



CONTESTANT KIT

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Welcome Note

Dear participants

Thank you for participating in the THiNK BIG Ignite 2011 Business Plan Competition.

With the additions of new challenges, this year's competition gives you a wider option to begin your journey to fulfilling your entrepreneur aspirations.

The Ignite Business Plan Competition was launched for the fourth time on **11th July 2011** and is still the biggest prize money awarded of its kind in Brunei Darussalam for ICT Industry. iCentre, being an initiative of the Brunei Economic Development Board (BEDB) is also being supported by the Asia Inc Forum for the business plan competition.

The best business plan will be awarded as follows:

ICT Open Business Plan Category

- 1st Prize will be awarded **BND\$20,000**
- 2nd Prize will be awarded **BND\$10,000**
- 3rd Prize will be awarded **BND\$5,000**

College and University Category

- 1st Prize College category will be awarded up to **BND\$5,000**
- 2nd Prize College category will be awarded up to **BND\$2,500**
- 3rd Prize College category will be awarded up to **BND\$1,000**

International Category

- 1st Prize International category will be awarded up to **BND\$8,000**
- Consolation will be awarded up to **BND\$1,000**
- Consolation will be awarded up to **BND\$1,000**

Microsoft Special Award for College and University Students

- Fully sponsored trip to Microsoft Experience*

**Terms & Conditions apply for the Microsoft Special Award*

BIBD Islamic Application Award

- Special Prize will be awarded up to **BND\$10,000**

Mobile Application Award

- Special Prize will be awarded up to **BND\$5,000**

AiTi Multimedia Application Award

- Special Prize will be awarded up to **BND\$5,000**

Judges reserved the right not to award any prizes and/or reduce the amount of cash prizes if the business plan(s) submitted does not meet the required standard as set by the judges

Participants have until **13 October 2011** to submit their executive summary. To ensure fair judging and reduce deviation across all the judges, each executive summary will be read by at least **three** judges. The top selected business plans will be shortlisted and are put through to the next round.

All shortlisted business plan participants will go through **three** intense workshops conducted by highly qualified practitioners and to also attend the Innovate2011 Forum on 20th October 2011 to help them in formulating the best business plan for the final judging. All semi-finalists who submit the final business plan in January must ALSO attend the compulsory mentoring session then.

The following sections contained a number of pointers and resource that you can use in your quest to write and present a good business plan. Please feel free to also tap on the Internet for other resources that may give you an edge over the other competitors on this competition.

I congratulate you on taking the first step towards realizing your dream and wish you and/or your team good luck in the competition!

Yours truly,

Judging Director

CATEGORIES, SPECIAL AWARDS, ELIGIBILITIES, CRITERION, TERMS AND CONDITIONS

Categories:

1. *ICT Open Business Plan*
2. *College and University*
3. *International*

1.1 ICT Open Business Plan Category

ICT is defined to be Information Communication Technology (ICT) and it can also include applications, services, and products for telecommunication, internet, or mobile markets.

1.2 College and University Category

This category is open for Pre- University, Tertiary, Colleges, and Post Graduate student studying in Universities or Colleges. The business plan has to be in relation with Information Communication Technology (ICT) such as internet, mobile application and IT services.

The category is open to Brunei citizens or Permanent Residents who are full time and part time students from local or overseas universities, technical and vocational colleges. You will automatically qualify for this category if all team members are currently students from the University or Colleges.

The team members must be at least 16 years old and above and must be either a citizen or a permanent resident of Brunei Darussalam. It is permissible for each team to have non-Bruneian citizen member(s) as long as one of the team members is a citizen or a permanent resident of Brunei Darussalam.

Participants can enter the competition as an individual and/or in a team maximum of five people. Team leader for the team have to be a student. Lecturers are only permissible to be mentors to the team. However, the details and work have to be the work of the students competing for the business plan competition.

Each team will have to select a team leader. The team leaders will be the point of contact throughout the competition process. The presentation will be done mainly by the team leader. Each team is allowed to submit one business proposal only.

1.3 International Category

This category is open for foreigners overseas or expatriates staying in Brunei Darussalam. The participants can enter as an individual, a business organization, or institution such as Pre-University, Tertiary, Colleges, and Post Graduate student studying in Universities or Colleges in Brunei Darussalam or other foreign countries. The business plan has to be in relation with Information Communication Technology (ICT) such as Internet, mobile application, multimedia and IT services.

The category is open to foreigners or Green IC holders who are full time and part time students from local or overseas universities, technical and vocational colleges. You will automatically qualify for this category if all team members are foreigners from overseas.

The team leader have to be age 18 and above and must be either a foreign citizen or a green IC holder in Brunei Darussalam. It is permissible to have all team members to have non-Bruneian citizen/permanent resident member(s). If a team member consists of a Permanent Resident or Citizen of Brunei Darussalam, the team will not be considered as International Categories.

Participants can enter the competition as an individual and/or in a team maximum of five people. Each team will have to select a team leader. The team leaders will be the point of contact throughout the competition process. The presentation will be done mainly by the team leader. Each team is allowed to submit one business proposal only.

BIBD Islamic Application Award

The business plan should address the needs of the Islamic society, business and the government. All plans which have this theme in the open and university categories will be considered for this winning award.

This Special Award is open for Brunei Citizen and PR only and open and College and University Categories.

Mobile Application Award

The business plan should address the needs of the mobile phone space such as mobile application or platforms All plans which have this theme in the open, International and College, and University Categories will be considered for this award. This Special Award is open for all participants and eligible for consideration are business plans in all categories.

AiTi Multimedia Award

The business plan should address multimedia such as animation, modeling software, games, or special effects for examples: 3D multimedia or games. All plans with these themes will be automatically considered for this winning award. This Special Award is open to all Participants in all Categories.

Outstanding Rookie Award

The special award is to recognize the new participants in our competition for their hard work and effort. This award is solely for the open category only.

Eligibility: Companies/ Teams/ Individuals

Category Awards	Open	International	University and College
Mobile Application Award	O	O (NEW)	O
BIBD Islamic Award	O		O
Multimedia Award	O (NEW)	O (NEW)	O (NEW)
Microsoft Student Award			O
Outstanding Rookie Special Award	O (NEW)		

- **O – Eligible for Consideration**
- The three categories are open to anyone interested in entrepreneurship, regardless of whether a company has been incorporated. Entries must be an original work of the entrants.
- Companies are welcome to compete in the competition as long as it is a local registered company and the key participant(s) from this company is/are a citizen or a permanent resident of Brunei Darussalam.
- Companies or projects that have received funding or outside investment from **various investments (such as Venture Capitalists or Angel Investors and Grants)** before the closure of the open category executive summary submission date are eligible to compete, provided that the total combined funding committed to them does not exceed **BND 300,000**.
- Should the participant project be an ongoing businesses or registered company, the annual profits generated by the business should not exceed **BND100,000** or have revenue exceeding **BND 500,000**.

- Participants must declare company revenue in the form of a range and profit in their application forms online in order to protect their privacy and yet be able to be tracked by our criteria.
- iCentre incubating companies are eligible to join in the business plan competition.
- Individuals are allowed to take part in all categories of the business plan. Judging will be based on the same requirement and judging criteria as the other applicants above.
- In the application form, the application should indicate the team leader. As the team leader will be the point of contact and the main presenter for the final round business plan competition.
- It is permissible for each team to have one or more non-Bruneian citizen member as long one member is a citizen or a permanent resident of Brunei Darussalam
- The minimum age limit for participants have to be 18 and above (except for the College & Universities category)

Shortlisted candidates/companies representatives will be provided one ticket to attend the Innovate 2011 Technology Forum on **20 October 2011**.

