

GNVC Application and Feasibility Summary

Global New Venture Challenge
2019-2020

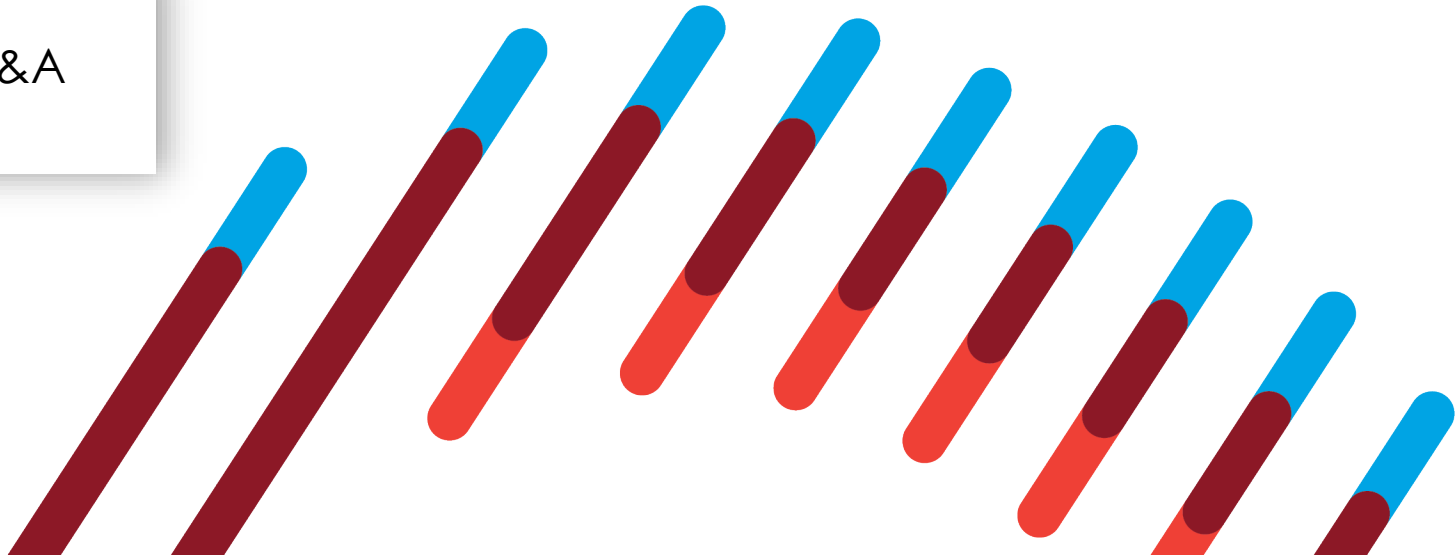
Waverly Deutsch

Agenda

Application and
timeline

Feasibility
summary

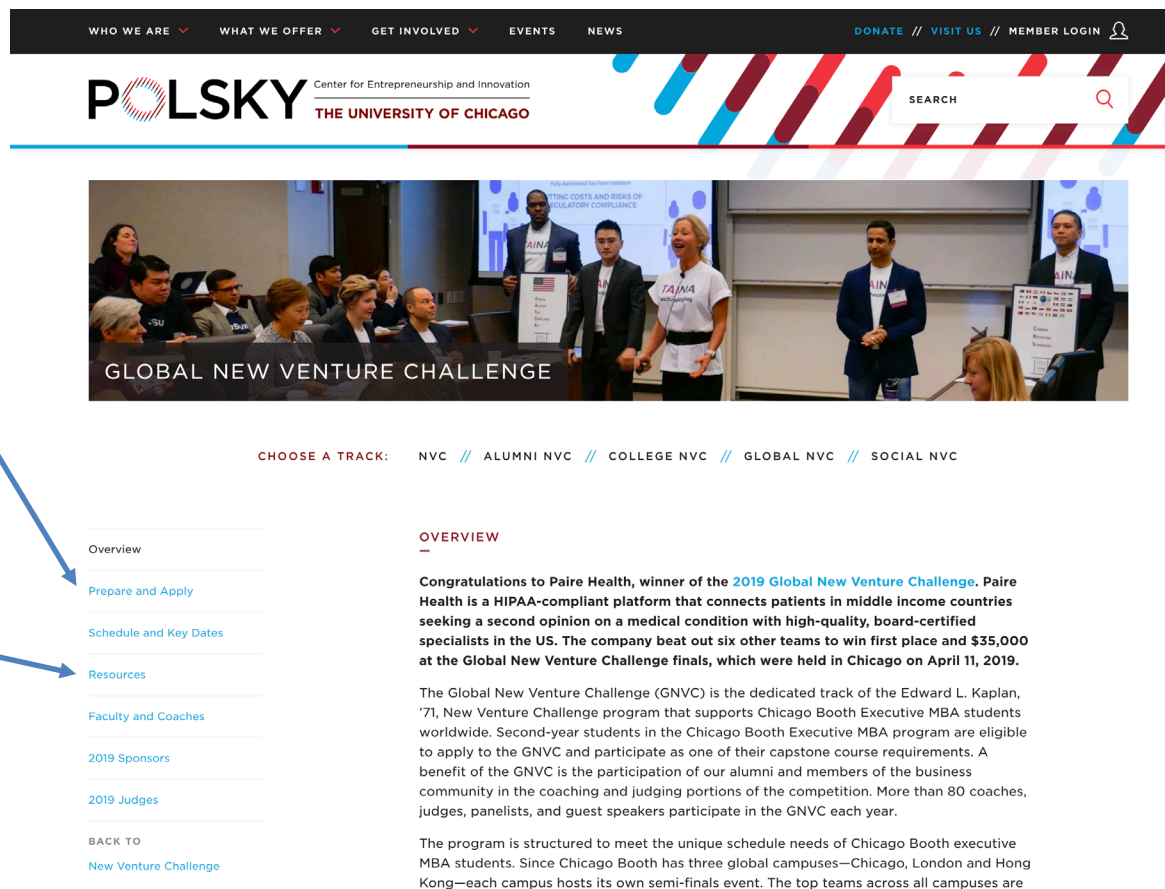
Q&A



GNVC Homepage

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

- Application and rules can be found on the GNVC website <http://bit.ly/GNVC2020>
- Example feasibility summaries and business plans are under [Resources](#)
- Crissy Ritter is the dedicated Polsky staff member for the GNVC. Contact her at crissy.ritter@chicagobooth.edu with questions



The screenshot shows the website for the Polsky Center for Entrepreneurship and Innovation at the University of Chicago. The navigation bar includes links for 'WHO WE ARE', 'WHAT WE OFFER', 'GET INVOLVED', 'EVENTS', 'NEWS', 'DONATE', 'VISIT US', and 'MEMBER LOGIN'. The main header features the 'POLSKY' logo and the text 'Center for Entrepreneurship and Innovation THE UNIVERSITY OF CHICAGO'. A search bar is located on the right. Below the header is a large image of a competition stage with the text 'GLOBAL NEW VENTURE CHALLENGE'. Underneath the image is a navigation menu: 'CHOOSE A TRACK: NVC // ALUMNI NVC // COLLEGE NVC // GLOBAL NVC // SOCIAL NVC'. On the left side, there is a vertical menu with links: 'Overview', 'Prepare and Apply', 'Schedule and Key Dates', 'Resources', 'Faculty and Coaches', '2019 Sponsors', and '2019 Judges'. At the bottom of this menu is a 'BACK TO New Venture Challenge' link. On the right side, there is an 'OVERVIEW' section with the following text: 'Congratulations to Paire Health, winner of the 