

Lean Business Startups

Bulletproof Your Startup

Find a profitable and scalable business model,
Before running out of money.

Class Introductions

- **Bill Smith**

- E7 Systems – R&D for Hire
- Started with TurboTax in 1989
- 20+ Durango Startups
- Innovation Product Specialist

- **Class**

- What are Our Real Businesses
- Additional Businesses to help with
 - Multi-Player Game
 - Outdoor Marketing Web Site.

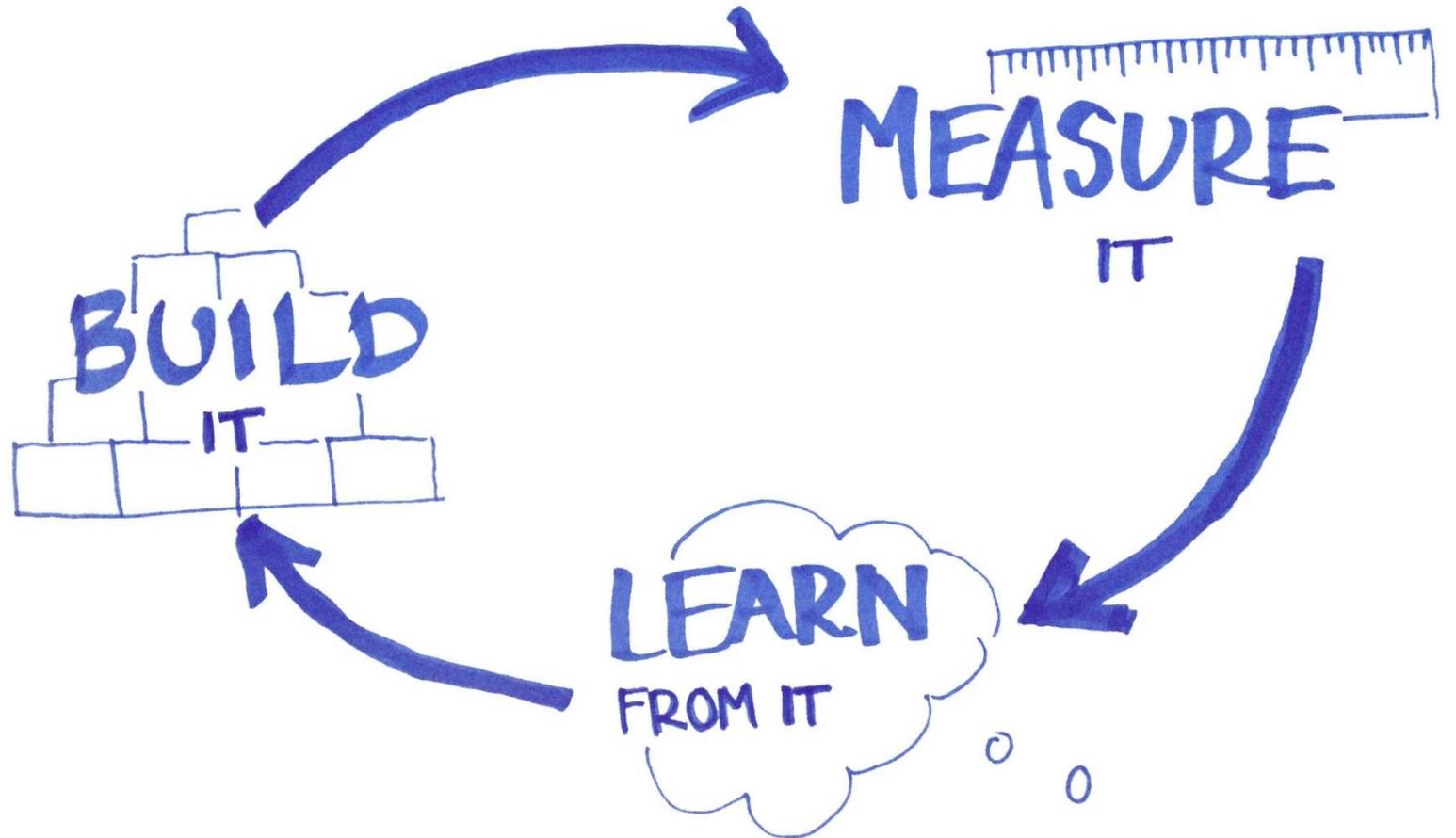
Lean Business Methods

- From Lean Manufacturing
- Eliminate Waste
- Waste in Startups
 - Over-Planning
 - Solving Wrong Problems
 - Developing for Nobody
 - Scaling Prematurely



