



FLINN FOUNDATION

Bioscience



Entrepreneurship

PROGRAM

2018

Fostering Bioscience Development in Arizona



## About the Program

**I**n 2002, the Flinn Foundation commissioned the creation of Arizona's Bioscience Roadmap, the long-term strategic plan to advance Arizona's bioscience sector. One of the four main strategies of the original Roadmap was to create a critical mass of bioscience firms in Arizona. Much progress has been made in this area since 2002; however, much more needs to be done to foster entrepreneurship and to help entrepreneurs develop their early-stage firms into thriving businesses. Accordingly, the Roadmap was updated in 2014, and the first of five new goals is to "Form a hub of bioscience entrepreneurs and new enterprises across Arizona."

To help address this need, the Flinn Foundation launched the Bioscience Entrepreneurship Program in 2013, partnering with nonprofit, public-university, community-college, and governmental organizations that have working affiliations with early-stage bioscience firms.

These partners help the Foundation identify promising early-stage bioscience firms, encourage firms to compete for the program, and administer the program on behalf of the Foundation. The partners provide funding and other support to the firms selected for the program through a grant provided by the Foundation to the partnering organization.

Up to six early-stage firms will be selected through a competitive process to participate in the year-long program.

## Program Benefits

The early-stage firms selected for the program will receive:

- \$30,000 to cover approved project costs, provided on a reimbursement basis;
- A one-year special membership on Arizona's Bioscience Roadmap Steering Committee;
- A one-year affiliate membership with the Northern Arizona Center for Entrepreneurship and Technology (NACET) or the Center for Entrepreneurial Innovation (CEI) at GateWay Community College to include business coaching and company development;\*
- An opportunity to apply for an intern from the Flinn Scholars Program;
- An opportunity to apply for a student research team through NACET;
- A one-year membership provided by AZBio, the statewide bioscience industry association;

- Opportunities to attend invitation-only bioscience-related events;
- Personal introductions to key industry leaders and programs that can provide guidance on the path to commercialization;
- Access to NACET's Mentors group;\*
- Access to NACET's AZ Core Labs at a preferred rate.\*

*\*If any of the services to be provided by NACET and/or CEI are offered and/or provided to the early-stage firm by another incubator or other organization, NACET and CEI would only provide these services if there is a mutual agreement by the organizations for NACET and/or CEI to do so.*

**"The Flinn Foundation is excited about the success and impact of this program, which provides entrepreneurs the tools needed to build up their new business, while at the same time contributing to the Bioscience Roadmap aim to create a critical mass of bioscience firms throughout Arizona."**

**Brad Halvorsen**

EXECUTIVE VICE PRESIDENT, FLINN FOUNDATION

## Who Can Apply?

To be eligible to apply for the program, early-stage firms must:

- Be a bioscience firm engaged in the commercialization of bioscience research and biotechnology and/or the sale of products in the areas of medical devices and equipment; drugs, pharmaceuticals, and diagnostics; agricultural feedstock and chemicals; research, testing, and medical labs; and bioscience-related distribution. (If an early-stage firm is uncertain if it meets this criterion, the review committee described below will make the eligibility determination, in consultation with the Flinn Foundation);
- Be incorporated as an S-Corp, LLC, or C-Corp and based in Arizona, or in the process of applying (proof must be provided);
- Be in good standing with the Arizona Corporation Commission;
- Be in pre-, early- or sustainable-revenue stage poised for eventual product sales—not just performing general research. Research-only projects will not qualify for the program;
- Provide proof of a licensing agreement if commercializing university-generated technologies;



- Have a pertinent working affiliation with a Flinn-approved nonprofit or a public university, community college, or governmental organization. Firms not affiliated with such an entity are still eligible to apply. However, if selected for the program, an introduction to a Flinn-approved partnering organization will be arranged for grant-administration purposes and to ensure that the firm receives all of the services offered through the program;
- Demonstrate that the proposed project is supporting a clear path to commercialization (commercialization should be expected to be reached in a reasonable amount of time);
- Demonstrate that the principal(s) of the company has an adequate background to ensure completion of the proposal;
- Clearly identify a proposed use of grant funds including all matching funds to be utilized in completion of the proposed stage of development;
- Have a stated commitment to remain in Arizona;
- Agree to submit a post-program report to the Flinn Foundation in accordance with Foundation requirements;
- Have not previously been selected as a participant in the Flinn Foundation Bioscience Entrepreneurship Program.

## Usage of Funds

Foundation funding is intended to cover or offset certain types of expenditures, such as:

- Development/refinement of business plans
- Marketing plans
- Small Business Innovation Research (SBIR) grant proposals
- Patent analysis
- Patent filings
- Lease of equipment
- Prototype development
- Third-party validation
- Testing equipment
- Legal costs related to patent work
- Creation of a Private Placement Memo

Funds cannot be used for salaries, benefits, or other compensation of the principal(s) or applied toward prior debt.

In its application, the firm must indicate the specific purposes for which the funds will be used.

