

GNVC Application and Feasibility Summary

Global New Venture Challenge
2020-2021

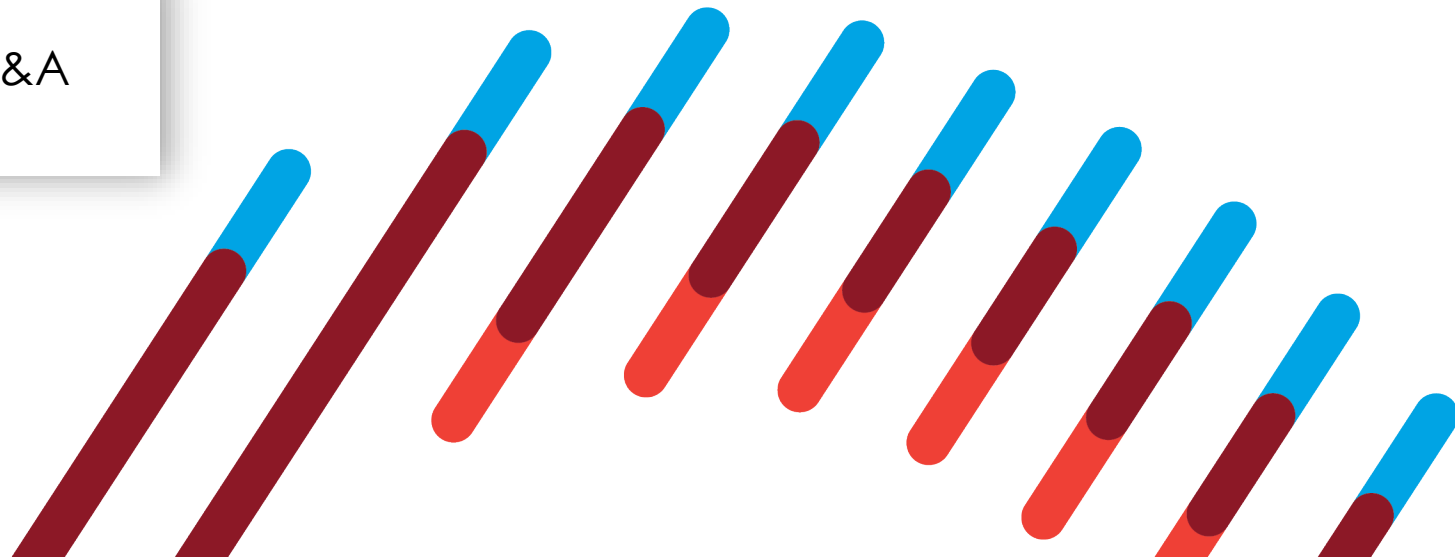
Waverly Deutsch

Agenda

Application and
timeline

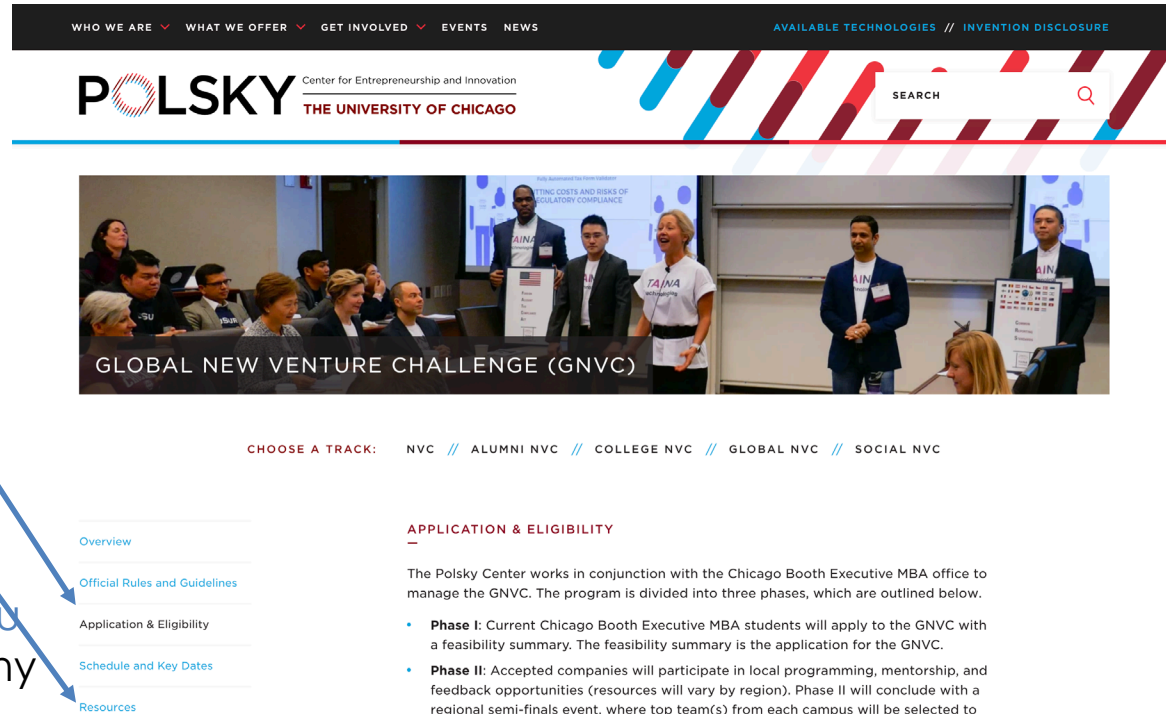
Feasibility
summary

Q&A



GNVC Homepage

<https://polsky.uchicago.edu/programs-events/new-venture-challenge/global-new-venture-challenge/>



The screenshot displays the website for the Polsky Center for Entrepreneurship and Innovation at The University of Chicago. The header includes navigation links: WHO WE ARE, WHAT WE OFFER, GET INVOLVED, EVENTS, NEWS, AVAILABLE TECHNOLOGIES, and INVENTION DISCLOSURE. The main content area features a large image of a group of people at a GNVC event, with the text "GLOBAL NEW VENTURE CHALLENGE (GNVC)" overlaid. Below the image, there is a section titled "CHOOSE A TRACK:" with links for NVC, ALUMNI NVC, COLLEGE NVC, GLOBAL NVC, and SOCIAL NVC. To the left of the main content, a sidebar menu lists: Overview, Official Rules and Guidelines, Application & Eligibility, Schedule and Key Dates, and Resources. The "Resources" link is highlighted with a blue arrow pointing from the text "Application and rules can be found on the GNVC website" in the list on the left. To the right of the sidebar, the "APPLICATION & ELIGIBILITY" section is visible, starting with the text: "The Polsky Center works in conjunction with the Chicago Booth Executive MBA office to manage the GNVC. The program is divided into three phases, which are outlined below." followed by two bullet points describing Phase I and Phase II.

WHO WE ARE ▾ WHAT WE OFFER ▾ GET INVOLVED ▾ EVENTS NEWS AVAILABLE TECHNOLOGIES // INVENTION DISCLOSURE

POLSKY Center for Entrepreneurship and Innovation
THE UNIVERSITY OF CHICAGO

SEARCH

GLOBAL NEW VENTURE CHALLENGE (GNVC)

CHOOSE A TRACK: NVC // ALUMNI NVC // COLLEGE NVC // GLOBAL NVC // SOCIAL NVC

Overview
Official Rules and Guidelines
Application & Eligibility
Schedule and Key Dates
Resources

APPLICATION & ELIGIBILITY

