Wisdom of the Campfire, the term evokes the smell of smoke, the warmth of a fire, the comfort of a relaxing mélange with a dancing flame and storytelling.

In this storytelling the lessons of one generation are passed to the next and the next generation passes them to the next. In this manner, the lessons of life are drawn in detail and passed along. Their repetition is the teaching. It has always been so.

This is the spirit in which this document is written. A series of basic questions which allows a company Founder or CEO to take an oblique view at his business with the wisdom accumulated from CEOs who have been running companies for decades.

You are sitting at that campfire and telling your story as it exists at that instant in time.

It is not a test. It is a set of questions which will reveal the truth of exactly where you are at this instant in time and perhaps a few formative issues that might be worthy of a bit of attention.

There will be great companies which will have seemingly gaping shortcomings and there will be companies which are able to answer every question seemingly perfectly but are not yet good companies. This exercise does not assess the vitality of a company but rather provides a frame of reference for the Founder, CEO to conduct her own assessment of where she thinks she is. Use it in that spirit.

It is your campfire.
Jeffrey L Minch has been running businesses as a Founder, President, Chief Executive Officer and Director for over thirty three years. He likes to think he is getting the hang of it all but who really knows. He is still learning and likely always will be.

He has run public and private companies and has wrestled with in highly regulated business environments as well as large financial undertakings.

He had a stint of thirteen years running a public company --- United States Securities and Exchange Commission reporting company with all the attendant regulations including the 1933/34 Acts, Regulation FD, Sarbanes-Oxley, PCAOB and exchange rules.

He had another stint of twelve years running a large private company with all the attendant challenges of building and renovating significant real estate assets.

These enterprises make up twenty five years of his thirty three years of experience and represent a level of continuity rarely seen in such a time period. The significance of this is that while Minch is a committed and experienced CEO, he has had ample opportunities to try out, refine and document all of his theories on founding, running and growing companies.

His voice at your campfire is experienced, passionate, authentic and sometimes even wise. But it is because he has walked miles in your moccasins.

He would be the first to tell you that some lessons come with the sweetness of triumph and some with the bitterness of disaster. As Rudyard Kipling said:

*If you can meet with Triumph and Disaster*  
*And treat those two impostors just the same;*
Minch has founded companies and grown them to a substantial size approaching 500 employees and $100MM in gross revenue and has conducted turnarounds of struggling businesses and business units.

He knows how to operate in a multi-unit, multi-city, multi-state operating environment and he has operated in highly regulated industries.

He has raised over $1,000,000,000 in debt and equity in multiple forms and fashions and knows the business of raising money in great detail.

He has made it to the pay window a few times and he has lost good money in bad investments. He has paid a full tuition for all of his lessons.

One of his theories he calls The 360 degree Businessman which suggests that to be successful in business --- startup and small businesses, in particular --- a CEO has to master not just the typical leadership and management challenges of vision, mission, strategy, tactics, objectives, values and company culture but also technical pursuits like finance, marketing, training, the Internet, social media, legislation, lobbying, litigation, design, branding, technology, communication and a myriad of other skills.

Minch sees business like a process --- a chained series of processes --- which can be reduced to a series of descriptions and graphics which allow each CEO to use his own personal learning style to embrace the challenges of running increasingly more complex enterprises. This is particularly applicable to startups which scream out for a plan to solve some important problem of the world.

Before Minch got into the CEO-ing business, he had been an Army officer and had had the luck to have been a platoon leader and a company commander in the Combat Engineers. He likes to tell folks that everything he ever needed to know to run a company he learned as a platoon leader and company commander.

Being a company commander is as close to being a Chinese feudal warlord as is possible to be without actually being one. It is a great job. It focuses on mission, developing capabilities to accomplish that mission, training to accomplish that mission and taking
care of your men --- not bad concepts to running any enterprise.

Today, he provides mentoring, advisory and coaching services to CEOs and C level executive in startup and small businesses. He organizes this endeavor under the brand of **Wisdom of the Campfire**. In this manner CEOs can tap into his experience at a small tuition. It is important to learn from experience but it may be cheaper and faster to learn from someone else’s experience.

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You may enjoy reading **The Musings of the Big Red** Car which is a whimsical blog written from the perspective of a cherry red 1966 Chevy Impala Super Sport convertible which is able to channel Minch’s thoughts and musings.

