

HACKS, TIPS AND TRICKS FOR STARTING A TECH COMPANY

Material:

CLASS SUPPORT

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With thanks to

Agent technology Center, CTU, Prague
Program in Open Informatics



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Questions for you...

Something about us

Disclaimer: We have no idea what
we're talking about...!

First some Professional Life Hacks

The following are really, really useful
(really!!)

- LinkedIn
- Twitter
- Github

LinkedIn

twitter



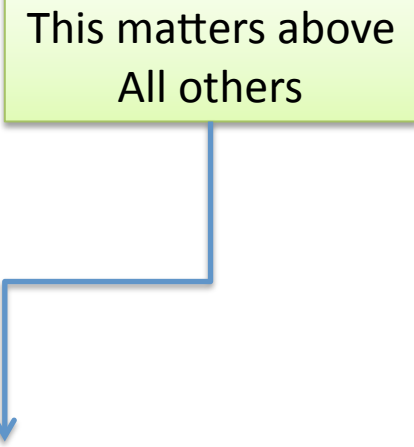
Starting a Tech Company

Topics to cover

- Why do this in the first place? (& Why not to do it!)
- Nuts and Bolts
- Essential elements: Passion, Customers, Business Model, Team, Product, Finance
- Disruptive Innovation
- Agile Development
- Customer Development
- Crossing the Chasm
- Think twice
- Good timing

Why do this at all?

- Make Money and Retire!
- Be Famous!
- Do something cool!
- Show your idea works!
- Be independent!
- Make something you believe in Happen!



This matters above
All others

Nuts & Bolts

Product

Culture

Company

Brand

Financing

Sales

Sweat

Equity

Runway

Choose your Poison (I)

Innovation Risk (e.g. Drug Discovery)

VS

Market Risk (e.g. a Pink CocoPops)

Choose your Poison (II)

