

Startup Visa

February 22, 2010

Dear Senators:

We write to express our support for the Startup Visa. Since the founding of our country, the entrepreneurial spirit has been a defining characteristic of the United States. Today we are the world leader in creating new enterprises, advancing innovation, and creating jobs as a result of this entrepreneurial activity. Fast-growing companies have long been the main source of new jobs and innovation in the United States. However, in recent years our visa laws have made it unnecessarily difficult for immigrants to launch new companies here. We view this as a major competitive disadvantage for our country in the 21st century.

Companies such as Google, Pfizer, Intel, Yahoo, DuPont, eBay and Procter & Gamble are all former start-ups founded by immigrants. Yet immigrants have not only founded major, well-known companies. Foreign-born residents made up just 12.5% of the U.S. population in 2008, while nearly 40% of technology company founders and 52% of founders of companies in Silicon Valley are foreign-born.

As venture capitalists and angel investors, we often fund companies at their very inception. In cases where there are immigrant founders, it is often impossible for them to get an appropriate visa to stay in the United States and start their company. Even in cases where the founders already have a visa of some sort, they typically can't use this visa to start a company. As a result, they often have to leave our country to start their company, resulting in a loss of innovative entrepreneurs and the correspondingly created jobs in the United States.

There are multiple costs to our country and our economy. First, we lose the entrepreneur, who is a critical part of our society. We then lose the jobs that are created by the new venture, which in the success case could easily number in hundreds or thousands over the first decade of the company's life. Finally, we run the risk of losing our reputation as the greatest country in which to start a company.

To address this issue, we support the Startup Visa proposal. Early stage companies are often started with funding of at least \$250,000. In these situations, if a qualified U.S. venture capital investor or a U.S. "super angel" (an angel investor that has a track record of regularly participating in seed round investments) is willing to commit a significant investment for a foreign entrepreneur to start a company in the United States, we believe the entrepreneur should be able to get a "Startup Visa." We believe these thresholds are appropriate for creating credible startups which, if successful, can lead to numerous U.S. based jobs.

Vanilla (<http://www.vanillaforums.com>) is an example of a type of company this visa would apply to. Vanilla has two founders, both Canadian. They spent the summer in Boulder, Colorado as part of the TechStars accelerator program getting advice, help, and mentorship from over 50 U.S. based entrepreneurs and investors. Numerous investors were interested in funding Vanilla and helping them to grow their company from Boulder; however neither founder was able to give investors comfort that they could get an appropriate visa to stay and work in the US. Since then, the founders have relocated to Montreal, raised \$500,000, and started their company in Canada. Today, they are adding three people to their team, all based in Montreal. If successful, they will add many more people to the team over the next few years.

Each year thousands of foreign entrepreneurs face the same situation that the Vanilla founders faced. All of these entrepreneurs are starting companies with high growth potential where they could be hiring tens or hundreds of employees over the first few years of their company's existence. When Google first started, it was two founders and an idea - today it is one of the most important companies in the world. This is the type of company the Startup Visa proposal is addressing.

The U.S. remains one of the most attractive countries for entrepreneurs. It has a culture of risk taking, capital formation, and an economic dynamism that is the envy of the world. This gives us a competitive edge that we should not let slip through our fingers.

Arizona

Howard Lindzon, Social Leverage

California

Sameer Gandhi, Accel
Spencer Tall, Allegis Capital
Anthony Lee, Altos Ventures
Ho Nam, Altos Ventures
Brendon Kim, Altos Ventures
Han Kim, Altos Ventures
Alan Beringsmith, Altos Ventures
Robert Simon, Ariva Partners
Andy Rachleff, Benchmark Capital
Matt Cohler, Benchmark Capital
Peter Fenton, Benchmark Capital
David Cowan, Bessemer Venture Partners
Rob Stavis, Bessemer Venture Partners
Deepak Kamra, Canaan Partners
Brent Ahrens, Canaan Partners
Wende Hutton, Canaan Partners
Christian Borchert, Cardinal Venture Capital
Ravi Belani, Draper Fisher Jurvetson
John Fisher, Draper Fisher Jurvetson
David Rohrsheim, Draper Fisher Jurvetson
Rob Hayes, First Round Capital
Dave McClure, Founders Fund
Joyce Chung, Garage Technology Ventures
Kamran Elahian, Global Catalyst Partners
Vijay Parikh, Global Catalyst Partners
Koji Osawa, Global Catalyst Partners
Reid Hoffman, Greylock
David Sze, Greylock
Tom Bogan, Greylock
Alexander Rosen, IDG Ventures
Manu Kumar, K9 Ventures
Gideon Yu, Khosla Ventures
Pascal Levensohn, Levensohn Venture Partners
Mike Maples, Maples Investments
Ann Miura-Ko, Maples Investments
Shawn Carolan, Menlo Ventures
Katherine Barr, Mohr Davidow Ventures
Brooke Seawell, New Enterprise Associates
Mark Leschly, Rho Capital Partners, Inc
Paul Bartlett, Rho Capital, Inc.
Fred Nikgoha, CEO, Robodynamics
Andy Vitus, Scale Venture Partners
Chad Kinzelberg, Scale Venture Partners
Sharon Wienbar, Scale Venture Partners
Kate Mitchell, Scale Venture Partners
Mark Brooks, Scale Venture Partners
Rob Theis, Scale Venture Partners
Louis Bock, Scale Venture Partners
Rory O'Driscoll, Scale Venture Partners
Karan Mehandru, Scale Venture Partners
Jeff Calcagno, Scale Venture Partners
Rob Herb, Scale Venture Partners
Mary Denten, Scale Venture Partners
Tuff Yen, Seraph Group
Shervin Pischevar, SGN
Tim Guleri, Sierra Ventures
Jeff Clavier, SoftTech VC
Tench Coxe, Sutter Hill Ventures

