

Business Planning and Execution for Canadian Entrepreneurs

Course: APS1088H Fall 2017

Instructor: Professor Steve Treiber
WB257 meeting by appointment only
Phone: 416-725-1774
e-mail: steve.treiber@utoronto.ca
See his Bio at the end of this document.

Course Coordinator: Professor Joseph C. Paradi
WB257 meeting by appointment only
Phone: 416-978-6924 ext. 1
e-mail: paradi@mie.utoronto.ca

COURSE DESCRIPTION

Overview:

The key to entrepreneurial success is focused execution of a great business plan. APS1088 teaches aspiring entrepreneurs how to start a business in Canada. That business could be a start-up, a franchise, or an acquired or inherited business. The business could be for profit or non-profit. Each lecture focusses on an important aspect of starting and running a business, and supports a component of the business plan each student writes as the course project.

Start-up financing taught addresses all forms from [bootstrapping](#) to seeking funding from VCs and Angel investors.

If you already have a business idea the course will assist you in making that business idea a success and if you don't have an idea the course will teach you how to find and develop a successful business idea. The instructors may introduce students with exceptionally good business plans to [The Hatchery](#), or one of the many incubators on campus, or even businesses that might be interested in their idea.

The lecturers who present this course have all started and sold at least one successful business and have contributed their experience to the class notes. Interestingly, we are all immigrants to Canada like the majority of our students and that fact strongly influences the course material and our approach to teaching. At strategic points during the course subject matter experts are invited to address the students in their area of specialty such as marketing strategy, sales, finance & accounting and law.

Taking Notes:

APS1088 Entrepreneurship is unique in content and structure. All of the lecture notes used in the classroom are available to you on your BlackBoard Class website. All you have to do is print them or download them for use in class. We provide the entire lecture series' notes and handouts used in the classroom so that you will not need to take detailed notes. You should print out these notes and bring them to the classes and add whatever new arises in class.

Recommended Reading:

Hurdle: The Book of Business Planning
Tim Berry, Palo Alto Software, ISBN 0-9712185-0-1

Small Business Management - Launching and Growing New Ventures

5th Edition by Justin Longenecker - Baylor University, Leo B. Donlevy - Haskayne School of Business University of Calgary, Terri Champion - Niagara College, Carlos W. Moore - Baylor University, J. William Petty - Baylor University, Leslie E. Palich - Baylor University. ISBN-10: 0176503900 ISBN-13: 9780176503901 608 Pages © 2013 Published.

Lecture Hours:

Monday: 6:00 – 9:00 pm in WB219

Details

The course is on BlackBoard, so you should sign in as soon as possible and read the handouts. We suggest that you print or copy the notes to your e-device before the lecture, read it and bring it with you to work on during the lecture. We will post on BlackBoard all handouts as the course unfolds on the dates shown in this document – so visit often.

The two Canvas Progress Reports (handed in hardcopy) and the final Business Plan (paper form, bound delivered on the due date) plus the exams will be marked by the instructors.

The Hatchery

The University of Toronto is dedicated to supporting entrepreneurship. Besides this course one of the ways it is supported in the Faculty of Engineering is through The Hatchery. If you have the entrepreneurial spirit or an entrepreneurial idea, The Hatchery will provide you with the tools and resources to take you to the next level. This course is the perfect place for you to start. Visit: <http://hatchery.engineering.utoronto.ca/>

ASSIGNMENTS, PROJECTS AND EXAM

Hatchery Speaker Series

We invite practicing entrepreneurs and subject matter experts from the business community (even past students who started successful businesses) to speak for 45-50 minutes about their business, life, experiences, successes and failures. Because this course deals with practical concepts and real events these guests are invaluable in adding a real-life dimension to the course as they have, “been there and done it all.” So, what you hear is the real stuff.

The guest speaker’s talk is followed by a lunch, Q and A’s and an opportunity to network, which you should take advantage of. You will find the guest lectures at the Hatchery website <http://hatchery.engineering.utoronto.ca/calender/>.

Interview a Successful Canadian Entrepreneur:

All sales people will admit that one of the hardest things they may ever have to do in their job is a “cold call”. Interview of a Successful Entrepreneur requires you to interview a successful **Canadian** entrepreneur and write a report about them and what made them successful. The successful entrepreneur that each student chooses will be a complete stranger to them and may not be an employee or owner of the company they work in or anyone working at the University of Toronto. They must have been in their business for at least 3 years and not a current participant in any university hatchery/incubator/accelerator.

