

iLaunch Competition

Welcome to Texas Tech University (TTU) Innovation Hub at Research Park (the Hub) **iLaunch Competition**, the investor pitch event to identify, grow and launch startup companies. The competition prepares the entrepreneur for future success in launching a “real” business. The journey of an entrepreneur can be challenging. The Hub and its supporters and partners are dedicated to creating an environment to support research, creative ideas, and inventions of the community where a startup cannot just succeed but flourish! Participation in this event is fun, exciting and rewarding. Submissions are evaluated by entrepreneurs, faculty, investors, and staff using the iLaunch scorecard (pg.8). The top 10 finalists will be mentored and advance to the iLaunch Competition Event (April) where competitors present to “real” investors.

Winner(s) of the Hub competition will be awarded a grant to fund their startup. iLaunch focuses on entrepreneurship and innovation in the areas of discipline. Competition winners can expect the following awards:

1st place \$10,000 2nd place \$3,000 3rd place \$1,000

All students and entrepreneurs within the state of Texas are eligible to participate. The competition is hosted by Texas Tech University designed to impact the local economy through the spirit of innovation and entrepreneurship. The Lubbock Economic Development Alliance and the Rawls College of Business support the Hub mission and sponsor the event.

Apply and find out more information @ innovationhub.ttu.edu

The competition provides a unique experience and rare opportunity for entrepreneurs to work with subject matter experts and an elite group of mentors to receive valuable feedback on business concepts.

Application Requirements, At-A-Glance

Eligible companies are asked to submit the following:

- ✓ A written business plan (including an executive summary);
- ✓ A pitch (presentation) deck based on the competition rules and guidelines;
- ✓ 3 Letters of Recommendation.

The selection of the winning companies reflects the judges’ determination as to the quality of the business model and investor pitch. Judges consider: proof of concept/ Minimum Viable Product (MVP), a defined market, a demonstrated ability to implement and execute, the opportunity for traction, the entrepreneur’s coach-ability and willingness to invest in the future.

A public event will be held where guests may watch the presentations and judge comments. Attendance at this event will include: potential investors, TTU contributors, local and state politicians, media, the Hub mentors and TTU staff. All the selected companies will have ten minutes to pitch their respective company and five minutes to answer questions.

Things to Consider...

1. **Ideation** is an idea or innovation to solve a problem or create a new market. There are a number of ways TTU supports the “next BIG idea”. These include: meet with the Hub

staff, or talk to one of TTU's Hub mentors to get feedback and learn the next step to entrepreneurship.

2. **Hub Camp** is a seminar course taught at the Hub. The step by step program provides the details of how to write a business plan. The business plan is your roadmap on paper to validate your assumptions. A business plan template and presentation deck is located on the TTU website to download innovationhub.ttu.edu.
3. **Tech Transfer** if you are interested in commercializing TTU IP or have IP created/discovered at TTU. Please contact the Office of Research Commercialization prior to entering the competition at 806.742.4105.

iLaunch Competition Event (April)

The event will happen in April annually and may be combined with other activities related to TTU Innovation and Entrepreneurship. The specific event date, time and location is posted on the website. Finalists are required to attend all activities to be eligible for the award. Guests are permitted, please request invitations from Hub staff for family and friends. The typical event has the following components:

Welcome Remarks/Sponsor
TTU The Hub Company Presentations
Keynote
TTU The Hub Company Presentations
TTU The Hub Alum Presentation
Closing Remarks/Cocktail Hour

Space is limited, registration for final competition is by invite only.

Company Eligibility Requirements

Each company and participant must meet the following requirements to compete in the iLaunch Competition.

