

# Cornell Technology Acceleration and Maturation (CTAM) Fund

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## Application and Implementation Guide

### BACKGROUND AND PURPOSE

Technologies that arise from Cornell research may have “great potential.” However, from the perspective of many prospective commercialization partners, it’s not unusual for University technologies to be considered “too early” for licensing or investment.

The strategic objective of the Cornell Technology Acceleration and Maturation (“CTAM”) Fund is to accelerate and mature select technologies in order to facilitate their further development towards commercialization to benefit society.

CTAM will fund the further development of approved Cornell technologies (“CTAM Project”) that have specific needs for successful commercialization before or after licensing. With pre-licensed Cornell technologies, the tactical objective of a CTAM investment will be to increase its “license-ability” and its value to potential commercialization partners. For Cornell technologies licensed to “spinoff” companies or for client companies in Cornell Incubators, CTAM’s objective is to address “invest-ability” gaps that deter significant investment, strategic partnership, or acquisition.

With pre-licensed Cornell technologies, CTAM funding will be provided in the form of a restricted project-specific grant. For Cornell “spinoff” companies or client companies in Cornell Incubators, CTAM funding will be provided in the form of a convertible promissory note.

For each CTAM Project, the fund will provide a small (up to \$50,000) investment that may make a significant impact on the project’s value in a short time period. Preferred projects will complete within 12 months of initiation. Funding for a longer timeframe can be considered but only if it can be shown that commercially significant interim milestones can be reached within a defined and proposed timeframe.

Depending on the character and needs of each project, the fund can be used for activities such as prototype development, beta-testing, additional data generation

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and analysis, market research, and business plan refinement, etc., etc. The fund is not intended to support continuing exploratory, discovery, or basic research.

### **FUNDING SOURCES**

The initial CTAM Fund was provided by the Office of the Vice Provost for Research (“OVPR”). In 2017, Kairos Ventures generously donated \$500K to Cornell University to the CTAM Fund to support researchers in advancing innovative translational projects. The CTAM Fund intends to remain “evergreen” through ongoing contributions by the participating Colleges and future donations from alumni and other philanthropic sources to support technology commercialization. For pre-licensed technology CTAM Projects, the fund offers grants without any “pay back” requirement. Any returns from CTAM convertible promissory note project investments for either Cornell “spinoff” companies, or for client companies in Cornell Incubators, will be reinvested back into the CTAM Fund to support future CTAM Projects.

### **PROJECT ELIGIBILITY**

- Pre-licensed Cornell technologies from Cornell’s Ithaca, Geneva, and Cornell Tech campuses that have disclosure records with the Center for Technology Licensing at Cornell University (CTL) are eligible. Note that the Weill Cornell Medicine (“WCM”) campus has a separate funding program for technologies originating from the WCM campus; and projects that are eligible for funding under the Daedalus Program are not eligible for CTAM funding (<http://weill.cornell.edu/daedalusfund/>).
- Cornell University “spinoff” companies—i.e. new businesses founded on licensed Cornell technologies from the above-mentioned participating campuses.
- Companies admitted as resident clients in Cornell’s incubators.
- Previously funded CTAM projects are eligible for additional CTAM funding when justified.
- Project proposals that target significant and specific milestones achievable within 12 months are preferred.

All CTAM Projects must comply with university policies.

### **HOW TO APPLY**

Two types of applications can be submitted according to the following procedure:

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- (A) Cornell Technology Projects: Proposals based on pre-licensed Cornell technologies which have been disclosed to CTL and are considered “Active” can be submitted by inventors listed on the disclosure who are faculty, research staff and/or graduate students (“CTAM Researchers”), online directly at <http://ctl.cornell.edu/inventors/ctam/form/>. Consultation with a Commercialization Professional (defined below) is recommended but not required.
- (B) Company Projects: Cornell spinoff companies or resident clients in Cornell incubators should be submitted through a Commercialization Professional whose endorsement is required.

Commercialization Professionals (“CP”) include CTL professionals, and professionals in the McGovern Center listed in the table below.

<b>University Unit</b>	<b>Title</b>
CTL	Licensing Officers, Associate Director, and Executive Director: Phillip Owh, Jeff Fearn, Jessica Lyga, Martin Teschl, Carolyn Theodore, Patrick Govang, Yalverton Luckain, Alice Li
Kevin M. McGovern Family Center for Venture Development in the Life Sciences (“McGovern Center)	Center Director, Lou Walcer

For Cornell Technology Projects, Commercialization Professionals will provide guidance and feedback to CTAM Researchers about the proposed projects.

CTAM Researchers are responsible for:

- Preparing and submitting CTAM Project applications;
- Presenting to the CTAM Committee to support project selection;
- Managing approved funds and their associated budgets;
- Submitting all required project progress and final reports outlining the delivered versus proposed results;
- Presenting the project at the progress meeting and showcase event.

For Company Projects, the Commercialization Professionals are responsible for:

- Working with companies to properly prepare and submit the CTAM Project applications;
- Receiving the CTAM funds if proposed projects are approved;

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- Managing the funded projects and their associated budgets;
- Providing brief project progress reports on funded CTAM Projects;
- Chaperoning activities of funded CTAM Projects to arrive at their proposed milestones with the appropriate deliverables within the proposed timelines and budgets; and
- Providing brief project close reports outlining the delivered versus proposed results.

