

# Rules and Procedures Overview

Kickstart:Wyoming Program

SBIR Phase I and II Matching Program



# Rules and Procedures Overview

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Background: SF0118 Programs

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Documentation

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Kickstart: Wyoming Program Overview

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SBIR Matching Program Overview

## Background

# SF0118 Startup Wyoming Programs

The Startup:Wyoming Program requires the WBC, in partnership with ENDOW and UW to:

### Build an Entrepreneurial Ecosystem

- Foster connectivity of entrepreneurs
- Provide services including mentoring, marketing, legal and other services

### Create Innovation Centers

- Develop incubators, accelerators, co-working spaces, makerspaces, etc.

### Implement Kickstart Grants

### Administer SBIR Phase I and II matching grants

## Other SF0118 Sections

- Wyoming Research and Innovation Program
- Proposal for State investment in startups
- Coordination of Business Permits Proposal

# Documentation Providing for Flexibility and Transparency

Wyoming Statute §9-12-105 (c,d)

## Rules

- Kickstart:Wyoming Program
- Small Business Innovation Research Program

Startup:Wyoming Allocation Plan and Supplemental Procedures

Applications

## Website

- Provide summary of all documents as a resource for applicants and others

# KICKSTART: WYOMING PROGRAM



# Application Requirements and Program Eligibility

- Kickstart: Wyoming grants may be awarded to:
  - Individuals who reside in Wyoming
  - Business entities which are, or agree in writing to be, headquartered in Wyoming and organized under the laws of the state of Wyoming and which
- To be eligible, companies/individuals must:
  - Have committed to maintaining a meaningful nexus to the state of Wyoming
  - Propose a concept/product that
    - Relates to one of the five Next Generation Engines identified in the ENDOW 20-Year Economic Diversification Strategy
    - Has a probability of providing an economic return to the state of Wyoming through creation of jobs, expanded tax base and diversification of the state's economy
  - Agree to provide a report to the council
  - Employ 50 individuals or less
  - Be a high-growth-potential company
  - Commit to seeking additional nonstate investment funding

# Application Content

- Online, easy to use
- Generates materials that are easy to consider
- Includes:
  - Executive Summary of company/concept
  - Milestones to be accomplished with Kickstart funds
  - Strategy, product, technology
  - Funding to date
  - Budget for Kickstart funds
  - Company Management
  - Benefits to Wyoming
  - Additional uploads
    - Pitch deck
    - Videos, etc.
  - Approved State of Wyoming vendor application (fillable pdf)