1. Company Composition:
 - a. Each participant of the company must be at least 18 years old.
 - b. Each participant must provide proof of US residency or Visa. Each company may be made up of, students, TTU alum and entrepreneurs in the business community. Staff and Faculty contact the Managing Director, Kimberly Gramm for special considerations.
 - c. Company must NOT have its corporate headquarters outside the state of Texas.
 - d. It is preferred that companies register in the name of a corporation or business. Winnings are disbursed in the company's name. Companies will be asked to identify the business with the tax ID during registration.
2. Company Size: Each registering company may NOT exceed a total of five members.
 - a. Faculty and TTU Employee Participation: Faculty members (defined as full time or adjunct), full-time employees and contractors of TTU, must disclose participation to their immediate supervisor.
 - b. Student Participation: All TTUS students in good academic standing are eligible to participate.

- c. Alum Entrepreneurs: Entrepreneurs in the business community without affiliation with TTU are encouraged to participate as well as ventures launched by licensing university technology.

General Requirements

- A. Required: register the name of your Texas business a \$40 fee applies once the company becomes a finalist online at http://sos.statetx.us/corp/forms/501_boc.pdf.
- B. Preferred: register your Texas business, a \$795 fee applies for a tax ID # online at http://www.sos.state.tx.us/corp/forms_boc.shtml.
Companies must have a website URL at minimum a “splash page” inclusive of a logo. A free website builder can be found at www.wix.com.
- C. Complete Business Plan: All required business plan content must be created for a seed, startup, or early stage venture addressing the entire business concept, including financial projections.
- D. Disclosure: Companies must disclose the amount(s) and resources of secured arrangements for capital from all sources, including: loans, grants or outside investments. Resource investments must not have exceeded \$200K prior to registration submission. Revenue generated by the proposed venture must not exceed \$250K prior to registration submission.
- E. Mentors: Each selected company MUST participate in Pitch Scrubs prior to the final round with a mentor. Hub mentors will meet with companies to review Pitch Decks and provide advice for presenting to investors.
- F. Prior Competitions: Ventures and business plans that were previously submitted are eligible to compete.
- G. Types of Ventures: Ideally, the competition is for new, independent ventures in the seed, start-up or early growth stages. Generally excluded are the following: tax shelters, real estate syndications, franchises, and spin-outs from existing companies. Non-profits may also apply.
- H. Final Decision: TTU the Hub staff makes the final decision on which companies are invited to compete in the iLaunch Competition as a finalist, we reserve the right to include or exclude any companies for any reason.

How to Get Started

An important first step is to establish one company member as a dependable “captain” to manage all communications and logistics for the company and correspondence with Hub staff.

1st Step

- Print and review rules, ask questions early.
- Create a profile and begin the application by creating a profile.
 - Submission Requirements: upload resume, one-page executive summary, business plan, three letters of recommendation, presentation/pitch deck

2nd Step

Visit the Hub for upcoming information to learn the competition basics, how to write your business plan, or advice on next steps.

- Hub Camp (free program to learn how write a b-plan, the roadmap to start the business)

- Download the business plan/pitch templates on the Hub website innovationhub.ttu.edu

3rd Step

- **Don't miss the submission deadline**, download the competition schedule on the Hub website.
- Schedule time on your calendar to be mentored and attend pitch scrubs to prepare to be a finalist.

How to Submit your Business Plan/Pitch Deck/Executive Summary

(3 Parts File name, Format, Content)

PART 1 FILE NAME:

1. *All submissions must be made in PDF format.* These documents will be uploaded to the business plan competition website.
2. All entries must clearly identify company name, contact information, semester and year.
3. Each company **MUST** follow the file naming method below and submit before the expiration of the deadline to be considered eligible to compete.

Example:

- Company Name: John Doe Services
- Event Showcase identifier: YEA, BPC, the Hub
- Semester & Year: Spring 2018
- Type of file submission business plan (BP), Pitch Deck (PD), executive summary (ES)

Recommended File Name: johndoeservices_iLaunch__spring2018_BP.pdf

PART 2 FORMAT:

1. Business plan (a separate PDF upload) must contain financials.
2. Pitch deck submissions (a separate PDF upload)
3. File submissions should NOT exceed a 25-page maximum, including cover page, executive summary and table of contents.
4. Plans **MUST** be written in English using 12-point font, double spaced with 1" margins, including cover, text, charts, and graphics.
5. Run spell check. There will be a 5-point deduction from each judge for typographical errors.

