

USC Marshall

School of Business
*Lloyd Greif Center for
Entrepreneurial Studies*

Fall 2019
BAEP 553 – Cases in New Venture Management
Popovich Hall 112
Monday/Wednesday 2:00 pm – 3:20 pm

BAEP 553 is a three-unit elective business entrepreneurship course for graduate students.

Instructor: Steven Mednick
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Lloyd Greif Center for Entrepreneurial Studies
University of Southern California
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949-838-5894

Office hours: By appointment

Please use my email or voicemail to discuss items of a personal nature.

Prerequisites: None

Required Readings: There is no text or course reader; however, readings and/or cases may be assigned throughout the semester. Readings and cases will be posted to Blackboard.

Course Learning Outcomes

- Evaluate challenges relating to new ventures
- Assess new venture opportunities
- Analyze strategic choices in relation to new ventures

Course Description

This course provides students with insight into the issues, challenges and opportunities involved in the creation and management of a new venture over its full life cycle. Typically, entrepreneurs are consumed with their product or service and are not prepared to strategically nor tactically lead the venture.

In this course, students will have an opportunity to learn from and engage with proven entrepreneurs who have started businesses and who have faced the many issues, challenges and opportunities that come-up in early to mid-stage ventures. Through this course, students will gain an understanding of what it takes to start and lead a venture to sustainability and possible exit. This course will focus on the issues, challenges and opportunities typically facing an early stage to emerging venture with annual revenues of \$0 to over \$100 million to help you prepare to launch your venture.

Course Modules

In this course, you will have an opportunity to explore a number of issues in an early to mid-stage venture such as:

- What entrepreneurs do (or fail to do) to prepare themselves to launch their venture
- Starting a new business in an industry where the entrepreneur has a passion but no background. Wise? What are the added costs, issues, challenges?
- How entrepreneurs react to the daily ups and downs of leading a venture
- The personal toll on the entrepreneur, his/her family and friends when launching a new venture
- What issues arise in a family owned business?
- How early stage businesses create culture
- How an early stage business competes against large, established enterprises (“David vs. Goliath”)?
- How entrepreneurs go from “me selling our product or service” to us (hiring sales people) selling our product or service
- How to identify and select outside service providers (attorneys, accountants, bankers, etc.) who understand the difficulties of early stage businesses?
- How to grow sales with limited resources, *i.e.*, bootstrapping

5/17/2017

The 10 MBA Courses Entrepreneurs Must Take - Business Insider

BUSINESS INSIDER

The 10 MBA Courses Entrepreneurs Must Take

ADAM FUSFELD
SEP 2, 2010, 9:39 AM

BAEP 553: CEO/Founder Cases in New Venture Management

What It Is: A deep dive into the life cycle of an emerging business—from pre-start to exit.

Why It Rocks: USC brings in expert guests—including CEOs of Fortune 500 companies—to address specific topics in entrepreneurship. Students gain a collection of others' experiences to draw upon and a Rolodex of high-powered contacts.

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- Growth through mergers and acquisitions
- How to secure outside funding – debt and equity
- How to prepare for succession planning
- How to prepare your company for exit. And, when is the best time to sell
- How to establish a compensation philosophy
- How to select an effective and active board of advisors
- Transitioning from entrepreneur to entrepreneur CEO
- How to create an environment that fosters innovation
- What is the value of patent protection?
- How to develop and execute a franchise business model
- When to recognize, as the entrepreneur, it's time to step aside and let someone else lead the venture

Grading

Activity	Points
Class Participation	100
10 Pre-Module Papers (required but not graded separately from Post Module Papers)	n/a
Post Module Papers; up to 10 submissions x 200 points each	2,000
Rules of the Road	400
Presentation (4-minute individual/team presentation with slides)	200
TOTAL	2,700

Note: additional presentation points may be offered throughout the semester to reward individuals presenting more than once. When offered, sign-ups will be taken on a first come, first served basis.

Course Assignments

- Weekly Vignettes:** Required reading – Not graded
- Pre-Module Paper:** Must submit 10 – Required but not graded separately
- Post Module Paper:** Must submit 10 – 200 points each. Submitted with Pre-Module Paper
- Student Presentations:** Must present either a Pre-Module or a Post Module Paper – 200 points

LATE WORK WILL LOSE 10% of the POINTS for **each week** it is late. After the second week, you will not receive a grade. Always post your work to Blackboard before the respective live class session.