Each student will identify a person whom they wish to interview and obtain permission from the course instructor who will provide guidance on how to approach that individual and whether or not the person is a suitable candidate for the assignment. Such permission is mandatory. The purpose of this assignment is twofold: 1) learn how to approach a stranger and “sell” them something. In this case the

sale is to get them to give you an hour of their time; 2) all successful entrepreneurs have succeeded in selling an idea in a market so this is an opportunity to learn from their experience. The report will be handed in as a hard copy. Late submissions will be penalized by a 40% deduction. No submissions will be accepted once the papers are marked and returned to those who submitted on time resulting in a zero.

Business Press Review

As part of your class participation mark you are expected to read an appropriate article from a reliable business publication (Globe and Mail ROB, National Post – Financial Section, Financial Times, Canadian Business, etc.) and prepare a written *half page* report.

Submit your report by midnight of the day *before every lecture*. Submit on BlackBoard and do not forget to reference the article you are reporting on.

Your report should be about economic, political or personal issues *affecting small businesses*. These may be: a drop (or rise) in interest rates; recently released trade figures; import/export news; currency issues; government actions; approvals of financing; bankruptcies; tax matters, entrepreneurs, success stories, etc., etc. We expect you to write a thoughtful report on the issue, not a précis of the article.

At the start of each lecture, up to 5 students will be asked to make a 60-second oral presentation of their report (a printout of your report will be provided).

Successful business people read the financial news every day! This assignment is meant to help you understand the importance for entrepreneurs of “keeping on top of the business news” and to help you hone your speaking skills.

Market Research Assignment

Conducting Market Research is absolutely necessary to understand whether or not your business is likely to be successful. This assignment was designed to help you get started on the Market Research portion of your final Business Plan. For this assignment you should endeavour to do market research on the topic/business you chose for your Business Plan.

It will help you understand the process you would follow in a real business environment and at the same time you will be doing the groundwork for your Business Plan.

What is your business idea?

New business ideas tend to be the result of the recognition of an opportunity by the entrepreneur, but there are many ways to come up with an idea for a business. The best place to start is to share ideas with family and friends. Sharing ideas and observations will lead you into hypotheses of what the value proposition of your start up should be. See the "**Pre-course information**" document on BlackBoard for more details – this has also been e-mailed to you prior to the first class. **Remember to bring this document with you to the first lecture!!**

There is also a Business Ideation document that shows how to do this. This tool is available for you on Blackboard and will help you choose an idea through a brainstorming exercise. If you already have an idea this exercise can help you test your idea.

Business Canvas/Business Plan Proposal

Once you have come up with an idea for your Business Plan, you must submit it to your professor for approval – you do this by bringing it with you on the first lecture. While this is not a “marked” assignment, you must have this approved before you proceed with your Business Canvas/Plan.

Milestones in the Business Canvas Progress Report

The business canvas is a tool that will help you define your start up and its business model. We want to define a business model and how your start-up creates value for itself (generates profit) while delivering products or services for its customers. During this course you will have the unique opportunity to develop the different sections of the canvas and use them as the building blocks to create your final Business Plan. The term project is a full Business Plan and it is intended to give you "hands on" experience in developing a document that is *absolutely essential* if you ever get into business for yourself.

Preparing a Business Plan is not a simple exercise. We start with the Business Canvas – See the document on BlackBoard that describes this process in detail. The Business Canvas is a Progress Report is on what you are planning in your Business Plan to which the Canvas will lead. This is to ensure that you get started early.

Milestone #1 will be reached by the 4th lecture of the course. We expect you to have fully developed Sections 1, 2, 3 and 4 of the Canvas and there are marks for this document. This will be essential for your Business Plan's success.

Milestone #2 will have all the Sections 1 to 9 inclusive completed. Marks will be assessed and it will be due on the 8th lecture of the term.

By the 8th lecture you are expected to have made solid progress on "painting" a picture of all of the sections required in the final Business Plan with the exception of the Financials, and the Executive Summary. Even though this is not a "finished" product, it should be done with care in a professional style and be a good representation of what your final Business Plan will look like. This can then be rapidly expanded into the written document; the Business Plan is due at the last lecture.

