

SJSU Writing Center

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online resources offered through the Writing Center, visit the [Writing Center website](http://www.sjsu.edu/writingcenter) at <http://www.sjsu.edu/writingcenter>.

SJSU Counseling and Psychological Services

The SJSU Counseling and Psychological Services is located on the corner of 7th Street and San Carlos in the new Student Wellness Center, Room 300B. Professional psychologists, social workers, and counselors are available to provide confidential consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit Counseling and Psychological Services website at <http://www.sjsu.edu/counseling>.

Lucas College and Graduate School of Business:

Mission: We are the institution of opportunity in Silicon Valley, educating future leaders through experiential learning and character development in a global business community and by conducting research that contributes to business theory, practice and education.

BUS1 173c / Entrepreneurial Finance, Spring 2018, MW 1:30pm

IMPORTANT: this is a draft schedule of assignments and tests dates; it will be modified prior to and during the school semester based on availability of materials, pace of learning, and other factors.

ALWAYS FOLLOW THE ASSIGNMENT AND EXAM SCHEDULE POSTED IN CANVAS, not this preliminary schedule, which is only provided for general informational purposes to give students an idea of course pace and content.

Draft Course Schedule

Week	Date	Topics, Readings, Assignments, Deadlines
n/a	Due by Fri Aug 31	<p>Topic: Readiness for electronic (Canvas) homework and quiz taking</p> <p>Preparation: Download the Canvas LockDown Browser on the device (tablet or laptop) you will be using to do homeworks and take in-class quizzes and exams, and take the “Required Practice Quiz for Lockdown Browser” quiz posted on Canvas. You do not need to study anything for this quiz, it is an equipment test. This is a graded quiz. You should preferably take it from somewhere on the SJSU campus to make sure the LockDown Browser works when you are using the SJSU wifi network. If you don’t have access to a device you can bring to class for quizzes, you must see me BEFORE this due date to arrange for alternate test taking instructions.</p> <p>Deliverable: Completion of “Required Practice Quiz for Lockdown Browser”</p> <p>Format: Canvas quiz</p> <p>Due: ASAP, no later than end of day (11:59pm) on due date</p>
1	Wed Aug 22	<p>Topic: Orientation, Overview of Entrepreneurial Finance, Self Intros</p> <p>Preparation:</p> <ol style="list-style-type: none"> 1. Review syllabus, obtain textbooks and calculator. 2. Start reading Stross book: complete at least Introduction. <p>Deliverable: n/a</p> <p>Format: n/a</p> <p>Due: Start of class</p>
2	Mon Aug 27	<p>Topic: How to Present; sign up for 3 Minute Pitches</p> <p>Preparation:</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 1. 2. Watch the video “Presentation Workshop – Jerry Weissman, founder of Power Presentations” on YouTube. Make notes on the key lessons and take-aways from the points he makes. 3. Review the “Damodaran Presentation” in Canvas Files. What is the key message he’s trying to get across about the relationship between “Numbers and Narrative”? <p>Deliverable: Homework Check Quiz “How to Present”</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
2	Wed Aug 29	<p>Topic: Forms of Organization; Industry, Competitive & Market Analysis</p> <p>Preparation:</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 2. 2. Study “Forms of Organization” chart posted in Canvas →Files →Homework Materials

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		<p>3. Online research: where should you base your business? Do internet searches on various aspects of this question, such as which is the best state to incorporate in from a tax standpoint? Which state is most supportive of entrepreneurs? Which state has employment laws and regulations that are favorable to companies? Which state has the lowest cost of living? Etc.</p> <p>4. For assigned students: prepare, memorize and practice a timed 3 Minute Pitch describing (a) what form of organization you would use for your start up, and (b) where you would locate it. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz “Forms of Organization” (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p>
3	Mon Sept 3	Labor Day holiday
3	Wed Sept 5	<p>Topic: Sales Forecasting and Basic Business Calcs 1-4</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 3. 2. Practice Basic Business Calculations 1-4 on the “Basic Business Calculations” document in Canvas → Files. There are several practice problems at the end of the document to test your knowledge. 3. Imagine you have invented a new and improved automobile tire. Thinking about the last lecture on Industry, Competitive and Market Analysis, do some research on the automobile tire market, such as, how big is the industry, in both dollars and units? How fast has it been growing, and why – units, pricing, other causes? Who are the main competitors and how similar are their market shares? How is the industry segmented – geographically? By design? How does this influence future forecasts? 4. For students assigned “Industry, Competitive & Market Analysis” pitch: prepare, memorize and practice a timed 3 Minute Pitch describing the automobile tire industry, its size, growth rates, competitive factors, and therefore how you would position your own (fictitious) tire company for greatest success. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. STUDENTS WHO ARE PITCHING WOULD DO WELL TO REVIEW THE DAMODARAN PRESENTATION AGAIN FOR TIPS. <p>Deliverable: Homework Check Quiz “Industry Analysis and Calc Problems 1-2” (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p> <p>THE ADDITIONAL ASSIGNMENT BELOW IS ONLY FOR STUDENTS WHO HAVE RECEIVED AN ADD CODE FOR THIS COURSE:</p> <p>Topic: Make-up Assignment for Students Adding BUS 173c Preparation: Watch the movie “The Social Network” (available on iTunes, Amazon, YouTube and other sites) and read the two articles uploaded in the Make-up Assignment folder.</p>