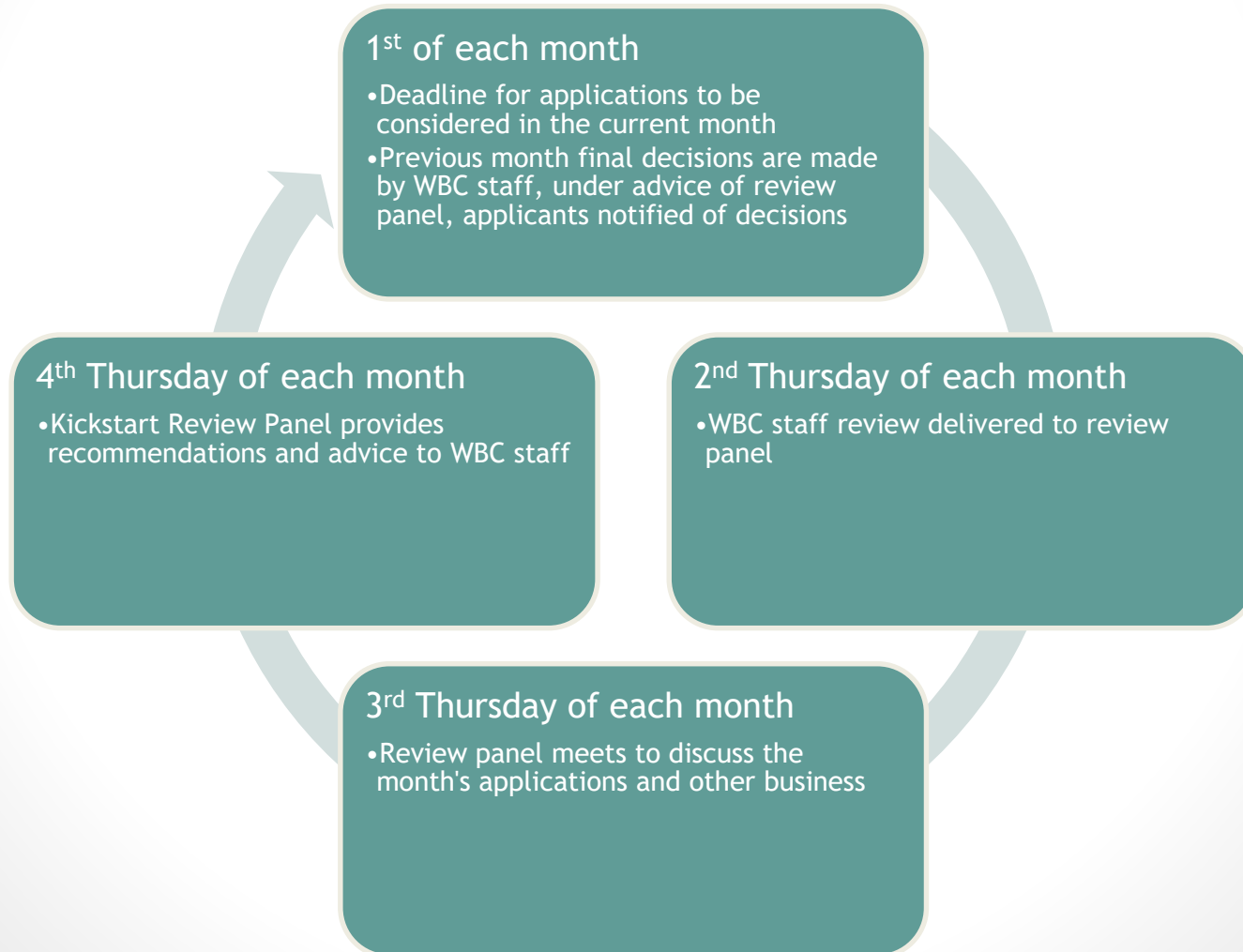
# Prioritization Criteria

- Awards will be prioritized based on the following main criteria
  - Applicant's ability to lead to scalable, commercially successful product, concept or design within a reasonable period of time;
  - Applicant's potential for stimulating innovation-driven economic growth within Wyoming; and
  - The amount of funds applicant has requested and its demonstrated need for those funds.
- The following may be used to determine applicants fulfillment of main criteria:
  - Commercialization potential
  - Technology, funding, commercialization, and exit strategy;
  - Prior commercialization or funding
  - Ability to attract follow-on funding
  - Potential and experience of management team
  - Likely public benefit to Wyoming



# Application Process

## Kickstart:Wyoming Program and SBIR Matching Program



# Entities Involved in Grant Review

- WBC Staff
  - The staff of the Wyoming Business Council, including the Entrepreneurial Services Coordinator and her colleagues and supervisors
    - Responsible for initial review of applications and final approval of funding decisions.
- Review panel
  - Entrepreneurial experts
    - WBC board members
    - ENDOW executive council members
    - Others as necessary or useful

# Administrative Efficiencies

- **Contracts**
  - Approved template
- **State Vendor Process**
  - Integration with application

## Amount of Awards, Disbursement

- Award amounts between \$5,000 and \$50,000
  - Determined based on budget and funding requests included in the application
  - An amount that differs from the request may be awarded
- All awarded funds will be disbursed immediately upon:
  - Execution of a contract that allows the WBC to do so and
  - State vendor approval by the State Auditor's Office

# Reporting

- Awardees must provide a report between 12 and 15 months after the award is granted
  - Progress toward commercialization
  - Progress toward seeking and receiving additional funding
  - Plans for the upcoming year
  - Proof of proper use of funds in the form of receipts or invoices;
  - Suggestions for continuous improvement to state programs for startups;
  - Maintenance of nexus in Wyoming that is substantial and continuous
    - Documentation proving that a majority of employees work in Wyoming; and
    - A multimedia narrative of the Wyoming lifestyle of its employees, leveraging social media resources.
- Awardees must provide material for purposes of promoting Wyoming's entrepreneurial ecosystem and lifestyle

# SBIR MATCHING PROGRAM

# SBIR and STTR

- **Small Business Innovation Research (SBIR) program**
  - US program intended to help small businesses conduct research and development (R&D) in specific areas defined by federal agencies that has potential for commercialization
  - Coordinated by SBA, with 11 participating federal agencies
- **Small Business Technology Transfer (STTR) program**
  - small business must formally collaborate with a research institution in Phase I and Phase II
- **Phases**
  - Phase I | Feasibility Study or Prototype
    - ~\$150 thousand and 6 months
  - Phase II | Full Research and Development Effort
    - ~\$1 million and 24 months
  - Phase III | Commercialization Effort
    - Private and Non-SBIR Allocated financing

