

# As Dallas accelerator Tech Wildcatters looks for big wins, it invests \$100K in startup

 [www.dallasnews.com/business/business/2016/08/15/dallas-accelerator-tech-wildcatterslooks-big-wins-invests-100k-startup](http://www.dallasnews.com/business/business/2016/08/15/dallas-accelerator-tech-wildcatterslooks-big-wins-invests-100k-startup)

Dallas accelerator Tech Wildcatters will invest \$100,000 in one of the startups in its program, the largest single investment in its seven-year history.

For Tech Wildcatters, the investment is part of a strategy to double down on the startups in its portfolio and help them scale, so they're attractive candidates for acquisitions, initial public offerings or similar liquidity events, CEO Gabriella Draney Zielke said.

Tech Wildcatters may invest \$100,000 in four more startups this year and up to eight startups next year, managing director and chief operations officer Robert Brevelle said. Brevelle said he's also working with three companies in the accelerator's portfolio that are interested in an exit.

"We do this to help startups realize their full potential. We also do this for our community to be successful," he said. "But at the end of the day we do it because we have this investor group and that investor group expects us, wants us, demands of us to make money."

The investment's recipient, Selery Fulfillment, stores, packs and ships items for small to mid-sized businesses, from hair product companies to an online kids' bookstore. It plans to raise about \$350,000 to move into a larger warehouse, hire more employees and build out its software, co-founder and CEO Justin White said.

Tech Wildcatters will lead the round and hold a syndicate dinner in September where investors in its fund can express interest in investing. Brevelle said he's already heard more interest from investors than Selery Fulfillment wants to raise.

He said Tech Wildcatters investors can now get a larger stake in the companies that are showing signs of success. Before, he said, they "would only get the first bite of the apple."

Selery Fulfillment brought in \$37,000 in revenue in July, White said. About 15 percent of that came from a part of the business that he expects to grow: preparing orders that can be delivered through Amazon Prime, he said. The company also customizes orders with personalized labels, gift wrapping or other unique touches, he said.

He said growing e-commerce sales have driven demand for Selery Fulfillment. He compared the business to selling pickaxes during the Gold Rush.

Tech Wildcatters, which started in Dallas about seven years ago, mentors and invests in early-stage startups. Its mission is similar to the Capital Factory in Austin, TechStars in Boulder, Colo., and Y Combinator in Mountain View, Calif.

But this year, the Dallas accelerator started [a new program called "The Gauntlet."](#) As part of the program, startups have to hit milestones before receiving any investment. If they progress, they can receive a total of \$30,000 from Tech Wildcatters in exchange for 8 percent equity. Startups that stand out can qualify for an additional \$100,000 in investment, as Selery Fulfillment did.

In late July, the accelerator [had a leadership shakeup](#) when Draney Zielke dismissed two executives: executive director Molly Cain and chief revenue officer Clarisa Lindenmeyer. Draney Zielke said she wanted to have a "lean, nimble team."

Since then, Draney Zielke has hired a new project manager, Steven Gehfeld. Gehfeld, a former Tech Wildcatters mentor, has worked at Ericsson, Versacom, and URS Corporation. She said she will soon hire an entrepreneur-in-residence who will mentor startups in the accelerator.

So far, 41 companies have entered the Gauntlet. Seven of the companies did not receive any investment. So far, Selery Fulfillment is the only one to reach the end of the Gauntlet, which is Level 5.

Tech Wildcatters is raising \$2 million of investment, the largest fund in its history. Draney Zielke said she's more than halfway to that goal. The accelerator is also expanding its downtown Dallas headquarters to add 20 offices for investors, mentors and startups that graduated from the program.

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