

# 2023 Sheridan Start-Up Challenge

## Participant Rules and Regulations

### 2023 Sheridan Start-Up Challenge Rules & Regulations

The following rules and regulations apply throughout the Sheridan Start-Up Challenge process, from the application launch through the distribution of seed funding to Challenge winners. Participation in the Challenge indicates acceptance by the participants of these rules and regulations and agreement to abide by them.

#### Eligibility

The Sheridan Start-Up Challenge is open to residents of Sheridan County, Johnson County, and any referrals from the Wyoming Business Council.

IMPACT 307 is Wyoming's business incubator network. We are focused on advising businesses that have an innovative and scalable business idea that will help contribute to economic growth and job creation.

Applicants with a business idea or business must fall into one of the three following categories:

1. Pre-Venture Stage – have an idea or business concept and want to pursue feasibility and market validation.
2. Startup/Pre-Revenue Stage – have a product or service and want to begin customer acquisition and revenue generation.
3. Early Operation Stage – Have a revenue stream ( $\leq$  \$150,000 of revenue in the last 12 months) but want to pursue ideas that would significantly accelerate sales and rapidly grow the company (at least 4-5X within three years).

Not-for-profit ventures are welcome to apply if they have the ability to scale up operations, generate operating revenues, provide services beyond Sheridan County, and create jobs.

Previous winners of Sheridan Start-Up Challenge seed funding are eligible to apply if they have a new business idea or concept that meets one of the category criteria mentioned above. They may not apply under the same business that was entered in a previous Challenge and received seed funding.

Prior Sheridan Start-Up Challenge applicants are encouraged to apply if they did not previously receive seed funding through the Challenge process.

Submissions may be made by individuals or teams (up to five members). Only one application per individual/team is permitted.

Final approval of eligibility is reserved for the judging panel, which is assembled from community entrepreneurs and business leaders.

Generally excluded from consideration are the following: real estate syndications, franchises, and brick & mortar retail.

### Rule Interpretation and Judging

While not anticipated, changes to competition rules are at the sole discretion of IMPACT 307. IMPACT staff have the right to interpret these rules according to their own judgment.

The selection of Challenge semifinalists and finalists are at the sole discretion of the judging panel put into place by IMPACT 307. Best efforts will be made to make decisions in accordance with this Rules and Regulations document and to be completely objective, fair, and unbiased in those decisions.

### Confidentiality and Disclosure

The University of Wyoming, as a publicly funded institution, will be subject to public disclosure rules. As such, the pitch event portion of the competition, including but not limited to oral presentations and question/answer sessions, are open to the public at large. These sessions may be broadcast to interested persons through media, which may include radio, television, and internet live-streaming. Any data or information discussed or divulged in public sessions by entrants should be considered information that could possibly enter the public domain, and entrants should not assume any right of confidentiality in any data or information discussed, divulged, or presented in these sessions.

Due to the nature of the competition, IMPACT 307 cannot ask judges, staff, volunteers, or competitors to sign a confidentiality agreement. IMPACT 307 will make every effort to limit distribution of hard copy applications and any business plan content to those with a need to know (e.g. IMPACT staff, judging panel). Any content with potential intellectual property sensitivity should be marked as such prior to submission.

If a Challenge applicant uses any copyrighted materials and/or images from a third party in their submissions or presentation, they must obtain permission and authorization in advance from the owners to use this material and be able to provide such documented permission/authorization upon request from IMPACT 307 staff.

### Code of Ethics and Breach of Rules

No judge or IMPACT 307 staff member may have any vested interest, equity stake, or other financial stake in any of the applicant plans or businesses. Any of the previously listed parties that stand to gain financially or otherwise from the success of any of the competing applicants is strictly prohibited. Immediate family members of IMPACT 307 staff members or judges may not compete in the Sheridan Start-Up Challenge. Any violations will result in disqualification of the applicant and/or removal of that individual from his/her associated position within the competition.

All applicants, judges, staff, or other individuals involved with the Sheridan Start-Up Challenge shall be held to the highest level of ethical standards consistent with intellectual property laws as well as decorum expected in a professional or collegial environment. Any incident or issue that seems to go against such high ethical standards shall be subject to due diligence investigation by IMPACT 307 senior staff, and those individuals found to be in violation of these standards will be considered for appropriate disciplinary action, up to and including being barred from current and future Sheridan Start-Up Challenge competitions.

