

_The boundaries & the problem approach

To recap

While corporations may be fictional entities in a legal sense, they have a very real impact on society and the economy. They can amass significant wealth, influence politics, shape culture, and impact the environment. This dual nature of corporations, as both fictional and powerful entities, raises important questions about their role and responsibility in society.

The key assumption is:

Resources are scarce (!!!)

So...companies have boundaries.

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And IT'S GREAT!

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1. Horizontal boundaries
2. Vertical boundaries
3. Corporate boundaries

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Refer to how big the firm is, how many customers does it cater to.

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Horizontal boundaries depend on the efficiency level of an organization. Efficient firms make more of what they are good at.

2. Vertical boundaries

Refer to the set of activities it performs and those it purchases from market specialty firms.

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Vertical boundaries depend on the power, capabilities, and reliability of suppliers. Efficient suppliers make more of what they are good at

3. Corporate boundaries

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Corporate boundaries depend on the value of a firm's resources and capabilities in other markets. Firms expand to different markets when firms elsewhere aren't good at what they're doing

And why?

Because companies exist to solve PROBLEMS!

FROM: idea-driven entrepreneurship

The context

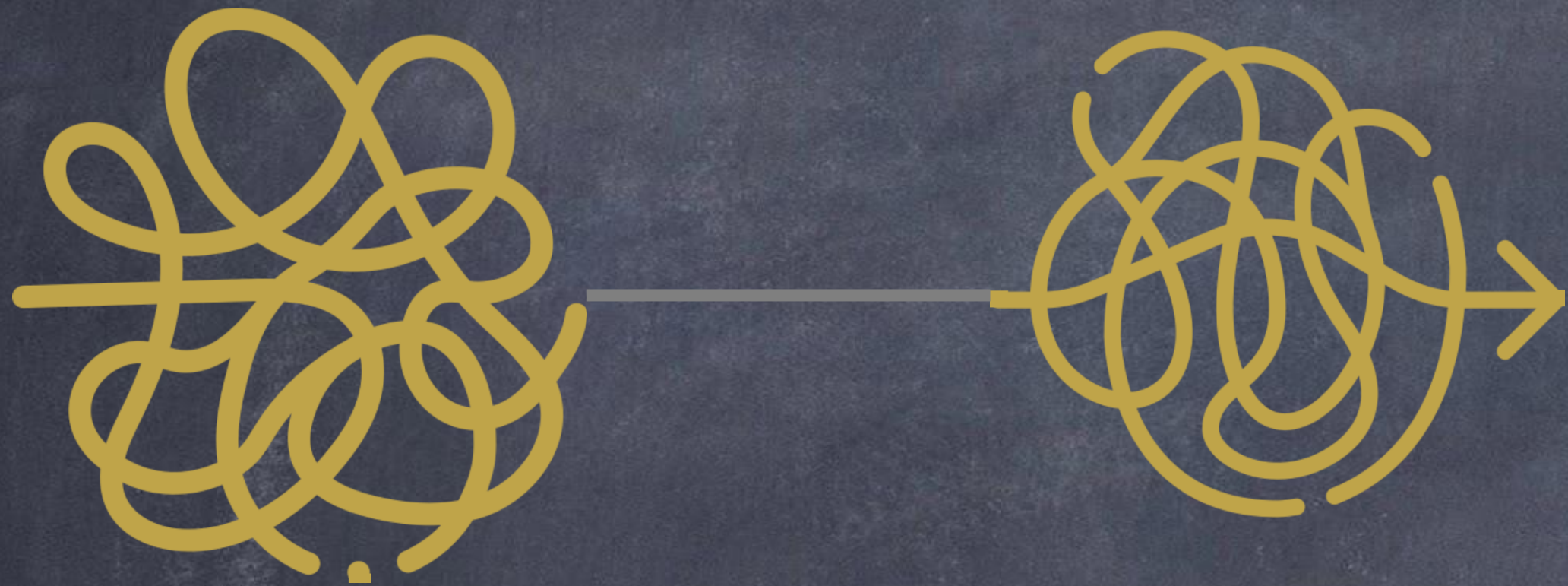
FROM: idea-driven entrepreneurship

TO: **PROBLEM-driven** entrepreneurship

The context



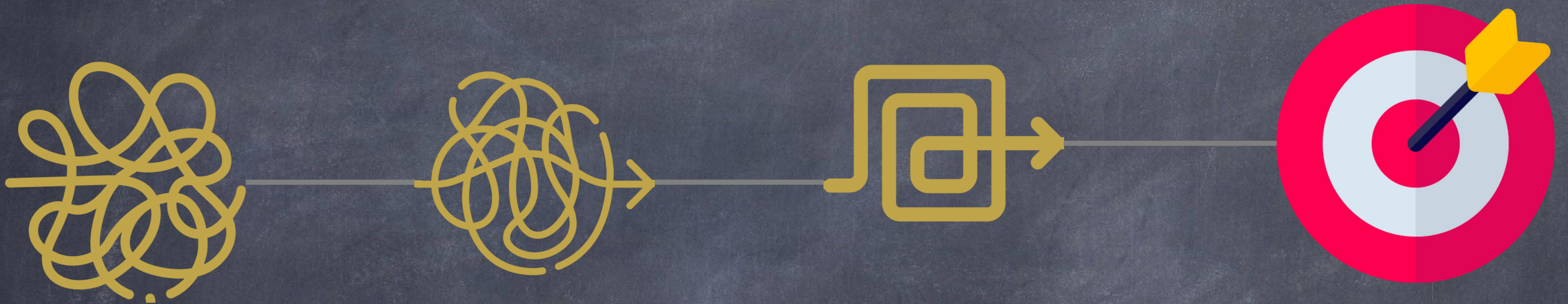
The context



The context



The context



WHY?



Customer Development Model



STEP #1

PROBLEM
SOLUTION

=

PROBLEM / SOLUTION FIT

STEP #2

PRODUCT

MARKET

=

PRODUCT / MARKET FIT

Changes...

...the case of Alsthetics Apparel



Co-founders



João Ferrão dos Santos

Watching underdogs win. Venture
Capital | Impact Investing | Go-to-
Market Strategy | Strategic
Positioning

Co-founders



Co-founders



CEO

Day 1



João Ferrão dos Santos • 1º

Watching underdogs win. Venture Capital | Impact Investing | Go-to-Market ...

6 m • Editado •



I asked GPT4 to become a CEO and create the most profitable company you can build with 1,000 USD and 1 human hour per day.

This is what happened in the last 2 hours:

- 1 - GPT4 told me to start an e-commerce store.
- 2 - It chose the brand name Alsthetic Apparel.
- 3 - We sell t-shirts made from sustainable cotton.