Business plans that do not follow the specified FORMAT guidelines listed above will NOT be pre-screened. If the submission deadline has passed the company forfeits the right to compete. If the deadline has not passed the company can resubmit up until the designated submission deadline.

PART 3 CONTENT:

The following content is a general, recommended business plan outline. Please use spell check prior to submission of the final document. Each judge will score 5 points off for typographical errors. Business plan templates and resources can be found at innovationhub.ttu.edu.

1. **Cover Page** listing the name of the participants, the name of the business plan, and company name and/or logo and date of entry.
2. **Table of Contents**, Page Headings and Page Numbers.
3. **Executive Summary** identifying the problem, the size of the accessible market, evidence customers will buy your product, differentiation versus competition, the type of business and industry, financial highlights, the amount of funding, IP status, an overview of management company. Briefly state the funding needs and timelines/milestones. (2 Page Max)
4. **Products & Services** what is the offering, described in detail, prepare a sample/demonstration. Define the company culture and a detailed description of the product(s)/service(s) offered.
5. **The Market & Business Concept** describing the business model/how will you are make money? What is the market opportunity and what problem is the product/service solving? Target market and market potential. How is the success of the company determined? Is there a growth potential, what is it?
6. **Industry & Competitive Market Analysis** list and describe in detail the industry analysis, research the market, driving forces within market, what is the opportunity in the market, the company's role, explain regulatory issues.
7. **Marketing Plan** marketing and sales strategy, barriers to entry, and how the product or service is differentiated. Go to market strategy. Customer value proposition by focus market segment.
8. **Operations Plan** describe the production process, manufacturing plans, strategic partnerships, if any, and an estimation of capital expenditures requirement for three years. List real estate and equipment needs. Define the cost to produce product/service. Describe distribution channel. List any and all difficulties to market and plans to overcome these obstacles. If applicable, steps to commercialization.
9. **Management Company** summarize the founder(s) their professional history and the business philosophy. List the organizational structure. Are there positions not filled? If so, what are they, and what are the plans to support these roles? Is there an Advisory Board? Who is on the Advisory Board? List strategic alliances and why they are significant.
10. **Financial Plan** B/E analysis, cash flow statement: monthly year 1, year 2 & 3 quarterly. Income statement: monthly 1 yr, quarterly year 2 & 3, and balance sheet annual years 1-3.
11. **Capital Needs/Use of Funds** a complete breakdown of funding needs or requirements to commercialization, include use of funds and assumptions

12. **Milestones/Critical Success Factors/Risk Management** list of important dates and achievements and contingency plan if the business does not meet the milestones.
13. **Appendices** include resumes of all company members, and supplemental information.
14. **Citations** cite multiple sources of information (footnote or endnotes linked to the text). All claims should and could have multiple sources. Please use an accepted style guide (Chicago Manual of Style, APA, and MLA) for all footnotes or endnotes. Link the Arabic numeral in the text to the footnote or endnote.

Business Plan Writing Tips:

Writing a business plan is a “journey” of continuous learning, and the document will evolve as new information is realized. A business plan should answer the following questions:

1. Who are you and why are you in business?
2. Who are the people running your business and what experience do you/they have?
3. What is the opportunity and what are you selling?
4. What is the situation in the world and how big is the market?
5. How is your business structured and how will you make money?
6. Who else is doing the same thing and how do you compare?
7. Who are your most important customers and how will you reach and inspire them to buy from you?
8. Do you have any strategic partners who will help?
9. Where are you today, and what have you accomplished so far?
10. How much money do you need and what will you do with it?
11. What is the deal for investors and how much money will they make?
12. When & how will investors or lenders make their money back?

TTU Final Round Presentation Instructions

Part 1 Notification

- a. The finalist companies will be notified by email.

