

# Venture Program Requirements

The FAU Tech Runway Venture Program (FAUVP) is a year-long program that runs from July 2020 through June 2021. FAUVP provides all of the resources entrepreneurs need to take their startup to the next level. For more information on the resources offered, please [CLICK HERE](#) and/or visit the FAU Tech Runway website ([techrunway.fau.edu](http://techrunway.fau.edu)).

In order to take full advantage of these program benefits, the following requirements are required for an entrepreneur to remain in good standing within the program. Failure to comply may lead to a company being asked to leave the program and/or having its cash prize withdrawn.

## 1. Entrepreneurship Skills Training: I-Corps Training Module

FAU is one of only three universities in Florida to be formally designated by the National Science Foundation as an I-Corps regional training site. I-Corps is an intensive, five-week program centered on training entrepreneurs to conduct forty (40) “customer discovery interviews,” over a 5-week period, in order to identify an answer to the following question: which “customer segment” matched to which “value proposition” results in the optimal “product-market fit” for your venture. The time requirement is a solid 12 to 15 hours per week, and some of this work may be completed during evenings or weekends. Teams are given a stipend of \$2K in order to travel to industry conferences and trade shows in order to accomplish the detailed customer discovery interviews that are the core requirement of this training module (these funds are paid strictly on an actual expense reimbursement process, and for qualifying expenses that fit the broad parameters; teams will not receive the cash up-front). Teams work in two to four person units, comprised of (1) entrepreneurial leads, (2) technical (product) leads, and (3) business mentors. FAU staff will work with you to form teams where you may be missing one of these three constituent profiles.

**\*\*Based on approval by the FAU Tech Runway Managing Director, those companies that have meaningful revenue traction on a growing paid customer base will be permitted to opt out of the I-Corps Training Module.\*\***

## 2. “Entrepreneurs Master Class” Speaker Series (EMC)

The “Entrepreneurs Master Class” Speaker Series (EMC) are 2.5-hour classes held eight (8) times throughout the year-long program (August through April, excluding December), from 5:30pm to 8:00pm. Meetings consist of the following segments:

- a. Networking, administrative “housekeeping,” and dinner;

- b. A one-hour talk conducted by a serial entrepreneur who highlights key lessons learned during his/her journey as a successful entrepreneur;
- c. Subsequent application and discussion of those lessons to the specific situation of each Venture Program entrepreneur's company.

Attendance is 100% mandatory and is tracked by FAU Tech Runway staff. At least 50% of the senior members of each team must attend each EMC.

### 3. Expert Team Mentoring Program

Licensed from the Massachusetts Institute of Technology (MIT), the Expert Team Mentoring Program will match Launch Competition winners with a team of up to five expert FAU Tech Runway business mentors. Mentors are trained in the MIT mentoring method and are recruited not only for their expertise, but also for their dedication to our entrepreneurs' success, the FAU Tech Runway program, and an altruistic desire to contribute to the success of the South Florida entrepreneurial ecosystem. Participation in FAU Tech Runway's Expert Team Mentoring Program is a requirement for all entrepreneurs/companies in the program.

#### a. **Orientation & "Mentor Match"**

- i. Orientation is the first major step in your participation in the program. Entrepreneurs will complete administrative documentation and be provided an overview and schedule of the I-Corps Training Module and the "Entrepreneurship Master Class" speaker series. Entrepreneurs will receive detailed information on Company-Mentor Team Sessions (CMTS), co-working and conference room access, program benefits, etc. Entrepreneurs will also receive a manual of program policies and procedures for their reference throughout the program.
- ii. "Mentor Match" takes place immediately following the Orientation segment (at the same date, time, & event). Entrepreneurs will meet each of FAU Tech Runway's expert business Mentors in a "speed-meeting" format, where Mentors will rotate every 5 minutes to meet a different entrepreneur/company. A few weeks prior to this event, each company will:
  1. Do a "Deep Dive" company interview with the FAU Tech Runway Managing Director;
  2. Receive an overview of all Mentors' profiles;
  3. Provide updated company documentation (assuming significant change has occurred since the time of application submission in the spring).

Within a week of completing the "Mentor Match" event, companies and Mentors will provide a ranked order of which mentors they would prefer to

join their mentor team. All lists and expressed preferences will be kept confidential, on both sides (Company and Mentor). Subsequently, FAU Tech Runway staff and the Mentor Board will form suggested Company-Mentor Teams based off double-sided rankings/preferences.

