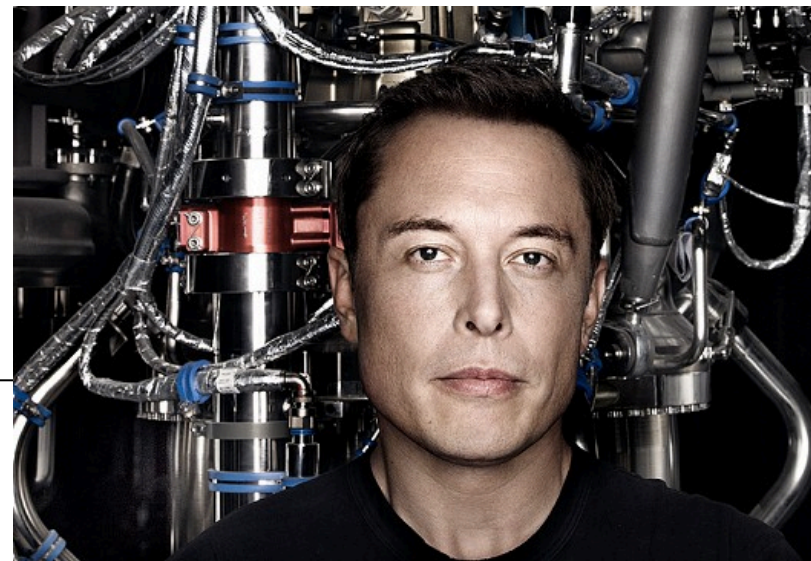


# “You are no Elon Musk.”

*Email from March 31, 2016...*



Karl,

I'm a 2005 Wharton grad who ...

Just a pro-tip, your homepage makes you sound arrogant.

You are no Elon Musk, and I was a bit taken aback by your lack of sensitivity to personal connectivity.

Word of advice is to provide more accessibility.

Drop me a line if you are serious about serving the needs of growing Wharton as a center of entrepreneurship.

Thanks,

<Name Removed>  
CEO, Founder  
XYZ, Inc.

# Improve Innovation, Problem Solving, and Design in Society

## Teaching

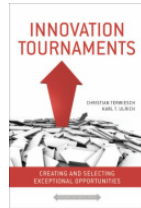
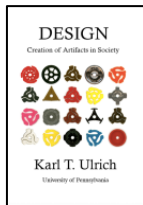
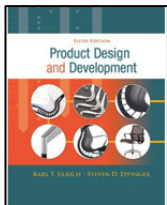
Product Design

