

Seedcorn

Investor Readiness Competition 2020

Official Rules & Entry Kit

Closing date

1pm - Friday 29th May 2020

Visit

intertradeireland.com/seedcorn

 **InterTradeIreland**

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1. Rationale of the Competition

InterTradelreland's mission is to enhance the global competitiveness of the economy of both jurisdictions for mutual benefit, through co-operative business, policy and research programmes, partnerships and networks.

InterTradelreland set out to assist the development of an equity culture on the island. The initial brief focussed on 3 key areas:

- Educating the demand side;
- Promotion of “best practice”; and
- Co-ordinating the supply side – focusing on seed and early stage.

InterTradelreland seeks to focus on assisting companies at the seed & early stage to improve investor readiness and ultimately capability to access early stage equity finance.

InterTradelreland provides the following equity services to the business community:

- An island-wide education programme including seminars, master classes, and round table events to raise awareness of the availability and benefits of using and raising external equity to build businesses;
- Value added advisory services to founder entrepreneurs and businesses to assist in becoming “investor ready”;
- Signposting for businesses seeking equity finance;
- An annual Venture Capital Conference; and
- A series of monthly regional equity advisory clinics.

Experience gained through the operation of these programmes and front line engagement with early stage companies and entrepreneurs has alerted InterTradelreland to the possibility of a sub €0.75million funding gap for seed and early stage companies across the island despite an upsurge in venture capital activity over the past 10 years.

The objectives of the Competition are:

- To assist start up companies in raising new equity;
- To enhance awareness of the various sources of private equity or venture investment finance;
- To stimulate activity/development of investor ready projects;
- To create a flow of quality business proposals/ deal flow;
- To accelerate the development of winning projects; and
- To create new venture role models.

2. Benefits of the Competition

The Competition offers entrepreneurs and early stage businesses the following opportunities:

- A total cash prize fund of €280,000; The prize fund is split as follows:

Overall Winner	€100,000*	Overall winner
Best New Start or Early Stage Company	€50,000*	One Award
Regional winners	€120,000	6 awards (€20,000 each)
Special award	€10,000	Best company stemming from a university spin-out or support programme

(*payable by instalments based on achieving key performance indicators in the company's business plan to finance the early stages of the venture. The Key Performance Indicators will be agreed in advance with the Seedcorn project manager and set out in a letter of offer to the winner "**Letter of Offer**").

- Accelerate the development of your business proposition and team;
- Learn how to present business propositions to investors and improve your 'investor readiness';
- Gain exposure with venture capitalists, angel and other investors;
- Increase the profile of your business; and
- Get feedback on your business plan.

3. Eligibility

The Competition is aimed at independent ventures incorporated on the island of Ireland (Ireland or Northern Ireland) in the seed, start up or early stages of business development and ideally targeting international markets.

The Competition is for individuals or venture teams, who have created, manage and own such ventures. The promoters/founder entrepreneurs are to have played a major role in conceiving the venture, continuing to have key management roles and to own significant equity.

Companies must be less than five years old at 29 May 2020.

Promoters must decide which category to enter: The two categories are:

- i. New Start Company, for entities seeking to raise between €50,000 and €299,999 or Sterling equivalent; and
 - ii. Early Stage Company for entities seeking to raise in excess of €300,000 or Sterling equivalent
- Only incorporated companies will be eligible to enter and competitors will be asked to provide their company registration number when applying for the Competition.
 - All ventures must be seeking external equity capital
 - Generally excluded are the following: buy outs, expansions of established businesses, consortia, tax shelters, franchises and licensing agreements for distribution in a different geographical area. The pre-incorporated trading activity of a sole trader or partnership may be taken into consideration when considering the length of time in business viz a viz eligibility.

- Applicant promoters should be aged 18 years or over and only entries from such persons will be accepted. Employees or agents of, or family members of personnel of, InterTradelreland or any member of the Judging Panel or other persons connected with this competition are not permitted to enter.
- Ventures which have already raised external equity in excess of €1m (or sterling equivalent) are not eligible.
- The determination of eligibility shall be at the sole discretion of InterTradelreland, which may, in exceptional circumstances, allow entry to competitors which do not strictly comply with all of the above criteria.

