



Agricultural Business Plan Competition
Planning for Profitability

COMPETITION ELIGIBILITY & ENTRY GUIDELINES



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TIMELINE

Note: These dates are subject to change. Please check the website frequently for the most updated information.

MONTH/YR	EVENT/ACTIVITY
08/2011	Program Marketing
09/2011	Program Marketing
10/2011	Four (4) Kick-Off/Informational Sessions, each followed by a Networking/Team-Building Reception in the following locations: Week 1: LĪHU`E Week 2: KAPA`A Week 3: HANAPĒPĒ/WAIMEA Week 4: HANALEI/KĪLAUEA
11/2011	Program Marketing Networking/Team-Building Session
12/2011	Program Marketing Networking/Team-Building Session
01/2012	01/24/2012 and 01/25/2012: How to Write a Feasibility Summary Workshop
02/2012	02/07/2012: Phase I – Feasibility Summaries Due 02/21/2012: Judges Rankings Due 02/24/2012: Announce Teams that advance to Phase II (<i>How to Write a Business Plan</i> course) 02/28/2012: Phase II Orientation
03/2012	Weeks 1-4: Phase II – How to Write a Business Plan course (Tuesdays, 5:30-8:00pm, KCC - Room TBA) (03/06/12, 03/13/12, 03/20/12, 03/27/12)
04/2012	Weeks 1-4: Phase II – How to Write a Business Plan course (Tuesdays, 5:30-8:00pm, KCC - Room TBA) (04/03/12, 04/10/12, 04/17/12, 04/24/12)
05/2012	05/04/2012: Business Plans Due 05/18/2012: Judges Rankings Due; Announce Teams that advance to Phase III 05/23/2012: Announce Teams that advance to Finals Competition 05/31/2012: Phase III – Finals Competition Event Presentations to Judges Panel Awards Presentations to Top 3 Winning Teams Networking Reception



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OVERVIEW

Kaua`i Economic Development Board and its Food & Agriculture Committee are pleased to announce the 2012 Kaua`i Coffee Agriculture Business Plan Competition (ABPC), created to foster and promote business growth in the food and agriculture sector on the Garden Isle. Business planning is crucial to success for new and established businesses. The mission of the Kaua`i ABPC is to bring together and provide the best possible resources – including education and training, networking and mentorship, team-building facilitation, and access to venture financing – so agricultural ventures can create the best business model and business plan to present to landowners, venture capitalists, and other investors.

This initiative has been created to stimulate the local Kaua`i's agricultural sector to build diversified, healthy, and profitable agri-businesses. Currently, millions of dollars leave our state to support agri-businesses elsewhere. Producing and consuming locally grown foods keeps these monies in our local economy, reduces our dependence on imports, decreases the "food miles" involved in transporting imported foods, conserves energy and reduces our carbon footprint, and helps create new business and new jobs. Non-monetary benefits include promoting healthier lifestyles and good nutrition, and building pride in supporting local agri-businesses.

The Kaua`i ABPC debuted in Fall 2011 to potential new and existing farmers, value-added food producers, and ag-based renewable energy entrepreneurs to learn how to build successful, profitable agricultural ventures. Informational sessions, each followed by a facilitated Networking/Team-Building Session, were presented in each of four major regions on island to market the program and its unique and unprecedented opportunities.

Phase I of the Competition will commence in January 2012 with "How to Write a Feasibility Summary" workshops to prepare potential participants to submit Feasibility Summaries in February 2012. Teams selected by our Distinguished Judges Panel to advance to Phase II of the Competition will take an eight-week "How to Write a Business Plan" course in March and April 2012, which will include training on topics such as marketing, financial management, legal issues, human resource management, food safety, conservation planning, financing, and more. In addition to all the facets of running an agri-business, each team will hone their presentation skills as they learn to present clearly and succinctly to a body of in-class judges, who will critique every nook and cranny of their business.

At the end of the course, each team will submit a full business plan to be reviewed by the panel of distinguished judges, who will select the top 7-10 teams to advance to Phase III. In this last Phase, each team will present in-person to the judges panel, which will select the top three winning teams to receive prize money and on-going technical assistance. The Awards Presentation will be followed by a Networking Reception, to which landowners, suppliers, investors and other potential partners will be invited in order to encourage deal flow and collaboration.

