



2022 Vernon Clapp IDEA Competition

Sponsored by:

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

Vern Clapp

Clapp Investment, Ltd.

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

Updated: December 3, 2021

Key Dates

Registration Due: January 31, 2022 by 11:59pm

Idea Plans Due: February 18, 2022 by 11:59pm

Finalists Notified: February 28, 2022

Final Round Presentations Due: March 31, 2022 12:00pm

IDEA Plan Competition: April 1, 2022 Time TBD

Clapp IDEA Competition Rules, Guidelines, and Submission Requirements

Contact icfellow@indiana.edu with any questions

Eligibility Requirements:

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

8. All teams must register by **January 31, 2022**.
 - <https://forms.gle/95zEW7TkwZaxd6dc7>

Business Proposal Guidelines:

1. Proposals are limited to **7 pages maximum** (12 point font) of text, excluding cover page, title page, and exhibits. Proposals must follow the Clapp 2022 Business Proposal Format.
 1. **Exhibits:** You may provide exhibits (no more than 5 pages). You will NOT be specifically graded on the content of the exhibits (or lack thereof); however, they may allow us to better understand your proposal. Financial statements not required.
2. Official Application Form due **January 31, 2022 by 11:59 p.m.** via registration link.
 1. After registration has ended, instructions to submit Business proposals will be sent to participants on **February 1, 2022** from icfellow@indiana.edu. All Business proposals are due on or before **February 18, 2022 by 11:59 p.m.**
 2. Digital copies of the finalist's presentation are due on or before **March 31, 2022 by 12:00 p.m.** Finalist announcement will be notified and instructions to submit finalist's presentation will be sent to participants on **February 28, 2022** from icfellow@indiana.edu.
3. All eligibility criteria can be reviewed by the JCEI on a case-by-case basis for exceptions.

Business Proposal Format

Purpose: after reading this document, someone should be able to understand your business. Three key factors: 1) uniqueness, 2) clarity, 3) viability.

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

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

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

Suggested business proposal format:

Team Name:

Team Captain Name:

Team Captain Email address:

Summary (one page maximum)

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

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

S2. What is unique about it?

S3. Who is it for?

S4. Why does this idea excite you?

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

Industry/Market (one page maximum)

Businesses are affected by what's happening around them.

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

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

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

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

Marketing (one page maximum)

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

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

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

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

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

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

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

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

Operations (one page maximum)

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

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

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

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

Financial (one page maximum)

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

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

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

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

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

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

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

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

Time (one page maximum)

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

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

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

People (one page maximum)

Your team is the most important asset of your business.

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

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

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