Part 2 Confirmation

- b. The company captain will need to confirm finalist participation upon being contacted by the TTU the hub organizers. Please send an email to researchpark@ttu.edu to confirm your company participation in the final round. In the email, state the names of each member of the team and the company name. If the company has not confirmed participation within 24 hours an alternate company will be selected.

Part 3 Pitch Deck Presentation Rules

Each company advancing to the final round will be asked to put together their Pitch Deck presentation. Rules are as follows:

1. 10 minute presentation, 5 minute Q&A feedback, 5 minute presentation change
2. 2010 version PowerPoint or higher, no exceptions
3. File name should reflect the same as the business plan submission
4. PowerPoint presentations saved on a flash drive and tested on equipment check day
5. Make 7 paper copies of presentation to hand out to judges prior to presenting
6. Arrive 30 minutes prior to scheduled time slot on competition day
7. All registered company members MUST present at the designated scheduled time
8. Do NOT use less than 18 point font, summarize financials
9. Presentation duration should NOT exceed 10 minutes
10. Professional Business Attire ONLY

JUDGING CRITERIA AND EVALUATION PROCESS

The competition is intended to reflect and simulate the real-world process of entrepreneurs seeking funding. Judges will consider market opportunity, distinctive core competence, management capability, financial understanding, risk analysis and investment potential. A scorecard will be used to judge all submitted business plans. The scorecard is consistent with what most venture capital or early stage/angel investors need to understand to make a determination to invest on a particular venture. The scorecard tool has three functions: scoring preliminary round, a tie breaker in the final round, and used to provide feedback to the companies in the judge feedback session. Please keep in mind 5 points from each judge are automatically deducted for typographical errors- the impact is significant on final score averages. A scorecard is provided to finalists at orientation.

PRELIMINARY ROUND

The competition is supported by many TTU staff, alumni and community volunteers. All judges are to be considered volunteers; there are two types of judges: first round judges and final round judges.

The first round judges will be made up of TTU business faculty, the hub mentors and industry experts. The business plan submissions will be read and SCREENED by TTU business faculty/staff, industry experts and entrepreneurs/mentors utilizing a judge scorecard, similar to the sample below. The first round will determine which companies advance to the final round. A maximum total of 10 venture companies will advance to the final round competition.

FINAL ROUND SCORING

The Final Round Judges will utilize the TTU iLaunch Scorecard to grade business plan submissions during the Final Round Presentations. The iLaunch Competition expects judges to score participants based on the risk and return assessment of the venture in the current economic climate. Judges' determination includes: whether the business plan and the entrepreneur communicates proof of concept/ MVP, a defined market, demonstrates ability to implement and execute, opportunity for traction, coach ability, and willingness to invest in the future. Please see the Scorecard below for all the criteria.

SCORING PROCESS

Round 1: Eligibility

1. Submission of complete application, required uploads, proof of residency/Visa, Driver's license,
2. 3 letters of recommendation
3. If a student, must be in good standing, R# required for verification
4. All general and eligibility requirements must be met at the time of submission
5. Description of how the company is Science, Technology, Engineering, Arts or Math (STEAM) related.
6. Additional information may be requested to be considered a finalist

Round 2: Scorecard

iLaunch Quantitative Scorecard (sample)

	Low				High
1. Management	1	2	3	4	5
2. Market Opportunity	1	2	3	4	5
3. Product/Service	1	2	3	4	5
4. Technology	1	2	3	4	5
5. Strength vs Competition	1	2	3	4	5
6. Financial Planning	1	2	3	4	5
7. Operational Planning	1	2	3	4	5
8. Ability to Handle Risk	1	2	3	4	5
9. Benefits to TTU & the company	1	2	3	4	5
10. Finance and Exit Strategy	1	2	3	4	5

Round 3: Finalist Presentations: Pitch Scrubs/Pitch Presentations

Check website innovationhub.ttu.edu for iLaunch event detail schedule, event location, and mentoring schedule for pitch scrubs. Finalists are required to attend an orientation to understand the requirements, preparation, and answer questions they may have prior to the event.