# Application Requirements and Program Eligibility

- To be eligible for SBIR phase I and II match, companies/individuals must:
  - Have received an SBIR or STTR Phase I or II award on or after July 1, 2018
  - Be an entity registered with the Wyoming Secretary of State, headquartered in Wyoming
  - Have fewer than 50 employees
  - Produce or propose to produce product/concept that
    - Relates to one of the five Next Generation Engines identified in the ENDOW 20-Year Economic Diversification Strategy
    - has a probability of providing an economic return to the state of Wyoming through creation of jobs, expanded tax base and diversification of the state's economy
  - Commit to remain in Wyoming for three (3) years after commercialization
  - Certify that, to the extent practical, all of the research will be conducted in Wyoming
  - Commit to seeking additional nonstate investment funding investment funding
  - Agree to provide annual reports to the Council
- Awardees are limited to:
  - 1 award per phase per fiscal year, for a maximum of 2 SBIR awards per year
  - 4 SBIR awards over the life of the company

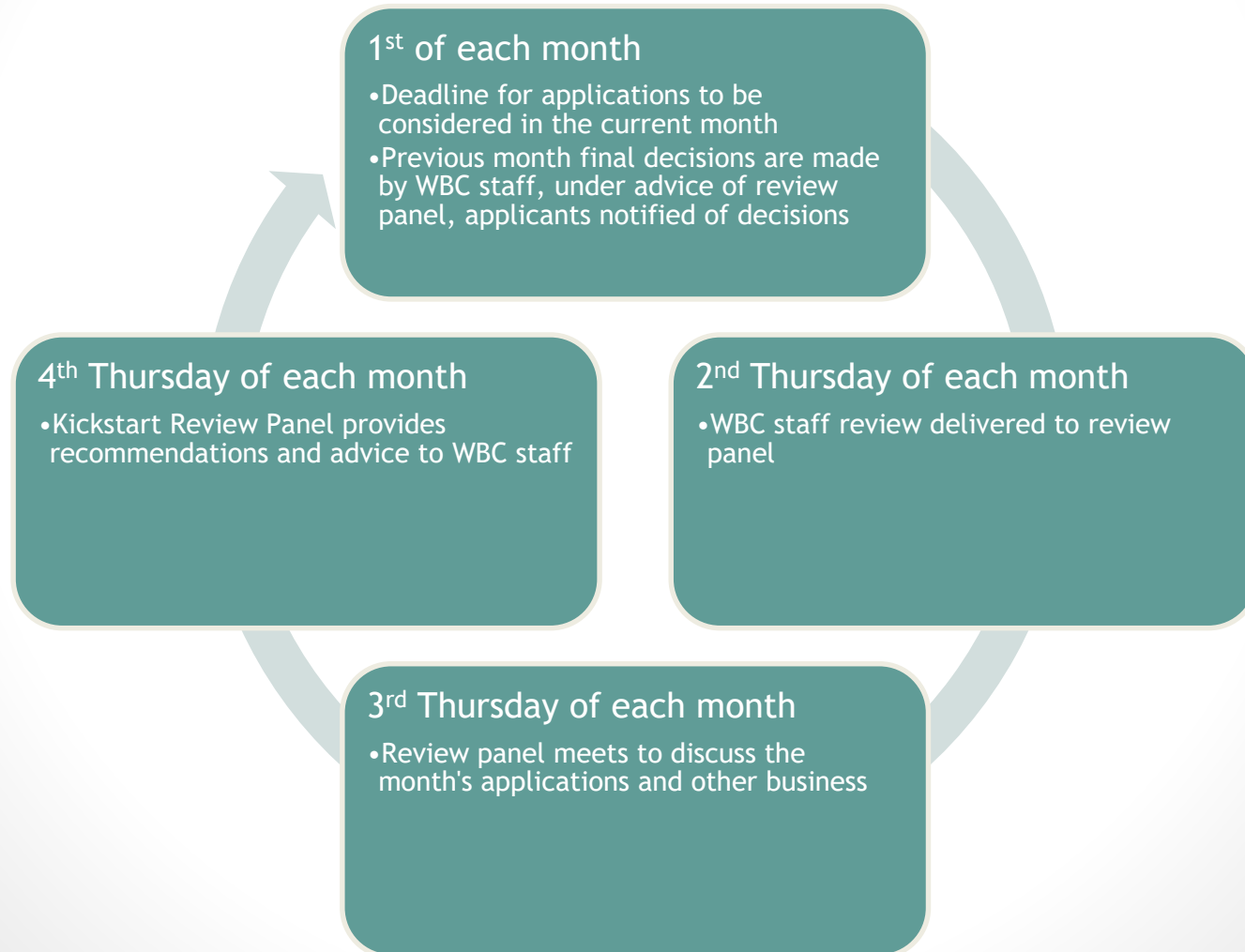


# Application

- Online, easy to use
- Generates materials that are easy to consider
- Includes:
  - Description of the work plan/specific aims for the Matching Grant funds in non-technical terms
  - Timeline for deliverables
  - Projected impact of the Matching Grant funds on the scope and success of the project
  - Description of the benefits that the company may provide to Wyoming
  - Description of funds the company is contributing to the project in addition to the Federal award
  - Detailed budget for the Matching Grant funds

