



**ENTR 7240
ENTREPRENEURSHIP
& NEW VENTURE FORMATION
July 2009**

INSTRUCTOR

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DESCRIPTION

This seminar concentrates on entrepreneurship and enterprising behaviour with an emphasis on the identification and evaluation of viable new venture concepts and their development into successful enterprises.

Business Plans. We hear the phrase used everyday in the news or as part of our jobs but few of us know how to develop or properly read one. More importantly, few people realize a business plan is only one tool entrepreneurs and managers use to communicate a proposed venture. Over the course of three days we'll examine the business plan for North Air Technologies, found as an Appendix to the Good text, from both the entrepreneur and investor's perspective. We will also look at the importance of the presentation and the accompanying question and answer session in the delivery of a business plan.

OBJECTIVES

This course will describe the process necessary to create a business plan geared for entrepreneurs or organizations seeking an external equity investment.

The course will accomplish this by:

1. Discussing the differences between a small business and a venture opportunity.
2. Developing a model that includes the components of a successful business plan.
3. Analyzing an existing business plan from both the manager\entrepreneur and investor's perspective.
4. Playing the role of an equity investor in the analysis of a business plan pitch.
5. Designing and delivering both an elevator pitch and formal presentation for a proposed venture.
6. Describing a process for using business plans as a managerial tool.

REFERENCES

Good, Walter, Building a Dream 7th Edition, McGraw-Hill Ryerson, 2008.

LEARNING ASSESSMENT

Class Participation	15%
Assignment 1 – Evaluating North Air as an Operational Plan	20%
Assignment 2 – Delivering an Elevator Pitch	20%
Assignment 3 – You Be the VC - Would You Invest?	20%
Assignment 4 – Presentation of a Plan (Group)	25%
TOTAL	100%

Final grades will be assigned as follows;

Cumulative Marks	Grade	GPA	Performance
90-100	A+	4.5	Excellent
80-89	A	4.0	Very Good
75-79	B+	3.5	Good
70-74	B	3.0	Satisfactory
65-69	C+	2.5	Marginal
60-64	C	2.0	Unsatisfactory
50-59	D	1.0	Unsatisfactory
Below 50	F	0.0	Unsatisfactory

AMPLIFYING INSTRUCTIONS

Session 1 – July 10, 2009 – Building the Foundation

Please Read the following sections of the Good text prior to this session – Stages 3, 6, 7, 8 and 11 plus the North Air business plan.

1. Assignment of groups
2. What's the Difference between a Small Business and a New Venture?
3. Do Business Plans Matter?
4. Core Components of an Operational Plan
 - a. Discussing the operational effectiveness of the North Air plan. Each member of the class will prepare a two page (double-spaced, 12 point font) assessment of North Air for submission on Saturday July 11.
5. Investment Oriented Plans
 - a. Flavours
 - b. Differences in Debt and Equity Oriented Plans
6. The Five M's of a Venture Plan
7. Market
 - a. Opportunity
 - b. Market Structure
 - c. Competitive Assessment
 - d. Environmental factors to consider
 - e. Economics of the venture

8. Management
 - a. Taking a team approach
 - b. Building the successful team
 - c. Role of shareholder agreements
9. Merchandise
 - a. Role of Intellectual property
 - b. Features vs. Benefits
 - c. Avoiding the “One Trick Pony”
 - d. Overcoming inertia
10. Assignment of the business venture your group will present on Sunday July 12. The ventures selected will be drawn from the plans being presented by Asper School students at graduate competitions around the world and from competitors in this year’s Stuart Clark Venture Challenge.

Session Two – July 11, 2009 – Building the Plan

Please read Stage 10 of the Good text prior to this class.

