



PGM 2011

INDUSTRIAL COMMERCIALIZATION
C O M P E T I T I O N



ENTRY REQUIREMENTS

General guidelines

- All entries can be supplied electronically in PDF or MSWord format.
- Maximum number of pages – ten, (*excluding the cover page, table of contents, publicity statement and appendices).
Entries exceeding ten pages will be disqualified.
- Entries should be typed using “Arial” (font size 11), fully justified, 1.5 line spacing. Section headings should be in “**Arial bold**” (font size 12).
- Number all pages.
- Keep the title as brief as possible.

Business plan - overview

1. Cover page*
2. Executive summary
3. Table of contents*
4. Description of the idea/invention/technology innovation
5. Marketing plan
 - 5.1. Market and competitor analysis
 - 5.2. Marketing strategy
6. Details on your team
7. Budget envisaged
8. Risks
9. Publicity statement*
10. Appendices*

Business plan guidelines

1. Cover page

Include the following information:

- PGM Industrial Commercialization Competition 2011.
- Business plan title.
- Contact details for all team members/business partners involved in your submission. Please include: Title, Name, Surname, Contact numbers and email addresses.
- If relevant, the name of the institution (eg University/Technikon) where team members are registered.

2. Executive summary

The executive summary should be concise and clearly state:

- What your business opportunity is, what the market conditions are, why they exist.
- The product or service and what your competitive edge is. Include key technologies to be employed.
- Your goals and who will do the actual work. Include a brief summation on their capabilities.
- How will you achieve your goals – outline your proposed method to gain entry into the market.

Note: It's important that your executive summary gives the reader confidence in your idea, the market and the team taking it forward. The executive summary must cover:

- **The opportunity**
Ensure that the description of the concept explains how the (eventual) product or service will change customer habits, (ie what is special about the product or service and of what value is the product or service to the customer).
This is called the value proposition. It is critical in the opening statement to catch the attention of the reader.
- **The objectives**
 - What are you aiming for?
 - What is the goal/purpose of the product/service?
 - Description of the product or service.
 - Highlight the novelty of the product/service, what the result will be and its expected outcome/application(s).

- **The team** (if applicable)
Summarise the relevant knowledge, experience and skills of the team members.
- **Marketing strategy/Product commercialization**
Give an overview of the market and explain how the new innovation will compete. Discuss briefly the primary customer groups and how the product or service will penetrate the market.
- **Competitor analysis**
Indicate who you think your competitors will be.
- **Project plan and risks**
- **Project plan** (timeline, resources, milestones) and the possible risks.

Although the executive summary is the first part of your business plan, it should be written last. In this way, you can extract information from the rest of the report thereby ensuring that there are no inconsistencies in your proposal.

3. Table of contents

Self-explanatory.

4. Description of your idea/invention/technology innovation

- **Introduction**
- **Product or service description**
What need does your product/service meet.
Ensure that you address the following evaluation criteria:
 - Novelty/innovation – highlight why the product or service is innovative.
 - Benefits (eg increased employment, new capital investment, improvement in a product or service, creation of a new market sector).
 - Impact (export potential of the product or service, competition with international products or services).
 - Who are your competitors and how do you compare with them. This is useful to add in a table outlining the key areas upon which your product/service is evaluated by your customers (eg price, quality, service, availability, brand, etc) and then weight them, and compare them to your competitors. This gives you good insight as to where you should position your product within the market.
 - How are you going to protect your idea? (ie what is to stop someone else doing exactly the same thing, or if they do how will you be better than them?)
 - What are the costs associated with your product/service?

5. Marketing plan

5.1 Market and competitor analysis

The object of this is to get a good idea of what your potential market looks like. This is market focused as opposed to product focused in the previous section.

- Market size is – what do you think it is?
- Discuss in general terms the potential customers for the product or service. Who they are or will be.
- Discuss briefly who you think your competitor(s) are and indicate who the market leaders are (if any). Discuss briefly what makes you think that it will be easy or difficult to compete with them.
- How is this market segmented (ie how can you group similar people in your market to identify the various characteristics of the various groups)? These characteristics will have an impact in the marketing strategy which you choose. The outcome of this is a “landscape” picture of the market.

5.2 Marketing strategy

The object of this section is to outline your strategy to enter the market you have just described.

- Where do you plan to enter the market?
- Now that you have painted a “landscape” picture of what the market is like, tell us about your initial target market and how you grow from there?
- Indicate if there are any major customers that will be targeted and their percentage consumption of you innovative product or service.
- Indicate key success factors in your marketing plan such as price, quality, delivery and innovation to provide competitive advantage.
- Give an indication of how quickly you think or believe your product or service will be accepted in the market.
- Discuss briefly how you would market the product or service – by doing what? How are you planning to sell the product or service?

6. Details of your team

Every business succeeds or fails primarily because of this one thing. It is vitally important that you make the reader confident that you, (and your team), have what it takes to make this venture a success.

In this section, include a description of the functions and objectives that will need to be completed. Highlight the existence of the proper balance of

technical, managerial and business skills in what is proposed. How will the various skills of the individual team members compliment one another?

Clearly indicate the various team members' contribution to the project/business plan and the relevant experience they have. Include details of your team leader and his/her experience or qualifications.

This section should include full details of all team members including:

- Title/Name/Surname
- Citizenship or ID number
- Responsibilities for the project/business plan.

7. Budget envisaged

Briefly indicate here what you think your product or service will cost to produce, including possible payments to employees, research costs, production costs, marketing costs, etc.

This should be done in a table format with a short breakdown of each individual item and/or machinery (if applicable) that you would need to purchase, office/factory rental, equipment needed to operate on a daily basis and all operational expenses, etc.

You should indicate here what volumes you intend selling, at what price, and what profit will be generated.

If you require investment, you should also indicate how much investment you are seeking.

8. Risks

Give an honest assessment of the risks your proposal faces. Discuss the strategies that could be implemented. Include the following information:

- Potential problem(s) – include a short description of the problem(s).
- Probability of occurrence – rate the probability of the problem occurring according to the following scale:
10 = will definitely occur, 0 = will definitely **not** occur.
- Cause – what events will result in the problem occurring?
- Planned action – how will the risk be managed?
- Responsible person – who will manage the risk?

9. Publicity statement

Submit a brief statement, (maximum 200 words) on your venture for publicity purposes.

Conditions of entry

The qualifying criteria will be those opportunities that are in late stage research, prototype and/or market acceptance phase, early start up phase and early commercialisation phase.

- Entry is open to researchers, institutions, manufacturers, designers or teams resident in South Africa.
- The names of all individuals involved in the development of your design must be included on your entry.
- All entries must be the original work of the entrant(s) and a true innovation and/or an improvement on an existing commercialized product.
- The intellectual property developed will be managed in accordance with legal requirements. The IP will remain the property of the researchers or institutions unless negotiated fairly with other interested parties.
- A confidentiality agreement will be signed with participants to ensure that intellectual property is secured.
- All expenses related to the entries into the competition are for the participant's account.
- The decision of the judges is final and no correspondence/dialogue will be entered into between the participants, adjudicators and administrators.
- If selected, participants will comply with all Anglo Platinum's requests pertaining to the competition and its media coverage, within reason, and agree to participate in media events.
- All entries must be received no later than 31 November 2011.
- By entering the competition, participants agree to all above-mentioned conditions of entry.