Business to Consumer

VS

Business to Business

Essential Elements

Essential Elements

- Passion
- Customers (aka Market)
- Business Model
- Team
- Product
- Finance

A startup is something which searches
for a Business Model

Passion: Something you believe in



Book Recommendation: Founders at Work / Jessica Livingston

Customers: Somebody who needs
what you're building

Business Model

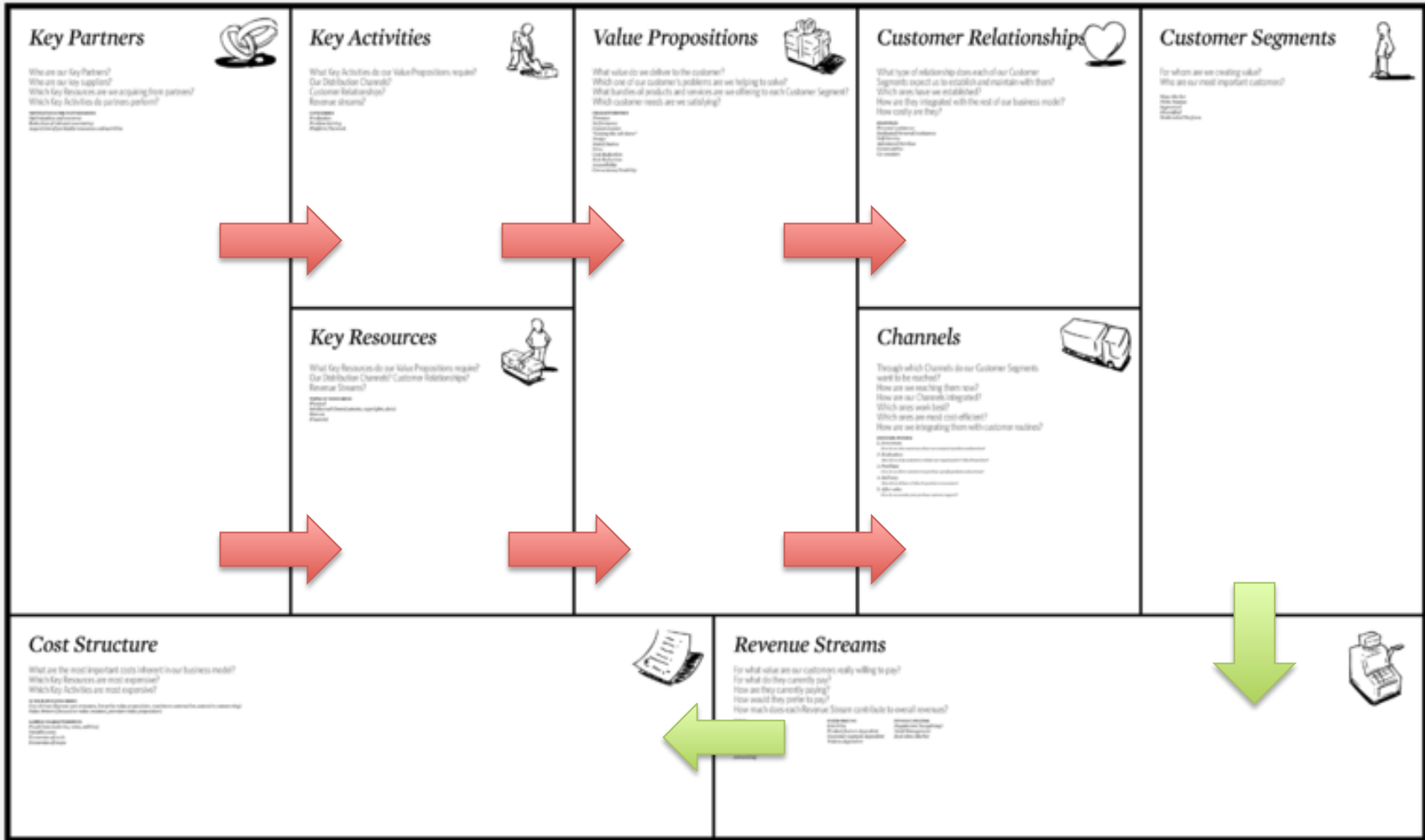
The Business Model Canvas

Designed for:

Designed by:

On:

Innovation:



Team

- Start small
- Start focused
- Essential Skills:
 - Building Stuff
 - Talking to Customers
 - Not going bankrupt
- Trust, sincerity and commitment are critical
- (Brains help!)

Product

- This is the hard bit right?
 - Wrong!
 - You can build almost anything!
- Product:
 - Should follow understanding of need
 - Be “Agile”
 - Be ready to change radically

Finance

- This is very tough to find
- Paths:
 - 99/2000: Have an idea, mock it, get funded, build it, find customers, profit!
 - Now: Have an idea, build it, get initial customers, prove it can scale, get funded, profit?
- Assume you won't get VC funding anytime before you get customer money (!)
- Aim for Ramen profitable