Weekly Vignettes

Over the course of the semester, 12 separate Modules will be presented via weekly vignettes. Each student, at his/her sole discretion, shall select 10 of the 12 Modules to submit both a Pre-Module and a Post Module Paper to Blackboard. The first 10 Post Module submissions (a single submission comprising both the Pre-Module and Post Module Papers) will receive points. In order to submit a Post Module Paper, a student must submit an ungraded Pre-Module Paper,

posted to Blackboard only, before the start of the live class session in which the Module will be presented. [Note: Blackboard will not accept late submissions.] No exceptions.

10 Pre-Module Papers (Required but not graded separately)

Each week the faculty will post a vignette introducing the next week's Module. If a student wishes to submit a graded Post Module Paper, she/he must post this Pre-Module Paper to Blackboard before the start of the live class session in which the vignette will be discussed. This paper should be no more than one page in length and outline the student's initial thoughts presented in the vignette. The Pre-Module Paper will be reviewed at the time the Post Module Paper is evaluated as set forth below.

Note: A Pre-Module Paper submission to Blackboard and live class session attendance is an absolute pre-requisite to submitting a Post Module Paper. No exceptions.

10 Post Module Papers (200 points each)

The Post Module Paper shall comprise of two parts. Part one is the student's Pre-Module Paper. Part two shall be a discussion of (1) what the student learned from the online guest speaker, (2) how the student's Pre-Module thoughts aligned or differed with the class discussion and (3) the student's key takeaway elements. Including the Pre-Module Paper, the Post Module Paper may not exceed 3 pages in length. Post Module Papers will be evaluated based upon the student's Pre-Module Paper and presentation of the three discussion points. Post Module Papers are to be submitted to Blackboard.

Papers will receive points based upon the following evaluation scale:

200 points – outstanding issue insight	175 points – good issue insight
150 points – fair issue insight	125 – minimal issue insight

Note: if the Pre-Module Paper is not included with the submission of the Post Module Paper, the maximum available point total for the paper is 175 points.

Student Presentations

One 4-minute presentation with presentation slides (200 presentation points)

Each Monday class session up to 4 individuals will present either their Pre-Module or Post Module Papers to the class (maximum of 2 Pre-Module and 2-Post Module presentations each week). Individuals will have no more than 4 minutes and must use up to four presentation slides. Please sign-up on Blackboard before class if you would like to present. There are no “make-ups” for this activity. Please sign-up early to assure yourself of a single presentation slot. **Only sign-up for one presentation.**

The Rules of the Road

By the final week of the course, the student will have crafted ten (10) Post Module Papers in response to issues, challenges and opportunities involved in the creation and managing of a new venture over its full life cycle. Due on the last day of class, each student will submit a final project presenting their rules of the road learned when creating and managing a new venture over its full life cycle. There is no length requirement, and the student may submit the project in any form of their choosing. Though only ten of the Modules have been submitted for evaluation, the

student may include thoughts from the other two weeks. The Rules of the Road is worth **400 points**. The assignment will be evaluated based upon both content and form with content counting 300 points and form 100 points. **Rules of The Road Late Penalty**. A different and separate penalty schedule applies to the Rules of the Road assignment as follows: **The Rules of the Road Assignment is due Monday, December 2**. A 10% penalty of your grade will be deducted for assignments submitted after 3:20 pm on the day it is due. **An additional 10% daily penalty** will apply for each day thereafter until your assignment is submitted to Blackboard.

Participation and Class Assignments

Class Attendance

The Entrepreneur Program is a real-life experience and as such expects real world professionals. The motto is “*treat each other as you would a customer.*” Therefore, tardiness and absences without notice are not acceptable. If you have a customer meeting, you will be on time. If you cannot be on time, you will call well in advance. Similar etiquette is required in this program. **Class attendance the day of a guest speaker [live or pre-recorded] is a mandatory requirement to submitting a Post Module Paper. There are no make-ups or excuses.**

Class Participation:

Class participation is a critical element in the success of the course. Consequently, it is given equal weight to one of the Post Module papers as follows:

- **100 points** – student is highly engaged in class sessions on a weekly basis contributing insightful questions and thoughts.
- **75 points** – student is moderately engaged in class sessions on a periodic basis and occasionally contributes insightful questions and thoughts.
- **50 points** – student is somewhat engaged in class sessions contributing obvious questions and thoughts.
- **0 points** – student does not contribute in class sessions.

