

The Main Street Skowhegan and Skowhegan Savings

# Entrepreneur Challenge



**Pitch • Plan • Propose**



## Table of Contents

<b>1.0 PROGRAM OVERVIEW .....</b>	<b>3</b>
<b>2.0 PROGRAM DETAILS .....</b>	<b>3</b>
<b>PHASE 1 – INTRODUCTION TO OWNING YOUR OWN BUSINESS.....</b>	<b>3</b>
<b>PHASE 2 – BUSINESS SEMINAR AND CRITERIA FOR BUSINESS CONCEPT .....</b>	<b>4</b>
<b>PHASE 3 – CRITERIA FOR BUSINESS PLAN .....</b>	<b>4</b>
<b>PHASE 4 – FINAL PITCH.....</b>	<b>5</b>
<b>3.0 JUDGING .....</b>	<b>5</b>
<b>4.0 BUSINESS TYPES .....</b>	<b>6</b>
<b>5.0 ELIGIBILITY.....</b>	<b>6</b>
<b>6.0 OFFICIAL RULES AND REGULATIONS.....</b>	<b>6</b>
<b>7.0 TIMELINE.....</b>	<b>8</b>
<b>8.0 PROGRAM PARTICIPATION PROCESS .....</b>	<b>8</b>
<b>INCENTIVES.....</b>	<b>9</b>

## 1.0 Program Overview

Main Street Skowhegan and Skowhegan Savings Bank have teamed up with area organizations and business leaders to develop an entrepreneurship program with the following goals:

- Develop an innovative approach to business recruitment and diversify the business mix in Skowhegan.
- Encourage businesses interested in expanding or opening a new location to consider Skowhegan.
- Provide guidance and financial support during the critical first years of market entry so that the business can build a lasting footprint in Skowhegan.
- Strengthen the Skowhegan economy by complementing the existing business mix while addressing critical gaps in the economy's sustainability.
- Transform under-utilized or vacant commercial spaces into more vibrant and attractive locations.

The program will include four phases, with the last phase resulting in the selection of one participant who will receive multiple benefits to aid in the start or expansion of their business. Other participants may be eligible for some benefits as made possible by donated services from the business community.

## 2.0 Program Details

### Phase 1 – Introduction to Owning Your Own Business

Phase 1 will include the first of two ***Starting Your Maine Business*** seminars, which will feature a presentation by a panel of entrepreneurs in various stages of business ownership. Interested participants can hear what it takes to operate a business and have questions answered by fellow entrepreneurs. **Save the Date: Wednesday, October 11, 2017.**

## Phase 2 – Business Seminar and Criteria for Business

### Concept

Phase 2 will include the second ***Starting Your Maine Business*** seminar. Hear from a panel of business professionals what you need to know about starting a business. Panelists will include a lawyer, an accountant, an insurance agent, and a banker who will share insights they believe every new entrepreneur should know. **Save the Date: Wednesday, October 25, 2017.**

After the two business seminars, each participant interested in competing in the challenge will need to submit a one- to two-page business concept pitch to be submitted to Main Street Skowhegan by **Wednesday, November 1, 2017.** Use your creativity in the description. Please include the following information (in brief) in your pitch:

- What are the products or services that would be delivered or sold?
- Define and describe the market for this business.
- What resources and assets do you have, and what resources do you need to develop this concept (personnel, financing, equipment, etc.)?
- What are your qualifications to develop/expand this business?
- Are there any similar businesses around already? If so, how is yours different?
- What is your unique angle, business name, or other information that may really sell the committee on your concept?

## Phase 3 – Criteria for Business Plan

Phase 3 will include a series of three seminars on ***Creating Your Maine Business Plan: Wednesday, November 15, 2017; Wednesday, November 29, 2017; and Wednesday, December 6, 2017.*** Each entrepreneur who wants to be considered for the challenge will be required to complete and submit a business plan by midnight on **January 19, 2018.** The business plan should be fully developed and extensive.

