

**Science & Technology Entrepreneurship Program (STEP) Georgia
“Virtual Incubation Program” (VIP)**

Program Announcement

Deadline for Registration: November 15, 2017 (18:00 Tbilisi Time)

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I. Snapshot:

Program Opens	<u>October 20, 2017</u>
Registration Deadline	<u>November 15, 2017</u>
How to Apply	Submit registration form to: stepge@crdfglobal.org
General Area	<u>Technology Entrepreneurship</u>
Basic Eligibility	Early stage startups where team leaders & team members have citizenship status or legal residence in Georgia.
Award Amounts	One “Startup-Idea-Validation” grant of up to \$3,000

II. Background

CRDF Global invites all interested Georgian technology innovators and aspiring entrepreneurs to participate in online training and competition in the framework of its annual Science and Technology Entrepreneurship Program (STEP). CRDF Global launches “Virtual Incubation Program” (VIP) that delivers support to startup teams developing products and services related to cyber-security, green energy, robotics, IoT, Big Data, and others. The STEP Georgia is made possible through grants from the United States Department of State.

CRDF Global, founded in 1995, is an independent nonprofit organization that promotes international scientific and technical collaboration through grants, technical resources and training, and services. Based in Arlington, Virginia with offices in the Eurasia and MENA regions, CRDF Global works with more than 40 countries in the Middle East, North Africa, Eurasia, and Asia.

Program Partners: Georgia’s Innovation and Technology Agency (GITA); Ivane Javakhishvili Tbilisi State University; Ilia State University; Georgian Technical University.

III. Goals & Objectives

The STEP Georgia trainings and competitions are designed to support technology entrepreneurship in Georgia through mentorship and funding.

Goal:

- Support development of a knowledge-based free-market economy in Georgia by fostering innovation and technology entrepreneurship.

Objectives:

- Encourage the development of new technology-based products and services and their commercialization in local and global markets.

- Provide participating startups with access to personalized business development assistance through mentorship, competitively awarded grants and linkages with potential partners/investors in order to enhance their potential for commercial success.
- Facilitate collaborations between local inventors and investors, global S&T and business communities and the Georgia-based technology entrepreneurs and private companies.

IV. Timeline

A summary of the important dates for the competition is as follows:

STEP Georgia VIP	Starts	Ends	Milestone
Phase 1. Outreach	October 20, 2017	November 15, 2017	Target audience informed
Phase 2. Application Review	November 15, 2017	November 19, 2017	Participants selected
Phase 3. Online Modules	November 20, 2017	December 19, 2017	Webinars conducted
Phase 4. Homework Assignments	December 20, 2017	January 5, 2018	Homework submitted
Phase 5. Individual Coaching	January 10, 2018	February 10, 2018	One-on-One sessions completed
Phase 6. Online Pitch Competition	February 15, 2018	February 20, 2018	Winner selected
Phase 7. Grant Implementation	February 20, 2018	April 1, 2018	Awards closed

V. Eligibility

Applicants must meet the following criteria to be eligible to participate:

- All applicants must have citizenship status in Georgia or be legal residents of Georgia and must be in full compliance with Georgian laws/regulations.
- All projects must be technology-focused and all teams need to have a designated team leader.
- All startups should aim to grow their customer base and should further explore their scalability potential by entering markets in the following sectors: including but not limited to Cybersecurity, Green Energy, Robotics, IoT, and Big Data.
- Projects that have a track record of offering a product or a service that is commercially viable with a demonstrated potential to generate revenues and/or attract additional sources of funding will be given priority consideration.
- All teams should be ready to showcase their technology-based projects during all phases of the program and selected team leaders should give an online pitch presentation at the “Virtual Incubation Program” (VIP) competition finale.
- All participants must demonstrate sincere interest in receiving practical support to discover new opportunities and develop winning strategy, be receptive to pivotal ideas and suggestions from designated mentors and industry experts, adhere to the highest ethical standards, and diligently follow personalized work plan to remain in the program.

VI. Application submission

- Please note that application form must be submitted **in English language** to the following e-address: stepge@crdfglobal.org
- The submission deadline is **November 15, 2017** (18:00 Tbilisi Time)
- Application form can be found in Section XII

VII. Program stages

Phase 1: Outreach

October 1 – November 15, 2017

CRDF Global and key partners will reach out to various stakeholders to disseminate information about the STEP Georgia “Virtual Incubation Program” (VIP) and solicit applications.

Phase 2: Participant Selection

November 15 – November 19, 2017

CRDF Global independent experts will select projects/teams who meet the eligibility criteria stated in Section V.

