

CHAPTER 1

Thinking Business

A hundred years ago, starting a large business involved much more than a good idea. You would build a factory and hire hundreds of employees. The employees would work together to make products and then ship them to shops by truck, train, or boat. But many of today's wealthiest innovators have created businesses that do not require factories, physical products, shipping, or shops. For example, the founders of the online photo-sharing site Instagram created a business with just thirteen employees, then sold it in 2012 for one billion dollars.

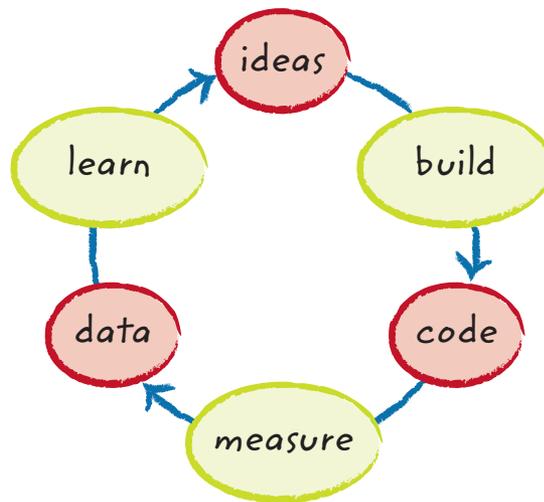
Is it any wonder people are interested in different business models?

In this chapter, you will

- learn vocabulary related to new business models;
- listen for the main idea;
- identify advantages and disadvantages;
- organize ideas using note-taking strategies;
- manage conversations;
- review yes/no questions;
- work in a group to create an idea for an app;
- give a presentation and take notes.

GEARING UP

A. Look at the diagram and then answer the questions.



- 1 A start-up is a new business, often one with a technology focus. A “lean” start-up develops an online business quickly. It is expected that failures will lead to new ideas. Starting with the *ideas* bubble, what do you think each of the stages in the diagram means?

IDEAS: think of a customer need; BUILD: a model or prototype; CODE: create an app or website; MEASURE: get feedback on a prototype from target customers; DATA: review the feedback and make improvements; LEARN: reflect on what has been learned and apply those reflections to new ideas.

- 2 Which stages do you think are the easiest, and which are the most difficult? Why?

Answers will vary.

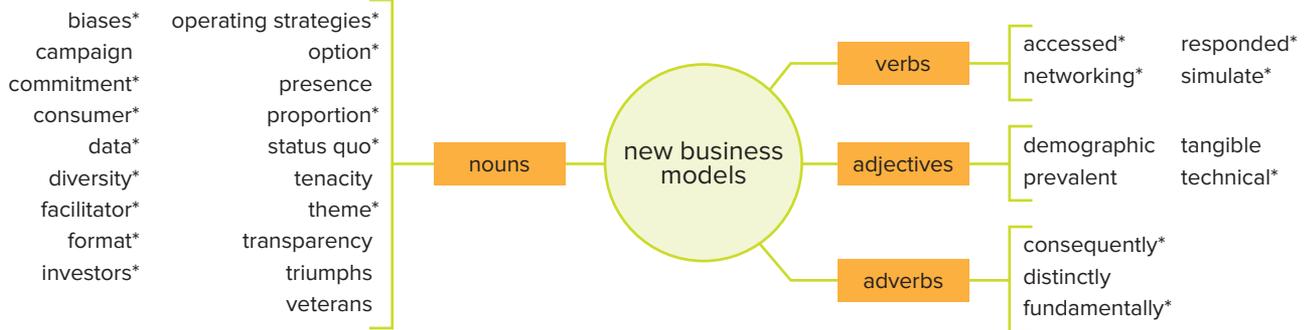
- 3 Instagram’s success was based on a friend’s suggestion to include filters that could modify and re-colour photos. Where in the diagram would you place that suggestion?

Answers will vary, but probably in the data or learn stage.

