

→velocity

Innovation Challenge and \$100k Challenge

Rules

(Updated March 2020)

This document sets out the Rules for participation in the Innovation Challenge and the \$100k Challenge.

It is presented in three parts:

Section A contains all rules common to the Innovation Challenge and the \$100k Challenge

Section B contains the rules specific to the Innovation Challenge

Section C contains the rules specific to the \$100k Challenge

These Rules should be read in conjunction with the Velocity website which describe how entries are to be prepared and submitted and include a calendar for the Velocity programme of the current year.

Both these Rules and the Challenge Guidelines can be found on the Velocity Website.

Enquiries regarding the interpretation of these Rules should be directed to the Velocity office. Contact details are available on the Velocity website.

If you have any questions, please email the velocity office on: admin@velocity.auckland.ac.nz

A. General Rules

This section A outlines those rules that are common to the Innovation Challenge and the \$100k Challenge. These Rules should be read in conjunction with the Challenge Guidelines.

1. General/Interpretation of Rules

- 1.1 Submission of an Entry by a Team in the Innovation Challenge or the \$100k Challenge confirms the acceptance of these Rules by each Competitor.
- 1.2 The Velocity Organising Committee reserves the right to interpret these Rules and, if necessary, to amend them at its sole discretion. All amendments to these Rules will be published on the Velocity Website at www.velocity.auckland.ac.nz ("the Velocity Website") and through any other University publication approved by the Velocity Organising Committee. If Challenge Rules are amended during the period a Challenge is underway Velocity will formally notify registered Teams.
- 1.3 Each Team must nominate a Lead Competitor. The Lead Competitor must be a Qualifying Competitor. The Lead Competitor must be available to act as the primary point of contact between the Team and the Velocity Organising Committee.

2. Definitions and Interpretation

Innovation Challenge means the annual Velocity Innovation Challenge, consisting of the preparation and entry by a Team of a Venture Summary.

\$100k Challenge means the annual Velocity \$100k Challenge, consisting of two rounds. The first round requires the preparation and entry of a Venture Summary and Business Model Canvas. The second round requires the preparation and entry of a Business Plan including a Business Model Canvas.

Business means any proposed or actual commercial enterprise that is the subject of an Entry in the Innovation Challenge or the \$100k Challenge.

Business Plan means a written business plan prepared and submitted in the manner prescribed in the Challenge Guidelines.

Capital may be represented in terms of equity or debt.

Challenge Guidelines means the written guidelines, published on the Velocity Website, that prescribe the Innovation Challenge and the \$100k Challenge entry processes and all relevant entry and event dates.

Competitor means a person named as a competitor in an Entry Form.

Entry means either (a) the Venture Summary (with video, if applicable) submitted by a Team for the Innovation Challenge, or (b) the Venture Summary (with video, if applicable) and Business Plan submitted by a Team for the \$100k Challenge as the case may be.

Qualifier/Finalist means one of not more than thirty Teams selected to participate in the second round of the \$100k Challenge. Selection of Finalists will be made by a Judging Panel on the basis of their assessment of the best Venture Summaries submitted in the first round of the \$100k Challenge.

The Icehouse means the organisation established by The University of Auckland Business School, having its registered office at the Textile Centre, Level 4, 117-125 St Georges Bay Rd, Parnell, Auckland.

Judge means any person appointed to be a judge in accordance with Clause 4.1.

Judging Panel means a body of Judges assembled to assess entries in the Innovation Challenge, and/or in rounds one (1) and two (2) of the \$100k Challenge

Lead Competitor means the person nominated as such on each Team's Entry Cover Sheet.

Mentor means a person arranged by the Velocity Organising Committee to provide voluntary guidance and advice in the preparation of a Business Plan or Venture Summary.

Online entry registration means the approved online registration form relevant to the Challenge available on the Velocity website.

Partner means each of the persons or organisations that have provided financial or other support to assist in the delivery of the Innovation Challenge or the \$100k Challenge.

Public Disclosure Summary means the brief description of the public aspects of a business venture or idea that is the subject of an Entry, as provided by a Team in their Venture Summary.

Qualifiers' Ceremony means an event hosted by the Velocity Organising Committee to announce up to thirty finalists in the \$100k Challenge. The time and location of this event will be published on the Velocity Website and by any other means deemed appropriate by the Velocity Organising Committee.

