Proof of Concept to Commercialisation (PoC)



Phase IV

Stage 2 (Commercialisation Consolidation)

**INTRODUCTION**

The Proof of Concept to Commercialisation (PoC) programme supports the pre-commercialisation of leading-edge technologies emerging from Northern Ireland’s Research Organisations. It helps researchers to export their ideas and inventions from the laboratory to the global marketplace. It is not simply another source of research funding.

The funding will be aimed at supporting and developing new ideas that have commercial potential but do not have a minimum viable product[[1]](#footnote-1) with accompanying data. Fundamentally, at the end of a PoC project the technology should be de-risked to the point where it can attract further investment.

The programme focuses on a model where small groups work on short applied projects to develop an idea through to a stage where a route to commercialisation is clear, either as a spin out or by licensing to an existing company

PoC represents a strong commitment to exploiting research advances and encouraging innovation within Northern Ireland’s Research Organisations.

**STRUCTURE OF PoC PHASE IV**

**STAGE 1 (Commercialisation verification)**

Stage 1 of PoC is designed to allow the applicants to fully explore the commercialisation potential of their discovery whilst giving them the necessary training to fully exploit their customer engagement and determine future commercialisation direction.

**STAGE 2 (Commercialisation consolidation)**

Projects would enter this stage after the completion of Stage 1 or equivalent. Stage 2 allows for technical development in parallel to the development of a comprehensive commercialisation strategy. Technical development at this stage is defined as moving the technology to a Technology Readiness Level, with a relevant data set, where it can attract further investment.

**STAGE 3 (Commercialisation acceleration)**

Additional support to accelerate the realisation of economic outcomes for outstanding PoC projects. Further information can be provided on request.

**STAGE 2 (Commercialisation consolidation)**

The Stage 2 of the Proof of Concept programme allows for a twin track commercialisation approach:

Technical development –

PoC Stage 2 supports the development of intellectual property to take place in a way which:

* Extends protection of that property
* Extends applicability of that property
* Improves confidence in its anticipated commercialisation
* Underpins the validity of its claims
* Demonstrates value

The projected technical outputs must align with the goal of obtaining follow-on funding or investment.

Commercial development –

PoC Stage 2 continues the commercialisation journey established during the Stage 1 (or equivalent) project. Business development, business training, continued customer engagement and assessment of the proposed market is encouraged.

The potential commercialisation outcomes will likely be one or more of the following:

* Establishment of a spin-out company.
* A license agreement.
* Follow-on funding to continue the development of the technology.
* Collaboration with an industry partner to fund future technical development of the technology.
* The potential technical improvements over the current state-of-the-art are not significant and do not warrant further development.
* Confirmation of the economic benefits.

Stage 2 will also facilitate the building and consolidation of the commercialisation team that will ideally consist of initially an Academic Mentor, a Delivery Lead and a representative from the Research Organisation’s Commercialisation Office. The recruitment of a business/commercialisation mentor is also encouraged.

For clarification:

* The Academic Mentor is likely to be a senior Principal Investigator and will provide guidance and direction (technical and commercial) to the Delivery Lead.
* The Delivery Lead is likely to be an early career academic and will be the driving force behind the project’s commercialisation and technical activity. They should have sufficient capacity and desire to pursue commercialisation to a conclusion.

**ELIGIBLE COSTS**

Stage 2 costs will be based on evidence gathered during the Stage 1 (or equivalent) project.

Costs will be divided in to two elements – technical and commercial.

**Technical Strand:**

**Directly *incurred* costs**

Such as -

* Labour
* Consumables
* IPR costs
* Subcontracting
* Equipment
* Other (i.e. Trials and testing)

**Directly *allocated* costs**

A contribution to research facility costs at a fixed rate of 20% of labour costs.

**Indirect costs are not permissible**

**Commercialisation Strand:**

**Directly *incurred* costs**

Such as -

* Labour
* Commercialisation costs
* Travel
* Business/Commercialisation Mentor

At a minimum 25% of project costs must be committed to commercialisation activity.

