



Emerging Technology Fund

Commercialization Award (Subchapter D)

Project Proposal

Office of the Governor
Emerging Technology

For OOGEDT Use Only:

Date Received: _____

Project: _____

RCIC: _____

File Number: _____

Directions for Completing the Application

Submit completed applications to a state designated Regional Center of Innovation and Commercialization (RCIC). A link to all the state designated regional centers of innovation and commercialization can be found at www.emergingtechfund.com.

All emerging technology commercialization award (Subchapter D) project applications to be considered for funding by the Governor, Lt. Governor and Speaker of the House, on a quarterly basis, must originate from or be sponsored by a state designated Regional Center of Innovation and Commercialization.

NOTE: Use a separate application for Research Matching (Subchapter E) or Research Superiority (Subchapter F) awards. The applications can be found on the ETF web site at www.emergingtechfund.com.

Instructions for completing this application:

1. All fields in the application **must be completed** for there to be a successful submission. **Any fields that do not apply to the project, please put "not applicable or n/a" in the space provided.**
2. **All confidential and proprietary information must be clearly identified by the applicant in each section, where applicable, throughout this application.**
Confidential information must be clearly noted and marked on the applicable page within the application. All portions of the application that are not marked as being confidential may automatically be considered public information. The Office of the Governor assumes no responsibility for asserting legal arguments for Applicants. Applicants are advised to consult with their legal counsel concerning disclosure issues resulting from this proposal process and to take precautions to safeguard trade secrets and other proprietary information.

Refer to the description of Proprietary and Confidential Information at the end of this form for more information.

3. **Please try to provide brief responses in each of the text boxes, and avoid having text boxes longer than a single page (in most cases much shorter than a page).**

1 - Application Information

1.1 Project Information

Project Name: _____

Award amount requested for project: \$_____

Is this a Pre-Seed Commercialization Award request? Yes No

NOTE - Requests for Pre-Seed Commercialization Awards are limited to \$250,000.

State Designated RCIC: _____

Emerging Technology Sector: _____

Select one: Advanced Technologies Manufacturing, Aerospace & Defense, Energy, Information and Computer Technology, Life Science & Biotechnology, Chemical & Petroleum Refining, or Other

Technology Description: Provide brief description of the technology for this project. Limit response to this box size.

1.2 Applicant Information

Authorized Business Representative (This is the applicant)

First Name _____	Last Name _____
Title _____	Organization _____
Street Address _____	
Mailing Address _____	
City _____	State _____ Zip _____-_____
Office Phone Number _____	Direct Office _____
Mobile Number _____	Fax Number _____
Email Address _____	

Certification of Application: Either sign this page, or execute a separate Certification of Application form and submit to the State Designated RCIC.

To the best of my knowledge and belief, the information contained in this Texas Emerging Technology Fund Application is true, correct and current, as evidence of my signature below. I further certify the business entity is in good standing under the laws of the state in which the entity was organized and that no delinquent taxes are owed to any taxing entity within the State of Texas or any other state or nation.

Signature _____ Date _____

1.3 Applicant Business Information

Exact Legal Name of Business which application is made: _____

Federal Tax ID Number: _____ Comptroller of Public Accounts Number _____

Corporate Credit rating & Source _____ Product produced _____

NAICS (North American Industry Classification System) code _____

Will the business be required to pay State Sales and Use tax on Equipment? Yes No Undetermined

Does the applicant have a Dun & Bradstreet number? Yes No D&B # _____

Is the applicant registered to do business in Texas with the Texas Secretary of State? Yes No

Is the Applicant currently structured as a C-Corp? Yes No

If not, what is the current structure (LP,LLP,LLC,S-Corp,...)? _____

2 - Company Overview

2.1 - Elevator Pitch: Provide a non-confidential summary of your company and business strategy, emphasizing the strengths of your opportunity.

2.2 - Problem, Solution, and Value Proposition: Describe what problem your business is solving, how you intend to solve it, the scalability of your solution, and what your key value proposition is relative to the existing competition.