Qualifying Competitor means any student enrolled with or any staff member employed by The University of Auckland in the academic year in which that Competitor's Team submits an Entry.

Seed Capital means cash prize monies awarded to the winner/s of the Challenge/s.

University of Auckland Inventors Fund (UoAIF) is a \$20m open investment fund managed by Auckland UniServices Limited set up to support spin-out companies from the University of Auckland, its research and its programmes.

Velocity Organising Committee means a committee of students consisting of those individuals who exercise powers delegated by the Centre for Innovation and Entrepreneurship (CIE) to coordinate each annual Innovation Challenge and \$100k Challenge.

Velocity Representative means any individual or organisation acting on behalf of the Velocity Organising Committee to assist in the delivery of the Innovation Challenge or the \$100k Challenge, and will include any Judge or Mentor.

Team means one or more Competitors who collectively submit an Entry to the Innovation Challenge or the \$100k Challenge in accordance with these Rules.

Venture Summary means a written and visual venture summary in the form prescribed in the Challenge Guidelines.

3. Waivers and Releases

- 3.1 No Team or Competitor may require any member of the Velocity Organising Committee to render any advice or service as each Velocity representative is a volunteer. Any views expressed by a member of the Velocity Organising Committee are an expression of opinion of that person and are not those of the Velocity Organising Committee or The University of Auckland. No warranty is given as to the validity and efficacy for any purpose whatsoever of any opinion expressed by a member of the Velocity Organising Committee or a Velocity Representative and no liability can be accepted in connection with any reliance by the Team or any Competitor on any such views.
- 3.2 The ideas and concepts set forth in an Entry, the Entry itself and the online entry form must be the original work of the members of the Team and members of the Team, by submitting an Entry, are certifying that no arrangement exists which would prohibit or restrict the disclosure of such ideas or concepts to any member of the Velocity Organising Committee or any Velocity Representative, or breach or infringe the rights of a third party.
- 3.3 Each Team and each Competitor indemnifies and holds harmless each member of the Velocity Organising Committee and each Velocity Representative against all loss, costs, expenses and damages (including any amount of damages from any action, claim or suit brought against the Team or Competitor by a third party) suffered by a member of the Velocity Organising Committee or the Velocity Representative as a result of any claim that any of the ideas contained in an Entry breaches the rights of a third party.

4. Judging

- 4.1 The Innovation Challenge and rounds one (1) and two (2) of the \$100k Challenge will each be judged by a panel of judges appointed by the Velocity Organising Committee. Every effort will be made to ensure that Judges are impartial and are suitably qualified however appointments will be made at the sole discretion of the Centre for Innovation and Entrepreneurship.

- 4.2 The decision of any panel of Judges will be final and no correspondence will be entered into.

5. Eligibility

- 5.1 Only those Teams that are determined by the Velocity Organising Committee, in accordance with these Rules, to be eligible will be entitled to submit an Entry in the Innovation Challenge or \$100k Challenge.
- 5.2 To be eligible a Team must have a minimum of one Qualifying Competitor, who must have an active and significant role within the team.
- 5.3 A Team will not be eligible to win a prize or proceed to the next stage of the competition if it:
- (a) It has as a Competitor any Judge or Mentor (from the current years' programme), or employee or agent of any Partner (excluding The University of Auckland staff on the premise that they disclose any conflict of interest).
- (b) has based its Entry on a venture either commercial or social that, as at the deadline for submission of that Entry, has been established as a commercial operation, has commenced regular production (not prototype or proof of concept) or the delivery of services and/ or is generating a regular revenue stream, or has a contract to do so. For the avoidance of doubt, the development of a proof of concept or prototype will not constitute a commercial operation that has commenced production or the delivery of services.
- (c) Is not intended to be, or is not a stand-alone entity. For the avoidance of doubt it cannot have the financial, structural or operational support of an established organization, a subsidiary of or owned by shareholders with a majority or controlling interest in another commercial venture which could consolidate the entry venture.
- (d) has based its Entry on a commercial venture that has, as at the deadline for submission of that Entry, secured Capital funding sufficient to commence trading. For the avoidance of doubt, access to third party capital (excluding grants from Government or University sources) sufficient to finance preliminary product and market research and development of a business plan will make an Entry ineligible. Requests for confirmation of eligibility under this clause must be made in writing to the Velocity Organising Committee prior to the submission of the relevant Entry.
- (e) Submits an Entry based on an idea or business plan that is materially similar to any Entry made in any of the preceding five years and that idea or business plan has not, in the sole discretion of the relevant Judging Panel, been subject to material development and enhancement.
- 5.4 There is no restriction on the number of Competitors in any one Team.
- 5.5 Any addition or withdrawal of Team members must be notified to the Velocity Organising Committee in writing. Where a Team undergoes any change in membership, that Team will cease to be eligible unless and until it submits to the

