

WTTM Enterprise Center



AMARILLO
ENTERPRIZE
CHALLENGE

**REGISTER
BY OCTOBER 1st**



AmarilloEnterPrizeChallenge.com

AMARILLO TEXAS
The Amarillo Economic Development Corporation

2016

Welcome

www.AmarilloEnterPrizeChallenge.com

Welcome to the Amarillo EnterPrize Challenge! The Amarillo EnterPrize Challenge is a program funded by the Amarillo Economic Development Corporation and administered by the WT Enterprise Center.

The Amarillo EnterPrize Challenge is designed to assist entrepreneurs in expanding an existing business or launching a new one. Everyone who participates will gain a better understanding of how to develop and follow a realistic business plan for their growth business.

Our hope is that you find tremendous value in the process of writing your business plan. We designed this workbook to help you understand and prepare for the EnterPrize Challenge and future investment. We hope to partner with you and help guide you to capital investment and, ultimately, growth for your company.

The workbook is not the only resource we are offering to our participants. All entrants into the EnterPrize Challenge will have access to business coaching, expertise, and other great resources offered at the WT Enterprise Center. Our aim is to become your entrepreneurial resource.



Sincerely,
David Terry
Executive Director
WT Enterprise Center

Economic Impact Data

636
TOTAL JOBS

\$119
MILLION
Annual Revenue

\$13
MILLION
Invested in
additional capital

A program of

WT Enterprise Center

Program funded by

AMARILLO TEXAS
The Amarillo Economic Development Corporation

2016

TABLE OF CONTENTS

business plan outline

1. How to participate	1
2. Rules of the challenge	2
3. Investor Fact Sheet	3-4
4. Introduction to business plan writing	5
I. Investor Fact Sheet	4
II. The Business	6
III. Product/Service	7
IV. Marketing	8-9
V. Management	10-18
VI. Appendix	19
5. Format and Content Requirements	
I. Business Plan	20
II. Finalist Presentation Outline	21
6. Finalist Presentation “The Pitch”	22
7. Non-Relatives Certification List	23
8. Notes Section	24

2016

How to Participate

1. Register online for the Amarillo EnterPrize Challenge

2. Attend an Orientation Workshop

5 video orientation series online or attend in-person

AEC Orientation #1 Tuesday, August 18th (12:00pm – 1:00pm)

AEC Orientation #2 Thursday, September 17th (4:00pm – 5:00pm)

3. Submit Application & Credit /Background Authorization

Due October 1st, 2015 by 5:00pm

All owners (or active spouses) with 20% or more ownership of the company must complete the credit and background authorization.

Once you have qualified for the Amarillo EnterPrize Challenge:

1. Attend Group Coaching Workshops

Tues. Sept. 22nd (11:00am – 1pm)
Tues. Sept. 29th (11:00am – 1pm)
Tues. Nov. 3rd (11:00am – 1pm)
Tues. Nov. 10th (11:00am – 1pm)

Business Model Canvas
Investor Fact Sheet/Financials pt. 1
Business Plan Prep
Preparing for Investment /Financial Worksheets

2. First Phase submission, Investor Fact Sheet PDF online

Deadline is Monday, October 12th by 5:00pm

3. Schedule One-on-One Coaching Sessions with WT Staff and Specialists

4. If selected to move to the Second Phase, submit 2 hard copies and an online PDF of the business plan

Deadline is Tuesday, December 15th 2015 by 5:00pm

5. Finalist Selection

Thursday, February 4th, 2016

5. AEC Finalist's Presentations

Thursday, February 18th, 2016

6. AEC Awards Ceremony

Thursday, March 3rd, 2016 (5:30pm – 7:30pm)

- ▶ Eligible companies must be “primary” industry companies. This means that companies are growth oriented and currently receive, or project to receive, 75% of their revenue from outside of Potter/Randall counties.
- ▶ Applicants must have acceptable credit history and criminal background report.
- ▶ Businesses must be located in the Amarillo area (Potter or Randall counties) and businesses that receive grants must agree not to relocate for 4 years. Businesses that decide to move out of the area within four years subsequent to receiving a grant award will be required to repay the grant amount in full.
- ▶ Relatives of the Amarillo City Commission, Amarillo EDC Staff , Amarillo EDC Board, WT Enterprise Center Staff, Entrepreneurs-in-Residence, and WTEC specialists are ineligible.
- ▶ Award recipients must agree to become a client and receive coaching and training from the WT Enterprise Center for one year.
- ▶ All award recipients must provide economic impact data yearly to the WT Enterprise Center for the life of their business.

“The **Amarillo EnterPrize Challenge** helped us think strategically and gave us a vision of growth for the future.”