3 - Commercialization Project

3.1 - Summary of ETF Funded Project: Briefly describe the activities that will be funded by the ETF, including the objectives of this project, and how it will impact the commercialization of the technology and/or help your company attract additional funding.

3.2 - Key Technical & Commercialization Milestones: List the key technical & commercialization milestones that the ETF award will help you achieve, plus significant milestones already achieved and those milestones to be achieved through planned additional funding. Please clearly identify those milestones paid for by the ETF award. Please indicate responsible parties and timeframes for each specific activity.

3.3 - Use of Funds: Itemize the use of the ETF funds, including a breakdown of other funding you are seeking in parallel with the ETF award. Please identify any funds that will be spent with your university partner(s).

4 - Technology/Intellectual Property

4.1 - Technology Summary and Status: Describe how/why the underlying technology works and the current status of the product (prototype, low volume production, animal trials, ...).

4.2 - Intellectual Property Summary and Status: List any issued or pending IP including dates, numbers and descriptions. If you are licensing IP, summarize the nature of the license agreement, the IP involved, and the status of the license. What are the risks for disputes of litigation?

4.3 - Technology Differentiation: How is your technology different from what is currently available? Why is your technology better (faster, higher quality, cheaper, more reliable, ...)? Is your solution disruptive to the current marketplace? Could it provide a medical or scientific breakthrough?

4.4 - Platform Technology: Beyond the existing initial market, how can the technology be applied? Is there a potential for significant additional upside?

4.5 - Technology Validation: Has the technology received peer-reviewed federal grants or been the subject of a published peer-reviewed article? Has a prototype been built? How has the technology been validated? Summarize any testing or trials that have been performed.

5 - University Collaboration

Which Texas Universities (Institutions of Higher Education) are involved? For each university (or IHE), provide the university name, name of your primary contact, name of the specific department, and the nature of the documentation of the collaboration (licensing agreement, LOI, MOU, ...). Cut-and-paste to add more Texas universities if needed.

University: _____ Department: _____
Contact: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____
Documentation Type: _____

Briefly summarize the meaningful contribution the university is making to the commercialization of your technology.

6 - Commercialization Strategy

6.1 - Market Analysis: Define the market using a bottom's up approach outlining key drivers, how much you believe is available for your product now, and how much in the future. You may also choose a top down approach if it tells the story better. Please feel free to use charts and references.

6.2 - Customer Validation: Briefly summarize customer relationships such as distribution agreements, purchase orders, Beta testing, and/or revenues. These may be past, current or in development.

6.3 - Go To Market Strategy: Describe your strategy for entering the market, engaging customers, and completing sales. Include any technology development required to implement this strategy.

6.4 - Revenue Model and Pricing Strategy: What is your role (product, service, licensing)? How do you make money (revenue model)? What are your price points for customers/distributors/licensors?

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6.5 - Competition and Barriers to Entry: Identify current and potential (direct and indirect) competition, including a summary of how you differentiate (key technical/business strengths & weaknesses). Also include any barriers you possess that will limit your competition.

6.6 - Partners (other than Texas universities): Describe any partnerships that will be key to the commercialization of your technology. ? For each partner provide the partner's name, name of your primary contact, type of entity (non-Texas university, corporation, VC, ...), and the nature of the documentation of the collaboration (licensing agreement, LOI, MOU, ...). Cut-and-paste to add more partners if needed.

Partner: _____	Type: _____
Contact: _____	Title: _____
Address: _____	City/State/Zip: _____
Phone: _____	E-mail: _____
Documentation Type: _____	

Briefly summarize the meaningful contribution the partner is making to the commercialization of your technology.

7 - Funding Strategy

7.1 - Prior Investment and Valuation: Summarize all prior cash equity investments and debt, including the current valuation. Are these investors willing and capable of investing more?

