



Money

where their mouths were

by Michelle Tedford and Yvonne Teems '09

Dreams — once just pitch and paper — are taking shape and taking off for winners of last year's business plan competition

Rock music hit eardrums in unison with the concussion of the NFL's greatest hits — bone-crunching tackles and collisions that sent players flying 5 yards down the football field.

Vince Pecoraro played the video to set the energy level for his business plan competition final presentation last March.

What the judges were most impressed by, though, was the potential to expand the product Pecoraro pitched — a computerized sports agility trainer — to sports beyond football.

"What I like about this company is the application of sensors technology to the sports industry," said Mickey McCabe, UD vice president for research and executive director of the UD Research Institute. "You could put this in gloves — do you have soft hands or hard hands? You could put it in shoes to see who's first off the mark. If they have this vision, they could take off."

But the judges were not there to share compliments. Their role was of shrewd investors. They assessed each plan's innovation,

feasibility and growth, ranking the five finalist teams and awarding \$9,750 in prize money provided by the dean's office, office of the provost and The Ohio Capital Fund.

"That was my final judgment — would I invest in them, yes or no," said Dean Ruwe, former Copeland president and chief operating officer. "I came out with two yeses and three nos."

There were many criticisms.

"We tell these students repeatedly that you shouldn't price to cost, and they did it," said Bob Chelle, director of the Crotty Center for Entrepreneurial Leadership.

The gelato shop plan had growth potential that was never investigated.

"With all the emphasis she had on design, the concept, she could have had a Starbucks and she missed that," said executive adjunct professor Rob Franks, director of strategic planning for Reynolds and Reynolds Corp.

They aimed the criticisms at making the plans even more viable, allowing students to pursue their business dreams or refine their ideas to enter other competitions and garner even larger prizes.

The teams' actions in the past months suggest the judges were on target. While the two top teams are closest to launching their businesses, the others have taken their lessons and moved on to other aspirations.

THOUSAND-DOLLAR MINUTE

One good minute could mean \$1,000.

The School of Business Administration business plan competition, in its second year, is offering double the prize money for the top business plans with funding from the provost's and dean's offices. Application deadline for the one-minute elevator pitch is Oct. 31. The top elevator pitch on Nov. 10 will win \$1,000.

The competition is open to students and UD graduates from the past five years. Community members also can enter by teaming with a student or recent graduate. Every entering team will receive Business Plan Pro software from competition sponsor Palo Alto.

On March 31, five finalists will present full business plans, and the winner will receive \$10,000. Other cash prizes will be awarded for second through fifth places.

"This is a wonderful opportunity for anyone with a business idea to test it out well in advance of committing any capital to it," said Jay Janney, associate professor of management and competition coordinator.

Details are available at <http://www.udbpc.com>.

1st

Heavy hitters



Pecoraro

The Get Quick agility trainer garnered fast cash for the winning team — \$5,000 — but the man with the idea didn't want a penny. "I told them whatever they won, they can split it," said Andy Harmon, a Centerville, Ohio, resident and former NFL defensive tackle who teamed with two students in last year's competition. "It was good motivation to get them cranking."

Harmon has his eyes on bigger purses. Using the plan created by Vince Pecoraro and Stephen Krieger, Harmon started producing his computerized tackling sled that records the force of a football hit, a runner's quickness off the line and much more.

He'll have 15 stations finished this fall. Meanwhile, Harmon is shooting a video marketing campaign, as well as testing the sled at both Bowling Green State University and UD.

He plans to have inventory and a sales system in place by next summer's coaches conference in California.

While Harmon had the initial idea, he needed know-how to turn a product into a viable business. Among Pecoraro's suggestions: expand the market beyond football and offer a variety of products, from a "dumb sled" to a "smart" five-unit station, allowing customers to upgrade as need and budget dictate.

Krieger crunched the numbers and showed potential gold.

While Harmon expects to maintain their relationship as he implements the plan, the students have moved on with their own business ventures.

Krieger will graduate this December into a position with a St. Louis public accounting firm. He's also working with others to open a recruiting firm there.

"As far as the winnings, I am interested in flipping a house over the course of a year or so once I graduate. The money will help," said the finance and accounting major.

Pecoraro also has real estate ambitions. The senior sextuple major used his winnings to help purchase a 750-square-foot home — with no plumbing, no floors and a back wall falling in — for \$13,500 in Dayton's historic South Park neighborhood. It's the third property he's purchased and rehabbed.

"It will become the pinnacle of my operations here," he said shortly after installing the floors and moving in.

"When I leave, I plan to turn my properties into an internship — hire someone to live in it and take care of my properties."

