



Entrepreneurship & Innovation Learning Center

Orange County Social Entrepreneurship Competition

General Information:

The Orange County Social Entrepreneurship Competition seeks business plans for an emerging idea or replicable model from an individual or existing organization designed to solve challenges in a wide range of areas including but not limited to poverty, homelessness, environment, urban revitalization, health, and education.

Competition finalists will present their ventures to the public at a presentation showcase on May 10. Following the competition, finalists will benefit from consultation services in preparation for an investor pitch in September.

Finalists from this first of its kind competition will have a rare opportunity to pitch their ideas to social impact investors from across the nation, with a chance to get funded upwards of \$100,000.

Purpose:

The Orange County Social Entrepreneurship Competition will provide impetus for creation and development of innovative business solutions to persistent social problems.

Coaching, mentoring, and financial support will help advance the design and planning of new feasible, innovative, and sustainable businesses.

What is Social Entrepreneurship?

Social entrepreneurship is the process of pursuing solutions to complex social problems through sustainable business models.

The social entrepreneur is a tenacious leader with a pragmatic vision and a solution that addresses a clear social problem. Social entrepreneurs address systems — not just the symptoms of a problem they seek to address, and their business model prioritizes social impact while generating a sustainable funding stream. (*Published in Stanford Social Innovation Review, 2013*)

Guidelines for Submitting Your Business Plan:

- Open to individuals, groups, for-profit and non-profit entities inside and outside Orange County
- Business must have plans to be sustainable through earned revenue
- Businesses may not be a wholly owned subsidiary of an existing entity
- If a new concept, Applicant must demonstrate relevant experience or partnership with issue-area/industry experts

Criteria:

- Entrepreneur demonstrates personal tenacity and brings relevant experience to their endeavor
- The solution addresses a clear social or environmental problem
- The solution influences systems, not just symptoms of the problem
- The model indicates a readiness to prioritize social or environmental impact over financial gain
- The model generates a sustainable funding system

Awards:

The Orange County Social Entrepreneurship Competition offers participants the opportunity to be awarded upwards of \$125,000 in combined cash, prizes, coaching and investment services.

- Cash prizes ranging from \$1,000 — \$10,000 will be awarded to the finalists
- Each finalist will receive an investor assessment and coaching services valuing more than \$20,000 to help prepare for the final pitch to potential investors in September
- Scholarships to enroll in a social entrepreneurship or other business course at Saddleback College

Important Dates:

February 19, 2014Registration Open
February 26, 2014Competition Kick-Off
April 23, 2014 - 5:00 PM.....Application Submission Deadline
May 2, 2014.....Finalists Announced
May 10, 2014.....Oral Presentations

Webinar Dates:

February 28, 2014Social Entrepreneurship and the Competition
March 7, 2014.....Live Q & A - Social Entrepreneurship and the Competition
March 14, 2014.....Organizing and Writing Your Business Plan
March 21, 2014.....Live Q & A - Organizing and Writing Your Plan
April 4, 2014Developing and Delivering Your Presentation

Entry Fees:

The Orange County Social Entrepreneurship Competition does not have an entry fee.

How To Enter:

Prior to submitting your application, please review the Rules & Guidelines. Orange County Social Entrepreneurship Competition uses the iStart platform hosted by the Kauffman Foundation to manage applications.

Step 1: Read Rules & Guidelines at: <http://entrepreneurship.saddleback.edu>

Step 2: Register for an iStart account at: <http://orangecounty2014.istart.org>

Step 3: Complete online application process and “Intent to Compete.”

Step 4: Develop and upload the following documents about your business to your iStart Account:

- A one paragraph description of your business
- A 2 - 3 page Executive Summary
- A 60-second Video Elevator Pitch
- A Comprehensive Business Plan

You are not required to develop and submit all of the pieces of your submission to begin your application process. However, all documents must be received by April 23, 2014 - 5:00 PM to be considered for the Competition.

Competition Round:

There is one round of judging that will include:

- Initial cut from all Applicants down to twenty by Orange County Social Entrepreneurship Competition staff.
- Secondary cut from the twenty Applicants down to ten Finalists by a business judging panel.
- Ten Finalists will prepare a 5-minute oral presentation to judges for placement of awards.
- Winners will be placed in order and awarded accordingly.

