

Creating a Compelling

# Feasibility Summary

Global New Venture Challenge  
*2017-2018*

Waverly Deutsch

# Agenda

Review GNVC  
Timeline

Feasibility Summary:  
Key Elements

Dos & Don'ts

Q&A

# GNVC 2018 Timeline

October

November

December

January

February

March

10/16 – Feasibility summary due

10/27 – Class teams announced

Weeks of 11/13 and 11/20 – GNVC kickoff calls via WebEx with each team

12/11-13 Webinar – Business plans and presentations

12/8 – all GNVC teams must be finalized

1/2-4 – **XP** Update calls via WebEx

1/8 – **XP** First draft of plan due via email

1/15 – **XP** GNVC class begins

1/18 – **XP** Final business plans due

1/20 – **XP** Semi-final presentations

1/22-24 – **AXP** Update calls via WebEx

1/29 – **AXP** First draft of plan due via email

1/29-31 – **EXP** Update calls via WebEx

2/4 – **AXP** GNVC class begins

2/7 – **AXP** Final business plans due

2/9 – **AXP** Semi-final presentations

2/12 – **EXP** First draft of plan due via email

2/18 – **EXP** GNVC class begins

2/21 – **EXP** Final business plans due

2/23 – **EXP** Semi-final presentations

**4/12 – GNVC Finals**

# GNVC Homepage

research.chicagobooth.edu/nvc/globalnvc

The screenshot shows the homepage for the Global New Venture Challenge (GNVC). At the top, there is a navigation bar with links for ABOUT NVC, NEWS, CALENDAR, PORTFOLIO, and FIND A TEAM. Below this is a dark header with the NVC logo and the text 'EDWARD L. KAPLAN, '71 NEW VENTURE CHALLENGE'. To the right of the logo are links for NVC, SOCIAL NVC, GLOBAL NVC, and COLLEGE NVC, followed by a prominent 'APPLICATION ENTRY KIT HERE' button. A search icon is located in the top right corner.

Below the header, the main content area is divided into two columns. On the left is a dark blue sidebar with a list of links: ELIGIBILITY REQUIREMENTS, JUDGES, SCHEDULE AND KEY DATES, FACULTY AND COACHES, RESOURCES, and HOW TO APPLY. A red arrow points from the text 'Link to Eligibility Requirements' to the 'ELIGIBILITY REQUIREMENTS' link. Below the links is a 'POLSKY WEEKLY 10' newsletter sign-up section with a 'SUBSCRIBE' button.

On the right side of the main content area, there is a section titled 'Global NVC' with a photograph of four people in a meeting. Below the photo is a paragraph of text: 'The Global New Venture Challenge (GNVC) is a unique platform designed to expand the Edward L. Kaplan, '71, New Venture Challenge business competition to Chicago Booth Executive MBA students and alumni worldwide. A benefit of the GNVC is the participation of our alumni and members of the business community in the coaching and judging portions of the competition. Over 80 coaches, judges, panelists, and guest speakers participate on our Chicago, London, and Hong Kong campuses.'

At the bottom of the page, there is a dark footer. On the left is the 'CHICAGO BOOTH Polsky Center for Entrepreneurship and Innovation' logo and a short description: 'As the nexus of creativity and analytic rigor, the Polsky Center sparks innovation and entrepreneurship as the venture creation engine for the University of Chicago.' Below this are social media icons for Facebook, Twitter, YouTube, Instagram, and LinkedIn, along with the 'CB' logo. On the right side of the footer are links for 'PREPARE AND APPLY', 'DONATE AND SPONSOR', and 'REQUEST INFORMATION'. At the very bottom right is the copyright notice: '© 2017 The University of Chicago Booth School of Business'.

