

UNIVERSITY SYSTEM OF MARYLAND LAUNCH FUND

Info Session – Lindsay Ryan, Managing Director

3/4/24



USM'S WHY

IMPROVING ACCESS TO EARLY CAPITAL

- The USM Maryland Launch Fund is committed to breaking down barriers to early capital and resource access. We prioritize [diversity, equity, and inclusion](#), emphasizing transparency and adding value to all participants. By dedicating up to \$600,000 over three years to this pilot, USM believes that small amounts of capital, strategically deployed, can make a significant impact on Maryland's economy while aligning with our mission to educate, advance equity, and produce impactful research.
- Based on input from over 100 stakeholders; one piece of broader recommendations.
- **The program is a pilot! Success can help raise additional funds for expansion.**

PROGRAM COMPONENTS

1) Microgrants - *Made possible by a \$100k contribution from the USM Foundation!*

Who: Students and employees (including faculty)

When: Some institutions will be deploying in spring and summer of 2024

2) Project Grants

Who: Employees with no venture who need more than \$2,000

When: ?

3) Grants and Investment for Ventures



FOCUS: FUNDING FOR VENTURES

Ventures = for-profit or non-profit startups

FUNDING FOR VENTURES

CHANGES

If you applied last cycle, here is a summary of some changes:

- Simplified application questions; added question about value of diversity, equity, and inclusion
- Primarily grants
- Not requiring an additional call for requests over \$25k
- Offering application assistance

FUNDING FOR VENTURES

ELIGIBILITY

Entities (for-profit or non-profit startups), called "ventures":

- Ventures led by USM students, employees, alumni, or former students; or
- USM intellectual property-based ventures; or
- Ventures physically located in a USM research park, incubator, or RISE Zone. Please note this does ***NOT*** include participation in programs only, such as I-Corps, the Towson University Accelerator, the USG Equity Incubator, Salisbury's Shore Hatchery, or other programs, unless there is some other qualifying eligibility.

All ventures are required to have a substantial portion of their manufacturing, service, research and development, or office space located in Maryland.

****Special note for employee ventures**** Before the Launch Fund will provide funding, employees need to be in good standing with their institution about their venture. Please get in touch at launch@usmd.edu or speak with your Executive Committee representative (<https://www.usmd.edu/launch/team/>) for more info.

FUNDING FOR VENTURES

AMOUNT AND TYPE OF FUNDING

- **Total Funding:** Last cycle, we approved about \$245k total in grants to ventures, and it will likely be less this cycle. This is a pilot, and we hope to raise more funding to continue and grow the program. Requests can be for up to \$50k.
- **Types of Funding:** We primarily provide grants, but the application allows you to note interest in investment or other forms of capital.

FUNDING FOR VENTURES

REVIEW PROCESS AND CRITERIA

Process (<https://www.usmd.edu/launch/how-it-works/#Review-Process>)

A diverse pool of experts review and score applications individually and then join a virtual call to discuss. All reviewers must keep application information confidential. Some applicants may be asked to provide additional information as needed to finalize decisions, which are made by the Executive Committee.

Criteria (<https://www.usmd.edu/launch/how-it-works/#Evaluation-Criteria>)

- 1 – Potential Impact on Economic Development
- 2 – Potential Impact on Applicant
- 3 – Application Answers

FUNDING FOR VENTURES

GOLDILOCKS GUIDELINES

- **The Ask:** Size your ask for what could be a reasonable use of the funds. Even if we can't provide the entire amount, it is best to demonstrate that you know what you need to do and what piece this funding could do. Don't ask for \$50k flat without specifying what it will be used on and why those things will be critical to getting to the next stage.
- **Length of Application Answers:** We fund ventures at very different stages. If you are early in your journey, your answers for some questions may be very light! But when you have solid answers (or guesses) and details, provide them.

FUNDING FOR VENTURES

APPLICATION ASSISTANCE

- **Your Affiliated Institution:** When you register, reps from your institution are notified and may reach out if you have indicated that you would like application assistance. If not, you can proactively reach out to the Executive Committee member (<https://www.usmd.edu/launch/team/>).
- **Other Supporters:** If you require support from outside your affiliated institution or in addition, we can help direct you to some other supporters. Reach out to launch@usmd.edu.

FUNDING FOR VENTURES

TIMELINE

- **Deadline:** May 6, noon Eastern.
- **Decision:** We aim to communicate funding decisions to applicants no later than the end of June.
- **Funding:** Approvals may take several weeks and then several weeks for processing. Thanks in advance for your patience as we ensure to properly process this state \$! Entities properly registered in the state of Maryland (<https://egov.maryland.gov/BusinessExpress/EntitySearch>) and that provide any other details we ask for will be best positioned to receive their check in the mail ASAP!

FUNDING FOR VENTURES

FREQUENTLY ASKED QUESTIONS

Is the funding amount and type request that I submit in the application binding and promised, if the application is accepted?

No, if there is support for funding your application, the Managing Director will get in touch with any recommend changes to the amount, type, and/or use of funds.

Is there a connection to the USM Maryland Momentum Fund (MMF)?

Yes, there are connections between MMF and the Launch Fund, including funding source and some leadership. For some, the Launch Fund may be a stepping stone to the Momentum Fund. However, the Launch Fund and MMF have different criteria and goals.

How likely am I to be funded?

Last cycle, we received close to 100 applications and approved funding for 17. The funded ventures were at different stages of development; being further along does not necessarily make your application more competitive. In fact, some rejected applicants were strong ventures that were further along than the Fund's focus. Focus on the evaluation criteria!

FUNDING FOR VENTURES

FREQUENTLY ASKED QUESTIONS

What can the funding be used for?

The funding can be used for any number of things, from legal fees to prototype development, marketing, etc. The program's goal is to be as flexible as possible.

Are any types of ventures excluded? Is there a focus on tech or any other types of ventures?

A venture in any industry is encouraged. There does not need to be a focus on technology or research. We are seeking to fund a range of types of ventures.

Do you need an entity already in order to apply?

No, you do not need to have formed an entity already in order to apply. However, you will have to form one in order to receive the funds.

FEEDBACK?

We welcome it to strengthen this pilot

Anonymous or not!

Interested in all feedback; particularly anything to improve diversity, equity, and inclusion

<https://univsysofmdvcred.typeform.com/launchfeedback>

THANK YOU!
FURTHER QUESTIONS?
LAUNCH@USMD.EDU



UNIVERSITY SYSTEM
of MARYLAND