### **APPLICATION**

All CTAM Applications should provide a brief overview of the underpinning technology, its scientific/technical merit, the target market, the intellectual property status, the proposed activities to be funded, specific deliverables from such activities, the project budget and timelines, and anticipated commercial impact of the project by providing the relevant information in Attachment 1.

All proposals, unless specified otherwise, will be submitted to external industry experts who will provide feedback to the CTAM Committee. Please note, external experts are NOT under any obligation of confidentiality. Please either (i) consult a Commercialization Professional prior to submitting any application if the proposal contains confidential information; or (ii) request in your submission that the proposal not to be shared with external industry experts.

Completed applications should be submitted online at <http://ctl.cornell.edu/inventors/ctam/form/>, a website managed by CTL.

Two main application cycles will be organized each year. Applications for the first and second cycle will be accepted in March/April and September/October time frame, respectively. Office of Vice Provost for Research will make the announcement for call for proposals with the due date. Decisions on awards will be made approximately one month after the submission at the CTAM Committee meeting.

Proposals submitted outside of the main submission cycles will be allowed. Such proposals will be reviewed on a schedule based on the availability of CTAM committee and external feedback.

## INITIAL APPLICATION REVIEW

All applications will be reviewed by CTL for compliance with the eligibility criteria identified above and completeness. Noncompliant or incomplete applications will be returned to the submitters to address the deficiencies.

## PROPOSALS REVIEW

Compliant proposals will be referred by CTL to at least one external industry expert (unless there is confidential information) who are experienced technology industrialists, early stage venture investors and/or managers of early stage ventures. Experts are mostly Cornell alumni and regional business executives with the proper domain expertise who volunteer their services to the program.

These external experts will provide their feedback regarding the proposals to the CTAM Committee. This feedback will be based on their informed view on the likelihood that investment, third party licensing, strategic partnership and/or broad public utilization will be enhanced from the proposed activities for CTAM support. Such feedback will be collected prior to the CTAM Committee meeting.

CTAM Committee will organize a meeting about one month after the main submission cycle. The applicants are required to present the proposal in person or via online presentation to the Committee at the Committee meeting.

Based on the submitted proposal, presentation and feedback from external industry experts, CTAM Committee will reach the final funding disposition decision.

The CTAM Committee is comprised of the following individuals:

<b>University Unit</b>	<b>Title &amp; Name</b>
OVPR (Chair)	Vice Provost for Research: Emmanuel Giannelis
CTL	Executive Director: Alice Li
McGovern Center	Director: Lou Walcer
<b>External</b>	<b>Name</b>
*Kairos	Alex Andrianopoulos

*\*appointed by the Chair*

## FUNDING

Upon notice of approval by the CTAM Committee, OVPR will make CTAM Awards of up to \$50,000 per proposal for deployment of up to one year.

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Funding decisions will be communicated promptly by written notice from CTL to applicants.

OVPF's Finance Office will establish for each funded proposal a project account into which the authorized funds for the CTAM Project would be disbursed.

Funding will be released to CTAM Researcher or the Commercialization Professional who submitted the proposal.

For Company Projects, the Commercialization Professional would have limited disbursement authority on this account and may authorize disbursement only into the company's account via its CEO.

It is the intent of the CTAM program to have all disbursements contingent upon achievement of proposed project milestones and objectives.

All project accounts will automatically close at the earlier of (i) the exhaustion of the approved project fund; or (ii) the expiration of the proposed project timeframe. Any cost over-runs and/or term extension for a CTAM Project will require and CTAM Committee approval prior to further disbursement. Any remaining funds from closed project accounts will be returned to the OVPF CTAM Fund account for future deployment.

## **REPORTING**

### **Monthly Project Cash Flow Reports to the Project Commercialization Professional**

For Company Projects, OVPF's Finance Office will provide the responsible Commercialization Professionals with monthly reports of expenditure from the project accounts. The purpose of these reports is to facilitate the Commercialization Professionals' management of the projects towards on-time and on-budget completion.

For Cornell Technology Projects, OVPF's Finance Office will provide the responsible CTAM Researchers with monthly reports of expenditure from the project accounts. The purpose of these reports is to facilitate the CTAM Researchers' management of the projects towards on-time and on-budget completion

### **Project Progress Reports to the CTAM Committee**

As CTAM Projects are implemented, the responsible CTAM Researcher or Commercialization Professionals are responsible for providing a brief (1-page maximum) progress report for each program at 3-month period. Presentations shall also be made at the semi-annual CTAM Committee meeting.

### **Project Close Reports to the Program**

Each CTAM Researcher or Project Commercialization Professional must submit a

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(1-page maximum) “project close” report to CTL within one month of the close of the CTAM Project. This report must compare actual versus proposed CTAM project expenditure, timing, and project yield relative to initial expectations. Awarded applicants must also present at the annual CTAM showcase event to highlight the development of the technology under CTAM project funding.