Before we all take this too seriously, just remember this is the guy from whom you are taking advice. A little cowboy with a six shooter.

Good luck and Godspeed in all of your endeavors. Welcome to the campfire.
This checklist is used to evaluate a startup or mature company from the perspective of assessing its viability.

Not every question can be answered initially --- one may have to think them through a bit. Eventually every question has to be answered to make a useful and realistic assessment.

This is a working tool. It will be used to guide a conversation --- perhaps with yourself initially.

There are no perfect answers and hopefully it will spark some thinking as to what else needs to be considered.

You may want to put your answers right on these pages. The document can be had in a Word format to facilitate using it in this manner.

Take your time, this is not a test.

**Vision**

1. Make a canvas of the business model --- draw a graphic depicting who the customers are, the channels by which you access customers, other stakeholders, where the revenue comes from, the nature of the expenses (fixed and variable) and what the product/service/company transformation entails.

2. What problem is this product/service/company solving?

3. What is the long term vision for this product/service/company?

**Product**

4. What is the product/service/company?
5. What industry is your product/service/company serving?
6. What are its unique selling advantages?
7. Who are its competitors?

People

9. Identify the critical people involved with your product/service/company who are “mission critical” without whom you could not survive?
10. How many of your folks are in the equity pool?
11. What skills are fully represented and what skills are missing?
12. Is there a skill you are currently outsourcing that you think will ultimately have to be brought inside?
13. Are you in the market for talent? If so, what talent in particular?

Planning documentation

14. Do you currently have a business plan?
15. Do you have a strategic plan?
16. Do you have a marketing plan?
17. Do you have a financial plan? A forecast?
18. Do you currently have a Power Point of the product/service/company?
19. What planning documents, if any, do you currently have?
20. Do you have a Vision, Mission, Strategy, Tactics, Objectives, Values and a Company Culture? Written?
21. What made the planning documents? How long ago?

Customers

22. Who are the customers?
23. How are they currently receiving this product/service/company? Is this a new product/service/company?
24. What are they paying currently and what are they willing to pay for your product/service/company?
25. What is the size of the customer base? How many total customers out there?
26. How big a part of your customers’ business will your product/service/company become? Can they live without it?

<table>
<thead>
<tr>
<th>Channels</th>
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<tbody>
<tr>
<td>27. How do you deliver the product/service/company?</td>
</tr>
<tr>
<td>28. How is it currently being delivered?</td>
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<tr>
<td>29. Is this a new or existing channel?</td>
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<tr>
<td>30. How many customers are at the end of each channel?</td>
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<table>
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<tr>
<th>Marketing</th>
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<tbody>
<tr>
<td>31. What is the cost to acquire a single new customer?</td>
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<tr>
<td>32. What is the potential value of a long term customer?</td>
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<tr>
<td>33. What is the ROI on CTA v LTV?</td>
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<tr>
<td>34. What is your plan to market this enterprise?</td>
</tr>
<tr>
<td>35. What are your marketing tools?</td>
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<tr>
<td>36. What are your marketing channels?</td>
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<tr>
<td>37. What is your expected conversion rate?</td>
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<tr>
<th>Growth</th>
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<tbody>
<tr>
<td>38. What has been the historic growth rate of the enterprise?</td>
</tr>
<tr>
<td>39. What do you anticipate the growth rate can be? Why?</td>
</tr>
<tr>
<td>40. What are the metrics for growth --- customers?</td>
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<tr>
<td>41. What are reasonable platform objectives for growth? How long to get to 100, 1,000, 10,000, 100,000, 1MM customers?</td>
</tr>
<tr>
<td>42. Is this a high growth or a slow growth or a steady growth enterprise? Why?</td>
</tr>
<tr>
<td>43. How big can this enterprise ultimately be? Can the original founders get it there?</td>
</tr>
<tr>
<td>44. Is this a domestic or global growth opportunity?</td>
</tr>
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</table>
Revenue

45. From a macro perspective what is the revenue model? Where is the money coming from and when?
46. Are there multiple sources of revenue? Please describe each one.
47. Is the revenue one time, periodic, subscription? Be specific.
48. How do you get paid? PayPal, credit cards, snail mail, transaction based?
49. Is the credit of the customer a consideration in payments?

