

<1>

Since this is the first week, we'll start at 7:05pm

Bret Waters

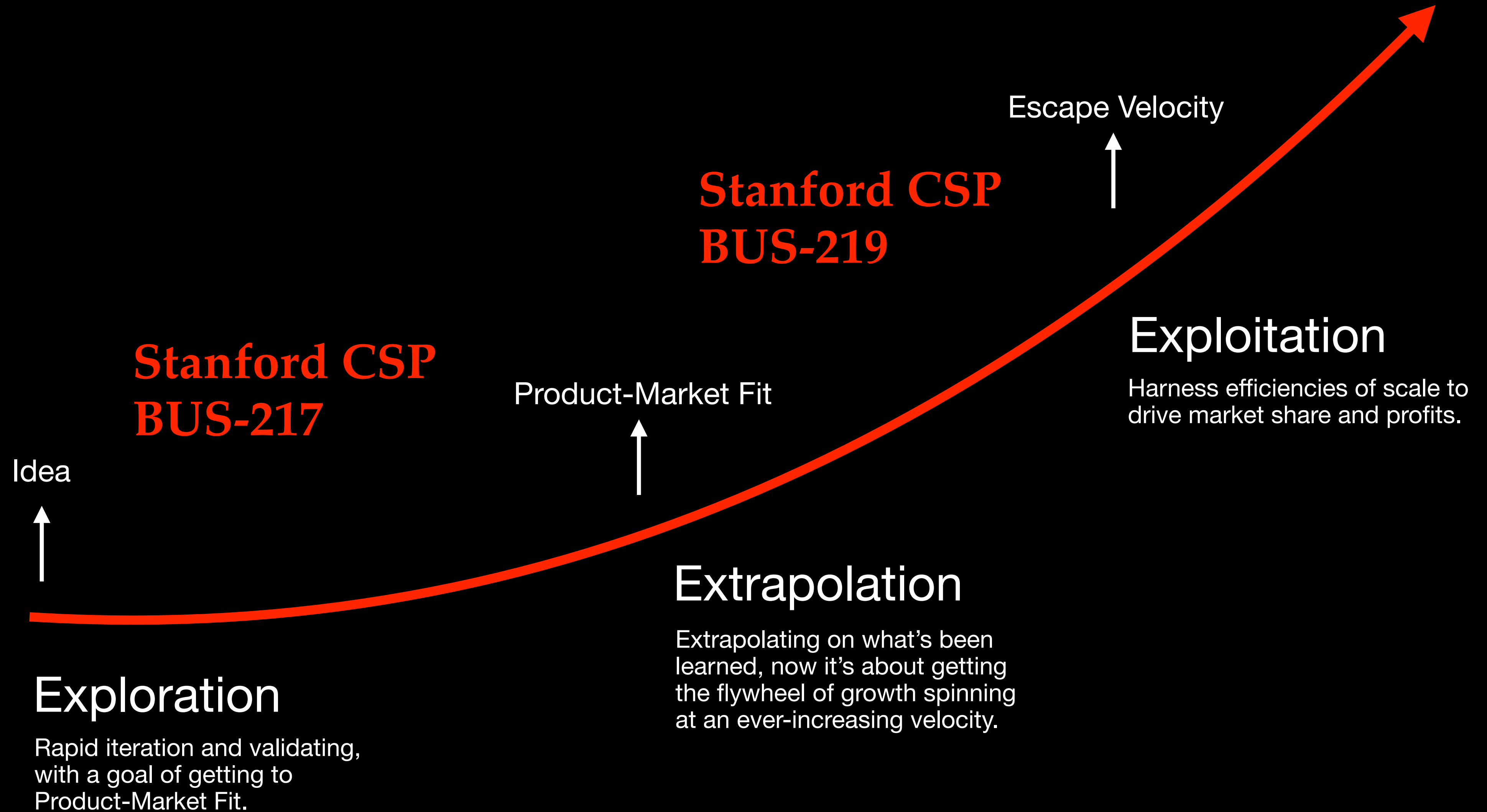
Founder and CEO of three Silicon Valley software companies:

- **Metagraphics – developed the first web-based document generation engine.
Sold to Linotext America.**
- **Aremachine – developed the first pure-SaaS digital media management system.
Sold to OpenText.**
- **Tivix – developed fintech systems for major banks around the world.
Sold to Kellton.**

Now I teach two entrepreneurship courses at Stanford.



Stages of a venture.



Bret Waters

I have also run two nonprofit organizations:

- **President of Woodside School Foundation**

A 501(c)3 non-profit focused on local K-12 education, managing a \$10 million endowment.

- **Interim CEO of Stanford New Schools**

A 501(c)3 non-profit charter school management organization operated by Stanford University.

For the past 15 years I've coached startup CEOs at Miller Center for Global Impact.



Entrepreneurship

“The pursuit of opportunity, without regard for resources currently controlled”.

**Howard Stevenson
Harvard Business School**

**With regard to startup success,
what do you think matters most?**

Ideas are cheap. Execution is hard.

Here are some startup ideas that failed, but became a billion dollar business.

YouTube thought their main use case would be video dating.

Android's idea was an OS for digital cameras.

Uber's idea was a fleet of company-owned cars, called "UberTaxi".

Instagram's idea was a mobile check-in app (like Foursquare) called "Burbn".

The Twitter team's idea was a Flash-based podcasting platform called "Odeo".

Slack's original idea was a video game studio.

**These companies are not a success
because of the idea.**

**They are a success because after the idea
failed the founders were good enough to find
a path to success after the idea failed.**

**My goal with this course is to make you one
of those founders.**

So where do great startup ideas come from?

“The verb you want to be using with respect to startup ideas is not “think up” but notice. The way to get startup ideas is not to try to think of startup ideas. **It’s to look for problems.”**

**- Paul Graham
Co-founder of Y-Combinator**

Uber was born when a group of friends spent \$800 to hire a private driver and then listened to the driver talk about how much downtime he had every week, waiting for business.

Airbnb was born when roommates in San Francisco needed to rent out a spare bedroom to pay the rent.

Cisco was born when two computer administrators at Stanford were frustrated by slow network speeds.

This is often how great startups begin, when a founder notices a problem worth solving and **falls in love with solving that problem**

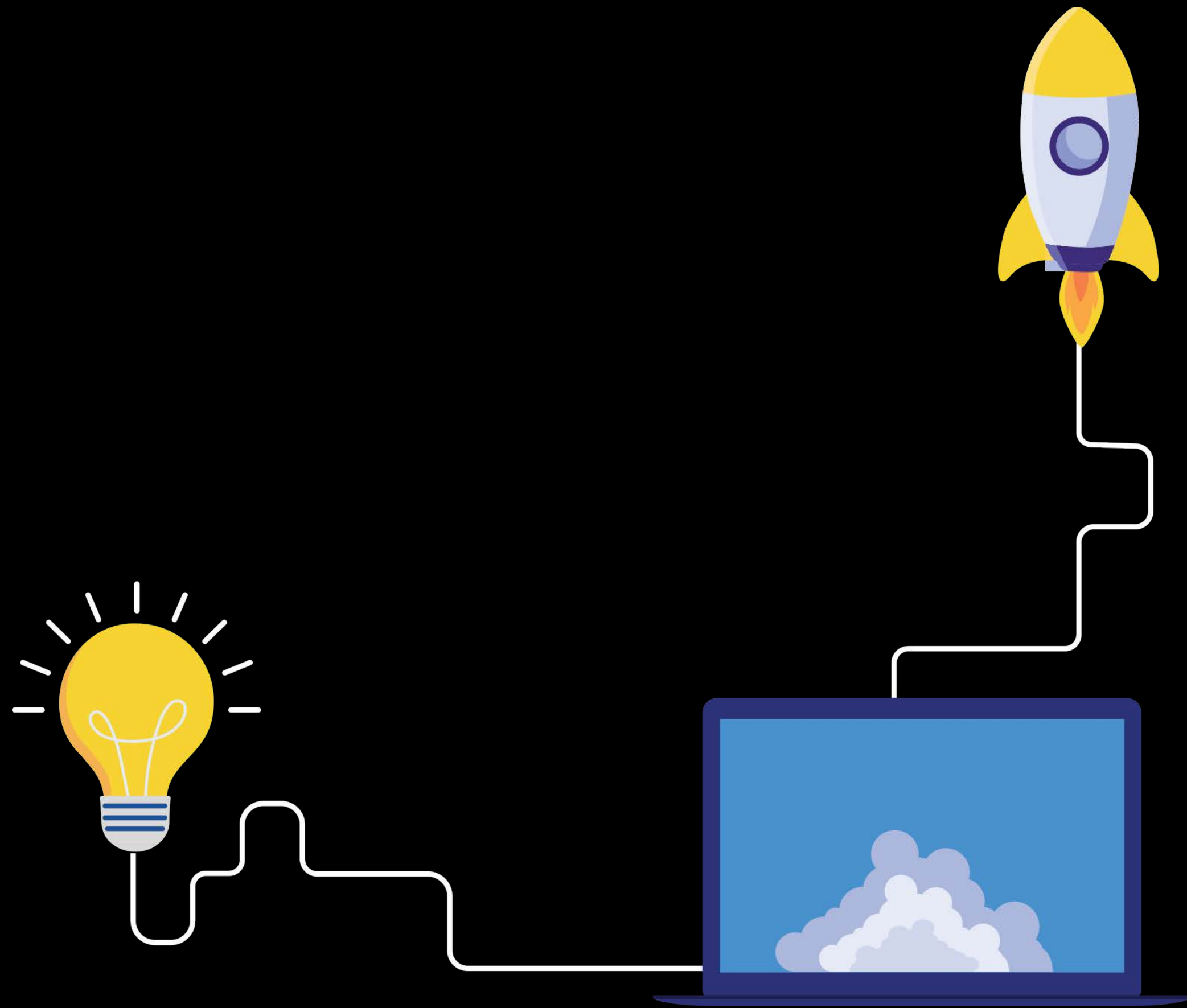
In my career, I've worked with hundreds of startup founders. I've seen patterns with regard to which ones succeed and which ones fail.

