



SC Launch Grant Programs
Qualifications and Processing Procedures
Effective August 1, 2017

SCRA's SC Launch Program supports entrepreneurs, increases technology commercialization, and fosters early-stage company development in South Carolina.

The SC Launch Program provides mentoring, access to resource partners, as well as grant and investment support to companies in the Program that are closely aligned with the following industries: Advanced Materials/Manufacturing; Life Sciences; and Information Technology.

Grant Programs Overview:

Assistance in the form of grant monies is available to qualified South Carolina-based technology companies using four grant programs.

- SCRA Phase I award matching grants for Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Grants
- Academic Start-up Assistance Program (ASAP) grants (formerly University Start-up Assistance Program Grants)
- Project Development Fund (PDF) Grants
- Acceleration Grants (AG)

Qualified entities are offered an opportunity to compete for available funding based on merit and potential for success. SCRA limits the total amount of all SCRA grant funds received by a company during its lifetime to \$150,000. The maximum allowable direct investments from SC Launch, Inc. over a company's lifetime is \$600,000. Therefore, in total, the combination of grant awards and direct investments made from SCRA and SC Launch, Inc. is \$750,000.

The grantee is expressly forbidden to use or subcontract for the use of laboratory animals in any manner whatsoever without the express written approval of an Institutional Animal Care and Use Committee (IACUC). SCRA will require evidence of IACUC approval for any proposals describing the use of laboratory animals, or Institutional Review Board (IRB) approval for any proposals describing research involving human subjects.

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Grant Descriptions

1. SBIR/STTR Matching Grants

- The SBIR/STTR Phase I Matching Grants are for companies which have received a written notice of award for an SBIR or STTR from a federal agency. As the SC Launch grant approval process has been refined, these Matching Grants are now awarded through two competitive review cycles per year. The review criteria below are used to determine which applications will be approved.
 - Note: The SBIR/STTR Phase I Matching Grant applies to federal agency Phase I awards only.
- Qualifications:
 - The company must be, or be eligible to become, an SC Launch Client Company <http://www.scra.org/what-we-do/support-entrepreneurs/become-a-company>.
 - Individuals working outside of a company are not eligible.
 - The company must be registered to conduct business in the State of South Carolina as authorized by the Office of the Secretary of State prior to award of the funds.
- Funding amount:
 - SBIR/STTR grants will be matched, one to one with the agency award amount, up to a limit of \$50,000.
 - A company may receive one Matching Grant per SCRA Fiscal Year (July 1 – June 30) and a maximum of two Phase I SBIR/STTR Matching Grants during its lifetime (maximum of \$100,000).
- Use of funds:
 - Funding to complete projects crucial to positioning the company to obtain a Phase II SBIR/STTR.
 - Supplemental funding to assist the company in completing the Phase I research activity, including certain costs not allowed under the Phase I federal award (e.g., patent expenses, market research, equipment purchases, and business development efforts).
 - The funds may not be used for long-term commitments such as salaries and rents.
- Application process:
 - An online, Matching Grant application can be found on the SCRA website <http://www.scra.org/what-we-do/support-entrepreneurs/types-of-support>.
 - Fill in application fields, as required.
 - The application should include the following elements:
 - Use of Funds Statement
 - Federal agency award letter
 - Specific hypothesis/aims from the funded grant submission
 - Description of the benefits to South Carolina
 - If available, a business plan and/or commercialization plan
- Review procedure:
 - Applications will be reviewed bi-annually, in February and August. For Fiscal Year 18, applications are due by August 18th for the August review cycle and February 7th for the February review cycle.
 - Qualified applicants will be invited to discuss their applications with the SC Launch Team and subsequently present to the Team (Including the SCRA Director of Academic Programs).

- Feedback and a final decision will be provided in writing to the applying company within two weeks of a presentation.
- If an applicant is not awarded funds during the first submission cycle, they will be eligible to be considered during the following submission cycle without resubmitting.
- Review criteria:
 - Potential for receiving a Phase II SBIR/STTR award
 - Relevance of the SBIR/STTR project to SC Launch key technology sectors (Advanced Materials/Manufacturing; Life Sciences; and Information Technology)
 - Clear pathway to a subsequent Acceleration Grant and/or an SC Launch, Inc. investment
 - Usage of funds that assists with accelerating the technology to commercialization and securing Phase II funding
 - Viable technology with substantiated commercial potential
 - History/status of the SC Launch Client Company and engagement with SC Launch
 - Recommendation of the SC Launch Regional Manager and the Director of Academic Programs
 - Preference will be given to applications with connectivity to a public institution of post-secondary education in the State of South Carolina (either research collaborations under the SBIR/STTR or advancement of academic intellectual property), with additional weight being given to those applications for which the SBIR/STTR research is an area of research that is an institutional priority
- Funds distribution:
 - 75% of the funds will be distributed upon the approval of the grant match.
 - 25% reserve will be held until a final federal agency report is submitted to SCRA.
 - SCRA should receive a copy of the final report within 30 days following submission of the report to the awarding agency.
 - Grant funds will be distributed within one month of approval from the SC Launch Team, and completion of all vendor forms as well as the countersigned contract from the company.
 - The company agrees to return all the awarded funds to SCRA if it leaves South Carolina within 12 months of the distribution of all Matching Funds.

