

**ENTR 7339 – Cougar Venture Fund**  
**Fall 2022; Room: WCE Classroom 538**

**INSTRUCTOR**

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**REQUIRED MATERIALS**

- *Venture Deals* by Brad Feld and Jason Mendelson
- *Harvard Business Publishing Articles & Cases* – download: <https://hbsp.harvard.edu/import/959420>

**RECOMMENDED WEBSITES**

- Course website on Blackboard
- [www.angelcapitalassociation.com](http://www.angelcapitalassociation.com)

**OVERVIEW**

MBA students taking ENTR 7339 (“Cougar Venture Fund”) will conduct deal evaluation, due diligence, and financial projections for the Cougar Venture Fund (“CVF” or “the Fund”). The Cougar Venture Fund is a venture capital fund that has been created to give Bauer MBA students the opportunity to gain hands on experience in evaluating and investing in early stage companies.

As part of the coursework, you will see investment presentations from early stage companies and analyze/recommend prospective investments. As part of the evaluation process, you will meet members of the management team, learn about the company’s technology, and review the term sheet.

The **class will meet weekly on Tuesdays from 4:30-6:00pm** throughout the fall semester to teach students how to evaluate a start-up company. Students are also expected to spend out of class time conducting outside research and due diligence and reviewing companies in the current Fund portfolio.

**LEARNING OBJECTIVES**

Through a partnership with startup companies, venture capital funds, and angel investors, graduate students will obtain in depth knowledge of angel and venture capital investment strategies. The main focus of the course will be to expose students to the process of investing in a business through hands on experience in opportunity identification, evaluation, and funding. Discussions and activities will focus on the following areas.

- Identification and understanding of investment strategies
- Identification and evaluation of real business opportunities
- Gaining understanding and experience in the decision-making process
- Structuring and closing an investment deal
- Ongoing deal monitoring and maintenance

## STUDENT EXPECTATIONS

Students are expected to be present, prepared and willing to participate in all of the class sessions. **Attendance is mandatory** with absences affecting your class participation grade. All assigned reading material must be completed prior to class and students must be prepared to present or defend their interpretation of the material. **Late submissions will not be accepted.**

## GRADING

Item	Due Date	Points
Team Mission Statement	9/6	50
Company Overview	9/13	50
Market/Industry Analysis	9/27	100
Financial Analysis & Deal Summary	10/18	100
Final Written Assessment	11/18	150
Final Recommendation Presentation & Analysis	11/29	150
Participation / Attendance <ul style="list-style-type: none"><li>Each class = 10 pts (total 150 pts)</li><li>Final Team Peer Review = 150 pts</li></ul>	weekly	300
<b>Total Points:</b>		<b>900</b>

## GRADING COMPONENTS

1. **Team Mission Statement:** contact info, roles and responsibilities and target ROI with supporting evidence
2. **Company Overview:** company/product description, development status and the problem/gap in the market
3. **Market/Industry Analysis:** review of the market/industry being targeted including market drivers, a customer analysis and an overview of the competition
4. **Financial Analysis & Deal Summary:** analysis of the company's pro forma financial statements including a discussion of sales and cost assumptions as well as the valuation and funding plan plus an analysis of the proposed term sheet including strengths, weaknesses and initial valuation
5. **Final Written Assessment:** a thorough assessment of the company following provided requirements
6. **Final Recommendation Presentation:** present a thorough recommendation, with supporting evidence, to the Fund Board of Advisors whether the CVF should invest in the company reviewed including the reasons why, the amount of investment, and the deal structure

## CLASS MEETINGS

Class meetings will be a mix of lectures, guest speakers and outside events. They will consist of a mix of the following.

- **CONTENT (~50 mins.):** The first part of the class will be focused on the fundamentals of assessing a start-up business opportunity and the process of angel investing.
- **DEAL UPDATES (~20 mins.):** This time will be structured like a corporate board meeting focused on deal status and issues.
- **TEAM MEETINGS (~20 mins.):** The remaining class time will be used for mandatory deal team work time to allow for interaction between the teams and for gaining advice and input from the professor.
- **THURSDAY MEETINGS:** Starting on September 16<sup>th</sup>, Kala and/or Keith will meet with each team on a rotating basis (one team on each Thursday). Each team is required to attend three of these meetings, during which the team can ask questions and review course material in a more personalized setting.

Date	Topic	Assignments Due
8/23	Semester Overview Discussion of the Fund Process Organize Teams / Roles & Responsibilities	Review Syllabus and Recommended Websites Review Ethics Statement
8/30	Intro to Startup Investing	<b>Reading:</b> <i>"Understanding the Business Angel Investment Process"</i>
9/6	Company Meetings	<b>Reading:</b> <i>"Why Lean Startup Changes Everything"</i> (On Blackboard) <b>Assignment Due:</b> Team Mission Statement
9/13	Due Diligence The Pitch & Supporting Documentation	<b>Reading:</b> <i>"How Venture Capitalists Evaluate Potential Venture Opportunities"</i> ; <i>"How to Pitch a Brilliant Idea"</i> <b>Assignment Due:</b> Company Overview
9/20	Market Validation & Competitive Analysis	<b>Reading:</b> <i>"Pebbles: Wearable Pioneer"</i>
9/27	Opportunity & Business Model Assessment Discuss Valhalla Case Study	<b>Reading:</b> <i>"Some Thoughts on Business Plans"</i> <i>"Valhalla Partners Due Diligence"</i> <b>Assignment Due:</b> Market/Industry Analysis
10/4	<i>Financial Projections for Start Ups</i>	<b>Reading:</b> <i>"Note on Building a Financial Model"</i>
10/11	Intro to Valuation	<b>Reading:</b> <i>"Note on Valuation for Venture Capital"</i> ; <i>"Valuing a Startup"</i> (On Blackboard)
10/18	Deal Structure & Term Sheets	<b>Reading:</b> <i>"A Rich vs. King Approach to Term Sheet Negotiations"</i> <b>Assignment Due:</b> Financial Analysis & Deal Summary
10/25	One-on-One Team Meetings	
11/1	Present Recommendations to Class	<b>Assignment Due:</b> <u>Draft</u> Recommendation Presentation
11/8	Meet with Advisory Board Member	
11/15	Follow up Meetings with Student Teams	<b>Assignment Due (11/18):</b> Final Written Assessment Due
11/22	<b>NO CLASS—THANKSGIVING BREAK</b>	
11/29	Present Recommendations to Board	<b>Assignment Due:</b> Prepare Final Presentation with Supporting Documentation
12/6	Class Wrap Up	<b>Assignment Due:</b> Peer Review