B. Discuss the questions and your answers, first with a partner, then in a group.

VOCABULARY BUILD OVERVIEW

Below are the key words you will practise in this chapter. Check the words you understand, then underline the words you use. Highlight the words you need to learn.



* Appears on the Academic Word List



Listening for the Main Idea

While you listen to a lecture, try to identify the main idea. Sometimes the main idea is obvious; often, it is introduced in the title. Here are strategies you can use to help you identify a main idea while you listen.

| STRATEGIES | EXPLANATIONS | EXAMPLES FROM LISTENING 1 |
|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Listen for words and ideas that are repeated. | A speaker says some words more frequently, or uses synonyms and paraphrases for them. | ... we weren't great at one thing . Right, there wasn't one thing that was special ... |
| Listen for clues from the speaker that tell you some parts of a talk are more important. | A speaker asks questions that will be answered in the talk. A speaker uses words and phrases to indicate that one or more ideas are important. | And the best moment of all was, when things started to grow. The important point is ... What I'm trying to say ... |
| Listen for changes in pitch and volume. | Words spoken at a higher pitch or in a louder voice signal important ideas. | And we waited until we felt we had something that we thought was really cool . So, we're just going to market this thing. (Note: Words in bold are said louder or at a higher pitch.) |

These key phrases often signal main ideas.

INTRODUCTION: Today, we'll discuss ...

PARAPHRASE: In other words, ...

EXCEPTION: However, ...

EXAMPLE: For example, ...

CAUSE AND EFFECT: Because of this, ...

SUMMARY: In conclusion, ...

A. Finding the main idea involves ignoring unnecessary details. Read this excerpt from Listening 1. Cross out words, phrases, and details you consider unnecessary. Highlight important words that are repeated.

~~Somebody asked me once, like what's my big plan?~~ What would make me really happy? ~~When we were starting Pinterest I was like, "Geez, I just want to go somewhere and see somebody that I don't know using something that I made and have it be kind of useful."~~ ~~Like that is what I thought was really exciting.~~ ~~And so, we came up with this idea for something that was Web-based, really simple, something that we would use personally, and that was Pinterest.~~



- B. Ignoring details and considering repeated words, what is the main idea of the paragraph in task A?

Answers will vary, but the main idea is about the speaker's description of Pinterest, which the speaker co-created. Note: "I," "we," and "me" are repeated but are not key words.



Identifying Advantages and Disadvantages

It's common, when discussing almost any topic, to talk about both advantages and disadvantages. If you only talk about the advantages, it can sound like you are uncritical or selling something. Similarly, if you focus only on the disadvantages, it can seem like you may only have a negative attitude. Even in a debate, it's useful to talk about some minor benefits of the other team's points.

When you listen to identify advantages and disadvantages, it's useful to identify key words. These words may come at the beginning of a sentence if it follows a sentence with the opposite point of view, or it might separate clauses into one advantage and one disadvantage.

- A. Read the following sentences and highlight the word or phrase that shows the contrast between advantages and disadvantages.

- 1 I'd like to join a start-up, **but** it can mean working eighty hours a week.
- 2 **On the other hand**, it's nice to have the stability of a traditional job.
- 3 **Though** you are more likely to become a millionaire working at a start-up.
- 4 New start-ups are always grabbing the news headlines; **however**, you only hear about the successes, not the failures.
- 5 **Despite this**, many people will join several start-ups in a row.
- 6 **Nevertheless**, it can be a great education.
- 7 You can have a horrible failure **yet** still learn something.
- 8 This all sounds great **except** that you might miss a chance to get established in a traditional job.
- 9 **Although** you will probably have more fun at a start-up.

- B. Read the excerpts from Listening 1, and summarize the advantage and disadvantage discussed in each one.

- 1 So it was a really, really exciting moment for us. And the best moment of all was when things started to grow. When we went to that meet-up, even though we had very, very few users, I distinctly remember the people hadn't met each other before, were having real conversations, right; they weren't bull conversations.

