BAEP 554: The Business Plan

Spring 2001

Wednesdays: 6:30-9:30 p.m.

Professor:
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Office hours:

Wednesdays: 4:00-6:00 p.m., and by appointment on Tuesdays, Wednesdays, and Thursdays. So that we are not interrupted during our visit, please make an appointment. I prefer that you e-mail me with your appointment request. It also works for short questions, as I respond to e-mail daily.

Course description:

This course takes a feasible business concept and, through the development of a business plan, gives students the knowledge and critical thinking skills needed to create exceptional new businesses that are customer centered and globally competitive.

Entrepreneurship is more than a set of tools and techniques for starting and growing a business. It's a mindset, a way of looking at things that is opportunity focused and creative. It's about passion - doing what you love. It's about creating wealth in all its forms: money, independence, power, and innovation. It's about challenge and persistence. And it's about writing new execution strategies for the way things are done. Entrepreneurship is not for the faint of heart, the timid, those who hate ambiguity, and those who want everything in black and white. It is for those who are self-motivated, independent, and persistent, have a sense of humor, can learn and bounce back from failure, and are willing to take and manage calculated risks.

Course goals:

This course prepares students to launch a new venture in all its many forms: a traditional start-up, a new venture inside a large organization, a virtual organization, or a buyout. The infrastructure, goals, and strategies of the venture will be reflected in the document known as the business plan. A variety of different business plans will be presented and discussed with the goal of making students aware that there is no one formula for a business plan but there are effective and ineffective ways to approach the plan. Each business venture, each industry, and each financial goal results in a unique structure and approach to the business plan and to the business as well. Having said that, there are commonalities across all business plans that will also be presented.

The environment for the course will be a seminar where interaction and teamwork are encouraged. Each student will choose a mentor (usually from the industry in which the student’s business is found) and both entrepreneurs and infrastructure people will join the class from time to time to provide additional guidance as students work their way through the business planning process.
Some of the topics that will be discussed in this course include:

- How to create a winning business plan for a digital world.
- How to create a vision for your company and establish core values to guide your decision-making.
- How to tell a compelling story - the “perception of a difference.”
- Process Strategy Design in Product and Service companies
- Legal structure and the tax implications
- Stock/ownership issues
- Start-up and growth financing strategies
- Start-up and rapid growth strategies for a digital world
- Harvest strategies
- Deal Negotiation in entrepreneurial situations

Required Materials:


Additional materials will be delivered via the Public Exchange Folder for this class. These are noted in the Course Schedule and include several sample business plans.

You will also be given supplementary reading sources in the syllabus. These are not required readings but are there as resources should you need them. Web resources are also given in the syllabus to provide you with additional sources of information on entrepreneurial topics.

**The Great Books**: These books come highly recommended if you enjoy reading about business issues.


**Student Role and Criteria for Evaluation of Student Work:**

This course provides a number of opportunities to learn about the business planning process. Learning is not limited to acquiring facts and knowledge, but also developing new skills, attitudes, and ways of thinking. The major project for the course is the business plan. Students will have complete freedom to establish milestones for the completion of the plan, with one exception. You have an opportunity to submit a draft plan by March 7 for my comments. This draft will be returned to you at the first class after spring break. All students will submit this draft no matter what the current status of the plan is. Your grade will reflect that you submitted the draft and that it was substantially complete, a work in progress, or substantially incomplete. Criteria for those three categories will be available the first day of class. You will not be judged on how much or how little you may have completed beyond these three broad categories. That is left for the final submission date. More specifically, your final grade will include these opportunities during the next 15 class weeks:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation/Class Discussion</td>
<td>20%</td>
<td>400 pts</td>
</tr>
<tr>
<td>Business Plan Draft</td>
<td>20%</td>
<td>400 pts</td>
</tr>
<tr>
<td>Final Business Plan</td>
<td>60%</td>
<td>1,200 pts</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
<td><strong>2,000 pts</strong></td>
</tr>
</tbody>
</table>

What do you have to do to earn an “A”? An “A” at USC requires excellence. I look for excellence in this class in a number of ways as described below. Since the Marshall School of Business requires the use of a grading curve, most of you can expect to earn a B+ or an A-. The grading system for this class is simple. It consists of assigning *points* that correspond to the “A to F” curve that will be reflected in your final grade.

If you have any questions about your grade during the semester, please make an appointment immediately to see me to discuss these issues. The following sections describe the specific criteria for grading of assignments and participation.
Participation:

Attending class is critical to learning. One of the primary reasons for meeting to discuss the business planning process is that a classroom experience (rather than learning the material solely on your own) offers many chances to learn from each other. Entrepreneurship is inherently collaborative—a social process. Entrepreneurs find opportunities, adapt, change, and improve themselves by listening and learning from others.