Closing date for the executive summary will be on the **13 October 2011**.

All participants that submit their full business plan **must** attend **the Compulsory Mentoring Session on 9 – 10 Feb 2011**. The mentoring session is a prerequisite to allow the participants to present for the semi-final judging on **14 – 15 February 2011**. This is to help improve the quality of the presentation and feedback from the mentors.

All participants have to arrive at the schedule venue **30 minutes before your schedule presentation**.

Terms and Conditions

ICT Open Business Plan and Islamic Application Award

1. **Upon conclusion of the competition, the winning team will secure and receive 50% of the prize money. As an economic incentive for Brunei Darussalam, winning team will be required to register and setup their business in Brunei within six months (starting from Business Plan Finale), to be incubated at iCentre after conclusion of the competition, and provide documentary proof in order to qualify for the remaining 50% of the prize money.** This is to be inline with the Brunei Economic Development Board (BEDB) initiative to

spearhead and support development of the SME and promote entrepreneurship in Brunei Darussalam.

2. Staff of KR Consulting Pte Ltd, Star incubator Sdn Bhd, iCentre, and the BEDB are allowed to participate in the competition provided that they are NOT to participate in the judging events and also that they have to declare their interest in the particular project. Any project team that violate this term and condition will be automatically disqualified.
3. The panel of Final judges reserves the right to award or withhold any of the prizes if the quality of the business plan is deemed undeserving or for whatsoever valid reason. The decision of the panels of Judges will be final and binding.
4. Winners are required to help to promote THINK BiG Ignite Business Plan Competition.

College and University Award

1. **Upon conclusion of the competition, the winning team for the College and University category will secure and receive 100% of the prize money.**
2. Staff of KR Consulting Pte Ltd, Star incubator Sdn Bhd, iCentre, and the BEDB family are NOT allowed to participate in this category. Any project team that violate this term and condition will be automatically disqualified.
3. The panel of Final judges reserves the right to award or withhold any of the prizes if the quality of the business plan is deemed undeserving or for whatsoever valid reason. The decision of the panels of Judges will be final and binding.

4. For 2011/12, Microsoft (B) Corporation is sponsoring trip to Microsoft Experience. Entries that will be considered for this award must address a social cause related to the United

Nations Millennium Development Goals. They must also meet the criteria that the software developed from this business plan must reflect one the following conditions:

- Either an implementation or the consumption of a XML Web Service.
- The application to be developed must run on the Microsoft .NET Framework. You may use any version of .Net.
- The application must be developed using at least one (1) of the products within the Visual Studio family (Express, Standard, Professional, or Team System) for development.
- The software application must be fully functional and implemented (i.e., visions for a software application or software applications that are not fully developed are not eligible).
- Windows 7
- Windows Live SDK
- Use of Windows Mobile technologies
- Silverlight
- Azure for implementing a S + S architecture application
- Windows MultiPoint Mouse SDK
- Microsoft Kinect

COMPETITION ROUTE-MAP 2011/12

Business Plan Kick Off	11 th July 2011
The Idea Workshop	13 th July 2011
Business Plan Road Show	July - August 2011
Workshop: Business Model	4 October 2011
Workshop: How to Write an Executive Summary	5 October 2011
Optional Mentoring on Executive Summary	7-8 October 2011
Submission - Executive Summary	13 October 2011
Biz Plan Evaluation Committee Sitting	17 October 2011
Announcement of Shortlist	19 October 2011
Innovate 2011	20 October 2011
Boot Camp: Biz Plan Writing	1 November 2011
Boot Camp: How to Present to Venture Capitalist (VC)	2 November 2011
Boot Camp: Budgeting	3 November 2011
Submission - Final Business Plan	15 January 2012
Compulsory Mentoring	9 – 10 February 2012
Semi-final Judging	14-15 February 2012
Optional Mentoring	17-18 February 2012
Final Judging	21 February 2012
Business Plan Awards Presentation	22 February 2012

THINK BIG IGNITE 2011 BUSINESS PLAN COMPETITION

Phase 1: Registration

All entrants are required to register and submit their business plan. The executive summary, which summaries all key aspects of the business plan, must be submitted in order to be recognized as a participant for the competition. Should there be any changes since the first submission, teams are allowed to re-submit the summaries before the closing date.

However, the new submission should clearly state as follows:

ict_teamname_date for ICT Business Plan

islamic_teamname_date for ICT Business Plan for Islamic Application

Example 1: ICT executive summaries by team iCentre for the ICT business plan **submit** on the 5OCT2010. The file name will be as follows:

Project Name_Categories_Name/Team_05102010

Example 2: ICT executive summaries by team iCentre for the ICT business plan **re-submit** on the 12 OCT2010. The file name will be as follows:

Project Name_Categories_Name/Team_12102010

Submission of Executive Summaries will be close at **2359 hours** on Saturday, **13 October 2011** for all categories. Please submit your executive summary to the following e-mail to **bizplan@icentre.biz**

Please submit your executive summary using the following format:

- Maximum 3 (A4) pages
- 1 inch borders all round
- Times New Roman font
- Font Size 12
- Pictures are optional
- No Appendices
- File to be converted in .PDF format
- On top of the 3 pages, you may add a cover page with the name, title, version, and date.

Phase 2: Semi-finals - Completion of Business Plan

Prior to submitting the business plan, it is compulsory that all semi-finalists will have to attend the three day Bootcamp that consists of; Business Plan Writing, Presentation and Budgeting on the **1 to 3 November 2011** at iCentre. The Boot camp promises a new and innovative way of entrepreneurship training, through series of talk's workshop session conducted by industry professionals, as well as skill development courses.

Each semi-finalists team will then be required to submit a complete business plan by 2359hrs on **15 January 2011**. Teams failing to meet the deadline will be considered to have withdrawn from the competition. Please submit the business plan by e-mailing to bizplan@icentre.biz

Please submit your Business Plan describing your venture using the following format:

- Up to 25 A4 pages
(Including text/graphics/appendices, excluding cover and content page)
- 1 inch borders all round
- Times New Roman font
- Font size 12
- Single spacing
- File to be converted in .PDF format

Semi finalist will be required to submit their powerpoint presentation three days before the semi-final judging on **14-15 February 2012**. Teams are also required to make an uninterrupted presentation to a panel of judges followed by a Q&A session of stipulated timings. Judges will clarify any issues that arise during the presentation and seek to evaluate the Team. The presentation is not a substitute for a well-written plan, but an opportunity to convince the judges that the team can achieve its business goals.

The result of Teams being short-listed for the finals will be announced within three working days after the semi-finals presentation day.

Phase 3: Finals - Presentation and Prize Giving

Final shortlisted participants will need to do another presentation on **21 Febraury 2012** to the final judging panelist with a similar concept in phrase 2. Judges decisions are final.

In addition, finalist for the competition will require doing an interview session for the media. The interview will be done after the final judging session. Finalists have to give brief information about their team, ideas, project, and experience.

The Awards Ceremony will be held on **22 February 2012**.

The winner will only know the result on the day of the prize award ceremony.

FREQUENT ASKED QUESTIONS (FAQ)

WHAT SHOULD I INCLUDE IN MY EXECUTIVE SUMMARY ENTRY?