California continued

David Lee, SV Angels
Brian Pokorny, SV Angels
Ron Conway, SV Angels
Ira Ehrenpreis, Technology Partners
Ajay Chopra, Trinity Ventures
Dan Scholnick, Trinity Ventures
Dave Whorton, Tugboat Ventures
Alan Salzman, VantagePoint Venture Partners
Brian Ascher, Venrock
Ray Rothrock, Venrock
Trevor Blackwell, Y Combinator
Jessica Livingston, Y Combinator
Paul Kedroksy
Eric Ries
Steve Blank

Colorado

David Gold, Access Venture Partners
Frank Mendocino III, Access Venture Partners
Mark Soane, Appian Ventures
Don Parson, Appian Ventures
Chris Onan, Appian Ventures
Kyle Lefkoff, Boulder Ventures
Peter Roshko, Boulder Ventures
Steve Halstedt, Centennial Funds
Martha Tracey, Crawley Petroleum
Rand Lewis, Delta V Capital
Brad Feld, Foundry Group
Jason Mendelson, Foundry Group
Ryan McIntyre, Foundry Group
Seth Levine, Foundry Group
Jack Tankersley, Meritage Funds
Dan Mitchell, Sequel Ventures
Tim Connor, Sequel Ventures
Lisa Reeves, Vista Ventures
Kirk Holland, Vista Ventures

Florida

Dan Rua, Inflexion VC

Idaho

Mark Solon, Highway 12 Ventures

Illinois

Matt McCall, New World Ventures

Massachusetts

Liam Donohue, .406 Ventures
Larry Begley, .406 Ventures
Maria Cirino, .406 Ventures
Felda Hardymmon, Bessemer Venture Partners
Jeffrey Bussgang, Flybridge Capital
Michael Greeley, Flybridge Capital
Chip Hazard, Flybridge Capital
David Arnoff, Flybridge Capital
Jon Karlen, Flybridge Capital
Mike Hirshland, Polaris Ventures
Ron Fisher, Softbank Capital
Bijan Sabet, Spark Capital
Santo Politi, Spark Capital
Dennis Miller, Spark Capital

Massachusetts continued

Alex Finkelstein, Spark Capital
Mike Tyrell, Venrock
Will Herman

New Mexico

Trevor Loy, Flywheel Ventures
Scott Caruso, Flywheel Ventures

Nevada

Chris Sacca, Lowercase Capital

New York

Ed Colloton, Bessemer Venture Partners
Bob Goodman, Bessemer Venture Partners
Chris Dixon, Founder Collective
Roger Ehrenberg, IA Venture Strategies
Maria Gotsch, New York City Investment Fund
Owen Davis, NYC Seed
Kathryn Wylde, Partnership for New York City
Jeff Martin, Rho Capital Partners, Inc.
Joshua Ruch, Rho Capital Partners, Inc.
Habib Kairouz, Rho Capital Partners, Inc.
Martin Vogelbaum, Rho Capital Partners, Inc.
Jordy Levy, Softbank Capital
Ron Schreiber, Softbank Capital
Eric Hippeau, Softbank Capital
Fred Wilson, Union Square Ventures
Brad Burnham, Union Square Ventures
Albert Wenger, Union Square Ventures
David Pakman, Venrock

Pennsylvania

Josh Koppelman, First Round Capital
Chris Fralic, First Round Capital
Howard Morgan, First Round Capital

Texas

Chris Pacitti, Austin Ventures
Thomas Bell, Austin Ventures
John Thornton, Austin Ventures
Phil Siegel, Austin Ventures
Craig Milius, Austin Ventures
David Lack, Austin Ventures
Joe Aragona, Austin Ventures
Ross Cockrell, Escalate Capital
Tony Schell, Escalate Capital
Matt Crawford, PTV Sciences
Evan Melrose, PTV Sciences
Rick Anderson, PTV Sciences

Utah

Blake Modersitzki, UV Partners
Ben Dahl, UV Partners

Washington

Robert Nelson, Arch Ventures
Andy Sack, Founders Co-op
Greg Gottesman, Madrona Venture Group
Tom Alberg, Madrona Venture Group
Matt McIlwain, Madrona Venture group
Tim Porter, Madrona Venture Group

Washington continued

Geoff Entress, Rolling Bay Ventures

Ed Lazowska, University of Washington

Bill McAller, Voyager Capital

Eric Benson, Voyager Capital