Class participation will be measured in a number of ways:

(1) Showing up. Entrepreneurship is a contact sport—your time in class is one of the most important components of the course. Please plan to attend and participate in every session. You will be asked to sign your full name to the attendance sheet each class session. Signing this class attendance form is necessary because of University policies and the need to have a record of class attendance as part of the evaluation process. Students are responsible for signing this form. Any student who signs the name of another student on the class attendance form violates university policy and may lose credit for the course.

(2) Arriving on time. Arriving on time is a form of respect towards other students, the instructor, and the guest speakers. Late arrivals disrupt class. They often require that the instructor repeat information, which wastes the time of other students. Late arrivals disrupt the presentations of guest speakers who have taken their valuable time to be with us. Please, don’t be late. If you must be late to a session, please notify me by voice mail or e-mail prior to class. Habitual lateness to class will result in a decrease in the participation grade.

(3) Being prepared. My preference is to reward preparation. Each class session will have a theme and readings associated with it. Students are expected to come to the session prepared to ask questions and discuss the topic. From time to time you will be asked to contribute for class critique something that will become part of your business plan. These items include:

- The concept statement
- The brochure
- The business process graph

Check the Course Schedule for due dates and explanation. These will be discussed in class prior to submission.

We will also be reviewing a number of sample business plans during the course. They are divided into two groups noted A and B. The A Group consists of business plans that we will critique in class. The B Groups consists of sample business plans that contain a written critique with them. In the Course Schedule, you will find a reference to which plans and what section of those plans needs to be reviewed prior to class. This business plan review is an important way to learn how to judge an effective or ineffective plan with the goal of making your plan as effective and persuasive as possible. You will find the sample business plans in pdf files in the public folder for the course. They are as follows:

Group A: KosmoTrade  Group B: Creative Kids
Nutritional Concepts  Sweet Alternatives
Child’s Play  East Side Plating Company
Siempre Environs

PLEASE NOTE THAT NONE OF THE SAMPLE BUSINESS PLANS IS PERFECT OR COMPLETELY REPRESENTATIVE OF WHAT I EXPECT FROM YOU THIS SEMESTER. THERE ARE NO PERFECT PLANS! They are given to you for classroom discussion purposes and not as representatives of a “great” business plan.
The Knowledge-Share Segment—Going beyond required participation

On each night at the opening session, we will have the opportunity to allow two students to do up to a five-minute presentation of something they believe should be of interest to the class and relevant to the course material being covered. You are encouraged to use 1-2 transparencies or PowerPoint slides (these must be loaded prior to class starting) to get your key points across. To qualify for the Knowledge-Share Segment, send an e-mail request to me at least one week in advance of the date you want so that I can confirm that you are on for a particular night. You must have confirmation to present, as there will not be time for all students to do a Knowledge-Share Segment. Therefore, students will be selected in the order in which they make their requests and on the relevancy of the knowledge to be shared. If you are referring to an article you read, please bring copies to class for your classmates or send it to me in digital form so I can make it available in the class folder. Doing a Knowledge-Share Segment will earn 10 bonus points toward your overall grade in the class.

First Draft of the Business Plan

The first draft of the business plan will be due right before Spring Break to allow me to review them and give you comments. There is no expectation that the plan will be complete in all its aspects but it is expected that you will have treated all of the major sections of the plan to some degree (or at least acknowledged what is left to be done. Grading for the draft consists of three categories:

- Substantially complete 400
- One or more major sections missing but other sections are substantially complete 330
- Substantially incomplete – major sections missing and included sections lacking critical information 250

Final Business Plan

Please refer to the “Rules of the Road” for Business Plans, which is at the end of the syllabus. The business plan will be graded according to the evaluation sheet, which follows the Rules of the Road.

Policies of the University

Please be familiar with the Grading Policy and Academic Standards section of the USC Catalogue and the information on University Governance in the SCAMPUS, particularly Appendix A: Academic Dishonesty Sanction Guidelines.

Confidentiality Policy

Throughout the Greif Entrepreneurship Center classes and events, students will be exposed to proprietary information from other students, guest lecturers and faculty. It is the policy of the Greif Entrepreneurship Center that all such information is to be treated as confidential.

By enrolling in and taking part in the Greif Entrepreneurship Center’s classes and activities, students agree not to disclose this information to any third parties without specific written permission from students, guest lecturers or faculty, as applicable. Students further agree not to utilize any such proprietary information for their own personal commercial advantage or for the commercial advantage of any third party.