Innovation

*Coursera*

Design: Creation of Artifacts in Society

## Writing



## Scholarship

The Importance of the Raw Idea in Innovation: Testing the Sow's Ear Hypothesis

Idea Generation and the Quality of the Best Idea

Opportunity Spaces in Innovation: Empirical Analysis of Large Samples of Ideas

## Institution Building



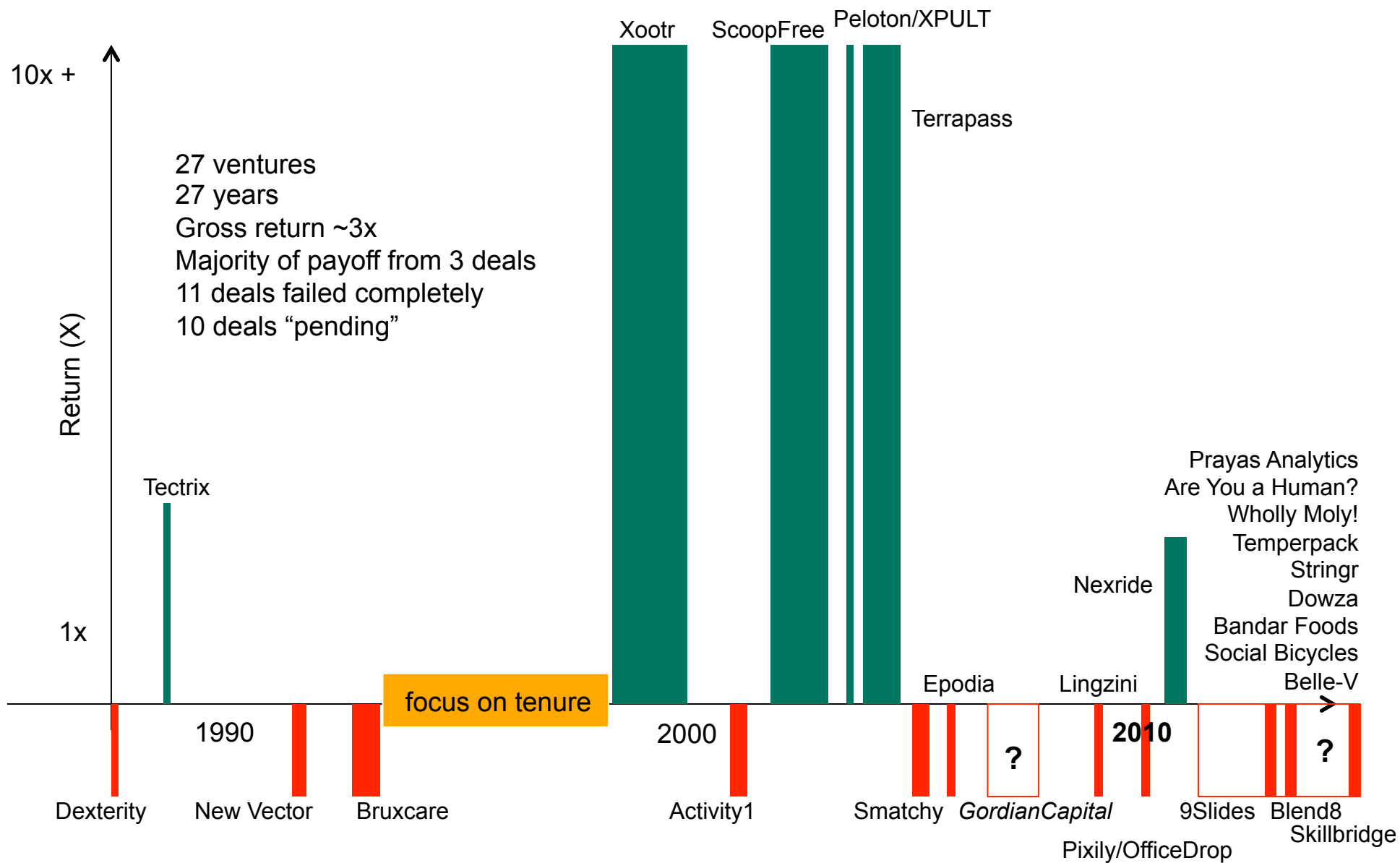
details:  
[ktulrich.com](http://ktulrich.com)

## Doing



terrapass





## **Wins**

- Xootr (great product, luck with Razor)
- Terrapass (idea, team, luck with macro factors)
- Scoopfree (idea/pain, team)





# Bloomberg Businessweek



IDSA

## **Xootr Scooter**

**Year:** 2000

**Silver Award**

**Client:** Nova Cruz Products

**Design:** Lunar Design, Nova Cruz

From \$199

The Xootr scooter folds down in 10 seconds. Its light weight and portability made it a hit in urban areas and helped stoke the scooter fad. In 2003, Nova Cruz was sold and renamed Xootr, which continues to manufacture the product today.



## Xootr

Engineering, Industrial Design



### PROJECT BY



**LUNAR**

City, California, United S...

[Follow on Behance](#)

[Share Project](#)

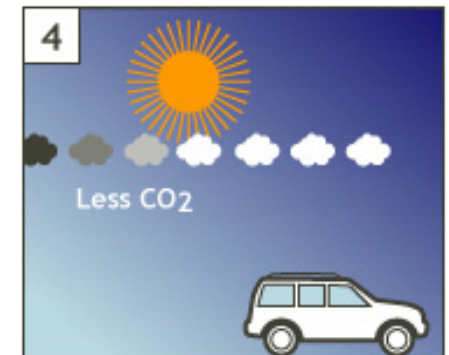
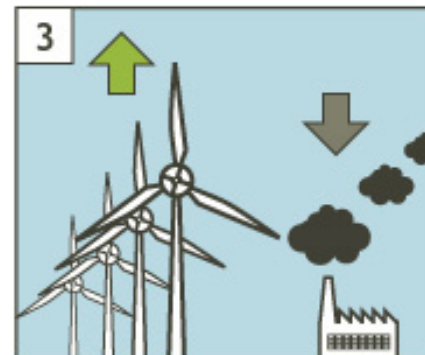
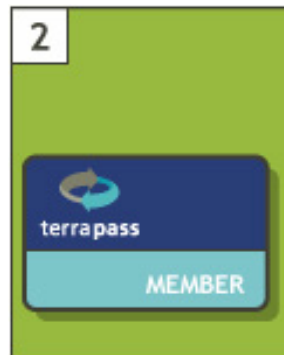
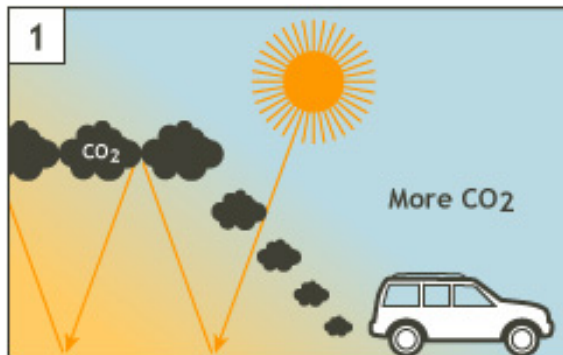


