

SBIR Commercialization Plans

Agenda

- My NSF SBIR Phase II Experience
 - Notes
 - Logistics
 - Takeaways
- Thoughts on Commercialization Plan Sections
- Sample charts

- Ask Questions at any time

Panel

My Notes from NSF

- Now is best time to apply for NSF SBIR
 - Program reauthorized by Congress
 - Budget increase over next 5 years
 - Sequestration just slowed down growth
- 11% acceptance rate is misleading
 - 1/3 are "bot submissions"
 - 1/3 are crack pots (perpetual motion machines, written in crayon, corner flower shops, etc.)
 - Basically, 1/2 go into trash
 - 30 – 40% are credible submissions

My Notes from NSF cont....

- More likely to fund first-time grantees
 - Stats show that awards that go to first time grantees have more impact
- Purpose is to fund high risk, high payback innovations, not evolutionary optimizations of existing products
- Outcome at end of SBIR is that someone should pick up the bill, not necessarily that you are up an up-and-running entity

Panel Review

- Received packets 2 weeks in advance
- Long table
 - 3 technical reviewers on one side
 - 3 commercial reviewers on the other side
- 1 technical reviewer assigned as the lead for each packet and led the discussion
- Spent ~1 hour per packet

Panel Review

- Dropped each submission into a bucket
 - HR – highly recommend
 - RR – recommend with reservation
 - DR – do not recommend
- Program managers take it from there

General Observations

- Reviewers are good
- They want to fund you
- Don't make it hard to find information
 - LinkedIn
 - Website
 - Email Address
- If you end up in DR, you are in bad shape
- Industry feedback is very important and stands out
- Letters of support play a key role and reviewers see through weak ones
- ICORps helps and they advertise it

Other Takeaways

- You do not need to hit a homerun.
 - Pick a clearly defined market and nail it
- Program Managers rule the world
 - It's a black box
 - They know your history
- Knowledge of PI came from PII packet
- Highlight some mistakes I saw

Mistakes I have seen

- Wrong date on Key LOS
- Unrealistic go-to-market strategy
- Spent 3 pages on unrelated market
- Members not listing company on LinkedIn Profiles
- Key partner company seemed sketchy (no LinkedIn Profile, no website, etc.)

Commercialization Plan

Commercialization Plan

- Goals when putting together PII
 - Appearance of a Phase IIB Company
 - Appearance of a winner
 - Gain trust
 - Risky ventures and you need their help (not just a route to equity free financing)
 - Customer centric
 - Building momentum in PI for PII

Market Section

- Market Need
 - Want to be compelling
 - Need to clearly articulate problem
 - Clearly define the market
 - Back it up with data
 - Market feedback

Market Section

- Industry Overview
 - Work in customers and competitors
 - Use standard charts
 - Show that you understand industry
 - Identify niche

Market

- Market
 - Niche vs. broad approach
 - Lots of data
- Commercialization Strategy
 - Show your plan
 - Consistency within your industry
 - Refer to other models

Team Section

- Team
 - Origin
 - Tell compelling story
 - High light customer demand
 - Description
 - LinkedIn Data
 - Show that you're more than academics
 - Show them that you have support
 - Better to high light gaps than ignore them
 - Show board and advisors

Product and Technology Section

- Product/Technology
 - Highlight Value Proposition
 - Show customer feedback and value
- Competition
 - Be realistic and believable
 - Show a standard competition slide
- IP Landscape
 - Show that you have IP plan

Finance and Revenue

- Finance and Revenue Model
 - Be consistent with other documents
 - Be realistic
 - Show high growth
 - Backup with realistic assumptions
- Financials
 - Document assumptions
 - Be reasonable

Supporting Docs

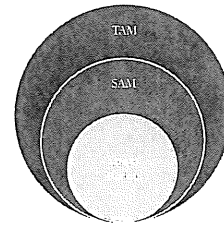
- Letters of Support
- Good, Better, Best
- Start early
- They see through weak ones

Misc Do's and Dont's

- Market Size -- .001% of \$10B market vs. \$100M market
- Yahoo email address
- No website
- No LinkedIn Profile
- Be careful with "Platform technology" statement
- Competition Slide

Sample Charts

Market Size



Total Addressable Market – how big is the universe
 Served available market – how many can I reach with my sales channel
 Target market – who will be the most likely buyers

Competition Slide

Samsung Galzaxy S 4 vs. iPhone 5 vs. HTC One vs. Nokia Lumia 920

	Galaxy S 4	iPhone 5	HTC One	Lumia 920
Screen Size	4.7 in (12.1 cm)	4 in (10.2 cm)	4.3 in (10.9 cm)	4.3 in (10.9 cm)
Resolution	1280 x 720	1136 x 640	1280 x 720	1280 x 720
Screen Space (pixels per inch)	326	326	326	326
Weight	130 g	113 g	131 g	131 g

Competition Slide

