Ohio | Department of Development

John R. Kasich, Governor Christiane Schmenk, Director

Ohio Third Frontier
Technology Validation and Start-Up Fund

Fiscal Year 2012
Request for Proposals (RFP)

- RFP Released – May 16, 2012
- Workshop / Bidders Conference – 10:00 a.m. on May 24, 2012
  TechColumbus, 1275 Kinnear Rd., Columbus, OH 43212
- Written Questions – through May 31, 2012
- Technology Transfer Office Qualification Document – June 1, 2012
- Proposals due by 2:00 PM – June 7, 2012
- Review and Award approximately – August 2012

Ohio
The State of Perfect Balance

RFP Administered by:
The Ohio Department of Development
Office of Technology Investments
77 South High Street, 25th Floor
Columbus, OH 43215

77 South High Street
P.O. Box 1001
Columbus, Ohio 43216-1001 U.S.A.

614 | 466 2480
800 | 848 1300
www.development.ohio.gov

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Ohio Third Frontier
Technology Validation and Start-Up Fund

Fiscal Year 2012
Request for Proposals (RFP)

1 Ohio Third Frontier Statement of Solicitation

1.1 Background

The Ohio Third Frontier represents an unprecedented and bipartisan commitment to expand Ohio's technological strengths and promote commercialization that leads to economic prosperity throughout Ohio. Designed to build world-class research programs, nurture early-stage companies, and foster technology development that makes existing industries more productive, Ohio Third Frontier creates opportunity through innovation. In targeted areas of technology, the multi-year State of Ohio initiative supported with over $2 billion is catalyzing the growth of existing and emerging industry clusters throughout the state by:

- Improving the capacity of Ohio's entrepreneurial ecosystem to deliver services and attract capital necessary to create and grow scalable technology-based enterprises;
- Increasing the technical capabilities and business competencies of Ohio value chains within key existing and emerging driver industries and pursue targeted attraction to fill gaps; and
- Cultivating a highly collaborative and innovative environment that encourages Ohio's community of technology seekers and solvers to regularly exchange new knowledge in pursuit of targeted market driven commercial opportunities.

For more information about Ohio Third Frontier, please see www.ohiothirdfrontier.com.

Consistent with the strategic goals, Ohio Third Frontier investments represent a balanced portfolio of programming that proactively identifies opportunities throughout the Technology Commercialization Framework (Framework). As a result, all Ohio Third Frontier Programs share a common goal — to promote technology-based economic development within Ohio by funding activities that move technology from idea to market. This goal requires the state to design programs, evaluate proposals and projects, leverage resources, and provide management oversight within the context of the Framework. It is expected that every proposal seeking Ohio Third Frontier funding will clearly demonstrate its understanding of the Framework, and will be able to articulate its scope of work within the Framework's model.

For more information about the guiding principles contained within the Framework, please see http://www.thirdfrontier.com/Documents/RecentPublications/TechCommFramework-Complete.pdf.

1.2 Request for Proposals Issuance

This Request for Proposals (RFP) is being issued for Funds to be awarded under Ohio Third Frontier. This RFP will be released by publication on the Ohio Third Frontier website at http://www.ohiothirdfrontier.com/TVSF.htm.

The Ohio Third Frontier Commission 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 Ohio Third Frontier Commission determines that doing so is in the best interests of the State of Ohio. Issuing this RFP does not bind the state to make an award of Ohio Third Frontier Funds. Any award of Ohio Third Frontier Funds in respect to this RFP will be subject to availability of funds as provided in Ohio Revised Code Section 126.07. This RFP is not a contract or commitment of any kind on behalf of the Ohio Department of Development (Development).

Development administers this RFP and reserves the right to adjust the dates for this RFP for whatever reason it deems appropriate. Development's Office of Technology Investments will administer all Funds awarded under this RFP.

1.3 The RFP Process and Awards Process

The RFP Process will consist of the following steps:

- Release of RFP
- Workshop / Bidders Conference (Optional)
- Communications and Questions and Answers (Q&A)
- Technology Transfer Office Qualification Document Submission
- Submittal of Proposals

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

The Awards Process will consist of the following steps:

- Proposal Review and Evaluation Procedures
- Award Decision
- Award and Agreement Preparation and Execution

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

All questions regarding this RFP must be submitted in writing via e-mail to TVSF2012@development.ohio.gov with the subject line "Technology Validation and Start-Up Fund Q&A".

2 Program Description

2.1 Purpose and Goals

The goal of the Ohio Third Frontier Technology Validation and Start-Up Fund is to create greater economic growth in Ohio based on start-up companies that commercialize technologies developed by Ohio institutions of higher education and other Ohio not-for-profit research institutions.

