COURSE DESCRIPTION

During this course, students learn how to evaluate and value a new business from an investor perspective. The course explores the fundamental characteristics that make a good business (and conversely a bad business) and business valuation. Working in teams students create a business plan, build integrated financial statements, and develop a financing strategy. Students are taught how to write and present (pitch) a business plan to investors while developing a thorough understanding as to investor needs, methodologies and concerns. Early stage fundraising techniques, legal issues, intellectual property, and securing real estate will be also covered.

COURSE MATERIALS

<table>
<thead>
<tr>
<th>Required Course Material</th>
<th>Venture Deals</th>
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</thead>
<tbody>
<tr>
<td>By: Brad Feld, Jason Mendelson</td>
<td>Second Edition, paperback</td>
</tr>
<tr>
<td></td>
<td>ISBN: 978-0-07-174883-4</td>
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CLASS ORGANIZATION & ADMINISTRATION

Methods of Instruction:
Several methods of instruction are used including: lecture, videos, discussions of examples, cases, guest speakers, and project work.

Students are responsible for reading assigned material prior to class and coming prepared to engage in a discussion on the assigned topics. Discussion questions related to the readings may be posted in advance for some class sessions. Quality class participation is a significant part of everyone’s learning process. Asking thoughtful questions, respecting the views of your fellow students and instructor, not interrupting others and sharing opportunities to participate with your colleagues will result in meaningful dialogue and learning.
**Expectations:**
Professional conduct is expected at all times:
- Treat all participants in the class with respect
- Arrive on time and avoid early departures
- **Use laptops or other technology in the classroom only when appropriate for the activities for that session. Computers should not be used during lectures.**
- **No cell phones, or other electronic instruments are to be out or on during class**
- Do not distract others
- Submit all assignments on time, in a legible and professional manner (10 or 12 point, double spaced, with standard margins all around)

**Submitting Assignments:**
Any assignments will be submitted directly to my email at lphorowitz715@gmail.com
**DO NOT SUBMIT ASSIGNMENTS THROUGH BLACKBOARD.**

Lecture slides, individual and team assignments and class announcements will be posted on blackboard.

**Project Teams: Business Plan –High Growth**
Students will form teams of 1-5 students and create a written business plan and oral presentation on a new business venture. This plan will outline the growth strategy for the company and will include a Marketing, Financial and Operations Plan.

On the final day of class the teams will be required to turn in a written copy of their plan and present their business assessment to the class. Requirements for both the written copy and the team presentations will be provided in class.

**Class Communications:**
All class announcements will be email to students via Blackboard. Please make sure your primary email is up to date in the Rutgers system. **Please also make sure you keep your email box clear to receive messages.** This is especially important if you are forwarding your Rutgers mailbox to your personal email as these messages accumulate in the Rutgers mail box and the mailbox will eventually become full.

**Learning Outcomes:**
Students will learn how to:
- Understand investor motivations
- Conduct an exit analysis
- Use customer and industry analysis to identify and assess opportunities
- Develop business plans to pursue attractive opportunities
  - product/service development strategies
  - go-to-market, supply-chain strategies
  - forecast time, money and milestones
  - financing strategies
• Evaluate business plans from investors’ points of view
• Forecast sales
• Build integrated financial statements in Excel
• Conduct venture capital valuation in Excel
• Write business plans
• Understand and negotiate term sheets
• Understand the different types of funding available to science and technology-based start ups.
• Do one minute and twenty minute pitches
• Solve unstructured problems and present the results to stakeholders.
• Pitch ideas and investment proposals
• Work in teams and meet deadlines
• Make recommendations
• Develop and present implementation plans
• Communicate ideas effectively
• Conduct industry and firm-level research
• Identify key decision makers and their motivations

FINAL GRADE ASSIGNMENT

Midterm Exam 30%
Business Plan 20%
Pitch 50%

The midterm exam will be administered during the class period and will be taken individually. The business plan and the twenty-minute pitch grade will be evaluated on a group basis.
Finance (22:390:674)

COURSE SCHEDULE

Topics covered:

Raising money: boot strapping, angels, venture capitalists
Investor motivations and returns
Exit and exit valuation
Industry, market, and customer analysis
Product/service development
Product launch and marketing
Time, money, milestones
Forecasting
Financial statement projections
Intellectual Property – Patents, Copyrights, Trademark & Trade Secrets
Legal issues specific to early stage companies
Securing real estate: office, lab, manufacturing space
Business plans
Pitching to investors