Course: BUS554, EST534, EST389 Lean LaunchPad (How to Build a Start-Up)

Semester: Spring 2014

Instructors: Professor Teresa Goodfellow and Dr. Ann-Marie Scheidt

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Meeting Time: Wednesdays, 7:00-9:50 PM

Location: Melville Library, E4330

Course Description:

This is an interactive hands-on course that immerses students in real-world aspects of starting a business. Rather than creating a business plan, students learn “lean” methods of testing and adapting business ideas to determine if there is a viable business opportunity. Students collaborate as interdisciplinary teams, form companies and select business ideas (the teams may be formed prior to class or at the outset of the course. Business ideas from all fields are welcome, including not-for profit, existing student businesses, or SBU research projects. Instructors and mentors provide guidance to the teams as they contact customers, suppliers, strategic partners, inventors and others. Students listen to video lectures by internationally recognized serial entrepreneur Steve Blank and present their business decisions to the class each week. Top teams that form a company will receive an award of up to $5000 toward the launch of their business and additional post-class support from SBU.

*Students in the Department of Technology and Society taking EST389 or EST534 must develop a technology product.

Course Overview:

Startups are a temporary organization designed to search for a scalable and repeatable business model. This course teaches aspiring entrepreneurs the skills (business models, customer and agile development, design thinking, etc.) to optimize this search. Students will learn that: 1) a product is just one part of a startup; understanding customers, channels, pricing, etc. are what makes it a business, and 2) business plans are fine for large companies where there is an existing market, an existing product and existing customers. In a startup, however, none of these are known.

Course Objectives:

This course teaches students how to think about all parts of building a business, not just the product. We will be introducing management tools for entrepreneurs. Students will map their assumptions (their business model) and then each week test these hypotheses with customers and partners outside in the field (customer development) and use an iterative and incremental
development methodology (agile development) to build the product. Their objective is to get users, orders, customers, etc. (and if a web-based product, a minimum feature set) all delivered in 14 weeks.

Students will work in the outside world to test each of the 9 parts of their business model and learn which of their original assumptions about their business was wrong. Faulty assumptions are to be experienced not as a crisis, but as a learning event called a pivot—an opportunity to change the business model to address what they have learned.

Each week will be new adventure as students test each part of their business model and share the hard-earned knowledge with the rest of the class. Working within teams, students will encounter issues on how to build and work with a team. In addition to the instructor and guest speakers, each team will be assigned a mentor (an experienced entrepreneur or venture capitalist) to provide assistance and support.

**Course Organization:**

During the first week of class, students form teams (optimally 4 people in a team but we’re flexible.) Their company can focus in any area—software, hardware, medical device or a service of any kind.

The class meets once weekly for a three hour session. In the time allotted we will have lectures on the 9 building blocks of a business model and time for each student team to present “lessons learned” from understanding, testing, iterating and/or pivoting their business model.

They’ll share with the class answers to these questions:

1. What did you initially think?
2. So what did you do?
3. Then what did you learn?
4. What are you going to do next?

At the end of the course each team will present their entire business model and highlight what they have learned as well as their most important pivots and conclusions.

**Suggested Projects:**

While your first instinct may be a web-based startup we suggest that you consider a subject in which you are a domain expert. In all cases, you should choose something for which you have passion, enthusiasm, and hopefully some expertise. Teams that select a web-based product will have to build the site for the class.

**Guest Speakers:**

Guest speakers (entrepreneurs, venture capitalists, intellectual property attorneys, etc.), will be introduced to the class throughout the course as their schedules allow, which may cause some
minor rescheduling of course lectures. You will be advised of any changes and their impact to assignments as they occur.

**Grading:**

Student teams will receive grades as follows:

- Weekly Team Presentations (8): 40%
- Business Model Canvas: 10%
- LaunchPad Central Dialogue: 20%
- Final Presentation: 30%

**Required Course Materials:**

LaunchPad Central Software ($40 per student) is required.

**Optional Course Materials:**


**College of Business Program Learning Outcomes, as Applied to this Course:**

Communication Skills – Students will demonstrate oral and written communication skills through in-class slide presentations and course-specific software that includes appropriate research sources, proper citations and clear and concise evaluations of the topics discussed.

Critical Thinking – Students will be meeting with customers, suppliers, partners and domain experts throughout the semester and make critical adjustments to their business model as a result of the information they provide.

Leadership & Team Interaction – Students will collaborate productively with others as both leaders & members of a team.

Innovative Business Practices – Students will be utilizing the Lean Launch Pad methodology, which in itself is an innovative business practice. Adoption of this new way of thinking will change the way students approach product design. They will increase their chances of success by involving the customer and incorporating their input into the
creation of the final product.

Business Knowledge – Students will develop an understanding of fundamental business knowledge across functional areas, rather than being so enraptured with and absorbed in their product that they see only one dimension of the business.