-Steve Brown, Owner of ROI Online

2015 EnterPrize Challenge Recipient



2016

Investor Fact Sheet

1st Phase Submission

This year's Amarillo EnterPrize Challenge introduces a new phase of submissions for participation. The First Phase submission is the Investor Fact Sheet due October 12th by 5:00pm. The Investor Fact Sheet will be scored based on the criteria below, by the five independent judges to determine who will move on in the Amarillo EnterPrize Challenge. The top 15 ranked businesses and ties will move on to the Second Phase submission, the Business Plan. Semi-finalists will be selected and notified on Monday, November 2nd by 5:00pm.

Investor Fact Sheet Score Card

I.	Viability	20
II.	Team and Partners	15
III.	Financial	10
IV.	Growth	15
V.	Go-to-market Strategy	15
VI.	Competition	10
VII.	Advancement	15
Total:		100

Tip

Use your Business Model Canvas outline to help you prepare your Investor Fact Sheet. For more Business Model Canvas training visit, <http://entrepreneurship.org/Founders-School/The-Lean-Approach/Business-Model-Canvas.aspx>

Investor Fact Sheet
Company Name



Contact name and title
Address
City, State, Zip

Phone number
Email address
Website

Management Team:
Name and titles

Industry:

Key Advisors/Board Members:

Number of Employees:
FT, PT and projected

Bank:

Law Firm(s):

Amount of Financing Sought:
i.e. \$2M equity

Current Investors: *Total amount of equity investment, name of investor and % of ownership*

Use of Funds: *i.e. Product development, marketing/sales, distribution, etc...*

Business Description: *Brief description of your business-legal structure, when formed, why the business was started and etc.*

Problem/Solution: *Discuss the key pains in the industry and quantify how big they are (time, \$\$, etc.). What is your solution?*

Products/Services: *Describe your products and/or services. How does your product or service solve the pain identified above? Describe your value propositions.*

Competitive Advantage: *Identify your competitive advantage(s) - do you have strong know-how, an expansive network, high switching costs, long-term contracts, is there a steep learning curve? IP is helpful here, but usually not sufficient. What creates barriers to entry for competitors?*

Markets/Market Opportunity: *The pain in the market should translate into a market opportunity. Provide a clear description of your target market and any market segments that may exist within that market. Include potential market size and growth rate.*

Competition: *Briefly describe the competitive outlook and dynamics relevant to the market in which you will operate. Identify any current or potential direct and indirect competition.*

Business Model and Distribution Channels: *How does the business make money? How will you sell and price your product (subscription, license, recurring revenue, etc.). Indicate which channels will be used to deliver your products/service to your target markets (i.e. website, direct sales force, VARs, channel partners, etc.).*

Revenues:	Historical			Projected		
	2012	2013	2014	2015	2016	2017
Income:	\$	\$	\$	\$	\$	\$
Net Profit	\$	\$	\$	\$	\$	\$
(\$ in thousands)						

Writing a business plan may be a challenge; however, a written business plan is a vital tool to effectively communicate your business idea and execution strategy. Beyond the exercise of writing the plan, the process will help you understand where you are and where you are going. In fact, the business plan becomes a roadmap for growth, attracting investment and building a solid team. Many entrepreneurs find that the process helps identify gaps as well as opportunities.

Although a well-written business plan is no guarantee a lender will make a loan or that an investor will be willing to provide equity capital, it does show that you have thought through the risks and rewards of starting or expanding your business. Below is the criteria the five independent judges will use to score the Business Plan submissions.

Business Plan Score Card

I.	Investor's Fact Sheet	5
II.	The Business	15
III.	The Product and/or Services	20
IV.	Marketing	25
V.	Management	20
	a. New Job Creation	5
	b. New Revenue for the Region	5
VI.	Appendix	5
Total:		100

Tip

- 1. Start early**
- 2. Don't let someone else write your plan for you**
- 3. Don't write the plan just to impress the judges, write a plan that is executable.**
- 4. Let others critique your plan**

2016

The Business

business plan outline



- The legal structure and ownership:
- Explain what business you are in – i.e., the industry, the “niche” or area of specialization, the type of business, etc.
- Include your “mission” and/or “vision” statement - your mantra.
- State the key goals or objectives of the business, both long- and short-term.
- Describe the “image” that will be projected to the customer.
- Why does/should the business exist?
- Describe past entrepreneurial successes, demonstrated management experience, successful small business ownership, demonstrated experience in the field and educational/professional certifications.

“A **primary business** is defined as one that primarily exports its products or services **outside of the Amarillo area**, thus bringing new money into the local economy. To meet this definition, you must document that **at least 75%** of your company’s sales will come from outside of the Amarillo area.”



2016	The Product/Service
business plan outline	



Why is it that so many good ideas fall victim to “The Polite Nod” and never realize their full potential? The plain truth is that most people on the business side of the equation cannot always understand the business value of their remarkable ideas. This has little to do with the idea, because business backers are not evaluating the quality of the idea. In fact, they are assessing an entirely different set of criteria than you might expect. And that’s precisely why the gap widens between a good idea and a great opportunity.

