

## BOEING NEW VENTURE CHALLENGE

### **Stage 1: CONCEPT Feasibility (Screening) Criteria**

*Students from across campus are invited to prepare a two-page (poster) executive summary of their business concept that provides the basic reasoning about their new business opportunity.*

Is there a market opportunity?

- An unmet or poorly served need?
- A customer group that is willing to pay?
- Of sufficient size to warrant entry?
- With limited or weak competition?
- And reasonable profit prospects?

Is the invention, design, product or business concept able to serve this need and market?

- Is it unique or different from competition?
- Is it technologically feasible (e.g., not purely imaginative)?
- Is it economically feasible? (e.g., no prohibitive start-up costs)?
- Is entry feasible (e.g., not blocked by regulation or need for unique credentials)?

*Those proposals that meet the screening thresholds are invited to make a full business plan submission. Students are encouraged but not required to register for the New Venture Challenge class.*

## Stage II: New Venture Challenge Award (Selection) Criteria

*Student will be encouraged to get assistance with the preparation of these new venture plan documents – through a class or any other mechanism. In using these categories as selection criteria, we will focus on the quality and completeness of the analysis and conclusions.*

### **I. Opportunity**

- **Customer:** Who is the customer?
- **Value Proposition:** Why will the customer buy? What is the need served for customers?
- **Market:** What is the size of the market? Is it growing? What is driving growth (why is it expected to grow)? Is the market accessible?
- **Product or Service:** What is the specific product or service to be offered? How does the product/service compare to the products/services offered by competing firms?
- **Competition:** Who are the competitors? (Consider companies that produce a similar product/service and those that produce a different product or service that fulfills the same customer need). What are the size, market shares, capabilities, and strategies of competitors? How do companies compete with each other? Is competition intense or complacent? What is the likely response of competitors to a new entrant?
- **Growth and Profit Potential:** What are the conclusions about the attractiveness of the opportunity? The growth prospects? The profit potential? The ability to enter without capitalizing all profits?

### **II. Strategy and Advantage**

- **Mission/Vision:** What will your company do, how, for whom, and why will they buy? What do you want your company to be in five years?
- **Product/Service Difference:** Will customers seek out your product/service preferentially? Why?
- **Competitive Advantage:** Is it possible to attain and hold a strong position in the marketplace? To block imitators? (Intellectual property, etc.)
- **Entry Strategy:** What is your approach for initially entering the market? How will you secure your first customer? What relationships must be in place for that to happen?
- **Risks:** What are the risks? What are the assumptions that must be realized for this to work?

### **III. Plan Execution**

**Execution** is the most detailed section of the New Venture Plan and translates a business concept into actions needed to be successful. To accomplish market entry, what is needed? Students should explain what needs to be done, by whom, at what cost, over the first month, first year, then second year. They should illustrate the tasks, staffing needs, and financial commitments in a timeline.

- **Product Development** (design, prototype test, pilot test)

- **Marketing** (market research, sales, marketing, channel management)
- **Operations** (method by which product or service will be created/delivered to customer, make or contract, supplier arrangements, quality standards, etc.)
- **Human capital** (the essential people needed, how you will bring them onboard, how you will reward them for their efforts)
- **Regulatory requirements**
- **Financial requirements** (start-up costs, working capital, cash flow issues, profit projections).

#### IV. **Final Evaluation (for score)**

##### *Venture Concept (50%)*

- Creativity/uniqueness of the product/service concept
- Probability of technical success
- Probability of market success
- Probability of financial success

##### *Venture Plan (50%)*

- Thorough coverage of all important topics
- High level of analysis and insight throughout
- Professionally delivered presentation
- Well-structured and written documents