NC IDEA MICRO
Grans fo validating new ideas

NC IDEA MICRO Grant Application

Fall 2024

NOTES:

* This document includes ONLY the free-form questions that are part of NC IDEA’s online application and can be used to draft your answers offline, as well as monitor character counts. This template may change slightly until the application opens.
* Each application also requires information on company founders, funding details, conflicts of interest, revenue, and a few other items.
* Remember to give yourself adequate time to enter your answers into the online application found at the NC IDEA Community Portal at <https://ncidea.my.site.com/>, as you cannot upload this document template.
* The character counts below include spaces.
* You may only apply to either [SEED](https://ncidea.org/nc-idea-seed/) or [MICRO](https://ncidea.org/nc-idea-micro/) (not both) during a grant cycle. Please review the eligibility criteria to decide which grant is the right fit for the current stage of your company.
  + [MICRO Eligibility Criteria](https://ncidea.org/nc-idea-micro/#bdt-tab-ELIGIBILITY-CRITERIA)
  + [SEED Eligibility Criteria](https://ncidea.org/nc-idea-seed/#bdt-tab-ELIGIBILITY-CRITERIA)
* For Fall 2024, the MICRO application opens on Monday, July 29, 2024, and closes at 5 pm on Monday, August 26, 2024.

COMPANY INFORMATION TAB

ELIGIBILITY: INDUSTRY AND COMPANY TYPE: The following companies are not eligible for NC IDEA MICRO.

* Businesses that are illegal in NC, even if legal in other states or countries
* Companies in industries with high capital requirements and a long runway to commercialization, such as pharmaceutical companies
* Consulting practices or agencies
* Distributors
* Event venue and management companies
* Franchises
* Local, service-oriented small businesses (i.e. restaurants, retail stores, catering, cleaning companies)
* Not-for-profits
* Resellers
* Television/film production companies
* Traditional publishing companies
* Traditional staffing agencies
* Training companies
* Trucking, hauling, or freight companies
* Other “lifestyle” companies

By selecting “Yes,” you confirm that your company industry or company type is not listed above and is eligible for NC IDEA MICRO.

COMPANY HEADQUARTERS IN NC (Required if all of the company founders do not reside in NC): If all of the company founders do not reside in North Carolina, explain how your company meets the geography eligibility criteria that “NC IDEA (SEED or MICRO) grants are specifically targeted at companies headquartered in and that conduct a majority of corporate operations in the State of North Carolina. All publicly facing materials, including their website, social media, and other marketing materials and channels should identify the business as a North Carolina company. Selected companies must agree to maintain the majority of corporate operations in the State of North Carolina for at least the 12-month period following completion of the grant.” (max characters: 500)

Questions with picklist or date answer choices.

* COMPANY STRUCTURE
* INCORPORATION DATE (if applicable)
* COMPANY LOCATION: NORTH CAROLINA COUNTY
* BUSINESS CATEGORY
* BUSINESS SUB-CATEGORY
* TARGET MARKET
* UNIVERSITY AFFILIATION

ADVISORS: List any formal and informal business or technical advisors (and their organizations, if applicable) who are actively engaged with the company. (max characters: 800)

SUPPORTING COMMUNITIES: Please name any programs or organizations that have been of assistance to you, including with current and past companies, in your entrepreneurial journey. (max characters: 800)

PREVIOUS APPLICANT: Has the company applying previously applied to an NC IDEA program(s) and/or grant(s)?

* If your answer is “Yes”, you will need to answer the following two questions.
  + PREVIOUS PROGRAM OR GRANT: When and to what program did this company apply? (max characters: 255)
  + COMPANY PROGRESS: What has measurably changed with the company since the previous application? Be sure to cover key issues/concerns received from feedback you may have received in the previous application process. Include progress on traction and key milestones that are evidence of the business's increased viability. (max characters: 750)

COMPANY FOUNDERS TAB

Please provide the following information for EACH COMPANY FOUNDER. Note: Applicants must have at least one founder living in NC, and it is preferred that all founders live in NC. Competitive applicants have a founder in NC who will be full-time within 6-12 months of applying for the grant.

* Name
* Title
* Email
* Phone
* LinkedIn profile URL
  + Reviewers will view your profile, so please make sure the information on LinkedIn matches what you submit on this form. This includes your current employment and residency.
* Include a BRIEF description of how this person’s background relates to your company.
* Full-time or part-time status at your company
  + NC IDEA defines a full-time founder as one who works 40+ hours a week on their startup and does not spend more than 15 hours a week, either 1) working at another company; 2) working at a different startup run by the founder(s); or 3) on school-related activities (including class time and homework).
  + If a founder is part-time, you will be asked to briefly describe what milestone(s) would need to be realized for this person to go full-time, if that is their intent.
* Full-time or part-time status at any other company
  + If a founder is working at another company, you will be asked to briefly describe what milestone(s) would need to be realized for this person to work solely on their startup and not work at any other company/companies, if that is their intent.
* Residence: Does this individual reside in North Carolina?
* Please provide further detail if this person does not reside in North Carolina (max words: 50)
* Primary Contact
* University Affiliation: does this individual have a current or historical connection (student, faculty, or employee) with a North Carolina college or university?
  + University Name
* Gender
* Ethnicity
* Veteran status

TEAM: STAFF (NON-FOUNDER) TAB

If your startup has paid or unpaid non-founder staff, please include the following information for each person.

