How to Develop a Winning Concept Paper

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38-year technology executive & innovator
Startup founder, co-founder & advisor

UCI Paul Merage
School of Business
Beall Center for Innovation & Entrepreneurship
"Participating in the New Venture Competition was an incredible experience. I first attended the workshops just as an opportunity to learn about starting a business. Fast forward just a few months later and I found myself presenting my first ever pitch, as a NVC finalist. Over the course of the competition I gained knowledge from the workshops, received invaluable feedback from judges and mentors, and cultivated meaningful relationships that will last long after the competition. Overall, thanks to NVC, I found a new confidence. I was inspired, was encouraged, and I am ready to continue to pursue my passion. Thank you!" - Karen F.
THANK YOU Sponsors!

Dr. Emanuel Shaoulian  Ramin Mousavi  Johnson Chuang
Ken and Carla Neeld  Matt Bailey  Fiza & Mansoor Shah
AGENDA

- Welcome & Intros
- Competition Overview
- Rules...
- What’s a “Concept Paper”
- Suggested Format
- Methodology & Considerations
- Judging criteria
- Resources and Q & A
- Networking with coaches/judges
COMPETITION TRACKS

**Business Products & Services**
- First Place: $10,000
- Second Place: $5,000

**Consumer Products**
- First Place: $10,000
- Second Place: $5,000

**Consumer Services**
- First Place: $10,000
- Second Place: $5,000

**Life Sciences**
- First Place: $10,000
- Second Place: $5,000

**Social Enterprise**
- First Place: $10,000
- Second Place: $5,000

**Grand Prize**
- $TBA

**Specialty Prizes**
- TBA
RULES & REQUIREMENTS

Your IDEA must…

- Be an **ORIGINAL** idea
- **Not** be in existence before Jan. 2018
- Be in pre-incubator form
- **Not** have received financial backing exceeding **$10,000** in total by professional 3rd party incubators, accelerators, existing companies or VCs (Angels/Friends/Family **not** included) at the time of the concept paper submission

PARTICIPATION is…

- Open to **ALL** UCI graduate & undergraduate students
- Open to UCI faculty, staff & alumni
- Open to the community/non-UCI

TEAMS must contain…

- **2 registered** UCI students
- 3 members **minimum** (4 recommended)
- 6 members **maximum**
The UCI New Venture Competition 2020 is utilizing Kontess as a platform for teams to communicate and for participants to get updates. Use the platform to create your team or join a team. Go to ucinvc.kontess.com to learn more.

Register TODAY!

A 2019 New Venture Competition WINNER!
Concept Paper Rules

① Length: 3 pages **max** + 1 cover page

② Cover Page:
- Venture Name
- Teammates’ names & UCI or other affiliations
- Graduate/undergraduate status

③ Due Date: **February 20th by 12:00 noon PST**

④ Submission (**PDF only**): ucinvc.kontess.com
- We will email you when the submission link is available

**NO excuses!**

merage.uci.edu/NVC
Judging Criteria

① Clear pain / need / opportunity?
② Clear value prop / solution / benefit vs #1?
③ Defined target market / segment vs #1?
④ Compelling competitive differentiators?
⑤ Feasible & Realistic revenue model?
⑥ Evidence to make #1 thru #5 believable?

Cover all bases! utilize all resources!
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QUESTIONS
What's a Concept Paper?

- **Business plan? Pitch deck? Research paper?**
- Method for screening startup ideas
- Chance to organize your concept & team
- Provides evidence of:
  - a market (need / issue / pain / opportunity)
  - a solution (value proposition / benefits)
- Opportunity to sell your concept & team
- **A compelling short story!**

*It’s tempting, but resist the urge to throw in the “kitchen sink”*
Make It Interesting & Compelling!

① **Tell a Story:** what was the origin or catalyst for your concept?

② **Don’t be dull or tedious:**
  - use a sans serif font (e.g. Arial, Calibri, Tahoma)
  - use color and large/bold headers
  - Minimize/break up copy

③ **Visually engage the reader:**
  - use photos & bold graphics
  - use stats & diagrams
  - Use charts & tables

Sell your idea and your market…
The 10 Commandments of Visual Communication
Color Branding Guides

**BRAND:**
the perception of a company & its products
Recommended Format & Elements

① Overview / Introduction / Mission: grabs attention
② Market need: creates urgency
③ Product or Service: develops interest
④ Market potential: substantiates your claims
⑤ Advantages & Differentiators: validates your approach
⑥ Business Model: clarifies how you make $$$
⑦ Team: provides confidence

Tailored to your specific track, market & solution
Methodology & Considerations

① Assign roles: getter / doer / counter / leader

② Collect market data; refine concept
- survey prospective customers
- research size, growth rates
- segment your market
- identify competitors (they always exist!)
- determine market opportunity
- fit product/solution to opportunity
- establish competitive differentiators

③ Draft…solicit feedback…iterate

④ Appeal to the head & heart – be passionate!
But Where Do You Start?

don’t worry, we’ll help you navigate!

