



## Eligibility Requirements

To be considered for an Ignition Funding (IF), a startup must meet the following eligibility criteria:

1. Be based upon a PBNY project which has successfully completed its PowerBridgeNY Validation Funding milestones
2. Have a cleantech focus
3. Have incorporated
4. Have an option or license agreement with home institution OR approval from the institution if there will not be a license
5. Have at least one full-time employee of the start-up if the Ignition Funding is awarded
6. Have identified a management team willing to work full-time at the startup if certain milestones are met
7. Have decided to operate a startup in New York State (currently operating in NY or a commitment to relocate to NY are both acceptable)
8. Have written a business plan
9. Have accepted the financing terms (see What to Expect from PBNY below for more information)

## Application Process

Teams should begin their application process by completing an online application that is part of their Tranche 4 Validation Funding tasks in FluidReview. This application will require the teams to upload their detailed budget for approved expenses (see Uses of Funds below), business plan, complete Business Model Canvas, and answers to a series of questions based on the Canvas, including explaining their value propositions, customer segments, cost structure, revenue model, IP status, and milestone plan.

Once the applications have been reviewed for completeness, they will be sent to the Investor Panel approximately one month before the Ignition Funding (IF) Panel Review. If the Investors have any questions or concerns they would like to see the teams address at the Review, they will provide them to the PowerBridgeNY team no less than one week beforehand. As such, the startups will receive any comments to address in their Pitch no less than one week beforehand. Additionally, teams will receive a template for their pitch that they must follow.

During the Panel Review, the startups will be brought in one at a time to present their 15-minute pitch to the panel, which will consist of venture capitalists in the cleantech space,



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industry experts, and entrepreneurs with startup experience. The panel may not be the same for every team, as different expertise will be required. During the session, the panelists will have a 10-15 minute Q&A session with the team. Each team will receive no more than half an hour with the panel.

Once the presenters have left the room, the panelists will discuss the presentation and vote as to whether or not the team should receive the \$50,000 Ignition Funding or some portion thereof. The panelists will also have the ability to add conditions to the award, such as requiring certain milestones or certain budget line items. Should the panelists choose to award the team, an offer letter will be presented to the teams shortly afterwards.

#### Timeline:

- May 1, 2015 – Rolling applications open
- July 15, 2015 – Rolling applications close
- ~1 week after submission - written materials given to Investor Panel
- ~ 2 weeks after submission – mock panel review with PBNY team and Mentor(s)
- ~1 month after submission – IF Panel Review
- ~1 week after IF Panel Review
- ~1 week after IF Panel Review – Final decisions announced

## **Evaluation Criteria**

### Market Potential

- What is the energy or carbon impact of the technology?
- Does the company have a cohesive Business Model Canvas and business plan?
- Do the value propositions line up with the customer segments (i.e. is there product market fit)?
- Is the target market large enough to support the business?
- Can the technology be fully commercialized within a reasonable timeframe?

### Barriers to Entry & Competitors

- Who are the competitors in the field? How does the team differentiate itself?
- Has the team appropriately addressed the barriers to market entry?

### Team





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- Do any of the members have previous startup experience?
- Do they seem committed to devoting their often-uncompensated time to further the startup?
- Has the team effectively engaged a set of Mentors and Advisors?

#### Milestones & Budget

- Are there any items in the budget that are unnecessary or items that should be present but are missing?
- Is there a clear connection between the milestones and the budget?

#### IP Position

- Does the team have an adequate plan for protecting their IP?
- Is there any blocking IP or other considerations that would limit the startup's ability to practice?

### **Uses of Funds**

The budget should be for no more than 1 year. Examples of what the funds are intended to be used for:

- Legal fees relating to incorporation expenses or negotiating a license with your home institution
- Upfront licensing fees and ongoing patent expenses up to \$10,000
- Application fees to startup competitions, incubators, or accelerators (e.g. Cleantech Open, NYC ACRE, Columbia Startup Lab)
- Rent for working space (NOT lab space)
- Travel for additional customer discovery or investor roadshows
- Marketing expenses (e.g. website development, brochures, etc.)
- Accountant fees to start and manage books

Funds CANNOT be used for:

- Indirect costs/overhead
- Salaries of principals
- Subcontracts, including business and technical consultants
- Technical work, including rent at lab spaces



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If you are not sure if an item would be acceptable or not, please ask the PowerBridgeNY team. If you incurred any of the above authorized expenses during the application or execution of your Validation Funding that you were unable to charge to that Funding you may be able to charge them to the Ignition Funding, provided you have the receipts or other proof of payment. Please discuss any such cases with the PBNY team.

## Expectation of Awardees

- Return to the Investor Panel after 3 months for a progress review and to determine if they will receive the next tranche of funding (each tranche will be \$25K)
- Milestones to receive next tranche of funding
  - Required milestones include the following:
    - Hire management team
    - Investor roadshow
  - Must complete at least 3 of the following:
    - Apply for SBIR/STTR (if not done during Validation Funding)
    - Make first sale
    - Establish physical presence at an incubator or other non-institution workspace within New York
    - Complete field/pilot test (if not already done during Validation Funding)
    - Update business plan
- Meeting with service providers provided by PowerBridgeNY
- Report Quarterly until all milestones are met, then annually for 2 years
- Be willing to serve as Mentors or participate in educational activities put on for teams in the Validation Funding stage of PowerBridgeNY
- Meet with the Director quarterly to review progress
- Donation back to PowerBridgeNY if the team successfully raises additional funding or exits

## What to Expect from PBNY

- Mentorship
- Access to service providers for pro bono and discounted services
- Networking opportunities and introductions (e.g. to investors, talent, advisors)
- Access to educational events and external conferences at a discount

