

HAMILTON COUNTY YOUNG ENTREPRENEURS' BUSINESS PLAN COMPETITION

PURPOSE

The Hamilton County Young Entrepreneurs' Business Plan Competition is sponsored by the Hamilton County Alliance. The competition provides participants with an opportunity to develop and present a business plan to start a new business or to offer a new product or service within an existing business. Entrepreneurial business ideas are strongly encouraged. Participants will prepare a written business plan based on research and will request financing for the plan through a role-play interview.

ELIGIBILITY

- Any student attending a high school in Hamilton County may enter this competition.

GENERAL REQUIREMENTS

- The competition will be completed in two parts: the written business plan and a presentation of the plan.
- The competition will be divided into two divisions: an individual division and a team division. Teams may consist of up to three students.
- Students may compete in only one division and may enter the competition once per year.

WRITTEN BUSINESS PLAN REQUIREMENTS

- Dates for the January 2008 competition are:
 - Registrations are due November 16, 2007
 - Business plans must be submitted to the Hamilton County Alliance office by December 17th.
 - Competition will be held January 12, 2008
- The written business plan will cover the first three years of operation and will account for 60 points.
- Business plans may be entered into the individual division or into the team division. Teams may consist of up to three members.
- Team plans can be up to 30 numbered pages, including the appendix if one is attached. Title page and table of contents do not count as part of the 30 pages.
- Individual plans can be up to 20 numbered pages, including the appendix if one is attached. Title page and table of contents do not count as part of the 15 pages.
- An oral presentation is required for the competition. See the *Oral Presentation Guidelines* for complete details.

BASIC STANDARDS FOR WRITTEN BUSINESS PLAN

When preparing your written business plan, you must observe the following standards.

- All entries must be typed on 8.5-inch x 11-inch paper.
- The pages must be numbered in sequence, starting with the executive summary and ending with the final page of the appendix.
- The body of the business plan section must be double-spaced.
- The title page, table of contents, executive summary, bibliography, appendix, long quotes (more than three typed lines), material in tables, figures, exhibits, lists, headings, sample letters, forms, etc. may be single-spaced.
- Decorative artwork or desktop publishing techniques may be used throughout the written project. Photographs must be scanned and inserted as digital files.
- The entry must follow the sequenced outlined. No additional sections may be included. Each section must be titled at the beginning of each section including the bibliography and the appendix if included. Do not use separate sheets between sections or as title pages for sections.
- Use a single staple or a binder clip to secure the completed business plan.
- Student's names should **only** appear on the cover sheet of the business plan.

FORMAT GUIDELINES FOR WRITTEN BUSINESS PLAN

- **Title page**

The first page of the business plan, which lists the following information in this order:

- Name of the Business
- Name of the high school
- Complete school address
- Participant(s) name and email address
- Date

- **Table of Contents**

The table of contents should follow the title page and must list, by Roman numeral, the title of each section and the page it begins on. The table of contents is not a numbered page.

- **Body of the Business Plan**

The body of the business plan should follow the outline below. The first page of the body of the plan is number 1 and the following pages are numbered in sequence. The numbered pages continue through the bibliography (required) and the appendix (optional).

Follow this outline when you write your business plan. Each section must be titled exactly as shown below.

- I. Executive Summary
One page description of the project that may be single-spaced.
- II. Introduction
Type of business, product, and/or service proposed along with a brief description. Include the mission statement of the business.
- III. Analysis of the Business Situation
 - A. Trading area analysis
 1. Geographic and demographic information
 2. Market segment analysis of target market (age, income level, population estimate, other specific demographic and economic information)
 3. Customer buying behavior related to business, product, or service
 4. Analysis of the potential location (availability, cost, traffic patterns, destination shopping, and proximity to competition)
 - B. Competitors
 1. Primary competitor's strengths and weaknesses
 2. Competitive advantages and disadvantages of the proposed business, product, and/or service.
- IV. Planned Operation of the Proposed Business/Product/Service
 - A. Proposed organization
Type of business ownership and rationale; advantages/disadvantages of the type of ownership selected; start-up steps to form the business; planned personnel needs; proposed staffing to handle managerial, financial, marketing, legal, production (if applicable) functions; proposed organization chart, brief job descriptions.
 - B. Proposed business/product/service
Details of business/product/service proposed; include potential suppliers,

manufacturing plans, inventory policies, if applicable. If the business is a service business, appropriate information about plans to provide the service, including necessary supplies.

