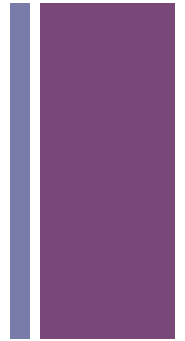


YouNoodle Business Plan Guidelines

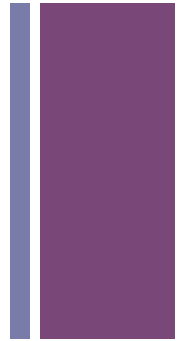
Desafio Intel Competition 2010

+ The Business Plan



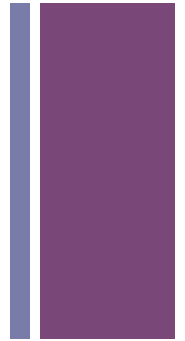
- These are IBTEC's guidelines.
- Business Plan must be limited to 25 pages of text, including the executive summary and summary financial data (typed, 12-point font, and 1-1-1-1 inch margins, page size: 8 ½ x 11 inches). Detailed spreadsheets and appropriate appendices may follow the text portion of the plan but must be limited to 5 pages. Your resumes are not included in the 25 page total. In total the plan should be no longer than 30 pages. Pages should be formatted to 8 ½ x 11 inches (standard U.S. page size) and double spaced.
- The submission should include these three areas:
 - Executive Summary (not more than 3 pages)
 - Business Plan (not more than 22 pages)
 - Team Resume Booklet (each resume should not exceed 2 pages)

+ The Business Plan



- The business plan section should include these areas:
 - Concept and Product
 - Feasibility and Sustainability
 - Market
 - Financials and Profitability
- Financial data should include a cash flow statement, income statement, and balance sheet. Include an explanation of the offering to investors indicating how much money is required, how it will be used, and the proposed structure of the deal, i.e., stock, debentures, etc. The team is not required to reveal its desired deal, although the judges may ask questions about it. Also, delineate the possible exit strategies.

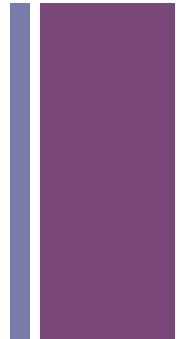
+ The Business Plan – Executive Summary



- **The Opportunity [Elevator Pitch—In a paragraph or two, why should I read this plan]**
 - This is your opening paragraph(s)—capture the readers attention and show what you’re all about
 - The objective of this opening section is a concise description of your venture opportunity, including what you’re doing, for whom you’re doing it, and why it’s an exciting investment prospect.
 - This section should make a compelling statement to prospective investors so they wish to learn more.
- **Company Description [The Team—technology is important, but the team can be the deal- maker]**
 - Nature of the business:
 - Tell us about your company. The type of business (manufacturing, design/engineering, technology licensing, distribution, etc.) will drive the competencies required.
 - Team:
 - Who is on your team? Describe roles and key experience/expertise for each. What is their level of commitment currently, and what would enable them to join full-time (if applicable)?
 - Who is advising the team? In what capacity (advisory board, mentor, etc.)?
 - Structure:
 - Is the company incorporated (what structure, where); does it have legal counsel (who); Where is it (or will it) be physically located?

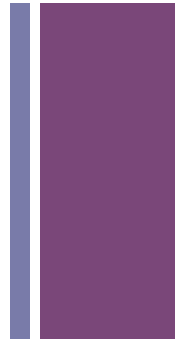


The Business Plan – Market Analysis



- **Market Analysis [This is where many investors decide your fate, or at least how deeply they'll read the rest—is the market big enough; how crowded is the space, etc.]**
 - Industry:
 - Tell us where you fit in the industry, or as part of the ecosystem (value chain).
 - Describe any government regulations (existing/pending) that may enable/jeopardize your idea.
 - Describe current industry trends which support the introduction of your product/solution.
 - Customer/Market:
 - What is the need (quantitative and/or qualitative) that customers are currently experiencing?
 - What is the market opportunity and size (total available market)? How much of this market can you address—i.e., served available market or addressable market? Bottoms-up numbers are preferred to top-down estimates.
 - What is the expected growth over the next 5 years?
 - What segments make up your primary target market(s)? Why are you focused on them?
 - What is the profile of your first customers? Feel free to provide a real story to illustrate your point.
 - Competition:
 - Who are established companies trying to address this customer need? What is their share of the existing market/positioning for the emerging market? Emerging technologies/other alternatives?

+ The Business Plan – Products/Services



■ Product & Services [Okay, now it's time for depth on your technology solution]

■ Product Description:

- Describe exactly what it is you are going to sell & how it fits into the overall value chain. Include relevant features. Pictures/schematics are helpful.

■ Value Proposition/Competitive Advantage:

- Describe the benefits of your product/solution relative to the total cost of ownership from the customer's perspective (value proposition)
- How is your product differentiated from existing & emerging solutions (competitive advantage)? If the differentiating factor is a technical innovation created by your team, be specific on what that is. Feel free to reference peer-reviewed research articles to support your claims.