Keys to Success

- Doing vs. Planning
- Speed
- Affordable
- Small Batches
- GOOTB
- Real Customers



Traditional vs. Lean

Traditional Start Ups

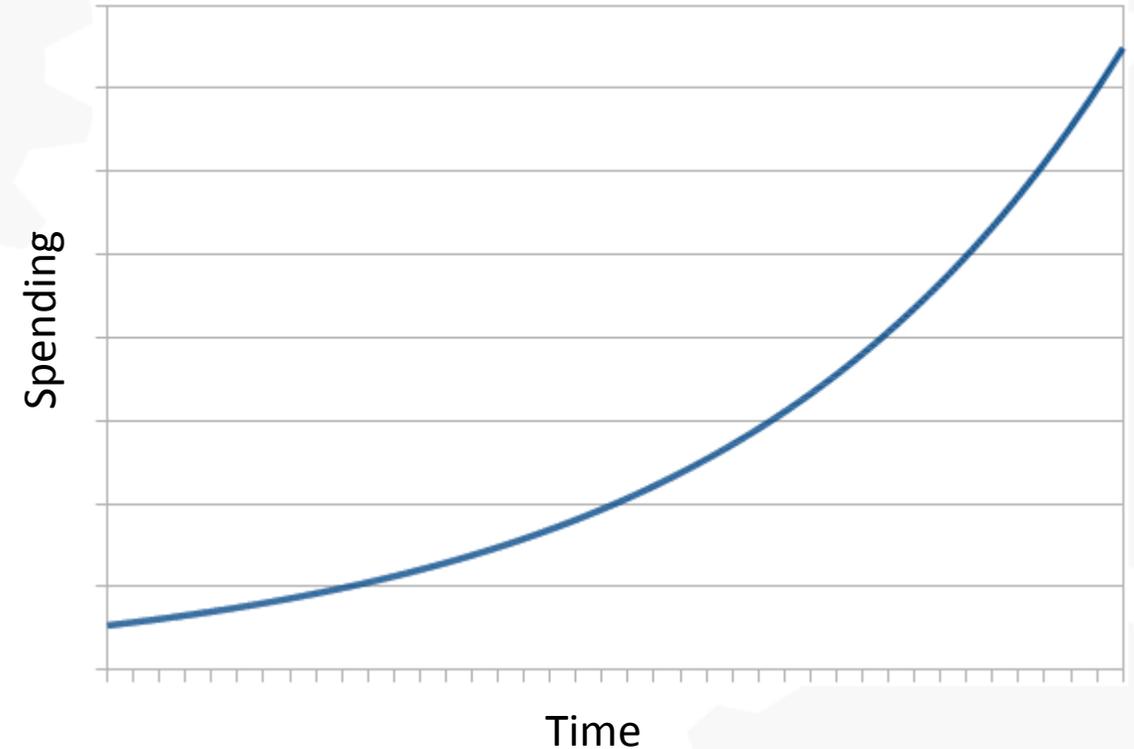
- Get a great idea
- Write Business Plan
- Beg for Investment
- Build Product
- Launch Product
- Execute To Plan
- Make Discoveries

Lean Start Ups

- Get an Idea
- Test the Idea
- Refine the Idea
- Build Minimum Viable Product
- Sell MVP
- Measure Results
- Refine the Product or Pivot
- Repeat until Ready

Accelerate Discovery

- Accelerate Risk
- Learn while it is cheap
- Defects are less costly to repair sooner
- Don't Just Quit, Pivot



Famous Pivots – Not What We Planned

flickr

facebook

GROUPON

You Tube

twitter

- Social Activism – ThePoint.com
- On-line Game – Game Neverending
- Like HotOrNot.com – Facemash.com
- Podcasting Audioshare – Odeo
- Youtube – Dating Site

Lean Business Pioneers

- Steve Blank – Customer Development
- Eric Reis – Lean Business
- Ash Maurya – Lean Business Canvas
- Eric Osterwalder – Business Model Canvas

Lean Business Canvas

Business Model Design

Ability to combine empathy for the context of a problem, creativity in the generation of insights and solutions, and rationality to analyze and fit solutions to the context.

