

Rules of Engagement

Students are encouraged to be creative in promoting and selling their product or service. Remember as a Lion Foundation Young Enterprise Company representing your school sponsors and supporters, it's important that what you promote and publish is professional. Thanks!

The following information may assist:

The formal name of the scheme is Lion Foundation Young Enterprise Scheme

Our organisation is called Young Enterprise Trust

We are a not-for-profit organisation and our website is www.yetrust.co.nz

Advertising your business on the Young Enterprise Trust IHUB is a good way to provide verification to suppliers and customers that you are a formal YES business.

1. Social Media and online Sites

Please check that you are adhering to the rules that apply to these various sites (*last updated 2010*).

- Trademe does not allow websites to be posted in listings
- Trademe does not allow profiles that have contact details or online purchasing for obvious few avoidance reasons
- Trademe have a limit on the number of identical listings at one time
- Trademe only allow an item to be listed in one Category

2. What is added value?

Clause 7.1 The Product or Service produced by the Virtual Company shall be one to which value has been added and shall not present any hazard to any person or property. The Product will not be "sold on commission" nor a product purchased and resold, including importing, without significant value added.

Here is the definition we use for added value

"The enhancement added to a product or service by a company before the product is offered to customers."

This can be displayed through, but is not limited to:

- Enhancement to the actual product
- Combining the product with other products and/or services
- Marketing campaigns
- Sales and distribution models

There is no absolute measure about what constitutes adding value is - it's determined on a case by case basis, but the "common sense" test applies. For example, if a company has simply slapped a logo on an imported product and on sold it, this would not meet the added value test.

3. Constitution

1.3 The constitution states that school rules apply. This means that the school has the authority to decline any business to operate should the school feel business or the student directors are in conflict with school policy.

2.1 states that all student directors must be enrolled at school. Should a student leave school they may be kept on as a preferential shareholder but they cannot retain directorship of a YES business.

4. Ideas

It takes more than a good idea to run a successful business – all directors are equal shareholders in any business ideas operated under YES. All directors contribute to the management of the business and will equally share in any of the profit at the end of the year.

5. Dismissing Directors

There are criteria and a process for dismissing directors - these issues should be discussed with your teacher well before they reach this stage, however the process is there for ongoing issues that impact on the smooth running of the business.