7.2 - Funding Plans: Will the ETF funds be sufficient to execute the business plan or will additional investment be needed in the future? If so, where will the future funds come from? And are you planning to raise the funds to meet the Qualifying Financial Transaction requirements (within 18 months, or 30 months for Pre-Seed)?

7.3 - Exit Strategy: Describe your potential exit strategy and comparables for your type of company.

7.4 - Capitalization Table:

Number of Common Shares Authorized: _____
Number of Preferred Shares Authorized: _____
Total Paid in Capital (Cash Only) _____

Number of Common Shares Issued and Outstanding: _____
Person 1: _____
Person 2: _____
Person N: _____

Note: The shares for each person shall add to create the Number of Common Shares Issued

Number of Preferred Shares Issued and Outstanding: _____
Person 1: _____
Person 2: _____
Person N: _____

Note: The shares for each person shall add to create the Number of Preferred Shares Issued

Total Number of Warrants Issued _____
Person 1: _____
Person 2: _____
Person N: _____

Note: The shares for each person shall add to create the Number of Warrants Issued

Total Number of Options Issued _____
Person 1: _____
Person 2: _____
Person N: _____

Note: The shares for each person shall add to create the Number of Options Issued

Give a brief description of Preferred Stock Terms and Conditions

- 1. _____
- 2. _____
- 3. _____

Give a brief description of Warrant Terms and Conditions

- 1. _____
- 2. _____
- 3. _____

Give a brief description of Option Terms and Conditions

- 1. _____
- 2. _____
- 3. _____

Give a brief description of the last capital raised by the company

Number of shares: _____
Type of shares issued: _____
Price per share: _____
Total Amount Raised: _____
Date Completed: _____

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7.5 - Federal or Private Grants: Has the project been granted funds under the Small Business Innovation Research Program (SBIR), Small Business Technology Transfer Program (STTR), Manufacturing Extension Partnership Program (MEP), Advance Technology Program (ATP), or by any other federal or private granting entities? Yes No
 (If "yes" please fill out the information below)

Project Title _____	Agency _____	\$ _____
Start Date _____	End Date _____	
Entity Receiving the Grant _____		
Type <input type="checkbox"/> SBIR <input type="checkbox"/> STTR <input type="checkbox"/> MEP <input type="checkbox"/> ATP <input type="checkbox"/> OTH		
Project Title _____	Agency _____	\$ _____
Start Date _____	End Date _____	
Entity Receiving the Grant _____		
Type <input type="checkbox"/> SBIR <input type="checkbox"/> STTR <input type="checkbox"/> MEP <input type="checkbox"/> ATP <input type="checkbox"/> OTH		
Project Title _____	Agency _____	\$ _____
Start Date _____	End Date _____	
Entity Receiving the Grant _____		
Type <input type="checkbox"/> SBIR <input type="checkbox"/> STTR <input type="checkbox"/> MEP <input type="checkbox"/> ATP <input type="checkbox"/> OTH		
Project Title _____	Agency _____	\$ _____
Start Date _____	End Date _____	
Entity Receiving the Grant _____		
Type <input type="checkbox"/> SBIR <input type="checkbox"/> STTR <input type="checkbox"/> MEP <input type="checkbox"/> ATP <input type="checkbox"/> OTH		

(expand if necessary)

7.6 - Other Sources of Funding: List all other sources of funding for the project. (Sales, secured financing, angel, VC, corporate, in-kind, etc). Expand if necessary.

Source	Amount Committed	End Date	Start Date
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8 - Financials

8.1 - Current Balance Sheet: Include a current balance sheet for your business that is at least as current as the most recent quarter. You may also include historical balance sheets and projections if you have them.

8.2 - 5 Year Forecast Profit and Loss Summary: Please include a high-level profit & loss chart outlining revenue and expenses, include 2 years of history (if available).

8.3 - 5 Year Forecast Cash Flow Summary: Please include a cash flow chart either using the direct or indirect method, include 2 years of history (if available).

9 - Economic Benefit to Texas / Other Information

9.1 - Economic Impact: Describe how your business will create benefit and wealth creation in the State of Texas.