Course Etiquette/Guest Speakers

Treat your professors and classmates as you would a customer. You will get in return what you give. There are no excuses. We operate this class like the business world.

As guest speakers [live or pre-recorded] share their personal stories, please note that the content may at times be mature in nature and/or differ with your personal beliefs. The intent is not to offend students; yet the content is presented in order for students to learn from other entrepreneurs and their journeys. Also, please be aware that most guests will attend class on designated Wednesdays; however, we will also show previously recorded guest speakers in some Wednesday class sessions due to lack of speaker availability.

Confidentiality Policy

Throughout the Entrepreneur Program's classes and events, students will be exposed to proprietary information from other students, guest lecturers and faculty. It is the policy of The Entrepreneur Program that all such information is to be treated as confidential.

By enrolling in and taking part in The Entrepreneur Program's classes and activities, students agree not to disclose this information to any third parties without specific written permission from students, guest lecturers or faculty, as applicable. Students further agree not to utilize any such proprietary information for their own personal commercial advantage or for the commercial advantage of any third party.

In addition, students agree that any legal or consulting advice provided without direct fee and in an academic setting will not be relied upon without the enlisted opinion of an outside attorney or consultant, without affiliation to The Program.

Any breach of this policy may subject a student to academic integrity proceedings as described in the University of Southern California University Governance Policies and Procedures as outlined in *SCampus*, and to the remedies that may be available at law.

The Entrepreneur Program, the Marshall School of Business and the University of Southern California disclaim any responsibility for the protection of intellectual property of students, guest lecturers or faculty who are involved in The Entrepreneur Program classes or events.

Receipt of this policy and registration in our classes is evidence that you understand this policy and will abide by it.

Statement on Academic Conduct

Academic Conduct:

Plagiarism – presenting someone else's ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in *SCampus* in Part B, Section 11, "Behavior Violating University Standards" policy.usc.edu/scampus-part-b. Other forms of academic dishonesty are equally unacceptable. See additional information in *SCampus* and university policies on scientific misconduct, <http://policy.usc.edu/scientific-misconduct>.

Students with Disabilities:

USC is committed to making reasonable accommodations to assist individuals with disabilities in reaching their academic potential. If you have a disability which may impact your performance, attendance, or grades in this course and require accommodations, you must first register with the Office of Disability Services and Programs (www.usc.edu/disability). DSP provides certification for students with disabilities and helps arrange the relevant accommodations. Any student requesting academic accommodations based on a disability is required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP. Please be sure the letter is delivered to me (or to your TA) as early in the semester as possible. DSP is located in GFS (Grace Ford Salvatori Hall)

120 and is open 8:30 a.m.–5:00 p.m., Monday through Friday. The phone number for DSP is (213) 740-0776. Email: ability@usc.edu.

Support Systems:

Student Counseling Services (SCS) - (213) 740-7711 – 24/7 on call

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

<https://engemannshc.usc.edu/counseling/>

National Suicide Prevention Lifeline - 1-800-273-8255

Provides free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week. <http://www.suicidepreventionlifeline.org>

Relationship & Sexual Violence Prevention Services (RSVP) - (213) 740-4900 - 24/7 on call

Free and confidential therapy services, workshops, and training for situations related to gender-based harm. <https://engemannshc.usc.edu/rsvp/>

Sexual Assault Resource Center

For more information about how to get help or help a survivor, rights, reporting options, and additional resources, visit the website: <http://sarc.usc.edu/>

Office of Equity and Diversity (OED)/Title IX compliance – (213) 740-5086

Works with faculty, staff, visitors, applicants, and students around issues of protected class. <https://equity.usc.edu/>

Bias Assessment Response and Support

Incidents of bias, hate crimes and microaggressions need to be reported allowing for appropriate investigation and response. <https://studentaffairs.usc.edu/bias-assessment-response-support/>

Student Support & Advocacy – (213) 821-4710

Assists students and families in resolving complex issues adversely affecting their success as a student EX: personal, financial, and academic. <https://studentaffairs.usc.edu/ssa/>

Diversity at USC – <https://diversity.usc.edu/>

Tab for Events, Programs and Training, Task Force (including representatives for each school), Chronology, Participate, Resources for Students

USC Emergency Information

Provides safety and other updates, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible. emergency.usc.edu

USC Department of Public Safety – UPC: (213) 740-4321 – HSC: (323) 442-1000 – 24-hour emergency or to report a crime.

