SCRA Grant Programs
Qualifications and Processing Procedures
Effective February 11, 2019

Through SCRA’s Academic, Entrepreneurial and Industry Programs several funding opportunities are available to qualified companies in the following sectors: advanced materials & manufacturing; information technology; and life sciences.

Companies may be eligible for grant funding and/or SC Launch, Inc. investments. Dependent on the grant type, companies may need to be accepted as an SC Launch Client Company before being eligible for the grant.

Additional opportunities for funding include an SC Launch, Inc. investment. Once a company receives an SC Launch, Inc. investment they are no longer eligible for grants.

Grant Programs Overview:
Assistance in the form of grant funding is available to qualified South Carolina-based technology companies using six grant programs.

- SCRA Phase I award matching grants for Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Grants
- Academic Startup Assistance Program (ASAP) grants
- Project Development Fund (PDF) Grants
- Acceleration Grants (AG)
- Demonstration Projects
- Relocation Grants

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 $175,000. The maximum allowable investments from SC Launch, Inc. over a company’s lifetime is $600,000. Therefore, in total, the combination of grant awards and investments made from SCRA and SC Launch, Inc. is $775,000.

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.
Grant Descriptions

1. SBIR/STTR Matching Grants
   - SCRA awards matching funds to SC Launch Client Companies that have been granted Federal Small Business Innovation Research (SBIR) or Small Business Tech Transfer (STTR) Phase I Awards.
   - 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.
   - Qualifications:
     - The company must be to become an SC Launch Client Company https://www.scra.org/how-sc-launch-works/.
     - 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/funding/
     - 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 2019, applications are due by February 6th 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.
  o 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:
  o Potential for receiving a Phase II SBIR/STTR award
  o Relevance of the SBIR/STTR project to SC Launch key technology sectors (Advanced Materials and Manufacturing; Life Sciences; and Information Technology)
  o Clear pathway to a subsequent Acceleration Grant and/or an SC Launch, Inc. investment
  o Usage of funds that assists with accelerating the technology to commercialization and securing Phase II funding
  o Viable technology with substantiated commercial potential
  o History/status of the SC Launch Client Company and engagement with SC Launch
  o Recommendation of the SC Launch Regional Manager and the Director of Academic Programs
  o 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:
  o 75% of the funds will be distributed upon the approval of the grant match.
  o 25% reserve will be held until a final federal agency report is submitted to SCRA.
  o SCRA should receive a copy of the final report within 30 days following submission of the report to the awarding agency.
  o 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.
  o The company agrees to return all of 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 Program (ASAP) Grants**

- **Eligibility:**
  - Applicants must be for-profit, early-stage companies that are developing intellectual property from one of South Carolina’s academic institutions of higher education.
  - The academic innovator does not need to be a participant in the company.

- **Qualifications:**
  - The company must be, or be eligible to become, an SC Launch Client Company https://www.scra.org/how-sc-launch-works/
  - 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:**
  - $25,000 is the maximum budget limit allowable for each company during its lifetime.

- **Use of funds:**
  - Funding must be used for activities that assist the applicant with achieving one or more critical milestones toward commercialization that will serve as the foundation for pursuing follow-on funding, e.g., generating preliminary data, prototyping, contracting regulatory consulting, and conducting market research.
  - The funds should not be used for long-term commitments such as rents.

- **Application process:**
  - Contact Paul Dudley (Paul.Dudley@scra.org) prior to applying for a pre-evaluation concept review.
  - Download the ASAP Grant application from the SCRA website https://www.scra.org/funding/.
  - 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 Academic Programs and the SC Launch Regional Manager and subsequently present at the monthly company review session. Applications must be submitted at least two weeks prior to this scheduled presentation.
  - Feedback and a final decision will be provided in writing to the applying company within two weeks of a review.

- **Review criteria:**
- Use of funds that assists with accelerating the technology to commercialization by either de-risking the technology or de-risking the business case
- Relevance of the ASAP project to SCRA 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
- 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 stage-gate manner (with a maximum of two tranches) corresponding with the company-defined milestones (as agreed by the relevant Regional Manager).
  - 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 completion of all vendor forms and 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 final distribution of all Grant funds.

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.
3. **Project Development Fund (PDF) Grants**

- SCRA provides Project Development Fund (PDF) grants to qualified companies in the SC Launch program that are not affiliated with an academic institution.

- **Qualifications:**
  - The company must be to become an SC Launch Client Company. [https://www.scra.org/how-sc-launch-works/](https://www.scra.org/how-sc-launch-works/).
  - 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:**
  - $25,000 is the recommended budget limit 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/funding/](http://www.scra.org/funding/).
  - 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 monthly review, they are still eligible to be considered during the following monthly reviews.

- **Review criteria:**
  - Relevance of the PDF project to SC Launch key sectors (Advanced Materials and 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:
  o SCRA will possibly choose to distribute Grant funding in a stage-gate manner (with a maximum of two tranches) corresponding with the company-defined (as agreed by the relevant Regional Manager) milestones.
  o 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.
  o 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.
  o The company agrees to return all of 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 for-profit, technology companies. This funding will enable qualifying, selected companies to make further progress toward commercialization and better position the company for an investment from SC Launch, Inc.
- **Qualifications:**
  - The company must be to become an SC Launch Client Company [https://www.scra.org/how-sc-launch-works/](https://www.scra.org/how-sc-launch-works/).
  - 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/funding/](http://www.scra.org/funding/)
  - Submit completed application with required attachments to [apply@scra.org](mailto: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 sectors (Advanced Materials and 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.