9.2 - Job Creation: Provide a 5 year projection of Texas-based jobs to be created (by type) including salaries.

9.3 - Other Information: Provide any additional information that may not be addressed elsewhere in this application.

10 - Personnel and Business Team

The business history of each member of the management team and board of directors will be checked through the Secretary of State and Comptroller. Ensure any outstanding items are cleared by contacting the Franchise Section of the Office of the Comptroller at (512) 463-4402.

10.1 - Primary Management and Sales Team members

List the Primary Management and Sales Team (CEO, CFO, CTO, VP, etc). Please list all of the management and sales team members in the box below, and then provide detailed information for each team member. Please summarize relevant company formation and emerging technology commercialization experience. Cut-and-paste to add more if needed.

Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

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10.2 - Primary Technical Team members

For each technical member, please summarize relevant company formation and emerging technology commercialization experience. Cut-and-paste to add more if needed.

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

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10.3 - Board of Directors members

Please list all board of directors members in the box below, and then provide detailed information for each board member. Please summarize relevant company formation and emerging technology commercialization experience. Cut-and-paste to add more if needed.

Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____
Name: _____	Title: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

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10.4 - Advisory Board members

For each board member, please summarize relevant company formation and emerging technology commercialization experience. Cut-and-paste to add more if needed.

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Name: _____ Title: _____
Address: _____ City/State/Zip: _____
Phone: _____ E-mail: _____

Confidential and Proprietary Information

The Office of the Governor must comply with the Texas Public Information Act (the "Act"). Under the Act, however, we do have authority to maintain the confidentiality of the name of and other information related to a company seeking to locate in the state until after the location negotiations are completed.¹

In the event a public information request related to an applicant is submitted to our office, we will:

- (1) promptly notify the applicant of the request,
- (2) take all possible and appropriate actions with the Attorney General of Texas to prevent release of the information, including asserting exemptions under the Act (including the Economic Development Negotiations exception of section 555.131² and the Trade Secrets/Commercial Information exception of section 555.110)³, and
- (3) provide the company with full information and opportunity to participate in such process.

After an award is approved and a contract is signed, the Office will release non-confidential information in response to public information requests. Applicants should consult legal counsel in regards to disclosing confidential information and the applicability of the Public Information Act.

¹ Sec. 490.057 Texas Government Code: "CONFIDENTIALITY. Information collected by the governor's office, the committee, or the committee's advisory panels concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive information of an individual or entity being considered for an award from the fund is confidential unless the individual or entity consents to disclosure of the information."

² Sec. 552.131 Texas Government Code: "EXCEPTION: ECONOMIC DEVELOPMENT INFORMATION. (a) Information is excepted from the requirements of Section 552.021 if the information relates to economic development negotiations involving a governmental body and a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body

and the information relates to:

(1) a trade secret of the business prospect; or

(2) commercial or financial information for which it is demonstrated based on specific factual evidence that disclosure would cause substantial competitive harm to the person from whom the information was obtained.

(b) Unless and until an agreement is made with the business prospect, information about a financial or other incentive being offered to the business prospect by the governmental body or by another person is excepted from the requirements of Section 552.021.

(c) After an agreement is made with the business prospect, this section does not except from the requirements of Section 552.021 information about a financial or other incentive being offered to the business prospect:

(1) by the governmental body; or

(2) by another person, if the financial or other incentive may directly or indirectly result in the expenditure of public funds by a governmental body or a reduction in revenue received by a governmental body from any source."

³ Sec. 552.110 Texas Government Code: "EXCEPTION: TRADE SECRETS; CERTAIN COMMERCIAL OR FINANCIAL INFORMATION. (a) A trade secret obtained from a person and privileged or confidential by statute or judicial decision is excepted from the requirements of Section 552.021.

(b) Commercial or financial information for which it is demonstrated based on specific factual evidence that disclosure would cause substantial competitive harm to the person from whom the information was obtained is excepted from the requirements of Section 552.021.