Link to Eligibility Requirements →

# GNVC Eligibility Requirements

	NVC	SOCIAL NVC*	GLOBAL NVC	COLLEGE NVC
BOOTH FULL TIME STUDENT	✓	✓	As long as the team has a majority of <b>Executive MBA Program</b> students	As long as the team has a majority of <b>undergraduate</b> students
BOOTH PART TIME STUDENT	✓	✓	As long as the team has a majority of <b>Executive MBA Program</b> students	As long as the team has a majority of <b>undergraduate</b> students
BOOTH EXECUTIVE MBA PROGRAM STUDENT	✓	✓	✓	As long as the team has a majority of <b>undergraduate</b> students
UCHICAGO GRADUATE STUDENT	✓	✓	As long as the team has a majority of <b>Executive MBA Program</b> students	As long as the team has a majority of <b>undergraduate</b> students
UCHICAGO COLLEGE STUDENT	Team must include at least one UChicago graduate student	Team must include at least one UChicago graduate student	As long as the team has a majority of <b>Executive MBA Program</b> students	✓
ALUM	Team must have at least one <b>current UChicago student</b> as an integral member of the team, with a minimum of 10% equity stake in the venture. Only current UChicago students are allowed to present in class and at the finals event. Other team members may participate in Q&A.			
UNAFFILIATED WITH UCHICAGO	Team must have at least one <b>current UChicago student</b> as an integral member of the team, with a minimum of 10% equity stake in the venture. Only current UChicago students are allowed to present in class and at the finals event. Other team members may participate in Q&A.			

C

# GNVC Getting the Application

research.chicagobooth.edu/nvc/globalnvc

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Link to Application

Other link to Application

# GNVC Application

22<sup>st</sup> Annual



2017-2018  
OFFICIAL ENTRY FORM

Phase I Deadline:

Monday, October 16, 2017, 5 p.m. (CST), via online submission

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Last Revised 9/18/17  
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## ENTRY CHECKLIST - Review before submitting your entry!

- ❑ You have written a Feasibility Summary that is no more than eight (8) pages (typed and double-spaced only), not including resumes.
- ❑ You have provided a copy of the "Cover Sheet" contained in this document with your entry.
- ❑ You have read, signed, and attached the "Certifications and Agreements" document contained in this document. This document may be signed electronically and should be included in your entry packet.
- ❑ You must submit one electronic copy of entry materials in the following manner:
  - Email an electronic copy to: [crissy.ritter@chicagobooth.edu](mailto:crissy.ritter@chicagobooth.edu). The electronic copy must have one PDF file attached that includes (in this order):
    - Cover Sheet
    - Electronically signed Certifications & Agreements
    - Resumes of Team Members
    - Feasibility Summary
 These documents should be combined into one single PDF under with the file named **teamname\_fs.pdf**. If you are unsure of how to do combine PDFs, please view: <http://www.wikihow.com/Combine-PDF-Files-Using-Acrobat-Reader>.
  - The email must include the following in the subject line: (team name): GNVC Feasibility Summary. For example the email would look like this:
    - To: [crissy.ritter@chicagobooth.edu](mailto:crissy.ritter@chicagobooth.edu)
    - Subject: Gnvcchb: GNVC Feasibility Summary
    - File Attached: team\_name\_fs.pdf
 If you are experiencing problems emailing your feasibility summary due to a large file size, you can use the Chicago Booth file-sharing service. Go to <http://share.chicagobooth.edu> and follow the instructions.
- ❑ Electronic copies must be emailed to the proper email address by 5 P.M. (CST) on Monday, October 26, 2017. Registration will close precisely at this time.
- ❑ Technical questions regarding submission? Contact [Crissy Ritter](mailto:Crissy.Ritter) and [Prof. Waverly Deutsch](mailto:Prof.Waverly.Deutsch).
- ❑ Eligibility questions? Contact [Crissy Ritter](mailto:Crissy.Ritter) and [Prof. Waverly Deutsch](mailto:Prof.Waverly.Deutsch)

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Email an electronic copy to: [crissy.ritter@chicagobooth.edu](mailto:crissy.ritter@chicagobooth.edu). The electronic copy must have **one PDF** file attached that includes (in this order):

- **Completed Application**
  - With Electronically signed Certifications & Agreements
- **Resumes of Team Members**
- **Feasibility Summary**

GNVC COMPANY/TEAM NAME:			
Team Members (Please list main contact for your team first):			
Name	Email Address	EMBA Cohort (ex: XP-87)	Affiliation (if non-Booth)
<small>Please list all the participants who contributed significantly to the Business Idea. Attach additional sheets if necessary.</small> Business Description (50 words or less, please note that this info may be made available on marketing materials):			
Problem This Business is Addressing:			
Initial Target Customer Segment:			
Potential Market Size: (if available)			
Competing or substitutable products: (if available)			
Why is this the right team to launch this business?			