- Velocity Organising Committee a written statement, signed by every original and subsequently added Team member, confirming that all intellectual property rights relating to ideas expressed in an Entry have been resolved and that the provisions in Section 3 of these Rules are satisfied. Neither the Velocity Organising Committee nor any Velocity Representative will mediate any disputes arising from changes to the membership of a Team (including disputes relating to intellectual property).
- 5.6 There is no restriction on the number of Entries that a Team may submit in any year, provided that the Judging Panel may in its sole discretion reject an Entry that is not materially unique from any other Entry made by that same Team.
- 5.7 Where two or more Entries are submitted by Teams with Competitors in common, the Judging Panel may reject any or all such Entries where, in its sole discretion, it determines that the Entries are materially similar. The Judging Panel will first advise the Teams concerned and allow them time in accordance with the Velocity calendar following receipt of notice to withdraw any competing Entries. Where the Teams are unable to resolve the conflict within the time provided, and to the satisfaction of the Judging Panel, the Judging Panel will take whatever action it sees fit.
- 5.8 No Entry may be submitted for both the Innovation Challenge and the \$100k Challenge, other than in accordance with the Challenge Guidelines.
- 5.9 The Velocity Organising Committee may declare a team ineligible where, in its sole discretion, it deems the removal of that Team necessary to preserve the integrity of the Innovation Challenge or the \$100k Challenge. Reasons for removal may include, but are not limited to, unsatisfactory performance and inappropriate conduct.
- 5.10 The \$100k Qualifiers are only able to enter the \$100k Challenge in subsequent years, with a materially similar idea, if they have reasonably changed their entry. The entry should show signs of progression from the conclusion stage of the \$100k Challenge. This is at the discretion of the Judging Panel.
- 5.11 \$100k Challenge Winners and Runners Up are not eligible to enter Velocity again with a materially similar idea as their winning entry.
- 6. Prizes**
- 6.1 Prizes will be awarded to Teams at the discretion of the Judging Panel. The nature and quantum of any prizes will be determined annually by the Velocity Organising Committee and will be published on the Velocity Website prior to the deadline for submission of Entries for the Innovation Challenge or the \$100k Challenge.
- 6.2 A prize will be forfeit unless a minimum of one (1) Team member or delegated representative of the recipient Team is present at the relevant Velocity Prize Giving Ceremony to receive the prize and make the required presentation on behalf of the Team. The time and location of that Prize Giving Ceremony will be

- published on the Velocity website and by other means deemed appropriate by the Velocity Organising Committee.
- 6.3 Conditions not inconsistent with the nature of the competitions and/or the reasonable requirements of sponsors may be imposed on the award of prizes at the commencement of the competition for that year.
- 7. Confidentiality of Entries**
- 7.1 Confidentiality and non-disclosure agreements will be signed by all Velocity Representatives with direct access to information relating to an Entry. These agreements will remain in effect for twelve (12) calendar months after the signing of the confidentiality and non-disclosure agreements.
- 7.2 Teams will be required to submit their Entries as detailed in the Challenge Guidelines.
- 7.3 No member of the Velocity Organising Committee will be privy to any direct information contained in an Entry except to the extent that they are a Judge, or as approved by the Centre for Innovation and Entrepreneurship and Velocity Administrator, or a Team member themselves, or when they have been given explicit permission to do so by the Team concerned or its Lead Competitor.
- 7.4 Except as provided for in Clause 7.7, all information of a commercially sensitive nature disclosed by a Team, or a Competitor in an Entry, or through participation in either the Innovation Challenge or the \$100k Challenge to any Velocity Representative will be treated as confidential and reasonable measures will be taken to ensure the confidentiality of that information is maintained. All confidential material should be marked accordingly.
- 7.5 Notwithstanding Clauses 7.1 and 7.4 above, the legal protection of any confidential information and/or intellectual property detailed in an Entry is the sole responsibility of each Team and/or each Competitor.
- 7.6 Each Team or Competitor agrees to respect and protect the confidentiality of any information shared between other Competitors participating in the Innovation Challenge and the \$100k Challenge.
- 7.7 The Public Disclosure Summary provided by a Team in conjunction with each Entry will not be confidential information and may be used by the Velocity Organising Committee, The University of Auckland, The Icehouse and Partners in promotional materials and press releases.
- 8. Application of Laws**
- 8.1 The Innovation Challenge and the \$100k Challenge shall be governed by the laws of New Zealand and subject to the exclusive jurisdiction of the courts of New Zealand.