C. Proposed strategies

1. Proposed pricing policy; what currency will be used; costs, markups, markdowns, relation to competition; factors that could affect the price of the product/service (i.e. competition, political conditions, taxes, tariffs, transportation costs)
2. Proposed promotional program; promotional activities; media availability, costs, one-year promotional plan outline

V. Planned Financing

A. Projected income and expenses

Each plan is required to have the following:

- Balance sheet for the end of the first year
- Income statement by month for the first year of operation
- Cash flow by month for the first year of operation
- Projected profit/loss statement for the first three years

Provide a brief narrative description of the planned growth of the proposed business, including financial resources and needs.

B. Proposed plan to meet capital needs

The following items are recommended for inclusion. You may select appropriate items for your business.

1. Personal and internal/external sources
2. Earnings, short-term and long-term borrowing, long-term equity
3. Plan to repay borrowed funds or provide a return on investment to equity funds. Do not include a loan amortization table.

VI. Conclusion

Conclude with a specific request for financing. Summarize key points supporting the financial request.

VII. Bibliography

• Appendix

An appendix is optional. Include in the appendix any exhibits appropriate to the written entry but not important enough to include in the body; these might include sample questionnaires used, letters sent and received, general background data, etc.

FORMAT GUIDELINES FOR PRESENTING THE BUSINESS PLAN

PRESENTATION REQUIREMENTS

- The presentation will be based on the written event business plan.
- The presentation will account for 40 points.
- The presentation will be held on January 12, 2008.
- Participants will have 5 minutes to set up.
- The presentation will be 20 minutes long. The first 10 minutes will include an overview of the business plan followed by 10 minutes of questioning by the judge(s).
- The participants will bring any visual aids needed for the presentation.
- Approved visual aids include computer and projection equipment, easel, flip chart, product props (product samples and promotional items), prepared posters, or graphs.

PRESENTATION GUIDELINES

- The written plan will be evaluated prior to the oral presentation and will provide the basis for the oral presentation.
- The participants will assume the role of an entrepreneur requesting financing.
- The evaluator will assume the role of a potential source of capital for the business as if he/she is actually going to approve or disapprove the request for financing.
- For teams, each team member must take part in the presentation and each member must respond to a question from an evaluator.
- Participants will have ten minutes to describe their proposal and request financing, and ten minutes to respond to questions from the evaluators.
- Participants may use visual aids. Guidelines on visual aids include the following:
 - Easily carried in and set up by the participants.
 - No more than three standard-sized posters, up to 22 inches by 30 inches, may be used.
 - May use a personal laptop powered by participant's own battery pack. An electrical power source will not be available.
 - No sound may be used.
- Participants may bring a copy of the written business plan to refer to during the presentation.
- No materials may be passed to the evaluators on the day of the presentation.

PRESENTATION EVALUATION

Evaluators play the role of a loan officer or a venture capitalist. Participants will have 5 minutes to set up and will make a 20-minute presentation to the evaluators.

During the first ten minutes of the presentation, the participants will explain the proposal and make a request for financing. Evaluators should not interrupt the presentation unless asked to by the participants. All competition participants must take part in the presentation.

During the last ten minutes of the presentation, the evaluators will ask participants questions based on the information provided in the presentation. At least one question should be addressed to each participant.

