

PROGRAM SYLLABUS – Version of 6/26/2021

ENTREPRENEURSHIP – CSE 490A, CSE 599A1, CSEP 590D, ENTRE 532A,B

UNIVERSITY OF WASHINGTON

WEDNESDAYS, 6:00-9:15 PM, ON ZOOM (see Canvas for the Zoom room)

Winter 2021

Greg Gottesman and Ed Lazowska

Greg's Mobile: (206) 399-7810 (greg@psl.com)

Ed's Mobile: (206) 499-0303 (lazowska@cs.washington.edu)

TA: **Adam Towers** (ajtowers@cs.washington.edu)

Office Hours: Saturdays and Sundays, 10 am to noon (by appointment)

All assignments should be emailed to **Athena Duran** (athena@psl.com)

COURSE OBJECTIVES

The course objectives are two-fold: (1) to develop an awareness and understanding of the range, scope, and complexity of issues involved in starting a technology business; and (2) to gain insight into how entrepreneurs conceive, adapt, and execute strategies to create new, successful businesses.

COURSE OVERVIEW

This course is about entrepreneurship and specifically about starting, growing, managing, leading, and ultimately exiting a new venture. Of all the courses you take at the University of Washington, this one will likely be the most hands-on. Sixty percent of your grade will be based on pitches, product demos, and a business plan that you develop with your team.

The course sessions will follow the natural order of starting a new business: choosing your idea and your team, validating that idea with customers, honing your initial pitch, dealing with the legal issues of starting a business, building a great product, deciding among financing strategies, developing a go-to-market and operating plan, and exiting successfully. We will spend part of nearly every three-hour block giving you feedback on your actual pitches, your product, and your business generally. To ensure that this course is practical, we will invite numerous guests who are currently working in the venture ecosystem: CEOs, venture capitalists, lawyers, journalists, and others involved in the startup community.

BACKGROUND READING

David Cohen & Brad Feld, [*Do More Faster: TechStars Lessons to Accelerate Your Startup*](#)

Peter Thiel, [*Zero to One: Notes on Startups, or How to Build the Future*](#)

Colin Bryar & Bill Carr, [*Working Backwards: Insights, Stories, and Secrets from Inside Amazon*](#)

Brad Feld & Jason Mendelson, [*Venture Deals: Be Smarter Than Your Lawyer and Venture Capitalist*](#)

GRADING

Grading for the class will be as follows:

Class Contribution	25%
Class Assignments	15%
Term Project (in-class presentations, final presentation, and written material)	60%

ZOOM PROTOCOL

1. Attend every class – sessions will not be recorded or tweeted about, in order to enable our guests to be candid
2. We'll start on time – 6 pm
3. Cameras on please – be present
4. Microphones off please – unless interacting (use hand-raise please, or chat)
5. But do interact!
6. We'll take 10 minute breaks between hours
7. Feel free to eat dinner during class! (Alcohol not encouraged)

DETAILED SYLLABUS, READINGS, AND ASSIGNMENTS

Class #1: Wednesday, January 6, 2021 Introduction to Entrepreneurship

Hour 1: Course Overview and Expectations (Greg Gottesman)
Intro to Entrepreneurship and Company Building (Greg Gottesman)

Read: [Some Thoughts on Business Plans](#) (HBS Case #9-897-101)

- What are the key components of a successful venture?
- What are the key components of a business plan?
- How do the key components of a successful venture and the key components of a successful business plan differ?

Hour 2: Five Funding Tips in 15 Minutes or Less (Greg Gottesman)
Choosing Your Teams (Greg Gottesman)

Hour 3: Case study: Cash (Guests: **Leonardo Estrada**, Co-Founder and CEO, **Esteban Posada**, Co-Founder and CTO, and course alum, **Francisco Mendoza**, Co-Founder and Chief Product Officer, and course alum)

Assignment Due on January 13: Come to class prepared to make a persuasive one-minute pitch of a new business idea and product that you would like to build. Reading *Zero to One* might help with idea generation.

