind support for the incubator, Calcaterra said.

"Ever since my position was announced (late last month), my phone has been ringing off the wall," he said.

Before joining the incubator, Calcaterra worked as an independent new business consultant, helping to start high-tech companies in the Denver-Boulder area. Until February, he worked as director of research and development and quality assurance at Adolph Coors Co. in Golden.

The incubator has developed a set of entrance requirements for prospective companies, still subject to approval by the incubator board. Although companies will

not have to provide a business plan, they will have to demonstrate their market niche, financial resources, growth and market potential and financial projections.

The goal of the incubator is to get businesses to "graduate" from the incubator within three years and become self-sufficient, Calcaterra said.

Commitments to the incubator total \$400,000 from at least 18 local companies and organizations, including Public Service Co. of Colorado, Ball Aerospace, M&H Group Inc. and the Colorado Advanced Technology Institute (CATI).

The incubator probably will hire one or two administrative assistants, Calcaterra said, possibly including interns from the University of Colorado.

The plan calls for total revenues of \$265,578 in the first year of operation, including \$87,000 in contributions from Colorado industry, \$50,000 from CATI and \$77,000 from lease revenues.

Total expenses are projected at \$388,259, resulting in a projected loss of \$122,681 in the first year of operation.

Calcaterra emphasized that these figures are only projections and may improve as the year progresses.

The incubator will charge tenants \$15.15 a square foot for the space, a price that has drawn fire from at least one venture capitalist who plans to back incubator occupants.

"The floor space cost is much too high," said Duane Pearsall, general partner in Columbine Venture Funds of Denver.

"The people in these new high-tech companies are first-class individuals," Pearsall said. "They call the shots. I worry whether they will justify paying that kind of money for floor space."

Pearsall said the incubator should be able to lease space in Boulder for "around \$10 a square foot," the going rate for many parts of the Denver area.

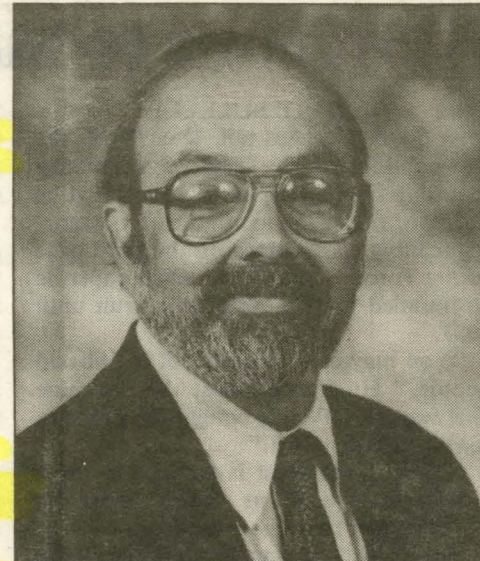
Calcaterra said the incubator is "fortunate" to be paying about \$6 a square foot to Ball Corp. for the space and will use the other \$10 a square foot of the lease rate to help fund the incubator's operations.

"It is a concern," he said, adding that the incubator doesn't have to lease the entire space at first, just what it needs.

Columbine Venture Funds is committing \$2 million in venture capital funds to promising tenants of the incubator for three years.

Pearsall said "one or more" incubator firms will use the money, depending on the future potential of the businesses. The firms receiving the money will have to meet all the requirements Columbine sets up for venture capital investments.

Pearsall also said the incubator should



**Incubator director Robert Calcaterra**  
... "My phone has been ringing off the wall."

investigate an investment pay-back plan where the companies contributing to the incubator's startup would receive a dividend in the future.

## DU lab receives equipment windfall

By MARK DOWLING

Telecommunications equipment worth \$50,000 has been donated to the University of Denver's graduate telecommunications program by a New Jersey company.

The new equipment will allow DU's University College to open its first telecommunications lab early next year, said Jim Killorian, associate director of the telecommunications program.

The equipment was donated by Infotron Systems Corp., a national telecommunications equipment company headquartered in Cherry Hills, N.J., with a district office in Denver.

Brad Inman, an Infotron account execu-

tive in Denver, completed his master's degree in telecommunications at DU this year, then began a campaign to obtain the equipment.

Inman said the equipment, two Infotron NX3000 switching systems, will enable the university's computers to "talk to" other computers in other cities and states.

Infotron sells and distributes telecommunications and computer equipment nationwide and has projected 1989 sales of \$105 million. Inman will be teaching a class in DU's telecommunications program next year.