

EDWARDS SCHOOL OF BUSINESS
University of Saskatchewan

Masters in Business Administration Program

MBA 869.2 Commercialization and Valuation of Technology

COURSE OUTLINE

Instructor:	Sanj Singh Assistant Professor, Department of Management and Marketing singh@edwards.usask.ca
Office:	Edwards 171 (966-2921)
Time:	TBA
Location:	TBA
Required Texts:	Readings to be provided by instructor or will be found in your Finance Textbook from Term I.
Pre-Requisites:	MBA 803.3 Business and Society MBA 805.2 Managing Organizations – Value Through People MBA 868.2 Strategic Management of Technology and Innovation MBA 825.3 Financial Management MBA 807.2 Financial Statement Analysis MBA 833.2 Marketing for Organizational Decision-Making

Course Objectives

Extending the highly integrated nature of Strategic Management of Technology and Innovation, the purpose of Commercialization and Valuation of Technology is to assist students to develop a framework for understanding and analyzing the commercialization of high or advanced technology ventures from an entrepreneurial and venture capital perspective.

Themes covered in class

- Entrepreneurial Process
- Commercialization Process
- New Product Development: Stage-Gate Models
- From the lab to the market: What is *valuable*? What are the valuation *drivers*?
- Valuation of intellectual assets
- Financial model to determine value at each stage of the tech life cycle

It is important for you to have done your readings prior to each class.

Course Evaluation

Assignment #1	10%
Assignment #2	25%
Assignment #3	25%
Final Exam	40%

Course Schedule: MBA 869.2

Lecture	Topics & Assignments	Readings
L1:	Introduction Entrepreneurial Process	NVT Attributes Reading from Term 2 In class: Case study
L2:	Commercialization Process	Assignment of cases for following week. Case Study Selection: <ul style="list-style-type: none"> • Pharma Technologies • Grace Bioremediation • NeoMed
L3:	New Product Development <ul style="list-style-type: none"> • Stage gate models • Capturing Value 	Readings #1 & Readings #2 Notes on Venture Capital (Ivey)
L4:	Developing your own Stage Gate Model & Commercialization Process	In class discussion
L5:	Assignment #1: <ul style="list-style-type: none"> • Analyzing Financial Statements—Group 1 Presents • Analyzing Using Financial Ratios-Group 2 Presents • Financial Analysis: How to analyze and use cash flow statements—Group 3 presents 	Term 1 Finance Text Ross
L6:	Introduction to valuation & valuation techniques <ul style="list-style-type: none"> • Discounted cash flow • Relative Valuation • Real Options Approach 	Relative Valuation Fundamentals of Valuation
L7:	Entrepreneurial, Venture Capital & Valuation Case study: Clarion Optical	In class discussion: Clarion Optical Case
L8:	Financial Modeling of New Intellectual Property	In class demonstration and discussion
L9:	Assignment #2: In class case study-Group Presentations	Case Study Selection: <ul style="list-style-type: none"> • Pharma Technologies • Grace Bioremediation • NeoMed

L10:	Assignment #3: Venture Presentation Simulation	
L11:	Assignment #3: Venture Presentation Simulation	
L12:	Final Exam	

University Policy on Academic Dishonesty

Students are expected to have read and understood the rules regarding academic dishonesty which are posted on the University of Saskatchewan website at:

http://www.usask.ca/university_council/reports/09-27-99.shtml

Reading List

Topic Area	Article Title
Entrepreneurship, Opportunity Identification & Value Creation	<ul style="list-style-type: none"> · NVT Attribute-NVT Template (from Term 2) · VC Evaluation Process · Keys to Creating Value in Medical Device Companies · Strategic Planning · Success Criteria in HT Ventures · Leadership in Commercializing Science
Commercialization Process	<ul style="list-style-type: none"> · Technology Commercialization Tool Kit · Managing Biotech Risk from Concept to Commercialization · Commercializing Science, Integrated Marketing
Product Development, Stage Gate Models & R&D Decision Making	<ul style="list-style-type: none"> · Readings #1 and #2 (handout) · Notes on Venture Capital (IVY Handout) · Business Tools for Technology Transfer · R&D Investment Decision · Payback Time for Biotech · Managing High Cost of Patent Infringement · Estimating Cost of Drug Development · Safeguarding Clinical Trial Data <p>Case Study:</p> <ul style="list-style-type: none"> · <i>AmbRx</i> · <i>BTG</i> · <i>AstraZeneca Melds Capital & Strategy</i>
Financial Valuation	<ul style="list-style-type: none"> · Relative Valuation (handout) · Fundamentals of Valuation (handout) · Pitfalls in Biotech Valuation · Valuation of Biotechnology Clinical Development · Valuation: What you Need to Know
Venture Capital	<ul style="list-style-type: none"> · Found in Translation · VC Road Show

	<ul style="list-style-type: none">· What Biotech Investors Really Want to Hear· Preparing your Financial Roadmap Part 1, Part 2 & Part 3· Differentiating Company for Investors· Social Ties, Reputation and Financing
Partnering	<ul style="list-style-type: none">· Dangerous Liaisons <p><i>Case Study:</i></p> <ul style="list-style-type: none">· Roche· Deal Review-PharmaDeals Apr 2007