Provides overall safety to USC community. dps.usc.edu

Course Schedule

Week 1 **August 26/28**

Monday

Class Discussion	Paper(s) Due	Student Presentations
Course & Syllabus	Module 1 Pre-Module	Module 1 Pre-Module
Module 1 Pre-Module		

Wednesday

Guest speaker: **Vanessa Dew, Co-Founder, Health-Ade, LLC**
When is too much demand a problem?

Outcomes:

- Explain why an emerging company might say “no” to accepting an order from a nationwide customer
- Explain the opportunities and risks associated with too much customer demand

Week 2 **September 2/4**

Monday/Wednesday

Labor Day/No Class both days. Independent study – Pre-Module Module 2 paper and Post Module 1 paper.

Week 3
September 9/11

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 1 Post Module	Module 1 Post Module	Module 1 Post Module
Module 2 Pre-Module	Module 2 Pre-Module	Module 2 Pre-Module

Wednesday

Guest speaker: **Mark Friedman, Founder & CEO, Perfect Fitness**
When your best strategy is to pivot

Outcomes:

- Explain strategic decisions and positions to take in rapidly growing companies
- Understand how externalities can affect the success of new companies

Week 4
September 16/18

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 2 Post Module	Module 2 Post Module	Module 2 Post Module
Module 3 Pre-Module	Module 3 Pre-Module	Module 3 Pre-Module

Wednesday

Guest speaker: **Carrie Rezabek Dorr, Founder & CEO, Pure Barre (DVD)**
Developing and executing a franchise model

Outcomes:

- State the types of businesses that might be candidates for franchising
- State the pros and cons of a franchise model

Week 5
September 23/25

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 3 Post Module	Module 3 Post Module	Module 3 Post Module
Module 4 Pre-Module	Module 4 Pre-Module	Module 4 Pre-Module

Wednesday

Guest speaker: **Michael Caito, Co-Founder and CEO, Restaurants on the Run**
Transitioning from entrepreneur to entrepreneurial CEO

Outcomes:

- Assess the differences between an entrepreneur and an entrepreneurial CEO
- Learn what tools are available to help an entrepreneur become an entrepreneurial CEO

Week 6
September 30/October 2

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 4 Post Module	Module 4 Post Module	Module 4 Post Module
Module 5 Pre-Module	Module 5 Pre-Module	Module 5 Pre-Module

Wednesday

Guest speaker: **Carey Ransom, CEO, RealPractice**
Scaling a stagnant company backed by venture capital

Outcomes:

- Describe how a stagnant company backed by venture capital finds ways to grow revenues
- Describe your initial priorities as a new CEO in stagnant company

Week 7
October 7/9

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 5 Post Module	Module 5 Post Module	Module 5 Post Module
Module 6 Pre-Module	Module 6 Pre-Module	Module 6 Pre-Module

Wednesday

Guest speaker: **Rod Derifield, Founder & CEO, EnviroCooler**
What is the value of patent protection?

Outcomes:

- Describe the value of patent protection
- List the pros and cons related to developing a domestic and international patent portfolio

Week 8
October 14/16

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 6 Post Module	Module 6 Post Module	Module 6 Post Module
Module 7 Pre-Module	Module 7 Pre-Module	Module 7 Pre-Module

Wednesday

Guest speaker: **Doug Pearson, Founder & CEO, California Creative Foods, Inc.**
Entrepreneurial entry strategy-acquiring a business opportunity.

