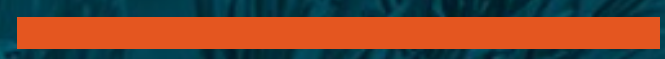




**NCIDEA™**  
**FOUNDATION**



**MICRO & SEED**

Spring 2024 Grant Cycle

- Introduction to NC IDEA
- MICRO & SEED Overview
- MICRO & SEED Timeline
- Application Tips
- Appendix

## **OUR VISION**

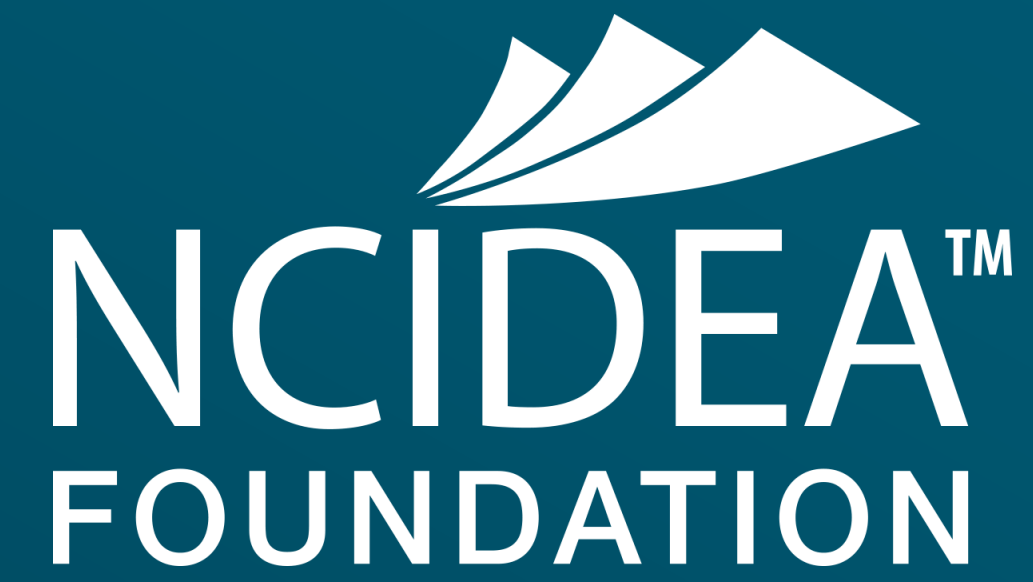
Empower North Carolinians to achieve their entrepreneurial potential.

## **OUR MISSION**

Strengthen the economy of North Carolina through a strategic combination of grants and programs, deployed directly and through a network of partners, in furtherance of our Vision to help people achieve their entrepreneurial potential.

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

- **362 MICRO & SEED grants awarded**
  - 77% companies still active or acquired
- **3.2K+ jobs created**
- **\$540M+ in total funding**
  - 71 companies raised more than \$1M in funding
  - 29 companies raised more than \$5M in funding



# MICRO & SEED Overview

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NCIDEA<sup>™</sup> MICRO  
**\$10K**



NCIDEA<sup>™</sup> SEED  
**\$50K**

Non-dilutive grants supporting NC founders leading early stage growth-oriented companies on a path to be a multi-million dollar company or be investable

- Address large, rapidly growing market opportunities
- Possess sustainable competitive advantage
- Offer a unique value proposition

# MICRO & SEED Eligibility Guidelines

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

## Out-of-scope companies

- Visit [ncidea.org](https://ncidea.org) for a complete list
- Examples:
  - Not-for-profits
  - Trucking, hauling, and storage companies
  - Event venue and management companies
  - Traditional staffing agencies
  - High capital requirements and a long runway to commercialization
  - Consulting practices or agencies
  - Local, service-oriented small businesses (i.e. restaurants, catering businesses, retail stores, and cleaning companies)



# Funding Paired with Mentorship



Awards funding paired with mentorship and guidance to young companies looking to advance their idea.

## \$10K

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



Awards early stage companies the critical funding needed to scale faster.

