

ALUM

Matters

A newsletter for alumni of the Department of Computer Science

A successful venture for A. Anthony Gee

A ANTHONY GEE'S (BS '90) VENTURE CAPITAL FIRM, Carthage Venture Partners, derived its name from the ancient city-state in North Africa that was a rival to Rome and the birthplace of Hannibal. In 217 BC, Hannibal set out to invade Italy with a small force of hand picked troops, crossed the Alps with a full baggage train and elephants, and overran the Roman force with his cavalry, leaving Rome nearly defenseless. Gee's partnership has also set out to conquer a rival – the low success rate for early stage software start-ups.

Gee and his partners were inspired by Hannibal's ingenuity, commitment, and tactical prowess. The Carthage team feels that they have the same right stuff as Hannibal - a graceful combination of tenacity, teamwork, and contextual skills. "Carthage is the embodiment of our entrepreneurial, financial, and technology skills," says Gee. Along with Carthage Ventures, Gee himself has been on a career path to success. He is currently the managing partner of the New York City-based venture capital firm that he founded in 1996 along with UMass Amherst Engineering alumnus Charles A. Sheffield and one other.

Carthage invests in the companies that have the most promising business plans for success, but that others may have overlooked. One of the company's funds, Carthage's Venture Fund LP, is a limited partnership that was formed to make equity

and equity-related investments in information technology and communication companies. The Fund was formed in January 2001 and was capitalized by institutional investors with \$15.15 million. While the fund is still in its early stages, it has achieved success. Though Carthage tends to invest in companies where the product is already developed and where a few customers are already in place, it still considers compelling companies at an earlier stage. One of the Fund's most successful early stage portfolio companies is B2eMarkets. Carthage was the first institutional investor in B2eMarkets, a company that employed only its two founders and had no customers. Now the company has about 100 employees, is considered the leading strategic e-sourcing company by many analysts, and its customer list includes Ford, Delta, Hewlett Packard, Merck, and 3M. "It is very fulfilling to see a company go from vision to a leading enterprise," says Gee.



A. Anthony Gee

Having been together since 1996, Gee and his partners have formed a bond that transcends business and allows them to tap into the strengths of each other so that they never feel alone. "Running your own firm is exhilarating, challenging, and sometimes just plain scary," says Gee. "Getting started is always the most difficult part of any venture." Gee's firm was fortunate to find some mentors and investors that believed in them and their

vision, and that gave them the opportunity to get started. Today, in this challenging market environment, those same early believers are still with Gee and his partners in the form of investors and advisory board members. "I think that if anyone knew ahead of time how difficult the road to starting and building a firm from scratch would be, many firms would not have been started," says Gee. "However, once you are in the middle of it, it becomes very hard to turn back."

Turning back is something that Gee has no plans to do. Even with a downturn in the economy, there are still good investments to be made and new challenges to overcome. He believes that now is actually a good time to invest because valuations, the price of investments, are low.

The challenging part for Gee right now is "exiting" investments. As investors, they have to, at some point, receive a return from their investment. This typically comes about through an initial public offering (IPO) or a sale of the company. Because of the tough economic environment, both are very difficult right now. It is also difficult for Carthage's portfolio companies to sell their products to Global 1000 corporations. When these companies can't sell products, their revenue decreases and then they typically need more venture funding. This puts significant pressure on both the company and its investors.

Gee knows well the pressure of running a business, but he decided early on that he wanted to be an entrepreneur. He graduated from UMass Amherst with a bachelor's degree in Computer Science in 1990. While at UMass, Gee was a National Science Foundation Scholar. He enjoyed his experience at UMass. "I was very active in social issues and campus politics," says Gee. "I think the multitude of experiences allowed me to become a well balanced individual." While at

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Alumni Connections

Satinder Singh (Ph.D. '93) became an Associate Professor at the University of Michigan in Fall 2002. Prior to joining Michigan's Electrical Engineering and Computer Science department, Singh spent a year as chief scientist of Syntek-Capital, a global venture capital company. While at UMass Amherst, Singh was advised by Professor Andrew Barto.

Two of Professor Victor Lesser's former students have also recently received tenure. **Norman Carver** (Ph.D. '90) received tenure from Southern Illinois University Carbondale and **Keith Decker** (Ph.D. '85) received tenure at the University of Delaware. Carver is an Associate Professor in the Department of Computer Science at SIUC and Decker is an Associate Professor in Delaware's Department of Computer & Information Sciences.

