Participating in Business Plan Competitions

September 30, 2005
ZLI Activities for 2005-’06

Opportunity Identification

Williamson – CoE/RSB E-education Initiative

Michigan Business Challenge & Intercollegiate Competitions

Entrepreneurial MAP domestic & international opportunities

Ideate Business

Frankel Fellows Program

Marcel Gani Internship Program (including JumpStart!)

Michigan Growth Capital Symposium

Assess Business

Dare to Dream Grant Program

Wolverine Venture Fund

Entrepalooza: Exploration of entrepreneurship across multiple industries and business stages

Integration

Assessment Integration

Founders’ Forum

Emerging Industries: in-depth exploration of an industry and/or technology

Business Launch & Acquisition

Entrepreneurial MAP

Michigan Growth Capital Symposium

Liquidity Event

Managing Turn-around

Symposia

Entrepalooza: Exploration of entrepreneurship across multiple industries and business stages

Emerging Industries: in-depth exploration of an industry and/or technology

Entrepreneurial Studies Courses

Counseling

ZLI Office Hours: one-on-one counseling

Action-based Learning

Entrepreneurial Studies Courses

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Michigan Growth Capital Symposium

Entrepalooza: Exploration of entrepreneurship across multiple industries and business stages

Emerging Industries: in-depth exploration of an industry and/or technology

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Entrepalooza: Exploration of entrepreneurship across multiple industries and business stages

Emerging Industries: in-depth exploration of an industry and/or technology

Entrepreneurial Studies Courses
Business Plan Competitions

• What are they?
• Why bother?
• 2005 - 2006 contests
  – Michigan Business Challenge
  – GLEQ
  – EVC QuickPitch
  – Intercollegiate
• Preparation
• What to do now
What are BPCs?

• Similar to case competitions
• The “cases” are students’ own business ideas or businesses
• Prepare and send plan weeks prior to the competition
• Present and defend the plan at the competition
What are BPCs?

- Venue generally supports social and business networking
- Judges give specific feedback to all participants
- Lasts from one to three days
- Winners announced within the competition
What are BPCs?

- **U-M Sponsored**
  - Michigan Business Challenge
  - Quick Pitch
- **GLEQ**
  - For residents and students in the state of Michigan
- **Intercollegiate and others**
  - Other entrepreneurially-focused programs
  - Commercially sponsored for academic teams
Why does ZLI bother?

- Advances student skill development
- Supports the creation of new businesses
- Demonstrates U-M and RSB as an entrepreneurial school
- Highlights talent of U-M students, programs
- Keeps community links vibrant
- Creates public relations opportunities for U-M, RSB, ZLI and teams
- Strengthens student relationships; builds history
Why should you bother?

- Develops entrepreneurial skills & experience
- Supports business development activities and research outside of the classroom
- Helps foster mentoring relationships
- "Artificial" deadlines encourage progress
- Boils down plan and ideas to the "essentials"
- Provides large volume of feedback from various audiences assists in bolstering arguments, proving assumptions
Why should you bother?

• Introduces teams to new networks
• Maintains motivation
• Challenges thinking, assumptions, etc.
• Rewards motivated teams with travel
• Provides prize money for winning efforts
  – First place awards range from $10,000 cash to $100,000 investment in your business
  – Average is ~ $15,000
• Provides a way to investigate an alternate post-graduation career track
Why should you bother?

• From one of the intercollegiate hosts:

  “[The] primary goal is to prepare all participants for leadership roles by challenging their minds, stretching their capacity, and encouraging their entrepreneurial passion. In the end....everyone is a winner.”
Why should you bother?

• “Great test run for when we actually launched.”
  • 2003 competitor

• “This really *made* my business school experience.”
  • 2005 competitor

• “Got a whole new perspective on what we *thought* was a great idea.”
  • 2004 competitor
2005-2006 Contests

• To be eligible to travel
  – Teams must enter and advance to the second round of the Michigan Business Challenge
  – Teams must have intention of starting the business
• Intercollegiate contests have slightly different rules
• Intercollegiate contests have slightly different emphases
• ZLI pays travel and expenses for most
When are they?

- MBC begins Fall B, runs through February
- Quick Pitch in January
- GLEQ in January and May
- Intercollegiate contests begin mid-February and run through early May
  - Usually a Thursday evening to Saturday afternoon format
Michigan Business Challenge

- Formerly: “Pryor-Hale Business Plan Competition”
- Develop student skills
- Encourage the creation of new businesses
- Engage as many students and teams as possible
- Provide more support on process
- Garner more feedback for participants
Michigan Business Challenge

• University-wide
• Graduate and undergraduate competitors
• Three rounds of competition and feedback
• Judged by experienced entrepreneurs and professional investors
• Optional training sessions geared for deliverables AND business development
• Over $30,000 in awards
MBC Awards

- Pryor Award for Best Business: $15,000
- Runner-up: $  5,000
- Williamson Award for Outstanding Business and Engineering team: $  5,000
- ILIR Social Impact: $  3,000
- Best Written Plan: $  2,500
- Outstanding Presentation (2): $  2,500
- Non-placing finalists (up to 6): $  250
- Advancing to Round Two (16): $  125
Michigan Business Challenge

10:30  9/30
Information session on MBC format and process

10:00  10/14
Content and presentation of an effective executive summary

10:00  11/11
Constructing an effective pitch

5:00  11/11
Due: Intent To Compete form & 3-page executive summary

11/18
ZLI reviews entries, and schedules first round

12/9
3-minute pitch determines 16 teams to advance to Round 2. Advancers receives $125 and are eligible to travel.

