New Venture Competition 2018
Applying to the New Venture Fair
& Misc. Other Stuff
Agenda

• Announcements
• New Venture Fair - Application Deliverables
• Resources
• Winter Quarter Schedule of Events
• Business Model Basics
• Mix
Announcements
Pick up your trash!

Reposition Chairs
Here to Help

Dave Adornetto
- TMP Lecturer and Entrepreneurship Program Director
- Phelps 1314
- dadornetto@ucsb.edu
- NVC Office Hours: Mon 2:30 to 4:00PM and by appointment

Sarah Hilliard
- Entrepreneurship Associate
- Phelps 1333
- swhilliard@ucsb.edu

* Slides are posted on TMP Website (“beyond the classroom” page)
Important Dates

New Venture Fair
- Wednesday May 2, 2018
- Corwin Pavilion
- Plan to be available 3:30PM to 8PM (main event 5:00 to 8:00PM)

New Venture Finals
- Thursday May 24, 2018
- Corwin Pavilion
- Plan to be available 1:30PM to 7PM (main event 3:00 to 6:30PM)
Email Contact Information

Provide Sarah your email address if you are not already on the NVC mailing list
Suggestions for Mentor Interactions

• If you meet, be on time (5 minutes early)
• Be prepared
  – Prepare questions in advance
  – Provide progress updates
• Don’t expect a mentor to spend their time with you, if you don’t engage them
• Take the initiative to provide / obtain contact information
• Follow through: if you say you are going to connect – do it
  – Even if its just to postpone or delay a meeting
• Always send a note of thank you
New Venture Fair
Application Deliverables
Applying for the New Venture Fair

• Prepare / submit application by Sun, March 25, 2018
  – No exceptions

• Text sections of application in MS Word or PDF format
  – 1.5 spaced

• Prepare financial projections on spreadsheet
  – Summary data (tables / charts) in PDF format
  – Attach complete spreadsheet file for support
Applying for the New Venture Fair

Application Contents - 4 Components

1. Summary Information (1 page)

2. Executive Summary of Business (3 pages max, 1.5 spaced, 12+ font)

3. Draft of Business Model Canvas (1 page)

4. Financial Projections
   • Summary (1 page)
   • Detail (attach spreadsheet file)
1. Summary Information

• Business name
• Business tag line (if you have one)
• Logo
• Inspiration for your product / business idea
• Team bios
  – Names, pictures, nationality / ethnicity
  – Major area of study, level (U1, U2, U3, U4, GM, GP)
  – Degrees earned, being pursued
  – Anything else you’d like us to know about you
2. Executive Summary of the Business

- Overview of the business / product / service
- Problem being solved
- Value proposition (why your customers will pay for it)
- Benefits of your product, and how it differs from others
- Revenue model - how your business makes money
  - Pricing, Upfront vs. Recurring Revenue, Product Sale, Subscription, etc.
- How the product works (i.e. the technology), if appropriate
- The market your business / product serves
  - i.e. market size, market growth rates, competition, etc...
- Financial highlights
  - 3-year revenue, product cost and gross margin projections
3. Business Model Canvas

• Include a *draft* of your Business Model Canvas

• What’s a Business Model Canvas?
  – A lean startup template for developing a business model

• Critical elements:
  – Value proposition
  – Customers
  – Revenue model / cost structure
  – Infrastructure
  – Finances

• Helps to align activities by illustrating potential trade-offs
Lean Launch: The Business Model Canvas

<table>
<thead>
<tr>
<th>Key Partnerships</th>
<th>Key Activities</th>
<th>Value Propositions</th>
<th>Customer Relationships</th>
<th>Channels</th>
<th>Customer Segments</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>7</td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Structures</th>
<th>Revenue Streams</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>5</td>
</tr>
</tbody>
</table>
4. Financial Projections

- **Market size**
  - Total, servable, target markets
  - Units and dollars

- **Proforma: Revenue, COGS, Gross Margin projections**
  - Three years
  - Market penetration assumptions, projected unit sales, selling price
  - Product costs related to your sales assumptions

