

MGP/T 244 – New Ventures

UC Davis GSM, Winter 2017

M. Lowe, Rev 1/06/2016

BASIC COURSE INFORMATION

Room: UC Davis GSM | Gallagher Hall | Room GH-2310

Class Meets: Tuesday, 6:30-9:30pm

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REQUIRED StudyNet Textpak: Course case studies

OPTIONAL textbook (reference only): Technology Ventures: From Idea to Enterprise, 4th Edition, Dorf & Byers, McGraw-Hill Irwin, ISBN 978-0-07-352342-2

COURSE SYNOPSIS

For much of the past 100 years, entrepreneurs have been the creators of many great enterprises. Many consider the formation of venture capital backed ventures to be the “extreme sports” of business. In this course we consider the formation of a significant new venture. The course is focused on the development and management of the new business ventures as an entrepreneurial enterprise. We will examine the characteristics of the successful entrepreneur and determine the critical steps in building or acquiring a growth business from startup to revenues of greater than \$10 million in a period of three years or less. Teams will develop a business plan that can be used to obtain the resources to build this business. The proposed new enterprise can be a new venture within an existing firm or the start of a completely new firm. Entrepreneurs build new businesses and create jobs and wealth. This is a course focused on the student participating in the building of the plan for an important new enterprise. A special focus will be on new ventures that create or use a new technology to create significant new value.

COURSE GRADING

There are 1,000 total points possible for the quarter. Grades will be assigned based straight percentage of total points as detailed below:

A	95% or above	B-	80% to 82.4%
A-	90% to 94.9%	C+	75% to 79.9%
B+	85% to 89.9%	C	<75%
B	82.5% to 84.9%		

The final course grade will be based on a combination of individual and team assignments. These assignments appear in the table below:

Graded Assignments	Points	Comments
Individual Class Participation	100	Active class involvement, intellectual engagement, and attendance
Individual Case Study (1-page write-up) Individual write-up not required for team case.	200	4 cases x 50 points per case. (4 remaining cases for teams presenting a team cases; choice of four out of five cases for teams presenting biz strat or financial plan in-class)
In-class Team Facilitations		
Case Study Facilitation (Five teams will present cases – Teams 1 thru 5)	100	Team leads 45 minute in-class case discussion or presents its business strategy or financial model.
Biz Strategy or Financial Model preso (30-min) (teams NOT facilitating case – A and B)	100	Teams will submit any presentations materials for evaluation
Biz Plan Intermediate Milestones/Deliverables:		
a) Team formation	n/a	Intermediate business plan milestones (concept, executive summary) are primarily for the team's benefit to provide structure for the development of the final business plan.
b) Business Concept (1-2 page)	50	
c) Biz Concept elevator pitch (5-min)	25	
d) Business Strategy Summary (5-7 pgs)	100	
e) 1 st pass financial plan	25	
f) Financial Model Due Diligence session	100	
Team Final Business Plan Presentation	100	Class will score each team on viability of the plan presented. Presentation will be no more than 20 minutes including Q&A
Team Final Business Plan (25 pages)	200	
Total Possible Score	1,000	

TEAM GRADED ASSIGNMENTS

Teams will consist of teams of 4-6 students depending on total enrollment. **Teams should be formed BY Session #1.**

Assignments will be 1.5-spaced with standard 1" margins and 10 or 12 pt font.

DUE DATES for team assignments in table on last page of syllabus.

The following is a brief description and expectation for the TEAM Assignments

1. Team Case Study Facilitation.

Teams 1 through 5 will be responsible for leading the discussion of one of the five assigned case studies in class. The team facilitation will be graded on the team's preparedness and **creativity in facilitating a high degree of class interaction and healthy debate.** The presenting team's and visual aids and materials will be submitted to the instructor for evaluation.

The class discussion should cover: key decision(s) and/or issue(s), the class-generated decision alternatives and/or pertinent facts/statistics both qualitatively and quantitatively where applicable, the class's recommendations, the presenting team's key takeaways, or general principles that are applicable to other industries, markets, and/or business processes that you have learned from this case.

Teams A and B will present their firm's financial plan to the class in lieu of facilitating a case study. See below.