However, although prize money will be awarded to the top three winners, the value of participating is not found only in the seed funding, but in the process that brings together an unprecedented body of resources that would ordinarily be hard to access. The Kaua`i Coffee Agriculture Business Plan Competition will offer agripreneurs a very unique venue to act upon their entrepreneurial agriculture ideas within a supportive and highly rewarding environment.



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COMPETITION ENTRY GUIDELINES

ELIGIBILITY

Business/Team Size:

There is no minimum or maximum team size.

Originality of Business Ideas:

Entries must be the original work of the entrants and have commercial promise. All existing business entities entered into the Competition must be registered businesses in the County of Kaua`i (i.e., principal owners are residents in the County of Kaua`i, and business must operate in Kaua`i). All new business entities entered into the Competition must become registered businesses in the County of Kaua`i (i.e., principal owners are residents in the County of Kaua`i, and business must operate in Kaua`i) upon implementation of the business.

Each entrant may submit as many entries as they wish. However, it is unlikely that multiple entries from the same entrant will be successful given that the plans are judged partly on the ability of the team to execute the plan.

Business entries for very early stage ventures may be acceptable if the company has not already received funding of more than \$500,000 (USD) from venture capitalists and/or other investors. Businesses that have secured arrangements for capital from any source must disclose the amounts and sources in their Phase I Feasibility Summaries.

JUDGING

The Competition will take place in three Phases:

I. Phase I

- a. One (1) electronic copy of each business' Feasibility Summary is due by Tuesday, February 7, 2012 at 5:00 pm (HST). Three (3) unstapled hard copies, separated by paper clips or binder clips, of the Feasibility Summary are due by Tuesday, February 7, 2012, at 5:00 pm (HST) to the Kaua`i Economic Development Board office (see Feasibility Summaries section below). These Feasibility Summaries will be sorted and sent to members of the Competition's Distinguished Judges Panel for selection into Phase II of the Competition.
- b. Businesses selected to advance to Phase II will be announced on Friday, 02/24/12.
- c. Phase II businesses must attend the Orientation Session on Tuesday, February 28, 2012, 5:30-7:30 pm at Kaua`i Community College (room to be announced).
- d. Phase II businesses are eligible and must take the "How to Write a Business Plan" workshop in March and April 2012, taught by James Hollyer M.S., faculty member from University of Hawai`i College of Tropical Agriculture and Human Resources (CTAHR).

II. Phase II

- a. Each Phase II business must submit an electronic and hard copies of their full business plan on Friday, May 4, 2012, at 5:00 pm (HST). Hard copies must be submitted to Kaua'i Economic Development Board office. These business plans will be sorted and sent to members of the Competition's Distinguished Judges Panel for selection into Phase III of the Competition.
- b. Businesses selected to advance to the third and final phase of the Competition will be announced on Wednesday, May 23, 2012.

III. Phase III

- a. On Thursday, May 31, 2012, each finalist business will present their full business plan in-person to the Competition's Distinguished Judges Panel. The Judges Panel will adjourn after the final presentation to deliberate and select the winning businesses.
- b. Winning businesses will be announced at a reception immediately following the Judges' deliberation.



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Feasibility Summary Policies & Guidelines

All Feasibility Summaries should be submitted to Susan Tai Kaneko at Kauai Economic Development Board, 4290 Rice Street, Lihue, HI 96766, by 5:00 pm (HST) on February 7, 2012. Please submit one (1) electronic copy (in PDF form) **AND** three (3) hard copies. The electronic copy should be submitted to stai@kedb.com and should be named according to the following format: *FS_CompanyName.PDF*. Hard copies must be either mailed (postmarked by February 7, 2012) or hand-delivered by 5:00pm (HST) on February 7, 2012.

