University of California at Santa Barbara

Donald Bren School of Environmental Science and Management

Introduction to Eco-Entrepreneurship
ESM 256A, Fall 2011

Class: T 4:30-6:00 pm (Bren 1424)

Instructor: Emily Chan
Office: Bren Hall 3406
Office Hours: M, 3:00-4:00 | T, 3:30-4:30 pm | Or, by appointment
Office Phone: 805.893.7610
Mobile Phone: 310.569.3941
Email: echan@bren.ucsb.edu

Course Description
ESM 256A is an introductory course on entrepreneurship for students interested in launching a new product or service that offers an environmental and/or social benefit. This course is about developing an entrepreneurial perspective, understanding the venture creation process and generating/evaluating ideas.

Working on a team, students will generate ideas, analyze potential opportunities and perform customer discovery research. Topics covered include: idea generation, opportunity recognition and initial concept development.

Required Reading
The Entrepreneur's Guide to Customer Development
Brant Cooper and Patrick Vlaskovits
http://www.custdev.com

All other required reading will be made available via download on GauchoSpace.

Optional Reading
Four Steps to the Epiphany
Steve Blank
http://www.cafepress.com/kandsranch.58024175

Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers
Alexander Osterwalder and Yves Pigneur
http://www.businessmodelgeneration.com/order.html

Attendance and Participation
Students are expected to attend every class. The participation portion of the grade is 200 points. Participation is evaluated in a number of ways. Obviously, participation is correlated with attendance. It is impossible to earn participation points if a student is not in class. Students remain responsible for submitting work due even if absent. Students should e-mail the instructor prior to any missed class. Students remain responsible for the material covered and assignments given during an absence and are to discern this information from their peers.
Attendance at all class sessions is critical to the learning process and the participation component of the course. Entrepreneurship is a collaborative and interactive process. Entrepreneurs find opportunities, adapt, and improve themselves by listening and learning from others. Please come to class prepared to participate in the day’s activities.

Confidentiality Policy
Throughout the Eco-Entrepreneurship program, students will be exposed to proprietary information from other students, guest lecturers and faculty. All such information is to be treated as confidential. By enrolling in and taking part in the Eco-Entrepreneurship program’s classes and activities, students agree not to disclose this information to any third parties without specific written permission from students, guest lecturers or faculty, as applicable. Students further agree not to utilize any such proprietary information for their own personal commercial advantage or for the commercial advantage of any third party.

In addition, students agree that any legal or consulting advice provided without direct fee and in an academic setting will not be relied upon without the enlisted opinion of an outside attorney or consultant, in each case without affiliation to the Eco-Entrepreneurship program.

Receipt of this policy and registration in this class is evidence that you understand this policy and will abide by it.

Assignments and Grading
All assignments must be turned in on time. Assignments will be submitted in soft copy format on GauchoSpace, unless otherwise instructed. The deadline is at the beginning of class (i.e., 4:30 pm) on the due date listed for each assignment. If class is not held on the date an assignment is due, the deadline is still at 4:30 pm. Assignments submitted after the deadline but within 24 hours will lose 5% of the total points; after that, an additional 5% for each day that the assignment is late.

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<thead>
<tr>
<th>Assignment</th>
<th>Individual Contribution</th>
<th>Team Contribution</th>
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<tbody>
<tr>
<td>Participation</td>
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<tr>
<td>• Attendance</td>
<td>200 points (10%)</td>
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<tr>
<td>• In-class Discussions &amp; Exercises</td>
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<td>• Pitches &amp; Presentations</td>
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<td>• Student Profile</td>
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<tr>
<td>Product Autopsy &amp; Product Profile</td>
<td>200 points (10%)</td>
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<td>Team Partnership Agreement</td>
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<td>100 points (5%)</td>
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<td>Team Mission</td>
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<td>100 points (5%)</td>
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<td>Customer Discovery Research Plan</td>
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<td>200 points (10%)</td>
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<td>Idea Generation Project:</td>
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<td>Written Assessment</td>
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<td>500 points (25%)</td>
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<td>Presentation</td>
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<td>400 points (20%)</td>
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<tr>
<td>Individual Contribution to Idea Generation Project, Based on Peer Evaluation</td>
<td>100 points (5%)</td>
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<td>Reflection Paper</td>
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<td>200 points (10%)</td>
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<td>700 points (35%)</td>
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<td>1,300 points (65%)</td>
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<td><strong>TOTAL</strong></td>
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<td>2,000 points (100%)</td>
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Description of Course Assignments
Student Profile Questionnaire
The purpose of this survey is to provide the instructor and your classmates with some insights about your background and help in the formation of compatible teams for the idea generation project. A survey link will be posted on GauchoSpace. The online survey must be completed by 9/30/11.
Product Autopsy
The failure rate for new products has hovered around 80% for several decades. This suggests the value of studying this enduring and costly marketing problem more intensively. To accomplish this, students will select a product/brand that entered the marketplace (US or global) within the past 3-5 years and subsequently failed. “Failure” is defined broadly and includes situations in which the product (1) has been withdrawn from the market, (2) achieved only a fraction of its pre-launch sales forecasts (i.e., disappointing sales), or (3) remains unprofitable. The assignment will be conducted in teams of two people. Be sure to list names of both team members on the submission. A template for this assignment will be posted on GauchoSpace. A soft copy must be uploaded onto GauchoSpace by 10/14/11.

