



## 2019 Commercialization Competition Application Frequently Asked Questions (FAQ)

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### ELIGIBILITY

**Q: We are a for-profit company. Are we eligible to apply to participate in the competition?**

A: Yes, the competition is intended for for-profit companies.

**Q: Is a Limited Liability Company (LLC) eligible to apply?**

A: Yes, a Limited Liability Company (LLC) is eligible.

**Q: My company has received limited revenue from selling samples to gain a customer base. Does this disqualify my company from submitting an application?**

A: No. To be eligible, a company's revenue must not have exceeded \$100,000 since its incorporation.

**Q: We are an early stage company that has not developed a prototype. Is my company eligible to apply for the competition?**

A: No. If awarded funding through the competition, award funds shall be used to improve a working prototype.

**Q: Are there examples of the types of prototype projects that are eligible for the Commercialization Competition?**

A. Yes, proposals can include, but are not limited to: Advanced Manufacturing (such as semiconductor, hardware, machinery, electronics, manufacturable parts), Biotechnology (such as cellular or biomolecular processes), CleanTech (such as products related to sustainable energy creation, storage and conversion of solar, wind, or water technologies), and IoT (such as wearables, or smart devices).

Several examples of previous prototype projects that have been funded include: a smart insole with a proprietary embedded graphene sensing system, a smart tabletop micro-greenhouse, semiconductor substrates, a sensor for accurate sensing of airborne particles, and a portable electric vehicle charging station.

**Q: Will I have to demonstrate my working prototype at any point in the application process?**

A: Yes, during the application process the company is required to upload a photo, video, and supporting material via a .mp4, .png, .jpg, .jpeg, .pdf, or YouTube format to demonstrate a working prototype; or for certain projects where a working prototype is not feasible, the company must be able to provide proof of concept trials with substantial evidence that yield high probability of success in a working prototype.



**Q: If a company has received a prior award from the Jeff Lawrence Innovation Fund (i.e. a Manufacturing Grant, or Innovation Incentive Prize), is it eligible to apply for the Commercialization Competition?**

A: Yes. Additionally, companies that apply to participate in the Commercialization Competition continue to be eligible to apply for Manufacturing Grants. If a company receives multiple FuzeHub awards, FuzeHub will work with that company to ensure that the awards support separate scopes of work.

**Q: My company is creating an “app” and we are in beta phase; can my company submit an application?**

A: No, projects focused solely on software products and software services are ineligible for the Commercialization Competition, including but not limited to: mobile applications, big data, digital gaming programs, Artificial Intelligence (AI) projects, and SaaS platform services.

**Q: Does the Commercialization Competition allow for companies developing a “proof of concept”?**

A: No. Proof-of-concept projects (theories/hypotheses that have not been tested to show promise) are ineligible for the Commercialization Competition.

**Q: We are an established company with several products and revenue in excess of \$100,000 and we are looking to launch a new product. Are we eligible to submit an application for a new product launch as part of the Commercialization Competition?**

A: No. A company with total revenue in excess of \$100,000 would be ineligible for the Commercialization Competition even if they are looking to submit a proposal focused on a new product prototype.

**Q: Do Commercialization Competition award funds go directly to the company?**

A: Yes. Funding is awarded to the company and will be expended according to an approved project budget. Application scoring criteria includes reasonableness of budget and use of funds.

## **APPLICATION PROCESS**

**Q: Can an application contain multiple projects?**

A: No. Each application should contain one project.

**Q: What is a DUNS number?**

A: A DUNS number is a unique nine-digit identification number provided by Dun & Bradstreet (D&B). The DUNS number is site-specific. Therefore, each distinct physical location of an entity (such as branches, divisions, and headquarters) may be assigned a DUNS #. In many instances, a central DUNS # for each major division/department/agency that applies for a grant may be sufficient.

**Q: How do I obtain or update a DUNS number?**

A: If you are not sure if you have a DUNS number or have misplaced it, contact D&B at 1-800-234-3867 to request the previously assigned number, or check online at <https://iupdate.dnb.com/iUpdate/viewiUpdateHome.htm;jsessionid=164F098CC6A7D7878D63EB2849D69BE6.app1>

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For more information, go to <https://fuzehub.com/manufacturing-impact-prep/>

**Q: How do I get a NAICS code?**

A: NAICS was designed and documented in such a way to allow business establishments to self-code. There are a number of tools and references available to help you to determine the most appropriate NAICS code for your business:

You can use this [Search Tool](#) to find any NAICS code quickly and easily. Enter a keyword that describes your kind of business. A list of primary business activities containing that keyword and the corresponding NAICS codes will appear. Choose the one that most closely corresponds to your primary business activity, or refine your search to obtain other choices.