The Polsky Center works in conjunction with the Chicago Booth Executive MBA office to manage the GNVC. The program is divided into three phases, which are outlined below.

- **Phase I:** Current Chicago Booth Executive MBA students will apply to the GNVC with a feasibility summary. The feasibility summary is the application for the GNVC.
- **Phase II:** Accepted companies will participate in local programming, mentorship, and feedback opportunities (resources will vary by region). Phase II will conclude with a regional semi-finals event, where top team(s) from each campus will be selected to

- Application and rules can be found on the GNVC website <http://bit.ly/GNVC2021>
- Example feasibility summaries and business plans are under [Resources](#)
- Cerise Miller cerise.miller@chicagobooth.edu is the Polsky expert to answer any questions

GNVC TA/Coach



Susan Silver

Susan Silver

ssilver@argentumstrategy.com

- Nearly a decade of coaching various NVC tracks
- Entrepreneur founder of Argentum Strategy Group
- Hundreds of clients in various industries and ranging from startup to public company
- Former CMO for Equal Brands
- MBA from Kellogg

Eligibility requirements

- Generally idea should be original and the business cannot be a subsidiary of another company
- Company may not have received more than \$500,000 in equity-based funding
 - Founder self-financing is encouraged
 - Grant funding for research leading to the idea or IP of the company is acceptable
- Each team must consist of at least two current second year Chicago Booth Executive MBA students
 - Founder student(s) cannot be a minor player/consultant – Booth student(s) must have at least 10% equity stake in the company and plan to continue with the business if it launches
 - Additional students not involved in the launch of the business can also participate for the class experience – they are not required to join the team working on the business outside the class
- There is a maximum of seven registered students allowed but no limit on non-Booth team members