## \$50K

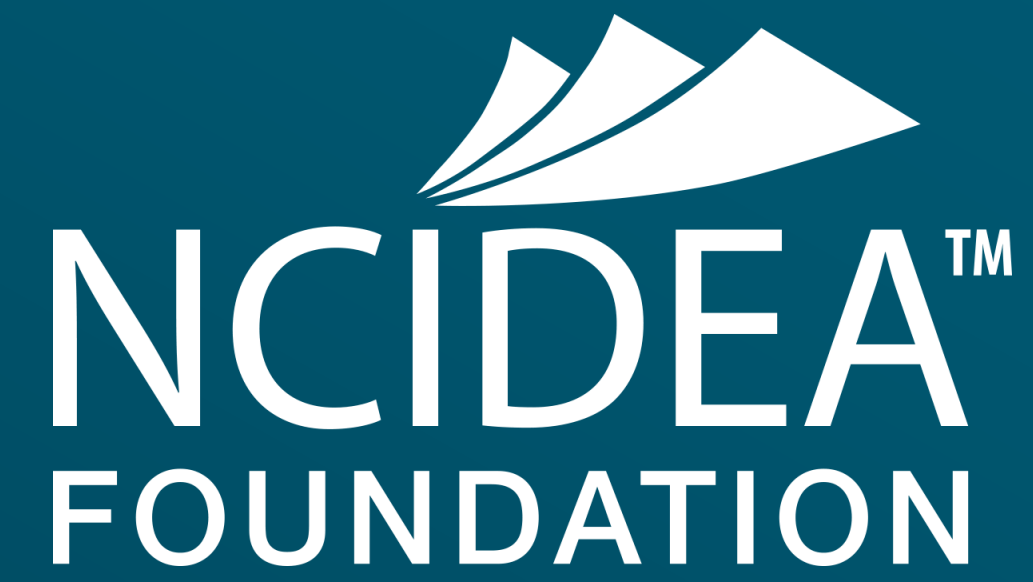
- Awarded to innovative startups with a proven concept even if they are not yet profitable
- Advances startups to extend runway by gaining customers or attract future funding or investment

# MICRO & SEED Grant Cycles

- **Two grant cycles per year**
  - Spring and Fall
  - MICRO and SEED applications open/close at same time
- **MICRO**
  - 15 grants awarded per cycle (30 per year)
  - 177 grants awarded since Spring 2018
  - 51 (29%) MICRO grantees progressed to at least SEED semi-finals
    - 22 (12%) MICRO grantees awarded SEED grants in future cycles
- **SEED**
  - 6 grants awarded per cycle (12 per year)
  - 205 grants awarded since 2006

# MICRO & SEED Eligibility Comparison

	MICRO	SEED
At critical inflection point where grant funds can be effectively used to begin scaling	<p>Not yet. Need to...</p> <ul style="list-style-type: none"> <li>• Demonstrate proof of concept OR</li> <li>• Validate some part of the idea/business model</li> </ul>	<p>Yes. Company has...</p> <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>
Full-time founder in NC	Within a year of grant	At time of grant award
Prior institutional investment or annual revenue	Less than \$50k	<p>Less than \$250k</p> <p>*Competitive CPG companies typically have ~\$95k in annual revenue for past 12 months.</p>
Time to multi-million dollar company OR investible	5-7 years	3-5 years



# MICRO & SEED Spring 2024 Grant Cycle Timeline

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# Spring 2024 Grant Cycle Timeline

- Applications open January 29 (9 AM) – February 26 (5 PM)
- 15 MICRO grants awarded late April
- 6 SEED grants awarded mid-May

# MICRO Application Timeline

140-190 companies → ~30 → 15



Jan. 29 – Feb. 26



Mar. 28



Apr. 8 – 17



Apr. 23



## Application

Concise description  
of your business

## Finalists Selected

Review feedback and  
prepare presentation

## Finalists Interviews

Virtual, 35-minute  
presentation with Q&A

## Grant Recipients Selected

*Applicants receive feedback at all stages*

# MICRO Grant Recipient Timeline



May 2024



May – Jun. 2024



Jun. 2024 – Jan. 2025



**Kickoff Meetings &  
Finalize Grant  
Agreements**

**Programming &  
Tranche 1 (\$7.5K)  
Funds Disbursed**

**Execute on Milestones  
& Tranche 2 (\$2.5K)  
Funds Disbursed**



# 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 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

- **8-Week Program:**
  - Meets on Tuesdays and Thursdays from 9:00 am to 10:30 am via Zoom
  - Additional time to talk to potential customers
  - Check-in meeting(s) with staff
  - Mentor Madness – an intense 5 hours “speed dating” with 15+ mentors who can provide advice and coaching

