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Creative Core Emerging Business Competition APPLICATION 2012

Each Application should have the following format:

- 8_ by 11 page size (portrait)
- 12-point font, Times New Roman
- Single spaced
- Page numbers in the lower left hand corner
- Company Name, Lead Applicant Name, and Email Address in the header on the left hand side.
- Maximum of 40 pages (plus additional exhibits)

Each Application should include (and identify) the following sections:

- I. Executive Summary (no more than 1,000 words)**
- II. Mission**
- III. Business and Operations**
- IV. Market**
- V. Competition**
- VI. Risks**
- VII. Management Team**
- VIII. Financial Plan**
- IX. Regional Economic Impact and Potential**
- X. Other and Exhibits**

I. Executive Summary

In this section, the applicant should create a clear, succinct summary of all of the elements of the business plan; this should be no more than 1,000 words.

Key Elements

- Mission – Describe the goal and mission of business
- Business and Operations – Describe product/service, business operations, and sustainable competitive advantage
- Market – Describe the revenue and growth potential of business
- Competition – Describe key competitors and how they are currently reaching the market
- Risks – Describe what risks the business faces and how the business will respond to these risks
- Management Team – Describe the management team (including formal and informal advisors) and why they will be successful (include total number of years experience in marketing/product development/management/other relevant disciplines)
- Financial Plan – Describe your plans for financing and the use of funds for the business
- Regional Economic Impact and Potential – Describe the current/potential economic impact of the business

II. Mission

In this section, the applicant should describe the goal and mission of the business. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- What is your ultimate goal?
- How do you plan to reach your ultimate goal?
- What major milestones do you anticipate on your way towards reaching your goal?

III. Business and Operations

In this section, the applicant will describe their product/service in detail as well as their business operations. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- How will you provide your product/service (manufacture, distribute, market, provide)?
 - How will it be produced/delivered?
 - Where will it be produced/delivered?
 - Who will produce/deliver it?
 - What raw materials or sub-assembly is needed for your product/service?
 - What are the critical factors in production/delivery?
 - Capital equipment
 - Materials
 - Labor requirements (Are conditions hazardous?)
 - Supply sources
- How will your product/service work?
- What needs are addressed by your product/service?
- What is the value added of this product/service?
- What makes your product/service unique/proprietary/protected (trade secret, patent/license, proprietary advantage)?

- Has research and development been done on this product/service?
 - If so, by who? (Include relevant experience and/or other successes.)
 - How has this R&D minimized the risk of this product/service?
- What is the business growth and scalability potential?

IV. Market

In this section, the applicant should answer questions relating to the demand for their product/service and the growth potential of their business. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- What is the size of the market and how is that expected to change over the next five years?
 - Have you done market research?
 - What is the source?
 - What are the important trends?
- What are the key drivers of the market?
- How is the market dependent on other businesses or the government?
- What are the supply and distribution channels and who controls them?
- Has the market been validated by a real customer or partner?
- What percentage of the market are you looking to capture?
- How will you position your product/service compared to your competition (price, performance, convenience)?
- Will you have a niche with a particular demographic group?
- What is your pricing strategy?
- How will you promote your product/service?
 - Who will promote it (sales force)?
 - What are your distribution channels (retail, internet, direct sales, multi-level)?
 - What is the cost of your marketing strategy?
 - Is there an after-market (warrants, service, etc)?

V. Competition

In this section, the applicant should answer questions relating to key competitors in regard to product, price, placement, promotion, management, and financial position. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- Who are the major competitors?
- What are successful business models of competitors in this market?
- What is your advantage over these competitors?
- Is there a window of high margin operations?

VI. Risks

In this section, applicants will describe what risks their business faces and how they will overcome these risks. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- What market risks does your business face (customer preferences changing, competitive threats, changes in distribution, changing regulatory environment, etc?)
- What execution risks does your business face (loss of team members, lack of experience?)
- What are the product/service liability risks?
- What additional risks will you face?
- How will you overcome these risks?

VII. Management Team

In this section, applicants should describe their management team and why they will be successful. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- Who are your key management personnel?
 - Name
 - Role
 - Brief biography
 - Number of years experience in field
- What makes your management team successful (previous work together, track record?)
- Do you have a board of advisors or directors or a network of informal advisors? If so, please list.
 - Name
 - Expertise
 - Why they add value to your business
- Do you have professional support? If so, please list.
 - Corporate Attorney
 - Accounting Firm
 - Financial/Lending Institution
 - Consultants
 - Other
- What management skills is your team lacking? How do you intend to fill these gaps?

VIII. Financial Plan

In this section, applicants should describe their plan for financing and use of funds. The applicant should consider, but not be limited by, the following questions.

Questions to Consider

- What have you and your family/friends invested in the business?
- What is your personal equity and stake (and that of other team members) in the business?
- What are your overall capital requirements?
 - How much is needed?
 - Why do you need this amount?
 - What is the breakdown (complete development of product/service, capital acquisition, marketing, working capital, general operations, etc?)
- How will you use the \$200,000 from the Creative Core Emerging Business Competition and over what time period?
- What is the business's current outside funding? If so, please list (lenders, VC, etc.)
- What other sources of funding are you currently pursuing? Please list.
- What are the current business revenues (including grants and awards?)

- What is your exit strategy from the business (if applicable)?
- What is the exit strategy for investors (dividends of excess profits, recapitalization, sale of company, public offering?)
- What is the prospective financial return for investors and over what time period?

Applicants **MUST** include a detailed Pro Forma demonstrating **the recent financial condition of the business and projected analysis for a minimum of two years**. This document will likely be a spreadsheet and can be submitted on-line as a separate document from the narrative sections of the business plan. The Pro Forma must include:

- Current Income Statements from the past year– monthly (recommended) or quarterly
- Projected Income statements for the next two years – monthly (recommended) or quarterly
- List of Major Assumptions – average salaries, interest rate, taxes, price, and volume
- Comments on any large or unusual items - current assets, accounts payable or accrued liabilities
- Cash Flow and Break Even Analysis

IX. Regional Economic Impact and Potential

(In this section, the applicant should answer questions relating to the economic impact their business would have. The applicant should consider, but not be limited by, the following questions.)

Questions to Consider

- What is the potential for success in Central Upstate New York?
- Will your business remain in Central Upstate New York?
- How will your business impact the regional economy (quantitatively and qualitatively)?
- How does the region factor into your future growth plans?
- What is the direct and indirect potential for job creation within the region?
- Describe your community commitment/corporate citizenship activities both currently and planned?

X. Other and Exhibits

(This section provides the applicant the opportunity to provide any additional information and/or include additional exhibits.)

- Other relevant information
- Exhibits including:
 - Product/Service Details
 - Media Clips
 - Marketing Materials
 - Patent Applications
 - Market Research Data