

**The Fisher Graduate School of International Management
Monterey Institute of International Studies**

Course Name: **Corporate and International Venture Capital Seminar**

Time: Saturday, November 1, 9:00 – 5:00
 Sunday, November 2, 9:00 – 5:00

Instructor: Eli Zelkha, 650-218-6789

Credits: 1.0

Classroom: Room 102, McGowan International Business Center

Required Pre-work

Prior to the first session, please read the following:

- The Venture Capital Industry: An Overview. Available at: <http://www.nvca.org/def.html>
- Venture Capital in Israel: Emergence and Globalization
- Corporate Venture Capital Vignettes

Notes available from Harvard Business Online

Optional Reading

- How Venture Capital Works, *Harvard Business Review*
- The Questions Every Entrepreneur Must Answer, *Harvard Business Review*

Corporate and International Venture Capital Seminar

Course Description

This course offers a practical, “real world” understanding of venture capital from the perspectives of both the entrepreneur and the venture capitalist. It examines how VC investments are evaluated and structured, and explores strategies for attracting and negotiating venture investments. A key focus is on strategically driven, corporate venture investing and the potential tensions and divergence of interests between the entrepreneur and the corporate investor. We also examine alternative models for introducing venture capital funding mechanisms in various European and Asian countries.

The course leverages recent Silicon Valley deals and involves direct student interaction with the actual entrepreneurs, venture capitalists, and corporate executives driving these transactions. To emphasize the risky and volatile nature of venture work, we will examine a mix of dramatic success stories, horrific failures, and deals where the outcome remains uncertain. The class is particularly appropriate for those with a strong interest in new ventures and considering careers as entrepreneurs, venture capitalists, or corporate development executives.

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Course Objectives

As a result of participating in this course, students will be able to:

- Understand core concepts of the venture capital industry and describe the current state of venture capital markets
- Use some frameworks and tools for screening and evaluating prospective venture investments
- Identify appropriate funds to approach based on a venture's stage of growth, industry focus, geographic location, and funding requirements
- Adopt strategies to accelerate the funding decision
- Understand key terms and conditions typically found in VC "term sheets" and interpret their implications for founders and the management team
- Understand how and why some corporations have adopted the venture capital model
- Compare and contrast the organizational structure, objectives, and strategies of different corporate venture investment programs
- Recognize the different perspectives and potential for collaboration or conflict between entrepreneurs, corporate investors and independent venture capital funds.
- Compare the US venture market with foreign venture markets
- Appreciate the increasing globalization of venture capital and recognize a variety of approaches used by countries for introducing venture capital funding mechanisms

Instructional Methodology

This two-day intensive seminar is designed to be highly interactive. In order to participate, each student must read the pre-work and the material assigned between sessions and should be prepared to actively participate in class discussions. The classroom sessions utilize a combination of instructor-led discussions, guest speakers, case studies, and group activities.

Testing and Grading

Students who successfully complete the seminar will receive 1.0 semester hour of graduate credit. In order to receive credit for the seminar you must attend both sessions. Your grade will be based on your performance in the following:

Completion of pre-work and assignments	20%
Participation in class discussions	40%
Participation in small group activities	40%

Letter grades will be awarded as follows:

A:	90-100%	Excellent
B:	80-89%	Good
C:	70-79%	Satisfactory
D:	60-69%	Poor
F:	0-59%	Fail

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Course Outline

- Introduction and the State Of Venture Capital
- The Venture Funding Process
- Evaluating an Entrepreneurial Venture:
 - Diagnostic Tools
 - Case Studies

- Early Stage Venture Presentation

- Corporate Venture Capital: Motivation and Strategies
- Corporate Venture Capital Vignettes

- Experiences in Entrepreneurship & Venture Capital:
 - Transnational Ventures & the Globalization of Venture Capital
 - Kamran Elahian, Global Catalyst Partners

- Corporate VC on Steroids:
 - The Rise and Fall of General Magic, Marc Porat, Founder

Tentative Guest Speaker List

Corporate & International Venture Capital Seminar

Kamran Elahian

Chairman, Global Catalyst Partners

Transnational Ventures & the Globalization of Venture Capital:

Kamran has founded an international venture capital firm and many significant technology companies including Cirrus Logic, Centillium and Entopia. He is currently the Chairman of Centillium Communications, Planetweb, Greenfield Networks, Entopia, and Actelis Networks. Kamran also co-founded Schools Online, and other philanthropic organizations.

Hemanth Parasuram

Managing Director, Virgo Capital.

Doing a VC Deal: Company And Investor Perspective

Hemanth recently co-founded Virgo Capital, a private equity firm focused on control investments in technology-enabled services companies. Prior to Virgo Capital, he was Director of Corporate Development at TIBCO Software, where he completed 13 strategic investments and three acquisitions. Previously, Hemanth was an investment banker with Goldman Sachs in their High Technology M&A group in San Francisco. He attended Stanford University and earned his degree in Electrical Engineering.

Adrian Turner

CEO, Mocana Inc, San Francisco, CA

Mocana: Bootstrapping versus Venture Capital: Case Study

Adrian founded Mocana, a security software company focused on enabling next generation networks and services. After a two year period of bootstrapping, the company has now raised a significant venture round. Prior to founding Mocana, Adrian was responsible for Business Development and Alliances for Kenamea. Adrian began his career in Australia with News Corporation.

Marc Porat

Chairman, Quiet Solution, San Jose, CA

Corporate Venture Capital on Steroids: The Rise and Fall of General Magic

Marc spun out of Apple with Macintosh legends Atkinson and Hertzfeld to co-found General Magic, the pioneer of small handheld computing devices. He brought together an unprecedented coalition of strategic investors including Apple, Sony, Motorola, Philips, AT&T, France Telecom, NTT, Fujitsu, and Matsushita. Marc took the company public in '95, but struggles among competing venture investors contributed to the spectacular crash of this once promising venture. Marc is currently Chairman of Quiet Solutions, a nanotech company.