ADVANTAGE: *starting to grow*

DISADVANTAGE: *very few users*



② A lot of people in Silicon Valley didn't get it, and I still don't know if they really get Pinterest. A lot of them kind of look at it and they said, "Well, it's visual; it's not organized in real time," which was a big theme back then, "it doesn't have a feed," like it didn't really make sense to them why anyone would use it, but the fact that it made sense to someone was what really mattered to me.

ADVANTAGE: it made sense to someone

DISADVANTAGE: many people didn't understand it

C. With a partner, imagine a new business you might like to start—for example, a digital game based on a personal interest (a hobby or a sport). List advantages and disadvantages of the new business, and then discuss them, using the key words you highlighted in task A. *Answers will vary.*

ADVANTAGES: _____

DISADVANTAGES: _____



Ben Silbermann at Start-Up School

Those who follow technology news are fascinated with what are called *origin stories*. An origin story explains the steps involved in the creation of a new product that went on to be worth millions or billions of dollars. Pinterest, a company that Ben Silbermann co-founded, was valued at five billion in 2014—just four years after the Pinterest app became available. When you hear Pinterest's origin story in Listening 1, consider the steps that led to its success.

VOCABULARY BUILD

In the following exercises, explore key words from Listening 1.

A. Match each word or phrase to its definition.

| WORDS | | DEFINITIONS |
|------------------------|----------|----------------------------------------|
| ① accessed | <u>c</u> | a) principles for running a company |
| ② biases | <u>e</u> | b) subject or idea behind something |
| ③ distinctly | <u>d</u> | c) obtained information |
| ④ operating strategies | <u>a</u> | d) different from others |
| ⑤ theme | <u>b</u> | e) prejudices for or against something |

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B. Fill in the blanks with the correct words to complete the paragraph. Use a dictionary to look up words you don't understand.

campaign data fundamentally investors responded



Throughout history, investors have always responded to market needs by supporting or developing new companies. They are fundamentally interested in creating profits for themselves and others. One way investors have been able to create profits is to take advantage of vast amounts of data. But it's increasingly common for members of the public to start a campaign against the use of private data.

Before You Listen

A. Based on the excerpt you read in Focus on Listening (page 4), and on the title and introduction to Listening 1, which questions about Ben Silbermann would you expect to have answered? Write the questions and discuss them with a partner. Then, while you listen, take notes and use them to write complete answers.

- 1 Who is Ben Silbermann?
Ben Silbermann is a young entrepreneur who co-founded Pinterest.
- 2 What is Pinterest?
Pinterest is a social media app for sharing collections of images.
- 3 When did Silbermann start his business?
He started the business in 2010 (four years before 2014, as mentioned in the introduction).
- 4 Where is Silbermann's company located?
The company is located in Silicon Valley, California.
- 5 Why did Silbermann choose to make a product like Pinterest?
Silbermann didn't have a lot of engineering resources, so he made a simple product.
- 6 How does Silbermann's company make money?
The talk doesn't say; Pinterest does not have a specific revenue stream. It has received venture capital funding.

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B. What do you already know about technology start-ups? Discuss in a group.

Answers will vary.

C. Define the words and phrases in bold based on their context in the paragraph. Look at the surrounding words, definitions, and examples. These words will help you understand Listening 1.

Many young entrepreneurs are attracted to California's **Silicon Valley** to work in the technology industry. Getting a job can be as easy as connecting with employers attending one or more **meet-ups**. At meet-ups, they can get together with technical-minded people who have the necessary **engineering resources** to do an app's programming. Those who create apps tend to continue **iterating** an idea until they think it is ready for the market. It doesn't have to be the final version, but it has to reach the stage of being a **minimum viable product**. Only then are they ready to **launch**. Once they do, it's time to get people **jazzed** about it. This excitement can be generated through a **campaign**. In some cases, it helps to get a **blogger** to spread the news.



