

## SUNY Technology Accelerator Fund S4 Class of 2023 Catalyst Investment Guidelines

### **Background and Purpose**

The SUNY Technology Accelerator Fund (“TAF”) provides funding to support the advancement of SUNY innovations from the lab to the marketplace. Since its launch in 2011, TAF has deployed \$3.6 million to accelerate the commercial readiness of 65 SUNY innovations, which leveraged \$16 million in follow-on funding to date. In most cases, SUNY innovations developed through sponsored research lack critical proof-of-concept data that is needed to attract investment by potential licensees or investors. TAF support targets the critical milestones needed to demonstrate that an innovation is worthy of outside investment. The aim is to identify opportunities where small infusions of capital will enable significant impacts in making SUNY innovations available to the public. The goal is to facilitate the translation of SUNY technology into marketable products and/or services by enhancing strategic academic-industry partnerships and building new entrepreneurial ventures.

SUNY Startup Summer School (“S4”) provides faculty, students, and staff with the knowledge and networks that will enable them to commercialize breakthrough technology and innovative services. S4 offers virtual accelerated entrepreneurial education, training, and mentoring for participants to help them secure the initial funding needed to get their technology or service to market. S4 provides access to instructional webinars led by renowned speakers which build the foundation of knowledge and learning that aspiring entrepreneurs and established startups need to be successful. S4 also offers proposal identification and development support from experts with proven track records in helping research teams and startups secure grants and other non-dilutive funding. The program is designed for each participant to maximize impact and help them get to the next level.

### **Eligibility**

To be eligible for a TAF S4 Catalyst Investment, teams and/or companies must meet all of the following requirements:

- Be enrolled in the S4 Class of 2023;
- Participate in the S4 Demo Day pitches on August 9, 2023;
- By December 31, 2023, complete the company formation process if a company has not already been formed; and
- By December 31, 2023, the company receiving the TAF S4 Catalyst Investment must demonstrate that it has a license or option to the technology it plans to commercialize.

### **Evaluation Criteria**

In addition to ensuring that S4 Class of 2023 teams and companies meet the eligibility requirements, they will also be evaluated based on the following criteria for a TAF S4 Catalyst Investment:

- **Technology/Service** – What is innovative about the technology or service? What type of product, process, or software can the innovation be incorporated into? What is the status of any such intellectual property protection (e.g., technology disclosure, patent applications, issued patents, registered copyrights or marks)? What are the plans for establishing and building an intellectual property portfolio or strategy?

- **Market Opportunity** – What specific market need will the technology or service satisfy? How has the market opportunity been validated through customer discovery or industry outreach? Has any member of the team or company participated in any formal customer discovery training through an National Science Foundation I-Corps Regional or National Program? What is the current value proposition and what would be the potential market entry point?
- **Commercialization Pathway** – What is the projected development and commercialization pathway for the technology or service? What are the potential barriers to commercialization? How did customer or end-user feedback inform the commercialization plan and go-to-market strategy for the technology or service? What support structures exist (or are needed) in order to introduce the new product or service to the market?
- **Commitment** – What commitment of resources (e.g., patent expenditures, equipment, corporate formation) has the team, company, campus, or a third party made to support this effort to date? What type of commitment is needed to initiate the commercialization strategy? What steps will the team or company take to secure the commitment of a third party (e.g., funding agency, investor, strategic partner) to support the continued commercialization and development of the technology or service?
- **Team** – Has the proposed team demonstrated a passion for commercialization of their technology, such as active and consistent participation in the S4 webinars? Does the team demonstrate strong and sustainable potential to build off the S4 programming to continue the development of their venture and commercialization of the technology or service? Do any members of the team (e.g., founders, advisors, directors) have expertise in technology development and entrepreneurial interests or aspirations?

**S4 Class of 2023 teams and companies who plan to participate in the S4 Demo Day pitches on August 9, 2023 should structure their slide decks so that they directly address these five (5) evaluation criteria – technology/service, market opportunity, commercialization pathway, commitment, and team.**

### **Funding and Terms**

SUNY Research Foundation will make up to two (2) TAF S4 Catalyst Investments of up to \$25,000 each. TAF S4 Catalyst Investments will be structured as convertible notes or simple agreements for future equity (SAFE) notes and made directly to companies. These investments will also require milestones that are mutually agreed upon by the company and SUNY Research Foundation. All milestones must be successfully completed, subject to SUNY Research Foundation's final approval, in order for the TAF S4 Catalyst Investments to be disbursed to the companies.

In addition, companies will be required to share the following documentation with SUNY Research Foundation before the investment is finalized – articles of incorporation, shareholder agreement or operating agreement, and current business plan or slide deck.

SUNY Research Foundation has provided a sample note purchase agreement for the convertible note option and a sample SAFE purchase agreement for the SAFE note option.