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		<p>Deliverable: Minimum 250 word essay about what you learned from this assignment (movie and readings) as it relates to what we have studied in Segment 1 of this course, <u>specifically focusing on the Winkelvoss lawsuit arguments about who really owned Facebook’s IP and comparing it to the Microsoft DOS/QDOS/CPM history. What lessons from these stories should you incorporate into your own thinking about startup formation?</u>. Grading will be based on content (clarity, critical thinking, and explanation of relevance to course material), demonstration of completing the assignment (specific references to the movie and articles), and professionalism (grammar, spelling.)</p> <p>Format: Paper Due: At start of class</p>
4	Mon Sep 10	<p>Topic: Segment 1 review session Preparation:</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 4. 2. Sales Forecast Practice: assume you have designed a new line of humorous birthday cards for college students. Last year there were 70 million birthday cards sold in the U.S. and that number is expected to grow by 2% per year. The average price of a birthday card was \$1.50, and that price is expected to grow by 10% per year. You forecast that you can get a 1% unit market share this year, and after this year, you can increase unit sales by 30% per year after that. Your price per card will be \$2.00 because of the higher quality, but you do not expect to implement any price increases over the next 5 years. DO A 5 YEAR FORECAST SPREADSHEET that includes the total industry # of cards sold, price per card, and total dollar sales for each year, starting with Last Year as a base and moving forward for Year 1 (THIS YEAR), Year 2, Year 3, Year 4 and Year 5. Also calculate your own expected # cards sold for years 1 through 5, price per card, and total dollar sales. When you have finished this spreadsheet, keep it in front of you in order to answer the questions on the Homework Check Quiz. 3. For students assigned the "Sales Forecasting" 3 minute pitch: prepare, memorize and practice a timed 3 Minute Pitch describing your sales forecast for your birthday card business. The pitch must describe the assumptions used (as given above), and how you used that information to reach a forecast of total number of cards sold over your first 5 years in business, total revenues for those 5 years, and your final dollar based market share for year 5. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. STUDENTS WHO ARE PITCHING WOULD DO WELL TO REVIEW THE DAMODARAN PRESENTATION AGAIN FOR TIPS. <p>Deliverable: Homework Check Quiz “Sales Forecast and Calc Problems 2-4” (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p>
4	Wed Sep 12	<p>Topic: Study for Segment Quiz 1: Industry Analysis, Sales Forecasting, and Basic Business Calculations 1-4 Preparation: Study lectures, readings and notes; master Basic Business Calculations #1-4 in handout posted in Canvas “Files.”</p>

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		Deliverable: Segment 1 Quiz Format: Canvas or Scantron (your choice) Due: In class
5	Mon Sep 17	<p>Topic: Guest Speaker Mark Greenough of The Greenough Group</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 5. 2. Speaker research <p>Preparation: Research guest speaker Mark Greenough’s background: Google him, read his bio on LinkedIn, look at the companies he’s worked for including his current company Greenough Group. He will be speaking about startup financial infrastructure and controls. Think about what experiences and expertise he might have relevant to what you are studying in this course, and how you can learn from him.</p> <p>Prepare at least 3 questions to ask that are thoughtful, relevant to the course material, and clearly evidence that you have done the homework research specific to this speaker. Questions that do not meet these criteria will not earn homework points. You will <u>NOT</u> get credit for questions that are:</p> <ul style="list-style-type: none"> Generic questions that could be asked of anybody, such as “What are your biggest challenges?” Questions must show research on this specific speaker’s background. Questions that are not related to Entrepreneurial Finance, such as “What do you think of robotics technology?” Focus on questions that can enhance your knowledge of our course material. Career advice questions (you can ask those after class). <p>Deliverable: A list of at least three well-articulated questions that meet the above criteria.</p> <p>Format: Canvas “Text” submission. Also print and bring to class: I will call on selected students to ask your questions and if you do not have them at hand you will lose an assignment point.</p> <p>Due: 5:00pm day BEFORE class</p> <ol style="list-style-type: none"> 3. Speaker review <p>Preparation: attend class and take notes</p> <p>Deliverable: Minimum 250 word guest speaker review, focusing on what you learned and how it is relevant to the concepts you are studying in this course. Writeups must be written and proof-read to meet business correspondence standards (correct spelling, grammar, vocabulary usage, punctuation, etc.)</p> <p>Format: Canvas “text” submission</p> <p>Due: By the start of the next class session</p>
5	Wed Sep 19	<p>Topic: Forecasting Cost of Goods Sold, Operating Expenses and Break Even</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 6. 2. Refresh your understanding of the terms Cost of Goods Sold, Gross Profit, Gross Margin %, Operating Expenses, and Break Even Analysis. You can refer back to your own accounting textbooks and notes for this; there are also thousands of online resources. I have found fairly simple and clear definitions on InvestingAnswers.com: its articles on “Cost of Goods Sold” and “Gross Profit Margin” are concise and helpful. (I NEVER recommend using Investopedia.com for any finance research, it frequently is inaccurate.) 3. Practice Basic Business Calculations problem #5, “Calculating Break Even Point.” Make sure you have mastered the concepts and calculations in the

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>practice problems at the end of the document.</p> <ol style="list-style-type: none"> 4. Imagine you want to license a franchise from Subway to open and operate a Subway Sandwich Shop, and you are preparing your financial forecast to determine how much money you need to raise. Make a list of at least 10 types of expense items you would include in your Cost of Goods Sold forecast. Make a list of at least 10 types of expense items you would include in your Fixed Costs forecast (also known as Operating Expenses.) Research online to find out what is a typical/believable Gross Margin % for a sandwich shop type of operation (make sure you understand what Gross Margin is!) Calculate how many meals (sandwich + drink) per year you will need to sell to break even, assuming your average selling price per meal is \$9 and your fixed costs are \$175,000/year. If you are open for 5 hours/day (10:30-3:30) for 5 days/week (M-F), how many meals/hour does this work out to? Keep these notes in front of you in order to answer the questions on the Homework Check Quiz. 5. For students assigned the "COGS Forecasting" 3 minute pitch: prepare, memorize and practice a timed 3 Minute Pitch describing the assumptions you would make in your Subway Sandwich forecast: in particular, discuss what important types of expense items you included in COGS, what important types of expense items you included in Fixed Costs, what your expected Gross Margin % will be, and how many meals you will need to sell per hour of operations to break even. You should embellish the pitch as you see fit to support the compellingness of your presentation: does the meal pricing make sense? Do the hours of operation make sense? Etc. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. STUDENTS WHO ARE PITCHING WOULD DO WELL TO REVIEW THE DAMODARAN PRESENTATION AGAIN FOR TIPS. <p>Deliverable: Homework Check Quiz "COGS, Op Ex and Break Even" (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p>
6	Mon Sep 24	<p>Topic: Personnel Costs</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 7. 2. Familiarize yourself with the key distinctions between Employees and Contractors: see https://www.irs.gov/newsroom/understanding-employee-vs-contractor-designation. What is the advantage to a company of classifying a worker as an Independent Contractor rather than an employee? What is the risk to the company, if this is not a correct classification? 3. Calculate the typical "burden" – tax and benefits costs – that must be added to employee salaries in order to calculate your true labor costs: a good resource is the Department of Labor's analysis "Employer Costs for Employee Compensation for the Regions – September 2017" available at https://www.bls.gov/regions/southwest/news-release/employercostsforemployeecomensation_regions.htm. The "burden rate" is the ratio of benefits costs to base wage and salary costs. Example: \$10 salary plus \$2 benefits = a burden rate of 20% (2/10). 4. PEOs: Go to www.Napeo.org to read the definition of a Professional Employment Organization (PEO). In what ways can using a PEO help an

