



# 2022 Fall Grants Information Session

Amy Bastian, Senior Director  
Allan Younger, Senior Director



# Agenda

- Introduction to NC IDEA
- MICRO & SEED Overview
- Application Tips
- Q&A

Slides will be sent to all registered attendees and posted to [ncidea.org](http://ncidea.org).



# Mission

Empower North Carolinians to achieve their entrepreneurial potential

- Independent Private 501(c)(3) Foundation
- Competitive grants and programs for entrepreneurs
- Support and leverage a network of strategic partners



# Impact



**3.9K+ Jobs Created**



**\$457M+ in Total Funding**

*72 companies raised more than \$1M in funding*

*24 companies raised more than \$5M in funding*

*Data as of December 31, 2021 for NC IDEA LABS, MICRO, SEED, SOAR and LEAD companies*



# MICRO & SEED Overview





**NCIDEA**<sup>TM</sup> MICRO  
\$10K



**NCIDEA**<sup>TM</sup> SEED  
\$50K

Non-dilutive grants supporting NC founders leading early-stage, growth-oriented companies

- addressing large, rapidly growing market opportunities,
- with a sustainable competitive advantage, and
- with a unique value proposition



**NCIDEA**<sup>TM</sup>  
FOUNDATION



**NCIDEA**<sup>TM</sup> MICRO  
\$10K



**NCIDEA**<sup>TM</sup> SEED  
\$50K

Companies are on a path to become

- a multi-million dollar company,
- have 50+ employees, or
- be investable.

# MICRO & SEED Eligibility Guidelines

- Companies must be headquartered in *and* conduct majority of corporate operations in NC.
- Founder(s) residing in NC.
- All publicly facing materials must identify the business as a North Carolina company.
  - Includes website, social media, and other marketing materials and channels



# MICRO & SEED Eligibility Guidelines

## Out-of-scope companies

- high capital requirements and a long runway to commercialization
- consulting practices or agencies
- training companies
- tv/film production companies
- distributors, franchises, and resellers
- local, service-oriented small businesses (i.e. restaurants, catering businesses, retail stores, and cleaning companies)
- other “lifestyle” companies
- not-for-profits.



# NCIDEA<sup>TM</sup> MICRO

\$10K

NC IDEA MICRO awards funding paired with mentorship and guidance to young companies looking to advance their idea.

Not yet ready to scale, MICRO grantees

- Need to demonstrate proof of concept OR
- Validate some part of the idea/business model.

The logo features a stylized mountain range icon above the text "NCIDEA™ SEED". The word "NCIDEA" is in a bold, dark teal font, while "SEED" is in a lighter teal font. Below this, "\$50K" is written in the same dark teal font.

NCIDEA™ SEED  
\$50K

NC IDEA SEED offers early stage companies the critical funding needed to scale faster.

- Awarded to innovative startups with a proven concept — even if they are not yet profitable.
- Advances startups to extend runway by gaining customers or attract future funding or investment.

# MICRO & SEED Grant Cycles

## MICRO

- \$10K grants
- 30 per year in two cycles (spring and fall)
- 133 grants awarded since Spring 2018
- 11 (8%) of MICRO awardees have won SEED grants

## SEED

- \$50K grants
- 12 per year in two cycles (spring and fall)
- 187 grants awarded since 2006

# Past MICRO & SEED Award Rates

Grant Cycles	MICRO			SEED		
	Apps	Grantees	Award Rate	Apps	Grantees	Award Rate
Spring 2022	139	15	11%	139	9	6%
Fall 2021	371	23	6%	301	9	3%
Spring 2021	186	19	10%	174	8	5%
Fall 2020	161	16	10%	131	7	5%

# MICRO & SEED

## Eligibility Guidelines

	MICRO	SEED
<b>At critical inflection point where grant funds can be effectively used to begin scaling?</b>	Not yet. Need to... <ul style="list-style-type: none"> <li>• Demonstrate proof of concept OR</li> <li>• Validate some part of the idea/business model</li> </ul>	Yes. Company has... <ul style="list-style-type: none"> <li>• Proof of concept</li> <li>• Market traction (paid or unpaid)</li> <li>• Clear use of funds and milestones over grant period to scale</li> </ul>
<b>Full-time founder</b>	Within a year of grant	At time of grant award
<b>Prior institutional investment or annual revenue</b>	Less than \$50K	Less than \$250K
<b>Time to multi-million dollar company, 50+ employees OR investible</b>	5-7 years	3-5 years