### ABOUT PROJECT

LUNAR cofounded the company that brought this contemporary interpretation of the classic kick scooter to market. The product's modular product architecture, a basic aluminum frame that can be augmented with different wheels and deck materials, accommodates a wide range of tastes, budgets and performance needs. It is ideally suited to make public transportation more convenient to use. A commuter can cruise to a bus stop or train station, fold-up the Xootr, store it under a bus or train seat, unfold it, and then ride it to the final destination. The memorable design uses authentic materials and



## Innovation Course – Fall 2004





**terrapass**  
restore the balance

[www.terrapass.com](http://www.terrapass.com)

PRODUCT CLASS  
CO2 OFFSET

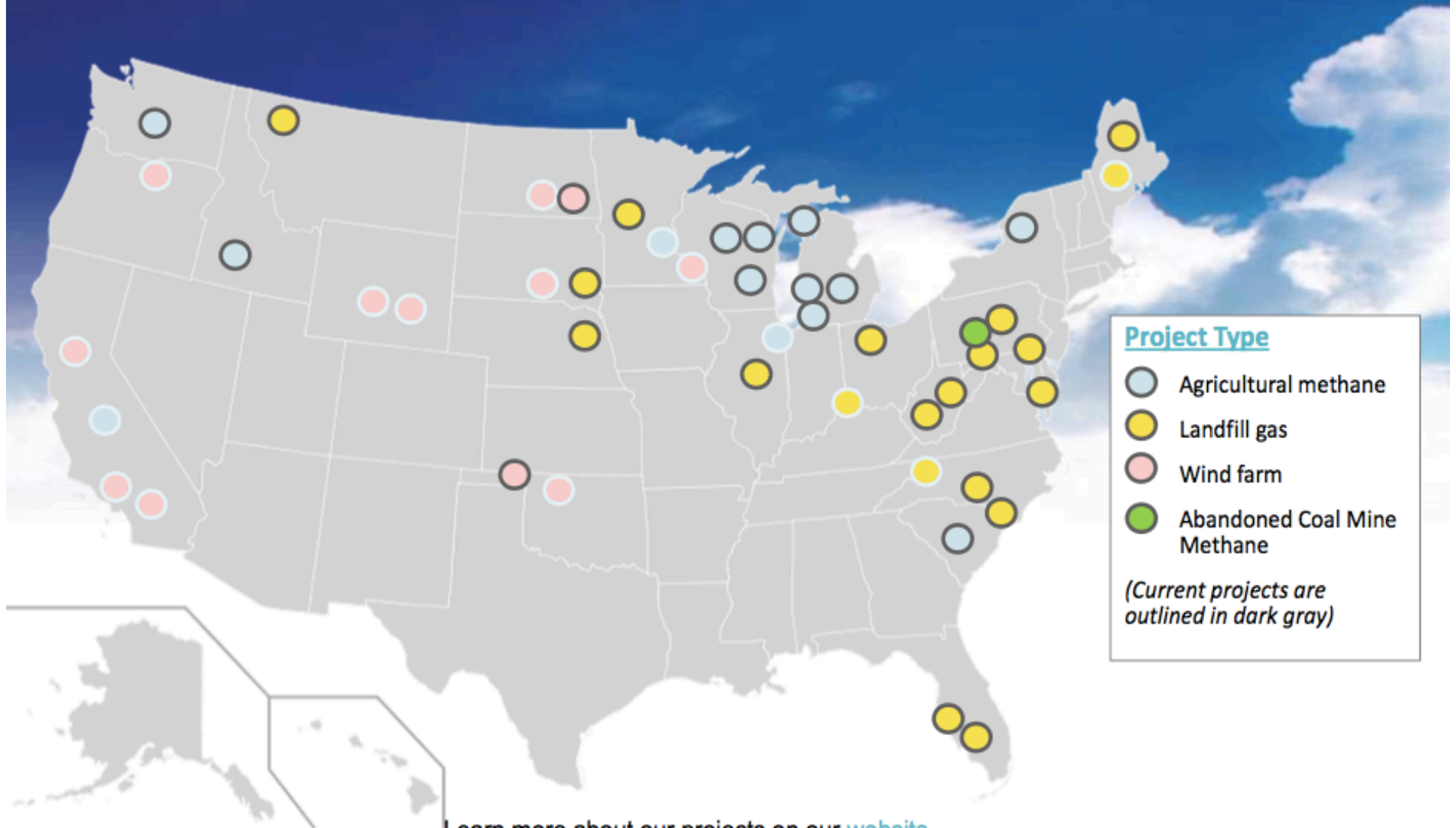
☐ HYBRID 6,000 LBS   ☐ EFFICIENT 8,000 LBS   ☐ STANDARD 12,000 LBS   ☐ UTILITY 20,000 LBS

EXPIRES

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC / 2006

# TerraPass in Action

We are fighting climate change by destroying greenhouse gases and putting clean energy on the grid. Our projects are made possible by your offset purchases.







