

**Science & Technology Entrepreneurship Program (STEP) Georgia  
“Global Pivot to Success” (GPS) – Startup Competition**

**Program Announcement**

Deadline for Competition Registration: July 23, 2017 (18:00 Tbilisi Time)

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## I. Snapshot:

Program Opens	<u>June 20, 2017</u>
Registration Deadline	<u>July 23, 2017</u>
How to Apply	Submit registration form to: <a href="mailto:stepge@crdfglobal.org">stepge@crdfglobal.org</a>
General Area	<u>Technology Entrepreneurship</u>
Basic Eligibility	Recently funded startups with revenue traction, where team leaders & team members have legal residency or citizenship status in Georgia.
Award Amounts	Travel and business acceleration grants   the total value of all awards combined <b>\$30,000</b>

## II. Background

CRDF Global and GRDF invite entrepreneurship & innovation professionals to apply to the “Science & Entrepreneurship Technology Professionals” (STEP) training and startup competition. The STEP is designed to assist emerging companies to refine their business development strategies and to connect budding entrepreneurs to local and international investors. 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.

The Georgian Research and Development Foundation (**GRDF**) is a non-profit, non-governmental organization and performs its activity on the basis of the Georgian Constitution, the Georgian Civil Code, other legal acts, the GRDF Charter, and international legislation. The Foundation promotes the development of the scientific and technological potential of Georgia through international cooperation, competitive grants, technical resources and training, and contributes to building knowledge-based economy. GRDF was established in 2001 with the initiative and support of the U.S. Civilian Research and Development Foundation (CRDF).

Program Partner: Georgia’s Innovation and Technology Agency (GITA)

## III. Goals & Objectives

The STEP Georgia training and startup competition is designed to support technology entrepreneurship in Georgia through mentorship and funding.

**Goals:**

- Support development of a knowledge-based free-market economy in Georgia by fostering innovation and technology entrepreneurship.
- Encourage the development of new technology-based products and services and their commercialization in local and global markets.
- Facilitate collaborations between local inventors and investors, global S&T and business communities and the Georgian-based technology entrepreneurs and private companies.

**Objectives:**

- Identify most promising technology companies looking to increase their customer base, obtain new round of financing for their innovative solutions, expand onto global markets, forge collaboration with international counterparts and assimilate best practices in entrepreneurial business management.
- Provide participating startups with access to personalized business development assistance through mentorship, networking, competitively awarded grants and linkages with potential partners/investors in order to enhance their potential for commercial success.
- Spark constructive dialogue between indigenous inventor and investor communities, which could solidify successful deals, improve angel investment process, and support the creation of a much stronger innovation ecosystem in the country.

**IV. Timeline**

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

<b>STEP Georgia</b>	<b>Starts</b>	<b>Ends</b>	<b>Milestone</b>
Phase 1. Outreach	June 20, 2017	July 23, 2017	Target audience informed
Phase 2. Participant Selection	July 24, 2017	July 26, 2017	Finalists selected
Phase 3. Bootcamp - Competition	July 31, 2017	August 1, 2017	Winners selected
Phase 4. Grant Implementation	August 1, 2017	December 31, 2017	Grant program implementation

**V. Eligibility**

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

- All applicants must be citizens or 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 global markets in the following sectors: included but not limited to ICT, Clean-Tech, Biotech, AI, Robotics, Biotech, A.I., VR & AR, etc.
- Projects that have a track record of offering a product or a service that is commercially viable with a demonstrated ability to generate revenues and/or attract additional sources of funding will be given priority consideration.
- All teams (early growth startups) should be ready to showcase their technology-based projects during all phases of the program and selected team leaders should give a business pitch presentation at the “Global Pivot to Success” (GPS) competition finale in Tbilisi at the yet to be identified location.
- 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 forms must be submitted in English language to the following e-address: [stepge@crdfglobal.org](mailto:stepge@crdfglobal.org)
- The submission deadline is **July 23, 2017** (18:00 Tbilisi Time)
- Application form, pre-competition survey, and executive summary can be found in Section XII, XIII, and XIV.

## **VII. Program stages**

### **Phase 1: Outreach**

June 20 – July 23, 2017

CRDF Global, GRDF and key partners will reach out to various stakeholders to disseminate information about the STEP Georgia program and solicit applications.

### **Phase 2: Participant Selection**

July 24 – July 26, 2017

CRDF Global will appoint up to 10 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?

Projects that have a track record of offering a product or a service that is commercially viable with a demonstrated ability to generate revenues and/or attract additional sources of funding will be given priority consideration and invited to present their projects at the grand finale in Tbilisi, Georgia.

### **Phase 3: Bootcamp - Competition**

July 31 – August 1, 2017

A two-day bootcamp and pitch competition will be offered to up to 10 nominated finalists at the yet to be identified locations (to be confirmed venue in Tbilisi, Georgia). The top 10 teams will undergo an intense onsite training and take part in a business pitch competition where team leaders will present their projects before a panel of 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 tractions, 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 experts will select several awardees who will receive either financial support in a form of a Business Acceleration Awards and/or GPS Travel Grants and will have an opportunity to attend prominent networking/investment forums in the U.S.