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		<p>entrepreneur?</p> <ol style="list-style-type: none"> 5. Noncash Comp & Stock Options: Study “Equity Award Plans” document in Canvas Files. Note how the different types of equity are taxed differently. Which is the most favorable to the recipient from a tax standpoint? 6. Read the subsection of Chapter 3 in the Feld book titled “Vesting,” on pages 56-60. What does “vesting” mean? What are typical vesting terms, according to Feld? 7. For students assigned the "Personnel Costs" 3 minute pitch: prepare, memorize and practice a timed 3 Minute Pitch describing the assumptions you would use in forecasting the personnel costs for your home renovation/flipping business. In particular, discuss what types of workers you expect you will need, which ones you would intend to classify as independent contractors vs. employees, what “burden” or benefits cost percentage you are budgeting, whether or not you would use a PEO and why, and what types of Equity Awards you are planning to offer various types of employees. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. <p>Deliverable: Homework Check Quiz “Personnel Costs” (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p>
6	Wed Sep 26	<p>Topic: Forecasting Capital Expenditures and Working Capital</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 8. 2. Read “Budget Boot Camp” article posted in Canvas → Files. 3. Read “Smart Money Advice” article posted in Canvas → Files 4. Read the document “Working Capital as a Source or Use of Funds” in Canvas → Files. Use your calculator to follow through the practice example and make sure you understand how to do the calculations. 5. If you are feeling rusty on your understanding of the terms Capital Expenditures and Working Capital and would like a refresher, you can refer back to your own accounting textbooks and notes for this; there are also thousands of online resources. I have found fairly simple and clear definitions on InvestingAnswers.com (I NEVER recommend using Investopedia.com for any finance research, it frequently is inaccurate.) 6. Imagine you love weddings, and want to start a tuxedo and gown rental business. You will keep lots of men’s and women’s formal wear to on hand for your customers to choose from, and your truck will deliver their choices freshly cleaned on the morning of their wedding. You require full payment by cash or credit card to reserve the outfits, you also charge an additional 50% security deposit that you refund if the clothes are returned undamaged within 1 week following the wedding. You are renting your show room and warehouse space but you had to do a lot of custom work on it to install electronic clothes rack systems and steam presses in back, and mirrors, pedestals, and other fancy features in front. You hope to be able to install your own dry cleaning equipment in a year or two. Now you are doing your Cap Ex and Working Capital forecast. What are the key elements of each you need to consider? 7. For students assigned the "Working Capital Forecasting" 3 minute pitch:

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		<p>prepare, memorize and practice a timed 3 Minute Pitch describing the assumptions you would use in forecasting the Cap Ex and Working Capital needs for your tuxedo and gown rental business. Imagine you are explaining the forecast to an investor who is not familiar with the industry, and want to show them that you thoroughly understand the business needs and have incorporated everything important in your forecast of the cash requirements. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz “Cap Ex and WC” (and 3 Minute Pitch, for assigned students)</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
7	Mon Oct 1	<p>Topic: Forecasting Cash Flow and Burn Rate</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 9. 2. Read Feld chapter 2, “How to Raise Money,” from page 19 through the top of page 27. You can stop at “The Demo” at this time. If you are paying attention, you should note that we have already touched quite a few of the points he covers! Look how much you have learned already. 3. In Canvas Files you will find the most recently 10Qs for Snap, Inc. and Blue Apron. If you don’t already know what business these recent hot IPO companies are in, do a quick Google search to acquaint yourself. Now you are going to calculate each of these companies’ <u>average monthly cash Burn Rate</u> and determine <u>how much longer (in months) they can survive</u> at this rate before they run out of money. To calculate each company’s cash burn rate, combine the total of its “Cash Flow from Operating Activities” with the total of its “Cash Flow from Investing Activities” for the most recent 9 months. HOWEVER, in the Investing Activities section, IGNORE all items relating to “Restricted Cash” or “Marketable Securities.” (These items just reflect how they are moving money around between various investment accounts.) When you have calculated the total Burn for the past 9 months, divide it by 9 to get the Burn per month. Now look at how much money (labeled Cash and cash Equivalents, Marketable Securities, and Restricted Cash) each company had on hand at the end of the quarter. If they continue their recent monthly Burn Rate, how many months until they run out of money? Finally, do the same monthly cash Burn Rate calculation for the same period last year (2016) and compare it to this year’s (2017). Are they burning more or less cash per month than the prior year? Is this what you would expect? Keep your calculations in front of you while you do the Homework Check Quiz. 4. For students assigned the "Cash Flow Forecasting" 3 minute pitch: prepare, memorize and practice a timed 3 Minute Pitch describing your analysis of the cash Burn Rate of both Blue Apron and Snap, two hot recent IPOs. In this case, you are not talking to an investor about your OWN company, you are just having a general discussion of Burn Rates (perhaps during a coffee break at an investor conference) and have brought up two public company examples to show that you are financially clued in. Assume the investor has not been following these two companies so you need to explain your analysis very

