

PARTICIPANT INSTRUCTIONS

GUIDELINES FOR THE FORMAT OF THE PROSPECTUS

The participant(s) must prepare a business plan in the form of a prospectus. Read carefully and follow the instructions for: Title Page, Recommended Format for the Prospectus and Evaluation of the Prospectus, Checklist Standards, Guidelines for Franchise Documentation and Written Entry Checklist. Refer also to the written entry evaluation form.

Title Page

The first page of the prospectus is the title page which lists the following:

- Name of Event (ENTREPRENEURSHIP EVENT)
- Type and Name of Business
- Name of Chapter/School
- Name of Chapter Advisor
- Chapter Advisor's Address
- City/State/ZIP or Postal Code
- Participant(s) Name(s) and Address(es)
- City/State/ZIP or Postal Code
- Year

A page number will **not** appear on the title page; however, the title page **does** count as one of the maximum ten (10) pages allowed. The page following the title page will be numbered "2".

Recommended Format for the Prospectus and Evaluation of the Prospectus

The body of the prospectus should include:

SECTION 1—Executive Summary

Your presentation on this section could include the following components as an introduction: type of business, brief description of major product/service involved.

SECTION 2—Description and Analysis of the Business Situation

Your presentation on this section could include the following components:

- A. self-analysis: actual personal experience and/or training in proposed field
- B. trading area analysis: geographic, demographic and economic area; competitive advantages of proposed business
- C. customer analysis: target market, estimated potential market
- D. analysis of location: traffic patterns, competitive advantage, availability and cost
- E. proposed organization: type of ownership, steps in starting to form the business, planned personnel

SECTION 3—Proposed Marketing/Promotion Plan

Your presentation on this part could include the following components:

- A. proposed product or service: details of product(s) or service(s) to be offered; potential suppliers or manufacturing plans
- B. proposed pricing policy: costs, markups, relationship to competitors
- C. promotional activities:
 - personal promotion: non-media sales plan, staffing and merchandising appeal
 - non-personal promotion: media, basic appeal and initial promotion plan
- D. place: channel of distribution from manufacturer or service provided to consumer

NOTE for franchise businesses: participant(s) must provide the corporate guidelines and services for suppliers, pricing, promotion, etc. The participant must then indicate marketing promotion strategies that complement the corporate guidelines and services, such as possible local suppliers, local pricing and promotions, etc.

SECTION 4—Proposed Financing Plan

Your presentation on this part could include the following components:

- A. projected income/cash flow statement: projected budget describing income and expenditures for first year
- B. projected three-year plan: describe planned growth, including financial resources and needs
- C. personal/internal capital: earnings, borrowing, long-term equity
- D. external capital: short-term and long-term borrowing; long-term equity
- E. repayment plan: plan to repay borrowed funds or provide return on investment to equity funds

NOTE for franchise businesses, for all sections (Part 1, 2 and 3), prospectuses for franchise business must include the corporate guidelines for services provided for organization of business, pricing and promotion, financing, etc.

Special Note: Use the prospectus for support and documentation of presentation.

CHECKLIST STANDARDS

In addition to the items outlined above, participants must observe the following rules. The purpose of these rules is to make the competition as fair as possible among all participants. Points will be deducted for each violation. Refer to the *Written Entry Checklist*.

1. One “official” prospectus and three additional copies (or photocopies) **must** be submitted. **All four (4) of these must be submitted in official Delta Epsilon Chi (or DECA) folios.** Folios are available from DECA IMAGES (catalog # DEF000). No markings, tape or other materials should be attached to the folios.
2. All four prospectuses **must** be brought to the participant briefing session to be turned in for evaluation according to the *Written Entry Checklist*. This will be kept by the event director and will be given to the judge(s) prior to your presentation.
 - The participant(s) may retain other copies (or photocopies) for their personal reference during the presentation. These do **not** have to be in official folios, will **not** be evaluated, and may **not** be shown to judge(s).
3. The prospectus **must** be limited to ten (10) pages, including the title page, which is not numbered. The pages must be numbered in sequence; however, a page number will **not** appear on the title page. The title page **does** count as one of the maximum ten (10) pages allowed. The page following the title page will be numbered “2”.

