

Startup 101

Winter 2019

Syllabus

Course Director:

Stephanie Marrus, MA MBA, Director, Entrepreneurship Center and Senior Lecturer, UCSF

2018 Advisory Committee:

Tania Fernandez, PhD, President/CEO, Midissia Therapeutics; Founder, Dreamcatcher Ventures

Howard Edelman, CEO, Advanced Resin Therapeutics

Philippe Nore, MSc, MBA, Managing Partner, Palo Alto BioVentures

Chris Meda, MS, Chief Business Officer, IncellIDx

Faz Bashi, MD, Chair Digital Health and Sciences Screening Committee, Life Science Angels

Location: UCSF Mission Bay Campus

Dates: January 23 to April 10. Wednesday evenings 5-7:30pm

Office Hours

Weekly Office Hours are mandatory for the first 3 weeks and then by request.

Course Objective

This course is about starting and growing new life science/healthcare (LS/HC) ventures that have the potential to scale to a significant enterprise that can impact human healthcare. Our audience is anyone at UCSF including students, post docs, residents, faculty and staff; graduate students at Berkeley and Stanford; alums from those institutions and the general life science/healthcare business community. We welcome people with diverse backgrounds including MBAs, engineers and computer scientists to augment our scientific/clinical skillset at UCSF. The class is leveled for science/technical/clinical participants with no formal business background.

Startup 101 focuses on the specific characteristics and challenges of a LS/HC venture as distinguished from Tech. We include all types of LS/HC products and services -- therapeutics, medical devices, diagnostics, research tools and digital health.

You will learn how to assess a concept or product in the framework of a business opportunity. This includes assessing whether an idea has market appeal (product/market fit), figuring out a business model, determining the market potential and understanding the key elements of a successful venture. You will learn who your prospective customers are and how to interview them for feedback on your idea. You will understand what is required to access capital and how to source investors who may invest in an early stage company. You will experience the entrepreneurial mindset, solve problems, change plans as you gain more information and develop a network of connections.

Ideas can come from anywhere – from the work you perform, your reading, your knowledge of a field or experience in engaging with the healthcare system as a professional or a patient. You will develop a business plan that includes the key elements required to create a commercial business.

This course will give you the knowledge to create a high-potential, for profit science-based commercial enterprise. Our emphasis is on ventures that are scalable and can solve important healthcare problems. (This is not the right course for you to learn how to establish a pharmacy or a dental practice.) You may use the skillset you learn here to start a company, join a startup team, innovate within a large company or become an investor.

Entrepreneurship research shows that ventures with a team are more successful than solo entrepreneurs. To mirror real life, you will work in a team of 3-5 people on an idea –yours or a classmate's. If you're the idea person, you become team lead and must find another 2 people to join you. If you don't have the idea, you need to find a team lead who invites you. Everyone must be on a team by Week 1.

You will be exposed to entrepreneurs and business professionals. The Advisory Committee, mentors and guest lecturers include serial entrepreneurs, angel investors, venture capitalists, consultants and domain experts who can help you navigate the commercial mindset. LS/HC investors will judge the final presentations.

Objectives and Teaching Methods

The course will help you understand the elements of successful LS/HC ventures, what is involved in doing a startup and the entrepreneurial process. You will hear from entrepreneurs and other members of the business community who share their experiences and knowledge. Students are expected to be highly participative and prepared. The course is experiential, not academic, meaning your team will develop a business plan and pitch deck rather than reading research papers.

The class requires that you complete a minimum of 20 interviews for Customer Discovery – testing your value proposition with the marketplace. This is perhaps the most important learning experience you will have and your business plan will suffer without the input.

Guest Speakers

Startup 101 has many invited guest speakers from the Silicon Valley life science business community including entrepreneurs, investors, attorneys and consultants who provide real

world experiences and a network for students. These top professionals in their fields provide invaluable perspectives on developing a viable venture.

