

UA wins business-plan contest

Graduate, undergrad entrepreneurs take \$20,000 prizes

By [David Smith](#)

Tuesday, April 20, 2010



Photo by [Staton Breidenthal](#)

Graduate-student entrants from the University of Arkansas at Fayetteville (left to right) Bryon Western, Anoop Prasanna, Jeff Veltkamp, Annelie Reckling and Liz Slape of InnerVision celebrate winning the Donald W. Reynolds Governor's Cup collegiate business-plan competition Monday in Little Rock.

LITTLE ROCK — Two teams from the University of Arkansas at Fayetteville won the graduate and undergraduate awards Monday in the 10th annual Donald W. Reynolds Governor's Cup business plan competition.

InnerVision LLC, which helps power-generation companies improve their maintenance, won the graduate division. Arkansas Auto Fluff, which recycles plastic from junked automobiles, won in the undergraduate division. Each team received \$20,000.

InnerVision uses a technology patented by Arkansas Power Electronics International in Fayetteville, said Jeff Veltkamp, chief executive officer of InnerVision.

The technology allows operators of power turbines to determine the condition of the turbine blades while the turbines are running, Veltkamp said. Previously, the turbines had to be shut down before checking their condition, Veltkamp said.

"They've had to take those machines apart to know that information [until now]," Veltkamp said.

Bryon Western, a graduate student at the university and an executive with InnerVision, also is an executive at Arkansas Power Electronics and a holder of the patent.

InnerVision needs \$1.5 million to \$3 million in venture capital to begin operation, Veltkamp said. If the company becomes operational, it would hire about 25 to 30 employees making more than \$50,000 each, Veltkamp said.

Arkansas Auto Fluff plans to take the plastic from scrapped vehicles and recycle it, said Mason Miller, chief executive of the firm.

“We will extract the plastics from waste [from the vehicles],” Miller said. “That is the same high-quality plastic for its original use in automobiles. We will refine it and resell it in the open market as a raw material.”

The four executives with Arkansas Auto Fluff created the idea to recycle the plastics, Miller said.

Arkansas Auto Fluff’s plans include setting up a plant near a supplier, Miller said. The first supplier it would use is Tennenbaum Recycling in North Little Rock, Miller said. If it needed to expand, it would add a plant in Texarkana. Each plant would require about 20 employees, Miller said.

Arkansas Auto Fluff would not have to pay for the plastic materials it would recycle, Miller said. Firms such as Tennenbaum are having to pay to have the material hauled away now, Miller said.

Arkansas Auto Fluff is seeking up to \$400,000 in startup capital, he said. The firm is considering bank financing instead of a venture capital investment, Miller said.

In the graduate competition, Biologics MD of the University of Arkansas, a medication development company, was second. Green Valley Solar of the University of Arkansas, a solar panel company, was third.

Interactive Convenience Electronics of the University of Arkansas, a technology company that will provide touch-screen tabletop computer services, won second in the undergraduate competition. Fore Your Swing of John Brown University, a company to improve golf skills, was third.

There were six finalists in the undergraduate competition and five finalists in the graduation division. Overall, 49 teams competed from 14 colleges in the state.

Biologics won the prestigious Rice University business plan competition last week, earning more than \$200,000 in prizes. In addition, it received \$200,000 from a venture capital investor, said Carol Reeves, Biologics’ faculty adviser at the University of Arkansas.

“I never thought I’d [advise] a team that won at Rice,” Reeves said.

InnerVision and Biologics are among the five best business plan teams in the country, Reeves said.

Biologics also has won competitions at the University of Louisville and the University of Cincinnati.

InnerVision won \$40,000 at a competition at Carnegie Mellon University and was a semifinalist at Rice, receiving \$21,000, Reeves said. InnerVision also was third in the University of San Francisco International Business Plan Competition.

The Rice competition is the largest in the country, with \$1 million in prizes and venture capital investment, and the Governor's Cup competition, including contests in Arkansas, Oklahoma and Nevada, is second with more than \$200,000 in total awards. In the Arkansas competition, \$102,000 is awarded.

Business, Pages 23 on 04/20/2010