



Hofstra-CPXi Venture Challenge Competition Rules

Eligibility

The Hofstra-CPXi Venture Challenge is open to students currently enrolled on a full- or part-time basis anytime during this academic year (2015-2016) or enrolled during the summer session of 2015 (from August 2015 through May 2016). This includes students who graduated in December 2015 or will graduate in May through December 2016. Students who graduated in the preceding academic years are not eligible to participate.

Undergraduate and graduate students are eligible to participate. There will be two separate competitions governed by the same rules for undergraduates and graduate students (details below).

Students must provide a Hofstra ID number (700 number) to verify their eligibility. All communication regarding the competition must be through a Hofstra email address.

Students may enter as individuals or a team of no more than five students (exceptions will be made on a case-by-case basis and the number of team members should be explained by the team in the application).

The team must identify a lead applicant. At least 50% of the team must be eligible current Hofstra students as defined in the rules and are also required to provide their ID number.

To qualify as an undergraduate team, the team leader/founder and a majority of the team members must be enrolled undergraduates at Hofstra University in this academic year.

For each participating team, the majority of the work has to be completed by undergraduate or graduate students.

The competition is for new, independent ventures in the ideation, seed, start-up, or early growth stages. Generally excluded are the following: buy-outs, expansions of existing companies, real estate syndications, tax shelters, franchises, licensing agreements for distribution in a different geographical area, and spin-outs from existing corporations.

Students who have ideas with the potential to turn those ideas into a business are encouraged to apply.

Students are allowed to submit ideas that they have worked on as student projects.

As part of the Accelerator program described below, teams will work through the early stages of venture creation, including ideation, customer validation, development of a business model and formation of the company/product pitch.

Technologies may be presented in the competition only once. Competing team members may participate in the competition more than once if entering with a new venture/new technology.

Ventures with more than \$100,000 in revenues are excluded. Ventures that have raised more than \$50,000 in capital (defined below) before the application deadline are not eligible.

- Capital includes:
 - Equity funding.
 - Debt financing.
 - Investment from friends, family, or angels.
 - Simple agreement for future equity.
 - Traditional loans.

- Capital does not include:
 - Research grants.
 - Prize money from other competitions.

Both student and other team members may have worked on an idea or new technology in previous academic years, or in the case of the student team members, even prior to entering university, provided that their venture's revenues and equity capital raised does not exceed these limits.

Each team must have a faculty advisor and must provide contact information for their faculty advisor. All faculty advisors will be contacted for verification. If the student has not identified a faculty advisor at the time of application, the Center for Entrepreneurship will assist you.

All ventures must be "for profit" entities.

Application Process

Applications are due by February 19, 2016. Applications can be accessed on the competition website, www.hofstra.edu/cpxchallenge.

The Center for Entrepreneurship will answer questions regarding the rules and competition. Questions must be submitted via email to Stacey.sikes@hofstra.edu and will be posted to the website so all potential applicants can see the questions and answers. The questions and answers will only be posted and the applicants who ask them will be anonymous.

There will be a Semi-Final Round on March 18, 2016 and a Final Round on April 21, 2016. Applicants will be required to participate in the Accelerator program.

Student Involvement

All students participating in the Hofstra-CPXi Venture Challenge must also participate in the Hofstra Accelerator program administered by the Center for Entrepreneurship. The Accelerator program will provide invaluable mentorship from seasoned CEOs, serial entrepreneurs, and investors.

The competition is for student-created and managed ventures. The ventures can be in the idea stage and the students will work on developing that idea into a company during the Accelerator program.

Students are expected to:

- Be the driving force behind the new venture,
- Have played the primary role in developing the business plan,
- Have key management roles in the venture, and
- Own or plan to own significant equity in the venture.

In general, a member of the student team should be or plan to be the CEO, COO, or President of the venture.

The student must commit to:

- Participating in one brainstorming session (to take place in February).
- Attending workshops administered by the Center for Entrepreneurship on topics related to business development (to take place in March and April).
- Attending one pitch-preparation session with an entrepreneur-in-residence and/or mentor and your faculty advisor (to take place in April).
- Participating in one smaller public pitch competition administered by the Center or an additional private pitch practice with an entrepreneur-in-residence or mentor and your faculty advisor (pitch competitions will occur throughout the semester). The students will be eligible to win additional funds if they participate in a smaller public pitch competition.