2019 Global New Venture Challenge. Paire Health is a HIPAA-compliant platform that connects patients in middle income countries seeking a second opinion on a medical condition with high-quality, board-certified specialists in the US. The company beat out six other teams to win first place and \$35,000 at the Global New Venture Challenge finals, which were held in Chicago on April 11, 2019. The Global New Venture Challenge (GNVC) is the dedicated track of the Edward L. Kaplan, '71, New Venture Challenge program that supports Chicago Booth Executive MBA students worldwide. Second-year students in the Chicago Booth Executive MBA program are eligible to apply to the GNVC and participate as one of their capstone course requirements. 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. More than 80 coaches, judges, panelists, and guest speakers participate in the GNVC each year. The program is structured to meet the unique schedule needs of Chicago Booth executive MBA students. Since Chicago Booth has three global campuses—Chicago, London and Hong Kong—each campus hosts its own semi-finals event. The top teams across all campuses are

Application and Acceptance Process

Phase 1 – Quick pitch and team building meeting on campus

Application and 8-page feasibility summary due October 14, 2019 – 10:00am Chicago time

Applications are read by Professor, TA and Polsky staff person plus 3 to 5 outside reviewers

Evaluation criteria:

1. Overall business feasibility – compelling solution to an interesting problem in a meaningful market
2. Economics – 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 October 23, 2019