Changes to Competition Rules & Guidelines:

While not anticipated, Rules & Guidelines and Awards are subject to change at the discretion of the Orange County Social Entrepreneurship Competition at any time. The Orange County Social Entrepreneurship Competition staff has the right to interpret these rules according to its own judgment.

Decisions Regarding the Competition and the Winners:

All decisions regarding the competition rules, procedures, and processes are at the sole discretion of the Orange County Social Entrepreneurship Competition. Changes and/or interpretations of these rules may be made by the Orange County Social Entrepreneurship Competition at any time, even though they may be (or may appear to be) in conflict with some previously published information. The selection of the applicants to compete and the decision of the winners are at the sole discretion of the judges and the Orange County Social Entrepreneurship Competition. Best efforts will be made to make decisions in accordance with the Rules & Guidelines document.

The Orange County Social Entrepreneurship Competition has the final decision on which applicants are invited to compete in the Orange County Social Entrepreneurship Competition and reserves the right to include or exclude any persons and/or teams for any reasons.

How To Create an iStart Account:

To create an iStart profile click on this iStart link:

<http://orangecounty2014.istart.org>

As you move through the iStart process, the words “Profile” and “Account” are used interchangeably.

On the left, an orange button with the words “Log In / Register.” Click on this button. A box with a gold strip will pop up on the screen.

If you are “New to iStart:”

- Click the “Create User Account” blue button.
- A page, “Register for a new iStart User Profile” will appear.

Fill out ONLY the information marked with an asterisk to the right of the request:

- e-Mail Address
- Password (and Confirm Password)
- First and Last Names
- Gender
- Phone Number
- Country, Address, City, State, Zip Code
- For the “Roles and Communications” box, the first question asks you to “Select one or more role to describe your relationship with iStart.” Click “Student.”
- At the bottom of the “Roles and Communications” box, uncheck the box for “Notify me via email on New Competitions,” unless you want to receive iStart e-mail.
- Click “I agree” in the Terms and Conditions.
- Type the letters shown in the image, and click “Save.”
- Return to <http://orangecounty2014.istart.org> and log in to your profile.

If you are “Returning to iStart:”

- Log in at <http://orangecounty2014.istart.org> with the e-mail address.
- If you need to use a new e-mail address, you will need to create a new profile. See above, “New to iStart.”
- In the box with the gold strip, under “Returning to iStart,” enter your e-mail address and your password.
- If you’ve forgotten your password, click on “Forgot Password?” and follow the prompts.

How to Submit an Intent to Compete:

- Log in to your profile at <http://orangecounty2014.istart.org>
- Once logged in, go to the top right hand corner of the page and click on “Profile.”
- You will see a black box at the top of the page that has your name and the contact information you provided when you signed up for your iStart account.
- Look to the box to the right that says, “My Business.”
- Click on “Register New Business Idea.” You will see a page with a box asking you to “Complete your Listing for iStart’s Public Directory.”
- Please fill in ONLY the “Business Name” and “Abstract” boxes
- The “Business Name” should be the same as the name of your business plan.

- The “Abstract” is a summary of your business plan and should not be longer than a paragraph. A few sentences would be best.
(Uploading a logo image, submitting a URL, or filling out any other information on this page, including the option in the bottom box, “Display Your Business on the iStart Public Directory?” **is NOT required** of the Orange County Social Entrepreneurship Competition.)
- After completing the business name and abstract boxes, click “Save.”
- You will then be taken to the iStart Competition Participant Agreement. Please feel free to read the agreement. As you do so, remember that the iStart site is used for many purposes by thousands of individuals and organizations. For the purposes of the Orange County Social Entrepreneurship Competition, click, “I agree.”
- You will then be taken to an “Application” page. Answer the questions accordingly.
- Submit at least one name. If you have a team all team names do not need to be finalized until the business plan is submitted.
- You will then be taken back to your profile page. At the right, you should see the business name you just entered under “Your Current Business Ideas.” Nothing further needs to be done until after the Intent to Compete deadline date.
- After these steps are completed, you should get an e-mail notification from iStart, advising that your Intent to Compete has been submitted.