The Technology Validation and Start-up Fund has been designed to: 1) Support protected technologies developed at eligible Ohio research institutions that need known validation/proof that will directly impact and enhance both their commercial viability and ability to support a start-up company and 2) Support Ohio start-up and Ohio young companies that license these validated/proven technologies from these Ohio institutions.

Two separate mechanisms, with different application requirements, have been set up to achieve these goals: Technology Validation (Phase 1) and Start-Up Funds (Phase 2).

Phase 1 – Technology Validation: The specific objectives of this phase are as follows:

- Generate the proof needed to move technology to the point that it is either ready to be licensed by an Ohio start-up company or otherwise deemed unfeasible for commercialization. The Applicant is encouraged, prior to application to Phase 1, to work with potential Ohio licensees to identify the proof needed.
- Perform fund validation activities such as prototyping, demonstration and assessment of critical failure points in subsequent development, scale-up, and commercialization in order to generate this proof with strong preference for these validation activities being performed by an independent source.

Phase 2 – Start-Up Funds: The specific objectives of this phase are as follows:

- Support Ohio start-up companies that have licensed technology developed at Ohio research institutions during the critical early life of the company, and accelerate the time to market of this technology.
- Generate the proof needed to move technology to the point where additional funds needed for commercialization can be raised, or commercialize the technology. The applicant is encouraged to have a clearly identified path to subsequent funding opportunities, and if possible work directly with potential investors to identify the proof they require to invest in the company.
- Fund activities including but not limited to beta prototype development and deployment to potential customers for testing and evaluation, and market research/business development in order to generate the proof needed.

2.2 Lead Applicant Eligibility

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 Ohio Third Frontier Funds. The Lead Applicant will be responsible for the administration of the Proposal should it be awarded. The Lead Applicant must also serve as both the administrative and technical director of the Project.

Technology Transfer Office Qualification

In order for applications from Ohio institutions of higher education or other Ohio eligible not-for-profit research institutions to be considered for Phase 1 funding or its eligible start-up considered for Phase 2 funding, its Technology Transfer Office must submit a four-page document utilizing the questions provided in Appendix B that outlines:

1) Near-term deal flow as defined by quantification of technologies currently eligible for and worthy of application to Phase 1 and are likely to generate proof that will lead to commercialization;
2) The Technology Transfer Office's process for internal selection among these candidates in order to arrive at the three best applications; and,
3) University-coordinated or accessible services available to faculty and staff entrepreneurs, incubating technologies, and university spin-offs.

An institution's plan for selecting its three best opportunities as well as the support of entrepreneurship and capability for mentoring and advising available to those opportunities is considered an important element of the program. The services that are available can incorporate outside entities such as the regional Entrepreneurial Signature Program when appropriate. Outside entities must submit a letter of no more than one page acknowledging they are engaged with the Technology Transfer Office and are providing services. No more than five organizations may submit such an acknowledgement letter. This number is capped at five to ensure that letters are received from only the five organizations providing the most substantive and impactful services.

Institutions that previously submitted an approved Technology Transfer Office Qualification Document need not resubmit if there are no substantive changes.

Phase 1 – Technology Validation

An eligible Lead Applicant for the Phase 1 Technology Validation Fund must be:

1) An Ohio Institution of higher education or
2) Other Ohio not-for-profit research institution
    - which has a history of technology commercialization and creation of start-ups and
    - institutional infrastructure and support for commercialization.

Eligible Lead Applicants must have a dedicated Technology Transfer Office.

The Lead Applicant's Technology Transfer Office must screen, select, and submit proposals that represent only the very best commercialization start-up opportunities at that institution. Each institution will be limited to submitting three Phase 1 applications to Development.

Phase 1 funding may not be requested for a technology after Phase 2 funding for that same technology has been awarded.

Phase 2 – Start-Up Funds

Eligible Lead Applicants for the Phase 2 Start-up Funds are Ohio start-ups and young, emerging Ohio companies that will execute an exclusive license with the owner of the technology that has been developed at an Ohio institution of higher education or other eligible Ohio not-for-profit research institutions as defined in Phase 1 for a technology within the next nine months from the date of Phase 2 application. The technology being licensed must have been developed at the eligible institution and not previously licensed. The technology does not need to have been the subject of a Phase 1 Award to be eligible for Phase 2 funding. However, if a technology received Phase 1 funding, that project period must be complete with affirmative results before Phase 2 can be applied for.

The Lead Applicant must be an Ohio for-profit company with a Principle Place of Business in Ohio and a strategy and business plan that has it remaining in Ohio. A Principal Place of Business is a facility located in the State of Ohio where the Lead Applicant, who is registered with the Secretary of State to conduct business in Ohio, maintains physical operations, and those physical operations are managed by a senior representative of the Lead Applicant who is authorized to make decisions and to obligate the Lead Applicant and its resources. Benefits from commercialization of the technology must occur in Ohio.

