

COMMERCIALISATION FUND PROGRAMME 2012 REFERENCE DOCUMENT

PROGRAMME OVERVIEW

The aim of the Commercialisation Fund programme is to improve the competitiveness of the Irish economy through the creation of technology based start-up companies and the transfer of innovative technologies developed in 3rd level institutions to Irish industry.

In 2012, the programme will fund the development of innovative technologies **at all stages** of the commercial pipeline from **early stage research** through **technology development** to the point where the technology **can be commercialised** as new products, services and companies.

The Commercialisation Fund 2012 Programme comprises the following funding supports:

COMMERCIAL CASE FEASIBILITY SUPPORT

Enterprise Ireland recognises the need for business development expertise to complement researchers' technical expertise, to develop strong commercialisation strategies for innovative technologies. To this end, funding is provided **to Principal Investigators in partnership with their Technology Transfer (TTO) or equivalent office** to scope and develop the commercial case for their technology in line with the information required to complete section 2 (Commercial Potential and Technology Development) of the standard Commercialisation Fund application. **Principal Investigators who have not had funding previously from the Enterprise Ireland Commercialisation Fund Programme are particularly encouraged to consider this support.**

Support is provided to assist the project team to:

- Perform primary and secondary market analysis for the technology application/s
- Engage with customers, end-users, Industries and other relevant stakeholders particularly focussing on developing the exploitation route in Ireland
- Profile emerging and existing competitor landscape for the proposed technology application
- Perform patent landscaping and plan IP strategy
- Investigate potential routes to exploitation of the technology to the economic benefit of Ireland
- Understand the regulatory issues or other barriers/hurdles to commercialisation
- Create a small demonstration or early prototype

Awards will typically be in the range of €10,000-€15,000. An open call system operates and an application is made by completing the "Commercial Case Feasibility Support" Application form which can be downloaded from www.enterprise-ireland.com/commercialisation. Additional information on this support is included in the Guidelines document.

COMMERCIALISATION FUND SUPPORT

This support is available for projects to address a gap or need in the market by developing innovative technologies that will ideally be ready for licensing to Irish industry or may form the basis of a new start-up in 2-5 years. It is recognised however that some technologies may need a longer time to get to market than others. Proposals from all disciplines in the fields of Science and Engineering with costs ranging from €80,000 to €350,000 will be accepted with larger projects funded on a case by case basis.

PROGRAMME TIMETABLE

In 2012, the programme has a 1st call closing dates for standard commercialisation fund applications in March 2012 (NOON on March 7th). Additional call closing dates will be announced on the website.

Proposals can be invited at any time by the Director of the relevant Technology Directorate (Lifesciences and Food, ICT, Industrial Technologies) in Enterprise Ireland for submission to the programme. Invited proposals may include resubmissions from a previous call where the proposals have been strengthened based on the panel comments and the Director is satisfied to invite the proposal for submission. Additionally, proposals where the commercial case for the technology has been well developed through interaction with the Technology Transfer or equivalent office and Enterprise Ireland may be invited for submission by the relevant Director.

ELIGIBILITY TO APPLY

All researchers in the third-level sector and non-profit research agencies and organisations including staff on contract can apply.

NOTE: Due to the staged nature of the programme, the commercialisation fund projects are not considered suitable for researchers completing PhDs or Masters qualifications.

PROJECT INFORMATION

Proposals to the programme must structure project workplans in stages comprising 1-3 sequential stages depending on where the technology is in the commercial pipeline and the amount of commercial and technical work required to develop a licensable technology.

Each project stage will typically last 12-18 months and cost typically <€100K and it is expected that the commercialisation of the technology will run in parallel with its development.

Proposals can include:

- Early development of a scientific concept submitted as a single-stage project with costing <€100K.
- Early stage development performed in stage 1 of a multi-stage project where a timeframe of up to 36 months is required for development of a technology.
- For a technology that is close to market a project will typically consist of 1 stage only with the expectation of licensing within 2 years.