In addition, students agree that any legal or consulting advice provided without direct fee and in an academic setting will not be relied upon without the enlisted opinion of an outside attorney or consultant, without
affiliation to the Center.

Any breach of this policy may subject a student to academic integrity proceedings as described in the University of Southern California University Governance Policies and procedures as outlined in SCAMPUS, and to any remedies that may be available at law.

The Greif Entrepreneurship Center, the Marshall School of Business, and the University of Southern California disclaim any responsibility for the protection of intellectual property of students, guest lecturers or faculty who are involved in Entrepreneur Program classes or events.

Receipt of this policy and registration in our classes is evidence that you understand this policy and will abide by it.

Grading Standards

Grade distributions over time, across departments and courses, and within departments and courses, should be consistent and in conformity with recommended Marshall School of Business grading standards below. Evaluation should be measured against a graduate population that is limited to students who have taken or are currently enrolled in the course in question, including multiple section courses.

In order to avoid substantial disparities across courses, instructors in MSB courses are required to adhere to specific target grade point averages for each course they teach. This policy statement includes the standards, allowable deviations, and implementation details of MSB grading standards.

Elective Courses: regular sections  3.5 (targeted grade average)

Instructors are not permitted to have their average GPA in a single course deviate by more than 0.1 above the target.

The use of unauthorized material, communication with fellow students during an in-class examination, attempting to benefit from the work of another student, and similar behavior that defeats the intent of an examination or other class work is unacceptable to the University. It is often difficult to distinguish between a culpable act and inadvertent behavior resulting from the nervous tensions accompanying examinations. Where a clear violation has occurred, however, the instructor may disqualify the student's work as unacceptable and assign a failing mark on the paper.

Most student paperwork is graded and returned at the next class session. Returned paperwork, unclaimed by a student, will be discarded after 4 weeks.

Students with Disabilities

Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to TA) as early in the semester as possible. DSP is located in STU 301 and is open 8:30am-5:00pm, Monday through Friday. The phone number for DSP is 213-740-0776.

Course Contract:

Receipt of this Syllabus and registration in this class will serve as evidence that you understand and accept the requirements of this course.
Semester Activities

Graduate Kickoff Reception  Jan 31  Town & Gown
Mentor Dinner    April 11  Davidson Conference Center
End-of-the-Year Banquet  April 26  Town & Gown

Fireside Chats

During the semester I will schedule dinners and lunches and invite students to attend. When these activities are announced, you may RSVP on a first come, first served basis. These out-of-class activities give us a chance to get to know each other better and to do some of the personal reflection things we don’t have time for in class.
THE BUSINESS PLAN  
“Rules of the Road”

The following information is the final word on the requirements for the business plan. Please read it carefully as you are responsible for knowing and understanding these requirements.

The business plan should contain the following major sections in the order they are given. If you feel that your situation requires a different order, please discuss your needs with me prior to proceeding. Use the attached outline as a guide. These sections correspond to individual chapters in the Launching book. Details to be included under each section are discussed in those chapters. Do not use previously written plans as a guide to the format. The following outline displays the key questions to be answered by the business plan, which are answered in the Expanded Executive Summary. A more formal and detailed outline follows. Feel free to adjust the subheadings to meet the needs of your particular business. Those given in the outline are suggestions only.

EXPANDED EXECUTIVE SUMMARY - Not to exceed six pages. Be sure to answer the following key questions - include the most important evidence or support for claims from credible sources including your own primary research in the industry and with the customer. This is an unattached piece placed inside the front cover.

1. What is the business concept? Business, customer, benefit, distribution
2. Does the industry support the feasibility of the concept? How?
3. Is there customer acceptance for the business and its products/services? What is the demand?
4. What is the entry strategy - how are initial market penetration and the first customer achieved?
5. Who are the key competitors and how will you differentiate yourself?
6. What is your pricing strategy, and how do you justify it?
7. Do you have the capabilities in the founding team to successfully implement the plan? If not, how will you fill them?
8. How will the business be organized to facilitate implementation in terms of legal structure, organizational structure, and process?
9. What is your marketing plan in one paragraph?
10. Does your financial plan support a viable business? Summary of key points and capital requirements (needs assessment).
11. How will you fund the business?
12. Does the market support a potential for growth? What are your key growth plans?

