TechStart Grant and Seed Grant Webinar
Presenter: Shane Beckim
sbeckim@mainetechnology.org
207-588-1018

8 Venture Avenue
Brunswick Landing
Brunswick, Maine 04011
207.582.4790
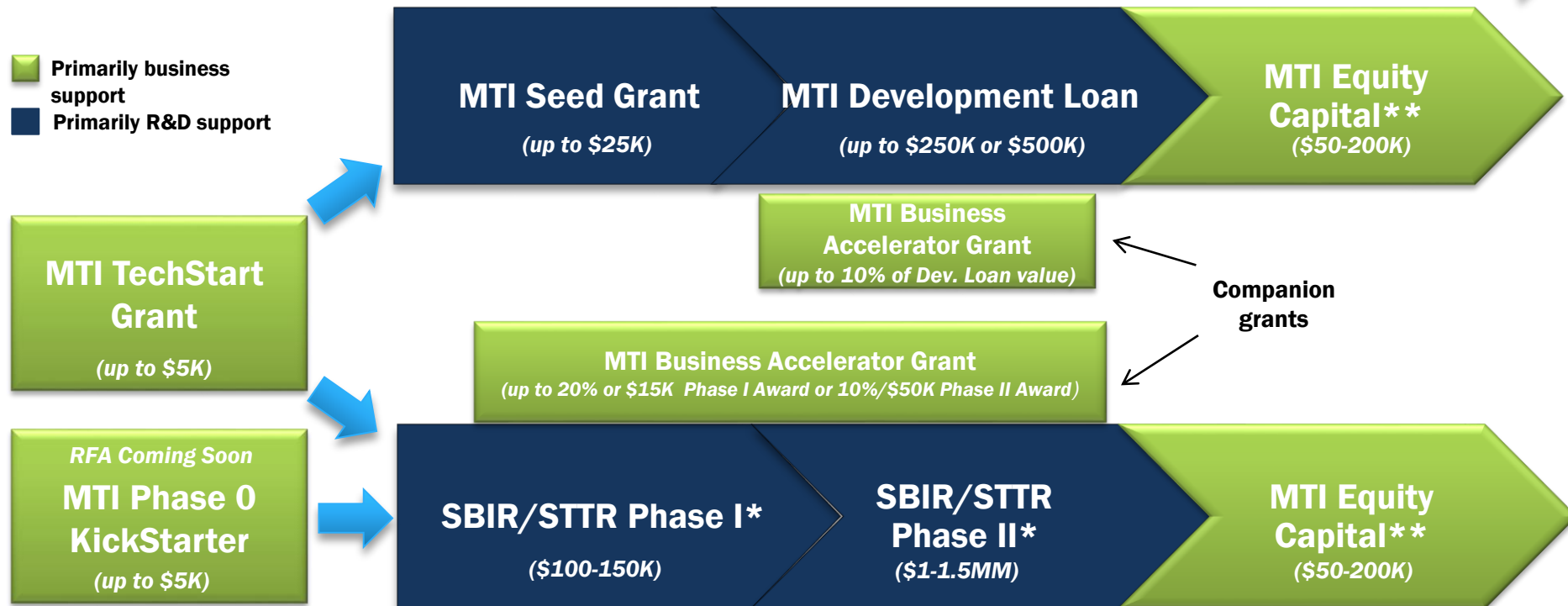info@mainetechnology.org

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What MTI Does:

We **fund** Maine entrepreneurs and companies who engage technology to develop innovative products and connect them to resources to help them grow profitable enterprises.

Funding Support through MTI's Business Innovation Program

Stage of Project/Product Development

- Corp/LLC & business plan creation
- Proof of concept and prototype testing
- Commercialization
- Scale and Grow

Primarily business support
Primarily R&D support

MTI Seed Grant *(up to $25K)*

MTI Development Loan *(up to $250K or $500K)*

MTI Equity Capital** *($50-200K)*

MTI Business Accelerator Grant *(up to 10% of Dev. Loan value)*

Companion grants

MTI TechStart Grant *(up to $5K)*

MTI Business Accelerator Grant *(up to 20% or $15K Phase I Award or 10%/$50K Phase II Award)*