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		<p>clearly so it is easy to understand without slides or handouts, which of course you wouldn't have during a casual chat. Make sure you "tell the story," don't just recite a bunch of numbers. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz "Cash Flow and Burn Rate" (and 3 Minute Pitch, for assigned students)</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
7	Wed Oct 3	<p>Topic: Financial Infrastructure and Reporting</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 10. 2. Read the article "The 10 Most Important Metrics In A Startup's Financial Statements" at http://tomtunguz.com/ten-financial-metrics/. I'm providing the URL rather than a PDF of the article so that you can click on the various hyperlinks within the article that enhance and clarify Tunguz comments. Every person may have a slightly different "top ten" list but Tunguz presents some compelling perspectives worth thinking about. 3. Read the PC Magazine's article "The Best Small Business Accounting Software of 2018" at https://www.pcmag.com/article2/0,2817,2458748,00.asp. Familiarize yourself with the names of the different leading software providers. Also observe the criteria PC Magazine uses to differentiate between the different providers. How would this help your decision on which package to choose for your startup? 4. Read the article "The Crazy Eddie Fraud Part 1" in Canvas Files. In what ways did the entrepreneur and his CFO "cook the books" and commit financial fraud? Why didn't the auditors catch it? [If you are interested in learning how they eventually got caught, you can also read "The Crazy Eddie Fraud Part 2" also posted in Canvas. This is optional reading.] 5. For students assigned the "Financial Infrastructure" 3 minute pitch: prepare, memorize and practice a timed 3 Minute Pitch describing which accounting software system you would choose for your business, and why you chose that system and not the other popular ones. You have your choice of two imaginary businesses to choose from: (a) a chain of casual teenage-oriented clothing stores, OR (b) an IT consulting firm that repairs and services client companies' computer and network equipment. Pick just one of these types of businesses as the basis for your presentation, since different accounting systems are appropriate for different types of businesses. Feel free to "embellish" your speech as an entrepreneur would in explaining his/her business; use all of the allotted time to explain it convincingly. Note that the accounting software article has many hyperlinks to more detailed information that you can read to enhance your presentation content. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. <p>Deliverable: Homework Check Quiz "Financial Infrastructure" (and 3 Minute Pitch, for assigned students)</p>

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		Format: Canvas Quiz Due: By midnight, night before class
8	Mon Oct 8	Topic: Regulations, Risks and Red Flags <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 12. 2. Read the 5 articles in the folder called “Hampton Creek articles” in Canvas Files (read them in the order they are numbered.) This is an actual, high profile entrepreneurial finance situation unfolding in real time, and gives you the opportunity to identify risks and red flags for yourself. Also read the CEO’s Linkedin bio (it is posted in the folder) and think about whether it also indicates any red flags investors should have been aware of. 3. For all students EXCEPT those who are doing their 3 minute pitches: imagine you are a government regulator, and you have been alerted that there is a fancy new restaurant & bar is about to open in a former pre-1900 warehouse building in San Francisco. You need to pay a visit to the restaurant entrepreneur ASAP to make sure they are in compliance with all your applicable rules. If your last name starts with A-E, pretend you work for the California Department of Public Health, Food and Drug Branch, Retail Food Program; if your last name starts with F-J, you work for the San Francisco Department of Building Inspections; if your last name starts with K-L, you work for the California Dept of Alcoholic Beverage Control (ABC); if your last name starts with M-P, you work for the Department of Labor, OSHA Division; and if your last name starts with Q-Z, you work for the US Immigration and Customs Enforcement (ICE), Worksite Enforcement Division. Research all the ways in which your particular agency might have regulations that effect this new business, and prepare a list of 3-5 items you are concerned about so you can interview the owner. BRING YOUR LIST TO CLASS WITH YOU, there will be credit for participation. 4. For students who have been assigned the "Regulations" 3 minute pitch: imagine you are about to open a new restaurant and bar in the city of San Francisco. Research all the regulations, licenses, and permits you need to comply with before you can open for business (at least as far as you can tell from internet research); good places to look are the sites of the regulatory agencies listed in #3 above. Prepare, memorize and practice a timed 3 Minute Pitch describing in detail all the regulatory requirements you have complied with, in order to convince a potential investor that you have covered all the bases and will have a successful opening. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. Deliverable: Homework Check Quiz “Regulations, Risks, Red Flags”; for non-speaking students, bring list of issues described in #3 above; for speaking students, 3 Minute Pitch described in #4 above. Format: Canvas Quiz Due: By midnight, night before class
8	Wed Oct 10	Topic: Segment 2 Overflow and Review day <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 13. 2. Download and read the “Risks and Red Flags Exercise” in Canvas Files. Highlight or circle as many risks and red flags as you can find, and bring your

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		<p>marked up work to class to participate in the discussion. Points will be awarded if you are able to point out a risks or red flag that other students haven't mentioned yet.</p> <ol style="list-style-type: none"> 3. Imagine that you are planning to open a restaurant business. The first year you are open for business, you only serve dinners, and focus on building customer awareness, traffic and reputation. The second year, you expand your hours to 7am-10pm daily to add on breakfasts, brunches and lunches. The third year, you open two more full service locations. The fourth year, you set up a small vegetable farm to supply your restaurants with higher quality produce at a lower cost. In the fifth year, your garden is producing more than you can use, so you start a wholesale produce business selling and delivering your extra vegetables to other restaurants. Think about how each of these developments would affect your expenses and cash flow, and then take the Homework Check Quiz. 4. For students assigned the "Risks and Red Flags" 3 minute pitch: imagine that you are the founder of the restaurant business described in #3 above. You are talking to a potential investor and trying to impress her with how much you know about entrepreneurial finance, and how to avoid financial fraud in your own company. Think about what you have learned from the lectures and the articles you read. Prepare, memorize and practice a timed 3 Minute Pitch describing the controls you will intend to put into place in your business to ensure financial integrity. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. <p>Deliverable: Homework Check Quiz “Segment 2 Review” (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p>
9	Mon Oct 15	<p>Topic: Study for Segment Quiz 2: Forecasting COGS, Op Ex, Cap Ex, W/C and Cash Flow; Financial Infrastructure, Regulation and Red Flags Preparation: Study lectures, readings and notes Deliverable: Segment 2 Quiz Format: Canvas or Scantron (your choice) Due: In class</p>
9	Wed Oct 17	<p>Topic: Debt Sources and Terms</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 14. 2. Practice Basic Business Calculations problem 6: Debt Coverage Calculations 3. Read Feld Chapter 8 (Convertible Debt). There is a lot to absorb here. Make sure, at the very least, you understand the concepts involved in Convertible Debt, and how various terms are favorable or unfavorable to the lender and to the entrepreneur. 4. Review your notes from Niki Wong SBA lecture. 5. For students assigned the "Debt Sources" 3 minute pitch: Imagine that you have decided to set up a business to import rare herbal vitamin supplements from South America. It's a simple business model that will be immediately profitable because you will price your products at a hefty mark-up over whatever they cost you; and you won't much fixed cost, because warehouse

