

# 2021 Arkansas Governor's Cup Competition Guide



**Title Sponsor: Dhu C. Thompson**

**Presented by:**  **ARKANSAS  
CAPITAL**  
EMPOWERING ENTREPRENEURS

[argovernorscup.org](http://argovernorscup.org)

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Due to the COVID-19 Pandemic, the 2021 Governor’s Cup Competition will be conducted virtually. Therefore, information presented in this guide is subject to change.

Please watch the [argovernorscup.org/](http://argovernorscup.org/) website for updates.

If warranted, team members and primary advisors will be contacted directly.

## Overview

Arkansas Capital of Little Rock launched the Arkansas Governor's Cup in 2001 to:

- promote and support college students in their entrepreneurial endeavors and new venture creation;
- encourage commercialization of promising ideas emerging from colleges and universities;
- build bridges between the collegiate institutions and the entrepreneurial community; and,
- become one of the premier business plan competitions in the United States.

The Governor's Cup is a real-world entrepreneur education opportunity for college students. Whether they are serious about launching a startup, or they want to learn more about entrepreneurship, competitors will gain a greater appreciation of the challenges and opportunities of starting a viable business.

Competitors will also have access to networks of entrepreneurs, economic developers, investors, and others as they move through the Governor's Cup process. The rigor of the competition sharpens their critical-thinking, teambuilding, presentation, and other soft skills – all important to career success.

There is no cost to enter the Governor's Cup. Teams are not required to launch their businesses to compete. Winning teams are not required to spend cash prizes on their businesses. Students and their faculty advisors are rewarded for the rigorous work accomplished throughout all phases of the competition.

### **Arkansas Governor's Cup Impact Since 2001:**

Number of Collegiate Competitors:	2,842
Number of Teams	887
Cash Prizes Awarded	\$2.5 M

Although teams are not required to start their business, at least 20 companies in Arkansas have roots from founders and/or ideas that were launched in the competition.

As the Governor's Cup enters its third decade, it continues to offer one of the largest all-cash prize pools of any collegiate business competition in the country. The 2021 cash prize pool is \$100,000, thanks to the continuing generosity of Title Sponsor Dhu C. Thompson, founder and retired CEO of Delta Plastics.

Mr. Thompson and the founders of Tyson Foods, Walmart, Murphy Oil, Dillard's, ArcBest, J.B. Hunt, America's Car Mart, and other nationally prominent companies started these businesses in Arkansas. All these companies and more continue to call the state home. The Governor's Cup nurtures this rich entrepreneurial history by immersing college students into the opportunities and resources Arkansas has to help them start, grow, and keep their businesses here at home.

## New for 2021

### Divisions:

The Governor's Cup announces two divisions, replacing all previous competition divisions:

#### HIGH GROWTH/TECHNOLOGY

This division will be for business plans with truly unique ideas and technologies that demonstrate a potentially disruptive market impact with strong viability and high potential for growth. The proposed business could be for ventures related, but not limited to, agriculture, healthcare, information technology, manufacturing, transportation, energy, conservation, gaming, etc.

#### SMALL BUSINESS/LIFESTYLES

This division is for business plans that are more "Main Street," customer-facing operations, such as retail and hospitality ventures, as well as services in industries related to automotive, household, construction, beauty, travel/tourism, etc.

***For both divisions, the best business ideas will continue to be those that:***

- improve or replace business processes to increase efficiency and productivity, or enable the business to extend the range or quality of existing products and/or services;
- develop entirely new and improved products and services – often to meet rapidly changing customer or consumer demands or needs;
- add value to existing products, services, or markets to differentiate the business from its competitors and increase the perceived value to customers/target markets.

Both divisions may be composed of both graduate and undergraduate students. See "Rules" for more details regarding eligibility.

Business plan contents for both divisions will be the same as instructed in "Business Plan Content Requirements."

### Intents to Compete, Team Showcase Video:

The Intent to Compete requirement is reinstated for the 2021 competition process.

Also new will be the production of a Team Showcase video to introduce the public to the 2021 competitors.

## Awards

The Governor's Cup cash prize pool of \$100,000 can be spent at the discretion of the winning team members and faculty advisors.

This stipulation is unique to most competitions in that the Governor’s Cup does not require winning teams to start their businesses. The intent of the Governor’s Cup remains the same as the first competition in 2001 – to be a real-world and rigorous entrepreneur education experience for college students. The cash prizes reward team members and their advisors for their accomplishment and hard work.

High Growth/Technology Division:

First Place	\$25,000
Second Place	\$15,000
Third Place	\$10,000

Small Business/Lifestyle Division:

First Place	\$15,000
Second Place	\$10,000
Third Place	\$5,000

Elevator Pitch:

High Growth/Technology Winner	\$2,000
Small Business Winner	\$2,000

Advisor Awards:

\$2,500 to winning team advisors	\$15,000
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All winning team members and their advisors will also receive certificates and their schools will receive crystal trophies.

