



MBA 698 Fall 2003

FROM IDEA TO IPO: The Technology Venture

Course Description

All entrepreneurs face a series of challenges in launching and growing a successful biotech venture. This course focuses on those entrepreneurs who attempt to build businesses that commercialize university-owned intellectual property. The course is specifically designed to give graduate students in business, medicine, and engineering a deeper understanding of the issues involved in determining how to take the right idea from the laboratory to the marketplace.

The Course in Context

Scientists are often isolated from the "annoying" details of business development. It is their job to create, to invent. It is our contention, however, that a greater understanding of how or why a particular innovation may or may not make it to market can actually increase the researcher's output by opening up new ideas about real-world problems that need to be solved. Obviously, this approach is more applicable in some areas than others. But if a researcher comes to understand, from a market point of view, why a particular invention is more or less valuable than another in the marketplace, that understanding is likely to open up new avenues for investigation, thus spawning new innovations.

The Initiative for Life Sciences Entrepreneurship ILSE, established in 2003, is an ambitious attempt to create a feedback loop among researchers, students, the university, and the community. At each stage of the program, the goal is to increase the collective and individual profit of effective knowledge sharing. The outputs include a better educated workforce as students migrate into careers in the life sciences, a faculty who can choose to embrace or ignore the potential gains of commercial development, a platform that encourages multidisciplinary collaboration, a better model for technology transfer, and, most important, a means for integrating these outputs into the larger goals of the surrounding community.

MBA 698 is the first of three courses comprising a Certificate in Technology Entrepreneurship and designed to bridge the gap between the aims of UAB to provide its students with the highest quality instruction and the need to maximize the university's intellectual property. Using both the case-study method and a due diligence practicum, students will have a unique opportunity to experience the strategic environment that takes a good idea from the laboratory to the marketplace.

Course Modules

Module 1: Idea

1. Introduction: The Technology Markets
2. Protecting Ideas: Defending Intellectual Property
3. Technology Transfer and the Licensing of Intellectual Property

Module 2: Enterprise Potential

4. Market Due Diligence
5. Scientific Due Diligence

Module 3: Enterprise Organization

6. Corporate Structure: Taxes and Governance
7. Employee Incentives and Non-competes

Module 4: Enterprise Finance

8. The Venture Capital Fund
9. Structuring the Business Plan
10. Evaluating the Business Plan
11. Term Sheets and Valuation
12. Term Sheets and Valuation continued

Module 5: Technology Marketing

13. New Product Introduction
14. Crossing the Chasm

Module 6: Enterprise Exit

15. IPO, Acquisition, or Bankruptcy?
16. Final team presentations

Instructor: David Anthony, MBA
Interim Director, Initiative for Life
Sciences Entrepreneurship
Partner, Unus Ventures

Course time: Tuesday evenings
7:15pm–9:45pm
Course classroom: Bevill 170

Office Location: BEC 216 (Business & Engineering)
Phone: 205-934-8800 or 917-834-8350
E-mail: danthony@business.uab.edu
Office Hours: Tuesdays 9AM - 5:30pm
Texts: Venture Capital Due Diligence, Justin Camp, John Wiley & Sons, 2002, \$49.95