Lead Applicants that become Grantees must maintain eligibility while the Grant is open. 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 Eligible Technology Subject Matter

The Technology Validation and Start-Up Fund will support technology developed at eligible Ohio institutions that falls within technology areas that have been approved by the Ohio Third Frontier Commission as follows:

- Advanced Materials related to advanced polymers, ceramics, composites, carbon fibers and nanotubes, and specialty metals and alloys
- Aeropropulsion Power Management
- Fuel Cells and Energy Storage
- Medical Technology related to imaging, surgical instruments/equipment, implant devices, and regenerative medicine
- Software Applications for business and healthcare
- Sensing and Automation Technologies
- Situational Awareness and Surveillance Systems
- Solar Photovoltaics

The technology must already have, at the time of application to this program, intellectual property protection defined as patent-pending, patent-issued, or copyright as appropriate. It is expected the majority of technology will be patent-pending which may include provisional patents.

2.4 Funding and Cost Share

Development anticipates awarding up to $3 million for each Phase of the Fund for a total of $6 million.

Phase 1 – Technology Validation

The Technology Validation Fund Awards (Phase 1) may be up to $50,000 for each proposed technology. Each Phase 1 Award requires a cash Cost Share commitment of at least one dollar for every dollar of Ohio Third Frontier Funds requested (i.e., a ratio of 1:1) and must represent a specific new unrestricted cash commitment to the Project. Each expense incurred through the validation/proof process must be paid on a pari passu basis in that the expense must be shared equally across Ohio Third Frontier Funds and Cost Share. Allowable expenses must be 1) incurred to perform activities in direct support of the Project during the Project Period; 2) charged to resources of Grantee; and 3) documented in Grant accounts or in the Grant-related financial books and records. It will be the responsibility of the Lead Applicant to insure that the 1:1 Cost Share requirement is met or exceeded and all reporting requirements are met. Cost Share must be available with no contingencies or conditions at the time of Proposal submission to Development.

Phase 2 – Start-Up Funds

The Start-up Fund Awards (Phase 2) may be up to $100,000 for each project. Cost Share is not required of Phase 2 Start-up Fund Awards, but allowed use of funds are restricted as described in Section 3.5. **An exclusive license must be executed with the owner of the technology before an Agreement is executed with Development and Ohio Third Frontier Funds are disbursed. This must occur within nine months of the date of application for Phase 2 funding.**

2.5 Term of Project Period

The Project is the plan of activity or activities that make up the total scope of work for which an award of Ohio Third Frontier Funds is requested and for which a Proposal is approved. The term of the Technology Validation and Start-Up Fund Project Period for either Phase 1 or Phase 2 will be one year.

3 General Proposal Requirements

3.1 General Instructions

The Technology Transfer Office Qualification Document and Phase 1 and Phase 2 Proposals must be submitted electronically as a PDF e-mail attachment to TVSF2012@development.ohio.gov and received by Development by the specified date and time. Proposals must use the questions provided in Appendix C –

Application Forms and Questions for the appropriate Phase 1 or Phase 2 Application. No other materials other than what is requested in Appendix C may be submitted.

3.2 Institutional Support of Entrepreneurship

Each Technology Transfer Office must submit a four-page qualification document that outlines:

1) Near term deal flow as defined by quantification of candidate technologies currently eligible for application to Phase 1;
2) The Technology Transfer Office's process for internal selection among these candidates in order to arrive at the three best applications; and
3) University-coordinated or accessible services available to faculty and staff entrepreneurs, incubating technologies, and university spin-offs.

An institution's plan for selecting its three best opportunities as well as the support of entrepreneurship and capability for mentoring and advising available to those opportunities is considered an important element of the program. The services that are available can incorporate outside entities such as the regional Entrepreneurial Signature Program when appropriate. Outside entities must submit a letter of no more than one page acknowledging they are engaged with the Technology Transfer Office and are providing services. No more than five organizations may submit such an acknowledgement letter. This number is capped at five to ensure that letters are received from only the five organizations providing the most substantive and impactful services.

3.3 Trade Secret Information

All Lead Applicants are strongly discouraged from including in a Proposal any information that the Lead Applicant considers to be a "trade secret," as that term is defined in Section 1333.61(D) of the Ohio Revised Code. All information submitted in response to this RFP is public information unless a statutory exception exists that exempts it from public release. If any information in the Proposal is to be treated as a trade secret, the Proposal must:

- Identify each and every occurrence of the information within the Proposal with an asterisk before and after each line containing trade secret information and underline the trade secret information itself;
- Check the "This Application does include information considered a 'trade secret'" box on the Applicant Information Page; and
- Include a summary page immediately after the Application Information Page that lists each page in the Proposal that includes trade secret information and the number of occurrences of trade secret information on that page.

