

MIT Global Startup Workshop

Business Plans That Raise Money

K-P. Wilska

Venture Partner

Austin Ventures

Nokia 1865



Austin Ventures



AlterPoint



50 companies in portfolio



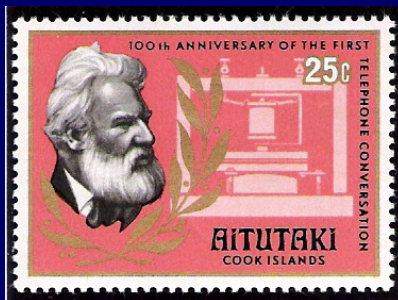
What do these two men have in common?



They are both in the business of predicting the future

Western Union

This “telephone” has too many shortcomings to be seriously considered as a means of communication. The device is inherently no value to us.



Internal memo 1876

Thomas Watson, IBM

I think there is a world market for about five computers.

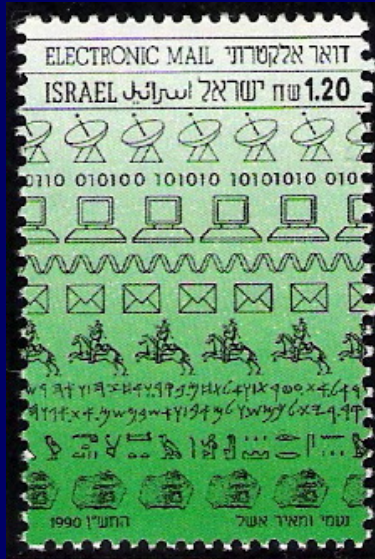
Chairman of the Board of IBM 1943



Ken Olsen, Digital Equipment

There is no reason for any individual to have a computer in their home.

President of DEC 1977



Key Strategic Innovation Questions

- Who is your customer?
- What is the value you offer to the customer?
- How do you deliver that value?

Intrapreneur Rules

- Come to work each day willing to be fired
- Do any job needed to make your project to work
- Find people to help you
- Work under the radar as long as you can
- It is easier to ask for forgiveness than for permission
- Honor your sponsors

Complex versus Complicated

Speed and Timing

- Complex versus Complicated

Management Team

- | Speed and Timing
- | Complex versus Complicated

Market

Management Team

- | Speed and Timing
- | Complex versus Complicated

Customer

- | Market
- | Management Team
- | Speed and Timing
- | Complex versus Complicated

Competition

- | Customer
- | Market
- | Management Team
- | Speed and Timing
- | Complex versus Complicated

Exit

- | Competition
- | Customer
- | Market
- | Management Team
- | Speed and Timing
- | Complex versus Complicated

Cash flow

- | Exit
- | Competition
- | Customer
- | Market
- | Management Team
- | Speed and Timing
- | Complex versus Complicated

Communication

- | Cash Flow
- | Exit
- | Competition
- | Customer
- | Market
- | Management Team
- | Speed and Timing
- | Complex versus Complicated

Kawasaki; The Art of Pitching

- Explain in the first minute
- Answer the little man
- Follow the 10/20/30 rule

Kawasaki; The Art of Pitching

- 10 slides
 - Title
 - Problem
 - Solution
 - Business model
 - Underlying magic
 - Marketing and Sales
 - Competition
 - Team
 - Projections
 - Status and timeline

Kawasaki; The Art of Pitching

- 20 minutes

Kawasaki; The Art of Pitching

- 30 point font

- This is 30 points

- This is 20 points
- This 14 points
- This is 12 points and what you are using now

Eat like a bird, poop like an elephant



Silicon Valley Wisdom

You need to be more careful when selecting Venture Capital company than your wife. The reason: You will end up spending more time with the VC



Some Reading

- Justin Camp
“Venture Capital Due Diligence”
- Geoffrey A. Moore “Crossing the Chasm”
- Andrew Grove “Only Paranoid Survive”
- Joel Kurzman “Startups that Work”
- Vijay Covindarajan & Chris Timble
“10 Rules for Strategic Innovators”
- Guy Kawasaki “Rules for Revolutionaries”

Thank You