

# EDWARD K. ALDAG, JR. BUSINESS PLAN COMPETITION

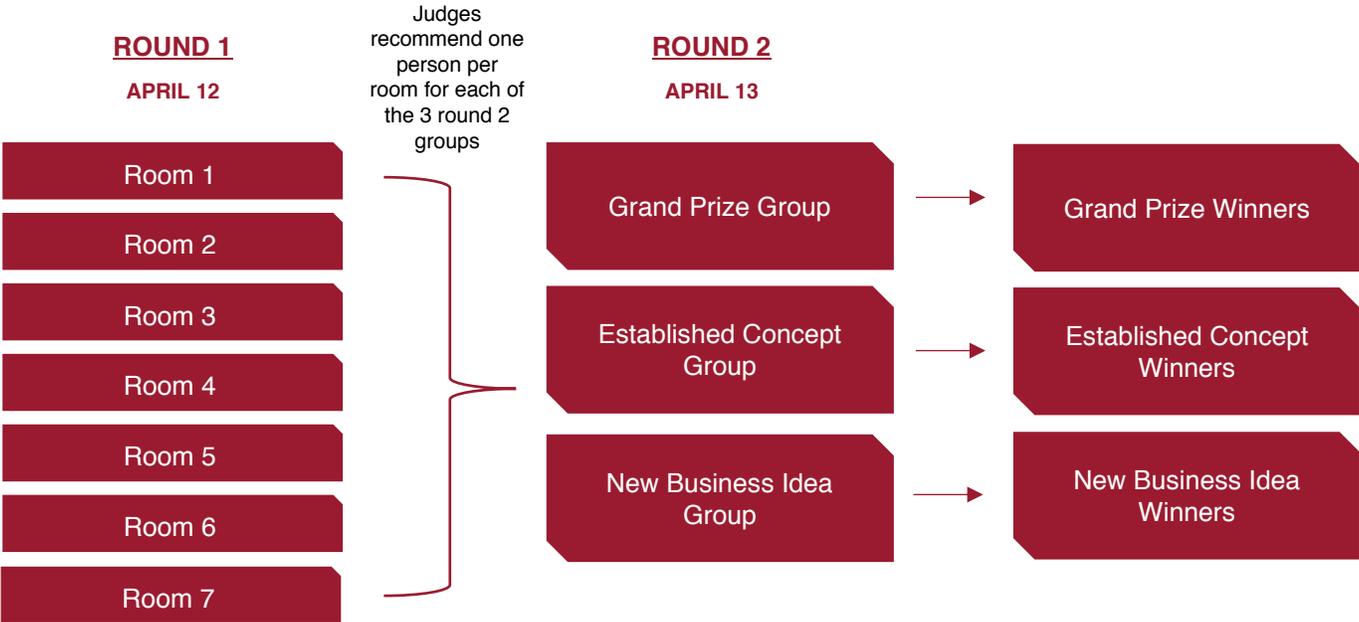
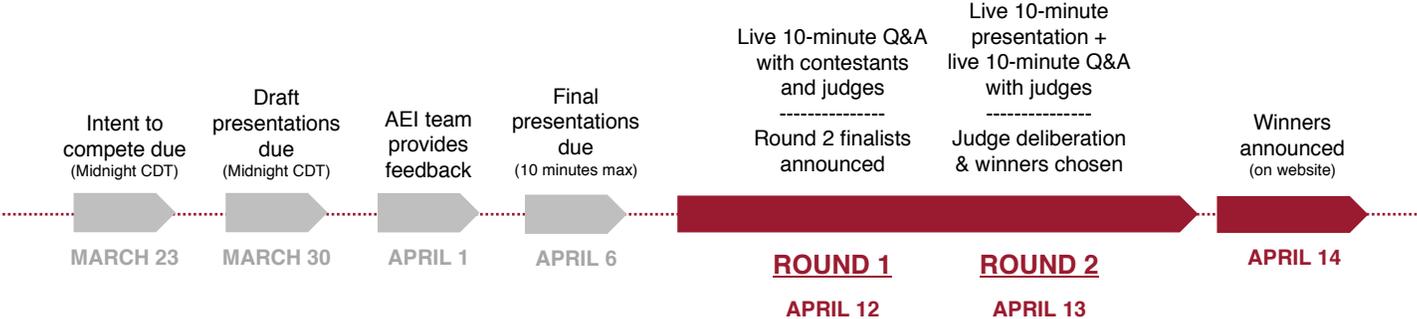
April 12-13, 2021

Due to the ongoing challenges faced by all of us with the COVID-19 pandemic, the annual student business plan competition will be held virtually again this year. We are excited to be working with all of you to make it a big success.

## WHY GO VIRTUAL?

We are entrepreneurs! You have ideas, and we want you to keep working on them. We are committed to helping you so that you can move forward on your business ideas. You will learn a great deal about how entrepreneurs respond to a crisis, and we all will be energized by your enthusiasm and creativity.

