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Ignition Grant Eligibility Requirements

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

1. Be based upon a PBNY project which has successfully completed its PowerBridgeNY Validation Grant milestones
2. Have a cleantech focus
3. Have at least one person committed to the startup full-time at the time of application.
4. Have decided to operate a startup in New York State, even if customers are primarily located elsewhere
5. Have written an executive summary
6. 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 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 Judges Panel approximately one month before the Ignition Grant (IG) Panel Review. If the Judges 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, 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 Grant or some portion thereof. The panelists will also have the ability to add conditions to the award, such as requiring certain





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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:

- Applications are rolling
- ~1 week after submission - written materials given to Investor Panel
- ~1 month after submission – IG Panel Review
- ~1 week after IG Panel Review – Final decisions announced

Evaluation Criteria

Market Potential

- What is the energy or environmental impact of the technology?
- Does the company have a cohesive Business Model Canvas and business model?
- 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?
- Is a startup the best commercialization pathway or would a license to an existing entity be a better route?

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

- 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 and been receptive to feedback?

Milestones & Budget





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- Will the \$50,000 go toward further the business to the point where the business can secure its own next step (e.g. accelerator, investor, grant funding, etc.)?

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. The Ignition Grant is meant to serve as gap funding to allow the startup to survive long enough to secure the next round of funding, possibly from an SBIR/STTR grant or an investor. The funds should be used to pay for things that are not currently or cannot ever being covered by other sources of funding. Examples of what the funds are intended to be used for:

- Legal fees relating to incorporation expenses, negotiating a license with your home institution, or protecting intellectual property
- 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
- Travel for additional customer discovery or investor meetings
- Marketing expenses (e.g. website development, brochures, etc.)
- Accountant fees to start and manage books
- Salaries (see note on salary restrictions below)

Some restrictions on the use of funds include:

- Indirect costs/overhead are not allowed.
- If the Ignition Grant applicant has an SBIR award, venture backing, or another grant where their salaries are being charged, then no salary can be charged to the Ignition Grant.
- If the applicant does not have another source of funding, they have the option to use up to half of each tranche towards salary.
- If the applicant gets an Ignition Grant and then subsequently gets an SBIR or other source of funding that can cover their salary, they will be required to re-budget so that





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the Ignition Grant funds are to be spent on other out-of-pocket expenses that the new funding sources do not cover.

- Basic research or other technical development expenses unrelated to manufacturing expenses are not permitted.

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 Grant that you were unable to charge to that Funding you may be able to charge them to the Ignition Grant, provided you have the receipts or other proof of payment. Please discuss any such cases with the PBNY team.

Expectation of Awardees

- Return for a progress review after the milestones of the first tranche of funding are complete to receive the second tranche of funding (each tranche will be \$25K)
- Complete the following milestones:
 - Tranche 1
 - Slide Deck & Informational Video
 - Legal Plan
 - Team Formation Plan
 - Registered Entity
 - Exit Project Plan
 - Tranche 2
 - Sales & Marketing Plan
 - Manufacturing Plan
 - Financial Model
 - Business Plan
 - Secured Funding or Program
- 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 Grant stage of PowerBridgeNY
- Meet with the PBNY Team quarterly to review progress
- Donation back to PowerBridgeNY if the team successfully raises additional funding or exits





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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