* Name
* Title
* LinkedIn profile URL
* Include a BRIEF description of how this person’s background relates to your company.
* Full-time or part-time status at your company

If a person is part-time, you will be asked to briefly describe what milestone(s) would need to be realized for this person to go full-time, if that is their intent.

BUSINESS DETAILS TAB

VIDEO URL (OPTIONAL): You are welcome to submit a video that you feel would complement or enhance your application. Submitting a video is optional, but encouraged. The video could include an elevator pitch, product demo (highly encouraged for software companies), customer story/validation or other type of pitch. Videos should be submitted via a link to the video on YouTube, Vimeo, etc.

* We cannot accept separate URLs.
* Videos should be no longer than 3 minutes. Videos that are over the 3-minute limit will not be reviewed or considered.
* NOTE: Only include ONE URL, and DO NOT include additional text in this field. Additional text will break the link and prevent reviewers from viewing your video.

VIDEO URL DETAILS (OPTIONAL): If needed, provide additional information regarding your video link, such as a password. (max characters: 200)

DESCRIPTION: Please describe your company in 1-2 sentences. (max characters: 500)

PROBLEM & SOLUTION

PROBLEM: What specific problem is your company trying to solve for your customers? How severe is this problem for them? (max characters: 1,500)

SOLUTION: Briefly describe how your solution is uniquely addressing this problem. Include a use case for clarification, if needed. (max characters: 2,000)

DEFENSIBILITY IN THE MARKETPLACE: What is your company’s defensibility in the marketplace? Highlight your company's intellectual property, innovation, technology, or market advantage. Note, if your company has filed, been issued or licensed patents, please list those details in PATENT DETAILS section directly below. (max characters: 1,500)

PATENT DETAILS: If the company has filed, issued or licensed patents, please list the associated number(s) and who owns each of the patents. (max characters: 800)

CUSTOMER & MARKET

CUSTOMER DISCOVERY: (If you are not familiar with customer discovery or would like to learn how to do it more effectively, [please review this information that NC IDEA has put together](https://ncidea.sharefile.com/share/view/sfd12b23d3ccb4eaba7af5f7e97380751).) How many potential customers/users have you talked to? From these interviews, what evidence do you have that you are solving the problem you stated in the PROBLEM section of the application? What else have you learned? What do you still need to learn? (max characters: 1,200)

Tell us about your customer discovery. How many potential customers/users have you talked to? From these interviews, what evidence do you have that you are solving the problem you stated in the PROBLEM section of the application? What else have you learned? What do you still need to learn? (max characters: 1,200)

CUSTOMER DESCRIPTION: Who is the company's (ideal) customer/user at launch (your early adopter)? (max characters: 1,500)

CUSTOMER ACQUISITION: How do you plan to acquire customers/users? Be sure to include all distinct customer/user groups. (max characters: 2,000)

BUSINESS OPPORTUNITY: How does or will your company make money and what price will you be able to sell your solution for? How much money could your company make? Please include the dollar value of the market opportunity for your product. We realize you can't know precisely, but give your best estimate. (max characters: 2,000)

COMPETITION: List the company’s direct competitors, indirect competitors, potential competitors and alternative solutions. How is your product/service differentiated from your competition’s product/service? Is it better, faster, cheaper? (max characters: 3,000)

TRACTION

MOMENTUM & TRACTION: What progress has the company made, specifically in the past 6 months, to develop your product/service?

Please include any key traction metrics that your company is tracking. Key metrics will vary by company type and industry, and your company may still be determining what key metrics to track and how to collect the necessary data. Examples of key metrics include:

* Paying customers
* Unpaid users
* Conversion rate
* Engagement rate
* Customer acquisition cost
* Customer lifetime value
* Length of sales cycle
* For CPG
  + COGS (cost of goods sold)
  + Profit margins
  + Reorder rate

(max characters: 2,000)

REVENUE: Does the company already have a product/service on the market currently generating revenue? (yes/no)

EXPECTED REVENUE: In how many months does the company expect to have a product/service on the market generating revenue? If already generating revenue, please enter 0.

For the following three questions, please enter whole numbers. If your company is pre-revenue, please enter 0.

