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# E Squared Competition – 2011

## Sponsored by Career Partners, Inc.

The purpose of the E Squared Competition is to expose high school students to real-life business situations both through training by local business people and through the team experience of creating a business venture in a competitive environment. The use of trainers with business experience will reinforce and add relevance to the academic curriculum. The E Squared Competition consists of teams of 4-6 students from Career & Technical classes designing new business ventures and developing business plans to support obtaining financing from the fictitious E Squared Venture Capital Group.

An assessment tool called the “**E Squared Investment Evaluation Rubric**” (Exhibit A) will be used by each judge. Participants should study carefully the weighting system used in the Evaluation Rubric. Return on investment (ROI) and the financial analysis of the proposed venture are of considerable importance.

The E Squared Competition is a significant part of each student’s spring curriculum. In addition to the opportunity to win the competition and substantial scholarship funding, all students will receive grades from their respective teachers.

**Note:** This, the 2011 timeline, and all documents referred to above, are available on the **E Squared website**:

[www.ESquaredCulpeper.com](http://www.ESquaredCulpeper.com)

## Rules, Requirements, and Guidelines

The competition requires teams to prepare a written business plan and make an oral presentation to a panel playing the role of the E Squared Venture Capital Group. While minor expenses may be incurred in preparing a business plan and oral presentation, no funding will be provided by Career Partners, teachers, or the school system. This limitation reflects the real-world limitations often found in creating a new venture and will stimulate each team’s resourcefulness.

### Mini-Launch of E Squared

Shortly after the start of second semester, there will be an assembly at each school attended by all participating classes. The purpose of the assembly is to introduce the E Squared Competition and provide the reasons why it benefits the students. This motivational event is to assure that all students hear the same message. Teachers will not introduce the program in individual classes.

### **Selection of Teams**

Teams of 4-6 students (5 is the targeted number) will be randomly selected at each high school from Career & Technical classes as selected by the Culpeper County School System's Career & Technical Administrator. Teachers will determine the number of teams based on the total number of students participating and will provide a slip of paper with each student's name. The CTE Administrator, a teacher or other staff representative, and a Career Partners board member will draw one name for each team and continue this process until all slips of paper are drawn. The process is totally random.

### **Kickoff Event**

This is a major event attended by all students from both high schools. Its purpose is to provide motivation, a sense of purpose, introduce business community members to the students (and vice-versa), and to provide team-building exercises.

### **Training**

Career Partners will sponsor six workshops at each of the two high schools to help students gain a better understanding of creating and running a business. The trainers for these workshops are local business people with expertise in given areas. The goal is to enhance academic instruction by including a real-life business perspective. The lesson plans are prepared with the assistance of a high school teacher and are structured so that students learn how to create and present a meaningful business plan. Training includes:

- Workshop and follow-up session on marketing
- Workshop and follow-up session on basic finance
- Workshop and follow-up session on business finance
- Workshop and follow-up session on business plan development
- Workshop on written business plan presentation
- Workshop on oral presentation and public speaking
- In-class instruction by E Squared teachers
- Substantial coaching by local business people

### **Standards for selection of workshop trainers**

- Workshop trainers must have general business knowledge as well as expertise in the specific subject to be taught.
- Workshop trainers must have enough business experience to draw on to provide real-life answers to questions the students might ask.
- Workshop trainers must be recommended by at least one member of the Career Partners Board of Trustees.

### **Coaching**

In addition to workshops, local business people will visit classes at teacher-selected times to work with the E Squared teams. The goal is to have two business people in the class along with the teacher. They will help teams individually and/or work with the entire class at the teacher's discretion.