- Accurately describe each type of product and/or service the business will provide and explain how it will be used.
- State how the products/services will benefit the customer.
- What problem does it solve and/or what need is satisfied?
- Describe future direction – i.e. “next generation” and/or planned changes.

“The **Amarillo EnterPrize Challenge** benefitted us by forcing us to say who we are and what we’re going to do on paper.”

- Michael Hanning, Founder of 3rd Coast Soda
2015 EnterPrize Challenge Recipient



2016

Marketing

business plan outline

IV.

A. Target Market(s)

- Describe the market(s) to be served:
 - Demographic – who are they?
 - Geographic – where are they?
 - Psychographic – why do they do the things that they do?
- Explain what trends, patterns, lifestyles and other factors affect demand for your products or services (both positive and negative).

B. Competitive Environment

- Identify your direct and indirect competition- who will be competing for the same dollars?
- Compare the strengths and weaknesses of your business to your competitors by performing a SWOT analysis (strengths, weaknesses, opportunities and threats).

C. Pricing Strategy

- Describe how you intend to price your products/services and why.
- Explain how you will establish prices in relation to cost – i.e., what gross profit margins you expect to achieve.
- How does your business make money?

D. Positioning Strategy

- What needs, wants or feelings are you trying to meet?
- What unique benefits and advantages will you offer that others can't or don't?
- What will “differentiate” your business and/or products or services

Marketing Planning Tool



2016	Marketing
business plan outline	

E. Promotion Strategy

- Your promotion must get the “right message” to the “right people” at the “right time”.
- Describe the message you are trying to convey to your customers.
- Describe how you intend to “communicate” your message to potential customers. Will you use personal selling, advertising, publicity, telemarketing, direct mail, brochures or a combination of several?
- Explain when and how your promotion plans will reach your target market.
- How will you promote your product or service?
- How much will you spend on promotional activities?
- How much business do you expect to receive as a result of each promotional activity?

F. Distribution Strategy (Place)

- Describe how your products/services will be delivered to the end user. Will they channel via a retail outlet, jobbers, wholesalers, brokers, mail order, door-to-door, party plan, etc.?
- Explain the rationale for your distribution strategy.

2016	Management
business plan outline	



A. Operating Systems and Processes

- Describe the process of producing the finished goods or providing the service.
- Include such things as the location of the business, equipment used, technology, and the systems that facilitate the process.
- If the grant request is for equipment, explain how the new equipment will increase production and/or reduce production costs.

B. Current Employees

- Describe how many employees are presently on the payroll – both full-time and part-time.
- Does the business utilize contract labor? Describe.
- Describe the roles and responsibilities of each employee, both the management team and labor.
- Describe the skills, experience and qualifications of the management team that are relevant to this business.

C. Job Creation

- Describe and justify the number, quality, and timing of jobs that will be created each year for the next 3 years.
- You should list at least the following information:
 - o Number of jobs created in years one through three (list full-time and part-time)
 - o Wage level – amount of salaries, benefits, etc. paid in each job
 - o Skill level for all positions, including any special educational requirements.

2016	Management
business plan outline	

D.Financials

1. Sources and Uses of Funds Statement

- Quantify total amount of money needed to start or expand the business. Include one-time start-up costs plus necessary cash for operating funds (or working capital).
- Describe in detail what the requested Amarillo EnterPrize Challenge funds will be used for and how the grant will accelerate the growth of your business.
- Explain how much money will be provided by the owner(s) of the business (equity investment). Are these funds already available and/or committed or must new investors be located? If the latter, what percentage of ownership will be given for equity injection?
- Describe what loans (if any) and terms will be needed and what the funds will be used for (i.e., buildings, land, equipment, inventory, etc.) Explain how the loans will be repaid and what collateral and security will be provided to the lender.

2. Historical Analysis and Financial Assumptions

- What is going on in the business that is affecting the financial condition of the business: ie., why are labor costs rising, what caused sales to increase, why are COGS fluctuating from period to period, etc.?
- Explain in detail the basis of your projected income/expenses and use of cash: why do you expect sales to increase/decrease, what level of sales are required to break even, etc.
- Describe your sales forecast and the rationale behind it.
- How much money do you have invested in the business?
- Describe to the judges what picture is being painted by the financial statements and projections.

2016	Management
business plan outline	

3. Financial Statements and Projections

Existing Businesses

Required (If not complete, plans will be disqualified):

- Historical income statements, common-sized (Last 3 years)
- Historical annual balance sheets, common-sized (Last 3 years)
- Projected income statements, common-sized (Year 1 monthly, Annualized for Yrs. 1, 2 & 3)
- Projected cash flow statements (Year 1 monthly, Annualized for Yrs. 1, 2 & 3)
- Projected balance sheets, common-sized (Year 1 monthly, Annualized for Yrs. 1, 2 & 3)

New or Start-up Businesses

Required (If not complete, plans will be disqualified):

- Projected income statements, common-sized (Year 1 monthly, Annualized for Yrs. 1, 2 & 3)
- Projected cash flow statements (Year 1 monthly, Annualized for Yrs. 1, 2 & 3)
- Projected balance sheets, common-sized (Year 1 monthly, Annualized for Yrs. 1, 2 & 3)



A bank is a place that
will lend you money if
you can prove that you
don't need it.