Based on these patterns, I've put together an 8-step process for getting from a startup idea to a launched and funded venture, poised for success.

That's what this course is about.

The Launch Path.

BUS-217: Eight steps to a successful startup.



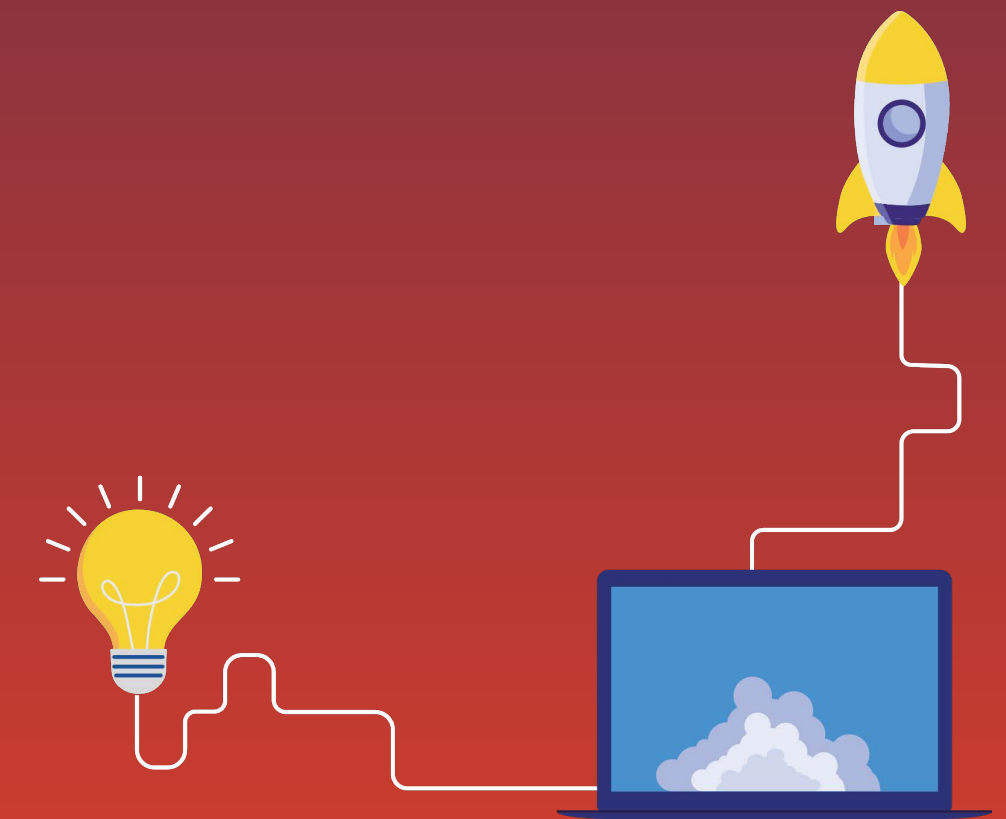
- 1) Listen to the waves.**
- 2) Build something people want.**
- 3) Draw the landscape.**
- 4) Create an engine of growth.**
- 5) Engineer an economic model.**
- 6) Create a capital strategy.**
- 7) Frame a Funnel.**
- 8) Be a Master Storyteller.**

STEP 1:

Listen to the Waves.

Where do successful startups begin?

Most great startups begin with a founder who notices a problem worth solving.

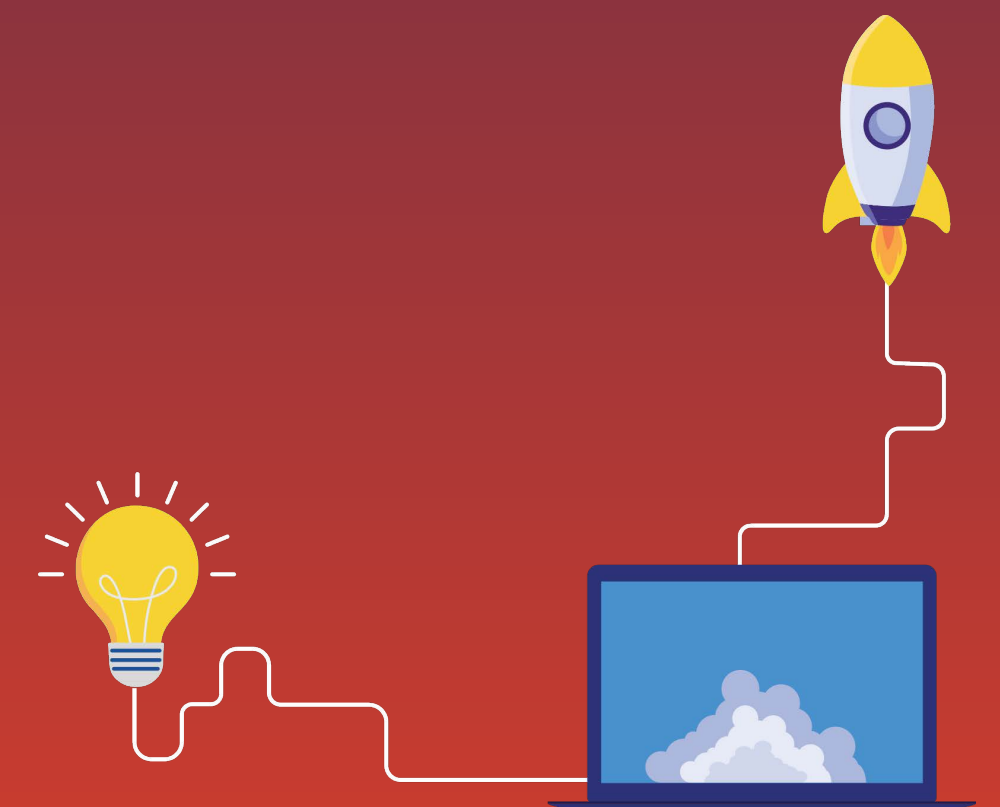


STEP 2:

Build something people want.

Don't build what you think is cool. Build what customers value.

The only thing that matters is getting to Product-Market Fit. The way to get there is via a series of small experiments.

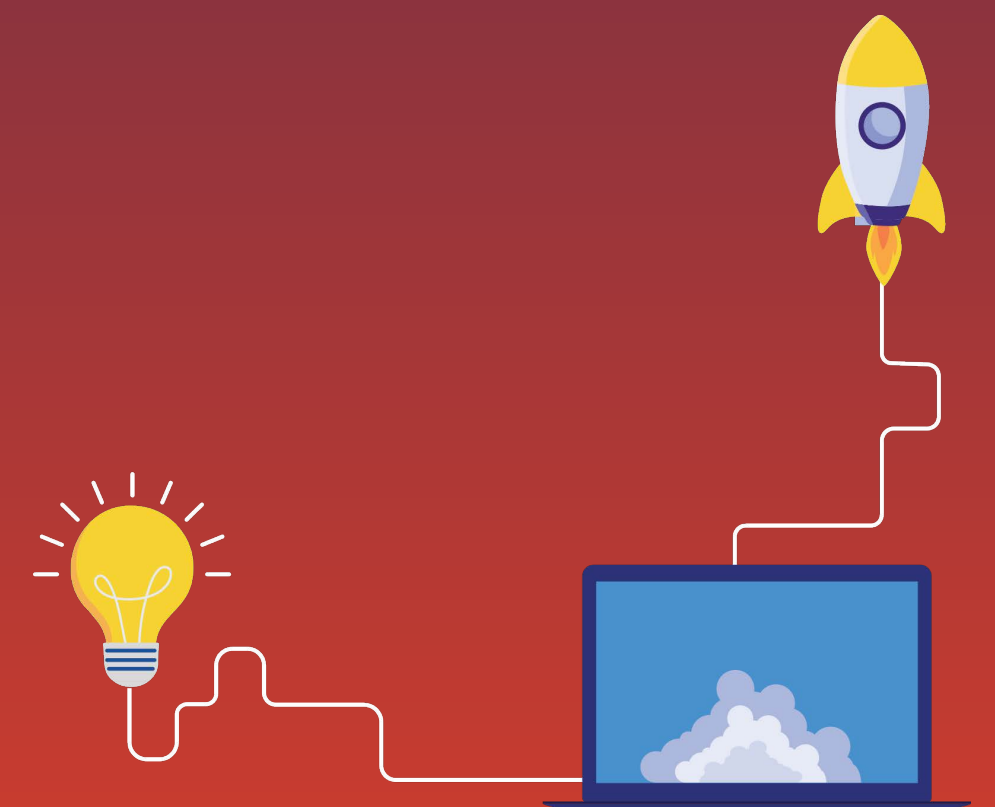


STEP 3:

Draw the Landscape.

Understand the landscape of competitors and alternatives.

Every startup operates within a landscape of competitors and alternatives. Understand how you fit into that landscape.



