


 <b>McALLEN</b> <b>CHAMBER OF COMMERCE</b>	<b>Official Rules</b>	 <b>innovation</b> Grant Awards
REGULATION		<b>MC-BD-FO-1259v00</b>

## The McAllen Chamber of Commerce Innovation Grant Awards - Official Rules - 2021

McAllen Chamber of Commerce Innovation Grant is a grant program designed to encourage product innovation and venture creation in the City of McAllen. The McAllen Chamber of Commerce provides up to \$50,000 in grant funding to McAllen innovators, allowing entrepreneurial pioneers to advance their groundbreaking ideas towards reality. The McAllen Innovation Grant Awards program is a competition, and awards will be made on the basis of the strongest and most potentially viable ideas, as well as the best presentation.

An applicant may request up to \$10,000 to establish, expand, develop or advance a product idea. A product idea may be a tangible product or intangible service that has potential to generate local economic development. The McAllen Innovation Grant awards are grants, not loans, and they do not have to be repaid. The money can be used as described below and the funds will be advanced by the McAllen Chamber of Commerce as needs and progress dictate. Grants may be used for any of the following:

1. New product evaluation;
2. Assessment of commercial potential;
3. Primary or secondary research;
4. Product development;
5. Performance proofing or testing;
6. Test marketing;
7. Patent research;
8. Intellectual property rights procurement;
9. Concept development;
10. Other activities deemed appropriate by the review committee.

The awards are intended to simulate the real-world process of inventors and entrepreneurs soliciting start-up funds from early-stage investors and venture capital firms. The judges' function as venture capital investors deciding which business venture, they would most likely fund. The quality of the idea, the strength of the management team, and the clarity and persuasiveness of the project plan and oral presentation will influence the judges' decisions. Ultimately, the winning team should present the project in which the judges would most likely invest money.

The grant process is divided into two (2) phases. The selection round is based on a 4 pages' project summary, and the presentation round is a 10-minute oral presentation.



## GENERAL INFORMATION

1. All ideas must be the original work of the entering individual or team.
2. A team is composed of one leader and up to 2 members.
3. Applicant, including any persons named in the application form, may not submit or be a participant in more than one application.
4. At least one member of the team must be a resident of the City of McAllen.
5. Applications and executive summary may not be sent by mail or facsimile.
6. The McAllen Innovation Grant Awards judging panel and its administrator have the sole right to alter, amend, or supplement at any time and from time to time the rules, regulations, terms and conditions regarding the McAllen Innovation Grant Awards.
7. All decisions regarding the McAllen Innovation Grant Awards, including the selection of the recipients, are at the sole discretion and judgment of the McAllen Innovation Grant Awards judges whose decisions in each case are final and may not be appealed.
8. Each contestant shall release and hold harmless the McAllen Innovation Grant Awards, its Administrator, Selection Committee, Participants, and all others associated with or assisting with the McAllen Innovation Grant Awards from any and all matters regarding the McAllen Innovation Grant Awards.
9. Each team must authorize the McAllen Chamber of Commerce to conduct a credit check report and background check of the team's leader. The credit report and background check will not be reviewed by the entire selection committee.
10. If there are no acceptable projects, the McAllen Innovation Grant Awards judging panel in its sole discretion reserves the right to declare no recipient and to not award the award to any contestant.
11. If a business is created it must be located or planned to be located in the McAllen.
12. Applicants who have been convicted of a felony or a Class A or B misdemeanor in the last ten years are not eligible to receive awards.
13. The team leader must have an acceptable credit rating.
14. All entrants must be 18 years or older.
15. All winners must complete the IDEAPLACE program before receive funding.
16. All participants must have a prototype.

## PROJECT SUMMARY GUIDELINES

The project summary must be **limited to 4 pages** of typed text; double-spaced with a minimum 12 font using Arial type and 1" margins on all sides, plus a cover page. The cover page is NOT included in the 4 pages.

The **Project Summary** will be judged using the following criteria:

### **1. The Product/Service** **(Score: 20 points)**

This section should focus on the following areas:

- Describes product/service in plain language
- Provides evidence that the product/service is technically feasible
- Identifies unique features and benefits
- Identifies product/service liabilities and potential solutions



## **2. Intellectual Property**

**(Score: 10 points)**

This section should focus on the following areas:

- Describes the status of intellectual property of the product/service
- Describes how intellectual property will be created and protected

## **3. Market and Competitive Analysis – IDEAPLACE -**

**(Score: 10 points)**

This section should focus on the following areas:

- Defines current size and growth potential of the targeted market and industry
- Discusses market trends
- Describes competitive advantages of the product/service
- Identifies direct, indirect, and future competition (types, not specific companies)
- Types of business that compete with yours

## **4. Path to Market and Sales Strategy**

**(Score: 20 points)**

This section should focus on the following areas:

- Describe the sale strategy
- Describe the pricing strategy
- Describe the promotion strategy
- Business Model

## **5. Management Strength**

**(Score: 20 points)**

This section should focus on the following areas:

- Demonstrated management experience
- Past business success
- Demonstrated experience in the field
- Educational/professional certification, etc.

## **6. Who's in your team**

**(Score: 10 points)**

This section should focus on the following areas:

- Who's working with you?
- Milestone achieved
- Investment highlight

## **7. Prototype**

**(Score: 10 points)**

This section should focus on the following areas:

- Do you have a working prototype?
- What's the feedback?



## IdeaPlace

IdeaPlace is an initiative of the McAllen Chamber of Commerce to help innovators define their value proposition, their competitive advantage and their target customer. The lab consists of eight sessions and additional 'homework'. If at least one member of the team participates in the IdeaPlace, the team's project summary secures 20 points of the section "Market and Competitive Analysis."

## SUBMISSION

1. Each applicant must submit the following electronically at <https://mcallen.org/application-for-innovation-grant-award/> no later than 4:00 p.m. (CST) on May 6, 2021.
2. If the project is selected, the team or individual will have 10 minutes to present their proposal, followed by up to 10 minutes of Q&A by the judging panel. The team is allowed to use an electronic presentation. Projection equipment will be provided.

## JUDGING CRITERIA AND PROCESS

The judging criteria are those of a venture capitalist; simply, how likely are the judges to invest capital into your business?

**Selection round.** Judges will review the project summaries using the judging criteria individually. Then, as a group, the panel will vote on which project summaries are more appealing for investment and decide which ones will continue to the next round.

**Presentation round.** Judges will review the written projects and will listen to and evaluate the oral presentations and decide which projects will be awarded the grant.

The quantitative assessment provided by the McAllen Innovation Grant Awards judging criteria is only meant to serve as a guide to the judges for ranking the projects. They will vote to select recipients based on where judges would most likely invest money.

If your idea is selected as a McAllen Innovation Grant winner, it is expected that you will recognize the McAllen Chamber of Commerce for its role in helping you make your idea possible. These mentions include but are not limited to: press releases, interviews, articles, publications, speaking events, etc.

Judges' decisions are final and not subject to negotiation or appeal.

## CONTACT INFORMATION

For more information about the awards or its rules, please contact the award administrator outlined below:

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