

Guidelines for the DTU PoC Fund

This document describes the DTU PoC Fund programme, criteria for projects applying for DTU PoC funding, practical information about the process and a guide to the application.

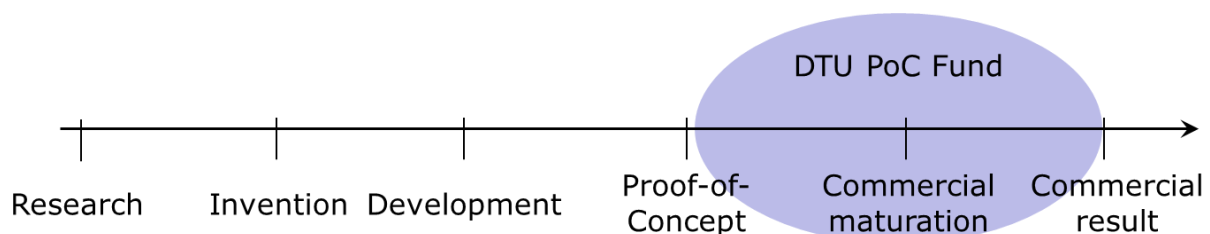
Please study the document carefully as failure to follow the guidelines or an incomplete application may result in your application not being processed. It is strongly recommended to involve the DTU Skylab Innovation Partner when preparing the application and to consult with the innovation responsible person at your department.

The DTU PoC Fund

The DTU PoC Fund provides grants for commercialisation of projects with a clear business focus aiming at bringing DTU innovation to the market.

Each PoC grant may be up to 500,000 DKK and the project period may be up to one year. Applications must be endorsed by the head of department.

DTU PoC funding is targeted at projects based on research results with a commercial potential, but where the result is still at a pre-commercial stage, and where clarification or maturation is required to establish whether it can be further developed for commercial exploitation.



The DTU PoC Fund grants funding for *commercial* development of a project. Commercial development might include some technical activities, e.g. the need to show a prototype. However, it is important that the commercial goal and commercial activities drive the project and define the needed technical development – *not* the other way around!

Technical proof of concept must have been achieved. Applicants must be able to explain in non-technical terms what the Proof of Concept is and how it has been obtained.

To emphasise the commercial focus of the programme, proof of commercial interest must be provided in the form of one Letter of Intent and three statements from customers or commercial partners. A business plan is a mandatory deliverable as a part of the project.

In a wider funding landscape, DTU PoC funding may be applied for when a preliminary commercial project under DTU Discovery Grants has verified a commercial potential. Likewise, if the PoC project – by the end of the project period – needs more funding to further de-risk and mature, InnoExplorer at DTU may be applied for. The sequence; Discovery Grant -> PoC Fund -> InnoExplorer is a logical sequence, preparing the applicant to the increasing demands following the maturation of the project. However, it's not a required sequence.

Who can apply?

DTU PoC funding is available for employees at DTU. Applicants can apply as an individual or as a team. A team may involve individuals not employed by DTU. Applicants are encouraged to apply with a team and to involve external commercial resources as consultants, collaboration partners, mentors etc. Employees can not apply for projects for which they have already started a company.

Existing IP or a prospect for developing IP is considered positive when evaluating projects although not a requirement.

What can be funded?

DTU PoC funds are granted to commercialisation projects that can demonstrate a large commercial potential that can be realized by penetrating a multi-million (DKK) market. It means that *scalability* of the envisioned product should be a key consideration. DTU PoC funding can be used to reduce commercial, as well as technical risks that are prohibitive for a commercial partner considering investing in, licensing or acquiring a DTU invention.

Specific activities eligible for funding under the PoC programme include exploration of potential application areas, reduction of specific risk elements, development of prototypes, demonstration of scalability, user validation, market testing and analysis, identification of key customers, definition of MVP (minimum viable product), and preparation of a business case.

The cost elements eligible for funding include DTU salaries, materials, components (hardware) for prototypes, travel (limited), market reports, external services and consultants.

DTU PoC funds will *not* be granted for: External partners or companies, although external consultants can be brought into the project to the extent necessary competencies are not available internally at DTU; Research projects or research activities; Projects aiming at preparing a project for further project funding; Projects that cannot lead to a spin-out, licensing agreement or sale of IPR.

The complete application

The complete application consists of:

- General information about the project (title, amount, department, applicant data etc). This is filled into the online application form.
- A project presentation slide deck in PowerPoint or pdf format (max. 15 slides). The slide deck constitutes the main information about the project. The selection of the projects to be invited to the board meeting will be based mainly on this project presentation. See the specific requirements to this slide deck below.
- The budget form must be filled in (in Excel format). See the specific requirements to the budget below.
- Letter of Intent (LoI) from a commercial company, preferably signed by a person responsible for a *commercial operation* rather than for a technical and/or research activity (in pdf file format).
- Documentation for positive feedback from 3 additional potential customers, partners or investors (in pdf file format). It can be an email correspondence, meeting minutes or the like.
- Declaration of support from the main DTU department responsible for the application (Document can be found on Skylab's inside page).

