

WASHINGTON STATE UNIVERSITY



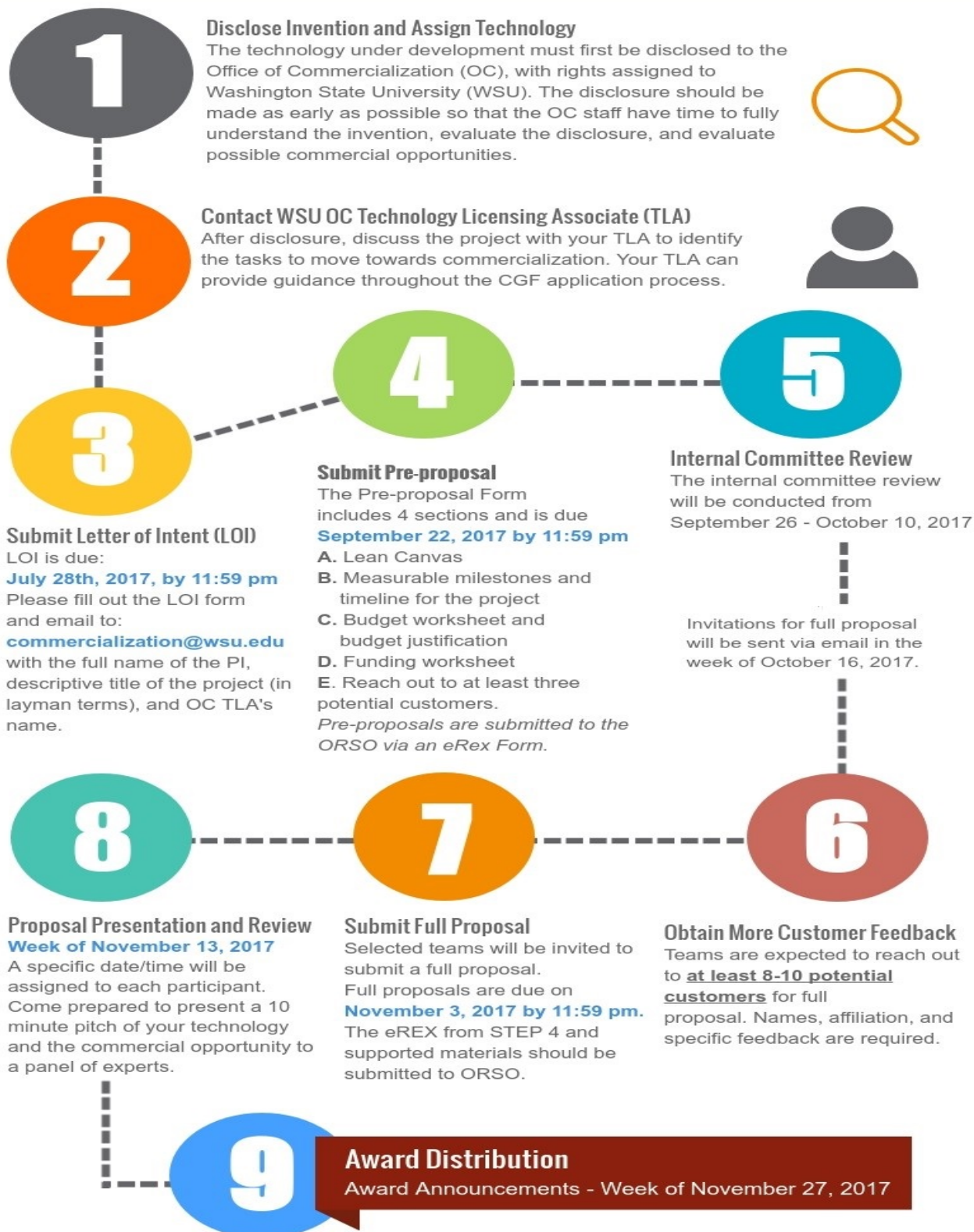
Commercialization Gap Fund

Application Materials and Information

FY 2017-2018

commercialization.wsu.edu

What you need to do?