To determine what qualifies as trade secret information, refer to the definition of "trade secret" in the Ohio Revised Code at 1333.61(D), which is reproduced below for reference:

(D) "Trade Secret" means information, including the whole or any portion or phase of any scientific or technical information, design, process, procedure, formula, pattern, compilation, program, device, method, technique, or improvement, or any business information or plans, financial information, or listing of names, addresses, or telephone numbers, that satisfies both of the following:

(1) It derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

(2) It is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Development requires non-disclosure agreements from all non-Development persons who may have access to proposals containing trade secret information, including evaluators.

3.4 Applicant Information Page

The first page of the Proposal must be the completed Applicant Information page, which must contain the title and signature of the Lead Applicant's Authorizing Agent. For a Phase 1 application, the Authorizing Agent will be the Technology Transfer Office. For a Phase 2 application, the Authorizing Agent will be the company.

3.5 Proposal Narrative

The application, using the questions provided, is limited to six pages. Suggestions on space allocations per section are included on the forms. However, Applicants can allocate the six pages as they feel best presents the opportunity. Applicants should carefully examine Section 4 to understand evaluation criteria to best use their available space. With the short page limit, the Proposal narrative is not expected to be an in-depth technical assessment of the problem and the work plan.

3.6 Budget

Indirect Costs, legal fees, or patent prosecution expenses are not allowed as part of the Budget Request for either Phase 1 or Phase 2. Indirect Costs are costs incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular sponsored project but nevertheless are necessary to the operation of the organization. These costs are also known as "Facilities & Administrative (F&A) costs".

Phase 2 Start-Up Funds have further restrictions in that no Ohio Third Frontier Funds may be used for personnel costs, licensing fees, royalties, or sponsored research.

3.7 Letters of Support

Letters of Support are not permitted as part of a Phase 1 or Phase 2 Proposal, except one letter from the Technology Transfer Office. Each application under Phase 1 must contain a letter from the Technology Transfer Office attesting that the technology has been reviewed and selected by the Technology Transfer Office as among the best start-up opportunities from the institution. Each application under Phase 2 must contain a letter from the Technology Transfer Office attesting that it is working with the Applicant company on a prospective license. The Technology Transfer Office letter, in both cases, cannot exceed one page.

3.8 Page Limitations

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

- Technology Transfer Office Qualification document – four pages, plus letters
    - Outside entities acknowledgement letter – one page per letter, with a limit of five letters total
- Project Information using questions (Phase 1 and Phase 2) – six pages
    - Technology Transfer Office Letter (Phase 1 only) – one page
    - Letter of Support from Technology Transfer Office (Phase 2 only) – one page

4 Evaluation Criteria

Only the most meritorious proposals are sought for funding. Proposals will be evaluated based on responsiveness to all the requirements of this RFP. Implicit in those requirements and evaluation criteria is the quality of the statement of work and budget.

The Technology Transfer Office at the eligible institution is expected to only bring forward the best opportunities from their institutions as Lead Applicant on Phase 1 proposals and as a supporter of Phase 2 proposals from start-up companies.

The following criteria have been designated with the highest relevance to and weighting for the Technology Validation and Start-Up Fund:

- Alignment of the Proposal with the Technology Validation and Start-Up Fund purpose, goals, objectives, eligibility, and funding requirements as described in Section 2 of this RFP.

- Quality of the responses to the requirements of this RFP as outlined in the Proposal Narrative. The following specific elements of the Technology Validation and Start-Up Fund plan will be examined:

  Phase 1 – Technology Validation

  - Proposed proof needed to move the technology to a point where it is ready to be licensed to a start-up or young company is deemed meaningful and likely impactful to that end.

  - Proposed proof can be generated during the one-year project period and with the proposed resources.

  - Strong preference will be given to applications whose validation/proof process will be conducted or overseen by an independent party.

  - Application of technology has commercially reasonable path to market entry of first product.

  - Degree to which the intellectual property is protected and will protect the expected business model of a start-up company.

  - Degree to which the proposed Project will likely lead to a start-up company if the Technology Validation is successful and needed proof is generated.

  - Commercial opportunity including size of potential market.

  - Completeness of Budget Narrative and appropriate use of funds.

  Phase 2 – Start-Up Funds

  - Proposed proof needed to raise additional funds for commercialization is deemed meaningful and likely impactful to that end.

  - Proposed proof can be generated during the one-year project period and with the proposed resources.

  - Likelihood of being able to raise additional funds needed for commercialization at the end of the Project.

  - Experience and commitment of the team members in commercializing new technology.

  - Realism and achievability of the proposed business model.

  - Stability and backing of company. Must have demonstrated backing and support independent of the university.

- Degree to which the intellectual property is protected relative to both the technology and the proposed business model.

- Potential opportunity of the start-up including size of potential market.

- Completeness of Budget narrative and appropriate use of funds.

The evaluation criteria are designed to support the mission and goals of Ohio Third Frontier and its various programs.