He also has bigger ambitions — a 17,000-square-foot downtown Dayton commercial building purchase and rehab.

His work on Harmon's plan helped him refine his personal business strategy.

"You really are forced to look at all aspects of the business," Pecoraro said. "Is this really something that could make money, something that is sustainable? Does this add value to someone?"

If he gets his commercial building — and puts \$750,000 in rehab — he expects to break even in five years and make enough money thereafter to support his pursuit of a Ph.D.



Team Harmon, Pecoraro and Krieger

2nd

Life lessons



Limbert

A business launched by two law students is expected to bring in \$600,000 in its first year.

That business — dubbed Life Stories Funboxes — started when George Limbert and Adrian King entered the competition and garnered second place and \$2,500.

While the two used their winnings to celebrate, they didn't let their idea fade. They plan to start selling their product — software that creates a physical scrapbook — this fall.

"The competition was the enabler," said Limbert. "It enabled us to sit down and actually come up with the idea."

The idea is a complex one. The software is a series of games that allows elderly users to input memories and details of their lives in order to produce the pages of a tangible scrapbook. The memory games will help older folks keep their minds sharp, while the scrapbook is something they can share with family and friends.

The challenge now is taking the idea to market before the holiday season, and that requires multitasking.

King is working with a Washington-based software company that he owns to finalize the

product's games. He'll then test the product in-house to see how easy it is to open the box and install the software.

Before going to market, the entrepreneurs will give sample Funboxes to groups of older people to see whether the product is user-friendly. King is now in conversations with Seattle senior services organizations to find willing participants.

"It's a really tight schedule," King said. "Sometimes it can take months to test software."

The entrepreneurs also are working with another subcontractor — Argentina-based Imagic — to finish up the graphic design work that gives the scrapbook its color and personality.

When the product is complete, King and Limbert will seek out publications that target senior citizens — as well as those who take care of them — to begin advertising.

After the competition ended this spring, the duo got creative with their marketing strategy, King said. Instead of selling just one scrapbook product, they created a series, ranging in price from \$25 to \$500, depending on the item's complexity.

The pair, who graduated last year, created the less expensive scrapbook product to market to businesses seeking an older client base. Financial advisers and estate planners can buy the items in bulk and give them away to potential customers.

For now, King and Limbert will sell via phone and online orders. But they expect to grow their revenue — especially when they start selling out of Michaels and Hobby Lobby in the coming years.

3rd

Hungry for more

After her gelato shop idea won her third place in the business plan competition, Rachel Pleiman went to work, serving up the Italian ice cream to hungry patrons.

She landed a part-time job at Dolcessa, a new gelato, sandwich and coffee shop in Dayton's Oregon District.

Following hours of gelato research and days of gelato scooping, Pleiman learned you have to love the business you're starting if you're going to succeed.

"I want to be in a company which I love, and I think I would like to be more creative," she said.

That drive led her to an internship at retailer Nordstrom last summer. She's now seeking an internship in interior design, her greatest passion.

Within the next year, Pleiman will have a business degree from UD and an associate degree in interior design from Sinclair Community College.

"I still want to own my own business someday, but probably not a café," she said.

Pleiman

4th

Money talks

Senior finance and entrepreneurship major Tim Miller is starting a fledgling investment partnership with about 15 friends.

While they have just a few hundred dollars pooled together now, he expects the venture to grow: Students are more interested in creating wealth than spending all their dollars at Timothy's Bar and Grill, said Miller, who last summer worked in New Jersey as an intern for asset manager BlackRock.

The fourth-place winner in the business plan competition, Miller said he's not pursuing the plan he pitched to the judges last spring. While he got praise for his idea — a home remodeling business geared toward the elderly — the competition taught him he should do something he's interested in.

And that something is finance.

Following the competition, Miller used his winnings to offset the cost of participating in the competition. He had won \$500, or \$440 after taxes, he noted.

Miller

5th

Futures trading

After returning to Dayton following a summer internship in New York, Jim Croghan got a phone call: a job offer from his summer employer, asset manager BlackRock.

Now Croghan must ask himself a tough question: Do I want to live on the East Coast, 1,000 miles away from my home in St. Louis?

To answer that, the senior triple business major is using research skills acquired from the hours he dedicated to the business plan competition, in which he took fifth place. He devoted three to five hours per week from December through May to his plan.

"You have to research anything you're doing in life, really," Croghan said.

While last year he researched the going rate for flour as he perfected his pitch for a funnel cake company, Croghan now is researching everything from East Coast living to ancient Greece (for a history class this semester).

"I (have) to make a decision on what I want to do for the rest of my life," Croghan said. "That's kind of a tough one." ■

Croghan