

Guide Questions for Startup Proposal Evaluation

Eligibility Requirements

Eligibility:

1. Is the startup company SEC or DTI registered?
 - a. When is the registration date? Is it within 1-7 years from the date of the start of the call for proposals?
 - i. One (1) year registration must be before the date of GC confirmation
 - ii. CASE 2: pag na-move yung GC date
 - b. **If DTI registered, is the financial statement available?**
 - c. Can issue Official Receipt (OR)?
 - d. Is the name of the implementing agency consistent with the SEC/DTI registration of the company?
2. **Does the project leader have any suspended/pending PCIEERD-funded project?**
3. **Are there any ongoing talks/negotiations with another entity for acquisition/merging?**
4. **Do they have any plans for merging/acquisition by another company?**
5. (Other) Is the startup company incubated? If yes, in which TBI? (Ask for an endorsement letter from TBI)

R&D

1. Is the startup capable of conducting R&D projects?
2. Does the proposed technology fall under the priority areas? **Prepare checklist for proper identification of priority area**
3. **If the proposal falls outside the eligibility criteria (less than 1 year) or outside the priority areas or budget is more than 5M, advise the proponent that their proposal is disapproved.**

Proposal

1. Is the implementing agency correctly identified? (e.g. startup company and not university)
2. Is the proposed budget not more than 5M?

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Proposal Details

Project Title

1. Does the title include the action (what you are proposing to do), the subject (new or improved technology) and the purpose (who or what is it for)?

Project Description - Startup Background

1. Are the startup and its founder described?
 - a. What do you do as a startup
 - b. Which market do you cater to
 - c. Who are the founders
 - d. Background of founders
2. **Is the proof of concept of the proposed technology already validated, or is there a working prototype? (at least TRL 4; idea stage is not allowed)**
3. Are the development efforts on the proposed technology stated in the proposal?
 - a. When, how and why you created the product/ tech
 - b. How the product evolved
 - c. Current/existing prototype or product
 - d. Feedback of users, what you want to improve on
 - e. Comparison of current product to the proposed product in both narrative and tabular form
4. Is there a problem-solution fit?
 - a. Is the pain point clearly explained?
 - i. what is the need?
 - ii. who has those needs?
 - iii. how does the proposed tech present a solution to ease the pain point?
 - b. Are real-life examples of the pain point provided?
 - i. to explain its urgency or importance.
 - ii. to explain how the proposed problem fits into a real-life example
 - iii. the example may also serve as the demonstration area for the tech during the validation stage
5. **Is the proposed tech/product and value proposition clearly described?**
 - a. Highlight advantages, features and benefits
 - b. Clear value proposition
 - i. *The make or break of the proposal is the value proposition.*
 - ii. *Indicate the advantage and quantifiable benefits over existing alternatives.*
 - iii. *Explain how your solution is better in terms of solving the problem you identified.*
 - iv. *How the technology will benefit the people who have that problem*
6. **Will the project develop a market-ready solution by the end of one year?**
7. **Is there a user story?**
 - a. Who are the users of their tech/product?
 - b. What needs are met by the proposed improved tech/product ?
 - c. How will it save lives? For example, how will it make life easier, etc.?
 - d. Why: connect it with the problem you are trying to solve
 - e. **Is there a clear business model presented and is it sustainable?**

Significance

1. Are the R&D roadblocks presented? (Roadblocks are factors that prevent the startup from doing it on its own.)
 - a. lack of expertise (need to hire additional people to develop the system, or pay experts to help you with the system),
 - b. lack of equipment required to develop the technology,
 - c. lack of resources to procure materials to build the prototype,
 - d. lack of resources to undertake testing and validation,
 - e. lack of funds to have the product tested and certified, etc
2. Are the outputs and outcomes identified? (There is a separate section for Expected Outputs)
3. Is there a social benefit?
 - a. How will helping the startup develop the tech benefit the society?
 - b. Is the technology still relevant given the current pandemic situation?**
4. **Are the proposed additional features/functions not currently being provided or implemented by National Government Agencies? (e.g. vaccination tracking, contact tracing)**

Review of Literature

1. Competition and competitive advantage
 - a. Is the product compared with other similar products in the market? Is it competitive in terms of price?
 - b. Highlight the advantages of the proposed tech using a comparative advantage table.
2. Other information may be included such as:
 - a. Intellectual property applications
 - b. Standards and regulatory compliance **(required)**

Marketing and Commercial Viability / Marketability

1. **Is there a compelling need for the product/technology? Is it relevant in the new normal?**
2. **How big is the market for their technology? Is there any data presented?**
3. Does the team consider other potential markets for their product/technology?
4. Is the team able to identify other potential uses of their technology/product?
5. **Is their technology applicable in the Philippine context?**

Objectives

1. Is there one general objective and listed specific objectives?
2. Do they contain the following?
 - a. scope of the proposed research
 - b. what will you do under the project
 - c. what do you want to accomplish

Methodology / Workplan

1. Does the proposal clearly state the R&D activities? (These are not considered R&D: marketing, sales, advertising, operations.)
Acceptable R&D are:
 - Prototyping, fabrication or building the proposed product,
 - Market testing and validating,
 - modification of the design,
 - Data gathering and analysis
 - user tests, feedback and improvement, and deployment.
 - Purely procurement and putting things together are not considered R&D.
2. Does the proposal focus on:
 - a. **Development of the technology and not the business of the startup?**
 - b. Improving the novelty of the system, as opposed to simply setting up an online business?
 - c. Development of a device as opposed to trial marketing of the device to users?
3. Are there details on specific activities, timelines, partners needed, location, etc?
4. Are target clients included as either cooperators or validators in the project?
5. **Are the features to be added compelling enough relative to the requested budget?**
6. **Would their market validation activities be affected by travel restrictions?**

Expected Outputs

1. Are the Expected Outputs identified achievable in 1 year and are direct results of the project?
 - a. *Examples of tech output: 5 demonstration units validated, 6 systems deployed, 2 types of products developed and certified*
 - b. *Examples of other project outputs: 5 partnership agreements, 6 partner sign-ups*

Limitations of the Project

Example: Mass production or production of additional products after validation are not included in the costs, only the prototype units that will be used for testing.

List of Risks and Assumptions

1. Are there risks considered? Is there a risk assessment?

List of Eligibility Requirements:

1. Authenticated copy of DTI Registration, for Sole Proprietorship; or, authenticated copies of SEC-registered Articles of Incorporation and the latest General Information Sheet; authenticated copy of Business Permit; and authenticated copy of Licenses;
2. Latest copies of Income Tax Returns, Audited Financial Statements, and other financial reports;
3. Disclosure of other businesses, if any;
4. Sworn Affidavits from all of the startup owners/ incorporators/ stockholders/ organizers/ partners, directors and/ or officers that they are not agents of or related by consanguinity or affinity up to the fourth civil degree to any DOST officer authorized to process and/or approve the grant and release of funds;
5. Documents/proof of the following, which shall include but not limited to proof of capability and track record in conducting R&D, and when applicable, endorsement from the business incubation facility where the startup is located.
6. Sworn affidavit that the Project Leader has no pending legal/administrative case
7. Sworn affidavit of the secretary of the NGO/PO that none of its incorporators, or officers is an agent or related by consanguinity or affinity up to the fourth civil degree to the official of the agency

(Add PMT Checklist)