

Developmental Entrepreneurship

MAS.665 / 15.971

the \$100K and the IDEAS Competition

Joost Bonsen

Joost Bonsen

Developmental Entrepreneurship

15.971 / MAS.666

Instructors Alex (Sandy) Pentland & Iqbal Quadir
Juan Carlos Barahona w/ Joost Bonsen

Fall 2003 : Fridays : 1 – 3pm : MIT Media Lab Lower Level : E15-054 : 6 Units

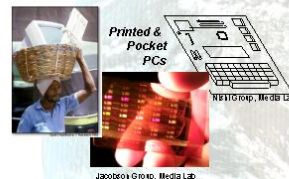
We challenge students to craft enduring and economically viable solutions to problems faced by at least One Billion people worldwide.

Summary – *Developmental Entrepreneurship* (DE) is an exploratory “entrepreneurship studio” on founding, financing, and building entrepreneurial ventures in developing nations and emerging regions.

Transformation thru Communications



First Meeting – September 12th : 1-3pm : MIT Media Lab Lower Level : E15-054



Example Cases – Grameen Phone, DAKnet, Diabetnet, African Communications Group, SELCO Solar Electric Power, Printed & Pocket PCs

Core Themes – Entrepreneurial Models for Deployment, Micro-Finance, Micro-Franchising, Rule of Law, Socio-Political Hurdles

Seminar Description – We survey developmental entrepreneurship with special emphasis on opportunities provided by new telecommunications technologies.

By drawing on “live” and historical cases, especially from Asia and Latin America and other developing regions, we hope to cover the broad spectrum of challenges and opportunities facing developmental entrepreneurs.

Finally, we explore a range of established and emerging business models as well as new business opportunities enabled by transformative technologies in the works in MIT labs and beyond.

Expected Student Deliverables – We expect students to craft a business plan executive summary worthy of submission in the MIT \$50K Entrepreneurship Competition \$1K Warm-Up & the IDEAS Competition in the Fall of 2003. We further encourage the most promising teams to spend IAP and/or the summer abroad via the Global Entrepreneurship Lab (G-Lab) & Digital Nations initiative further researching their new venture.



Limited Enrollment – Open to dedicated students who commit to *active attendance, the readings, the necessary independent research, crafting the executive summary, and personally doing something substantive to accelerate human development worldwide.*

More Info → jbonsen@media.mit.edu ~ <http://courses.media.mit.edu/2003fall/de>

MAS.665 /15.971

Developmental Entrepreneurship

Prereq: Permission of instructor
Fall

Units: 3-0-9

Lecture: *F1-3*

Develop innovative business plans for the 1K competition in the area of social innovation/sustainable development. Students form teams of four, usually including both technology and business students, to repeatedly devise and revise business plans that use innovations in technology and organization to create businesses that can transform the lives of at least 1B people. Enrollment limited to 25.

A. Pentland, Joost Bonson

Omidyar Network

- **Gift To Tufts Will Aid World's Smallest Firms -- \$100 Million for Microfinance**

http://www.boston.com/news/local/massachusetts/articles/2005/11/04/gift_to_tufts_will_aid_worlds_smallest_firms/

<http://www.omidyar.net/>

- The Boston Globe, by Marcella Bombardieri, November 4, 2005

\$100K Rules

- **Since 2006, there is now a new \$50K track = the Development Track.**
- **The \$100K (either track) requires an Executive Summary**
- **Only 1,200 words**
- **Can Only Enter Online...**
<http://100k.mit.edu/>
- **Entry due by Feb. 28, 2007**
- **MIT \$1K Awards Ceremony on Wednesday, May 16, 7-9 pm**

Executive Summary

1. Public Summary
2. Opportunity Statement / Elevator Speech
3. Market Opportunity and Strategy
4. Product or Service Concept
5. Competitive Advantage
6. Team

(Name)

- Punchy, easy to remember & say (for Judges)
- SensAble, DirectHit, Myomo, Akamai, Imagen, WebLine, Balico, Neurometrics...
- FirstMileSolutions, UnitedVillages, BlueEnergy, Dimagi, WiderReach, Howtoons...
- Verbify? Google, FedEx, Skype, IM, Zip...
 - E.g. Linkus, zeeme, 3p...

Public Summary

- How would you describe your idea to the public?
- Do not disclose any proprietary information or technology.
- Emphasize problem you're solving?
- Incorporate Tagline or key value phrase...
 - “Better sound through research”
 - Like an Ebay on Mobile Phones
 - Fast image search

Wider Reach

Wider Reach is creating a cell phone-enabled application/service that acts as a universal broker for buyers and sellers in developing economies' commodity markets. In partnership with GrameenPhone and Grameen Bank, we are developing a system that will allow small businesses to list commodity goods for sale and provide an interface for buyers to find these sellers – something that cannot currently happen without significant travel (often on foot) to and from various village marketplaces. The net effect is an expanded sphere of operations for middlemen and increased market efficiencies.

Opportunity Statement / Elevator Speech

- How would you describe the business to a potential investor, team member or customer if you had only a short elevator ride to share together?
- Use one to three sentences.
- Get to point & categorize your company for the Judges:
XYZ is a {Category} firm solving {Problem} with {Solution}.

Market Opportunity and Strategy

- What existing problem(s) will you solve with your service or product?
- What are the primary benefits to customers?
- What is the level of potential sales of your product or service?
- How will these sales happen?
- Who will your first customer(s) be?

Product or Service Concept

- How will your service or product solve problems for real customers?
- How will you sell your product or service?
- Where does your revenue come from?
- Develop a brief concept statement for the product or service that can be shown to potential customers.

Competitive Advantage

- Who will the competitors be?
- How will your service or product compare to those of your competitors?
- Compare usefulness, cost, styling, ergonomics, time-to-market, strategic alliances, technological innovations, compatibility with related products, etc

Team

- Include a paragraph summary of each team member's background applicable to the proposed venture
- If the full team is not assembled, include a description of the desired background and skills of the team members remaining to be recruited.

MIT IDEAS

- The IDEAS Competition encourages teams to develop and implement projects that make a positive change in the world. Entries are judged on their innovation, feasibility, and community impact
- Register online...

<http://ideas.mit.edu/>

<http://web.mit.edu/ideas/www/index.htm>

IDEAS Proposal

- Team name
- List of team members with the following:
 - designated primary contact
 - e-mail contact info for each member
 - brief bio of each member that notes experience relevant to the project
- Project Summary (100-150 words)
- Description of project (~500 words):
 - problem or challenge
 - community to be served
 - innovative approach towards solving the problem
 - brief implementation plan
- Development Grant Request (optional)
- Mentor Request (optional, and may be submitted separately at any time)

Global Social Venture Competition

- Brings together the academic and financial worlds to support the creation of social ventures.
- For Mentor Workshop submit an Executive Summaries by Wednesday, November 16, 2005. Optional, but recommended.
- Full business plans must be submitted by January 25, 2006.

<http://www.socialvc.net/>