



**Baylor Business™**

# New Venture Competition

## Official Guidebook

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**Baylor New Venture Competition**  
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# I. General Competition Information

## Important Dates

Item	Date
2019 Baylor New Venture Competition Opens for Applications	August 1, 2018
Executive Summary Submission Deadline	October 1, 2018, 11:59pm CST
Announcement of Top 50	October 29, 2018
Confirmation of Legal Entity Formation from Competition Teams	November 23, 2018
Business Plan Submission Deadline	November 23, 2018, 11:59pm CST
Announcement of Finalists	January 4, 2019
Mentor Connected to Each Finalist Competition Team	January 18, 2019
Launch IBA Coaching Sessions	February 21-22, 2019
Feedback Sessions	February 22, 2019
Business Plan Competition Finals	February 23, 2019
Elevator Pitch Competition	February 23, 2019
Awards Banquet	February 23, 2019

## Introduction

The Baylor New Venture Competition is a multi-round business plan and elevator pitch competition hosted by the Hankamer School of Business at Baylor University. Underwritten by an anonymous gift to Baylor University and the Hankamer School of Business, the competition promotes student entrepreneurship by showcasing student created, managed, and owned ventures. Student entrepreneurs from not-for-profit accredited universities across the globe are offered expert feedback, coaching, and a prize package of cash and crucial in-kind business support services, to launch and grow their ventures.

## Business Plan Competition

The Business Plan Competition is a multi-round team competition culminating on the Baylor University campus where student teams present their new ventures in a traditional slideshow format to a panel of expert judges. Grand Prizes are awarded to the top three student teams.

### Grand Prizes:

1<sup>st</sup> Place - \$50,000

2<sup>nd</sup> Place - \$25,000

3<sup>rd</sup> Place - \$10,000

Honorable Mention - \$1,500

RealFoundations Award - \$5,000

## Elevator Pitch Competition

The Elevator Pitch Competition is a team competition where students from each team will have the opportunity to present their new venture in an elevator-pitch format to a live audience. The audience will choose the best pitches and prizes will be awarded to the top three teams.

Audience Choice Prizes:

1<sup>st</sup> Place - \$1,500

2<sup>nd</sup> Place - \$1,000

3<sup>rd</sup> Place - \$500

## Confidentiality and Intellectual Property

All submitted information is deemed the property of the participating teams. All Baylor New Venture Competition judges and staff are working professionals and investors who routinely evaluate business plans and understand the need for confidentiality. However, they do not sign any non-disclosure agreements to participate in this competition. Teams are strongly encouraged NOT to provide any specifics or details that are considered to be intellectual property or the key to intellectual property. There will be no penalty in judging when a question or issue is not fully addressed because of concerns over confidentiality. In addition, the submission platform has their own confidentiality policies and teams should review those when agreeing to the submission platform.

## II. Business Plan Competition Rules

### Team Rules

Competition student teams must:

- Be composed of 2-4 currently enrolled students or recently graduated alumni (must have graduated within the previous 18 months of the executive summary submission deadline) from an accredited not-for-profit university. However, each competition team must have a minimum of one member who is a currently enrolled full-time student.
- Be comprised of undergraduate, graduate, or post-graduate students.
- Designate, at the time of submission of the first round executive summary, one person on the team to be the team lead. This team member will be the only point of contact with the Baylor New Venture Competition.
- Submit documentation verifying their status as students or recently graduated alumni at the point of submission of the business plan. **National Student Clearinghouse verification is the preferred method authentication.** Non-students may be involved with the company outside of the competition, but may not be a part of the competition team (i.e. may not present or answer questions for the team).
- Have “C-Level” positions within the company.

