

7 Leading Accelerators For Overseas Startups Coming To Silicon Valley

Silicon Valley has become the epicenter of the startup universe, and with that comes a virtual tsunami of startups from all parts of the globe. These young companies are flocking to the home of Uber, Snapchat and Airbnb for a chance to change the world. They need venture funding, business relationships, mentorship, A-list talent and most of all strategic guidance.

Many of these startups seek out incubators and accelerators to help them plug into the Silicon Valley ecosystem, make connections and move fast. But how does a startup choose from the hundreds of accelerators out there? What makes one accelerator better suited for overseas startups than another?

We've taken an in-depth look at how accelerators operate in the Valley and come up with a short list of key factors that determine their success in dealing with foreign startups:

Overseas Experience — First, the accelerators must be familiar with how overseas startup founders think. It's critical that the accelerator's instructors have experience working with and teaching startups from all parts of the globe. There's ample room for communication problems and culture gaps. An understanding of these needs to be built into the structure of the program.

VISA Issues — The Accelerator must be familiar with immigration rules and be equipped to help the startups obtain the proper VISAs. Not all accelerators understand this, and that can be disastrous for the founders. They need guidance on obtaining the proper paperwork so they don't wind up being unable to complete the program.

Understanding Foreign Corporations — It's also critical for the accelerator to have lawyers on hand who can help the startups setup their companies properly in the United States. Many overseas startups are already incorporated in their home country. The problem is that most US investors won't put money into anything but a Delaware C Corp. The accelerator needs to connect them with lawyers who understand exactly how to set up the Delaware C Corp so that the US entity will be the parent company of the overseas entity. Lawyers also need to help with foreign IP issues around trademarks, patents and intellectual property rights.

Online Program — Many of the startups need help before they set foot in the United States. It helps if the accelerator has a robust online program that can educate the startup founders prior to landing in the Valley. There's a lot to learn, and accelerator programs are pretty intense, so it helps if the founders can prepare in advance. Ideally, they should learn the special Silicon Valley terminology, as well as gain an understanding of how to put together viable business plans, pitch decks, product validation, funding requirements ahead of time.

Strong Mentor Networks — Most startups coming here from China, Brazil or Estonia don't know many people and need guidance. The Accelerator must have an excellent mentor/advisor network that can help the startup make the right connections to get to the next level. It's also important that the mentors have worked extensively with foreign startups and understand exactly what they need when they land in the Valley.

Pitch & Presentation Training — The majority of overseas startups need help communicating their ideas. English isn't necessarily their first language, and they must be able to articulate their vision and plan to investors. Also, Silicon Valley has a certain style of pitching. Short, concise pitches that are laser focused on the big opportunity, product market fit, team, traction and market size. Many overseas startups simply don't understand how to do this correctly.

Global Program — The best accelerators for overseas startups have a blend of entrepreneurs from all over the world. It's not smart to have a country specific program, like Chinese startups only, because that leads to "group think". It's far better to have a wide variety of cohorts that include companies from the United States, Europe, Asia, etc. This way the startup founders each come with their own perspectives, ask original questions and tackle problems differently. In a well structured program, startup founders will learn as much from each other as from the instructors.

Strong Core Curriculum — The structure of the accelerator should be well thought through and cover all the necessary elements that startups coming from abroad require. This includes everything from lean startup methodology, marketing and PR to instruction on how to put together convertible notes and negotiate Series A term sheets.

Robust Ecosystem — Every accelerator has its own ecosystem, and some of them are much better suited for overseas startups than others. For overseas startups it's critical that this ecosystem includes CFOs who understand international finance, lawyers who know how to deal with overseas startups, partners who can provide housing for the founders, banks who are used to dealing with foreign startups, and marketing professionals who can help the startups launch in the US market.

Program Length — Many entrepreneurs come to the US on 3-month VISAs. This makes a 3-month accelerator program a challenge. Most of them need to come early to find housing and want to spend more time after Demo Day following up with investors. In addition, staying for 3 months makes it difficult for them to manage their businesses back home. They typically have engineers and other staff back in their home country, as well as customers and other relationships that need to be maintained.

Funding Relationships — Lastly, the accelerator needs to have strong relationships with the venture community, so they can help the startups with funding. It's vital that these relationships include investors who are open to startups with overseas operations. Many Silicon Valley VCs won't invest in startup unless they have significant traction in the US market. However, many of the overseas startups have traction in their home market but little to none in the US market. For early stage funding, it's critical that the accelerator have the relationships with the right investors who are open to overseas markets and can judge their potential.

Based on our research, below are some of the best accelerators we've come across for startups coming to the Valley:

Founders Space (<http://www.foundersspace.com/>) is the only one we found that meets all of the above criteria. They have a highly flexible program that is ideal for foreign entrepreneurs and have formed strategic relationships with governments and accelerators all over the world, including Korea, Austria, China, Singapore, Belgium, Japan, Holland, Brazil, Estonia, etc. In addition, Founders Space has a robust online accelerator that's being used in overseas universities and incubators.

500 Startups (<http://500.co/>) has done an excellent job of bridging the gap between Silicon Valley and the rest of the world. With their Geeks on Planes program and Dave McClure's presence, they've put together a top-notch program that caters to most of the needs that startup founders from abroad have. The results look good, and they're growing fast.

Tandem (<https://tandemcap.com/>) is another strong accelerator for overseas entrepreneurs. What sets them apart is that they focus on mobile only. They also invest a significant amount in each startup. They work with startups from every part of the world and act as their temporary home in the Valley.

Techstars (<http://www.techstars.com/>) has been setting up its own branches all across the US and has recently established operations in London. It stands poised to become a global powerhouse for incubating startups, and we expect them to continue to expand to other countries.

Y Combinator (<https://www.ycombinator.com/>) is the gold standard of startup accelerators. It's not as focused on overseas startups, but its program has A-list mentors, advisors and investors that more than compensate. It has successfully helped startups from all parts of the world get funded and brings a halo effect to its graduates.

Plug And Play (<http://www.plugandplaytechcenter.com/>) has aggressively courted overseas startups and attracts companies from every corner of the globe. It has relationships with a number of foreign governments and works to provide education and training for overseas companies. For the scope of its operations, it deserves to be on this list.

Wearable World (<http://wearableworldlabs.com/>) does a good job at incubating IoT startups. They have expert advisors in the IoT and wearable space and work with startups from all over the world. Their biggest strength is their focus.

Rock Health (<http://rockhealth.com/>) has also worked with overseas startups, but they are no longer an accelerator. Instead, they give startups \$250K and provide support as a fund would. They are focused on healthcare startups.

There are other great incubators and accelerators out there that cater to foreign startups, but these seven stand out as exceptional when it comes to providing a soft landing and the resources necessary to hit the ground running.