4. To Enter

All entrants to the Competition are required to complete an initial company information form and an application form via the Competition website www.InterTradelreland.com/seedcorn.

The Official Rules and Entry Kit are available to download from the above website. The rules for completion of the application form are set out in section 6 below,

By applying on-line the competitor will create their own unique account and password which must be subsequently used when submitting further documents and information.

To apply entrants are required to confirm which region on the island the main business is based. There are four regions in this year's Competition:

1. Dublin (City and County)
2. Northern Ireland
3. Munster
4. Connacht & Leinster*

*plus counties Cavan, Monaghan, Donegal and excluding County Dublin

Companies must also choose which category they are applying for. There are two categories in this year's Competition; New Start Company and Early Stage Company. New Start Companies are considered to be those seeking to raise between €50,000 and €299,999 or Sterling equivalent while Early Stage Companies are considered to be those seeking to raise in excess of €300,000 or sterling equivalent.

The deadline for receipt of applications is 1pm on Friday 29 May 2020

On 29 May 2020 all companies who have applied to the Competition will be invited to upload a three-minute video clip or a presentation slide deck or both via a secure web link. Companies will be allocated a specified date between 1 and 4 June and to upload their clip and cannot upload on other dates. All company uploads will be completed by 4 June 2020. Companies will use their own log on and password to access the upload section.

The rules for video and slide deck uploads are set out in Section 7 below.

Video clips and slide decks will be assessed alongside the application forms and companies will be shortlisted for the next stage of the Competition on the basis of all information supplied. By 19 June, all shortlisted companies will have been advised if they are successful and will be invited to prepare a full business plan for submission to the Competition via the secure upload link. Full business plans are recommended to be no longer than 25 pages plus appendices. Business plans must be received by 1pm on Friday 28 August 2020.

Prior to submission of the business plan, all companies will be invited to attend a business planning workshop (in one of six locations) to assist in the preparation of the plan. Attendance will be recommended but not compulsory.

Business plans will be accepted in PDF format only. Only one PDF can be submitted in total. Please contact InterTradelreland if you have difficulty submitting a PDF copy.

The rules for the makeup of the business plan are set out in Section 8 below.

5. Selection Criteria

We are looking for:

- Innovative businesses or ventures either with Intellectual Property, niche novel services or which have a clear commercial potential in their target international markets.
- Products or service offerings which will build sustainable competitive advantage over time in the marketplace.
- Entrepreneurial spirit and drive of the promoters.
- Clear growth and business development opportunities.
- Ventures at the seed, start up or early stages of development.
- Commercial opportunity of a size and potential that warrants initial investment.
- Defined route to exit.
- Companies whose aims and objectives are deemed to encompass the spirit of the Competition.

Ethical issues, environmental and social impact will be taken into account. Selection will be based upon the above criteria and will exclude any consideration of an applicant's perceived religious beliefs, political opinion, racial group, age, marital status, sexual orientation, sex, whether or not an applicant has a disability or whether or not an applicant has dependants.

6. The Application Process

The initial application process is made up of two parts, both of which must be completed for an application to be assessed. All companies must apply for the Competition on-line using the application form on the website www.InterTradeIreland.com/seedcorn.

Companies will be required to complete an information sheet detailing basic company data before being directed to the application form. This section must be completed in full with all compulsory fields completed.

Upon successful completion of the information sheet, companies will be mailed a link to the application site where they can log on and gain access to the application form. There will be a maximum of twenty sections covering the basic areas of the business and all sections are to be completed in three hundred characters or less. Text fields will be limited to three hundred characters only.

All sections of the application form must be completed for the application to proceed. No additional supporting material is required at this time.

Upon completion of the application form, companies will be emailed a confirmation of application. Subsequent access to the upload system should be made using the chosen user name and password.

7. Video Upload/ Presentation Slide Deck Upload Process

Companies will be advised by email on 29 May 2020 of the date on which they must upload further information. These dates will be between 1 and 4 June 2020.