## **Written Requirements**

### **Proposal**

Each team is required to submit a written proposal which explains the basic concept and scope of the business to be created. This will be submitted to a group of business partners who will either accept, reject, or request modifications to the proposed business. Technical requirements include:

- A single page submission in Microsoft Word
- 12 pt Arial font – single spaced
- Submitted digitally only

### **Business Plan**

The business plan submitted **must** adhere to the format described in the E Squared document entitled E Squared Business Plan Template. Technical requirements include:

- For all planning purposes and spreadsheets it will be assumed that the business will be launched in January 2012.
- A single Microsoft Word document must be submitted both digitally and in printed form
- Primary text portions must be in 12 pt Arial font – single spaced.
- The following spreadsheets are required and must be embedded in the Microsoft Word document so that a single digital file can be sent to the judges via e-mail. Instructions for embedding are located in the 1<sup>st</sup> tab of the Financial Workbook.
  - Startup Expenses
  - Five-Year Projected Profit & Loss
  - Five-Year Projected Cash Flow
  - Return on Investment
  - Breakeven Analysis

## **Oral Presentation Requirements**

- Maximum of 25 minutes allowed per team
  - Presentation: maximum of 15 minutes  
Moderator will provide a 2 minute warning
  - Q & A: maximum of 10 minutes  
Moderator will provide a 1 minute warning
- All team members must participate
- May also use props, models, displays, etc.

## **Standards for selection of judges**

Panels of judges will play the role of venture capitalists and will judge each team's proposal on the basis of investment potential as presented in both written and oral form. Selection of these judges is subject to the following standards and restrictions:

- Experience in business management
- The recommendation of at least one member of the Career Partners Board of Trustees
- No connection to the school administration or teaching staff other than through Career Partners

- For semifinals - No known connection by blood or marriage to any student in the entire E Squared competition. After all E Squared participating students are identified and the semifinal judges have been tentatively selected, those judges will be sent a list of all students participating and will be asked to review the list and let us know of any conflicts. A conflict will disqualify that judge.
- For finals - No known connection by blood or marriage to any student in the final competition. Immediately after the finalists are announced, the business people selected to be finals judges will be contacted with a list of those students participating in the finals. If any proposed judge has a relative by blood or marriage competing in the finals, that judge will be deemed ineligible.

### Judging Procedure

- The winning team(s) will be determined by a panel of judges with business experience.
  - Panels of no fewer than three judges will be used in the semifinals.
  - A panel of six judges will be used in the finals. None of the six may have served as a judge in the semifinals.
- Judges will receive the written business plans along with the Evaluation Rubric several days in advance of the oral presentations. Judges will complete the business plan portions of the Evaluation Rubrics and bring them to the oral presentations.
- The scores awarded for the multimedia and oral presentation portions of the Evaluation Rubric will focus on the effectiveness of public speaking and presentation skills in support of the team's request for financing. It is also very important how well the team members respond to questions from the judges. The judges may ask questions of specific individuals on the team as well as the team as a group.
- Judges will individually score the teams and will not be aware of the scores of the other judges. They will enter a score between 0 and 10 for each element of the Evaluation Rubric.
- The scoring continuum headings on the Evaluation Rubric are clarified below:
  - **Exceeds Expectations** – the information is presented effectively and creatively; nothing more could be expected of an applicant.
  - **Meets Expectations** – the information is well presented. Though there may be a few minor problems or omissions, they are not significant. Creativity, however, is not shown to any great degree.
  - **Below Expectations** – the information presented does not meet minimum standards of acceptability.
  - **Little Value** – some major flaw(s) has been noted that damages the effectiveness of the proposal (this may be a major omission, a serious misstatement, poor writing or any other major flaw).
  - **No Value** – the information presented is of no value (does not help the proposal at all).
- Winners of both the semifinals and the final competition will be determined by averaging the total point scores assigned by each of the judges using the Evaluation Rubric. Averages will be carried out to the third decimal place.

- If a team misses a deadline (enforced to the exact minute), the team will lose 50 points from its final evaluation score for each day a deadline is missed. Teachers will record missed deadlines on the “Penalty Point Assessment Form” and will give this form to the Scoring Team on the day of the presentations. To avoid any possibility of prejudice, judges will not be made aware of any penalty point assessments.
- Judges will score each team as if it were requesting financing for a real-world project.
- If two or more teams are tied with the same final score, the panel will decide the winning team by selecting the plan having the highest realistic potential return on investment – notwithstanding the financials presented by the team.
- All panel decisions are final. No appeals will be considered.