Rather than searching through a list of primary business activities you may also browse the [Manufacturing NAICS Codes and Titles](#) to find your code.

If you know your old SIC code, you can use NAICS' [Search Tool](#) to locate the corresponding NAICS code. Simply enter the SIC code and the corresponding NAICS code(s) will appear.

For more help with using the NAICS Search tool, [click here](#).

**Q: Does the character limit on the online application form include spaces?**

A: Yes. The maximum number of characters includes spaces. These are indeed counted in characters and not words. Most document applications will show a character count, and there are several online tools available to assist in determining character count.

**Q: Can I save my online application and complete it another time?**

A: Yes, FuzeHub has implemented a new system that allows applicants to save their data and return to the application up until the funding deadline.

**Q: I submitted an application and now the application period is closed. Can I resubmit items that were incorrectly uploaded or omitted from the application submission process?**

A: No. Applications that do not include all required items may be deemed incomplete and may be rejected without further review. Applications are considered incomplete if the following items are not submitted: certificate of incorporation and/or registration to do business in New York State, evidence of a working prototype, or if the applicant has not followed the instructions provided. FuzeHub application documents will not be accepted if altered in any way.

It is possible to make changes to the application until the 4:00PM EST deadline on August 14, 2019 as long as the application has not been submitted. Once the applicant has formally submitted an application and has received a confirmation email, no further changes can be made to the application. Applicants are encouraged to submit their applications before the deadline to avoid potential time-related technical issues.

**Q: While submitting an application, our organization was unable to submit all required documents. Will FuzeHub still receive my application?**

A: It is possible that your application may not be processed. If you receive an error message while submitting your application, please email [fund@fuzehub.com](mailto:fund@fuzehub.com) or contact FuzeHub at 518-768-7030 and FuzeHub staff will work with you to resolve the issue. Please ensure that all files are uploaded as requested in the Commercialization Competition Guidelines.

**Q: Is there a hard deadline to apply?**

A: Yes. The application round closes promptly at 4:00PM EST on August 14, 2019. Allow enough time to answer all of the application questions and to upload all required files **before 4:00PM**. If the application is submitted in the specified timeline, applicants will receive a confirmation email.

**Q: Is it possible to get an exception if I am in the middle of sending in an application and it is after 4:00PM?**

A: No. The 4:00PM EST deadline is a hard deadline, and the system will not accept entries submitted after it is closed.

**Q: How is intellectual property (IP) handled in terms of confidentiality and ownership?**

A: FuzeHub does not make any claim to IP ownership from applications to the Innovation Fund. IP ownership is determined by the applicant team and/or applicant company and not something that FuzeHub has a preferred policy for.

**Q: How does FuzeHub treat matters of confidentiality with respect to information submitted in the application?**

A: Applications of the finalists will be shared with the selected judges prior to the event. Information on judges will be posted on the website once confirmed. Please refer to FuzeHub's privacy policy for more information.

**Q: If an application is not awarded in a given funding round, can it be updated and considered for a future funding round?**

A: Yes, an application may be updated and resubmitted in subsequent funding rounds if it is not successful the first time it is submitted.

**Q: Does FuzeHub notify the applicant company of award status?**

A: Yes, notifications are sent to the applicant company to update them of application status.

**Q: When can I expect to hear when finalists were chosen?**

A: Finalists are awarded expected to be announced during the Commercialization Competition on November 19, 2019. Information regarding the awarded projects will be available on the FuzeHub website in December 2019.

## **APPLICATION PORTAL**

**Q: How can I retrieve my application password?**

A: Applicants can use the “Forgot password” button on the login page to initiate a password retrieval.

**Q: Will I receive notification that my application has been received?**

A: Yes. Applicants should receive an email confirming the application has been submitted.

**Q: Can I make changes to my application before the deadline?**

A: Yes, changes can be made to the application until the 4:00PM EST deadline on August 14, 2019, as long as the application has not been submitted. Applicants are encouraged to submit their applications before the deadline.

## **BUDGET**

**Q: Do I have to upload a budget?**

A: No, an upload is not required. Applicants must complete the Project Budget Form within the online application system. The Project Budget Form must outline a \$50,000 project budget. Applicants will be directed to provide details and explanations sufficient for reviewers to determine reasonableness of budget and use of funds within the application portal.