A company will not be able to use the upload section outside their specified date. The upload section of the website will be open for access until midnight on the selected day. Companies must have commenced the upload prior to 23.59 on the date they have been invited to upload.

Companies should select whether they are uploading a video clip, a presentation slide deck or both. The purpose of the video and slide deck is to visualise the information in the application form.

Video clips to be uploaded to the Competition must not exceed three minutes in length. Any clips supplied that are in excess of three minutes will not be viewed past that time. Clips must be submitted in a recognisable format as listed on InterTradeIreland's website.

Companies are recommended not to spend excessive resources on the production of video clips as the quality of the production is not what is being assessed; it is the quality of the content that is important. Most modern smart phones and personal computers contain video cameras that are of acceptable quality.

Video clips should outline the main business proposals using visual props to strengthen the case where appropriate, for example product, people, premises, customer endorsement etc.

Slide decks can be supplied in PowerPoint, Keynote, Prezzi or similar format. It is recommended that slide decks do not exceed 15 slides. **It is highly recommended that any slide deck submitted to the competition has a voice over narrative included.** A pro-forma slide deck is available to download [click here](#)

No other documents should be uploaded at this time. Failure to upload a visual will mean that the application cannot be assessed and the company cannot be short listed for the next stage.

8. The Business Plan

Plans must be limited to 25 typed A4 pages of text, font size 12, including the executive summary and summary financial data.

- Detailed spreadsheets and appropriate appendices should follow the text portion of the plan. In total, the plan should be no more than 40 A4 pages. Business plans will be accepted in one single printable PDF format only.
- Financial data should include historic performance where applicable, 3 or 5 year projected profit and loss accounts, balance sheets, cash flow forecasts and assumptions underlying the projections.
- The plan should include an explanation of the offering to investors indicating how much investment is required and how it will be used.
- The plan should also delineate the possible exit strategies.
- **Customers:**
List a few key customers. If not applicable who are your potential or beta customers (list only those that you are actually talking/working with)?
- **Competition:**
Who are the key competitors and what is your sustainable advantage?
- **Product/ Sales:**
How will you reach your customer and make money?
- **Development:**
Status of product? Include dates of expected milestones. Where are the growth/opportunity drivers?
- **Management team:**
What is their background, are there skills gaps, is there a board of directors or advisers.
- **Historic Financing:**
Current investors, amount raised, date raised, post-money valuation.
- **Proposed Financing:**
Total amount to be raised and confirmation of any amounts already committed.
- **Proposed exit:**
(who, when, what type of exit)

Appendices should be included only when they support the findings, statements and observations in the plan. Because, of the potential number of entries in this Competition, judges may not be able to read all the material in the appendices. Therefore, the text portion of the plan (25 pages) must contain all pertinent information in a clear and concise manner.

As part of the business plan entrants should address the following information needs:

- **Value Proposition:**
What is the value proposition for the target customer base (why must they buy your product)?
- **Pitch to investors:**
In less than three hundred characters, describe what the venture does to address the above stated market opportunity.
- **Market Opportunity:**
Describe the target market, its size and growth prospects.

InterTradelreland have developed a resource which can be used as an aide memoir to help promoters prepare or update a business plan specifically aimed at potential investors.

The 'Business planning tool' which uses the 'The Business Cube' methodology is available for download [click here](#)

9. Selection Procedure

After the closing date of **1pm on Friday 29 May 2020**, all applications will be grouped into each of the four regions on the island they have entered from:

1. Dublin (City and County)
2. Northern Ireland
3. Munster
4. Connacht & Leinster*

*plus counties Cavan, Monaghan, Donegal and excluding County Dublin

InterTradelreland reserve the right to re-categorise an entry in terms of region from that selected when registering for the Competition.

