UQ Ventures, Global Engagement and Entrepreneurship
**30 September 2019**

THE UNIVERSITY
OF QUEENSLAND
AUSTRALIA

CREATE CHANGE

# ilab Accelerator 2020 Program Overview

# Contents

# Introduction

Following is a description of the ilab Accelerator 2020 program including:

- An overview of the program including scheduling, structure, program benefit, program content and eligibility,

- Key selection criteria and guidance

- Other Terms and Conditions.

It should be read and understood by all applicants to the program.

# ilab Accelerator Program Overview

| Topic | Description |
|---|---|
| Program short description | The University of Queensland's ilab is one of Australia's most experienced accelerators provides funding, space, mentors and a range of services to founders to accelerate growth of their early-stage startups. |
| Scheduling, duration and structure | ilab Accelerator will run for approximately 7 months from early January to July each year.<br><br>The program will be broken into three phases to allow participating students to combine the accelerator with their studies, and to increase support through product building and development.<br><br>1. Startup Mobilisation Phase 1<br>  &bull; Approx 8 weeks (Jan / Feb)<br>  &bull; Intense startup accelerator phase.<br>2. Startup Build Phase 2 (Flexible)<br>  &bull; (Mar to Jun, spanning UQ's teaching semester until exams conclude)<br>3. Startups Investment and Pitch Readiness Phase 3<br>  &bull; Jun / July (across the mid-year break) |
| Participant Commitment | The key founders of the startups must commit their full-time energies to progressing their startup in ilab Accelerator during the intense Phases 1 and 3.<br><br>Phase 2 is more flexible allowing founders to vary their commitment in line with their other academic priorities.  Student founders will be able to work at a pace to match their study commitments.  Startups will however still be engaged in regularly structured mentoring / accountability sessions and some activities as appropriate so as to ensure startup momentum is maintained.<br><br>Founders are expected to participate in at least 90% of the provided workshops and accountability sessions.  Lower participation may trigger program suspension as per the termination and suspension statement below. |
| Grant | Each selected team will receive $20,000 in grant income from UQ.<br><br>This grant will be made up of a series of six (6) equal tranche payments throughout the program roughly aligned to each month of the program, with the first payment due upon signing of the ilab Accelerator Agreement and the last following the final pitch event.<br><br>Startups are required to make continual progress against regularly reviewed milestones in order to receive tranche payments.<br><br>Should a startup be terminated or suspended from the program (see following clause), their tranche payments will immediately cease.<br><br>Exceptions: On occasion, startups may already have enjoyed investment from UQ in some relevant form. In this case, they may be offered a place in the program but without grant payments. |

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| No Equity! | UQ's ilab Accelerator program does not require any equity from participating startups who receive the program benefits and grant funding. |
| | |
| Program benefits and services | Key benefits of the program include: |

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**Experiential learning**

The major philosophy of the program is learning through action with the selected startups focussed on developing a viable and investible startup by the end of the program. Along the way, the founders are challenged daily by the program and the obstacles to their startups progress, and through this, they develop a range of entrepreneurial skills of resilience, execution, communication and risk taking.

**Desk space**

Startups successful in their application to ilab Accelerator will be supplied with desks within a designated Ventures entrepreneurship space at UQ. It is their startup 'home' for the duration of the program. This is the space where the cohort gathers and shares, leverages the experience of each other, practices pitches, finds support from ilab staff, and participates in the ilab Accelerator workshops.

**Accountability and agility**

The major learning in the program is through intense startup execution and mentor directed action. This is coupled with weekly or fortnightly accountability sessions with ilab's Entrepreneur in Residence (EiR). These sessions prove to be one of the key benefits to the founders as it infuses a business cadence of execution and review, and delivers the personal and continuous mentoring of the founding teams.

**Mentoring**

Further mentoring is provided by regular visits from ilab's external mentors and UQ specialists to provide different insights and feedback to the founders from diverse backgrounds.

