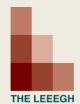
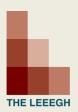
ENTREPRENEURSHIP IN RENEWABLE, ENERGY EFFICIENCY AND GREEN START UPS

DAY 1 – HOUR ONE - LEGAL



Concept/Overview – Naming Your Enterprise

- Need URL capability
- Unusual better for search engines
- Register with the State
- Possible Trademark
- Pick inexpensive logo for starters, but have one
- Check uspto.gov for trademarks
- If sole proprietorship, pick DBA status with State
- Colorado one letter difference is OK



Why Start A Business

- Need a compelling case statement from the point of view of the market, not your own point of view (use my skills, lifestyle desired, etc.)
- Market research must find potential, interested customers before you start a business
- Must understand pricing in the current marketplace
- Must understand costs, logistics, resources needed to start a business
- OK to create a board of advisors first, ROMD

How To Start A Business

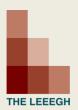
- Get the right team in place
 - Bookkeeper, Accountant
 - Lawyer
 - Supply Chain
 - Computers, office supplies
 - Location, if not your home
 - Check out incubators
 - Tax ID number
 - Stock/Promissory Notes
 - Document everything
 - Separate your personal finances from the business finances

Coherence – What Is In and What is Out of Your Business

- Start narrow and seek to dominate a niche
- Beware of scope creep, but do adjust if people are not buying what you are selling
- Listen to potential customers about what they want
- Build reputation right away
- Secure earned media
- Get consensus from your team members as to the
 scope of the business and when to expand

Who To Include In Your Business

- Buy sell agreements if they will own something
- Fill skills but hire integrity, good working relationships
- Interview 10 and bring in 1
- Hold on to equity if you can, sell it if you have to
- All contracts in writing and signed
- All HR files are complete on everyone including yourself



Supply Chain

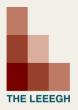
- Secure favorable credit terms
- Build a solid, and somewhat redundant supply chain
- Document all orders
- Document all order processing
- Demand excellence from supply chain even when you are small
- Inventory management is key to success
- Sometimes rent rather than buy or outsource
 non-essential activities
- Bank is part of your supply chain

When – The Art of Sequence

- Marvin Bower story
- Sequence is everything
- Business Planning get the order of doing things right
- ROMD
- Step by Step In order is essential, one step helps build the foundation for the other step

Where

- Location local, national, web
- Customer Segment where are the early adopters, the beta users
- Price point
- Product contents
- Service offering
- Where to speak, do PR, get your voice out
- Where to join, associations, boards
- Dominate your physical space



Defining Success, Setting Goals

- What does winning look like; a Win?
- Daily, Weekly, Monthly, Quarterly Stats
- Drivers of Success What are they and how to quanitfy them
- Eliminate time wasters even if they are people to stop list
- Budget time to accomplish X and stick to it
- Set calendar dates/deadlines and make consequences for failing to achieve these deadlines
- Reach consensus on what success looks like over every relevant time period
- To do list becomes a "to accomplish" list

Business Plan Competitions

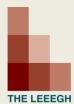
- Enter them yes, but be very selective
- Good feedback, but winning does not mean much
- Generally stay local because travel is so expensive
- William James Foundation, Milken Foundation
- Polish your business plan but don't stray to win
- Focus on team experience, build confidence in team, yourself, market opportunity and your ability to catch that market opportunity

The Role of Ethics

- Squeaky Clean
- Code of Ethics written, modify one from the web
- No pirated software or even borrowed without documentation of a proper license
- Profess ethics in your marketing
- Critical know the laws, regs that pertain to your business – lack of knowledge is a killer
- Background checks on everyone
- Firing is necessary for ethical violations
- Chief Ethics Officer give role to someone

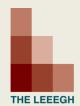
Legal Questions

15 minutes



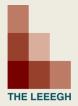
ENTREPRENEURSHIP IN RENEWABLE, ENERGY EFFICIENCY AND GREEN START UPS

DAY 1 – HOUR TWO - LEGAL



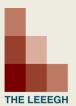
Distinction Between a Hobby and A Business

- Separate finances
- Set hard goals and hold others/self accountable
- Separate website/facebook existence, twitter/linked in identify
- Separate legal entity



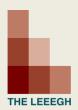
Corporate Forms – Legal Entities

- Sole proprietorship Schedule C
- Partnership General and Limited
- C corporation stock certificates
- DBA
- S corporation
- LLC unit holder certificates
- Nonprofit Organization



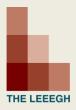
Corporate Forms - Continued

- Trade Association
- Family Limited Partnerships
- B corporations
- Low Profit Limited Liability Corporation
- Combination of for profit and nonprofit
- Franchise usually huge investment and you still need your own form of legal entity



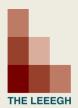
Other States

- Venturing into other states
 - registering to do business
- Taxes
- Presence
- Licenses and certifications in your area of expertise



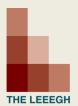
Other Countries

- Venturing into other countries local partners
- Start narrow and seek to dominate a niche
- Beware of BP problem
- Get help from UC Denver Business School or DU or CSU or Office of Economic Trade and Economic Development
- Financing overseas is possible
- Licenses Do this or go to jail Egypt example



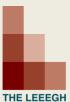
Market Segment – Be Clear

- B2b
- B2c
- Hybrid
- Retail
- Wholesale
- Web only, bricks and mortar format
- Customer focus