Expenses

50. Please describe your current expenses --- fixed and variable.
51. Please describe what you think your expenses will entail in 3 years --- fixed and variable.
52. Please identify your cost of goods sold --- expenses that are directly incorporated into each product/service.
53. Are you expenses constant, declining or increasing as your enterprise grows?
54. If you are producing a product, what are your expenses per unit sold?

Cash flow

55. What is your historic level of cash flow?
56. What is your projected level of cash flow given current operating performance?
57. What are you using the cash flow for currently?
58. If you are not cash flow positive, how are you funding the shortfalls?
59. What has to happen to get you to cash flow positive?

Profit

60. Are you currently profitable?
61. Can you pay a living wage to the founders?
62. Are you making any return on the invested capital in the enterprise?
63. What will it take for you to become profitable on a strict accounting basis? If so, how profitable?

### Metrics

64. What are the measurable metrics of your product/service/company?
65. Can you rank order them in importance?
66. What are the key performance indicators?
67. Are you currently using any particular metrics or key performance indicators on an automated or manual basis to measure performance?

### Vendors, stakeholders

68. Who are your “mission critical” vendors, the folks you cannot replace or who would be a very difficult proposition to replace?
69. Identify all vendors.
70. Identify all stakeholders.
71. Any problem children amongst the vendors or stakeholders?

### Funding

72. How have you funded your product/service/company thus far?
73. How much runway do you have in front of you?
74. Have you sought and closed prior rounds of funding? Please describe each one.
75. Are you in the market for funding right now? Have a pitch?
76. Do you have an elevator pitch, a taxicab pitch, a big pitch?
77. Slides? If so, please attach.
78. What is the current capital structure of the enterprise? What does the capital table look like?

### Technology

79. Does your product/service/company use any technology? If so what?
80. What is the degree of difficulty in the technology you current employ?
81. How important is this technology to your long term success?
82. How dynamic is this technology --- does it change and how often?
83. Does the technology consume itself? At what rate? Is this reflected in your cost structure?

**Regulatory**

84. Does your product/service/company operate under any particular regulatory or licensing scheme?
85. Is your industry regulated --- e.g. gaming or real estate?
86. Is the licensing a good or a bad thing?
87. Is the enterprise becoming more highly regulated?
88. Do employees need to obtain any particular licenses? If so, which ones?

**Moat**

89. Does your product/service/company have any inherent protections against competition?
90. Any patents?
91. Any intellectual property which is safe from copycats?
92. Any trademarks?
93. Any high level math that is difficult to duplicate?
94. What are the barriers to entry?
95. How tough would it be for a client to simply steal your idea and reverse engineer it?

**Things that go “bump” in the night**

96. Tell me about your computer vulnerability. Backup off site?
97. Do you have a succession plan in the event of losing a critical employee?
98. Any chance for criminal regulatory issues --- such as insider trading in the securities business?
99. Any chance for geographical risk --- such as having a development operation in a foreign country?
100. Any current regulatory or legal issues?
101. Do you have an enforceable buy-sell amongst the founders?
102. Any crazy boardmembers?

### Exit strategy

103. How do you monetize your investment in the short term, mid-term, long term?
104. If you were to sell this enterprise, who would want to buy it? Why?
105. Are there strategic buyers out there?
106. Are there value buyers out there?
107. Are there users of the product/service/company who would buy the enterprise? Why?
108. What are the multiple exits for this investment?
109. Could the enterprise retire all of its investment over a certain period of time? If so, how long and starting when?

### Governance

110. Do you have regular management meetings?
111. Do you have a Board of Directors?
112. Do you have Board meetings and do you adhere to corporate formalities?
113. What is your legal ownership entity?
114. Is your legal ownership entity up to date on all filings and organizational documents?

### Founders

115. Who are the founders?
116. First time or serial founders?
117. How long have you been together?
118. Successful prior exits?
119. How much does everyone own?
120. How much real cash does everyone have in the enterprise?
121. How much sweat equity --- actual time invested --- does everyone have in the enterprise?
122. Who controls the decision-making?
123. Who is the leader of the team? Does he have real control of final decision-making?
124. Who is the manager of the team?
125. Who has the greatest command of the technology employed in the enterprise?
126. Is there someone who is a numbers guy? If so, who?
127. How long have you been working on this?
128. How is everyone’s health?
129. What is your current level of energy?