The independent reviewers will evaluate applications using the following criteria:

Commercial Potential:

- Will the results of the project have a high commercial value? Will the project serve as the basis for a new or improved technology (evolutionary vs. revolutionary)?

Understanding of Market and Customer Need:

- How does this technology or capability address a market need?

Understanding of Competitive Landscape:

- Do the applicants have a realistic understanding of the global market potential?

Strategy:

- Do the applicants have a realistic strategy/plan? How clearly are technical and business goals described?

Capability of the team:

- Do the team members have the technical and/or business expertise and/or past experience that is required to meet the technical and commercialization goals of this project?

IP Protection status:

- What specific steps have been taken to date to minimize competition, prevent infringement claims, and to attract potential partners/funders?

Phase 3: Online Modules

November 20 – December 19, 2017

The online sessions (four weeks in lengths) will be offered to pre-vetted participants/teams and implemented based on CRDF Global Commercialization Pathfinder E-Learning platform (CPEL). CPEL platform is based on technology entrepreneurship development curriculum

developed by a team of professors from the MIT Sloan School of Management and incorporates experience and knowledge accumulated by CRDF Global Entrepreneurship and Innovation team during over a decade of work with thousands of emerging entrepreneurs in over 50 countries across the world.

CPEL virtual classroom lectures will be enhanced by the topic-specific webinars, such as Market Validation & Risk Assessment, Value Proposition & Business Model, Customer Acquisition & Retention, IP Strategies, including industry/niche related themes. All webinars will be provided by internationally acclaimed practitioners of the respective area, such as serial entrepreneurs, early-stage investors, and sector specific subject matter experts (SMEs). The webinar presentations will include Q&A sessions where the experts will be available to address specific questions related to the webinar topic. Online modules will also include quizzes that must be taken to successfully complete the course. All participants who successfully complete their online training course will receive CRDF Global's "Certificate of Completion" at the end of the Phase 4.

Phase 4: Homework Assignment

December 20, 2017 – January 5, 2018

The online courses will provide basic information about main aspects of the technology entrepreneurship. It will give an opportunity to participants to analyze the market problem (market pain) that a certain innovation can solve, to refine business model, identify customers, and sources of seed funding. Using these newly obtained knowledge participants will be asked to complete project specific homework assignments and prepare Executive Summary document.

- Please note that Homework Assignments (incl. Executive Summary) must be submitted **in English language** to the following e-address: stepge@crdfglobal.org
- The submission deadline is **January 5, 2018** (18:00 Tbilisi Time)
- Executive Summary template (English language) can be found in Section XIII

The group of judges will review participants' homework assignments and select for **up to 10 semi-finalists**. Those 10 teams who made this cut will be matched with industry specific experts/mentors and participate in the next phase of the program – Individual Coaching.

Phase 5: Individual Coaching

January 10 – February 10, 2018

The individual coaching phase will be designed to assist early stage startup teams to refine their business development strategies. The assigned mentors (local and international experts) will help to analyze market opportunities and help to prepare work plans for each project.

During the course of four weeks these pre-vetted teams will undergo an intense practical training and will be asked to complete various tasks and meet specific milestones. To remain in the program each team lead must demonstrate the following:

- sincere interest in receiving practical support to discover new opportunities
- be receptive to pivotal ideas and suggestions from designated mentors & industry experts
- adhere to the highest ethical standards

- diligently follow personalized work plan and participate in all mentor-mentee weekly sessions

CRDF Global in consultation with local partners will appoint acclaimed subject matter experts in technology commercialization. All appointed individuals will serve as reviewers, mentors, and judges over the course of the online program-competition. All experts shall be able to demonstrate solid experience particularly in connection to technopreneurial sector(s), must be familiar with the region specific technology commercialization landscape. Mentors (local and international) will conduct weekly meetings (videoconference via Adobe Connect and/or Skype) with the assigned projects/team leads to verify the scope of work (evaluate previously set goals and objectives), conduct technology assessment and identify market potential of the proposed technology solution.

At the conclusion of Individual Coaching, mentors will be asked to either endorse or withhold the nomination of their mentees (teams). Mentor's YES or NO decision will be made based on technology commercialization potential and team's overall performance. Only those teams who receive mentor's endorsement will be invited to present at the Online Pitch Competition Finale.

Phase 6: Online Pitch Competition Finale

February 15-20, 2018

An online pitch competition will be offered to up to 10 nominated finalists. The exact day/time of the virtual competition will be determined by February 10, 2018. The selected finalists will present their projects before a panel of international and domestic judges. The 10-minute business presentations **in English language** will be evaluated based on originality and relevance of the technology, sustainability and effectiveness of the business model, clear evidence of market demand, entrepreneurial spirit of the inventor (or team), presentation and question & answer skills.