Note: Directly allocated costs are not included under the Commercialisation Strand.

**METHOD OF FUNDING**

Claims will be submitted at **quarterly intervals** in arrears. On receipt of a claim for assistance, the eligible expenditure on the claim will be vouched against original records and receipts. Payment will be subject to satisfactory progress against milestones.

**TIMETABLE**

It is anticipated that there will be three calls annually.

The precise dates will be agreed with the Technology Transfer Offices and all Research Organisations will be in agreement.

**APPLICATION PROCEDURE AND SELECTION CRITERIA**

**Note that prior to submission to Invest NI all applications to the programme must be fully vetted & formally approved by:**

1. **the Head of School/Faculty**
2. **the Research Organisation’s Commercialisation Office**

Applications will be reviewed by an Assessment Panel and scored on commercial potential and technical quality.

In addition, the following basic eligibility requirements must be met;

* The application has been signed by the relevant Research Organisation authorities. Appended emails from signatories will be sufficient evidence;
* The project is not curiosity or strategic driven (at least TRL 2/3). PoC is not an alternative source of pure research funding;
* State aid compliant;
* Progenitor projects demonstrate quality and relevance;
* Clarity of language;
* Adherence to page limits and
* Satisfactory completion of a Stage 1 (or equivalent) project.

Calls are competitive and therefore the number of projects supported at each call is dependent on the number that meet minimum quality standards and the available programme budget.

The Assessment Panel’s decision will be final.

**SHARING YOUR INFORMATION**

As part of the application review and selection process we may utilise an external panel of investment experts. All information will be shared securely. All external panel members operate under current Invest NI confidentiality agreement and we will manage potential conflicts of interest. By submitting the application, applicants are agreeing to your information being shared. For details on how we use your personal data, including your rights, please visit: [www.investni.com/privacy](http://www.investni.com/privacy).

**STATE AID**

Projects must comply with EU State Aid rules. As the funding is provided at a grant rate of 100% of eligible costs, it cannot be used to fund company research. **Research Organisations must not therefore involve industrial partners in the project.**

**PROJECT MONITORING AND REPORTING**

Each project supported under the programme will be overseen by a Project Management Panel comprising the Academic Mentor/Delivery Lead; a representative from the Research Organisation’s Commercialisation Office and the Invest NI Technology Executive or appointed Business/Commercialisation Mentor. The remit of the Panel will be to review progress on the project, as well as monitor costs. These will be scheduled at a project initiation meeting.

The Academic Mentor/Delivery Lead will record and submit on a **quarterly basis, a** progress report and financial spend. A standard Project Management Panel Report pro-forma is provided by Invest NI.

Failure to provide the reports in the agreed time frame or in conjunction with the submitted claim, may result in grant claims being rejected.

#### SUBMISSION OF COMPLETED APPLICATIONS

Please forward a scanned electronic copy to POC@investni.com before **4:00pm** on the relevant call closure date.

**DISCLAIMERS**

Invest NI retains its right to alter the application process, eligibility criteria and allocation criteria at any time.

**FURTHER INFORMATION**

If you require any clarifications please contact:

Claire Griffin
T: 028 9069 8356
E: Claire.griffin@investni.com Web: [www.investni.com](http://www.investni.com)

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If you require this brochure in an alternative format (including Braille, disk, audio cassette or in minority languages to meet the needs of those whose first language is not English) then please contact:

Invest NI’s Equality Team

T: 028 9069 8273

E-mail: equality@investni.com

 Proof of Concept to Commercialisation



 Phase IV

 Stage 2 (Commercialisation Consolidation)

**Application Form**

 PoC Reference No:

**PROJECT TITLE**

* *Please provide a short disclosable descriptive title for the project.*

**APPLICANT DETAILS**

1. Research Organisation:

2. Department/School:

Postcode

3. Address:

4. Academic Mentor

Name:

Position:

Tel No:

Email address:

5. Delivery Lead

Name:

Position:

Tel No:

Email address:

6. Commercialisation

Name:

Tel No: Email address:

 Office Representative:

**OUTCOME OF STAGE 1 (OR EQUIVALENT) PROJECT**

7. **Commercial Verification** (2 A4 Max)

Append your Stage 1 report to this application.

