



BAEP 559: Investing in New Ventures

Syllabus – Spring 2013

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Lecture Class
Monday 6:30 – 9:30 pm Room: JKP-104

Office Hours
Mondays 3:00 – 5:00 pm in the Lloyd Greif Center (basement of Bridge Hall);
other times are available by appointment.

Introduction and Course Objective

BAEP 559 focuses on the entrepreneurial skill set applied to finding and selecting new venture investment opportunities. The course is taught from the point of view of the business plan reader: the decision makers who must decide which course of action to take and under what circumstances. The course focuses on finding and selecting from alternative investments, structuring the investment, adding value as a non-executive manager, and realizing the value of the investment.

Whether you desire to be a Founding Principle, Venture Capitalist or an Organizational Entrepreneur, the issues of creation of the new enterprise are complex and require the integration of various skills and the adoption of them to each individual case.

This is a discussion, exercise and case-based course. The assessment and critiquing of business proposals, along with proposed structural solutions constitute a large measure of the class's activities.

To accomplish its goals, the course is divided into the following four major themes:

- searching for and selecting opportunities;
- structuring a relationship and the investment;
- creating value within the company; and
- guiding the company to liquidity.

Learning Objectives

In this course, you will develop your **conceptual and practical knowledge of new venture investment and management**.

Specifically, you will:

1. develop an understanding of the different investment opportunities;
2. become familiar with the economics of investment;
3. develop an understanding of business models and how they evolve to meet realities of the marketplace;
4. gain knowledge of the internal process of the investment activity, how they interplay and the financial consequences, and
5. expand your awareness of the funding process.

In addition, this course also provides an opportunity for you to develop and improve your **personal capabilities**, including the following:

1. Analytical skills: thinking, problem solving, and decision-making:
 - analyze and critically evaluate alternative courses of action;
 - find and use resources to answer your questions, and
 - form conclusions and recommendations and support them with logic and evidence.
2. Oral and written communication skills including your ability to:
 - deliver oral presentations to a large audience;
 - ask questions and present viewpoints in discussions, and
 - write well-structured, clear, and concise documents.
3. Skills in managing work load include:
 - improving your ability to plan and structure tasks; and
 - learning to better manage your time.

To achieve these objectives, a combination of methods will be used in the course, including lectures, case studies, individual projects, student presentations, and guest lectures.

Required Materials

The Course Reader is available from the Harvard Business School Publishing website:

<https://cb.hbsp.harvard.edu/cbmp/access/16972290>
(it is not available from the Campus Bookstore)

Additional assigned reading is available on publicly-available Internet sites.

Prerequisites: None

Course Notes: Copies of lecture slides and other class information are available through your Blackboard account.

MBA Elective Courses Spring 2014

BAEP 551 (14402): Introduction to New Ventures (3 units)

Introduction to New Ventures is an engaging, experiential course focusing on the process of starting a new venture, either independently or within a large corporation. Whether you already have an idea and are eager to start your own business, or simply want to learn more about what an entrepreneurial career would be like, this course exposes you to the challenges of entrepreneurship. The course covers issues related to opportunity identification, start-up, and growth. Activities include entrepreneur guest speakers, case studies, and real-world experiential exercises and assignments. The course can stand-alone or you can build on it with further studies in our Entrepreneur Program. For full-time MBA students, this course is a pre/co-requisite for the Feasibility Analysis course (BAEP552).

Monday/Wednesday, 3:30 – 4:50 p.m., Andrea Belz

BAEP 552(14404): Cases in Feasibility Analysis (3 units)

This course provides students with an insight as to how entrepreneurs think. Entrepreneurs are not risk takers - they are risk managers. Feasibility is the process by which they assess and manage risk. Feasibility is a combination of first taking an idea and turning it into a concept. That concept is then tested to assess the *market risks*, the *distribution risks*, the *perceived value of the benefits* and finally the *financial risks*. Inherent in any new venture analysis are the *people resources* required and their availability.

This is not a “spectator” course. You will be actively researching, testing and crafting a comprehensive feasibility plan based upon an initial business concept of your choosing. Consequently, you are required to undertake a significant amount of work outside of class. By taking this course, you are agreeing to complete all of the assignments in a timely fashion without excuse. By taking this course, you are setting your entrepreneurial journey in motion. Pre requisite: BAEP-551 or GSBA-586

Tuesday, 6:30–9:30 p.m., Kathleen Allen

BAEP 553 (14407): Cases in New Venture Management (3 units)

Live in-class cases and vignettes expose students to the challenges of developing long-range strategies for entrepreneurial ventures. In-class case analysis emphasizes developing new industries, growth through strategic alliances, and issues involved in the long-term strategic positioning of emerging companies. Students write both pre and post class papers on weekly topics.

Tuesday, 6:30 – 9:30 p.m., TBD

Summer online course will be available on Monday

BAEP 554 (14408): Venture Initiation (3 units) [Course name change effective Spring 2014]

This course is the capstone of the Entrepreneurship Program, taking a validated business concept and launching each element to create an operational business. This course, taught in a "Master" model in partnership with world-class entrepreneurs, is strongly experiential, using your business concept as the primary case study. It builds on the fundamentals of feasibility analysis to bring a business concept to reality. Prerequisite: 1 from (BAEP-552 or BAEP-556).

Wednesday, 6:30– 9:30 p.m., Andrea Belz

BAEP 557 (14410): Technology Commercialization (3 units)

This course is designed to give students a thorough understanding of the technology commercialization process, from invention to market entry. By participating in interactive, problem-solving experiences using living case speakers from all stages of the commercialization process as well as relevant traditional case studies, students will learn about the invention, development, acquisition, management, and exploitation of intellectual property in all areas of technology from the Internet to biotech. Whether students plan to start their own businesses or take their commercialization skills into the corporate environment, this course puts students into the mind of the decision maker at each stage of the commercialization process giving them experience in identifying and analyzing critical issues and the ability to develop a roadmap for a new technology. The **major deliverable** is an expository paper that brings together all the learning from the semester into a general guide for the commercialization of a technology that the student can use for years to come.

Wednesday, 6:30-9:30 p.m., Kathleen Allen

[BAEP 557 is a required course for the USC Marshall Certificate in Technology Commercialization.]

BAEP 559 (14412): Investing in New Ventures (3 units)

Focus on the entrepreneurial skill set applied to new venture opportunities. Taught from the business plan reader's point of view; focus on selecting opportunities, structuring the relationship, adding value and realizing the value of that investment.

Monday, 6:30–9:30 p.m., Bob Holmen

BAEP 560(14414): Acquiring Your Own Business or Opportunity (3 units)

Issues faced by the entrepreneur who wishes to acquire an enterprise; appropriateness of an enterprise, understanding funding sources and valuation methods, developing a plan for due diligence, negotiating and consummating the transaction. The acquisition process, approaches to valuation, and the roles of the various parties in negotiating and consummating and acquisition of an existing business.

Monday, 6:30–9:30 p.m., John Hussey

BAEP 591(14418): Social Entrepreneurship (3 units)

Lead and manage with entrepreneurial methodology for charities, non-government organizations, socially-oriented enterprises and not-for-profit organizations.

Monday, 6:30 – 9:30 p.m., Adlai Wertman