

Applying for an EDGE Grant

How to give your application the best chance of being successful

EDGE Grants

- 2 Categories
 - STEM: ~40 per round
 - Entrepreneur: ~80 per round
- Awards: \$100k in STEM, \$25k in Entrepreneur
- How do you pick?

Who is eligible?

- 0-5 years in business
- <10 full time or FTE employees
 - FTE: 2 part time = 1 full time
 - <10 hrs/wk or <4 months per year doesn't count at all
- Majority located in Delaware
- Net assets <\$500k
- Have not previously received a Strategic Fund Grant

Formatting

- Times new roman, size 12 font, double spaced
- Maximum of 20 pages including exhibits & financials
 - Balance Sheet and Income Statement required
- Must submit via PDF, electronically to edgegrants@delaware.gov

STEM Rubric

Return on Investment				
0 - 10	11 - 20	21 - 27	28 - 35	35 - 40
<p>- Company did not submit adequate information to make a determination of the ROI of the grant.</p>	<p>- Proposal shows that the company would be utilizing the grant as part of a crucial funding source in the development of a new product or service, but does not explain convincingly why this is a major innovation in the field.</p> <p>- Proposal attempts to show some ROI to the state for the grant investment, though more detail is needed and/or the defined ROI is not appropriate.</p> <p>- Proposal fails to show a coherent path for fundraising beyond EDGE grant to meet significant capital needs associated with a development lifecycle.</p> <p>- Proposal fails to explore alternatives for the company to succeed if stated research or innovation does not succeed.</p>	<p>- Proposal shows that the company would be utilizing the grant as part of a crucial funding source in order to develop a new innovation or disruptive technology in a given field. This innovation and its impact on the given field is explained, though not in a clear or convincing manner.</p> <p>- Proposal shows that a successful development of technology or successful research discovery may lead to a potential ROI for the state's grant investment, either through direct or indirect means. This is not unsupported with convincing data however, or the horizon is more than 10 years.</p> <p>- Proposal attempts to show how an EDGE grant would enable the company to attract additional fundraising over the coming years, though an end goal is undefined or unrealistic given supporting explanation.</p> <p>- Proposal fails to explore alternatives for the company to succeed if stated research or innovation does not succeed.</p>	<p>- Proposal shows that the company would be utilizing the grant as part of a crucial funding source in order to develop a new innovation or disruptive technology in a given field. This innovation and its impact on the given field is explained adequately with data, though some questions remain.</p> <p>- Proposal shows that a successful development of technology or successful research discovery would lead to a significant ROI for the state's grant investment, either through direct or indirect means.</p> <p>- Proposal attempts to show how an EDGE grant would enable the company to attract additional fundraising over the coming years, though an end goal is undefined or the level of funding needed for commercialization appears unrealistic.</p> <p>- Proposal explores alternatives for the company to succeed, though not in any great detail or in a convincing fashion.</p>	<p>- Proposal shows that the company would be utilizing the grant as part of a crucial funding source in order to develop a new innovation or disruptive technology in a given field. This innovation and its impact on the given field is explained thoroughly with data.</p> <p>- Proposal shows that a successful development of technology or successful research discovery would lead to a significant ROI for the state's grant investment, either through direct or indirect means.</p> <p>- Proposal maps out in a clear and coherent manner how an EDGE grant would enable the company to attract additional fundraising over the coming years to a level that supports commercialization of the product within ten years..</p> <p>- Proposal explores alternatives for the company to succeed even if the initial goal of research or initial aim of discovery fails to be achieved.</p> <p>- Research or innovation pursued aligns with strategic goals of other Delaware stakeholders such as public institutions of higher education, economic development efforts of the community, and other community organizations.</p>
Business Need				
0 - 10	11 - 15	16 - 20	21 - 25	26 - 30
<p>- Proposal shows little to no justification of why the grant will address a business need.</p> <p>- No project budget is included with proposal.</p>	<p>- Proposal makes some effort to describe how the grant will meet a need of the business.</p> <p>- Proposal fails to adequately explain how grant will directly improve the business in order to address stated need, or fails to adequately explain the importance of the stated business need.</p> <p>- Budget and business need are not clearly aligned and insufficient effort is made to explain the link, or items in budget are not clearly explained.</p>	<p>- Proposal provides an adequate explanation of how the grant will address an important need of the business.</p> <p>- Business need is clearly stated, and data is given to support why the need is important.</p> <p>- Proposal fails to consider alternative solutions to the Business need that would not require grant funds.</p> <p>- Budget and business need are not sufficiently aligned- budget items seem unaligned with the stated need or just loosely tied to accomplishing the need.</p>	<p>- Proposal provides a compelling explanation of how the grant would address an important need of the business, but does not include significant or compelling data to support this claim.</p> <p>- Proposal considers some alternative ways to accomplish business need but fails to provide adequate justification for why the stated project is the most effective way of doing so.</p> <p>- Business need is completely tied back to proposed project budget- all items in budget are explained and shown to be consistent with fulfillment of targeted business need.</p>	<p>- Proposal provides a compelling explanation of how the grant would address a unique business need or business opportunity that cannot be easily accomplished using current resources. Data, including an estimation of market size, market growth, company projected sales growth, and competitive analysis is provided to justify these claims.</p> <p>- Proposal considers multiple alternative ways of accomplishing the business need and clearly justifies why the grant proposal is the most effective and efficient way of doing so.</p> <p>- Business need is completely tied back to proposed project budget- all items in budget are explained and shown to be consistent with fulfillment of targeted business need.</p>

