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## City gets coveted TechNet Branch

*Prestigious lobbying firm could boost tech fortunes*

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Indianapolis has landed the nation's third branch of high-powered Silicon Valley lobbying group The Technology Network—a move that local tech supporters expect will significantly raise the state's profile and help transform the region's cornfield image to one of technology.

TechNet, whose member companies read like a Who's Who in the technology world, plans to open a two-person office here in early June. It initially will be headed by Brian Williams, a board member of Gazelle TechVentures and co-founder of merchant bank Monument Advisors.

The lobbying firm, which also operates political action committees, is a national bipartisan political organization. TechNet was founded by two partners of venture capital firm Kleiner Perkins Caufield & Byers, former Netscape CEO Jim Barksdale and Cisco Systems' John Chambers.

Among TechNet's key issues is support for raising the government visa allotment for technology workers, more free trade to China and the continuation of the pooling accounting method often used in corporate mergers and acquisitions.

The Indianapolis office, referred to by TechNet as a "node," leapfrogs future TechNet offices in high-profile technology centers, such as Boston and Portland, Ore.

"We are getting a fair amount of publicity and when I mention we have this node in Indianapolis, it piques their interest," said TechNet CEO Roberta

Katz about the national media.

Jeff Modisett, the former Indiana attorney general who left his post recently to work as vice president and Democrat general counsel for TechNet, said the announcement should bring the city attention from venture capital firms and technology companies looking to expand.

"Do you realize how many people are going to read this nationwide and say, 'Indiana is the next node for TechNet?' I didn't even know it was a technology state."

Indianapolis wasn't originally on the group's list for a new branch, Modisett said. While Modisett takes credit for helping to shorten the time to bring a TechNet branch to Indianapolis, he credits Indianapolis technology entrepreneur Scott Jones with establishing the strategy that's making it happen.

Jones said he will personally back the office if Indiana doesn't raise the membership dues needed to support a minimum annual operating budget of \$250,000. Jones made the commitment as long as TechNet made Indianapolis its next outpost. TechNet established its first branch in Austin, Texas, last September after establishing a main office in Palo Alto, Calif., and another branch in southern California.

"It achieves what I want—to turn some heads outside Indiana, which to some extent turns heads inside Indiana,"



Jeff Modisett

Jones said.

Jones is hoping Indianapolis' inclusion in TechNet will get some attention from technology graduates in Indiana universities who typically flee to the coasts after graduation.

"This begins to make a statement that we do, in fact, have technology here and that some real interesting things will be happening in Indiana over the next few years," Jones said.

He said he sees the TechNet branch as the legislative extension of the more-than-300-plus member Technology Partnership of Central Indiana, a group affiliated with the Indianapolis Economic Development Corp. Jones said he got enough "soft nods" from several partnership members concerning TechNet membership that he thinks it can be financially supported.

While TechNet hasn't poured much money into the coffers of individual candidates, it has garnered notice for its receptions that have raised \$3 million to \$4 million from its members in 1999.

So far, the group has donated \$45,982 to federal candidates from both parties in the 1999-2000 election cycle, according to the Federal Election Commission. None of the candidates was from Indiana and few were from the Midwest.

TechNet members with up to \$25 million in revenue, which is where the majority of potential Indianapolis members would qualify, pay \$3,000 in annual dues.

Harold Apple, CEO of Vector Technologies, which develops software for the insurance industry, said he's going to

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take some of the money he used to spend on lobbying the General Assembly—\$50,000 since 1992—and put it into TechNet membership.

But, in addition to boosting tech companies' lobbying efforts, Apple said he's hoping others outside the state will take note.

"Ideally, they will recognize Indiana is making a concerted effort to be a local player by being the second entity [outside of California] to sign on," he said. "I do think it will raise the state in [terms of] respect and [make others] recognize that we are a competitive entity."

Jones will serve as the bipartisan chairman of Indiana TechNet as well as serving on the board of the main TechNet organization in Silicon Valley.

Steve Crane, CEO of Hanover Communications LLP and National Notification Center LLP, will be the Democratic vice chairman. A Republican vice chairman hasn't been announced yet.

Brian Williams, who will initially run the downtown TechNet office from the Guaranty Building on Monument Circle, said he and Jones were considering creating a bipartisan political action committee in Indiana before they even knew about TechNet.

After meeting with TechNet representatives, Williams said, it made more sense to work with the group.

"We said, 'If we could work with these guys, it would assist us tremendously in Indiana,'" Williams said. "Next year when the 21st Century Fund is revisited by the General Assembly,

it's important for Scott Jones to say that this is important. But it's also important if James Barksdale [does], too."

The 21st Century Research and Technology Fund was established to funnel \$50 million into high-tech projects expected to have an economic impact on the state.

Jones and Williams said the state branch of TechNet also will focus on local issues, such as the research and development tax credit, reducing the state inventory tax, establishing daylight saving time, more direct flights to and from tech centers, and expansion of the 21st Century Fund. •



*Brian Williams*