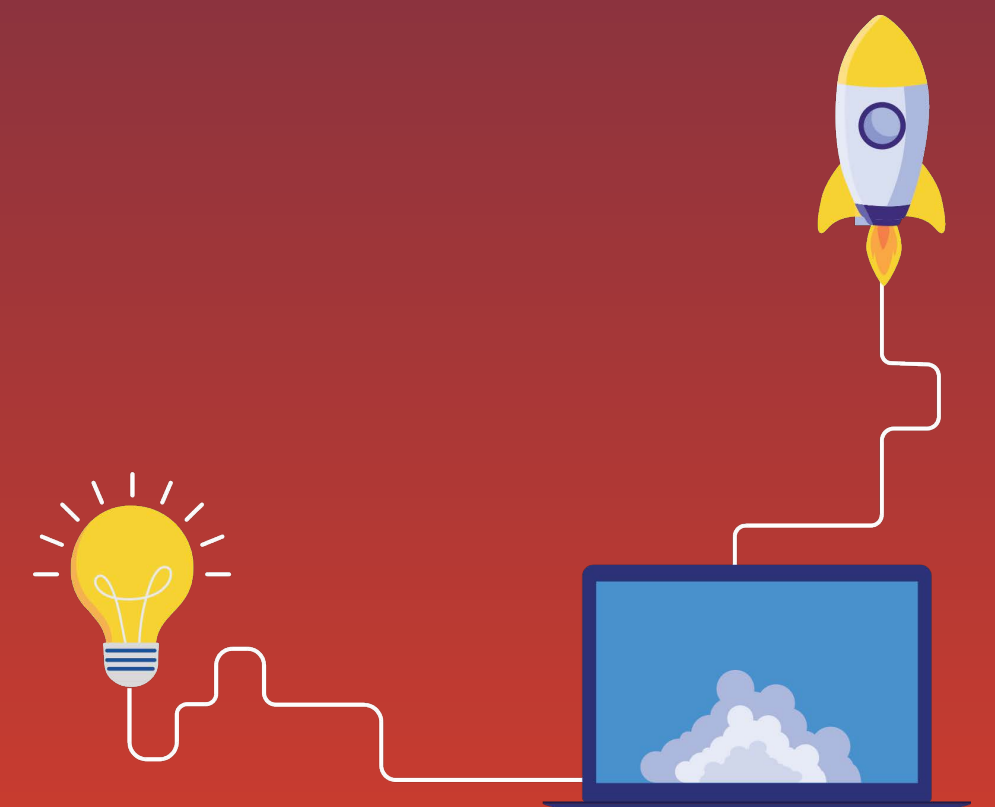
BUS-217

STEP 4:

Build a Engine of Growth.

You're gonna need a good business model.

A business model is the rationale by which an organization creates, delivers, and captures value.



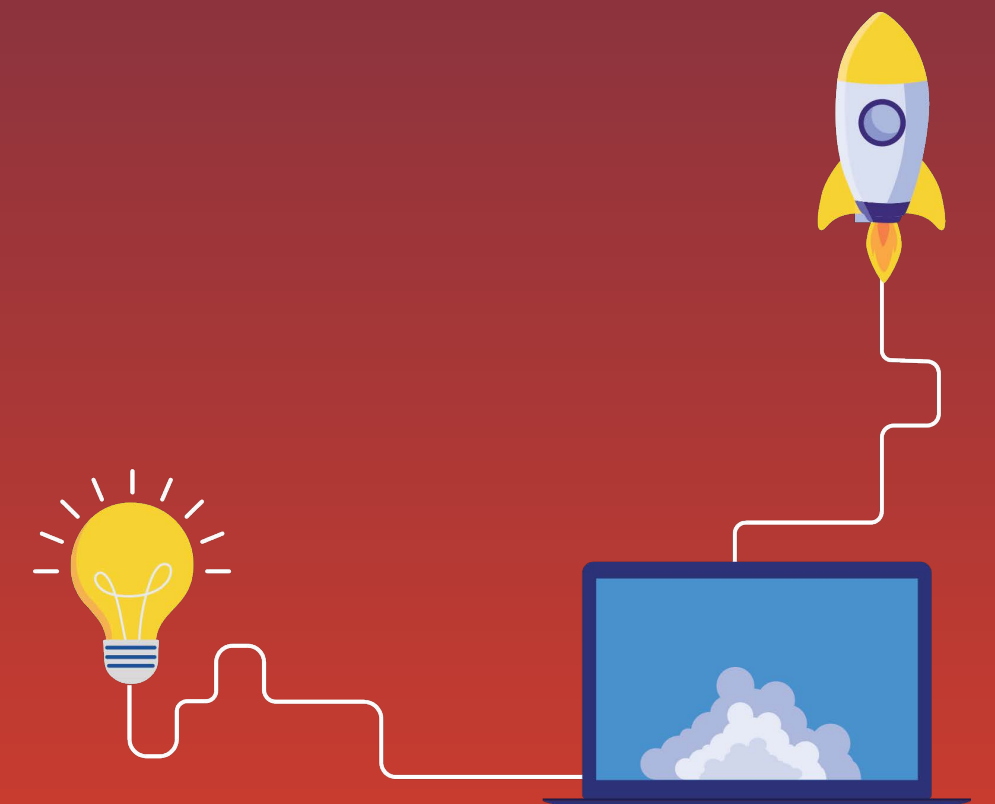
BUS-217

STEP 5:

Engineer an Economic Model

The numbers need to work.

Ultimately, it just distills down
to one equation: $CAC < LTV$.



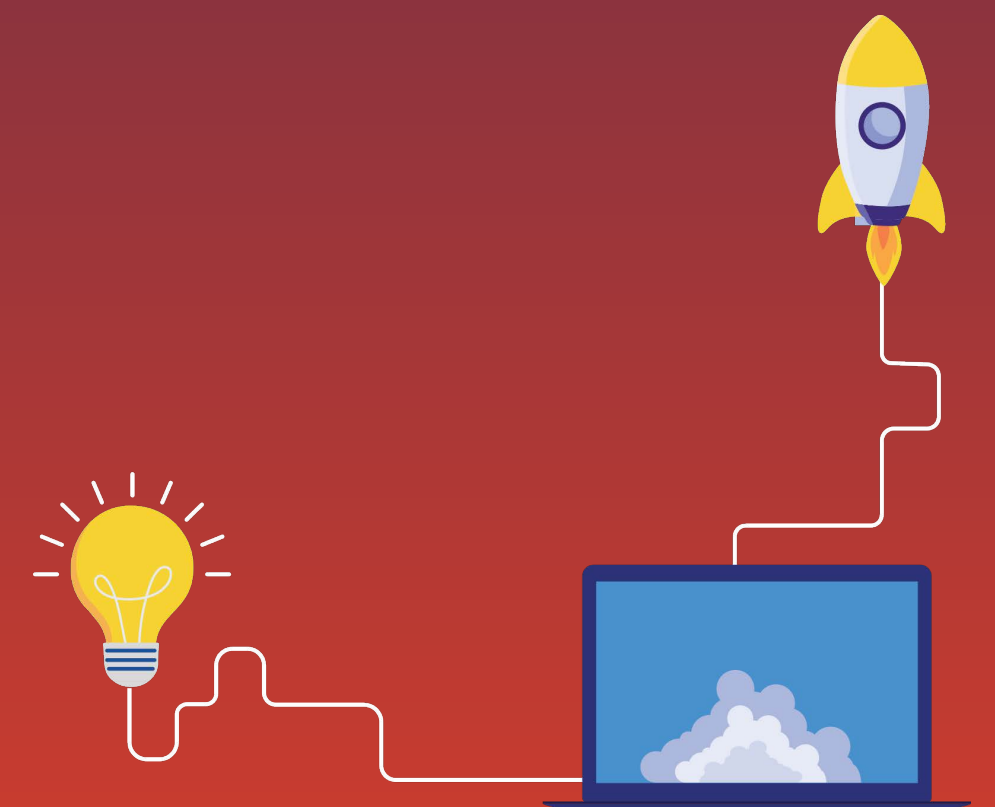
BUS-217

STEP 6:

Create a Capital Strategy.

Bootstrap? Seedstrap? Venture Capital?

In 2026 there are more sources and structures of startup capital than ever before. Choose the one that best aligns interests.

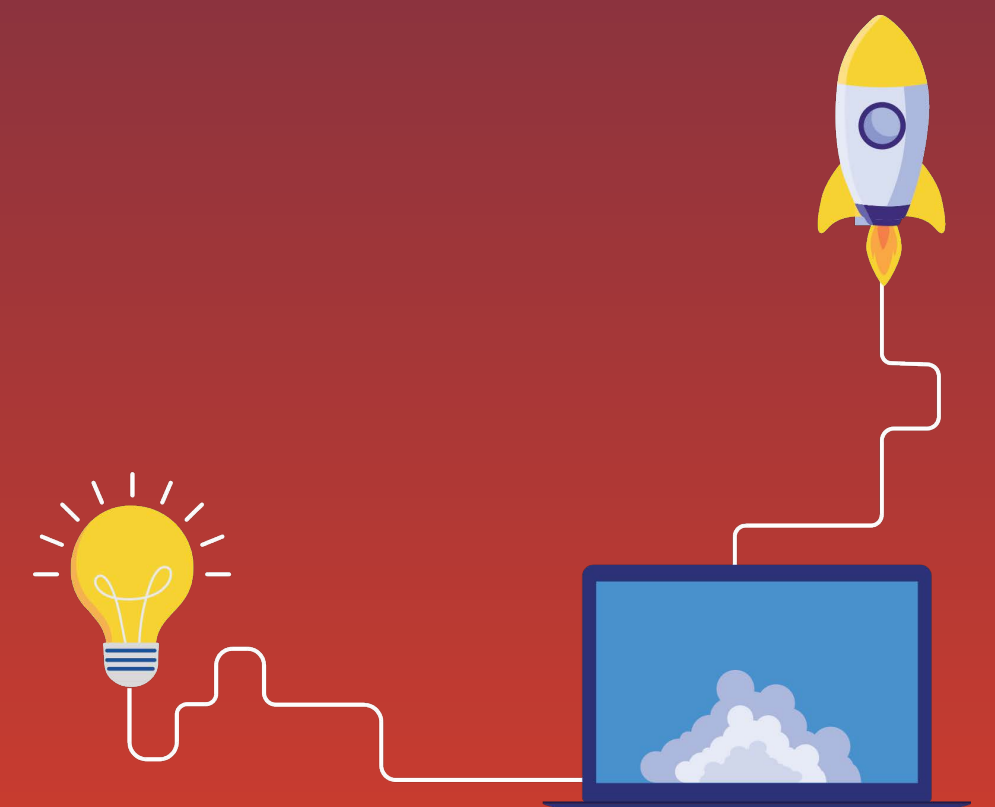


STEP 7:

Frame a Funnel

We need a scalable process for getting customers at a rational cost.