Jonathan Vos Post (M.S. '75), was recently teaching in the Computer Science Department at California State, Los Angeles and also was an adjunct professor in Astronomy at Cypress College. One of Vos Post's current ventures is his web domain, Magic Dragon Multimedia (<http://magicdragon.com>), which is in its eighth year and gets over a million hits per month. Vos Post can be contacted at jvospost@hotmail.com.

Gee (from page 6)

UMass, he developed strong relationships with UMass administrators such as Rick Townes, former Assistant Vice Chancellor for Student Affairs, and former Chancellor Joe Duffy. Gee still sees Duffy in Washington D.C. from time to time.

When asked what advice he had for students and graduates to help them compete in the business arena, Gee responded, "I think the three most important things that I can tell students and graduates are:

1. Be passionate – It is not enough just to be talented, or to work hard. To truly be successful, it takes passion.

2. Learn to communicate effectively – As scientists, we don't focus enough time or

Sandholm receives awards for scientific achievement

TUOMAS SANDHOLM, (Ph.D. '96), has received two of the scientific community's prestigious awards: the Computers and Thought Award, presented by the International Joint Conference on Artificial Intelligence (IJCAI), and the Sloan Research Fellowship, presented by the Alfred P. Sloan Foundation.

As the honoree of the 2003 IJCAI Computers and Thought Award, Dr. Sandholm will be a featured lecturer during the 2003 IJCAI Conference in Acapulco, Mexico. The award is presented every two years to a prominent young scientist working in the field of artificial intelligence. First presented in 1971, the award has recognized the efforts of 17 leading scientists.

As a 2003 Sloan Research Fellow, Sandholm receives a two-year grant. The Sloan Foundation currently awards 112 fellowships each year. Twenty-six Sloan Fellowship recipients have gone on to win the Nobel Prize.

Sandholm is Associate Professor in the Computer Science Department at Carnegie Mellon University and recently received tenure. At CMU, he is also the Director of the Agent-Mediated Electronic Marketplaces Lab. He received his Ph.D. and M.S. degrees in computer science from UMass Amherst, studying with Professor Victor Lesser. Sandholm has published more than 130 technical papers. He has also received several academic awards including the 2001 ACM Autonomous Agents Research Award and the 1997 National Science Foundation Career Award.

Sandholm is the founder, chairman, and chief technology officer of CombineNet (www.CombineNet.com). Leading companies such as Bayer Corporation, PPG Industries, Heinz, and Procter & Gamble are using the company's combinatorial optimization technology for strategic sourcing and procurement. For more information, contact Sandholm at sandholm@cs.cmu.edu.



In memoriam

Karen (Erickson) Huff (Ph.D. '89), died at the age of 56 on June 21, 2002, at her home in Winchester, MA after a lengthy battle with cancer. Huff was a researcher, project leader, and department manager in the advanced software laboratory at GTE Laboratories in Waltham, MA. She had a strong interest in applying emerging technology to improve software engineering and business practice, and authored many technical papers on these subjects. Prior to GTE, Huff was a software engineer and project leader in the compiler division at Intermetrics, Inc. in Cambridge, MA. She enjoyed early New England architecture, was a student of the textile arts, and was an accomplished spinner and handweaver. Her experiments applying computer graphics to textile design were featured in *Computer World Magazine*.

energy on our communication skills. Learn how to communicate the good and the bad effectively and succinctly.

3. Develop durable relationships – Your ability to establish and maintain relationships will ultimately determine how far you go."

For academics interested in attracting investors, Gee advises them to work at understanding and articulating what the true market opportunity is for their business. "VCs [venture capitalists] like to see a dedicated management team, a technology that is not easily replicated, and a market that is very large," says Gee.

Gee feels that his degree in computer

science gives him the foundation to understand the world of technology and in turn operate in the world of business. "In venture capital, technology and finance are tightly coupled," says Gee. "The first thing I must do is understand the technology and then understand the technology's potential economic impact." Since most high tech venture capitalists have a computer science or engineering undergraduate degree and an M.B.A., Gee followed that same path.

He decided to pursue an M.B.A. while working at his second job after graduating from UMass Amherst, a technology think-

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