### **Phase 4: Grant Implementation**

August 1 – December 31, 2017

The assigned mentor(s) will analyze market opportunities, and in close collaboration with each team lead prepare individual specific work plans for each project. Each winning team will receive a custom tailored advice on industry specific go-to-market strategies. The purpose of this phase is to identify untapped revenue generation potential, partnership opportunities, and fundraising options.

CRDF Global mentors will advance awardees project implementation on a global scale. CRDF Global in consultation with implementing partner(s) will engage internationally acclaimed subject matter expert who is expected to assist finalists 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 GPS Travel Grants and/or Business Acceleration Awards  
The total value of all grants/awards combined: \$30,000

Please note: All STEP Georgia “GPS” competition winners will receive their 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](mailto: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 or Russian 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**

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## XII. Application Form

In the form below you will find the STEP Georgia “GPS” 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 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*

*Please provide compelling evidence of your market traction (revenue generated)*

6. What do you need to advance your technology product/service to the market (globally) 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
- 

### Bonus questions:

Have you searched international patent databases (prior art search) to see if your innovation relates to existing intellectual property?

Will your innovation conflict with any existing intellectual property?

## E. Signature Page

**Project Title:**

**Team Leader:**

**Salutation**  Mr.  Ms.  Mrs.  Dr.

**Name:** Last, First, Middle/Patronymic

**Title:**

**Phone:**

**E-mail address:**

**Skype address:**

### XIII. Pre-competition Survey:

Please **rate each** question on a rating scale of **1-10**, where **1** is “not likely” and **10** is “very likely”.

#### 1. Evolution vs. Revolution

A.	Do you have a hardcore evidence that your technology solution can not only ease but completely eliminate the “market pain”?	
B.	Is your value proposition is so strong that potential customers will categorize your product/service as “must have” and actually commit to purchasing?	
C.	Is your technology solution truly unique and there are no comparable alternatives in terms of price and effectiveness?	
D.	Can you anticipate company’s exponential growth (50% per year) in domestic & international markets?	
<b>Average</b>		

#### 2. Competition

A.	How easy it will be to protect your IP and how difficult it will be to reverse engineer your technology solution?	
B.	Will the buyer be willing to choose your solution over competition in spite of hefty switching costs?	
C.	Do you think your product’s key differentiators are so desirable that you can demand premium pricing?	
D.	Do you think you could withstand a lengthy price war with the incumbent who has a substantial margin buffer?	
E.	Do you anticipate the cost of acquiring each new customer to be lower than the lifetime value of that customer?	
<b>Average</b>		

#### 3. Entry Barriers

A.	Is your market entry path free from obstacles and shall not be affected by vaguely written regulations?	
B.	Is your local rule of law strong enough to shield your startup from any type of sabotage and unfair competition?	
C.	Will the local legislation allow uncomplicated start (official registration of your technology startup) and operations (incl. tax incentives)?	
D.	Will the local legislation allow uncomplicated end of your business (either through sale or through bankruptcy)?	
E.	Can the existing infrastructure allow an effective and efficient conduct of business and support timely delivery of your products/services?	
<b>Average</b>		

#### 4. Market Validation

A.	Do you have the evidence that the market is ready for your particular solution at this stage?	
B.	Is the market size of people that have this particular “pain”, and have funds to purchase your product/service big enough and will continue to grow?	
C.	Can you find a scalable way to obtain new customers without depleting your startup’s limited resources?	
D.	Will you strive to find the product market fit and step out of the lab to get this fit right and to validate your idea with customers before, and during, development?	
<b>Average</b>		

#### 5. The Crew

A.	Will you resist the temptation to hire friends and relatives if their skills and experience are not complimentary and not essential to the success of the venture?	
B.	Can you handle divas well and will always seek consensus with difficult people whose contribution to the project is vital?	
C.	Will you be willing to equitably allocate company’s shares among key team members and maintain fair levels of compensations for all contributors?	
D.	Are you confident about your team’s ability to move from ideas and concepts to actual products?	
E.	Do you think your team is versatile enough to promptly and efficiently respond to market unexpected moves?	
<b>Average</b>		

#### 6. Access to Capital

A.	Are you willing to risk your own capital...especially, if the external funding drought will last longer than expected?	
B.	Can you brush off numerous rejections and will continue your relentless fundraising pursuit?	
C.	If the company needs additional capital and the dilution of company shares is imminent, will you accept the dilution of your personal stake?	
D.	If obtaining new capital (venture or business angel funding) will require change in company’s management will you step aside and allow others to lead?	
E.	Will you reinvest your first profit in market expansion or new R&D instead of spending money on a new car or luxury vacation?	
<b>Average</b>		

## **XIV. 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:**