- Have fundamental, equity-holding positions within the company and, on October 1, 2018, must have a combined ownership of no less than 25% of the total fully-diluted equity, assuming conversion of all rights that can convert into equity. Each competition team's business must be set up as a legal entity at the point the team reaches the business plan submission round of the competition. A current fully-diluted capitalization table must be submitted at this point also and attested by each competition team member. If there are any changes to equity sharing arrangements during the course of the competition, a new fully-diluted capitalization table, attested by all competition members, must be submitted to [newventurecomp@baylor.edu](mailto:newventurecomp@baylor.edu) within 48 hours of the change.
- Be composed of students who are members of only one current Baylor New Venture Competition team. **Non-finalist competition teams are eligible to participate in future competitions.**
- If finalists, confirm attending competition team members no later than 2 weeks prior to the competition days on campus at Baylor University. Failure to confirm team members or subsequent changes/additions/subtractions in team composition after this 2 week mark may result in team disqualification.
- If confirmed finalist teams, be complete and present during the entire competition period on campus at Baylor. Confirmed finalist teams must be complete and present at the time of the prize presentations in order to be eligible for prizes.

## Business Rules

All competition student team businesses must:

- Be for-profit, early stage, and potentially at the point of asking for investment capital. This does not typically include buyouts, entity expansions, funds, franchise purchases, not for profits, and spin-outs. Businesses must not be subsidiaries or recapitalizations. Prior to the application deadline on October 1, 2018, no more than \$250,000 of equity capital can be raised other than equity investments from friends, family, and competition team members.
- Submit proof of establishment of a legal entity no later than the deadline for submission of the round-2 business plan. Each competition team will be required to provide a W-9, W-8BEN-E or other country-appropriate tax documentation for their legal business entity at the point of submission of their business plan. A current capitalization table must be submitted with the business plan and attested by each competition team member. If there are any changes to equity sharing arrangements during the course of the competition, a new cap table, attested by all competition members, must be submitted to [newventurecomp@baylor.edu](mailto:newventurecomp@baylor.edu) within 48 hours of the change.

## Competition Rules

The first two rounds of the Baylor New Venture Competition will take place online and involve the submission of documentation through the submission platform. The final rounds will take place at Baylor University and consist of live presentations. All documents and presentations must be in English.

## Online Documentation

### Executive Summaries

- For Round 1, all entering competition teams will submit a two-page executive summary through Startup Compete. Judging will take place and the top 50 companies will advance to Round 2 and be invited to submit a full business plan.
  - Executive Summaries
    - All submitted work must be the original work of competition team members or appropriately licensed work of others. Any submission that does not meet these requirements will be eliminated from the competition.
    - Executive Summaries must adhere to the following format:
      - Can be single or double spaced
      - Must have at least .75" margins on all four sides
      - Must be submitted in PDF format through the submission platform
      - Must be no longer than 2 pages after conversion to PDF
      - Must be in at least a 10-point font after conversion to PDF
    - Executive Summaries must include the following data points. Additional data points not listed below can be provided within the length guidelines.
      - One Sentence Summary
      - Overview of Business
      - Problem Solved
      - Product or Services Offered
      - Market Overview
      - Business Model
      - Customers or Prospective Customers
      - Sales & Marketing Strategy
      - Competitive Environment
      - Management Team
      - Capital Needed
      - Contact Info for the Team Leader

Note: Be sure to list contact information that includes a phone number and **personal /corporate permanent email address** that you check at least daily. Please refrain from submitting your school email address as this is often not a permanent address. Double-check that the information that you have provided is correct. We will use this contact information to reach you with important information

relating to the Baylor New Venture Competition.

- Scoring Criteria:
  - Quality of the Idea 20%
  - Viability and Scalability of Model/Strategy 20%
  - Market Attractiveness and Exit Potential 20%
  - Quality of Written Work 10%
  - Investor Interest Level 30%
- Ranking  
Each judge will provide a numeric score for each of the criteria sections above for each executive summary submission that they review. After scoring all submissions he or she is assigned, each judge will then rank each executive summary in comparison to all of the executive summaries that the judge reviewed. For that judge, the company with the highest ranking will receive a 1, then proceed numerically through all of the executive summaries reviewed.

Judges are also encouraged to provide comments for each of the criteria sections for each executive summary submission that they review. The purpose of this feedback is to provide an educational opportunity for the competition team. The feedback is not part of the competition scoring of the executive summaries but may influence the judge's ranking decisions.

- The top 50 companies will advance to Round 2 and be invited to submit a full business plan.