## Elements of the Competition

The Governor’s Cup will have three virtual rounds:

- Round 1: Team application and submission of Intent to Compete, team video, and written business plan; judging and selection of up to 12 semifinalists for both divisions.
- Round 2: Semifinalist oral presentations to judges; announcement of six finalists for each division.
- Round 3: Finalists oral presentations to judges; selection of top three winners in each division.
- Elevator Pitch Competition and Awards Presentation: A representative of the 12 finalist teams will make a :90 pitch during the awards presentation before the competition winners are announced

## Dates

**January 11 – 8:00 a.m.**

- Team application window opens online in [YouNoodle](#)

**February 21 – 11:59 p.m.**

- Intents to Compete due

**February 28 – 11:59 p.m.**

- Business plans due
- Team introduction videos due via the upload link provided in the YouNoodle application template

**Week of March 1**

- Round 1 begins; written plans assigned to judges via YouNoodle for scoring and feedback

**March 10 – Noon**

- Live introduction and pre-recorded video showcase of 2021 competitors at [argovernorscup.org](http://argovernorscup.org)

**March 11-12**

- Round 1 judges' group deliberations

**March 15 – Noon**

- Announcement of semifinalists (12 per division) at [argovernorscup.org](http://argovernorscup.org)
- Round 1 judges' feedback forwarded to semifinalist teams' leaders and advisors

**March 21 – 11:59 p.m.**

- Revised semifinalist business plans due

**Week of March 22**

- Semifinalist business plans assigned to judges for review

**March 29**

- Semifinalist location testing – to be scheduled with teams by Arkansas Capital

**March 30**

- Team member and advisor tax forms due by noon
- Semifinalist presentation location testing – to be scheduled with teams by Arkansas Capital

**April 1**

- Round 2 – Semifinalist oral presentations and judges' deliberations (virtual)
- Announcement of finalists (six teams per division) at [argovernorscup.org](http://argovernorscup.org)

**April 2**

- Round 3 – Finalist oral presentations and judges’ deliberations to determine first, second, and third place winners for each division

#### **April 8 – Noon**

- Virtual Awards Presentation with Elevator Pitch competition for division finalists, followed by announcement of winners

## **Rules**

Arkansas Capital is responsible for management and operation of the Arkansas Governor’s Cup.

The Governor’s Cup is designed to increase college and university student appreciation for the challenges associated with developing a viable business offering (product or service) while, through an iterative process, recognizing those students best able to articulate a plan that addresses these challenges.

Not every circumstance can be anticipated during the competition. Arkansas Capital reserves the right to disqualify any team that violates the rules, guidelines, and the spirit of the competition.

Arkansas Capital also reserves the right to disqualify teams that engage in illegal, unethical, harmful, or any other behavior and activities it deems as unworthy of association with the Governor’s Cup.

Because the 2021 Governor’s Cup will be conducted virtually, Arkansas Capital will not guarantee internet quality, speed of service, and quality of connectivity at any time. Arkansas Capital will also not guarantee that video, sound clips, fonts, or other electronic aids will work and/or display at full capacity at any time.

All decisions made by Arkansas Capital during any process of the competition are final.

### **Eligibility:**

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1. The Arkansas Governor’s Cup is open to any full- or part-time, certificate- or degree-seeking student currently enrolled at any of Arkansas’s accredited; not-for-profit; two- or four-year public, private, or independent colleges and universities.
2. Current enrollment is defined as enrollment in a certificate- or degree-seeking program of study during the summer/fall 2020, and/or 2021 spring semesters.
3. Students who graduated with a certificate or degree during the 2020 summer/fall semesters are eligible to compete.

### **Team Composition, Team Leader, and Advisor/s:**

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4. Teams may be composed of
  - graduate and undergraduate students
  - students from any academic discipline – agriculture, business, education, engineering, health, science, tourism, etc.;
  - team members may represent a mix of these disciplines
  - students from more than one college and/or university
5. Teams may include non-student members. However, these individuals cannot make up the majority of the team and cannot take part in any team presentations.
6. Team size is limited to a maximum of six students.
7. Students cannot compete on more than one team.
8. Teams/students cannot enter more than one business plan into the competition.
9. Students must have majority ownership of the business venture and serve in “C-Level” roles on the management team (i.e., CEO, COO, CFO, CPO, etc.). The management team outlined in the plan must include the names of individuals (if any) who are not associated with the college or university.
10. The student management team and other individuals (if applicable) must own at least 30 percent of the total equity in the business venture, if allocated.
11. Each team must designate one student member as the team leader.
12. Each team must have at least one faculty member as its primary advisor. Non-faculty advisors may be allowed with prior approval from Arkansas Capital.
13. Teams may have more than one advisor.
14. The team leader and the primary advisor will be the only points of contact between the team and Arkansas Capital staff throughout all phases of the competition.
15. The team leader is responsible for creating and managing the team’s application and subsequent uploads in the competition database, YouNoodle. Managing includes ensuring data entry and required uploads are correct and complete, instructions are followed, and deadlines are met. Team leaders are to add the primary advisor as an administrator to the team’s account.



16. The advisor's role is to mentor the team leader and team members during all phases of the competition. Advisors cannot be part of team presentations.
17. The team leader and advisor are required to affirm eligibility of each team member. Affirmation will include:
  - a. verification in the application that team members are full- or part-time students currently enrolled in a certificate- or degree-seeking program of study during the eligible semesters; and,
  - b. verification in the application of each team member's level of completion as of the business plan submission date (freshman, sophomore, junior, senior, recently graduated, graduate or post-graduate student).

