

**THE WHARTON SCHOOL
UNIVERSITY OF PENNSYLVANIA**

**MGMT 235
TECHNOLOGICAL INNOVATION AND ENTREPRENEURSHIP
FALL 2010**

This course introduces the challenges and choices associated with the development of technical ventures. Students will learn how to identify technology-based venture opportunities, evaluate technical feasibility and business potential, and develop a plan for successful commercialization. Class sessions will focus on the issues which must be faced in starting a new venture and the options which are available to the technological entrepreneur. Particular emphasis will be placed on rigorous assessment of the technical and business merits of selected innovations through individual and group projects.

PREREQUISITE:

Junior standing in Management and Technology Program or permission of instructor. Because of team project requirements, class size will be limited; priority will be given to graduating Management and Technology students.

(Please Note: Because of the similarities in course objectives and content, credit cannot be earned for both MGMT 235 and MGMT 230, EAS 345 or EAS 346.)

TIME/LOCATION:

Tuesdays and Thursdays, 1:30 to 3:00 pm

Location: TBA

INSTRUCTOR:

Professor William F. Hamilton
3537 Locust Walk
Philadelphia, PA 19104
Telephone: 215-898-4145
Email: hamilton@wharton.upenn.edu

TA's:

Ripan Kadakia
Manu Bhat

COURSE ORGANIZATION AND REQUIREMENTS:

Assigned text and supplementary readings will be augmented by cases and guest lectures. Students will submit written case analyses, individual project reports, and a team project involving a proposed technological venture. Team project topics will be selected by students in consultation with the instructor. The final course grade will be based on individual written assignments and quizzes (50%), team venture project assignment (35%), and class participation (15%).

COURSE MATERIALS:

Required Readings: Bulk pack (BP) available from Wharton Reprographics / Study.net.

Text (T): Baty, Gordon B. and Blake, Michael S. Entrepreneurship: Back to Basics.

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CLASS SCHEDULE

<i>Date</i>	<i>Topic</i>	<i>Assignment</i>
<i>Supplementary materials as appropriate:</i> Available in the M&T Resource Center, 3537 Locust Walk.		
1. TH 9/9	INTRODUCTION TO TECHNOLOGICAL INNOVATION AND ENTREPRENEURSHIP	BP: 1, 2, 3, 4;[<u>skim</u> entire text]
2. T 9/14	CONVERTING TECHNOLOGY INTO NEW BUSINESS (Guest Resource: Steven Polsky, M&T '86)	BP: 6, 11
3. TH 9/16	EVALUATING AND TESTING NEW VENTURE IDEAS	<u>Project #1</u>
4. T 9/21	VENTURE DEVELOPMENT SUCCESS FACTORS; IDENTIFYING AND SHAPING NEW VENTURE OPPORTUNITIES	T: 1, 2, ; BP: 5, 7; [WC: (1), (2)]
5. TH 9/23	INVENTIONS AND INVENTORS	<u>Project #2</u>
6. T 9/28	FEASIBILITY ANALYSIS	T: 4; BP: 9, 10, 11
7. TH 9/30	INITIAL TEAM PROJECT DISCUSSIONS	Venture Project Summaries
8. T 10/5	VENTURE ANALYSIS	<u>Case # 1</u> , BP: 12, 13
9. TH 10/7	THE BUSINESS PLAN	T: 11; BP: 8, 14, 15; WC: (3)
T 10/12	Fall Break	
10. TH 10/14	TEAM PROJECT ASSESSMENTS & SELECTIONS	Project Assessments
11. T 10/19	BUSINESS PLAN EVALUATION	<u>Case #2</u> ; BP: 16
12. TH 10/21	MARKETING CHALLENGES & CHOICES (Guest Resource: Rob Weber, M&T '82)	BP: 17, 18
13. T 10/26	MARKET ANALYSIS	T: 4, 18, 19, 20; BP: 19, 20; <u>Initial Project Market Estimates</u>
14. TH 10/28	BUSINESS PLAN EVALUATION (Guest Resource: Rob Weber, M&T '82)	<u>Case #3</u> : WC: (13)
15. T 11/2	FINANCING AND FINANCES- Finding Capital & Structuring the Deal	T: 8, 9; BP: 21,22, 23, 24, 25, 28, 30; [WC: (4), (5)]