Every business plan begins with an executive summary, a short compelling presentation of the key ideas of the plan and your new business venture. This executive summary is usually the first and sometimes the only document investors ever read, thus its importance cannot be overlooked. This summary may change when you go on to write a full business plan. Many teams fail to consider adequately their markets, their customers and a business model that will enable them to achieve success. Instead they get wrapped up in interesting technology, which is not the same thing as an attractive business.

To help you focus while writing an executive summary (as well as the business plan), you should refer to the 'Judging Criteria'. We have also listed the key areas that should be addressed:

1. **Opportunity Statement:** How would you describe the business to a potential investor or team members if you had only a short elevator ride to share? What is the nature of the opportunity, why is the opportunity now? What is the proposed solution?
2. **Product or Service Concept:** Develop a brief concept statement for the product or service that can be shown to potential customers. How will the product be used? What are some of its unique features?
3. **Value Proposition and Market Opportunity/Strategy:** What existing problem will you solve with your service or product offering? What is the current size and expected growth of your target market? What are the economies of the markets? What does it take to win this market? What is the level of potential sales of your product or service? How will these sales happen? Who will your first customers be? What level of profits do you expect?
4. **Competitive Advantage:** Who are your competitors? What special knowledge or technology do you possess and how will you protect it? What are the barriers to entry?
5. **Teams:** Background of core team members and board of advisors. Why will you be the right people to make this business succeed? Include a paragraph summary of each of the team member's background applicable to the proposed venture. If the full team has not been assembled, include a brief description of the background and skills of team members that you desire to recruit.

6. Intellectual Property Statement: Did you know that every business has some form of Intellectual Property (IP)? IP is more than just about high-tech inventions, IP can be in the form of the company's name to the marketing collaterals and the design of the product itself. The identification of the IP and protecting it can be crucial to the success and sustainability of your business.
7. It is strongly recommended that participants include a short paragraph highlighting the key forms of IP in their business plan (e.g. Patents, Trade Marks, Registered Designs or Copyright) and the IP issues that the team has or would address.

WHAT IS A BUSINESS PLAN?

It is a document mapping the company's future course-of-action and projections. During the process of growing the company, it is not unusual to constantly revise the business plan and change strategies. Successful entrepreneurs are those who can quickly adapt to unexpected turn of events, and work the situation to their advantage. Well structured business plans should encompass the following aspects:

- Innovation & Value proposition
- Market potential & Market strategies
- Sustainable competitive advantage & IP strategy
- Team/Board-of-advisors make-up and strengths
- Business Model
- Financials and Cash flow
- Expansion Plans

WHY HAVE A BUSINESS PLAN?

Having a business plan does not ensure success of the company. However, by having a well-structured business plan, it greatly reduces the risk of failure through thorough considerations of the entire business, and probably pre-catered for contingencies. It also gives investors a visual explanation of the company's possible growth potential and as a tool for entrepreneurs to convince investors why this business will succeed.

Sample template can be obtained from iCentre.

Online resources can be found at www.garage.com.

HOW DOES THE JUDGING WORK?

Our panel of judges includes highly experienced people invited from the start-up community, including successful entrepreneurs, Venture Capitalists, business angels, finance/legal professionals and educationists specialized in the study of entrepreneurship.

Judges will evaluate the entries based on the official judging criteria.

JUDGING CRITERION

The business plan and presentations by the team will be judged based on the following criterion. It is advised strongly that the team address the following criteria closely in their business plan and presentations.

1. Innovation and Value Proposition

Innovation can be in technology, in how technology is applied, in how a product/service is marketed, in how revenue will be generated, in how users are attracted to the service, in capturing larger market share etc.

Consider the followings:

- Has the team demonstrated innovation in their product/services idea, business model, attracting repeat users etc.?
- If so, what problem are they solving for the customer?
- Is their product a “must have” or a “nice to have”?

2. Market Potential & Marketing Strategy

Market potential refers to the revenue potential of the business, should the company that implements the business plan has successfully executing the plan. This is dependent on the size of

the market that the company competes in. However, this criterion should be assessed from the ability of the company to capture market share and thus generate profit from that market. For example, even though the PC microprocessor market is huge, a start-up company with limited resources and talent is unlikely to grab any market share. Also gaining market share without making money is useless.

Consider the followings:

- Does the business plan have a well thought out market access plan?
- Who are their customers?
- Can they describe the profile of their customers?
- Who are their competitors? Competition can be direct and indirect.
- What are their positioning and differentiation strategies for the market?
- Marketing strategy is how the company plans to address their target market.
- Differentiation refers to the company's ability to offer something unique that is valuable to the customers.
- It could be product technology/features, delivery system, marketing approach, etc.
- Positioning refers to the market selection plus differentiation.

3. Competitive Advantage and Intellectual Property Strategy

Competitive advantage is what allows the company to compete successfully in the market place. It can be cost (not price), it can be management, technology, sales & marketing, manufacturing, value chain, innovation, use of technology, process or intellectual assets etc.

The identification of the company's Intellectual Property (IP) assets and protecting them can be crucial to the success and sustainability of the business. Therefore, it is important to safeguard any innovation, knowledge, processes or creative expressions that the business may have from inadvertent disclosure or unauthorized use by competitors in order to retain that competitive advantage. IP protection could include any one or more of the following: patents, trademarks, registered designs, copyright, or trade secrets.

What is the team's IP strategy? Have they checked that their product/design is novel in relation to their competitors by conducting a prior art search? By searching patent, trademark, or registered design databases, the team will be able to assess how they can leverage on their own IP to stand out from the competition or leverage on other people's IP through partnerships.

4. *Team Make and Up & Strength*

Does the team consist of people who will be able to execute the business plan at least for the first one year of the business? (Assumption is that they will be able to hire the right people to carry the business beyond that.)

For example:

- If the business calls for heavy technology development in the beginning, a group of talented engineers may be the right team.
- If the business involves substantial marketing and sales effort right from the start, are the people able to come up with marketing and sales forecast plans?
- If the team has a gap in terms of talent and experience, have they recognized that and do they have a plan to recruit suitable candidates to join them?

5. *Business Model*

Business model refers to the ways that the business will generate revenue and profit. It includes:

- *Revenue Model Strategies:*
 - For example, a one-time licensing fee versus subscription fee, providing free services while generating revenue through advertisement, discounts and installment plans available, etc.
 - Who are the partners that can help them to reach out to the final customers? What are the pricing models involving partners, etc.
 - If it is internet advertisement based, is it based on charge per impression or charge per action?
- *Sources of Revenue:*

- From the local mass market, international market, niche target market etc.
- *Growth Strategies:*
- Can it generate millions of dollars in sales using capital investment, equity, debt financing, profit margin forecast, etc.
- Can it generate large revenue through harnessing the wisdom of the crowd, word of mouth by the crowd, etc.

6. *Financial Soundness*

Financial soundness refers to the ability of the team to understand the financial nature of the business and to manage its financials in an appropriate way.

- Is the financial projection realistic?
- Need for heavy capital investment at the beginning?
- How much revenue needs to be generated in order to sustain the operations of the company?
- How much investment is needed to bootstrap the business before generating sufficient revenue to sustain the operation?

7. *Investability*

This requires the judges to consider the likelihood of the business attracting investors. The judges will have their own criteria with regards to whether they will invest their own money (or their fund's money) that can greatly contribute to the success of the company.

8. *Quality of Writing and Presentation*

This requires the judges to assess the business plan based on its presentation and Q&A. To assess whether it conveys the business proposition accurately and succinctly.

