

STERLING PARTNERS INVESTMENT THESIS CHALLENGE

(SPITC) | 2012-2013

With the support of **Sterling Partners**, SPITC encourages students to form teams to conceive and propose an original investment thesis they wish to work on. Over a span of three months, selected teams will work with mentors from Sterling Partners and other private equity firms who will be invited to participate. During this period, student teams will develop an investment thesis and recommend an execution strategy.

PROCESS & TIMELINE

Phase I | November to January

During Phase I, students will have the opportunity to learn more about the challenge by attending a SPITC Kickoff Info Session. During the last half of the Fall Quarter, students will form teams and draft their investment thesis proposal. Proposals are due by 12 p.m. (noon) on January 9, 2013. Please email proposals to kiei@kellogg.northwestern.edu.

APPLICATION DEADLINE

January 9, 2013

12 p.m. (noon)

Please e-mail application to:
kiei@kellogg.northwestern.edu

Teams will receive confirmation of the receipt of their proposal. Sterling Partners and other participating firms will review the proposals and select those they find most promising to continue to Phase II of SPITC. For a team to advance, a participating private equity firm must advocate for the thesis proposal and be willing to provide support and mentorship to further the idea. Therefore, the number of teams that advance depends on the interest of the participating firms.

Phase II | January to Mid-April

Each team whose proposal has been selected by a participating firm will receive a budget of up to \$2,000 to support detailed research efforts and assist the team in further developing the thesis and execution strategy. Selected teams will work with an assigned mentor at its host firm and will be expected to meet with its mentor on a scheduled basis. Depending on how the project evolves, the team may request additional budget support from its host sponsor. Time is also scheduled during this phase for student teams to meet with a designated faculty advisor, who will provide coaching and presentation support.

Phase III | Late April

Each team continuing in Phase II will submit its final investment thesis and execution strategy to its host firm by April 29, 2013. The host firm will provide a venue for the student team(s) to formally present their proposals to members of the firm's partnership or investment committee. The host firm will provide the students with constructive feedback and submit an evaluation form to Professor Linda Darragh.

REWARDS FOR PARTICIPATION

SPITC participants will be afforded a unique opportunity to develop an investment thesis, receive personal mentorship from seasoned private equity professionals, and present the thesis to the partnership or investment committee of a hosting firm. If a host firm, after the partnership or investment committee presentation, elects to pursue an investment thesis, the student team that developed the investment thesis will receive a \$5,000 cash award. Should the host firm decide to offer any member of the team an additional opportunity to continue working on the thesis—including internships, consulting positions, etc.—these should be negotiated outside the scope of this program.

COURSE CREDIT

Students who complete Phase II will receive a course credit for FINC-939-0 Buy-Out Lab in the Spring Quarter.

OWNERSHIP OF IDEAS

Students who choose to participate in SPITC will retain ownership of their work product, and the continuing right to pursue their investment thesis, subject to the following limitations:

- Each participating firm will have the non-exclusive right to use and pursue any investment thesis presented to it, or any portion of any investment thesis, and any related intellectual property learned during SPITC.
- SPITC participants should expect that a host firm will only proceed with them to pursue an investment thesis, and any corresponding award or grant would be conditioned, upon SPITC participants conveying to the host firm the exclusive right to use and pursue the investment thesis. SPITC participants will retain the right to disclose their participation and investment in the development of the investment thesis for academic purposes, job opportunities, etc.

Northwestern University will not retain any rights to any student work product.

HOW TO APPLY

Student teams must apply to take part in the Sterling Partners Investment Thesis Challenge. The deadline to apply is **January 9, 2013, at 12 p.m. (noon)**. Late applications will not be considered.

Applications consist of two parts, both of which must be emailed to kiei@kellogg.northwestern.edu by the above deadline:

1. Resumes of each team member
2. Investment thesis proposal (10 slides or 5 typed pages)

Proposals should summarize the investment thesis the team wishes to investigate; explain why this particular thesis was selected; introduce the team members and the experience they bring; and outline a strategy for developing the investment thesis (including specific milestones).

Selection will be based on the willingness of one of the hosting private equity firms to provide support and mentorship to the team. As the sponsor of SPITC, Sterling Partners will have the first opportunity to review and select each proposed investment thesis.

Please review the information available on this website about **eligibility** before submitting an application.

REMINDERS

Students should be aware that participation in SPITC requires a significant time commitment and take this into account when registering for winter- and spring-term courses.

Teams must consist of either two or three students.

Teams may not contact any participating firms directly regarding their proposal or application status.

RULES AND ELIGIBILITY

Before applying, students should read the following information about eligibility and rules for participation:

ELIGIBILITY

SPITC is open to current Kellogg School of Management students only. First-year, second-year, one-year (1Y), full-time, and part-time students may apply; however, part-time applicants must have completed three or more courses before Winter Quarter 2012-13. Prior experience in the private equity industry is not required.

TEAM SIZE AND MAKEUP

Teams must consist of either two or three students. Teams are limited to a maximum of three members. Teams may include any mix of full-time and part-time students, as well as first-year, one-year (1Y) and second-year students.

CONTACT WITH PARTICIPATING FIRMS

Students may **not** contact any participating firms directly regarding their proposal or application status without the approval of the Kellogg Innovation and Entrepreneurship Initiative (KIEI). Doing so is considered an ethical violation and may render a student ineligible for the challenge.

HAVE A QUESTION?

For more information on applying to SPITC, view the **program overview slides** and the **investment thesis workshop slides**, presented by Sterling Partners at the **SPITC Kickoff Info Session**. Please also review and research the **participating firms** before preparing your thesis proposal. Email questions to kiei@kellogg.northwestern.edu.

Mentor office hours will be available in late November for teams that want to discuss their investment thesis.