



KickStart Venture Services Commercialization Award Program

Request for Applications

Description

The KickStart Venture Services Commercialization Award Program provides up to \$50,000 in non-dilutive funding to intellectual property based UNC faculty-led startup companies. The scope of these awards ranges from Life Sciences (e.g. therapeutics, diagnostics, medical devices or health IT) to Technology (e.g. energy, materials science, engineering or computer science).

Purpose

The primary purpose of these awards is to provide funding for early-stage proof-of-concept experiments, validation studies, and prototyping¹. This funding will help generate the data and results that can be leveraged for the next round of funding. For example, the award can be used to generate preliminary data for an SBIR/STTR grant or develop a prototype to attract a seed round of investment. A secondary purpose will be to gather business intelligence for the company. This could include market research, partnership discussions, or competitive landscape analysis.

Eligibility

The eligibility requirements are as follows:

1. The program is open to any early-stage company based on research innovations at UNC-CH where at least one of the founders is a faculty member, student, or staff at UNC-Chapel Hill (or primary appointment at UNC for the joint UNC-NCSU Biomedical Engineering (BME) department) or where the startup is based on a research innovation from a UNC faculty member (i.e. UNC faculty is not a founder). Note, an adjunct faculty position does not qualify for eligibility. Also, for companies that have a UNC student as a founder, there must be a UNC faculty or staff member also involved with the company.
2. Priority will be given to companies developing intellectual property (IP) owned by UNC-CH and disclosed to UNC-CH in the form of a Report of Invention (ROI). It is the applicant's responsibility to notify the Office of Technology Commercialization (OTC) Commercialization Manager prior to making the application to ensure the IP is in good standing (proper ROI, filings, etc.).

¹ For technologies that are pre-startup, where it may be too early in development for this Award, funding may be sought through the Drugs, Device & Diagnostics Development (4D) Strategic Initiative within NC TraCS Institute or OTC's Technology Development Grants. Discussion with KickStart Venture Services staff can help make the determination as to the most appropriate funding source.



3. Lower priority will be given to companies who have previously acquired significant funding from other sources (STTR/SBIR, angel investment, venture capital, etc). The Commercialization Award is intended to be, if not the first, then one of the first funding events for the company.
4. An incorporated company must be formed before application. The award is made to the startup company.
5. The company must have licensed the IP or anticipates a license within 6-12 months of the Effective Date of Award.
6. A non-faculty business leader or advisor (e.g. part-time CEO) must be engaged with the company activities.
7. A business strategy for commercializing the product or service needs to have been developed. Note: a full business plan is not required.

Funding

The KickStart Venture Services Commercialization Grant Program will make a limited number of awards of up to \$50,000, with the number and size of the awards dependent upon the quality of the proposals received and the availability of funds.

Application Procedure

Given the wide range of technologies and their stage of development, faculty are encouraged to contact KickStart Venture Services prior to submitting an application. By contacting the program, we can provide a preliminary assessment of the appropriateness of a Commercialization Award. Contact Mireya McKee via email (mireya.mckee@unc.edu) or by phone at 919-445-2332.

Confidentiality: At the applicants' request, KickStart Venture Services will make reasonable efforts to keep information provided in the pre-application in confidence unless disclosure of information is required by law.

Formal Application Phase

A complete application must include:

A. Executive Summary of the proposal (not to exceed 1000 words), which includes summaries of each section below.

B. Main Application composed of the following sections (500 word max each)



1. Problem or Unmet Need

- Please describe the problem(s) or unmet need(s) which the company aims to solve. Include all relevant information such as who is affected by the problem, magnitude of problem, current solutions in place, etc. Be specific about what part of the problem you aim to solve.

2. Solution

- Describe the product or service you envision and how this will solve the current market problem.
- At what stage of development is the product/service?

3. Technology

- In detail, describe the underlying technology that supports or enables the product or service.
- Describe how the technology is differentiated or innovative from other offerings in development or currently on the market.
- Describe the intellectual property position for the technology (e.g. disclosure, provisional, issued patent).

4. Market

- Briefly describe the market for the product or service. Include information on market size, market potential, segment and customer profile. Justify this information with primary or secondary market research.
- If appropriate, include a discussion of channels which the startup will leverage to advance the product or service to market.

5. Company

- Describe the current status of the company which includes corporate structure, date of incorporation, registration and current company capitalization table.
- Outline the current status of licensing discussions with either UNC-CH or other license holder.

6. Regulatory (if appropriate)

- Include details on the appropriate regulatory pathway for the product (e.g. NDA/BLA, 505(b)2, 510(k), FCC, UL, etc.) If available, include proposals from outside vendors or consultants support this regulatory strategy.

7. Team

- Provide a summary of the current founders, management and advisors. Please include short bios (Note: no biosketches) for each team member.
- How will the current management team leverage their expertise to help grow the company? As appropriate, include relevant past accomplishments which may strengthen the proposal (e.g. partnering deals, past experienced with launch early-stage startup company, etc).

8. Impact

- Describe, in detail, how *the Commercialization Award* will impact future development and growth of the company. Describe how the funded activities are on a critical path towards enabling a successful commercial milestone. Show how this funding is part of a larger fundraising strategy.
- Has the company applied for funding through other sources which may overlap with the current proposal? Are there any sources of academic funding which similarly overlap with the current proposal?