If a company is re-categorised we will inform you in writing the reason for the re-categorisation. You will be asked to confirm in writing that you wish to progress in the competition on this basis. In addition, each plan will be grouped into one of the two categories referred to:

- New Start Company
- Early Stage Company

InterTradelreland reserve the right to re-categorise an entry in terms of category from that selected when registering for the Competition. This is to ensure that the spirit of the Competition is maintained. If a company is re-categorised we will inform you in writing the reason for the re-categorisation. You will be asked to confirm in writing that you wish to progress in the competition on this basis.

An initial selection panel will view and assess all applications and will short-list the business proposals from each region in both categories. Shortlisted companies will be contacted by 19 June and invited to enter the next stage of the Competition. Shortlisted companies will be invited to submit a full business plan for the second stage of the competition. Business plans must be received in one single PDF document format by **1pm on Friday 28 August 2020**.

A selection panel will read and score each business plan and those companies shortlisted will be invited to attend a regional final in early November. Companies shortlisted will be announced on **18 September 2020**.

Generally, three companies from each category and region are shortlisted to progress to the regional final. However, a minimum standard must be obtained to allow a company to progress. It is at the sole discretion of InterTradelreland whether or not to shortlist companies for the regional finals.

Regional finals will take place in early November. The selected regional finalists in each category will be invited to make an investment pitch to a panel of judges. Each of the short-listed entrants will be provided with 15 minutes to present their pitch. This will be followed by a 20-minute question and answer session with the judges. Judges may request further information from applicants to critique the business case and substantiate the premise of the business plan. Details of venues and judging dates will be posted onto the website in due course. On this basis two winners will be selected for each of the four regions (one from each category). Four finalists will go forward to compete for the overall prize in the Early Stage Company category and the remaining four will compete for the overall prize in the New Start Company category. Each of these regional winners will be asked to complete a pro-forma Executive Summary document (approximately 5 pages in total) summarising their business proposition.

Panels will assess the plans using the following evaluation process.

- Stage I assesses the written business plan and/or summarised pro-forma document focusing on key elements and the adequacy of the summary financial data,
- Stage II assesses the poise and professionalism of the presentation,
- Stage III evaluates the perceived viability of the venture.

9. Selection Procedure Continued

This quantitative assessment is meant to complement, not replace, the qualitative evaluation of the judges in their determination of winners. The panels in all rounds will be appraising the ventures to determine which represents the best investment opportunity.

They will be looking for ventures which offer the potential for significant wealth creation. The judges will be playing the role of a potential investor consortium or syndicate. Therefore, the commercial potential of the business, innovative nature, credibility of the projections and assumptions and the ability of the individual or individuals to make it happen will be of key importance.

Selection of the winner of the Special Award for the best venture stemming from a university spin-out or support programme shall be made by the Funding for Growth Executive after all regional finals have taken place and the decision shall be supported by recommendations made by the judging panels.

No communication will be entertained by the judges and the judges' decision shall be final.

Details of the composition of all selection and judging panels shall be available on request. InterTradelreland may also publish details of selection and judging panels on its website prior to the start of the Competition.

At least one member on each panel shall be independent from InterTradelreland.

10. The Final

The eight regional winners (four in each category) will be invited back to make their investment pitch to a final panel of judges on 26 November 2020.

Where possible this panel will consist of private investors, members of the Board of InterTradeIreland, venture capital professionals, financial advisors and entrepreneurial business people across a range of sectors. This panel will select the overall winners in each category.

When the judges have selected the two category winners, they will then decide which company will be the overall winner and win the additional prize funds.

Prizes will be payable by instalments based on achieving key performance indicators in the business plan as agreed with the Seedcorn Project Manager and set out in the Letter of Offer.

11. Protection of Confidential Information and Intellectual Property

By entering the Competition, each applicant hereby agrees to InterTradelreland using all information uploaded by the applicant.

Including but not limited to business plans, video uploads and presentation slide decks, for the purposes set out within these rules which will involve sharing such information with, inter alia, third parties on the selection and judging panels and master class coaching panels.

The protection of intellectual property rights and confidential information is the responsibility of each applicant.

Applicants are urged to mark as confidential any portion of their entries which they consider to be of a proprietary or sensitive nature.