If you have not previously completed a PoC Stage 1 project for this technology please provide details of your preceding commercialisation verification activities and findings, which support this application for PoC Stage 2 funding.

Details to include:

* Name of funding programme with link to relevant website.
* When the exercise completed (note, must be within 12 months of your Stage 2 application).
* Append your final written commercialisation report.

**TECHNICAL DETAILS**

This section examines the project objectives and how the project will deliver innovative technology to address a commercial problem. **Whilst demonstrating the full potential of the technology please use non-technical terms to describe how your solution is new or novel. Failure to do so may result in your application being rejected.**

The aim of a PoC project is to move the technology to a stage where it is investor ready and getting to this stage should be clearly articulated in this section.

8. **Progenitor Projects**

Please list any previously funded project(s)\* that provides the basis for your current proposal; confirm and explain the current Technology Readiness Level (TRL) and the predicted TRL level when the PoC project completes.

\*Such as Research Council, charity, block grant/university funds.

9. **Project Summary**

Please provide a **disclosable** summary of the project including a statement of the commercial opportunity for the technology and the specific application for the technology this project will focus on – 1/2 A4 Max.

10. **Project Description and** **Competitive Advantage through Innovation** (3 A4 Max)

Describe the technology development to date and include a summary of the results of preceding work. To assess the technological innovation associated with the project, you should provide a clear technical description of the product or process that you intend to develop. This should be drafted in terms of what you believe will be its key technical and innovative features. Describe in detail, what you consider to be inventive and makes your project different from existing products or processes. Include diagrams where appropriate. You should also explain why the project is a significant technological step forward for the industry or sector. We recognise that the level of innovation will vary from industry to industry, but to help us assess this, please state whether the results of your project will produce something which is new in international terms, in UK terms, or for your own sector.

You will have considered the technical uncertainties and problems associated with the project. In order to assess the nature and extent of these, you must provide a detailed description of all the research and development activities involved in the project, including:

* each of the major technical problems to be solved;
* the technical approaches you will adopt in solving these challenges;
* an assessment of the likelihood of the project being technically successful; and
* whether the risk associated with each challenge is high, medium or low.

**Include a detailed project plan.** This should highlight the major work packages and relate to the technical challenges above.

11. **Technology Area**

|  |  |
| --- | --- |
| Life and Health Sciences |  |
| Information and Communication Technologies |  |
| Engineering, Construction and Transport |  |

To assist us in assigning the right assessors, please tell us the technology or market area in which your project will be based. **Please select one area only**.

12. **IPR**

State any background patents relevant to the project (Give details: title, patent number). Indicate whether you or the Research Organisation owns these patents or whether you have the rights to use them in this project. Copies of any relevant current patent applications should be appended to your Proof of Concept application. You should also advise if there are any obstacles to patenting such patents owned by a third party that may inhibit commercialisation.

Prior Art

Please list below the documents (journal articles, web-pages or patent documents) which in your opinion provide the closest description of the concept to which this PoC is directed.  If the present concept is a combination of two or more elements previously known in isolation, please list documents which disclose each of those elements.

1.

2.

3.

13. **Regulatory/Ethical Issues**

Give details of any regulatory/ethical issues to be addressed prior to commencing the project and post project as this could impact commercial appeal. Also indicate if you have obtained, or will need approvals for use of animal or human tissues.

