



## The North Slope Marketplace 2019 Businesses Plan Competition

With a vision of facilitating vibrant North Slope communities, Alaska Growth Capital (“AGC” or “the Company”) administers the North Slope Marketplace Business Plan Competition (“NSM” or “the Competition”). While business plan competitions can take many forms, the NSM provides technical and financial support over a 4-phase competition cycle to encourage adaptive, entrepreneurial activity on the North Slope. Open exclusively to Arctic Slope Regional Corporation (“ASRC”) Shareholders, the Competition improves the economic opportunities available to Shareholders by providing small business grants to those who would otherwise be limited to access capital for their business ventures.

### **Program History**

In 2009, ASRC and AGC acknowledged the challenge many faced in North Slope communities when seeking capital for entrepreneurial activities. Under the direction of AGC, the NSM was created to provide financial and technical assistance to ASRC Shareholders launching regional-based businesses. Since inception, the NSM has awarded over \$1 million to 50 businesses on the North Slope.

### **Program Future**

In 2019, AGC will advance its support of the region by placing an increased emphasis on education and community. While AGC recognizes the vital need for startup capital in the region, the Company identifies development training, mentorship and community networks as key components to lasting companies and economic development.

As a result, the NSM Business Plan Competition will now bring Shareholders together in an annual cohort that develops over an 8-month period (as opposed to accepting individual applications on a rolling basis throughout the year). In 2019, the program will begin in March and conclude in October during the Alaska Federation of Natives Convention (“AFN”). The value AGC hopes this cohort model will create for participants extends beyond the NSM; forging a culture of entrepreneurship that grows communities from within, for a sustainable North Slope economy.

For each annual Competition cycle, all interested Shareholders must submit a Business Concept Application for review. Semi-finalists will travel to Utqiagvik to participate in an intensive Business Boot Camp Weekend designed to accelerate business ideas and enable participants to execute a complete business plan. Upon submission of final

business plans, finalists will be selected to travel to the annual AFN Convention to be recognized and awarded up to \$25,000 in startup capital.

## **Eligibility**

The NSM is open to new ventures, existing businesses seeking diversification, or expansion of existing business operations on the North Slope. All existing businesses seeking diversification or expansion must demonstrate stand-alone success of the new operation. All businesses must be for-profit. 501(c)3 and other nonprofits are not eligible.

The Competition is only open to Shareholders of ASRC who are 18 years of age or older at the date of entry. Applicants must not be residents of a North Slope Borough community however their business must provide economic opportunity to the region. ASRC Board Members and staff are not eligible to enter the Competition.

AGC reserves the right to disqualify any participant based on the findings of the criminal background and credit checks at any time. AGC does not anticipate advancing any applicants beyond Phase 1 - Business Concepts, if it is determined that the applicant has access to sufficient resources to fund the business on their own. This determination will be made based on information provided in the applicants Personal Disclosure and Financial Statement section of the Business Concept Application.

## **Competition Details**

The NSM Business Plan Competition consists of 4 key phases:

### ***Phase 1 – Business Concept – Present Your Exciting Business Idea!***

***DUE JUNE 24, 2019***

The Business Concept Application can be found [here](#) via a fillable pdf template. All interested entrepreneurs must **electronically submit their Business Concepts by 5:00pm, on June 24, 2019** to AGC's Community Economic Development ("CED") Consulting Associate, Aurora Warrior, at [aurwarrior@AlaskaGrowth.com](mailto:aurwarrior@AlaskaGrowth.com). No late submissions will be accepted.

Business Concepts allow participants to present a brief overview of their business, including:

1. A description of the products or services offered
2. The problem/need/opportunity addressed by the business
3. Sustainability of business
4. The community engagement and impact
5. The overall management capacity

AGC requires all business owners to complete a Personal Disclosure and Financial Statement section of the Business Concept Application – authorizing the Company to complete a criminal background and credit check as well as understand applicants' personal financial capacity. A full criminal background and credit check will be conducted on each participant as part of the Business Concept phase (Phase 1) to determine eligibility. A credit score below 625 will require a Credit Counseling Session with AGC's CED Consulting Associate. Applicants will be asked to disclose any criminal background information as part of the Business Concept submission. Serious criminal offenses (such as felonies and recent offenses) will be subject to AGC's review and approval before advancement to the Review Committee.

