



Global Startup 

MEXICO 2015, iLAB XALAPA

<http://tiny.cc/GSLMEX15>





Market Segmentation

Market Segmentation.



The ability to believe in (and get others excited about) something that **does not yet exist.**





http://www.ted.com/talks/pranav_mistry_the_thrilling_potential_of_sixthsense_technology?language=en



1. At First, Don't worry if an idea is viable.
2. Getting the right idea may come from wrong ideas.
3. Look for ideas that require as little capital as possible.
4. Look for ideas that will generate some sales quickly.
5. Look for ideas where the volume does not have to be extraordinary for the company to break even.
6. Look for products where perfect execution is not a requirement.
7. Look for products/services that are egregiously profitable.
8. Look for products and services where the management team does NOT have to be excellent.
9. Look for a product where you can identify some quantifiable number of customers.
10. Look for a product where the sales and promotions costs are reasonable.
11. Look for a product where the buyers does not have all the power.



12. Look for a product that will be attractive to the more intelligent customers.
13. Avoid products that appear to be just fads.
14. Avoid products/services that require a global market.
15. Avoid products that require an OEM for you to succeed, or where some big company has life-or-death control over you.
16. Avoid products/services that require a global market.
17. Avoid products that require a change in government policy.
18. Avoid products that are simply product extensions of a competitor.
19. Avoid products where the lead time to decision making is long (6 months +)
20. Avoid products where the justification is too soft.
21. Avoid products where the buying decision is too diffuse, or lots of big players all have to line up to cooperate.
22. Avoid products where the market is non profit organizations.
23. Avoid products where the cost justification cuts across departmental lines.



24. Select products where the benefit can be 400 – 1000% of what they are currently doing.
25. Avoid "Swiss Army Knives" kind of product.
26. Pick products where your trained sales person can get X sales/year
27. Pick products where the user experience is close to his existing behavior.
28. Pick products that can be part of a family.



What your Business plan MUST have:

- Executive Summary
- The Opportunity and the Company and its Services/ Products
- Market Research/Analysis
- Economics of the Business
- Marketing Plan
- Design and Development Plan
- Manufacturing and Operations Plan
- Management Team
- Schedule
- Critical Risks, Problems and Assumptions
- The Financial Plan
- Appendices



What it is?

- It is a “Resume” for your Full Plan

How it is?

- Is logical
- Is clear
- Is interesting and/or exciting





What it tells:

- Who you are.
- What your strategy/vision is.
- What you are doing and/or propose to do.
- What is the market.
- How many \$\$\$\$ do you need and what will you do with them.
- What your SUSTAINABLE COMPETITIVE ADVANTAGE is.
- When the reader is finished he or she should be able to tell someone what you are up to.



Have you identified an idea or technology as the basis for your innovation-driven business?





EXECUTIVE SUMMARY: PEOPLE EXPRESS

The Eastern seaboard of the United States is ripe for the entry of a new, superefficient, low-cost air carrier to provide quick, reliable inter-city air transportation. Such an entity would bring to the Northeast the same benefits that have accrued to other areas of the United States. Chief among these are:

- Frequent jet commuter service between major cities
- Prices competitive with private automobiles
- Fulfillment of the congressional goals in enacting the Airline Deregulation Act of 1978 to have better service at lower fares.

The new company will be able to achieve these goals for the following reasons:

- Aggressive, innovative management that has been tested in the field and been on the leading edge of innovation in air transportation marketing and systems
- Equipment and facilities designed specifically for the low-cost production of air transportation
- Manpower selected, trained, and motivated to be efficient and profit oriented
- New systems to be applied to the entire business of air transportation to minimize investment in manpower and machines

All of these, when applied to the new entity, will result in considerable economies vis-à-vis existing air carriers.

- 40 years of regulation have created an industry heavily unionized with tremendous inefficiencies
- The economics of a new entity should be at least 30%-40% better per seat mile than the current trunks.
- Other new carriers such as Southwest or Air Florida have shown a consistent ability to compete on a price basis and earn extraordinary returns
- The current political, economic, and regulatory climate is ideal for the proposal herein envisioned.
- The Northeast is waiting for someone to bring it what the rest of the nation already has: low air fares.

EXECUTIVE SUMMARY: ELECTRONIC COMPONENTS, INC.

Electronic Components, Inc. is a start up company that will make a variety of electronic components, beginning with a new type of aluminum-based capacitor. This unique product, coupled with excessive demand for capacitor devices, will provide us with an ample share of the capacitor market and numerous opportunities for expansion into related electronic components.

The founders are dedicated and determined to make the venture a successful and profitable entity. Technical expertise is provided by James F. Lynch, who has been involved in designing capacitors for 11 years. He obtained a Bachelor of Science degree in electronic engineering from the Massachusetts Institute of Technology.

Technology for capacitors is changing rapidly. Electronic Components, Inc. has an opportunity to capitalize on a major technological change by getting off to a quick start and expanding quickly.

This proposal pertains to two additional phases of required financing. The first phase, consisting of about \$150,000 for pilot plant start-up, has been completed from the personal funds of the principals. The remaining financing is for the following:

Phase Two: Obtain \$750,000 capital for:

- Hiring and training production personnel;
- Purchasing additional equipment necessary for appropriate productivity;
- Develop the market;
- Complete the sales rep network;
- Explore new markets.

Phase Three: Increase Production and Sales

- Computerize manufacturing to triple output with minimal increase in labor;
- Begin exporting;
- Expand new marketing activity.

Financing will be used to purchase manufacturing equipment, hire the necessary employees, and develop new markets. In addition, management intends to spend between 10% and 20% of revenues on research and development of new products.

The electronic component field offers attractive opportunities for fast sales and profit growth. Already, demand exceeds supply in the capacitor area as well in other related areas.



By now, you should have the answers for:

- What is the product/service?
- What does it do?
- Who are the customers?
- How do you believe you will get paid?
- Why is this better than the currently available product/services?



Two main glasses:



Customer



Company

“What is the single necessary and sufficient condition for a business?”





Are you selling to everyone?



The China Syndrome?



Think about the big markets:
China has over 1.3 billion people.

Opportunity!! build a toothbrush for the Chinese
Market.



Logic: China has over 1.3 billion people. If they all have teeth, the market size is 1.3 billion customers. I'll build a toothbrush for the Chinese market, and maybe we'll get 0.1 percent market share in the first year. If each person buys three toothbrushes a year, we could sell 3.9 million toothbrushes per year, and if we sell them for \$1 each, we have \$3.9 million in sales the first year, with lots of room to grow!!



- Brainstorm
- Narrow
- Research



It is not the critic who counts; **the credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood...** if he fails at least he fails, at least he fails while daring greatly; so that his place shall never be with those cold and timid souls who know neither victory or defeat”

-Theodore Roosevelt



- Real-world (mobile) service idea
- 1 – 2 page business plan
- Pitches:
 - Investor / Customer / Team
- Create page on GSL website
- Logo, Pitch, Business plan, web link,
- Prototype that implements common-use case
 - Deployed with mobile operator, cloud service, local server, ...
- Presentation at project showcase
- Incorporate prototype