APPLICATION PROCESS

1. Read the Commercialisation Fund Programme 2012 Reference document. Read the Commercialisation Fund Programme 2012 Guidelines for Completing the Commercialisation Fund 2012 Standard Application form.
2. Contact your TTO or equivalent office and Enterprise Ireland at least 1 month in advance of your planned submission to seek their advice on your proposal.
3. Complete the application form "Commercialisation Fund 2012-Standard Application Form".

4. Post one original and one copy of the application form complete with the relevant signatures to Contracts Unit, Commercialisation Fund Programme, Enterprise Ireland, East Point Business Park, The Plaza, Dublin 3. **For Published Calls these must arrive on time on the Closing Date for the Call.**
5. Email a copy of the completed application form as a single **MS WORD** document to commercialisation.fund@enterprise-ireland.com. **For Published Calls this must arrive on time on the Closing Date for the Call.**

The receipt of all proposals will be acknowledged to the Principal Investigators.

EVALUATION PROCESS

The evaluation process is designed to be fair, transparent and rigorous and to select projects for funding that best meet the objectives of the Fund.

Proposals will be treated in confidence and for the purposes of the evaluation where proposals are reviewed by external evaluators, these evaluators have confidentiality agreements in place with Enterprise Ireland.

Proposals are evaluated in two Phases, Phase 1 and Phase 2. The Phase 1 evaluation is performed internally in Enterprise Ireland and evaluates **the commercial case** the applicant makes for the technology.

The PI may be contacted during the Phase 1 assessment if clarification on their application is required.

Proposals with a poor commercial evaluation will **not progress** further to a full technical evaluation in Phase 2. An internal panel chaired by the head of the relevant Enterprise Ireland Technology Directorate decide which projects make a convincing commercial case and move to a Phase 2 evaluation.

In Phase 2, the technical details of the project including the workplan, project management and costings detailed in the proposal are reviewed in the context of the commercial case for the technology by internal and in some cases external experts. The evaluations are used by internal and external review panels chaired by the head of the relevant Enterprise Ireland Technology Directorate to make funding recommendations and to rank proposals. Principal Investigators may be contacted by pre-arrangement during the Phase 2 evaluation or panel meetings to clarify questions the panel have on their application.

Note: The questions the evaluators consider in evaluating the proposals are detailed in Appendix 1.

APPROVAL PROCESS

The funding recommendations for Proposals will be presented for funding decision to the Industrial Research and Commercialisation committee (IRCC) following completion of the evaluation processes as outlined above.

The IRCC will make the final decision on the proposals and the conditions to be attached to any given approval, for example the implementation of a change in the project arising from the evaluations. For approved projects, Enterprise Ireland will commit to funding the first stage of the project and a standard grant agreement for that stage will be agreed.

FEEDBACK TO APPLICANTS

Applicants will be informed of the outcome of the evaluation and approval process after presentation to IRCC. Relevant comments from the evaluations will be fed back to both the successful and unsuccessful candidates.

POST APPROVAL-CONTRACT NEGOTIATION

Grants are awarded subject to the terms and conditions of a standard grant agreement between Enterprise Ireland and the host institution. Each stage will be funded by an independent contract. For each stage, the grant agreement will contain technical and commercial milestones and deliverables and additionally for multi-stage projects go/no go deliverables which will be used by Enterprise Ireland to assess project performance. These will be reviewed by Enterprise Ireland to determine if funding should be made available for the next stage of multi-stage projects.

For approved projects, the Principal Investigator will be sent details of the payment schedule including details of any recommended budget cuts for the project or project stage, annex documentation where the commercial, technical and project management workplans, the deliverables including for multi-stage projects go/no go deliverables, project meeting and reporting schedules will be detailed based on the original application and the changes approved by the IRCC. The Principal Investigator will work with the Enterprise Ireland Commercialisation Specialist assigned to the project to agree the annex. The annex and the IP declaration must be finalised and the Standard Grant Agreement for the project signed by Enterprise Ireland and the host institution and issued within 3 months of the IRCC approval. A joint Standard Grant Agreement will be signed by all collaborating institutions where each institution is to receive grant monies.