Entrepreneur Rubric

Business Need				
0 - 10	11 - 15	16 - 20	21 - 25	26 - 30
<p>- Proposal shows little to no justification of why the grant will address a business need.</p> <p>- No project budget is included with proposal.</p>	<p>- Proposal makes some effort to describe how the grant will meet a need of the business.</p> <p>- Proposal fails to adequately explain how grant will directly improve the business in order to address stated need, or fails to adequately explain the importance of the stated business need.</p> <p>- Budget and business need are not clearly aligned and insufficient effort is made to explain the link, or items in budget are not clearly explained.</p>	<p>- Proposal provides an adequate explanation of how the grant will address an important need of the business.</p> <p>- Business need is clearly stated, but is overly broad and/or not specific to a direct business improvement plan.</p> <p>- Proposal fails to consider alternative solutions to the Business need that would not require grant funds.</p> <p>- Budget and business need are not sufficiently aligned- budget items seem unaligned with the stated need or just loosely tied to accomplishing the need.</p>	<p>- Proposal provides a compelling explanation of how the grant would address an important need of the business, and includes some data to support this claim. This may include an estimation of market size, market growth, company projected sales growth, and competitive analysis.</p> <p>- Proposal considers some alternative ways to accomplish business need but fails to provide adequate justification for why the stated project is the most effective way of doing so.</p> <p>- Business need is completely tied back to proposed project budget- all items in budget are explained and shown to be consistent with fulfillment of targeted business need.</p>	<p>- Proposal provides a compelling explanation of how the grant would address a unique business need or business opportunity that cannot be easily accomplished using current resources. Data, including an estimation of market size, market growth, company projected sales growth, and competitive analysis is provided to justify these claims.</p> <p>- Proposal considers multiple alternative ways of accomplishing the business need and clearly justifies why the grant proposal is the most effective and efficient way of doing so.</p> <p>- Business need is completely tied back to proposed project budget- all items in budget are explained and shown to be consistent with fulfillment of targeted business need.</p>
Return on Investment				
0 - 10	11 - 15	16 - 20	21 - 25	26 - 30
<p>- Company did not submit adequate information to make a determination of the ROI of the grant.</p>	<p>- Company shows little or no data to support a positive ROI for state over a 5 year time period, or cannot show positive ROI over this time frame.</p> <p>- Significant downside risks of business are unaddressed in proposal</p>	<p>- Company shows some data to support a positive ROI for state over a 5 year time period, though projections are unsupported.</p> <p>- Business attempts to demonstrate that it can survive even if projections are not met.</p>	<p>- Company shows compelling data to support a positive ROI for state over a 5 year time period, though projections are questionable and/or overly aggressive.</p> <p>- Potential for growth or sustainability of business is significant.</p> <p>- Business explores how it may perform under different levels of sensitivity in key projections (sales are low, costs are higher).</p>	<p>- Company shows compelling data to support a positive ROI for state over a 5 year time period using conservative assumptions.</p> <p>- Potential for growth of business is significant.</p> <p>- Risk of failure of business is mitigated with explanation of how business would perform even if top line projections are not met. Demonstrated through thorough sensitivity analysis.</p>