Final Business Plan

The final term project involves the preparation of a *full and complete Business Plan* for a company you selected as "Your Business" and of course this will be on the idea that you brought to the first lecture (or another approved) you worked on in the canvas and the materials you developed there. The Business Plan, on the average, should be 15-25 pages (cover page, table of contents, appendices etc. are not included in the count) typed, single-spaced. For details, see the handout on BlackBoard.

The creation of your business plan will be an organic process once you have completed all the elements of your business canvas. The comments you receive on your Progress Reports will guide you to validate your hypothesis and value proposition. There is also a lot of help available on the Internet, so please feel free to use any/all such assistance – but make sure you give credit by citing your sources.

Keep in mind that this is a business document – not a novel. Good communication is essential, so keep your language short and to the point. Always proof read to ensure accuracy of facts and language – *do not just rely on spell check!*

In-Class Presentations

Each student will have the opportunity to make two presentations during the term. The first presentation will be a 90 second "elevator speech". An elevator speech is a 90 second or less sales pitch that will get an important person whom you happen to meet and you want him/her to agree to a meeting that will last up to an hour where they will hear in detail why your business idea is the huge opportunity for them to make money on or improve their business. In each class beginning at lecture 6, 5 or 6 students will be asked to make their elevator pitch. At lecture 12, all students will make a 5 minute business plan presentation

describing why their businesses are a great opportunity to create value for their clients and investors. More details will be provided on these presentations during the course of the term but obviously they are directly related to the Term Project, the Business Plan.

The Final Examination

The final examination will be open book and will draw upon material presented in the course, including the readings from the textbook and class discussions. Complete lecture notes should be printed because laptops are not allowed in the exam.

ASSIGNMENT DUE DATES

I	Report or Assignment	Due Date
1	Business Canvas Progress Report # 1	Oct 3
2	Market Research Assignment	Oct 24
3	Business Canvas Progress Report # 2	Nov 14
4	Interview Entrepreneur Report	Nov 28
5	The Business Plan – due no later than 6:10 p.m., at the start of the	Dec 5

Please respect the fact that we will enforce these dates. Do not make any excuses because we will not be *sympathetic!* If you encounter any problems we will always try to help you just set up an appointment and we will make time for you. **There will be a 40% discount** on the mark if an assignment is handed in late, but we will not accept assignments handed in after we have returned that marked assignment to the class and you will get ZERO for that assignment.

MARKING SCHEME

Class Participation (includes Business Press reviews)	5%
Market Research Assignment	5%
Interview Entrepreneur	10%
Elevator Pitch	5%
Progress Report #1 – Canvas I	5%
Progress Report #2 – Canvas II	5%
Negotiate a Contract	5%
Business Plan Presentation	10%
Final Business Plan	25%
Final Examination	35%

HELPFUL HINTS

A word about course management

In the business world, deadlines are very important and missing them usually costs a firm dearly. For example, if you are bidding on a contract or tender, missing the deadline by even one minute can result in **your bid not being considered at all**. Similarly, in this course, missing deadlines will cost you. In any case, if you hand in anything **after we handed the marked material back** to the other students, we will not accept it at all!!

WHY TAKE THIS COURSE

In today's economy the most successful people are those who have entrepreneurial skills. Whether you wish to, "do your own thing," or you decide to work for a large or medium sized corporation you will find

this course invaluable. In fact today organizations actively search for *intrapreneurs* (an entrepreneurial individual who prefers to work within a larger firm rather than start their own). So, if you have the "talent" for business or if you can hardly wait to leave university to pursue a career in business, whether you start it yourself, or you join a family business, this course is for you.

Our approach to teaching this course is based on real-life business experiences and years of successful practice of "what we preach." The course contains very little theoretical work or academic approaches. It is designed to familiarize you with the kinds of opportunities (problems) likely to be encountered in an entrepreneurial career.

If you want to lead an entrepreneurial lifestyle and are prepared to work hard, we will provide you with the practical knowledge and technical skills required to pursue this kind of career. We believe that an entrepreneurial lifestyle is not only a reasonable career alternative, but the most exciting career possible. We speak from experience; each one of the professors teaching this course is or has been a successful entrepreneur.