IP DECLARATION

The designated college will be required to make a written declaration to the effect that its participation in the project does not give rise to a conflict of interest either on its own part or that of any of the research team. The college will also be required to give a written declaration to the effect that it has a right to full and unfettered ownership of all IP generated through the project, that there is no arrangement in place or commitment given by the college itself or any of the research team to any third party that could affect that right or attach conditions to it and that it will not enter into any such arrangement or commitment in the future without the prior written consent of Enterprise Ireland.

By signing the standard grant agreement, the host institution, TTO and the research team are committing to exploit the outputs of the project. Projects should commence within 3 months of IRCC approval.

CONFIDENTIALITY

A condition of funding is that the researchers and the host institution accept that the primary purpose of the Commercialisation Fund is to produce technologies with potential for exploitation in Ireland. As a consequence, the protection of intellectual property and/or the ability to exploit the results must never be prejudiced by publication or other disclosure. However, Enterprise Ireland recognises that publication of results is an important and reasonable aspiration for researchers. The Institution, will therefore, use its best endeavours to ensure that a balance is maintained between the need to protect IP and the desire to publish. Nonetheless, applicants must accept as a condition of support under this fund that circumstances may arise wherein publication will be necessarily considerably delayed or even indefinitely deferred in the interests of protection of the intellectual property generated and the requirements of successful exploitation.

OWNERSHIP AND EXPLOITATION OF INTELLECTUAL PROPERTY

The designated host institution will own the intellectual property generated from the programme and will have exclusive first right to protect any IP that is deemed to have commercial potential. The host institution and TTO will be responsible for exploiting the IP and the Principal Investigator will assist the TTO in the commercialisation process.

The written consent of Enterprise Ireland will be required for the implementation of any plan for the exploitation of research results. Enterprise Ireland will work with the TTO as the primary contact in the relevant host institution to support the commercialisation of the project outputs. As stated, the primary intent of the Commercialisation Fund is to generate outputs for commercial exploitation opportunities within Ireland for the benefit of the Irish economy. As a result opportunities for exploitation outside Ireland will only be considered if there are no such opportunities in Ireland.

REPORTING AND REVIEW OF PROJECTS

Progress reports will be submitted to Enterprise Ireland as agreed in the contract. End of Stage Reports for multi-stage projects will be submitted no later than 3 months prior to the end of each project stage on standard templates provided by Enterprise Ireland. Enterprise Ireland will review the performance of the relevant project stage of multi-stage projects based on the go/no go deliverables for that stage and revert to the institution approximately 2 months prior to the contract end-date.

PAYMENT OF THE GRANT

An advance against the project costs of the first stage of the project will be paid on signing of the grant agreement. The remainder of the grant will be paid on completion of the project stage subject to the satisfactory achievement of the agreed deliverables. Each stage will be funded on the same basis.

TECHNICAL AND FINANCIAL AUDIT

The basis of funding is the amount of the grant approved for the project stage or the actual cost whichever is the lower. All funded projects will be subject to financial and technical audit at the discretion of Enterprise Ireland and/or any other competent authority. The host institution is obliged to maintain appropriate financial, administrative (including timesheets) and scientific records to enable any such audits to be carried out.

This programme is co-financed by the EU through the ERDF. It is a requirement of ERDF funding that there be compliance with all funding regulations which include maintenance of all documentation (including timesheets) required for audit purposes and adherence to all publicity rules. Details of current EU requirements are given in Regulations 1083/2006 and 1828/2006.

FREEDOM OF INFORMATION

Enterprise Ireland comes under the scope of the Freedom of Information Act 1997. This Act provides a legal right to individuals to obtain access to information held by public bodies, to the greatest extent possible consistent with the public interest and the right to privacy.

