



Entrepreneurial Execution, Planning and Management 845.301

Spring 1, 2014

Instructor: Jesko von Windheim email: Jesko@duke.edu

Phone: 919-949-8970

Teaching Assistant: TBD email: TBD

Course Overview

The focus of this course is the successful creation and early execution of a new venture. The course concentrates on new enterprises based on substantial innovations with potential for high growth and funding by venture capitalists.

The course is based on readings, lectures and case discussion with the intent of allowing students to derive practical lessons from experience in actual ventures. Students in this course will have practical exposure to all the basic operational tools required to start up and operate a company.

The topics to be covered include:

- Value Proposition
- Opportunity Identification
- Company Startup Operations
- Technology Management
- Product Development
- Pitching a Deal
- Finance I (startup financing)
- Scale-up
- Finance II (operations)
- Customer Engagement
- Marketing Communications
- Building Shareholder Value

This course is a complement to the Entrepreneurial Strategy course.

Requirements:

Case/class topic write-ups (40%)

The course will require three brief analyses written up over the course of the term. These analyses may be either case analyses or focus on topics covered in class. The write-ups will be done individually.



Final project (40%)

The final project for this course will comprise the mock formation of a company by student teams based on scenarios provided by the instructor or they can be based on a project of the students' choosing. This project will include at least:

- Summary business case and slide deck
- Team formation
- Stock and cash compensation
- Stock agreements
- Employee agreements
- Non-compete/IP agreements
- Consulting/services agreements
- Dilution model
- Initial execution plan

Please note that the assignment is **not** to create a business plan – the focus is on business formation and plan execution, assuming the plan is sound.

This assignment will be completed in teams of up to four students.

In Class Participation (20%)

Because every class will be based on a collective analysis of a case or reading, it is critical that you come to class prepared to participate actively in the discussion. The outline of the classes below should help you prepare for class. Learning for everyone in this class is enhanced through debate, different perspectives and new insights that come from you.

Keep in mind that your goal should be to contribute high *quality* comments, *not* high *quantity*. You detract from class discussion if you talk a lot and do not make a clear point. To contribute high quality comments, you must also listen carefully to the comments of your classmates. You should try to extend or qualify their comments while avoiding repeating them.

To keep class conversations interesting and widely distributed across students, priority will be given to those who have spoken less. Occasionally, students will be called on directly to contribute.

At the end of the class, you will be asked for feedback on the value to your learning experience of the contributions of your classmates.

Course Grading:

Grading will follow the Fuqua grade distribution for elective courses.

Readings¹

Readings will be available to students through the Fuqua School of Business. See also course details and schedule below.

#	Source	Title	Author
1	HBR Article	Customer Value Propositions in Business Markets	James C. Anderson; James A. Narus;
2	Personal Material	PFT - Non-Intrusive Oil Filled Cable Leak Location	Michael Fairhurst, Patrick Keelan
3	Personal Material	Non-Intrusive Oil-Filled Cable Leak Location: Use of Perfluorocarbon Tracers	PFT Technologies, LLC
4	HBR Case	How Venture Capitalists Evaluate Potential Venture	Michael J. Roberts; Lauren Barley
5	HBR Industry and Background Note	Legal Forms of Organization	Michael J. Roberts
6	HBR Case	Intel Research: Exploring the Future	Alan MacCormack; Kerry Herman
7	Personal Material	IP Mgmt Overview_NewCo	John M Fuscoe
8	HBR Case	Matrix Semiconductor Inc. (A): Tackling Challenges of Strategic Dimensions	Robert A. Burgelman; Robert E. Siegel; Lyn Denend
9	HBR Industry and Background Note	Deal Structure and Deal Terms	Michael J. Roberts; Howard H. Stevenson
10	HBR Industry and Background Note	Funding New Ventures: Valuation, Financing and Capitalization Tables	Michael J. Roberts
11	HBR Industry and Background Note	Note on Valuation of Venture Capital Deals	Thomas Hellmann
12	HBR Industry and	Note on Pre-Money and Post-Money Valuation (A)	Linda A. Cyr
13	HBR Case	Pilkington Float Glass--1955	Kim B. Clark
14	HBR Case	Matrix Semiconductor Inc. (B): Transitioning from Innovation to Execution	Robert A. Burgelman; Lyn Denend
15	HBR Industry and Background Note	Note on Business Model Analysis for the Entrepreneur	Richard G. Hamermesh; Paul W. Marshall; Taz Pirmohamed
16	Personal Material	Cronos Integrated Microsystems	Jesko A. von Windheim
17	HBR Newsletter Reprint - Other	Presence: How to Get It, How to Use It	
18	HBR Newsletter Reprint - Other	Basic Presentation Checklist	
19	HBR Newsletter Reprint - Other	Coping with Stagefright	John Daly; Isa Engleberg
20	HBR Newsletter Reprint - Other	How to Make Your Case in 30 Seconds or Less	Nick Wreden
21	HBR Newsletter Reprint - Other	Presentations 101	John Clayton
22	HBR Newsletter Reprint - Other	Easy on the Eyes	Kirsten D. Sandberg
23	HBR Newsletter Reprint - Other	Why the Best Presentations Are Good Conversations	Roly Grimshaw
24	HBR Newsletter Reprint - Other	How to Make Even Weak Speeches Great	Nick Morgan
25	HBR Newsletter Reprint - Other	Are Your Presentations Inspiring?	
26	HBR Newsletter Reprint - Other	Twentieth Century's Greatest Speech--What Made It So Powerful?	