Arkansas Capital has the right to request further information to determine validity of enrollment and to make determinations accordingly. Arkansas Capital's determinations are final.

**Business Idea:**

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18. Teams may compete with a student-generated or one that originated from another individual or entity.
  - a. Licensing technologies from universities or research labs is encouraged if they have not been commercialized previously.
  - b. Teams may also compete with an idea based on a technology, product, or service that has been licensed from another company, private inventor, or other source.

Teams must provide written and signed approval from these individuals or entities on professional letterhead. Teams will be required to upload this document with their business plan in Round 1.

19. Ventures that include proposals for buy-outs and/or expansions of existing companies, roll-ups, real estate syndications, tax shelters, franchises, licensing agreements for distribution outside of Arkansas, spin-outs from existing corporations, and other consulting projects or analyses are not eligible.
20. Previous efforts to establish the business or participating in business-like activities which include but are not limited to the following: attempts to raise capital, developing and presenting the business plan to potential investors, and conducting substantial market research outside of the 2020-2021 academic year may be disqualified. This includes business plans that were submitted in previous Governor's Cup competitions.

21. The business should not have received more than \$200,000 in equity-related capital (such as seed capital or institutional funding) or generated more than \$100,000 in gross revenue prior to the current academic year. Revenue generated during a test-marketing project may be excluded from this provision.
22. Revenue streams from the business should not be based solely on deriving revenues from the licensing of its own technologies.

### **Business Plan:**

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23. Because the Governor's Cup is a collegiate competition, the creation and development of the business plan must be the original work of the students.
24. The work of the team may be under faculty supervision for credit in a regularly scheduled course or as an independent study. Their work may also be prepared under faculty supervision with no official credit.
25. Plans may not contain fabricated information about (but not limited to) the following: backgrounds, experience, and educational levels of members of the management team; stage of product development, product performance claims, or market survey results.

For example, if a team builds a business plan upon an idea from an outside person or entity, the team cannot take material or information (such as market and competitive analysis, financials, operating strategies, etc.) from that person or entity for use in their business plan.

By submitting a plan into the competition, the team automatically affirms these requirements. Teams submitting business plans with any plagiarized and/or fabricated information may be disqualified.

### **Disclosure:**

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26. The author(s) will retain all rights to the plan regarding its use at all times prior to and following the competition, except as stated elsewhere in these rules.
27. Teams are solely responsible for protection of intellectual property rights, such as patents, trademarks, copyrights, etc., for their concepts.
28. By entering the Governor's Cup, teams understand their idea has been publicly disclosed. Arkansas Capital will not ask judges, reviewers, sponsors, staff, audience members, or any other individuals involved with the Governor's Cup to agree to sign non-disclosure or confidentiality statements.

29. Teams agree that neither Arkansas Capital nor its affiliates or subsidiaries, nor members of the judging panels, nor sponsors and their designated organizations, assume any liability for any disclosures of any information related to their submissions, which may be made, whether inadvertently or otherwise, by any judge, reviewer, staff member, audience member, or other individual connected with, participating in, viewing, hearing, or receiving information during the competition.

**Media:**

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30. By entering the competition, students and advisors agree to allow Arkansas Capital, its affiliates, and other designated organizations the unlimited right to videotape, photograph, audiotape, transcribe, or otherwise record all elements of the competition; including, but not limited to, oral presentations.

31. Competitors also agree that Arkansas Capital, its affiliates, and other designated organizations may use videos, photos, transcripts, and/or recording(s) (in whole or part) for publicity and marketing purposes as their organizations may see fit, including those which may result in remuneration.

**Rules Violations:**

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For matters related to possible rules violations, inquiries must be submitted in writing to Arkansas Capital and must include:

- the name of the team alleging the violation,
- the name/s of the team/s allegedly committing the violation,
- the rule/s purported to have been violated,
- supporting evidence that the rule/s have been violated.

Inquiries will be forwarded to the executive management team of Arkansas Capital, which will determine if rules have been violated, as well as if and how a team and/or team member/s should be penalized or disqualified. The decision of Arkansas Capital executive management is final.

**Questions/Assistance:**

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Please contact Marie Bruno at Arkansas Capital, phone: 501-374-9247, email: [mbruno@arcapital.com](mailto:mbruno@arcapital.com).

## **Business Plan Content Requirements**

**General Requirements:**

Plans are limited to a maximum of 12 pages plus a maximum of 6 pages for appendices.

A Cover Page and Table of Contents are required and do not count toward the business plan page limit.

Plans with fewer than 6 pages of appendices may not use the extra pages to increase the length of their business plan beyond the 12-page limit.

Appendices may should support findings and financials noted in the plan.

### **Formatting:**

- The font must be Arial, Helvetica, or Times New Roman. This requirement does not apply to text for the Cover Page or to headings or descriptions in the plan that accompany pictures, graphics, or worksheets.
- The font must be 12 point.
- Page margins must be one inch on all sides.
- Line spacing must be 1.5.
- Pages must be numbered.