RFA Coming Soon
MTI Phase 0 KickStarter *(up to $5K)*

SBIR/STTR Phase I* *($100-150K)*

SBIR/STTR Phase II* *($1-1.5MM)*

MTI Equity Capital** *($50-200K)*

*Maine Phase I and Phase II Federal SBIR/STTR applicants receive up to 20 hours pro bono consulting from MTI to help in submitting application
**Companies are eligible to apply for equity capital if they have received <u>any</u> of following loans or awards: MTI Seed Grant, MTI Development Loan, SBIR /STTR Phase I, SBIR /STTR Phase II

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MTI's Business Innovation Program funds technology projects for Maine companies

Who is eligible to apply for funding?

Maine-based companies of any size
- Registered to do business in state of Maine
- Have definitive plans to create and/or retain Maine jobs

Companies with **significant base of operations in Maine**
- Includes companies with clear plan to locate in Maine if not in state already

Maine-based academic & research laboratories
- Must have expectation that technology will be further developed and/or commercialized via transfer into the marketplace

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MTI's Business Innovation Program funds technology projects for Maine companies

What key criteria must an eligible project meet?

- Supports one of seven targeted technology sectors:

Biotechnology	Composites & Advanced Materials
Environmental Technologies	Forest Products & Agriculture
Information Technology	Marine Technology & Aquaculture
Precision Manufacturing	

- Shows high potential for significant economic development to Maine, including:
  - Job creation and retention
  - Increased revenues and competitiveness
  - Company growth

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MTI uses a rigorous, competitive evaluation process when reviewing applications

Evaluation Process

➢ Applicants are <u>strongly encouraged to talk with MTI staff</u> prior to submitting a project for funding

➢ Projects are selected for funding using a thorough evaluation process, which includes:
- Evaluating the project's technical merit
- Considering the likelihood that the project will commercialize or increase existing sales.
- Assessing the economic benefit to Maine
- MTI is adding value to the company's objectives

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The TechStart Grant, a component of MTI's Business Innovation Program

TECHSTART GRANTS PROVIDE UP TO $5,000 FOR BUSINESS PLANNING ACTIVITIES

Purpose of TechStart Grant:

To provide quick funding for specific small projects that will lay the <u>basic business groundwork</u> critical to securing additional funding

GRANTS FUNDED MONTHLY

UPCOMING KEY DATES:

Application Submission: July 7, 2015

Grant Notification by: July 29, 2015

Future Submissions: August 4

For more information, contact:
Shane Beckim
<u>sbeckim@mainetechnology.org</u>
207-588-1018

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Limitations and restrictions of the TechStart Grant

- ➢ **TechStart Grant funds may NOT be used as cash match to other MTI funding components**

- ➢ **An organization or principal investigator may NOT exceed two TechStart Grants within a 12 month period**

- ➢ **TechStart Grant projects must NOT be more than 6 months in duration**

TECHSTART GRANTS REQUIRE AT LEAST 1:1 MATCH FROM THE APPLICANT

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TechStart Grant funds are only eligible for specific activities

Examples of eligible activities

- Market analysis including surveys, interviews, purchase of data, activities related to quantifying the market opportunity

- Business plan development including activities related to developing go to market strategies

- Intellectual property investigation and filings

- Planning and preparation activities in advance of future R&D activities

Examples of ineligible activities

- Expenditures for any R&D activities

- Any expenditures before the submission date for the round

- Overhead or indirect costs

- Sales and marketing activities

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Steps for submitting a TechStart Grant application

Download Application Instructions

- Understand what the funder wants.
- Create a rough draft of the scope of the project

Concept Review Meeting

- Share your project draft with MTI
- Be sure that the project is a fit to the TechStart Grant and MTI purpose.

Prepare application for submission

- Address all criteria, get feedback
- Follow the instructions

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Components of the TechStart Grant Application

Form A Registration Form

This is the cover page to the application. The applicant must create an account at www.mainetechnology.org and fill out a registration form. Each application must have a unique application number which is generated from the registration.

