



John R. Kasich, Governor

Development
Services Agency

David Goodman, Director

Advanced Manufacturing Program (AMP)

2017

Request for Proposals (RFP)

- RFP Released – January 12, 2017
- Preliminary Proposals due – by 1:00 pm, February 9, 2017
- Preliminary Proposal feedback to Lead Applicants – week of February 20, 2017
- Full Proposals due – by 1:00 pm, March 24, 2017
- Preliminary award notifications – April 21, 2017

RFP Administered by:

The Ohio Development Services Agency
Office of Small Business & Entrepreneurship
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Advanced Manufacturing Program (AMP)

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1 Statement of Solicitation

1.1 Overview

The Advanced Manufacturing Program (AMP or Program) is a competitive grant program that supports the adoption and extension of existing advanced manufacturing technologies by Ohio manufacturers. The Program promotes collaboration among small and medium-sized manufacturing firms and Ohio's research institutions and other eligible non-profit organizations to advance the growth and competitiveness of Ohio's manufacturing base.

1.2 Background

The Thomas Edison Program is one of the longest active tech-based economic development initiatives in the country. It was developed in 1983 to combat the decline of the manufacturing sector by promoting the development and implementation of new technologies for products and production. To that end, AMP is again being offered as a competitive grant program to encourage the adoption of advanced manufacturing technologies and processes in support of this important sector of the state's economy. The funding being offered will support proposals from Ohio's research institutions and other qualified Ohio non-profit organizations with demonstrated capabilities to deliver value-added advanced manufacturing assistance.

1.3 Request for Proposals Issuance

This Request for Proposals (RFP) is being issued for funds to be awarded under purview of the Ohio Development Services Agency (DSA). DSA reserves the right to fund any proposal in full or in part, to request additional information to assist in the review process, to reject any or all proposals responding to this RFP and to re-issue the RFP and accept new proposals if the Director of the Ohio Development Services Agency (Director) determines that doing so is in the best interests of the State of Ohio. Issuing this RFP does not bind DSA to make an award of Program funds. Any award of Program funds in respect to this RFP will be subject to availability of funds as provided in Ohio Revised Code Section 126.07 and approval from the State Controlling Board. This RFP is not a contract or commitment of any kind on the part of DSA.

DSA administers this RFP and reserves the right to adjust the dates for this RFP for whatever reason it deems appropriate. DSA's Office of Small Business & Entrepreneurship (SBE) will administer all funds awarded under this RFP.

1.4 RFP Process and Awards Process

The RFP Process will consist of the following steps:

- Release of the RFP
- Questions and Answers (Q&A). DSA will provide public responses to any questions that are submitted to AMP@development.ohio.gov.
- Preliminary Proposal – The Preliminary Proposal must name the Lead Applicant (as defined in Section 2.2 of this RFP) and all intended collaborators, estimate the project's total cash costs over a period not to exceed 24 months, identify what will be accomplished with Program funds, and provide an overview of those items covered in section 3.3 of this RFP within a maximum of two pages.
- Written feedback regarding the Preliminary Proposal will be sent to the Lead Applicants stating DSA's level of interest in receiving a full Proposal and noting any recommendations or concerns. The Lead Applicant will also have the opportunity for a brief phone call with SBE staff to discuss the written feedback.
- Full Proposals will provide further information on all of the Preliminary Proposal elements and additional information on collaborators, cost share, Lead Applicant's legal history and financial condition as shown in Appendix B – Financial Liability and Legal History of this RFP.

The Awards Process will consist of the following steps:

- Preliminary Proposal review and evaluation
- Preliminary Proposal feedback and invitation to submit a full Proposal
- Full Proposal submission
- Review and evaluation of full Proposal, including Appendix B information
- Preliminary selection and award
- Controlling Board funding approval
- Award and agreement preparation and execution

Each of these steps is further discussed in Appendix A – RFP Process, Awards Process and Mandatory Compliance.

All questions regarding this RFP must be submitted via email to AMP@development.ohio.gov with a subject line of "AMP 2017 RFP Q&A".

2 Program Description

2.1 Goals and Objectives

Advanced manufacturing projects supported through this Program must help Ohio firms to achieve: i) earlier entrance to market, ii) faster responses to changing customer needs, iii) consistently higher quality products or iv) improved efficiency, consistency and reliability. The primary objective of the Program is to support small to medium manufacturers with a successful operating history, clear market focus and strong prospects for sales growth and job creation. However, projects that have the ability to provide an at-risk segment of Ohio's manufacturing industry with technology and services that are demonstrably transformational will also be considered. Qualified projects must:

1. Provide an advanced manufacturing technology-based, competitive advantage to for-profit Ohio manufacturers and their Ohio-based operations;
2. Have an impact on multiple Ohio firms, as opposed to a one-off, company-specific impact; and
3. Have the resources and capabilities to be self-sustaining after grant funding and cost share have been expended.