**Please note: All submission deadlines are final. Late applications cannot be accepted and deadline extensions cannot be granted for any reason. The Baylor New Venture Competition staff encourages each team to submit their executive summary early so that any technical difficulties can be resolved before the deadline hits. All dates and times specified for competition deadlines are Central Standard Time.**

## **Business Plans**

- For Round 2, the top 50 companies will submit their full ten-page business plans through Startup Compete. Another round of judging will take place and determine up to 10 finalist teams who will be invited to present their companies live on Baylor University's campus.
  - Business Plans
    - All submitted work must be the original work of competition team members or appropriately licensed work of others. Any submission that does not meet these requirements will be eliminated from the competition.
    - Business Plans must adhere to the following format:
      - Can be single or double spaced
      - Must have at least .75" margins on all four sides
      - Must be submitted in PDF format through Startup Compete

- Must be no longer than 10 pages after conversion to PDF  
Title/Cover Page and Table of Contents do not count toward the 10-page limit.
  - Can include up to 10 pages of appendices after the 10 business plan pages
  - Must delineate clearly between end of business plan pages and beginning of appendix pages (if applicable)
  - Must include page numbers on document
  - Must be in at least a 10-point font after conversion to PDF
- Business Plans must follow the outline described below. The Title/Cover Page and Table of Contents do not count as part of the 10 business plan pages.
    - Title/Cover Page (Does not count toward the 10 business plan pages)
    - Table of Contents (Does not count toward the 10 business plan pages)
    - Executive Summary (Revised after initial submission)
    - Business Mission and Vision
    - Business Description
    - Market Analysis
    - Description of Products & Services
    - Organization & Management
    - Marketing & Sales Strategy
    - Financials (Must have at least a detailed 5-year projected income statement)
    - Appendices (Up to 10 pages of appendices)
- Scoring Criteria:
 

• Quality of the Idea	20%
• Viability and Scalability of Model/Strategy	20%
• Market Attractiveness and Exit Potential	20%
• Quality of Written Work	10%
• Financial Projections	10%
• Investor Interest Level	20%

- Scoring and Ranking  
Each judge will provide a numeric score for each of the criteria sections above for each business plan submission that they review. After scoring all submissions he or she is assigned, each judge will then rank each business plan in comparison to all of the plans that judge reviewed. For that judge, the company with the highest ranking will receive a 1, then proceed numerically through all of the business plans reviewed.

Judges are also encouraged to provide feedback comments for each of the sections for each business plan submission that they review. The purpose of this feedback is to provide an educational opportunity for the competition



team. The feedback is not part of the competition scoring of the plans but may influence the judge's scoring and ranking decisions.

- The top 10 competition teams will be invited to present their companies live on Baylor University's campus.

**Please note: All submission deadlines are final. Late submissions cannot be accepted and deadline extensions cannot be granted for any reason. The Baylor New Venture Competition staff encourages each team to submit their business plan early so that any technical difficulties can be resolved before the deadline hits. All dates and times specified for competition deadlines Central Standard Times.**

## **Live Presentations**

### **Feedback Sessions**

- All finalist competition teams will take part in mandatory Feedback Sessions on Friday afternoon of the on-campus competition period. These sessions will not be scored or ranked and will be casual in nature. Finalist competition teams will give a 10-minute pitch to Feedback Session coaches. The coaches will then have approximately 30 minutes to ask questions, discuss, give advice, and allow finalist competition teams to ask questions of the coaches. This feedback may then be used to craft and revise finalist team presentations prior to the Finals on Saturday.

### **Final Rounds**

- Finals will take place on Saturday of the on-campus competition period. Presentation order of the competition finalist teams will be determined by random drawing. Up to 5 finalist teams will present in the morning and up to 5 will present in the afternoon. Finals judges will be sequestered for lunch. For the Finals, all competition team members must be present on stage and have a speaking part. All presentations must be the original work of the presenting team members. Presentations must be PowerPoints, in PowerPoint file format, and must be PC-compatible. No more than 2 minutes of video content should be included as a part of the live pitch presentation. Presentations must run no longer than 10 minutes, with 10 minutes of judge Q&A.