TechStart Registration

FORM A: Include a printed version of this document with your original signature with your application. One original, signed, completed TechStart Grant application must be received before 5:00 p.m. on the deadline date. Completed applications may be submitted through the MTI website or delivered to: Maine Technology Institute, 8 Venture Avenue, Brunswick Landing, Brunswick, ME 04011.

SECTION 1 - Public Information		Proposal ID: TS0221
1. Project Title: Market Research for Innovative Utensil	2. Technology Sector(s) that best fit your business: Precision Manufacturing Technology.	
3. Type of Work: Market Research	4. Award Amount Requested: $5,000	
5. Product Name: Fpoon	6. Matching Fund Amount and Source(s): $7,000 from Personal funds and sweat equity	
7. Business Contact Info: Business Name: ABC Company LLC Address: 8 Venture Ave, Brunswick, ME 04011 Phone: 207-582-4790 Fax: 207-582-4772	Years in Business: 1 Full-time Employees: 1 Business Stage: Start-up or Early Stage Company Business Type: LLC	
8. Principal Contact Info: Name: Shane Beckim Title: President Address: 8 Venture Ave, Brunswick, ME 04011 Phone: 207-582-4790 Other Principals:	9. Proposal Info: Type: New Filed w/ Secretary of State Yes	

SECTION 2 - For MTI Purposes Only	
Withhold From:	None
EIN:	012345678
Email:	sbeckim@mainetechnology.org

SIGNATURE: By signing this application, I certify that all information contained herein is complete and accurate to the best of my knowledge. I agree to accept responsibility for the conduct of the project and to provide the required progress reports if an award is made.

Principal Contact/Title _____ Date _____

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Components of the TechStart Grant Application

Non-confidential Summary	Example
On this single page, this is an opportunity to get the reader's attention and interest into what your application is about to propose. Be clear and concise and be sure to summarize the type of work and what the product is in 100 words or less.	Furnace sees an opportunity to launch a cold water equipment and apparel brand with the goal of becoming the world's leader in wetsuit innovation. Our first product is the Response Dry Glove. The gloves are game changing for cold water athletes including surfers, stand-up paddle boarders, kite boarders, sailors and whitewater kayakers. They outperform and outlast traditional neoprene gloves in addition to being less harmful to the environment. Project success includes a business plan that communicates the full scope of our opportunity, customer validation, a Seed Grant proposal, incorporation and a partnership agreement.

Components of the TechStart Grant Application

History	Resubmission: Feedback
In 2 pages or less, discuss the history you (and/or your company) have with MTI. Discuss how those projects fared and what impact they have had on your company. Discuss whether they led to successful commercialization and what was learned through those efforts.	In a single page, applicants who are resubmitting an application are encouraged to address the feedback from the prior application. For TechStart Applications, there is no written feedback and unfunded applicants are encouraged to contact MTI to discuss the review of their application.

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Components of the TechStart Grant Application

Narrative: 3 page limit to discuss the following criteria

Introduction	Scientific & Technical Merit
Before getting into the narrative, you may consider introducing your company to the reviewers and summarizing your intent of this project. This should not duplicate the NCS, but it should lay the setting for the stage of the company and development. This should show your commitment and passion and leave the reviewers feeling that what comes next is a well-defined plan.	This section should clearly describe the technology being proposed, what makes it unique and why anyone would be interested in it. It should identify the problem that is being solved. Comparing the product, process or service to existing ones is ideal. Describe how the technology is better or cheaper. Include an appropriately sized picture if possible.

Components of the TechStart Grant Application

Market Potential	Scope of Work
Although some TechStart projects are proposing to conduct market research, there must be a basis for why the applicant is pursuing the development of the technology in the first place. This section should discuss the market opportunity that this technology development will pursue. Numbers and any relevant data should be provided to support market estimates.	This section should clearly describe what will occur over the course of the project, who will perform each specific task and how they will be completed. Many of the tasks involve market research and business plan preparation, but the proposal must clearly state the targeted objectives and contain specifics on the steps to achieve those results.

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Components of the TechStart Grant Application

Commercialization Strategy

This section should identify the strategy and assumptions about the business model that have been targeted as strategic goals of the company. If it's a product, this section should identify whether the company wishes to become the manufacturer, distributor or licensor of the product and how. For process improvements, identify how and where the technology will be implemented.