Deliverables: Business Plan Executive Summary and Pitch Deck

During the course, you will develop a business plan for the idea you are working on. The team will research the commercial potential of an idea, test the value proposition, seek product/ market fit and create other elements of the plan. Deliverables are a 2-3 page Executive Summary plus a Pitch Deck in the format investors require. The best teams will have the opportunity to make a formal pitch to a group of investors for feedback on the final night of class.

Teams

This is a team-based class and you will need to be on a team by the date of the first class, January 23. If you form a team around your idea, you are the Team Lead.

Some of you are working on a venture and have formed a team outside of class. While you can continue to work with your outside team, they do not qualify as your class team and cannot attend class, unless they apply and pay fees. You must have a Startup 101 team -- people who have applied, been accepted and enrolled. There must be at least one UCSF member on every team. Teams are 3 to 5 people.

Class team members are NOT founders unless invited to join at the end of class by the Team Lead.

Mentors

Mentorship is an important element for success of a venture. Each team will be assigned an experienced business mentor who is interested in the idea, has relevant expertise and has committed to spend 1-2 hours a week talking with you. Our mentors come from the Silicon Valley business ecosystem and work with or have led startup ventures, lending their expertise in the “pay it forward” culture we are fortunate to have in the Bay Area. They will guide students through business issues that emerge while exploring the idea, support teams in preparing an investor pitch and cheer the team on at the final pitch presentation. You have the opportunity to request a mentor if you believe someone is an especially good fit.

Time Requirement: IMPORTANT, PLEASE READ

This course is intensive and requires considerable time to be devoted to it. In addition to 2.5 hours of class time weekly, you will need to work with your team on various aspects of the business plan, perform interviews and connect with your mentor. Your total weekly time commitment per person is estimated to be 15-20 hours per week. First year grad/medical students probably do not have the time to take this course.

This is a class for people who are motivated to learn by doing. Class is very demanding and requires participation, learning the material and working in a team. By accepting a place in the class, you establish obligations to your team members. You must be serious about the commitment and not become a liability to your team. Do not sign up for this class unless you are ready to make the commitment and fully engage. Auditing is not permitted.

Admission: APPLICATION DEADLINE DECEMBER 10

Course application forms are available here: <https://bit.ly/2xLRvid>

You may apply as an individual or as a team. We have established an online marketplace to facilitate your matching with team leads or members:

Marketplace Input Form: <https://bit.ly/2pt607r>

Marketplace Response Sheet: <https://bit.ly/2PY0C7V>

Acceptances will be limited based on course capacity. You must come to the first course session to be formally admitted and are expected to attend every session. If you anticipate missing more than one class, you must discuss your situation with Leslie Martinez, Program Manager, Entrepreneurship Center.

UCSF Credit

UCSF students can receive credit by registering for Biochem 241.

Fees

This course is open to graduate students, post docs, researchers, residents, faculty, alumni and staff at UCSF; graduate students, post docs, researchers and faculty at UC Berkeley and Stanford; and the general business community.

Fee schedule:

<u>Current</u> UCSF/UCB students/post docs	0
UCSF/UCB/Stanford staff or researcher	\$400
Stanford student	\$300
Pre-funding startup	\$475
Funded startup, revenues 0-\$5MM	\$800
Corporate, revenues over \$5MM	\$1200

UCSF/UCB Alumni are not current and must pay normal fees.

Assigned Book

Marc H. Meyer and Frederick G. Crane, *New Venture Creation: An Innovator's Guide to Entrepreneurship*, Sage Publications, 2nd Edition. You can buy or rent this text.

Optional Books

For those of you who are eager for more resources, here are some books that you can refer to but are not required:

Technology Ventures: From Idea to Enterprise - Byers, Dorf, Nelson

Venture Deals: Be Smarter Than Your Lawyer and Venture Capitalist - Feld, Mendelson, Costolo

The Founder's Dilemma, Wasserman

Breakthrough Entrepreneurship, Burgstone and Murphy

The Startup Owner's Manual: The Step-By-Step Guide for Building a Great Company - Blank and Dorf

Business Model Generation, Alexander Osterwalder

Do More Faster - Cohen and Feld

Biodesign, Zenios, Makower, Yock