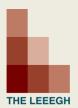
Governance and Boards of Directors

- Essential
- Often overlooked
- Takes time to get value
- Marketing, Resources, Strategy, Ideas
- Five to seven people with different backgrounds
- No pay at first
- Clear annual agenda for quarterly meetings
- Does cost time and money



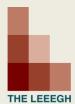
Hiring a Lawyer or Accountant

- Interview 3 each before you hire 1
- Must have good reason to hire one over the other
- Clear retainer agreement and fees
- Clear duties of lawyer
- Don't cut corners later is always more expensive
- If they can send you business, great, but not essential
- They become your legal filings and compliance department in all respects



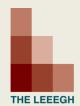
Legal Questions

15 minutes



ENTREPRENEURSHIP IN RENEWABLE, ENERGY EFFICIENCY AND GREEN START UPS

DAY 1 – HOUR THREE – INTELLECTUAL PROPERTY



Overview of IP

- Trademark applications and use of ® ™ ©
- Patent application first to file; provisional app.
 \$4,800 fast track system one year you hear
- Intellectual property creation,
- IP inventory and audit
- Nondisclosure agreements
- Noncircumvent agreements
- Trade secrets
- Uniqueness is the key
- Know Prior Art research

Technology Transfer

- IP
 - Can manufacture/build
 - Sell
 - License
 - Share/partner
 - Use as methods
 - Imbed into software/products/processes
 - Know what universities are doing in your area of expertise (all over the world)
 - Know what government has paid for in your area
 - Insurance for patents critical

Industry Specific Concerns

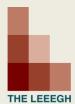
- Make sure no patent/trademark violations by your company
- Cease and desist letters very important
- Keep trade secrets trade secrets via need to know
- New law any new patent can be challenged and the hearing goes before a patent examiner and not the courts – will greatly expand patent challenges as cost of challenge is reduced
- Beware of patenting just for patenting sake

Value of IP

- Must be a real invention
- Must have customers
- Ownership of IP must be very clear or no value for selling it
- Trademark your logo or put ™ by it
- Trade secrets beware –they can walk out the door
- Contracts with employees that what they create while they work for company is owned by company

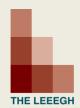
Legal Questions

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ENTREPRENEURSHIP IN RENEWABLE, ENERGY EFFICIENCY AND GREEN START UPS

DAY 1 – HOUR FOUR – CONTRACTS, CONTRACTS AND CONTRACTS



Contracts - Introduction

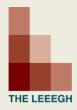
- rental agreements for office or other space
- lease agreements for equipment
- employee contracts
- payroll service contracts
- professional service contracts
- vendor contracts
- sharing of equipment/space contracts
- Everything in writing, properly filed
- Negotiate hard and buy intelligently

Supply Chain

- Difference Between Managing and Leading Your Supply Chain
- Spot/Price or Value Purchaser
- Transactional Efficiency vs. Winning Negotiations at the cost of time
- Risk of nonperformance
- Standards of performance
- Insurance
- Assessing the costs of business interruption –

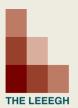
Permits and Zoning

- Not much of an issue if you rent
- Huge issue when you get bigger or when you work out of your home office
- Never miss this issue
- Penalties for violation can put you out of business in a hurry



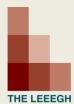
Franchising

- Background
- Long contracts
- Challenging terms
- Interview at least 10 franchisees before signing on
- Understand the cash flow issues
- Know your rights and limitations/rules
- Significant economies of scale
- This area will come to renewables and EE



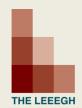
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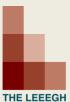
ENTREPRENEURSHIP IN RENEWABLE, ENERGY EFFICIENCY AND GREEN START UPS

DAY 1 – HOUR FIVE – BANKING, HIRING, AND CASH NEEDS/CASH FLOW ANALYSIS



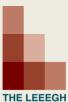
Banking

- How to select
- Line of Credit
- Credit Cards
- Signature authority
- Balance requirements vs. fees
- Relationship with Banker
- When to look for another bank
- Giving the bank your business plan



Hiring and Payroll

- Contracts
- Independent Contractors
- Benefits
- Duties
- Insurance
- Payroll Administration
- PEO's
- Immigration laws

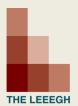


Financial Relations Between Owner and Company

- Contracts in writing
- Expense reimbursement
- Health care expenses payment
- Retirement
- Vacation
- Loaning the Company Money
- Types of Stock voting, class b, options, vesting,
- Position on board of directors/advisors

Buying A Business vs. Starting One

- Always look for a business to buy why
- Great competitive analysis
- Helps you find partners
- Helps you see the real challenges
- May buy one small part of a business to help start your company
- May help you sell your business someday
- Co-opetition
- Do the math analyze cost-benefit of buy v. start



Mentoring for Your Business

- SCORE
- Your board of advisors can provide 35 benefits to your company
- Associations and conferences
- Intentional Networking
- Write articles and get them reviewed
- Show people your business plan and get comments
- Ask people for help

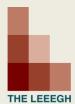
ESG and Predicting Success

- Environmental, Social & Governance
- The book: Good Company: Business Success in the Worthiness Era – useful
- Build your reputation starting six months before you start your business
- Give speeches on the value of your industry, not the value or utility of your company
- Tell your story in the context of the social,
 economic and political conditions of our time

Legal Questions

15 minutes

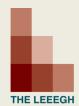
March 5, 2012



ENTREPRENEURSHIP IN RENEWABLE, ENERGY EFFICIENCY AND GREEN START UPS

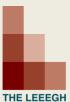
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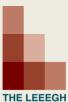
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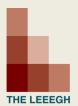


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