

Sid Martin Biotechnology Development Institute¹

Affiliate Member Program Guidelines for Qualification and Selection

Introduction

The bio-business Incubator Program at the Sid Martin Biotechnology Development Institute (BDI) is designed to foster the development of new commercial ventures related to University of Florida technologies in agriculture and all disciplines of the molecular life sciences. The overall goal of the BDI is to assist companies to become viable by expediting research and commercial development of promising biotechnologies.

I. Program Goals and Overview

In order to maximize the effectiveness of the ongoing incubator program, the BDI needs to insure that there is a constant stream of new companies appropriately positioned to profit from BDI support as space becomes available. Most new enterprises would benefit greatly from BDI support prior to application for admission to the program. Better preparation, planning, and business development during their initial evolution will enable companies who eventually become licensees at the BDI to better utilize the time they spend in the program. BDI support will also improve the chances of success for those companies who ultimately are not admitted to the BDI, either because space is not available, or because they failed to compete effectively with other applicants, and have to carry on without our assistance.

The BDI can offer assistance to new start-up companies in the form of due diligence work for their potential research, association and interaction with like-minded and research oriented companies, business assistance services and materials, limited access to the common use laboratory instrumentation, access to BDI library resources, and use of conference rooms and general infrastructure. In addition, the BDI administration can act as a facilitator by suggesting contacts, making referrals, and guiding the companies to business development resources available through other agencies in the community. The resident licensees of the BDI act as a magnet for scientific expertise, a source of novel problem solving, and as examples of successful commercial ventures, all of which can be crucial to companies in the planning stage. The BDI is particularly interested in supporting companies which are establishing research relationships with the University of Florida, or which have an interest in, and potential for, initiating such relationships. The Affiliate Member Program is designed to help embryonic biotechnology based companies to gain a foothold in the commercial arena, as well as to maximize the long term effectiveness of the BDI Incubator Program.

II. Admittance Criteria and Procedures

The BDI Affiliate Member Program is intended for start-up or embryonic stage companies that are attempting to conduct research and development for new products or services

¹ Institute is the legal name of the Incubator

in the molecular life sciences. These companies may require the BDI's assistance for one or more of the following reasons: their research is too preliminary for accurate feasibility planning, they lack appropriate funding sources, their business development is incomplete, or because space in the Incubator itself is unavailable. An applicant company will be appropriate for affiliate status so long as they are biotechnology in nature, and a majority of its revenue comes from equity contributions, debt, research grants, contract research contracts, or other sources unrelated to the sale of products or services. The companies should also establish research relationships with the University of Florida or must have an interest in, and potential for, initiating such relationships. Applicants must be engaged in a good faith effort to establish a new biotechnology based enterprise with the potential for admittance to the Sid Martin Biotechnology Development Institute after appropriate business and scientific development. This program is specifically designed to promote new promising biotechnology based companies as outlined above, and is not intended as a vehicle for public access to the BDI's services and infrastructure.

Start-up companies interested in applying for membership in the BDI Affiliate Member Program must complete an application for admittance, including a preliminary non-proprietary description of their potential R&D program goals and milestones and a description of their proposed business milestones, and submit a feasibility study and/or business plan if available. Applications can be obtained from the Incubator Manager at the BDI, or from the main BDI web site at www.biotech.ufl.org.

The application will be reviewed by the Biotechnology Development Institute's Incubator Manager and Director who will have sole discretion to determine whether that affiliate applicant company meets the general criteria for admittance. The review will be based on the feasibility and scientific merit of the technology, whether it is innovative, the compatibility of the R&D program with the overall purpose of the BDI, whether there is good potential for a collaborative relationship with the University, and how well the applicants enterprise fits with the intent of the Affiliate Member Program as outlined above. Much of the focus of the review will be on information usually contained in a formal feasibility study or business plan. The feasibility study should include establishment of business milestones, examine the potential for commercialization, outline the capability of the company's management, and the status of its financing.

After satisfactory completion of the review, the BDI and the company will sign an Affiliate Member Agreement that will allow the company restricted access to facilities, services, and equipment in the BDI Building. The license agreement will indicate the services that the BDI will provide, and the other obligations of the parties. Research contracts with the University of Florida or with the University of Florida Research Foundation, Inc., are encouraged if appropriate, and will be executed under separate agreements and guidelines of the respective entities. In order to be considered as a affiliate participant in the BDI Incubator Program the company must:

1. Pay an affiliate fee in the amount of \$500.00 and furnish full payment of this fee (check or money order) with an executed agreement to the Biotechnology Development Institute. Payments will be made to the BDI's account at the University of Florida Research Foundation, Inc.

2. Make a good faith effort to use the BDI facilities for the advancement of its business goals. Business goals should extend to the occupation and licensing of laboratory space at the BDI.

The BDI agrees to provide access to the facilities contained within the incubator building including use of common equipment, meeting/ conference space, and related infrastructure under the following terms:

1. The program shall be conducted by the Biotechnology Development Institute in accordance with the laws, rules and regulations of the State of Florida, the University of Florida, and the University of Florida Research Foundation.
2. The affiliate member fee is a non-refundable, annual payment.
3. Continued participation in the program is at the sole discretion of the BDI Incubator Manager and Director.
4. Access to BDI services and facilities will be restricted to available resources and at a lower priority, available only after the BDI's primary commitment has been met.
5. Affiliate members have no permanent space assignment within the BDI.
6. No advertising, publicity or news release containing any reference to the Biotechnology Development Institute or the University of Florida or the affiliate member shall be used by either party without mutual agreement.
7. The agreement may be renewed or extended by written mutual agreement of the parties.