Finance: Sources

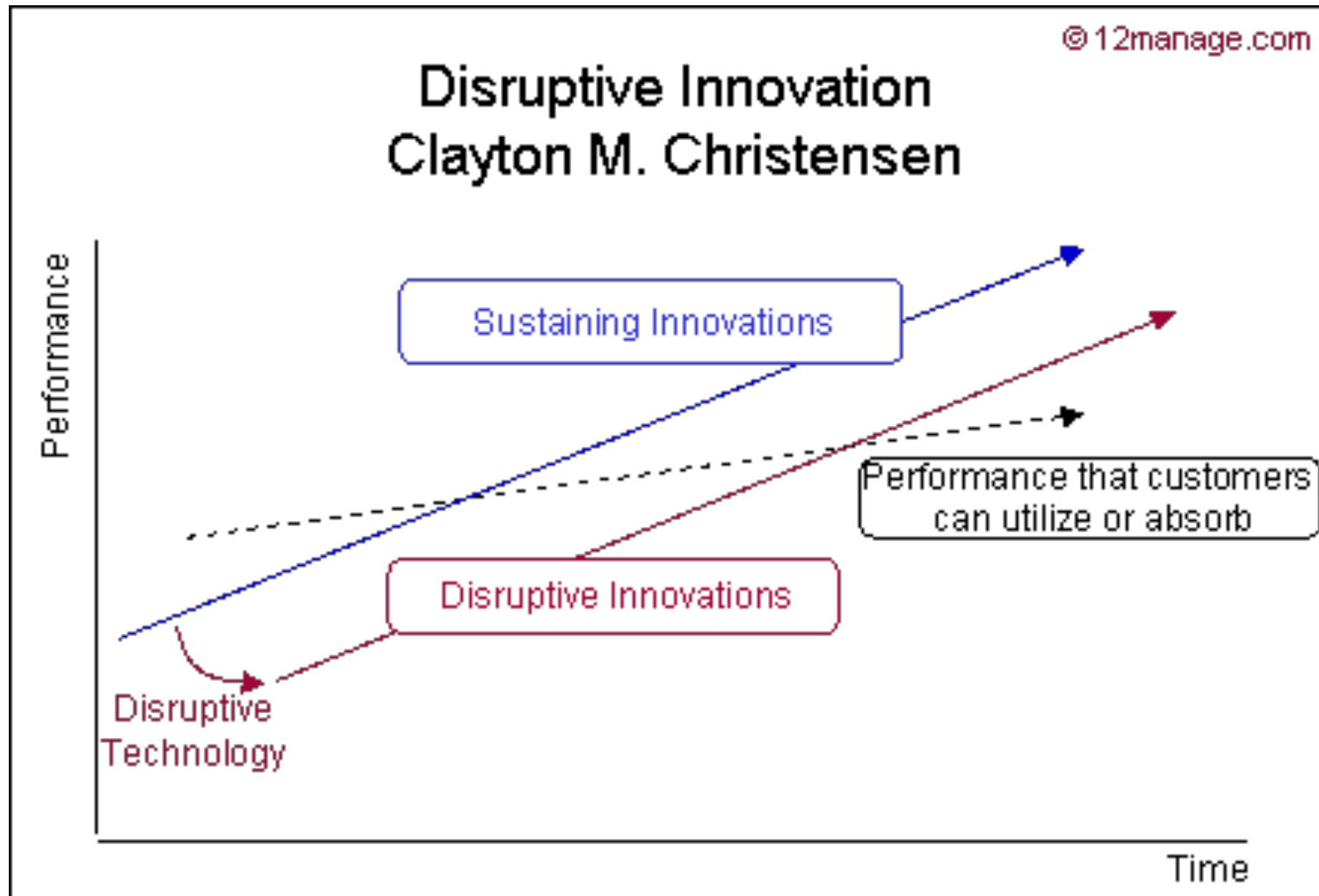
- Your own money
- Friends & Family
- Customer money
- Angel investors
- Venture Capital