# SEED Application Timeline

130-180 companies → ~24 → 12 → 6



Jan. 29 – Feb. 26



Mar. 22 – Apr. 1



Apr. 2 – 17



May 2 – 6



May 10



May 15

## Application

Concise description of your business

## Semi-finalist Revised Application

Incorporate reviewer feedback and revise initial application answers

## Semi-finalist Interviews & Due Diligence

NC IDEA Fellows check references and meet with semi-finalists

## Finalist Prep & Pitch scrubs

Incorporate reviewer feedback and virtual pitch prep meeting

## Finalist Presentations

25-minute in-person presentations/Q&A for 35-40 reviewers

## SEED Grant Recipients Notified!

*Eligible applicants receive feedback at all stages*

# SEED Grant Recipient Timeline



May 2024



Jun. 2024



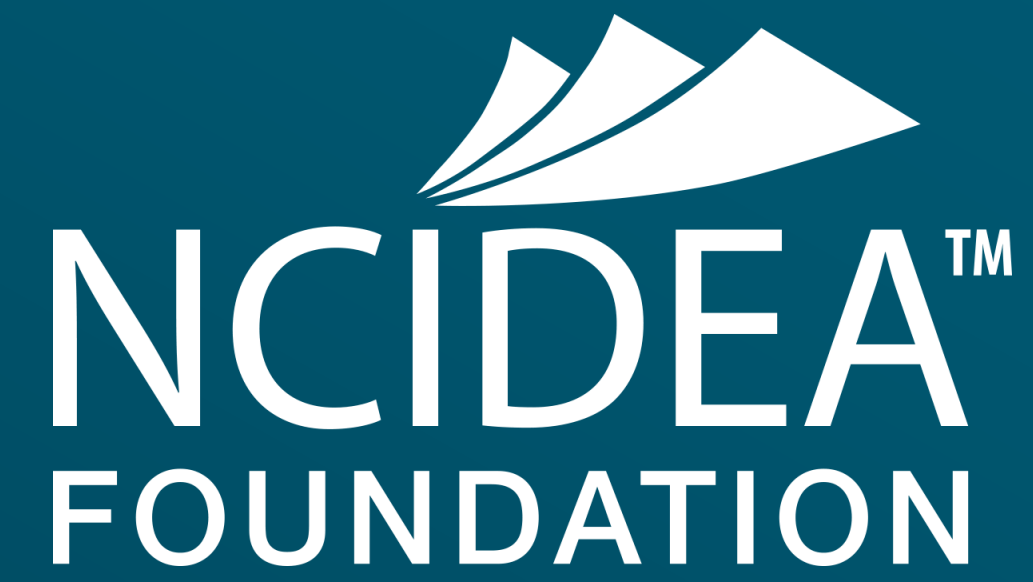
6 – 9 months from start  
of grant agreement

**Grant Agreements  
Finalized**

**Tranche 1 Funds  
Disbursed**

**Execute on Milestones**

Tranche 2-4 funds disbursed  
after check-in meetings



# MICRO & SEED Application Tips

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

# Show Startup Is Ready to Move to Next Stage

- Committed and capable team
- Recent momentum and traction (SEED)
- Impact of the grant
  - How will grant funds move your business forward?
  - What milestones will you be tracking?
  - Why is now the right time?

- No applicant has all aspects of business figured out
- Application is not an extended sales pitch
- For reapplicants, progress since last application is very important



- The problem you are trying to solve and your solution should be clear upon the first read
- Have others review application before submitting
- Do not fill out the max character limits when not necessary!

# Initial 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"

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

Reviewers sign confidentiality agreements and are asked to disclose conflicts of interest.