# **MICRO & SEED**

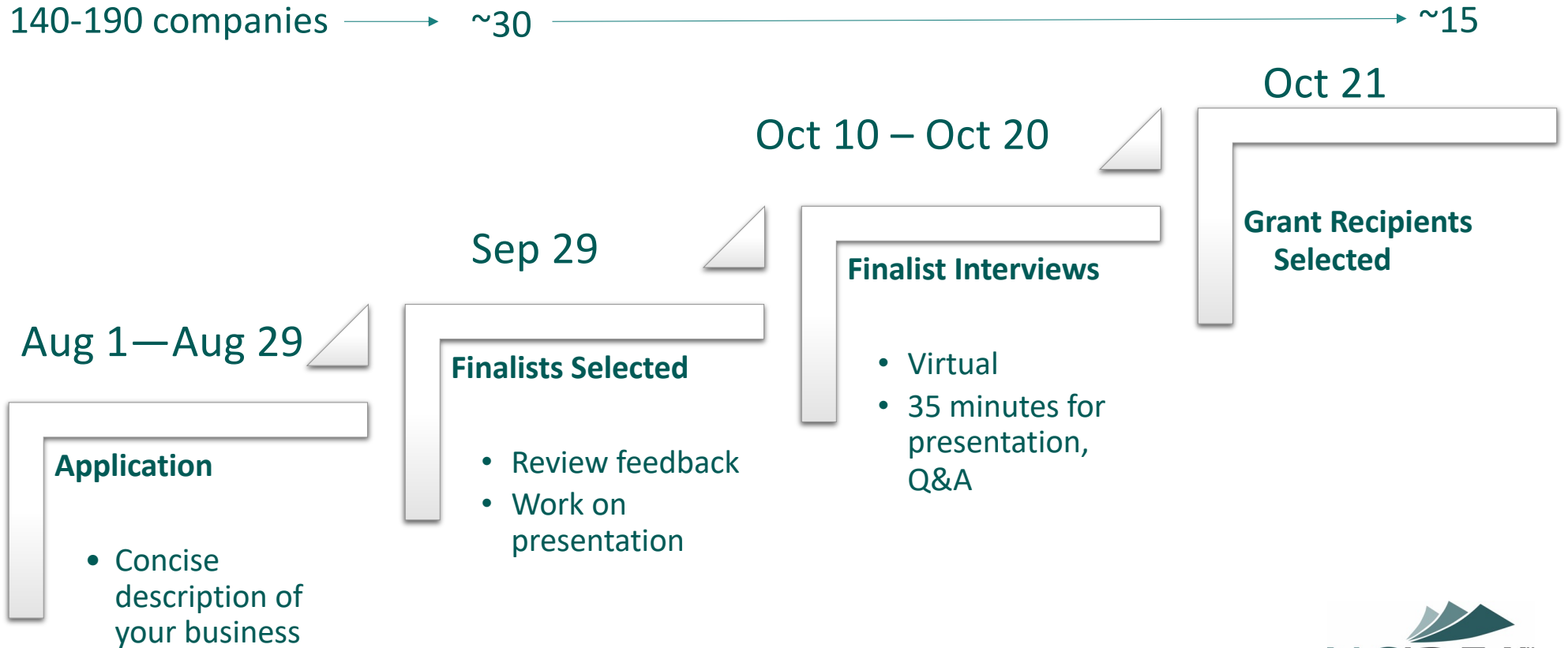
## **Application & Grant Process**

# Fall 2022 MICRO & SEED Grant Cycle

- Applications open Aug 1 – Aug 29
- You can only submit one application, either to MICRO *or* SEED
- ~15 MICRO grants awarded late October
- ~6 SEED grants awarded mid-November



# MICRO Application Process



*Applicants receive feedback at all stages.*

# MICRO Grant Process

Nov '22 – Jan '23

## Kickoff & Programming

- Participate in 8-week customer discovery & product launch program

Dec '22 – Jan '23

## Grant Agreements & Funds

- Grant agreements signed
- Initial funds dispersed (\$7.5K)

Feb '23 – Jun '23

## Validating Assumptions

- Continue to execute on milestones
- Remaining funds dispersed
- Check-ins with NC IDEA staff as needed
- Final report and presentation to cohort

