LIQUID I.V.

Sugar Free Hydration Electrolytes,...
Hydration Replenishment After Workouts
4.7 711
$19.66 $21.84 prime
Subscribe & Save 10%

The Networkers

November 23, 2008 More than **17 years ago**

Make us preferred on Google

The Networkers

Robert Neelbauer runs Washington area jobs listing site JobMatchBox.com and management consulting firm StaffMagnet, and he hosts Social Matchbox, a quarterly tech jobs recruiting event.

Get a curated selection of 10 of our best stories in your inbox every weekend. →

Peter Corbett is chief executive of interactive marketing and consulting firm iStrategyLabs and co-hosts Twin Tech parties, designed to promote discussion between the government contracting set and a newer crop of Internet-focused entrepreneurs.

These guys are sometimes called the glue of Washington's tech community. In addition to running their own District-based companies, Robert Neelbauer and Peter Corbett organize the events that give disparate groups of developers, engineers, executives and investors an excuse to get together.

Advertisement

The most recent Social Matchbox, held last week, was more of a demo night than a recruiting speed-dating round, "because fewer people are hiring these days," said Neelbauer, a former Capitol Hill staffer. He said he has prepared for a slowdown at his own firm, Staffmagnet, by cutting costs and consulting on a wider range of projects as fewer companies are looking for employees.

Corbett, a former concert producer, fashion-show videographer and advertising media planner, has picked up a few tricks for throwing a party. The last Twin Tech get-together attracted 1,050 people, and his current challenge is finding a venue big enough for the next one.

"There are so many smart people sitting in the basement of the DoD [Defense Department] or an association, and in order for the community to grow we need to meet more of these people," he said.

Last month he worked with the District government to put together a contest, called Apps for Democracy, for software developers to design mobile and Web applications that would allow citizens to access government data. Getting citizens involved with government projects saves local resources and generates business for start-ups, Corbett said.

The Advisers

Raul Fernandez is chairman of ObjectVideo; board member of Web-hosting firm Network Solutions; investor in and adviser to mobile ad firm Mobile Posse, equity firm General Atlantic and tech incubator LaunchBox Digital; and part owner of the Washington Capitals, Wizards and Mystics.

Advertisement

00:15

Learn more

Ted Leonsis is chairman of online payment service Revolution Money; board member of widget-maker Clearspring; majority owner of Snag Films; investor in LaunchBox Digital; investor in and adviser to GridPoint; and majority owner of the Capitals and Mystics.

The longtime friends and business partners are familiar with what it takes to survive a serious slowdown.

"2009 is going to be just as bad, if not worse, than the quarter we've just seen," Raul Fernandez said, noting the super-tight credit conditions, big drops in consumer spending and spiraling stock market. "No one knows where the bottom is."

He started his first company, Proxicom, in 1991 in the midst of a downturn, and said he was able to stay afloat by keeping his expenses low and getting paying customers almost immediately. He's now imparting his lessons learned to the next generation of entrepreneurs.

"It's all about surviving the next 12 to 18 months," he said. "Ideas that aren't fully baked will not get funded."

While Fernandez stresses the importance of conserving cash, Leonsis emphasizes the opportunities hidden in the slump.

"It's important to focus not just on cutbacks, but what the company feels like after you survive," Leonsis said. "It's been a healthy exercise for all our young CEOs to ask, 'What must we do and what's frivolous?' "

Advertisement

Both Fernandez and Leonsis agree that companies working to help people save money and energy could have big potential.

"Anything that helps people and companies be more efficient is going to get attention, because we're all trying to do more with less," Fernandez said.

For example, Fernandez is an investor in Algentis, a San Francisco company that handles human resource needs for small businesses that can't afford their own full-time staff.

Leonsis and Fernandez said that to their surprise, fans are still attending hockey games. "If people are going to spend the money, they want to watch something they enjoy," Fernandez said.

The Funders

Phil Bronner is a partner in Novak Biddle Venture Partners and an investor in and board member of Clearspring, Webs.com (formerly Freewebs), Social Gaming Network, InGrid Home Security, Netcordia, Approva, Vision Chain and Clear Standards.