THE EMOTIONAL JOURNEY OF CREATING ANYTHING GREAT

THE EMOTIONAL JOURNEY IS INEVITABLE AND PERHAPS NECESSARY
... start with an “Elevator Pitch”

Our \{Product or Service\}

help(s) \{Customer Segment\}

who want to \{accomplish something\}

by \{verb\} \{and a customer pain\}

and \{verb\}{and a customer gain}\n
(\textit{unlike} \{competing value prop\})
Sample Elevator Pitch

**Our** Surf Adapter

**help(s)** Skaters & Surfers

**who want to** surf anytime and anywhere

**by** eliminating need for water

**and** make any skateboard feel like a surfboard.

(Unlike any other board!)

Copyright Strategyzer AG
The makers of Business Model Generation and Strategyzer
...the elevator pitch then guides the “BMC”

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<th>KEY PARTNERS</th>
<th>KEY ACTIVITIES</th>
<th>VALUE PROPOSITIONS</th>
<th>CUSTOMER RELATIONSHIPS</th>
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<td><img src="image9" alt="Revenue Streams" /></td>
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- Problem/pain you’re addressing
- Solution/value proposition
- Clearly-defined target market
- Market size & validation
- Clear competitive edge
- How you make money!
- Evidence to make it believable

Your offer?
The Gains?
The Pains?
Do they Care?

What relationships?
W/ what segments?
Personal?
Automated?
Acquisitive?
Retentive?

Which to serve?
Primary?
Secondary?
Mkt. potential?
Located where?

How to reach?
Direct?
Indirect?
Wholesale (B2B)
Retail (B2C)
Strategic partners?

Who Are You?
The “Value Proposition Canvas” Helps Dial It In

Customers will **only** pay for something that delivers “value” – in their eyes!
1) Overview / Introduction / Mission

- Genesis?
- Story?
- Problem?
- Solution?
- Market?

Good stories help people relate & draw them in… hook them at “hello”
2) Market Need

- Evidence of a market/need?
- Magnitude: vitamin? painkiller?
- What’s behind the problem?
- How do you address the need?
- Customers & attributes?
- Why will they buy?

Charts/images draw the eye, provide relief & communicate a lot of info quickly
3) Product or Service?

- Evidence of a solution...
- Problem you’re solving?
- Need you’re satisfying?
- Pain you’re addressing?
- What is the product or service?
  - Software that enables...
  - Medical diagnostic device for...
  - Programmable chip for telecom that...
  - Specialized services targeted to...
  - Innovative beverage container that...

- Attributes & advantages?
- Innovation & differentiators?
- IP or “secret sauce”?
You must validate your hypothesis...
VALIDATION: What they think is all that matters!

- Who do you want to learn from?
- What do you want to learn?
- How will you reach them?
- How do you maximize the discussion?
- How do you make sense of the input?
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**Cost Structure**
- What are direct costs? Indirect costs?
- Overhead? Fixed vs. variable?
- Development vs. on-going?
- Key elements? Variability/risk?

**Revenue Streams**
- What are customers really willing to pay for?
- What is pricing model?
- Transactional or recurring revenues?
- Market size and potential?

**How you make money?**
5) Business Model

A “Beauty” Model

- Retail price: $32
- Production costs: $8
- Wholesale price: $16
- Use of channels and direct sales
- Target customer: Educated women 18-29
- Year 5 revenue: $6M
- Direct Margin: 75%
- Channel Margin: 50%

There are many different models – pick one that fits
4) Market Potential

- Market characteristics?
- How big? Potential?
- Growth? New segments?
- Focus niche? Why?
- How will you dominate?
- How will you target?
- How will you engage?
- How will you make $$$?

**Be realistic ... address an unserved OR underserved niche**
5) Advantages & Differentiators

- Competitors?
- Their strengths...
- Their weaknesses...
- Their vulnerabilities?
- Compare & contrast
- How do you compete?

There are always competitors: obvious, indirect, manual and “status quo”
The Business Model Canvas

Key Partners
- Which partners & suppliers leverage your model?
- Who do you need to rely upon?
- What is the risk profile?

Key Activities

Key Resources
- Which underpin Model (staff, R&D, technology, facilities)?
- Which assets are essential?

Value Propositions

Customer Relationships

Customer Segments

Channels

Cost Structure

Revenue Streams

What it’s going to take?
7) Team

- Seek complementary skills
- Assign functional roles
- Identify & delegate tasks
SUMMARY

- Gain and keep attention; hook them at “Hello”!
- Choose clarity over detail
- Create a **marketing** piece, not an academic piece
- You must have substance
- Demonstrate a layered understanding
- Build your brand throughout
- Make it compelling
- Pull on emotion when possible
- Get feedback **before** you submit – do they get it?
Great Resources:

- **Logo / Graphics**
  - Logojoy.com
  - Fivvr.com
  - 99Designs.com
  - Guru.com
  - freelogoservices.com

- **Design Software**
  - Canva.com

- **Other UCI Students!!!**
Next Steps

Complete Your Business Model Canvas!
- Templates posted on NVC site
- Do your legwork
- Document your assumptions
- Research, test & adjust

Learn More:
- Visit Strategyzer.com
- Read “Business Model Generation” by Osterwalder

Attend Workshops, Seek Feedback, Network

HAVE FUN!
## KEY DATES: Phase 1

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YOU CAN DO IT … they did!

New Venture Competition

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