Disruptive Innovation



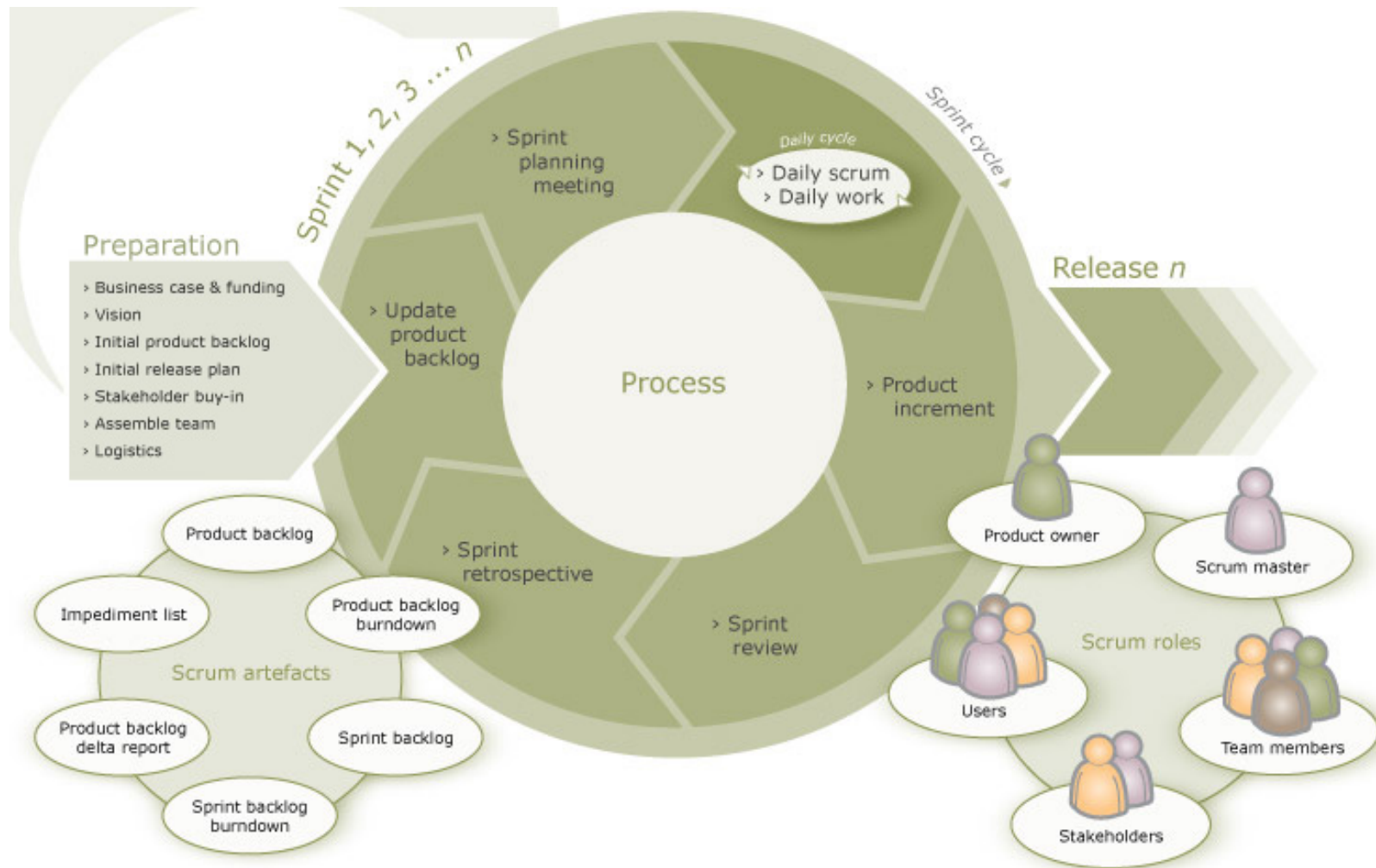
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Disruptive Innovation