## **Presentation Day Procedures**

### **Semifinals and Finals:**

- Prior to the presentations, teachers with teams in the competition will give the Scoring Team their Penalty Point Assessment Forms. The Scoring Team will enter the deductions in the E Squared Averaging Worksheet.
- Upon arrival for the oral presentations, the judges’ completed Business Plan Rubrics will be collected. Judges will be provided copies of the Presentation Rubric.
- 40minutes will be allocated for each team
  - 15 minutes maximum for presentation
  - 10 minutes maximum for Q&A by judges
  - 10 minutes for the judges to critique the presentation. This is an important element in the learning experience. Judges are asked to provide as much guidance as possible so that the team can improve its business plan and oral presentation for the final competition.
  - 5 minutes for judges to complete the Evaluation Rubrics while the next team sets up
- To assure accuracy, a Scoring Team of two people, one appointed by Career Partners and one by the Career and Technical Administrator, will use the E Squared Averaging Worksheet to compute total scores.
- After each team has made its presentation, the judges will give their Evaluation Rubrics to the Scoring Team.
- Teams or members of teams may not be present during oral presentations by other teams until their own team’s presentation has been made.

### **Semifinals:**

- Evaluation Rubrics will be collected and scores will be tabulated before the end of the day.
- Approximate scores, in the form of a “Level” between 1 and 6 for each of the four scoring categories, will be given to all teams the day after the semifinals in order to help teams address weaknesses. These “Levels” can be interpreted using the following chart:

## Semifinal Scoring Ranges

	Possible Points	Scoring Level					
		6	5	4	3	2	1
<b>Written Business Plan</b>	10	8.333	6.667	5.000	3.333	1.667	0.000
<b>Market Analysis</b>	17	14.167	11.333	8.500	5.667	2.833	0.000
<b>Financial Analysis</b>	33	27.500	22.000	16.500	11.000	5.500	0.000
<b>Oral Presentation</b>	40	33.333	26.667	20.000	13.333	6.667	0.000

**Note: A scoring level of 5 in Market Analysis means that the judges awarded your team an average score of at least 11.333 but less than 14.167**

- Precise scores and the finalists will not be revealed to anyone other than the Scoring Team which is responsible for securing the Evaluation Rubrics. The Rubrics and scores will remain strictly confidential. All teams will then refine their business plans and oral presentation in preparation for the final competition. Those teams going to the finals will be announced no earlier than one week before the final competition.

### Finals:

- After all presentations have been made, the judges will critique and comment on the presentations in general while the Scoring Team enters the verified score totals in the E Squared Averaging Worksheet which will calculate the judging panel average.
- The final average scores will be printed and given to the moderator who will announce the winning team.

### Scholarship Awards

Substantial scholarship funding is made possible by Culpeper’s very generous businesses and individuals. Career Partners and the E Squared Competition are operated entirely by volunteers; however, some minor funding is needed for administrative costs such as copying, printing, advertising, insurance, etc. A maximum of 5% of scholarship donations may be used for these expenses.

Each member of the winning team of the final competition will be awarded scholarship funding subject to execution of the “Career Partners Scholarship Recipient Agreement Form.” This form is shown on the following page and is also available on the E Squared website.

# E Squared Scholarship Recipient Agreement Form

Student Name: \_\_\_\_\_

Address:

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Award Amount: \$\_\_\_\_\_

## CONDITIONS OF YOUR SCHOLARSHIP AWARD:

Please read and initial each statement.

