

# ESG 2020 Competition Rules

## Entrepreneurship Sports Generation

### COMPETITION RULES

#### Eligibility

- There is no fee for entry
- Any startup is welcome to apply and become an Entrepreneur Athlete
- Applicant(s), startup, must be legally registered or planning to register their enterprise
- Applicant(s), startup, must be less than seven (7) years old at the date of the Global Finals December 5th, 2020 (*subject to changes in schedule if any in the future*)
- Employees of the Organizers, its business affiliates, and immediate family members are not eligible to participate

#### Categories

##### i. Idea Stage: Building a team and initial product/prototype

- Does not have a Minimum Viable Product (MVP), and
- Does not have any revenue, and
- Raising funds to develop an idea, product or concept

##### ii. Venture Stage: Can be any of the following:

- Early Stage:
  1. Successfully incorporated/registered their venture, and/or
  2. Has not raised Post Series A, and/or
  3. Has a Minimum Viable Product (MVP), and/or
  4. Initially commercializing product/service in 1+ target markets
- Growth Stage:
  1. Has raised Post Series A, or generated recurring revenue for the past 3 years, and/or
  2. Shows clear, growing and measurable user/market traction in large or rapidly expanding market
- Late Stage:
  1. Any growth stage company that has raised over USD 50 million in investments, and/or
  2. Had annual revenue over USD 100 million at any point in the past

##### iii. Social Impact: An enterprise purely started with the aim of addressing a social or environmental problem through a market-driven approach

- Have a revenue generating model, and
- Primary focus is social and/or environmental good, and
- Commit to reinvest the profit/surplus into the cause for which the enterprise is existing

#### Submission Guidelines

- Applications must only be entered on the official ESG platform to be considered - <https://www.esgx.global/>.
- At least one team member must be 18 years old on the date of submitting the application, except if applying to the idea stage category.
- Submissions must be the original work solely of the Applicant.
- Only completed and submitted applications will be considered.
- English is the only official language of the ESG at the global level.
  - Applications must be completed in English only.
  - Organizers reserve the right to accept applications in any language other than English and conduct National Finals in a language other than English. However, all Confederation and Global Finals will be conducted only in English.

#### Violations and Penalties

- **Plagiarism**
  - Applicants must take all necessary steps to ensure adequate protection of any intellectual property described in their submissions (i.e. appropriate intellectual property filings, patent and copyright notices, etc.).
- **Unsportsmanlike Conduct**
  - The Organizers reserve the right, at any time, to disqualify any submission that, in its judgment, violates the spirit of the competition, its guidelines, processes, Rules or Terms and Conditions.
- **Illegal / Unethical Activities**
  - Any Applicant engaging in unethical activities, including lying, misrepresentations, or nondisclosure of material information, or any activity that may adversely affect the image of ESG or Organizers, will be disqualified and barred from participation in all ESG related activities.

## Phases of Participation

Please note - specific dates for each of these phases may vary depending on your city and region. All such information will be communicated by the Organizers in a timely manner.

- **Phase 1 - Call for Applications:** *September - October*
  - Submit & complete your application
- **Phase 2- Screening & Evaluation:**
  - Applications will be screened for completion, adherence to terms & conditions and ease of comprehension for further evaluation
- **Phase 3: ESG Draft:**
  - Screened Applicants will be eligible to participate in the ESG draft (*communication to that effect will be sent to the Applicants post-screening*)
  - City Teams will select their startup roster during the ESG draft
  - The Draft will be held in accordance with the guidelines in the ESG Competition Manual
- **Phase 4 - City Finals:** *October - November*
  - Post the ESG Draft, the City Finals will be conducted as per the guidelines in the ESG Competition Manual
  - Applicants will have the opportunity to connect with other entrepreneurs in their city while competing head-to-head for their chance to enter the National finals.
- **Phase 5 - National Finals:** *October - November*
  - City Finalists will participate in the National Final
  - Startups will compete against each other in a knockout competition
- **Phase 6 - Confederation Finals:** *November*
  - The confederations will bring together winners from the National Finals for an increasingly international tier of the competition
  - Startups will compete against each other in knockouts
- **Phase 7 - Global Finals:** *December 5*
  - The culmination of ESG will be the Global Finals on December 5th, bringing together all the Confederation Finalists as well as seasoned investors, expert judges, and impactful coaches.
  - Startups will compete against each other in a knockout competition

