



HARVARD | BUSINESS | SCHOOL

2010 HBS Business Plan Contest CONTEST RULES

Overview of Contest

1. First, you must form a team around an idea for a business, including a social enterprise. All Business Venture (BV) Track teams must have a minimum of one HBS student. Social Venture (SV) Track teams should check the [SV Track website](#) for entry information, deadlines and additional details specific to the SV Track of the Contest.
2. Next, you must obtain a faculty advisor for this team.
3. Your Entry form (via online poll) declaring your participation in the Contest AND your Faculty Advisor approval (via email from your faculty advisor) are due by December 18, 2009.

NOTE however, that we will accept plans from teams that have not filed an entry form by the above deadline. Teams may decide to participate in the Contest up until shortly before plans are due. However, teams that do not submit an entry form by the above deadline will not be eligible for the \$1,000 expense reimbursement available to teams (see below).

The HBS Honor Code applies to all aspects of the Contest.

Confidentiality

The only individuals who will have access to your business plans (in addition to the faculty co-chairs of the Contest) will be the judges who are assigned to read your plan. These judges are largely professional venture capital investors, (and in the case of social enterprise, venture philanthropists) who regularly deal with confidential information in the course of their work. We have asked them to treat your work product with the same care and respect for confidentiality. We also ask them to remove themselves from judging your plan if they do have a real conflict of interest. Feel free to mark your plan—or particular piece of it—as "confidential."

Note that the short description of your idea which you include with your entry form may be used in public documentation relating to the Contest.

Each year, as presentation to the judges approach, some students become concerned about potential issues of confidentiality. The judges are all venture capitalists and entrepreneurs who deal with confidential information in the normal course of their businesses. You should feel free to mark your plan confidential, to exclude any information you regard as truly proprietary, and to request that the judges give you the hard copy of your plan back after you've completed your presentation. If you are concerned about any particular VC firm—because they have backed a direct competitor—feel free to request that we not put a judge from that firm on your panel.

Requirements for Teams

A team may consist of HBS MBA candidates, degree candidates (students) from any other school within Harvard, university students from other universities, as well as non-students. Former colleagues and friends (e.g., a scientist at XYZ company who is your former colleague and who has a great idea for a new product) are potential team members. All teams in the Business Venture Track must include at least one HBS student. The spirit of the Contest is that it is both an educational experience for students as well as a potential launch pad for those students who wish to actually start a business.

We encourage HBS students to work with students from other parts of Harvard University as well as students from other schools. We also encourage students to work with entrepreneurs, scientists and executives from industry who may have an attractive idea.

However, we don't permit entries where outsiders are using HBS students primarily as a vehicle to participate in the Contest. To this end, when HBS students are participating with "outsiders," the HBS student(s) needs to be a substantive member of the founding team, and must be committed to pursuing the venture and participating in the equity pool in a

manner consistent with their contribution, role and position. Note that under the terms of the funding for the Contest—for the Business Venture Track—prize money and expense reimbursement checks can only be written to Harvard Business School students.

Note for RC students: While EC students can do their business plan work under the auspices of a field study, for academic credit, this option is not available to RC students, given the nature of the first-year program. RC students should be aware that, while the Contest is sanctioned and supported by the School, it is—for RC students—an extracurricular activity and needs to be treated as such. That is, participation in the Contest shall not compete with your for-credit courses, and no aspect of your participation in the Contest is a legitimate excuse for missing class or for less-than-adequate preparation. Note that EC students are in a different situation, as they are typically doing much of the work involved in the Business Plan Contest as a for-credit field study. If you are an RC student on a team with ECs, you should be aware of these differing contexts. Finally, because the Contest was designed to serve as a capstone experience for EC students, it dovetails with the EC calendar. If you are an RC student, you should be sure that your participation in the Contest does not conflict with your RC academic activities.

Social Venture Track teams should check the [Social Venture Track website](#) for eligibility requirements, the SV Track calendar and details on prize money and expense reimbursement checks.

It is strongly encouraged that teams include a minimum of three members. Note that every team must have a **MINIMUM OF ONE HBS STUDENT** (see exceptions for SV Track teams *only*, as outlined on the SV Track website).

Students may participate on up to two teams. However, past experience suggests that students should restrict their participation to a single team for several reasons:

- to avoid any—real or perceived—conflicts of interest between potential businesses.
- to avoid the perception of a lack of real commitment to one particular business plan. This perception can easily arise among the judges in the case of students participating on more than one team.