**Q: One company has the opportunity to win an additional \$100,000 for a grand prize of \$150,000. If the requested budget is only for \$50,000, how does an applicant provide information on the additional \$100,000 in project costs?**

A: The company selected to receive the grand prize will be awarded contingent upon FuzeHub approval of a \$150,000 budget at a future date to be determined. This review and approval would take place prior to execution of the Commercialization Competition award agreement.

**Q: Do I have to submit a \$150,000 budget for the Commercialization Competition?**

A: No. The Project Budget Form must outline a \$50,000 project budget. Applicants will be directed to provide details and explanations sufficient for reviewers to determine reasonableness of budget and use of funds within the application portal. The company selected to receive the grand prize will be awarded contingent upon FuzeHub approval of a \$150,000 budget at a future date to be determined.

**Q: Are project costs that are paid for in advance of the award reimbursable?**

A: No. The application should not include budget items that will have been incurred prior to the award agreement. Project costs that were incurred prior to the award agreement date are ineligible for reimbursement.

**Q: Can competition funds be used to pay for out-of-state partner/vendor costs?**

A: Yes, funding may be used to pay for out-of-state partners/vendors. Applicants are required to provide justification in the additional notes section of the project budget template to document any proposed out-of-state budget costs.

**Q: Can our budget include an administrative or overhead rate?**

A: No, applicants may not include a flat percentage rate for overhead or administrative costs. Applicants may include specific administrative costs directly related to the project, but budgets will be scored on the best use of funds. Applicants may not include indirect costs in their budget – that is, operational expenses that are not directly related to executing the project, for example: office rent, utilities, non-project-specific personnel costs. Salary and fringe benefits are eligible expenses to the extent that personnel time is directly involved in the project; however, any Executive Team Member time is considered an ineligible salary cost and cannot be reimbursed with FuzeHub awarded funds.

**Q: Are applicants permitted to include salaries to be used for direct project costs in the budget?**

A: Yes, salaries, wages and fringe benefits are eligible expenses, for a portion of the project, to the extent that personnel time is directly involved in the project. Compensation costs must be reasonable, and reflect the time actually devoted to the project. The budget explanation must include the name(s) and title(s) of the individual(s) expected to be paid through the award or, at a minimum, positions must be listed when specific individual names are unknown at the time of application submission. When submitting supporting documentation, individuals' names and roles must be stated. However, Executive Team Member time is considered an ineligible salary cost.

**Q: Is an Executive Team Member's (CEO, Executive Director) time considered as an eligible salary cost?**

A: No. Salaries of any member of the applicant company executive team (Founder, Co-Founder, CEO, CFO, COO) are ineligible costs under the Commercialization Competition, regardless of the nature of the work to be completed.

**Q: Are travel costs allowed under the award?**

A: Yes. Only travel costs that clearly and directly benefit the project are allowed. Travel costs are subject to US government issued per diem limits. Travel costs can only be submitted for project team members. Travel costs must be clearly identified in the application budget at time of submission and thoroughly described in the supporting documentation (including but not limited to location(s) visited, reason for travel) in order to be considered eligible.

**Q: Can funding be used to pay legal fees associated with patents, and/or negotiation on royalty payments from a third-party company?**

A: No. Award funds shall be used to improve a working prototype.

## COMPETITION INVESTMENT VEHICLE

**Q: Are there any financial conditions placed on the award?**

A: Yes. As a condition to receiving any award proceeds, competition winners will be required to enter into a Simple Agreement for Future Equity (SAFE) agreement with FuzeHub. A template of the SAFE agreement is available [here](#).

## AWARD ADMINISTRATION

**Q: If awarded, what documentation is required to receive payment from FuzeHub?**

A: Appropriate and sufficient documentation should include, but not be limited to: cancelled checks, check stubs, detailed receipts and invoices for project work completed. Documentation must clearly show date of purchase and describe items purchased/ personnel being paid.

**Q: What is the best way to document a salary cost?**

A: Salary costs that are not accurately and properly documented are “ineligible costs” and will not be reimbursed. For example, “project management” is generic and does not properly describe the tasks undertaken; “16 hours testing prototype”, “Labor: employee name: \$300 for widget development”, “Engineer – 20 hours @ \$75/hour to redesign process” are examples of appropriate descriptions. As a reminder, salaries of any member of the applicant company executive team (Founder, Co-Founder, CEO, CFO, COO) are ineligible costs under the Commercialization Competition, regardless of the nature of the work to be completed.

**Q: If awarded, how quickly do I receive award funds?**

A: Award funds are milestone based and are issued based on the FuzeHub reimbursement process. Payments are issued pursuant to completed milestones that are outlined in a scope of work that is determined by the applicant.

Posted/Modified

August 7, 2019. Please check back to this site for updates and additions to the FAQ.