Don Rainey is a partner in Grotech Ventures and an investor in and board member of Arpu, Clarabridge, LivingSocial and Zenoss.

Many people look to the smart-money investors for direction. These venture capitalists say they're staying their course, with money in e-commerce and social media.

"The greatest harm is being slow to react," Rainey said. "It may bring opportunity or it may bring negative impact. It's best to be alert, talk to customers as much as you can to find out how people are viewing the situation."

Advertisement

Bronner sees the downturn as a way to "clear the clutter" of the Web 2.0 companies that have proliferated over the past couple of years. "At the end of the day, the strongest companies are going to emerge winners."

Rainey said today's local tech community is full of alumni from heavyweights like AOL, Sprint Nextel and MicroStrategy -- a resource the region did not have the last time the tech sector took a hit eight years ago.

"Every generation of high-tech start-ups begets other generations," he said. "A successful start-up is going to convince three or four other people they can do it. Even if it's not the best of economic times, we're doing well in terms of our entrepreneurial class."

Bronner agrees. "Back then we didn't have mentors who had done it before," he said. "We have that now in every sector."

He's taking bets on businesses that promote efficiency. Today, he plans to announce participating in a $4 million investment in a Sterling software firm called Clear Standards, which helps companies affordably reduce their carbon footprint.

"The maxim is that great companies are created in downtimes," Rainey said. "You do get rewarded if you can grow when it's not easy to grow."

The Chief Executives

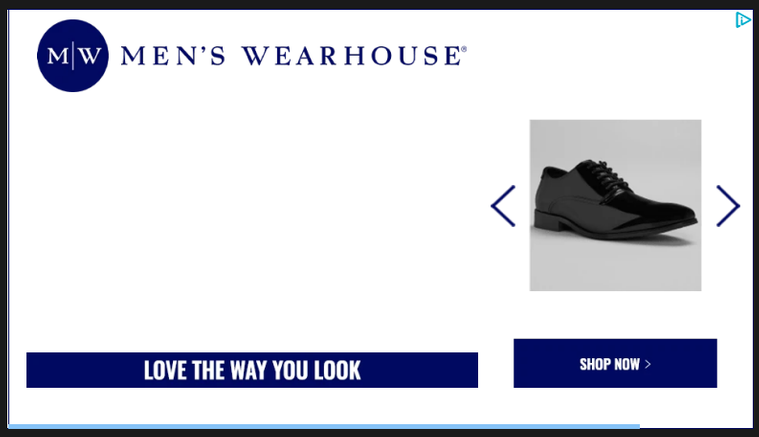
Haroon Mokhtarzada is chief executive of Webs.com, formerly Freewebs.

Hooman Radfar is chief executive of Clearspring.

Clearspring and Webs.com have become known as the staples of the local Web 2.0 start-up community.

This is the first economic downturn Mokhtarzada and Radfar, both 28, have experienced in the business world.

Advertisement



"I never had a job before this," said Radfar, who founded the widget syndication firm two years ago as a Carnegie Mellon University grad student.

Radfar declined to say whether Clearspring was profitable. But in May the firm received $18 million in funding to keep it going. Radfar said he is continuing to work with publishers and advertisers to reach Web surfers. "Monetizing is the next step," he said.

Last week, Mokhtarzada rebranded Freewebs as Webs.com. The change reflects the company's evolution from a make-your-own Web site platform to more of an online community.

Webs became profitable in the third quarter, but Mokhtarzada is still carefully watching spending. "Any good CEO right now should be at least cautious, even if they're optimistic," he said. "It's a very tough environment to raise any capital. There's definitely going to be a lot more focus, just like during the last tech bust, on companies that are generating revenue."

Radfar said the tech community has grown much more diverse since he arrived in Washington. "There is a strong base of entrepreneurs who get the Internet and data," he said.