9. Special Category for Islamic Application

There should not be violation of the Islamic practices of Brunei Darussalam or elsewhere in other parts of the Islamic world. The business plan should address the needs of the Muslim world. Does it contribute to the furtherance and advancement of Islam? Would the religious affairs department have objection to these applications/services?

WHAT INVESTORS LOOK FOR IN A BUSINESS PLAN

- Is the business opportunity as presented both highly attractive and clearly realistic?
- Is the business defensible from competitors?
- What is the business model?
- What comparisons are there to past success stories that indicate this venture will succeed?
- What is the amount of up-front capital investment required?
- Do the market and financial projections demonstrate that the team understands its business?
- How long will it take from the current stage of development to bring the product to its market?
- Can this venture achieve a leadership position in its market?
- Has the team gone out to the market already to test its ideas?
- Who will be the first customer(s)?
- Is the team of sufficient breadth, balance and quality to make its ideas happen?
- Will the ego of the founder(s) get in the way of success?
- Is the team focused on its target market?
- What is the expected time and amount of pay-off to investors?
- Is the reader familiar with and interested in the given market space?
- Is the plan clear and well-written?
- Does the team have the necessary communications skills to present a compelling story?
- Are the team members dedicated to the venture and their roles in the group?
- Does the team have a clear plan for spending the investment money it receives?

- Why will this business still be around and a real world winner in five years?
- Have you considered protecting your business' Intellectual Property assets?

CONFIDENTIALITY OF BUSINESS PLANS

Participants should understand that investors rarely sign confidentiality agreements. Nonetheless, teams can be assured that the judges and Ignite Business Plan organizing committee members will strictly uphold the integrity of the competition.

Teams are allowed to describe their business concept without fully disclosing their proprietary assets.

PROTECTION OF INTELLECTUAL PROPERTY

The Ignite Organizing Committee has taken all reasonable measures to ensure that all Participants retain their rights to their Business Plans and any Intellectual Property. The sponsors and judges of the Competition include non-iCentre organizations who are interested in fostering entrepreneurship in Brunei Darussalam. Some of these organizations are in the business of working with and investing in the ideas of entrepreneurs. However, sponsors will not have access to all the plans and shall make no claims to any of the property or rights.

In any case, the protection of these rights is the ultimate responsibility of each Contestant. Participants are urged to mark as "CONFIDENTIAL" on any portion of their Entries which they deem to be confidential.

One pre-requisite of filing for a patent or registering a design is novelty. An invention or design is new provided it has not been made known to the public in ANY way anywhere in the world. Otherwise the novelty of the invention/design may be lost.

Please also note that the information supplied by the Participants through the online registration may be used by the Competition Organizers in publicity or press releases.

WHAT IF I DON'T WIN?

By taking that first step to participate in Ignite, you are already a winner. Ignite Business Plan competition will be an annual event, so even if you don't win a prize or get to the Semi-finals, we would encourage you to further refine your idea or work on another idea to take part in next year's competition or even to start up your company if you are ready. The stages of the competition should be considered as a stepping-stone to realistic achievements in the business world. Through this competition and our catered activities, entrepreneurs will be able to further develop your business plans, bringing it one step closer to success.

CONTACT US

For enquiries pertaining to the competition, kindly email:

Business Plan Coordinator

Ignite Business Plan Competition 2011/12

bizplan@icentre.biz

APPENDIX A - INFORMATION ON INTELLECTUAL PROPERTY RIGHTS (IPR)

The following information will give you a general overview of the IP issues to keep in mind for your business.

1. What are Intellectual Property Rights (IPRs)?

Intellectual property rights (IPRs) is a category of rights to protect and promote intellectual creations, science and innovative ideas. Intellectual property (IP) includes patents, trademarks, industrial designs, trade secrets and confidential information. IPRs give monopoly to the IP right holders and create obligations in relation to uses that infringe on these rights.

2. What are the Common Forms of IP?

Patent

A patent is a right given by the Government, to the owner of an invention. An invention can be a product or a process that provides a solution to a technical problem.

A patentable invention must meet three criteria:

The invention has to be new or novel. This means that the invention must not have been publicly disclosed or existed elsewhere.

- The invention must involve an inventive step. That means that the invention must be something that is not obvious to an expert in the field of the invention.
- The invention must be capable of industrial application. This means the invention has to have some form of practical use. Other people must find it useful and be able to use it to achieve a concrete end result.

TradeMark

Heard of Nokia, Canon and Adidas? They are examples of trade marks. A trade mark is a sign used by a trader to help him identify or distinguish his goods or services from those of other traders.® and ™ are common symbols associated with trademarks. ® shows that the mark is a registered trademark. ™ on the other hand, is a symbol used to show that the mark is used by the company as a trade mark. It does not mean that the mark has been registered.

A registered trade mark has to be distinctive so that people can tell the difference between your product and/or service from those of other traders. A trade mark could come in the form of:

- Letters
- Words
- Names
- Symbols
- Signatures
- Numerals
- Shapes
- Colours
- Sounds
- Smells
- Aspects of packaging
- A combination of any of the above

Design

Design refers to the appearance of objects we see every day. It protects the shape, configuration, pattern or ornament applied to your students' invention by industrial process. A design can be 2-dimensional or 3-dimensional.

Examples of 3-dimensional designs include shape of toys, electronic equipment, furniture and even food items like ice-creams or cookies. An example of 2-dimensional design is the pattern on a piece of fabric or carpet.

A design to be registered must be new. New means that the designs must not have existed anywhere else in the world until you have created them. A design is not new if any person other than the designer has knowledge of the design before it has been registered. It is also not new if the design or any article bearing the design is published or sold in Brunei Darussalam or anywhere else in the world.

A design must also be capable of industrial reproduction to be registered. This means that at least 50 copies of each object to which the design has been applied, must be made for sale or hire.

Copyright

Copyright is a bundle of rights given to creators of works of expression. Copyright protection is automatic and needs no registration. It exists once the work is created in a material form such as in a recording or in writing.

Copyright is based on originality, meaning that there is independent effort in the creation of a work. Let's assume that two artists were to paint a portrait of the same subject (eg. a boat on a river) and both paintings look similar. Both paintings would be considered as individual works (assuming no copying was done from each other) and would be entitled to separate copyright protection.

Copyright helps to protect works such as:

- Literary works: books, essays, lyrics of songs, newspaper articles, and computer programmers, web-sites etc.
- Dramatic works: Scripts, dance choreography.
- Musical works: Musical scores.
- Artistic works: Paintings, sculptures, drawings, photographs, buildings.
- Published Editors: Typographical layout, arrangement of newspaper columns and books.

- Sound Recordings: Sound recordings on tape or compact disc.
- Films: Motion pictures on videos, VCDs, DVDs and on films.
- Television and Radio broadcasts.
- Cable Programmers.
- Performances.

The © symbol indicates that someone has claimed copyright of the work. The symbol will help anyone using the work to know who is claiming copyright and alert him to the claim. If you had not used the © symbol, it does not mean you do not claim copyright or have lost your copyright.

APPENDIX B – EXECUTIVE SUMMARY SAMPLER

***Disclaimer:** This section is based on resources found in www.garage.com. There are other resources available via the Internet. This is just one of the recommended resources. This sampler is meant to provide you with a template for a good business plane. Other sections may be added if deemed necessary by your project.*

The job of the executive summary is to sell, not to describe.