No later than Monday January 10: Provide a phrase describing the idea you will pitch on a web form that will be provided; contact Adam (ajtowers@cs.washington.edu) if you don't receive the link.

Class #1.5: Wednesday, January 13, 2021 (5 pm)
Optional Book Review Session

Read: Peter Thiel, [Zero to One](#)

Hour 1: Discuss *Zero to One* and new ideas for potential pitches

Class #2: Wednesday, January 13, 2021
Generating Startup Ideas

Read: Guy Kawasaki, [The Art of Pitching](#) (Chapter 3 of *The Art of the Start*)
Peter Thiel, [Zero to One](#)
[Madrona Venture Group Seed Pitch Deck Guide](#)

Watch: <http://www.geekwire.com/2011/airbnb-pet-introducing-place-rover/>
<https://www.geekwire.com/2012/favorite-pitches-techstars-demo-day-robert-scoble/>

Hour 1: Student One-Minute Business Pitches

Hour 2: Choosing Your Idea and Forming Teams

Hour 3: Choosing Your Idea and Forming Teams

Assignment Due on January 20: Prepare as a team a three-minute pitch (up to 10 slides) of your team's startup idea. (Note: These pitches will be a recurring assignment for the rest of the course.)

Class #3: Wednesday, January 20, 2021
Customer Validation

Hour 1: Acquiring Customers Using Facebook and Google (Guest: **Peter Denton**, Marketing Lead, Pioneer Square Labs)

Hour 2: Working Backwards: Amazon's Approach to Innovation (Guest: **Bill Carr**, co-author of *Working Backwards*, former COO OfferUp, former Amazon VP of Prime Video, Amazon Studios, and Amazon Music, and **Colin Bryar**, co-author of *Working Backwards*, former Amazon VP as COO of IMDb.com, then COO of RedMart)

Hour 3: Student Pitches with Feedback (Peter Denton, Bill Carr & Colin Bryar)

Assignment Due on January 27: Prepare as a team a one-to-two page Amazon-style, customer-centric press release about your startup idea.

Class #4: Wednesday, January 27, 2021
Building Product

Hour 1: Prototyping Your Product (Guests: **David Zager & Ben Gilbert**, Pioneer Square Labs)

Hour 2: Case study: Bandcamp (Guest: **Ethan Diamond**, Co-Founder and CEO, Bandcamp, with Joe Holt, Co-Founder)

Hour 3: Student Pitches with Feedback (David Zager, Ben Gilbert, Ethan Diamond & Joe Holt)

Class #5: Wednesday, February 3, 2021
Marketing Your Business

Hour 1: Seattle tech scene overview (Guest: **John Cook**, Co-Founder, Geekwire)

Hour 2: Secrets of Growth Marketing (Guest: **Joe Heitzeberg**, Co-Founder and CEO, Crowd Cow)

Special Guest: **Rich Tong**, Managing Partner, Tong Holdings; formerly multiple startups, Ignition Capital and other venture funds, multiple boards, 12 years at Microsoft

Hour 3: Student Pitches with Feedback (John Cook, Joe Heitzeberg & Rich Tong)

Class #6: Wednesday, February 10, 2021
Go-to-Market & Sales

Hour 1: Go-to-Market Case Study: Convoy (Guest: **Dan Lewis**, Co-Founder and CEO, Convoy)

Hour 2: Sales Strategies (Guest: **Kelly Wright**, former EVP Sales, Tableau)

Hour 3: Student Pitches with Feedback (Dan Lewis & Kelly Wright)

Class #7: Wednesday, February 17, 2021
Financial Modeling & Scaling a Business

Hour 1: Financial Modeling (Guest: **Selina Farrand**, VP Finance, Boundless)

Hour 2: Scaling Remitly (Guest: **Matt Oppenheimer**, CEO & Founder, Remitly)