Application and Acceptance Process

- Quick pitch and team building meetings to be scheduled the week of 1/11/2021
 - Q&A with Professor about application/feasibility summary
- Application and 8-page feasibility summary due **1/20/2021** at 12:00 pm Chicago time
- Applications are read by Professor and TA plus 3 to 5 outside reviewers
 - Evaluation criteria:
 1. Overall business feasibility – compelling solution to an interesting problem in a meaningful market
 2. Business model – credible revenue and go-to-market strategy
 3. Team – ability to execute and extent of partner and potential customer network
 4. Evidence of progress – customer research, competitive analysis, business analogues identified, MVP status, early customer traction
- Announcement of teams **1/29/2021**
- Quick pitch and team building meetings to be scheduled the week of 2/8/2021
- Student team finalization – **3/1/2021**

FAQs

Will this deck be available?

Yes. We will post both it and a recording of one of these Webinars on the GNVC website in the Resources section.

Is there a specific template for the feasibility summary?

No. Templates are rigid one-size-fits-all devices that do not allow entrepreneurs to tell their stories in the best way. We will review what should be included but you should structure it in the most compelling way for your business. There are some examples on the GNVC website under the resources tab.

Are the deadlines flexible.

No.

Are cross cohort teams acceptable?

Yes. However, all team members must participate in the class at the same time and on the same campus, as COVID allows. Be sure to tell the Program Office you intend to transfer for GNVC week.

What should I do if my team is not accepted into the GNVC?

Join the team of one of your cohort that was accepted. You will learn a ton from the process you can apply to your business and you will help out a fellow entrepreneur.

Feasibility Summary Key Elements

Waverly Deutsch

Clinical Professor and
Academic Director of University-
wide Entrepreneurship Content



Problem/Solution

Customer Segments

Competition

Customer Engagement

Economic Model

Management Team

Progress to Date

Business Analogues

8-page maximum

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

- ☐ What exactly is my offering – product, service, solution?
- ☐ Am I solving a customer's **need** or **problem**?
- ☐ Am I creating an **opportunity** for my customer?

Example 1

The company has developed a proprietary semi-permeable membrane that enables the collection in saliva of biochemical markers below 12 kilodaltons. We 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 has developed technology for non-invasive medical diagnostic tests. The first application will use a proprietary saliva collection device to measure glucose levels in diabetics.

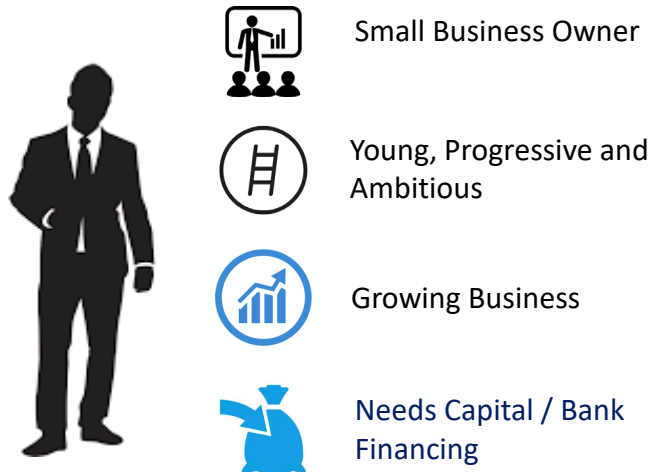


Who are your customers?

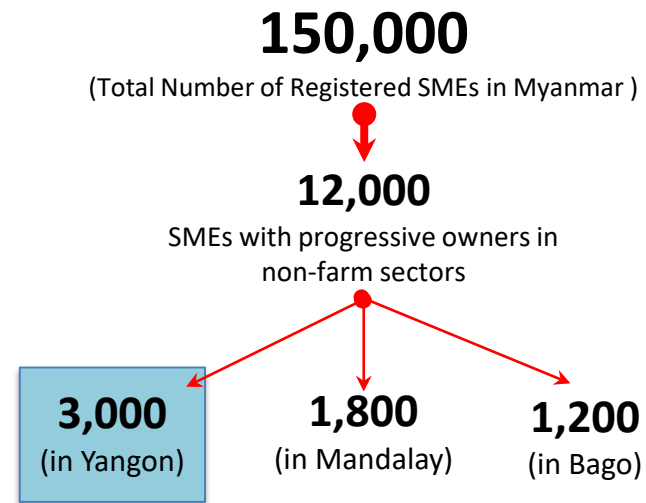
- ☐ Who are the different groups of people or organizations you aim to reach and serve?
- ☐ How do you define your market?
- ☐ What is the potential market size?
- ☐ What is your initial target market?

