

**IMAGINE H2O (“IH20”) BUSINESS PLAN COMPETITION**  
**The Water Energy Nexus**

**SUBMISSION GUIDELINES**

The following guidelines will help you submit a first round entry. Please stay within the word counts, and shorter is always better.

Please refer to the **Competition Terms** for official rules:  
<http://www.imagineh2o.org/prizes/ih2oprizerules.php>

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**Completing the “Submit an entry to Imagine H2O” Page**

- All fields are required.
- Please download the Registration Question Template (**accessible here:** <http://www.imagineh2o.org/prizes/howdoenter.php>) to save a copy of your entries.
- The entry fields will not be judged by the Selection Committee to determine scoring and ranking of your entry. Your answers will help determine your eligibility for the competition and will help us administer the competition.

**1. REGISTRATION: ELIGIBILITY QUESTION GUIDELINES**

*1.1 Prior Funding Requirement:*

**Certify that you meet all the financing eligibility requirements in the Competition Terms by including:**

- **Total financing to date**
  - Break down your total financing to show funding from: debt, equity, grants, and other sources.
- **Financing Eligibility:**
  - Is the total equity (and convertible equity) investment to date under \$1.5 million?
- **Sample answer:**
  - “The business meets the eligibility requirements. Total funding to date is \$200,000 USD, consisting of \$100,000 in a common stock financing equity from three private individuals (who are friends and family and are not institutional investors) and another \$100,000 USD of debt in the form of a bank loan from Bank of America.”

*1.2 Water Energy Nexus Business Requirement:*

**Confirm that your business meets the definition of a water energy nexus business.**

- **Refer to the definition** of a Water Energy Nexus Business in the Competition Terms:  
[http://www.imagineh2o.org/prizes/ih2oprizerules\\_25\\_3507750842.pdf](http://www.imagineh2o.org/prizes/ih2oprizerules_25_3507750842.pdf)  
**Write a brief description** of how your business fits the definition of a Water Energy Nexus Business (shorter is much better here).
- **Follow these questions** to outline your response:
  - Does your business primarily serve your customers’ water or wastewater needs?
  - Are energy savings a primary selling point of your produce or service? Show that customers will see a measurable decrease in energy costs of moving, treating, or using water as a direct result of your product or service.
- **Sample answer:** “We are a water business - we sell energy recovery products to water utilities to improve water service. Our primary selling point is energy savings.”

### 1.3 Impact Questions

**Energy savings: “Please provide an analysis of the annual energy savings your business would create five years from now if you achieve your business plan”**

- This question aims to understand the likely magnitude of your business’ potential energy efficiency impact.
  - Short answers are fine. You do not need to meet or approach the maximum word limit.
  - Assume your business is successful and look at year 5 of your projections. If you meet your plan (i.e. if you are selling as much of your product or service as you expect to in that year) **please estimate the kWh saved in year 5.**
  - **Sample answer:**
    - In year 5, we could save 500 kWhrs per million gallons of water produced. We save an average customer 400 MWhrs per year by optimizing pump speed and operation time. We expect an average of 100 customers in year 5. 100 customers x 400 MWhrs = 40 GWhrs in anticipated energy savings in the delivery of water.
  - **Social/environmental impacts:**
    - Briefly address the variety of social and environmental impacts – both positive and negative – of your business reaching significant scale.
    - **The positive:** Beyond energy efficiency (which we grant as a fundamental positive impact) what are the societal and environmental benefits of your business?
      - For example: “Beyond the energy savings that we provide our customers, we reduce maintenance requirements in wastewater treatment and preserves local discharge site ecosystems by circumventing the need for chemical loads.”
    - **The negative:** This question is not scored and is meant to provoke honest thought. Thinking ahead, what negative impacts might your business create that you will have to manage as a business leader?
      - For example: “Some of the materials we use in our product may harm the environment if not disposed of properly.”
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## **2. EXECUTIVE SUMMARY GUIDELINES**

- **Download the required template for your Executive Summary (accessible here: <http://www.imagineh2o.org/prizes/howdoienter.php>). It is required that your Executive Summary uses the Word template and formatting provided by Imagine H2O (as defined in the Competition Terms).**
- The following suggestions are meant to help develop your Executive Summary and are not required.
- General rule of thumb: Executive Summaries should be succinct, clear, and accurate.

