

2012 Business Plan Competition

for High School Students



→ **Win an iPad™ plus \$1,000**

Donated by the South Dakota Bankers Foundation &
the Governor's Office of Economic Development

2nd Place:

iPad™ + \$500

3rd Place:

iPad™

4th-6th Places:

\$300

7th–10th Places:

\$100

First through sixth place prizes will be awarded during the South Dakota Bankers Association Annual Legislative Reception and Dinner on February 8, 2012 in Pierre.

Contact your school's business department
or the South Dakota Bankers Association for more information.

Deadline for submission of a business plan is December 16, 2011.



Sponsored by South Dakota Bankers Foundation
109 W. Missouri ♦ Pierre, SD 57501
605.224.1653 ♦ fax 605.224.7835 ♦ www.sdba.com

Rules and entry info available at www.sdba.com. Click on *Business Plan Competition*.

2012 Business Plan Competition

Sponsored by the South Dakota Bankers Foundation and the Governor's Office of Economic Development



Listed below are the criteria necessary to get a high school student started in preparing a written business plan for the competition. The South Dakota Bankers Foundation and the Governor's Office of Economic Development have again donated the first place prize – an iPad plus \$1,000. Second place is an iPad plus \$500, and third place is an iPad. Fourth through sixth place prizes will be cash awards sponsored by the South Dakota Bankers Foundation in the amount of \$300 each place. Seventh through tenth place prizes are \$100 each place. It is recommended that all the points in the "Business Start-Up Plan" be addressed. Please see the back of this page for entry requirements. Judging will be based on the following criteria:

- Completeness of business plan
- Viability as an ongoing business
- Realistic financial projections/cash flow plan
- Conciseness in presentation
- Creativity and innovation

Judges for the contest include bankers, educators and business people from throughout the state. First through sixth place plan submitters will be called to Pierre to participate in oral interviews on February 8, 2012, and will be asked to remain for the presentation of awards that evening. ***Students may attend with their parents and school advisor.*** The evening event is a reception and banquet attended by 300 of our state's legislators, constitutional officers, bankers and spouses.

Writing a business start-up plan helps you decide what is needed in terms of time, money and resources to get a business underway. The following outline should be helpful in that it addresses many of the issues that should be considered when starting a business. By thinking over some of the details with your advisors, parents or friends and getting them down on paper, you'll have a good idea of how you want a business to take shape. A business plan provides a concrete structure against which you can measure actual performance. You'll also save yourself time and money in the long run. If you do decide to create this business, you will have a logical plan with which to get started.

Your business plan should be a narrative and you will need to elaborate on your answers in order to sell your idea.

Use the following questions as a guide to incorporate into your entry.

The Basics of Your Business:

- A. Business Goals:
 1. What type of business are you planning?
 2. What do you hope to accomplish by starting this business?
 3. Who can help you out?

- B. The Basic Structure:
 1. Will your business be a sole proprietorship, partnership or corporation?
Don't confuse legal structure with managerial decision-making authority.
 2. Why did you choose this form of organization?
 3. Do you and/or your partners have any previous experience in this field or related fields?
 4. What contributions will each make to this organization?

- C. General Decisions:
 1. Where will your business be located?
 2. What will you need for materials, equipment and inventory? What are the costs involved for these items?
 3. What regulations or licenses are required?
 4. Where do you see your business headed one year from now?
 5. Do you have an exit strategy? Describe.

- D. Financing Decisions:
 1. How much do you anticipate spending to start your business? Be realistic.
 2. Where will you get the money?

3. Specifically, what do you plan to borrow money for – cash, collateral?
4. How much do you think you'll need to borrow?
 - a. Do you anticipate needing more than this?
 - b. Can you still finance your project if you borrow less?
5. What collateral/security do you provide for any loans requested?
6. What is your repayment plan for any borrowed funds, including interest?
7. What do you do if revenues fail to meet original projections?
8. Have you drawn up realistic financial statements which detail your projections? This is very important.
9. Will you be using cash or accrual accounting and why?
10. Will you have employees? What are your challenges in having employees? Business insurance?

E. Marketing Decisions:

1. Who will be your competition?
2. How big is your market?
3. Who is your average customer?
4. Who will be your target market?
5. What can you do differently to attract customers?

F. The Product:

1. How will you price your service/product?
2. How did you arrive at this price?
3. Will you offer credit to your customers?
4. How will your product be distributed?

Come up with alternative sales and marketing plans in case your original ideas don't bring the results you need.

If selected as a finalist, remember, the judges have already read your business plan. You will need to sell yourself and your plan. Some of the items the judges will use for scoring your written plan and oral interview include:

Completeness of business plan

Viability as an ongoing business

Content, composition, knowledge of, and ability to sell your written plan

Include a cover page for your business plan that contains the following:

Your Name

The Name of Your Entry

School Name, Address and Phone Number

Name of an Advisor or School Contact with his/her email address

Your Home Address and Phone Number

Send 7 copies of completed business plans (one for each judge and one working copy) by:

DECEMBER 16, 2011.

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South Dakota Bankers Association
109 W. Missouri
Pierre, South Dakota 57501

Questions? 605.224.1653 * www.sdba.com * jchambers@sdba.com