The Act provides strong protections for information supplied to Enterprise Ireland which is confidential, commercially sensitive or personal (Sections 26, 27 and 28 of the FOI Act refer). The Act also gives certain rights to individuals or companies who supply such information. These rights ensure that information which is confidential, commercially sensitive or personal cannot be released under FOI without the person supplying such information being consulted. There is also a right of appeal to the Information Commissioner, who is an independent authority for FOI matters.



Ireland's EU Structural Funds
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**EUROPEAN REGIONAL
DEVELOPMENT FUND**

APPENDIX 1:

PHASE 1 EVALUATION:

The evaluator taking into account where the technology sits in the development and commercial pipelines will assess the commercial case for the technology under three criteria:

1. COMMERCIAL OPPORTUNITY

Size of the Opportunity:

- Has the potential end-market for the output of the project been described satisfactorily?
- Has the applicant identified a sizeable or niche market for the technology?
- Has the applicant described how the research results from this project will open up an opportunity in that market?

Validation of the market:

- Has the applicant included details on the key market or markets being addressed in the proposal including any characteristics and trends of that market?
- Is there evidence to show that the applicant has validated the market through customer/end-user feedback?
- Has the applicant detailed the competitors in the market?
- Has the applicant described barriers to entry, potential opportunities or threats to that market?

2. ECONOMIC IMPACT IN IRELAND

Opportunity For Ireland:

- Has the applicant made a convincing case in outlining how the technology could have an economic impact in Ireland either as the basis of a new commercial enterprise or by licensing to existing industry in Ireland.

Route to exploitation:

- Has the applicant made a convincing case that the technology to be developed in the project will be licensable ideally in 2-5 years?
- Has the applicant provided information on companies in Ireland who may be interested in the technology?
- Has the applicant outlined a proposed route to commercialisation for the technology?

3. TECHNOLOGY INNOVATION

Innovation:

- Does the proposal have clear innovative value / originality / novelty?
- Has the applicant provided evidence of literature, patent searches to demonstrate the uniqueness and competitive advantage over existing alternatives of the proposed technology?
- Are the limitations of competing products, processes, techniques, methods or services presented?
- Will the technology have broad fundamental applications?
- Are there intellectual property issues that could either facilitate or adversely affect the exploitation of the technology?

Feasibility:

- Is the project technically feasible with realistic achievable outputs?
- Are the projected outputs of significant technological value?
- Has the project team the relevant skills to successfully carry out the proposed project?
- If the project PI/team has previously received commercialisation funding, were they successful in achieving technical outputs and commercialising them?

Note: Enterprise Ireland will take into account prior performance on EI funded projects. Performance history may be presented to the IRCC to assist the Committee in making its final funding decision. First time applicants will not be disadvantaged.

PHASE 2 EVALUATION:

Internal and/or external experts will review the project management and the costings for the project in the context of the commercial potential, economic impact in Ireland and the level of technology innovation of the project. They will consider the following:

1. PROJECT TEAM

- Are appropriate and sufficient resources have been committed to execute the project?
- If the project is collaborative, does the collaboration bring significant added value to the project?
- Has the team been successful in obtaining funding through national and international funding mechanisms?
- Is the PI experienced in leading research efforts which have generated commercially valuable outputs in the form of patents, technology transfer implementations or licensing arrangements and/or relevant peer-reviewed publications?

2. PROJECT MANAGEMENT

- Is the workplan adequate and consistent with the objectives of the project?
- Have the project stages including the technical and commercial tasks been clearly described?
- Do the stages represent a clear and linear path to the successful completion of the project?
- Is the project scheduling realistic and consistent with expected developments and effort?
- If the project is collaborative, is the distribution of tasks and responsibilities between partners balanced and complementary with a clear indication of each partner's contribution in each stage?
- Are the project technical and commercial milestones and deliverables identified and quantifiable and appropriate to the proposed project?
- Are technical risks adequately anticipated and are contingency plans formulated to deal with them?

3. PROJECT COSTS

- Are the project costs realistic and appropriate to the project outputs?
- Have the costs in the different categories and for each stage been adequately justified?