Pulses

INDUSTRY

Helping Startups Grow

OPN talks with Sujatha Ramanujan about the new optics and photonics business accelerator she’s heading up.

Last November, the Luminate accelerator—a New York–based project to nurture promising startups in optics, photonics and imaging—announced its first cohort of 10 participants. Each selected company will receive an initial investment of US$100,000, and the opportunity to participate in a six-month, intensive program to move its ideas toward commercialization. To learn about what’s in store for the 10 firms, OPN caught up with Sujatha Ramanujan, Luminate’s managing director (and a planned keynote speaker at the OSA Foundation’s Innovation School this summer).

Q. How did you come to entrepreneurship?
I started with a Ph.D. in physics and electrical engineering/optics. Over the years since then, I have worked for big companies, like Kodak, GE and Chrysler, and small companies; I’ve also done three different startups. So I’ve been able to take what I’ve learned, and help new companies get started. I think it’s important to have had a balance of both small and large business experience—I’ve come to know what works for each, and what doesn’t.

Q. And now you’re heading up the Luminate accelerator.
Yes. Luminate is a program of High Tech Rochester, a nonprofit organization that runs a number of other programs, such as a startup incubator, in the New York region.
York area. The Luminate accelerator is funded by Empire State Development and the state government.

One reason for setting it up was to bring companies here and to raise the awareness of the Rochester-based photonics industry. By providing this accelerator—which is, I believe, the only one of its kind in optics and photonics—we’re able to get companies from all over to come and spend some time here. We are trying to take the expertise that is here in Rochester and make it accessible on a worldwide basis.

Q. OK—in November, the accelerator chose its first cohort of 10 startup companies that it will help take to the next level. How did you choose those 10?

When we first put out the call, we had well over 100 applicants, from all over the world. We got down to 40, the semifinalists, and then we had further interviews and discussions with them to cull the list down to 25. We ended up picking 10 of those 25 to come and be part of our first cohort.

Every single company of the 25 that came here was excellent, so the judging criteria were pretty strict. Some of the things that we were looking for are, How mature are they? Do they have at least a prototype or an example to show us? Are they appropriately staffed? Another big criterion was that we needed to ensure that the companies would fit with, and benefit from, the advisory board we had assembled—we wanted to be sure that the board would be able to help them and give them direction. Getting that kind of synergy—a good “fit”—was often the deciding factor.

Q. So these companies have, if I understand it correctly, a rather intense six months of work ahead. Tell me a bit about what that’s going to be like.

We’ll take them through a course that involves helping them do everything from going over financial business plans, to making sure that they have good customer validation, to introducing them to potential clients and potential investors, to planning and developing marketing and sales. We hope to groom them through this process, so that in six months their company is not only more mature, but also has all of the things that investors and customers are looking for to instill confidence. Also, each company will be assigned at least two mentors, one from our advisory board—which is our national-level, “luminary” board—and one local business advisor.

I also hope that the cohort companies form relationships and partnerships between each other, and their own “ecosystem.” We are in the process of building out a laboratory right now, quite a bit of equipment for which was generously donated by IMAX. So the teams can continue their technical work and, I hope, form collaborations and learn together and kind of grow together.

Q. And at the end of the six months?

At the end comes “demo day,” in June. All 10 companies will have a chance to present where they are and what they’ve done, and one company will be given US$1 million. There is also a second million-dollar allocation that we can think about how we want to distribute among the companies. But all 10 companies will have the chance to get additional money beyond the US$100,000 they received from being selected for the first cohort.

We also plan to invite private-equity investors to the demo day—my hope is that even if Luminate is able to pick out only a couple of companies and offer them additional funding, the ones that we can’t back could get funding from some of these other organizations. I would love to see every one of the 10 succeed!

For more information on Luminate, visit www.luminate.org. To learn about, and apply to, OSAF’s Innovation School, see www.osaf.org/innovation.