1. Money – Requirements
 - a. How much do you need?
 - b. When do you need it?
 - c. What are the proposed uses of the funds?
 - d. When will you repay your investors?
 - e. How will generate the necessary funds
2. Money – Results
 - a. Description of the sales growth
 - b. Margins – How will you maintain them?
 - c. Cost control
 - d. Interaction of the cash flow, income statement and balance sheet
3. Strategy Development – Integrating the Five M’s
 - a. Entry
 - b. Growth
 - c. Product or market development
 - d. Exit
4. Selling the Plan
 - a. Selecting the appropriate investor
 - b. Getting in the door
 - c. Take a lift to success - The Elevator Pitch
 - d. Developing the formal pitch
 - e. Handling question period
5. Development and presentation of a 60 second elevator pitch for a venture you would like to launch. Each person in the class will deliver an elevator pitch in front of the class.

Session Three – July 12, 2009 – Validating the Plan

1. Role Playing Exercise – You Be the VC. The venture will be revealed to you on this day. Each member of the class will submit a three page (typed double-spaced, 12 point font) assessment discussing whether or not they would invest in the proposed venture by July 17.
2. Access to capital – A look at the Manitoba perspective
3. Presentation of assigned business venture and accompanying question and answer session. Each group will have 15 minutes to present their assigned venture followed by a 15 minute question and answer session.
4. Wrap-up Discussion.
5. Course Evaluation



ACADEMIC INTEGRITY

I.H. Asper School of Business—Faculty of Management, The University of Manitoba

It is critical to the reputation of the I. H. Asper School of Business and of our degrees that everyone associated with our faculty behaves with the highest academic integrity. As the faculty that helps create business and government leaders, we have a special obligation to ensure that our ethical standards are beyond reproach. Any dishonesty in our academic transactions violates this trust. The University of Manitoba Graduate Calendar addresses the issue of academic dishonesty under the heading “Plagiarism and Cheating.” Specifically, acts of academic dishonesty include, but are not limited to:

- using the exact words of a published or unpublished author without quotation marks and without referencing the source of these words
- duplicating a table, graph or diagram, in whole or in part, without referencing the source
- paraphrasing the conceptual framework, research design, interpretation, or any other ideas of another person, whether written or verbal (e.g., personal communications, ideas from a verbal presentation) without referencing the source
- copying the answers of another student in any test, examination, or take-home assignment
- providing answers to another student in any test, examination, or take-home assignment
- taking any unauthorized materials into an examination or term test (crib notes)
- impersonating another student or allowing another person to impersonate oneself for the purpose of submitting academic work or writing any test or examination
- stealing or mutilating library materials
- accessing tests prior to the time and date of the sitting
- changing name or answer(s) on a test after that test has been graded and returned
- submitting the same paper or portions thereof for more than one assignment, without discussions with the instructors involved.

Many courses in the I. H. Asper School of Business require group projects. Students should be aware that group projects are subject to the same rules regarding academic dishonesty. Because of the unique nature of group projects, all group members should exercise special care to insure that the group project does not violate the policy on Academic Integrity. Should a violation occur, group members are jointly accountable unless the violation can be attributed to a specific individual(s).

Some courses, while not requiring group projects, encourage students to work together in groups (or at least do not prohibit it) before submitting individual assignments. Students are encouraged to discuss this issue as it related to academic integrity with their instructor to avoid violating this policy.

In the I. H. Asper School of Business, all suspected cases of academic dishonesty are passed to the Dean’s office in order to ensure consistency of treatment.



MEDICAL ABSENTEEISM FORM

I.H. Asper School of Business—Faculty of Management, The University of Manitoba

STUDENT IDENTIFICATION: (PLEASE PRINT CLEARLY)

_____	_____	_____	_____
Last Name	First Name	Middle Initial	U of M Student Identification Number
_____	_____		
Course #	Instructor Name		
_____	_____		
Student's Signature	Date		

TO BE COMPLETED BY THE ATTENDING PHYSICIAN: (after the above section is completed) (PLEASE PRINT CLEARLY)