1 Silicon Valley (n.): *location of many leading technology companies*

2 meet-ups (n.): *informal gatherings meant to introduce people with different skills for the purpose of potentially working together*

3 engineering resources (n.): *coding skills necessary to develop an idea into an application*

4 iterating (v.): *making changes to develop a product through gradual improvements*

5 minimum viable product (n.): *application with minimal features designed to test the market and generate income for the improvement of future versions*

6 launch (v.): *release for sale or distribution to consumers*

7 jazzed (adj.): *excited*

8 campaign (n.): *course of action to reach a goal*

9 blogger (n.): *essayist who posts on the Internet*

While You Listen

D. Watch a lecture by young entrepreneur Ben Silbermann. The first time you watch, try to understand the main idea. Listen for words that are repeated, words that point out parts that are more important, and changes in pitch and loudness. The lecture consists of eight sections. The first sentence or phrase of each section is numbered below. While you watch the second time, choose the best main idea for each section. Watch a third time to check the main ideas and make corrections.



- 1 Somebody asked me once, like, what's my big plan?
 - a) His plan is to work for a large and successful software company.
 - b) Pinterest is the speaker's goal for a useful product that others want to use.**
 - c) He would like to make something exciting and useful, like Pinterest.
- 2 We'd learned the lesson from doing the iPhone app ...
 - a) There is no point in launching a product you are not proud of.**
 - b) It's better to launch a product early and get feedback to improve.
 - c) It's difficult to launch a product on your own; work together.
- 3 And we decided that the one thing we had to do really well ...
 - a) To succeed, the app needed to appeal to everyone.
 - b) To succeed, the app had to be inexpensive.
 - c) To succeed, the app had to be attractive.**
- 4 So, this is the first version of Pinterest ...
 - a) Creating the final app depended on countless small improvements.**
 - b) The initial app turned out to be much the same as the final product.
 - c) The trial version of the app was thrown out and they started over.
- 5 I emailed out all my friends, like all my family ...
 - a) It's better to change the product than find more users.
 - b) It's better to find more users than change the product.**
 - c) Changing the product can help find more users.
- 6 And that's what we started to do ...
 - a) By not having any strategy, we were able to let people choose.
 - b) It was important to see which strategies were successful elsewhere.
 - c) Finding a strategy appropriate to the app was important.**
- 7 So it was a really, really exciting moment for us.
 - a) The app avoided dividing people according to their interests.
 - b) The best part of the app was connecting people with their shared interests.**
 - c) The unexpected part was that most people didn't want to meet others.
- 8 A lot of people in Silicon Valley didn't get it.
 - a) The app included a virtual booklet to explain the app's special features.
 - b) Others expected the app to have the same features as other apps.**
 - c) Once an app is launched, everyone expects it to do as well as other apps.

After You Listen

E. Indicate whether these statements are true or false, according to the video.



| STATEMENTS | TRUE | FALSE |
|-------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| 1 Silbermann created Pinterest on his own. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2 He wanted to create something that he would want to use. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3 A new app has to have good features for you to get any feedback. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4 Silbermann didn't show the app to anyone until it was launched. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5 He tried to get his friends and family involved. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 6 Meet-ups were used to create a community of engineers. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7 The word <i>genuine</i> is used to describe the connections that were made. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 8 It's important to listen to everyone else when designing a new app. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

F. Now that you have identified the main idea for each section, what would you say is the main idea of the entire talk? Discuss this with a partner and then write the main idea below.

Answers will vary, but there are many considerations that go into creating an app.

and doing something you are proud of comes first.