Special Guest: **Gabe Brown**, Co-Founder and CTO, BigBox VR; formerly Disney Interactive, Microsoft, multiple startups

Hour 3: Student Pitches with Feedback (Selina Farrand & Gabe Brown)

Class #8: Wednesday, February 24, 2021
Financing Dynamics

Hour 1: Startup Legal Issues (Guest: **Craig Sherman**, Partner, Wilson Sonsini Goodrich & Rosati)

Skim: [Annotated Legal Term Sheet for Venture Capital Financing](#)

Hour 2: Term Sheets & Other Stuff (Guest: **Brad Feld**, Managing Director, Foundry Group)

Special Guest: **Kirsten Paust**, Vice President, Fortive; formerly Danaher, Deloitte

Hour 3: Student Pitches with Feedback (Craig Sherman, Kirsten Paust)

Assignment Due on March 3: Prepare as a team a one-to-two page investment memo in which you choose another team you would invest in, detail why (team, opportunity, business model), and on what terms. You are playing the role of venture capitalist. You will be considering whether to make a \$1M investment in a Series Seed round in your classmates' company. The memo should contain the following: (1) one sentence about whether or not you are recommending an investment (if you want, you can use our 10-point scoring system to show how strongly you feel about the investment decision), (2) why you would (or would not) make an investment, covering items such as the (a) team, (b) product, (c) market size, (d) business model, and (e) timing, but feel free to focus primarily on the areas most relevant to your investment decision or employ a framework like the one in *Zero to One*, (3) the terms of your \$1 million investment (if you are recommending not to invest, you can still cover the terms by saying if your partners approve it notwithstanding your negative recommendation, you would recommend investing on the following terms), covering (a) pre-money valuation (e.g., \$1M on a \$3M pre-money valuation would give the investors 25% of the company post-money, and you might say what your pre-money starting point for negotiation is and what your walk-away pre-money valuation might be), (b) the control provisions (e.g., you can say you just want the standard control provisions or specify one or two that are especially important to you and, if so, why), and (c) the board composition (e.g., we think it should be one founder/CEO, one investor, and one independent, and how important board control is to you if the founders push back and say the common/founders need to control the board).

Class #9: Wednesday, March 3, 2021 Intrapreneurship, Exits & Final Thoughts

Hour 1: Intrapreneurship: Building a Business Within Amazon (Guest: **Andy Jassy**, CEO, AWS)

Hour 2: Scaling and Exiting a Business (Guest: **Steve Singh**, Managing Director, Madrona Venture Group, former CEO Concur)

Hour 3: Student Pitches with Feedback (Steve Singh)

Class #10: Wednesday, March 10, 2021
Company Pitch Day

Assignment: Your team will have eight minutes to present your business to a panel of top venture capital and angel investors and then take five minutes of Q&A. In advance, please provide your complete pitch deck, a two-to-three-page executive summary, your financial plan, and some illustrations of your demo (a few slides that will remind us of what you showed). The financial plan can use the templates from the financial modeling presentation. We would like to see more detailed financial projections month-over-month for the first 12 months and then higher-level year-over-year projections for three years (not more). We care more about the reasonableness of the assumptions in the financial model than about the numbers, so just be clear to show what the driving assumptions are. If one person is driving the model, make sure to sanity-check it with your teammates.

Hours 1-3: Final Company Pitches

Judges: ***Geoff Entress***, Co-Founder and Managing Director, Pioneer Square Labs
Andrew Freeman, Business Lead, Pioneer Square Labs
Len Jordan, Managing Director, Madrona Venture Group
T.A. McCann, Managing Director, Pioneer Square Labs
Cole Mora, Analyst, Struck Capital
Andy Sack, Co-Founder and Managing Partner, Founders Co-op, and Managing Director
Seattle, Techstars
David Zager, Partner, PSL Studio, and Chief Design Officer, Pioneer Square Labs