Presentation requirements

1. BINDING: The business plan should be spiral bound. Do not encase pages of the plan in plastic.
2. PROOFREAD CAREFULLY!!
3. WRITE IN THIRD PERSON USING A MIXTURE OF THE COMPANY NAME, A THIRD PERSON PRONOUN, OR PASSIVE VOICE.
4. SUBMISSION COPIES: Make two copies of the plan but turn in only one copy. If your plan is chosen as one of the top 5, we may ask your permission to retain one copy in the program office in a secure location. The final five will be asked to submit their business plans on disk.
5. CITATIONS: Remember that this is a persuasive document. Cite multiple sources of information (footnotes or endnotes in an accepted format), and don’t rely solely on your own experience to support any claim. Every claim should have support from more than one source. Be sure to interrelate sources
6. **GRAPHICS:** Introduce and discuss any graphics used to highlight the key points for the reader. Don’t assume the reader will readily identify key points in graphics or tables.

7. **CORE VALUES:** The core values for your business should be the guide for everything you say in the business plan. Keep these brief and bulleted.

8. **BUSINESS PLAN SIZE:** Like anything else, it’s not size of the business plan that counts but the quality of your persuasive argument - that you have a feasible business concept and a business that has enduring value. **NO BUSINESS PLAN SHOULD BE LONGER THAN 20 PAGES EXCLUDING THE APPENDIX, COVER PAGES, TABLE OF CONTENTS, PROOF OF CONCEPT, AND THE EXPANDED SUMMARY.** The first page of the body of your report (The Business Concept) should be numbered “1”. All subsequent pages should be numbered in order.

9. **PAGE APPEARANCE:** A certain amount of white space on the page is good. Remember, this is not a novel that the reader will devour cover-to-cover. Make it easy for the reader to find information. Use headers and bulleted points, and refrain from having full pages of nothing but text.

10. **PERSUASION:** Be sure your most persuasive points are clearly understood in every section of the business plan. Every section should begin with a one-paragraph summary of the most persuasive points in the section.

11. **FONT:** Use 12 pt standard font, and one that is easy-to-read.

12. **THE USE OF COLOR:** While color is certainly attractive, it is not essential to a winning plan. Be careful not to use too many color graphics, as your printing time will be considerably longer.

13. **THE PLAN MUST BE TURNED IN ON TIME TO BE CONSIDERED FOR THE Best Business Plan. **The deadline is 6:00 on the due date in your course outline. The plan will drop one full grade (A to A-, etc.) for every 24 hour period it is late past the due date and time.

*It’s always wise to ask if you don’t understand something…*
Business Plan Outline (Use as a guide to developing your own plan)

EXPANDED EXECUTIVE SUMMARY (6 page expanded summary as a separate document.)

COVER FOR THE PLAN (Business name, the words “Business Plan,” the names of the team members)

PROOF OF CONCEPT (This page distills the expanded executive summary into one page. Answer questions 1, 2, 3, 4, 5, 7, and 10 completely but very concisely.)

INSIDE TITLE PAGE (Name of company, “Business Plan”, Genesis Team Member names)

TABLE OF CONTENTS

1 BUSINESS CONCEPT
   a) Business Concept (Product/service, customer, benefit, distribution)
   b) Purpose of the business; why you’re in business
   c) Core Values
   d) Description and uses, unique features/benefits, business model
   e) The primary customer
   f) Spin-offs

2 MANAGEMENT TEAM
   a) Qualifications of key management (founders)
   b) Management team needs or gap analysis

3 MARKET ANALYSIS
   a) Industry Description
   b) Industry size
      i) Industry status (growing, mature, in decline)
      ii) Growth potential
      iii) Geographic locations
      iv) Trends, patterns of change, and entry barriers
      v) Profit potential
      vi) Sales patterns and gross margins
      vii) Target Market
         (1) Primary target markets
         (2) Secondary markets
         (3) Demographics
         (4) Results of primary research
         (5) Customer Profile
         (6) Customer needs analysis
   c) Distribution Channels - Customer Grid
   d) Entry strategy (initial market penetration)
   e) Competitors - Competitive Grid
      i) Direct and Indirect
      ii) Market share (if known)
      iii) Description
      iv) Strengths and weaknesses, benefits, distribution
      v) Emerging
      vi) Substitute products
   f) Your Product/Service Differentiation & Competitive Advantage
      i) Unique features
      ii) Potential for innovation
iii) Proprietary protection
iv) Other competitive Advantages
g) Pricing
h) Value chain

4 PROCESS ANALYSIS
a) Technical Description of Products/Services
   i) Uses, Design, Prototype
   ii) Issues of obsolescence
b) Status of Development and Related Costs
   i) Current status of development
   ii) Tasks to be completed, time and cost to complete
   iii) Potential difficulties, resolution
   iv) Government approvals
c) Distribution Channels & Physical Distribution Plan

5 ORGANIZATION PLAN
a) Philosophy of Management and Company Culture
   i) Legal Structure of the Company
   ii) Organizational Chart
   iii) Key management
   iv) Duties and responsibilities

6 MARKETING PLAN
a) Purpose of Marketing Plan (one-paragraph marketing plan)
b) Target market
c) Unique market niche
d) Business identity
e) Plan to Reach First Customer

7 TECHNOLOGY & INTELLECTUAL PROPERTY PLAN
a) Role of technology as a competitive advantage in the business
b) Role of intellectual property (proprietary rights, status, etc.)

