

## **Texas Venture Labs Investment Competition**

The Texas Venture Labs Investment Competition (TVLIC) is designed to mimic the real-world process of raising venture capital. Graduate students from the University of Texas present their ideas for new businesses and receive invaluable feedback from entrepreneurs and investors. Many TVLIC competitors go on to launch their businesses. Successful competitors have included uShip, Ordoro and Qcue among others.

The next Texas Venture Labs Investment Competition (TVLIC) will be held on **Friday, December 1, 2017** in the AT&T Executive Education and Conference Center. The Spring TVLIC will be held on Friday, May 4, 2018. Please monitor this page for updated schedules, registration information and judging criteria.

For automated updates about upcoming TVLIC events, please enter your contact email [here](#).

### **All Your Questions Answered**

Watch our [video](#) with TVL Assistant Director Harlan Beverly talking about what it takes to win.

## Rules and Guidelines

These rules are intended to act as guidelines outlining the intent of the competition. Final eligibility to compete and allocation of awards remains at the sole discretion of Texas Venture Labs.

### General Eligibility

- Companies must currently be operating or intend to launch within six months of the competition.
- Companies may compete more than once provided they did not win First Place in a past TVL Investment Competition.
- Individuals may only compete with one company per competition
- All entrants must be competing with stand-alone startup operating companies, which excludes investment vehicles, existing company expansions, licensing entities and roll-ups.
- Students must own a majority of the fully diluted equivalent shares of the company and a capitalization table must be provided for documentation.
- Students must be enrolled in a graduate degree granting program from The University of Texas at Austin. Certificate or post-doctoral program students are not eligible.
- All sessions are open to the public and TVL has the right to use all business plans, videos, images and presentations for educational or other purposes.
- Participating teams are responsible for ensuring their eligibility. Violations will result in a team's disqualification from the competition as well as forfeiture of any awards and prize money.

### Competition and Award Eligibility

- All teams must present in the Nemec Elevator Challenge on the day of the competition.
- All teams must be present at the Awards Ceremony in order to claim any award.
- **James D. Pippin Veteran Entrepreneurship Award:** The competing team must have at least one U.S. military veteran student founder.
- **Wells Fargo Clean Technology Award:** The competing team must have a clean technology or sustainability aspect, as determined by TVL, to be eligible for this award.

### Application Requirements

- Executive Summary: A two-page, 12-point font, one-inch margin, double-spaced executive summary in PDF format.
- Financial Forecast: A three-year financial forecast with integrated income statement, balance sheet and statement cash flows not exceeding three printed pages.
- Capitalization Table: A current capitalization table of all shareholders of the company and the fully diluted equity equivalence of the company.
- Examples and templates for file uploads can be found [here](#).

### **Optional Application Item**

- A use of funds statement from the winner of the top prize of \$10,000.
- An indication of your corporate status by stating whether you have filed for incorporation or not and in which state.
- A summary of the status of any patents or licenses (including patents pending).
- Business Plan: Plans are to be submitted as a single, printable PDF file. Plans are limited to no more than 21 pages (not including a single cover page or single table of contents page).
  - The 21 pages are limited to a maximum of 15 pages of text and 6 pages of appendices. Page format is double-spacing, 12-point font, with 1 inch top, bottom, left and right margins. This line spacing and font requirement applies to the textual content of the document and not to titles and descriptions accompanying pictures, graphs, tables or worksheets.
  - All pages must be numbered excluding the cover page and table of contents. The cover page must include the company name, team member names in alphabetical order and the degree they are pursuing.
  - Appendices should be included only if they are referenced in the written plan and must print out in a font size that is readable. If these guidelines are not followed, the plan will not be distributed to the judges.

### **Other Requirements to Compete**

- PowerPoint Presentation: TVL must receive a copy of your presentation prior to the start of the competition.
- Release Form: TVL must receive a permission form signed by every member of your team acknowledging that TVL has the right to use all business plans, videos, images and presentations for educational or other purposes.

### **Presentations**

- Presentations are interactive and delivered to a panel of investors on a 30 minute running clock including both presentation and Q&A.
- Companies are encouraged to present via PowerPoint; however, all presentation equipment is the responsibility of the presenters.
- Teams may not observe the competitors' presentations in their assigned division until after they have presented.
- Only current UT Austin graduate students may present and participate in the Q&A.

## **FAQ**

### **What is the Texas Venture Labs Investment Competition?**

Texas Venture Labs Investment Competition (TVLIC) launches the process of raising venture capital. The competition allows current graduate students from The University of Texas at Austin to gain real experience while developing and growing new ventures based either on their own ideas and technologies or those developed by others.

### **What is the entry fee for the competition?**

TVLIC does not have an entry fee.

### **What types of ventures can compete?**

Companies must intend to be operating companies (going concerns) with corporate structures and financial statements that reflect real operating revenues and expenses. This is intended to exclude investment vehicles, partnerships, licensing and other pass-through entities where returns are measured for investment value versus operating earnings.