MyBookshelf > My eLab >
Exercises > Chapter 1 >
Ben Silbermann at Start-Up School

Academic Survival Skill

Taking Notes

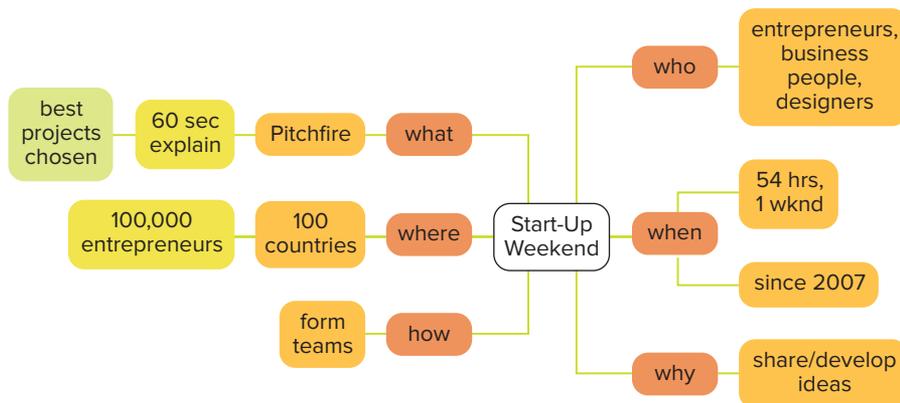
You take notes to help you remember the details of an assignment or lecture, or to have a record of a meeting so that you can bring up points and ask questions later. When your teacher offers additional explanations about something in your textbook, you can add notes to the particular section.

Taking notes helps to develop your listening skills. Learn to listen for main ideas and important details while blocking out information that doesn't matter. There are a number of ways to take notes including using mind maps, timelines, or outlines.

Mind Maps

Mind maps show relationships among ideas. Start with a central idea, such as the title of the lecture, and branch off to related ideas. In turn, the related ideas branch off further. If a topic changes, start a new mind map. One way to use a mind map is to write the topic in the centre circle with *who*, *what*, *when*, *where*, *why*, and *how* circles branching off from it.

A. Look at this example of a mind map summarizing Listening 2. Based on the mind map, discuss with a partner what you think Listening 2 is about.



B. When you take notes, you don't have time to write everything the speaker says. Instead, write key words and use abbreviations and symbols: *sec*, *hrs*, and *wknd* for *seconds*, *hours*, and *weekend*. Write symbols you could use for the following terms.

| MEANING | SYMBOL |
|-----------------|--------|
| greater than | > |
| less than | < |
| equals/equal to | = |
| not equal to | ≠ |
| connected ideas | / |
| up/popular | ↑ |
| down/unpopular | ↓ |

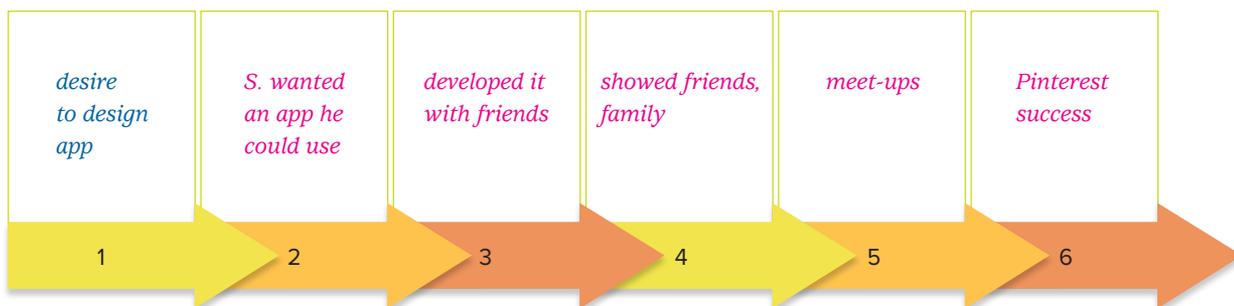
| MEANING | SYMBOL |
|-----------------------|--------|
| number | # |
| dollars/money | \$ |
| percent | % |
| and/plus | + |
| at | @ |
| essential information | * or ! |
| not clear/question | ? |

Timelines

When a lecture features several dates or refers to changes over time, take notes using a timeline. Draw a horizontal or vertical line on a page and add dates or stages. While you listen, write short notes next to each date or point in time.