8 FINANCIAL PLAN
a) Summary of Key Points and Capital Requirements (reference to full financials in appendix)
b) Needs Assessment Breakout (Hard costs, soft costs, working capital, start-up, etc.)
c) Plan for funding

9 GROWTH PLAN
a) Strategy for Growth
b) Resources
c) Infrastructure Changes

APPENDIX (organize and separate parts with tabs)

10 FINANCIAL STATEMENTS
a) Assumptions for financial statements
b) Proforma Financial Statements
   (i) Cash flow (Monthly Yr1, 2,3), Income (Monthly Yr 1; annual years 2,3), Balance Sheet (Annual Yr 1-3)

11 PROCESS PLAN SUPPORTING DOCUMENTS
a) Manufacturing or Operating Requirements and Associated Costs
b) Manufacturing Cycle or Service Delivery Process (Process Grid)
c) Materials requirements
d) Inventory requirements (also retail/wholesale business)
e) Production requirements (also retail/wholesale or service)
f) Labor requirements (all businesses)
g) Maintenance and quality control requirements (all businesses)
h) Financial requirements (all businesses)

12 MARKETING PLAN SUPPORTING DOCUMENTS

a) Marketing Tools
b) Advertising & promotion
c) Media Plan
d) Uses and costs of specific marketing tools
   i) Marketing Budget
e) Individual costs and total costs as a percentage of sales

13 ORGANIZATIONAL PLAN SUPPORTING DOCUMENTS

a) Compensation Programs and Incentives
b) Key Management
c) Key Policies
d) Orders, billing, paying
e) Key Compensation and Benefits

14 CONTINGENCY PLAN

15 SUPPORTING DOCUMENTS

a) Resumes, contracts, maps, etc.
## BUSINESS PLAN EVALUATION FORM

<table>
<thead>
<tr>
<th>SECTION</th>
<th>KEY EVALUATION POINTS</th>
<th>POINTS EARNED</th>
</tr>
</thead>
</table>
| **Presentation**   | • Professional appearance  
                     • Cover letter  
                     • Organization (followed Rules of Road)  
                     • *Language skills* (50%)                                                                                                                                  | 110 (9%)      |
| **Expanded Summary** | • Persuasiveness  
                      • Contains all key points  
                      • Creates excitement for concept  
                      • No more than six pages as *separate document*                                                                                                       | 115 (9.5%)    |
| **Proof of Concept** | • Contains major points from all sections of expanded summary.  
                       • On no more than one page  
                       • Persuasive and creates excitement                                                                                                                          | 60 (5%)       |
| **Business Concept** | • *Concept statement*: business(product/service), customer, benefit, distribution (30%)  
                                              • Purpose and core values  
                                              • Unique features/spin-offs  
                                              • Environmental                                                                                                                                                | 110 (9%)      |
| **Founding Team**  | • Qualifications of team  
                     • Gap analysis                                                                                                                                               | 100 (8%)      |
| **Market Analysis** | • Industry health, size, trends, potential barriers, profit potential, gross margins  
                                             • Target Market demographics  
                                             • Customer profile and needs analysis based on primary research (30%)  
                                             • Distribution channel  
                                             • Entry strategy (initial penetration)  
                                             • Competitive grid & differentiation (20%)  
                                             • Proprietary rights (intellectual property)  
                                             • Pricing Strategy                                                                                                                                          | 150 (12.5%)   |
| **Process Analysis** | • Technical description of product/service  
                                         • Development status & related costs  
                                         • Physical distribution plan  
                                         • Process grid  
                                         • Operating requirements and costs                                                                                                                                 | 35 (2.9%)     |
| **Organization Plan** | • Company philosophy & culture  
                                  • Legal organizational structure  
                                  • Organization chart (not in traditional sense)                                                                                                                                 | 35 (2.9%)     |
| **Marketing Plan**  | • Purpose of plan  
                     • Statement of key points of plan in one paragraph  
                     • Plan to reach first customer                                                                                                                                 | 50 (4%)       |
| Technology/ IP Plan | • Role of technology as a competitive advantage  
• Intellectual property  
• Management of IP (revenue, licensing, etc.) | 50 (4%) |
| Financial Plan | • *Summary of key points of plan (20%)*  
• *Needs Assessment*  
• Break-even cash flow  
• Plan for funding | 150 (12.5%) |
| Growth Plan | • Strategy  
• Impact on infrastructure | 35 (2.9%) |
| Appendix | Financial Statements  
• Assumptions  
• Proforma statements (CF-monthly yrs 1-3, INC-monthly yr 1; annual yrs 2,3, BS-annual yr1-3)  
Process Plan Supporting Documents  
• Process Grid  
• Materials requirements  
• Inventory requirements  
• Production requirements  
• Labor requirements  
• Maintenance and quality control requirements  
Marketing Plan Supporting Documents  
• Marketing Tools (advertising & promotion)  
• Media Plan (uses and costs of specific marketing tools)  
• Marketing Budget (individual costs & total costs as a percentage of sales)  
Organizational Plan Supporting Documents  
• Key management  
• Key policies  
• Orders, billing, paying  
• Compensation programs and incentives  
Contingency Plan  
Resumes  
Supplements (maps, drawings, etc.) | 200 (16%) |
| Total | | 1,200 possible |
Course Schedule