12:45  12/16
Lunch provided. Falls between exam times.

5:00  1/2
Due: 7-page market and financial overview

5:00  1/13
7-minute pitch & 7-page document determine 8 semi-finalists

12:00  1/20
Open workshop on business plan preparation

10:00  2/3
Due: 15-page business plan with full financials

12:00  2/10
How to present your business plan

12:00  2/17
15-min presentation & bus. plan determine final 4

10:00  2/17
15-minute pitch determine Pryor-Hale award

12:45  2/17
$30,000+ in awards incl. Pryor-Hale Award for Best Business

January 27 is HiTech Forum and EVC Quick Pitch Competition

Remainining 2005 events are in E0540
EVC QuickPitch

- Quick Pitch
  - U-M wide, RSB focus
  - EVC-led, part of FuturTech in January
  - 3-minute pitch format
  - Winner gets automatic bid to the Elevator Competition at Wake Forest University
GLEQ

- Links students to statewide network
- Cash and in-kind prizes
- Any high-growth team can join
- Emphasizes mentoring and connections
- Two cycles of competition
  - Deadlines: January 11 and May 15

Teams enter on their own independent of ZLI

www.gleq.org
GLEQ

• Five years of operation, cumulative stats
  – Teams Entered: ~600
  – Winning companies in existence: ~75%
  – Prizes Awarded: > $500,000

• All 5 major winners are still in operations
  – Year 1 Winner: Velcura
  – Year 2 Winner: TJ Pulse
  – Year 3 Winner: Adaptive Materials
  – Year 4 Winner: SensiGen
  – Year 5 Winner: Spirit Shop (Style High)
### Intercollegiate Competitions

<table>
<thead>
<tr>
<th>Year</th>
<th>Competitions</th>
<th>Teams</th>
<th>Students</th>
<th>Winners</th>
<th>Finalists</th>
<th>Semifinalists</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>13</td>
<td>12</td>
<td>29</td>
<td>KACE Competition, SDSU Venture Challenge</td>
<td>Indiana, HBS, GSVC</td>
<td>Nebraska, CMU, Rice, Ball State, Wake Forest</td>
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<tr>
<td>2005</td>
<td>13</td>
<td>12</td>
<td>41</td>
<td>Wake Forest Elevator, GLEQ, MBA Jungle</td>
<td>MOOT Corp, SDSU, HBS, NWU-ABI, CMU, Rice</td>
<td>Boise, UN-Lincoln, Oregon, Ball State</td>
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<tr>
<td>2006</td>
<td>~14</td>
<td>~14</td>
<td>~40</td>
<td>?</td>
<td>?</td>
<td>?</td>
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Note: The winners and finalists for 2006 are not specified in the document.
Preparation

• ZLI will try to select traveling teams as early as possible after Round 2 is complete
• Once a team accepts the invitation:
  – Complete MBC obligations
  – Attend preparation meetings
  – Meet the other competitions requirements
  – Provide all information and make travel arrangements on a timely basis
Preparation

Three required discussions prior to traveling

– Plan Development
  • May be multiple meetings
  • REQUIRED: January 20 workshop on plan preparation

– Presentation Development
  • May be multiple meetings
  • REQUIRED: February 3 & 10 sessions on presenting

– Logistics and final review
  • (pending) individual team meetings
Preparation

• Plan Development
  – Review of business plan
  – Hitting the “right” points
  – What’s the need/pain?
  – Solution
  – What are you selling?
  – Who is buying?
  – IP issues
  – Financials/Ask
Preparation

• Presentation Development
  – Practice sessions
  – Q & A
  – Telling the story
  – Knowing the audience
  – Right fonts, colors, graphics, images, etc.
  – Transitioning speakers
  – Working the room
Preparation

- Logistics
  - Travel arrangements
  - Reimbursement
  - Team members
  - Deadlines
  - Event requirements
  - Special preparation
  - Documentation
What to do now?

• Complete the Intent to Compete Form with
  – Complete 3 page Executive Summary
  – Contact info for team leader and members
  – Indicate which contests you are interested in
    ——— by November 11, 2005 ———

• Attend 10/14 session on effective executive summaries

• REMEMBER: Entrants in the Michigan Business Challenge who advance to Round 2 will be given preference when choosing and funding the traveling teams
Questions?

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