



Phase II Competition Criteria

Incentive: \$10,000 CD Deposit

The criteria for Phase II includes a five-minute pitch to three judges and up to a 15 minute Q&A period after the pitch when the judges ask questions to clarify any point or “Shark Tank” the company pitching. During the pitch, the business representative(s) will need to cohesively present their *business proposition, uses and needs for the \$10,000 line-of-credit, a Profit & Loss statement and written overview*. These materials will be submitted the week prior to the Pitch date and distributed to the judges participating.

Kat Long from PCDA and Ben Evans, Entrepreneur Specialist/SBDC Representative with Pioneer Technology Center as well as other support staff as needed, will meet quarterly with the Phase II company to verify line-of-credit uses and discuss strategic planning, customer development, marketing and advertising as the company grows during this year.

If you have any questions after reading the criteria, prize and procedure for Pitch, please do not hesitate to contact Kat Long at 580.761.3028 or email klong@goponca.com

CRITERIA TO PARTICIPATE

Submitted one week prior to the Phase II Pitch date: Due November 2, 2020

- P&L Statement for business: current plus one year (if possible)
- Uses for the \$10,000 Line of Credit and strategic plan of implementation (two pages at most)
- Existing relationship with local bank history and contact information.
- Business is based in the City of Ponca City.
- Meet with Kat Long to rehearse and refine pitch points and practice presentation.

Phase II Pitch Day – November 10, 2020 9:00 am Room 3C at City Central.

- Five Minutes to pitch to three judges which could include a retired banker, business owner and/or investor in community. Judges will be participating via Zoom.
- Answer questions from judges up to 15 minutes.
- Agree to filming of the pitch.

Business receiving Phase II funding would agree to following:

- Monthly check-ins with Ben Evans and Kat Long first quarter; once a quarter for the remainder of the year.
- Quarterly business strategy sessions with local support programs: Small Business Development Center, SCORE, SBA, Oklahoma Manufacturing Alliance and others when applicable.
- Quarterly meetings with the bank of record banker for added support of company during this growth year. (this would be to review use of line-of-credit only)
- If incentive is tied to hiring more staff, OESC-3 forms at the end of the incentive year (fourth quarter) would be requested from company.
- If incentive is for purchase of equipment or existing equipment upgrades, a request for additional collateral on the line of credit may be made.

Final report for uses of line of credit will be in the form of an exit interview with the company which may include documentation on uses such as equipment receipts/pictures, OESC-3 forms, inventory or renovation review with pictures.

Incentive package is a \$10,000 CD deposited into the business' bank for their use as a line of credit security for one year. \$10,000 CD is a line of credit collateral deposit only and will be returned to Ponca City Development Authority on Wednesday, December 1, 2021.

Line of Credit Definitions and Loan Differentiation:

A **credit line** allows you to borrow in increments, repay it and borrow again as long as the **line** remains open. Typically, you will be required to pay interest on borrowed balance while the **line** is open for borrowing, which **makes** it different from a conventional loan, which is repaid in fixed installments.

A *line of credit* (LOC) is a preset borrowing limit that can be used at any time. ... The borrower can access funds from the *line of credit* at any time as long as they do not exceed the maximum amount (or *credit* limit) set in the agreement and meet any other requirements such as making timely minimum payments.
-*Investopedia.com (Aug 19, 2020)*

The main **difference between a loan and a line of credit** is how you get the money and how and what you repay. A **loan** is a lump sum of money that is repaid over a fixed term, whereas a **line of credit** is a revolving account that let borrowers draw, repay and redraw from available funds
-*Valuepenguin.com (June 22, 2020)*