

Name: _____

Period: _____

SHARK TANK PROJECT

The Business Plan:

The U.S. Small Business Administration defines an entrepreneur as a person who *organizes* and *manages* a business undertaking, assuming the **risk** for the sake of **profit**. In order to start a business, entrepreneurs must first begin by developing a business plan. A **business plan** is a formal set of goals determined by the entrepreneur(s), outlining why they feel the business will achieve success, and the best way to go about achieving the designated goals.

Remember, in starting a business, you are assuming risk, and your chances of success are limited. According to the U.S. Small Business Administration, roughly 50% of small businesses fail within the first 5 years of launch. However, for most entrepreneurs, the rewards of business ownership far outweigh the risk.

You will be creating a product and a business proposal as if you were planning to pitch your idea to the entrepreneurs on the TV show, Shark Tank. As you create your project, think about the episode of Shark Tank we watched in class. What products did the sharks invest in? Why? What products did the sharks reject? You will ultimately propose an offer where you will ask the sharks (your peers) to invest a specified amount of money for a percentage of equity in your company.

Things to consider: Like every entrepreneur, your goal is to make as much money as possible.

- ✓ How will you do this?
- ✓ Will you develop a new product/service, or improve or adapt an existing good/service?
- ✓ What will set you apart from your competition?
- ✓ Do you have clearly stated goals and an organizational setup to reach those goals?

ELEMENTS OF YOUR BUSINESS PLAN

- **BUSINESS PRODUCT/SERVICE & BUSINESS NAME**
- **MISSION STATEMENT** (a brief statement of the purpose of your company)
 - ✓ **WHY** are you starting a business and bringing this product to the market?
Examples:
 - "Organize the world's information and make it universally accessible and useful" -Google
 - "To provide the fast food customer with food prepared in the same high-quality manner world-wide that is tasty, reasonably-priced & delivered consistently in a low-key décor and friendly atmosphere." - McDonalds
- **DESCRIPTION OF PRODUCT OR SERVICE**
 - ✓ Include a brief description of the product or service

- ✓ Highlight any unique features
 - ✓ Describe the problem (or need) that your product will fulfill in society
- **DISCUSS THE MARKET**
- ✓ **Type of market structure** (perfect competition, monopolistic competition, oligopoly, monopoly) best describes the market for your good or service? Think of the characteristics of each.
 - ✓ **Identify your customers:** Who are you producing for? (age, gender, income level, etc.)
 - ✓ **Location of Sale:** Describe the location of where you plan to sell your good/service. (Northeast, Voorheesville, Capital Region, online, etc...)
 - ✓ **Competition:** What competition do you face? What sets your product apart from the competition? Provide images or descriptions of other products like yours and explain why customers would be more likely to buy your product over the others.
- **ASSESS RISKS AND REWARDS**
- ✓ What resources do you need for your business?
 - ✓ Estimation of product cost to make and product price to consumer
 - ✓ What are the risks of starting a business like this?
 - ✓ Why should investors support your business?
 - ✓ What foreseeable problems might a shark see with your product/business?
- **ORGANIZATION STRUCTURE** (sole proprietorship, partnership, corporation)
- ✓ What type of business organization will you start out as?
 - ✓ Why did you choose this form?
 - ✓ What are the advantages (2) and disadvantages (2) of choosing this type of structure?
 - ✓ If you have a partnership, how will the profits be shared?
- **SNAPSHOT OF YOUR BUSINESS 5 YEARS FROM NOW**
- ✓ Where do you expect to be 5 years from now? How will your business expand?

NOT INCLUDED IN BUSINESS PLAN:

- **ADVERTISING**
- ✓ Create an advertisement that uses one or more of the strategies discussed in class, and include both your slogan and a logo in your advertisement.
 - ✓ How will you get consumers to buy your product? (explain on the back of your ad)
 - ✓ What marketing techniques did you use? (explain on the back of your ad)
 - ✓ Who is your targeted audience? (explain on the back of your ad)
- **SALES PITCH: SHARK TANK**
- ✓ This is what you will present to us, in the hopes that we will invest in your company. The pitch should be creative, concise, and should explain everything we need to know about your business in order to make an informed investment decision
 - ✓ **MONEY FROM SHARKS:** How much money are you going to ask for? How much ownership will you give up? This should conclude your pitch. **Remember: If you ask for too much, you may have a higher chance of getting rejected. Be realistic with your proposals if you want the best chance at an investment deal with the sharks.**

What to include:

- ❖ Introduce yourself and your company name.
- ❖ Go into a brief description about what your product is, and the unique features that set your product/service apart from other similar products/services. (photos help!)
- ❖ Describe your target audience and where you plan to sell your product.
- ❖ Explain why as an investor, I should invest in your company.
- ❖ Ask for a specified dollar amount investment, in exchange for a specified percentage of equity in the company.

*In the past, I have had groups bring in actual props to use as part of their speech. Your shark tank pitch can include props, creative devices, videos, etc. It can be in whatever format you wish (presentation style, read from a script, etc.) It's up to you to make your pitch as creative and exciting as possible, so that investors want to invest in your product. We will vote on the product/service we would most be willing to invest in, and the winner will receive an additional 10 points on the project! ☺ **It's helpful to watch Shark Tank youtube clips!**

When you submit your project, you will submit three things:

- You will present your business plan as a google slide presentation (50 points)
- An advertisement for your product using some of the techniques discussed in class (25 points)
- A shark tank "pitch": a creative presentation for the class, that pitches your idea (25 points)