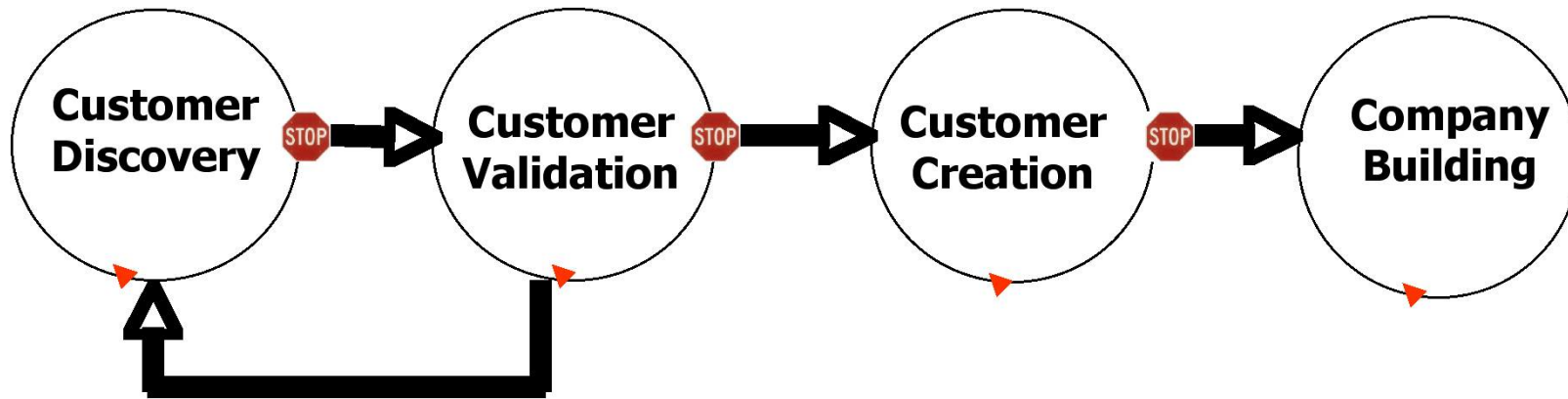


Solving a similar need at a drastically lower price point

Agile makes the (Startup) World Go Round



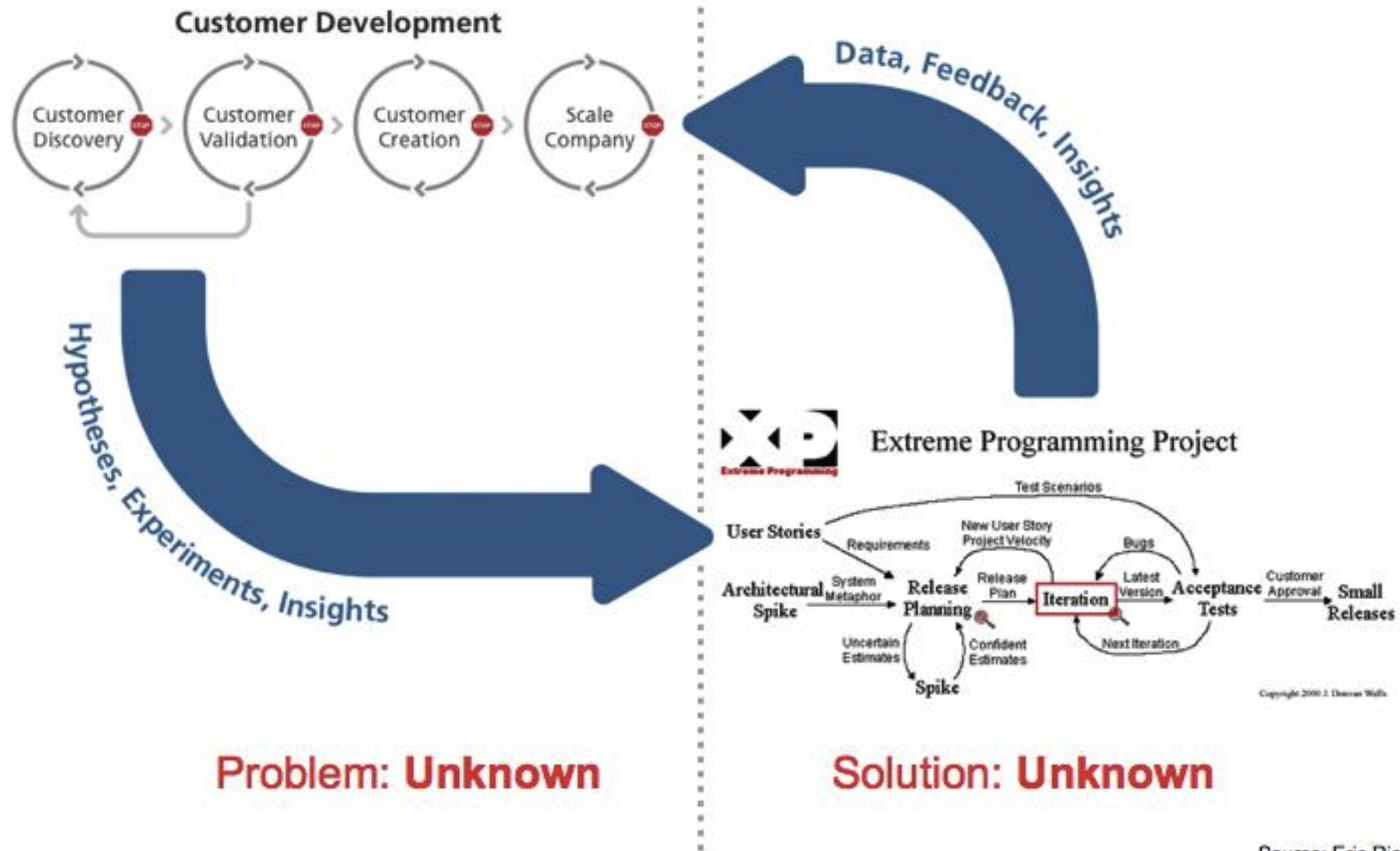
Customer Development



Even more critical than Agile Development!