Advanced manufacturing, for the purposes of this solicitation, includes the following:

- Functions
 - Processing, fabrication and assembly
 - Automated material handling
 - Design and engineering
 - Inspection and communications
 - Manufacturing information systems
 - Integration and control
- Methods and Technology
 - Advanced sensing, measuring and process control, including "internet-of-things" technologies
 - Advanced material design and synthesis, including nanomaterials, metamaterials, metals, coatings or ceramics
 - Information technologies to include visualization, virtual and digital design, prototyping and manufacturing
 - Sustainable manufacturing
 - Nano-manufacturing

- Additive manufacturing
- Robotics
- Advanced forming and joining/bonding technologies
- Traditional hardware technology consisting of systems and devices
- Software applications for design or management systems.

Fundable activities under this Program shall be one of the following types:

1. **Discrete projects:** This project type involves two or more manufacturers to adopt a new technology or process that will lead to new product manufacturing or improvements in manufacturing operations. The participating manufacturers should provide the majority of the cash cost share. To be favorably considered, some aspect of the project should have transferability to companies beyond those initially involved in the project.
2. **Supply chain projects:** This project type involves partnering with a large manufacturing firm to implement one or more related new technologies or processes across the small and medium sized manufacturers in a segment of the company's supply chain. The large manufacturing firm must have significant business operations in Ohio, and all of the participating small and medium-sized manufacturers must be in Ohio. The large manufacturing firm must supply significant cash cost share to the project as well as donated professional time (although this time will not count toward cost share).
3. **Special projects in cyber-defense and internet-of-things:** This project type involves the deployment of technologies to protect the manufacturing base from disruption by cyber-attack. As in project type 1 above, this project type involves two or more manufacturers (proposals including significantly larger numbers will be more favorably considered) and should have transferability to companies beyond those initially involved in the project. Applications proposing the use of products or technologies that are in development or not yet commercially available will not be considered. The project may include costs incurred for training in addition to actual deployment.

Activities not eligible under this Program include basic or applied research and development activities; development of a new, advanced manufacturing technology or product; planning, development or pilot service activities; and acquisition of real estate, basic renovations or construction. The support of established core business functions or expansion of existing projects are also not eligible.

2.2 Eligibility

2.2.1 Lead Applicant

A Lead Applicant is the entity that submits a proposal and will be legally and financially responsible for the administration of any resulting award of State of Ohio funds (Lead Applicant). The Lead Applicant will be responsible for the performance of the contract should it be awarded.

To be eligible for the Program, the Lead Applicant must be a non-profit organization chartered in the State of Ohio. For the purpose of this RFP, non-profit organizations include public or private non-profit corporations, non-profit or State colleges and universities, and public or non-profit community and technical colleges.

2.2.2 Collaborators

A Collaborator is an organization, institution, company or other legal entity that is not an affiliate of the Lead Applicant, or an individual not employed by or related to the Lead Applicant, that anticipates receiving awarded grant funds or has raised cash cost share, and is actively involved in the project on an ongoing basis (Collaborator).

All Collaborators and cost share providers must be listed on the Collaborator Information Form in Appendix B – Application Forms and provide Commitment Letters as described in Section 3.5.3 of this RFP.

A project **must** involve a single, eligible, nonprofit **Lead Applicant in collaboration** with multiple organizations. *In all cases, a project must have the material participation of two or more for-profit Ohio manufacturers.*

The two or more Ohio for-profit companies must: (i) be licensed to do business in Ohio; (ii) have a principal place of business in Ohio; and (iii) be actively engaged in post-revenue design, development, production, service or manufacturing operations in Ohio, and have established product or service lines in the market. This Program is not intended to support asset acquisition for start-up companies.

A principal place of business is a facility located in the state of Ohio where an entity, which is registered with the Ohio Secretary of State to conduct business in Ohio, maintains physical operations managed by a senior representative who is authorized to make decisions and to obligate the entity and its resources. This facility must be owned by the entity or be subject to a long-term lease.