### **Contents:**

#### **I. Cover Page – provide:**

- the name of the business idea;
- the name of the team leader;
- the name/s of team members; and,
- the name/s of advisors.

#### **II. Table of Contents**

#### **III. Executive Summary (10 points)**

- Provide a one-sentence description of the business idea's product or service.
- Whether it's for a new product or service, improving a current product or service in the marketplace, or expansion of an existing product or service business, summarize why your idea will be better than what currently exists, specifying key benefits and target markets.
- Conclude with a general summary of your company's goals for the next three years.

#### **IV. Problem (10 points)**

- What is the unfulfilled need/problem in the marketplace?
- Have there been prior approaches to solving this need/problem? Explain. If yes, what were their shortcomings?

#### **V. Solution – Product/Service (10 points)**

- Describe the product or service that is your solution.
- What are the key features and benefits?
- What is its current stage of development?
- What is the unique value proposition for the customer?

**VI. Customers and Validation of Business Idea and Venture (10 points)**

- Who are your customers? Give specifics re: demographics, income levels, etc.
- What assumptions were made leading the team to conclude there is market acceptance for your product or service and that you will generate revenue?
- What activities (interviews, surveys, presentations, prototyping, tests, etc.) did your team conduct with potential customers to validate these assumptions?
- Were your assumptions on target based on the results and feedback from these activities?
  - If yes, explain.
  - If no, how did your team pivot? What strategies were changed and why?
- What did you learn from this validation process?

**VII. Go to Market Strategies (10 points)**

Addresses the research and development, production, marketing, and personnel needed to execute the idea.

- How will you make and/or deliver the product or service?
- How will you promote and market your product or service?
- Who will be your key partners?

**VIII. Management Team (10 points)**

- List the student team members who will hold the “C-Suite” positions in the company and provide a brief background on each.
- Explain why this team is the right team to execute the idea.

**IX. Revenue (5 points)**

- What are your sources of revenue?
- How do you anticipate generating enough revenue and profits to be viable?

**X. Competitive Environment (5 points)**

- Who are your competitors?
- What is your idea’s competitive advantage?

**XI. Critical Risks (5 points)**

- What are major internal and external risks that could threaten the idea?
- What viable contingencies does the team have to address these risks?

**XII. Funds Required (5 points)**

- Provide a statement including the amount and type of capital needed, when it is needed, and how it will be used.

**XIII. Pro-Forma Financials – Income Statement, Balance Sheet, Cash Flow Statement (10 points)**

- Provide monthly projections for the first year and annual projections for years two and three for each document.

**XIV. Quality of Plan – (10 points, Round 1)**

- The plan is well-written (concise, correct grammar / punctuation, sentence construction); instructions are followed as outlined in the plan requirements.

## Team Applications

The YouNoodle competition database will be used for team applications and uploads.

YouNoodle is a third-party website. Team leaders should read its [Terms and Conditions](#) and [Privacy Policy](#).

Because the Governor’s Cup is exclusive to Arkansas college and university students, the competition is not publicly posted on YouNoodle. Going to “younoodle.com” or another generic link will not work. Please use this specific link to enter.

The registration window opens on YouNoodle at 8:00 a.m. Monday, January 4.

### **Creating Team Accounts:**

As stated in Rule 15, the team leader is responsible for creating the team account in YouNoodle and ensuring application information and uploads are correct and complete.

***Team leaders must ensure the email address they use to set up their team’s account will accept emails from [support@younoodle.com](mailto:support@younoodle.com) or from any other @younoodle.com address.*** YouNoodle will auto-generate an email regarding the status of account activity each time an update is made.

Click on the 2021 Governor’s Cup competition link:

[https://platform.younoodle.com/client/entry-rounds/arkansas\\_governors\\_cup\\_2020\\_2021/apply](https://platform.younoodle.com/client/entry-rounds/arkansas_governors_cup_2020_2021/apply)

and follow the prompts to create the account. When done, click “Save,” then click “Next.”

(Team leaders with existing accounts in YouNoodle, whether for a previous Governor’s Cup or for another competition should be able to log in at the Governor’s Cup 2021 link with their existing credentials.

After the account is created, the next window will be “Invite Team Members.” This is where you will add your primary advisor as the other administrator for the team account, as required in the rules. **Please ensure first that his/her email account will also accept emails from any @younoodle.com domain.**

In the team “Team Member” window, follow the prompts to invite the primary advisor. Next:

- The primary advisor will receive an email from YouNoodle with the invitation to join the team’s account. The subject line will be “You have been invited to join a team for 2021 Arkansas Governor’s Cup.”
- He/she needs to open the email and click on the provided link to “Create an Account” in YouNoodle.
- The next window will be titled “Team Member Invites,” stating, “You have been invited to be a team member of (name of team). After clicking “Accept,” he/she will be taken to the team’s application page.
- The primary advisor will also receive email updates each time the account is updated
- ***The advisor must accept the invitation to be added to the account before the team’s application can be submitted.***

### **Creating and Editing Team Applications:**

After setting up the team account, the team leader will be directed to a new window, featuring a box titled, “Create A New Application.” Click on the box to open an application.