## Evaluations

Applicants participating in the initial round of ESG Competitions will be evaluated based on the following criteria to determine if they advance to the next round:

- **Product: 30%**
  - **Traction:** How is the company's market traction and organic growth? Is their growth accelerating?
  - **Customer Validation:** Is there evidence that this company is delighting customers, building loyalty and retaining users?
  - **Value Proposition:** Is there a clear product roadmap to increasingly provide excess value to users/customers?
  - **Differentiation:** Does the company have a clearly differentiated and sustainable advantage or claim to fame?
  - **Exclusivity:** Does the team own or have access to the intellectual property of the product or technology proposed for the venture?
- **Potential: 25%**
  - **Market Need:** Is there a clear market need presented?
  - **Market Potential:** How big can this business get? Are they attacking either a massive addressable market or a small, but rapidly growing market?
  - **Tailwinds:** Is the market opportunity being propelled by technology, economic or cultural tailwinds?
  - **Market Share:** Is the company positioned to be the obvious leader in the market?
  - **Network Effect:** Is the company positioned to benefit from network effects or natural virality?
  - **Competitive Advantage:** Has the team articulated a clear competitive advantage –first mover advantage, network effect, etc.?
- **Predictability (Business Model): 20%**
  - **Scalability:** Is the business model scalable?
  - **Revenue:** Does the company have a business model that generates recurring revenues or a formula that produces predictable operating results?
  - **Economics:** Do unit economics make sense? How feasible is the company's roadmap towards profitability?
  - **Growth:** How sustainable is their growth rate? What are the underlying assumptions to maintain such a rate?
- **People: 25%**
  - **Experience:** What is the experience and reputation of the Founding Team? Do they have a mix of experience, skills and vision to build a breakthrough company?
  - **Track Record:** What is the team's track record? Does the founding team have experience solving problems and accomplishing things together?
  - **Talent:** Has the company shown its ability to attract and retain top talent (as employees, advisors, etc.)?
- **Evaluation Criteria - ESG Global Finalists**
  - The Global Selection Committee will determine the ESG Global Finalists. Those Global Finalists will be scored and ranked on a variety of variables including:
    - Pitch Deck and/or Video Pitch
    - Due Diligence
    - Feedback from Mentors\*
  - Additional factors include:
    - Regional/geographic diversity
    - Achieving stage balance
    - Industry diversity
    - Inclusion (age, gender, etc.)

## TERMS AND CONDITIONS

## **I. Principle of Confidentiality**

- The Organizers, their business affiliates and any other person involved in organizing the ESG, will maintain faithful enforcement of the Principles of Confidentiality of the projects presented by the teams.
- All information submitted by the Applicants is considered confidential. Applicants will be asked to provide a brief company description, pitch deck, logos, profile pictures and/or other material that may be made available through ESG official channels, Organizers' websites and social media channels. Websites listed by Applicants will be considered public information. During all related competitions, pitch decks will be reviewed by the judges who have previously agreed to maintain confidentiality of the information presented.

## **II. Tax and Legal Considerations**

- The cash prizes awarded may have legal or tax implications for the Applicant's domestic tax status in their country. Taxes will be entirely the responsibility of the winners. The Organizers hold no responsibility with these or any related tax or legal obligations of the winners.

## **III. Acceptance of the Terms and Conditions of the Entrepreneurship Sports Generation**

- Registration to the Entrepreneurship Sports Generation, constitutes acceptance of the Applicant(s) to the Rules and Terms and Conditions included at <https://www.esgx.global/>