# Application Process

## Kickstart:Wyoming Program and SBIR Matching Program



# Amount of Awards, Disbursement

- Award amounts
  - Phase I Matches
    - \$100,000 for first-time SBIR Phase I awardees
    - \$70,000 for repeating SBIR Phase I awardees
  - Phase II Matches
    - \$200,000
- Disbursement Schedule
  - SBIR Phase I awards:
    - **Stage 1**- 75% of the total match award will be paid upon proof of Phase 1 award
    - **Stage 2**- 25% of the total match award will be paid upon submission and acceptance of the Phase 1 report by the Federal Agency described in the federal application
  - For SBIR Phase 2 awards:
    - **Stage 1**- 50% of the total match award will be paid upon proof of Phase 2 award
    - **Stage 2**- 25% of the total match award will be paid one year from the Stage 1 payment, upon documentation of satisfactory progress towards the Phase 2 goals, as submitted in application for Phase II match
    - **Stage 3**- 25% of the total match award will be paid upon submission and acceptance of the Phase 2 report by the Federal Agency described in the federal application

# Reporting

- Awardees must provide a report on or before July 1 of each year for 2 years after award is granted prior to commercialization, and for 3 years after commercialization, for a maximum of 5 years.
- The report will address:
  - Progress toward seeking and receiving additional funding, whether from State, federal or private sources;
  - Suggestions for continuous improvement to state programs for startups
  - Plans for growth, market, commercialization and capitalization for the upcoming year; and
  - Maintenance of nexus in Wyoming that is substantial and continuous. To prove nexus, awardee must provide the following:
    - Documentary evidence showing the majority of the awardee's employees work in Wyoming; and
    - A multimedia narrative of the Wyoming lifestyle of its employees leveraging social media resources.
- If the entity commercializes a product/concept, the entity must report for 3 years on:
  - The number of jobs the entity has created;
  - A salary range per job;
  - The taxable assets of the entity;
  - All revenues from sales of the service, product, concept, design or any other marketable asset of the entity.
- Awardees must provide material for purposes of promoting Wyoming's entrepreneurial ecosystem and lifestyle

# STARTUP: WYOMING ALLOCATION

# startup:Wyoming Allocation FY2019

<b>Innovation Centers (incubators)</b> <i>Hubs for the services and infrastructure that help entrepreneurs succeed in Wyoming</i>	\$250,000
<b>Building an Entrepreneurial Ecosystem</b> <i>Including a website, events, services, mentorship</i>	\$750,000
<b>Kickstart:Wyoming Grants</b> <i>\$5,000-\$50,000 Grants for early-stage high-growth entrepreneurs</i>	\$1,000,000
<b>SBIR Phase I and II Matching Grants</b> <i>Matching funds for federal SBIR and STTR grant recipients</i>	\$1,000,000
<b>Total Allocation</b>	<b>\$3,000,000</b>

## startup:Wyoming Allocation FY2018

- Conservative allocation for Innovation Centers in year 1, with room to grow
- Significant early costs for building an entrepreneurial ecosystem
- Most of year-1 funds are allocated to directly funding entrepreneurs
- This may change as individual programs are developed

# NEXT STEPS



# Next Steps

## Kickstart:Wyoming Program and SBIR Matching Program

- Council adopts Rules, Allocation Plan and Procedures
- Council designates staff to approval of applications and make award decision making
- Complete rules process
  - Formal AG Approval
  - LSO Approval
  - Governor Approval
- Applications published online
- First grant cycle
- Ongoing public feedback, improvement
- WYRIP program rules process

# COUNCIL ACTIONS

# Council Actions

- ❑ Adopt substance of Rules for Kickstart: Wyoming Program and SBIR Matching Program
  - Allowing for formatting and other non-substantial changes by staff, AG, LSO, governor's office
  - Initial review by AG has been performed
- ❑ Adopt substance of Allocation Plan and Supplemental Procedures
  - Allowing for:
    - Non-substantial changes by staff
    - Discussed edits relating to efficiencies in administrative processes
- ❑ Designate staff to approve applications and make award decisions



[Wyomingbusiness.org](http://Wyomingbusiness.org)