-Bob Hope

Amarillo EnterPrize Challenge

Source and Use of Funds Statement

Sample

Use of Funds:	
Land	25,000
New Construction	175,000
Equipment	15,000
Inventory	<u>10,000</u>
Total Use of Funds	225,000
Source of Funds:	
Amarillo EnterPrize Challenge	100,000
Bank Loan	100,000
Owner Equity	<u>25,000</u>
Total Source of Funds	225,000

Amarillo EnterPrize Challenge

Sample Historical Income Statement

	Years Ended December 31					
	2013	Pct	2014	Pct	2015	Pct
Income						
Gross Sales	225,000	100.0%	236,250	100.0%	248,063	100.0%
Cost of Goods Sold	74,250	33.0%	95,000	40.2%	86,821	35.0%
Gross Profit	150,750	67.0%	141,250	59.8%	161,242	65.0%
Operating Expenses						
Officer Salaries	50,000	22.2%	52,500	22.2%	55,000	22.2%
Employee Wages	35,000	15.6%	35,000	14.8%	37,750	15.2%
Payroll Burden	10,200	4.5%	10,500	4.4%	11,130	4.5%
Advertising	6,000	2.7%	6,500	2.8%	7,000	2.8%
Insurance	5,000	2.2%	5,500	2.3%	6,000	2.4%
Maint. & Repairs	1,500	0.7%	1,250	0.5%	1,500	0.6%
Other Expenses	250	0.1%	275	0.1%	275	0.1%
Phone & Cellular	750	0.3%	1,000	0.4%	1,250	0.5%
Professional Fees	1,200	0.5%	1,200	0.5%	1,300	0.5%
Rent/Lease	6,000	2.7%	6,000	2.5%	7,000	2.8%
Set Up Fees	0	0.0%	0	0.0%	0	0.0%
Subs./Dues/Contributions	200	0.1%	200	0.1%	195	0.1%
Supplies	300	0.1%	325	0.1%	325	0.1%
Taxes/Licenses/Filing Fees	1,000	0.4%	1,000	0.4%	1,000	0.4%
Travel	1,000	0.4%	1,250	0.5%	1,500	0.6%
Uniforms	600	0.3%	600	0.3%	600	0.2%
Utilities	1,500	0.7%	1,750	0.7%	2,000	0.8%
Vehicle	4,000	1.8%	5,000	2.1%	6,000	2.4%
Total Operating Expense	124,500	55.3%	129,850	55.0%	139,825	56.4%
Operating Profit	26,250	11.7%	11,400	4.8%	21,417	8.6%
Interest Expense	7,848	3.5%	6,160	2.6%	5,320	2.1%
Depreciation & Amortization	2,500	1.1%	2,500	1.1%	2,500	1.0%
Net Profit	15,902	7.1%	2,740	1.2%	13,597	5.5%

Amarillo EnterPrize Challenge

Sample Historical Balance Sheet

	Years Ended December 31					
	2013	Pct	2014	Pct	2015	Pct
ASSETS						
Cash	5,000	2.0%	10,000	3.8%	17,000	6.3%
Accounts Receivable	4,500	1.8%	6,500	2.5%	7,500	2.8%
Inventory	7,500	3.0%	8,950	3.4%	10,659	3.9%
Other Current	1,250	0.5%	1,500	0.6%	1,598	0.6%
Total Current Assets	18,250	7.2%	26,950	10.3%	36,757	13.5%
Land	50,000	19.7%	50,000	19.1%	50,000	18.4%
Buildings	100,000	39.5%	100,000	38.2%	100,000	36.8%
Vehicles	20,000	7.9%	20,000	7.6%	20,000	7.4%
Furniture & Fixtures	5,000	2.0%	5,000	1.9%	5,000	1.8%
Machinery & Equipment	35,000	13.8%	35,000	13.4%	35,000	12.9%
Computers & Office Equipment	7,500	3.0%	7,500	2.9%	7,500	2.8%
Less Accum Depreciation	<u>-15,000</u>	<u>-5.9%</u>	<u>-15,000</u>	<u>-5.7%</u>	<u>-15,000</u>	<u>-5.5%</u>
Net Fixed Assets	202,500	80.0%	202,500	77.3%	202,500	74.5%
Intangible Assets	35,000	13.8%	35,000	13.4%	35,000	12.9%
Less Accum Amortization	<u>-2,500</u>	<u>-1.0%</u>	<u>-2,500</u>	<u>-1.0%</u>	<u>-2,500</u>	<u>-0.9%</u>
Net Intangible Assets	32,500	12.8%	32,500	12.4%	32,500	12.0%
TOTAL ASSETS	253,250	100.0%	261,950	100.0%	271,757	100.0%
						0.0%
LIABILITIES & NET WORTH						0.0%
Accounts Payable	2,500	1.0%	3,500	1.3%	2,950	1.1%
Line of Credit	1,750	0.7%	1,850	0.7%	1,750	0.6%
Notes Payable	5,000	2.0%	5,000	1.9%	5,000	1.8%
Current Portion - LTD	18,125	7.2%	16,857	6.4%	15,589	5.7%
Other Current	1,000	0.4%	1,000	0.4%	1,000	0.4%
Total Current Liabilities	28,375	11.2%	28,207	10.8%	26,289	9.7%
Long Term Debt	106,989	42.2%	91,200	34.8%	76,411	28.1%
TOTAL LIABILITIES	135,364	53.5%	119,407	45.6%	102,700	37.8%
NET WORTH	117,886	46.5%	142,543	54.4%	169,057	62.2%
LIABILITIES & NET WORTH	253,250	100.0%	261,950	100.0%	271,757	100.0%