**Certified**



**Corporation<sup>TM</sup>**

---



# The Difference You've Made

In the past seven years, our projects have destroyed Greenhouse Gases equal to over **4,400,000,000** pounds of CO<sub>2</sub>.

That's the equivalent of:



**440,000** cars off the road for a year.



**57,000,000** tree seedlings grown for 10 years.



**5,500,000** laptops turned off for a year.

Note: All TerraPass retail offset sales and retirements are independently reviewed by a leading U.S. accounting firm.  
See the TerraPass website for more details

## TAKE ACTION!



CARBON OFFSETS  
\$5.95 per 1,000 lbs

• Carbon Offset

Help reduce greenhouse gases! One-time or monthly subscription available.

[Purchase](#)



RENEWABLE ENERGY CREDITS  
\$5 per 1,000 kWh

• RECs

Support clean energy. One-time or monthly subscription available.

[Purchase](#)



BEF WATER RESTORATION CERTIFICATES®  
\$2.00 per 1,000 gal

• BEF WRCs®

Help restore our freshwater ecosystems.

[Purchase](#)

# Simplify Your Life.

ScoopFree self-cleaning litter boxes with disposable trays give your cat a box that's always clean and keep your home smelling fresh. No scooping needed!

## ScoopFree.

### Exclusive deal

10% off ScoopFree litter box, lavender litter trays, & meal-dispensing cat toy. Shop now.





**Alan J. Cook**  
Founder and former CEO  
Scoop Free



**Photo:** Alan J. Cook

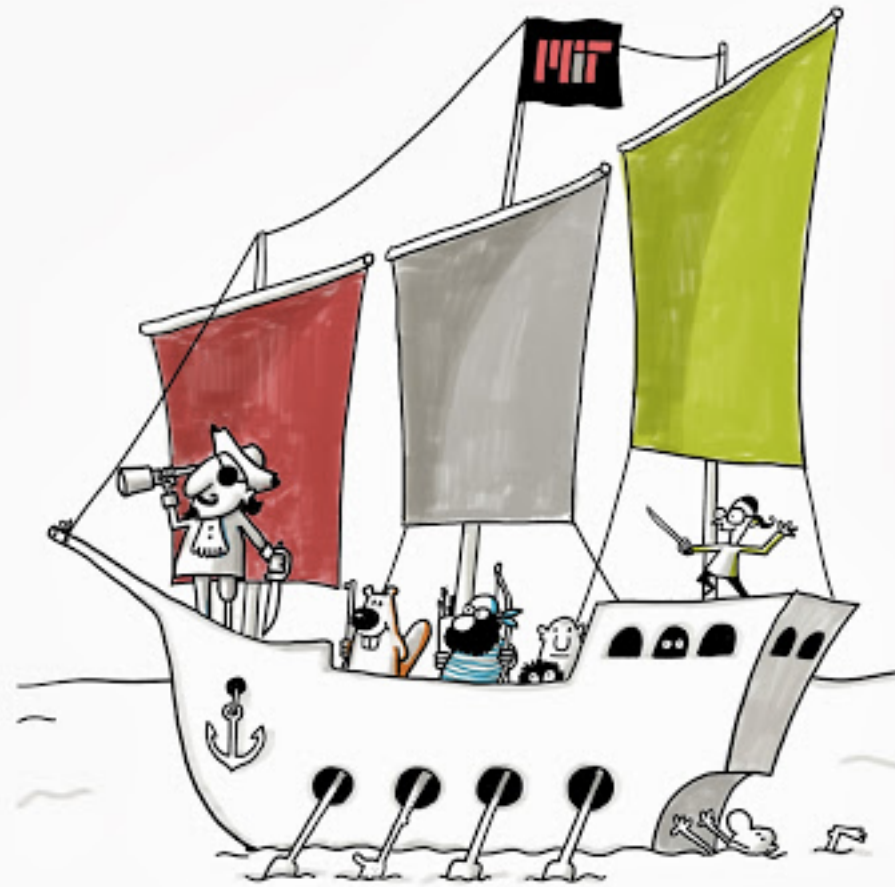


# Alan's “Next Opportunity” Criteria

- Big market.
- Big gross margins.
- Strong recurring revenue streams.
- Take advantage of our engineering and product development capabilities.
- Utilize our sourcing connections.
- Flow through our supply chain capabilities.
- Leverage direct-to-consumer and subscription sales capabilities and/or can be sold into channels where we already have strong retail connections.
- Will resonate with our friends in the press.
- In markets with large, “obvious” potential acquirers (i.e., good “exit” possibilities)

## Lessons Learned

- Team doubts – turn and run.
- You can be the world's expert in an emerging category.
- Just make and sell 1000.
- Be careful about skimping on lawyers.
- Solve your own problem, but...not a guarantee of a big market.
- (Little markets just as hard as big markets.)



