**Week 1: Lecture 2**

**Topic:** Recognizing Opportunities and Creating Ideas

**Assigned Reading:** Chapter 2

**Course Time Schedule:**

* 2:00 to 2:50
  + Canvas and Grades
  + Presentation Overview
  + Sharks Tank
  + Discuss
  + Recap Lecture 1
* 2:50 to 3:00 Break
* 3:00 to 3:45
  + Lecture
  + Come up with ideas (Ideation)
  + Lecture
* 3:45 to 4:20 Present ideas to class
  + Team Formation and Final Ideation

**Goals for Group Project:**

* Brainstorm 5 ideas
* Present Ideas
* Form Teams

**Lecture Goals**

* Cover slides from book in first part of lecture
* The rest of the lecture will focus on idea generation and be collaborative

**Sharks Tank**

* Good what happens if you don't know an answer this is why business plan and model is good
* Why what we doing is important
* Difference licensing or building a brand- building a brand is hard and expensive
* Competitive Market
* Finance questions are key- not just on a show for your own idea or your own life
* Importance of patents
* Why do they remain on her side?
* Her personality is good she remains fairly un-defensive
* Might be able to do something on extended terms “can i get a purchase order to give to bank with retail then back will lend you”
* Lifestyle business we talked about this yesterday
* Investors don't want to run your business

**Ideation**

Uber

1. Problem solved
2. Future problems

AirBNB

Dutch Bros

Loan To Value Ratio (LTV Ratio)

**Causes**

Deregulation

Mandated Loans

Subprime Lending

Belief in home as good investment

Current 10 year arm 4% 30 year fixed 4.25%

Out of the top 25 subprime lenders in 2006, only one was subject to the usual mortgage laws and regulations. The nonbank underwriters made more than 12 million subprime mortgages with a value of nearly $2 trillion. The lenders who made these were exempt from federal regulations.