Amarillo EnterPrize Challenge

Sample Projected Income Statement

	Annual 2016-2018																			
	Monthly for 2016																			
	Pre-Jan	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	2016	2017	2018	Pct	Pct	Pct	
Income																				
Gross Sales		25,089	26,525	26,198	28,187	26,089	26,225	24,158	22,701	27,985	26,458	25,487	25,869	310,971	342,068	376,275	100.0%	100.0%	100.0%	
Cost of Goods Sold		9,032	9,549	9,431	10,147	9,392	9,441	8,697	8,172	10,075	9,525	9,175	9,313	111,950	123,145	135,459	36.0%	36.0%	36.0%	
Gross Profit		16,057	16,976	16,767	18,040	16,697	16,784	15,461	14,529	17,910	16,933	16,312	16,556	199,021	218,924	240,816	64.0%	64.0%	64.0%	
Operating Expenses																				
Officer Salaries		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	62,500	65,000	18.3%	18.3%	17.3%	
Employee Wages		3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	3,250	39,000	42,000	44,000	12.3%	12.3%	11.7%	
Payroll Burden		990	990	990	990	990	990	990	990	990	990	990	990	11,880	12,540	13,080	3.8%	3.7%	3.5%	
Advertising		500	500	500	500	500	500	500	500	500	500	500	500	6,000	6,500	7,000	1.9%	1.9%	1.9%	
Insurance		590	590	590	590	590	590	590	590	590	590	590	590	7,080	8,000	8,500	2.3%	2.3%	2.3%	
Maint. & Repairs		125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,600	1,800	0.5%	0.5%	0.5%	
Other Expenses		25	25	25	25	25	25	25	25	25	25	25	25	300	300	325	0.1%	0.1%	0.1%	
Phone & Cellular		140	140	140	140	140	140	140	140	140	140	140	140	1,680	2,000	2,250	0.6%	0.6%	0.6%	
Professional Fees		115	115	115	115	115	115	115	115	115	115	115	115	1,380	1,500	1,750	0.4%	0.4%	0.5%	
Rent/Lease		600	600	600	600	600	600	600	600	600	600	600	600	7,200	7,200	7,500	2.1%	2.1%	2.0%	
Set Up Fees		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	0.0%	
Subs./Dues/Contributions		20	20	20	20	20	20	20	20	20	20	20	20	240	250	290	0.1%	0.1%	0.1%	
Supplies		30	30	30	30	30	30	30	30	30	30	30	30	360	400	425	0.1%	0.1%	0.1%	
Taxes/Licenses/Filing Fees		90	90	90	90	90	90	90	90	90	90	90	90	1,080	1,200	1,300	0.3%	0.4%	0.3%	
Travel		150	150	150	150	150	150	150	150	150	150	150	150	1,800	2,000	2,100	0.6%	0.6%	0.6%	
Uniforms		50	50	50	50	50	50	50	50	50	50	50	50	600	700	800	0.2%	0.2%	0.2%	
Utilities		190	190	190	190	190	190	190	190	190	190	190	190	2,280	2,400	2,500	0.7%	0.7%	0.7%	
Vehicle		500	500	500	500	500	500	500	500	500	500	500	500	6,000	6,500	6,750	1.9%	1.9%	1.8%	
Start-up Expenditures		14,540	0	0	0	0	0	0	0	0	0	0	0	14,540	0	0	0.0%	0.0%	0.0%	
Total Operating Expense		14,540	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	162,920	157,590	165,370	46.1%	46.1%	43.9%	
Operating Profit		-14,540	3,692	4,611	4,402	5,675	4,419	3,096	2,164	5,545	4,568	3,947	4,191	36,101	61,334	75,446	17.9%	17.9%	20.1%	
Interest Expense		0	1,602	1,580	1,547	1,525	1,809	1,782	1,755	1,728	1,700	1,673	1,645	20,182	17,498	13,123	5.1%	5.1%	3.5%	
Depreciation & Amortization		0	1,079	1,079	1,079	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913	20,450	22,950	22,950	6.7%	6.7%	6.1%	
AEC Proceeds		0	0	0	100,000	0	0	0	0	0	0	0	0	100,000	0	0	0.0%	0.0%	0.0%	
Net Profit		-14,540	1,011	1,952	1,776	102,237	697	-599	-1,504	1,905	955	361	634	95,469	20,886	39,373	30.7%	6.1%	10.5%	