### **Final Rounds Presentation Judging Criteria**

- **Situation Analysis**
  - Demonstrated knowledge of business space
  - Performed and presented research and analysis of industry landscape
  - Team has proven they know what they're getting into
- **Market Opportunity**
  - Market and target customer identified
  - Offering addresses a clearly identified pain/need in a compelling way
  - Market would welcome this company
- **Business Model**
  - Company showed clear and effective means of making money

- Model is sustainable; attractive margins, cash flow, and value creation
  - Critical risks have been identified and addressed
- **Competition**
  - Competitors clearly identified
  - Company is distinctive/offering is unique
  - Competitive advantage identified and is sustainable/defendable
- **Go-to-Market Strategy**
  - Sales and marketing strategy is developed, believed to be effective
  - Distribution channels identified
  - Plans for getting product/service into customers' hands made clear
- **Management Team**
  - Team was knowledgeable (operations, industry, key issues, etc.)
  - Team seemed capable of executing their presented plans/strategies
  - Team showed confidence, passion, enthusiasm, professionalism
- **Financials**
  - Financial plan presented, including projected income statement
  - Team demonstrated clear understanding of finances and key metrics
  - Assumptions were presented, and were reasonable and substantiated
- **Investment Potential**
  - Risk/reward ratio is attractive
  - Scalability potential is high
  - Reasonable likelihood of success, including good return on investment
- **Effectiveness of Q&A Answers**
  - Content of answers was satisfactory
  - Answers directly addressed the question asked
  - Team was able to think on their feet
- **Overall Presentation Effectiveness**
  - Presentation included all necessary topics
  - All topics were clearly explained; presentation was sharp, persuasive
  - Story was compelling

### **Final Rounds Presentation Judging and Feedback**

- For each presentation, judges will fill out a scorecard and investment allocation sheet. The scorecard will comprise 90% of the final score and the Investment Allocation will comprise 10% of the final score.
  - Each judge will provide a numeric score for each of the sections above and enter those scores on a scorecard with a 1-7 scale for each criterion. The best score possible will be 70.
  - Each judge will also fill out an investment allocation sheet. Each judge will divide \$100,000 among presenting teams as if the judges were making real investment decisions. However, the investment allocation sheet is for scoring purposes only and does not constitute judges' willingness or intent to make a real investment of any kind.

Dollar amounts should be allocated in \$10,000 increments. It is acceptable to allocate \$0 or to allocate the total \$100,000 to one finalist team.

- Each judge is also encouraged to provide feedback comments for each presentation that they view. Judges are also encouraged to provide feedback comments for each of the sections for each presentation. The purpose of this feedback is to provide an educational opportunity for the competition team. The feedback is not part of the competition scoring but may influence the judge's scoring decisions. Judge feedback comments will be emailed to the finalist teams' contact person after the competition.

### III. Elevator Pitch Competition Rules

The Elevator Pitch Competition will take place during the on-campus Awards Banquet on Saturday evening. Only the 10 finalist teams from the Baylor New Venture Competition will be eligible to participate in the Elevator Pitch Competition. The audience will judge the Elevator Pitch Competition.

#### Format

The Elevator Pitch Competition will take place in 2 rounds:

- In the first round, **one** team member from each team will pitch. The 10 finalist teams will present in two flights of 5 teams. After each flight, a round of voting will take place. The top 2 teams from each flight will then move to the second round.
- In the second round, a **different** team member from each team must give the elevator pitch. The first, second, and third place finishing order will be determined by the number of votes each team receives in the second round. The team receiving the least votes will not be awarded a prize.

#### Rules and Criteria

- Pitches must be no longer than 90 seconds. Pitches will be hard stopped at the 90 second mark. Time begins when the presenter begins speaking.
- No visual aids, index cards, slides or props of **any** kind, including wearables and logos, may be used during the pitch.
- There will be no question and answer period following the pitches.
- Presenter must be physically present and give the elevator pitch live, in person. The winners must also be present to claim their prizes.
- Presenters will be scheduled to present in random order. A list with the presentation order will be generated on the day of the elevator pitch competition.
- There are no specific requirements for the content of the elevator pitches. Contestants should consider the overall presentation including content, delivery, and audience impact. Contestants are encouraged to present a compelling pitch in such a way that clearly presents the problem that they are solving and their competitive advantage.
- The two presenters from the same team should create different pitches.
- There will be no guarantee of confidentiality; presenters are encouraged to avoid speaking about topics or items that should remain confidential.
- In the case of a tie, a second vote will take place including only the tied teams.