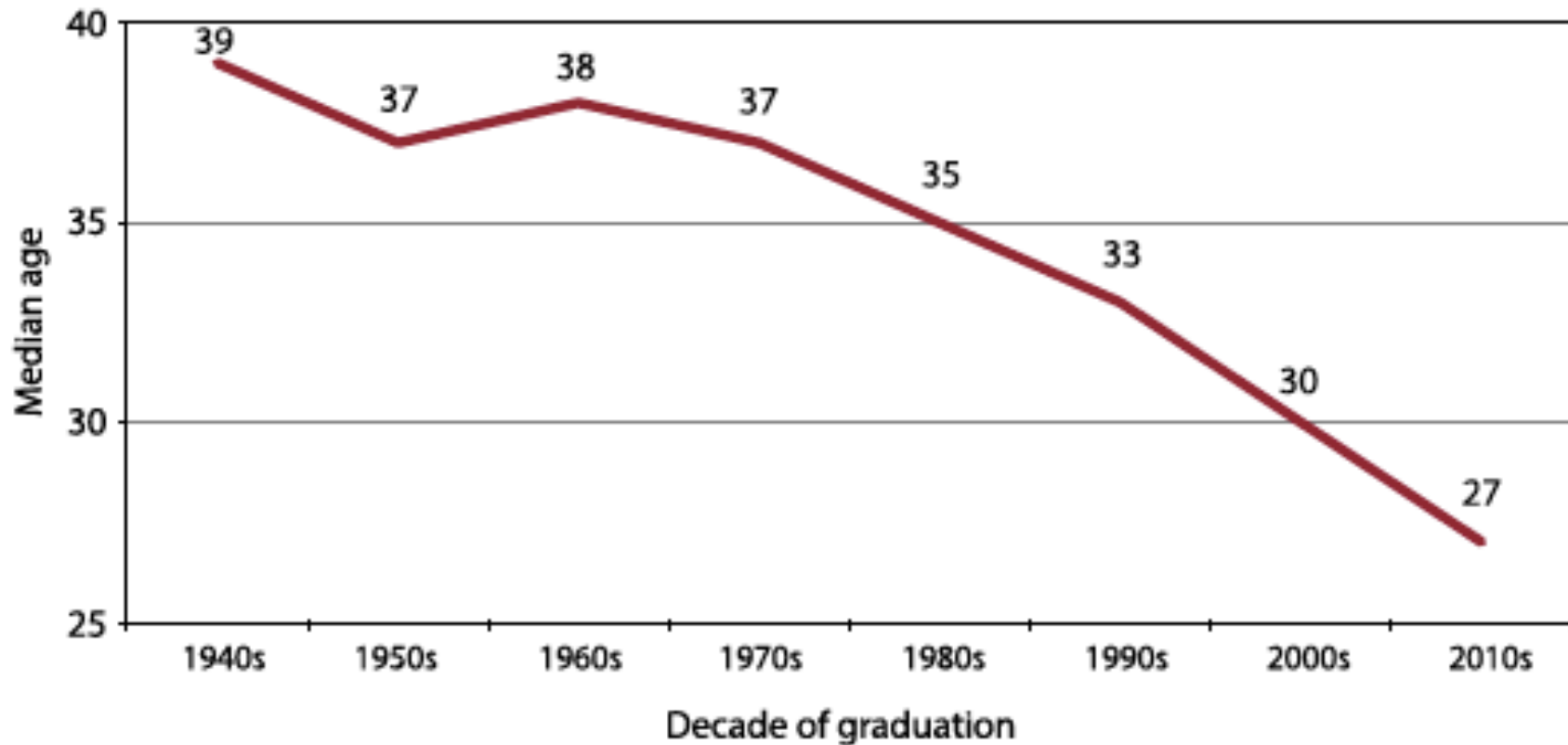
It's more fun to be a pirate  
than to join the navy