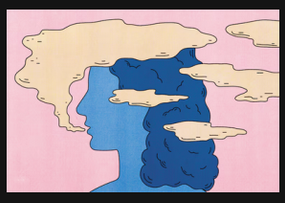
The economic slide could reduce the number of entrepreneurs willing to take the risk to start a new company, Mokhtarzada said. "But a lot of great entrepreneurs start the way we started," by funding themselves instead of finding investors. "It's a good opportunity to do that."

Most Read

Column Michael J. Coren

This company has built a solar car. I took it for a drive.

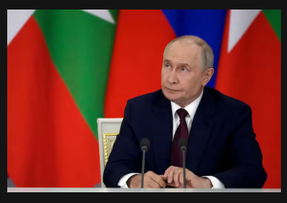
Earlier today



Column Richard Sima

We asked scientists: Is it okay to use a little bit of cannabis?

Earlier today



Putin pledges support to Iran, rallies leaders to challenge U.S.

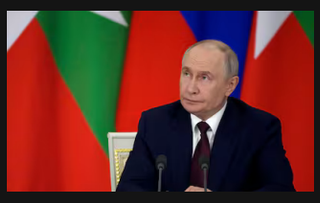
Earlier today

View 3 more stories

More for you

Putin pledges support to Iran, rallies leaders to challenge U.S.

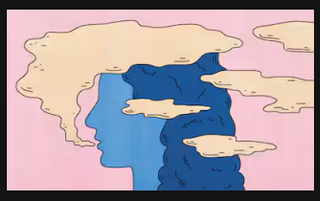
Today at 1:23 p.m. EDT



Column Richard Sima

We asked scientists: Is it okay to use a little bit of cannabis?

Today at 5:00 a.m. EDT



College student steps into traffic, is killed after losing immigration status

Today at 1:47 p.m. EDT

House GOP censures one of its own over conduct with female staffers

Today at 6:55 p.m. EDT

Germany blames Russia for drone attack on airport, announces countermeasures

Today at 6:23 p.m. EDT

Most read

1 **Column** Michael J. Coren

This company has built a solar car. I took it for a drive.

2 80-year-old senator fends off younger challenger. See live results.

3 **Column** Richard Sima

We asked scientists: Is it okay to use a little bit of cannabis?

4 Putin pledges support to Iran, rallies leaders to challenge U.S.

5 College student steps into traffic, is killed after losing immigration status

NEWSLETTER | AS NEWS BREAKS

Economy & Business Alerts

Important breaking news emails on the issues around the economy and business.

Sign up

Paid Promoted Stories

Men Over 40 Are Ditching the Blue Pill for This 7x…
Health Journal

Honey: The Greatest Enemy of Memory Loss (S…
epericvital.com

A Billionaire's Reading List: 5 Books Cuban Sa…
Blinkist

Ask a Pro: "I Have $1.1M In Retirement…
SmartAsset

Spinal Stenosis Is Not From Tight Muscles. Meet T…
SmoothSpine

After 60, Leg Strength Comes From One Simpl…
primenutritionfindings.com

The Washington Post

Company
About The Post
Newsroom Policies & Standards
WP Creative Group
Workforce Demographics
Careers
Media & Community Relations
Accessibility Statement

Sections
Trending
Politics
Elections
Opinions
U.S. News
World
Style
Sports
Business
Climate
Well+Being
D.C., Md., & Va.
Obituaries
Weather
Arts & Entertainment
Recipes

Get The Post
WP Intelligence
Enterprise Subscriptions
Manage Your Subscription
Gift Subscriptions
Newsletters & Alerts
Washington Post Live
Reprints & Permissions
Post Store
Books & E-Books
Print Archives (Subscribers Only)
Today's Paper
Public Notices
Crosswords & Games
Download on iOS
Download on Android

Contact Us
Contact the Newsroom
Contact Customer Care
Contact the Opinions Team
Advertise
Licensing & Syndication
Request a Correction
Send a News Tip
Report a Vulnerability

Terms of Use
Digital Products Terms of Sale
Print Products Terms of Sale
Terms of Service
Privacy Policy
Cookie Settings
Submissions & Discussion Policy
RSS Terms of Service
Sitemap
Ad Choices
Your Privacy Choices

washingtonpost.com © 1996-2026 The Washington Post