- b. **Monthly Company-Mentor Team Sessions (CMTS)** - Each company is required to schedule and attend a CMTS with their FAU Tech Runway mentor team on a monthly basis, publish a brief agenda before each meeting, establish and pursue monthly milestones that are set with the oversight of the Mentor team, and provide a brief e-report immediately following each month's meeting.
- c. **Venture Company Presentations at Mentor Cadre Luncheon Meetings** - Each Venture Company is required to present at one of the mentor cadre luncheon meetings during the year. Presentations consist of a slide pitch followed by a brief Q&A session with the assembled mentor cadre. A schedule of meetings will be provided for entrepreneurs to choose a date that fits their schedule.
- d. **Conflict of Interest** - During the length of the program, FAU Tech Runway Mentors are **NOT** permitted to (1) financially invest or otherwise earn equity, (2) join a company's board, or (3) be financially compensated by a company while that company is participating in the year-long Venture Program. Failure to abide by this rule will result in both the company and mentor(s) being asked to leave the Program.

#### 4. Cash Award Winners

Seven (7) cash prizes of \$15,000.00 each will be awarded to the top seven (7) winners of the Launch Competition.

- a. Proceeds will be awarded in four (4) equal disbursements at the conclusion of each calendar quarter, contingent upon satisfactory participation in all aspects of the Venture Program, including the 5 week I-Corps training module, the eight (8) "Entrepreneurs Master Class" speaker events, and the monthly Company/Mentor Team sessions.
- b. The \$15,000.00 in proceeds may be spent by the winning companies on any business-related costs, including legal and patent expenses, technical studies and proto-typing, sales and marketing, outside consultants (with approval), etc. Proceeds may not be spent on compensation in any form. Disbursements are made to the company, not individuals associated with the company. Cash winners are required to submit an anticipated "Use of Proceeds" document prior

to each quarterly payout. This payment policy may be modified by FAU Tech Runway in its sole discretion.

- c. In order to sustain the highly effective programs and services that FAU Tech Runway provides to entrepreneurs over the long term, each company that wins one of the seven (7) cash prizes will be asked to make a “Founders’ Pledge.” The Founders’ Pledge is an opportunity for company founders to make a commitment now to “pay it forward” at a future point in time, thereby giving back to the next generation of entrepreneurs. Your Founders’ Pledge will be honored in future years when your company will have achieved significant business success. “Success” may be defined by your company’s initial public offering (IPO), acquisition by another company, or via some other exit scenario, or by achieving significant revenue traction over an established period of time. Additional information regarding the general terms of the Founders’ Pledge will be shared with all applicants prior to the formal application deadline (March 20<sup>th</sup>, 2020). Additionally, the seven cash prize winners will be able to discuss the specific terms of its Founders’ Pledge prior to the formal start of the Venture Program. Schools such as Dartmouth, Duke, UCLA, and UCal-Berkeley all have introduced similar programs.
- d. If your company and/or its entrepreneurs are unable to comply with the above requirements at any time, your company runs the risk of being asked to leave the FAU Tech Runway Venture Program and repay the \$15,000 cash award received.