If information is still unknown or incomplete at the time the team leader starts the application, the fields can be left blank or populated generically.

The phone number required of both the team leader and the primary advisor is crucial. Should the team make the semifinals, and especially if there are technical issues, these numbers should be ones where they can be reached quickly.

**Note: Applications are considered incomplete until the business plan is uploaded.** This is fine until the deadline to submit the business plan.

Team leaders can update applications anytime 24/7 via the [custom 2021 YouNoodle link](#).

To make edits and updates, team leaders need to log into the account, then click on “Dashboard” at the top of the column on the left side of the page. In the next window, click the application’s button. In the following window, click the “Edit” button on the right (at the top of the application, not the page) and proceed, saving changes as prompted.

## **Intents to Compete – Deadline February 21, 11:59 p.m.**

Teams that intend to compete in the Governor’s Cup need to have their YouNoodle applications **created** by 11:59 p.m. February 21.

Teams are not required to have their applications **completed** by this deadline. For intents, only the school name, the division selection, and a summary of the idea are needed.

Arkansas Capital staff will review intents for ensuring the team's business idea fits its selected division. For questions, staff will reach out to the team leader and primary advisor for discussion.

Intents to compete are not binding. A team may enter the competition after the intents to compete deadline without penalty. If a team chooses not to compete after submitting an intent, there is no penalty.

## **Team Introduction Video – New Deadline, February 28, 11:59 p.m.**

As previously noted, this team introduction video is new to the Governor's Cup. Teams get to see fellow competitors, and the public gets to see the great ideas coming from Arkansas's college and university students! This will be shown with a live introduction at noon March 10. Details will be at [argovernorscup.org](http://argovernorscup.org).

### **Video Content:**

- The subjects of the video – who is appearing and who is speaking – is up to the team.
- Content is limited to 26 seconds; six seconds total for pauses (see "Recording the Video") and 20 seconds for content.
- Teams do not have to use the full 20 second content limit.
- In the content, teams must include:
  - the team name;
  - the college or university; and,
  - a summary of the business idea.
- Teams are encouraged to be cheerful and confident in their presentation.

### **Recording the Video:**

- The setting for the video can be at the team's discretion. Ensure the location is well-lit with good audio where all participants can be seen and heard.
- Teams may use appropriate visuals and props.
- Teams may use their choice of device for recording (phone, laptop, tablet, etc.).
- Handheld recording is not recommended. Use a tripod or set the camera against a sturdy surface.
- Video must be recorded widescreen (if using a phone, use the landscape mode).
- Ensure all participants in the video are framed properly.
- "Zooming" in or out during the recording is not recommended.
- When recording begins, teams need to be still and quiet for three seconds before speaking. When done, teams to be still and quiet for three seconds before the recording is stopped. This will allow smooth transitions between teams as the entire introduction video is edited.
- Be confident!

### **Formatting and Uploading:**



- Videos must be recorded in one of the following formats: MP4, MOV, MKV, or AVI.
- The video file must be named the same as the team name.
- To upload, use the [link](#) in the “Team Introduction Video Upload” section of the YouNoodle application.

## Submitting the Business Plan – Deadline February 28, 11:59 p.m.

- Teams need to ensure their YouNoodle application information is current and complete before uploading the business plan, as instructed in the application, and submitting their entries.
- Plans must be converted to PDF before uploading.
- The plan’s file name must be the same as the team name, for example, “(name of team).pdf.”
- The PDF file size is limited to 10 MB. YouNoodle will not allow uploads of files beyond this limit.
- Teams should ensure all photos, graphics, etc. in the plan convert properly before uploading.

## Competition Rounds and Judging

As noted previously, there are three rounds to the Governor’s Cup:

- Round 1 – Written
- Round 2 – Oral Presentations – 12 Semifinalists
- Round 3 – Oral Presentations – 6 Finalists

A different team of judges is recruited for each round in each division. The judging pool averages 60 volunteers annually.

### Round 1 (Written) – Deliberations Thursday, March 11

The judges’ pool is divided into 6 groups for each division – 12 groups in total. There will be at least three and no more than five judges per group.

There are two phases of judging for Round 1. In phase one, judges review and score plans independently in YouNoodle. The scoring rubric and points are the same as noted in “Business Plan Contents.” Judges are also asked to leave feedback. When finished, they are to note the top two teams they would select to advance to Round 2 as semifinalists and a third team as an alternate.

In phase two, judges will convene by group for deliberations (virtual for 2021). Judges are provided a spreadsheet of their and their fellow judges’ independent scores as a guide for deliberations. Each will share his/her top two teams and alternate selections. Judges will then deliberate to select the group’s two semifinalist teams and the alternate team. Feedback will be recorded.

The 12 semifinalists for both divisions will be announced at noon Monday, March 15, at [argovernorscup.org](http://argovernorscup.org).

### Round 2 (Semifinalist Oral Presentations) – Deliberations April 1

## Round 3 (Finalist Oral Presentations) – Deliberations April 2

Following the semifinalist announcement, Arkansas Capital will email feedback from Round 1 judges to all team leaders and primary advisors.