Amarillo EnterPrize Challenge

Sample Projected Cash Flow Statement

	Annual 2016-2018															
	Monthly for 2016															
	Pre-Jan	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	2016	2017	2018
Beginning Cash Balance	17,000	42,000	50,500	48,298	47,264	48,022	45,508	43,581	39,838	35,299	35,651	33,500	30,853	17,000	28,753	9,429
Cash Sales	0	22,580	23,873	23,578	25,368	23,480	23,603	21,742	20,431	25,187	23,812	22,938	23,282	279,874	307,861	338,647
AEC Proceeds	0	0	0	0	100,000	0	0	0	0	0	0	0	0	100,000	0	0
A/R Collections	0	7,500	2,509	2,653	2,620	2,819	2,609	2,623	2,416	2,270	2,799	2,646	2,549	36,010	33,943	37,342
Equity Proceeds	100,000	0	0	0	0	0	0	0	0	0	0	0	0	100,000	0	0
Line of Credit Draws	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Proceeds	146,540	0	0	0	0	0	0	0	0	0	0	0	0	146,540	0	0
Available Cash	263,540	72,080	76,881	74,528	175,252	74,321	71,719	67,946	62,684	62,755	62,262	59,084	56,684	679,424	370,557	385,419
Cash Disbursements																
Inventory Purchases	50,000	3,878	9,109	9,563	9,528	10,097	9,423	9,393	8,670	8,389	10,046	9,516	9,216	156,828	126,333	138,806
Capital Purchases & Goodwill	156,000	0	0	0	100,000	0	0	0	0	0	0	0	0	256,000	0	0
Line of Credit Payments	0	0	1,773	0	0	0	0	0	0	0	0	0	0	1,773	0	0
Loan & Goodwill Payments	0	4,837	4,837	4,837	4,837	5,850	5,850	5,850	5,850	5,850	5,850	5,850	5,850	66,150	70,205	70,205
Cash Operating Expense	15,540	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	12,365	163,920	157,590	165,370
Owner Draws	0	500	500	500	500	500	500	500	500	500	500	500	500	6,000	7,000	8,000
Total Cash Outflows	221,540	21,580	28,584	27,264	127,230	28,813	28,138	28,108	27,386	27,104	28,761	28,232	27,931	650,672	361,128	382,382
Ending Cash Balance	42,000	50,500	48,298	47,264	48,022	45,508	43,581	39,838	35,299	35,651	33,500	30,853	28,753	28,753	9,429	3,037