Other Important Information:

- The deadline to submit business plans on iStart is April 23, 2014 - 5:00 PM.
- Business plans must be uploaded into iStart in PDF format only.
- Once uploaded, please ensure all pages are uploaded correctly.
- Please ensure all persons and/or applicant’s names are spelled correctly.
- Depending on your Internet connection speed and/or traffic on the iStart website, pages on iStart may be slow to load. Keep this in mind as you work on the website.
- iStart will prompt you occasionally with a pop-up box asking you to consider publishing your business plan publicly on iStart, saying you can “update your iStart Business Idea to opt-in, include logos, photos, videos and other information.” Again, this is **not** a requirement of the Orange County Social Entrepreneurship Competition competition, but you can choose to do this if you wish.

General Guidelines

The business plan must represent the original work of each contestant. Each submission indicates that the business plan is the original work of the Applicant. Any Applicant submitting a plagiarized business plan will be disqualified. The Applicant will retain all rights to the plan regarding its use at all times prior to and following the competition (except as stated below).

The business may assume a technology, product or service that has been licensed from another company, private inventor, or university with *their written approval*. Revenue streams from the business should not be based solely on deriving revenues from the licensing of its own technologies.

Applicants agree to allow the Orange County Social Entrepreneurship Competition to videotape the oral presentations and the question-and-answer sessions. By participating in the competition, student entrants agree to grant the Orange County Social Entrepreneurship Competition and/or organizations designated by them the unlimited right to videotape, photograph, audiotape, transcribe or otherwise record all public sessions of the competition, including but not limited to oral presentations and question-and-answer sessions.

All Applicants agree that the Orange County Social Entrepreneurship Competition and/or their designate organizations may use any such transcriptions and/or recording(s) (in whole or part) for such publicity and marketing purposes as their organizations may see fit, including those which may result in remuneration.

Applicants may bring product samples for their presentations, but may not bring any promotional items or give-aways to the judges. Paper materials for the judges are allowed, but not required.

Confidentiality:

Due to the nature of the competition, we are not able to ask judges, reviewers, staff, or the audience to agree to or sign non-disclosure statements. While the competition organizers and judges are bound by ethical considerations to keep information confidential, we will make every effort to limit distribution of business plans presented at the competition. The Orange County Social Entrepreneurship Competition cannot guarantee that other individuals will not obtain access to electronic or hard copies of the business plan. All presentations are open to the general public, and some presentations may be videotaped. Attendance by media personnel is expected.

All sessions of the competition, including but not limited to oral presentations and question/answer sessions, are open to the public at large. Any and all of these sessions may be broadcast to interested persons through media which may include radio, television and the Internet. Any data or information discussed or divulged in public sessions by entrants should be considered information that could possibly enter the public realm, and entrants should not assume any right of confidentiality in any data or information discussed, divulged, or presented in these sessions.

The Orange County Social Entrepreneurship Competition reserves the right to use the following information about each business to publicize the event:

- The name of the business.
- The names of all applicants mentioned explicitly in the business plan.
- A one paragraph description of the product or service provided by the business.
- Any pictures taken at the competition

Copyrights & Permissions:

If an applicant uses copyrighted materials and/or images from a third-party in their submissions or presentations, permission and authorization must be obtained in advance from the owners to use this material.

Video Elevator Pitch

Video Elevator Pitch is a succinct business overview designed to capture the attention of a potential investor, customer, or strategic partner. The Video Elevator Pitch provides enough information in 60 seconds to pique the interest of a listener. No matter how good a business opportunity might be, if it can't be pitched and sold it is of little value.

- Every applicant will submit a Video Elevator Pitch that will be used as part of the evaluation.
- Create a 60-second video that gives an overview of your company.
- Use any recording technology available: handheld video camera, webcam, mobile phone, etc.
- Do not spend time and money on your presentation. The quality of the video is not what is important. It is about your ability to present and sell your value investment opportunity.
- Only one person should appear in the video.
- Name the video in the following format: "OCSEC-Company Name"
- Upload your video to YouTube.
- If you wish to restrict viewing of your video, designate it as "Unlisted" in settings.
- **DO NOT designate "Private" in your video settings.**
- **Also, check the box to allow the video to be embedded in an external site.**
- The Video Pitch URL will be submitted to your Orange County Social Entrepreneurship Competition application via the iStart platform where the link will be automatically embedded in your file.
- **DO NOT upload video files directly to iStart.**
- Do not rely on YouTube to immediately upload your video and make it available. Plan ahead to avoid technical difficulties.