### **Revised Business Plan:**

The business plan content requirements for Rounds 2 and 3 will not change. Semifinalists may choose to use feedback to update their business plans for Rounds 2 and 3 judges into the team's YouNoodle application by 11:59 p.m. Sunday, March 21. If no plan is uploaded into this section, the plan submitted for Round 1 will be the plan forwarded to Round 2 and Round 3 judges.

At least five and no more than seven new judges are recruited for Round 2 for each division. A new pool of judges is also selected for both divisions in Round 3.

Plans and the rubric below will be forwarded to all Round 2 and 3 judges in advance of Round 2.

### **Presentation Tracks:**

For Round 2, there will be two tracks of 12 semifinal presentations in both divisions. Six teams will present in the morning and six teams will present in the afternoon.

For Round 3, there will be one track of six finalist presentations for both divisions. Three teams will present in the morning and three teams will present in the afternoon.

All presentations will begin at 9:00 a.m. and conclude at 3:20 p.m., followed by judges' deliberations.

### **Presentation Time and Breakdown:**

Presentations are 50 minutes. A staff member from Arkansas Capital will be assigned as timekeeper.

- 10 minutes Begin virtual connection of teams and judges; judges provide a welcome and introductions. Presentations may begin when teams and judges are ready.
- 20 minutes Team presentation. All judges will be muted during the presentation except for the timekeeper, who will alert the team when five minutes and one minute remains in the formal presentation. If a presentation is finished before the 20-minute time limit, judges may proceed with the rest of the presentation schedule.
- 10 minutes Q & A – teams are encouraged to anticipate judges' questions and have slides or other visuals prepared to supplement their responses.
- 10 minutes Informal Q & A with judges, presentation closes.

It is not unusual for presentations to end before the 50-minute time limit. Teams are highly encouraged to take advantage of the opportunity to visit with judges and ask questions, seek advice, etc. during the informal Q & A period.

### **Presentation Production Guidelines:**

- All presentations will be conducted live via Zoom. The Zoom application should be downloaded on the device the team plans to use for connection.
- The presentation setting is the team's discretion.
- Ensure the location is well-lit with good audio where all participants can be seen and heard clearly without extraneous noise or other distractions.
- Handheld recording for presentations is not recommended.
- The presentation must be framed widescreen.
- Ensure all presenters in the video will be framed properly.

### **Presentation Content and Scoring Rubric – Small Business Division, Rounds 2 and 3**

Small Business Division Semifinalists should prepare and present their presentations in the following order:

- **Begin the presentation** with a brief opening statement that includes an introduction of the members, a description of their product or service, and how it addresses the need in the marketplace. Conclude with a summary of the company's goals for the next three years.  
*(Aligns with the "Executive Summary" in the business plan requirements.)*
- **Value (15 Points):** The problem and solution statement are clear – the team has identified the unmet need in the marketplace. Whether it's for a new product or service, improving a current product or service in the marketplace, or expansion of an existing product or service business, make a strong case that their idea addresses the problem, has a distinct competitive advantage, a unique value for customers, and can be sustainable.  
*(Aligns with "Problem, Solution, Competitive Environment" in business plan requirements.)*
- **Validation (20 Points)** – The team explains the assumptions to show there will be market acceptance for their idea and that it will be profitable. The team gives strong evidence that they tested those assumptions with customers through discovery and validation processes. They discuss the milestones achieved during this process to validate market acceptance and profitability. Team members also point out lessons learned, comparing their initial assumptions to what they actually discovered during this validation process. They also identify major internal and external risks they've discovered that could threaten the venture and the contingencies they've devised to address them.  
*(Aligns with "Customers and Validation of Business Idea and Venture" and "Critical Risks" in business plan requirements.)*

- **Go to Market Strategies and Revenue (20 Points):** The team explains the research and development, personnel, key partners (including team members who are not students, if applicable), production, marketing and distribution channels, sales, and other key strategies that need to be implemented. The team also states the anticipated sources and streams of revenue and how they expect to generate enough revenue and profit for a viable business.  
*(Aligns with “Go to Market Strategies” and “Revenue” in business plan requirements.)*
- **Management Team (15 Points)** – The venture is led by the student team members. The students tell which executive management (“C-Suite”) positions they hold in the company and why. The team explains why they are the right team to execute the venture.  
*(Aligns with “Management Team” in business plan requirements.)*
- **Funds Required and Pro Forma Financials (15 Points)** – The team states the amount/s and type/s of capital needed for the business, when it is needed, and how it will be used. The team also present and explain their income statement, balance sheet, and cash flow statement; each will have monthly projections for the first year and annual projections for years two and three.  
*(Aligns with “Funds Required” and “Pro-Forma Financials” in business plan requirements.)*
- **Quality of Presentation (10 Points)** – The team conveys a passion for their idea and is persuasive in convincing the judges that it will solve a real problem in the marketplace. Information presented both verbally and visually is organized, realistic, and is also congruent with what is stated in business plan and in other parts of the presentation.

