



**Fin 394.14**

**Venture Fellows Program**

**Fall Semester 2013**

Class Time: Wednesdays 6:30-8:30, McCombs Conference Room, CBA 6.420

Office Hours: Tuesdays 11:30-12:15 and Wednesdays 5:00-6:00

Website: <http://venturefellows.org/>

Professor: Jim Nolen

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**Course Description:**

Venture Fellows is a student-led experiential learning program. The program involves a practicum (internship) with a commercial firm or other organization operating in the private equity market and weekly lectures. The practicum is arranged with local venture capital or buyout firms, PE or VC backed portfolio companies, Austin Technology Incubator (ATI), Clean Energy Incubator (CEI), or an agent or advisor in the private equity market. Students are not limited to local organizations if the responsibilities of the practicum allow for remote completion of assignments to the satisfaction of the partner firm and the professor. The weekly lecturers are provided by McCombs faculty or guest lecturers and cover topics related to identifying investment opportunities, researching industries, screening business plans, negotiating and structuring investments, managing portfolio companies, raising capital for a fund or exiting investments. The lecture schedule is included in this syllabus. The course is student led in which the officers and director of venture fellows help select lecture topics and speakers, match internships with venture fellow student's interests, and interview and select the succeeding venture fellows class in the fall of each year.

**Course Objectives:**

The primary objective of the course is to introduce students to cross-functional concepts important to the investment decision-making process and management of venture firms, private equity firms, and early stage companies. Students are also provided with an opportunity to apply these concepts in actual investment decisions and management of businesses through their internship with local VC, PE and/or portfolio companies.

The course provides the student with an opportunity to integrate and apply the concepts from the major functional areas in business. Because the content varies each semester (earlier stage venture capital in the spring semester and later stage private equity in the fall semester), the course may be taken in sequential semesters in the 2<sup>nd</sup> and 3<sup>rd</sup> semesters of the full-time MBA program for credit.

### **Course Requirements:**

The practicum activities typically require a minimum of 10-12 hours per week unpaid internship at a partner firm and are based on a schedule set by the students and the sponsor firm. The weekly lecture is typically scheduled for 2-3 hours and will meet this semester in the 6<sup>th</sup> floor MSB conference room starting at 6:30 each Wednesday evening during the spring and fall semesters. Students are expected attend and to actively participate in the practicum the weekly lectures. A course packet is produced in the spring semester of readings that will also pertain to the fall semester course as well. Blackboard will be used to post class materials such as readings, PowerPoint presentations and Excel templates.

The number of students admitted to the practicum is limited by the number of sponsoring firms for the practicum, typically 15-20 positions per semester. First year full-time MBAs are invited to apply to the Venture Fellows program and are selected by the current second-year Venture Fellows through a competitive format that includes interviews and a case analysis. Once selected in the fall semester, new Venture Fellows will begin their practicum in the following spring semester (second semester of their first year) and will continue the practicum in the fall semester (first semester of their second year).

### **Grading Policy:**

Grading for the course is based on an evaluation of each student's activities in the practicum this is completed at the end of the semester by managers at the sponsoring firm and a student-prepared presentation or written report on the activities of their internship, their contributions to the leadership of the organization, and their summarization of the lessons learned from the weekly presentations. The presentation or report provides students with the opportunity to share with classmates and to demonstrate mastery of concepts that have been covered in the weekly lectures. The presentation or report should also include suggestions of how the Venture Fellows program can be improved. Each semester, each student will submit a peer review of each Fellows' attendance and participation at weekly lectures, each Fellows' performance of their duties as officers of Venture Fellows, and other Venture Fellow's activities including recruiting and screening new fellows, placement of fellows at partner firms and community outreach programs and fellowship activities. Based on the professor's evaluation of the student's mastery of the subject matter and input from the peer evaluations and partner firm's assessment of internship performance, the professor will award grades of approximately 75% A's and 25% A-'s. B's and C's will be awarded if a Fellow does not perform their duties as required.

### ***Peer evaluation***

At the end of the semester, we will ask each member of the class to evaluate the contribution of other class members to the quality of the class discussion and leadership activities of the organization throughout the semester.

### **McCombs Classroom Professionalism Policy**

The highest professional standards are expected of all members of the McCombs community. The collective class reputation and the value of the Texas MBA/MPA experience hinges on this. Faculty are expected to be professional and prepared to deliver value for each and every class session. Students are expected to be professional in all respects. The Texas MBA/MPA classroom experience is enhanced when:

- **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for fellow students, faculty and guest speakers and it enhances learning by reducing avoidable distractions.