Economic Impact

Describe how the proposed project may lead to positive impact for the State of Maine including jobs, revenues, and intellectual property.

Management Team

Identify names and titles/roles each person plays in the project and as part of the company's effort to bring the technology to market. Do not include biographical information in this section.

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Components of the TechStart Grant Application

Other Application Documents and Forms

Supporting Documents – 2 pages
Often include published market information, letters from experts in the field, partners, collaborators, suppliers or potential customers, or pictures and diagrams of the technology.

Budget Form B – Excel Document: Be sure the match is equal to or greater than the amount being requested from MTI. The application may also contain a 1 page Budget Supporting Document explaining items listed in the budget.

Commitment Letters – 2 pages each
Identify where all matching funds and commitments to the project will come from. These may include letters from the applicant and any parties who are contributing to the success of the project. Account for all matching funds.

Professional Summaries – paragraph style identifying experience

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Review and Grant Process for TechStart Grant Applications

All complete applications are reviewed by the **TechStart Review Committee** comprised of MTI Staff, Tech Board Member, and BOD Member

Awardees will be emailed agreement docs, have 60 days to execute the contract and be paid 80% in advance

Non-awardees will be notified and encouraged to contact MTI for verbal feedback before resubmitting

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The Seed Grant, a component of MTI's Business Innovation Program

SEED GRANTS PROVIDE UP TO $25,000 FOR EARLY STAGE R&D ACTIVITIES

Purpose of a Seed Grant:

To provide funding for specific research and development projects that will lead to commercialization or lay the groundwork critical to securing additional funding

GRANTS FUNDED 3 TIMES EACH YEAR

UPCOMING KEY DATES:

Application Submission:	**August 18, 2015**

Grant Notification:	**October 20, 2015**

Future Submissions:	**December 2015**

For more information, contact:
Shane Beckim
sbeckim@mainetechnology.org
207-588-1018

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Limitations and restrictions of the Seed Grant

> **Seed Grant funds shall NOT exceed $50,000 per organization or principal investigator <u>for any one technology</u>**

> **Seed Grant funds shall NOT exceed $50,000 per organization or principal investigator <u>within a 24 month period</u>**

SEED GRANTS REQUIRE AT LEAST 1:1 MATCH FROM THE APPLICANT

Seed Grant funds are only eligible for specific activities

Examples of eligible activities

- **Prototype Development**

- **Prototype Testing**

- **Proof of Concept**

- **Field Trials and Pilot Studies**

- *Activities such as market research, business plan development and intellectual property protection if they are part of a proposed broader Seed Grant R&D project*

Examples of ineligible activities

- **Expenditures for any sales and marketing activities**

- **Overhead or indirect costs**

- **Any expenditures before the submission date for the round**

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Steps for submitting a Seed Grant application

Download application instructions

- Access application instructions on MTI website
- Review criteria that must be addressed within the application
- Begin process of seeing how your project aligns with the scope of the application
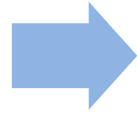
Concept Review Meeting

- Schedule early in process is better in order to give time to iterate on application if needed
- Be sure that the project is a fit to the Seed Grant and MTI purpose

Prepare & submit application

- Incorporate any feedback from concept review meeting
- Leverage resources, like Maine Small Business Development Centers to review and provide feedback
- Paper copy or electronic (all in one PDF) submissions accepted

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Components of the Seed Grant Application

Form A Registration Form

This is the cover page to the application. The applicant must create an account at www.mainetechnology.org and fill out a registration form. Each application must have a unique application number which is generated from the registration.

Components of the Seed Grant Application

Non-confidential Summary	Example
On this single page, this is an opportunity to get the reader's attention and interest into what your application is about to propose. Be clear and concise and be sure to summarize the type of work and what the product is in 100 words or less.	An MTI Seed Grant will support the completion of HistoryIT's web software ArchivesTree ™ version 1.0. This software will allow managers of historical collections to easily and efficiently organize, catalog, and share their collections. ArchivesTree™ fills a void, meeting technological and archival needs of cultural institutions facing limited software options. MTI's support will allow ArchivesTree™ to complete development, and thus begin user testing and further product refinement. HistoryIT estimates that at least 100 customers will adopt ArchivesTree™ during 2013 and plans to grow the customer base of annual subscriptions each year, growing the company and its support services in Southern Maine.