Note: The schedule of cases, readings, speakers and activities may be modified and changed during the semester to fit the needs of the class and potential speakers.

Week 1  1/10  Topic: Introduction and Overview of the Course

Philosophy, syllabus, assignments, expectations
Status of feasibility (what you should have accomplished v. where you are)
Finding a mentor
A plan of attack for the semester

*  *  *  *  *  *  *  *

Designing the compelling story
  ▪ The industry builder
  ▪ Profit from the start
  ▪ The great exit
  ▪ The visionary company builder
  ▪ What’s your story?

Assignments:  (a) Student Data Sheet (Submitted during class)
               (b) What do you want to learn about business planning? (Submitted during class)

Due 1/17:  Concept Statement
Come to class prepared to present your concept statement for review and critique by the class.

Readings:  Launching New Ventures.  Chapters 1-3 for review

Web Resources:

URL http://www.entreworld.org/
Title Kauffman Center Resources for Entrepreneurs
Annotation Substantial resources and links about entrepreneurship

URL http://inc.com/
Title INC Magazine site for entrepreneurs
Annotation Substantial resources and links about entrepreneurship

Week 2  1/17  Topic: Back to the Industry/Market: Market Intelligence

Opening Discussion:  Student concept statements---Why you? Why now?
Lecture/Discussion:  The intelligence process
                   How to improve your market research
                   Analytical models and techniques
                   How to make statistics do what you want them to do

*  *  *  *  *  *  *  *

Discussion on effectiveness of industry/market analysis in sample business plans
DUE TODAY: CONCEPT STATEMENT

Readings: Review the industry/market analyses in Group A sample business plans.

The Monk and the Riddle (ongoing)
Launching New Ventures. Chapters 5-6 for review
“Forecasting” (handed out in class)

Web Resources:

USC Anthology of High Technology
www.marshall.usc.edu/entrepreneur
Contains high tech industry analyses and in-depth case studies of companies

CEO Express
www.ceoexpress.com
A one-stop information guide to business resources on the Internet.

InSite
www.insitepro.com
This premium direct-to-end user product is a subscription service from Intelligence Data, which includes the Gale Group, PROMT, and Trade & Industry.

Hoover’s Online
www.hoovers.com
13,000 free capsule profiles of private and public companies

CorpTech
www.corptech.com
CorpTech covers 17 industries in the high tech arena

The Thomas Register of Manufacturers
www.thomasregister.com

Newsl ink
www.air.newsl ink.org

American Society of Association Executives
www.asan et.org/Gateway/OnlineAssocSlist.html
Database of 1,800 associations searchable by keyword

Northern light
www.nlsearch.com
Low-cost information provider and good source for industry information.

Week 3 1/24 Topic: Starting with a Vision

Opening Discussion: Student Concept Statements

Guest Speaker: TBA

Lecture/Discussion: Core values and vision as a launch point
Creating a culture
Reading:

*The Monk and the Riddle* (ongoing)

“Entrepreneurial Death Traps” (found in public folder)

**Web Resources:**

- **Knapp International Venture Forum**
  
  [www.oid.ucla.edu/webcast](http://www.oid.ucla.edu/webcast)

  A variety of global business concepts are presented before venture capitalists.

- **Business Ethics Magazine**
  
  [http://condor.depaul.edu/ethics/bizethics.html](http://condor.depaul.edu/ethics/bizethics.html)

  Delivers timely news, commentary, and features on social responsibility and ethics.

- **Corporate Conduct Quarterly**
  

- **International Business Ethics Institute**
  
  [http://www.business-ethics.org](http://www.business-ethics.org)

  Deals with issues of transnationalism in business ethics.

