Memorandum

Date: July 22, 2015

To: All UMass Investigators

From: Abigail Barrow, Interim Executive Director, OTCV; Director, MTTC

Subject: The OTCV Innovation Commercialization Seed Fund- Phase 2 for FY16

Background
We are pleased to announce the solicitation for the OTCV Innovation Commercialization Seed Fund- Phase 2. The purpose of the Fund is to assist faculty and the OTCV offices with the commercial development of important technologies discovered on our campuses. The Fund was initially created by the Massachusetts legislature in the 2014 Economic Development Bill. Initial funding was eliminated by Governor Patrick’s 9c cuts in November 2014, but last week funding was reinstated into the budget. The overall effort is now incorporated in the UMass Entrepreneurship Commons program which has the participation of the 5 campuses and the President’s Office. See http://otcv.umassp.edu/about-this-guide/.

Fund Objective
These funds are to be awarded through a competitive process to researchers who have invented or developed concepts, goods or services that have commercial potential. Priority will be given to concepts, goods or services that create jobs. Awards will be focused on developing technologies that benefit industry sectors of strategic importance to the Commonwealth, such as advanced manufacturing, advanced materials, clean energy, communications, cyber security, defense, information technology, life sciences and marine science. 50% of the total funding is reserved for UMass projects. Our initial use of this new funding will be on the Phase 2 awards (see below) but we are also exploring other programs that will be launched later in the year. As this is a state budget line item, all funding in this program must be expended in FY16. As with our prior funding, it may also be subjected to 9c cuts – although we do not at present anticipate that is likely.
MTTC Innovation Commercialization Seed Fund - Phase 2

To be eligible for a Phase 2 award, a researcher must have previously received a Phase 1 award and have successfully carried out the prescribed work demonstrating the commercial potential. Phase 2 awards will be approximately $40K each. Since it is the first year and only prior awardees of the fund are eligible, we do not yet know how many Phase 2 awards will be granted, but we anticipate awarding 6 to 10. These awards will be directed at further proof of concept work to show the commercial viability of the technology. While Phase 1 awards should show that the technology works in a laboratory environment, Phase 2 awards should undertake work that will show the technology’s feasibility and effectiveness in a specific market. Awardees of Phase 2 are also expected to be working on a commercialization plan and starting to develop market data on their new product. We encourage prior awardees from the last 3 years to contact OTCV and the MTTC about applying for a Phase 2 Award. The evaluation and selection of awardees will be made by a group of external reviewers. External reviewers will have expertise in product development and technology investing. All Phase 2 applicants will be expected to make a presentation to the reviewers. The recommendations of the reviewers will be final and not subject to further review. See Appendix A for guidelines and application process for Phase 2.

Other OTCV Programs Offered

We are pleased to offer a range of programs so we can offer commercialization support from early stage technologies to later stage technologies.

OTCV Technology Development Fund - Phase 1

The OTCV Technology Development Fund is typically announced in November. These grants are given to selected UMass researchers and are not to exceed $25,000 in any one fiscal year for the continued development of technology. Grants may be used for a variety of purposes deemed appropriate to the fund’s objectives. Such uses may include additional experimentation, purchase of equipment, contracting of additional work or services, and some travel. Phase 1 funding is typically $25K grants to 8 – 10 finalists.

UMass Startup Initiative

In addition, OTCV also offers its UMass Startup Initiative which provides $5K grants toward the creation of a business plan for a new venture. The business plan will be prepared by an external consultant with relevant commercial experience working closely with the key investigator of the disclosed invention. For more information, go to: http://otcv.umassp.edu/about-otcv/otcv-umass-startup-initiative/ or email Michele Bernier (mbernier@umassp.edu) or your campus OTCV/OTM office.

UMass Investment Fund

UMass Investment Fund can invest up to $500K in a company that has licensed technology from UMass. Investment can be made solely by the University or together with a qualified external venture capital firm’s investment and/or an angel investor’s or angel network’s investment. For more information, go to: http://otcv.umassp.edu/umass-co-investment-fund/.

Seminars

With the support of the MTTC, we will also run educational seminars and help mentor and showcase new companies. Through our network we can make introductions to
potential businesses, and financial and service experts who can assist with the development of a company. If interested, please contact Julia Goldberg at jgoldberg@umassp.edu.

Platform Meeting Program
MTTC also offers its Platform Meeting Program which provides coaching and strategy for delivering an investor’s pitch. A panel of local industry experts is gathered to offer a 2-hour strategy session. More information can be found at: http://www.mattcenter.org/events/platforms-home.html. If interested, please contact Michele Bernier at mbernier@umassp.edu.

OTCV Website resources
The website (OTCV.umassp.edu) describes each of these funds and programs and also identifies campus resources for entrepreneurs including tutorials on commercializing inventions and forming a start-up company.