—Steve Jobs





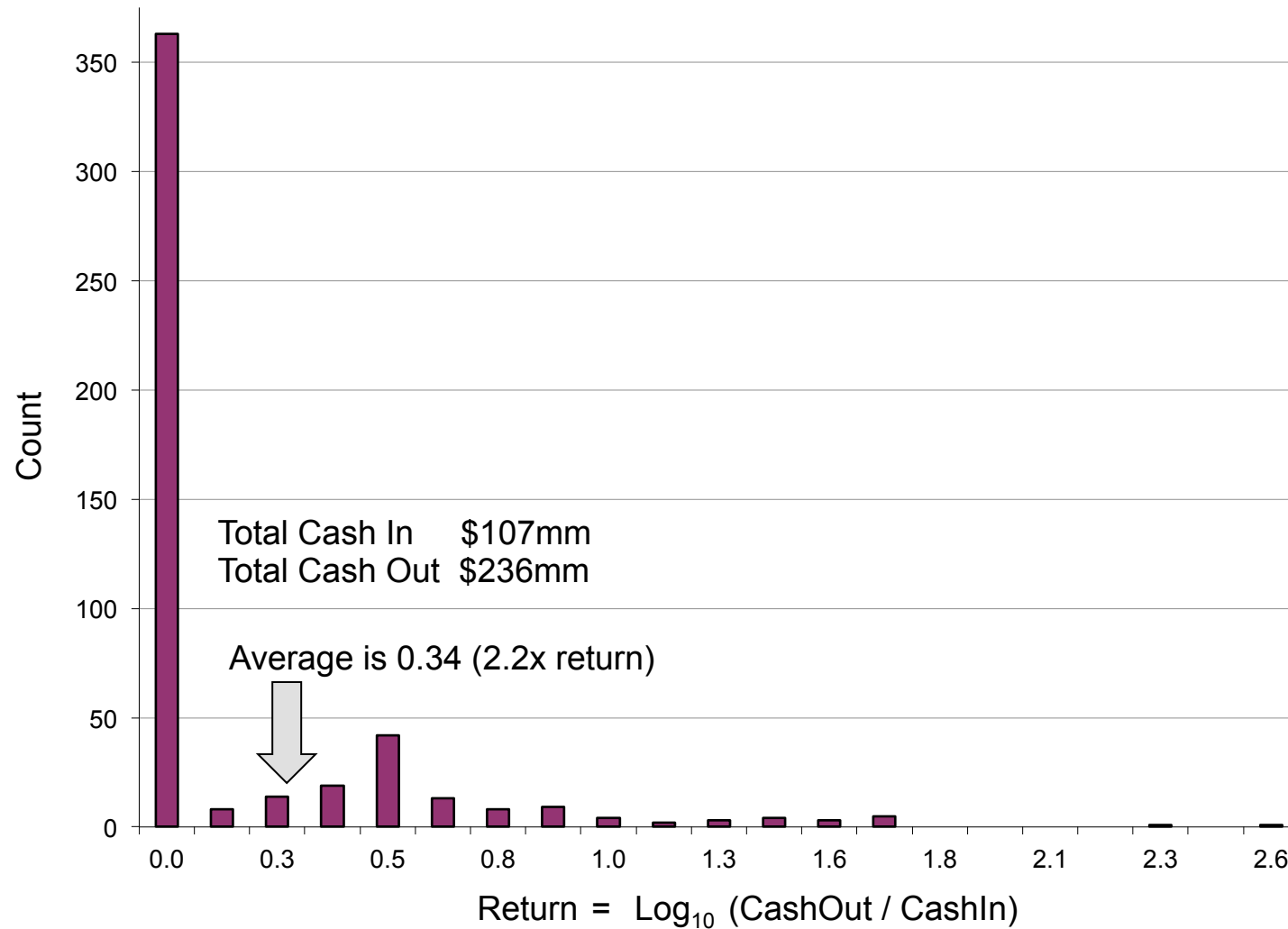
**Figure 6. Median age of first-time MIT alumni company founders, by decade of graduation, 1940s through April 2014.**



**Source:** Edward B. Roberts, Fiona Murray, and J. Daniel Kim, Entrepreneurship and Innovation at MIT Continuing Global Growth and Impact. MIT Sloan School of Management, 2015.