Most startups die from lack of customers. Others die because the CAC is too high. Let's avoid both.

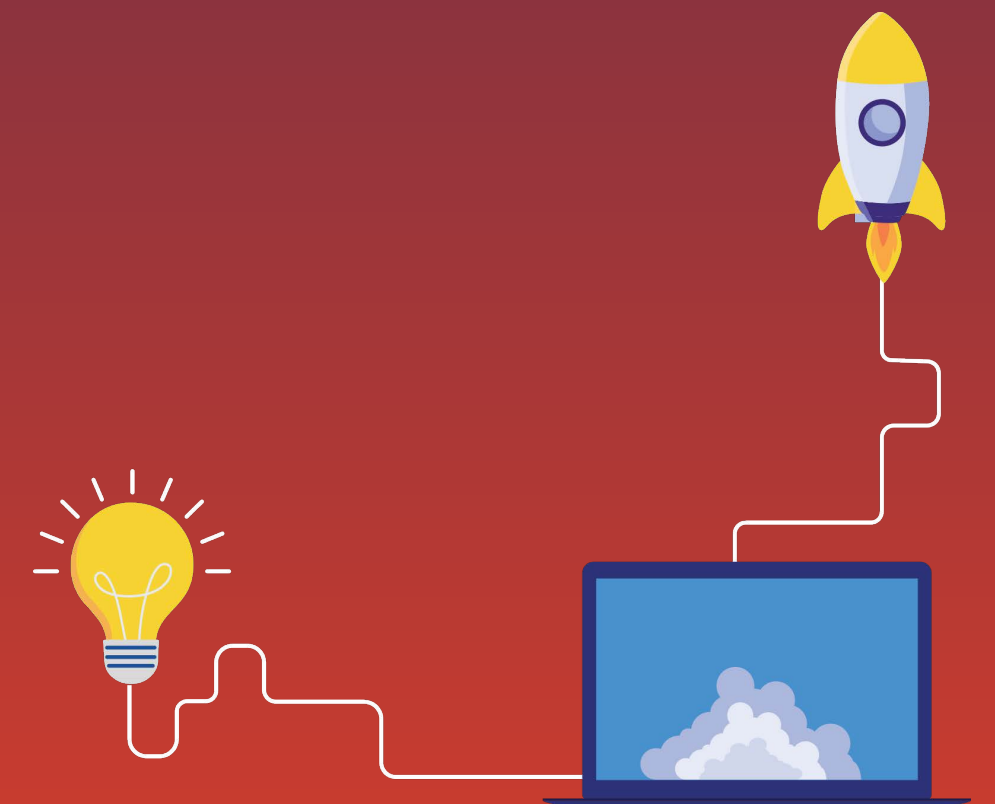


STEP 8:

Be a Master Storyteller.

Communicate the vision to customers and stakeholders.

Every great entrepreneur has the ability to tell a crisp, clear, and compelling story about what she's working on, and why it matters.



BUS-217

The Launch Path Canvas 2.0

THE WHY

<p>Problem</p> <p>One clear sentence that articulates the problem your startup solves.</p>	<p>Solution</p> <p>How does your venture solve the problem you have articulated? Keep this short and concise!</p>	<p>Why it Matters</p> <p>Why is this a problem worth solving?</p>
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PM(D)F

<p>Path to PMF</p> <p>What is your plan for getting to Product-Market Fit?</p>	<p>PMF Metrics</p> <p>As you work your way toward Product-Market Fit, what are the key metrics that matter?</p>	<p>Distribution</p> <p>What are your distribution channels? Direct to consumer, or via resellers, or?</p>
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<p>Economics</p> <p>What are the Unit Economics for this venture, what do we expect the CAC:LTV to look like, and what are our capital needs?</p> <p>Unit Economics: _____</p> <p>Customer Economics (CAC:LTV goal): _____</p> <p>Enterprise Economics (runway): _____</p> <p>Link to a full visualization.</p>	<p>Capital Strategy</p> <p>What source and structure of capital will best align interests between founders, employees, shareholders, and investors?</p>
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ECONOMICS

<p>Landscape</p> <p>This is a list of competitors and alternatives. When a customer looks at alternative ways to solve the problem your startup solves, what will they see?</p> <p>Link to a full visualization.</p>	<p>ICP</p> <p>What do you think your startup's Ideal Customer Profile will be?</p> <p>Link to a full visualization.</p>
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<p>Positioning</p> <p>Within this landscape of competitors and alternatives, how is your venture positioned?</p>	<p>Trigger</p> <p>What makes someone suddenly be in the market for what your startup provides?</p>
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<p>Unfair Advantage</p> <p>What unique advantage does your startup have that may help to defend from competitors?</p>	<p>Top 3 Benefits</p> <p>What are the top 3 benefits that your product or services provides to customers?</p>
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COMPETITION

CUSTOMERS

The Launch Path Canvas 2.0

THE WHY

<p>Problem</p> <p>One clear sentence that articulates the problem your startup solves.</p>	<p>Solution</p> <p>How does your venture solve the problem you have articulated? Keep this short and concise!</p>	<p>Why it Matters</p> <p>Why is this a problem worth solving?</p>
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Landscape

This is a list of competitors and alternatives. When a customer looks at alternative ways to solve the problem your startup solves, what will they see?

[Link to a full visualization.](#)

ICP

What do you think your startup's Ideal Customer Profile will be?

[Link to a full visualization.](#)

PM(D)F

<p>Path to PMF</p> <p>What is your plan for getting to Product-Market Fit?</p>	<p>PMF Metrics</p> <p>As you work your way toward Product-Market Fit, what are the key metrics that matter?</p>	<p>Distribution</p> <p>What are your distribution channels? Direct to consumer, or via resellers, or?</p>
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Positioning

Within this landscape of competitors and alternatives, how is your venture positioned?

Trigger

What makes someone suddenly be in the market for what your startup provides?

<p>Economics</p> <p>What are the Unit Economics for this venture, what do we expect the CAC<LTV to look like, and what are out capital needs?</p> <p>Unit Economics: _____</p> <p>Customer Economics (CAC:LTV goal): _____</p> <p>Enterprise Economics (runway): _____</p> <p>Link to a full visualization.</p>	<p>Capital Strategy</p> <p>What source and structure of capital will best align interests between founders, employees, shareholders, and investors?</p>
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Unfair Advantage

What unique advantage does your startup have that may help to defend from competitors?

Top 3 Benefits

What are the top 3 benefits that your product or services provides to customers?

ECONOMICS

COMPETITION

CUSTOMERS

The Launch Path.

BUS-217: Eight steps to a successful startup.

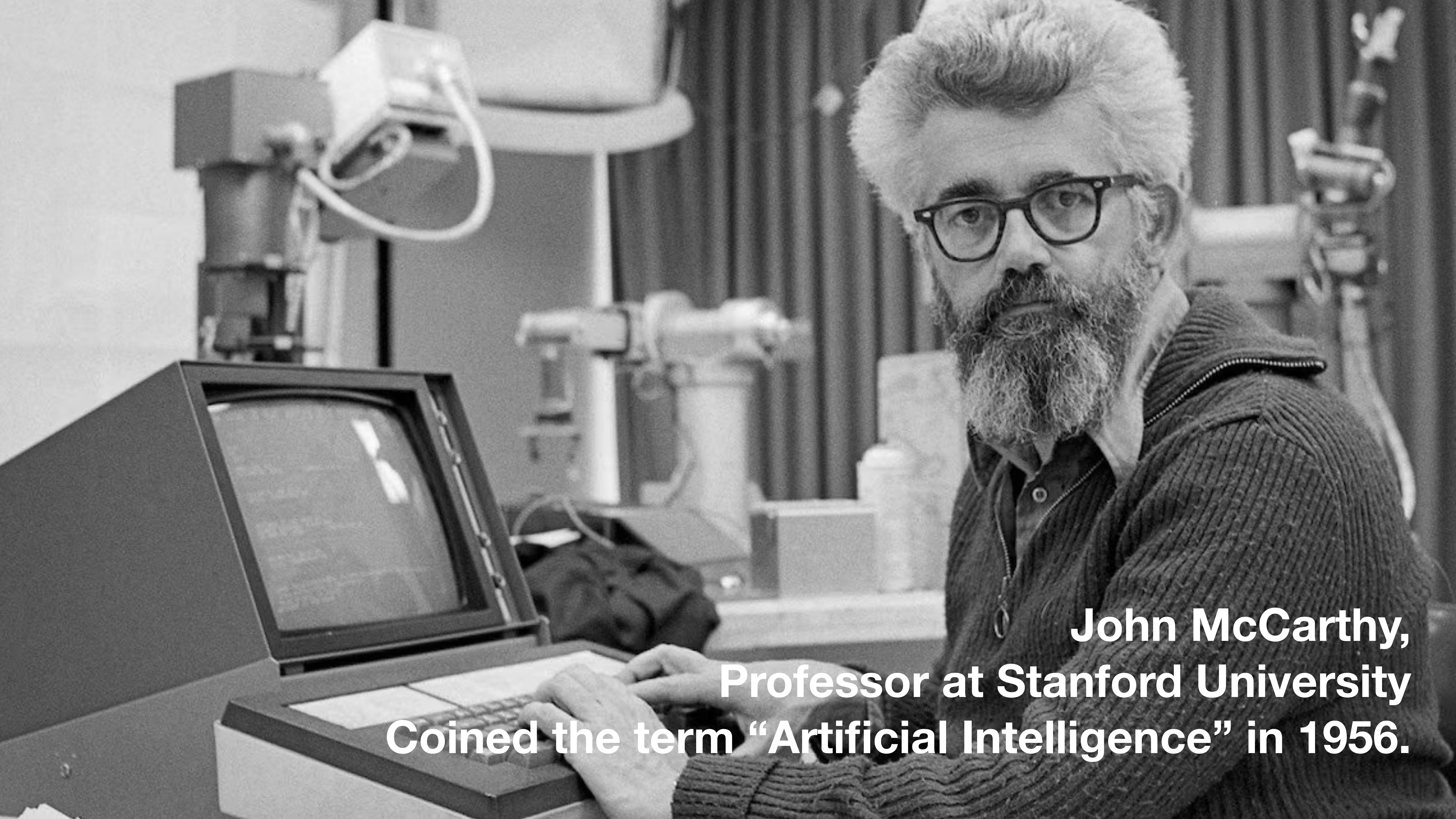
- 1) Listen to the waves - April 15**
- 2) Build something people want - April 22**
- 3) Draw the landscape - April 29**
- 4) Create an engine of growth - May 6**
- 5) Engineer an economic model - May 13**
- 6) Create a capital strategy- May 20**
- 7) Frame a Funnel - May 27**
- 8) Be a Master Storyteller - June 3.**