### **Presentation Content and Rubric – High Growth/Technology Division, Rounds 2 and 3**

High Growth/Technology Semifinalists should prepare and present their presentations in the following order:

- **Begin the presentation** with a brief opening statement that includes an introduction of the members, a description of their product or service, and how it addresses the need in the marketplace. Conclude with a summary of the company’s goals for the next three years.  
*(Aligns with the “Executive Summary” in the business plan requirements.)*
- **Value (15 Points):** The problem and solution statement are clear – the team has identified the unmet need in the marketplace. Whether it’s for a new product or service, improving a current product or service in the marketplace, or expansion of an existing product or service business, make a strong case that their idea addresses the problem, has a distinct competitive advantage, a unique value for customers, and can be sustainable.  
*(Aligns with “Problem, Solution, Competitive Environment” in business plan requirements.)*

- **Validation (20 Points)** – The team explains the assumptions to show there will be market acceptance for their idea and that it will be profitable. The team gives strong evidence that they tested those assumptions with customers through discovery and validation processes. They discuss the milestones achieved during this process to validate market acceptance and profitability. Team members also point out lessons learned, comparing their initial assumptions to what they actually discovered during this validation process. They also identify major internal and external risks they've discovered that could threaten the venture and the contingencies they've devised to address them.

*(Aligns with “Customers and Validation of Business Idea and Venture” and “Critical Risks” in business plan requirements.)*
- **Go to Market Strategies and Revenue (20 Points):** The team explains the research and development, personnel, key partners (including team members who are not students, if applicable), production, marketing and distribution channels, sales, and other key strategies that need to be implemented. The team also states the anticipated sources and streams of revenue and how they expect to generate enough revenue and profit for a viable business.

*(Aligns with “Go to Market Strategies” and “Revenue” in business plan requirements.)*
- **Management Team (15 Points)** – The venture is led by the student team members. The students tell which executive management (“C-Suite”) positions they hold in the company and why. The team explains why they are the right team to execute the venture.

*(Aligns with “Management Team” in business plan requirements.)*
- **Funds Required and ProForma Financials (15 Points)** – The team states the amount/s and type/s of capital needed for the business, when it is needed, and how it will be used. The team also present and explain their income statement, balance sheet, and cash flow statement; each will have monthly projections for the first year and annual projections for years two and three.

*(Aligns with “Funds Required” and “Pro-Forma Financials” in business plan requirements.)*
- **Offering and Exit Strategy (5 Points)** – Clearly articulates a proposal and terms to investors, identifies what is being sought from investors, states how much equity will be given up in return for investment capital, presents a realistic assessment of ROI potential, presents an appropriate deal structure and possible exit scenarios.

**Note:** The Offering and Exit Strategy is not required in the High Growth/Technology business plan – they are to be included only during the presentation.
- **Quality of Presentation (10 Points)** – The team conveys a passion for their idea and is persuasive in convincing the judges that it will solve a real problem in the marketplace. Information presented both verbally and visually is organized, realistic, and is also congruent with what is stated in business plan and in other parts of the presentation.

### **Presentation Visuals:**

Teams may incorporate PowerPoint slides or other audio/visual aids into their presentations.

As stated in the rules, Arkansas Capital will not guarantee that videos, sound clips, fonts, and other electronic aids used by teams will work and/or display at full capacity.

Teams may also demonstrate product samples or prototypes for their presentations.

### **Judging:**

As in Round 1, decisions on finalists and winners in Round 2 and Round 3 are not judged solely on which teams receive the highest scores. Judges will have the rubric as their guide to assist them in preparation and during presentations. Deliberations will follow the final presentation.

Each track of Round 2 judges will decide three finalists, for a total of six finalists in both divisions. Finalists will be announced that evening at [argovernorscup.org](http://argovernorscup.org). Round 3 judges will decide the first, second, and third place winners in both divisions, to be announced at the awards presentation.

### **Oral Presentations Schedule, Testing, and Links:**

#### **Round 2:**

- Presentation times and a list of judges will be forwarded to team leaders and primary advisors in advance of semifinals.
- Arkansas Capital will work with semifinalists to schedule testing from presentation locations for internet connectivity and audio/video quality. These tests will be conducted March 29-30 via Zoom.

#### **Round 3:**

- Arkansas Capital will forward the Round 3 presentation schedule and the Zoom links to team leaders and primary advisors after finalists are announced the evening of April 1.
- Teams that advance to the finals will not have the opportunity to update their business plans for judges. Teams are free to update presentation slides and other visuals used from Round 2 for Round 3.

### **General:**

- Oral presentations will not be available to the public for viewing. Only team members and advisors registered in YouNoodle will be allowed to join the presentation. However, high-level sponsors of the competition will be invited to watch the competition (not interact).
- All presentations will be recorded.
- Teams should not be distracted if an Arkansas Capital staff or a judge stops his/her video or audio during any part of the presentation.