A Lead Applicant that receives an award and becomes a grantee must maintain eligibility while the grant is open including the Post-Reporting Period (as defined in Section 2.4 of this RFP). A grantee that loses eligibility forfeits its

award and may be required to repay the State of Ohio the full amount of the monies it has received, plus interest.

2.3 Funding

The Program is offering single awards in the amount of \$100,000-\$500,000. Projects of types 1 and 3 are eligible for up to \$250,000 in grant funding. Projects of type 2 are eligible for up to \$500,000 in grant funding. Multiple awards will not be made to a single Lead Applicant in any one round of the Program.

Cost share is required in a ratio of at least 1:1 (non-state: state) with at least half of the non-state cost share commitment provided by for-profit Collaborators in the project. All cost share from the Lead Applicant, partners or the participating companies must be in the form of cash or cash expenses. Third-parties may donate in-kind cost share. In-kind cost share is the documented market value of donated third party services. In-kind cost share is acceptable for up to half of the total cost share contribution of the project. The Lead Applicant and the collaborating manufacturer partners are not eligible to provide in-kind cost share.

Indirect costs are reimbursable to the extent that they are documented in a 2 CFR 200-compliant rate application.

2.4 Term of Project

Project(s) must be completed within 24 months of the effective date of the grant agreement.

The Post Reporting Period duration is 6 months after the end of the term of the grant. Five percent (5%) of the value of the grant will be withheld until submission of the final project report (please see Section 3.4.6).

3 General Proposal Requirements

3.1 General Instructions

Preliminary proposals and full proposals must be submitted in the following manner:

- **Documents are to be submitted electronically in PDF format (except Budget forms) to AMP@development.ohio.gov with subject line “AMP 2017 RFP Preliminary Proposal (or Proposal) Submission”.**
- It is the Lead Applicant’s responsibility to ensure submission of a complete proposal based on all requirements of this RFP.

- Preliminary proposals and full proposals are to be submitted on 8.5 x 11-inch page size in pdf format (.xlsx format for Budget forms).
- Margins must not be less than $\frac{3}{4}$ of an inch on all sides, with the exception of forms found in Appendix B – Application Forms and Budget Forms of this RFP.
- Font must be 12 point or larger with no more than six lines per inch.
- All pages must be numbered consecutively using the format “Page [#] of [total number of pages]” (e.g., Page 2 of 8).
- The proposal title and Lead Applicant name must appear at the bottom of each page.
- Preliminary proposals and full proposals should not include color figures that cannot be understood when photocopied in black and white.
- The first page of the preliminary proposal and full proposal must be the Application Information Page found in Appendix B – Application Forms to this RFP.
- Do not include a cover or cover letter other than the Application Information Page.
- Number of pages cannot exceed the page limitations set forth in Section 3.4.9.

3.2 Public Information

Lead Applicants are reminded that all information submitted in response to this RFP is public information unless a statutory exception exists that exempts it from public release under the Ohio Public Records Act in Section 149.43 of the Ohio Revised Code.

3.3 Order and Content of the Preliminary Proposal

The Preliminary Proposal shall be up to 2 pages long. The following items should be summarized in the Preliminary Proposal:

- Application Information Page found in Appendix B – Application Forms to this RFP. (Does not count as a page.)
- Project summary, specific outcomes and budget
 - What is the specific problem solved or opportunity captured?
 - Describe the origin and maturity of the proposed technology

- Describe the approach (including the project type) and how it will lead to successful implementation of the technology or methodology
- What intellectual property will be deployed or created?
- What is the overall project budget amount? What is the funding level being requested of the State?
- Need for this investment
 - What competitive advantage does adoption of the proposed technology create? What is the competition and how mature is it?
 - How will it help multiple Ohio entities?
 - What is the alignment, if any, with other state and local initiatives?
- Team qualifications, including anticipated partners/collaborators
- Projected economic impacts
 - What industry sector will be impacted? What is that sector's current size and state wide distribution?
 - What are the resulting new sales and net new jobs anticipated to be created?
 - How will economic impacts be measured?
- Plan for long term financial sustainability
 - What resources and plans do the participating companies have to maintain and support the improvements after the completion of the project?
 - How will the relevant intellectual property be made available to the participating companies? What mechanisms will be used to produce the widest possible dissemination of the relevant intellectual property to other Ohio manufacturers?
- Major assumptions and risks

3.4 Order and Content of Full Proposal

3.4.1 Application Information Page

The first page of the full Proposal must be the completed Applicant Information Page found in [Appendix B – Application Forms](#) to this RFP.