5 APPENDICES

A. Request for Proposals Process, Awards Process, and Mandatory Compliance
B. Technology Transfer Office Qualification Document
C. Phase 1 and Phase 2 Application Forms and Questions

Appendix A

Ohio Third Frontier

Technology Validation and Start-Up Fund

RFP Process, Awards Process, and Mandatory Compliance

Appendix A – RFP Process, Awards Process, and Mandatory Compliance

Request for Proposals Process: This Ohio Third Frontier Program's Request for Proposals (RFP) Process will consist of the following steps:

I. Release of Request for Proposal (RFP)

This RFP will be released by publication on the Ohio Third Frontier website at www.ohiothirdfrontier.com.

II. Workshop / Bidder's Conference (Optional)

A Bidder's Conference regarding this RFP will be held and will include a presentation by the Ohio Department of Development (Development) covering the intent and purpose of this RFP, the requirements of this RFP, the evaluation process that will be used to determine awardees, and a question and answer session. Attendance is encouraged, but is not mandatory.

III. Communications and Questions and Answers (Q&A)

All communications and questions regarding this RFP must be submitted to Development staff in writing via e-mail and will be conducted through this method only until the awards date. Substantive questions and answers will be posted in a Frequently Asked Questions section on the RFP website. All questions and inquiries must be sent to TVSF2012@development.ohio.gov with a subject line of "Technology Validation Start-Up Fund Q&A". Development reserves the right to edit questions for brevity and clarity. The deadline for question and inquiry submissions is provided on the cover of this RFP.

IV. Submittal of Proposal

It is the responsibility of each Lead Applicant to ensure that Development's Office of Technology Investments receives Proposals at the prescribed place and by the submission deadline. Late Proposals will not be reviewed nor considered.

A Lead Applicant must ensure that a Proposal submitted in response to this RFP complies with all the requirements set forth in this RFP. All Lead Applicants are advised to read this RFP carefully to ensure a complete understanding of the Proposal requirements. In particular, the form, format, and content of all Proposals must follow the directions provided in Sections 2, 3 and 4 and use the forms presented in Appendix C – Phase 1 and Phase 2 Application Forms and Questions. The Lead Applicant is solely responsible to ensure its Proposal is complete, accurate, responsive to the requirements of this RFP, and received by Development's Office of Technology Investments by the deadline provided on the cover of this RFP.

Note: All costs incurred in preparation of a Proposal shall be borne by the Lead Applicant and its team. Proposal preparation costs and/or Proposal consultancy costs are not recoverable from Ohio Third Frontier Funds nor will they be considered as Cost Share to the Project. The state shall not otherwise contribute to or be liable for the costs of Proposal preparation.

Awards Process: The Ohio Third Frontier's Awards Process will consist of the following steps:

I. Proposal Review and Evaluation Procedures

Ohio Third Frontier uses a competitive, objective, and transparent process to make awards to projects based on proposals that reflect meritorious statement of work content, sound outreach plans, and potential for positive impacts on the economic conditions in Ohio.

An annual strategic plan, recommended by Ohio Third Frontier Advisory Board and approved by the Ohio Third Frontier Commission in open, public meetings, drives program framework and budget allocations. Following the Ohio Third Frontier Commission established program framework, this RFP establishes specific award criteria and will be subject to a competitive peer review process. This RFP process complies with Ohio Revised Code Section 184.02 (B), which states:

> *In addition to the powers and duties under sections 184.10 to 184.20 of the Revised Code, the Commission shall do all of the following: (1) Establish a competitive process for the award of grants and loans that is designed to fund the most meritorious proposals and, when appropriate, provide for peer review of proposals.*

Upon receipt of proposals, Development staff will conduct an administrative review using an established written protocol to screen proposals for compliance with the objective content requirements defined in the RFP. Examples of proposal elements checked in the screening process include Lead Applicant eligibility and proposal completeness. Proposals found to not comply with this RFP's requirements may be eliminated from the competition and not reviewed further.

II. Award Decision

At a public meeting, Proposals recommended for funding will be presented along with necessary programmatic details including information about funds available and program goals and criteria. Lead Applicants will be informed of the meeting at www.ohiothirdfrontier.com and through direct notification from Development staff. If requested, Lead Applicants must attend the Ohio Third Frontier Commission meeting at which Proposals are considered for funding. Both the external evaluator for this Ohio Third Frontier Program and Development staff will be available to respond to questions from Ohio Third Frontier Commission members. During the public meeting, and only at the specific request of an Ohio Third Frontier Commission member, Development staff will provide a funding recommendation.

Ohio Third Frontier Commission members will deliberate and exercise their independent judgment regarding award decisions based on all the information exchanged. The Ohio Third Frontier Commission may approve awards subject to conditions identified during its deliberation. The Ohio Third Frontier Commission acts by the affirmative vote of a majority of its members. The funding decisions of the Ohio Third Frontier Commission are final and all Lead Applicants will be notified of the outcome of their Proposals after the Ohio Third Frontier Commission makes its funding decisions.