In addition to the examples listed above, the Foundation may consider permitting other uses of the funds if deemed appropriate in the context of the goals of the program and the nature of the firm's business.

## How to Apply

Early-stage firms interested in competing for the program will be required to complete an online application form, including a two-page business plan and resumes of the principal(s) of the firm. The business plan should include information about the business model, financing, execution, market, and the product/service. Applicants may also provide up to three additional pages of information for consideration.

The application period opens on September 18, 2017, with a link to the online application available at [www.flinn.org/entrepreneur](http://www.flinn.org/entrepreneur). Deadline for submissions is November 6, 2017.

An information session via teleconference will be conducted on October 18, 2017, for firms interested in applying for the program. Teleconference registration begins on September 18.

**"The Bioscience Entrepreneurship Program is among the premier startup-support initiatives in Arizona. Having the opportunity to communicate with key public- and private-sector stakeholders on a peer-to-peer level is immensely valuable, and the non-dilutive funding is always welcome."**

**Mark Sholin**

FOUNDER & CEO, ARBSOURCE  
2014 PROGRAM PARTICIPANT

## Application Review and Interviews

Application submissions will be evaluated by a review committee appointed by the Flinn Foundation. The committee will use a scoring matrix to evaluate the applications and executive summaries, and to determine which firms should be invited to interview with the committee. The scoring matrix will be available at [www.flinn.org/entrepreneur](http://www.flinn.org/entrepreneur) during the application period. We strongly encourage applicants to score their own application to make sure they have provided all pertinent information. We also suggest learning about Arizona's Bioscience Roadmap at [www.flinn.org](http://www.flinn.org).

Based on the results of the interviews, the committee will recommend a list of firms to the Flinn Foundation President & CEO to consider for selection for the program. After reviewing the applications of these firms and the review committee's recommendations, the Foundation will select up to six firms to participate in the program. Constructive feedback will be offered to applicants on their proposals.

**"We were able to get strategy support from the Flinn Foundation's management team, access to investment conference and dinner receptions, and a generous grant to expedite our tech and research development at Epi-Finder. I recommend every bioscience startup in Arizona to apply for this prestigious program."**

**Neel Mehta**

CO-FOUNDER AND CHIEF STRATEGY OFFICER, EPIFINDER  
2016 PROGRAM PARTICIPANT

## 2017/2018 Schedule

<b>September 18</b>	Application period opens
<b>October 18</b>	Applicant Information Teleconference
<b>November 6</b>	Application submission deadline (5:00 p.m.)
<b>January 12</b>	Application review results communicated to applicants and interview times assigned as appropriate
<b>February 7-8</b>	Finalist interviews
<b>February 15</b>	Selection of firms announced

## Grant Award and Disbursement of Funding

The Foundation will award each grant in the amount of \$30,000 to one of the organizations partnering with the Foundation to administer the program. This organization will, in turn, disburse funding to the early-stage firm, agreeing to forego charging any administrative or overhead expenses relative to carrying out its activities. Funds will be disbursed to the early-stage firms on a reimbursement basis.

The Foundation will determine and delineate the specific purposes for which the funds can be used. Before any expenditure can be reimbursed, documentation of expenses, including invoices and receipts of actual expenses, will be required. More detailed information about the reimbursement process will be provided to the firms selected for the program.

The early-stage firm will be expected to use the funds within 12 months, with an extension of six months possible if requested by the firm and approved by the Foundation. Such an extension will be considered if the Foundation determines the firm could

not reasonably complete activities or expend the funds within 12 months. No extension will be granted if the total amount of program funding (\$30,000) already has been expended. Any funds not expended will be returned to the Foundation.

## Final Report

A final report to the Foundation shall be submitted no later than 45 days after the end of the 12-month period or any extension thereof. The report shall address but not be limited to:

- Expenditures under the grant;
- Activities completed per the firm's application;
- Results achieved through usage of the Foundation's funding;
- Benefits derived from participation in the program and any services provided by NACET and/or CEI;
- Any monetary or other returns or commercialization achieved in whole or in part as a result of the funding provided through the program; and
- Challenges, progress, and outlook relative to the early-stage firm achieving overall sustainability.

More detailed information about reporting requirements will be provided to the firms selected for the program.

## Questions about the Program

Questions about the program should be directed to Juliet Gomez, Program Manager at the Flinn Foundation: [jgomez@flinn.org](mailto:jgomez@flinn.org) or **602-744-6839**. The questions either will be answered by her or directed for response to the chair of the 2018 Review Committee. As appropriate, responses will be posted to an online FAQ document, which can be accessed at [www.flinn.org/entrepreneur](http://www.flinn.org/entrepreneur), so that all potential applicants have the benefit of the information. All questions, except for those of a routine nature, must be received at least seven days prior to the application deadline.

To access the 2018 Bioscience Entrepreneurship Program application, go to: [www.flinn.org/entrepreneur](http://www.flinn.org/entrepreneur).



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