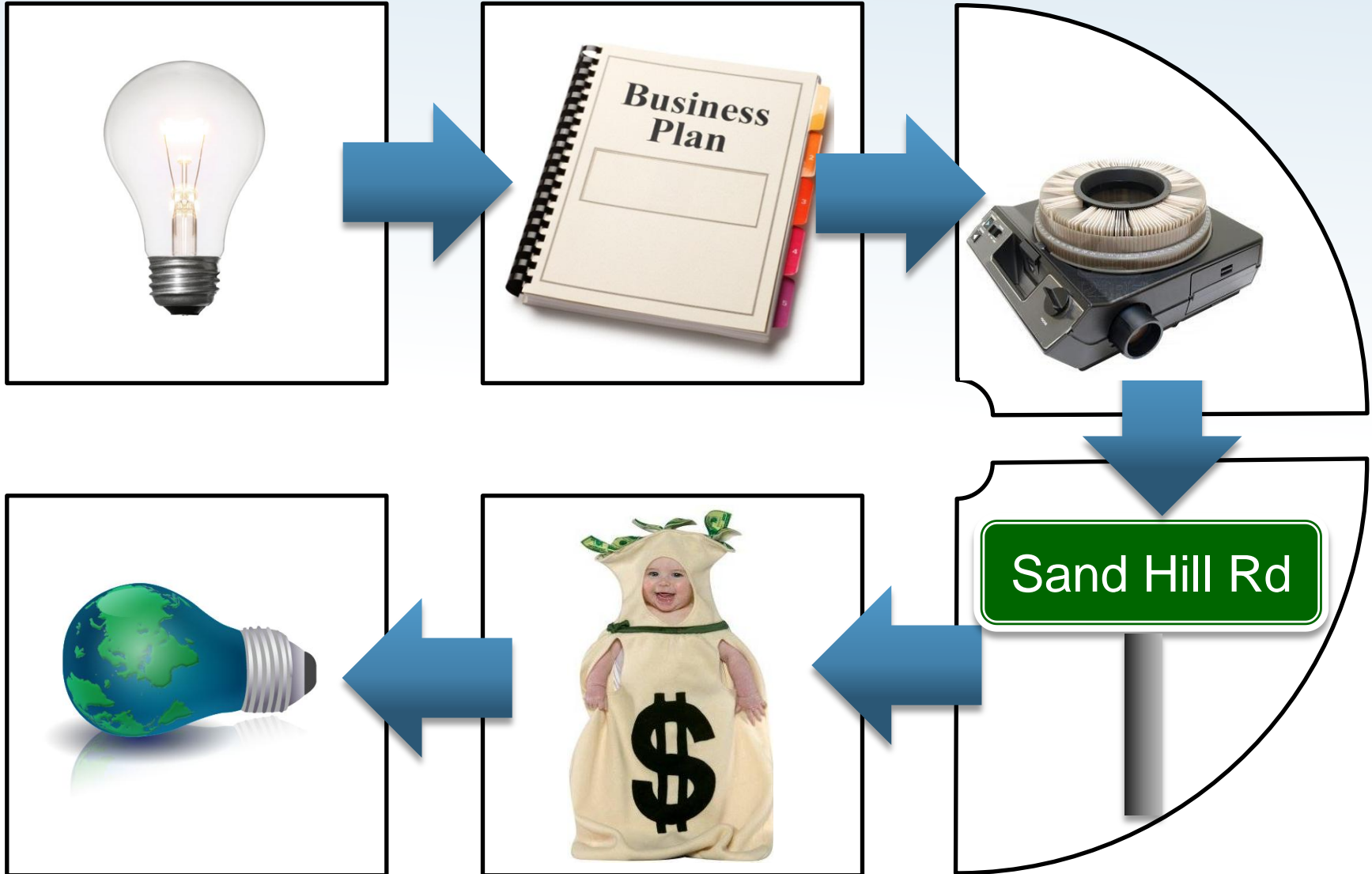


Turning Your Idea into a Business - Business Modeling for Entrepreneurs

Alex de Winter
December 6, 2011



Six Easy Steps



But...

"All the News
That's Fit to Print"

The New York Times

Late Edition

New York: Today, sunny, a few afternoon clouds. High 77. Tonight, slightly more humid. Low 65. Tomorrow, sun then clouds. High 81. Yesterday, high 81, low 63. Weather map, Page C19.

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NEW YORK, THURSDAY MAY 14, 2009

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75 CENTS

Investors Pay Business Plans Little Heed, Study Finds



Article by Brent Bowers, May 14, 2009

MOHR DAVIDOW

Business Modeling

Key Elements

- Product
- Market
- Team
- Competition
- Financials
- Risks & Mitigation

Product

- Value proposition
- Technical feasibility
- Scalability
- Focus vs shots on goal



Market

- How big is the market?
 - Bottom up
- Who are the customers?
 - Segments
 - What do they care about?
- How much will they pay?
- Do your research!

Team

Core members

- Complementary skill sets
- Pig or chicken?
- Crazy, but not too crazy

Other notables

- Advisors
- Experts in the field

The New York Times

Just Manic Enough: Seeking Perfect Entrepreneurs

“The attributes that make great entrepreneurs, the experts say, are common in certain manias...”

Competition

- Incumbents
- Potential entrants
- Other solutions to the problem
- Sustainable competitive advantage
- IP / Freedom to Operate

Financials

- Estimated revenue
- COGS / gross margins
- Head count
- Financing sought
- Use of funds
- Milestones
- Total funding anticipated
- Potential exit or liquidity



Risks and Mitigations

- Technical
- Financial
- Market
- Competitive



Pitch Deck

- 20 slides
- Stand on their own
 - But, not too wordy
- It's "Final Destination" meets "The Muppets"
- Have a demo ready



Questions?

Thank you!

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For further reading

- Graham Friend, Stefan Zehle, “Guide to Business Planning”
- William Sahlman, “How to Write a Great Business Plan,” HBS Case, 1997
- Jeffrey Timmons, Andrew Zacharakis, Stephen Spinelli, “Business Plans that Work: A Guide for Small Business”
- Brent Bowers, “Investors Pay Business Plans Little Heed, Study Shows,” NY Times, May 14 ‘09
- David Segal, “Just Manic Enough: Seeking Perfect Entrepreneurs,” NY Times Sept 18, ’10
- <http://bplan.berkeley.edu/Compete/resources.html>
- <http://www.bothsidesofthetable.com/>