**Networks and introductions**

Startups also enjoy access to the extensive networks of UQ's ilab, the EiR and the engaged mentors as applicable to their stage, technology and industry. Such introductions can fast track progress by early introduction to the right customers, lessons other founders may have learned and potential investment opportunities.

This also includes introductions to staff at UQ who may be relevant to the startups business area, be that through research, UQ as a potential trial site / first customer or possible use of UQ's facilities to assist progress including UQ's Maker Space and UQ's library. (Note, currently access to UQ's facilities is dependent on the status of the founders and may not be open to every startup.)

**Educational startup workshops**

This experience is underpinned by a range of educational workshop sessions as outlined below. The exact selection of topics and their timing will be adjusted in response to the particular needs of the cohort and sometimes the availability of guest presenters   described in the next section below.

**Startup ecosystem engagement**

| Topic | Description |
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| | ilab Accelerator will also introduce the founders to the startup ecosystem through visits to startups and other co-working spaces, and will promote the startups within this ecosystem as the next step for these startups will likely engage in this ecosystem.<br><br>**Partner perks**<br><br>UQ's ilab also has established partnerships with a range of vendors including Microsoft, AWS, Google, Hubspot and Mathworks that can provide free initial access to technology to assist startups to find their product market fit prior to spending too much on technology fees. (This list may vary as the vendors change their accelerator support policies.) |
| ilab Accelerator workshop topics | The above experience is underpinned by a range of educational sessions as outlined here.  The exact selection of topics and their timing will be adjusted in response to the particular needs of the cohort and sometimes the availability of guest presenters.<br><br>**Founder stories / panels / fireside chats / dinners**<br><br>- For relevant and inspirational startup stories and founder journey's including lessons learned along the way, ilab host key entrepreneurs to tell their story to the ilab Accelerator cohort.  Typically, these are opened up to a broader UQ audience.<br><br>**Product and Customer**<br><br>- Customer validation and interview techniques<br>- Minimum Viable Product development<br>- Business Modelling through Business Model Canvass (BMC)<br>- How to build tech products without tech<br>- Customer acquisition, retention and traction approaches and measurement<br>- How to price your products<br><br>**Marketing and sales**<br><br>- Social media and Branding<br>- Selling to Enterprises (Corporates / Governments)<br><br>**Personal Development**<br><br>- Business Networking Skills<br>- Team development and optimal<br>- How to engage mentors and how to take feedback<br><br>**Operations**<br><br>- Lean startup and Agile startup operations<br>- Company Basics (Incorporation, Director responsibilities)<br>- Intellectual Property Basics<br>- Startup tools to run your startup company (Collaboration, CRM, Surveys, Marketing, Prod Dev, Accounting etc.)<br><br>**Investment Basics**<br><br>- Understand Investment Process<br>- Intro to core Investor Agreements (Term Sheets, Shareholder Agreements, Vesting)<br>- Non-equity based funding (grants and R+D tax)<br>- Intellectual Property Basics<br><br>**Finances** |

| Topic | Description |
|---|---|
| | • Basic accounting<br>• Financial Planning and Modelling<br><br>**Pitching and Communication**<br><br>Investor and elevator pitch content, development and delivery |
| Giving Back | It is important that future UQ entrepreneurs are able to see that entrepreneurship is something they can aspire to.  A powerful way of doing this is to engage with and hear the stories of ilab Accelerator founders as accessible exemplars.<br><br>To assist in communication the ilab Accelerator experience to other potential participants, UQ's entrepreneurship community and the broader startup ecosystem, each startup will be required to regularly create and publish marketing content that focusses on their program experience and ilab Accelerator outcomes.  This may include blogs, social media, videos, podcasts etc.  They may also assist via participation in panels or events. |
| Expected skills and experience upon completion | Founders actively participating in the program have the opportunity significantly grow their own personal skills, including:<br><br>• Personal confidence<br>• Pitching skills<br>• How to operate as a startup (lean, agile, low overheard, hustle, focus)<br>• How to engage customers<br>• How to use basic startups tools and business processes<br>• Have developed a valuable Minimal Viable Product and validated business model for the final pitch and demo night.<br>• High proficiency in social media<br>• How to network and engage mentors.<br>• A deeper understanding of their market and its stakeholders<br>• Develop high functioning teamwork<br>• Develop resilience to set-backs and stresses<br>• Time management, priority setting and focus<br>• Understand what investors look for in early stage companies<br>• How to build a financial plan |