TVLIC welcomes all companies and focuses on new, independent ventures in the seed, startup or early growth stages. In addition to what is outlined in the above paragraph, generally excluded are the following: buy-outs, expansions of existing companies, roll-ups, real estate syndications, tax shelters, franchise based outlets, licensing agreements for distribution in a different geographical area and spin-outs from existing corporations.

Licensing technologies from The University of Texas at Austin's Office of Technology Commercialization or from the technology transfer offices of other universities or research labs is encouraged assuming there has been no previous commercialization. Key in these types of ventures is demonstrating significant added value to the technology through the efforts of the management team. All ventures must be seeking outside funding by equity or debt.

### **Does my team qualify for the James D. Pippin Veteran Entrepreneurship Award?**

The Pippin Award is a separate cash prize awarded to an eligible team. To be eligible, teams must contain one or more U.S. military veteran co-founders. Texas Venture Labs and its veteran advisory team will make the final determination regarding a team's eligibility for the award.

### **Does my team qualify for the Wells Fargo Clean Technology Award?**

The Wells Fargo Award is a separate cash prize awarded to an eligible team. To be eligible, teams must incorporate a clean technology, alternative energy or sustainability component. Texas Venture Labs will make the final determination regarding a team's eligibility for the award.

**Can a venture compete in TVLIC more than once?**

Yes, unless the company has previously won First Place in this competition.

**Can a student compete in TVLIC more than once?**

Yes, but only with one company at a time.

**Can a team compete if the venture is generating revenue?**

Yes.

**Can a team compete if their venture has previously raised equity capital?**

If a company has previously raised equity capital, they may only compete if the current UT graduate students own at least 51% of fully diluted share equivalence and they meet all other competition eligibility requirements.

**My team consists of graduate students outside of McCombs School of Business.**

**Can we compete at TVLIC?**

This is a competition for any degree-seeking University of Texas at Austin graduate student. Students from any graduate program are eligible to participate so long as all other eligibility requirements are met. Non-students may be members of the venture's management team; however only graduate students may participate in the competition.

**Can recent graduates compete at TVLIC?**

No.

**How should my venture's executive summary be formatted?**

Summaries should be submitted as a single, printable PDF file. Documents are limited to no more than two pages with the following parameters: format is double spacing with 1 inch top, bottom, left and right margins and 12-point font. This line spacing and font requirement applies to the textual content of the document and not to titles and descriptions accompanying pictures, graphs, tables or worksheets.

**How should my venture's business plan be formatted?**

The business plan is not required. In the case of a particularly engaging executive summary, the judges are encouraged to include the business plan in their decision. Plans are to be submitted as a single, printable PDF file. Plans are limited to no more than 21 pages (not including a single cover page or single table of contents page). The 21 pages are limited to a maximum of 15 pages of text and 6 pages of appendices. Page format is double spacing, 12 point font, with 1 inch top, bottom, left and right margins. This line spacing and font requirement applies to the textual content of the document and not to titles and descriptions accompanying pictures, graphs, tables or worksheets.

All pages must be numbered excluding the cover page and table of contents. The cover page must include the venture name, team member names in alphabetical order and the degree they are pursuing. Appendices should be included only if they

are referenced in the written plan and must print out in a font size that is readable. If these guidelines are not followed the plan will not be distributed.

**Is there anywhere that our team can get guidance preparing our business plan and/or presentation?**

Students may receive support from Texas Venture Labs during office hours from 12:30PM - 1:30PM on Wednesdays at the One Twenty 5 Cafe in the AT&T Conference Center. Students are also encouraged to enroll in the New Venture Creation class as the academic work strongly aligns with this competition.

**What is the format of the presentation?**

The presentation format is 30 minutes running clock and judges may interrupt at any time with questions. Each team member at the competition must participate fully in the formal presentation of the plan.

Teams may not observe other teams' presentations in their division until after they have presented their own plan. Each team needs to supply its own PC-compatible laptop computer and is responsible for assuring it works with the provided audio-visual equipment in advance of their presentation.

**What audio-visual equipment will be available during our presentation?**

Generally speaking, you will have a ceiling-mounted projector with VGA connections. Audio interfaces are not necessarily available, depending on the room setup. Each team is responsible for ensuring that their presentation works with the provided audio-visual equipment in advance of their presentation. Equipment configuration delays reflect poorly on your team's presentation.

**Do Texas Venture Labs or the judges sign non-disclosure agreements (NDAs)?**

No. Neither the judges nor Texas Venture Labs sign NDAs of any kind. Your materials submitted or presented for TVLIC should be considered public disclosure. If you are concerned about disclosing intellectual property, we suggest not disclosing that information and instead talking in general terms about how your product or service works.

**If my team wins, how will the money be awarded?**

Team members must be present at the Awards Presentation in order to receive the awards. The prize money will be distributed via check to the winning companies' team members within 90 days provided the necessary forms have been submitted and accepted. Additional information and eligibility may be required and the TVL staff will follow up with the required information.

**What is a going concern?**

A going concern is a term that means the business is real, is launched or in the process of launching and intends to become a successful business. An example of a non-going concern would be a company that was fictitious or had no intent to launch after it won a prize such as a TVLIC cash award.