- Funds are to be used only for educational purposes in an accredited 2-year or 4-year college, or accredited trade/technical school. Both full-time and part-time enrollment qualifies. **Checks will be made payable to and sent directly to the school.**
- You must graduate from one of the two Culpeper County high schools.
- When funds are needed for your first semester, a Request for E Squared Scholarship Funds form must be submitted to Career Partners along with a copy of your letter of acceptance.
- One half of the scholarship awarded will be available in any one academic year.
- Beginning with your second semester, when funds are needed, a Request for E Squared Scholarship Funds form must be submitted to Career Partners along with verification of continued enrollment and a copy of your grade transcript with a minimum of a 2.5 overall grade-point average (on a 4 point scale). If you fail to attain a 2.5 overall grade-point average, funds will be withheld for the next semester. If, however, a 2.5 overall grade-point average is attained after that semester, the funds for that semester will be paid retroactively as well as for the next semester. **If you fail to maintain a 2.5 overall grade-point average for more than three consecutive semesters, the Career Partners Board of Trustees, in its sole discretion, may terminate its obligation to provide any remaining scholarship funds.**
- Any funds not used within the 60-month period after your graduation from high school will be forfeited.
- I understand that with my permission my name, county of residence, major area of study and professional career goals may be released to donors and local media. Please initial to grant permission. Leaving the blank empty indicates that you do not grant such permission.
- I understand that I must submit all Request for E Squared Scholarship Funds forms to Career Partners, Inc. at least thirty (30) days prior the funds being needed.

I understand the criteria for accepting this scholarship award, and therefore:

AGREE TO ACCEPT

DECLINE TO ACCEPT


\_\_\_\_\_  
Signature of Recipient

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Parent or Guardian of recipients under  
18 years of age

\_\_\_\_\_  
Date

## EXHIBIT A

	<h1 style="margin: 0;">E Squared Venture Capital Group</h1> <p style="margin: 0;">Culpeper, Virginia</p>	
<h3 style="margin: 0;">Investment Evaluation Rubric for Written Business Plan</h3>		
Investment Opportunity: _____	Panelist ID _____	
<p style="margin: 0;">←----- Scoring -----&gt;</p> <p style="margin: 0; font-size: 1.2em;">10   9   8   7   6   5   4   3   2   1   0</p> <p style="margin: 0; font-size: 0.8em;">                     Exceeds Expectations      Meets Expectations      Below Expectations      Little Value      No Value                 </p>		
		<b>Score</b>
<b>Clarity &amp; Quality of the Written Business Plan</b>		<b>Weight</b>
		<b>(1-10)</b>
Product or service is clearly stated early in the Plan	10	
Funding request & equity offered is presented early in the Plan		
Plan is well-written and well-organized		
Plan is professional in appearance		
Lack of errors (typos, grammar, spelling)		
<b>Market Analysis</b>		
Concept is original and innovative	17	
Target market is clearly defined		
Total target market size is estimated		
Data is relevant to the target market		
The competitive environment is discussed		
Competitors & competitive products/services are identified		
Projected market share is stated and is reasonable		
Data used is meaningful, believable, and sources are documented		
<b>Financial Analysis</b>		
Startup costs are identified	33	
Variable & fixed costs are clearly identified		
Projected revenues pass the "common sense" test		
Target market data supports projected revenues		
Projected operating costs make sense		
Projected Cash Flow is supported by data		
Projection is far enough into the future to show a profit		
Plan clearly shows what ROI the Venture Capital group can expect		
The expected ROI is realistic & believable		
		Total
		60



# E Squared Venture Capital Group

Culpeper, Virginia

## Investment Evaluation Rubric for Oral presentation

Investment Opportunity: \_\_\_\_\_

Panelist ID \_\_\_\_\_

←----- Scoring ----->										
10	9	8	7	6	5	4	3	2	1	0
Exceeds Expectations		Meets Expectations			Below Expectations			Little Value		No Value

Oral Presentation	Weight	Score (1-10)
First impression - posture, confidence, etc.	40	
Team is dressed professionally		
Presentation is convincing		
Presentation sold you on investing in it		
Presentation is clear & concise		
Evidence of teamwork in presentation		
Team demonstrates maturity & professionalism		
Effective use of visuals and multimedia		
Smooth transitions from one presenter to the next		
Quality of answers to questions from the panel		
All team members must participate		
Length within guidelines of 15 minutes		

<b>Should E Squared Venture Capital consider investing in this business?</b> Yes _____ No _____
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