- **The Online Journal of Ethics**
  
  [http://www.depaul.edu/ethics/ethg1.html](http://www.depaul.edu/ethics/ethg1.html)

  Contains cutting-edge research articles in the field of ethics

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**Week 4  1/31  Topic: The Operations Strategy/Legal Structure**

Opening Discussion: Discussion of *The Monk and the Riddle*

Lecture/Discussion: Legal forms of organization; how to choose tax ramifications; long-term strategy

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**DUE TODAY: *The Monk and the Riddle***

**Readings:** Review the operations/process plan of Group A Business Plans

*Launching New Ventures.* Chapters 9 & 10,11
Week 5  2-7  Topic:  A Different View of the Business Plan

Guest Speaker:

Web Resources:

URL  http://inc.com/challenges/details/0,6279,CHL1,00.html
Title  Writing a Business Plan
Annotation  Articles and resources from INC Magazine for business plans

URL  http://www.vfinance.com/articles/bplanarticle1.shtml
Title  “A Venture Capitalist and Business Planner Look at Business Plans” by David Pierce-Pierce Investments and Michael Goldstein
Annotation  This article helps you understand the relationship between business plans and venture capital.

Week 6  2/14  Topic: The Marketing Plan

Opening Discussion:  The Process Graph – student presentations
Lecture/Discussion:  The one-paragraph marketing plan
Plan to reach first customer and beyond
Sales Forecasting
Price/cost model
Due: The process graph – a graphical depiction of the information and process flow in your business.

Readings: Review the Marketing Plans for Group A Business Plans
Launching New Ventures. Chapter 14

Web resources:

URL: http://www.inc.com/incmagazine/article
Title: The Truth About Selling
Annotation: Article on identifying a "good" customer to sell to.

URL: http://www.inc.com
Title: Susan Greco, "The Online Sleuth: Market Research via the Web"

URL: http://www.inc.com/incmagazine/article/
Title: Selling: Five Ways to Blow a Sale
Annotation: Selling mistakes and how to overcome them

URL: http://www.inc.com/incmagazine/article/
Title: A Passion for Forecasting
Annotation: Article on a method for forecasting sales

URL: http://www.sba.gov/library/
Title: Small Business Administration Online Library Reading Room
Annotation: A variety of publications, directories, studies and statistics for marketing and research to help new and small businesses

URL: http://gmarketing.com/main.html
Title: Guerrilla Marketing Online
Annotation: Articles and resource for innovative and inexpensive marketing

URL: http://www.prnewswire.com/
Title: The Public Relations Newswire
Annotation: Press Releases and links to many trade-show sites

URL: http://edge.lowe.org/resource/
Title: "How to Identify a Target Market and Prepare a Customer Profile"

URL: http://edge.lowe.org/resource/
Title: "How to Prepare a Market Analysis"

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Week 7  2/21  Topic: Technology and IP Strategy

Opening Discussion: The brochure – student presentations

Guest Lecturer: Marshall Lerner: Kleinberg & Lerner

Lecture/Discussion: Intellectual property rights- what you have, what you can acquire, and how you can create revenue streams.

How you will you technology to create a competitive advantage and facility business goal achievement. The role of the process graph.

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The organization plan
Compensation

DUE: Brochure depicting the business, benefits, product/service, and distribution.

Readings: *Launching New Ventures.* Chapter 13
Review the Management and Organization sections of the Group A business plans.
“Differentiation in the e-World” (found in the public folder)

Web resources:

URL:  http://inc.com/incmagazine/
Title: Growth Happens
Annotation: *Inc.* Magazine Reading on reasons high growth companies grew

URL:  http://inc.com/incmagazine/
Title: The Truth About Start-ups
Annotation: *Inc.* Magazine Reading on Eight Characteristics of High Growth Companies

URL:  http://inc.com/incmagazine/
Title: Hire the Best
Annotation: *Inc.* Magazine Reading on strategies for hiring top people

URL:  http://inc.com/incmagazine/
Title: Recruiting Secrets of the Smartest Companies Around
Annotation: *Inc.* Magazine Reading on strategies for hiring top people

URL:  http://inc.com/incmagazine/
Title: Managing: Do you need an HR Director?
Annotation: *Inc.* Magazine Reading on human resources in entrepreneurial companies

URL:  http://inc.com/incmagazine/
Title: The Complete New Business Survival Guide
Annotation: *Inc.* Magazine Reading on Resources for Entrepreneurs

URL:  http://inc.com/incmagazine/article
Title: The Thinking CEO's Survival Kit
Annotation: *Inc.* Magazine Reading on Resources for CEOs.