Each week I will post an example deliverable for our fictional class venture.

Your assignment each week will be to produce that deliverable for your own startup.

10 minute break.

AI



**John McCarthy,
Professor at Stanford University
Coined the term “Artificial Intelligence” in 1956.**

What island nation has benefited from AI more than any other?

Internet top level domain names (TLDs) are assigned to countries (.uk, .pt, .es).

The TLD “.ai” is owned by the island nation of Anguilla.



**NORTH ATLANTIC
OCEAN**

**TURKS AND
CAICOS ISLANDS**

**BRITISH
VIRGIN ISLANDS**

ANGUILLA

SAINT MARTIN

**ANTIGUA AND
BARBUDA**

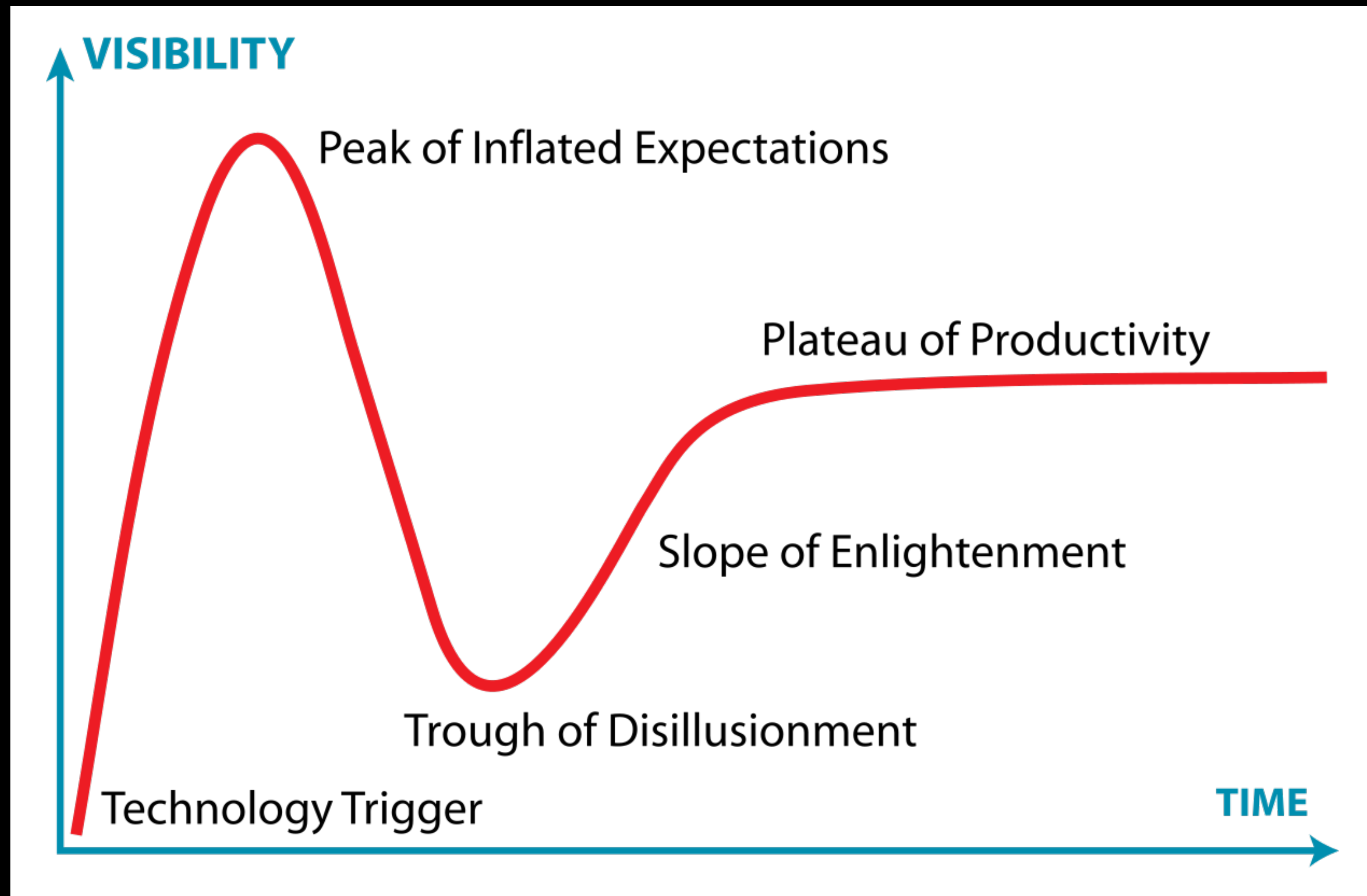
**SAINT
KITTS**

CARIBBEAN SEA

Last year, the island country of Anguilla had \$32 million in revenue from selling “.ai” domain names – representing over 20% of the government’s income.



The Gartner Hype Cycle



So where are we with AI right now?

AI is changing everything right now.

Each week, I will post suggestions on how AI tools can help with each step of the Launch Path.

Please share your own tips and experiences in the **#ai_for_startups channel on Slack.**

Pre-Course Survey

Please take 2 minutes to tell me about yourself. This will help me to get to know you and to tailor the course content appropriately.

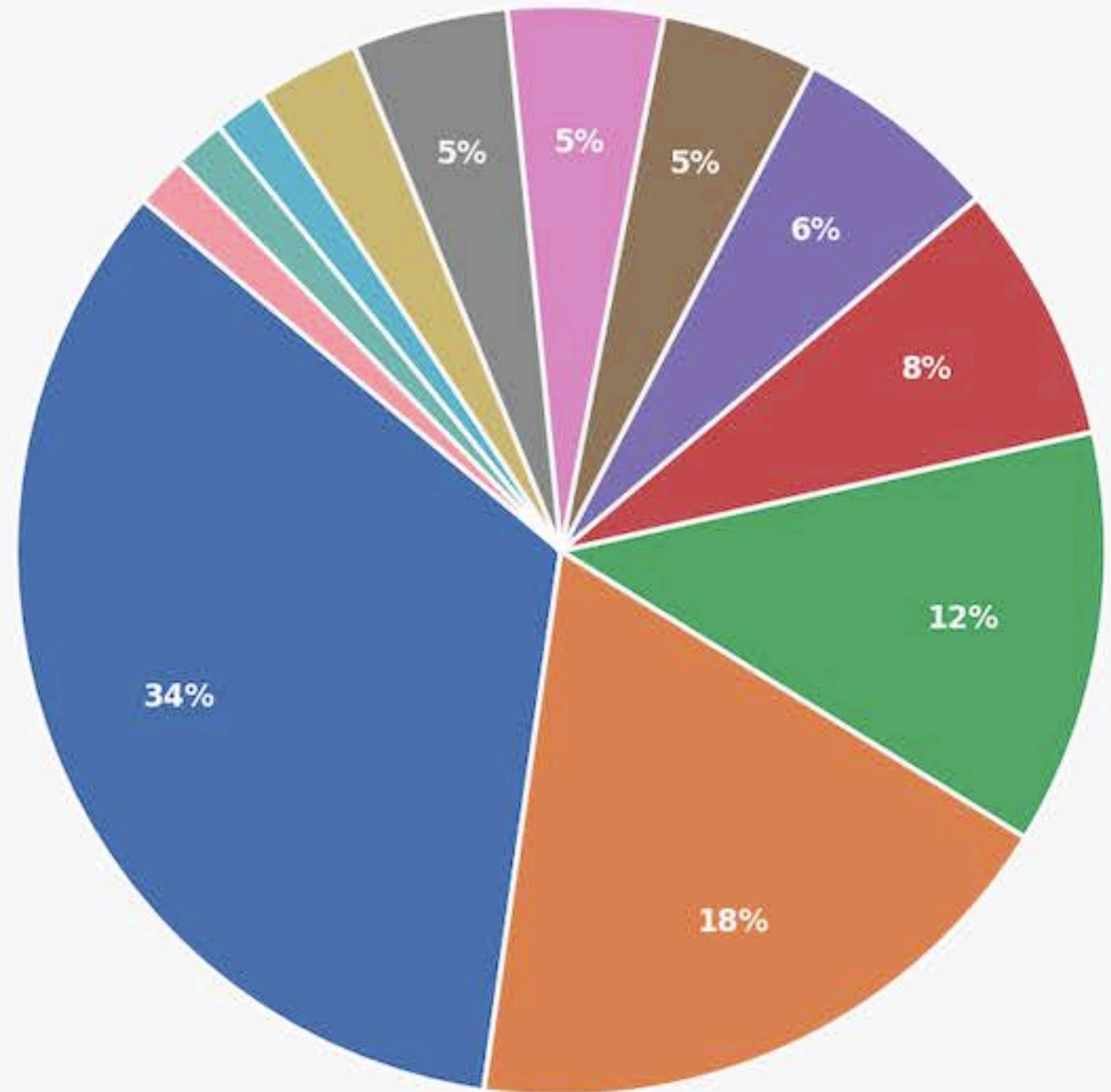
Your Name *

You would like your name tag to be:

In your professional life today you are a: *

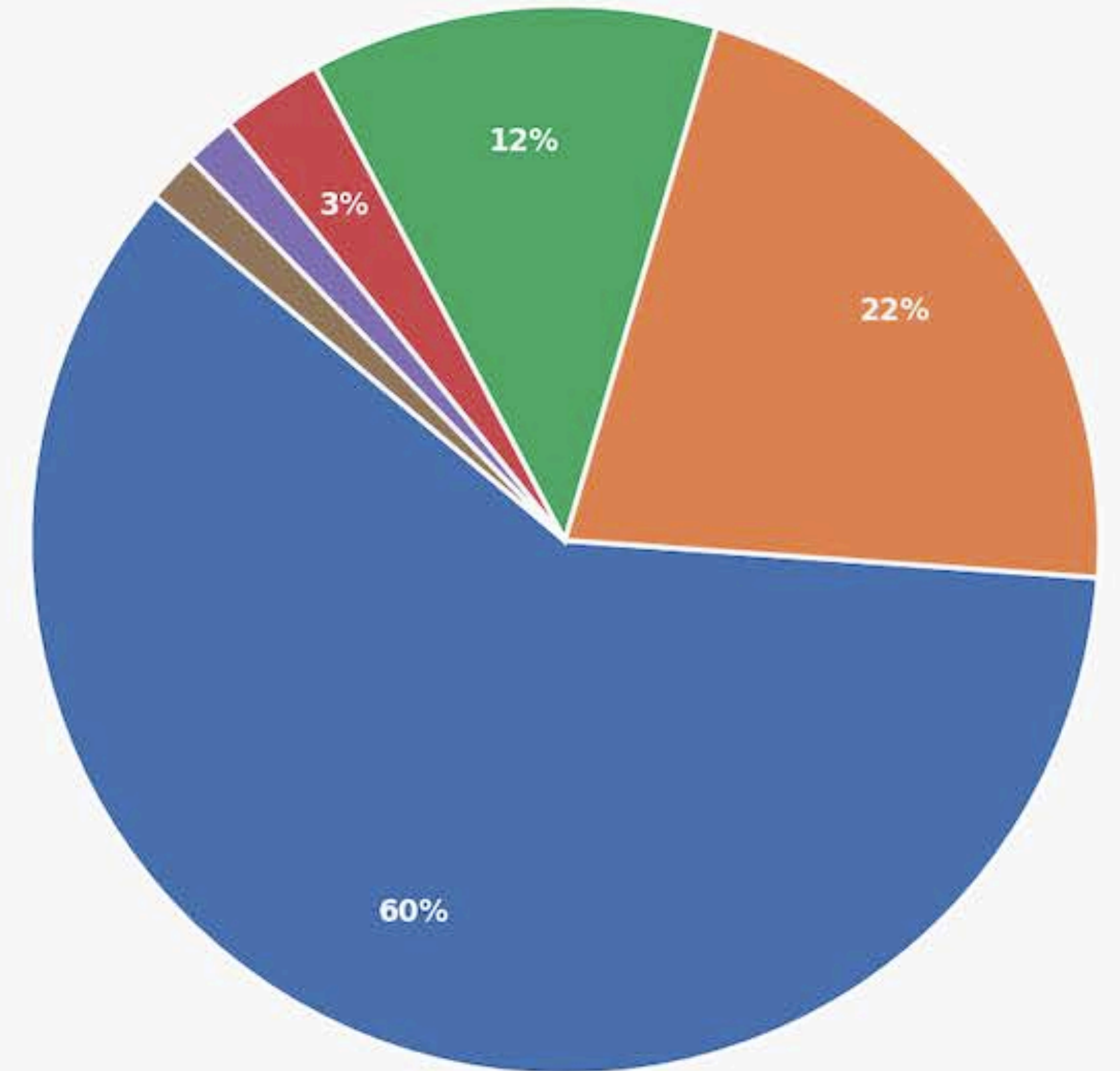
Pre-Course Survey Responses

Professional Role



- Engineer (22)
- Business Exec (12)
- I have no idea what I am. (8)
- Marketing Person (5)
- Medical Professional (4)
- Sales Professional (3)
- User Experience Professional (3)
- Full-Time Awesome Parent (3)
- Lawyer (2)
- Finance Person (1)
- Academic (1)
- Investor (1)

Why I'm Taking This Course



- Start a venture (39)
- Scale an existing venture (14)
- Just interested in startups (8)
- Start/scale a nonprofit (2)
- Spouse drove me here 😊 (1)
- Thought it was a poetry class 😊 (1)

superpower

Positive attitude and quick learner.

Making connections, seeing opportunities, listening

Building teams - as the mastermind to amplify ideas.

Creativity and adaptability.

I can turn deep technical complexity into clear strategic direction that other can act on.

I'm strong at reading people and situations.

I'm good at turning ideas into action.

I am fairly good at poetry.

I want it, I get it

Hyperfocus.

I've been better than everyone else in identifying the best directions to focus on within existing companies

Coming up with plans and ideas

My superpower is connecting strategy, storytelling, and technology.

My personal superpower is using creativity to create impact.

Connecting the dots across disciplines and integrating ideas from different fields.

Turning ambiguity into clear, executable action.

I don't give up. I make things happen.

I have amazing memory skills especially when it comes to interacting with people,

Managing complexity. Designing new concepts. Analyzing, structuring — and turning it all into clear strategy.

Giving things meaning.

Creativity, vision, problem solving

Sleeping well on airplanes.

Communication

Everyday start over, get better, work hard.

I have a curious mind and strive to understand everything that interests me down to the smallest details.

Breaking down complex ideas into simple building blocks

Administrative details.

Administrative details:

Eight Wednesdays, 7pm - 8:50pm.

Interactive format - ask questions, and bring thoughts!

Be respectful, raise your hand, ask good questions and let others do the same.

Our primary communication between classes will be Slack.

I will give you 100% and ask that you please do your part.

Grade Options:

When you registered for the course you selected your grade preference:

- **NGR (No Grade Requested)**

You do not need to do any assignments.

- **Credit/No Credit**

To receive credit, you need to attend at least 6 out of 8 class sessions and participate in class and Slack discussions.

- **Letter Grade**

Grade is based on attendance, participation, and one assignment (a slide deck) to be turned in at the end of the course.

We will have occasional optional Zoom-based side-sessions.

**For example, we'll do one on
Nonprofits and Social Ventures.**

On our last night together, we will have a pitch night and I'll have some investor friends here to judge pitches.

We'll choose one Grand Prize Winner together who gets \$1 million (fake money).

CO
HO



Every week I'll be at the CoHo an hour before class.

Join if you want for discussion, food, and beverages.

Purely optional.



Several students will be at an after-class meetup every week at The Patio in Palo Alto. Join for additional discussion. I do not go (too late for old men).

bus217.org

bus217.org

The class website will provide all of the content you need.

(I do not use Canvas).

BUS-217

Accelerate your startup idea.

This course is about getting from a startup idea to a launched and successful venture, in eight steps.

• Bret Waters • Wednesdays, 7:00 – 9:00 PM • 8 weeks • Spring 2026

WEEK BY WEEK

01 **Listen to the Waves**
Where do great startup ideas come from? What are the factors that tend to drive startup success — or failure?

02 **Build Something People Want**
We've all seen startups spend time and money building something no one wants. What process can we follow to avoid this?
COMING SOON

03 **Draw the Landscape**
Every venture operates within a landscape of competitors and alternatives. How do we position ours for success?
COMING SOON

04 **Create an Engine of Growth**

QUICK LINKS

[Launch Path Canvas](#)
[Slack Workspace](#)
[Private LinkedIn Group](#)
[Recommended Reading](#)

THIS WEEK'S ASSIGNMENTS

In the #social channel on Slack, post a picture of your favorite childhood food. Bonus points if it's something characteristic of the part of the world that you are from.

In the #problem_statement channel on Slack, write a problem

bus217.org

Each week I will post a complete recap with videos, additional reading material, assignments, resources, and more.

BUS-217 · WEEK 1

Listen to the Waves

BUS-217 / Syllabus / Week 1

THIS WEEK'S READING

"You can't wait for inspiration. You have to go after it with a club."

— JACK LONDON

From my house in the heart of Silicon Valley, I can hop in my car and be on the coast in about a half-hour. I typically do this several times a week and take my dog for a long walk on the beach. The beaches here in Northern California are often foggy and moody, and I do some of my best thinking while walking the coast, throwing a tennis ball for the dog, and watching the steady parade of waves crashing up on the shore.