<http://web.mit.edu/innovate/entrepreneurship2015.pdf>

## Histogram of Returns for 499 Ventures by Angel Investors

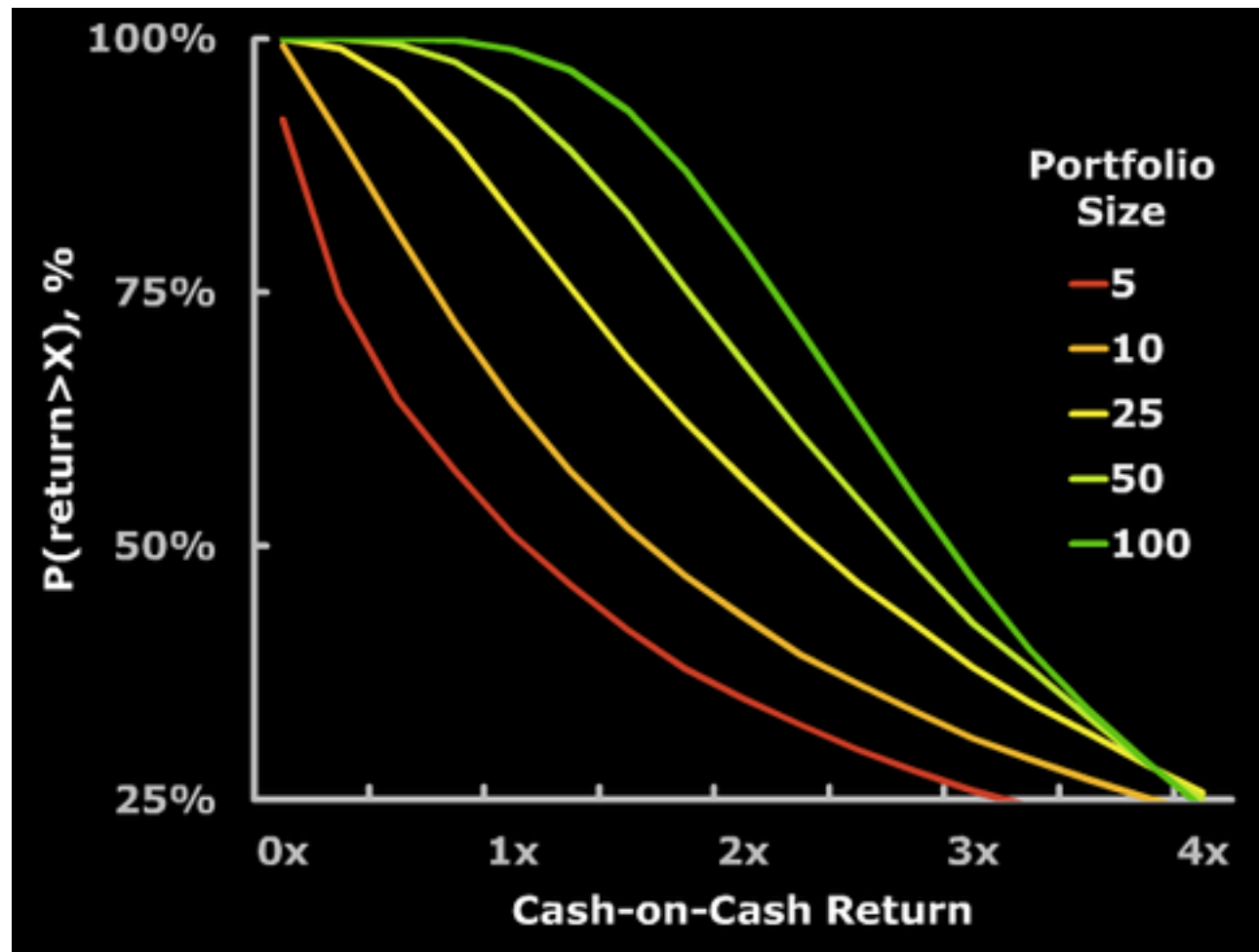


e.g. 1,000,000 cash out on 100,000 cash in has Return of 1.0

Note: Negative or undefined returns set to 0.