A thorough business plan includes:

- Company summary
- Products/services summary
- Market analysis summary
- Challenges, opportunities, and strategies to maximize success

- Resume, management history, and two references
- Financial plan (projected income, expenses, net profit, pricing, etc.). Please provide an explanation of your assumptions, as a profit/loss statement does not provide enough detail.
- Detail of how many full-time and part-time employees
- Start-up summary (initial uses and sources)
- A community impact summary stating:
  - How your business will enhance Skowhegan
  - How your business can benefit existing businesses in Skowhegan
  - Why your business stands out

Business plans will be reviewed, and up to six businesses will be chosen to enter Phase 4.

## Phase 4 – Final Pitch

Phase 4 will be a final pitch of 30 minutes (total) in front of the selection committee as described in the Judging section below. The presentation will be held at Skowhegan Savings Bank. To start, Phase 4 participants will describe their idea in front of the committee, including details from the business plan. The presentation may also include media (videos, PowerPoint, etc.). The presentation will be followed by a dialogue with selection committee members, who will raise questions based on the business plan and presentation. **Date: TBD – February 2018**

## 3.0 Judging

Judging for everything but the final pitch will be performed by the Main Street Business Enhancement Committee. For the final pitch, a member of town government (town manager and/or selectperson), the Skowhegan Economic Development director, the Skowhegan Chamber of Commerce director, and additional representatives from Skowhegan Savings Bank and Main Street Skowhegan will be added to the group. This group, the selection committee, will be responsible for selecting the challenge winner.

## 4.0 Business Types

All business applications will be considered for the contest. The business must be located in Skowhegan and can include a new business or significant expansion (addition of 3+ jobs) of an existing business.

## 5.0 Eligibility

The contest is open to all legal U.S. residents, 18 years of age or older at the time of entry.

- Proposed businesses can be independent operations or franchised.
- Proposed businesses can be a one-person concept or a team concept.
- Business owners may be required to commit to a three-year lease with participating property owners, the terms of which are to be mutually negotiated within 30 days of selection.

## 6.0 Official Rules and Regulations

- Incentives are non-transferable and may not be redeemed for cash; substitutions by winners may not be requested.
- Printed copies of business proposals submitted into the contest may not be returned.
- The Main Street Business Enhancement Committee will review the business concepts and business plans.
- By participating in this contest, you agree to these official rules and to all decisions of the Main Street Business Enhancement Committee and/or the selection committee, which are final and binding in all respects.
- Main Street Skowhegan and Skowhegan Savings reserve the right to use participants' names, likenesses, pictures, portraits, voices, biographical information, written submissions, and written or oral statements for advertising and promotional purposes without additional compensation unless required by law.
- By entering the contest you are validating the acceptance of a credit check in the final phase.
- Main Street Skowhegan seeks to provide start-up information to any viable businesses entering the competition whether or not they win this challenge. All

entrants with feasible business plans will be contacted about available retail spaces in downtown Skowhegan as well as other services that may be of assistance.

- All completed business plans must be received at the physical or email address indicated by no later than 11:59 p.m. EST on the due date. Applications received past the deadline will not be considered.
- Main Street Skowhegan reserves the right to extend the date for selecting and notifying the grand prize winner.
- Grand prize winner shall assume responsibility for the payment of all other items that are not part of the incentive package (including, but not limited to, insurance, rental tax, permits, and additional legal fees).
- Grand prize winner is required to have at least monthly contact with Main Street Skowhegan prior to opening, in order to keep Main Street Skowhegan apprised of progress.
- In accordance with IRS Code regarding prizes and awards, a Form 1099-MISC may be issued to the grand prize winner. Please consult your tax advisor for additional information.
- Contingency rules for loans may be given, which are separate from the contest rules.
- The winners of the grand prizes must have their business open by June 2018, unless an extension is requested by winner and granted by Main Street Skowhegan. If not completed thereafter, the grand prize is forfeited and may go to another entrant.
- By accepting the grand prize, the winner releases and discharges Main Street Skowhegan, their affiliated companies, participating sponsors, information providers, content providers, subsidiaries, advertisers, advertising agencies, promotional and marketing agencies, and any other companies involved with or otherwise providing services related to this promotion, and all their respective employees, officers, directors, representatives, and agents from any liability or damage due in whole or in part to the award, acceptance, possession, use, or misuse of the grand prize or from participation in this challenge.
- Information regarding the grand prize winners will be posted on [mainstreetskowhegan.org](http://mainstreetskowhegan.org), [skowhegansavings.com](http://skowhegansavings.com), [skowhegan.org](http://skowhegan.org), and related social media. Information will also be released to the press and directly to the public.
- If a grand prize winner is unreachable after fifteen (15) business days, an alternate grand prize winner will be selected.

