**Entrepreneurial Finance**  
B40.3361  

**Course Outline**

<table>
<thead>
<tr>
<th>Date</th>
<th>Subject and Readings</th>
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| 9/7  | Introduction and Course Orientation – The Private Equity Asset Class  
(a) Blackboard: External Links: “CalPers Alternative Assets”  
(b) Blackboard: External Links: “NVCA 2010 Yearbook” |
| 9/9  | NO CLASSES |
| 9/14 | Venture Capital: a Framework  
(a) Reading: R.C. Smith, “The Entrepreneurs” from *The Wealth Creators*  
(b) Case: *Billpay.com* (To be handed out in class) |
| 9/16 | Recognizing Opportunity:  
(a) Case: *US Cybersites*  
(b) Blackboard: External Links: “Super Angels Alight”  
(c) Prepare and hand in Problem #1 (see Blackboard, “Assignments”) |
| 9/21 | Recognizing Opportunity:  
(a) Case: *Car Wash Partners* |
| 9/23 | Venture Capital Investing:  
(a) Case: *Pennell Venture Partners LP*  
(b) Prepare and hand in Problem #2 |
| 9/28 | Venture Capital Investing:  
(a) Case: *Vermeer Technologies* |
| 9/30 | Venture Capital Valuation  
(a) Case: *Hotmail*  
Prepare and hand in Problem #3 |
10/5 Venture Capital Valuation and Contracting Terms
(a) Reading: Aswath Damodaran, *The Dark Side of Valuation*, valuing companies with no profits or history.
(b) Reading: *Term Sheet Glossary*
(c) Prepare and hand in **Problem #4**

10/7 Green Venture Investing
(a) Case: *Solazyne, Inc.*
(b) Blackboard: External Links: “Algae as Fuel”
(c) Blackboard: `External Link: NYT: “Batteries Not Included” (Shai Agassi and “A Better Place”)`

10/12 Venture Debt
(a) Case: *Pinnacle Ventures*
(b) Prepare and hand in **Problem #5**

10/14 Venture Capital Investing:
(a) Case: *Lazard Technology Partners, LP*
(b) Reading: R.C. Smith, “Managing Venture Capital Investments”

10/19 Corporate Partners in Venture Capital
(a) Case: *Parenting Magazine*
(b) Blackboard: External Links: “The Innovation Machine”
(c) Prepare and hand in **Problem #6**

10/21 Venture Capital Investing
(a) Case: *Sungevity, Inc.* (Alec Guettel, Chairman and founder, will be a guest)

10/26 Midterm Exam

10/28 Private Equity
(a) Reading: R. C. Smith, “Hedge Funds and Private Equity,” from *Paper Fortunes*
(b) Blackboard: External Link: “Private Equity”
(c) Blackboard: External Link: “Doubts Cast Over Private Equity Returns”

11/2 Leveraged Buy-Outs
(a) Case: *OM Scott*
(b) Blackboard: External Link: “Survival of the Richest”

11/4 LBOs
(a) Case: *Burger King*
(b) Prepare and hand in **Problem #7**
11/9 Other Issues in LBOs
(a) Case: Huntsman Corporation
(b) External Link: “Terra Firma”

11/11 Mezzanine Finance
(a) GS Mezzanine Partners, LP; October 2007 presentation
(b) Case: Sirrom

11/16 Secondary Markets for Alternative Investments
(a) Check out: www.thecamelotgroup.com/page/4

11/18 Workouts and Vulture Finance
(a) Reading: Bankruptcy: A Debtor’s Perspective
(b) Case: GSC Partners and Regal Cinema (Parts I & II)
(c) Prepare and hand in Problem #8

11/23 and 11/25 NO CLASSES

11/30 Real Estate Private Equity (Guest: Steven Zelin, Senior Managing Director, The Blackstone Group)

(a) Case: Hanover Street Global Real Estate LP
(b) Blackboard: External Link: “Sea Island”

12/2 Exits: Going Public (I)
(a) Reading: Note on the Initial Offering Process
(b) Case: Tesla Motors, Inc.

12/7 Exits: Going Public (III)
(a) Case: ImmuLogic Pharmaceutical Corp.
(b) Prepare and hand in Problem #9

12/9 Exits: M&A
(a) Case: RightNow Technologies
(b) Prepare and hand in Problem #10

12/14 Exits: Going Private
(a) Case: Oriflame International (Blackboard)
(b) The Future of Private Equity: External Links “Private Equity,” “Doubts Cast,” “Survival of the Richest”

12/21 11:15-1:15 Final Examination