Business Concepts are scored based on the following criteria:

1. Product or service described is feasible or realistic and achievable in the region.
2. The product or service addresses a problem, need, or opportunity within the region.
3. The product or service has a unique competitive advantage that ensures business sustainability.
4. The business promotes greater economic opportunities for the region.
5. Applicant demonstrates their professional and life experiences (and that of their teams, if applicable) that will help them successfully manage the business.

AGC's CED Consulting Associate will review all applications to ensure completeness and eligibility. All entries that pass initial screening will be reviewed by a 5 person NSM review committee comprised of industry leaders from across the North Slope and the ASRC network.

For more information on the NSM Business Plan Competition and the Business Concept more specifically, please join an informational [webinar](#) detailing the program and application on **March 20, 2019 at 12:00pm**. Also, check the website, [www.northslopedmarketplace.com](http://www.northslopedmarketplace.com) for NSM meetings across the North Slope communities starting this spring.

***Phase 2 –Business Boot Camp – Listen, Learn, Network, Start up!***

***AUGUST 9-10, 2019***

AGC will extend an invitation to up to 10 Business Concept applicants to advance to phase 2 of the Competition; a Business Boot Camp Weekend on August 9<sup>th</sup>-11<sup>th</sup>, 2019 in Utqiagvik. Finalists will have 10 days to formally accept the invitation via email to attend the Business Boot Camp. During this time, participants will engage in a focused training on the fundamentals of starting a business, network with other small businesses and leaders from the ASRC network, and learn the key elements of developing a

successful business plan.

This fun, interactive weekend offers extensive resources and networking opportunities to support new businesses from idea to execution. AGC will cover travel, accommodation, food associated with the weekend for participants.

An award of \$500 will be granted to the semi-finalists for technical development costs associated with assisting the applicant in writing their formal business plan, including: hiring a consultant to complete a market analysis, develop financial statements, support initial branding and marketing, assist with a sales strategy, etc. Awards will be processed as a reimbursement or check request directly to the technical provider. Failure to redeem award by September 5<sup>th</sup> will result in forfeiting the \$500 assistance award. Please note the \$500 is not included in the final \$25,000 award.

### ***Phase 3 – Business Plan – Detail All Aspects of Your Business Strategy***

**DUE SEPTEMBER 16, 2019**

Full participation in Business Boot Camp is required for advancement to the final phases of the Competition. Semi-finalists must submit a comprehensive business plan for consideration for the final awards. Post-Boot Camp, AGC's CED Consulting Associate will be available to provide additional assistance as applicants refine business ideas and develop their formal NSM Business Plan.

While specific expectations and instructions will be supplied to semi-finalists during the Business Boot Camp, Business Plans must include more detail than the Business Concept and follow a similar structure to below:

1. Executive Summary
2. Company Overview
3. Products and Services
4. Market Analysis
5. Marketing and Sales Strategy
6. Community Engagement
7. Management Experience
8. NSM Use of Funds
9. Future Plans and Dreams
10. Financial Statements
11. Appendices
  - Copies of valid business licenses and evidence of the organizational structure of the business (i.e. sole proprietorship, joint venture, Limited Liability Company, corporation, etc.)
  - Copies of business insurance or quotes for new businesses
  - At least 3 letters of reference (1 character reference from a family member and 2 professional references from a non-related

professional colleague or community leader)

General evaluation criteria includes:

1. Clarity, completeness and persuasiveness of the business plan
2. Why, how and where the business exists
3. Comprehensive description of the business' products and/or services
4. Market analysis and potential demand and growth prospected examined
5. Contingency planning and risk assessment – as well as mitigating risk factors – considered
6. Pricing and promotion strategies detailed
7. The capacity and strength of the management team explained
8. Financial projections and community impact of business modeled
9. Size of community (preference given to business operating in smaller communities)
10. Quality of elevator pitch
  - All Business Boot Camp participants will pitch their businesses in front of the cohort during the weekend. Pitches are recorded for participants review and will be included in the overall award scoring.

All Business Plans will be reviewed by a 5 person NSM review committee comprised of AGC and ASRC representatives.

**Final Business Plans including all required accompanying material must be electronically submitted** to AGC's CED Consulting Associate, Aurora Warrior [aurwarrior@AlaskaGrowth.com](mailto:aurwarrior@AlaskaGrowth.com) by 5:00 pm on September 16, 2019. No late submissions will be accepted.

