

Project Merit Funding (PMF)

Revised draft October 22, 2015

Finalized on November 27, 2015

Re-revised on May 18, 2016; Approved June 16, 2016

The McMaster University W. Booth School of Engineering Practice is making available some limited funding to assist students in pursuing their enterprise projects.

Eligibility and the process for making applications for this funding are described below.

Timing

Depending on the availability of funds, the Project Merit Funding Presentations may be scheduled in April, May, June, September, October and/or November.

The dates of the presentation will be communicated by the 10th of the respective month.

All documentation & presentation must be submitted by the 15th of the respective month.

Eligibility

This funding is available to teams including full-time students enrolled in the McMaster MEEI/MTEI W Booth School graduate program.

Students must have passed the Concept Initiation Tollgate (i.e. the first tollgate) before submitting an application.

Application Process

1. Submit a document (no more than 5 pages in length) outlining the parameters in Point-6. No financial projections are expected. Note: this document will be shared with the judges prior to the presentation.
2. Submit a one-page budget (follow Budget Template) document based on the main activities and milestones which are to be completed in the next 6 months. The resources needed and the timeline of the activities have to be clearly outlined. Moreover, the impact of these particular activities in moving your project forward has to be explained.
3. Submit completed applications (Points: 1 & 2) to Yvonne Maidment (maidmeny@mcmaster.ca). Your application will need to be endorsed by your faculty advisor prior to submission.
4. Submit and practice presentation with Salman Bawa (bawask@mcmaster.ca)
5. The amount of funding provided will be based on the recommendation of the evaluation committee; maximum amounts per project team will range from \$5,000 to \$10,000.
6. The presentation to the evaluation committee will need to demonstrate the following:
 - Problem / Opportunity: Is the problem / opportunity articulated and real
 - Market: Is there a well-defined market need/opportunity and is it large enough to support an Enterprise level business
 - Product / Solution: Does the solution offered fit well the problem and does it offer a

compelling value proposition for the customer

Business Model: Is there a viable business model

Competition: Is there a clear differentiation and a sustainable competitive advantage

Development Plan: Is there a well-articulated and realistic development plan consistent with the resources plan and budget

Proof of concept to demonstrate business idea viability

Proof of concept plan has been strategized.

What will be accomplished within the requested funds?

Are the students able to defend the budget?

Are there plans to leverage the funds?

Are the students investing their own money?

Have the necessary components of the proof of concept been addressed?

Has the risk been mitigated?

Team: Does the team have the passion and the skills to deliver

Presentation Skills: Was the presentation both engaging and compelling

Obligations/ Expectations:

- Students are expected to pursue matching funds. Teams that provide matching funds will be considered more favorably.
- Teams are expected to incorporate a company before receiving funds (if the application is successful). The funds are released to the company not to any individual team member.
- You are expected to showcase your work to OCE, and any other granting or partnering agencies as and when requested by the W. Booth School of Engineering Practice

If you have any questions, please contact Yvonne Maidment and/or Salman Bawa

Project Merit Funding Process Briefing for Judges

Purpose of Project Merit Funding

- Enable students to prove their concept and demonstrate business idea viability (see highlighted part of “Expectations at Various Levels of Tollgate”),
- Load the pipeline for potential matching funds (e.g. OCE, NSERC, etc.),
- Project has merit, and requested funds are needed.

Criteria

- In addition to pointers in score sheet:
 - o Proof of concept to demonstrate business idea viability
 - Proof of concept plan has been strategized.
 - What will be accomplished within the requested funds?
 - Are the students able to defend the budget?
 - Are there plans to leverage the funds?
 - Are the students investing their own money?
 - Have the necessary components of the proof of concept been addressed?
 - Has the risk been mitigated?

Score Sheet

- Score sheet must be completed by each judge individually,
- Purpose: Provides feedback to the students on their presentation, project viability and proof of concept plan

Expectations at Various Levels of Tollgate

Tollgate-I: Concept Initiation

- Clear articulation of proposed business concept (problem, solution (including technology) and value proposition),
- Voice of customer/stakeholder has been collected to validate business concept,
- Broad surface knowledge (awareness) via secondary market research about the market, potential market size, competition and intellectual property
- Potential business models are identified
- Detailed proof of concept plan
- Awareness of assumptions and risks

Tollgate-II: Business Initiation

- Market development via primary market research
 - o The targeted customer groups,
 - o The value proposition to the different customer groups,
 - o The market size for the product and/or service using both, a top-down approach, and a bottom-up approach to market sizing,
 - o The price of the product and/or service,
 - o The competitive situation with a detailed analysis of competitive technologies and of the organizations that provide competitive products/services.
 - o An analysis of the expected response of the competition, and the planned action to address competition,
- Proof-of-concept
 - o Show how the technology can deliver a solution that can meet the voice of the customer,
 - o The results of testing the product and/or service POC with lead customer(s),
 - o Is there any expected intellectual property? Any intellectual property issues that need to be resolved?
 - o Identify the resources (skills, time, and cost) needed to carry out full development of the product,
 - o Identify the project risks and risk management strategies,
- Financials
 - o Business model confirmed
 - o Develop bottom-up financial projections which project income from revenue from sales and the projected “cost-of-goods-sold”. Reconcile the required investment in development with the projected income stream.

Tollgate-III: Business Start-up

- Business plan
 - o Analyse the business case.
 - o Present different potential business strategies for start-up and use a structured decision process to select the strategic approach to business start-up.
 - o Based on the selected strategy, present the entire business plan and deal structure.
- Go-to-market plan
 - o Present a clear “Go to market” strategy that describes how awareness of the new product/service will be created in the market and the channels that will be used to get the product/service to customers.
 - o Identify specific lead users, partners and alliances.
 - o Describe how they will sell their first customer
- Revisit the competitive analysis
- Update the financial plan and develop monthly based cash flows for the first year.

Project Merit Funding Score Sheet

This score sheet must be completed by each judge individually,

Table-I: Information

Date	
Judge's Name	
Start-up Name	
Team Members	

Table-II: Score

Category	Description	Score												Comments
		Poor			Not compelling Enough			Good & Compelling		Excellent				
Problem/Opportunity	Is the problem / opportunity articulated and real?	0	1	2	3	4	5	6	7	8	9	10		
Market	Is there a well-defined market need/opportunity and is it large enough to support an enterprise level business?	0	1	2	3	4	5	6	7	8	9	10		
Product/Solution	Does the solution offered fit well the problem and does it offer a compelling value proposition for the customer?	0	1	2	3	4	5	6	7	8	9	10		
Business Model	Is there a viable business model?	0	1	2	3	4	5	6	7	8	9	10		
Competition	Is there a clear differentiation and a sustainable competitive advantage?	0	1	2	3	4	5	6	7	8	9	10		
Proof of Concept Plan	Is there a well-articulated and realistic development plan consistent with the resources plan?	0	1	2	3	4	5	6	7	8	9	10		
Team	Does the team have the passion and the skills to deliver?	0	1	2	3	4	5	6	7	8	9	10		
Presentation Skills	Was the presentation both engaging and compelling?	0	1	2	3	4	5	6	7	8	9	10		
TOTAL														

Table-III: Recommendation (tick-one; if yes, put dollar value up to \$10,000.00; if Try Again, define criteria)

	YES: \$
	Try Again

Rules and Timeline for "Try Again"

- Refer to Project Merit Funding Process Document

Criteria for "Try Again"