



Starting Your Business in South Carolina.

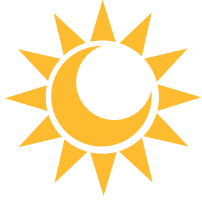
There has never been a
better time than right now.

By Steve Swanson

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Almost twenty years ago, [Automated Trading Desk](#), (“ATD”) formed when two professors and two College of Charleston graduates joined forces with the goal of automating the financial markets. “ATD” was based upon the simple concept that computers could be trained to trade like their human counterparts. At the time, this was a revolutionary concept which Wall Street was not yet ready to embrace. Today, the majority of volume traded in the US markets is handled by automated systems, and “ATD” trades a healthy 6 % of NASDAQ volume, nearly 6% of NYSE volume, and a staggering 19% of AMEX volume. All of this is done on “ATD’s” 17 acre technology campus in Mt. Pleasant, SC.

When we started “ATD,” there were few resources and very little support for a young and growing company in South Carolina. Raising capital was a foreign concept, as was entrepreneurial training. “ATD” got its start by raising \$100,000 seed capital from friends and family. Our first office was literally a converted garage, and in those early days lessons were learned by trial-and-error. Mistakes often prove fatal for such inexperienced companies and managers, but with some luck and a lot of perseverance, we survived those early years and built “ATD” into the highly successful company it is today. “ATD” now employs 110 individuals, and we have plans to hire an additional 50 employees in 2007. In January of this year, [Technology Crossover Ventures](#) (TCV), a well-known private equity and venture capital firm in the industry, invested \$60 million into “ATD.” This strategic deal with TCV will help further the growth of “ATD’s” businesses, and gives “ATD” the ability to leverage TCV’s strong market expertise.

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Things have definitely changed for the better in South Carolina. There are now a myriad of organizations and support structures with the goal of helping early stage companies. Most, if not all, of these initiatives did not exist more than 10 years ago. Examples include (but certainly are not limited to) [FastTracSC](#), [SCLaunch!](#), [InnoVenture](#), the SC Venture Capital Investment Act, and other efforts supported by [New Carolina](#) – SC’s Council on Competitiveness.

For several years FastTracSC, a [Kauffman Foundation](#) program, has been taught at several locations throughout South Carolina. Housed within the Charleston Metro Chamber of Commerce’s [ThinkTec](#), FastTracSC is a collaborative effort to spread the FastTrac program across the state with the goal of helping entrepreneurs “hone the skills needed to create, manage, and/or grow a successful business.” In hindsight, I wonder how such an educational

opportunity might have accelerated “ATD’s” growth. Thinking back, I had no concept of how managers influenced the development of their companies. Today, I have come to realize that management is THE most important ingredient towards the success, or failure, of any growing organization. FastTracSC is a phenomenal resource to help educate entrepreneurs about the realities of running a company.

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While certainly not perfect, the condition of capital formation in South Carolina has made significant strides in recent years. In particular, several programs have been established to create and support early stage capital investment. Today SCLaunch!, a collaboration of [SCRA](#) and the three state universities, is making \$200,000 seed investments in firms across the state. At InnoVenture, hundreds of entrepreneurs, investors, executives, and others gather each year to discuss, analyze and develop strategies for improving their businesses. In another important development, the state will begin to invest \$50 million towards encouraging venture investing through the SC Venture Capital Investment Act. While it is difficult to argue that we are where we need to be, these developments have had a positive effect for the state's early stage and growing companies.

"ATD" has accomplished tremendous growth in South Carolina. Our business has increased from handling less

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than one million shares a day 10 years ago, to trading over 400 million shares on peak days today. "ATD" competes head-to-head against the best and most capable firms on Wall Street. We have developed local talent, and our success has enabled us to recruit from around the world. "ATD" has created an environment where people are encouraged to succeed and are well rewarded for that success. The past 20 years have been an incredible journey for "ATD." I can only imagine where we would be had the

support structures that exist today in South Carolina been there when we started. ***As one considers the improvements in the entrepreneurial climate, it is easy to see there has never been a better time to start a company in South Carolina.***



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