## 5. Miscellaneous Requirements Section

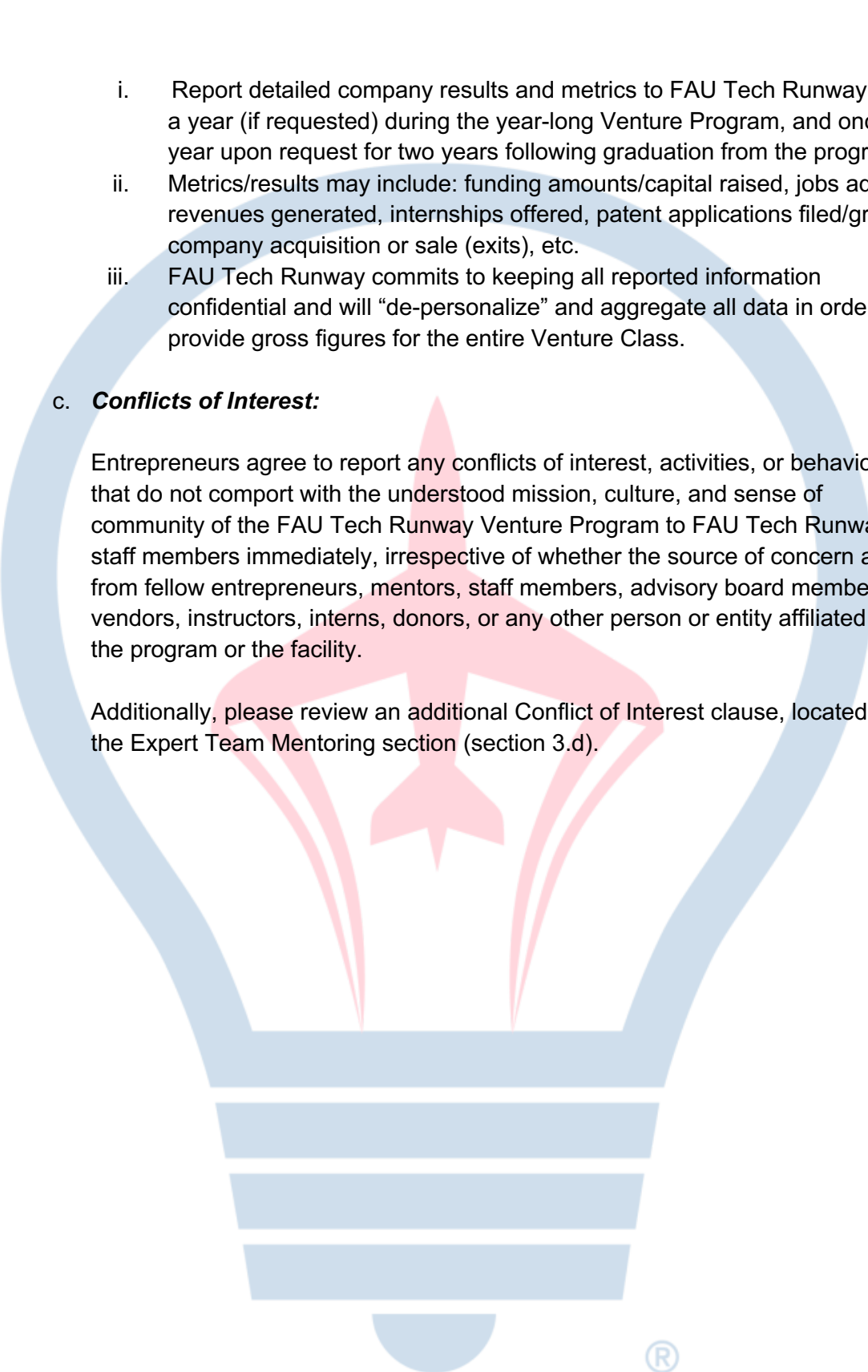
### a. **Background Checks**

Team members must complete a formal background check application after the Launch Competition but prior to entering the Venture Class program. FAU Tech Runway will cover all costs associated with submitting formal background checks. Results of background checks will only be disclosed to FAU’s HR professionals and will not be shared with anyone affiliated with FAU Tech Runway or any other FAU unit. Questions regarding these policies may be presented prior to formal application submission.

*\*Note: A background check is not required for current FAU faculty and staff joining the FAU Tech Runway Venture Program, since one was previously completed during the initial FAU hiring process.*

### b. **Metrics Requests**



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- i. Report detailed company results and metrics to FAU Tech Runway twice a year (if requested) during the year-long Venture Program, and once a year upon request for two years following graduation from the program.
  - ii. Metrics/results may include: funding amounts/capital raised, jobs added, revenues generated, internships offered, patent applications filed/granted, company acquisition or sale (exits), etc.
  - iii. FAU Tech Runway commits to keeping all reported information confidential and will “de-personalize” and aggregate all data in order to provide gross figures for the entire Venture Class.

c. ***Conflicts of Interest:***

Entrepreneurs agree to report any conflicts of interest, activities, or behaviors that do not comport with the understood mission, culture, and sense of community of the FAU Tech Runway Venture Program to FAU Tech Runway® staff members immediately, irrespective of whether the source of concern arises from fellow entrepreneurs, mentors, staff members, advisory board members, vendors, instructors, interns, donors, or any other person or entity affiliated with the program or the facility.

Additionally, please review an additional Conflict of Interest clause, located under the Expert Team Mentoring section (section 3.d).