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Week 8  2/28  Topic: **The Financial Plan**

*Guest Speaker:* TBA

Lecture/Discussion: Persuasive financials
Timeline to Completion
Timeline to start-up
Stages of growth

DUE 3/7: **FIRST DRAFT OF BUSINESS PLAN**

Readings: Review the financial plans of the Group A business plans
*Launching New Ventures.* Chapters 8 and 16 for review

Web resources:

URL:  http://edge.lowe.org/resource/document/htmldocs/6335.HTM
Title: Analyzing Your Business Using Financial Ratios

URL:  http://edge.lowe.org/
<table>
<thead>
<tr>
<th>Week 9</th>
<th>3/7</th>
<th>Topic: <strong>FIRST DRAFT OF BUSINESS PLAN</strong></th>
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<tbody>
<tr>
<td><strong>DUE:</strong></td>
<td>Must be turned in by 6:00 on 3/7 but may be turned in early. Plan to schedule a one-to-one meeting with me for the week after spring break to discuss your draft and my comments. Contact me by email ASAP to schedule.</td>
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<tr>
<th>Week 10</th>
<th>3/14</th>
<th>SPRING BREAK</th>
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<tr>
<th>Week 11</th>
<th>3/21</th>
<th>Topic: One-on-One Review of draft business plan</th>
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<td>Request a time by email. PM students should request times from 5:00 to 9:00 p.m.</td>
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<th>Week 12</th>
<th>3/28</th>
<th>Topic: Money: Business Valuation</th>
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<tr>
<td><strong>Guest Speaker:</strong></td>
<td>TBA</td>
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<tr>
<td><strong>Lecture/Discussion:</strong></td>
<td>Business valuation</td>
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<td>Stages of funding</td>
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<td>Equity issues</td>
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<td>Ways to approach money</td>
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<td>Thinking about an exit</td>
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**Readings:** *Launching New Ventures*. Chapter 15

**Web resources:**

There has been an explosion of IPOs (Initial Public Offerings) during this current economic cycle. The history of nearly all of these public stock offerings can be found on the web. The following site provides a number of links to places on the web where you can explore public stock offerings of companies in businesses you are interested in. Go to the button for "Investing and IPO Research" to explore these companies. In addition, you can find additional information on the new venture financing at the button "SEC." When looking at information on initial public offerings, pay attention to how the opportunity is described, how the industry is characterized, and what percentage of the company will be owned by the
various entrepreneurs and investors on the board of directors. The kinds of documents to look at include: the S-1 (the IPO Registration), the 10-K (a company’s annual report), the 10-Q (the quarterly update to the 10-K) and 13-D and 13-G (Notices of securities sales made by individuals and institutions with more than 5% ownership in the company) and 8-K (Notices of changes in material information).

URL  http://www.financehub.com/
Title  FinanceHub
Annotation  Information, articles, advice, links to all types of financial resources

URL  http://www.garage.com/
Title  Garage.com
Annotation  Information and links for entrepreneurs and investors in high technology

URL  http://www.v1.com/marketing/entre/links/index.htm
Title  Venture One Entrepreneur Resources
Annotation  Information, articles and links to all types of financial resources

URL  http://www.vfinance.com/
Title  Venture Capital Resource Library
Annotation  Resources and links to venture information and investors

URL  http://www.tcnmit.org/
Title  Technology Capital Network
Annotation  A site that matches entrepreneurs with investors

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**Week 13**  
**4/4**  
**Topic: Money: The Deal**

**Opening Discussion:**

*Guest Speaker: TBA*

**Lecture/Discussion:**

- The Mind of the VC
- Constructing the Deal
- Negotiating the deal
- Term sheets

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- Growth Plan
- Contingency Plan

**Readings:**

- “Starting Up in High Gear: An Interview with Venture Capitalist Vinod Khosla” (found in public folder)

**Web Resources:**

  http://www.findarticles.com/cf_0/m4025/3_24/55427118/p1/article.jhtml?term=negotiation

  http://www.findarticles.com/cf_0/m4385/n3_v39/20873095/p1/article.jhtml?term=negotiation

**URL:**  http://www.inc.com/incmagazine/article
**Title:**  The Insider's Guide
**Annotation:**  *Inc*. Magazine Article on Issues About Purchasing a Business
Week 14  4/11  Topic: Mentor Dinner

DUE TODAY: FINAL VERSION OF THE BUSINESS PLAN. DUE BY 5:30 IN BRIDGE HALL ONE

Week 15  4/18  Topic: Business Plan Presentations

Week 16  4/25  Topic: Final Business Plan Presentations

Congratulations! You have officially made it through Entrepreneur Bootcamp. Now you can tackle anything!