The slide deck

There are no requirements in terms of the slide deck format, but the presentation may hold a maximum of 15 slides and must be in power point or pdf format. Slides in excess of 15 will be omitted. The language may be Danish or English. The following information must be included in the presentation:

- Project description – presentation of the idea or solution as well as the results upon which the project is based, including the most important data describing the research or innovation excellence of the idea, if available. Furthermore, include a description of the project's potential, activities, outcome, value creation, risk-reduction and expected results.
- Project plan – illustration of activities, milestones and deliverables. Show the progression of the project and how the milestones build upon each other. Also include an outline of the expected activities after the PoC project has ended.
- Commercialisation strategy – a description of the plan for taking the idea or solution further in the development process towards full utilisation of the research results. Including a description of the expected end product and the commercialisation plan for ultimately reaching the market. Also provide a plan for IP, if relevant.
- Business potential – a description of the scope of the idea, the expected demand, competitors, the market, and value proposition of the solution.
- Team – competences and experiences of the individuals who will be working on the project and may be affiliated to it, including which competences are critical at which point in the

process. Including a description of competences that are not currently present, but may eventually be necessary in the team.

Please note that the number of slides to adequately cover each of the above points may be dependent on the nature of the project. However, make sure you cover all the above points in the slide deck and do not exceed 15 slides.

If invited to pitch before the board, you may prepare a sharper pitch deck dedicated for oral presentation. The language at the board meeting may be Danish or English.

The budget

You must make a budget for each of your milestones. It is important that each individual milestone is transparent. It means that you must identify which activities are included for reaching each of the milestones. Make a cost breakdown for each milestone activity:

- Salary cost breakdown: Cost for each individual working on the milestone. Who will work on the milestone and how many hours will each individual work to obtain the milestone.
- Components/hardware cost breakdown: Costs for components and hardware used to obtain the milestone.
- Other activities cost breakdown: Cost for e.g. travel, market reports etc.

After having calculated a budget for each individual milestone you must consolidate them into one budget ('Consolidated budget for the PoC project') to provide an overview of the total PoC project. Please insert a copy of this consolidated budget into the application form.

For each individual working on the project, it is a requirement that you state the position and the hourly salary in the budget form. Please contact the project finance responsible person at your department (ØC) regarding specific hourly salaries for each individual employee.

For an example of how to fill out the budget templates, please see the second tab in the budget form.

Application process

There are three POC application rounds per year. Application deadlines can be found on skylab.dtu.dk.

The application is submitted via the online application form on the website.

The slidedeck, budget, declaration of support, LOI's and documentation of interest are uploaded in the application form.

After the deadline, the application will be pre-processed by the DTU PoC Fund Secretariat. If the application does not comply with DTU PoC Fund criteria, is incomplete or in any other way is not considered ready for DTU PoC Board evaluation, the application will be rejected. Accepted applications will be pre-screened and rated by the board. The eight highest rated applications will be invited to pitch their project at the PoC Board meeting. Applicants will be notified about granting decisions within one week after the DTU PoC Fund Board meeting. Granting decisions will also be announced at DTU Inside. If invited to pitch at the DTU PoC Board meeting, the applicant will also be invited to a mandatory pitch training workshop.

Assessment criteria

The assessment of the project will be based on the following criteria, with specific emphasis on:

Quality of research, development, and innovation

- That the application clearly shows what outcome, service, end product the idea will ultimately result in
- That the need is rendered probable, e.g. through involvement/dialogue with future customers
- That the knowledge, technology, methods and / or novelty used in the project is well described and of high quality - also in relation to “state of the art” and competing solutions
- That the project’s expected results are clearly different from what else is on the market

Business potential and value creation

- That the market or application and position of the project vis-à-vis competing solutions have been clarified
- That there is a clear connection between an unmet need, the project outcome and value
- That the value creation of the project in the long term will result in significant economic growth and employment or value in a Danish company and/or for the Danish society
- That the DTU PoC project will bring the idea closer to the market or benefit society in another way

Project efficiency and implementation

- That the project’s activities and costs are reasonable, realistic, and sensible considering the risk reduction in the project and the potential for subsequent commercialisation and utilisation
- That the desired investment matches the expected commercial or societal gains and the project risks
- That the plan clearly shows that the project activities are closely connected to the idea/technology, and that the plan is logically constructed, targeted, and has clear quantitative milestones
- That the planned activities will lead to a reduced risk during the project
- The team composition and feasibility of successfully implementing the project

- That there is a realistic strategy for further development towards commercialisation or utilisation after the project has been completed.

Decisions made by the DTU PoC Fund Board are final.