C. Fill in the timeline with these short notes from Listening 1.

- meet-ups
- developed it with friends
- Pinterest success
- desire to design app
- S. wanted an app he could use
- showed friends, family



Outlines

Outlines work on the principle that main ideas are followed by supporting details. Look at this example. You will use this model to take notes on Listening 3.

| | |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Start-Up Weekend | <ul style="list-style-type: none">• 2007<ul style="list-style-type: none">– non-profit |
| | <ul style="list-style-type: none">• Isaac Newton<ul style="list-style-type: none">– work better in groups |
| | <ul style="list-style-type: none">• entrepreneurs, business people, designers<ul style="list-style-type: none">– meet 1 wknd/54 hrs– teams, develop prototype |

LISTENING 2

Fifty-Four Hours: Start-Up Weekend

Imagine you have a great idea for a new business but don't know anyone with the technical skills to help you make it happen. What would you do? Start-Up Weekend has been answering that question since 2007 with weekend get-togethers in more than one hundred countries. Participants share ideas and form teams to work on bringing the more interesting ideas closer to reality—all in just a fifty-four-hour period. In Listening 2, you will hear how some ideas might attract funding to get them started as real businesses.

VOCABULARY BUILD

In the following exercises, explore key words from Listening 2.

A. Highlight the word in parentheses that best completes each sentence. Key words are in bold.

- 1 I don't want to make a **commitment**, so I'll (choose / avoid) a date.
- 2 The new **facilitator** came to (organize / observe) the meeting.
- 3 The company has a special email **format** that (everyone / no one) must use.
- 4 The company preferred its **veterans**, not (older / newer) employees.
- 5 She wanted to do everything in **proportion** and (balance / unbalance) things.

B. Synonyms are words that have similar meanings. Choose the word or phrase that has the closest meaning to each word in bold.

- 1 One last **option** is to get money from a venture capitalist.
a) decision b) dead end **c) possibility**
- 2 Wages were cut in half and **consequently** many people left the company.
a) therefore b) beforehand c) unfortunately
- 3 They were **networking** with people in the computer industry.
a) wiring **b) connecting** c) spreading
- 4 The engineering plans were too **technical** for me to understand.
a) unusual b) important **c) scientific**



- 5 The software program tries to **simulate** the feeling of meeting friends in person.
- a) recover **(b) imitate** c) introduce

C. VOCABULARY EXTENSION: Some words have both noun and verb forms. Write definitions for these words.

| WORDS | NOUN DEFINITIONS | VERB DEFINITIONS |
|--------------|---------------------------------------------|------------------------------------------|
| 1 format | <i>way in which something is arranged</i> | <i>arrange in a particular way</i> |
| 2 network | <i>group of related people or things</i> | <i>connect with people or things</i> |
| 3 option | <i>something that can be chosen</i> | <i>obtain future rights to something</i> |
| 4 proportion | <i>relationship of one thing to another</i> | <i>divide up</i> |

D. Fill in the blanks with the words that have the closest meaning to the words and phrases in bold. These words will help you understand Listening 2.

circulate incessantly iterations pitch prototype skits

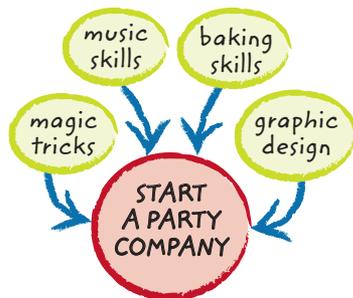
In funding meetings, **short performances** (skits) are often used as icebreakers to get people to **move around** (circulate) and meet other people. If everyone moves **without stopping** (incessantly), however, then there won't be any time to make a **proposal** (pitch). So there are **variations** (iterations) of icebreakers, such as ones where you stand at a table with a **model** (prototype) and people come to you.