One page will be counted for each 8½ x 11-inch panel or fraction thereof (foldouts, brochures, etc.). Extra pages added as dividers or additional title pages (even if blank) are included in the maximum ten (10) pages.
4. Body copy of the prospectus must be at least double-spaced. Tables, charts, graphs/figures, etc. may be single-spaced. Material may appear on one side of the page only.
5. The prospectus may **not** be handwritten; it must be typewritten or word processed. Tables, charts, graphs/figures, etc. may be handwritten.
6. Colored paper, ink, pictures, etc. are allowed. Divider tabs, page borders, artwork, attachments, foldouts, paste-ups, photographs, etc. may also be used, but are still subject to number of pages and page size restrictions.
7. For franchise business, documentation must be included (corporate guidelines for services provided for organization of business, pricing and promotion, financing, etc.).

GUIDELINES FOR FRANCHISE DOCUMENTATION

Documentation must be provided to serve as written proof of franchise guidelines and services, where appropriate. The documentation is provided to allow your prospective financial investor (judge) to evaluate your business prospectus with the greatest possible effectiveness given the limited time, and to allow you to best communicate your prospectus. While you should certainly summarize the franchising guidelines and services used within your ten (10) page prospectus, you still must provide the support documentation (i.e. a copy of the franchise agreement and the set of guidelines for establishing a franchise) as proof. Any information created by the participants (i.e. summary of franchise services as they relate to your local market) is not appropriate for the franchise only Appendix or separate franchise documentation.

There are many forms in which you may receive franchise guidelines for your business. The format options for franchise documentation are as follows. Participants are encouraged to use divider pages or other such methods for clearly identifying franchise documentation. If used within the franchise documentation, they will not be subject to the written prospectus checklist standards.

1. **FRANCHISE ONLY APPENDIX** — If your documentation consists only of a few pages and will easily fit in the official folio with your written prospectus, you may choose to include an Appendix for franchise documentation. If you choose this approach, your franchise documentation Appendix will **NOT** count as one of the maximum ten (10) pages allowed.

NOTE: If material other than actual franchise documentation (as described above) is included in your Appendix, you may be penalized under the Written Entry Checklist .

2. **SEPARATE FRANCHISE DOCUMENTATION**—If your documentation consists of many pages (it may even be in bound form) and does **NOT** fit in the official folio with your written prospectus, you may choose to provide separate franchise documentation. If you choose this approach, your franchise documentation does not need to follow any certain formatting guidelines and will **NOT** count as one of the maximum ten (10) pages allowed.

NOTE: If material other than actual franchise documentation (as described above) is provided as Separate Documentation, you may be penalized under the Written Entry Checklist.

GUIDELINES FOR THE PRESENTATION

Refer to the *Presentation Evaluation Form*.

1. This event **does** allow the use of materials (i.e. product samples, prototypes).
2. All material must be prepared by the participants (except for franchise documentation).
3. The participant(s) may bring copies of the prospectus to the presentation for their personal reference. These do **NOT** have to be in official folios, will **NOT** be evaluated, and may **NOT** be shown to judges.
4. Self-contained, state-of-the-art technology (personal or laptop computers/hand-held digital organizers) may be used. **However, participants must use battery power even if electrical outlets are available in the room.**
5. Visual aids (poster paper, flip charts) may be used.
6. All materials, equipment, supplies, etc. must be provided by the participants. **DECA ASSUMES NO RESPONSIBILITY FOR DAMAGE/LOSS OF MATERIALS, EQUIPMENT, SUPPLIES, ETC.**
7. Only materials (includes computer equipment, visual aids, etc.) that can be easily carried to and from the competition areas by the actual participants will be permitted. Only the participants may handle and set up their materials. No outside assistance will be allowed.
8. Participants will have up to fifteen (15) minutes to present their proposal and answer questions from the judges.
9. Space provided for this event may be limited to a 6' x 8' pipe-and-drape booth in an arena atmosphere (includes judge's table and chairs).
10. When using a presentation aid, such as a lap-top computer, the noise level must be kept at a conversational level that does not interrupt other participants. If this guideline is not followed, the participant will be interrupted and asked to follow the noise policy. Failure to do so may result in disqualification.

Presentation Schedule

Presentations will be scheduled at thirty-five (35) minute intervals

Ten (10) minutes for the judges to review prospectus

Fifteen (15) minutes for participant presentation (describe proposal and request funding)
and questions by the judges

Ten (10) minutes for scoring by the judges