Successful Entrepreneurship for Microsystems

Rakesh Kumar, Ph.D., Life Fellow IEEE

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rakeshk@eng.ucsd.edu
Rakesh.tcx@gmail.com
858.945.3758

Teaching Assistants:
Dharmil Chandarana dharmil@ucsd.edu
Swetha Krishnakumar swk032@ucsd.edu

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Towards a Successful Startup
…“Plan A” – an iterative process

Problem / Need

Customer

Investors, $

Top Line

Bottom Line

Your Company

Towards a Successful Startup
…“Plan A” – an iterative process

Problem / Need

Customer

Investors, $
Presentation Key Elements

- **What** is your offering – a “Tag” line? ...basis for 60second “elevator pitch”
- **What** is the problem you are solving?
- **What** is your solution?
- **How** you do it?

- **Who** will buy it? ...Market Research, GET OUT and TALK to Customers
  - How much will they pay?
- **Who** is your competition?

- **What** is the Market Size?
- **How** will you Market it? Channels?
- **What** is the Business Model?
  - **How** will you make Revenue? Profit?
The purpose of a pitch is to stimulate interest, not to cover every aspect of your startup and bludgeon your audience into submission. Your objective is to generate enough interest to get a second meeting.

Thus, the recommended number of slides for a pitch is ten. This impossibly low number forces you to concentrate on the absolute essentials. You can add a few more, but you should never exceed fifteen slides—the more slides you need, the less compelling your idea.

THE TEN SLIDES ARE:

1. TITLE
   Provide company name, your name and title, address, email, and cell number.

2. PROBLEM/OPPORTUNITY
   Describe the pain that you’re alleviating or the pleasure you’re providing.

3. VALUE PROPOSITION
   Explain the value of the pain you alleviate or the value of the pleasure you provide.

4. UNDERLYING MAGIC
   Describe the technology, secret sauce, or magic behind your product. The less text and the more diagrams, schematics, and flowcharts the better. If you have a prototype or demo, this is the time to transition to it. As Glen Shires of Google said, “A picture is worth 1000 words, a prototype is worth 10,000 slides.”

5. BUSINESS MODEL
   Explain who has your money temporarily in his pocket and how you’re going to get it into yours.

6. GO-TO-MARKET PLAN
   Explain how you are going to reach your customer without breaking the bank.

7. COMPETITIVE ANALYSIS
   Provide a complete view of the competitive landscape. Too much is better than too little.

8. MANAGEMENT TEAM
   Describe the key players of your management team, board of directors, and board of advisors, as well as your major investors. It’s okay if you have less than a perfect team. If your team was perfect, you wouldn’t need to be pitching.

9. FINANCIAL PROJECTIONS AND KEY METRICS
   Provide a three-year forecast containing not only dollars but also key metrics, such as number of customers and conversion rate. Do a bottom-up forecast, not top-down.

10. CURRENT STATUS, ACCOMPLISHMENTS TO DATE, TIMELINE, AND USE OF FUNDS
    Explain the current status of your product, what the near future looks like, and how you’ll use the money you’re trying to raise.
3. **VALUE PROPOSITION**

Explain the value of the pain you alleviate or the value of the pleasure you provide.

4. **UNDERLYING MAGIC**

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UCSD Entrepreneur Challenge
Alex Zaretsky, Founder GrollTex

https://www.youtube.com/watch?v=dmD-yfVz2TY
“HUG”

A mobile app that
makes efficient your social media experience
Or adds efficiency to your social media experience
Or organizes and adds efficiency to your social media experience
Current situation
The Hug way

Selected Friends
News Interests ..
Hug – how we do it

➢ A proprietary AI algorithm that is an “Aggregator”
Hug – Who is the Competition?

➢ What is your UVP / Differentiation?
Target Market

- Initial Customer feedback
  - $x/20$ potential customers say they are very interested in Hug it!

- College students and young adults
  - Alpha – selected 10 students at UCSD, and 10 ‘friends of friends’
  - Beta – sample of 100 UCSD students, and 100 other young adults
  - iStore and Google Play store
Market Analysis

- Size of market in terms of numbers.
  E.g., the number of 20-year olds, if that's your target demographic.

- Size of market in terms of dollar value.
  E.g., based on sales of similar products or other metrics.

- How much of the market will you capture?

- Competition: who are the other players in the field?

- Other relevant details.
Business Considerations

- Revenue from iStore/PlayStore
- Revenue from Google Adsense ads
- <20 employees
Income Statement
Exit Strategy

- License
- Get acquired
Business Model Canvas
Team

- CEO
- CTO
- CMO
- COO
- Customer Rep
“DigiBag”

A “Smart” bag that synchs electronic devices, and sets an alert for missing devices
Current situation – the Problem

- We all carry a plethora of electronic devices in our backpacks, briefcases, purses.
- How often have you missed having the right power charger, head-set,...?
DigiBag’s solution!

DigiBag Smart Electronics

- Laptop Charger
- iPad Charger
- Phone Charger
- Head-set
- ...

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DigiBag – how we do it

- Smart Electronics unit built from off-the-shelf component initially allows devices to be connected via NFC
- Follow on devices will be built using FPGA’s, and a custom designed Integrated Circuit
Product Roadmap

- **Phase 1**
  - Smart Electronics built using off-the-shelf components
  - Bags procured from overseas
  - Final assembly in San Diego
  - Marketed thru online sales – Amazon, eBay etc.

- **Phase 2**
  - Smart Electronics built using an FPGA
  - Bags procured from overseas
  - Final assembly in San Diego
  - Marketed thru online sales – Amazon, eBay etc.
  - Will seek to license to name brand backpack and briefcase manufacturers – Samsonite, Swiss,..

- **Phase 3**
  - Smart Electronics built using an FPGA
  - Bags procured from overseas
  - Final assembly in San Diego
  - Marketed thru online sales – Amazon, eBay etc.
  - Will seek to license to name brand backpack and briefcase manufacturers – Samsonite, Swiss,..
Target Market

- Initial Customer feedback
  - x/20 potential customers say they are very interested in DigiBag
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1. Each individual to please list the 3 most important parts of a company pitch