The executive summary is often your initial face to a potential investor, so it is critically important that you create the right first impression. Contrary to the advice in articles on the topic, you do not need to explain the entire business plan in 250 words. You need to convey its essence, and its energy. You have about 30 seconds to grab an investor's interest. You want to be clear and compelling.

Forget what everyone else has been telling you. Here are the key components that should be part of your executive summary:

1. The Grab

You should lead with the most compelling statement of why you have a really big idea. This sentence (or two) sets the tone for the rest of the executive summary. Usually, this is a concise statement of the unique solution you have developed to a big problem. It should be direct and specific, not abstract and conceptual. If you can drop some impressive names in the first paragraph you should—world-class advisors, companies you are already working with, a brand name founding investor. Don't expect an investor to discover that you have two Nobel laureates on your advisory board six paragraphs later. He or she may never get that far.

2. The Problem

You need to make it clear that there is a big, important problem (current or emerging) that you are going to solve, or opportunity you are going to exploit. In this context you are establishing your Value Proposition—there is enormous pain and opportunity out there, and you are going to increase revenues, reduce costs, increase speed, expand reach, eliminate inefficiency, and increase effectiveness, whatever. Don't confuse your statement of the problem with the size of the opportunity (see below).

3. The Solution

What specifically are you offering to whom? the market or customers? Software, hardware, service or a combination? Use commonly used terms to state concretely what you have, or what you do, that solves the problem you've identified. Avoid acronyms and don't try to use these precious few words to create and trademark a bunch of terms that won't mean anything to most people. You might need to clarify where you fit in the value chain or distribution channels—who do you work with in the ecosystem of your sector, and why will they be eager to work with you. If you have customers and revenues, make it clear. If not, tell the investor when you will.

4. The Opportunity

Spend a few more sentences providing the basic market segmentation, size, growth and dynamics—how many people or companies, how many dollars, how fast the growth, and what is driving the segment. You will be better off targeting a meaningful percentage of a smaller, well-defined, growing market than claiming a microscopic percentage of a huge, heterogeneous, mature market. Don't claim you are addressing the \$24 billion widget market, when you are really addressing the \$85 million market for specialized arc-widgets used in the market.

5. Your Competitive Advantage

No matter what you might think, you have competition. At a minimum, you compete with the current way of doing business. Most likely, there is a near competitor, or a direct competitor that is about to emerge (are you sufficiently paranoid yet?). So, understand what your real, sustainable competitive advantage is, and state it clearly. Do not try to convince investors that your key competitive asset is your "first mover advantage." Here is where you can articulate your unique benefits and advantages. Believe it or not, in most cases, you should be able to make this point in one or two sentences.

6. The Model

How specifically are you going to generate revenues, and from whom? Why is your model leverage able and scaleable? Why will it be capital efficient? What are the critical metrics on which you will be evaluated—customers, licenses, units, revenues, margin? Whatever it is, what impressive levels will you reach within three to five years?

7. The Team

Why is your team uniquely qualified to win? Don't tell us you have 48 combined years of expertise in widget development; tell us your team member was the lead widget developer for Intel, and she was on the original IEEE standards committee for arc-widgets. Don't just regurgitate a shortened form of each founder's resume; explain why the background of each

team member fits. If you can, state the names of brand name companies your team has worked for. Don't drop a name if it's an unknown name, and don't drop a name if you aren't happy to give the contact as a reference at a later date.

8. The Promise

When you are pitching to investors, your fundamental promise is that you are going to make them a boatload of money. The only way you can do that is if you can achieve a level of success that far exceeds the capital required to do that. Your Summary Financial Projections should clearly show that. But if they are not believable, then all of your work is for naught. You should show five years of revenues, expenses, losses/profits, cash and headcount. You should also show a key driver or two, such as number of customers and units shipped each year.

9. The Ask

This is the amount of funding you are asking for now. This should generally be the minimum amount of equity you need to reach the next major milestone. You can always take more if investors are willing to make more available, but it is hard to take less. If you expect to be raising another round of financing later, make that clear, and state the expected amount.

You should be able to do all this in six to eight paragraphs, possibly a few more if there is a particular point that needs emphasis. You should be able to make each point in just two or three simple, clear, specific sentences.

This means your executive summary should be about two pages, maybe three. Some people say it should be one page. They're wrong. (The only reason investors ask for one page summary is that they are usually so bad the investors just want the suffering to be over sooner.) Most investors find that there is not enough information in one page to understand and evaluate a company.

Please remember that the outline above should not be applied rigidly or religiously. There is no template that fits all companies, but make sure you touch in each key issue. You need to think

through what points are most important in your particular case, what points are irrelevant, what points need emphasis, and what points require no elaboration.

Some other general points:

- Do not lead with broad, sweeping statements about the market opportunity. What matters is not market size, but rather compelling pain. Investors would rather invest in a company solving a desperate problem for a small growing market, than a company providing an incremental improvement for a large established market.
- Don't acronym your own name. Sun Microsystems did not build its brand by calling itself "SMI." (Of course, if you know where the name Sun came from, you understand this is an inside joke.)
- Drop names, if they are real; don't drop names if they are smoke. If you have a real partnership with a brand name company, don't hide your lantern under a bushel basket. If you consulted for Cisco's HR department one week, don't say you worked for Cisco.
- Avoid "purple farts"—phrases and adjectives that sound impressive but carry no substance. "Next generation" and "dynamic" probably don't mean anything to your readers (unless you are talking about DRAM) and tend to be irritating. Everybody thinks their software is "intelligent" and "easy-to-use," and everyone thinks their financial projections are "conservative." Explain your company the way you would to a friend at a gathering.
- State your value proposition and competitive advantage in positive terms, not negative terms. It is what you can do that is important, not what others cannot do. With the one or two most obvious competitors, however, you may need to be very explicit: "Unlike Cisco's firewall solution, our software can operate..."
- Use simple sentences, not multi-tiered compound sentences.
- Use analogies, as long as you are clarifying rather than hyping. You can say you are using the Google model for generating revenues, as long as you don't say you expect to be the next Google.

- Don't lie. You would think this goes without saying, but too many entrepreneurs cross over the line between passionate enthusiasm and fraudulent misrepresentation. On a lighter note, check out "The Top Ten Lies of Entrepreneurs" on the Garage website.
- Go back and reread each sentence when you think you're done: Is each sentence clear, concise and compelling?

If you are looking for help developing your slide presentation for investors, you can read "Perfecting Your Pitch" on the Garage website.

Finally, one of the most important sentences you write will not even be in the executive summary—it is the sentence that introduces your company in the email that you or a friend uses to send the executive summary. Your summary might not even get read if this sentence is not well-crafted. Again, it should be specific and compelling. It should sell your company, not just describe it.

APPENDIX C- BUSINESS PLAN TEMPLATE

Disclaimer: *The following business plan template is based on an existing business plane template and is modified so that the specific needs of Ignite Business Plan Competition addressing the needs of a technology business plan is included.*

BUSINESS PLAN TEMPLATE

Business Plans, like Résumé's and dozens of templates can be found on-line, however despite the variety of formats a business plan's content is consistently the same. The business plan consists of a narrative and several financial spreadsheets. The narrative template is the body of the business plan. A good business plan should include:

- a description of your business,
- the business and owner's background information,
- the proposed resources and technology to be used,
- the business strategy,
- trends on your business and the industry it will operate within,
- how your business will operate,
- who will manage and work within it,
- what other businesses operate in the same market/industry,
- how you will market/ sell your product or service,
- the results expected and finally
- a summary of it's feasibility.