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<i>Date</i>	<i>Topic</i>	<i>Assignment</i>
16. TH 11/4	FINANCING AND FINANCES Project Requirements	<u>Initial Estimates of Project Requirements</u> ; BP: 29
17. T 11/9	FINANCING AND FINANCES-VENTURE CAPITAL (Guest Resource: James Millar)	T: 12; BP: 26, 27; [WC: (6), (7), (8), (9)]
18. TH 11/11	PROJECT DISCUSSIONS-Organizational Issues and Options; FVA comments review	T: 5, 6, 7, 16, 17 [13,14,15,21,22,28]; BP: 34; [WC: (10)];
19. T 11/16	VENTURE EVALUATION (Guest Resource: Dr. Daniel Skovronsky)	<u>Case #4</u> ; TBD
20. TH 11/18	RUNNING THE SHOW-Lessons of Experience	T: 23, 29, 30; BP: 31, 36; [WC: (12)]; <u>Annotated Bibliography</u>
21. T 11/23	CLASS PRESENTATIONS & DISCUSSION OF FIRST VENTURE ANALYSIS	<u>First Venture Analysis</u>
TH 11/25	Thanksgiving Holiday	
22. T 11/30	LEGAL ISSUES (Guest Resource: Steven Goodman, Esq.)	T:25; BP: 35
23. TH 12/2	CONVERTING TECHNOLOGY INTO NEW BUSINESS (Guest Resource: Doug Alexander, M&T '83)	WC: (11)
24. T 12/7	COURSE SUMMARY / WRAP-UP	<u>Concepts & Perspectives</u>
25. TH 12/9 & 26. TBA	TEAM PROJECT PRESENTATIONS	BP: 32, 33; <u>Final Project Presentations</u>
MO 12/14		<u>Business Plans, Team Peer Evaluations</u> (to M&T office by 5pm)

- Notes:**
- 1. Underline**=> written assignment due
 - BP=> Bulk Pack reading; T=> Text Chapter
 - WC()=> Webcafé reading
 - [.....]=> Skim read

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BULKPACK READINGS (BP)

1. Five Myths About Entrepreneurs: Understanding How Businesses Start and Grow
2. Built to Flip
3. The Next Small Thing
4. Retooling the Entrepreneur
5. Finding Fertile Ground
6. Beating the Odds: Avoid These Mistakes at All Costs!
7. What your Company Can Learn From Google
8. Writing a Compelling Executive Summary
9. Innovation Evaluation Instrument
10. Critical Factors for Obtaining Venture Funding
11. Cautionary Tales – Plus Encouragement – From Three Veteran Entrepreneurs
12. Analyzing the New Venture's Feasibility
13. A First Venture Analysis: Rapidrill Corporation
14. Developing the Business Plan
15. How to Write a Great Business Plan
16. Datacom International, Inc.
17. Network Effects
18. Inside the Tornado
19. Estimating Market Potential
20. Marketing Research
21. You Can Negotiate with Venture Capitalists
22. Splitting Equity with Backers
23. Structuring the Financing
24. What are the Terms?
25. How to Find the Right Investors for Your Business
26. How Venture Capital Works
27. Venture Capital in Practice: A Case History
28. Non-traditional Financing Sources
29. How Much Money Does Your New Venture Need?
30. Those High-Flying Angel Investors
31. Do the Right Thing
32. The Ten Commandments of Fundraising
33. Guidelines for an Investment Presentation
34. How to Build an Organization
35. Learn to Love Your Lawyer
36. The Harvest and Beyond

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WEBCAFE READINGS (WC)

1. Success and Failure Factors
2. The Opportunity: Creating, Shaping, Recognizing, Seizing
3. Does Business Planning Facilitate the Development of New Ventures?
4. Giving Ideas Wings
5. Ownership, Dilution, Negotiation, and Valuation
6. Battelle Ventures
7. The Venture Capital Cycle: Introduction
8. Venture Capitalists
9. What do Entrepreneurs Pay for Venture Capital Affiliation?
10. The New Venture Team
11. Internet Capital Group: Douglas Alexander
12. Pyramiding to the Top
13. CustomClothes Business Plan