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Components of the Seed Grant Application

History	Resubmission: Feedback
In 2 pages or less, discuss the history you (and/or your company) have with MTI. Discuss how those projects fared and what impact they have had on your company. Discuss whether they led to successful commercialization and what was learned through those efforts.	In a single page, applicants who are resubmitting an application are encouraged to address the feedback from the prior application. For Seed Grant Applications, unfunded applicants are provided with some written general feedback and are encouraged to contact MTI to discuss the review of their application.

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Components of the Seed Grant Application

Narrative: 5 page limit to discuss the following criteria

Introduction	Scientific & Technical Merit
Before getting into the narrative, you may consider introducing your company to the reviewers and summarizing your intent of this project. This section should identify the activities that have taken place to date and how your company is prepared to pursue the proposed project and subsequent commercialization efforts that will be required.	This section should clearly describe the technology being proposed, what makes it unique and why the market would be interested in it. It should identify the problem that is being solved. Comparing the product, process or service to existing solutions is necessary. Specific performance metrics including standards and specifications should be clearly identified.

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Components of the Seed Grant Application

Market Potential	Scope of Work
More so than within the TechStart Grant, details about the market and competition are needed to justify the pursuit of the proposed technology. Market size data and trends along with the sources of that data are needed. A clear illustration of the competitive landscape is very important. This ties into the analysis of the competition in the Scientific and Technical Merit information.	This section should clearly describe what will occur over the course of the project, who will perform each specific task and how it will be completed. Identify specific details of the experimental design along with projected outcomes. Provide a time line or Gantt chart to better illustrate the tasks and those who will accomplish them.

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Components of the Seed Grant Application

Commercialization Strategy

This section should provide many elements of the company's business plan including the sales and marketing strategy. Cost of production and targeted price points should be identified. First users and barriers to market entry should also be identified. If there is to be manufacturing, then the plans for doing so and the partners needed should be identified.

Economic Impact

Describe how the proposed project may lead to positive impact for the State of Maine including jobs, revenues, and intellectual property.

Management Team

Identify names and titles/roles each person plays in the project and as part of the company's effort to bring the technology to market. Do not include biographical information in this section.

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Components of the Seed Grant Application

