



FOR IMMEDIATE RELEASE (1-26-06)

Contact: Tom Still, Joe Kremer or Sally Muller at 608-442-7557

Go to www.govsbizplancontest.com to learn more

Angel investors will get first crack at top ideas in Wisconsin Governor's Business Plan Contest

MADISON – Entrepreneurs who enter the third Wisconsin Governor's Business Plan Contest by 5 p.m. Tuesday, Jan. 31, will have the opportunity to post their executive summaries on a "deal-flow pipeline" operated by the Wisconsin Angel Network.

At least 50 semi-finalists in the contest will automatically be offered the chance to post their executive summary plans on www.wisconsinangelnetwork.com, a secure web site now available to more than 200 prospective investors in Wisconsin and beyond.

The process begins no later than Tuesday, when 250-word business plan ideas must be submitted through www.govsbizplancontest.com for the third annual contest.

More than \$100,000 in cash and in-kind prizes have been pledged for the 2006 contest so far; first prize in the statewide contest will be worth at least \$50,000 in cash and services.

The mission of the contest is to encourage entrepreneurs in the creation, start-up and early-growth stages of high-tech businesses in Wisconsin. Contestants may win seed capital and valuable services to help them launch their businesses, as well as enhance the state's economic development. Highlights from the 2004 and 2005 contests include:

- More than 530 entries were received across four categories – advanced manufacturing, business services, information technology and life sciences. Those categories continue in 2006.
- Nearly \$300,000 in cash and in-kind prizes were awarded.
- Virtually all of the 2004-2005 finalists responding to a recent Tech Council survey are still in business; they average seven employees each.
- Nearly 60 percent of the finalists received financing since participating in the contest. Of those who received financing, 54 percent were funded by angel investors; 15 percent by family and friends; and 31 percent from other sources, such as banks and SBIR grants. AquaSensors, a Milwaukee-area company that won the Advanced Manufacturing category in the 2005 contest, recently attracted \$360,000 in angel financing.

- 69 percent of the finalists reported that the contest led to an increase in public exposure for their company or idea.
- 26 percent of the companies reported that the contest led to new customers and business partners.

Here's how the 2006 contest will work:

- In the "Business Concepts" phase, which ends 5 p.m. Tuesday, the contest will accept IDEA Abstracts on the web site. IDEA abstracts are 250-word business concepts that will be graded on a scale of 1-10 (10 highest) by our judges. The top 50 IDEA Abstract presenters will be asked to write a Summary Business Plan. All 50 receive a congratulatory letter from the governor and the Tech Council.
- In the "Summary Business Plan" phase, which runs from Feb. 15 to March 15, 2006, the top 50 IDEA Abstract presenters, plus ties, post their 1,000-word summaries online for comments by the judges. The top 20 plan summaries are selected for the final round. All 20 receive a congratulatory certificate.
- In the "Final Business Plan" phase, which runs from April 3 to May 1, 2006, the top 20 Summary Plan presenters, plus ties, prepare final plans for judging. Limited comments and mentoring continues. Judges will review the plans and pick three place winners in each category.
- The four category winners will present this spring at the Wisconsin Entrepreneurs' Conference, where all prize winners will be announced.

The Wisconsin Angel Network had a successful first year rolling out initiatives and resources dedicated to increasing early-stage capital in Wisconsin companies. Created in January 2005 as a private-public initiative with bipartisan support from Gov. Jim Doyle and the Legislature, WAN is managed by the Wisconsin Technology Council. It focuses on enhancing "deal-flow" throughout the state, resource development, early-stage investor education and angel network support and development

WAN wrapped up 2005 with 12 member-organizations representing more than 200 individual investors. Its "deal-flow pipeline" hosted 58 entrepreneurial executive summaries and a total of 177 entrepreneurs registered. The organization also held seven educational seminars and workshops held throughout the state. At the beginning of 2005 there were six active angel networks in Wisconsin; by the end of the year there were 11.

Sponsors thus far for the 2006 BPC are: Aberdeen Consulting LLC, American Transmission Co., Axley Brynelson LLP, Foley & Lardner LLP, Loughrin Accounting & Tax Service, Madison Gas & Electric Co., Makin' HEY! Communications, Mason Wells Private Equity, Michael Best & Friedrich LLP, Quarles & Brady LLP, Reinhart Boerner Van Deuren, S.C., Smith & Gesteland LLP, State of Wisconsin Investment Board, The Boldt Company, University Research Park, Wisconsin Department of Commerce, WisBusiness.com, Wisconsin Angel Network and the Wisconsin Technology Council.