Entrants will be selected to advance to Phase II and must attend the Phase II Orientation Session on Tuesday, February 28, 2012 at 5:30-7:30 pm and the 8-week “How to Write a Business Plan” course taught by James Hollyer M.S. (faculty member from the University of Hawaii College of tropical Agriculture and Human Resources (CTAHR)) on Tuesday evenings during the months of March and April 2012 at 5:30-8:00 pm at Kaua’i Community College (see Program Timeline for more details). At the end of the course, all Phase II entrants must submit full written Business Plans no later than Friday, May 4, 2012 on 5:00 pm (HST) in both electronic and hard copies. Any Phase II entrant that does not submit a full written business plan by this deadline will be disqualified.

Feasibility Summary Submission

To help the Judges gauge the initial viability of your business idea, please submit a concise business Feasibility Summary. This Feasibility Summary submission packet must include ONE electronic copy and THREE hard copies of the following completed materials, collated in the following order:

1. Feasibility Summary Cover Sheet (found in Feasibility Summary Entry Packet)
2. Competition Agreement form (found in Feasibility Summary Entry Packet)
3. Feasibility Summary document (template found in Feasibility Summary Entry Packet)
 - a. The text of the Feasibility Summary is limited to 4 pages on 8.5"x11" paper; the two years of Excel cash flow budget worksheets is limited to 2 pages on 8.5"x11" paper.
 - b. Typed, double-spaced, font size 12pt
 - c. Margins of 1 inch on all sides
 - d. Pages numbered
 - e. See “Components of a Feasibility Summary” and “Judging Criteria” below for content guidance

Do not staple any of these materials and, instead, use paper clips or binder clips, if needed.

Components of a Feasibility Summary

The Feasibility Summary text should follow the Feasibility Summary Submission template provided by James Hollyer M.S. (see Feasibility Summary Entry Packet) and address the following components:

1. Company Summary & Product Description
 - a. Who you are? What is your product?
 - b. Are you an existing or new business? What stage is your business at?
2. Customer/market analysis
 - a. What need are you addressing with your product? What is the market opportunity, market size, evidence you have of strong demand? What is your potential market share?

3. Value proposition
 - a. Why is this a great idea?
 - b. Who are your current and potential competitors?
 - c. What strengths does your team have?
 - d. What are your potential risks and what will you do to mitigate those risks?
4. Competitive differentiation/intellectual property
 - a. What makes your idea better than others?
 - b. How you sustain your competitive advantage?
5. Management team and any advisors, including relevant experience
6. Financial highlights and Amount of Investment which you are seeking use of funds
 - a. What are your projects expenses and sources of revenue?
 - b. What kind of funding would you seek and how would you use them?

Feasibility Summary Judging Criteria

- Company Summary & Product Description **(20%)**
 - Is this an existing business or new business? How old is your business? What is its historical background?
 - Is this business located on Kauai and registered as a business entity on Kaua`i?
 - What is your product?
- Customer/Market Analysis **(20%)**
 - Who is your market? How large is the market and how fast is it growing?
 - Can you be a “significant player” in this market?
 - What long-run rate of profitability do you expect to see in this market?
- Value Proposition **(20%)**
 - What is the new and/or unique value of the proposed product?
 - Is there a clear customer need being satisfied? How important is this product to the customer?
 - Has the business developed a prototype or working description of the product?
 - Has the business gone out to the market to test receptiveness of potential customers?
 - How will the business produce and distribute the product?
 - How will operational obstacles (if any) be overcome?
 - Does this business create new jobs on Kaua`i?
- Competitive Advantage of the Proposed Venture **(20%)**
 - How will the proposed product/service be positioned in relation to competitors?
 - Can this product/service achieve a leadership position in its market?
 - From your current stage of development, how long will it take you to get to market?
 - Will the proposed venture be favorably positioned in the distribution channel?
- Capability of the Management Team **(10%)**
 - Have team members demonstrated leadership and initiative in other aspects of their life?
 - What specific management capability is required for the venture?
 - What relevant skills do the team members possess? What roles will the current team members play?
 - How will gaps in the management team be filled?
- Financial Highlights and Fundraising/Use of Funds **(10%)**
 - What type and amount of capital investment is required?
 - Is the investment required all at once or can it be “staged-in” over time?
 - Where will the investment capital come from?
 - What is the proposed ownership structure of the venture?
 - What is the investment exit-strategy?
 - How long will it take the venture to be financially self-supporting (cash-flow positive)?
 - How will the venture be financed until then?