## TIMELINE & DETAILS



## **ROUND ONE – APRIL 12**

Competitors (individuals or teams) are divided up into rooms where they will have ten-minute LIVE Q&A sessions with judges about their presentation and video that was uploaded by April 6. Judges will then move up to 3 individuals/teams forward to Round Two of the competition.

## **ROUND TWO – APRIL 13**

Per judge's choice, individuals or teams that have made it to Round Two will compete in one of three categories listed below. Criteria for being in each category is listed below:

### **1) The Grand Prize Competition Group**

- a. The top team from each round one room, evaluated by judges using criteria from the judge evaluation sheet, will be recommended for the Grand Prize Competition Group. These teams will compete for the \$50,000 grand prize as well as the first, second and third prizes.
- b. For anyone to win \$50,000, the individual/team must meet the following criteria:
  - i. *At least one person must commit to working in the summer full time on the business. If the EDGE is open, the individual would work at the EDGE; if we are working virtually, this individual must commit to being enrolled and working full time virtually for the 9 to 10 weeks of the program (exact dates to be determined).*
  - ii. *Business is fully established (legally formed or very close to finalizing).*
  - iii. *Check must go to the business, not to an individual. The AEI executive director will negotiate payment terms with the grand prize-winner; the total prize money may be provided immediately, or payments may be made when the business reaches agreed-upon key milestones.*
- c. Preference for the grand prize is given to teams further along in their growth. For example, the following increase chances of winning the grand prize:
  - i. *A team (more than one founder) is competing. The team may not be complete, but at least two people are part of the business.*
  - ii. *The business has a product or prototype with individuals using the product or service.*
  - iii. *The business has a website and marketing materials with clear identity (company logo, name).*
  - iv. *The business has a marketing plan and clear understanding of the niche the business is pursuing; business knows who the target customer is and has clear milestones to show when cash starts to come into the business and when the business is expected to break even.*
  - v. *The business plan is solid; all sections evaluated need to be complete.*

### **PRIZES**

Grand Prize \$50,000	First Prize \$5,000	Second Prize \$3,000	Third Prize \$2,000
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## 2) Established Concept Group

- a. One individual/team from each round one room that was not recommended for the grand prize round (perhaps came in second place per the judges), can be recommended for the established concept round.
- b. In addition to having an overall score to justify being recommended for this second round, some additional criteria that would signal an individual/ team is qualified for this round include the following:
  - i. *The business does not have to be legally founded yet.*
  - ii. *The core idea behind the business must be solid.*
  - iii. *The company has done extensive interviews with customers and has a clear plan to deliver to a given market segment.*
  - iv. *The business cash flow projections are done, and the business can articulate how and when it will make money.*
  - v. *The company identity should be established (logo, name), and a web site for the business would be a plus.*

### **PRIZES**

Total prize money for this group is still being finalized. These funds will be awarded based on judge's evaluations of overall team merits and what the top teams need to move toward the next milestone. The prize money may be provided immediately, or payments may be made when the business reaches milestones agreed upon with the AEI executive director.

## 3) New Business Idea Group

Judges also can suggest one individual/ team from each room for a third round two competition. This round focuses on new ideas. It would be clear to the judges that the team/individual did not have much time to form their business plan (may have started this semester), but the plan is good enough to encourage moving forward. In this case, the individual /team would likely:

- a. *Have a business that is not legally founded yet.*
- b. *Be an individual/team that has a viable idea as evidenced by customer interviews and research.*
- c. *Be an individual/team that has a strong idea but may be lacking customer validation and input (primarily due to short amount of time spent working on the idea).*
- d. *Have milestones and cash flow projections that are thought through, although more work needs to be done*
- e. *Be an individual or team that is passionate about their idea and committed to continue working on it.*

### **PRIZES**

Total prize money for this group is still being finalized. These funds will be awarded based on judge's evaluations of what the top teams need to move forward. The prize money may be provided immediately, or payments may be made when the business reaches milestones agreed upon with the AEI executive director.

## **ADDITIONAL PRIZES**

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All individuals and teams, whether they competed in Round Two or not, are eligible for any additional prizes offered. Additional prizes may include smaller monetary awards, legal, accounting, marketing, or other business coaching help.

### **SUMMER CRIMSON ENTREPRENEURSHIP ACADEMY**

The Crimson Entrepreneurship Academy (CEA) provides individuals with summer funding to work on their own business or to intern with another startup business. Participants engage in a learning program with coaching and startup content. The 9 to 10-week program, runs on a full-time basis with *up to \$3,500 in funding*.

All Aldag winners are automatically invited to join the Crimson Entrepreneurship Academy. Other competitors, whether in a winning placement or not, are eligible to apply to the summer Crimson Entrepreneurship Academy as well.

The summer academy may be in-person at EDGE or virtual, we will make this determination based on UA guidelines.

More information about the CEA program is available at:

<https://aei.culverhouse.ua.edu/crimson-entrepreneurship-academy/>