Applicants should strive to communicate the following:

- Product or Service
 - Clear explanation of the product or service
 - What problem or social need does it solve?
- Value Proposition?
 - How is this unique or different?
 - Is the difference sustainable (patent, intellectual property, etc.)?
- Marketing Opportunity
 - What is the size of the market?
 - What abilities does this company have to penetrate the market?
- Development Stage
 - What development stage is the company in now?
 - How does this company plan to grow and stay in business
- Business Model
 - How will you generate profits and success?
 - What is the exit strategy?
- Capital Needs
 - How much money does this company need and how will it be used?
 - Why is this business a good investment?

See "Resources" section at:
<http://entrepreneurship.saddleback.edu>
for more information on preparing and submitting an Elevator Pitch.

Executive Summary

- Every applicant will submit a 2 - 3 page Executive Summary that will be used as part of the evaluation.
- The Executive Summary will be submitted to your Orange County Social Entrepreneurship Competition application via the iStart platform.
- Submit the file in **PDF format only. No other file format will be accepted.** Files should be named according to the following format: "OCSEC-Company Name.pdf".
- **Executive Summaries will be limited to 2 - 3 pages of text not including cover page.**
 - Typed
 - Double-spaced
 - Minimum 12 point font
 - .75" margins on all sides

The Executive Summary should include the following information:

- Company summary
- Customer/market analysis (market size and potential market share)
- Product or service description
- Intellectual property status (e.g., patents, licenses, etc.)
- Competitive differentiation
- Management team and/or advisors, including relevant experience
- Financial highlights
- Status and offering of the company (how much investment you are seeking)
- The metric you will use to measure the social impact of your business

In your executive summary please convey:

- The problem or social need your product or service solves
- The size of the accessible market & evidence that customers will buy your product or service
- Your differentiation vs. competition and how you will sustain that
- The experience of your management team and/or advisory boards
- The current state of development (e.g., beta, customer trials, etc.)
- Timeframes to achieve significant revenue and/or cash flow positive
- The amount of funding you are seeking

Written Business Plan

- Written business plans are limited to 21 pages of text including cover page
 - Typed
 - Double-spaced
 - Minimum 12 point font
 - .75" margins on all sides
- Includes the executive summary and summary financial data
- Detailed spreadsheets and appropriate appendices should follow the text portion of the plan but will be limited to 5 pages
- In total, the maximum number of pages is 26
- Uploaded to iStart as a single PDF document
- No additional or attached spreadsheets or appendices allowed

Appendices:

Appendices should be included only when they support the findings, statements, and observations in the plan. Because of the number of teams in the competition, judges may not be able to read all the material in the appendices. Therefore, the text portion of the plan (21 pages) must contain all pertinent information in a clear and concise manner. All appendices must fall within the 5 page limit.

Changes to Your Business Plan:

Your plan may be updated and changed up to the closing time and date of the competition. Please plan ahead to avoid Internet connection and uploading issues and problems.

Plans and Applicants will be judged on the following criteria:

- Executive Summary
 - Stand alone overview of the plan
 - Brief description of each succeeding section
- Product or Service
 - What is the social or environmental problem being solved?
 - Is there a clear customer need?
 - What is the product or service?
 - Does the solution seem feasible?
 - What is the competitive advantage?
 - Is there a proprietary position with the product or service?
 - What is the current stage of development?
- Market and Marketing Strategy
 - What is the size of the potential market?
 - Can this product or service seize a significant portion of the market?
 - What long-term profitability is there in this market?
 - What is the market entry strategy?
 - What are the unique marketing capabilities of this business?
 - Is the product or service scalable?
 - What is the direct and indirect position of this product in relation to the competition?
 - Can this product be a leader in the market?
 - What are the barriers to entry in the market?
 - What is the length of time to enter the market?

- Management Team
 - What are the key roles of current management?
 - Has this management team worked together before?
 - Are there gaps in the current management team?
 - What are the key management risks in this product or service?
 - What are the key personnel needs?
 - What partners are needed to scale this product or service?

- Operating Strategies
 - How will the product or service be produced and delivered to customers?
 - What are the distribution channels?
 - Is intellectual property important to success?
 - Are there regulatory issues?
 - What are the key milestones for success?