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		<p>rent is cheap and you won't need many employees. However, because you are still a student, you have practically no capital (savings or other assets) to pay for the set up costs for the business. You estimate the set up will cost \$175,000 for legal fees, import and business licenses, travel to South America to make sourcing and delivery arrangements, your initial inventory order, prepaid rent and security deposit on the warehouse, and some miscellaneous items (you do not need any PP&E). Rounding that up to \$200,000 in case of unforeseen costs, you approach the SBA department of 3 lenders with your business plan. All of them propose fully amortizing loans with monthly payments, but the terms are slightly different, as follows:</p> <table border="1" data-bbox="446 535 1437 682"> <thead> <tr> <th>LENDER</th> <th>TERM</th> <th>RATE</th> <th>Min. TIE</th> <th>Min. Fixed Pmt Covge</th> </tr> </thead> <tbody> <tr> <td>Wells Fargo</td> <td>7 years</td> <td>6.75%</td> <td>15x</td> <td>5x</td> </tr> <tr> <td>Bridge Bank</td> <td>10 years</td> <td>9.25%</td> <td>8x</td> <td>4x</td> </tr> <tr> <td>Lending Club</td> <td>9 years</td> <td>7.25%</td> <td>5x</td> <td>3x</td> </tr> </tbody> </table> <p>You make a detailed financial projection and believe that in your first year, you will have average monthly sales of \$25,000; a Gross Margin of 60%; and monthly Fixed Costs of \$7,000 (you have no depreciation). Calculate your ratios and determine which loan you can afford without violating the coverage minimums in the first year. Pretend you are explaining this to your investors, who are worried about whether you can afford the loan. Remember Damodaran's "numbers and narrative" advice: tell the story, make a convincing argument, don't just recite the numbers. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz "Debt Sources" (and 3 Minute Pitch, for students assigned "Debt Sources" topic) Format: Canvas Quiz Due: By midnight, night before class</p>	LENDER	TERM	RATE	Min. TIE	Min. Fixed Pmt Covge	Wells Fargo	7 years	6.75%	15x	5x	Bridge Bank	10 years	9.25%	8x	4x	Lending Club	9 years	7.25%	5x	3x
LENDER	TERM	RATE	Min. TIE	Min. Fixed Pmt Covge																		
Wells Fargo	7 years	6.75%	15x	5x																		
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Lending Club	9 years	7.25%	5x	3x																		
10	Mon Oct 22	<p>Topic: Equity Sources: Angels, VCs and Crowds</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 15. 2. Read Feld Chapter 1 "The Players" pp 5-14 3. Read Feld Chapter 9 "Crowdfunding". Note the difference between "product" and "equity" crowdfunding. 4. Read Feld Chapter 10 "How Venture Capital Funds Work". Make sure you understand how the venture capital business is structured and makes money. Some vocabulary to learn: LP, Management Company, Carry, Management Fee, Zombie VC, Fiduciary Duties, Reserves, Investment Period (also called Commitment Period,) Dry Powder. Some vocabulary that you DON'T need to focus on for this class: cross-fund investing, clawbacks, corporate VCs, key-man clauses, strategic investors. 5. Study the Debt Calculations Review handout (also posted in Canvas Files) and be prepared for a question on the homework check. 6. For students assigned the "Equity Sources" 3 minute pitch: Imagine that you and two partners have developed a revolutionary software program and are eager to raise money to commercialize it (get customers and build it into a business.) You don't know any Venture Capitalists personally before but 																				

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>through LinkedIn, you find you have connections who might be able to give you an introduction to three well-known funds: Institutional Venture Partners, Artiman Ventures, and K9 Ventures. Research these three firms (good sources include the firms' own websites, The Funded website, and the Crunchbase website); then pretend you are sharing your findings with your two partners. Prepare, memorize and practice a timed 3 Minute Pitch describing which one of these three firms is most likely to be a good fit for your company, and why (be as specific and factual as possible.) Also talk very specifically and factually about why you did NOT choose either of the other two firms. A good presentation should include reference to your type and stage of business, and the VC's availability of investment capital. Feel free to discuss strengths or weaknesses of individual partners at the firms, if that is relevant to your decision. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz "Equity Sources" (and 3 Minute Pitch, for students assigned "Equity Sources" topic)</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
10	Wed Oct 24	<p>Topic: Guest Speaker Niki Wong, Program Manager of SBA Lending for TechCU</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 11. 2. Speaker research <p>Preparation: Research guest speaker Niki Wong's background: Google her to find articles describing her background, look at the companies she's worked for including his current company Tech CU. Visit the Small Business Association (SBA) website and read about "SBA Loan Programs." Think about what experiences and expertise she might have relevant to what you are studying in this course, and how you can learn from her, specifically on the topic of getting loans for startup companies.</p> <ol style="list-style-type: none"> 3. Prepare at least 3 questions to ask that are thoughtful, relevant to the course material, and clearly evidence that you have done the homework research specific to this speaker. Questions that do not meet these criteria will not earn homework points. You will not get points for questions that are: <ul style="list-style-type: none"> - Generic questions that could be asked of anybody, such as "What are your biggest challenges?" Questions must show research on this specific speaker's background. - Questions that are not related to Entrepreneurial Finance, such as "What do you think of robotics technology?" Focus on questions that can enhance your knowledge of our course material. - Career advice questions (you can ask those after class). <p>Deliverable: A list of at least three well-articulated questions that meet the above criteria.</p> <p>Format: Canvas "Text" submission. Also print and bring to class: I will call on selected students to ask your questions and if you do not have them at hand you will lose an assignment point.</p> <p>Due: 5:00pm day BEFORE class</p> <ol style="list-style-type: none"> 4. Speaker review <p>Preparation: attend class and take notes</p>

