PRELIMINARY SYLLABUS
Title: Funding a New Enterprise
Code: BUS 28 / Fall 2016
Instructor: James A. Terranova

Course Summary & a Note from the Instructor:

BUS 28 focuses on all aspects of financing the startup/early-stage company from the perspective of both the enterprise and the investors. Paying particular attention to the motivations of the company and the financiers, students will be provided with a balanced technical and historical perspective of the role and methodology of venture capital and angel investing.

Text-like information is shared with students via e-mail each week before class sessions, along with relevant current media posts. Students are encouraged to read these to gain a basic understanding of the concepts that are, in turn, presented by “real world” practitioners as guest speakers in class. The speaker sessions are designed to be highly interactive for the benefit of all students.

Course Schedule:
Week 1: October 4 (No class next week)
Introductions and course overview, including investment risk/return concepts and macroeconomic environments in the public and private equity marketplaces

Week 2: October 18
Incubators, accelerators, angel investors / who they are, their motivations and goals

Guest speaker:
Don Ross – HealthTech Capital, Sand Hill Angels, Life Science Angels

Week 3: October 25
Venture capital industry overview, history and current trends / fund structure, motivations and goals

Guest speaker:
Frank Caufield, Darwin Ventures

Week 4: November 1
Planning to raise funding / preparing the perfect presentation, business plan

Guest speaker: Ron Weissman, Band of Angels

Week 5: November 8
Term sheet analysis of early stage financing – convertible notes, Series Seed and Series A equity rounds / valuation negotiation
Week 6: November 15 (No class next week)
Legal organization of the startup enterprise for optimum funding, valuation

Guest speaker:
TBD, Wilson Sonsini Goodrich & Rosati

Week 7: November 29
Subsequent equity financing rounds / merger/acquisition, initial public offering basics

TBD, Wilson Sonsini Goodrich & Rosati

Week 8: December 6
Comprehensive course review, investor presentations
Selected Readings:
“Venture Deals: Be Smarter than Your Lawyer and Venture Capitalist”
Brad Feld / Jason Mendelson

“The Entrepreneurial Bible to Venture Capital: Inside Secrets from the Leaders in the Startup Game”
Andrew Romans

“Venture Capitalists at Work: How VCs identify and Build Billion Dollar Businesses”
Tarang Shah

“Angel Financing for Entrepreneurs”
Susan Preston

“Term Sheets and Valuations – A Line by Line Look at the Intricacies of Term Sheets and Valuations”
Alex Wilmerding

“Deal Terms – The Finer Points of Venture Capital Deal Structures, Valuations, Term Sheets, Stock Options and Getting VC Deals Done”
Alex Wilmerding

“The Entrepreneur’s Guide to Business Law”
Constance Bagley / Craig Dauchy

Justin Camp

Guy Kawasaki

“The Hard Thing About Hard Things: Building a Business When There are No Easy Answers”
Ben Horowitz

“Zero to One”
Peter Thiel
**Other Select Information:**

Founder Institute: Daily Newsletter  
A16z Weekly Newsletter (Andreessen Horowitz)  
YCombinator Startup Library  
Paul Graham (YC) Essays  
Stanford University Online Lectures (eCorner)  
YouTube: “Stanford Entrepreneur” Videos  
“Something Ventured: Risk, Reward and the Original Venture Capitalists” (Documentary Film)