For Bret Maxwell, engineering has never been about designing a tangible product or improving manufacturing processes. Engineering is a mindset, insists 57-year-old Bret Maxwell. It’s a way of thinking about the world and its possibilities that fits perfectly into his role as managing general partner at MK Capital, a Chicago-based venture capital firm that funds upstart companies in the cloud infrastructure, digital media, software, and educational technology sectors.

To date, MK Capital has invested upwards of $200 million in firms like GameFly, the nation’s leading video game rental and subscription service; DramaFever, a leading online video platform for international television shows and movies; and Smoothstone, a cloud-based communications provider that scored a $120 million deal from West Corporation in 2011.

A former Entrepreneur-in-Residence at Northwestern and an advisory board member at Northwestern Engineering’s Farley Center for Entrepreneurship and Innovation, Maxwell discusses his time at Northwestern and how his engineering education drives his investment success.

Was a career in business always the plan?

Not at all. I actually entered McCormick as a biomedical engineering major along with—it seemed—about two-thirds of the rest of my freshman class. In the late 1970s, you could only do one of two things with biomedical engineering: go to med school or teach biomedical engineering. During my freshman year, I volunteered 16 hours a week in the emergency room and operating rooms at Evanston Hospital and realized I didn’t have the bedside manner to be a doctor.

How did you land in industrial engineering?

I was in the freshman engineering program and confessed to one of the professors that business was far more appealing to me than medicine. He suggested I switch to industrial engineering and consider the 3/2 program, which would allow me to earn my MBA from Kellogg after completing all of my engineering classes, in a total of 5 years. That suggestion turned out to have a profound impact on my life and career.

How does your engineering background apply to venture capital?

Above all, McCormick helped me develop the analytical skills to frame issues, which helps me better understand a business’s potential. When you’re investing in a business, that ability to analyze its prospects is not just important, it’s critical. And once we have invested with an entrepreneur, those skills are very valuable in growing the business as well.

What do you most enjoy about the VC world?

Without a doubt, it’s working with entrepreneurs who start as small businesses with nothing more than fire and passion, but who then turn their businesses into something much larger.

Take a company like ADA RIT, a bootstrapped firm founded by Northwestern Engineering alum Vadim Vladimirskiy (’02). Vadim has built his cloud-based infrastructure company into a fascinating business that’s making significant headway, creating jobs, and solving real-world problems for many other companies. All of the businesses we invest in at MK Capital face ups and downs, but to watch them grow and succeed is a rewarding and remarkable process.

DANIEL P. SMITH

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