WSU Commercialization Gap Fund (CGF) Key Dates and Materials

2017 Important Dates:

<i>Letters of Intent Due</i> Email completed form to commercialization@wsu.edu	Friday, July 28, 2017, 11:59 p.m.
<i>Pre-proposal Due</i> Submit to ORSO using eREX Form	Friday, September 22, 2017, 11:59 p.m.
<i>Internal Committee Review</i>	September 26, 2017 – October 10, 2017
<i>Full Proposals Invited</i>	Week of October 16, 2017
<i>Full Proposals Due</i> Submit to ORSO using updated eREX Form. Please see STEP 7 for additional instructions.	Friday, November 3, 2017, 11:59 p.m.
<i>PowerPoint Slides for Invited Pitches Due</i>	Friday, November 9, 2017, 11:59 p.m.
<i>Full Proposal Review</i>	Week of November 13, 2017
<i>Award Announcements</i>	Week of November 27, 2017
<i>Funded Projects Begin</i>	January 1, 2018

Required Application Materials:

Please review this document in its entirety before completing and submitting the required application materials.

All necessary forms are available on the OC web site: www.commercialization.wsu.edu and through the links in this document.

- [Letter of Intent](#) (LOI) – Due Friday, July 28, 2017, 11:59 p.m.
- [CGF Pre-proposal Form](#) – Due Friday, September 22, 2017, 11:59 p.m.
- Full Proposal – Due Friday, November 3, 2017, 11:59 p.m.
 - [CGF Application Form](#)
 - Revised CGF Pre-proposal Form (may be requested after the pre-proposal review)
 - [Executive Summary](#)
 - [CGF Pitch Template](#) & [Pitch Outline](#)

WSU CGF Application Process:

1. [Disclose](#) and Assign Technology
2. Contact your WSU OC [Technology Licensing Associate \(TLA\)](#) to discuss your potential proposal
3. Submit a [Letter of Intent \(LOI\)](#)
4. Submit [Pre-proposal Form](#)
5. Internal Committee Review
6. Obtain More Customer Feedback
7. Submit Full Proposal
8. Proposal Presentation and Review
9. Award Distribution

STEP 1. [Disclose Invention and Assign Technology](#)

The technology under development must first be [disclosed](#) to the WSU Office of Commercialization (OC), with rights assigned to WSU. The disclosure should be made as early as possible so that the OC staff have time to fully understand the invention, evaluate the disclosure, determine any obligations of underlying funding, assess intellectual property (IP) rights and landscape, and evaluate possible commercial opportunities.

STEP 2. Contact Your OC Technology Licensing Associate (TLA) to Discuss Your Potential Proposal

After disclosure, communicate with your [TLA](#) to discuss your project and what you may need to accomplish to move it toward commercialization. Your TLA can provide guidance throughout the CGF application process. The OC staff will communicate with you frequently to help gather concrete market information, assess the competition landscape and potential licensees, and conduct a patent landscape analysis. This team effort will lead to a strong, commercialization-focused proposal.

STEP 3. Submit a Letter of Intent (LOI) for the CGF Application Process

Letters of Intent **will be accepted until 11:59 p.m. on July 28, 2017**. Please fill out the [LOI](#) form and email to commercialization@wsu.edu with the following information:

- PI full name
The designated PI must be affiliated with WSU for the duration of the funding cycle.
- Descriptive title of project in layman terms
- OC TLA's name

STEP 4. Submit the Pre-proposal

The [Pre-proposal Form](#) includes the following four sections:

A. Lean Canvas and Customer Discovery List

Please fill out the Lean Canvas concisely to outline your business model. In a few sentences, and in *layman language*, describe the problem you are trying to address through your innovation.

- What are the end product results you are striving for?
- How is the product unique?
- What advantages does it contain compared to the current market offerings?
- How might you outcompete other potential competitors?
- Who is the customer? Please list the names, organizational affiliation, and specific feedback for the customers you contacted (minimum of three).

A guide on filling out a Lean Canvas can be [obtained here](#)

Additional information on how to create a Lean Canvas can be found in the following links:

[Xtensio-How to create a lean canvas](#)

[VTO-Why the lean startup changes everything](#)

- Do you have a prototype or completed solution? Describe what stage the technology is at in its development.
- What still needs to be done after this funding to get to license and to market?
- Why is CGF funding *necessary* to advance this technology towards commercialization?
- Describe the current intellectual property (IP) landscape. Are you aware of any potential conflicts with existing IP holdings?
- Do you see this as a license given to an existing company or as a new WSU spin-out? Why?
- If a spin-out, what specific role (if any) would you want to play with the new company? List the roles of anyone else participating in the new company.

Information on how to fill out a Lean Canvas can be [obtained here](#)

Additional information on how to create a Lean Canvas can be found in the following links:

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[VTO-Why the lean startup changes everything](#)

As part of the pre-proposal, applicants are required to identify at least three potential customers who will be contacted during the application period. Applicants are expected to collect feedback from these potential customers as a summary of the feedback will be required as part of the full proposal.