# Selection Process and Criteria

| Topic | Description |
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| Selection process overview | Selection is based on an online application which is assessed by a selection committee for shortlisting and invitation to participate in the ilab Accelerator Bootcamp (up to 30 startups). Shortlisting is undertaken by experienced ilab staff and qualified mentors. |
| | At the end of the bootcamp, the final cohort is recommended by a selection committee, compromising qualified mentors and UQ staff. |
| | The final selection of participating startups is made by UQ's ilab staff following due diligence on the founders, commitment levels of the founders and balancing the student to non-student ratio to meet UQ's student entrepreneurship objectives. |
| Key selection criteria | The key selection criteria include: <br> 1. Balanced Capable Strong Team <br> 2. Validated Idea with traction preferred <br> 3. Market and Opportunity <br> 4. Viable Solution <br> 5. Sustainable Business Model |
| Team Eligibility | To be eligible to apply, ilab Accelerator teams must consist of active and committed founders. |
| | At least 50% of the founding team must have a strong connection with The University of Queensland (UQ) as evidenced by a founder meeting one of the following criteria: <br> 1. be a current undergraduate or postgraduate student of UQ in 2018 including PhD candidates, or <br> 2. be an alumna / alumnus of UQ who graduated 10 years ago or less (i.e. graduated no earlier than 1 January 2009), or <br> 3. UQ staff (research / academic / professional) |
| | The balance of the founders who do not meet the above criteria need not have any relationship with UQ. |
| | UQ staff are welcome to participate. Note however that it is often difficult for staff to be considered 'founders' in the above definition as committed participation in the program and working for UQ full time are rarely compatible. Previous programs have benefited significantly by having staff as key advisors rather than founders. Also note that UQ's Conflict of Interest policy applies to all staff. |
| | If UQ has previously invested in the startup technology, then it may be the startup will not be eligible for the ilab Accelerator grant, but may still be invited to participate in the program. This will be at the discretion of UQ. |

# Key Selection Criteria Guidance

There will be a number of criteria used to shortlist the applicants for the final selection bootcamp. The application itself will be a mix of written and video responses. The following describes the key areas that applications will be assessed upon.

## 1. What makes a good founding team for UQ's ilab Accelerator?

A well balanced, collaborative, diverse and resilient team is an important element of successful participation in the ilab Accelerator program.

Founding teams should be made up of individuals:

- with the right skill sets (technical and business) to develop and grow the startup

- who have already put significant time and effort into validating the idea and understanding the problem and solution prior to applying to the program, and

- who can commit to active involvement in the program for the duration of the program as described in the program overview?

Some questions ilab will be interested in are:

- Why are you the right founders to be working on this problem?

- What experiences bind you together as a team to allow you to get through the tough times together?

- Why is solving this problem important to you?

- What is your personal attachment and familiarity with the problem?

While startups founded by strong teams will naturally progress faster and gain more benefit from the program, single founder startups can also be successful. If you are applying as a single founder, then you will need to describe how you will be able to successfully execute on the multiple dimensions of customer, product/technology and business development during the program

We expect all founding members to be committed to participating in the program. Changes to the founding team throughout the program may impact your participation or grant payments and is at the discretion of UQ's ilab.

We will collect some demographic information from all of our applicants during the application process.