Becoming a successful businessperson is not inherently limited to a select few. While the spirit may be inborn in some individuals, most people can learn and develop the necessary entrepreneurial skills and knowledge. As you are about to take this course, you should realise that by the time you finish it, you may conclude that entrepreneurship is not for you, but on the other hand, you may find that you just cannot wait to start! We have had dozens of students who did start businesses, some even while they were completing their degrees and a number are very successful today.

Everything changes rapidly in today's society whether we examine the legal, international, financial or Canadian business environments. Clearly, the end of the 20th Century went down in history as the decade of the "Great Restructuring" of the modern World's trade and business environments; the maturing of the Internet and e-Commerce and the pervasive presence of Social Media and many other events. Canadians are not immune to these changes and must adapt in order to prosper. The formation of a small business is perhaps the only real opportunity in the 21st Century for future successes for many of you!

In Closing:

We consider it a privilege to have the opportunity to teach you. **We really enjoy the enthusiasm, intelligence, drive and vitality you display. We hope that you will be successful in anything you attempt to do in life. Good luck!**

2016 LECTURE SCHEDULE

APS1088

<u>Week</u>	<u>Date</u>	<u>Text-Chapter</u>	<u>Topics</u> <u>Milestones</u>	<u>Assignments & Project</u>
1	Sept 11	1 + 2 handouts	Organizational meeting The Canadian Entrepreneur and the Business Canvas - Introduction to the “Entrepreneur” - The Business Canvas – its role and value	<i>Bus Canvas Assn. handed out</i>
2	Sept 18	5	Business Plan and Finding a Business Idea - Business Canvas/Plan - Business Idea Search	
	Sept 29	N/A	<i>Guest Entrepreneur #1: TBA</i>	
3	Sept 25	6 +notes	Market Research - Source of data	
	Sept 26	N/A	<i>Guest Entrepreneur #2: TBA</i>	
4	Oct 2	7 and 8	Marketing Strategies Promotion and Pricing - Pricing and costing - Advertising, electronic channels	Canvas Progress Report #1 due <i>Market Research Assignment handed out</i>
	Oct 3	N/A	<i>Guest Entrepreneur #3: TBA</i>	
	Oct 10		<i>Guest Entrepreneur #4: TBA</i>	
	Oct 16	7 and 8	Sales - Sales people and managing them, - Distribution channels and Global marketing	
	Oct 17	N/A	<i>Guest Entrepreneur #5: TBA</i>	
6	Oct 23	A13, 14	Accounting, Financing and Analysis - Sources of funding - Accounting and controls - What you need for the Business Plan	Market Research due today
	Oct 24		<i>Guest Entrepreneur #6: TBA</i>	
7	Oct 30	N/A	Legal issues - Legal forms of a business - Taxation and other matters - Intellectual Property protection	
	Oct 31	N/A	<i>Guest Entrepreneur #7</i>	
8	Nov 6		How to Negotiate a Contract - Negotiation Role Play Canvas Report #2 due	

	Nov 7	N/A	<i>Guest Entrepreneur #8</i>
9	Nov 13	9	e-Business - The internet as a sales tool - How to develop a web presence - The problems of on-line business
	Nov 14	N/A	
10	Nov 20	11, 12	Risk Management & the Exit - Exiting the business and succession - Selling out
11	Nov 27	10	Buying a Business, Franchising, Taking over a Family Business - Buying a business and Franchising - Succession in a Family Business
	Nov 28	N/A	<i>Tutorial and help with the Business Plan.</i>
12	Dec 4	11, 12	Business Plan Presentation (5 minutes each) <i>Business Plan due 6:10 pm - <u>(No Extensions)</u></i>
	Dec 11		<i>Final Exam</i>

***Thanks for the Opportunity to teach
you!
Good Luck in the
Exams
Have a safe and enjoyable Holiday!***

Resumé

Steven Treiber, Ph.D., P.Eng

Steve Treiber was born in a refugee camp in post-world war II Europe and emigrated to Canada as a child with his parents. His background gave him a perspective on success that is common to recent immigrants to Canada and provided a unique advantage in entrepreneurial endeavour. He brings that experience and point of view to teaching.