2. Academic Start-up Assistance (ASAP) Grants

- *Formerly University Start-up Assistance Program (USAP) Grants*
- ASAP Grants are available to academic institution-sponsored, for-profit, early-stage, technology companies.
- Qualifications:
 - The company must be, or be eligible to become, an SC Launch Client Company <http://www.scra.org/what-we-do/support-entrepreneurs/become-a-company>
 - Individuals working outside of a company are not eligible.
 - The company must be registered to conduct business in the State of South Carolina as authorized by the Office of the Secretary of State prior to award of the funds.
- Funding amount:
 - \$15,000 is the recommended budget limit, but the company may request and receive up to \$25,000, the maximum allowable for each company during its lifetime.
- Use of funds:
 - Supplemental funding to assist a company in achieving one or more critical milestones toward commercialization that will serve as the foundation for pursuing follow-on funding.
 - The funds should not be used for long-term commitments such as salaries and rents.
- Application process:
 - Download the ASAP Grant application from the SCRA website <http://www.scra.org/what-we-do/support-entrepreneurs/types-of-support>
 - Fill in application fields, as required.
 - Submit your completed application with all required attachments to the Technology Transfer Office (TTO), or equivalent organization, of your academic institution for assessment:
 - Attachment A-Project Summary
 - Attachment B-Market Research Summary
 - Attachment C-Use of Funds Statement
 - Applications should include the following elements:
 - A description of benefits to South Carolina
 - A business and/or commercialization plan, if available
 - The TTO will complete the final submission process, in addition to providing a Letter of Support from the academic institution to apply@scra.org.
- Review procedure:
 - Applications will be reviewed monthly.
 - Qualified applicants will be invited to discuss their applications with the SC Launch Team and subsequently present to the Team.
 - Feedback and a final decision will be provided in writing to the applying company within two weeks of a review.
 - Applications will be considered on a rolling basis. If the applicant is not awarded funds during previous months' review, they are still eligible to be considered during the following months' reviews.
- Review criteria:
 - Relevance of the ASAP project to SC Launch key technology sectors (Advanced Materials/Manufacturing; Life Sciences; and/or Information Technology)
 - Clear pathway to a subsequent Acceleration Grant and/or an SC Launch, Inc. investment

- Usage of funds that assists with accelerating the technology to commercialization
- Viable technology with substantiated commercial potential
- History/status of the SC Launch Client Company and engagement with SC Launch
- Recommendation of the SC Launch Regional Manager and the Director of Academic Programs
- Funds distribution:
 - SCRA will distribute Grant monies in a staged-gate manner (with a maximum of two tranches) corresponding with the company-defined (as agreed by the relevant Regional Manager) milestones.
 - The second distribution of funds will take place under the condition that the milestone(s) associated with the first distribution is met.
 - All milestones should be achieved within one year of project funding.
- Grant funds will be distributed within one month of approval from the SC Launch Team and completion of all vendor forms as well as the countersigned contract from the company.
- The company agrees to return all the awarded funds to SCRA if it leaves South Carolina within 12 months of the distribution of all Grant funds.