Students also must submit a Positioning Statement, Business Plan, and Electronic Presentation prior to the Hofstra-CPXi Venture Challenge on April 21, 2016 (details below).

Non-Confidentiality

All sessions of the Hofstra-CPXi Venture Challenge on March 18, 2016 and April 21, 2016 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.

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.

The brainstorming sessions, one-on-one mentoring sessions, and pitch-preparation sessions that are part of the Accelerator program are not open to the public unless specifically stated. Smaller business plan competitions and workshops are open to the public.

Copyrights and Permissions

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

Information presented by the company at the competition is the sole responsibility of the company. Hofstra University, has not taken, and does not intend to take, any steps to verify the adequacy, accuracy or completeness of any information, materials or statements presented by the company. The company, and not Hofstra, is responsible for ensuring the company's compliance with all applicable federal, state and other securities laws, and it is solely the company's responsibility to comply with any of such laws that are applicable. Hofstra does not give investment advice, endorsement, analysis or recommendations with respect to any securities, and is not a broker, venture fund or an investment advisor.

Required Documentation

Teams must submit two documents to the Center for Entrepreneurship prior to the Hofstra-CPXi Venture Challenge: a Positioning Statement and Business Plan. Students participating in the finals on April 21, 2016 are also required to submit an electronic presentation.

The Positioning Statement and electronic presentation for the Semi-Final Round is due on March 17, 2016.

The Business Plan and electronic presentation for the Final Round is due on April 19, 2016.

Positioning Statement Format (suggested length one paragraph)

Template: <http://www.thebuzzfactoree.com/how-to-write-a-kick-butt-brand-positioning-statement/>

- For (target customer)
- Who (statement of need or opportunity)
- The (product/service name) is a (product/service category)
- That (statement of benefit)
- Unlike (primary competitive alternative)
- Our product (statement of primary differentiation)

Business Plan Format, not to exceed five pages

1. Company purpose - Define the company/business in a single declarative sentence.
2. Problem - Describe the pain of the customer and the problem you are solving. How does the customer address the issue today?
3. Solution: Demonstrate your company's value proposition to make the customer's life better.
4. Why Now: What is the historical evolution of your product category and what are the recent trends that make your solution possible?
5. Market Size: What is the identity/profile of the customer you cater to? What is the total addressable market, served addressable market, and target market?
6. Competition: Who are your competitors? What are your competitive advantages?
7. Product: What is your development roadmap for your product? What are the functionality and features of your product? How are you protecting the intellectual property?
8. Go-To-Market: What is your go-to-market strategy and how much will it cost? How do you plan to scale your business?
9. Business Model/Revenue Model: What is the pricing for your product? What is your sales and distribution model or customer pipeline list?
10. Team: Who are the founders and management of the company? Do you have a Board of Directors or Board of Advisors? What is your strategy to recruit one?
11. Financials: Please attach a profit and loss statement and provide any other financial

highlights.

*Adopted from <https://www.sequoiacap.com/article/writing-a-business-plan/>

If the team includes a venture capital strategy in the document, the team is not required to reveal the exact desired terms of the deal (i.e., proposed company valuation and percentage of company being offered). However, teams should expect to be asked about these terms and should be prepared to answer these questions in some fashion (if this information is not already provided in the written plan.) It is up to the team to assess the best way to address this question.

The entrepreneurs-in-residence mentors, faculty advisors, and Center for Entrepreneurship staff reserve the right to review to and comment on the required documents and presentations prior to the competition. The judges of the Hofstra-CPXi Venture Challenge will receive copies of the documents.

Hofstra-CPXi Venture Challenge Presentation

Pitch Overview

Each team will have five minutes to give their product/innovation at the Hofstra-CPXi Venture Challenge on April 21, 2016. The judges will be allotted three minutes for questions and answers.

The teams must provide a final electronic presentation to the Center for Entrepreneurship at least two days prior to the event. A draft will be required at the pitch-preparation meetings. Any props/physical product demonstrations should be approved in advance by the Center for Entrepreneurship. A Hofstra University student or students must give the presentation. The rest of the team can be present on the stage to answer any questions.