Amarillo EnterPrize Challenge

Sample Projected Balance Sheet

	Pre-Jan	Monthly for 2016												Annual 2016-2018					
		Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	2016	2017	2018	Pct		
ASSETS																			
Cash	42,000	50,500	48,298	47,264	48,022	45,508	43,581	39,838	35,299	35,651	33,500	30,853	28,753	28,753	9,429	1.8%	3,037	0.6%	
Accounts Receivable	7,500	2,509	2,653	2,620	2,819	2,609	2,623	2,416	2,270	2,799	2,646	2,549	2,587	2,587	2,851	0.5%	3,136	0.6%	
Inventory	60,659	60,912	61,166	61,420	61,676	61,933	62,191	62,450	62,711	62,972	63,234	63,498	63,762	63,762	66,951	12.6%	70,298	14.0%	
Other Current	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	2,598	0.5%	2,598	0.5%	
Total Current Assets	112,757	116,519	114,714	113,902	115,115	112,648	110,993	107,302	102,877	104,019	101,979	99,497	97,700	97,700	81,828	15.5%	79,069	15.7%	
Land	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	14.2%	75,000	14.9%	
Buildings	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	33.1%	175,000	34.7%	
Vehicles	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	7.6%	40,000	7.9%	
Furniture & Fixtures	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	1.9%	10,000	2.0%	
Machinery & Equipment	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	42,500	8.0%	42,500	8.4%	
Computers & Office Equipment	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	2.1%	11,000	2.2%	
AEC Capital Purchases	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0	0.0%	
Less Accum Depreciation	-15,000	-15,913	-16,825	-17,738	-18,650	-19,562	-20,475	-21,387	-22,299	-23,211	-24,123	-25,035	-25,947	-26,859	-27,771	-28,683	-29,595	-30,507	-31,419
Net Fixed Assets	338,500	337,588	336,675	335,763	334,850	333,938	333,025	332,113	331,200	330,288	329,375	328,463	327,550	326,638	325,725	324,813	323,900	322,988	322,075
Intangible Assets	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	10.4%	55,000	10.9%	
Less Accum Amortization	-2,500	-2,667	-2,833	-3,000	-3,167	-3,333	-3,500	-3,667	-3,833	-4,000	-4,167	-4,333	-4,500	-4,667	-4,833	-5,000	-5,167	-5,333	-5,500
Net Intangible Assets	52,500	52,333	52,167	52,000	51,833	51,667	51,500	51,333	51,167	51,000	50,833	50,667	50,500	50,333	50,167	50,000	49,833	49,667	49,500
TOTAL ASSETS	503,757	506,439	503,555	501,665	600,965	596,586	593,018	587,415	581,077	580,307	576,354	571,960	568,250	568,250	529,428	100.0%	503,719	100.0%	
LIABILITIES & NET WORTH																			
Accounts Payable	2,950	8,129	8,594	8,488	9,133	8,453	8,497	7,827	7,355	9,067	8,572	8,258	8,382	8,382	9,236	1.7%	10,159	2.0%	
Line of Credit	1,750	1,762	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0	0.0%	
Notes Payable	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	0.9%	5,000	1.0%	
Current Portion - LTD	40,419	40,688	40,960	41,233	41,508	50,313	50,648	50,986	51,326	51,668	52,012	52,359	52,708	52,708	57,082	10.8%	61,820	12.3%	
Other Current	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	0.2%	1,000	0.2%	
Total Current Liabilities	51,119	56,579	55,554	55,721	56,641	64,766	65,145	64,813	64,681	66,735	66,585	66,617	67,090	67,090	72,319	13.7%	77,979	15.5%	
Long Term Debt	198,121	194,605	191,066	187,503	183,916	221,096	216,720	212,314	207,879	203,414	198,920	194,395	189,841	189,841	132,758	25.1%	70,939	14.1%	
TOTAL LIABILITIES	249,240	251,184	246,620	243,224	240,556	285,862	281,865	277,127	272,560	270,149	265,505	261,012	256,930	256,930	205,077	38.7%	148,918	29.6%	
NET WORTH	254,517	255,255	256,936	258,441	360,409	310,723	311,153	310,287	308,517	310,158	310,849	310,948	311,319	311,319	324,351	61.3%	354,800	70.4%	
LIABILITIES & NET WORTH	503,757	506,439	503,555	501,665	600,965	596,586	593,018	587,415	581,077	580,307	576,354	571,960	568,250	568,250	529,428	100.0%	503,719	100.0%	

2016

APPENDIX

business plan outline

VI.

This section should include any relevant information not provided above that add value to your overall plan.

Some possibilities are:

- Resumes of key personnel
- Research information or studies
- Letters of reference or intent
- Pictures of products or prototypes
- Patents, logos, trademarks, or blueprints

Apply
BY OCTOBER 1st



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2016

Format/Content Guidelines

business plan format

Your business plan should be unique to fit your business while also following these requirements:

- Page size: 8 1/2" x 11" with 1" margins
- Both historic financials (if existing company) and projections match the general appearance and format of the examples given in the AEC workbook.
- Maximum business plan length is 20 pages for investor fact sheet, narrative, and financials. This does not include the cover sheet, table of contents and appendix.
- Maximum appendix length is 10 pages.
- Minimum of 12 pt font on Business Plan Narrative
- Minimum of 10 pt font on Investor Fact Sheet & Financials

The cover page should contain the following information so that we may be able to have your contact information:

- Your Company Name
- Street Address
- City, State, Zip
- Contact Person
- Owners (anyone with 20% or more ownership in the business)
- Daytime Phone Number
- Evening Phone Number (where you can be contacted after 6 pm)
- Email Address

Content Guidelines

You may write your business plan however you choose, except, you must include the following content:

- Adhere to the general outline given in the AEC workbook.
- The business plan must state that the company currently obtains (or projects to obtain within the next 3 years) 75% of revenues from outside of Potter and Randall Counties.
- Must include an investor's fact sheet at the beginning of the business plan. This document is meant to replace the executive summary.
- (If existing business) Must provide the most recent three years' income and balance sheets; or all statements if the business is less than three years.
- Statements must be common-sized as exemplified in the AEC workbook.
- Must include three years of projected income statements, and the data must be common-sized. The first year must show monthly projections. (see AEC workbook for example and required format).
- Must include three years of projected balance sheets, and the data must be common-sized. The first year must show monthly projections. (see AEC workbook for example and required format).
- Must include three years of projected cash flow statements. The first year must show monthly projections. (see AEC workbook for example and required format).