Requirements for the Business Idea

The objective of the Business Plan Contest is to provide a meaningful learning experience for students who are interested in pursuing an entrepreneurial opportunity at some point in their careers. As such, most ideas entered in the competition will be ideas for a new business. In certain cases, this business may include a substantial acquisition component. For example, one submission entailed making a significant number of acquisitions of smaller companies in a specific industry. The plan involved a good deal of substantive work on how value would be created through acquisitions and subsequent management, and was a solid piece of work. However, a plan that simply called for the acquisition of one company and the creation of value through "better management" would not be an appropriate submission, nor would a plan to create a hedge fund, investment, private equity or venture capital fund. Another type of valid submission would include the opportunity to substantially remake an existing enterprise with a dramatically new strategy—an "intrapreneurial" opportunity. Note that a separate track has been established for non-profit social enterprises. In past years, social enterprises have competed in the pool with more traditional plans, and some have done quite well. Thus, if your plan is for a social enterprise that creates substantial economic value for its owners, you may still enter it in the Business Venture Track. The decision about which track to participate in is yours, but you may enter your plan in **ONLY ONE** track.

Requirements for Faculty Advisor

Each team must have an HBS faculty advisor. When the team makes its entry submission (see below), the faculty advisor must send an email directly to Alice Moses (amoses@hbs.edu) signaling their agreement to advise the team. Note that *all* HBS faculty members are prohibited from serving as a member of the company's board of directors or advisors, or investing in a company that is being organized by current students.

In many cases, students complete the business plan as a field study for credit, and the faculty sponsor of the field study can easily serve as the faculty sponsor for the Business Plan Contest. In cases where the team is composed of RCs, or where the EC students are not writing the business plan as a for credit field study, the team will need to find a faculty advisor. In this situation, the level of faculty involvement is typically lower than in a field study, as the project is not graded. The role of the faculty advisor in these circumstances is simply to serve as an official touch-point with the School, to provide general counsel, and to review the plan prior to its submission.

Abiding by Community Values and Academic Policies

As members of the HBS Community, students agree to abide by our shared [Community Values](#) of respect for others, honesty and integrity, and accountability for personal behavior.

In particular, students should be aware that it is not permissible to conduct “surveys” of companies who are potential competitors for your proposed venture under the guise of an “HBS student project.” you must be honest and open about your intentions, and if you believe your honesty may inhibit people from speaking with you, that should serve as further evidence of the importance of adhering to the principle.

Similarly, if you are working on your plan with any “outsider” from academia or industry, you also have a responsibility to respect their intellectual property and to treat any information received from them as confidential.

For ECs: Multiple students in multiple courses working on the same project naturally raises issues related to ownership of the work product and attribution of efforts for grading. While the business plan entry itself is not graded as part of the competition, students are nonetheless directed to be sensitive to the issues raised by such projects. According to our [self-plagiarism policy](#), if the business plan (or research products that underpin it) will be submitted to more than one faculty member as part of a paper or project for credit, students must complete the form entitled "Required EC Student Report Disclosure Form (For Disclosure of Multiple Papers/Presentations from a Single Research Base)" and submit it to the various faculty members involved. The form is available at the Registrar Services counter in Spangler. Note that any student projects and business plan submissions that are found to be in violation of these requirements will be disqualified from the competition, and students may be subject to further disciplinary action.

Expense Policy

The Business Plan Contest offers the opportunity for teams in both tracks (HBS students only) to obtain reimbursement for up to \$1,000 of expenses that were legitimately incurred in the course of preparing the business plan for submission. All expenses must have been incurred *prior* to your initial plan submission. **This reimbursement is only available to HBS students who officially enter the Contest by the December 18, 2009 deadline.**

Teams entering the Social Venture Track which include an HBS student and who enter by the December deadline have two reimbursement options: 1) qualifying teams may apply for the reimbursement grant offered through the Business Plan Contest, OR 2) qualifying teams may apply for a grant of up to \$2,000 through the [Social Enterprise Field Study/ISR Reimbursement Grant Funding Program](#). Teams entering the SV Track of the Contest which do not include an HBS student should [contact](#) the Social Enterprise Initiative for alternate reimbursement opportunities.