### 2.1 Business Summary

**Briefly describe the following:**

- Specific product or service description for your business:
  - What do you / will you sell, for how much, and to whom?
- Status of your business:
  - Is it still at the idea stage?
  - Do you have a committed, full-time team?
  - Are you already operating, and if so, how large is the business?
- The opportunity:
  - What is the problem or need that you will address and why is it an urgent critical need for your customer?
  - How is your product or service the solution?
  - We suggest you do not focus on global trends in water, but instead on the specific opportunity for your solution.

## 2.2 Market Opportunity:

### **Briefly describe the following:**

- **Customer** description:
  - Be as specific as possible about your target customers. If you expect to be able to address a different group of target customers over time, you should clarify the distinction.
  - Feature any market / customer research here.
- Current **size and growth** of the addressable target market
  - If your target market is an existing market, what are the current dollars spent by your target customers? What is the future potential?
  - If you expect to address a new or emerging market, how big is it now and how big do you expect it to be?
  - Be sure to cite your sources for market information, and if you are calculating a market size or growth rate, please show how you arrive at your estimate.
- **Drivers of the size and attractiveness** of the target market
  - What factors will propel the growth of the market?
  - Why do you expect that market to develop?

## 2.3 Customer Value Proposition:

- **Urgency and priority** of the niche solution:
  - Is your solution a “must-have” for the customer, or a “nice-to-have”?
  - Are there non-economic reasons for customers to buy, such as regulation, that require purchasing from you?
- Strength of the **customer value proposition** of the solution.
  - **ROI:** What is the customer’s return on investment for buying your solution?
    - Ideally, you should be able to state the total value in dollars that you can create for the customer, how much you charge, and therefore the customer return on investment from buying your product or service.
  - **Payback Period:** What is the payback period for the customer (how long, in years, does it take for the customer to capture enough value from your solution to cover the cost of buying from you)?

## 2.4 Go to market progress and strategy:

- Quality and credibility of the strategy / plan to achieve scale and market adoption.
  - How do you target customers?
  - How do you / will you reach customers?
- Does your business model allow you to profitably and rapidly grow to major scale?
  - How much does it cost your business to acquire a customer?
  - What is the economic value of a customer to your business?
  - How long does it / will it take to close a sale and collect cash from a customer?

## 2.5 Competition:

- **Competitive landscape**
  - Who are your competitors?
  - What do customers use now instead of your product or service?
  - The more complete your assessment the better. A competitive matrix is often a good way to lay out your competitive landscape.
- **Competitive differentiation**
  - What is your main competitive advantage?
  - Are you filling an open gap in the market or providing an improvement over similar products or services? If the former, why does that gap exist? If the latter, is your solution cheaper or better or both?
  - How innovative is the solution? Is it incremental or disruptive as a solution compared to customer alternatives?

- **Sustainable advantage**
  - How can you defend your advantage? Do you have strong intellectual property or are you first to market (and if so, how long is your lead over the competition)?

### 2.6 Financial plan

Your Financial Plan summary should include:

- **Financials:** Show historical (if applicable) and projected financials on an annual basis, going back up to 3 years, and forward for 5 years. Financials should show, for each year:
  - Revenue
  - Operating Profit or Loss
  - Net Income (if significantly different from operating profit)
  - Cash
- **Historical or projected financing**
- **How have you been funded so far?**
  - What are your funding requirements and funding strategy? In particular, focus on the key milestones you need to reach, how much it will cost to reach them, and how you plan to finance your company to those points.

### 2.7 Team

- List each team member, providing a one-sentence bio for each.
- Does your team have the experience and skills to execute your plan at least to your next major milestones?
- How will you recruit to fill the holes in your team?

### 2.8 General quality of the presentation and pitch

- Aim to be **succinct, clear, and accurate** in the quality, content and scope of your executive summary.
- Best practices for live pitches and presentation protocol will be available to teams that advance to Round Two or Round Three.

### 2.9 Formatting Requirements:

Your executive summary must follow these specifications, as provided by the template:

- Maximum length is 4 pages and 1,000 words, including any appendices and exhibits.
- Font: Arial; Size 12
- Margins: minimum of 1" for top, bottom, left and right
- Name of company in footer
- Page numbers included

## **3. RESUME GUIDANCE**

- Each resume can be no longer than **one page**.
- Each resume should list **professional experience** (including dates of employment, titles, and organizations) and **academic degrees** (including institutions, years, and degrees).
- Strong resumes highlight how each team member can execute his or her role on the team.

**REMINDER:** Each Team's submission (the executive summary and resumes) must be compiled and uploaded as one document (either Word or PDF), titled "[CompanyName]\_Round1Entry".