**All format guidelines must be followed or your plan will be disqualified including deadline requirements.

2016	Finalist Presentations
format outline	

After the judges have reviewed each business plan, finalists are selected. Each finalist is asked to make a **10-minute presentation** to the judges at a time designated by Enterprise Center staff. Businesses that reach this stage are rated among the highest of all business plans submitted. In the past, up to nine companies have been chosen as finalists. The presentation is an opportunity for each entrepreneur to highlight their business plan and for each judge to get to know the entrepreneur, the management team, their passion and abilities.

- How effectively the presenters communicate the written plan to the judges, validate their request of funds and support job creation through the oral presentation
- How thoroughly the judges written and oral comments/questions are addressed
- Knowledge, expertise and ability of the entrepreneur to implement the proposed business plan
- Commercial viability of the venture
- Overall effectiveness and quality of presentation

After the 10 minute presentation, the judges will have 20 minutes to ask questions.

2-6-2
Rule

{ **two minutes** should be spent in the introduction, **six minutes** in the body of the presentation of “where you’re going”, and the final **two minutes** in the use of funds and “why to invest.” }

2016	Finalist Presentations
"The Pitch"	

Introduction

- Thank the judges for an opportunity to present
- Remind the judges of where you've come from and why you got into this business – tell your story
- A good transition into the body of the presentation leads from where you are to where you're going

Body

- Tell where you are going
- How you will execute your business plan
- Tell who will do what
- Demonstrate how activities in the business relate to sales, profits and increased job creation

Conclusion

- Tell about how you plan to use the funds
- Give the judges a synopsis of your business plan and close with a reason to invest

Judges' comments

Prior to the date of the finalist presentations, each finalist will receive a compilation of all the judges' comments from the review of each business plan. Comments are related to the strength of the plan, opportunities for improvement and other comments in each area of the business plan. It's important to pay close attention to questions or concerns raised by the judges and address these in the body of the presentation.

Things to think about

- Most early stage investments are made in solid management teams that can execute the business plan. This is not a sales pitch, but rather an opportunity to present your execution strategy to the judges. It should embody your passion and provide very tangible evidence that given the investment dollars, you can make it happen.
- Power Point has been used by many finalists very effectively in the delivery of the presentation. Caution: Power Point is merely a visual aid; it is not your business plan. The judges want to hear from you, they do not want to see you read your slides.
- Each finalist is allowed two "practice runs" in front of Enterprise Center staff prior to the formal presentation day. Former recipients have all agreed that this was one of the most valued parts of the process. You have the opportunity to practice your live presentation and get feedback from our staff. You may schedule your presentation times upon being selected as a finalist. Other individual coaching times may also be scheduled at this time.

Non-Relatives Certification List



Amarillo City Commissioners

Paul Harpole - Mayor
Elisha Demerson – Place 1
Brian J. Eades – Place 2
Randy Burkett – Place 3
Mark Nair – Place 4

Amarillo Economic Development Corporation (Amarillo EDC) Staff

Richard “Buzz” David, President & CEO
Steve Pritchett, Vice President, Business Development
Doug Nelson – Vice President, Financial Services
Brian Jennings, Vice President, Business Development
Reagan Hales, Director, Marketing and Communications
Andy Arias - Servicing Officer, Financial Services
Chris Lyles, Office Administrator

Amarillo Economic Development Corporation (Amarillo EDC) Board of Directors

John Kritser, Vice Chairman
Roy Bara, Vice Chair & Secretary
Ginger Nelson, Director
Tom Bivins, Director
Brian Bruckner, Director

WT Enterprise Center Staff, EIR's, and Specialists

David Terry, Executive Director
Jeff Reid, Incubator Director
Kyla Frye, Marketing Communications Director
Debbie Holmes, Administrative Services Coordinator
Brittney Herbert, Client Services Coordinator
Matty McLain, Entrepreneur-in-Residence
Spencer McElhannon, Entrepreneur-in-Residence
David Dickerson, Finance Specialist
Coco Duckworth, Sales Specialist
Kim May, Marketing Specialist
Wes Wright, Legal Specialist

Amarillo EnterPrize Challenge Judges

Scott Bentley, First United Bank
Jake Brecheen, Confluence Security Group
Lyndy Forrester, Amarillo College
Robin Patterson, WTAMU College of Business
Joshua Raef, Chick-fil-A

Notes



“Dreams don’t work unless you do”

-John C. Maxwell

The mission of the **WTEnterpriseCenter** is to apply the principles of business incubation as a catalyst for innovation and entrepreneurial development in order to foster economic growth for Amarillo and the Texas Panhandle region.

The Center for Developing Entrepreneurs

WTTMEnterpriseCenter

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