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>Deliverable: Minimum 250 word guest speaker review, focusing on what you learned and how it is relevant to the concepts you are studying in this course. Writeups must be written and proof-read to meet business correspondence standards (correct spelling, grammar, vocabulary usage, punctuation, etc.) Due: By the start of the next class session</p>
11	Mon Oct 29	<p>Topic: Equity Financing Terms</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 16. 2. Read Feld Chapter 4 “Economic Terms” from page 39-45. You can stop for now at the subheader “Liquidation Preferences.” Try to understand the vocabulary and calculations as much as possible. 3. Find the following three reports by doing Google searches: <i>Fenwick.com Silicon Valley Venture Capital Survey 2nd Quarter 2018</i> <i>Cooley.com Venture Financing Report, Q2 2018</i> (click on “Cooley GO” to see the important details in the report) <i>WSGR.com Entrepreneurs Report Q2 2018</i> <p>Particularly focus on trends in UP vs DOWN rounds; actual pre-money valuations for Seed and A rounds; % price changes between rounds.</p> <p>For students assigned the "Equity Terms" 3 minute pitch: Study the Fenwick and WSGR data on Median Amount Invested/Raised for Seed and A rounds, and the Cooley and WSGR data on average Premoney Valuations for Seed and A rounds. What are the trends in Amount Invested and Premoney Valuation? Based on this data, and the Premoney/Postmoney Valuation discussion in the Feld chapter, calculate what is a typical percentage of a company that a VC purchases in a Seed or an A round. Now imagine that you are negotiating with a VC who has made you a proposal for a Seed round investment of \$500,000 at a premoney valuation of \$1mm. Prepare and practice a 3 minute pitch proposing alternative terms you feel are more reasonable based on current market data. Make sure to discuss premoney and postmoney valuations and percent of the equity purchased. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz “Equity Terms” (and 3 Minute Pitch, for students assigned “Equity Terms” topic) Format: Canvas Quiz Due: By midnight, night before class</p>
11	Wed Oct 31	<p>Topic: Preferred Stock Structures and Cap Table</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 17. 2. Finish reading Feld Chapter 4 “Economic Terms”. Read carefully, make note of vocabulary, try to work through the math. 3. Also read Feld Chapter 6, ONLY the section called “Redemption Rights” on pp 83-85. 4. For students assigned the "Preferred Stock Structures" 3 minute pitch: Imagine that you are negotiating the terms of a seed-round venture capital investment in your company. The person assigned to negotiate with you is a junior partner of the VC firm who does not seem to have a lot of practical experience in the industry yet. Below are the terms they have proposed: prepare a short speech in which you state which terms you feel are acceptable and which ones you

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>would like modified, and what you feel they should be changed to. Base your judgment of what is reasonable on the industry averages contained in the Cooley and Fenwick data as well as the Feld book. Here is the VC's proposal: Investment of \$1.5mm</p> <ul style="list-style-type: none"> • Premoney valuation of \$3mm • Full Ratchet Anti-Dilution Protection with no carve-outs • Redemption Rights in case of underperformance during first 5 years • 10 year Founder Stock vesting period • Uncapped Participating Preferred Stock • 3x Liquidation Preference • Cumulative Dividends <p>Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz "Preferred Stock Structures" (and 3 Minute Pitch, for students assigned "Preferred Stock Structures" topic)</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
12	Mon Nov 5	<p>Topic: Segment 3 Review/Overflow Day</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 18. 2. Read "Toxic Termsheets: Founders Beware" article in Canvas Files, and make sure you understand why term sheets can be "toxic". 3. Read Feld Chapter 7, "Capitalization Table" and try to follow the math. 4. Go back to the Cooley and Fenwick reports and review the prevalence of different deal terms we have studied, such as Antidilution, Preference Multiples, Redemption Rights, and Liquidation and Participating Preferences, and whether Preferences were Capped. 5. Practice all the types of calculations covered in the lectures. These include: Floating interest rates; Times Interest Earned; Fixed Payments Coverage; Total Cost of Debt; Convertible Debt Discounts and Conversion Caps; VC Fund Economics; Pre- and Post-Money Valuation; Dilution; Calculating # of shares issued; Simple and Participating Liquidation Preferences; Participation Caps. 6. For students assigned the "Cap Table and Conversion" 3 minute pitch: Imagine that you have just been hired as the Chief Financial Officer of a hot startup company. The founder has a magnetic personality and has raised a lot of money and hired many people during the brief 30 months since founding the company, which has just been valued at \$50mm by an independent auditor. However, he is getting divorced and his soon-to-be-ex-wife wants him to buy out her share of the company. He asks you to calculate what percentage she owns on a fully-diluted basis, and you realize no one has ever put together a cap table. Create a cap table based on the following information and calculate what percentage the wife owns and therefore how much money it will take to buy her out: Founder started the company by issuing himself 500,000 shares, his wife 500,000 shares, and each of their four children 50,000 shares. Shortly after that he raised seed capital by issuing 300,000 shares to an angel investor. As