The pitch is your business overview that you should be able to deliver powerfully and concisely to any investor. The first impression is critical in capturing the attention of a potential investor or customer.

The pitch should provide enough information to pique the interest of potential investors and strategic partners. It should provide a clear picture of the company and its solution. It should be delivered effectively and succinctly.

Judges Evaluation Criteria

Judges will evaluate each team based on how convincingly they present their business concept, such that the judge would want to learn more about the company if they were a potential investor or customer. The best teams are those that an investor or customer would want to schedule a follow-up meeting for further discussion.

The judges will take both the written business plans and the oral pitch into consideration.

The teams should communicate the following:

- Clear explanation of their product/service and the problem it solves (i.e., the customer need).
- How their company is unique and differentiated.
- Sizable market opportunity and ability to penetrate that market.
- Current Development Stage.
- Viable business model.
- Clear measures of success and potential exit opportunities.
- Understanding of how much money is needed and how it will be used.

The quality of the idea, the size of the market, the competitive differentiation, the strength of the management team, and the clarity and persuasiveness of the written plan and oral presentation, all influence the judges' decisions. The competition is intended to simulate the real-world process of entrepreneurs soliciting startup funds from early-stage investors and venture capital firms.

The winners of the competition will be determined by the judges' ranking of the teams on the day of the competition. The rankings will be shared by the Center for Entrepreneurship/Hofstra University Administration to verify the results.

The general evaluation criteria include business idea, market, revenue model, and overall presentation.

Business plan:

- Are the value of the products and services described? What is the current stage of development, features, and benefits of the product?
- Does the product have the ability to capture a market share? What is the competition?
- Does the management team have the ability to execute the strategy of the company?
- Does the company have an effective growth strategy?
- Is the financial data realistic, easy to understand, and consistent with the plan?
- Does the company have a strong value proposition to potential investors?
- Is the overall business plan clear and compelling?

Oral presentation:

- Did the team leader clearly explain the product/innovation?
- Did the team leader effectively communicate the market need?
 - Is the product unique and novel?
 - Does it have a competitive advantage?

- Did the team leader demonstrate the capability of the management team to execute the company strategy?
- Does the company have an understanding of the financial requirements of the business?
- Did the team leader present a compelling investment opportunity?
- Did the management team effectively respond to the judge's questions?

Summary of Due Dates

- Brainstorming session – February
- Workshops – March/April
- Pitch preparation – April
- Positioning Statement Due – March 17, 2016
- Semi-Final Round – March 18, 2016
- Business plan Due – April 19, 2016
- Final Electronic Presentation Due – April 19, 2016
- Hofstra-CPXi Venture Challenge Final Competition – April 21, 2016

Undergraduate and Graduate Competition

There will be a Semi-Final Round for all applicants on March 18, 2016. The judges will determine what teams will advance to the Final Round on April 21, 2016.

There will be a separate competition for the Undergraduate and Graduate competition, but the same rules above apply to both competitions. Both final competitions will take place on April 21, 2016.

Attendance at the competition on April 21, 2016 is mandatory for participants.

If you identified a team to participate, at least 50% of the team must attend the event, but it is strongly encouraged that the entire team is in attendance.

Prize Structure

If the team is one applicant, the prize will go directly to the that applicant. If the team is composed of several members, the prize will be distributed equally unless the team indicates otherwise in advance based on the work of each team member.

Graduate competition:

First place: \$7,000

Second place: \$4,000

Third place: \$1,000

Undergraduate competition:

First place: \$15,000

Second place: \$10,000
Third place: \$5,000

Disqualification

If the team is disqualified prior to the competition, the Center for Entrepreneurship reserves the right to offer that spot to another applicant. If the team is disqualified at the competition, the next highest scoring team will take its place. If the team changes during the Accelerator program, the Team Leader must inform the Center for Entrepreneurship. The team at all times must be 50% or more Hofstra students.

Intellectual Property

Hofstra University will not take any ownership stake in the intellectual property developed by the student teams during the Accelerator program and presented at the Hofstra-CPXi Venture Challenge. Hofstra University will not take any equity stake in the companies formed by the student teams.

Disclaimer: The Center for Entrepreneurship and Hofstra University reserve the right to change these rules at any time.