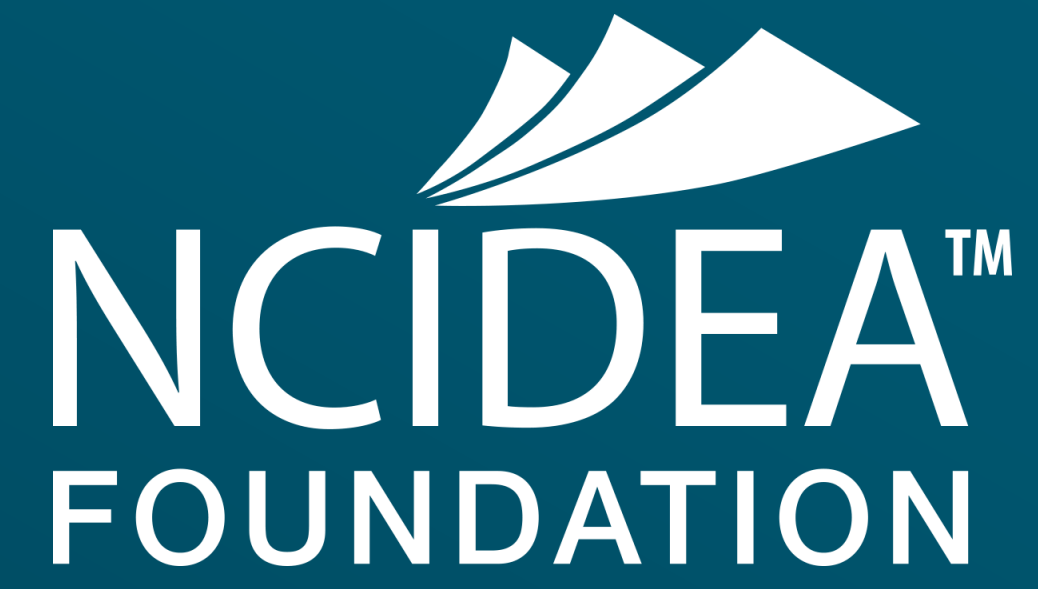
- Instructed to be constructive/actionable
- Reviewers don't always agree
- Reviewers may focus on different parts of the application or business in their feedback

# General Application Tips

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

- Potential applicants should visit [ncidea.org](https://ncidea.org) to:
  - Sign up for virtual office hours
  - Download the application templates
  - Start online application: January 29 – February 26 (5 PM)
  - Learn about MICRO / SEED program details and eligibility
  - Review “Spring 2024 Grant Cycle” resource page

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



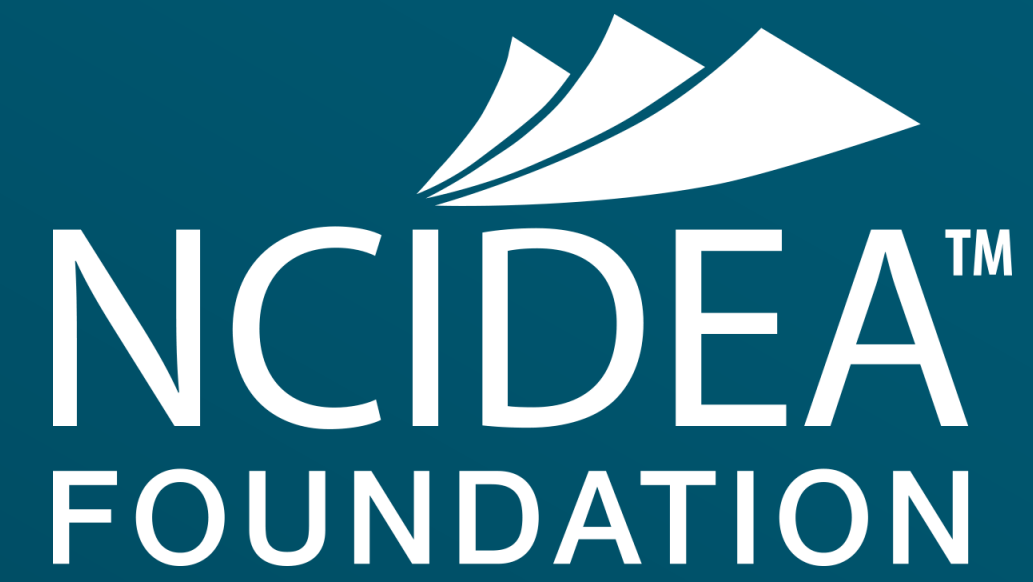
# Appendix

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# Past MICRO & SEED Award Rates

Grant Cycles	MICRO			SEED		
	Apps	Grantees	Award Rate	Apps	Grantees	Award Rate
Fall 2023	170	15	9%	139	6	4%
Spring 2023	182	15	8%	177	6	3%
Fall 2022	134	15	11%	158	7	4%
Spring 2022	139	15	11%	139	9	6%
Fall 2021	371	23	6%	301	9	3%





# MICRO & SEED Application FAQs

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# 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 an 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 you have 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
- For SEED applicants:
  - 40-50% of applicants applied to MICRO or SEED in a previous cycle

# 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 costs, 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