**COMMERCIAL POTENTIAL**

14. **Opportunity and** **Market Potential** (3 A4 Max)

Specifically you should conform to the following:

* Define the target market (i.e. the ‘gap’, ‘need’ or ‘problem’ your technology proposes to solve).
* Detail your competitive advantage.
* What is the realistic size of this market.
* Describe the ‘gap’, ‘need’ or ‘problem’ your technology proposes to solve.

Barriers to the adoption of the proposed technology should also be included. Such as:

* Competitor products.
* Likely time to market.
* Risks to commercialisation (including mitigation strategies).
* Industry trends.
* A detailed commercialisation plan.

Provide details of any market assessments undertaken prior to the submission of this application.

15. **Economic Impact in Northern Ireland** (1 A4 Max)

Describe the commercial potential of the project output in terms of a) providing the basis for setting up a new commercial enterprise in Northern Ireland and/or b) licensing the technology to improve the competitiveness of industry in Northern Ireland. You should identify companies in NI for whom the technology is relevant and how the technology will be used. In the case of licensing, provide evidence of engagement with/interest from NI industry. In the case of a start-up company outline the suitability of the technology for the start-up route and the potential route for exploitation.

If the project is not expected to result in the creation of a NI company or license to an existing NI company, this section should demonstrate how the project will result in an economic impact for NI by other means.

**PROJECT COSTS**

All reasonable costs involved in the execution of the project are eligible for funding. Please provide totals for each sub-head and clear justifications of costs under each heading and how it represents value for money. The detail on projected spend shall be included in the accompanying spreadsheet.

16. **Technical costs:**

**Sub-head #1: £**

(For example, Labour - amend as necessary)

**Justification:**

**Sub-head #2: £**

(For example, Directly Allocated Costs - amend as necessary)

**Justification:**

**Sub-head #3: £**

(For example, Consumables - amend as necessary)

**Justification:**

17. **Commercial costs:**

**Sub-head #1: £**

(For example, Labour - amend as necessary)

**Justification:**

**Sub-head #2: £**

(For example, Business/Commercial Mentor - amend as necessary)

**Justification:**

**Sub-head #3: £**

(For example, Consultancy - amend as necessary)

**Justification:**

17. **Profile of Expenditure** *Note: The total of anticipated quarterly expenditure must reconcile with the project costs*

Please detail in accompanying excel spreadsheet.

**PROJECT MANAGEMENT**

18. **Overview of Project Management**

**PREVIOUS FUNDING**

19. Have you applied before for Proof of Concept funding for this or a similar project?

YES[ ]  NO[ ]

If ‘Yes’, please provide details.

20. Have you applied or will you be applying for other public funding for this or a similar project? You must also indicate if there are alternative funding options (such as Research Council follow on funds) and why they are not appropriate.

YES[ ]  NO[ ]

If ‘Yes’, please provide details.

**DECLARATION BY PRINCIPAL INVESTIGATOR AND RESEARCH OFFICE**

21. The formal arrangement for the funding of the project will be between Invest Northern Ireland and the host Research Organisation. For this reason, proposals must have the endorsement of the host Research Organisation at the time of submission.

I declare that the information given in this application is correct.

I agree to abide by all the conditions of the Invest NI Proof of Concept programme and accept that the Assessment Panel’s decision is final.

Academic Mentor or Delivery Lead Head of School / Faculty

Signed: Signed:

Date: Date:

Name: Name:

(Capital Letters) (Capital Letters)

Position: Position:

**DECLARATION BY RESEARCH ORGANISATIONS COMMERCIALISATION OFFICE**

22. I declare that the Research Organisation’s Commercialisation Office has reviewed this application; provided input where appropriate; is fully supportive of the proposal and will supply a representative to the project’s commercialisation team.

Signed:

Name:

(Capital Letters)

Commercialisation Office:

Position:

Date:

1. A minimum viable product (MVP) is a version of a product with just enough features/data to satisfy early customers and provide feedback for future development. [↑](#footnote-ref-1)