* Total Revenue Generated To-Date Over the Life of the Company
* Time Period of Total Revenue (in months)
* Last 12 Months Gross Revenue

EQUITY INVESTMENT TAB

Which of the following best describes the company's current fundraising status? (picklist)

* The company is not currently engaging with new investors and has no plans to raise money in the next 12 months.
* The company is not actively fundraising but plans to in the next 12 months.
* The company is actively fundraising at this time.
* The company is in negotiations and currently has a term sheet(s).

EQUITY-BASED INVESTMENT: Equity-based investments include angel investors, institutional VCs, convertible notes, equity crowdfunding, and money from friends & family (excluding loans and gifts). (picklist)

* The company has received equity-based investment.
* The company has NOT received any equity-based investment to date.

EQUITY-BASED INVESTMENT DETAIL (Report only if company has received equity-based investment): Please separate each fundraising event by both the event and by the source of funding. If the investment listed is with an accredited investor/institutional firm, please include the organization's full name under "Source". Founder contributions should be listed on the "Additional Funding" tab.

* Funding Type
* Date of Funding
* Amount ($)
* Source

ADDITIONAL FUNDING TAB

ADDITIONAL FUNDING: Please enter whole numbers below for the additional types of funding sources. Please do not leave any spaces blank, enter 0 if applicable.

* FOUNDER(S) CONTRIBUTION
* GRANTS
* LOANS
* GIFTS
* AWARDS/PRIZE MONEY
* OTHER FUNDING

PAST FUNDING DETAIL: Briefly describe how the above funds (including any equity-based investment(s) listed on the previous tab) have been or are being used and how much is still available for your company to use. (max characters: 1,500)

GRANT REQUEST TAB

GRANT SCHEDULE: MICRO grant recipients receive grant funds in two tranches (payments): 75% ($7,500) is received upon signing the grant agreement and the remaining 25% ($2,500) is received two months later. Milestones and Use of Funds will be reviewed and agreed upon by the recipient and NC IDEA after the grant is awarded and before the funds are released. First payments are typically made in May or June for the Spring Grant cycle and December or January for the Fall Grant cycle. The grant period in which you plan to achieve the milestones and deploy the grant funds is typically 5-7 months. Companies cannot use MICRO funds to cover expenses incurred before the grant agreement is signed.

PROGRAMMING: NC IDEA MICRO couples $10K in funding with an eight-week program to accelerate your company’s progress.

After MICRO grant recipients are selected, the program proceeds as follows:

* Each company works directly with NC IDEA staff to implement a six-month timeline of meaningful milestones and impactful use of grant funds.
* The grant agreement is signed, and the company receives 75% ($7,500) of their grant funds.
* Companies participate in an eight-week customer discovery and product launch program.
  + Customer discovery is focused on clearly identifying the early customers, their pain point, reaching them, and their solution.
  + Product launch will include fundraising strategies, marketing, and meeting with 15+ mentors who can provide advice and/or connections.
  + The program will require approximately 3 hours per week of seminar participation on Tuesdays and Thursdays from 9:00 am to 10:30 am via Zoom (sessions are recorded), plus additional time to talk to potential customers.
* Companies schedule check-ins with NC IDEA staff.
* Two months after a company’s grant agreement is signed, the remaining 25% ($2,500) of the grant will be distributed to the company.
* Companies will make a final presentation to NC IDEA staff and other companies in the cohort, about six months after the end of the customer discovery and product launch program.

IMPACT: What impact will the NC IDEA MICRO grant have on your company and what key goals will this grant help you accomplish over the grant period (typically 5-7 months)? Clearly describe how the MICRO funds and programming will validate key assumptions about your business, such as revenue model, market readiness, and sales, to help move your company forward to be competitive for SEED within 2 years or to secure growth through other channels, such as revenue, debt, or equity investment.

Note: NC IDEA has two grant cycles of MICRO every year, and NC IDEA and its reviewers assess the impact of a startup receiving the $10K and participating in programming during a specific grant cycle. It is important for your answer to Grant Impact to clearly communicate the importance of MICRO to your company during this grant cycle.

(max characters: 500)

MILESTONES: Describe 3-8 specific and measurable milestones your company plans to accomplish over the grant period (typically 5-7 months) to achieve the goal(s) listed above in the IMPACT section. Include what outcomes and key metrics your company is tracking. Key metrics will vary by company type and industry, but examples include:

* Paying customers
* Unpaid users
* Conversion rate
* Engagement rate
* Customer acquisition cost
* Customer lifetime value
* Length of sales cycle
* For consumer packaged goods (CPG) companies
  + COGS (cost of goods sold)
  + Profit margins
  + Reorder rate

Example of a specific and measurable milestone: Increase website email conversion rate from 1% to 2% by January 31st.  
(max characters: 1,200)

USE OF FUNDS: How will your company spend the MICRO grant to achieve the MILESTONES and IMPACT goals over the grant period (typically 5-7 months)? Please review the Grant Tranche Schedule note above so that your team is clear on when grant funds become available. (max characters: 1,200)