Other Application Documents and Forms

Supporting Documents – 4 pages
Often include published market information, letters from experts in the field, partners, collaborators, suppliers or potential customers, or pictures and diagrams of the technology.
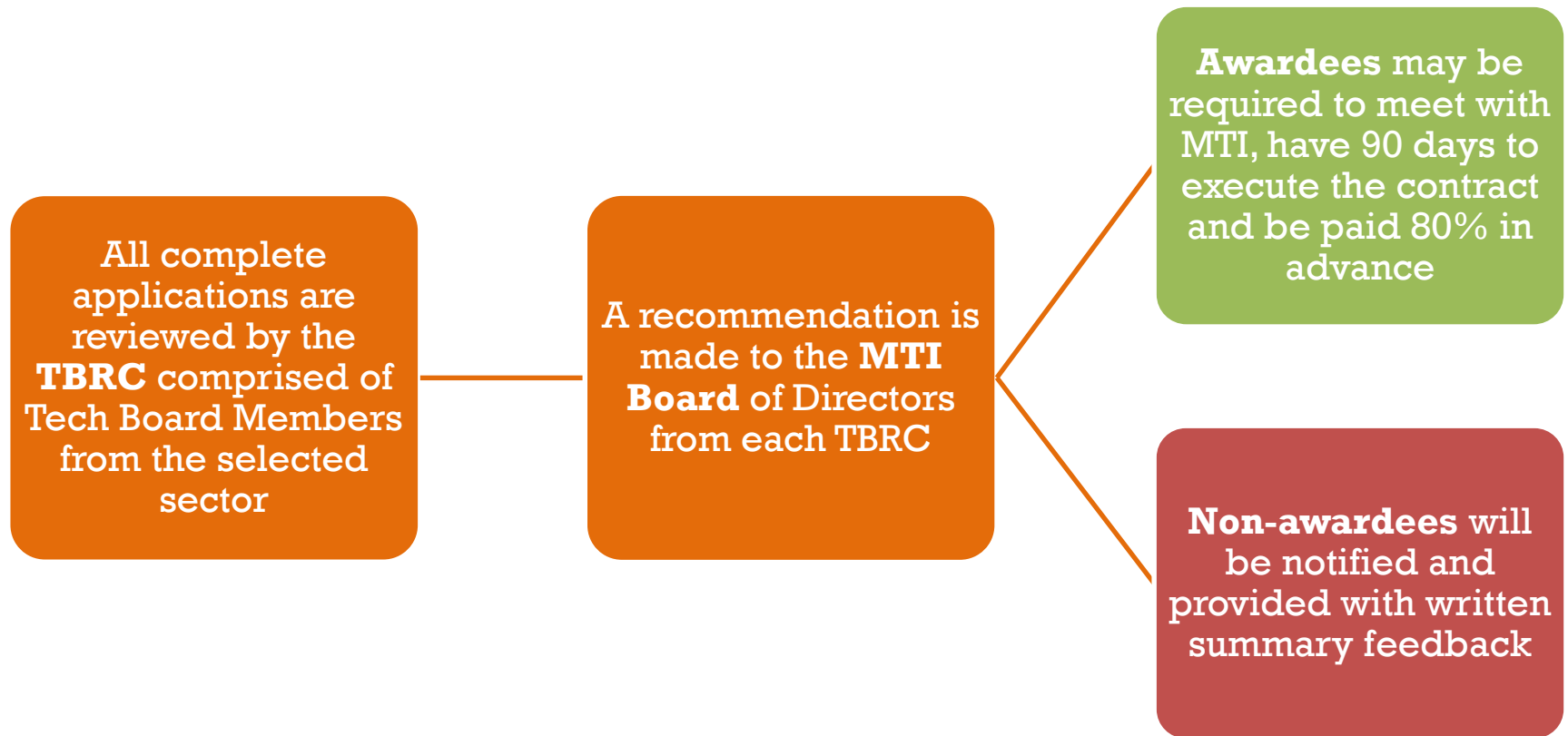
Budget Form B – Excel Document: Be sure the match is equal to or greater than the amount being requested from MTI. The application may also contain up to 2 pages of Budget Supporting Documents explaining items listed in the budget.

Commitment Letters – 2 pages each
Identify where all matching funds and commitments to the project will come from. These may include letters from the applicant and any parties who are contributing to the success of the project. Account for all matching funds.

Professional Summaries – paragraph style identifying experience

Review and Grant Process for Seed Grant Applications

All complete applications are reviewed by the TBRC comprised of Tech Board Members from the selected sector

A recommendation is made to the MTI Board of Directors from each TBRC

Awardees may be required to meet with MTI, have 90 days to execute the contract and be paid 80% in advance

Non-awardees will be notified and provided with written summary feedback

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Tips

❑ Identify how MTI funds will add value to the proposed project.

❑ Clearly articulate what the technology is and how it works and test it out on someone who is not so close to the project.

❑ Identify what makes your technology better than current solutions by utilizing comparisons to existing technologies…is it better or cheaper?

❑ Be sure to detail the specific tasks and outcomes in the scope of work, particularly the experimental design.

❑ Identify what's next and how this project gets you there.

❑ A strong team will include employees, advisors, partners, vendors, clients and anyone else helping to bring this technology to market…identify them.

❑ Treat MTI like any potential investor…make your pitch!

❑ Re-read your application…no typos and correct math.

Resources

➤ Small Business Development Center www.mainesbdc.org

➤ SCORE www.scoremaine.org

➤ University of Maine

    Advanced Manufacturing Center john.belding@maine.edu

    Dept. of Industrial Cooperation kris.burton@maine.edu

➤ Maine Center for Entrepreneurial Development www.mced.biz

➤ Manufacturer's Association of Maine www.mainemfg.com

➤ SBIR/STTR – Karen West cpmgmt@fairpoint.net

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