But where do great startup ideas come from? Do they suddenly spring into your head during a long walk on the beach?

We'll get to that, but first, let's start with a definition of entrepreneurship. The one I like to use comes from Harvard Business School professor Howard Stevenson:

"Entrepreneurship is the pursuit of opportunity without regard to resources currently controlled."

What I love about this definition is that it captures the notion that when a great entrepreneur sees opportunity, he doesn't worry about whether he currently has the necessary resources to go after

LECTURE SLIDES

Week 1 Slides
PDF · Download

GOING DEEPER

Using AI for Week 1
Finding & testing your idea

VIDEO

Watch this week's lecture ↓

ADDITIONAL READING

Vitamins and Painkillers
Bret Waters · BUS-217

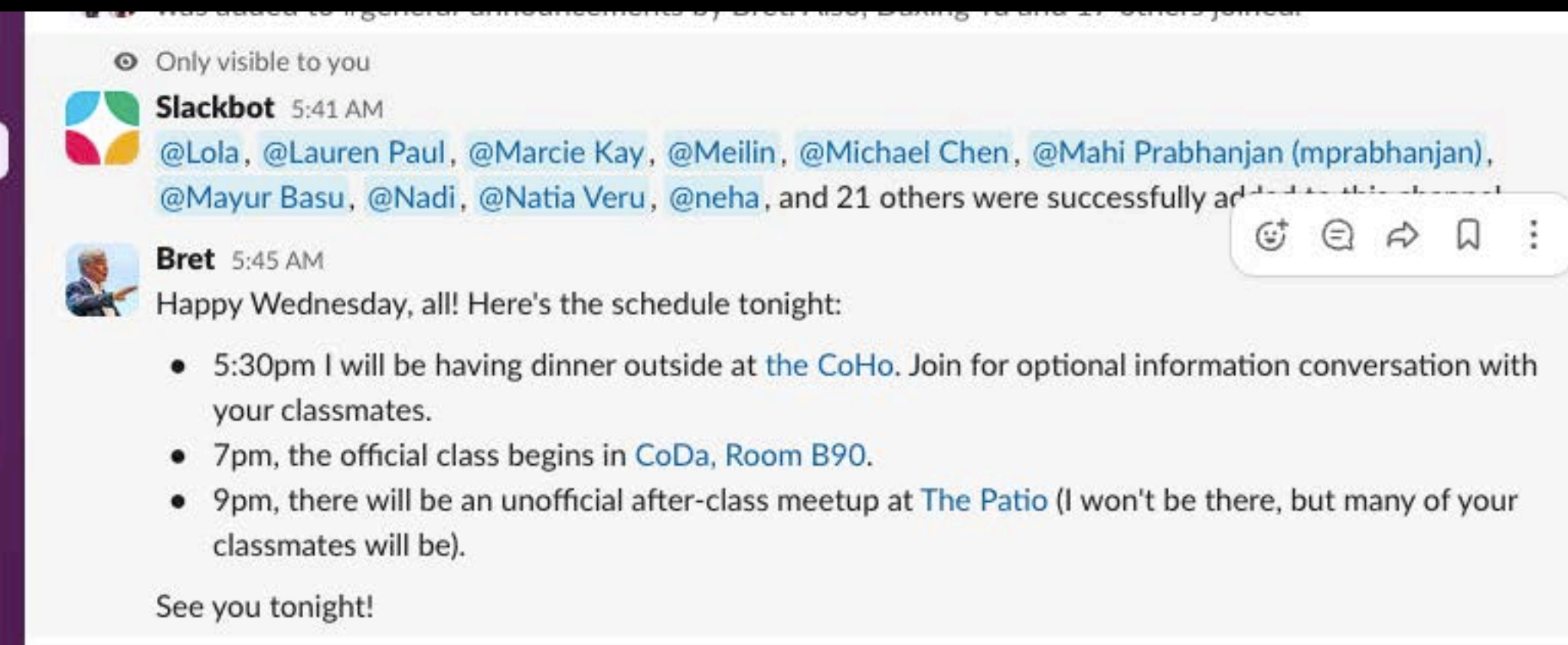
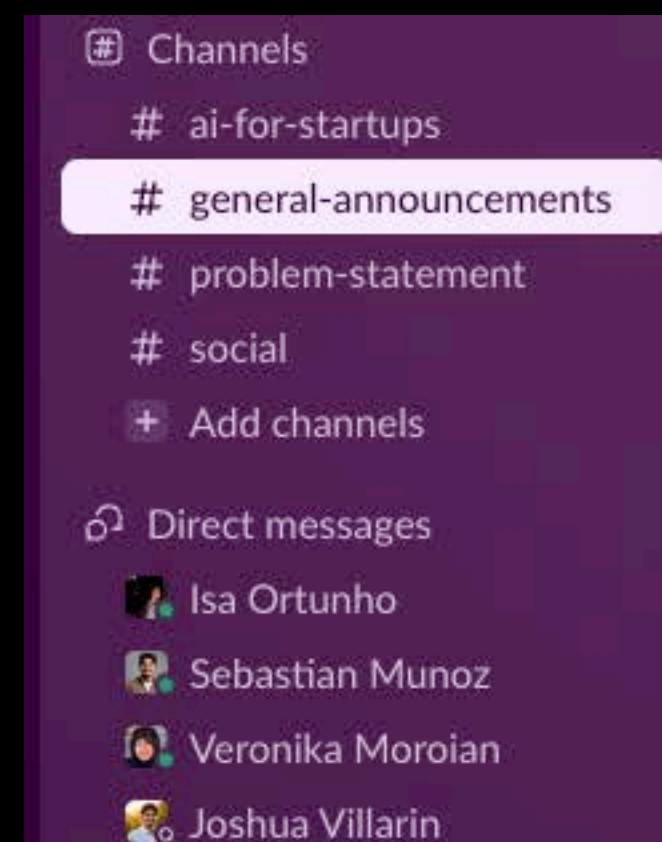
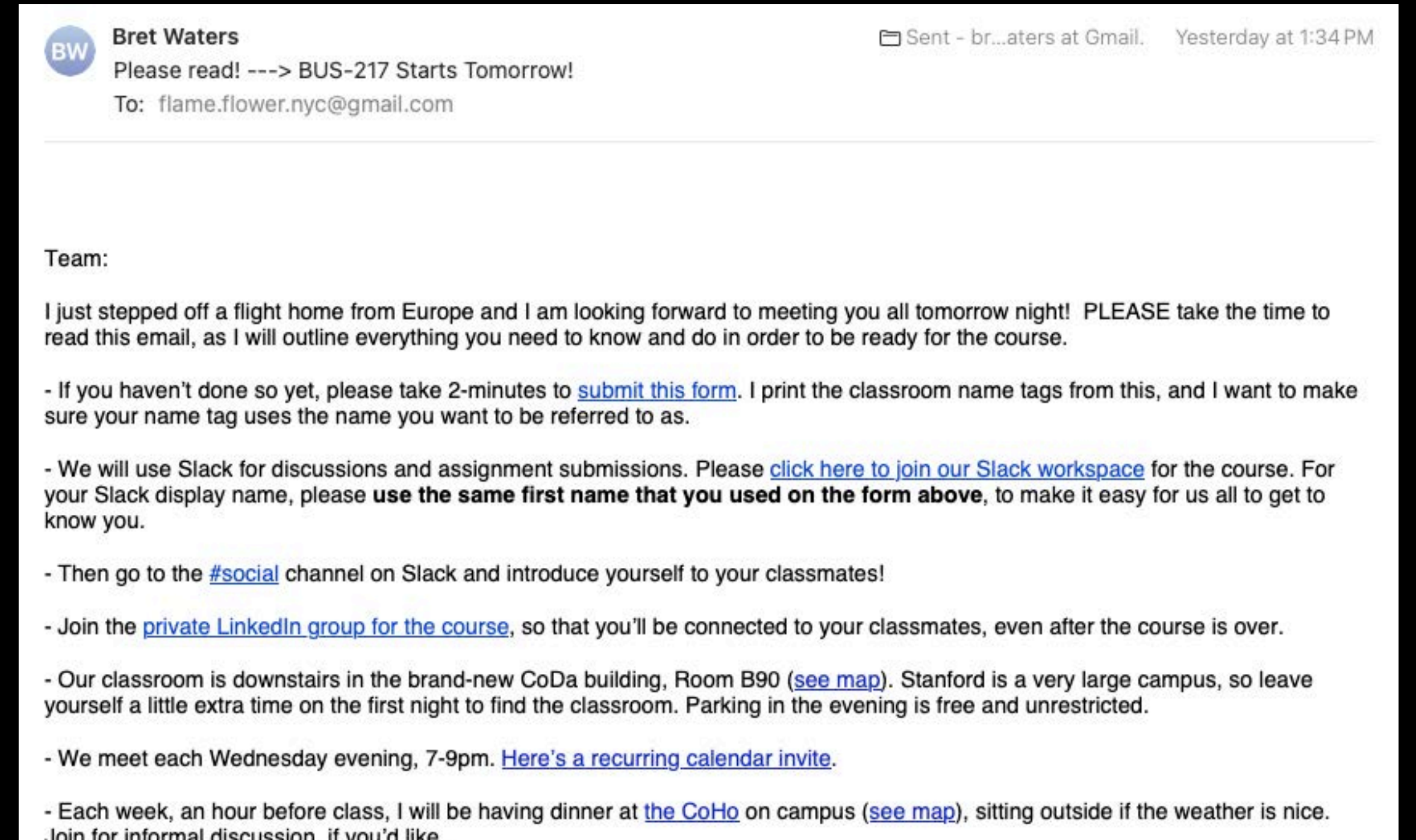
B2B and B2C
Bret Waters · BUS-217

Case Study: Trader Joe's
Bret Waters · BUS-217

Communication

After each class session I will email a recap to you, and also paste it into the #general_announcements channel on Slack.