All decisions taken by the Ohio Third Frontier Commission, including votes and a summary of any award conditions, will be recorded in minutes of the Ohio Third Frontier Commission

meeting. If and to the extent the Ohio Third Frontier Commission deviates from a recommendation of an external evaluator, those deviations will be reflected in meeting minutes.

III. Award and Agreement Preparation and Execution

Awards of Ohio Third Frontier Funds will be made based on Proposals as submitted (including any such modifications that may be identified during the review and evaluation process and as may be agreed by the Lead Applicant), the Project budget, and any conditions set forth by the Ohio Third Frontier Commission. The Grant will remain open for the duration of the Project, plus a reporting period to be determined by Development during which annual reports are required to be submitted to Development.

Following selection by the Ohio Third Frontier Commission, an award of Ohio Third Frontier Funds must be approved by the state's Controlling Board, a legislative body that reviews appropriation of state funds. Development will request Controlling Board review as soon as possible after the Ohio Third Frontier Commission funding decision. If requested, Lead Applicants selected by the Ohio Third Frontier Commission for funding must attend the Controlling Board meeting at which their applications for funding are to be considered. The Controlling Board process normally takes a minimum of 45 to 60 days to complete.

Development will prepare a Grant Agreement, a legal agreement setting forth the terms and conditions upon which Ohio Third Frontier Funds are awarded and the respective rights and obligations of the Lead Applicant and the State of Ohio with respect to Ohio Third Frontier Funds and the Project for which they are to be used. The Grant Agreement will incorporate the Proposal and Project budget, as either may have been modified by evaluation findings, funding decisions, or other terms or conditions consistent with the approval by the Ohio Third Frontier Commission. Development may require the Lead Applicant to provide cash flow projections on a quarterly basis.

Grant Agreements are sent to Lead Applicants for review and signature. Development executes Grant Agreements on behalf of the Ohio Third Frontier Commission after the Grant Agreement is accepted by the Lead Applicant. After Development executes the Grant Agreement, the Grant is entered on the state's accounting system and invoices may be submitted. Once the Grant Agreement is fully-executed, the Lead Applicant will be considered and referred to as a "Grantee".

A Grantee is required to complete the Project as described in the Grantee's Proposal as submitted and with only those modifications as agreed by the Grantee and Development in finalizing the Grant Agreement. Development will assign a Program Manager who will work with the Grantee throughout the Project Period. Development staff and the Grantee will develop a series of performance metrics that will be used to measure progress on the Grant Agreement.

All Grantees will be required to submit to Development quarterly progress and metrics reports, as well as invoices and expenditures reports, to document achievement of Project milestones, to report Project-related success stories, and to submit post-Project completion annual reports for a period of time to be determined by Development. All reports and invoices will be submitted in the form and format required by Development, which may change from time to time.

From time to time during the Term of the Agreement, Grantee may organize conferences or other events open to industry representatives or the general public related to the Project, the subject matter of the Project or associated work of Grantee or its Collaborators. In consideration of the Grant, up to two representatives of the Grantor may attend such conferences and events for the purposes of sharing information between the Grantee, its Collaborators and other constituents, and the Grantor. The Grantee shall provide the Grantor reasonable advance notice of any such conferences and events. The Grantor will not be charged registration fees to attend such events.

Mandatory Compliance: The following restrictions apply to all Ohio Third Frontier Projects:

I. Human and Animal Research

For any Proposal that includes use of human subjects, the Lead Applicant's and each Collaborator's human subject policies and procedures must comply with the Code of Federal Regulations, Title 45, Part 46. For any Proposal that includes use of animal subjects, the Lead Applicant's and each Collaborator's animal subject policies and procedures must comply with US Code, Title 7, Sections 2131-2156.

II. Obligations to the State; Compliance with Laws

Grantees will be required to certify in the Grant Agreement that they do not owe: 1) any delinquent taxes to the state or a political subdivision of the state; 2) any moneys to the state or a state agency for the administration or enforcement of any environmental laws of the state; and 3) any other moneys to the state, a state agency, or a political subdivision of the state that are past due, whether the amounts owed are being contested in a court of law or not.

Grant Agreements will require Grantees to comply with all applicable federal, state, and local laws in the performance of the Project. Grantees must accept full responsibility for payments of all unemployment compensation, insurance premiums, workers' compensation premiums, all income tax deductions, social security deductions, and any and all other taxes or payroll deductions required for all employees engaged by Grantees on the performance of the work authorized by the Grant Agreements.