The real value of doing a business plan is not having the finished product, but the process of research and thinking about your business in a systematic way. The act of planning helps you to think things through thoroughly, study and research when you are not sure of the facts, and look at your ideas critically. A business plan will help you clarify your goals and focus on defining every detail of your business opportunity. It takes time now, but avoids costly mistakes later. This business plan template is designed to be very user friendly and has been used successfully by thousands of aboriginals in BC who have been financed and funded to start their businesses. A business plan should be organized, complete and factual.

It typically takes several weeks to complete a good plan. Most of that time is spent in research and re-thinking your ideas and assumptions. But then, that is the value of the process. So make time to do the job properly. Those who do, never regret the effort. There are four components to any business plan:

1. The Plan

The first step in writing a business plan is the body of the business plan, which starts on page 7. You should read through this template, but do not start writing at the beginning. It is much easier to write a number of small essays that form the various aspects that are contained in a business plan.

The first step to writing the body of the business plan is to research, research and research. Take notes on the headings contained in the business plan and start researching on the Internet, at the Library and the local Chamber of Commerce. Include this research in your business plan and quote your source. Support assumptions with facts, not more assumptions. Then when you are ready to write, do so one question at a time in simple, clear language and remember you are not only planning, but also educating your reader. Write one question at a time – 15 to 20 minutes. Then take a break. If you try to plough through it you will only get discouraged and confused.

When you are through writing your first draft, you will have a collection of small essays on the various topics of the business plan. Then you will want to edit them into a smooth flowing narrative.

2. Pro-Forma's or Financials

There are four projected income statements (12 month cash flow projection, 3 year cash flow projection, 3 year projected balance sheet and 3 year projected income statement) that a lender will need and that you will need to assess the projects viability. The two financial statements that you should know to not only assess the projects viability, but to also manage your businesses income are the 12 month cash flow and the 3 year income statement, and although they may seem daunting we will show you how simple they are to prepare and use.

3. Executive Summary

This is the part of your plan that you complete once you have the body of the business plan completed. Once you have all the research and planning done it is simple to write a few sentences for each question that will allow your reader to quickly assess the projects merits.

4. Supporting Documents

Supporting documents are the résumé's, certificates, diploma's, letters of reference, equipment quotes, letters of intent, BCR's, maps, photo's, samples of work, and other documents that support your plan. This part is simple – keep everything in writing then organize the documents in the order that you would like to see them in if you were evaluating your plan. First, who are the owners/management (resume, diplomas, certificates, letters of reference), then, what is the project (maps, photo's, samples of work, equipment quotes, assessments), and continue on in this type of order until you have all your documents organized and listed on your table of contents.

5. Sample Format

COMPANY NAME:

Business Plan:

Date:

Submitted to:

Ignite Business Plan Competition 2011/12

Block B28, Simpang 32-37

Kampung Anggerek Desa

Jalan Berakas

Bandar Seri Begawan BB3713

Brunei Darussalam

If you are using the help of a consultant or advisor to prepare your plan, make certain you are actively involved in the planning and you fully understand every aspect because it is a well known fact that principals who wrote their own business plans have a 45% better chance of succeeding in their business than those who did not.

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Appendices, *samples*:

- A. *Resumes of the persons identified as ownership or management of the company*
- B. *Copy of the Articles or Certificates of Incorporation*
- C. *Licensing*
- D. *Photo's and Price Lists of Products or Services*
- E. *Written quotes for proposed equipment, renovations, etc.*
- F. *Copy of the land or building lease agreement and/ or BCR (if required)*
- G. *Evidence of equity*
- H. *Insurance Quote*
- I. *If an existing business, financial statements for previous three years*
- J. *Copy of maps of the area*

- K. *Floor plan of the facility*
- L. *Letters of Support*
- M. *Letters of support from future customers*
- N. *Letters of Reference*
- O. *Brochures & advertising materials*
- P. *Industry studies / Market research studies*
- Q. *Magazine or other articles*
- R. *Any other materials needed to support the assumptions in this plan*

1.0 Executive Summary

This section may be the most important part of your plan. Investors will read the summary to decide whether to read the entire plan. Therefore, your summary should be convincing, attract the reader's interest and at the same time, be brief. Your reader needs a clear description of what exactly your product and/or services are. Use laymen terms and outline the background of the business.

The executive summary is not a condensed business plan but a separate section that aims to market your project, not describe about your project.

Please refer to Appendix B for help on writing Executive Summary.

2.0 Project Description

2.1 The Project

Type of business:

Strategic Alliances:

Percentage of Aboriginal ownership:

Products or services the business will provide:

Goals that have been set out:

2.2 The Applicant

Previous Funding Accessed: Name of the Program and Purpose of the Application

If yes, when? How much was it for? What is the current status of the project?

2.3 The Product/Services & the Underlying Technology

Describe in depth your products and/or services using layman's terms to describe industry techno-jargon. Your ability to do a thorough job explaining your product or service not only educates the reader and helps you plan, but also proves to the funder that you know your business. Describe the underlying technologies used and an IT architecture diagram will be useful. If certain technology is the key to the product/services, please highlight them and describe why they are critical to the success of the product/services.

What factors will give you competitive advantages or disadvantages? For example, level of quality or unique or proprietary features and benefits, or protectable technologies, using the following steps:

1. List all your major products or services.
2. For each product/service describe the most important features(What is special/unique about it).
3. Is there underlying technology that enables these important features? Are they protected by patents or trade secrets? What is the plan for patenting if there are protectable Intellectual Properties? Then, for each product/service, describe its benefits (What will the product do for the customer?).
4. Note the difference between features and benefits, and think about them. What after-sale services will be given? For example: delivery, warranty, service contracts, support, follow-up, or refund policy.
5. What are the pricing, fee or leasing structures of your products and/or services? Explain this in detail, but you will also have a pricing section where you can do a comprehensive explanation.

2.4 Objectives

What short and long term goals have been set?

List both long term and more specific short-term goals of the company. Some common goal areas are:

- Growth targets (sales, production capacity to produce, market share)
- Product quality and service
- Research, development and adoption of the production and marketing methods
- Comparative profitability
- Maintaining control over your company

2.5 Project Budget

Application of Funds	
Capital & Equipment	
Marketing Development	
Inventory/ Supplies	
Pre-Operating	
Total	

Source of Funds	
Applicant Equity	
ABC - Regional Opportunity	
Commercial Financing	
TACC Loan	
Total	

3.0 Industry Description

What are the key factors in your industry that make firms successful?

What enables leading firms to succeed? (i.e. marketing, pricing, bidding, cost control, customer service, and product quality)

3.1 Industry Definition:

Explain, in layman's terms, the specifics of operations that are defined within your industry.

3.2 Industry History:

In a few words write a heading that describes the industry your business will operate in.

A history of the industry should be relevant to the project and requires you to detail the big picture of the market you are going to operate your business in. List the important economic factors that will affect your product or service. Consider things such as country growth, industry health, economic trends, rising prices, etc. Indicate current industry conditions and trends.

Why are the current market distributions the way they are? What has your competition done to achieve their market share? What are the legal factors that will affect your market?

Provide yours, or a third parties research that supports your determination that there is a market and a need for your product or service. List the trade associations that service your industry. Use material supplied by these organizations to support statements and assumptions you have made throughout your funding request.

