

URL: <https://stvp.stanford.edu/clips/corporate-backed-smart-money>

Lisa Lambert, Intel Capital's Vice President, points out that despite what other independently-run VC firms say, their corporate investing arm can offer the companies in their investment portfolio a lot more than just dollars. Good VC's also open up their circle of contacts and offer useful advice along the path. In this clip, Lambert speaks at length about the matchmaking conferences that Intel organizes for its clientele, its global reach of resources, and the numerous other value-added services and networking opportunities that they offer beyond just a check.



Transcript

So, one of the things that, when we hear from other VCs, they talk about smart money.. They talk about the fact that they're going to be sitting down next to you and helping you out and going through their Rolodex and making contacts.. Is that the sort of thing you do? I mean, how involved do you get with these companies that you're investing in? Very involved.. I think most VCs think we're dumb money because we're corporation, but in reality we're not.. Don't tell them I said that.. I promise.. But we do a lot to help.. In fact, that's one of things that we focused on in the past four or five years especially.. There are so many venture capital firms in the world now.. I mean, I think there's some consolidation going on..

I've got some great slides to show you to that point, but for some reason we're not - we're not projecting.. We bring a number of things.. I'll give you a couple of the things that we bring.. One thing we do annually is what we call the Intel Capital of CEO Summit.. And this is a forum where we bring our 400 portfolio companies together for matchmaking, not only with themselves, amongst themselves, but we invite about 200 industry executives.. And these are C-level people in various industries -- oil and gas, manufacturing, hi-tech, et cetera.. The objective there is to create a forum for them to make pitches, essentially, to these prospective customers and prospective partners.. So, that's one major event.. We do a smaller version of that, about 75 to 80 times a year called Intel Capital Technology Days.. And these are specifically customer forums where we have our business development organization..

They have access to Intel customers and user customers like Shell, like IBM, et cetera - name your Fortune 1000 company.. And they're interested in finding what's happening in technology.. They don't have an external R&D department, right.. They don't have anybody that's out purveying, surveying technology companies.. So, what we do is we bring the technology innovators together with these Fortune 1000 companies.. They select the categories they're interested in whether it's cloud computing, or mobile software, or software as a service.. They select the categories and then they select the companies in our portfolio that are aligned with those categories.. And we literally do a full day where those companies, the CEOs from those companies, pitch to C-level decision makers around technology, strategic partnership.. They pitch their ideas, their wares and in many cases, we get proof of concepts; we get closed sales.. So, what this does for the portfolio companies significantly reduces the sale cycle..

I mean, for them to get in with a Disney and to close a deal literally, or at least the concept of a deal in a day, it's just unheard of.. It may take months for these companies to close deals.. So, that's a forum that we create.. We've got - in addition to that, we've got advisory boards.. We've got what we call acquisition ITDs where we have companies approaching the point of liquidity, we line up, you know, prospective buyers because we've got relationships with all the major ISVs.. So, those are some of the things that we do.. It's unprecedented because we've got, as they say, this very large organization.. We've got resources in every geography.. So even if they want to enter a new market, if they're launching their business from the U.S.. and want to start to making the roads into other developed regions like Western Europe, for example..

We've got a team of people that already have relationships in those areas that can help open doors for them.. So, I think, if you compare it, it's super smart money in a corporate and maybe less smart money in the venture firm...