Designed by AI. Obviously.

- 4 - GPT4 told me to attract angel investors for upfront capital.

5 - I am proud to have raised 2,500 USD from angel investors [Martin Andreas Petersen](#), [Frederik van Deurs](#) and [Vasco Conceição](#), in exchange for 25% of the company.

It's a tough market these days, I took what I got.

6 - GPT4 drafted a 10 step business plan and suggested I use Shopify and Printful, selling exclusively print-on-demand.

7 - We now have a live Shopify store connected to a real life company and a bank account.

8 - GPT4 told us what we should ask Midjourney to design, and our first AI-to-AI t-shirt design is complete.

Let's see where GPT4 takes this in 30 days.

Day 1



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1h/day

1k USD

All decisions made by GPT

Day 2

Name was chosen
New company font and logo

Day 3

4M views

Requests for product placement and angel tickets

Partnership policy has been set

Pre-money valuation is now available for investors

Day 4

Dear friends,

I am thrilled to announce the launch of Alsthetics Apparel, an e-commerce store dedicated to bringing you t-shirt designs that are truly unique and innovative. Our designs are not just created by humans, but also by cutting-edge AI technology. At Alsthetics Apparel, we believe that fashion should be **intelligent, sustainable, and futuristic**. That's why we're excited to offer a range of t-shirts that are inspired by the latest AI trends and designed to help you stand out from the crowd. We're passionate about using AI to push the boundaries of fashion design, and we can't wait to share our creations with you. Whether you're looking for a statement piece or a wardrobe staple, we've got you covered.

Thank you for joining us on this exciting journey.

We look forward to bringing you more amazing AI-generated designs in the future.

Shop now and experience the future of fashion with Alsthetics Apparel!"

Day 6

200 orders in 48h

250k at a 4M pre-money valuation

Revenues: 7k

COGS: 4k

Day 18

LLC is officially incorporated in Denmark
Hit the 400 order milestone

Day 30

8,538,906 - impressions on LinkedIn.
120,000 - capital raised from investors (EUR).
39,541 - new followers.
12,535 - in sales (fixed double-counting error).
6,000 - connection requests.
~40 - requests to invest in Alsthetic.
~30 - offers to work with us for free.
~20 - requests to start a franchise.
14 - podcast + keynote speaker invites.
5 - projects born from our post.
4 - requests to write a book on this.
3 - law firms guiding us.
2 - features in top media publishers.
1 - feature in a documentary on AI.
0 - money spent in ads
0 - people working on this full-time

To come:

- ✓ More about the problem analysis

See you on next session :)