## **IV. Additional Competition Rules**

### **Competition Board**

The Baylor New Venture Competition is overseen by a Board of Advisors comprised of Kendall Artz, Bruce Ballengee, Bob Knorr, Preston Marshall, and Hall T. Martin.

### **Use of Mentors and Faculty**

Faculty and outside advisors and Baylor-assigned mentors:

- Cannot be part of the competition team.
- Should not directly participate in the writing, direct editing, or specific development of any part of the submission.
- Can provide advice and insights into the development of the business plan, presentation coaching, and other general education interactions.

Note: Interaction with Baylor-assigned mentors is not required but is encouraged for the best learning opportunity.

### **Rules Committee and Rules Violations**

- Questions about the rules or guidelines should be addressed to [newventurecompetition@baylor.edu](mailto:newventurecompetition@baylor.edu) for clarification.
- Rules violation concerns must be submitted in writing to the competition Rules Committee detailing the purported violation, competition team(s) involved, and competition team(s) reporting the purported violation.
- False violation reports are a violation. Sanctioning will be authorized by the Rules Committee if deemed appropriate.
- The Rules Committee is comprised of a Baylor faculty member, Baylor student representative, and third member selected by the director of the Baylor New Venture Competition.
- The Rules Committee has final authority in deciding if a violation occurred and will assess a penalty for the violation if deemed appropriate. The Rules Committee can disqualify a team or team member, increase cumulative ranking scores (decreasing overall ranking), change rankings, advise judges of a violation and allow them to consider the fact in their rankings, remove prize eligibility, disqualify a team or University from future competitions, or simply dismiss a purported violation.
- The Competition Board has final jurisdiction on all multi-competition recommendations of the Rules Committee.

### **Special Situations**

If a competition team needs to request approval for a special situation or exception to these rules and guidelines, the team point of contact person should submit in writing a formal proposal explaining the situation or request to [newventurecomp@baylor.edu](mailto:newventurecomp@baylor.edu). The proposal should be emailed as a PDF attachment. For any proposal, competition teams should allow at least 1 week for

consideration and response. The Rules Committee will review all proposals and deliver a response through the director of the Baylor New Venture Competition.

### **Spirit of the Competition**

The spirit of the Baylor New Venture Competition is that current undergraduate or graduate students both originate and lead the startup idea. Teams not aligned with this vision or not working towards this end may be disqualified (e.g. an existing company run by non-students cannot recruit students only to become eligible for the competition). The Baylor New Venture Competition Rules Committee reserves the right to review companies and competition teams on a case-by-case basis and make eligibility decisions. Teams that are unsure of their eligibility should contact the director of the Baylor New Venture Competition at [newventurecomp@baylor.edu](mailto:newventurecomp@baylor.edu). Competitors who promote illegal, illicit, unethical, immoral, or other types of activities which may be considered unworthy of association with the Baylor New Venture Competition or Baylor University may be disqualified.

### **Prize Payments**

Cash prizes for the Baylor New Venture Competition will be awarded and paid to the legal business entity. In-kind awards may be subject to taxation and are the sole responsibility of the entity to which the awards are distributed. Each competition team will be required to provide a W-9, W-8BEN-E or other country-appropriate tax documentation for their legal business entity at the point of submission of their business plan. Foreign entity applicants need to contact the director of the Baylor New Venture Competition at [newventurecomp@baylor.edu](mailto:newventurecomp@baylor.edu) to get exact requirements.

### **Annual Follow-Up Questionnaire to Finalist Teams**

All finalist teams will be expected to fill out an annual follow-up questionnaire that will speak to the status of their business at the time of and in the years following the Baylor New Venture Competition.

**Important Notes: The Baylor New Venture Competition has the final decision on which teams are selected to compete and reserves the right to include or exclude any teams for any reasons. All decisions are final. Questions should be addressed to [newventurecomp@baylor.edu](mailto:newventurecomp@baylor.edu).**