3.3 Industry Performance and Trends:

What are the trends in the industry? Are any future short and long terms trends evident? A very important trend is the market growth potential. Where will it be in five years? You will want to be entering a market that is growing. You can identify these trends by reading industry journals or asking suppliers or customers what changes they foresee. Once these trends have been identified, you should decide how your business will accommodate them.

Quote statistics, trade publications, government publications, etc.

3.4 Business Climate:

Population and approximate breakdown of the population.

General indication of the type of economy and dominant industries.

4.0 Market Analysis

4.1 Market Size:

This is one of the most important pieces of information to include in your plan. List it as thoroughly as possible. You must know your market in the planning stage and while operating your business. Some questions you should answer in this section are:

- What is the total size of your geographical market?
- Current demand in target market. Potential Growth
- Demand Trends? Geographical market expansion plans, if any
- Trends in target market:
 - Government Factors
 - Technological Factors
 - Economic Impact; new technology, new activity to the area. If an environmental analysis is required obtain this prior to continuing

4.2 Market Share:

Sales forecasting: organize and analyze research and information that explains cash flow conservative estimated income for year one, two and three.

4.3 Target Market:

Think about what the consumers needs. Are these needs currently being met? What do consumers want that no one is currently providing?

Consumer Demographics: Typical customer, age, income, occupation, sex, or other characteristics including level of education, marital status, career, personality, ethnic and religious background.

Thoroughly describe the source of existing product/service supply?

Names of major customers who account for more than 10% of annual gross sales and annual dollar volume billed each year.

4.4 Marketing Strategy:

Your market approach should be consistent with your market niche. Describe successful marketing practices and why they are successful. Include tracking methods and time lines that will optimize the effective use of marketing funds.

Marketing Activities: In addition to advertising, what plans do you have for graphic image support? This includes things like logo design, cards and letterhead, brochures, signage, and interior design (if customers come to your place of business).

Marketing Materials: Explain methods, costs and who will be hired to undertake your marketing initiatives such as:

- Internet
- Presentations
- Strategic Signage
- Newspapers
- Magazines
- Mail Outs
- Loyalty Programs
- Brochures
- Business Cards
- Trade Shows
- Yellow Pages

Plan out your promotional budget and explain how much will you spend on the items listed above before startup and after. Make sure that whatever costs you are assuming are reflected in your 12-month cash flow.

4.5 Pricing Strategy:

For most small businesses, having the lowest price is not feasible as it lowers your profit margin too much, as large competitors can under-price most small businesses. A small businesses pricing is usually market average and the company competes based on quality, service, and flexibility. In this section explain your method(s) of setting your price and how your pricing strategy fits with your competitive analysis. You should also compare your prices with those of the competition. Are they higher, lower, the same? Why?

Also describe your pattern of sales and detail any volume discounts, seasonal variations, turnover rates, and inventory control methods used. Detail your revenue formula for each month, season or year. Use these numbers to outline your anticipated annual sales for the first three years of operation. Keep in mind that these numbers should be very conservative with annual increases not exceed 15-20%. Higher rates of increases are generally considered too optimistic and will negatively affect the rest of your plan.

Are your prices in line with the industry and what your client will pay?

4.6 Credit:

Explain your sales/credit terms. Do you plan to sell on credit? What is the credit policy that is more commonly used in your industry? If you choose to offer credit what will your policies be about who gets credit and how much? How will you check the creditworthiness of new applicants? Customer payment terms are especially important for start-up businesses as cash outflow can be very high in the first few years. Your business will want to develop a payment policy that ensures cash is continually coming in. Most small businesses cannot and do not extend credit except for the most loyal of their clients. How will you deal with slow paying customers? Be sure to keep in mind that many businesses that offer credit have a certain amount that are never paid – called bad debt. Credit increases the amount of risk involved for the business.

4.7 Distribution:

How will you get your product to the consumer? The way in which you move your product to your target market makes up your distribution channel. Your distribution channel may include:

- Retail Outlets
- Direct Sales
- Transport Companies
- Custom Brokers
- Manufacturing Agent
- A Combination
- Brokers – local and export
- Catalogue marketing

Describe the location of the business and discuss any advantages and/or disadvantages of this site. Why was that location chosen? Are you near available distribution channels, if so that could be a competitive advantage. Mention whether the land will be leased or owned. If leased, what are the terms of the lease contract?.

Who will be responsible for shipping costs? Shipping costs will affect the price you are able to charge for your product. (If you pay for shipping your price should reflect this added expense).

5.0 Competitive Analysis

Know your competition. There are two types of competition, direct and indirect. Those that provide the same product, at the same price, to the same client are direct. Those that provide similar products in differing markets or at a different price point are your indirect competitors.

Explain your client's relative importance for your product and the price, quality, selection, customer service, reliability, stability, expertise, reputation, location, appearance, sales method, credit policies, advertising, and image. Also preface this research with a description of the intensity of competition: low, medium or high.

Competitor reaction is of critical importance – especially if the competitors are financially stable and are therefore able to decrease prices and/or increase promotion. By anticipating their reaction, you can develop an action plan of your own.

Outline the Direct Competitors first, followed by an overview of the indirect competitors and how their product/service compares to yours and their existing estimated dollar sales and market share.

5.1 Direct Competition:

How many competitors are there and who are they? Establish which competitors are the largest and/or the fastest growing in order to appreciate where the strongest competition may come from.

What are the competitors' strengths and weaknesses? Why do people buy from your competitors?

What are they not doing well that will cause their customers to buy from you? Strengths and weaknesses may involve such areas as: (Be realistic and try to back up your claims where possible)

- Consumer & Supplier Loyalty
- Price
- Technology
- Reputation
- Payment Arrangements
- Reputation
- Customer Service
- Warranty / Return Policy
- Experience
- Location
- Financial Stability
- Quality
- Other Related Areas

How will your competition react to your entry? Will competitors: decrease their prices? Increase promotional efforts? Develop new technology? Adapt the quality of their product? These are good things to think about when analyzing your competition.

5.2 Indirect Competition:

Is there any indirect competition in the form of a substitute for this product? Substitute products refer to those that are different from your product, but have potential to serve as a partial replacement (i.e. popcorn or another snack food may serve as a substitute for potato chips).

5.3 Competitive Advantages:

What is your competitive advantage with respect to the competition? Describe the prospects of new competition entering the market and what impact your business will have on competition. Your business must have a competitive advantage in order to be successful. Consider how your product and/or services differ from the competition. Know your competitor weaknesses and your company's strengths. The advantage you have, is it sustainable in the long term? In one short paragraph, define your niche, your unique corner of the market and remember that your company cannot be all things to all people. In fact, many businesses fail when they scatter and dilute their efforts in an attempt to please everyone.

6.0 Operational & Production Plan

6.1 Operations:

Describe your production and/or service methods here. Describe the workflow, seasonality of the business, maximum capacity, break-even analysis and formulas used, conservative production estimate and formula for daily, weekly or monthly goals. Do you have cost controls established? Quality control? How modern is the technology used in your business and how does it relate to your competitors? Do you have an after sales service or warranty policy? Include floor plans, layout and traffic patterns.

6.2 Suppliers:

Who are the raw material suppliers and where are they located? List the major suppliers and identify those you are considering. Location is important because of shipping costs and delivery time.

Do the suppliers have a history of being efficient and reliable? Consider how long they have been in business, their turnaround time when the order is received to when the order is shipped and their return policy for damaged items. You may wish to get information on major suppliers from the Better Business Bureau if the supplier will have a major impact on your business success.

