



2023 Vernon Clapp IDEA Competition

Sponsored by:

**Johnson Center for Entrepreneurship and Innovation Kelley School
of Business Indiana University - Bloomington**

Vern Clapp

Clapp Investment, Ltd.

**Official Rules, Guidelines, and Submission Requirements &
Idea Plan Outline**

Updated: February 2, 2023

Key Dates

Registration Due: February 8, 2023, 11:59 pm

Idea Plans Due: February 28, 2023, 11:59 pm

Semi Finalists Notified: March 6, 2023, 11:59 pm

Final Round Presentations Due: April 3, 2023, 11:59 pm

IDEA Plan Competition: April 7, 2023, 11:00 am

Clapp IDEA Competition Rules, Guidelines, and Submission Requirements

Contact icfellow@indiana.edu with any questions

Eligibility Requirements:

1. The idea plan must represent the original work of the members of the team. The author(s) shall retain all rights to the plans regarding their use prior to and following the competition. The plans may not contain any fabricated information about (but not limited to) the background, experience, or education of the management team, the stage of product development, product performance claims, or market survey results.
2. Only undergraduate or graduate students from Indiana University may participate in the competition. At least one student must be a member of the management team, but non-students may be members of the management team and participate in planning the venture but only IU students may participate in the final presentation. A student may submit only one plan to the competition. **Teams are limited to 5 people total.**
3. The competition is for students enrolled in the current academic year. Students who graduated in the preceding academic year are not eligible to participate.
4. The competition is for students who created, managed, and owned ventures. In other words, students are to have played a major role in conceiving the venture, to have key management roles and to own significant equity. The competition is for new idea development with the goal being creation of a business. The idea may have external funding/financing either committed or within a pipeline but may not exceed funding of \$50,000 or more. Examples of funding include, but are not limited to:
 - Venture Capital Funding
 - Seed Funding, beyond family and friend's investments
 - Grants created to start businesses and enabling commercialization
5. Ventures with revenues in prior academic years are excluded. The history of a team member working on an idea or new technology in previous academic years or even prior to entering college does not exclude a venture, *if the revenues prior to the current academic year were \$50,000 or less.*
6. The competition is an educational experience. Teams should respect the rights of their opponents. The Johnson Center for Entrepreneurship and Innovation (JCEI) reserves the right to disqualify teams who act in a less than a professional manner.

7. All teams must register by **February 8, 2023**.
 - <https://forms.gle/qRFk3L5r1agajR927>

Business Proposal Guidelines:

1. Proposals are limited to **7 pages maximum** (12 point font) of text, excluding cover page, title page, and exhibits. Proposals must follow the Clapp 2023 Business Proposal Format.
 1. **Exhibits:** You may provide exhibits (no more than 5 pages). You will NOT be graded on the content of the exhibits (or lack thereof); however, they may allow us to better understand your proposal. Financial statements are not required.
2. Official Application Form is due **February 8, 2023, by 11:59 p.m.** via registration link.
 1. After registration has ended, instructions to submit Business proposals will be sent to the participants on **February 9, 2023**, from icfellow@indiana.edu. All Business proposals are due on or before **February 28, 2023, by 11:59 p.m.**
 2. Digital copies of the finalist's presentation are due on or before **April 3, 2023, by 11:59 p.m.** Finalist announcements will be notified and instructions to submit finalist's presentation will be sent to participants on **March 6, 2023, by 11:59 p.m.** from icfellow@indiana.edu.
3. All eligibility criteria can be reviewed by the JCEI on a case-by-case basis for exceptions.

Business Proposal Format

Purpose: after reading the Business Proposal document, someone should be able to understand the business proposition. Three key factors to include are: 1) uniqueness, 2) clarity, and 3) viability.

Instructions: please answer the questions below. You have flexibility in how you answer them, but please adhere to the page maximum guidelines. Please provide enough information that anyone can understand your business, but please do not add filler material just to fill the page. Once completed, please save it in the file name as
VentureName_ClappBusinessProposal_03.10.2023

Exhibits: you may provide exhibits (no more than 5 pages) within the Exhibit document. You will NOT be graded on the content of the Exhibits (or lack thereof); however, they may allow the judges and coaches to better understand your proposal. Financial statements are not required.

One final note: if this is your first time doing something like this, don't stress it! We've tried to construct it in such a way that it is as painless as possible. If you get stuck, feel free to take advantage of your assigned Competition Coach or the Business Coaches at the Johnson Center for Entrepreneurship and Innovation (Godfrey Center [CG2050], second floor).

Suggested business proposal format:

Venture Name:

Venture Lead Name (Team Lead):

Venture Lead Email address:

Summary (one page maximum)

Tell us about your business (avoid any technical jargon here).

S1. What is your product/service? What are the problems or pain points you are trying to solve?

S2. What is unique about it?

S3. Who is it for?

S4. Why does this idea excite you?

Great! Now let's get down to the nitty gritty.

Industry/Market (one page maximum)

Businesses are affected by what's happening around them.

I1. Who is doing the same thing or something similar? (Their business model may be different than yours)

I2. What value do you bring that they do not? (Try to describe your value simply beyond price: ideas are rarely sustainable if the only difference is that they are cheaper)

I3. Why do you think potential customers will value your product? What evidence do you have to support this?

I4. Describe any industry/market challenges that you foresee and how you plan to address them (should not be blank):

Marketing (one page maximum)

Businesses need to have customers and getting those customers can be a challenge.

M1. Who is your ideal customer? (Pro tip: you want to choose a market that is large enough to sustain your business, but specific enough that you can precisely speak to their unique needs)

M1.A. Macro description: Consumers (general characteristics such as age, income, etc.)/businesses (general characteristics such as industry, employee count, etc.)

M1.B. Micro description (also called psychographics): factors such as values, behavior, preferences, attitudes, etc.

M2. How many people fit the description above (your market size)?

M3. How do you plan to reach your target market, so they know about, consider, and buy your product?

M4. What is the message you wish to convey to your customers?

M5. Describe any challenges that you foresee in marketing and how you plan to address these? (should not be blank):

Operations (one page maximum)

Businesses need to have a plan for managing day-to-day operations.

O1. What technology do you need to develop/license to make this work? How do you plan to do this?

O2. Who will manufacture and distribute your product / provide your service? How will this work?

O3. Describe any challenges that you foresee in operations and how you plan to address them? (should not be blank):

Financial (one page maximum)

Businesses (including non-profits) need to make money to continue operating.

F1. What is the estimated average price a customer will pay for your product/service?

F2. What will it cost the company to provide this product/service per sale (estimated)?

F3. Keeping in mind the challenge of reaching new customers, how many sales do you expect to see in year one? Year two?

F4. Using the equation below, how much money (gross profit) do expect to make/lose in year one? Year two?

*Year one number of sales *(price paid per sale - cost to company per sale) = Year one gross profit*

*Year two number of sales *(price paid per sale - cost to company per sale) = Year two gross profit*

F5. Describe any financial challenges/risks that you foresee and how you plan to address them? (should not be blank):

Time (one page maximum)

Time is your most precious resource and knowing what happens when is vital to your business.

T1. What key events need to happen to launch your business and become profitable? When do you anticipate these happenings? Please list in time order.

T2. Describe any time challenges that you foresee and how you plan to address them? (should not be blank):

People (one page maximum)

Your management team is the most important asset of your business.

P1. Describe your management team structure with skills and roles.

P2. What partnerships do you need (e.g. manufacturers, distributors, advisors etc.)?

P3. Describe any team challenges that you foresee in and how you plan to address them (should not be blank):