



Ag-West Bio

Technology Commercialization: Company Evaluation Criteria

A. THE ENTERPRISE

A1 - The Technology

The technology being developed and applied in the agriculture, food, food technology, bioproducts or life science sectors:

1. The technology will have little impact in the sectors
2. The technology is a small and measurable advancement in the sectors.
3. The technology is a significant advancement and addresses an identified market demand in the sectors.
4. The technology is a major advancement and will change market dynamics in the sectors.
5. The technology is unique and will create new markets in the sectors.

A2 - Intellectual Property

The intellectual property position for the technology:

1. There is no IP that is protectable
2. The technology is not likely to be protectable.
3. The technology is likely to be protectable.
4. The technology is protectable and should result in a competitive advantage.
5. The technology is unique and its proprietary strength will ensure a sustainable competitive advantage.

A3 - Technical Proof of Concept

The concept in reference to the identified market:

1. Enhanced Market offering compared to current technologies in the market.
2. The technology moves beyond the current technologies to create a market leader.
3. The technology moves the company offering to a sustained market edge.
4. The technology represents a new approach to addressing the market need - market disrupter.
5. The technology represents an entire replacement of the conventional approach to the market - paradigm shift.

A4 - Technical Capability

The capability of the technical team, facilities and equipment:

1. The available technical expertise, facilities and/or equipment are inadequate.
2. The technical development will be completed but probably not on cost and on time.
3. The required expertise, facilities and equipment to complete the technical development on cost and on time are in place.
4. The capacity is in place to demonstrate full commercial viability within two years.
5. Pre-production capability is demonstrable now.

A5 – Product

The current status of the product or service development:

1. Incomplete product. Is at proof of concept or prototype stage. No customers.
2. Little or no track record. Manufacturing prototype available. No sales.
3. Little or no track record, only one or two sales.
4. Product or service with proven record.
5. Unique product or service with proven record.

B. COMMERCIALIZATION PLAN

B1 – Market Proof of Concept

The market assessment of the technology:

1. The technology has not yet been introduced to the market.
2. The technology has not been evaluated by potential customers.
3. The technology has had limited evaluation and market acceptance by potential customers.
4. The technology has been fully tested and approved and potential customers have been identified.
5. Commercially priced orders have been placed by two key customers.

B2 - Marketing Plan

The marketing plan for the technology:

1. There is no marketing plan or strategy for the technology.
2. An initial marketing strategy has been prepared and documented.
3. A preliminary marketing plan has been developed.
4. A detailed marketing plan has been developed that includes key factors to be addressed in commercializing the technology.
5. A comprehensive marketing plan has been developed that has been accepted by key stakeholders. The plan identifies the resources required and includes clear goals and milestones.

B3 - Management Team

The management team for the enterprise:

1. Founder and Friends.
2. Deficient with key skills or personnel missing. Incomplete management team or no team.
3. Good skills, team may be missing one component but still good.
4. Proven skills. Have not worked together in past. Strong team in place.
5. Proven skills. Full management compliment. Strong team. Experienced in working together.

B4 – Financial Plan

The financial plan for the technology:

1. No financial plan has been presented.
2. An initial financial strategy has been prepared and documented.
3. A preliminary financial plan has been developed.
4. A detailed financial plan has been developed that includes key factors to be addressed in commercializing the technology, and investors have been identified.
5. A comprehensive financial plan has been developed that has been accepted by investors and/or key stakeholders.

B5 - Revenue Model

The status of the revenue model to support the financial plan:

1. No revenues. No pricing plan. No models. Start-up.
2. No revenues. Unproven model. Start up.
3. Some revenues. Proven model. Break even.
4. Few revenues. Proven model. Break even or loss.
5. Solid revenues. proven model. profitable.

B6 - Investment Opportunity - Company perspective

The assessment of the overall status of the enterprise:

1. Pure Start-up founder funded.
2. Company with weak or unstable financial situation.
3. Company with some financial deficiencies or is incomplete or unproven.
4. Company with an acceptable overall financial situation.
5. Company with good overall financial situation.

C. THE RETURN

C1 - Market Definition

The current analysis of the market opportunity:

1. Undefined / unclear market opportunity or a very small market.
2. Not well-defined market. Unclear opportunity.
3. Unproven market or no market analysis conducted. No market testing.
4. Well-defined medium market opportunity.
5. Well-defined market being very large market – big potential opportunity.