Academic Integrity:

Each student must pursue his or her academic goals honestly and be personally accountable for all submitted work. Representing another person's work as your own is always wrong. Faculty is required to report any suspected instances of academic dishonesty to the Academic Judiciary. For more comprehensive information on academic integrity, including categories of academic dishonesty please refer to the academic judiciary website at http://www.stonybrook.edu/uaa/academicjudiciary/

Academic Dishonesty:

The College of Business regards any act of academic dishonesty as a major violation punishable by severe penalties, including dismissal from the University. University policy requires that instructors and GAs and TAs report all suspected cases of academic dishonesty to the appropriate Academic Judiciary Committee, which is empowered to take strong action against violators. Under no circumstances will the College of Business permit cheating of any kind. Many activities constitute academic dishonesty. The following list is not inclusive, only suggestive:

- Cheating on exams or assignments by the use of books, electronic devices, notes, or other aids when these are not permitted, or by copying from another student.
- Collusion: two or more students helping one another on an exam or assignment when it is not permitted.
- Ringers: taking an exam for someone else, or permitting someone else to take one’s exam. Submitting the same paper in more than one course without permission of the instructors.
- Plagiarizing: copying someone else’s writing or paraphrasing it too closely, even if it constitutes only some of your written assignment.
- Submitting the same paper in more than one course without approval of the instructors.
- Falsifying documents or records related to credit, grades, status (e.g., adds and drops, P/NC grading), or other academic matters.
- Altering an exam or paper after it has been graded in order to request a grade change.
- Stealing, concealing, destroying, or inappropriately modifying classroom or other instructional material, such as posted exams, library materials, laboratory supplies, or computer programs.
- Preventing relevant material from being subjected to academic evaluation.

Americans with Disabilities Act:
If you have a physical, psychological, medical, or learning disability that may impact your course work, please contact Disability Support Services at (631) 632-6748. They will determine with you what accommodations are necessary and appropriate. All information and documentation is confidential.

Students who require assistance during emergency evacuation are encouraged to discuss their needs with their professors and Disability Support Services. For procedures and information go to the following website: http://www.sunysb.edu/ehs/fire/disabilities.shtml

Critical Incident Management:

Stony Brook University expects students to respect the rights, privileges, and property of other people. Faculty are required to report to the Office of University Community Standards any disruptive behavior that interrupts their ability to teach, compromises the safety of the learning environment, or inhibits students’ ability to learn. Faculty in the HSC Schools and the School of Medicine are required to follow their school-specific procedures. Further information about most academic matters can be found in the Undergraduate Bulletin, the Undergraduate Class Schedule, and the Faculty-Employee Handbook.

Blackboard:

You can access class information on-line at: http://blackboard.sunysb.edu. If you have used Stony Brook’s Blackboard system previously, your login information (Username and Password) has not changed. If you have never used Stony Brook’s Blackboard system, your initial password is your SOLAR ID# and your username is the same as your Stony Brook (sparky) username, which is generally your first initial and the first 7 letters of your last name.

If you are having trouble logging into Blackboard, you will need to log into SOLAR to verify your Net ID username & set your Net ID Security Question and Password. For more information, visit: http://clientsupport.stonybrook.edu/

If you are a student and continue to have a problem logging into Blackboard, you will need to bring photo ID to either the Melville Library SINC Site Room S1460 or the Union SINC Site Room 080 and speak to a Blackboard Administrator from Saturday - Friday from 9 am - 5 pm.

Intellectual Property FAQs

- Who owns the intellectual property tested in the Business Model?
  1. You own what Intellectual Property (patents, hardware, algorithms, etc.) you brought to class with you. No one has claim to anything you brought to class.
  2. You own any intellectual property (such as code for a web-based project) that you developed during class as long as you do not use SBU researchers, computers and/or
research facilities. If a team is working with a Stony Brook related-technology (i.e. either research from one of the team members, a professor or a Stony Brook patent), you must check with the Office of Technology & Licensing (OTL) to better understand any Stony Brook licensing and royalties issues.

3. You and your team members need to disclose to each other what IP/Licensing rights any company you've worked at has to inventions you make at school.

4. You own only what you have written and completed in class. You have no claim to work done by others on your team. Copyright laws automatically protect each person’s written expression (including software). Patent laws protect inventions if the true inventor describes them in a patent application.

5. If a subset of the team decides to start a company they do NOT “owe” anything to any other team members for work done in and during the class. ALL team members are free to start the same company, without permission of the others. (We would hope that a modicum of common sense and fairness would apply.)

- I feel my idea/invention / business model may become a real company and the "next killer app" and I want to own it myself what should I do?

  If you have not protected an invention (an idea that can be described so that someone could make and use it) with a patent application, this is more than likely the wrong class to take. Be aware that your slides, notes and findings will be publically shared and others may file patent applications based on your ideas. You may want to consider either submitting a provisional patent application prior to disclosing your ideas, joining another team, picking another project, or dropping the class. You may want to also consider learning the “Lean” process based on a different idea that is likely un-patentable and later applying the “Lean” process to your invention after the class.

- Will my Intellectual Property rights be protected when I discuss my ideas with the class? **NO.** This is an open class. **There are no non-disclosures.** All your presentations and Customer Discovery and Validation notes, business model canvas, blogs and slides can, and more likely will, be made public.

- This class is not an incubator. At times you will learn by seeing how previous classes solved the same class of problem by looking at their slides, notes and blogs. Keep in mind that successful companies are less about the original idea and more about the learning, discovery and execution. (That’s the purpose of this class.) Therefore you must be prepared to share your ideas openly with the class. It is a forum for you to “bounce” your ideas off your peers.
• I’m not comfortable sharing what I learn with others what should I do?
  Don’t take this class.