WRITING BUSINESS PROPOSALS

Boston University 2020

Business Proposal vs Business Plan

- Business Plan covers the whole company strategy
 - Funding
 - Competitive and market analysis
 - Complete product development, manufacturing and sales plans
 - Follow-on products
 - *IP*
 - Full financials
 - 30-35 pages + appendices
- Business Proposal is a specific response to an open solicitation or request for a proposal
 - Some overlap in relevant background info, market and technology
 - Targeted info to the request received and the customers/funders requirements

Purpose of the Ignition Awards

- Identify interesting inventions that have commercial potential
- Support the commercial exploration of those inventions
- Fund development work that is not traditionally funded by Federal agencies

Purpose of the Ignition Awards

- What will the outcome be? Proceed with commercialization or go back to the lab
- How will the results help get the funding and resources to take the project to the next stage
- What work will be required after this project is finished for the technology to be commercialized
- This is not a research grant

What do we mean by commercialization?

- Initial Research
- Working Prototype (proof of concept)
- Alpha Product (Initial regulatory work)
- Beta Product (complete regulatory work)
- Initial (strategic) sales
- Full Commercialization large number of sales, product is mass produced, repeatable, Quality control etc...
- For a new drug 10+ years and \$2.5 billion
- For a new App 1 to 6 months and \$10,000 \$250,000

Proposal Sections: Cover Sheet

- Use the cover sheet provided
- Keep to one page
- List only most recent/relevant publications
- If you have more publications you want to list you can include in appendix – but recognize that it might not be read

Ignition Award Summary

- Briefly talk about the market problem you are solving
- What your technology/invention does to solve the market problem
- What you will accomplish with the award

Remember - This may also be used to showcase your project in public announcements or on the BU website if you are given an award

Proposal Summary

- Think of this as your elevator pitch or blurb
- This is your opportunity to:
 - Give your reader a quick introduction to the proposal
 - Get your reader interested in your proposal
 - Enable others to quickly promote your proposal

What is an Elevator Pitch?



- Succinct statement that explains your business
- Short (30-60 seconds) could be done in an elevator ride
- Key goal: Inspire the listener to want to learn more

Delivering an elevator pitch should be automatic



What are the key elements of the elevator pitch

- What do you do?
- What problem does the technology address?
- What are the unique benefits of the technology/product?
- What are you looking for partnerships, collaborators, market knowledge, funding?

Elevator Pitch Dos and Don'ts

Do's

- Engage the listener
- Use accessible language
- Focus on benefits not features
- Have a call to action (I am here to...)
- PRACTICE

Don'ts

- Give a sales pitch, oversell
- Use jargon
- Use acronyms (NDA)
- Overwhelm the listener with data

What's a Blurb?

- Written counterpart to elevator pitch
- Should serve two functions:
 - Tool for written introductions
 - Positioning/summary statement for use in company documents (e.g. first paragraph of an executive summary – or your summary in the proposal)
- Should be three to five sentences

Sample Blurb

SPECTER SPORTS aims to revolutionize hockey tape used by professional and amateur hockey players. SPECTER's patented tape allows for better puck control, lasts longer and is easier to apply than conventional tape, and is fully customizable to players' needs. The tape also creates a new platform for branding and advertising. SPECTER SPORTS developed the tape with Boston Bruins captain, Zdeno Chara, who is a user and passionate supporter.

How HBS writes a blurb....

For [target customer segments] who must [problem to be solved], our product is a new [category name] that provides [solution to the problem]. Unlike [current solutions], we offer [key differentiating factor].

Impact

- If your technology is completely commercialized what will be the impact of the idea
- How will it benefit BU, your customers, and the world
- Benefits may be:
 - Curing/treating a disease
 - Improvement of public health
 - Environmental progress
 - Economic development new company or growth of an existing company

Problem, Market and Competition

Show:

- What is the problem is that you are solving
- How large the market may be order of magnitude
- How your product will be used in the market what barriers are there to its use?
- What are the current solutions? Why are they imperfect?
- What other new solutions are being developed?
- What primary and secondary research have you done to validate the market?

Problem, Market and Competition Understanding the levers in the market

- Will there be an economic benefit of your solution?
- Are there other benefits your customers care about?
- If you have a medical product, how will it fit into the current "standard of care"?
- Is there anything else that needs to happen for your product to be adopted?
- Do you have any quotes from people that want your product?
- What are the benefits of your solution that will make people change from current practice to your product?

Problem, Market and Competition Samples

- What the problem is that you are solving
 - "I'm increasing the hospital's revenue by...
 - "I'm reducing the cost of..."
 - I'm reducing the liability associated with..
- How large the market may be order of magnitude
 - - There are XX procedures of this type per year
 - - The top current players sell ~\$MM of product per year today
- How your product will be used in the market what barriers are there to its use?
 - The lab director will be the primary user. Today they're using a... and the problem with it is...