## 7.0 Timeline

- May 2017: Initial press release and announcement of the Entrepreneur Challenge
- September 15, 2017: Registration opens
- October 11, 2017: Phase 1 - ***Starting Your Maine Business*** seminar (part one)
- October 25, 2017: Phase 2 - ***Starting Your Maine Business*** seminar (part two) and criteria for business concept
- November 1, 2017: Phase 2 - **Business concept pitches due**
- November 15, 2017: Phase 3 - ***Creating Your Maine Business Plan*** seminar (part one)
- November 29, 2017: Phase 3 - ***Creating Your Maine Business Plan*** seminar (part two)
- December 6, 2017: Phase 3 - ***Creating Your Maine Business Plan*** seminar (part three)
- January 19, 2018: Phase 3 - **Business plans due**
- January 2018: **Announcement of finalists advancing to Phase 4 - Final Pitch**
- February 2018: **Phase 4 - Final pitch presentations at Skowhegan Savings**
- February 2018: **Announcement of winner**
- June 2018: **Business must be open**

## 8.0 Program Participation Process

All inquiries should be directed to: KRISTINA CANNON  
EXECUTIVE DIRECTOR  
MAIN STREET SKOWHEGAN  
207-612-2571  
KRISTINA@MAINSTREETSKOWHEGAN.ORG



## **Incentives**

### **Accounting/Tax Services**

Free payroll setup and three months of payroll services from Total Payroll Solutions, Inc. \$500 value

Two hours of consulting services from H&R Block. \$500 value

### **Banking Assistance**

Skowhegan Savings will give up to a \$10,000 forgivable loan with the following terms/conditions:

- Five-year fixed term
- Interest rate will be fixed at prime rate for five years
- Principal balance 50% forgiven end of year one, 25% end of year two, 25% end of year three
- Loan amount not to exceed 50% of the total project costs
- Funds to be used for fixed assets and business related equipment (no working capital)
- Requires opening of business operating checking account
- Requires annual financial statements and updated business plan

### **Other Account Services**

- Free business checking account with online banking
- Personal review of Merchant Service and ACH processing options \$10,500 value

### **Carpentry**

Carpentry services to include custom shelving or interior finishes for the winner's storefront by Dionne & Son Builders. \$500 value

### **Chamber Membership**

Skowhegan Chamber of Commerce will provide one year of free membership. \$173 value

### **Computer Services**

Computer Improvements will provide a wireless router, an external 1TB hard drive, and business backup software, Acronis. \$350 value

### **Insurance Services**

Five hours of consulting from Kyes-Carpenter Insurance to help the winner navigate the commercial insurance market. \$500 value

### **Legal Services**

Legal consulting from Mills, Shay, Lexier & Talbot. Corporate and legal advice for business start-up, financing, agreements, sales and marketing. Three hours of service donated. \$500 value

### **Marketing Services**

Five hours of strategic marketing consulting, covering brand development, advertising and media planning, social media promotion, and public relations. Donated by Main Street Skowhegan. \$500 value

### **Phone and Internet**

Three months of internet access and up to two phone lines from Bee Line Cable. \$550 value

### **Photography Services**

Photography services donated by Brandie Burrill Photography to use for promotional purposes (advertising, website/Facebook page, etc.). \$350 value

### **Promotional Services**

Social media promotion, email marketing, and media outreach to highlight finalists, winner, and business grand opening. Donated by Main Street Skowhegan. \$500 value

### **Promotional Video**

Filming, editing, and production of a 30- to 60-second promotional video. Donated by Somerset Community Television. \$1,000 value

### **Storefront/Property Rental**

Reduced rent in available Skowhegan properties by participating property owners. Main Street Skowhegan will help negotiate a lease for the space selected by the winner based on size requirements. Lease may include reduced rent in year one and may

require signing of a three-year lease. Approx. \$4,800 value, depending on size of property.

**Storefront Signage Design**

Storefront signage design and development by York Signs. \$350 value

**Website Design and Content Creation**

Web design and content creation for a business website donated by Main Street Skowhegan. \$2,000 value