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		<p>he started to hire employees, he set up an option pool with 200,000 shares. After a year he did a 2/1 stock split; following that, he increased the pool by another 200,000 post-split shares. A total 450,000 of the total pool options have been awarded to employees so far, of which 30% are vested. He has also borrowed \$700,000 in convertible debt from angel investors that converts at a split-adjusted ratio 80 cents per share, and issued warrants to his asset-based lenders that give them the right to purchase 150,000 shares.</p> <p>Imagine you are explaining this to the CEO. Feel free to draw a pie chart on the white board to help in your presentation. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz “Segment 3 Review” (and 3 Minute Pitch, for students assigned “Cap Table and Conversion” topic) Deliverable: Homework Check Quiz “Segment 3 Review” Format: Canvas Quiz Due: By midnight, night before class</p>
12	Wed Nov 7	<p>Topic: Study for Segment 3 Quiz: Debt & Equity Sources and Terms Preparation: Study lectures, readings and notes Deliverable: Segment 3 quiz Format: Canvas or Scantron (your choice) Due: In class</p>
13	Mon Nov 12	Veterans Day Holiday
13	Wed Nov 14	<p>Topic: Guest Speaker Ephraim Lindenbaum of Advance Ventures</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 19. 2. Speaker research <p>Preparation: Research guest speaker Ephraim Lindenbaum’s background: Google him, read his bio on LinkedIn, look at the companies he’s worked for including his current company Advance Ventures, look at his portfolio companies. Think about what experiences and expertise he might have relevant to what you are studying in this course, and how you can learn from him.</p> <p>Prepare at least 3 questions to ask that are thoughtful, relevant to the course material, and clearly evidence that you have done the homework research specific to this speaker. Questions that do not meet these criteria will not earn homework points. Avoid questions that are:</p> <ul style="list-style-type: none"> Generic questions that could be asked of anybody, such as “What are your biggest challenges?” Questions must show research on this specific speaker’s background. Questions that are not related to Entrepreneurial Finance, such as “What do you think of robotics technology?” Focus on questions that can enhance your knowledge of our course material. Career advice questions (you can ask those after class). <p>Deliverable: A list of at least three well-articulated questions that meet the above criteria. Format: Canvas “Text” submission. Also print and bring to class: I will call on selected students to ask your questions and if you do not have them at hand you will lose an assignment point.</p>

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		<p>Due: 5:00pm day BEFORE class</p> <p>3. Speaker review</p> <p>Preparation: attend class and take notes</p> <p>Deliverable: Minimum 250 word guest speaker review, focusing on what you learned and how it is relevant to the concepts you are studying in this course. Writeups must be written and proof-read to meet business correspondence standards (correct spelling, grammar, vocabulary usage, punctuation, etc.)</p> <p>Format: Canvas “text” submission</p> <p>Due: By the start of the next class session</p>
14	Mon Nov 19	<p>Topic: Valuation: Market and Comparables Based Valuation</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 20. 2. Download and read through the “Summary of Market Based Valuation Approaches” from Canvas “Files” 3. Go back to the Fenwick and Cooley reports you downloaded for a prior assignment. What is the current starting point dollar value for a “market” based valuation of a company raising its Seed round? 4. For students assigned the "Market Based Valuation" 3 minute pitch: Your best friend is a brilliant chemistry graduate student at SJSU who has invented an astounding formula for automobile paint that “heals” itself, wiping out old scratches and dings the way a person’s skin heals from wounds. You aunt, who works for Tesla, has many contacts in the car industry and has promised to help you market it. During spring break you visited Thailand, where you happened to meet the manager of a company that does contract manufacturing of paints and dyes, at a very favorable cost so you wouldn’t have to build your own plant. You email the famous Angel and mentor Bill Powell, who is intrigued and agrees to a Skype call to hear your pitch. What premoney valuation do you propose to him, and why? Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used. <p>Deliverable: Homework Check Quiz “Market Based Valuation” (and 3 Minute Pitch, for students assigned “Market Based Valuation” topic)</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
14	Wed Nov 21	Thanksgiving break
15	Mon Nov 26	<p>Topic: Valuation: DCF and First Chicago/Hybrid Analysis</p> <ol style="list-style-type: none"> 1. Continue Stross book: read through at least Chapter 21. 2. Study “Comparables” valuation approach from last lecture. If you would like further details, read online Wikipedia entry “Valuation Using Multiples” and online Investopedia entry “Equity Valuation: The Comparables Approach” by Ryan C. Fuhrmann, CFA. 3. Go to the CambridgeAssociates.com website and under “Benchmarks”, download the “U.S. Venture Capital 2018 Q2” report, where you can see historical data on rates of return in venture capital funds. In particular study page 8, and think about these questions: (a) What is a typical return on investment for VC funds? (b) Should it be higher or lower for early vs late stage funds? For VC funds vs the S&P 500? For VC funds vs the Bloomberg

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>Bond Index? Print out the page and keep it in front of you for the Homework Check Quiz.</p> <p>4. For students assigned the "Comparables Valuation" 3 minute pitch: Imagine your dream is to build a nationwide chain of elegant steak house restaurants – that will only serve vegan “beef”, which is skyrocketing in popularity. Your plan is to open twenty restaurants in major US markets over the next 5 year and then do an IPO. A group of Angel investors is excited about your concept, and asks you what you think the company’s IPO market cap will be if you perform according to plan. You forecast fifth year sales of \$400mm and net income of \$30mm. Do a “comparables based valuation” of your company in year 5. For comparable companies, use four public steak house chains: Fogo de Chao, Cheesecake Factory, Ruth’s Hospitality, and Texas Roadhouse. For comparable ratios, use P/E and P/Sales. Your 3 minute pitch to the Angels should say what your valuation estimate is and explain in a convincing way how you calculated it. Note that you do not HAVE to use the data from all four comparable companies, but if you decide NOT to include any, you must explain why you didn’t include them, and you should make sure that this decision helps your valuation results. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz “Comparables Analysis” (and 3 Minute Pitch, for assigned students) Format: Canvas Quiz Due: By midnight, night before class</p>
15	Wed Nov 28	<p>Topic: Exit Events, Valuation Recap, Elevator Pitch Instructions</p> <p>Preparation:</p> <ol style="list-style-type: none"> 1. Finish reading Stross book, through the Epilogue. 2. Refresh your memory (from prior finance courses) on Discounted Cash Flow analysis: look back at books, notes, do a few web searches – there’s lots of information out there to remind you. Get out a calculator that has a Net Present Value function and recall how to use it, OR open a spreadsheet program like Excel or Google Spreadsheets and find out how to use the Net Present Value function to calculate the Present Value of a future stream of cash flows. Example problem to practice: "Your business generates the following cash flows for the next 4 years: a loss of (\$75,000), a positive \$45,000, a positive \$80,000 and a positive \$220,000. If your Required Rate of Return is 18%, what is the Present Value of these cash flows to you?" If you have input it correctly, your answer will be \$130,923. 3. Once you feel ready, open up the Homework Check Quiz on DCF Valuation Analysis and complete the quiz. This quiz does NOT require the Lock Down Browser because, unless you’re using a calculator, you will need to open a separate window with a spreadsheet program in order to calculate the present values required by the quiz questions. You can start the quiz any time between the end of the prior class and the start of this class, but once you start the quiz, you must complete it in 15 minutes. It is a very simple quiz as long as you have practiced using the NPV functions on your calculator or spreadsheet.

