Agenda

• History of the program

• Build to Scale Program Overview
  • Venture Challenge
  • Capital Challenge

• How to apply
Stevenson-Wydler Technology Act of 1980

Section 27, 15 U.S. Code § 3722

Planning and technical assistance of a regional innovation initiative to improve the connectedness and strategic orientation of the regional innovation initiative

Increasing the availability and investment of private and philanthropic financing that supports innovation-based business ventures

Facilitating commercialization of products, processes, and services, including through demonstration, deployment, technology transfer, and entrepreneurial activities
Investments to date

$0  $10  $20  $30  $40  $50  $60


Millions

$0  $10  $20  $30  $40  $50  $60

$15  $10  $17  $15  $0  $10  $17  $15  $21  $23

$35  $38  $45  $50

$50M for 2023!
Since 2020, the Build to Scale program has spurred $262M in private investment and 240 investment deals, and projects have led to 274 obtained and pending patents, trademarks, and copyrights.
Addressing Community Needs

- Healthy Ecosystems
- Innovation Engines
- Business Support
- Technology Infrastructure
- Basic Infrastructure
Entrepreneurial Support Organizations

Entrepreneurial Ecosystem

Entrepreneurial Support Organization

- Entrepreneurs
- Scalable Startup Companies
- Suppliers/Contractors
- Individuals
Eligibility

• State or city
• Indian tribe
• other political subdivision of a State (i.e. municipality, county, etc.)

*consortia of any of the listed entities

Non-public entities (that require Local Government Support) include:

• nonprofit organization
• institution of higher education
• public-private partnership
• science or research park
• Federal laboratory
• venture development organization
• economic development organization or similar entity that is focused primarily on improving science, technology, innovation, or entrepreneurship

50% Match Requirement
Program Goals

• build public and private capacity for innovators to invent, improve, and bring to market new products and services
• expand regional knowledge ecosystems to realize economic and job growth
• accelerate regional economies that are focused on industries of the future
• catalyze regional leadership through TBED strategies
• empower communities to provide proof-of-concept and commercialization assistance to technology innovators and entrepreneurs
• equitably and inclusively increase access to capital for technology-enabled entrepreneurs
2023

Build to Scale

$50 MILLION FUNDING

VENTURE CHALLENGE

IGNITE < $300K
BUILD < $750K
SCALE $750K – $2M

CAPITAL CHALLENGE

FORM < $400K
DEPLOY $400K – $750K
Venture Challenge

• Programming grant designed to provide entrepreneurial support organizations funding to accelerate scalable startup companies

Example Programs:
• Tech Incubator/Accelerator models
• Coaching
• Tech Transfer and commercialization
• Catalyzing regional Technology-Based Economic Development (TBED) strategies
Venture Challenge

BUILD
- Up to $750,000 Federal Share, 3 years
- Piloting a new model or implementing a proven solution

SCALE
- $750,000-$2 Million Federal Share, 3 years
- Adapts or builds on existing proven program model to scale
Venture Challenge - Ignite

- Up to $300,000 Federal Share
- 18-24 month period of performance
- Focus on nascent TBED communities

Example Programs:
- Governance, partnership building, and community planning for regional TBED strategies
- Feasibility studies, community needs assessments, and impact analyses, etc.
Capital Challenge

• Addressing barriers entrepreneurs face in gaining access to equity-based capital

Example programs:
• Forming a new investment fund
• Investor recruitment and education programming
• Expanding an existing investment fund

CANNOT use grant funds to capitalize a fund
Capital Challenge

FORM
- Up to $400,000 Federal Share, 3 years
- Piloting a new model or implementing a proven solution

DEPLOY
- $400,000 - $750,000 Federal Share, 3 years
- Existing proven program model to scale
Build to Scale

$50 MILLION FUNDING

VENTURE CHALLENGE
- IGNITE < $300K
- BUILD < $750K
- SCALE $750K – $2M

CAPITAL CHALLENGE
- FORM < $400K
- DEPLOY $400K – $750K
Application Process

1. Locate your UEI
2. Register your organization in SAM.gov
4. Fill out and submit your application by July 28th, 2023
Required Forms

• SF-424 – Application for Federal Assistance
  • Project Area and FIPS Codes (attachment)
• SF-424A – Budget Information
• CD-511 – Certification Regarding Lobbying

Additional Forms (if applicable)

• SPOC/OE 12372 Compliance Documentation
• Organizational Documentation
  • Certificate of Good Standing
  • Articles of Incorporation
  • Organization Bylaws
• Indirect Cost Rate (ICR) Agreement
• SF-LLL – Disclosure of Lobbying Activities
A good Project Narrative should....

- Be clear and concise
- Identify a defined gap and propose feasible strategies to address it
- Leverage partnerships
- Contain key milestones
- Use metrics to estimate the long-term impact
- Identify a clear and achievable scope of work
Budget Narrative and Staffing Plan

- Itemized breakdown by year
- Align with the Scope of Work
- Cost categories should correspond with SF-424A and SF-424
- Staffing Plan with Key Personnel
- Indirect Costs

Watch out for...
- Unallowable costs (see Uniform Guidance 2 CFR 200 Subpart E)
- Budget misalignment with the rest of the application
Matching Share Commitment Letters

Should include....

• whether the contribution is cash or in-kind
• a valuation and description for in-kind contributions
• the source of the contribution
• States verifying match (whether cash or in-kind)
  • is committed to the project
  • will be available as needed
  • is neither conditioned nor encumbered in any way that would preclude its use consistent with the requirements of EDA investment assistance

A provider of matching share, whether cash or in-kind contributions, may not serve as a contractor under the award for which it provides matching share.
State/Local Government Support

Required for non-public entities

✓ Letters of support must come from a state or a political subdivision of a state (county, city, municipality, etc.)

✗ Federal or Non-governmental entities will NOT meet this requirement (U.S. Congress, Economic Development Districts, Councils of government, chambers of commerce, etc.)
# Merit Review Criteria

<table>
<thead>
<tr>
<th>Summary of Criteria</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leveraging Ecosystem Resources and Assets – 15%</td>
<td></td>
</tr>
<tr>
<td>Proposed Solution and Implementation – 30%</td>
<td></td>
</tr>
<tr>
<td>Capacity and Feasibility – 15%</td>
<td></td>
</tr>
<tr>
<td>Likelihood of Growing Innovation Economies – 20%</td>
<td></td>
</tr>
<tr>
<td>Continued Effects – 5%</td>
<td></td>
</tr>
<tr>
<td>Equity – 15%</td>
<td></td>
</tr>
</tbody>
</table>
Common Application Mistakes

- Undermatching
- Missing documentation
- Ineligible entities
- No direct investments into companies or entrepreneurs
Competition Timeline

- **June 1, 2023**: Competition Launch
- **July 28, 2023**: Applications Due
- **Fall 2023**: Awards Announced
- **November 1, 2023**: Anticipated Start Date
Questions?

www.eda.gov/funding/programs/build-to-scale

oie@eda.gov