Chapter 5: Writing the Winning Business Plan

Introduction 107
Profile: Nikolay Shkolnik — Business Plan Turns a Dream into Reality 108
The Value of a Business Plan 109
Setting Goals and Objectives 110
Starting the Process to Write the Plan: Five Steps 111
Determining What Type of Business Plan Is Best 113
A Typical Business Plan Format and Content 114
Understanding Why Business Plans Fail 120
Summary 121
Study Questions 122
Exercises 122
Case Study: Surfparks LLC (Online) 123
Appendix: The Roadmap Guide for Writing A Business Plan 124
Interactive Learning on the Web 128
Additional Resources 128
Endnotes 128

Chapter 6: Setting Up the Company

Introduction 131
Profile: Ethan Wendle and Matt Chverchko — When to Convert from an S- to a C-Corporation 132
Identifying What Form of Ownership Is Best 133
Forms of Doing Business 133
Sole Proprietorship 133
C-Corporation 136
S-Corporation 142
Partnership 144
Limited Liability Company 146
Business Start-Up Checklist 147
Summary 151
Study Questions 152
Exercises 152
Interactive Learning on the Web 153
Endnotes 154

Chapter 7: Special Topic: Social Entrepreneurship

Introduction 157
Social Entrepreneurs and Green Initiatives 158
Profile: Khanjan Mehta — A Social Entrepreneur 159
To Profit or Not to Profit 159
Social Entrepreneurship and Tax Issues 160
Differences between Business and Social Entrepreneurs 161
Stakeholder Issues and Challenges 161
Growth and Management Challenges 162
Enhanced Revenue Opportunities 162
Social Entrepreneurship Business Models 163
Using the Inverse Commons to Build a Social Enterprise 169
Using Social Media to Grow 173
Applying Other Chapters in this Book to Social Entrepreneurship 174
Summary 176
Study Questions 176
Exercises 177
Interactive Learning on the Web 177
Additional Resources 177
Endnotes 178

Chapter 8: Technology Entrepreneurship

Introduction 181
Profile: Ian Kibblewhite — An Integrated IP Strategy 183
Concepts Relevant to Technology-Based Companies 184
Intellectual Property Management 191
Summary 204
Internet IP Source Sites 205
Study Questions 206
Exercises 206
Interactive Learning on the Web 207
Additional Resources 207
Endnotes 208

PART THREE: FUNDING THE VENTURE

Chapter 9: Early-Stage Funding

Introduction 211
Profile: James Dyson — Bootstrapping out of Necessity 213
The Virtual Company — Mini-Case, Halare Inc. 216
Securing Early-Stage Funding 217
Self-Funding — Example, BenchPrep Inc. 218
Moonlighting and Part-Time Consulting 218
Bootstrapping Methods — Example, Injection Research Specialists 220
Family and Friends 221
Angels 222
Micro-Equity and Micro-Loans — A Little Money, a Lot of Help 223
Bank Loans, Factoring, and Supplier Lines of Credit 224
Managing Your Personal Credit Rating 226
Government Sources of Funding 226
How to Qualify 227
Summary 228