Product Profile
What about the few that got it right? Select a product/brand that entered the marketplace (US or global) within the past 3-5 years and succeeded. “Success” is defined broadly and includes situations in which the product (1) has created, expanded or changed a market, (2) exceeded sales forecasts (i.e., better-than-expected sales), or (3) already profitable. The assignment will be conducted in teams of two people. Be sure to list names of both team members on the submission. A template for this assignment will be posted on GauchoSpace. A soft copy must be uploaded onto GauchoSpace by 10/14/11.

Team Partnership Agreement
Each team will prepare a 1-2-page partnership agreement detailing the following: (1) Names of partners; (2) Purpose of the partnership; (3) Inception date of partnership and termination date; (4) General areas of responsibility for each of the partners; (5) Dissolution of the partnership; (6) Arbitration in the event of disagreement. An example will be posted on GauchoSpace and discussed in class prior to the due date. A hard copy of the signed agreement must be turned in at the beginning of class on 10/25/11.

Team Mission
Each team will prepare a 1-page outline describing the mission of your team and what brought you together. First, come up with a team name that reflects your team’s mission. List all team members. Next, address the following: (1) Opportunity: community/marketplace in which you will explore opportunities; (2) Competence: Based on your collective backgrounds and experiences, explain what you will do well as a team (i.e., strengths of your team); (3) Commitment: what your team believes in and your top 3 objectives and how they tie in to your team vision. A soft copy must be uploaded onto GauchoSpace by 10/25/11.

Customer Discovery Research Plan
The purpose of this assignment is to document your initial Eco-E Opportunity hypothesis and create a plan for researching customer problems that might align with a potential solution that benefits the environment.

In no more than two single-spaced pages, outline your research plan for gathering information. Be sure to include your initial Eco-E Opportunity hypothesis and to consider your research strategies for both secondary and primary data. Be very specific as to your research methods; this paper should form the action plan for your team to conduct your customer discovery research. You should also include a project timeline to meet your research goals.

Required Content:
1. Initial Eco-E Opportunity hypothesis
2. Plan for research process:
   • Step 1 – Problem Definition (Research Objectives)
   • Step 2 – Development of an Approach to the Problem
   • Step 3 – Research Design Formulation
   • Step 4 – Data Collection

A soft copy must be uploaded onto GauchoSpace by 11/4/11.
Idea Generation Project – Analysis
This is the major project for the class and will demonstrate your ability to perform customer discovery research and evaluate your Eco-E Opportunity ideas. The project will be conducted in teams of five people. Each team will summarize three (3) ideas that your team generated/researched and analyzed during the quarter. A separate document regarding the details of the final project and the grading sheet will be posted on GauchoSpace. The Written Assessment will account for 25% of your grade (max. 500 points). These points will be the same for each team member.

Idea Generation Project – Presentation
Each team will be asked to do a presentation of their idea generation project. The presentations will be judged by a panel of experts (investors, entrepreneurs). Specific guidelines for the presentations will be posted on GauchoSpace and discussed in class. The Presentation will account for 20% of your grade (max. 400 points). These points will be the same for each team member. In addition to this, 5% of your grade (max. 100 points) will depend on your individual contribution to the team, as evaluated by your teammates. An evaluation form will be completed during the last week of class to provide these peer evaluations.

Reflection Paper
According to one of the fathers of management/organization theory, Henry Mintzberg, the primary purpose of the university is to encourage reflection on what you have learned and how that learning might apply to your life and career. In this spirit, one of the assignments in this course is a reflection paper, to be completed at the end of the course. In writing the paper, think back to the activities and experiences in the course, and provide self-reflection on questions such as: How has the course influenced your personal or career goals? Have your thinking, attitudes, motivations changed? What has surprised you? What have been the most important learnings for you? Will you become an entrepreneur? Why/why not? When and how will you pursue your entrepreneurial goals? Feel free to address any other self-reflective questions as well.