Rules violation concerns identified by competitors, judges, or other involved individuals must be submitted in writing to IMPACT 307 detailing the purported violation, individuals involved, and the individual(s) reporting the purported violation.

False violation reports are themselves considered a violation and will be brought forward by IMPACT 307 if deemed appropriate.

IMPACT 307 will have final authority in deciding if a violation occurred and will assess a penalty for the violation if deemed appropriate. IMPACT 307 can disqualify an applicant, advise judges of a violation and allow them to consider the facts in their rankings, remove funding availability, recommend barring an individual or individuals from future Sheridan Start-Up Challenge competitions, or simply dismiss a purported violation.

Purported violations and penalties applied can be appealed in writing by the affected individual or team no later than 72 hours after the penalty is imposed. Appeal requests will be considered by IMPACT 307, and IMPACT 307 may affirm or reverse the decision based on the submitted statement.

#### Finalists Awarded Seed Funding

If you are a finalist in the Sheridan Start-Up Challenge and are awarded seed funding from the judging panel, the following procedures, rules and regulations apply.

Entrepreneur ventures must intend to be operating companies located within the State of Wyoming, with corporate structures and financial statements that reflect real operating revenues and expenses.

Finalists receiving a seed fund award, if they have not already done so, must complete the following:

- Register the business with the Wyoming Secretary of State
- Establish a Wyoming bank account in the business's name
- Complete a University of Wyoming vendor application (so checks can be processed and sent)
- Fill out IRS Form W-9. All seed fund awards need to be included on tax returns

Seed funding is intended to be used as working capital in the development of the business, i.e. it is not an unrestricted cash award.

“Working capital” is cash flow that funds business development and operations, including (but not limited to) modest payroll, prototype or first commercial builds, supplies, initial inventory, legal and accounting fees, marketing and promotion costs, etc.

The \$5,000 awarded to winners on Pitch Night must be spent on the business, but the purpose is not specified by the judges.

The balance of the seed fund will be distributed in seed fund reviews that will take place between January and May of the year following Pitch Night. The judges make award decisions based on progress made on the business or idea and specific budget appeals made in the reviews. The judges will indicate how funds are to be expended, and seed fund disbursements will be tracked in future meetings between the entrepreneur(s) and IMPACT 307 staff.

All judge awarded seed funds must be distributed by June 30 of the year following the Pitch Night event.

Wyoming goods and service providers must be given preference in the expenditure of seed funds. Usage of non-Wyoming vendors must be approved by IMPACT 307 leadership. Approval will be granted only if there are no in-state options for the needed goods and services.

Seed funding is not debt; it does not need to be paid back.

Seed fund recipients agree to meet with IMPACT 307 staff a minimum of once per month to share updates on business plan development, and to receive advising and referrals to additional resources to achieve further business progress.

All startup businesses receiving advising services and/or seed funding from IMPACT 307 must agree to provide annual data on business progress, e.g., revenues, headcount hired, contractor spend, and investor funds raised, if applicable. All reported information will remain confidential and will be aggregated with other client data reports to show the economic impact of the program.

#### Additional Finalist Details and Assistance with Promotion of IMPACT 307 and the Sheridan Start-Up Challenge

Finalists in the Sheridan Start-Up Challenge must comply with and agree to the following:

Finalists will present their business plans and ideas at a “Pitch Night” open to the public. The event may be livestreamed, and IMPACT 307 may, at its sole discretion, use photos and video clips from the event for future promotion of the IMPACT program.

Finalists must agree to participate in press (e.g., radio, print, digital) interviews to help IMPACT 307 promote the Pitch Night event and their business incubation program.

All Start-Up Challenge finalists agree to have their business ventures and testimonials promoted in future IMPACT 307 marketing content.

Winners must agree to additional press opportunities after Pitch Night, which not only will provide additional promotion potential for the business idea but will help convey the value of IMPACT 307 program support to the community. This may include radio, newspaper, podcast interviews, etc.

Winners will be requested to make periodic appearances at local stakeholder meetings, such as the Sheridan City Council, Sheridan County Commission, local foundation board meetings, and other potential venues to help IMPACT convey the importance of the incubator program to entrepreneurs in our community.

#### FINALIST DECLARATION

*I acknowledge that I have reviewed the Sheridan Start-Up Challenge procedures, rules, and regulations. If I receive seed funding, I commit to comply with all applicable rules stated therein.*

Signed,

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Founder

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Date