

# UT Austin | Portugal

## Global Startup Program

Terms of Reference  
NATIONAL CALL 2014

May 2014



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### *Chapter I - Objective and scope*

#### **ARTICLE 1 - OBJECTIVE**

1. The purpose of the Global Startup Program is to assist the success of Portuguese entrepreneurial endeavors.
2. The following regulations set out the selection and contracting procedures and the legal requirements applicable to all projects that are selected to participate in the Global Startup Program managed by the IC<sup>2</sup> Institute of The University of Texas at Austin, hereinafter referred to as IC<sup>2</sup>, and funded by the Portuguese Foundation for Science and Technology, hereinafter referred to as FCT.
3. For the due purposes of what is stated in these regulations, the beneficiaries of the program are those who are approved by the IC<sup>2</sup> selection committee and their participation is confirmed in writing under the scope of the program.

#### **ARTICLE 2 - SCOPE**

1. These regulations apply to the types of projects described in Chapter II.

### *Chapter II - Types of projects*

#### **ARTICLE 3 - TYPE 1 PROJECTS**

1. Early stage startup ventures with high-growth potential based on a technology that is under development, typically with no sales yet, and wish to move to the United States to obtain funding, development and commercialization roadmaps.

**ARTICLE 4 - TYPE 2 PROJECTS**

1. Technology-based companies with a product/service ready to market, typically with sales in domestic markets, and that wish to expand to global markets.

**ARTICLE 5 - TYPE 3 PROJECTS**

1. Companies that simultaneously qualify within the framework of types 1 and 2 projects.

**ARTICLE 6 - TECHNOLOGY AREAS**

1. The Global Startup Program accepts applications from all technology areas.

***Chapter III - Services provided by the IC<sup>2</sup> Institute team*****ARTICLE 7 - SERVICES PROVIDED FOR PROJECTS**

1. Depending on the company's needs, typical services provided may include:
  - a. Overall guidance for market readiness;
  - b. Guidance for product development;
  - c. Market analysis, targeting, segmentation, and validation;
  - d. Development of information on each company's unique value proposition, specific benefits to prospective clients, and advantages of the technology over competitive alternatives;
  - b. Work with company representatives to develop marketing materials about their technologies for sophisticated markets;
    - a. Preparing applicants to pitch effectively;
    - b. Development of a commercialization strategy for international markets;
    - c. International market entry efforts towards sales;
    - d. Close strategy coaching;
    - e. Preparation for market approach towards first customer acquisition;
    - f. Business development activities in the U.S. market, and, when justified, in other international markets;
    - g. Framing and executing in potential avenues for business engagement agreements between technology representatives and other parties;
    - h. Arranging of meetings between technology representatives and interested parties;
    - i. Coaching of technology representatives prior to meetings with interested parties and throughout the business development activities of the program;

- j. Providing feedback and guidance on business model development, marketing, pricing, contract negotiations, etc.;
- k. Development of business models, value proposition and selling strategies that can be directly linked to increased probability of future business agreements leading to sales, distribution, corporate investment, or a research investment;
- l. (if justifiable) Application for incubation at the Austin Technology Incubator (ATI);
- m. Assistance on the preparation for a funding round, whether that be seed, series A or B types;
- n. Pursuit of business arrangements that result in a cash transfer to the Portuguese venture. This can include sales, corporate investment, or research investment;
- o. Pursuit of partnership agreements that may lead to a cash transfer (such as, a sales partnership or distribution partnership);
- p. Pursuit of arrangements that provide in-kind services which conserve cash for the Portuguese ventures such as web site development, marketing materials development, or sales activity leveraging existing sales calls by the partner;
- q. Develop first client or customer relationships that can result in present or future cash transfer to Portuguese ventures. These can include executed agreements, term sheets, or memorandum of understanding including relationships involving product sales, marketing rights, distributorship relationships, certification support, testing of product in new markets, inventory management structures or agreements, and localized product modification for new market penetration.

#### ***Chapter IV - National Call for Applications***

##### **ARTICLE 8 - 2014 CALL FOR APPLICATIONS**

1. Applications are open from June 1 to June 30, 2014.
2. The Terms of Reference and instructions are publically available at the Global Startup Program website on the following URL: <http://utenportugal.org/global-startup-program/>
3. The call is thoroughly advertised publically through FCT, UTEN, and the IC<sup>2</sup> Institute and other adequate channels.

**ARTICLE 9 - NUMBER OF PROJECTS SUPPORTED**

1. In order to equilibrate the effort devoted to each project, the number of applications supported at each call depends on their nature and quality; as such, they cannot be estimated. Nevertheless, the total number of projects to be selected is foreseen not to exceed the number of 10 (ten) new for the 2014 call.