2. **Business Concept Summary.** Each team will submit a written two-page proposal (**three page maximum**) and present a 5-10 min "elevator pitch" of their business concept in class.
3. **Business Strategy Summary Write-up.** Each team will submit a written executive summary of their new venture (**up to 7 pages**) summarizing the main points of the opportunity, and your hypothesis for the firm's business strategy in the context of developing a sustainable competitive advantage and the competitive environment.
4. **First-pass Financial Model.** Each team will use the financial planning spreadsheet (on CANVAS FILES) to do a first pass of modeling their business. Mandatory concalls will be scheduled to review and critique your first pass submittal.
5. **Financial Model Due Diligence Session.** Each team will submit a complete financial model using the provided business model excel template and participate in a 60 min financial due diligence session. The team will provide a 10-minute overview of their financial model using the five line chart, and answer questions and defend their plans orally. All team members must be present and contribute to due diligence Q&A. (**softcopy financial plan spreadsheet + due diligence concall**).
6. **Business Plan Presentation.** Each team is required to give a 30-minute presentation of their business plan to the class. Use effective communication means to convey your message. This will simulate the experience of entrepreneurs presenting their final pitch to the partnership of a VC firm for the final funding decision. The goal of the presentation is to introduce the team and convey sufficient information to the investors for them to vote to "fund the deal".
7. **FINAL Business Plan.** Each team is responsible for submitting a written business plan. The paper should be typewritten, and no more than 25-pages, NOT including appendices: tables, exhibits, and references.

INDIVIDUAL GRADED ASSIGNMENTS

All written assignments must be submitted via SMARTSITE on the due date. Assignments will be 1.5-spaced with standard 1" margins and 10 or 12 pt font. No e-mail submissions will be accepted.

Attendance for the full class period is expected. Missing one session (one morning or afternoon session for 6-hour full day meeting) is acceptable with prior consent of the instructor. Additional absences will penalize your grade.

Full class participation and preparation is required. When cases are scheduled, be prepared to address all the issues and background.

1) Written Case Analysis and In-Class Discussion

We will use case studies to enhance our learning. Each student is required to prepare a written case brief (**two pages maximum**) for each case. This assignment is individual-based.

Each student will be individually responsible for submitting four (4) case briefs during the quarter. You are expected to be equally familiar with the case content and equally active in class discussion as the team presenting the comprehensive case analysis in class.

Students in Teams 1 through 5 facilitating a case study in class will be responsible for individual write-ups of the remaining four cases. No write-up is required for the team case.

Students in Teams A through D will be responsible for individual write-ups for any four of the five assigned cases.

To provide additional flexibility to students who prefer to devote more time to the business plan project, there are two features which enable you to reduce your individual case study workload:

- ❖ **PASS OPTION.** Brief one-page write-up providing evidence you read the case. PLEASE INDICATE **PASS ON SUBMITTED PAPER.** Grade=42. You may elect to choose this option for any or all of your individual case study write-ups

You may use the case questions provided as a guide to your individual case analysis, but your written case analysis (2 page maximum) should contain the following:

1. Make a **RECOMMENDATION** or decision(s) **SUPPORTED** by the facts presented in the case(s)
2. **Defend/support** your recommendations with facts from the case or your own logic or knowledge
3. Complete any calculations or analysis required to support your recommendations.
4. Do **NOT** regurgitate of the facts of the case.

2) Final Self-Report and Team Assessment (1-page form due via email to instructor)

Each student is required to submit a **TEAM ASSESSMENT FORM** (to be distributed by instructor) with a self-report describing your specific accomplishments and efforts in building the business plan, cases and interviews, and your participation in the class discussion. The final self-report will also give a numerical assessment (0-150%) for each member of your team based on relative contribution.