3. Project Development Fund (PDF) Grants

- The PDF Grants apply to South Carolina for-profit, early-stage, technology-based commercial entities not sponsored by an academic institution.
- Qualifications:
 - The company must be, or be eligible to become, an SC Launch Client Company <http://www.scra.org/what-we-do/support-entrepreneurs/become-a-company>
 - Individuals working alone are not eligible.
 - The company must be registered to conduct business in the State of South Carolina as authorized by the Office of the Secretary of State prior to award of the funds.
- Funding amount:
 - \$15,000 is the recommended budget limit, but the company may request and receive up to \$25,000, the maximum allowable for each company during its lifetime.
- Use of funds:
 - Supplemental funding to assist the company in achieving one or more critical milestones to commercialization that will serve as the foundation for pursuing follow-on funding.
 - The funds should not be used for long-term commitments such as salaries and rents.
- Application process:
 - Download the PDF Grant application from the SCRA website <http://www.scra.org/what-we-do/support-entrepreneurs/types-of-support>
 - Fill in application fields, as required.
 - The application should include the following elements:
 - Use of Funds Statement
 - Description of the benefits to South Carolina
 - Business plan and/or commercialization plan, if available
 - Review procedure:
 - Applications will be reviewed monthly.
 - Qualified applicants will be invited to discuss their application with the SC Launch Team and subsequently present to the Team.
 - Feedback and a final decision will be provided in writing to the applying company within two weeks of a presentation.
 - Applications will be considered on a rolling basis. If the applicant is not awarded funds during previous months' review, they are still eligible to be considered during the following months' reviews.
- Review criteria:
 - Relevance of the PDF project to SC Launch key technology sectors (Advanced Materials/Manufacturing; Life Sciences; and/or Information Technology)
 - Clear pathway to a subsequent Acceleration Grant and/or an SC Launch, Inc. investment
 - Usage of funds that assist with accelerating the technology to commercialization
 - Viability of the technology with substantiated commercial potential
 - History/status of the SC Launch Client Company and engagement with SC Launch
 - Recommendation of the SC Launch Regional Manager and the Director of Industry Programs
- Funds distribution:
 - SCRA will distribute Grant monies in a stage-gate manner (with a maximum of two

tranches) corresponding with the company-defined (as agreed by the relevant Regional Manager) milestones.

- The second distribution of funds will take place under the condition that the milestone(s) associated with the first distribution is met.
- All milestones should be achieved within one year of project funding.
- Grant funds will be distributed within one month of approval from the SC Launch Team, and completion of all vendor forms as well as the countersigned contract from the company.
- The company agrees to return all the awarded funds to SCRA if it leaves South Carolina within 12 months of the distribution of all Grant funds.

4. Acceleration Grants

- Acceleration Grants are competitively awarded to South Carolina-based, for-profit, technology companies that are progressing well in early-stage development. This funding will enable qualifying, selected companies to make further progress toward commercialization and thereby better position the company to apply for a direct investment from SC Launch, Inc.
- Qualifications:
 - The company must be, or be eligible to become, an SC Launch Client Company <http://www.scra.org/what-we-do/support-entrepreneurs/become-a-company>
 - Sole proprietorships or individuals working alone are not eligible.
 - The company must be either incorporated in South Carolina or registered to conduct business as a foreign corporation in the State of South Carolina as authorized by the Office of the Secretary of State.
- Funding amount:
 - A company may request a one-time award of up to \$50,000.
 - Companies demonstrating the ability to provide matching funds will receive a preference.
- Use of funds:
 - Companies are encouraged to employ Acceleration Grant funds to continue technology and company business development as well as to position the company to receive additional grants and investments
- Application process:
 - The Acceleration Grant Application can be found below or on the SCRA website: <http://www.scra.org/what-we-do/support-entrepreneurs/types-of-support>
 - Submit completed application with required attachments to apply@scra.org
 - Attachment A-Company Summary
 - Attachment B-Market Research Summary
 - Attachment C-Use of Funds Statement
 - Applications should include the following elements
 - A description of benefits to South Carolina
 - A business and/or commercialization plan, if available
- Review procedure:
 - Qualified applicants will be invited to discuss their intentions with the SC Launch Team. Results of the review and a final decision will be provided in writing to the applying company within two weeks of the company's presentation to the SCL Team.
- Review criteria:
 - Relevance of the Acceleration project to SC Launch key technology sectors (Advanced Materials/Manufacturing; Life Sciences; and/or Information Technology)
 - Clear pathway to a subsequent SC Launch, Inc. investment
 - Usage of funds that assist with accelerating the technology to commercialization or expanding market position
 - Viability of the technology with substantiated commercial potential
 - History/status of the SC Launch Client Company and engagement with SC Launch
 - Recommendation of the SC Launch Regional Manager and the Director of Entrepreneurial Programs
 - The company should be able to demonstrate achievement toward critical commercialization milestones.

- The company must possess a competitive value proposition and a compelling go-to-market strategy.
 - The company must demonstrate that it can reach a scale that would create a substantial number of jobs in SC and receive follow-on equity funding.
 - The founders must have an appreciable amount of their own money invested in the company.
 - The founders must have demonstrated an intention to devoting 100% of their time to running the company in the foreseeable future or finding the right people to do so.
 - The management team of the company must demonstrate their intention to use the SC Launch Resource Partner Program and mentoring from SCRA staff.
- Funds distribution:
 - SCRA will distribute Grant monies in a staged-gate manner (with a maximum of two tranches) corresponding with the company-defined (as agreed by the relevant Regional Manager) milestones.
 - The second distribution of funds will take place under the condition that the milestone(s) associated with the first distribution is met.
 - All milestones should be achieved within one year of project funding.

Questions for SC Launch? Link to Team: <http://www.scra.org/about-us/scra-leadership>

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