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>4. For students assigned the "DCF and Exits" 3 minute pitch: your three roommates have decided to start a company that makes motorized, solar-powered surfboards for rich older surfers who aren't in good shape for paddling out. They have assigned themselves the titles of CEO, CFO, and VP Sales, and want you to do the fundraising for them since you are the only one who took BUS 173c. You ask them what they think the exit strategy of the company is, so you can do a DCF valuation. But, the three of them can't agree: the CEO thinks the exit will be an IPO ten years from now, valued at 15x their tenth year earnings, which are forecasted to be \$80mm. The CFO thinks the exit is more likely to be a sale of the company five years from now to O'Neill, a sporting goods company which is run by SJSU graduates, for about \$500mm, which is what O'Neill recently paid to purchase a maker of solar heated wetsuits. The VP Sales thinks that they should just have fun running the company for as long as they want and then shut it down when they're tired of it. Using a 20% discount rate, calculate the differences in valuation that their three different points of view would result in, and recommend which you believe is best to use, and why. Be convincing. Presentation must be easy for audience to understand, logical and accurate, well rehearsed and use 2.5-3 minutes, and demonstrate completion of homework assignment. No notes or aids may be used.</p> <p>Deliverable: Homework Check Quiz "DCF Valuation" (and 3 Minute Pitch, for assigned students)</p> <p>Format: Canvas Quiz</p> <p>Due: By midnight, night before class</p>
16	Mon Dec 3	<p>Topic: Segment 4 Review/Overflow Day</p> <p>Preparation: Special "TV" assignment: Watch one full episode of SHARK TANK</p> <p>Deliverable: Minimum 250 word summary of what you learned/saw in this show that directly relates to what we have been studying in Entrepreneurial Finance. To earn points the writeup must be: Minimum 250 words in length not including header information such as date, name, etc.;</p> <p>Note the exact episode being viewed; Specifically describe at least three things in the Episode that directly relate to what we have been studying in EF this semester, and how they support/agree with, or contradict/disagree with, our course content. Grading will focus on demonstration of critical thinking (accuracy, logic, clarity of communication). Writeups must be written and proof-read to meet business correspondence standards (correct spelling, grammar, vocabulary usage, punctuation, etc.)</p> <p>Format: Canvas "text" submission</p> <p>Due: By midnight, night before class</p>
16	Wed Dec 5	<p>Topic: Study for Segment Quiz 4: Valuation</p> <p>Preparation: Study lectures, readings and notes</p> <p>Deliverable: Segment 4 Quiz</p> <p>Format: Canvas or Scantron (your choice)</p> <p>Due: In class</p>
17	Mon Dec 10	<p>Topic: Elevator Pitches</p> <p>Preparation: Write an elevator pitch as if you were the CEO of an Inc 500</p>

Week	Date	Topics, Readings, Assignments, Deadlines
		<p>company attending a conference to meet potential investors: To select a company, Go to www.Inc.com;</p> <p>On MENU icon in upper left corner, click MAGAZINE;</p> <p>A selection of covers will appear; choose SEPT 2017, INC 5000 issue;</p> <p>Scroll through articles and pick a INC 500 company that interests you; read the article and find additional info from Google, Wikipedia, the company website, its investors' websites, etc. If you were CEO and needed to raise money, what would be your Elevator Pitch to potential investors? NOTE: you must pick a private company that might be in need of fundraising. Do not pick a company that is/has gone public already.</p> <p>Deliverable: write and rehearse a 150-200 word, 1 minute maximum Elevator Pitch that clearly explains what your company does and why it's a compelling investment opportunity. Important: this is an elevator pitch to a potential investor, NOT to a customer! You are trying to raise money, not sell products. Focus on why it's attractive as an investment, using concepts we've discussed this semester regarding how investors evaluate companies.</p> <p>Format: Pitch in class: no notes, 1 minute maximum (timed.)</p> <p>Due: Start of class</p>
Final Exam	Wed Dec 12, 7:15-9:30am	<p>Study for Final Exam</p> <p>Final exam schedules are set by the University and can be found on the SJSU website. They are not held at the normal class time: be careful to note the correct time. They are held in the same room as class sessions unless otherwise posted.</p> <p>Format: Canvas or Scantron (your choice)</p>
	??? if time allows	<p>Topic: Guest Speaker Randall Stross, Author and SJSU Professor</p> <p>1. Speaker research</p> <p>Preparation: Research guest speaker Randall Stross's background: Google him, read his bio on LinkedIn, look at the companies he's worked for and books he's written. Think about what experiences and expertise he might have relevant to what you have been studying in this course, and how you can learn from him. Prepare at least 3 questions to ask that are thoughtful, relevant to the course material, and clearly evidence that you have done the homework research specific to this speaker. Questions that do not meet these criteria will not earn homework points. You will not get points for questions that are:</p> <ul style="list-style-type: none"> - Generic questions that could be asked of anybody, such as "What are your biggest challenges?" Questions must show research on this specific speaker's background. - Questions that are not related to Entrepreneurial Finance, such as "What do you think of robotics technology?" Focus on questions that can enhance your knowledge of our course material. - Career advice questions (you can ask those after class). <p>Deliverable: A list of at least three well-articulated questions that meet the above criteria.</p> <p>Format: Canvas "Text" submission. Also print and bring to class: I will call on selected students to ask your questions and if you do not have them at hand you will lose an assignment point.</p>

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		<p>Due: 5:00pm day BEFORE class</p> <p>2. Speaker review</p> <p>Preparation: attend class and take notes</p> <p>Deliverable: Minimum 250 word guest speaker review, focusing on what you learned and how it is relevant to the concepts you are studying in this course.</p> <p>Writeups must be written and proof-read to meet business correspondence standards (correct spelling, grammar, vocabulary usage, punctuation, etc.)</p> <p>Format: Canvas “text” submission</p> <p>Due: By the start of the next class session</p>