Award winners will be decided based on the highest combined score:

- Proposition- 60% (market understanding, value proposition)
- Presentation Skills- 20% (professional look and feel to presentation, useful text)
- Q&A Skills- 20% (ability to understand judges' questions, substantive answers)

The panel of international and local experts will select one awardee who will receive financial support in a form of a "Startup-Idea-Validation" Grant of up to **\$3,000**.

Phase 7: Grant Implementation

February 20 – April 1, 2018

The winning team will receive a custom tailored advice on industry specific go-to-market strategies. At least one international consultant will be recruited by CRDF Global to advance awardees project implementation. CRDF Global in consultation with implementing partner(s) will engage subject matter expert who is expected to assist the winning team with the following:

- Provide general business development consultations
- Identify potential opportunities, partners, investors
- Assist with networking efforts (initial introductions)

VIII. Awards

CRDF Global will provide awards in the following amounts:

One “Startup-Idea-Validation” of grant of up to **\$3,000**

Please note: STEP Georgia “VIP” Online Pitch Competition winner will receive the awards in the form of CRDF Global grants and be subject to CRDF Global’s award and grant reporting requirements.

IX. Special Requirements

Conflict of Interest

CRDF Global requires that all Team Leaders, Team Members and Institutions adhere to the highest ethical standards in all matters related to CRDF Global awards. CRDF Global Conflict of Interest Guidelines are further outlined at <http://www.crdfglobal.org/focus-areas/research-partnerships/applicant-resources>

Export Control

CRDF Global complies with all U.S. laws and regulations and applicable international law pertaining to export controls and to the participation of foreign nationals or institutions in its activities. It is CRDF Global’s policy not to conduct any transactions with U.S. restricted entities without appropriate authorization from the U.S. government, including licenses and other permits and restrictions. CRDF Global reserves the right to restrict the participation of any individual or institution in its programs.

Protection of Confidential Information

Applicants are responsible for identifying any written business confidential information contained in their application materials. **CRDF Global assumes that no business confidential information will be disclosed (verbal or in written form) by an applicant including: a) registration forms; b) email communication; d) onsite event and videoconferences; e) travel grant program.** If there is a valid need to provide any business confidential information, such written information shall be clearly marked so that CRDF Global can, to the degree reasonably possible, protect it by restricting its exposure to authorized staff of CRDF Global, its funding and oversight agencies, and external U.S. and international business reviewers and judges retained by CRDF Global. Independent U.S. and international business reviewers and judges retained by CRDF Global, as well as all personnel of CRDF Global and its partner organizations, are required to adhere to strict standards of confidentiality in the handling of all business confidential information contained in any written materials.

Any written materials containing business confidential materials should be clearly labeled “Business Confidential.” Reviewers and judges will be required to sign a standard and legally binding non-disclosure agreement prior to receipt of any business confidential materials from an applicant or team. A copy of the template for this agreement is available on request by corresponding to: ekrasowski@crdfglobal.org Applicants may request that particular organizations or individuals, whose access to their proposals would compromise business confidential information, not be selected as reviewers. Such information must be disclosed to

CRDF Global at the time any Business Confidential information is disclosed to CRDF Global during the competition.

Intellectual Property

CRDF Global makes no claim to intellectual property rights under any award.

Award Administration Terms and Conditions

Applicants may refer to the CRDF Global website for guidance on CRDF Global policies and procedures relating to the financial and contractual management of CRDF Global grants, including conflict of interest guidelines. An online library of resources and reference documents may be viewed at the following location: <http://www.crdfglobal.org/grants-and-grantees/terms-conditions>.

X. Definitive Version of this Announcement

For explanatory purposes or for clarification, this STEP Georgia training and competition announcement and associated documents may be translated into the Georgian language. In the event of the existence of such a translation, the English language version shall serve as the definitive version determining the interpretation of any provision contained herein. In the case the CRDF Global has to amend or make corrections and clarifications to this announcement, applicants will be notified as soon as possible.

XI. Additional Information and Support

Questions and correspondence regarding this competition Announcement should be directed to Science & Technology Entrepreneurship Program representatives (please see addresses below). Applicants are requested to identify themselves or their team leader in all correspondence and put the phrase STEP Georgia in the email subject line. CRDF Global at its sole discretion may choose not to disclose certain information in a response to any question or query, if in our view such details would affect the fairness or transparency of the competition or convey an undue advantage to an applicant. CRDF Global also reserves the right to disclose to all other applicants an answer or clarification to a question from an applicant in the interest of fairness, objectivity, and transparency of this competition.