## CERTIFICATIONS AND AGREEMENTS

### 11<sup>th</sup> Annual Global New Venture Challenge

The University of Chicago Booth School of Business  
Polsky Center for Entrepreneurship and Innovation and Social Enterprise Initiative  
5807 South Woodlawn Avenue, Chicago, IL 60637

By submitting a Business Idea ("the Idea") to the University of Chicago Booth School of Business - Global New Venture Challenge ("the Competition"), each Contestant listed below agrees to the following conditions:

**Originality of Plan.** The ideas and concepts set forth in the Idea are the original work of the Contestants and that the Contestant is not under any agreement or restrictions which prohibit or restrict his or her ability to disclose or submit such ideas or concepts to the Competition.

**Compliance with Guidelines of the Competition.** Each Contestant has reviewed the Entry Guidelines ("the Competition Guidelines") and by his or her signature below certifies that this entry and the team or individual it represents complies with the Guidelines and agrees to abide by the Guidelines.

**Waivers and Releases.** Each Contestant understands that the University of Chicago Booth School of Business, each of the co-sponsors, judges, mentors, or organizers (the "Competition Officials") and its directors, officers, partners, employees, consultants and agents (collectively "Organizer Representatives") are volunteers and are under no obligation to render any advice or service to any Contestant. The views expressed by the judges, co-sponsors, co-organizers, and the Organizer Representatives are their own and not those of the University of Chicago Booth School of Business or any person or entity.

Each Contestant also understands and agrees that although the Competition Officials have taken and will take the steps described in the Guidelines regarding confidentiality of the ideas and plans submitted by the Contestants, the legal protection of the ideas and plans submitted by the Contestants to the Competition is otherwise the sole responsibility of the Contestant. In consideration of the time, expertise and other resources provided by the Competition Officials and Organizer Representatives to the Competition, each Contestant hereby voluntarily releases each Competition Official and each Organizing Team Member from any further liabilities, responsibilities, and incurabilities resulting to or arising out of such Competition Official or Organizer Representative's participation in the Competition.

Business Plan Name: \_\_\_\_\_

Contestants (Team Members): List principal contestant (point-of-contact) first

Name(s):	Signature(s) (Check Box to sign electronically):	Date(s):

# Feasibility Summary

## Key Elements

Value Proposition

Customer Segments

Competition

Differentiation

Customer Engagement

Revenue Model

Operations

Management Team

Progress to Date

Business Risks

Business Analogues



## What Are You Building and What Does it DO for your Customer?

- Am I solving a customer's **need** or **problem**?
- Am I creating an **opportunity** for my customer?

### Example 1

The company has developed the SalivaSac™, a proprietary semi-permeable membrane that enables the collection in saliva of biochemical markers below 12 kilodaltons. The company will focus on finding those applications which meet this criteria and where there is an advantage to collecting a non-invasive sample.

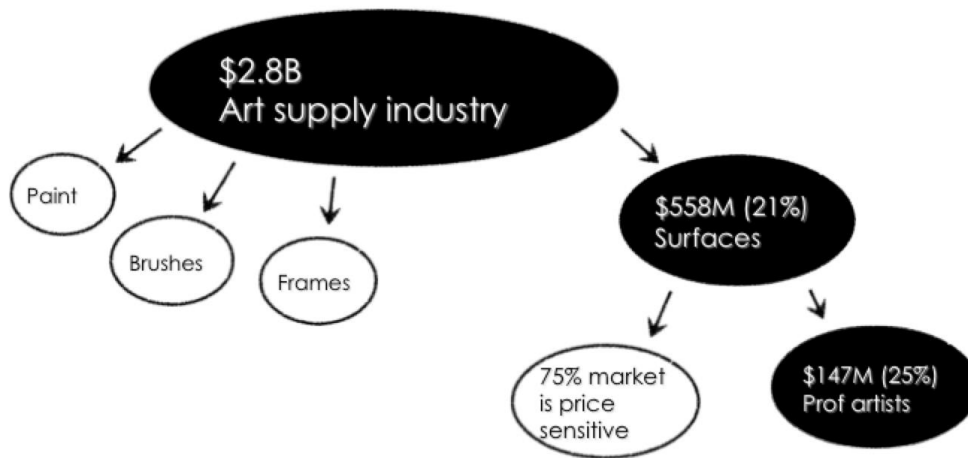
### Example 2

The company's objective is to develop non-invasive medical diagnostic tests. The first application is for using a proprietary saliva collection device to measure glucose levels in diabetics.