B. Rules Relating to the Innovation Challenge

This section B outlines those rules that relate specifically to the Innovation Challenge. This section should be read in conjunction with the General Rules in Section A above and with the Challenge Guidelines.

9. Entry in the Innovation Challenge

- 9.1 The format of an Entry in the Innovation Challenge will be a Venture Summary (See the Challenge Guidelines for further details).

10. Innovation Challenge Prizes

- 10.1 Any Innovation Challenge prize must be claimed within one (1) year of the relevant Prize Giving Ceremony, in accordance with Clause 6.
- 10.2 All Innovation Challenge prizes may not be awarded if, in the opinion of the Judging Panel, the number of entries which are of sufficient quality to receive a prize is less than the number of prizes available. This decision is in the sole discretion of the Judging Panel.

C. Rules Relating to the \$100k Challenge

This section C outlines those rules that relate specifically to the \$100k Challenge. This section should be read in conjunction with the General Rules in Section A above and with the Challenge Guidelines.

11. Attendance of Finalists at the Qualifiers' Ceremony

- 11.1 The participation of a Team as a Finalist in the second round of the \$100k Challenge is contingent on one (1) or more members of that Team or their delegated representatives attending the Qualifiers' Ceremony.

12. Presentation of Business Plans to the Judging Panel

- 12.1 In addition to the submission of a Business Plan, each Finalist in the \$100k Challenge will be required to make an oral presentation of their Business Case to the relevant Judging Panel. Details of the format and timing of a Finalist's oral presentation will be communicated by the Velocity Organising Committee to each Team as required (See the Challenge Guidelines for further details).

13. \$100k Challenge Prizes

- 13.1 The cash element of the prizes for the \$100k Challenge is to be paid as seed capital.

It is a condition of the payment of any seed capital in respect of the \$100k Challenge that the recipient Team uses that money to initiate or develop the business proposition that was the subject of their winning Entry. Specifically, this will require:

(a) the incorporation of a company in New Zealand within six (6) months of the publication of the prize that will own the assets and be responsible for any liabilities of the Business.

(b) that the Lead Competitor of the Team be on the board of directors of the incorporated company.

(c) that the Competitors from the Team all hold shares in the incorporated company. Shares may be held in such proportions as the Competitors themselves agree.

(d) where the University of Auckland has an interest in any Intellectual Property that is used or required by the company, then the company will seek a license from Auckland UniServices Limited to use the IP (in return for paying patent costs, a small royalty on sales, or a small parcel of shares in the company. The parcel of shares depends upon the amount of IP and the level of University IP involved in the company and never exceeds 15% of the start-up equity in the company.

- 13.2 Seed capital will be paid in instalments. Seed capital will be paid on receipt of prior agreed expenses with the Director of the Centre for Innovation and Entrepreneurship (or designated nominee) and/or against agreed milestones that relate to the business establishment. In addition the first instalment will be paid upon proof of incorporation (as specified in Clause 13.1 above).
- 13.3 The Velocity Organising Committee may, in their sole discretion, authorise the distribution of prize monies to winning Teams other than in accordance with Clauses 13.1 to 13.2 where non-compliance results from no act or omission on the part of the Team.
- 13.4 Subject to Clauses 6.2, 13.1 and 13.2, any \$100k Challenge prize must be claimed within two (2) years of the date of the announcement of that prize at the relevant Prize Giving Ceremony.