The best way to make me really annoyed is to not read these.



Our Slack Workspace

The image shows a Slack workspace interface. On the left is a dark purple sidebar with navigation options: Home, DMs, Activity, Files, More, and Admin. The main workspace area is white and shows a channel named "# social" with 52 members. A promotional banner at the top left of the workspace says "Get 50% off Pro" with "3 days left on this offer". Below the banner are sections for "Threads", "Huddles", "Directories", "Starred", and "Channels". The "Channels" section lists several channels, with "# social" selected and highlighted in light purple. Below the channels are "Direct messages" with a list of contacts: Vera Shokina, Joshua Villarin, JJ, Mahi Prabhanjan (mprabhanjan), Jonny, Smital Kamdi, and Romina Datta.

The main content area shows the "# social" channel with a header bar including a star icon, the channel name, a member count of 52, a "Huddle" button, a search icon, and a menu icon. Below the header is a "Messages" section with a plus sign and a date separator for "Yesterday".

The messages in the channel are:

- Vera Shokina** 7:22 PM: Hi - I'm leaving the corporate world next month to focus on building www.up2homes.com. It is a home management platform for Silicon Valley homeowners. Look forward to meeting everyone tomorrow and hope to find a supportive group of friends and partners and figure out how to GTM and actually get this done. (5 reactions)
- Veronika Moroian** 9:05 PM: Hi, everyone! I'm Veronika Moroian. After a career leading sales and business development at IBM and Univision, I started my consulting company VxM AI to help startups grow. Also, I recently moved to Silicon Valley to launch my own startup. I look forward to meeting you all tomorrow! (3 reactions)
- sinem ergunay** 9:32 PM: Hi everyone, I'm Sinem Ergunay, but if you are Italian or Turkish you have a pass to call me Sisi as my fam does:). My background is on both Physics Engineering and Industrial Design. Currently I work as a Creative Researcher at Google where I bridge the gap between physical AI and human centric design approach. Outside of Google I also run a social enterprise in Türkiye dedicated to postpartum wellness. I'm overall passionate about where technology, physical design, and women health intersect to create a real world+human impact. If you have similar passion or not, dm me I'm happy to chat regardless 😊 . side note, my team is hiring an AI engineer, mssg me if you are one:) (3 reactions)
- Mahi Prabhanjan (mprabhanjan)** 10:56 PM: Hello E'one, I'm Mahidas. I've been in the BayArea for couple of decades now. I am an experienced Software Eng currently at Broadcom. Looking forward to this course, learn something new, and oc make some new friends! Thank you. (1 reaction)

Private LinkedIn group so that you are connected to all your classmates.

The image shows a screenshot of a LinkedIn group page. At the top, the LinkedIn navigation bar is visible with icons for Search, Home, My Network, Jobs, Messaging (with a notification badge), Notifications, Me, For Business, and Advertise. The group profile on the left is owned by Bret Waters, created in April 2026, and shows 0 pending posts and 0 requests to join. The group name is 'BUS-217: Spring 2026', which is Private Unlisted. A rocket icon is overlaid on the group banner image, which depicts a large, ornate building. Below the group name, there is a link to 'Earn an Active Group badge'. At the bottom, a section titled 'Set your group up for success' includes navigation arrows for 'Previous' and 'Next'.

LinkedIn navigation bar: Search, Home, My Network, Jobs, Messaging (1), Notifications, Me, For Business, Advertise.

Group Profile (Left):
Bret Waters (Owner)
Group created: Apr 2026
Pending posts: 0
Requests to join: 0
Manage group
Edit group

Group Details (Right):
BUS-217: Spring 2026
Private Unlisted
Earn an Active Group badge

Footer: Set your group up for success < Previous Next >

Make it easy for your classmates to get to know you by using the same name across everything in class.

Name: Samuel Robert Smith

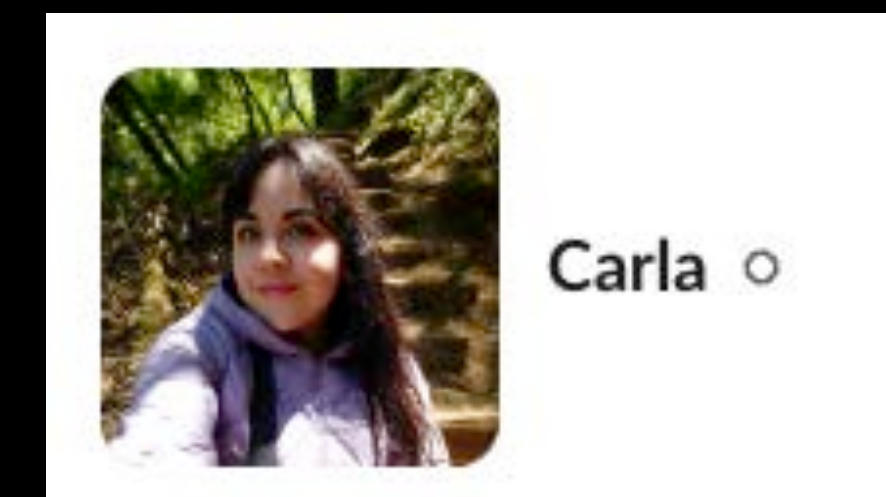
Carla Diaz

Be like Carla!

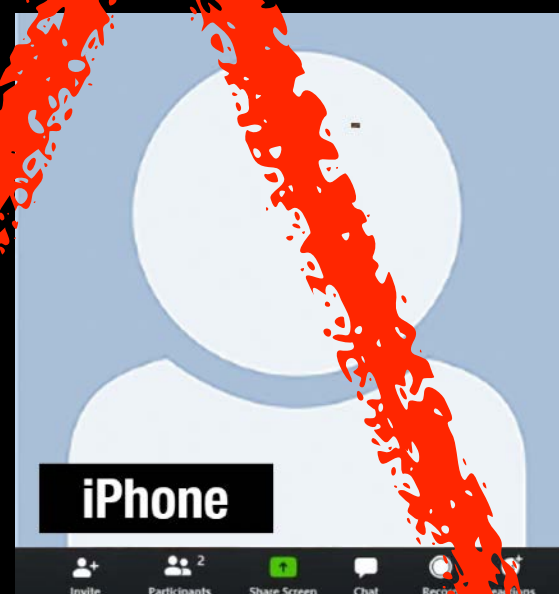
Name Tag:



Slack:



Zoom:





Some of you are sippers.



Some of you are gulpers.



If you want to sip this class:

All you need to do is show up on Wednesday nights and have something interesting to say.



If you want to gulp this class:

- Regular Wednesday night class sessions - be active in discussions.**
- Produce deliverables for our own startup for each step on The Launch Path.**
- Participate in Slack discussions with classmates.**
- Join the pre-class discussions at the CoHo.**
- Choose to present your own startup idea to the class.**
- Join the optional calls we will have occasionally.**



I have designed this course to be satisfying for both sippers and gulpers.

When you look at all the things that tend to drive startup success or failure, one pattern is clear:

The most successful founders are the ones who have a great personal network.

This is where you first investors will come from, your first customers, your source of support on bad days, your source of referrals and expertise, and more.

**The most valuable thing you
are going to get out of this
course is sitting in the chairs
around you.**

Health Food Spam Diet Disease Diabetes Heart Disease

News Article

Americans Are Addicted to ‘Ultra-Processed’ Foods, and It’s Killing Us

PUBLISHED

DEC 08, 2021 AT 05:00 AM EST

UPDATED

DEC 08, 2021 AT 06:17 PM EST



Fast food kills.

“A fast food diet increase your chances of developing depression, cancer, type 2 diabetes, heart disease and other chronic conditions.” -Cleveland Clinic.

“Over the past 50 years, the health of Americans has gotten worse, Today, eating processed foods and fast foods may kill more people prematurely than cigarette smoking”.
- National Institutes for Health

“The health benefits of a natural, plant-based diet have been established by numerous research studies”
- Stanford School of Medicine

More

general-announcements

problem-statement

social

+ Add channels



Admin

Direct messages

Vera Shokina

Joshua Villarín

JJ

Mahi Prabhanjan (mprabhanjan)

Jonny

Smital Kamdi



Bret 4:03 AM

renamed the channel from "new-channel" to "problem-statement"

Yesterday ▾



Joshua Villarín 1:35 PM

joined #problem-statement. Also, Tommy Duy Lo and 17 others joined.



Today ▾



Pinned by you



Bret 7:17 AM

Americans spend \$300B/year on fast food, despite the fact that an unhealthy diet now causes more premature deaths every year than cigarette smoking does.



Bret 4:03 AM

renamed the channel from "new-channel" to "problem-statement"

Yesterday ▾



Joshua Villarín 1:35 PM

joined #problem-statement. Also, Tommy Duy Lo and 17 others joined.



Today ▾

★ Pinned by you



Bret 7:17 AM

Americans spend \$300B/year on fast food, despite the fact that an unhealthy diet now causes more premature deaths every year than cigarette smoking does.

Your first assignment:

Post to the **#problem_statement** channel a simple one-sentence statement of the problem your startup solves.

Don't ramble on with buzzword bingo, marketing blah blah, or tech acronyms. Just one clear and simple sentence.

This week's assignments:

- In the **#social** channel on Slack, post a photo of a favorite food that you grew up with.
- In the **#problem_statement** channel, post a simple clear sentence that articulates the problem your startup solves.