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INDIANA ENTREPRENEURSHIP ACADEMY STANDARDS SUPPORTED

Content Standards	Performance Expectations
E 2 Communication Skills	E 2.1 Content Standard: Students understand the concepts, strategies, and systems used to obtain and convey ideas and information.
E 5 Financial Analysis	E 5.1 Content Standard: Students understand tools, strategies, and systems used to maintain, monitor, control, and plan the use of financial resources.
E 6 Finance	E 6.1 Content Standard: Understand the role of finance as it applies to the entrepreneur.
E 7 Human Resource Management	E 7.1 Content Standard: Students understand the tools, techniques, and systems that businesses use to plan, staff, lead, and organize its human resources.
E 9 Marketing Information	E 9.1 Content Standard: Students collect marketing information to ensure accuracy and adequacy of data for decision-making.
E 10 Operations	E 10.1 Content Standard: Students understand the processes and systems implemented to monitor, plan, and control the day-to-day activities required for continued business functioning.
E 11 Pricing	E 11.1 Content Standard: Students understand concepts and strategies utilized in determining and adjusting prices to maximize return.
E 12 Product/Service Management	E 12.1 Content Standard: Students understand the concepts and processes needed to develop, maintain, and improve a product or service mix in response to market opportunities.
E 14 Promotion	E 14.1 Content Standard: Students understand the concepts needed to communicate information about products, services, images, and/or ideas to influence behavior.
E 16 Strategic Management	E 16.1 Content Standard: Students understand tools, techniques, and systems that affect a business's ability to plan, control, and organize an organization/department.
E 17 Overview/Nature of Small Business	E 17.1 Content Standard: Students investigate the nature of small business.
E 18 Planning and Organizing a Business	E 18.1 Content Standard: Students understand the functions involved in planning and organizing a business.
E 19 Marketing	<p>E 19.1 Content Standard: Understand the concepts of marketing and its importance to business ownership.</p> <p>E 19.2 Content Standard: Manage promotional activities to maximize return on promotional efforts.</p> <p>E 19.3 Content Standard: Manage sales activities to meet sales goals/objectives</p>

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Written Plan Evaluation

Business Plan Name: _____ Evaluator's Identification Number: _____

Evaluation Item	Exceeds Expectations	Meets Expectations	Below Expectations	Little Value/ Missing	Points Earned
1. Title page and Table of Contents	-	2	1	0	
2. Executive Summary	4	3	2	1 - 0	
3. Introduction	4	3	2	1 - 0	
Analysis of the Business Situation					
4. Trading area analysis Analysis of geographic and demographic information, market analysis, customer buying behavior and analysis of the potential location	8 - 7	6 - 5	4 - 3	2 - 1 - 0	
5. Competitors Analysis of competitor's strengths and weaknesses, advantages and disadvantages of the proposed business, product, and/or service	4	3	2	1 - 0	
Planned Operation of the Proposed Business/Product/Service					
6. Proposed organization	4	3	2	1 - 0	
7. Proposed business, product, service	4	3	2	1 - 0	
8. Proposed strategies	6 - 5	4 - 3	2	1 - 0	
Planned Financing					
9. Projected income and expenses	8 - 7	6 - 5	4 - 3	2 - 1 - 0	
10. Proposed plan to meet capital needs	8 - 7	6 - 5	4 - 3	2 - 1 - 0	
Conclusion					
11. Request for financing	4	3	2	1 - 0	
Appearance and Word Usage					
12. Professional layout, neatness, proper grammar, spelling, etc.	4	3	2	1 - 0	

Written Entry Total Points (maximum 60 points) _____

Presentation Evaluation

Name of Business Plan: _____ Evaluator's Identification Number: _____

Evaluation Item	Exceeds Expectations	Meets Expectations	Below Expectations	Little Value/ Missing	Points Earned
1. Presentation Content: overview of business, financial overview, financing request	13 – 12 – 11	10 – 9 – 8	7 – 6 – 5	4 – 3 – 2 – 1	
2. Answers to evaluators' questions	13 – 12 – 11	10 – 9 – 8	7 – 6 – 5	4 – 3 – 2 – 1	
3. Overall Presentation: Professionalism, confidence, enthusiasm for proposed business	5	4	3 – 2	1 – 0	
4. Presentation Techniques: Use of visual aids, participation of all team members, etc.	5	4	3 – 2	1 – 0	
5. Likelihood of business plan being financed	4	3	2	1	

Presentation Total Points (maximum 40 points) _____

Record the points awarded by each evaluator below.

Evaluator 1 _____

Evaluator 2 _____

Evaluator 3 _____

TOTAL EVALUATORS' POINTS _____