Applicants should also be careful about disclosing any “patentable concepts” in their entries.

Whilst InterTradelreland, as principal sponsor and organizer, will aim to ensure that applicants retain their rights to any intellectual property and that the confidentiality of confidential information is maintained,

we will not, due to the nature of the Competition, guarantee that all judges will sign non-disclosure statements. Accordingly, InterTradelreland can give no assurances as to the protection of intellectual property and confidential information and shall have no liability whatsoever to any applicant for any loss suffered.

By submitting an application, each applicant hereby warrants that information provided will not infringe the intellectual property, privacy or other rights of any third party and will not contain anything which is libellous, defamatory, obscene, indecent, harassing or threatening. InterTradelreland reserves the right, but not the obligation, to screen, filter and/or monitor information provided by applicants and to reject applications if necessary.

12. Data Protection and Publicity

Any personal data submitted by an applicant shall be processed by InterTradelreland for the purposes of running the Competition in accordance with current data protection legislation and best practice and shall not otherwise be shared with third parties not involved with the Competition without the applicant's consent. Data relating to applicants may be retained by InterTradelreland for a reasonable period after the Competition closes to assist InterTradelreland to operate competitions in a consistent manner and to deal with any queries.

The winners' names may be publicly announced and winners may be required to participate in promotional photographs and publicity.

By applying for the Competition, applicants agree to publication by InterTradelreland of their names and likenesses in its promotional materials and in other publicity without further remuneration or additional consent.

All branding and publicity in relation to the Competition shall be controlled by InterTradelreland. Applicants shall not instigate any publicity in the media without prior written approval from InterTradelreland.

13. De Minimis Rules

The prize money is provided under the European Commission Regulation on De Minimis Aid.

Any Seedcorn winners must sign a declaration and provide InterTradelreland with details of all other De Minimis aid which has been granted to the company within the past three years. It should be noted that any false declaration by a company resulting in the threshold of €200,000 being exceeded, could later give rise to the aid being recovered with interest.

For further details visit eur-lex.europa.eu

14. General

InterTradelreland does not assume any responsibility or liability for any incorrect or inaccurate information entered, or for any failed electronic data transmissions, inaccessibility or unavailability of the website or any combination thereof.

No incomplete or corrupted entries or those not in accordance with these rules of entry will be accepted.

Entry into the Competition shall be deemed to be full and unconditional acceptance of the rules of the Competition. InterTradelreland reserves the right to vary the rules of the Competition at any time in its absolute discretion.

Each applicant acknowledges that the judges' decisions are final and no correspondence will be entered into in relation to any dispute arising out of this Competition.

In the event that an applicant selected to progress to the next stage of the Competition declines to do so, InterTradelreland reserves the right to replace that applicant with the next highest ranked applicant (according to the rankings allocated by the panel of judges) that is willing to participate.

InterTradelreland cannot accept any responsibility for any damage, loss, injury or disappointment suffered by any applicant entering the Competition. Except in the case of death or personal injury arising from its negligence, or in respect of fraud, and so far as is permitted by law, InterTradelreland excludes responsibility and all liabilities arising from:

- (i) any postponement or cancellation of the Competition;
- (ii) any changes to the rules of the Competition or the prize funds; and
- (iii) any act of default of a third party, including but not limited to any member of the judging panel of the Competition.

These rules, and any dispute arising out of or in connection with them, shall be governed by the laws of Northern Ireland and the courts of Northern Ireland shall have exclusive jurisdiction.



InterTradelreland is a cross-border trade and business development body funded by the Department of Business, Enterprise and Innovation in Ireland and the Department for the Economy in Northern Ireland. It is the only organisation which has been given responsibility by both governments to boost north/south economic co-operation to the mutual benefit of Northern Ireland and Ireland. InterTradelreland supports businesses through innovation and trade initiatives to take advantage of co-operative opportunities improving capability, driving competitiveness, economic growth and job creation.

InterTradelreland will endeavour to facilitate requests for alternative formats of this publication including Irish Language, Ulster Scots, Braille, disk and audio cassette.

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