3.4.2 Abstract

Prepare an abstract summarizing the proposed project and its expected commercial and economic development outcomes. This section will be used in public documents, including press releases, and must be understandable by the

general public. It should minimize use of jargon and technical language and be written so that a non-technical person can understand it. The abstract may not contain any information that would be covered by the exception referenced in Section 3.2.

3.4.3 Public Information Guidance

This section of the proposal must disclose any information that is exempt from public release under the Ohio Public Records Act in Section 149.43 of the Ohio Revised Code.

3.4.4 Table of Contents

Prepare a table of contents with detail for two levels of headings in the proposal. This section should also include a list of charts, figures and tables that appear in the proposal with a page number for each.

3.4.5 Lead Applicant and Collaborator Information

Briefly describe the qualifications of the Lead Applicant and proposed team members.

Complete and include the Lead Applicant Contact Information Page found in Appendix B – Lead Applicant Contact Information to this RFP. One individual may serve in more than one capacity.

Complete and include the Collaborator Information Form, found in Appendix B for each collaborator. Include the lead individual for each Collaborator on this form.

3.4.6 Proposal Narrative

The Proposal Narrative should address all of the following items in the order presented:

Problem Statement. Describe the technical or operational challenges to be addressed in the proposed project and why the solution will increase the likelihood of successfully achieving a new product offering or improved manufacturing operations. Provide evidence that the Lead Applicant accurately understands the eventual customer needs and performance requirements as well as the market demand for the solution provided by the project. Clearly describe the need for this investment. How will the outcome provide a new opportunity for Ohio companies?

Project Goals and Objectives. Clearly state the goals and objectives of the proposed project. The goals must include expectations for near-term product manufacturing or improved manufacturing operations.

Technical Approach and Work Plan. Discuss the overall activities that are proposed in order to meet the project's goals and objectives. Specify in detail how and by what methodologies the technical or operational barriers will be overcome. Provide a Gantt chart that clearly depicts the schedule for and interaction of major tasks and milestones.

Project Team. Discuss the composition and specific relevant experience of the team that has been organized, the roles of team members and the management structure that will be used to conduct the project. Identify the specific for-profit manufacturers or defined manufacturing segment to be involved in the project.

Maturity of the Technology/Market Acceptance/Competition. Provide evidence that the technology or methodology being advanced by the project is sound, relevant and mature enough to generate near-term product manufacturing or improved manufacturing operations and will support not only near-term for-profit jobs and economic impacts, but also the potential to sustain them. Describe the anticipated competition from local to global and address the maturity of that competition.

Projected Economic Impacts. Describe what this collaboration will mean to the participating companies in the way of new product manufacturing or improved manufacturing operations and added employment. Information should be provided describing the specific industry segment, size and distribution in Ohio, companies to be served, and the importance to the Ohio economy in terms of jobs and potential for future growth. This section should also project what the specific success metrics and leverage of the proposed project will be beyond the initial award. Finally, describe the approach for measuring actual economic impact.

Financial and Operational Sustainability. Describe the resources that participating companies can be expected to apply after project completion to sustain the improvements being implemented. For discrete projects, describe the plans for further transfer of the technological or operational solution to other Ohio firms not initially involved in the project.

Intellectual Property. State if this project is expected to generate intellectual property. If so, provide a brief plan for tracking inventions, patents and the associated expenses and revenues, and for otherwise disseminating the intellectual property to Ohio manufacturers. If existing intellectual property is

to be used in the performance of the project, state who currently owns it and how it will be transferred to the participating companies and further made available to other Ohio manufacturers after the completion of the project.

Major Assumptions and Uncertainties. List the major assumptions that must be validated and the uncertainties/risks that must be addressed for the project to succeed.

Results and Reporting. Describe the final products or other deliverables that can be expected by the end of the Project term. Include a plan for reporting interim results at least quarterly. Final Project report should be a formal white paper, ready for publication; formal presentation for sharing at a manufacturer-to-manufacturer forum; and be prepared to respond to surveys relating to the Project for up to two years following the Project completion.

3.4.7 Budget & Financial Disclosure

Provide a detailed budget narrative covering an explanation of the costs for both the Program funds requested and cost share committed. The budget must clearly describe all sources and uses of funds for the proposed project. Allowable costs and forms of cost share are described in the Statement of Conditions and Cost Share Guidelines that accompany this RFP.

Cost Share: Cost share is required in a ratio of at least 1:1 (\$1 in cost share for each \$1 provided by the State) with at least half of the required cost share coming in cash or cash expenditures in support of the project from Ohio industry. In-kind cost share is the documented market value of donated services that is contributed to the project by third parties. In-kind cost share from either the Lead Applicant or the collaborating manufacturing firms is not acceptable.