# MICRO Programming - Goals

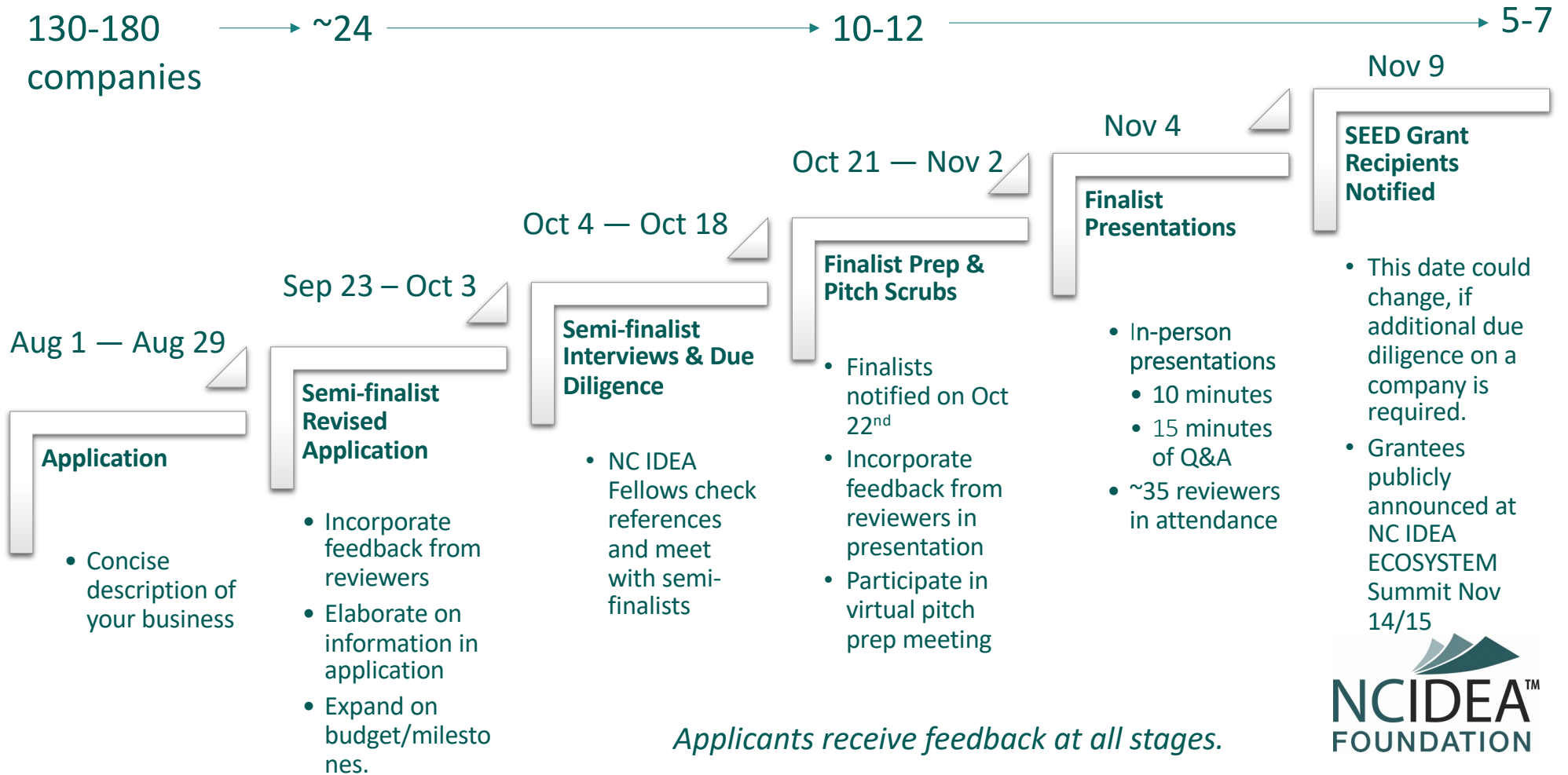
- **Excellent Customer Discovery:**
  - Identify key assumptions that you may be making
  - More precisely identify the early users and early buyers of your product
  - More precisely identify the pain point those users are experiencing
  - Reach 100 potential customers
- **Other important topics such as...**
  - Building a Roadmap for your company
  - Fundraising Strategy
  - Pitching
  - Marketing and PR for early stage companies
  - Roundtable discussions with successful founders

# MICRO Programming - Commitment

## Eight-week program

- Approximately 3 hours seminar participation each week
- Additional time to talk to potential customers (which you may already be doing)
- Check-in meeting(s) with staff and coaches
- Mentor Madness – an intense 5 hours “speed dating” with 15+ mentors who can provide advice and coaching