### **Presentation Rules and Conditions:**

- All data and information discussed or divulged by competitors during virtual presentations should be considered information that will enter the public domain, particularly the internet.
- Teams are solely responsible for protection of intellectual property rights, such as patents, trademarks, and copyrights.
- Competitors should not assume any right of confidentiality in any data or information discussed, divulged, or presented.
- Neither Arkansas Capital, nor its designated organizations, nor judges, nor sponsors, assume any duty to screen or otherwise control the identity of those attending, viewing, or hearing all or part of the presentations.
- By entering the Governor's Cup, teams agree that Arkansas Capital will broadcast, record, photograph, or otherwise duplicate the presentations made during any phase of the competition.
- By entering the Governor's Cup, teams understand their idea has been publicly disclosed. Arkansas Capital will not ask judges, reviewers, sponsors, staff, audience members, or any other individuals involved with the competition to sign non-disclosure or confidentiality statements.
- Teams agree that neither Arkansas Capital and its affiliates, nor members of the judging panels, nor sponsors and their designated organizations, assume any liability for any disclosures of any information related to their submissions, which may be made, whether inadvertently or otherwise, by any judge, reviewer, staff member, audience member, or other individual connected with, participating in, viewing, hearing, or receiving information at any time during the competition.
- Competitors also agree that Arkansas Capital Corporation, its affiliates, and other designated organizations may use videos, photos, transcripts, and/or recording(s) (in whole or part) for publicity and marketing purposes as their organizations may see fit, including those which may result in remuneration.

## **Virtual Awards Presentation / Elevator Pitch Competition – Thursday, April 8 – 12:00 – 1:00 p.m.**

Arkansas Capital is pleased to announce that Mike Preston, Arkansas Department of Commerce cabinet secretary and director of the Arkansas Economic Development Commission, and his wife, Anne Preston, will co-emcee the awards presentation.

The :90 elevator pitches from each of the finalist teams are an annual highlight of the awards presentation. Arkansas Capital is currently planning to have these pitches presented live and will work with teams following

Round 3 on scheduling and testing. A winner from each division will be selected by a panel of judges and announced with the other division winners.

## Cash Awards Distribution

### **Tax Forms:**

Governor's Cup cash awards are subject to taxation. All semifinalist team members and advisors are required to complete and submit an Internal Revenue Service (IRS) [W-9](#) or, where applicable, a [W-8BEN](#) form to Arkansas Capital by noon March 30.

All W9 forms are securely stored by Arkansas Capital. Forms submitted by all students and advisors on teams that are not winners in the competition will be destroyed. Winning team students and advisor forms will be stored securely and kept on file according to IRS rules.

For all students who win \$500 or more, IRS 1099 forms will be mailed in January 2022. They will be addressed according to the information provided by team members on their tax forms.

If a W-2 form is returned by the post office as undeliverable, due to a move or other circumstances, it is the responsibility of the team member or advisor to contact Arkansas Capital with a request to re-send their 1099s to an updated mailing address.

Arkansas Capital cannot provide guidance or recommendations regarding taxes.

### **Dividing Cash Awards:**

Arkansas Capital will contact team leaders and advisors for cash award distribution preferences.

**For team members:** Typically, the award is split evenly by the number of team members registered in the team's YouNoodle applications and by receipt of completed tax forms.

Teams may also request one of the following options, with conditions:

- Make the award payable to the team's company. An email must be sent by the team leader to all team members and to Arkansas Capital on this decision. Each team member must verify their agreement of the distribution via an email reply to all. Once email agreements are received from all team members, the team leader needs to email a completed company W-9 to Arkansas Capital. Once received, the award payment will be processed.
- Process different distribution amounts to team members instead of an even split. The team leader will email a spreadsheet with each team member's name and the amount of his/her proposed distribution to all other team members and to Arkansas Capital. Each team member must verify their agreement of the



distribution via an email reply to all. Once Arkansas Capital receives email agreements from all team members, the awards payments will be processed accordingly.

**For advisors:** Each team advisor listed as “Primary Team Advisor” in the team’s YouNoodle application will receive a check for \$2,500. Primary advisors may share their award with another advisor – if they choose to do so, he/she needs to email Arkansas Capital with instructions. A W-9 form will be required of the second advisor before payment can be processed.

**Remittance:**

- For team members and advisors winning \$5,000 or more, awards will be made by direct deposit. Arkansas Capital will work with team members directly to collect bank account information.
- For cash awards under \$5,000 awards will be paid by check from the Arkansas Economic Acceleration Foundation, an affiliate of Arkansas Capital.
- For team members without bank accounts for direct deposit, his/her award will be paid by check.
- Checks will be processed in the name of the team member and the advisor and mailed to the address as indicated on their W9 or W8-BEN forms.
- **Checks not cashed within 90 days of the date issued will be voided.**

## Questions / Assistance

Contact: Marie Bruno, AEF Executive Director, Arkansas Capital; [mbruno@arcapital.com](mailto:mbruno@arcapital.com) – 501-374-9247.

*“The Governor’s Cup meets our goal of giving students entrepreneurial education experience by testing either their own or another’s idea, assessing their potential for being an entrepreneur in terms of personal capability and desire.*

*“But also, what a great opportunity to be able to get together with other young entrepreneurs, business leaders, political figures in the state ... to be able to come together and celebrate entrepreneurialism in young people in Arkansas. It was a great opportunity to be able to make a lot of great connections and a chance to be significantly rewarded for our hard work.”*

*Governor’s Cup Team Advisor*

**Good luck!**