Before You Listen

A. Form groups of six or more students. Ask each group member to write three or more skills he or she has, each one on a separate slip of paper. One member of the group collects and mixes these slips, then lays them out for everyone to see. In your group, look over the skills and make connections. Discuss how several skills could work together in a new business.

While You Listen

B. While you listen to the interview, try to focus on both the questions and the answers. On the next page are Jeff Smith's interview questions. Take notes on Louise Fox's answers. Then, when you finish listening, go back and add examples and explanations. Remember to use abbreviations when you take notes. You will hear the interview more than once, but take notes during the first time you listen, just as you might during a lecture.



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| SMITH'S QUESTIONS/COMMENTS | FOX'S ANSWERS/COMMENTS |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 Welcome, and today we're talking to Louise Fox who is working with Start-Up Weekend, an organization that's been around since 2004.</p> | <ul style="list-style-type: none"> • <i>around since 2007</i> |
| <p>2 ... It's sort of a meeting of geniuses and inventors, isn't it?</p> | <ul style="list-style-type: none"> • <i>many innovations from groups</i> • <i>Isaac Newton agreed</i> |
| <p>3 Did you say <i>giants</i>? What did he mean by giants?</p> | <ul style="list-style-type: none"> • <i>ideas and inventions based on earlier scientists</i> |
| <p>4 Got it! So tell us about Start-Up Weekend. Is it something that's going to change the world?</p> | <ul style="list-style-type: none"> • <i>Start-Up Weekend non-profit</i> • <i>attendees meet one weekend for about fifty-four hours</i> |
| <p>5 Excuse me, just fifty-four? I heard that no one sleeps at these things!</p> | <ul style="list-style-type: none"> • <i>attendees work in groups, developing ideas for prototypes</i> |
| <p>6 And I've heard it's been a success. Would you agree?</p> | <ul style="list-style-type: none"> • <i>100 countries, 100,000 entrepreneurs</i> • <i>half attendees technical or design backgrounds; half business backgrounds</i> |
| <p>7 Technical, design, business. Uh-huh.</p> | <ul style="list-style-type: none"> • <i>Start-Up Weekend Friday night networking</i> • <i>icebreaker helps people meet</i> • <i>facilitator introduces a topic, e.g., effective pitches</i> • <i>Pitchfire: sixty seconds to explain a new idea without props</i> |
| <p>8 I've heard it's expensive to attend, but you said it was a non-profit. Can you tell me where all the money goes?</p> | <ul style="list-style-type: none"> • <i>question not answered</i> • <i>group votes on best ideas</i> • <i>teams form</i> • <i>Saturday, teams work and may listen to one or two short talks by experts</i> |
| <p>9 I understand that the teams are not just working on their own. Can you give me an example of the help they get?</p> | <ul style="list-style-type: none"> • <i>coaches are Start-Up Weekend veterans</i> • <i>coaches' expertise in marketing, design, or computer programming</i> • <i>teams work late</i> |
| <p>10 Let me cut in here. It seems they're very motivated. What do you think?</p> | <ul style="list-style-type: none"> • <i>Sunday, teams work</i> • <i>late-afternoon five-minute presentation for judges</i> • <i>judges ask questions</i> |
| <p>11 Would you be able to tell me what the presentations consist of?</p> | <ul style="list-style-type: none"> • <i>presentations consist of feature websites, mobile phone applications, slide shows, videos, or even skits</i> • <i>judges select top prototypes and give prizes</i> • <i>teams celebrate and network</i> |
| <p>12 Very impressive. For you, what would you say is the measure of success for Start-Up Weekend?</p> | <ul style="list-style-type: none"> • <i>55 percent of participants work as full teams</i> • <i>23 percent work with some members</i> • <i>8000 start-ups created in six years</i> |