# SEED Application Process



# SEED Grant Process

Nov '22 – Dec '22

## Milestones & Use of Funds Finalized

- Overview webinar
- 1-on-1 meetings to review use of funds and milestones

Dec '22 – Jan '23

## Tranche 1 Grant Funds Distributed

- Grant agreements signed
- Initial funds dispersed

+6-9 months from grant agreement start date

## Grant Period

- Execute on milestones
- Participate in NC IDEA programming
- Tranche check-in meetings
- Tranche 2-4 funds dispersed

# Benefits for All NC IDEA Companies

- Monthly Speaker Series
- Advisors
- Alumni network
- Undergraduate and graduate summer project assistance



# MICRO & SEED Application Tips





# Getting Started

- Applications are thorough and take time to fill out
- Topics include: founders, team, business details, revenue, funding, grant impact, milestones, use of funds
- Every question asked is important
- Recommend reviewing the application template(s) asap

# Ready to Move Startup to Next Stage

- Team
- Momentum & Traction (SEED)
- Impact of the grant
  - How will use of grant funds move your business forward?
  - What milestones will you be tracking?
  - Why is now right time?

# Be Honest

- No applicant has all aspects of business figured out
- Show that the grant is critical for company's next step

# Be Clear and Concise

- What problem you are trying to solve and what your solution is should be obvious on the first read.
- Leave time to have others to review and provide feedback.
- Don't fill out the max character limits when not necessary!

# Application Objective

- It's not to win a grant.
- It's to progress to the next round.
- Make the reviewer say "I want to learn more"

# Review Team

- NC IDEA Staff
- NC IDEA Graduate Fellows (SEED only)
- Volunteer reviewers from across NC: entrepreneurs, investors, ecosystem partners, subject matter experts

*All reviewers sign confidentiality agreements and are asked to disclose conflicts of interest.*

# Reviewer Feedback

- Instructed to be constructive / actionable.
- You may receive conflicting feedback. Like advisors and investors, reviewers don't always agree.
- Reviewers may focus on different parts of the application or business in their feedback.

# Application Tips

- Don't wait until the last minute to submit!
- Watch for spelling and grammar errors.
- Save online application often.
- Don't log in at the same time on different devices / browsers.
- Work offline using application template.



# Next Steps

Potential applicants should visit NC IDEA to:

- Sign up for virtual office hours
- Download the application templates
- Start online application (Aug 1 — Aug 29 )
- Learn about MICRO / SEED program details and eligibility
- Get questions answered via the FAQ

Questions? [programs@ncidea.org](mailto:programs@ncidea.org)





# Appendix





# MICRO & SEED Applications FAQ



# Do All Company Staff Have to Live in NC?

No. However, the company must be headquartered and have majority of corporate operations in NC.

- All publicly facing materials must identify the business as a North Carolina company.
  - Includes website, social media, and other marketing materials and channels
- There must be a founder living in NC. If all **founders** do not reside in NC, you must explain how startup identifies as being a NC company. For SEED, there must be at least one full-time founder residing in NC.

# Can Solo Founders Apply?

Yes. The following topics also help us understand the support you have.

- Team: founder and non-founder info
- Supporting communities: organizations have you leveraged so far in your entrepreneurial journey
- Advisors: formal and informal

# Can Companies Reapply?

Yes.

- Company progress since last application is *very* important.
- If areas of concern for reviewers are not addressed, company may not progress as far as previous cycle.
- Progress from last application may include finding out what didn't work, as well as what did.
- Last cycle, for SEED applicants:
  - 47% of applicants were past applicants to either LABS, MICRO, or SEED
  - 30% of awardees were past applicants to either LABS, MICRO, or SEED

# Should I Include a Video?

Including a short video **that adds value** to your application can be helpful for some reviewers.

- Prioritize having a strong application first, before spending time on a video.
- Make sure there is adequate lighting / audio, but these do not need to be professional videos.

# How Can I Use the Grant Funds?

In the ways that move your **business** forward. It varies for each company, but below are examples.

- **Customer Discovery:** A/B testing, surveys, interviews
- **Marketing:** SEO, web design, conference attendance
- **Business Development:** Lead generation, employee salary, travel, sales
- **Product Development/Infrastructure:** Prototypes, product testing, development work
- **Legal:** IP cost, corporate filings, partnership agreements
- **Other:** Grant writing, full-time founder stipend



# Will Reviewers Be Familiar with My Market?

Maybe.

- Reviewers matched to applications based on their backgrounds and preferences, when possible
- Reviewers have backgrounds in funding, advising, working with and running startups
- Reviewers with experience in your industry may not be familiar with your technology or product category
- Avoid using unnecessary industry terms -- explain any such terms that you do use