Problem, Market and Competition Samples

- What are the current solutions? Why are they imperfect?
 - Currently, in the market are the 1) 2) 3). All current solutions, after talking with users, don't...
- What other new solutions are being developed?
 - I'm aware that the Univ of.. is working on
 - Companies have been developing internal solutions that
- What primary and secondary research have you done to validate the market?
 - I've met with corporate product manager
 - I've met with hospital administrators

Technology

- What is your invention?
- Why is your invention better?
- What are the benefits of the invention?
- What have you shown so far? Do you have any initial data to show that you are on the right track?
- Use graphics where you can to help explain the invention
- Should be easy for the reader to go from the problem you described earlier to the solution you describe here

Technology

- Remember, this is not a scientific publication
- Need to show how the invention is elegant and a breakthrough your reviewer may be an expert in your field
- But show the expert that you have a sophisticated and inventive solution
- Don't need to show how you got there or all of the technical details

- Do you have other validation
 - Past grants/Awards?

Technology Samples

- What are the benefits of the invention?
 - By doing x, we will reduce the number of manufacturing steps
 - Our solution will enable a reduction in energy requirements
 - Remember faster, better and cheaper are key benefits
- What have you shown so far? Do you have any initial data to show that you are on the right track?
 - We have developed a first version of the technology that reached the (following specs)

Prior Art and Intellectual Property

- Describe the status of your IP
- Do you know of other IP in the same field?
- How different, novel is your invention?
- Do you rely on another invention to make yours work?
- Do you already have other IP in this area?
- Talk to Tech Development about this section

Research Plan and Milestones

- Start at the end what will you have at the end of the project and why is this important.
 - Summarize the goal of the proposal and how you will get there
- What steps/milestones will the project be broken down into and what are the end points of these steps?
- Is the timeline realistic?
- Are there clear decisions that will be made at the completion of each milestone?
- Identify major risks in the research plan
- Be clear about how your end point will be a finding that will help you to continue the commercialization path
- Do you have any validation for this end point?
- Keep within the project time allowed 1 year
- You need to be very specific and accurate in what each milestone and the entire project will involve

Follow-on Commercialization Steps

- Show that you understand what needs to happen to the technology once you complete this project?
- What are the next steps? Is there a regulatory pathway you need to be aware of?
- Who from your team will continue to work on the project and be the technology champion?
- Where will the funding come from for the next step?
 - We hope to launch a spin-off company and apply for SBIR funding
 - We anticipate that there will be considerable interest from (large companies) who might enter into a license and may fund further development work

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- Where are you in this path where will you be after the Ignition Award and how will you get through the next 1-2 steps

Budget

- Make sure that you compile your budget very carefully every reviewer will have an opinion on how you plan to spend the funds
- Show how your budget relates to your milestones
- Make sure it is clear for the reviewer why each funding line is needed

Follow the funders budget rules and keep the total budget within the funding allowed!

IMPORTANT EXCEPTION – THIS RULE DOES NOT APPLY TO SBIR AWARDS – FIND OUT FROM THE FUNDING AGENCY IF YOU CAN APPLY FOR MORE THAN THE PUBLISHED MAXIMUM AWARD

Ignition Awards Budget

The Good News......No overhead

The Bad News......Funds may not be used for:

- Salaries for faculty, including summer salaries
- Basic research;
- Legal expenses to advance intellectual property protection;
- Publicity expenses (e.g., the development of marketing materials);
- Legal and other expenses of business formation and operation;
- Attendance at academic conferences;
- Purchase of computer or other unrelated equipment;
- Expenditures that are covered by other funding sources (grants or sponsored research)

Team

- Brief but pertinent information
- Why are the team members part of this project?
- What will each team member deliver?
- Who will continue to work on the commercialization of the technology once this award is completed
- If you have gaps on your team identify them and address how you will fill them

Appendices

- Additional figures and illustrations
- Supplementary and back-up information
- Still need to be easily read and reviewed
- Proposal must be fully understandable and respond to review criteria without the appendices

The Small Stuff

- Follow the rules!
- Get the proposal in on time (January 15th)
- Use the template
- Comply with any margin or font rules
- Keep to the length allowed
- Keep to a maximum file size if there is one
- Make sure your file follows the naming protocol if there is one

Writing and Graphics Style

- Be very clear and persuasive
- Make it easy for your reviewer to read your proposal should read like a story
- Footnotes and references not required but highlight important sources and if necessary include a selected list in an appendix
- Minimize jargon and acronyms
- Use short sentences for emphasis of important points
- Have some white space
- Graphics, diagrams, tables and figures should be very easy to read and understand
- Check your spelling

Review Criteria

- Review your own proposal how would you grade your proposal on the review criteria you have been given?
- Balance:
 - Very large market, project will take a lot of money, a lot of time to reach the market, very high risk
 - Small market, project needs limited money and is close to commercialization, low risk
- Both types of proposals can be funded
- Need to show you understand:
 - The commercialization path
 - Risks
 - Near-term milestones/decision points

Ignition Award Review Criteria

- All criteria weighted equally
 - Technology Potential
 - Market
 - Project Plan and Milestones
 - Team
 - Impact

Who are the reviewers?

- Investors, Entrepreneurs and Business Executives
- Interested in seeing new technologies have some knowledge of tech/science
- Volunteers
- Remember your reviewer may have more of a business background so may not know your specific technologybut they may also be an expert in your field and know exactly what the competition is doing

More questions?

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