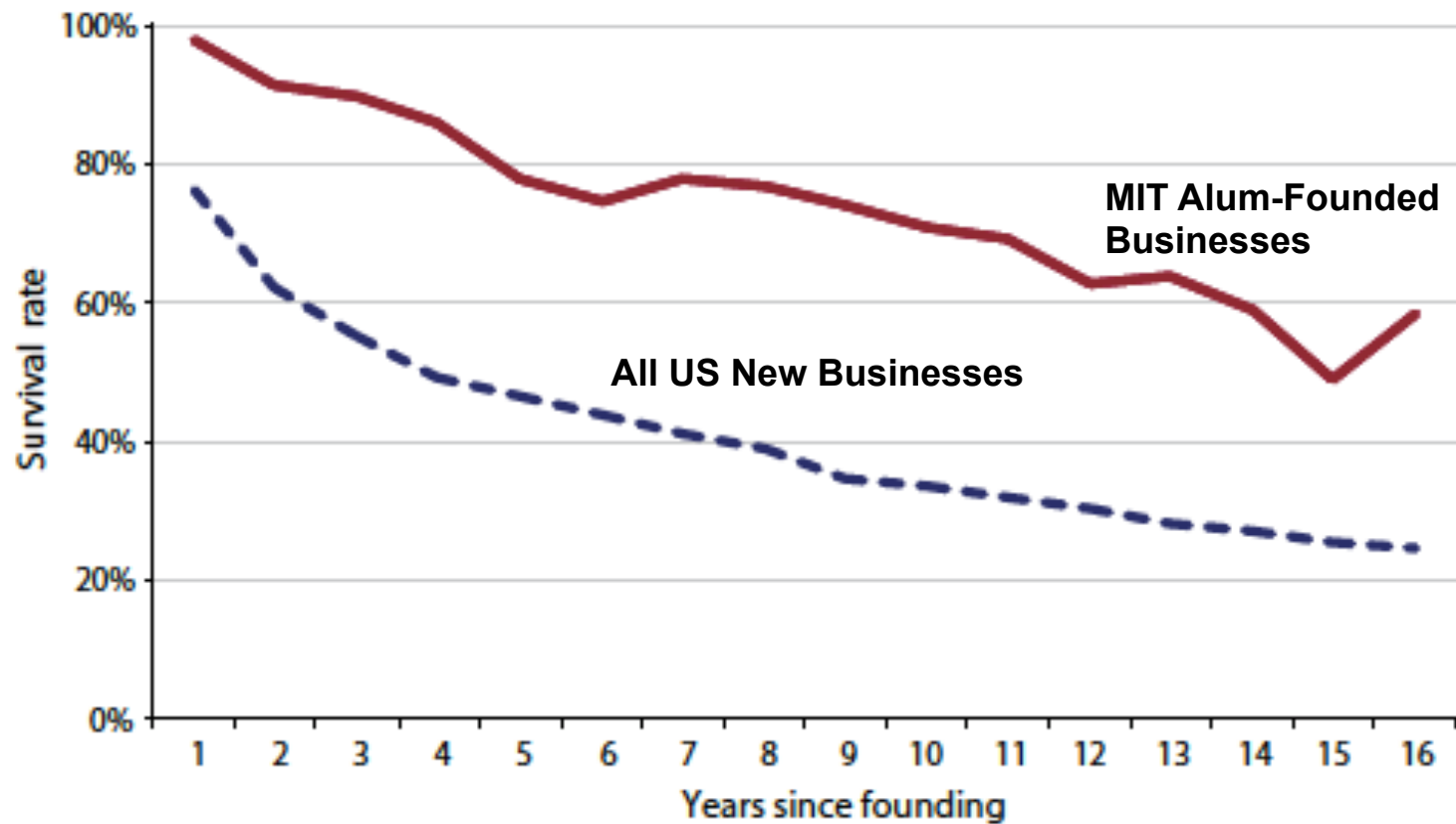
Source: Kauffman Foundation Angel Investor Performance Project. Sample is only those 499 ventures for which cash investments were made.

## Angel Investing Returns as a Function of Portfolio Size



**Source:** David Rose, The Gust Guide to Angel Investing.

**Figure 2. Survival rates of MIT alumni–founded companies versus all U.S. new businesses, 1994–2014.**

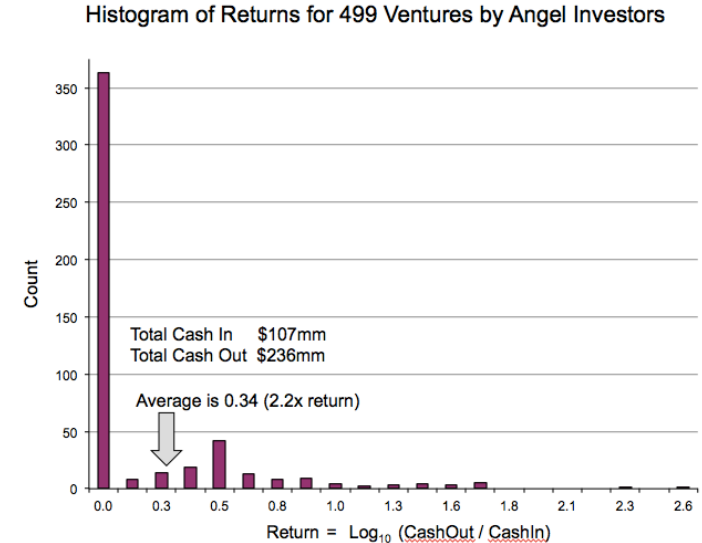


**Source:** Edward B. Roberts, Fiona Murray, and J. Daniel Kim, Entrepreneurship and Innovation at MIT Continuing Global Growth and Impact. MIT Sloan School of Management, 2015.

<http://web.mit.edu/innovate/entrepreneurship2015.pdf>

## Managing Risk as an Entrepreneur

- You can't really get sufficiently diversified as an entrepreneur. (Need >25 deals.)
- You do it because you feel the calling.
  - *mission* and/or *process*.
- If your primary goal is a 95+% chance of being very comfortable financially, join a large established enterprise and work hard.



- Can get *some* of the adrenaline by being a post-funding “joiner.”
- Downside is not that bad.
  - Opportunity cost of 6-12 months of no salary, and 12-24 months of lower salary.
  - Evidence that “failed” entrepreneurs have higher post-failure earnings. (Manso, Gustavo, Experimentation and the Returns to Entrepreneurship, 2015.  
<http://ssrn.com/abstract=2527034>)
- And of course, it helps a lot to start rich (from birth, marriage, luck, previous work, etc.)