Questions? Link to Team: [https://www.scra.org/about-us/our-team/](https://www.scra.org/about-us/our-team/)

*Julia Linton, SC Launch, Operations Manager; Julia.Linton@scra.org 843-760-5893*

Last Updated: 2/11/2019 4:00 PM
o The company must possess a competitive value proposition and a compelling go-to-market strategy.

o 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.

o The founders must have an appreciable amount of their own money invested in the company.

o 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.

o 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:
  o SCRA will possibly choose to distribute Grant funding in a stage-gate manner (with a maximum of two tranches) corresponding with the company-defined (as agreed by the relevant Regional Manager) milestones.
  o 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.
5. Demonstration Grants

- Demonstration Grants are designed to provide a valuable solution to the corporate partner and a significant growth opportunity for a small business and/or academic partner by developing a new product, distribution channel, customer or research. A demonstration grant supports a matching monetary or in-kind investment by a corporate entity into a project at a small business or academic institution. The grants are designed to lower technical or business risk by accomplishing a technology/testing milestone or opening a new distribution channel, sales pipeline, market, etc.

- Qualifications:
  - 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:
  - Demonstration Grants are limited to $50,000 with rare exceptions.
  - All Demonstration Grants require an equal or greater match by a corporate entity. Demonstration projects with greater than one to one match and that benefit multiple South Carolina companies or academic institutions will be given preference.

- Use of funds:
  - A successful demonstration project will provide a valuable solution to the corporate partner and a significant growth opportunity for a small business and/or academic partner by developing a new product, distribution channel, customer or research.

- Application process:
  - The Demonstration Grant Application can be found below or on the SCRA website: [http://www.scra.org/funding/](http://www.scra.org/funding/)
  - 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 SCRA Industry Programs Team. Results of the review will be provided in writing to the applying company or academic institution within two weeks of presenting to the SCRA Industry Programs Team.

- Review criteria:
  - Relevance of the Demonstration project to SCRA key sectors (Advanced Materials and Manufacturing; Life Sciences; and/or Information Technology)
  - Use of funds to accelerate development and commercialization of technology at an academic institution or accelerate growth of a small or startup company through new products, distribution channels, expanded markets or other significant growth opportunities.

Questions? Link to Team: [https://www.scra.org/about-us/our-team/](https://www.scra.org/about-us/our-team/)

---

Julia Linton, SC Launch, Operations Manager;
Julia.Linton@scra.org 843-760-5893

Last Updated: 2/11/2019 4:00 PM
- Viability of the technology with substantiated commercial potential
- Recommendation of the Director of Industry Programs
- The successful demonstration project will achieve critical commercialization milestones.
- The company or technology must possess, or completion of the Demonstration project must lead to, a competitive value proposition and a compelling go-to-market strategy.
- If the applicant is a small company, the owners/founders must have an appreciable amount of their own money invested in the company.
- If the applicant is a small company, the owners/founders must devote 100% of their time to running the company for the foreseeable future or have highly qualified people dedicated to managing and operating the company.

- Funds distribution:
  - SCRA will possibly choose to distribute Grant funding in a stage-gate manner based on milestones mutually agreed to by the applicant and the SCRA Director of Industry Programs.
  - The second distribution of funds will depend on successful completion of milestones funded by the first distribution.
  - All milestones should be achieved within one year of project funding.
6. Relocation Grants

- Established, for-profit companies relocating to South Carolina. Relocation assistance is approved on a case-by-case basis and may help to lower the burden of moving equipment, up-fitting facilities, etc.

- Qualifications:
  - 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.
  - A minimum of fifty percent of the technology employees (engineers and scientists) of the company must be in South Carolina after relocating.
  - The company must demonstrate solid profits and strong prospects for technology job growth in South Carolina.

- Funding amount:
  - Relocation Grants are limited to $50,000 and may be milestone based.

- Use of funds:
  - Company expenses to relocate to South Carolina which may include, but is not limited to, moving equipment and up-fitting facilities.

- Application process:
  - The Relocation Grant Application can be found below or on the SCRA website: [apply@scra.org](mailto:apply@scra.org)
  - 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 SCRA Industry Programs Team. Results of the review will be provided to the applying company within two weeks of presenting to the SCRA Industry Programs Team.

- Review criteria:
  - Relevance of the relocating company to SCRA key sectors (Advanced Materials and Manufacturing; Life Sciences; and/or Information Technology)
  - Establishing a strong base for growth of technology jobs in South Carolina.
  - Recommendation of the Director of Industry Programs
  - The company must possess a competitive value proposition and a compelling go-to-market strategy.
  - Applicants will be evaluated on the number and quality of technology jobs initially relocated to South Carolina and prospects for growing more of the same as well as overall company strength.

- Funds distribution:
  - SCRA will distribute Grant monies in a maximum of two tranches based on milestones mutually agreed to by the applicant and the SCRA Director of Industry Programs.