## Venture Capital

**Spring 2007**  
Tuesdays/Thursdays 10:30am to 11:50am  
Room KMEC 3-110

Prof. Roy C. Smith  
([www.stern.nyu.edu/~rsmith](http://www.stern.nyu.edu/~rsmith))

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<tr>
<th>Date</th>
<th>Subject and Readings</th>
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| 1/23 | Introduction, Course Orientation  
(a) Case (read in class): *Billpay.com*  
(b) Read: “The Entrepreneurs,” from *The Wealth Creators* |
| 1/25 | Economics of Opportunity (I)  
(a) Lecture: A Framework for Studying Entrepreneurial Finance  
(b) Reading: Harvard/MIT note on “Angel Investing” |
| 1/30 | Economics of Opportunity (II)  
(a) Case: *US Cybersites, Inc.*  
(b) Prepare and hand in Problem #1 re VC investments |
| 2/1  | Venture Capital Investing  
(a) Case: *Pennell Venture Partners*  
(b) Read: HBS “Note on the Private Equity Fund Raising Process”  
(c) Problem #2 Re VC Funds |
| 2/6  | Venture Capital Investing  
(a) Case: *Vermeer Technologies* |
| 2/8  | Valuation and Contracting  
(a) Case: *Hotmail*  
(b) Read HBS Note “Valuation in Private Equity Settings”  
(c) Prepare and hand in “Problem #3 re Hotmail” |
| 2/13 | Valuation and Contracting  
(a) The Dark Side of Valuation, by Aswath Damodaran  
(b) Reading: “Term Sheet Glossary”  
(c) Case: *ABC Corporation* |
| 2/15 | Intellectual Property Valuations  
(a) Case: *Aberlyn Capital*  
(b) Prepare and hand in Problem #4 re Aberlyn |
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| 2/20  | Corporate Partners in Venture Capital                               | (a) Case: *Parenting Magazine*  
(b) Prepare and hand in Problem #5 re Parenting                                                                                     |
| 2/20  | Venture Capital Investing and Control                               | (a) Case: *Lazard Technology Partners*  
(b) Managing Venture Capital Investments, by Roy C. Smith                                                                                 |
| 2/22  | Harvesting VC Investments                                           | (a) Lecture on achieving exits for VC investments  
(b) HBS Note: “The Initial Public Offering Process”                                                                                   |
| 2/27  | Exiting VC Investments                                              | (a) Case: *ImmuLogic Pharmaceutical Corp.*  
(a) Prepare and hand Problem #6 re ImmuLogic.                                                                                             |
| 3/1   | Exiting VC Investments                                              | (a) Case: *Nantucket Nectars*                                                                                                           |
| 3/6   | Exiting VC Investments                                              | (a) Case: *RightNow Technologies*                                                                                                        |
| 3/8   | Final Exam 1:20 minutes (closed book, “cheat sheet” allowed)         |                                                                                                                                          |