Customer Profile

Meet Ko Aung



Market Size Estimate

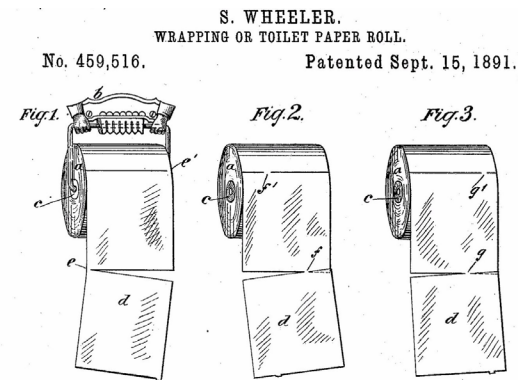


How will you win?

- ☐ 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?

Do you have "an unfair advantage" – key differentiators?

- ☐ Patents/Trade secrets
- ☐ Exclusive partnerships
- ☐ High switching costs
- ☐ Specialized skill sets



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

- ☐ How does the customer learn about your product?

How do you get, keep, and grow customers?

- ☐ How does the product get to the customer (physical stores, web, mobile)?
- ☐ Sales process
- ☐ Retention



What is your cost structure?

- ☐ Upfront investment prior to launch?
- ☐ Bill of materials or other direct costs – labor, onboarding, etc.?
- ☐ Fixed versus variable costs?

How do you make money from your initial customer segment?

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



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?

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 do VCs actually consider?

Professor Kaplan surveyed 885 venture capitalists at 681 firms

- ◆ Top three criteria for early stage investment:
 - Team 96%
 - Business model 84%
 - Product 81%
 - Market 74%
 - Fit with portfolio 48%

- ◆ Most important criteria:
 - Team 53%
 - Fit with portfolio 13%
 - Product 12%
 - Business model 7%
 - Market 7%

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

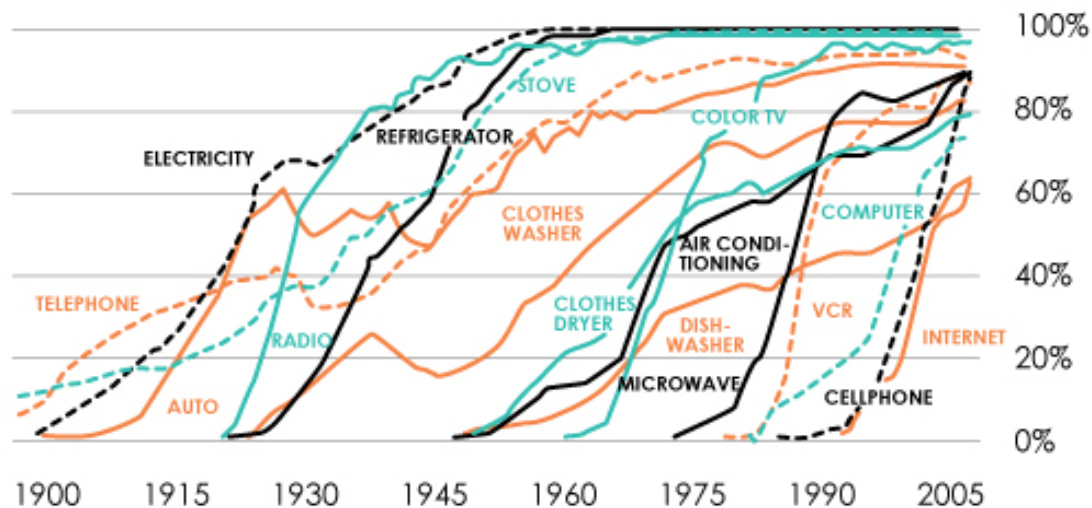
- ☐ Customers interviewed
- ☐ Patents, trademarks, etc.
- ☐ Prototypes
- ☐ Minimal Viable Products (MVPs)
- ☐ Sales
- ☐ Partnerships



Business Analogues

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”)



Some Do's and Don't's

Grab their 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?

Don't rely on acronyms:

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

Avoid Clichés:

- "We have no competition."
- "We are the low-cost provider."
- "We only need a 5% market share."
- "Our numbers are conservative."

Don't ask Professor Deutsch if she will review your feasibility summary in advance

Do email Cerise Miller
cerise.miller@chicagobooth.edu
at Polsky with any questions

Thank you

Questions?