The Business of Software

- University of Toronto CSC 454/2527S
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- www.dgp.toronto.edu/people/RMB/bizsoft.html
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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

- Bell Professor of Human-Computer Interaction, and Prof. of Computer Science, ECE, and Management, University of Toronto
- Founder and Chief Scientist, Knowledge Media Design Institute, University of Toronto
- Visiting Professor or Research Scientist at M.I.T. Media Lab, Apple Comp., Xerox PARC
- B.Sc., M.Sc., Ph.D., M.I.T.
Ronald M. Baecker (cont’d)

• Founder and CEO (1976-1983), HCR Corp., sold in 1990 to SCO
• Founder and CEO (1998-2001), Expresto Software Corp.
• Adviser+consultant to start-up software firms
• Has taught this course in Toronto, Ottawa, Calgary, Vancouver, Los Angeles, Buenos Aires (Argentina), Santiago (Chile)
David Rosen

• Management consultant, author, teacher
• 20 years experience in computer industry
• Clients include AOL, Apple Computer, Coopers and Lybrand
• Has been both a student and a TA in 454
Caryn Mladen

- Technology and intellectual property lawyer
- Management consultant, author, journalist, and teacher
- Clients include Network Associates, Path Technologies, SOCAN
Other Special Lecturers

• Philip Stern
  – Founder and CEO of Stern Thinking, a firm that helps entrepreneurs create winning business plans

• 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 intrapraeurial)
- 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 (3 or 5 with special permission)
• Assignment A: Idea generation
  – Due 14 Jan.
• Assignment B: Plan version 0 — team formation and description of basic idea
  – Due 22 Jan.
• Assignment C: Plan version 1 — Executive Summary (with ellipses), skeletal draft biz plan
  – Due 5 Feb.
Business Plan

- Assignment D: Interim oral presentation
  – 26 Feb.
- Assignment E: Plan version 2 — complete draft plan including draft appendices
  – Due 12 Mar.
- Assignment F: Final oral presentation
  – 9 Apr. (for those who didn’t present on 26 Feb.)
- Assignment G: Plan version 3 — final written business plan
  – Due 12 Apr.
  – Group + improvement + individual grades
Course Schedule

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

• 3 course texts
• Course readings package
Course Evaluation

• Various stages of the business plan
  – Written plans
  – Oral presentations

• Class participation and discussion… you must read and write and speak in this course!!!

• Midterm test

• Final test

• We will take photographs (worth 0.5% of your grade) in order to get to know you!
Any Questions?

• Let’s make it interactive!!!
• 6 students now please volunteer and introduce yourselves....