



## Commercialization Competition 2019 Competition Guidelines

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### Introduction

FuzeHub administers the Jeff Lawrence Innovation Fund, which supports a set of activities designed to spur technology development and commercialization across New York State.

As part of the Jeff Lawrence Innovation Fund, FuzeHub will hold a New York State Commercialization Competition on November 18 & 19, 2019. Companies will compete in person to demonstrate the commercialization potential of their technology or product and win up to \$150,000. This competition is intended to help small-to-medium (SME) size manufacturing and technology companies strengthen their “go-to-market” strategies as they move from new product/production method to marketplace.

### Award Details

Up to \$400,000 in prize money is available, and FuzeHub anticipates making at least six awards of up to \$50,000 each; one company has the chance to win an additional \$100,000 for a **grand prize** of \$150,000. FuzeHub maintains the right to award less than is being requested. Funds provided to awarded companies are distributed on a reimbursement basis. As a condition to receiving any award proceeds, competition winners will be required to enter into a Simple Agreement for Future Equity (SAFE).

### Eligibility Requirements

Companies may apply directly to participate in the competition. Award funds shall be used to improve a working prototype, which will enable the applicant to pursue additional investment and customers, leading to the commercialization of their product concept. Applicants to the competition must have a plan to commercialize a product or technology and clearly define a “project” in which it would use award funds to advance these plans.

Applicants must propose a project focused on an existing tangible prototype (for the purposes of the Commercialization Competition, a tangible prototype is the physical representation of an idea or product presented as an early sample or test model). 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).

Companies are eligible to apply to participate in the competition if they meet the following criteria:

- Company must be formally established and must be registered to do business in New York State. Companies will be required to provide proof of these requirements.
- Company must be pre-revenue (less than \$100,000 in revenue)
  - Grants do not count as revenue;
  - SBIR Phase 1 awardees are still considered pre-revenue, and eligible; and
  - Seed funding and/or Angel investment are not considered revenue for this application.



- Company must be able to demonstrate a working prototype; 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. If an applicant is uncertain on how to proceed with this section of the application, please contact Julianne Clouthier, Industry Engagement Manager at [julianne@fuzehub.com](mailto:julianne@fuzehub.com) for more information.

The following application proposals are **INELIGIBLE**:

- Software products and software services including but not limited to: mobile applications, big data, digital gaming programs, Artificial Intelligence (AI) projects, and SaaS platform services.
- Proof-of-Concept (theories/hypotheses that have not been tested to show promise).
- New product launch for any established company with total revenue in excess of \$100,000.

### Eligible Project Costs

Eligible costs are associated with eligible projects as outlined in eligibility requirements. Consultants and vendors should be located in New York State unless the applicant demonstrates that the products, services, or expertise being procured are not available in the state.

Eligible costs include:

- Equipment;
- Materials;
- Engineering/design;
- Non-executive team personnel (e.g. salaries to the extent that personnel time is directly involved in the project; the project budget must include a justification narrative describing how the personnel costs directly relate to the project);
- Customer Discovery; and
- Other direct costs directly related to executing the defined project (subject to review).

Ineligible costs include the following, but not limited to:

- Applicant company executive team salaries (Founder, Co-Founder, CEO, CFO, COO, CTO) are ineligible costs under the Commercialization Competition regardless of the nature of the work to be completed;
- Administrative costs (such as business accounting/accountant fee costs);
- Legal consultation;
- Patent fees; and
- Indirect costs (operational expenses that are not directly related to executing the project, for example: office rent, utilities, or non-project-specific personnel costs).

Projects should be clearly defined and ready to be undertaken. Project work should not begin prior to award announcements and any project costs that were incurred prior to the award agreement date are ineligible for reimbursement. Any partners that would receive any portion of the award funding to assist the company with commercialization should also be located in New York State.<sup>1</sup>

Projects are expected to be completed within one year of an award.

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<sup>1</sup> Any use of outside partner/vendor costs must include a justification in the additional notes section of the budget template.

## Application Process

Companies must complete the online application at <https://fuzehub.com/commercialization-competition/>. Applicants will be required to create a SurveyMonkey Apply account in order to submit an application.

No application items will be accepted via email or postal mail, even if they are received prior to the application deadline. Applicants are advised to familiarize themselves with the application questions, character limits, and criteria before beginning to develop a response. There is a \$50 fee for each submitted application. The application deadline is Wednesday, August 14, 2019 at 4:00PM EST.