## 2. The Problem and the Market – How big is the potential of your startup?

Describe the problem you are solving

- Who has the problem? How is it addressed today and why is that not sufficient.

- How big can this market be?

- Why is it worth the sweat and sacrifice you will give to it?

- Which market segment are you focussed on to start with?

- Why is now the right time? Are you creating a new market?

We will be looking for evidence to underpin your analysis such as market research and / or market stakeholder interviews.

### 3. Validation, Traction and Momentum - How do you know you are solving a real problem for real customers?

We will be looking for strong indicators that your proposition is valid in the real world with real customers. Applicants should demonstrate significant evidence of customer discovery and validation of the problem being real. This goes beyond market research and involves interactions with potential customers and users.

We will be asking for proof that you have validated this market and validated with real customers. As an example, how many customer / user interviews have you done? Levels of validation may differ market to market.

Validation is good, quality traction is better if you have it. How many active users and how many paying customers do you have? What does your growth look like?

Do you have other awards or third-party recognition that provide further credibility statements that you are solving a real problem?

In order to be pitching to investors at the concluding pitch event, teams will be expected to have real traction with either paying customers or customers trialling their product by the end of the program.

### 4. Product and Solution – Have you built something yet?

While a Minimum Viable Product is not necessarily required to enter the program, you will need to describe how your solution will work. We expect teams to have leveraged the insights from their customer validation to begin a prototype, and to have the skills, capabilities and capacity to build the product.

By the conclusion of the accelerator all teams are expected to have a high-quality MVP in the hands of real customers. We understand that not all products/services are the same and some prototypes will require much more time and effort to build. UQ's ilab will work with teams to help them progress their product as far as possible thoroughly the program.

One of the key benefits of longer ilab Accelerator program when compared to other shorter programs is the increased time available for product development.

### 5. Business Model – How will your startup sustain itself and grow?

Applicants will be asked to articulate how they will build a sustainable business model around their solution independent of whether it is a 'for profit', or 'not for profit' undertaking to ensure their startup can have the impact desired in the long term.

Businesses that have the potential to scale are also well regarded.

Examples may include a Business Model Canvas or other modelling techniques.

A financial model underpinned by real experience will also be well regarded.

# Other Key Terms and Conditions

| Topic | Description |
|---|---|
| Intellectual Property | The ownership of any Intellectual Property (IP) that underpins participating startups must be clearly highlighted and understood by both the founders and the selection committee, including ilab.  This is to enable assessment of the startup potential at the time of application, and ensure the value of that IP is not inadvertently compromised, nor its ownership misrepresented to investors throughout the program.  Where IP is owned or controlled by others, this needs to be clear and transparent at the time of application.

Of particular note is UQ IP (for example IP from UQ research) where UQ's Intellectual Property policy will apply and founders will need to commit to that if relevant. |
| Termination, payment and pitch event suspension | Startups may be terminated or suspended from the program at any time at the discretion of the University.

Typically, termination will be obvious through lack of commitment by the founders (as evidenced by absence from the program, absence from workshops, non-participation with mentors and lack of progress against weekly objectives) or major changes to the founding team during the program.

Breaches of UQ policies may also cause a team's termination.

Teams themselves can also choose to exit the program at any time for any reason.

Remaining tranche payments will cease immediately upon termination.

ilab may also suspend the team's tranche payments while the startup delivers against a remediation plan agreed during the one on one accountability sessions.

Startup teams need to reach a suitable level of progress by the program conclusion to present at the final pitch event.  If this is not achieved, it can dilute the impact of the rest of the cohort and reflect negatively on the program.  Consequently, team participation at the pitch event is by invitation rather than as a guarantee.

*It is noted that involuntary termination and suspension is generally not in the interests of UQ or the startup and ilab will work with startups to resolve issues prior to them becoming significant.* |
| Agreement | All selected participants will be required to enter a formal Agreement with The University of Queensland before they commence the program or receive any grant funds. |