- Critical Risks
 - What are your internal and external strengths and weaknesses?
 - How have you built upon and mitigated these issues?

- Financial Forecast
 - Cash flow statement
 - Income statement
 - Balance sheet
 - What type and amount of investment capital is required?
 - Is the investment needed all at one time or can it be staged?

- Capital Requirements
 - How much of an investment is needed?
 - When will the funds be needed?
 - What type of funds will be needed?

- Offering and Viability
 - How much investment capital is needed?
 - What is the proposal/terms to investors?
 - How much equity will be given up for investment capital?
 - What is a realistic assessment of ROI potential for investors?
 - What is the exit strategy for the investor?

- Overall Assessment of the Written Plan and Applicant
 - Does Applicant have the vision and skills necessary to develop this plan?
 - Does Applicant have a plan to create systems change as opposed to a one-off solution?
 - Does Applicant have a track record of being tenacious enough to overcome future barriers?
 - Is the plan clear and compelling?
 - Does plan show prioritized social or environmental impact over profit?
 - Does the plan for earned income seem feasible?
 - What is the potential success of the exit strategy?
 - What is the metric you will use to measure the social impact of your business?

Oral Presentations

Applicants will have 5 minutes to present their plan followed by a 5 minute question-and-answer session by the judges. There will only be 5 minutes between each presentation for set-up. A staff representative will indicate to the Applicant during their presentation when they have 2, and 1 minute(s) remaining. At the end of the 5 minute period, the presentation will end, even if the Applicant has not completed the presentation.

Each team should be in position outside the room at least 15 minutes prior to their designated presentation times.

Applicants may not observe other presentations until AFTER they have made their presentation.

Equipment:

Teams should plan to bring a laptop and a copy of their presentation on a thumb drive. Each presentation room is equipped with a large-screen projector and a room PC to run your presentation. You may also connect your laptop directly to the projector to present.

Teams may bring table top displays that will fit on a 3' x 2' table top. Teams can use their laptop for their display, but electric power is not available. Teams may also hand out printed materials. Trade show booths or similar full-sized displays will not be allowed.

Judging Criteria

Executive Summary (5 Points)

Clear, exciting, and effective as a stand-alone overview of the plan; includes brief description of each succeeding section of the plan

Social Impact/Product (5 Points)

Describes the key features and benefits, social or environmental problem being solved, current stage of development, proprietary position, and competitive advantages of the product or service

Systems Change/Market (5 Points)

Describes the market, competitive analysis, needs identification, unique capabilities, what partnerships you will engage in to accomplish the social change

Social Entrepreneur Team Bio/Management (5 Points)

Describes the backgrounds and roles of key individuals, personnel needs, organizational structure, history and ability to work as an effective team with pragmatic vision for change

Sustainability/Operating Strategies (5 Points)

Addresses the marketing, production, research and development, personnel, administrative, and financial strategies for sustainability through some form of recurring revenue

Critical Risks (5 Points)

Realistically identifies the major internal and external critical risks that could threaten the business and presents viable contingency plans to address these issues

Financial Forecast and Capital Requirements (5 Points)

Presented in summary form, easy to read and understand, clear plan to scale the business model

Cash Flow Statement

Presents a realistic assessment of cash requirements over a projected 5-year period and are consistent with operating and marketing strategies outlined in the body of the plan

Income Statement

Demonstrates realistic and attractive income potential of the business and is consistent with the operating and marketing strategies outlined in the body of the plan

Balance Sheet

Presents a realistic assessment of the working capital and fixed asset requirements of the business

Capital Requirements (5 Points)

Clear and concise presentation of amount, timing, type and use of funds required for venture

Offering and Viability (5 Points)

Clearly articulates proposal/terms to investors, clarity of investment proposal, investment potential

Overall Assessment of Written Plan (5 Points)

Shows a clear and compelling plan for social or environmental impact over profits, necessary vision and skills to develop plan, ability to create systems change as opposed to a on-off solution, potential success and exit strategy, metric used to measure social impact

Awards Presentations

An Awards Luncheon information - Coming soon.

Mentoring and Preparation for Investor Presentations

Winners of the Orange County Social Entrepreneurship Competition will schedule mentoring and training times during these dates - Coming soon.