C2 – Market Growth

The market for the technology:

1. The market is small, or at present unknown.
2. The market is of sufficient size to attract investment.
3. The market is of sufficient size and is growing at a rate approaching 10% per year.
4. The market is of sufficient size and is growing at a rate approaching 20% per year.
5. The market is of sufficient size and is growing at a rate of more than 30% per year.

C3 - Geographic Reach

The assessed market for the technology is expected to extend to:

1. Canada East – regional application.
2. Canada West – regional application.
3. Canada - national application.
4. North America – export opportunity.
5. Global – export opportunity.

C4 - Market Share

The market share for the technology:

1. The technology is expected to achieve less than a 2% market share or the expected market share is unknown.
2. The technology is expected to achieve between a 5% and 10% market share in at least one key market.
3. The technology is expected to achieve between 5% and 20% of the market in more than one major market.
4. The technology is expected to achieve at least a 5% market share in the global market.
5. The technology is expected to achieve greater than 10% market share in the global market.

C5 - Sales

The status of the sales plan to support the revenue model:

1. No sales or marketing plan.
2. Poor sales plan and marketing plan with no results. Unproven.
3. Poor sales plan and marketing plan with very limited results.
4. Good sales plan and marketing plan with limited results.
5. Strong sales plan and marketing plan with actual results.

C6 - Strategic Relationships

The status of strategic relationships established to support the marketing, sales plan and R&D:

1. None contemplated.
2. No agreements and no prospects identified.
3. Few agreements, but negotiations underway.
4. At least three signed agreements.
5. At least five signed agreements.

C7 - Competition

The competitive position of the technology. *Note that a technology from this sector must compete with technologies from other sectors to solve the same problem.

1. Competitors are currently unknown for the technology.
2. The technology will face major competition from well-established companies with competitive products/processes/services.
3. The technology will face significant competition from companies with the potential to develop competitive products/processes/services.
4. The technology will have a reasonable period to achieve a sustainable market position.
5. The technology will face only weak or limited competition for the foreseeable future.

C8 – Return on Investment

The rates of return on investment in the technology:

1. The technology is unlikely to provide minimum acceptable rates of return.
2. The technology will likely provide average annual rates of return of 15%.
3. The technology will likely provide average annual rates of return of 20% with the potential to realize that return within three years.
4. The technology will likely provide average annual rates of return of 30% with high potential to realize that return within three years.
5. The technology will likely provide average annual rates of return of 30% with high potential to realize that return within two years.

D. SASKATCHEWAN BENEFIT

D1 – Company Direct Benefits

The direct benefit the initiative will have on the SK based company:

1. Company is not based in SK. No affiliate based in SK, but significant benefit to SK stakeholders.
2. Company is not based in SK but initiative will provide significant benefits to its SK based affiliate.
3. The initiative demonstrates a definitive benefit to SK based company.
4. The initiative demonstrates significant benefit to SK based company.
5. The initiative will produce substantial benefit to SK based company and is an integral component of a long-term plan in SK.

D2 – Benefit to Economy

The direct benefit the initiative will have on the SK economy in the form of wealth creation, job creation and economic activity:

1. Little benefit beyond the benefit to the company.
2. Initiative will result in a small benefit to company and economy.
3. Initiative will result in definite short term benefit with potential for long term benefit.
4. Definite short term benefit with potential for significant long term benefits.
5. Initiative has definite short term benefit with potential to produce substantial long term sustainable benefits.

D3 – Benefit to Producers (or to practitioners if not an Ag technology)

The benefit the initiative will have on SK producers in the form of production options, increase in revenue or decrease in expenses, promotion of innovation, or other form of utility:

1. Initiative will produce little benefit to producers.
2. Initiative will potentially produce long term benefit but to a limited number of producers.
3. Definite short term benefit demonstrated with good potential for long term benefits.
4. A successive initiative will result in definite long term benefits to many producers.
5. Very definite potential for substantial benefit to most producers.

D4 – Improvement in knowledge base

The resulting increase in SK research or commercialization knowledge capital:

1. Small benefit to company knowledge base but little outside benefit.
2. Definite benefit to company with plan involving transfer of knowledge to SK partners.
3. Initiative involves creation of new knowledge which will transfer to SK partners.
4. Definite benefit to company with plans involving substantial creation of new knowledge to both company and SK partners.
5. Plan involves substantial creation of new knowledge to company and many SK stakeholders potentially leading to the acceleration of excellence.