Outcomes:

- Explain the personal and family commitments necessary when acquiring a business
- Understand the key steps to acquiring a business

Week 9
October 21/23

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 7 Post Module	Module 7 Post Module	Module 7 Post Module
Module 8 Pre-Module	Module 8Pre-Module	Module 8 Pre-Module

Wednesday

Guest speaker: **Bart Greenber, Esq., Founder, Pivotal Law Firm**
Common Legal Entrepreneur Mistakes

Outcomes:

- Explain when to engage an attorney in a start-up
- Understand the different entity formation options

Week 10
October 28/30

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 8 Post Module	Module 8 Post Module	Module 8 Post Module
Module 9 Pre-Module	Module 9 Pre-Module	Module 9 Pre-Module

Wednesday

Guest speaker: **Barry Eggers, Partner, Lightspeed Venture Partners**
Starting a Silicon Valley venture capital firm and getting it off the ground.

Outcomes:

- Describe the components related to securing outside funding
- Describe how venture capital firms operate and compete for funding deals

Week 11
November 4/6

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 9 Post Module	Module 9 Post Module	Module 9 Post Module
Module 10 Pre-Module	Module 10 Pre-Module	Module 10 Pre-Module

Wednesday

Guest speaker: **Frank Yang, Founder & CEO, simplehuman**
Launching a consumer products company based upon design

Outcomes:

- Learn the challenges of launching a consumer products company
- List the best distribution channels for a consumer products company

Week 12
November 11/13

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 10 Post Module	Module 10 Post Module	Module 10 Post Module
Module 11 Pre-Module	Module 11 Pre-Module	Module 11 Pre-Module

Wednesday

Guest speaker: **Steve Myers, Founder & Chairman Emeritus, SM & A**
Opportunity Recognition

Outcomes:

- Recognize a new business opportunity
- Learn the traits of an entrepreneur

Week 13
November 18/20

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 11 Post Module	Module 11 Post Module	Module 11 Post Module
Module 12 Pre-Module	Module 12 Pre-Module	Module 12 Pre-Module

Wednesday

Guest speaker: **Lloyd Greif, Founder & CEO, Greif & Co.**
Preparing your business for sale

Outcomes:

- Assess when you should start thinking about an exit for your business
- Understand what factors will increase your exit valuation

Week 14
November 25/27

Thanksgiving week. No class. Field study preparing your Rules of the Road.

Week 15
December 2

Monday

Class Discussion	Paper(s) Due	Student Presentations
Module 12 Post Module	Module 12 Post Module	Module 12 Post Module
Course Insights/Wrap-up	Rules of the Road	Rules of the Road

APPENDIX

MARSHALL GRADUATE PROGRAMS LEARNING GOALS

How BAEP 553 Contributes to Marshall Graduate Program Learning Goals

Marshall Graduate Program Learning Goals	Degree of Emphasis (1=Low, 2=Moderate, 3=High)	BAEP 553 Objectives that support this goal
Learning Goal #1: Our graduates will be impactful leaders who lead with integrity and purpose.		
1.1 Possess a clear framework and commitment to an organization’s culture and core values, with personal integrity.	3	X
1.2 Transcend traditional boundaries with a global mindset, drawing value from diversity and inclusion, and fostering community within and outside of organizations.	2	X
1.3 Exhibit exceptional self-awareness through understanding of personal and career goals; awareness of individual strengths and weaknesses; and engagement in personalized, goal-driven, and lifelong learning.	3	X
Learning Goal #2: Our graduates will be impactful leaders who help identify and execute opportunities in uncertain and complex business environments.		
2.1 Apply an integrated approach to understanding and analyzing significant business problems, which can be complex, messy, unstructured, and beyond formulaic analysis.	3	X
2.2 Use critical and analytical thinking to identify viable solutions that can create short-term and long-term value for organizations.	3	X
2.3 Devise creative, sustainable, and achievable strategies and solutions that allow organizations to take advantage of opportunities that create value for its stakeholders.	2	X
Learning Goal #3: Our graduates will be impactful leaders who achieve results by fostering collaboration on interpersonal, team, and organization levels.		
3.1 Influence and motivate and work with colleagues, partners, and other stakeholders to achieve organizational purposes	3	X
3.2 Help build and sustain high-performing teams by infusing teams with a variety of perspectives, talents, and skills and aligning individual success with team success and with overall organizational success	3	X
3.3 Lead and participate in helping organizations adapt to a changing business landscape.	3	X