***Chapter V - Application process*****ARTICLE 10 - APPLICATION PERIOD**

1. Applications for the 2014 call are open from June 1, 2014 at 15:00 to June 30, 2014 at 23:00 (GMT).

**ARTICLE 11 - APPLICATION REQUIREMENTS**

1. Instructions for applications are presented at the Global Startup Program website: <http://utenportugal.org/global-startup-program/>.
2. Candidates must fill out the application form and submit the required materials accordingly.
3. Candidates are free to apply multiple times on different calls with the same type of project or with a different one.
4. Candidates are not allowed to apply to more than one type of project in the same call.

**ARTICLE 12 - CANDIDATE COMPANIES**

2. Should be technology-based with an innovative product/service.
3. Must be incorporated in Portugal.
4. Should be early-stage or mature Micro, Small, and Medium Enterprises (MSME).
5. The leadership of the projects should be assigned to the CEO or one of the co-founders on a full-time commitment. Under valid justification and upon approval by the jury committee, the project's leadership may be warranted to the Director of Business Development.

***Chapter VI - Calendar*****ARTICLE 13 - SELECTION PHASES**

1. Stage 1 (July 1-September 14, 2014): the IC<sup>2</sup> Institute team conducts due diligence on all applications received. This includes both primary and secondary research and contact with the applicants.

2. Stage 2 (September 15-30, 2014): the IC<sup>2</sup> Institute team conducts in-person interviews in Portugal with selected companies, followed by period of additional due diligence on the opportunities that requires close contact with the applicants.
3. Stage 3 (October 1-31, 2014): final selections and communication of results.
4. Stage 4 (November 1, 2014-December 31, 2015): business development, incubation, and acceleration activities for selected companies. Depending on each project, the duration of Stage 4 can be shortened or extended.

## ***Chapter VII - Selection process***

### **ARTICLE 14 - SELECTION CRITERIA**

1. Criteria for final selection will involve various parameters conducive to market success in global markets, this includes, but is not limited to:
  - a. Value proposition of the innovation.
  - b. Readiness level to succeed in highly competitive environments.
  - c. Team: members, dynamic, coachability, motivation.
  - d. Market traction, both domestically and internationally.
  - e. Competitive positioning.
  - f. Ability to exclude others from operating in the same space.
  - g. Ambition to internationalize.
  - h. Barriers and challenges faced by the company.
  - i. Alignment of objectives with the Global Startup Program.
  - j. Uniqueness of the opportunity.
  - k. Quality of the application.
2. Selection will be determined by the market analysis and potential of the opportunity.

### **ARTICLE 15 - JURY COMMITTEE**

1. A team of experienced professionals from the IC<sup>2</sup> Institute is responsible for the selection process.
2. The jury committee consults multiple people before making a final decision.

### **ARTICLE 16 - COMMUNICATION OF RESULTS**

1. Final decisions will be communicated electronically in written form, both to selected and not-selected projects.

2. Selected companies will be formally accepted in the Program upon confirming their interest electronically in written form, thereby agreeing to these Terms of Reference.

### ***Chapter VIII -Miscellaneous***

#### **ARTICLE 17 - COSTS**

1. IC<sup>2</sup> Institute operations within the program are funded by the FCT.
2. Participating companies are expected to assume all travel and accommodation costs as well as any other expense related with the internationalization process.

#### **ARTICLE 18 - TERMINATION OF PARTICIPATION**

1. Both the IC<sup>2</sup> Institute team and the companies selected may terminate a project at anytime electronically in written form so long as it is accompanied by an adequate justification.

#### **ARTICLE 19 - EXPECTED RESULTS**

1. Due to the high complexity and unpredictable nature of the technology commercialization process, the closure of business deals is highly probable, but not guaranteed.

#### **ARTICLE 20 - DUTIES OF THE PARTICIPANTS**

1. Participants are required to devote substantial time and effort to conduct the internationalization process within the program.
2. Since the program may include hosting the participants in the U.S.A. or other international markets for short or long periods (up to one year), it is required for the participants to travel and live abroad as needed.
3. The participating companies are required to designate one top-level representative to lead the internationalization endeavor and keep close and constant communication with the IC<sup>2</sup> Institute team at least once a week.
4. Participants are required to collaborate with the IC<sup>2</sup> Institute team to communicate their participation in the program and publicize the results thereof. Confidentiality issues related to the nature of closed business deals will be taken into account by both parties in accordance with the best practices.