9. Proposed Study / Experimental Plan

- Summarize Specific Aims and/or Study Objectives to be funded by the Commercialization Award. Please include a timeline, milestones and success metrics.
- For each specific aim, please include details on how the work will be completed, where the work will be performed (i.e. by the company, subcontract, etc) and any potential pitfalls and alternative directions.

Note: When completing the online application, the Proposed Study / Experimental Plan may be uploaded as a PDF or typed into the text field. PDF is preferred.

10. Funding and Budget Justification

Include the total funding requested and detailed breakdown describing how funds are intended to be used (i.e. technology commercialization activities or operational expenses). Note, operational expenses does not include overhead, facilities and administration (F&A), or indirects. At a minimum, the budget should include the following:

- i. Activity: Specific activity or experiment funds will be used for. See below for a list of suitable expenses.
- ii. Outcome/Milestone: Commercial milestones be achieved as a result of funding.
- iii. Funds Requested: Amount of money requested for specific activity.

Suitable expenses may include, but are not limited to, the following:

1. Non-hypothesis driven, technology development activities surrounding core technology
2. Validation studies involving in vitro or in vivo models to advance understanding of technology differentiators and limitations
3. Hardware prototyping activities to produce a minimal viable product
4. Validation studies involving human tissue samples
5. Software development which may include mobile software, website or cloud infrastructure
6. Systems and process development
7. Contract engineering for specialized prototype development
8. Rapid prototyping designs for user studies



In some well justified cases, operational expenses, a minor portion of the award, can be requested. These expenses could include the following:

1. Legal expenses relating to corporate matters, intellectual property, contract negotiation, etc.
2. Patent landscape or other IP assessments (only with matching from a third party—departmental funds or founder's contributions)
3. Fundraising activities
4. Market research
5. Regulatory consultation
6. Leasing or fees associated with wet-lab or office space
7. Licensing or Intellectual property fees and filings

An inadequate justification may result in a less favorable score and/or lower funding. KickStart Venture Services staff are available to provide advice in preparation of the budget and budget justification.

Note: When completing the online application, Budget and Justification can be uploaded as a PDF or typed into the text field.

Supplementary Material (optional)

The following *optional* materials should be uploaded as a single pdf.

- Business plan
- Up to 3 full publications
- Additional letters of support
- Relevant quotes from a third-party vendor

If company research activities are conducted at UNC, appropriate documentation must be provided of a Facility Use Agreement in the case of company employees conducting research in any UNC facility.

If funding provided to the applying company is being subcontracted within a lab at UNC, the company will show approval from UNC Conflict of Interest office before funds are to be distributed.

Application Submission

Applications are only accepted online through a web-based system. To access the application website, click the link below. **Applications are due by 5pm on June 30th 2019.** Confirmation of receipt of application will be sent within 5 business days of the deadline.

[CLICK HERE TO APPLY](#)

Please create an account using our online application system. Click “Apply” and scroll down and click on the section titled, “KickStart Venture Services Commercialization Awards”.



If you have any questions, problems or feedback, please email us at mireya.mckee@unc.edu

Application Review

1. Each application will be reviewed, as appropriate, by the KickStart Venture Services staff and an external Review Committee.
2. Research involving animals or human subjects must be reviewed in accordance with the University's general assurances and HIPAA. Projects involving human subjects must be submitted to an Institutional Review Board (IRB).
3. KickStart Venture Services staff will review the applications and preliminary recommendations and ultimately make funding recommendations to the Office of Technology Commercialization (OTC).

Notification, Award Disbursement, and Terms

1. Notification of awards will be made generally within 6 to 8 weeks of the receipt date, with funding to commence shortly thereafter.
2. Projects should be completed in the time period designated in the approved application.
3. The funds will be administered under a collaborative agreement between the University and the company.
4. Disbursement of funds will be through the payment of company invoices provided to OTC. The award may be tranching as appropriate and as determined by milestones set forth by the Review Committee.
5. If company research activities are conducted at UNC, appropriate documentation must be provided as a Facility Use Agreement in the case of company employees conducting research in any UNC facility.
6. Final reports must be submitted to KickStart Venture Services within 60 days of the award completion date, and will be reviewed by the Review Committee.
7. Unexpended funds must be returned to OTC.
8. Expenditures may begin at any time after the official start date, and must be expended according to budget statements submitted in the application. No-cost extensions are possible but rarely approved in circumstances with sufficient cause and justification.
9. As a condition of accepting KickStart Commercialization Award funds, award recipients shall be required to keep reasonable records detailing that KickStart Commercialization Award funds are spent according to requirements set forth in the award notification. These records must be submitted prior to the disbursement of subsequent tranches.



10. If the Company has not executed a license agreement with UNC for use of UNC intellectual property and if the intellectual property underlying the company is licensed to a third party at any time during the term of the Commercialization Award or prior to the final report, the Company must repay KickStart Venture Services for any funds disbursed under this Award. Such payments are to be due 60 days after the date of such license to the third-party.
11. Funds distributed to the awarded company shall not be used for overhead, facilities and administration (F&A), or indirects. Budgets submitted that include those items will be adjusted prior to fund distribution.
12. Further terms and conditions may be imposed by the KickStart Venture Services staff will be posted on the KickStart Venture Services website.