Business Plans are Dead

- Time consuming
- Too many places for bad ideas to hide
- Pressure to complete before you are sure.
- False sense of direction
- Nobody reads them anyway



Helmuth von Moltke the Elder

- “No plan survives first contact with the enemy.”
- Second Schleswig War
- Customers are like Danes.



The LBC Process

- Visual – Team Friendly
- Fast & Repeatable
- Iterative
- Flexible
 - Startup or existing enterprise
 - New product or whole business.
- Design Thinking



De-risk your startup

- Find assumptions
- Prioritize risk
- Hypothesize
- Devise Experiments
- Conduct experiments
- Revise Model

*Word of
Mouth*

*People will
Refer
Firends*

*Demo &
Count
Referrals*

Ice Cream Truck



Tools

LEANLAUNCHLAB

RESOURCES PRICING LOGIN

The *easy way* for your team to go lean

Intro to LeanLaunchLab

LEANLAUNCHLAB
HELPING COMPANIES INNOVATE LIKE LEAN STARTUPS

Apr 7, Apr 8

Key Partners
Key Activities
Value Propositions
Cost Relationships
Cost Segments
Key Resources
Channels
Cost Structure
Revenue Streams

Keep advisors, investors, & managers in the loop.

Silicon Valley Bank >
A Member of SVB Financial Group

- www.leanlaunchlab.com

Truck

Do we need
A
truck?

- Sticky Notes

Home Work!!!

- Finish Your Lean Canvas
- Watch some Youtube
 - Steve Blank
 - Customer Development
 - Eric Reis
 - Lean Business
 - Ash Maurya
 - Lean Business Canvas
 - Eric Osterwalder
 - Business Model Canvas

The image displays a completed Lean Canvas on a whiteboard, overlaid on a YouTube video player. The whiteboard is divided into several sections, each containing handwritten notes on sticky notes:

- PROBLEM:** Empty Seats in Bars, Disruptive To-Go Expensive (\$15,000 start, \$3,500 month), Car owners want to Engage, Next Steps: talk to Owners, AMG Approval, Revenue Plus Estimate.
- SOLUTION:** Can Afford 1.0, Crops Client, Hybrid 1.0S, venue Display, no Crops Data Server, Bluetooth, Client App Downloads.
- UNIQUE VALUE PROPOSITION:** Fun & Social Pastime, First Local Multi-Player Venue Game, Footprint, Can we simplify the Carving & Connect in Venue, Attract & Keep them in Venue, Can we get people to play it together.
- UNFAIR ADVANTAGE:** First to Market, Existing Software Tech-Experts, Market Not Saturated.
- CUSTOMER SEGMENTS:** Venue Owners, Patrons.
- CHANNELS:** Channel Partners AMG?, In-Content Owners Directly, Tracks Shows, Live, Drawing, Franchise, VEV, Elks, Associations, History.
- COST STRUCTURE:** Develop SW, Hardware, Marketing, COGS, Hardware.
- REVENUE STREAMS:** Sell Server App (cost Free), Potential Integration to Programming ad Networks, Ads in Free Client App, Pay 20% to drop ads, \$499.

The YouTube video player shows the video title "Steve Blank on Customer Development: The Second Decade" and the channel "LeanStartupCircleLA" with 17 videos and 14,951 subscribers. The video is currently at 0:00:09 / 1:33:29.

Next Steps

- Read Blogs
 - Watch Videos
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- Practice With Others
 - Attend LBC Meet-ups
 - Facilitators