MGP/T 244 CLASS SCHEDULE

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Ssn	Date	Topics	Reading	Assignment
1	Tuesday, Jan 10	The Entrepreneur Opportunity	Chapter 1, 2	Teams formed
2	Tuesday, Jan 17	Evaluating Opps Competitive Adv Sources of Capital	18 3	5 min “elevator pitch” Case #1 prep: Andreesen (textpak)
	Saturday, Jan 21 10:00 am			Team Business Concept Summary (2-3 pages)
3	Tuesday, Jan 24	Strategy Development Innovation	4	Case #2 prep: Solidworks (textbook)
	Wed, Jan 25 to Fri, Jan 27			Concalls scheduled for strategy coaching
4	Tuesday, Jan 31	Business Models Financial Planning	5, Magretta 17	
	Thurs., Feb 2 10:00 am			Team Strategy Paper (5-7 pages)
5	Tuesday, Feb 7	Go-to-Market Strategy, Sales & Marketing Global Business	11 15	Case #3 prep: Aegis Analytical (smartsite)
6	Tuesday, Feb 14 10:00 am	Financial Plan. Part 2 Venture Risk		Financial Plan diligence sessions (Teams A,B) 1st pass financial plan spreadsheet due Mandatory concalls to discuss 1 st pass spreadsheet
7	Tuesday, Feb 21 10:00 am Tues, Feb 21 to Thur, Feb 23	NO CLASS MEETING		Final Financial Plan spreadsheet file due Team Financial Due Diligence Concall

8	Tuesday, Feb 28	The Deal, Negotiating & Pitching Start-up Legal Considerations Guest speaker: Tim Bowers Partner, VLP	19	Case #4 prep: Hubspot (textpak)
9	Tuesday, Mar 7	Harvest, M&A Leading New Venture Guest speaker: Marcus Seiden Founder + COO Jardesca	6,8 12, 20	Case #5 prep: BioTransplant (exit strategy, M&A)
10	Tuesday, Mar 14	Team Presentation (6)		All teams present final biz plan (30 min incl. Q&A)
SUNDAY, Mar 20, 10:00 am Final Business Plan & Team Assessment Due by email				

*Business Planning CONCALL appointments will be reserved via Doodle invitation. Link will be provided. Dial-in for conference calls is below

CONFERENCE CALL DIAL-IN INFO

Dial-in: (641) 715-3287
passcode: 143769#

MGP/T 244 TEAM ASSIGNMENT SCHEDULE

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Firm	Team Case	Team Case/ Preso Date	5-min Elevator Pitch	2-3 page Concept Summary	Biz Strat Paper	Team Financial Due Dili Concall	Biz Plan Preso	Final Biz Plan*
1	Andreesen	Ssn #2	Ssn #2	SAT, 1/21	THU, 2/2	FEB 21-23	Ssn 9/10	SUN, 3/20
2	Solidwork	Ssn #3	Ssn #2	SAT, 1/21	THU, 2/2	FEB 21-23	Ssn 9/10	SUN, 3/20
3	Aegis	Ssn #5	Ssn #2	SAT, 1/21	THU, 2/2	FEB 21-23	Ssn 9/10	SUN, 3/20
4	Hubspot	Ssn #8	Ssn #2	SAT, 1/21	THU, 2/2	FEB 21-23	Ssn 9/10	SUN, 3/20
5	BioTransplant	Ssn #9	Ssn #2	SAT, 1/21	THU, 2/2	FEB 21-23	Ssn 9/10	SUN, 3/20
A,B	Financial Diligence	Ssn #6	Ssn #2	SAT, 1/21	THU, 2/2	FEB 21-23	Ssn 9/10	SUN, 3/20

★ SOFT COPY of Final Business Plan must be emailed to mdl.praxis@gmail.com and received **NO LATER THAN SUNDAY, MARCH 20th, 10:00 am.**

MGP/T 244 TEAM ROSTER

FIRM #	Co-Founders	Company Name	Business Concept
1	Melissa Ausilio Vicki Wells Sara McDermott Vu Trinh Kay Watt		
2	Carmen Perez Andrew Leach Yu Zheng Wendy (Yunwen) Duan Carrie Waterman		
3	Tagan Blake Robin Greenspan Reuben Edelson Peter Calvin Rouzbeh Kananizadeh		
4	Brenn Coyle Rong Shen Robert Bohn Yaxi Chen Shea Feeney		
5	Meng Han Keith McCurry Hilda Quiroz Fei Chang		
A	Tadeus Hartanto Saba Manmatharaj Anand Mudlapur Roshan Shrestha Shalini Shankar Xingchen Liu		
B			

Business Development Fellows in RED