UNITED STATES

CRDF Global
Attn: Evgeniy Krasowski
Program Manager,
Research & Innovation
1776 Wilson Boulevard, suite 300
Arlington, VA 22209
Tel: +1-703-526-6759
E-mail: ekrasowski@crdfglobal.org

GEORGIA

GRDF
Attn: George Khokhobashvili
Director
7 Mindeli Street
0186 Tbilisi, Georgia
Tel: + (995 32) 221 03 61
E-mail: george@grdf.ge

XII. Application Form

In the form below you will find the STEP Georgia “VIP” Online Training & Competition application, which is designed to be very similar to a standard business plan template. Developing a business plan regardless of the developmental status of the technology is helpful for beginning any new venture, but can also be a tool when approaching potential business partners or investors who may be interested in your technology project. Please, **DO NOT** include any **business confidential information**.

A. Basic Information

1. Please provide a brief (not to exceed 100 words) general description of your technology product/service:
2. Technology Product/Service Name: Project Title
The project title should be short, and written in non-scientific terms in order to attract the attention of potential investors or business partners
3. Team Background + Organization/Institution(if any):
4. Project focus area:
5. Total number of members (an individual or team):

Please list the names of all participants and their position title (incl. team leader)

B. Product/Service Summary for Public Disclosure

Provide a summary of your technology product/service (not to exceed one page) – The summary should include key highlights about your product/service (focusing on the problem your technology will help solve), your business strategy.

1. What specific market problem (“pain”) the proposed technology is trying to solve?
Please use non-scientific language accessible to general audience
2. How will features of your technology allow you to provide real value to your current and future customers?
3. What type of customer validation (direct feedback) your team received?
 Focus Group
 Paying Customers
4. Which of the following was your initial need for market entry?
 Technology Licensing
 Strategic Alliance
 Startup
5. How will your technology business generate revenue?
Please describe your business model

6. What do you need to advance your technology product/service to the market in the next year?

Examples may include: conducting business development; finding a strategic partner; pursue new fundraising strategies. Please list them in chronological order below:

C. Market Analysis

Justification of the market demand is the most important aspect of a business plan. Identifying a commercial interest in an invention requires research through a series of channels, including: library databases for industry; company reports; industry profiles; trends; trade publications; associations; consumer and market research reports; forecasts; informational interviews of experts; and discussions with potential users, customers, and future partners. In this section, you will determine and quantify need for your product, process, or service. This section should be no more than two pages long.

1. What specific customer needs your technology product or service is trying to address?
2. How is the problem currently being solved in the absence of your innovation?
3. Is the target market domestic, international or both?
4. What are the challenges that you face? For instance: lack of human or financial capital, current or anticipated competition, government regulations, etc.
5. If you need additional funding, where do you think you will likely find it? *Examples may include local angels or venture firms, foreign investors, government programs, crowdfunding, friends/family, institutional investors*

D. Status of Intellectual Property

1. Local Patent application submitted: yes no (if yes, please provide submission date)
2. Local Patent obtained: yes no (if yes, please provide submission date)
3. Provisional and/or PCT submitted: yes no (if yes, please provide submission date)
4. Foreign Patent obtained: yes no (if yes, please provide submission date)
5. Copyright registered: yes no
6. Trademark registered: yes no

E. Signature Page
Project Title:
Team Leader:
Salutation <input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> Dr.
Location:
Phone:
E-mail address:
Skype address:

XIII. Executive Summary

Company Name:

Contact Name and Title:

Address:

Phone:

Email:

Web:

Business Description:

Description needs to be concise (one paragraph) and clear (assume the audience does not know anything about your business and/or technology)

Background:

Provide a summary genesis of this business concept and at what phase is the company now.

Problem/Solution:

Identify the key market pain(s) that the proposed technology/business is solving. Quantify the size of the pain(s) (time, \$\$, etc.). What is currently being done to solve this pain(s)?

Unique Value Proposition (Painkiller)

How is your product/service uniquely qualified to solve this pain. Convey to the investor that the company and the technology truly fulfill an unmet need in the marketplace. The characteristics that set the technology and the company apart from the competition need to be identified (competitive advantage).

Unique Technology/Special Know-how:

Discuss the sources of your technology and highlight the aspects of your product that may be protected by IP or patent law. Provide evidence of how your offerings are different and will be able to develop a barrier to entry for potential competitors.

Markets:

Provide a clear description of your target market, and any market segments that may exist within that market. Include potential market size and growth rate.

Competition:

List any current or potential direct and indirect competition. Briefly describe the competitive outlook and dynamics of the relevant market in which you will operate.

Business Model and Distribution Channels:

How will you sell and price your product (subscription, license, etc.). Indicate which channels will be used to deliver your products/service to your target markets (i.e. website, direct sales force, channel partners, etc...).

Financial Projections: