

# WALL STREET JOURNAL

## INNOVATE FOR AMERICA AIMS TO SHOW THAT IMMIGRANTS CREATE U.S. JOBS

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Venture capitalists are pushing to allow more highly educated immigrants into the U.S., saying this is essential to ensuring that the country remains an innovation leader.

One argument they use is that immigrants create jobs by starting companies. Scott Sandell, general partner at New Enterprise Associates who leads the venture firm's technology investing, wants to support this assertion with better data.

He and three NEA colleagues—Carmen Chang, Chetan Puttagunta and Sheel Tyle—have launched Innovate for America, an organization that seeks to enlist immigrant-founded businesses to provide jobs data. Here is an edited interview with Sandell about the effort.

What is Innovate for America?

It's a nonprofit organization and the mission for Innovate for America is to help Americans in the general public understand the impact that immigrants have had on this country in particular in the ways in which immigrants have created jobs for people here in America. We're not a policy organization, we're an educational organization. The cleanest and simplest thing that we aim to do is to understand the number of jobs that have been created by companies where there is at least one immigrant founder, and the jobs that we're recording are the jobs created in America as opposed to a company creating jobs overseas, for example.

What led you to found the organization?

I have been a venture capitalist for 18 years in Silicon Valley and before that in startups and I've seen that there seems to be a disproportionate number of companies started by immigrants. I don't know entirely why that is, but my simple explanation is that immigrants by definition are risk-takers and adventurers and explorers. They leave their homeland, they move somewhere else, in this case to America, and they're much more likely to do innovative things. Today, as many people here in Silicon Valley know, almost half the companies backed by venture firms are started by at least one immigrant. What I have found is that there's a big disconnect between that understanding here in Silicon Valley and what I find when I go to other parts of the United States.

Why do you think that is?

For one thing, if you're not here every day seeing who works in these companies, then it's hard to know who starts companies. Companies don't advertise this sort of thing on their websites historically, and I think there's a reason for that, which is that most immigrants who come to America are trying to fit in.

What do you plan to do with the information?

We're principally focused on collecting data. Every day we will update the total number of jobs created by all of the collective companies that participate. We will post that, not just on our website, but on a widget which can be embedded on anyone's website who would like to highlight this to their constituencies. So, for example, the participating companies have the option of doing that and many have chosen to do so.

How do you plan to make sure this information is accurate?

There will be an initial screening by our organization before we add the data into the total and then we're in conclusive discussions with one of the major accounting firms, which has agreed to audit this data to make sure that it's accurate.

Do you have any plans to use this data to change opinions in Washington?

We think there are lots of organizations that have a lot more resources than we do who are trying to effect change in Washington. We're much more of a grassroots organization. I have talked to politicians on Capitol Hill and what I've found is that they are often well-informed about impact that immigrants have had on starting companies in Silicon Valley and other places in America, but they know that when they go home, their constituents are not generally as well-informed, so they're not in a position to take a strong stand in many cases on some form of immigration reform...We are gathering this data on a zip-code-by-zip-code basis to understand exactly where the jobs are being created. I think one of the perceptions people have is that okay, maybe in Silicon Valley there are a bunch of immigrants creating companies and jobs, but that doesn't really help me in Ohio.