- An original receipt showing payment or an invoice is required for all items listed on page 2. Invoices **MUST** include a line showing your payment, including the date of the payment, the method (check, credit card, etc.) and the amount paid. If the invoice does not include this information, that expense will not be accepted for reimbursement.
- Examples of approved expenses include: Purchased research reports, telephone calls required for research, photocopying of business plan for submission, hosting services for running a beta version of a Web site, software tools required to build a Web site or develop other aspects of the product/service, travel required for research. Payments to others for services performed (i.e., legal, accounting, etc.) are approved as long as the individuals providing the services are **not** relatives, the services are purchased at fair market value and the individual can provide you with a receipt of your payment. Meals, entertainment, hardware and electronic items for team members are **NOT** reimbursable expenses. All expenses must have been incurred **AND** paid for prior to your initial plan submission. If your team is chosen to proceed to further judging rounds, only expenses related to creating new copies of your plan (i.e. photocopying) and incurred between the initial presentation and next round will be acceptable for additional reimbursement (up to \$300).
- If you elect not to present, you will still be eligible for reimbursement of up to \$1,000 of legitimate expenses (same dates and deadlines as above). However, in order to be eligible, you **must** still submit a document to the Business Plan Contest. This document may be either a business plan or a substantive report that describes your reasons for not pursuing the business opportunity. The philosophy here is that the \$1,000 grant is designed to facilitate the learning process, and we do not want to penalize teams who learned that their idea was not worthy of pursuit. At the same time, we need to see evidence that substantive intellectual work was done.
- Turn in **one** reimbursement request per team as the check will be cut to one individual only. All expenses must have been incurred **AND** paid for prior to your initial plan submission.

- You must submit the [required application form](#) along with all original receipts to Alice Moses in Rock Center 107 by the deadline listed on the form.

Deadlines

Entry Materials: An *online* [Entry form](#) and an *email from your Faculty Advisor* are required to officially enter the Contest. Both of these must be submitted by the **December 18, 2009 deadline**.

NOTE however, that we will accept plans from teams that have not filed an entry form by the above deadline. Teams may decide to participate in the Contest up until shortly before plans are due. However, teams that do not submit an entry form/faculty approval by this deadline will not be eligible for the \$1,000 expense reimbursement available to teams (outlined above).

Final Plan Submission: The Business Plan submission is the actual plan you are submitting for judging and, for the **Business Venture Track**, is due by April 8, 2010 at 12:00 noon. Submissions must be on 8.5 x 11 paper and may not exceed thirty pages of text, graphs, and appendices.

- Business Venture Track plans should be turned in to Alice Moses, Rock Center 107.
- Social Venture Track entrants should check the SV Track website for entry information, deadlines and additional details the on SV plan submission.

At a minimum, final submissions should include:

- ten copies for distribution to judges;
- quarterly financial projections for two years and annual projections to five years with both a pro forma cash flow and budget analysis, (and in the case of social enterprise, impact potential and funding model);
- other analysis, as appropriate (e.g., break-even analysis; estimated market share calculations);
- a working model or prototype, if practicable;
- market data based on customer research and customer response analysis; and
- no more than a twenty-slide "PowerPoint" or similar slide deck overview/summary of the proposed business (does not count towards thirty page limit).
 - NOTE: some teams choose to turn in only a slide deck presentation, and not a written business plan, which is acceptable. Putting aside any agreement you may have with a faculty supervisor (if you are doing your plan for credit as a field study), we would just make the following point: it is much more difficult to make a true argument in a slide deck than it is in a written document. The deck may be a good summary of your presentation, but if you are one of the 10 semi-finalists, this field will be whittled down to 4 finalists based solely on the written material you submit. Therefore these teams may be at a disadvantage when judged against other teams who submitted both the complete written plan *plus* the slide deck presentation. So, teams should carefully consider the materials you wish to provide.

Live Presentations

First Round of Judging: All Business Venture Track Business Plan teams will be invited to make live presentations to a panel of judges on Super Saturday. Details will be announced as the Contest progresses.

Social Venture Track: Teams should check the SV Track website for judging dates and information.

Final Judging and Awards Presentation

Business Venture Track: The ten semi-finalists' Business Plans will be distributed to a final judging panel of distinguished venture capitalists and entrepreneurs. The semi-finalists will be winnowed down to finalists based solely on their submitted plan. On April 27, 2010, four finalists will make final presentations to a panel of judges and again at the Awards Presentation.

Social Venture Track: Teams should check the SV Track Contest website for judging information, deadlines and additional details.