

Current Environment

From 1998 until approximately 2009, the Maryland entrepreneurial support industry was comprised of a relatively small number of well-established business incubation programs that were either university-based or sponsored by local government. Beginning in 2010, several structural changes began to occur that would dramatically change the number and type of support organizations available to the State's entrepreneurs.

- Universities and local governments without incubators began to create programs in an attempt to duplicate the success of these well-established business incubation programs;
- Numerous private sector and not-for-profit programs – not affiliated with universities or local governments – were established to offer entrepreneurial support services; and
- Acceleration, coworking, and innovative commercial real estate solutions came to the Maryland innovation community leading to the creation of additional programs offering innovative “place” options and assistive programs to the State's growing number of entrepreneurs.

Today, the State is literally awash in incubation, coworking, acceleration, and other programs (collectively, “incubation”) offering an incredibly wide array of entrepreneurial support – with no apparent end in sight. While the proliferation of programs is statewide, the majority of these new programs are clustered in the Baltimore Metro and Montgomery County areas.

Opportunity

There is a shared sense that as time goes on, our State's start-up companies must continually “raise their game” in order to compete successfully for talent, customers, investment and visibility. As such, all of the organizations incubating Maryland's start-up companies must, in turn, continually innovate and improve in order to provide the needed assistance. The opportunity exists for TEDCO to leverage its leadership role within the innovation ecosystem and its financial resources to stimulate innovation within this community of organizations and individuals dedicated to supporting the State's entrepreneurs.

Objective

In order to help Maryland's entrepreneurial support network keep pace with the ever-increasing demands placed upon the State's start-up community, TEDCO has created the Incubation Challenge. The goal of this new initiative is to encourage big, innovative ideas that will result in new, creative strategies designed to better prepare Maryland's entrepreneurs to compete for talent, customers, investment and visibility, all while maintaining a principal place of business in Maryland.

The Request for Proposals (the “RFP”)

TEDCO is soliciting Incubation Challenge proposals for the creation of innovative strategies that will demonstrate advancement in the state-of-the-art of business incubation. TEDCO will allocate \$300,000 in non-reimbursable grant funding to the Challenge and will make up to two awards, depending on quality of proposals submitted.

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Proposals will be evaluated based on the potential impact of the proposed program in specific critical areas. Examples of such areas are as follows:

- Generating customer traction for start-ups with private sector and public sector anchor institutions;
- Raising dilutive and/or non-dilutive funding, and forming strategic partnerships;
- Attracting, training, and retaining talent, both university graduates and experienced C-level professionals; and
- Demonstrating innovative ways to train, mentor, and better prepare entrepreneurs.

Proposals modeled upon or derived from best practice programs demonstrated elsewhere in the US are encouraged. Proposers are strongly encouraged to review TEDCO's Emerging Trends study for examples of best practice national programs. The Emerging Trends study can be found at <http://tedco.md/resources-information/resources/>.

RFP Schedule

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|---------------------------------------|---------------------------------|
| Issue RFP | May 24, 2017 |
| Pre-Proposal Conferences | June 2017 (see below) |
| Proposal Submission Deadline | July 31, 2017 |
| Proposal Presentations and Interviews | September 15 – October 25, 2017 |
| Award(s) Announced | October 25, 2017 |
| Project Execution | January 1 – December 31, 2018 |

A Pre-Proposal Conference will be held at the TEDCO offices (7021 Columbia Gateway, Suite 200, Columbia, MD 21046) on June 14, 2017 from 2:00PM to 3:30PM. For those unable to attend this in-person session, two additional sessions will be held via teleconference on June 15 and June 16, each from 2:00PM to 3:00PM. The teleconference may be accessed by dialing 410.715.4169; selecting "Room 3" and entering "1234" as the password. These sessions are not mandatory.

RFP Guidelines

1. The Challenge is open to any organization, regardless of location. However, if a proposer is not located in the State of Maryland, that proposer must agree to establish a Maryland base of operations as a condition precedent to receiving an award of Incubation Challenge funds.
2. An organization may submit multiple proposals but can only win one award.
3. Proposers should view the TEDCO Incubation Challenge as seed funding and assume that additional funding will not be available beyond the 2017/2018 Challenge.
4. Proposals must include proposed project performance metrics; however, at a minimum, each proposal must incorporate TEDCO's traditional economic development metrics for start-up companies into the proposed project performance metrics. These metrics include: 1) employee growth, 2) downstream funding, and 3) commercial revenue growth.
5. Collaboration among organizations is encouraged.
6. Proposals demonstrating matching funds will receive preference.
7. TEDCO may make up to two awards in amounts of at least \$100,000.
8. TEDCO will use its sole discretion to allocate available funding among winning proposals.
9. TEDCO reserves the right to reject any or all proposals.

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RFP Preparation

The proposer will submit a proposal for each grant request consisting of a maximum of 7 pages with one inch margins and 12 point Calibri font in PDF format to ndavis@tedco.md that clearly contains the following information:

1. A complete description of the work to be performed under the grant and an explanation of how the work represents a significant advancement in the state-of-the-art of business incubation.
2. A description of the proposer's sustainability plan (i.e. how will the work be continued beyond the term of the TEDCO grant).
3. The amount of funding requested, and a summary budget indicating major categories of expenses and anticipated timing of expenses.
4. The priority of each proposal, if multiple submittals are made by a single organization.
5. The organizational collaboration, if any, contemplated within the grant-funded work.
6. The expected quantitative and qualitative outcomes (i.e. proposed performance metrics) from the grant-funded work.
7. The individual responsible for the work to be performed under the grant with full contact information.
8. The legal entity that will enter into the grant agreement.
9. The complete business address to be used for all communications concerning the grant.

RFP Questions

Questions concerning the RFP should be directed to Neil Davis at ndavis@tedco.md.