#### ***Phase 4 – Award Ceremony Recognition and Disbursement of Funds***

#### **OCTOBER 17-19, 2019**

Finalists will be notified via phone/email of their advancement in the competition. NSM winners will be invited to travel to AFN 2019 in Fairbanks where they will receive recognition and an award of \$25,000 in startup capital and \$5,000 in technical assistance funds to further develop their business ventures. AGC will cover travel and accommodation expenses associated with the Award Ceremony. If a winner cannot attend in person, they will be recognized in absentia.

#### ***Key 2019 Dates:***

- March 13 – Business Concept Application period opens
- March 20 - Informational webinar outlining NSM and Business Concept Application
- March/April/May - Community outreach (specific travel dates for each community coming soon)

- June 24 - Business Concept Application submission deadline
- August 9-11 - Business Boot Camp Weekend
- September 16 – Final Business Plan submission deadline
- October 17-19 - Winners announced during AFN Convention

## **General Rules**

Each applicant must submit 1. Business Concept and 2. Business Plan to AGC's CED Consulting Associate, by the deadlines stated above, to be considered eligible to advance in each phase of the Competition.

Business Concept submissions will be limited to one submission per person. Late submissions are not accepted.

All business ideas must represent independent, unique concepts. No pyramid sale distribution plans, private clubs, gambling entities or religious institutions will be accepted. NSM funds are designed to supplement or match (and not fully replace) other funding sources. Awards may not be used to refinance an existing small business loan or pay back personal bills.

All businesses must obtain a valid business license and be in good standing under all applicable local and state laws as well as provide proof of plans to secure insurance appropriate for the business activities prior to the submission of final Business Plans.

Entries become the property of the AGC and will not be returned to the applicant. Failure to follow directions and instructions contained in these Competition Guidelines and Official Rules, or failure to provide all required materials and information specified in either the Business Concept Application and/or Business Plan Guidelines, may result in disqualification from the Competition.

Entries constitute an irrevocable grant of permission for AGC, ASRC and its subsidiaries; affiliates, promotional partners, licensees, agents, and those they may designate from time to time to use applicant information for advertising, marketing, promotional or other purposes as determined by the AGC. This includes using an applicant's name, photograph, likeness, city and state of residence, and the name of the business identified in the business plan and/or proposal, in all media and formats without further notice or payment.

AGC reserves the right to disqualify any individual based on misconduct, fraud or error and/or to cancel, modify or suspend the Competition due to applicant fraud, misconduct or error. AGC is not responsible for any printing, typographical or other error in the printing of the offer, administration of the Competition, or announcement of the awards.

By entering the Competition, each applicant releases and agrees to hold harmless, defend and indemnify AGC, ASRC and its subsidiaries, affiliates, promotional partners, licensees, agents, and all others associated with the development and execution of the

Competition, from any and all claims and liabilities arising from, or in connection with, participation in the Competition or the applicant's acceptance or use of an award. Winners assume all responsibility for any damage, injury, or loss caused (or alleged to be caused) by participation in the Competition or by the receipt or use of any award.

All applicable federal, state, and local laws and regulations apply. Void where prohibited or restricted by law. AGC is not responsible for illegible, lost, or delayed mail, corrupted postage, or incomplete entries. AGC is not responsible for incorrect or inaccurate entry information, or any other human or technical errors of any kind relating to the submission, collection, storage, processing of entries, or the administration of the Competition. AGC's failure to enforce any provision of these Official Competition Rules, the Application Guidelines, or North Slope Marketplace policies shall not constitute a waiver of that provision.

Official Competition Guidelines and Rules are subject to change or termination at any time without notice.

### **Awards & Reporting**

Each award will be determined at the discretion of AGC and its NSM review committees and will not exceed \$25,000. The award recipient and all vendors/ suppliers will be required to complete and submit a W-9 form prior to receipt of the award or payment for goods and services relating to the NSM. Under the General Welfare Doctrine, no Form 1099 reporting will be required of awardees. Awards are not expected to be taxable, however Awardee's are advised to seek tax advice to confirm.

Award disbursements will not be given in a lump-sum payment. Each award (both \$25,000 in startup capital and \$5,000 in technical assistance funds) will be issued in the form of a check or a wire transfer directly to vendors, suppliers, consultants, etc. through multiple disbursements. No substitutions or transfers of rights to receive the award will be allowed, except at the discretion of AGC. Each winner will be required to submit a Program Evaluation Report within 12 months of the award acceptance. The Report shall include total revenues earned and jobs created during the first year of funding. AGC may request additional information regarding the business's finances at any time, as needed, to complete required reports or to use in any other manner deemed necessary by the Company, ASRC or its subsidiaries.