Indirect Costs: Indirect costs are reimbursable to the extent that they are documented in a 2 CFR 200-compliant rate application. If the Lead Applicant has an approved indirect rate from a “cognizant federal agency”, the Indirect Cost Negotiation Agreement letter or similar document will be accepted in lieu of the application.

Budget Forms and Narrative: A Lead Applicant must use the following Budget Forms, which are also contained in [Appendix B – Budget Forms](#) of this RFP.

Budget Form 1 is to be used by the Lead Applicant. The total Program funds requested in the proposal must be represented on this form as the grant amounts that will be used by the Lead Applicant and any Collaborators. The subcontract/sub-grant line, if needed, on this form refers to any AMP Program funds provided to Collaborators under the Lead Applicant’s proposal.

Budget Form 2 describes information that will be discussed in person or by phone with the Lead Applicant. This discussion will be used by the evaluation team to assess the financial strength of the Lead Applicant and proposed team members.

Budget Form 3 is to be completed for each Collaborator and reflects only that Collaborator's use of Program funds or contribution of cost share.

3.4.8 Letters of Commitment

A letter of commitment must be provided for each Collaborator identified on a Budget Form 3. Letters of commitment may not be more than one page and may not include appendices or attachments.

The letters must:

- Be submitted on the letterhead of the Collaborator;
- Include the name of the Lead Applicant and the title of the proposal;
- Briefly state the nature and duration of the collaboration;
- State the specific amount of the cost share commitment that matches the cost share amount on the corresponding Budget Form 3;
- State the source of the cost share;
- If applicable, state any other resources, other than cost share, the Collaborator is committing; and
- Be dated and signed by a representative of the Collaborator with the authority to make the cost share commitment.

General support letters from any person or organization other than a Collaborator are not allowed. Any such letters submitted will be removed from the proposal and not provided to the evaluation team.

3.4.9 Page Limitations

Any pages beyond the page limits listed below will be eliminated from the proposal before it is sent for review and evaluation. Except as otherwise noted, appendices or other methods to augment the information presented in the proposal are not allowed. References to web-based information to supplement the proposal are not permitted, and such references will not be considered in the evaluation.

- Preliminary Proposal – 2 pages
- Proposal Narrative – 12 pages
- Budget – Use specified forms

- Budget Narrative – Minimum of one and maximum of four pages total (plus pages as needed to support the indirect rate application)
- Letters of Commitment – No more than one page per letter

4 Evaluation Criteria

Proposals will be evaluated based on responsiveness to all the requirements of this RFP and on the Lead Applicant’s response to any additional information that may be requested. The following criteria will be used to evaluate all proposals:

- Technical and business impact (40%):
 - Soundness, relevance and maturity of the technology or methodology supported by the proposed project to drive near-term new product manufacturing or improved manufacturing operations;
 - Novelty of the technology to Ohio and the degree to which the proposed project represents a competitive advantage for Ohio companies;
 - Ability of the proposed project to benefit multiple Ohio manufacturers.
- Soundness of the project plan (40%):
 - Realism and reasonableness of the budget proposed with respect to the project offered;
 - Degree to which the proposal meets the cost share requirements;
 - Financial strength of the Lead Applicant and the ability of the collaborating manufacturers to execute the project;
 - Metrics for jobs and sales growth to be generated by the project and, in the case of service activities, projections of future clients and revenues. This includes a realistic plan to measure the resulting economic outcomes.
- Administrative (20%):
 - Qualifications of the Lead Applicant to manage the grant funds and to provide value beyond project management with respect to the technology or process being proposed;
 - Quality of the project work plan in terms of its ability to achieve project success within the Term of the project;
 - Qualifications of the Collaborators and manufacturing partners to perform the project and support the results after project completion;
 - Compliance with the RFP’s administrative requirements.

The evaluation team will rank the acceptable proposals by score. Failure to meet minimal expectations in any single criterion is grounds for rejection of the Proposal.

Acceptable proposals will be funded in order by descending score up to the total budget available from DSA for the program year. The total budget available will be determined by the Director in his sole discretion. Proposals will not be partially funded, and no lower

ranked proposal of a lesser dollar amount will be funded solely because it does not exceed the total funding cap.

5 APPENDICES

- A. RFP Process, Awards Process and Mandatory Compliance**
- B. Application Forms and Budget Forms**