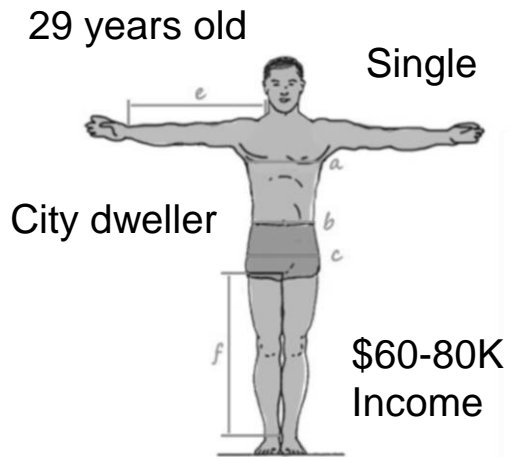
## Who are your customers?

- Who are the different groups of people or organizations you aim to reach and serve?
- How do you define your market?
- What is the potential market size?

### Market Size Estimate



### Customer Profile



## How will you win?

- Who are **current players** in the market?
- Who could be your **competition** in the future?
- What are your competitive **(dis)advantages**?
- How are you **positioned** with respect to competition?

Are there key differentiators/elements of your business worth protecting?

- Is it **proprietary**?
- Patents
- Trade secrets
- Exclusive partnerships
- High switching costs
- Network effects

How do you communicate and get the solution to your customers?

- How does the customer learn about your product?
- How does the product get to the customer (physical stores, web, mobile)?

How do you get, keep, and grow customers?

- Sales process
- Retention

How do you make money from each customer segment?

- What is the cost to acquire a customer?
- What will the customer pay?
- What are your margins?



What are the most important actions you take to create and deliver your value proposition?

- Production, problem solving, platform/network?

What assets are required by the business to deliver your value proposition?

- Physical, intellectual property, team, financial?

What are the costs incurred by creating and delivering value, maintaining relationships, and generating revenue?

- Fixed and variable costs, economies of scale, etc.

Who makes up your management team? Advisors? Partners?

- Who are they?
- Why are they relevant for the business?
- How do you plan on filling gaps?

Who are the vendors, strategic alliances, and joint ventures involved in executing your business?

#### Example 1

**Frank Smith**, our CTO, has extensive experience in managing and building data warehouses. He previously served as vice president in charge of Thompson Financial's database management systems and worked as a consulting manager with IBM building data warehouses.

#### Example 2

We currently are looking for a **director of sales**. We have identified several individuals in data/information companies also selling to the Fortune 500 companies, consulting firms, and investment firms that would be interested once we have secured our financing.



What have you done so far? How have you tested your assumptions?

- Customers interviewed
- Patents, trademarks, etc.
- Prototypes
- Minimal Viable Products (MVPs)
- Sales
- Partnerships

What are you worried about?

What do you plan to do about it?

Are there analogues in the industry or other industries that validate your business model?

- Who** are they, and have they been successful?
- How are they **valued**, and how did they get **funded**?
- Have there been successful **exits**? Multiples?
- Have similar businesses **failed**? Why? (Look for “corpses”)

# What do Investors value the most?

Professor Kaplan studied equity deals for 67 investments by 11 VCs.

- ◆ Top five reasons to invest:
  - Market 69%
  - Management 60%
  - Strategy 54%
  - Competition 33%
  - Product and technology 30%
  
- ◆ Top five risks:
  - Management 61%
  - Strategy 51%
  - Competition 40%
  - Market 31%
  - Product and technology 31%

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Feasibility Summary

# Dos and Don'ts

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## Avoid Clichés

- “We have no competition.”
- “We are the low-cost provider.”
- “We only need a 5% market share.”
- “Our numbers are conservative.”
- “We are the Uber of X.”

## Avoid Acronyms

- Don’t assume everyone reading your plan has your knowledge base
- When you use an acronym, explain it the first time (TFT)

## No Autopilot

Make sure the car has a driver.  
Someone should be the current CEO.  
OK to say you will find a  
permanent/better one later.

# Be Clear and Concise

**YES:** Middleware for wireless networks

**NO:** Develops and delivers an integrated suite of packaged applications for web and wireless deployment. Global enterprises use these applications to become more competitive and profitable by establishing and sustaining high-yield interactions and transactions with customers, suppliers, and employees.

## Capture Attention

- Typical VC will not read past the first page
- Answer the following questions in the first page
  - What is the opportunity?
  - Why does anyone care?
  - How will it be achieved?
  - What is your unique differentiator?

# Q&A