Identifying customers:

- Differentiate between “User” (those who use the product) vs. “Customer” (those who will pay for the technology)
- Identify the target audience
 - Target experienced users
 - Understand their role/functions
 - Know the company
- Use personal network, LinkedIn, social media networks and reach out to people across geographical boundaries.

Customer survey questions:

- Validate the problem and your approach to solve, so not advertise your product?

- Try to understand your target customer's motivations and needs so you can craft your pitch accordingly.
- Understand the current solution/process to the problem you are addressing.
- How is the current solution a step up from the solutions they might have in place?
- How much time and money might they be willing to invest in a solution?
- What do they like about the current solution/process?
- What improvements are they looking for with the current process/technology they use?
- Develop open-ended questions.

More information on market research is available here:

[Venturewell](#)

[INC-Defining your target market](#)

[Nolo-Definition of market target](#)

[HBR-The five competitive forces that shape strategy](#)

B. Measureable Milestones and Timeline for the Project

Commercialization includes meeting goals in a timely manner. Provide measurable milestones and their dates. If you are given a CGF award, a brief progress report documenting the successful completion of each funded milestone will be required before releasing the money for the subsequent milestone.

C. Budget Worksheet and Budget Justification

Applicants may request an award of up to \$50,000. Award amounts may vary and/or be adjusted based on the number of projects funded and other budgetary considerations. No CGF award will exceed \$50,000. The technology development or research budget is limited to \$45,000. Prepare your budget accordingly. An additional \$5,000 will be available for WSU related business development activities (e.g., marketing studies, reimbursement for regulatory consultation, customer contacts and feedback). Please be sure to work with your TLA to ensure your proposed business development activities are allowable expenses.

D. Funding Worksheet

Provide a comprehensive list of all previous and planned funding for this technology including: the funding source (e.g., NIH, NSF, DOE, DOD, USDA), the funding mechanism (e.g., RO1), the dates of funding (for proposed funding, estimate the date you expect to receive the funding), all previously funded milestones, and indicate whether each milestone was achieved. You may attach additional pages for the funding worksheet.

E. Customer Feedback

There is an expectation that teams (e.g., the PI and other researchers, graduate students, interns, entrepreneur or industry partners) will make direct contact with at least three potential customers to submit with the pre-proposal documents. Names, organizational affiliation, and specific feedback are required in the pre-proposal. The team should work as a unit to get the greatest value from customer interactions. See Step 6 below for more information.

Pre-proposals will be accepted until 11:59 p.m. on September 22, 2017. Please submit proposals to ORSO using an eREX Form. Please upload your pre-proposal as an attachment to the eREX Form.

Pre-proposals will be reviewed internally for compliance and alignment with the rules and goals of the CGF program. Any pre-proposal not conforming to the specific instructions on the form will be rejected and applicants will be required to wait until the next funding cycle to resubmit. Unless the pre-proposal fails to comply with the rules above, all projects will advance to the Internal Committee Review, STEP 5.

STEP 5. Internal Committee Review

The internal committee review will be conducted from **September 26, 2017 – October 10, 2017**. **Invitations to submit a full proposal will be sent via email during the week of October 16, 2017**. Feedback on the strengths and weaknesses of submitted proposals will be made available upon request.

STEP 6. Obtain More Customer Feedback

There is an expectation that teams (e.g., the PI and other researchers, graduate students, interns, entrepreneur or industry partners) will make direct contact *with at least 8-10 potential customers* to be submitted at the time of the full proposal. Names, organizational affiliation, and specific feedback are required in the pre-proposal. In this step, the team should work as a unit to get the greatest value from customer interactions.

The customer feedback will be different for every project. We are looking for an understanding of the market potential surrounding your technology.

- Who is the customer, purchaser, and end-user?
- What are the current strategies in place for solving the problem? When talking to the customer, try not to start with introducing your technology/idea to them.
- What accomplishments or milestones would motivate the customer to change from their current practice to adopting your technology?
- What is the minimal viable product that might serve as a market entry point?
- What is the initial customer base?
- What do they say about overall commercial potential?
- Do they confirm your view of the stakeholders?

Ask questions like:

- Tell me more about that.
- When does that happen?
- Who do you listen to for market trends? (market research)
- Who are my competitors and what do you think of them? (Competitive analysis)
- What problems have you experienced with your current technology?
- What would you like to be improved upon in the current technology/product?
- Ask leading questions like “ if this is done this way.....will it help your cause?”
- Introduce your idea at a later stage – “we have this idea, what do you think?”