Credits: Steve Blank (<http://www.steveblank.com>)

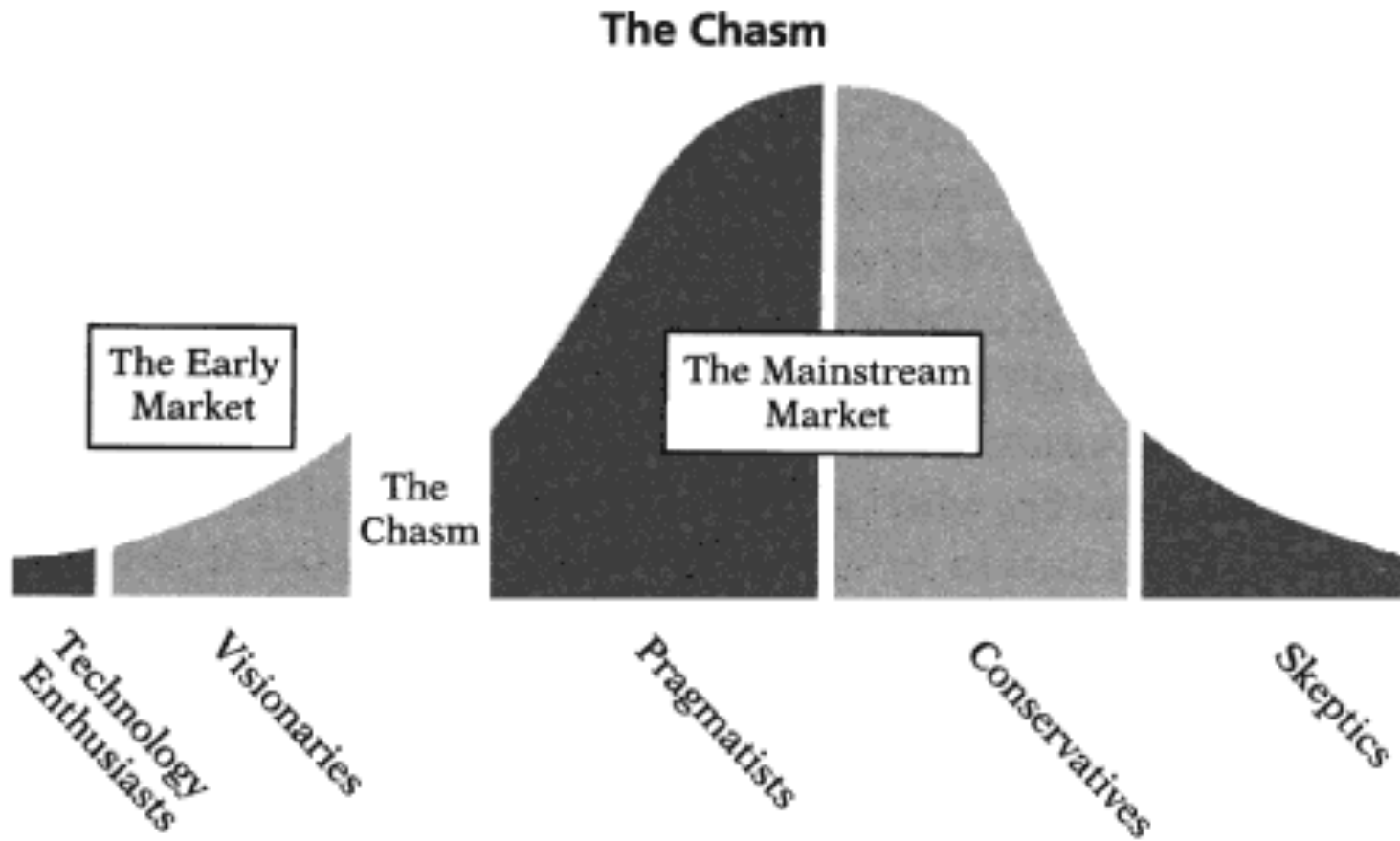
Customer Development



Credits: Eric Ries

Source: Eric Ries
<http://startuplessonslearned.blogspot.com>

Crossing the Chasm



Credits: Jeffery Moore

Examples & Conclusions

Thank You!

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Resources

Required Reading!

- Steve Blank & Eric Ries
 - <http://steveblank.com/>
- Mark Suster
 - <http://www.bothsidesofthetable.com/>
- Paul Graham
 - <http://www.paulgraham.com/>
- Fred Wilson
 - <http://www.avc.com>
- Books:
 - Crossing the Chasm
<http://www.amazon.com/Crossing-Chasm-Marketing-High-Tech-Mainstream/dp/0066620023>
 - Good to Great(
<http://www.amazon.com/Good-Great-Companies-Leap-Others/dp/0066620996>)
 - The Four Steps to Epiphany
<http://www.amazon.com/Four-Steps-Epiphany-Steven-Blank/dp/0976470705>