Steve has always had an interest in business. Although he started out working for others, he always had an eye on "doing his own thing" – and he did that after just 7 years in the corporate world. So, in 1984, after an engineering career in the pulp and paper and oil industries with Scott Paper and Shell Oil, respectively, he started his own software and engineering firm in Toronto and later Houston, TX. Treiber Controls Inc. developed process control and real-time optimisation software and applications for the oil, petrochemical, pulp and paper and other process industries. In 1998 he sold his company to a NASDAQ listed competitor, Aspen Technologies, and served in various senior management roles.

He left Aspen in 2002 to launch a new business start-up – the entrepreneurial drive was still there. He continues to work with technology start-up companies to apply his knowledge and experience in engineering and business. He is now President of [Manufacturing Technology Network, Inc.](#)

After receiving a Bachelor of Engineering from McGill University he volunteered to work as a high school teacher in Uganda from 1969-1971. He also holds a Master of Applied Science from the University of Toronto, and a PhD from McGill University, all in Chemical Engineering. He has published over 40 papers in the fields of process control and optimisation, and is an author of 6 patents in the same field.

Resumé

Joseph C. Paradi, Ph.D., P.Eng., FCAE

Since his childhood in Budapest, Hungary, and immigrating to Canada as a youngster, Dr. Paradi has spent the past almost 5 decades always "building" something - first, an education. He completed high school in Toronto, then attended the University of Toronto where he obtained a degree in Chemical Engineering, followed by M.A.Sc., and Ph.D. degrees. He is a member of the Professional Engineers of Ontario and a Fellow of the Canadian Academy of Engineers.

Even before completing his final degree, he started his second "building" project, Dataline Inc. Dr. Paradi was the founder of Dataline Inc. in 1968. The company was financed with a \$2.7 million dollar public underwriting of shares (March 1969). The Company grew to a 25 million dollar, large Canadian Computer Services Company. Over 180 professionals distributed Dataline's service offerings across Canada and in most other major financial centres around the globe. The international network supported over 5,500 real time terminals using virtually all types of communication services including leased lines, Satellite and dial-up services. The system and network delivered sub-second response to stock traders, bankers, investment managers and others who needed instant information. Dr. Paradi sold the company to a U.S. firm in late 1987 and left in January 1989 after 20 years at the helm.

While still very much involved in Dataline, Dr. Paradi started his third "building" project at the University of Toronto in the Faculty of Applied Science and Engineering. This project started during the early 1980's when the first lectures in "Innovation and Entrepreneurship" were delivered. Today, he is the Executive Director of the Centre for Management of Technology and Entrepreneurship, and a Professor in Chemical Engineering and Applied Chemistry. He teaches graduate level Management Information Systems and Management of Technology courses as well as undergraduate courses in Entrepreneurship and Business, Engineering Economics and Small Business management. Part of his research activities include the supervision of a group of 5 - 10 graduate students working on their Masters and Doctorates in Engineering. There is a long list of academic accomplishments also, including well over 40 graduates, papers published and presented and conference contributions. More information is on the Web: www.cmt.eutoronto.ca. He is the past Speaker of the Faculty Council and the Chair holder in Information Engineering.

The fourth "building" project was Parcorp Ltd., a company started for the purpose of investing in, nurturing and facilitating the growth of small Canadian high tech companies. He has also started several other companies: a specialised technology consulting firm (ProdActivity Associates Inc.); two firms based on intellectual properties developed at the University of Toronto (DesignCo Inc. and Translucent Technologies Inc.); and a joint venture in Hungary. He is the director and part owner of other high tech firms as well.

Dr. Paradi has always been very active in industry affairs and in the community. He was a member of the Board of Directors of CADAPSO (the Canadian Association of Data Processing Organisations) for 15 years, its Chairman twice (three years in total) and Chairman of most of its subcommittees at one time or another. He was active in the Information Industry Association of the U.S. He is also member of IIE, INFORMS, IEEE and PARN. Community activities have included coaching Minor Hockey for 15 years; he was a senior instructor in the National Coaching Certification Program for over 10 years. He coached Lacrosse and organized golf for kids. He participated in a number of community fundraisers as well. Dr. Paradi is a member of the Mississauga Golf and Country Club, The Palm Beach Polo Club, The National Club and The Metropolitan Toronto Board of Trade.