Entrepreneurial Finance: *Venture Capital, Deal Structure & Valuation, Second Edition*

**Chapter** 11 Valuation in Practice

***Learning Objectives***

After reading this chapter you should be able to:

* Articulate the criteria for selecting a valuation model
* Use the relative value approach to estimate the continuing value of a new venture
* Identify and collect the information needed to implement a new venture DCF valuation
* Estimate the components of a new venture’s beta
* Estimate the opportunity cost of capital for a venture
* Recognize and use shortcuts in the valuation process
* Implement the primary valuation approaches:
  + DCF by the RADR and CEQ forms of the CAPM
  + Relative Value method
  + Venture Capital method
  + First Chicago method