STEP 7. Submit Full Proposal

CGF full proposals will be accepted only from teams invited to submit a full proposal. CGF full proposals are due on **Friday, November 3, 2017 by 11:59 p.m.** Please resubmit your eREX from

STEP 4 and attach the documentation outlined below. The eREX and supported documentations should be submitted to ORSO.

Full proposal submissions include the following:

Note: the full proposal submission also includes an executive summary.

- [CGF Application Form](#) for each PI signed by the PI's Dean and chair
The designated PI must be affiliated with WSU for the duration of the funding cycle.
- [Executive Summary](#) (1-3 pages) containing:
 - Overview
 - Give a clear and concise overview of what your innovation is and why the reviewers should be interested in learning more.
 - Problem and Solution
 - Describe the solution your innovation will deliver and the value it offers to customers. Don't go overboard in describing the technology at the expense of adequately addressing the business opportunity.
 - Market
 - Describe the minimum viable product.
 - Describe the market you will target.
 - Summarize customer feedback, *at least 8-10 potential customers* for full proposal.
 - Who is the customer? Please list the ones you contacted in STEP 6 and their specific feedback.
 - Competition and Differentiation
 - Who/what are the competitors in the market?
 - What differentiates you from the rest of the companies competing against you for market share?
 - How is the market fragmented and who are the big players?
 - Traction
 - Intellectual Property
 - Describe the intellectual property landscape.
 - Regulatory and Reimbursement (if applicable)
 - Include a plan with a clear path to clinical approval and payment.
 - Management Team
 - Briefly list team members.
 - Why are they the best possible team to achieve the next value-added milestone?
 - Identify any key hires that could complete the team.
 - Technical Plan: With each milestone, include an argument for how it will add value.
 - Milestone 1 and associated activities
 - Milestone 2 and associated activities
 - Milestone 3 and associated activities
 - Needs/benefits of CGF support, including a plan to attract follow up funding.

Any figures or tables MUST be included within the three-page limit. Any pages over the three-page limit will be removed and not considered. References should be limited to one additional page.

STEP 8. Proposal Presentation and Review

Final reviews will be held during the week of November 13, 2017.

A specific time will be assigned to each participant. Come prepared to present a maximum 10 minute pitch of your technology and the commercial opportunity to a panel of experts. PIs must use the [pitch template](#) at the end of this document as a guide for preparing the presentation. A PowerPoint based on the slide outline below is also permitted. PowerPoint files must be emailed to commercialization@wsu.edu by 11:59 p.m. on November 9, 2017.

PowerPoint Outline

Slide 1: Introduction

Slide 2: Description of the Problem

Slide 3: Solution (benefits)

Slide 4: Traction

Slides 5-6: Market Size and Customers

Slide 7: Market Plan

Slide 8: Competition

Slide 9: Team

STEP 9. Award Distribution

The OC staff in collaboration with the PI and departmental fiscal personnel will make the necessary arrangements prior to the disbursement of funds.

Outline for Pitch for WSU OC CGF application

Times listed are suggested guidelines. Prepare for a 10-minute pitch with 10 minutes of discussion. You may prepare [PowerPoint slides](#) to assist in conveying the below information. A PowerPoint template will be provided and are not to exceed nine slides (please see STEP 8), Email prepared PowerPoint slides to commercialization@wsu.edu by 11:59 p.m. on November 9, 2017.

Introduction (15-20 seconds)

- Introduce yourself
- In one sentence, tell what your technology is

The Problem (30 seconds)

- Describe the qualitative and quantitative view of the problem. A story or scenario can be helpful
- Describe any gap in the market that could provide an opening for your technology

The Solution (1-2 minutes)

- Describe your product or service in terms of societal level benefits

Traction (60-90 seconds)

- Do you have a prototype or completed solution? Describe where the technology is in its development. What still needs to be done after this funding to get to license or market?
- Discuss milestones
- Patents filed or signed contracts with partners, if any

Market Size and Customers (1 minute, 30 seconds)

- How large is the addressable market?
- How is the market structured?
- Number of customers; summary of customer feedback
- Describe any disruption in market that might provide an opening for your technology

Go to Market plan (30 seconds)

- How long?
- Who are the decision makers and influencers of your customer?

Competition (30-60 seconds)

- Orient reviewers to direct and indirect competition
- Highlight your differential advantage

Team (30-60 seconds)

Why is CGF funding necessary to advance this technology towards commercialization?