

# UT business incubator gets \$6 million gift

By Lori Hawkins, May 3, 2012

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University of Texas officials will announce today a \$6 million gift to expand Texas Venture Labs, a 2-year-old entrepreneurship and incubator program for graduate students.

With the infusion from Fort Worth entrepreneur and businessman Jon Brumley, the incubator will be renamed Jon Brumley Texas Venture Labs.

The program, which is part of UT's McCombs School of Business, connects Austin startups with graduate students in business, engineering, law and natural sciences. The students receive class credit for their work with the startups.

Each semester, startups work with the students, who carry out market validation studies, financial analysis, business model assessment, competitive analysis and due diligence projects. To date, Texas Venture Labs has worked with 40 companies that have raised more than \$25 million in investment capital.

"This investment is a game changer that enables us to expand the scale and accessibility of the Texas Ventures Labs model," said Thomas Gilligan, dean of the McCombs School of Business. "It's a vote of confidence as well, because of the reputation of Jon Brumley as an entrepreneur, a business builder and a distinguished graduate of McCombs and the Wharton School of Business."

Brumley, 73, received a business degree from UT in 1961, and has founded six oil and gas companies, all of which have been listed on the New York Stock Exchange. In 2005, Forbes magazine named Brumley and son Jonny its Entrepreneurs of the Year.

"Texas Venture Labs is a gem in the Texas entrepreneurial ecosystem," Brumley said. "It provides critical, hands-on experience for aspiring entrepreneurs who learn as students the effort required to get a new venture through the financing process. For me, this gift is an opportunity to build our capacity to grow the economy of Texas, while giving a leg up to young entrepreneurs."

Brumley's gift will be used to expand existing programs, and to take the program to other UT campuses.

"We'd like to start with MBA programs run by UT in Houston and Dallas, and potentially go to medical schools," said Rob Adams, director of Texas Venture Labs. "We're trying to expand all around Texas."

Other McCombs alumni also have provided funding to the program, including Austin investment manager and entrepreneur Beau Ross as well as Daniel Nelson and Robert Reeves, who founded Phurnace Software as UT students. BMC Software acquired Phurnace for an undisclosed price in 2010.

Texas Venture Labs also sponsors the annual Global Venture Labs Investment Competition, which is being held on campus this week and brings MBA students from around the world to pitch their businesses.

The gift will be announced by UT President Bill Powers and Gilligan during the competition, which runs today through Saturday at the AT&T Executive Education and Conference Center.