

NYU Stern New Venture Competition

New Venture Feasibility Guidelines

Purpose

The goal of the New Venture Feasibility Analysis is to clearly articulate the venture business model and marketability of the new venture; describe its potential for financial profitability and success; and communicate the management team's ability to execute and succeed in its business goals. Keep in mind, this document is an overview – you will identify the details in the full business plan later on in the competition.

Screeners and judges are to focus on the five key areas outlined below with importance designated by percentages. They also receive the following guidance:

Funding: The startup does not need to be one that requires venture capital unless that is appropriate or needed. However, all enterprises require funding and therefore, the preliminary venture concept must state how you propose to fund your venture.

Scale: The venture need not be initiated as a large venture unless that is appropriate. However, we do not view favorably the small venture that lacks a vision for growth.

Submission Procedure and Format

1. Use the questions on the next page to guide your analysis. Your document must be limited to **three pages of text and up to two additional pages for documentation of feasibility and/or financials**. You need to demonstrate evidence of your assertions. In total, the document should not exceed 5 pages.
2. **1 inch top, bottom, left and right margins and 12 pt. font** requirement applies to the textual content of the document and not to titles and descriptions accompanying references and/or worksheets
3. Submission is online at: gust.com

Venture Name:

Team Members Names and e-mail addresses:

Evaluation Criteria

1. **New Venture Idea** 25%
 - a. What existing need or want does the venture address? What is the problem you solve?
 - b. Describe the product/service? How will it change the way people live, work or do business? What makes it unique and why will customers buy/use it?
 - c. Who are potential users and/or customers? What is your market segment and why? Is there more than one customer group?
 - d. Has customer feedback been sought? What evidence do you have that your target users/customers want to use and/or are willing to pay for your product/service?

2. **Business Model** 20%
 - a. What are your sources of revenue/how does the venture make money? Are your users and buyers one in the same?
 - b. What are your first year cash needs? How do you plan to fund them?
 - c. Provide a simple 3-5 year P&L with headcount, revenue, expenses, operating profits, cash flows and key metrics that define your business (users, unit volume, etc.).
 - d. How can you grow/scale the business?

3. **Market Analysis and Plan** 20%
 - a. What is your estimate of the market size for the company's product or service, and what data is this estimate based on?
 - b. What are the growth characteristics and key drivers of this market?
 - c. Who are the existing and potential competitors? What is your competitive advantage and barriers to entry?

- d. How will you bring your product to market and drive customers from awareness through consideration, trial and repeat usage?

4. Operations Plan

10%

- a. Who are the key players in your venture's ecosystem (suppliers, vendors, channels, manufacturing partners, etc.) that are necessary to realize your business model?
- b. What are the critical success factors?
- c. What are the major risks (technology, organizational, competitive, regulatory, etc.) associated with your venture and how, if possible, will you mitigate them?
- d. What are the key technical, commercial, team and financial milestones for the next 2 years?
- e. What's your current status?

5. Management

25%

- a. What are the team's key skills and areas of expertise for executing this plan?
- b. What are the key skills and areas of expertise you need to add to your management team?