- **Optional: 3-year Pro-Forma Income Statement**
  - Summary Revenue, COGS and Operating Cost projections

- **Templates / formats provided at upcoming workshops**
Resources
Resources

• NVC Prep Courses (TMP 148/268, TMP 149/269)

• NVC Seminars / Workshops
  – The Business Model Canvas
  – Market Sizing
  – Developing Financial Projections
  – Legal: Business Formation, IP Strategies
  – Developing an Investor Pitch

• Mentors

• MVP Grant
  – Up to $300 for development of your Minimum Viable Product
Winter Quarter Events
Upcoming Winter Quarter Events

Primary Objectives for Winter Quarter:

- Form and finalize teams
- Develop product / idea
- Work with mentors
- Develop business model
- Refine “Elevator Pitch”
- Apply for the New Venture Fair

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>TBD</td>
<td>6:00PM</td>
<td>Workshop: Business Model Canvas</td>
<td>TBD</td>
</tr>
<tr>
<td>TBD</td>
<td>6:00PM</td>
<td>Workshop: Financial Forecasting</td>
<td>TBD</td>
</tr>
<tr>
<td>TBD</td>
<td>6:00PM</td>
<td>Workshop: Market Sizing</td>
<td>TBD</td>
</tr>
<tr>
<td>TBD</td>
<td>6:00PM</td>
<td>Legal &amp; IP</td>
<td>TBD</td>
</tr>
<tr>
<td>8 Mar</td>
<td>6:00PM</td>
<td>New Venture Fair Requirements review &amp; Mentor Mixer</td>
<td>ESB 1001</td>
</tr>
<tr>
<td>25 Mar</td>
<td>5:00PM</td>
<td>New Venture Fair Applications Due</td>
<td>Email</td>
</tr>
</tbody>
</table>
After the Competition
After the Competition

The “Garage” Startup Incubator

1,500 sq. ft., Co-Working & Meeting Space

Garage Floor - Mosher Alumni House

Available to qualified UCSB students, alumni, affiliates
After the Competition

- Home of the “G2” Summer Launchpad
- Mentor / Alumni Assistance Network
- Angel Investor Contacts
- Close Proximity to Key Campus Resources:
  - Makerspace
  - Development labs

The “Garage” Startup Incubator
“G2” Summer Launchpad

Summer program to facilitate transition from academic environment to the real world

Focus shifts from ideation and business model development... to

...product commercialization and business launch

alumni UC SANTA BARBARA
gem GOLETA ENTREPRENEURIAL MAGNET
Business Model Basics
Lean Launch: The Business Model Canvas

- Key Partnerships
- Key Activities
- Key Resources
- Value Propositions
- Customer Relationships
- Channels
- Customer Segments
- Cost Structures
- Revenue Streams
Business Model Basics

• Value Proposition - the value delivered to your customer (the reason they pay)
  – Low cost, convenience, advanced features
  – Unmet market need / want

• Customer
  – Who is your identified customer?
  – What product / service do they want / are they willing to pay for?
  – Is there an influencer in addition to your paying customer?

• Product / Market Fit
  – The product that delivers the optimal value to your ideal customer(s)
  – Subject to multiple pivots!

• Revenue model / streams
  – How does your business / product make money?
  – Product sales, upfront vs. recurring, hardware vs. disposable, software licensing, advertising, etc.
Business Model Basics – Example: Uber

• The value delivered to Uber’s customer
  – Lower cost than other on-demand transportation alternatives
  – Convenience
    • When you want it, where you want it
    • Easy pay w/ optional tipping
  – Features
    • ETA data, various vehicle sizes
  – Unmet market need / want: common frustrations with taxis

• Customer
  – Smart phone users, tech savvy, cost conscious, sharers
  – Advertisers
  – Influencer: Same as buyer in this case

• Revenue model / steams
  – Prepayments from riders
  – Advertising income
Let’s Mix

Focus on Business Model

Explain to mentors, your:

1. Idea / Product
2. Value Proposition
3. Customer / Customer discovery process
4. Revenue Model
Pick up your trash!

Reposition Chairs