

The Business of Software

- CSC 454/2527S
- University of Toronto
- Professor Ronald M. Baecker
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How to Contact Me

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Introduction

- Prof. Ronald M. Baecker
- Teaching Assistants and Other Staff
- Objectives of Course
- Methods Used in Course
- Course Themes
- Guest Entrepreneurs
- Business Plan
- Course Schedule, Readings, Evaluation
- Any Questions?

Ronald M. Baecker

- Professor of Computer Science, ECE, and Management, University of Toronto
- Founding Director, Knowledge Media Design Institute, University of Toronto
- Visiting Professor or Research Scientist at M.I.T. Media Lab, Univ. British Columbia, Univ. Maryland, Apple Computer, Xerox PARC
- B.Sc., M.Sc., Ph.D., M.I.T.

Ronald M. Baecker (cont'd)

- Founder (1976) and CEO, Human Computing Resources Corp. (HCR), sold in 1990 to SCO
- Founder (1998) and current CEO, Expresto Software Corp.
- Adviser and consultant to a number of start-up software firms
- Has taught this course in Toronto, Ottawa, Calgary, Vancouver, Los Angeles, Buenos Aires (Argentina), Santiago (Chile)

David Rosen

- Management consultant and author
- 20 years experience in computer industry
- Clients include AOL, Apple Computer, Coopers and Lybrand
- Student in 454 four years ago

S. Wynton Semple

- Corporate commercial lawyer
- Partner in law firm Zammit Dash Semple
- Advises small business clients as both attorney and business consultant
- Deals with software issues from the points of view of developers, vendors, and consumers

Michael Shiner

- Chedington Technology
- Manages high-technology and strategic investments
- In past, an independent consultant to entrepreneurial IT firms and the creator of a large successful swimming school
- Student in this course while doing an MBA six years ago

Other Course Staff

- Special lecturer Philip Stern
 - Founder and CEO of Stern Thinking, a firm that helps entrepreneurs create winning business plans
- Special lecturer Lillian Blume
 - Teacher, lecturer, and consultant in interpersonal communications and in effective small group interactions

Objectives

- To understand the high-tech and especially the software and Internet business environment
- To learn principles for defining and crafting a healthy profitable growing software business (entrepreneurial or intrapraneurial)
- To convey a healthy appreciation of how difficult this is
- To hone one's skills in thinking about strategic software business issues
- To join a community of software entrepreneurs

Methods

- Lecture and discussion of 8 themes (see next slide) and 60 principles for success
- Elaborations and illustrations, especially from guest entrepreneurs, through first-hand and second-hand accounts (live and on video)
- Discussion and critiques of guest entrepreneur presentations
- Development of business plans in stages
- Exercises for students

Course Themes

- I. Innovation in the Software Industry
- II. Focus and Objectives — Defining and Planning the Business
- III. Opportunity and Timing — Market and Product Planning
- IV. Proprietary Technology and Capability for Winning Software

Course Themes (cont'd)

- V. Marketing and Distribution of Software Services and Products
- VI. Cash — Financial Management and Financing Acquisition
- VII. Leadership and Management
- VIII. Partnerships — Strategic Alliances, Mergers, and Acquisitions

Guest Entrepreneurs

- Characteristics
 - Experienced entrepreneurs
 - Successful entrepreneurs
 - Products and service companies
 - Information technology in a broad sense
 - Focus on the Internet
- 20-25 minute presentations
- 35-40 minutes of question-and-answer, based on your participation!!!
- Discussion and critique the following week

Business Plan

- Teams of 4
- Idea generation and brainstorming (due within 1 week)
- Plan version 0 — team formation and description of basic idea (due within 2 weeks)
- Plan version 1 — Executive Summary (with ellipses), skeletal draft business plan (due within 4 weeks)

Business Plan

- Interim oral presentation
- Plan version 3 — complete draft plan including draft appendices
- Plan final written business plan
 - Group grade plus individual grade
- Plan final oral presentation

Course Schedule

- Hour 1: Typically a discussion of the previous week's guest entrepreneur followed by a lecture
- Hour 2: Typically our guest entrepreneur of the week
- Hour 3: Typically the tutorial
 - Original presentations
 - Student presentations
 - Feedback and Q&A re the business plan

Course Readings

- 4 course texts
- Course readings package

Course Evaluation

- Various stages of the business plan
 - Written plans
 - Oral presentations
- Class discussion
- Midterm test
- Final exam (grade of 35% required to pass)
- You must read & write & speak in this course!!!
- We will take photographs in order to get to know you!

Any Questions?

- Let's make it interactive!!!
- 6 students now please volunteer and introduce yourselves....