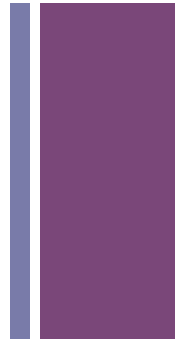
■ Intellectual Property Protection:

- Describe key differentiating technologies and how they will be barriers to competition—i.e., intellectual property protected by patents, copyrights, trade secrets, etc. What is your strategy to put these protective measures in place?

■ Validation:

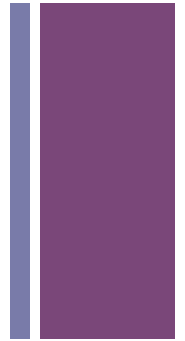
- Have you already presented your solution to a potential customer? What was their reaction?
- Any other evidence of validation—3rd party technical reviews, engineering/safety certifications, peer-reviewed publications, etc.?

+ The Business Plan – Feasibility



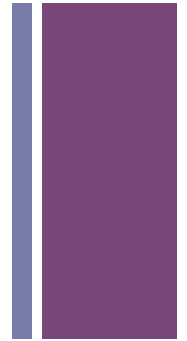
- **Marketing & Sales (Feasibility) [How will you ‘go-to-market’? Also, what is the flow of your product/solution to the customer & how will you make money!]**
 - Feasibility:
 - What are the milestones that you need to achieve in order to enter the market with your solution (e.g., technology development, prototype, pilot implementation, etc.)?
 - Does your venture require outside infrastructure, strategic partnerships, or any similar dependencies? How are you planning on securing these?
 - Marketing Strategy:
 - How will you sell to the customer—direct, channel partners, distributors, etc.?
 - How will you communicate with customers—trade shows, advertising, distributed sales force, etc.?
 - How will you make money?
 - Sales:
 - What is the sales cycle consist of and how long will it take?
 - How will you identify and target early adopters? Do you have a pipeline of customer activity already? If possible, be specific.
 - If using direct sales or selling through distributors, describe how you will structure and manage the sales force—key account, geographical, segment, product, etc.

+ The Business Plan - Operations



- **Operations [How will you design, manufacture and source the things required to support your business model?]**
 - Production/Delivery:
 - At a high level, describe how & where your product is designed, sourced, manufactured, and installed/serviced.
 - Describe any operational competitive advantages that you have or will put in place.
 - Suppliers/Sourcing:
 - What are the critical elements in your supply chain, including key vendors/partners and how they will support your opportunity.
- **Management & Ownership. [If you have already distributed shares, this will give investors an idea of the ownership/governance picture; if not, this section will focus more on your plans. No need to repeat detail shown elsewhere (e.g., management bios)]**
 - Management:
 - What is the management structure currently in place, or that will be in place to support market entry
 - Who are the key managers, and planned hires? How will you find these key hires?
 - Ownership:
 - What is the existing capitalization of the company—i.e., who are the shareholders
 - Who are or will be the Board of Directors? If you have Directors, describe their relevant expertise, experience, or contribution

+ The Business Plan - Financials



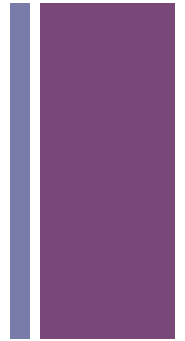
■ Financials [What does the opportunity look like financially, including the key drivers?]

- What is the revenue model? What are the key drivers/assumptions—e.g., price premium/discount, license/royalties, low cost of goods, contractual relationships with customers/vendors, etc.?
- If you have actual financials, be sure to highlight them as actuals whether they're combined with the pro formas or illustrated separately.
- Include your 'pro forma' financials (income statement, balance sheet, and statement of cash flows over a 5 year timeline)? More detailed financials with a more detailed timeline (e.g., monthly for the first year, quarterly for 2 years, etc.) is more ideal for an appendix.
- Highlight any significant capital expenditures, or other assumptions that might not be apparent (e.g., signed a 3-year office lease, signed deal outsource manufacturing to China, etc.)

■ Funding Required and Their Uses [How much are you raising & at what milestones?]

- How much funding have you already received for your venture? Where did it come from (e.g., friends/family, angel, bank loan, etc.), and what milestone(s) (e.g., patent filing, prototype, 1st sale, etc.) has it enabled?
- How much funding are you planning to raise & what milestone(s) will it enable you to achieve?
- What are the likely sources of capital (VC/Angel, Debt, Government?) How will the money be spent?
- What is your total required funding until you reach profitability?
- How will investors get their return—i.e., for angels & VC's, what exit option is most likely for your venture (acquisition, IPO, etc.)? Any comparable companies that serve as a benchmark?
- In the event of winning the competition, how are you planning on spending the prize?

+ The Business Plan – Appendices (Optional)



- Resumes (condensed) of key team members
- Additional product information—brochures, specifications, extended value proposition calculation, screen shots from software or web forms, etc.
- Customer testimonials, press articles (not your press releases)
- Customer-specific cases that illustrate a sales cycle, pilot deployment, evaluation, etc.
- Expanded financial data is also okay if you have it—e.g., monthly/quarterly financials, sensitivity analyses, etc.