¹ Highlighted reading material is background reading for the session on "Pitching a Deal"

Course Details

8:00-10:15 am M/Th
 Location Fuqua Connally
 Strategy 845.301 – Entrepreneurial Execution

	Section #	Topic	Topics Details	Hand-in	Reading1	Reading2	Reading3	Reading4
Concept	1	Value Proposition	- Company essentials (structure of course) - Technology lifecycle - Value inflection points - 1-page memo		Value Proposition	JiCable PFT paper	PFT005 TD World Aticle	
	2	Opportunity Identification	- Opportunity ID process - Key elements of an opportunity		how vcs evaluate deals			
Seed	3	Company Startup Operations	- Stock and cash compensation - Stock agreements - Employee agreements - Non-compete/IP agreements - NDA (mutual and one-way) - consulting agreement		the legal forms of organization	agreement examples (PDF portfolio provided in class)		
	4	Technology Management	- Strategy - Intellectual property - Technology intelligence	Intel	Intel Research	IP Management Overview		
	5	Pitching a Deal	- Presentation skills - Different kinds of presentations - Importance in early stage		Multiple Presentation Skills Readings			
Growth	6	Productization	- Transitioning from research to product - Pitfalls and challenges	Matrix/ Pilkington	Matrix Semi A	Pilkington		
	7	Finance I (startup financing)	- Dilution model - Financing options - VC terms	dilution model	Deal Structure & Terms	Funding New Ventures	Note on Valuation	Note on pre & post-money
	8	Scale-up	- Company transtition - Operational plan - Strategy & timing		Pilkington	Matrix B		
Sustaining	9	Finance II (operations)	- Operational plan - Linkage between finance and operations					
	10	Customer Engagement & Marketing	- Early stage engagement - Importance of execution - Value creation through marketing - Guerrilla marketing					
	11	Business Model/Plan	- Value creation through marketing - Guerrilla marketing		Note on Bus Model			
Exit	12	Exit	- IPO - M&A	Final Project	Cronos			

Notes: 1) Each section is 2 hours 2) 1 session is reserved for student presentations and special topics. 3) Highlighted sessions have write-ups due (see schedule for details).

Schedule (Spring I, 2014)

Date	Topic	Reading	Case	Class	What
1/16/2014	Class Intro/Value proposition	Customer Value Prop.	PFT (2 papers)	Lecture/Discussion	house keeping/3 levels of value prop
1/21/2014	Opportunity Identification	How VCs select opps		Lecture/Discussion	Why VCs invest/Method for opp ID
1/23/2014	Company Start-up Operations	Legal forms of org		Lecture/Discussion	Legal structure Pros & Cons/Start-up ops
1/27/2014	Technology Management	IP Mgmt Overview_NewCo	Intel	Lecture/Discussion	IP/Roadmapping/Technology pipeline mgmnt
1/30/2014	Pitching a Deal	"Pitch" readings (multiple)		Lecture/Discussion	how to create a deal pitch
1/30/2014	Intel Write-up Due				
2/3/2014	Productization Challenges		Matrix A&B/Pilkington	Lecture/Presentations	product dev challenges
2/6/2014	Startup Financing	Deal Structure; Notes on Valuation, Premoney	Funding New Ventures	Lecture/Discussion	valuation & dilution; cap table management
2/6/2014	Matrix/Pilkington Write-up Due				
2/10/2014	Scale-up			Lecture/Discussion	Scale-up intro/Experience Curve
2/13/2014	Finance II/Revenue Planning			Lecture/Discussion	Start-up revenue Planning
2/13/2014	Dilution Model Assignment Due				
2/17/2014	Customer Engagement/Marketing	examples documents		Lecture/Discussion	cust engagement & marketing communications
2/20/2014	Business Model/Business Plan	Note on Business Model Analysis		Lecture/Discussion	Business model vs business plan
2/24/2014	Example: Scale-up & Exiting a Company		Cronos	Lecture/Discussion	Nextreme and Cronos examples
2/28/2014	Final Project Due				