_____	_____	_____
Physician's Last Name	Physician's First Name	Middle Initial
_____	_____	_____
Street Address	City, Province	Postal Code
_____	_____	_____
Telephone Number	Fax Number	
<p>To the attention of the physician: Your evaluation of the student's condition is being used for the purpose of determining whether or not the student has a <u>valid reason</u> to miss an important <u>exam</u> or <u>assignment</u>. <u>Your professional evaluation is necessary to ensure that only valid cases are excused.</u></p> <p>I certify that the nature of the student's condition is severe enough to prevent the student from taking an exam or completing an assignment. If requested, my associates or I will verify for the above named instructor/administrator that this information is accurate.</p> <p>The student's condition will likely span the following dates:</p> <p>_____ until _____ (Indicate start date) (Indicate end date)</p> <p>_____</p>		
Physician's Signature	Date	

NOTES TO PHYSICIAN:

- Please make a note in the student/patient's file indicating that the student has given the above named instructor/administrator permission to verify with you, your staff, or your colleagues, that the information contained on this form is correct. Thank you for your professional evaluation of this student's condition.
- **PLEASE ATTACH THIS FORM TO YOUR REGULAR OFFICE STATIONERY THAT INDICATES THE STUDENT VISITED YOUR OFFICE.**

NOTES TO STUDENT:

- The use of this form is at the option of the student. However, in order to obtain an excused absence for an assignment or exam the student must obtain a doctor's certification that the student's condition is severe enough to prevent the student from taking the exam or completing the assignment.
- It is **NOT SUFFICIENT** to provide a note that only indicates the student visited the doctor's office.



Robert Warren

Executive Director

Stu Clark Centre for Entrepreneurship

I.H. Asper School of Business

Rob Warren is the I.H. Asper Executive Director for Entrepreneurship at the Asper School's Stu Clark Centre for Entrepreneurship. Rob has been with the Asper School since September 1994 when he was hired as a sessional instructor and to develop an outreach program in family business. This outreach program caught the attention of Dr. I.H. Asper and was a major factor in his decision to donate one million dollars in 1997 to establish the Asper Centre for Entrepreneurship. The Asper Centre became the Stu Clark Centre in April 2008 when Stu Clark donated five million dollars to the University of Manitoba to support the entrepreneurial initiatives launched by Mr. Warren. One of these initiatives is the Curry BizCamp in Entrepreneurship for inner city and at-risk youth. This program has now morphed into several variants used across Canada and internationally. Rob was also instrumental in developing the Asper School into one of the premier locations in the world to learn about business planning. Teams coached by Rob have gone on to win a world-record 42 competitions spread across three continents. These teams have also won in excess of one million dollars in cash and prizes of which the participating students took home 50%. More importantly several of these teams have gone on to launch the business proposed in class. The most successful of these is NovaDAQ Technologies. This company now trades on the TSX and is valued in excess of \$200 million.

Rob has had a varied career in the workforce. He began his career with the Manitoba Government helping develop funding models for the public school system. Since that early start he has produced two television programs, developed the western Canadian and US operations for a software firm, started a consulting company designed to provide competitive intelligence services to SME's in Manitoba and Saskatchewan and run a joint venture in Spain. He has also done work for such organizations as Caterpillar, Manitoba Hydro and the National Post as well as the governments of Canada, Japan and the US.

Rob is very involved in the local private equity community and serves as a director of the Winnipeg Angel Organization and the Manitoba Venture Challenge. In the past he has been involved with such groups as the Canadian Manufacturers and Exporters Association and CMA Canada. He was rewarded for his service to the CMA Manitoba Partner with an honorary CMA.

Many of you are probably familiar with Rob through his frequent media appearances. He averages over 50 media appearances per year and has been quoted in or interviewed by: Business Week, Fortune, CBC National, CTV National, National Post, Globe and Mail, Edmonton Sun, Calgary Herald as well as such local outlets as CJOB, CBC Radio (English and French), Winnipeg Free Press and Winnipeg Sun.