The Commercialization Competition timeline is listed in the table below:

Online Application Opens	Application Deadline <sup>2</sup>	Virtual Presentations	Finalists Notified	Finalist Presentations
July 15, 2019	August 14, 2019	Late September 2019	October 2019	November 18-19, 2019

The Commercialization Competition online application must include the following documents:

- Company/Business Status** – Each applicant must provide an electronic copy of their Certificate of Incorporation. If the Certificate of Incorporation reveals that the applicant company is incorporated outside of New York State, the applicant company must provide further documentation that the applicant company is registered to do business in New York State.  
Note: These documents must be uploaded in PDF file format.
- Product Prototype** – Each applicant must upload a photo or video of their working prototype. For proposals where a physical prototype cannot be produced, the applicant must upload supporting material to document that the product/technology has been proven.  
Note: The photo, video, and supporting material must be uploaded in .mp4, .png, .jpg, .jpeg, .pdf, or YouTube format. Applicants are restricted to two separate uploads.
- Budget** – 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. (No upload required.)
  - The company selected to receive the grand prize will be awarded contingent upon FuzeHub approval of a \$150,000 budget.
  - Please note that salaries of the 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.** Applicants are advised to review the ineligible cost section in the guidelines before completing a competition budget form.

## Criteria and Review Process

Applications that do not include all required items may be deemed incomplete and may be rejected without further review. Applications are considered incomplete if any of the aforementioned items in the Application Process section are omitted or do not follow the instructions provided. Eligible applications will be evaluated by a selection panel according to the following overall following criteria:

- Overall webinar presentation (5 pts)

<sup>2</sup> The online application will close promptly at 4:00 PM on the day of the deadline.

- Business Challenge (5 pts)
- Technology Innovation/ Solution (5 pts)
- Market Summary (5 pts)
- Commercialization Strategy (10 pts)
- Team (5 pts)
- Project Timeline (5 pts)
- Economic Impact (5 pts)
- Budget (5 pts)

In the course of evaluating applications, panelists may request that FuzeHub ask applicants for additional information or clarification, or to present to the panel, as needed. In some cases, FuzeHub may discuss an application with an expert in the relevant technology field.

In anticipation of a high volume of applications, FuzeHub will not commit to providing debriefs to unsuccessful applicants.

Eligible applicants will be required to present a virtual presentation via a webinar in order to proceed as a semi-finalist. The top 15-20<sup>3</sup> semi-finalists will be considered “finalists” and invited to “pitch” to a panel of judges at the Commercialization Competition on November 19, 2019. Details regarding the event and expectations of the participating companies will be provided to finalists at a later date.

### **Criteria and Review Process for Grand Prize**

The six companies selected as winners during the in-person “pitch” event will be scored on the following additional criteria:

- Coachability (10 points)
- Commercialization plan 10 points)
- Economic impact (10 points)
- Time to profitability/sustainability (10 points)
- Use of FuzeHub funds (10 points)

The company selected to receive the grand prize will be awarded contingent upon FuzeHub approval of a \$150,000 budget.

### **Commercialization Competition Judges**

A panel of judges will be announced prior to the event and information will be made available on the FuzeHub website. Semi-finalist and finalist judges are from local, regional and statewide partner organizations.

### **Award/Reporting**

FuzeHub will enter into an agreement with each award recipient. The agreements will detail agreed-upon project scopes, milestones, payment schedules, and commitments to participate in post-award project tracking and surveys. Payment schedules will be determined on an award-by-award basis and may involve reimbursement payments, milestone payments, and/or advance payments. Each agreement will be designed to require demonstration of commitment to the project by the company. Agreements will include a clause noting that payments will be based on the availability of funds. Requests for payments,

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<sup>3</sup> No applicants scoring less than 35 will be considered finalists.

with supporting documentation, will be submitted to FuzeHub for review and processing in accordance with the agreements.

Award recipients will be required to submit one six-month and (up to) two annual reports. FuzeHub may collect additional commercialization-related metrics and success stories.

### **Investment Instrument/SAFE**

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

Additional details related to the SAFE will be available on the FuzeHub website prior to the event.

### **About Jeff Lawrence**

The Fund is named for Jeff Lawrence, a champion of the New York manufacturing and entrepreneurial communities who passed away in 2015. During his more than 20 years at the Center for Economic Growth, the Manufacturing Extension Partnership affiliate in the Capital Region where he served as executive vice president, Jeff directed programs of direct assistance to manufacturers and technology companies to increase their competitiveness. He is remembered for being an invaluable and generous mentor to many in the area's business community and a tireless advocate for manufacturing innovation throughout New York.

### **FuzeHub Privacy Policy**

Please review the complete FuzeHub privacy policy [here](#).

Posted/Modified

August 7, 2019. Please check back to this site for updates and modifications to these guidelines.