Also describe where the inventory is to be stored, insured and managed/ rotated? Do you have backup suppliers? Describe return policies.

6.3 Licenses and Permits Required:

- Licensing requirements
- Permits
- Health, workplace or environmental regulations
- Special regulations covering your industry or profession
- Zoning or building code requirements
- Insurance coverage

6.4 Labour Costs:

What are your workforce costs, WCB costs, insurance, benefits, union costs and impact? Productivity, efficiency? Labour expertise, recruitment, turnover rates in the industry and training?

6.5 Location & Facilities:

Describe the location of the business and of your clients, if customers come to your place of business is it convenient, is parking available? Is it consistent with your image? Is it what customers will want and expect? Where is the competition located? Is it better for you to be near them or distant? Include a drawing or layout of your proposed facility.

The facility you will occupy and your company's physical requirements such as space, type of building, zoning, power and utility needs. Outline the costs involved with the identified location including rent, maintenance, utilities, insurance, and initial remodeling costs (lease hold improvements) to make it suit your needs. These numbers will become part of your financial plan.

Also describe what impact neighboring businesses and dominant industries have and could have on your business.

Include maps of the area, region and highlight access roads if they benefit operations. Include floor plans, pictures any anything else that would help paint the picture.

6.6 Targets & Capacity:

What are your production targets (i.e. units, kilograms) for the first five years? It is important to determine in advance the quantity you plan to produce in order to ensure alignment between your production and the sales forecast. You will also want to ensure a sufficient supply of raw material for this level of production. Also, what is your greatest number of units your business could produce if demand was sufficient? If you can produce considerably more than your forecasted sales, you may want to consider how your business can reach other markets with your product.

6.7 Project Planning:

Timeline of Project Activities

	Month 1				Month 2				Month 3				Month 4			
	Week				Week				Week				Week			
	1	2	3	1	2	3	4	4	1	2	3	4	1	2	3	4
Capital Equipment																
Marketing																
Inventory/ Supplies																

7.0 Management Plan

7.1 Key Personnel

Management of any business directly correlates with the companies' success or failure. Lenders are concerned with whether or not you have what it takes to be successful. Highlight information that demonstrates you have the ability to make this business a success. Detail your education, past successes or failures that made you stronger. Indicate how you started this business and what makes you believe it will be a success. Important management issues are training, experience, and most of all the character of those involved in the management of this venture. Include résumés and certificates.

List each of the management or board of directors and list their names, titles, roles and responsibilities, experience, salary, and length of contract, if any. Also, list their weaknesses and the training or assistance required and these associated costs. If necessary include an organizational chart, résumés, and management contracts.

If you have not established key management positions include a recruitment plan with costs.

What type of employee benefits will be offered and at what cost to the company? Benefits include things such as medical and dental plans and can be a significant expense for a business with a large staff. On the other hand, these benefits may increase employee satisfaction and commitment.

7.2 Professional Support

Accountant:

Lawyer:

Banker:

Insurance:

8.0 SWOT Analysis

Specifically, outline the project in the following areas of your SWOT Analysis; Management, Operations, Marketing. Compare your strengths and weaknesses to your competitions. Consider such things as location, size of resources, reputation, services, personnel, etc.

Strengths:	What advantages does your product/service have over those of the competition? What are the unique features, patents, expertise, etc.?
Weaknesses:	What disadvantages does your product or service have?
Opportunities:	
Threats:	

9.0 Risk Assessment

In this section you will want to recognize potential problems relating to your venture and take steps to decrease the likelihood and impact of their occurrence. Be realistic and honest when identifying potential risks. Nothing is more damaging to a venture than having an investor discover negative factors the entrepreneur did not know about, does not want to discuss or has casually dismissed. Identifying and analyzing potential problems before they happen will make the venture look more attractive. It will also enable you operation to deal effectively with them if they occur.

9.1 Risks:

What potential internal and external risks exist for this business? How are these risks going to be minimized or overcome?.

Internal risks are weaknesses within your company over which you have control (such as not being able to secure a qualified manager). External risks are those potential situations over which our business has little or no control (such as increased shipping costs).

How will your business minimize the potential impact of these risks? What plans have you made in the event that these risks materialize into problems? For example, if a qualified manager could not be secured, you could consider training a less-qualified manager. If shipping costs increased, you could consider other distribution methods or channels. What type of insurance does your business have?

9.2 Contingency Plan:

In the event that the business fails, what type of exit strategy has been considered? No new business owner likes to consider this possibility. However, if factors beyond your control force you to discontinue your business, you should consider what can be done to lesson the problems this situation presents.

10.0 Financial Projections

The pro-forma's consists of a 12-month profit and loss projection, a three-year profit and loss projection, a three-year projected balance sheet, and 3-year net income statement. Together they represent a reasonable estimate of your company's financial future. More importantly, however, the process of thinking through the financial plan will improve your insight into the inner financial workings of your company.

Profit projections should be accompanied by a narrative explaining the major assumptions used to estimate company income & expenses.

The financial plan is a valuable operating tool for your organization and an important part of the investor's evaluation of your business. It should represent your best estimate of future operations. The purpose is to indicate the financial potential of your venture and capital needs.

10.1 Assumptions with Financial Statements:

10.1.1 Revenues:

10.1.2 Operating and Administration Expenses:

10.1.3 Debt Servicing

10.1.4 Depreciation

Make sure any assumptions are clearly stated – interest rates, exchange rates, returns and allowances should be noted. Explaining the basis for your assumptions will add credibility to your projections.

10.2 Detailed Capital Project Costs:

	Year 1
Capital Equipment	
Marketing	
Inventory/ Supplies	

10.3 Source and Application of Funds:

Application of Funds	
Capital & Equipment	
Marketing Development	
Inventory/ Supplies	
Pre-Operating	
Total	
Source of Funds	
Applicant Equity	
ABC - Regional Opportunity	
Commercial Financing	
TACC Loan	
Total	

10.4 Depreciation Schedule:

Describe contributed assets, their source, age and if an appraisal was done. Also, list if government assistance was obtained to acquire these assets.

Now that your business plan is complete you must think about how you are going to present it.

1. Complete your Table of Contents page numbers and organize your supporting documents
2. Do a spell check and check the formatting
3. Print your plan on good paper, with a good printer.
4. Design a dynamic cover and print it on a colour printer
5. Bind the material in such a way that allows for easy reading, tab each section for direct access, keep your information concise and to the point
6. Pictures are worth a thousand words, include good ones and as many as possible.
7. Remember that a good part of the judging is based on your character so dress appropriately, arrive on time and bring an extra copy of your plan, resume and supporting documents.

APPENDIX D – PRESENTATION SLIDES GUIDELINES

Usually the presentation is about 10-15mins and it is important to convey the key information of the business plan across to the panel of evaluators. It is recommended that the slides to address the following information. It is NOT recommended to overshoot your presentation timing as this will be penalized by the panel of evaluators.

Presentation slides must include:

- About the Company (founding Vision/Mission) – 1min presentation max.
- Product/Solution Idea & the target Problem that is to be solved with the product/solution.
- Potential Market Size.
- Market Strategy - Business Model/Revenue Model/Pricing Model.
- Competitions and sustainable competitive advantage.
- ICT Technology involved.
- Uniqueness of the technology and/or product/solution/ business model.
- Intellectual Property developed/ Protection.
- SWOT Analysis.
- High level financial projections of revenue/cost/cashflow. 1 year to 3 years projections.
- Risk Assessments.
- Key Team Members (name, and short biodata).