Entrepreneur Rubric

Competitive Advantage Gained			
0 - 5	6 - 10	11 - 15	16 - 20
<ul style="list-style-type: none"> - Proposal contains little or no data analysis of firms marketplace and competition. - Proposal fails to adequately analyze the competitive advantage gained from the grant award. 	<ul style="list-style-type: none"> - Proposal contains little or no analysis of the firms marketplace. - Proposal does not consider why the solution presented is the most effective and efficient way of gaining the competitive advantage sought. - Proposal contains no customer insights. 	<ul style="list-style-type: none"> - Proposal contains some analysis of the firms marketplace and attempts to break down major competitors and future of market (potential for new entrants, technological disruption, etc). - Proposal considers why the solution presented is the most effective and efficient way of gaining the competitive advantage sought. - Proposal contains some customer or potential customer insights to support its claim to be able to win and sustain a competitive advantage in their defined market. 	<ul style="list-style-type: none"> - Proposal contains a thorough analysis of the firms marketplace and breaks down major competitors as well as any dominant national firms, and how each would pose challenges. Also analyzes future of market (potential for new entrants, technological disruption, etc). - Proposal considers why the solution presented is the most effective and efficient way of gaining the competitive advantage sought. - Proposal contains thorough customer or potential customer insights to support its claim to be able to win and sustain a competitive advantage in their defined market.

Community Impact				
0 - 2	3 - 4	5 - 6	7 - 8	9 - 10
<ul style="list-style-type: none"> - Proposal does not include a significant explanation of the impact the business will have on its local community. 	<ul style="list-style-type: none"> - Proposal gives some explanation of how the success of the business will have a positive impact on the surrounding community. 	<ul style="list-style-type: none"> - Proposal gives some explanation of how the success of the business will have a positive impact on the surrounding community. 	<ul style="list-style-type: none"> - Proposal gives a compelling explanation of how the success of the business will have a significant positive impact on the surrounding community, whether through job opportunities, economic growth, or other means. 	<ul style="list-style-type: none"> - Proposal gives a compelling explanation of how the success of the business will have a significant positive impact on the surrounding community. This extends beyond job growth and economic activity to include philanthropic and/or local contributions to improve the surrounding community.

The Basics



Focus Areas

- Market sizing- go as far as you can w/ data, then make assumptions
 - The more targeted the better- who are our customers?
- Defining your competition
 - Think of your customers- what do they purchase instead of this?
 - Where do you fall in the market?
- Challenges: Trust me, you have them
 - But that is ok!

Financials

- Make sure you include an income statement AND balance sheet.
- What is the difference? What if you're not selling anything yet?
- We don't evaluate the financials as part of the scoring process- it just allows us to better understand the narrative.
- Best applications incorporate the financial data into the proposal.

Balance Sheet vs Income Statement

- Balance sheet- a snapshot of what your business owns (assets) and how those things were funded (liabilities vs equity)
- Remember, a balance sheet shows the items at the price they were purchased or the cost incurred to make them. If you can't put a price on it, it probably doesn't belong on the balance sheet!
- Income statement shows the flow of revenues against expenses for a given period and shows the bottom line- profit or loss.

Past Winner Advice

- Use rubric as an application road map
 - Rubric can help you understand business's strengths & weaknesses
- Be specific about grant use and business benefit
 - Didn't just say "the money is for equipment"
 - Specified equipment and how much more production it would allow
- Do real research to determine market and competition
 - Census Bureau demographic data on business's area
 - Income level, population, family size, age
 - Talk with trade association
- Talk with a Regional Business Manager before submitting

Contact the Division

- Online
 - Visit **www.delbiz.com/edge**
 - Fill out contact form, get to right person
- Email
 - **business@delaware.gov**
- Phone
 - Main number – 302-739-4271
- Regional Business Managers
 - Joe Zilcosky – Wilmington Area
 - David Mathe – New Castle County
 - Laura Wisler – Kent & Sussex Counties