- **Students minimize unscheduled personal breaks.** The learning environment improves when disruptions are limited.
- **Students are fully prepared for each class.** Much of the learning in the Texas MBA/MPA program takes place during classroom discussions. When students are not prepared they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.
- **Students respect the views and opinions of their colleagues.** Disagreement and debate are encouraged. Intolerance for the views of others is unacceptable.
- **Laptops are closed and put away.** When students are surfing the web, responding to e-mail, instant messaging each other, and otherwise not devoting their full attention to the topic at hand they are doing themselves and their peers a major disservice. Those around them face additional distraction. Fellow students cannot benefit from the insights of the students who are not engaged. Faculty office hours are spent going over class material with students who chose not to pay attention, rather than truly adding value by helping students who want a better understanding of the material or want to explore the issues in more depth. Students with real needs may not be able to obtain adequate help if faculty time is spent repeating what was said in class. There are often cases where learning is enhanced by the use of laptops in class. Faculty will let you know when it is appropriate to use them. In such cases, professional behavior is exhibited when misuse does not take place.
- **Phones and wireless devices are turned off.** We've all heard the annoying ringing in the middle of a meeting. Not only is it not professional, it cuts off the flow of discussion when the search for the offender begins. When a true need to communicate with someone outside of class exists (e.g., for some medical need) please inform the professor prior to class.

### **Academic Dishonesty**

The responsibilities for both students and faculty with regard to the Honor System are described on <http://mba.mcombs.utexas.edu/students/academics/honor/index.asp>. As the instructor for this course, I agree to observe all the faculty responsibilities described therein. If the application of the Honor System to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification.

### **Students with Disabilities**

Upon request, the University of Texas at Austin provides appropriate academic accommodations for qualified students with disabilities. Services for Students with Disabilities (SSD) is housed in the Office of the Dean of Students, located on the fourth floor of the Student Services Building. Information on how to register, downloadable forms, including guidelines for documentation, accommodation request letters, and releases of information are available online at <http://deanofstudents.utexas.edu/ssd/index.php>. Please do not hesitate to contact SSD at (512) 471-6259, VP: (512) 232-2937 or via e-mail if you have any questions.

### **Religious Holidays**

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

## Private Equity Capital Fall Semester 2013

9/4: *Funding Panel:*

Sam Decker, CEO- **Mass Relevance**

Rod Favaron, CEO-**Spredfast**

Mike Dodd, Partner- **Austin Ventures**

9/11: Doug Swanson, Partner-**EnCap Investments**

9/18: Carl Shepherd, Co-Founder - **HomeAway**

9/27: Sam Wyly, Investor-**Michaels Stores**

10/2: Jim McBride, Partner- **Blue Sage Capital**

10/9: Steve Hicks & Lew Little, Investor and CEO, **Harden Healthcare**

10/15: Walter Robb, Co-CEO- **Whole Foods**

10/16: Brian Gladden, CFO- **Dell**

10/23: Joel Fontenot, Partner- **Trailblazer Capital**

10/30: Alan Cline, Partner- **Vista Equity**

11/6: Cotter Cunningham, CEO- **RetailMeNot**

11/13: Lanham Napier, CEO- **Rackspace**

11/20: Brett Hurt, Partner- **Hurt+Harbach**

## Fall, 2013 Internship Placements

| Name             | Firm Placement              | VF Position         |
|------------------|-----------------------------|---------------------|
| Anthony Pavich   | G-51, Socialware            | Director            |
| Jamie Nissen     | S3 Ventures                 | VP Alumni Relations |
| Nick Digani      | Howard Energy Partners      | VP Alumni Relations |
| Robbie Reed      | Wild Basin Investments      | VP Alumni Relations |
| Wes Little       | Silverback Investments (AV) | VP Curriculum       |
| Kevin Scott      | Spindletop Capital          | VP Curriculum       |
| Lindsey Narta    | Mercury Fund                | VP Marketing        |
| Michael Harrison | Wild Basin Investments      | VP Marketing        |
| Mathew Hiser     | CTAN                        | VP Placement        |
| Tripp Fried      | Emergent Technologies       | VP Placement        |
| Joe Shirley      | Energy Ventures             | VP Placement        |
| Kelly Zhai       | Spindletop Capital          | VP Recruiting       |
| Kevin Johnson    | Blue Sage Capital           | VP Recruiting       |
| Andrew McMaster  | G-51                        | VP Recruiting       |
| Meghan Holzhauer | Daylight Partners           | VP Recruiting       |
| Mitchell Wylly   | Daylight Partners           | VP Treasurer        |
| Stephen Herron   | Sentient Ventures           | VP Treasurer        |
| Kyle Reesing     | Vista Equity                | VP Treks            |
| Kent Kirkwood    | Greenridge Investment       | VP Treks            |

