



## 2012 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 MBA student. RC teams (i.e. any team with a first-year, RC, student) may **not** enter the Business Plan Contest with the same idea used for their Field III project. 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.  
*You may participate on a maximum of 2 teams, regardless of Track.*
2. Your Entry form (via online poll) declaring your participation in the Contest must be received by December 14, 2011 at 12:00 noon.

NOTE however, that we will accept plans from teams that have not filed an entry form poll 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 poll by the above deadline will not be eligible for the \$1,000 expense reimbursement available to teams (see below). No exceptions will be made for late reimbursement requests.

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 MBA 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. 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. Finally, RC teams (i.e. any team with a first-year, RC, student) may **not** enter the Business Plan Contest with the same idea used for their Field III project.

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 MBA STUDENT** (see exceptions for SV Track teams *only*, as outlined on the SV Track website).

Students may participate on a maximum two teams, regardless of Track. 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.

RC teams (i.e. any team with a first-year, RC, student) may **not** enter the Business Plan Contest with the same idea used for their Field III project.

Note that the Contest is designed for contemplated and embryonic businesses. That is, the Judges do like to see that people are committed, and in some cases, students will have succeeded in raising seed capital, have a beta version of the site, etc. However, there is a difference between a new venture that is getting off the ground and an existing business, and the Contest is not designed for the latter.

### **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 for 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 eligible expenses (see definition below) 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 12:00 noon, December 14, 2011 deadline.** No exceptions will be made for late reimbursement requests.

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 through the [Social Enterprise Independent Project 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.

- All eligible expenses must be incurred AND paid for **prior** to your initial business plan submission on March 29, 2012.
- The **original** receipt showing payment or an invoice is required for all items listed on page 2 of the reimbursement form. 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.
- **Eligible 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.
- **The following expenses are NOT eligible:** travel, meals, entertainment, or hardware or electronic items for team members. Also note that we will not reimburse specifically for color copies of your plan (if it puts you over the \$1000 limit), so we recommend making black and white copies or making sure the extra cost fits into your budget.
- 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 a receipt for your payment has been issued. Gift cards/certificates to third parties (purchased as survey incentives, e.g.) are reimbursed up to \$25 per person with an overall maximum of \$100.
- If you elect not to present, you will still be eligible for reimbursement of up to \$1,000 of legitimate expenses (incurred/paid by the date specified 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 (of equal length and depth of a business plan) 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 form per team** as the check will be cut to one individual only.
- You must submit the [required application form](#), plus all related ORIGINAL receipts to Alice Moses in Rock Center 107 by the deadline listed on the form.

## Deadlines

**Entry Materials:** An *online Entry form* (poll) is required to officially enter the Contest. The poll must be received by the **December 14, 2011, 12:00 noon deadline.**

NOTE however, that we will accept plans from teams that have not filed an entry form poll 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 poll by the above deadline will not be eligible for the \$1,000 expense reimbursement available to teams (outlined above). No exceptions will be made for late reimbursement requests.

**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 March 29, 2012 at 12:00 noon. Submissions must be on 8.5 x 11 paper and may not exceed thirty pages total.

- 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.

We need 10 copies of your final submission, which should include:

- **A 3-5 page executive summary PLUS presentation slide deck.**  
**NOTE: each of the 10 “packets” (i.e. the 10 copies of your submission) should be bound or stapled in the following order: 1) signed Cover Sheet, 2) executive summary, 3) slide deck;**  
*NOTE: you may have a separate agreement with your faculty supervisor for what you will submit if you are doing the plan as a for credit field study.*
- The materials you submit should cover:
  - quarterly financial projections for two years and annual projections to five years with both a pro forma cash flow and budget analysis;
  - a clear picture of the capital requirements for the business and your phased plan for raising that capital, and what you would hope to achieve as milestones associated with each tranche of capital;
  - other analysis, as appropriate (e.g., break-even analysis; estimated market share calculations); and,
  - market data based on customer research and customer response analysis.

## 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, March 31, 2012. Details will be announced as the Contest progresses.

Social Venture Track: Teams should check the SV Track Contest 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 24, 2012, 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.