III. Compliance with Governor's Executive Order 2011-03K

In accordance with Executive Order 2011-03K, Grantee, by its signature on this document, certifies 1) it has reviewed and understands Executive Order 2011-03K, 2) has reviewed and understands the Ohio ethics and conflict of interest laws including, without limitation, Ohio Revised Code §§ 102.01 *et seq*., §§ 2921.01, 2921.42, 2921.421 and 2921.43, and §§ 3517.13(I) and (J), and 3) will take no action inconsistent with those laws and the order, as any of them may be amended or supplemented from time to time. The Grantee understands that failure to comply with the Ohio ethics and conflict of interest laws is, in itself, grounds for termination of this Agreement and the grant of funds made pursuant to this Agreement and may result in the loss of other contracts or grants with the State of Ohio. The Executive Order can be found at http://governor.ohio.gov/Portals/0/pdf/executiveOrders/EO2011-03.pdf.

IV. Other Compliance

Ohio Third Frontier Funds may not be used for research involving tissue obtained from aborted fetuses. (See Ohio Revised Code Section 2919.14)

Appendix B

Ohio Third Frontier

Technology Validation and Start-Up Fund

Technology Transfer Office Qualifications Document

University Technology Validation and Start-Up Fund
Technology Transfer Office Qualification Questions

The Technology Transfer Office Qualification Document **is limited to four pages total** and must include each question posed below followed by its response. Applicants are to allocate the four pages as they feel best presents the opportunity. Except for the required letters of support, any pages beyond the four-page limit will be eliminated before it is sent for review and evaluation. Appendices, attachments, reports, quotations, or other methods to augment the information presented in the Document are not allowed. Reference to web-based information to supplement the Document is not permitted, and such references will not be considered in the evaluation.

NEAR-TERM DEAL FLOW

1. How many technologies at your institution are currently eligible for Phase I both in terms of having the required intellectual property protection and representing the best commercialization start-up opportunity?

2. Describe your institution's Technology Transfer Office process for internal selection among these candidates.

ENTREPRENEURIAL SUPPORT

3. Describe the university-coordinated or accessible services available to university entrepreneurs, incubating technologies, and spin-off companies.

Appendix C

Ohio Third Frontier

Technology Validation and Start-Up Fund

Phase 1 and Phase 2
Application Forms and Questions

Ohio | Third Frontier
Innovation Creating Opportunity

Technology Validation and Start-Up Fund Program

2012 Request for Proposals

Phase 1 Application Information Page

This Application:	☐ Does ☐ Does Not	include information considered a "trade secret" under Ohio Revised Code Section 1333.61(D)

Lead Applicant Institution	
Technology Transfer Office Contact	**Name:**
	Title:
	Phone Number:
	Email:

Project Title:	

Patent Number, Patent Application Number, or Copyright Registration Number			
Total Project Budget	$	**Ohio Third Frontier Funds Requested**	$

Project Focus:

- ☐ Advanced Materials (related to advanced polymers; ceramics; composites; carbon fibers and nanotubes; and, specialty metals and alloys)
- ☐ Aeropropulsion and Power Management
- ☐ Fuel Cells and Energy Storage
- ☐ Medical Technology (related to imaging; surgical instruments/equipment; implant devices; and, regenerative medicine)
- ☐ Software Applications for Business and Healthcare
- ☐ Sensing and Automation Technologies
- ☐ Situational Awareness and Surveillance Systems
- ☐ Solar Photovoltaics

Typed Name of Authorizing Agent | Title of Authorizing Agent

Signature | Date

For Ohio Department of Development Use Only

Date Received	Proposal ID #

University Technology Validation and Start-Up Fund
Phase 1 Questions

The Proposal **is limited to six pages total** and must include each question posed below followed by its response. Suggestions on space allocations per section are included; however, Applicants can allocate the six pages as they feel best presents the opportunity. Except for the required one page letter of support, any pages beyond the six-page limit will be eliminated from the Proposal before it is sent for review and evaluation and may also cause the Proposal to be eliminated from consideration. Appendices, attachments, reports, quotations, or other methods to augment the information presented in the Proposal are not allowed. Reference to web-based information to supplement the Proposal is not permitted, and such references will not be considered in the evaluation.

COMMERCIAL OPPORTUNITY

1. Describe the market opportunity including projected path and timeline to market entry of first product. [suggestion 1/3 page]

2. Briefly describe the technology/product and competitive advantages. [suggestion 1/3 page]

3. What is the stage of development and anticipated time to market relative to questions 1 and 2? In addition, please provide an estimate of the capital needed to bring the product to market. [suggestion 1/2 page]

4. Describe the Intellectual Property position, how the Intellectual Property protects the business model of the expected start-up company, and how the Intellectual Property relates to other Intellectual Property in this space that may impact the business model. [suggestion 1/4 page]