Phase 2 – Quick pitch and team building meeting on campus

Team finalization – All students must participate in the GNVC class week on same

campus – REMEMBER to apply for a transfer

GNVC 2020 Timeline

October

November

December

January

February

March

April

10/14: Application and feasibility summary due

10/23: Class teams announced

10/28 – 10/30: GNVC kickoff calls via WebEx with each **XP** team

11/11 – 11/13: GNVC kickoff calls via WebEx with each **AXP** team

11/18: **XP** teams must be finalized

11/18 – 11/20: GNVC kickoff calls via WebEx with each **EXP** team

11/25: **AXP** teams must be finalized

12/9: **EXP** teams must be finalized

12/16 – 12/18: **XP** Update calls via WebEx

1/6: **XP** First draft business plans due via email

1/13: **XP** GNVC class begins

1/16: **XP** Final business plans due

1/18: **XP** Semi-final presentations

2/3 – 2/5: **AXP** Update calls via WebEx

2/10: **AXP** First draft business plans due via email

2/10 – 2/12: **EXP** Update calls via WebEx

2/16: **AXP** GNVC class begins

2/19: **AXP** Final business plans due

2/21: **AXP** Semi-final presentations

2/24: **EXP** first draft business plans due via email

3/1: **EXP** GNVC class begins

3/4: **EXP** Final business plans due

3/6: **EXP** Semi-final presentations

4/16 – GNVC Finals

Feasibility Summary

Key Elements

Waverly Deutsch

Clinical Professor and
Academic Director of University-
wide Entrepreneurship Content



GLOBAL
NEW VENTURE
CHALLENGE

Value Proposition

Customer Segments

Competition

Customer Engagement

Revenue Model

Management Team

Progress to Date

Business Analogues

8-page maximum

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 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?

Customer Profile

Meet Ko Aung



Small Business Owner



Young, Progressive and Ambitious



Growing Business



Needs Capital / Bank Financing

Market Size Estimate

150,000

(Total Number of Registered SMEs in Myanmar)

12,000

SMEs with progressive owners in non-farm sectors

3,000
(in Yangon)

1,800
(in Mandalay)

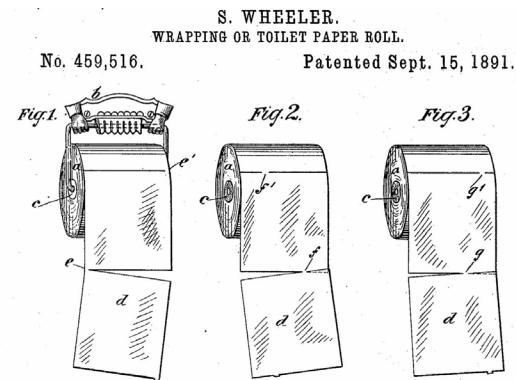
1,200
(in Bago)

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 does the product get to the customer (physical stores, web, mobile)?

How do you get, keep, and grow customers?

- 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 each 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.

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

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

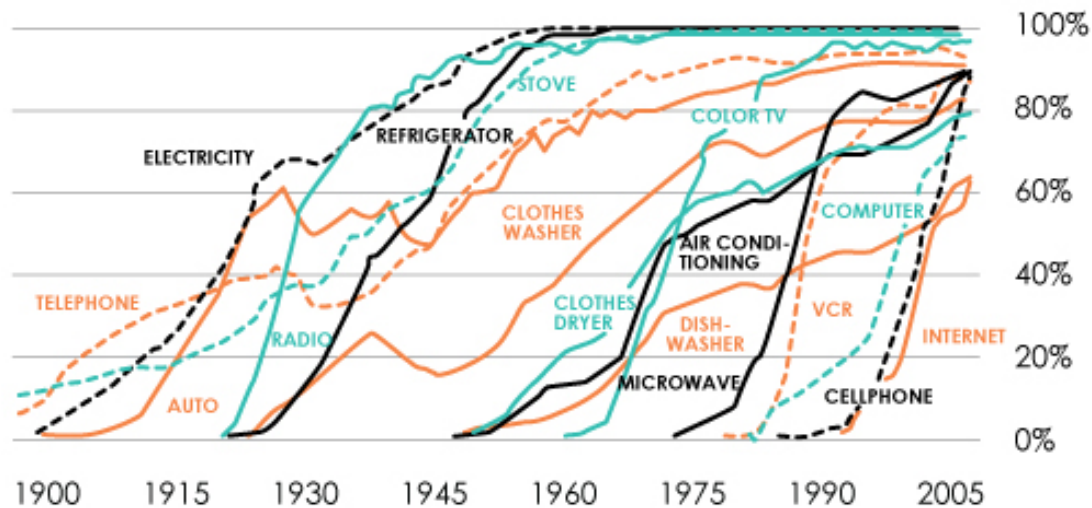
- Customers interviewed
- Patents, trademarks, etc.
- Prototypes
- Minimal Viable Products (MVPs)
- Sales
- Partnerships



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”)



What do VCs actually consider?

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%

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?

Avoid acronyms:

- Don't assume everyone reading your plan has your knowledge base
- When you 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 contact Crissy Ritter with questions about the process
crissy.ritter@chicagobooth.edu

Thank you

Questions?