There is no page limit. As a rough guideline, 1,000-1,500 words is an appropriate length (roughly 2 pages, single-spaced). Reflection papers will be graded as: “Exceptional; clearly above average; includes deep, personal reflection” – 200 points; “Thoughtfully completed; average” – 170 points; “Not thoughtfully completed” – 100 points.

A soft copy must be uploaded onto GauchoSpace by 12/2/11.
## Course Schedule

<table>
<thead>
<tr>
<th>Session</th>
<th>Class Date</th>
<th>Class Topic</th>
<th>Deliverables</th>
<th>Readings</th>
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| 1       | Tue 9/27/11      | **Introduction to Eco-Entrepreneurship**                                                            | Student Profile Survey Due by 9/30/11                                               | Why Governments Don’t Get Startups  
The Meaning of Social Entrepreneurship  
How to Decide if Entrepreneurship is Right for You  
Messy Guys Make Millions Selling Green Cleaning  
Ethics in a Bottle  
Once More Into the Breach  
The Entrepreneur’s Guide to Customer Development: Introduction (p. 11-14)  
Customer Development (p. 17-21) |
|         |                  | • Startups and Entrepreneurship  
• Customer Development Overview                                                                |                                                                              |                                                                                               |
| 2       | Tue 10/4/11 4:30-7:00 PM Deckers Deck                                                          | **Idea Hub: Idea Generation and Networking Event**                                               | Entrepreneurs Find Gold in Used Phones  
Keeping Trucks Full, Coming and Going  
Lessons From the Green Gold Rush  
The Genius of the Tinkerer  
The Mushroom Guys  
The New Black Gold  
The Wild Salmon Center |                                                                              |
|         |                  | • Discuss potential ideas with classmates, 2nd year Eco-E Project students, Bren faculty, Eco-E Advisory Council members and local entrepreneurs  
• Networking time for team formation                                                            |                                                                              |                                                                                               |
| 3       | Tue 10/11/11     | **Fundamental Concepts of Customer Discovery**                                                      | Product Autopsy Due by 10/14/11  
Product Profile Due by 10/14/11  
Come prepared to pitch your idea or area of interest to recruit a team (optional) | The Entrepreneur’s Guide to Customer Development: Concept Definitions (p. 29-34, 36-45)  
Four Steps to the Epiphany Preview (Winners and Losers)  
Top 10 Reasons New Products Fail  
Sun Chips Bag to Lose Its Crunch |
|         |                  | **Product Winners and Losers**  
**Fast Pitch Session**  
**Idea Generation Workshop**                                                                   |                                                                              |                                                                                               |
| 4       | Tue 10/18/11     | **Initial Concept Development**  
**Product Autopsy and Product Profile Presentations**  
**Fast Pitch Session**                                                                         | Come prepared to present your Product Autopsy and Profile Due by 10/14/11  
Come prepared to pitch your idea or area of interest to recruit a team (optional) | The Entrepreneur’s Guide to Customer Development: Know Thy Business (p. 51-60)  
Anatomy of a Failed Launch  
For Those Near the Miserable Hum of Clean Energy |
| 5       | Tue 10/25/11     | **Customer Discovery Steps**  
**Team Presentations**                                                                             | **Team Formation Deadline:**  
Team Partnership Agreement Due  
Team Mission Due  
Come prepared to introduce your team and its mission                                      | The Entrepreneur’s Guide to Customer Development:  
8 Steps to Customer Discovery (p. 67-88)  
Ignore Your Customer |
<p>| 6       | Tue 11/1/11      | <strong>Eco-E Opportunity Recognition</strong>                                                                  | Customer Discovery Research Plan Due by 11/4/11                                       |                                                                                               |</p>
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<tr>
<td>7</td>
<td>Tue 11/8/11</td>
<td>Customer Discovery Research Plan Presentations</td>
<td>Come prepared to present your team’s Customer Discovery Research Plan Due by 11/4/11</td>
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<td>8</td>
<td>Tue 11/15/11</td>
<td>Introduction to Business Models</td>
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<td>Business Model Generation Preview</td>
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<td>What Makes Up A Business Model</td>
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<td>Getting To A Single Perspective</td>
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<td>Start-Up Seeks Profits in Mounds of Garbage</td>
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<td>9</td>
<td>Tue 11/22/11</td>
<td>Idea Generation Project Wrap-Up and Presentation Preparation</td>
<td>Idea Generation Project – Analysis Due by 11/25/11</td>
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<td>10</td>
<td>Tue 11/29/11</td>
<td>Idea Generation Project Final Presentations</td>
<td>Reflection Paper Due by 12/2/11</td>
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