TEAM CONSIDERATIONS

5. Discuss the experience and commitment of team members in commercializing new technology. [suggestion 1/2 page]

PROJECT PLAN

6. Describe the proof needed to bring the technology to the point where it is ready to be licensed to an Ohio start-up or deemed unfeasible for commercialization. Discuss the project objectives, schedule, and the proposed use of funds to generate the needed proof within one year. Describe the availability of resources required to conduct the proposed work, and demonstrate how the needed proof can be successfully generated during the project timeframe of one year. Note that preference will be given to applications which propose technology validation, prototyping, and assessment of critical failure points by an independent source – if an independent source is not involved, please justify. In addition, note that each expense incurred in the project must be paid on a pari passu basis. [suggestion 2 ½ pages]

	Project Funds
Personnel	
Purchased Services	
Supplies	
Equipment	
TOTAL (*)	

(*) This total represents Ohio Third Frontier and Cost Share Funds on a pari passu basis that cannot exceed $100,000

	Additional Cost Share (*)
Purchased Services	
Supplies	
Equipment	
Personnel	
TOTAL (*)	

(*) Additional necessary Cost Share that, if proposed, will become required per terms of the Grant Agreement.

7. Why will this technology likely lead to an Ohio start-up as opposed to a license to an established company? If you have worked with an Ohio start-up to identify the proof needed, please discuss. [suggestion 1/4 page]

Technology Validation and Start-Up Fund Program

2012 Request for Proposals

Phase 2 Application Information Page

This Application:	☐ Does ☐ Does Not	include information considered a "trade secret" under Ohio Revised Code Section 1333.61(D)

Lead Applicant:	**Company Name:**
	Address:
	Contact Person:
	Phone Number:
	Email:

Ohio Secretary of State Registration Number	
Institution from which Technology will be Licensed	

Project Title:	

Patent Number, Patent Application Number, or Copyright Registration Number			
Total Project Budget	$	**Ohio Third Frontier Funds Requested**	$

Project Focus:

- ☐ Advanced Materials (related to advanced polymers; ceramics; composites; carbon fibers and nanotubes; and, specialty metals and alloys)
- ☐ Aeropropulsion and Power Management
- ☐ Fuel Cells and Energy Storage
- ☐ Medical Technology (related to imaging; surgical instruments/equipment; implant devices; and, regenerative medicine)
- ☐ Software Applications for Business and Healthcare
- ☐ Sensing and Automation Technologies
- ☐ Situational Awareness and Surveillance Systems
- ☐ Solar Photovoltaics

Typed Name of Authorizing Agent | Title of Authorizing Agent

Signature | Date

For Ohio Department of Development Use Only

Date Received	Proposal ID #

University Technology Validation and Start-Up Fund
Phase 2 Questions

The Proposal **is limited to six pages total** and must include each question posed below followed by its response. Suggestions on space allocations per section are included; however, Applicants can allocate the six pages as they feel best presents the opportunity. Except for the required one page letter of support, any pages beyond the six-page limit will be eliminated from the Proposal before it is sent for review and evaluation and may also cause the Proposal to be eliminated from consideration. Appendices, attachments, reports, quotations, or other methods to augment the information presented in the Proposal are not allowed. Reference to web-based information to supplement the Proposal is not permitted, and such references will not be considered in the evaluation.

COMMERCIAL OPPORTUNITY

1. Describe the market opportunity and size of the market that will be targeted. [suggestion 1/4 page]

2. Briefly describe the technology/product and competitive advantages. [suggestion 1/4 page]

3. How will the business generate revenues? [suggestion 1/4 page]

4. What is the current technical stage of development and anticipated time to market? [suggestion 1/4 page]

5. What is the current financial stage of development? Please describe any outside investment received and/or revenues generated. [suggestion 1/4 page]

6. Discuss the commercialization and financial strategy and provide an estimate of capital needed to bring the product to market. [suggestion 1/2 page]

7. Describe the Intellectual Property position, how the Intellectual Property protects the business model of the company, and how the Intellectual Property relates to other Intellectual Property in this space that may impact the business model. [suggestion 1/4 page]

TEAM CONSIDERATIONS

8. Discuss the experience and commitment of the management team. [suggestion 3/4 page]

PROJECT PLAN

9. Describe the proof needed to raise additional funds for commercialization. Discuss the project objectives, schedule, and the proposed use of funds to generate this proof. Describe the availability of required resources, and demonstrate why the needed proof can be successfully generated during the one-year project period. [suggestion 1 ½ pages]

	Ohio Third Frontier Project Funds(*)	Cost Share (**)
Purchased Services		
Supplies		
Equipment		
TOTAL		

(*) May not exceed $100,000
(**) Any necessary Cost Share that, if proposed, will become required per terms of the Grant Agreement

10. What is the next step in the commercialization path following the project, and what are the next funding opportunities? If you have worked with specific potential investors to identify the proof they require to invest in your company, please discuss. [suggestion 1/2 page]