

## FAQ Document

### Eligibility and Application

#### ◆ **Who is eligible to apply for the Innosphere Life Sciences Incubator?**

Our primary targets are Life Science Startup Founders focused on developing innovative solutions that will have a direct impact on human and animal health with a regulatory pathway that includes the FDA in the fields of medical device technology, diagnostics, biopharma, agbio, health technology, digital health, advanced material science, and veterinary translational medicine.

#### ◆ **What stages of startups are you looking for?**

Our target startups are typically in the late START to early LAUNCH stages of development.

Late START companies include those finalizing the testing phase of their business idea and assessing the fit between the product and the market, ensuring that there is a demand for what they're offering.

The LAUNCH stage include those with a focus on growth and expansion. They are beginning to seek significant funding, typically through Series A, B, or later-stage venture capital rounds, to support and accelerate growth.

#### ◆ **Are there any restrictions on the type of life science startups that can apply?**

Yes, our curriculum and support are best oriented to solutions that will have a direct impact on human and animal health with a pathway that includes the FDA.

Solutions in life sciences categories that will not meet these criteria can apply but they will be reviewed for fit before being advanced to the interview stage of applicant review.

As an example, a company focused on creating advanced materials for various industrial applications (including life science) is less likely to be selected than a company applying biomaterials for medical implants and prosthetics or scaffolds for tissue engineering.

◆ **How can I apply, and what is the deadline for application submissions?**

The application window for the first Cohort of the new Innosphere Life Sciences Incubator is open between January 1, 2024 and March 22, 2024. Innosphere evaluations and interviews will occur between March 1, 2024 and March 29, 2024.

If a company is declined for anticipated fit reasons, they will be informed at the time of that determination. Acceptance communications will occur between March 18 and March 29, 2024.

An interested company founder should apply at [www.innosphereventures.org](http://www.innosphereventures.org)

◆ **Is there an application fee, and if so, how much is it?**

No, there is no fee associated with submitting an application.

If a company is accepted to join the Incubator, the participation fee is \$20,000 for the 9-month program.

If the company is associated with one of our nine program partner universities, please contact your university TTO for further guidance.

◆ **Can non-U.S. based startups apply for the program?**

Yes, non-U.S. based startups are eligible to apply to the Innosphere Life Sciences Incubator. They should be aware that the programming and content is biased towards companies that have an interest in launching in the United States.

◆ **Are solo entrepreneurs eligible, or do you only accept teams?**

Yes, solo entrepreneurs are eligible to apply for the program.

They should be aware that one of the criteria they will be judged on is team composition - an appropriate level of skills and experiences, relevant to the stage of their project, including appropriate scientific, business, and operational expertise. Demonstrating that they understand what this is and

having a plan to achieve it will be beneficial to their selection. The program can help founders with team building.

## Program Details

- **What is the duration of the incubator program?**

It is a nine-month, intensive program to accelerate the commercialization of novel life science technologies.

For participating companies, the curriculum runs April through December.

- **Is the program virtual, in-person, or a hybrid model?**

The program is a hybrid model. Most of the core content and life sciences curriculum will occur virtually (Zoom). There are life sciences programs and investor conferences that we will encourage participating founders to join in-person. We will also join key University Partners in hosting live events at their locations for participants to attend.

- **What type of mentorship, training and resources can participants expect?**

- Nine full months of support
- A dedicated, expert Innosphere Life Science Client Director
- A comprehensive incubation program that kicks off with a cohort-based model
- Life science startup specific development and training program
- Access to an Innosphere Ventures market and investor research resources
- A proven framework for building your business.

- **How much equity does Innosphere Ventures take in exchange for participation in the program?**

None. Innosphere does **not** take equity in companies, as we are fee-based 501(c)(3) nonprofit organization.

- **Will participants have access to laboratory space and equipment?**

No. This program does not provide laboratory space or equipment.

Innosphere does manage laboratory space. A decision to lease space would need to be made separately.

Innosphere and our Bioscience Association partners do provide discounts on equipment and service providers.

## **Support and Funding**

- **Does the incubator provide funding, and if so, what is the typical investment range?**

No, the Incubator program does not provide investment or non-dilutive funding.

We work closely with participating founders to create a capital strategy to secure investor and/or non-dilutive funding outside of the program.

Innosphere Ventures does have a Venture Capital arm that invests in science and technology startups during the Seed and Series A Rounds. It can invest in Cohort companies that match their current investment thesis. However, that decision is made independently of Incubator program participation.

- **What kind of investor connections does the program facilitate?**

Through the powerhouse network of organizations participating in this program, there is the opportunity for investor introductions, investor events, and conferences.

One example of this is the Rocky Mountain Life Sciences Investor & Partnering Conference which brings together high-profile angel investors, venture capitalists, and representatives from large life sciences companies converge in the Colorado mountains to learn about new breakthroughs coming out of the Rocky Mountain Region from emerging life sciences companies in biotech, pharma, medical device, diagnostic, ag bio, and animal health.

In addition, working with their Client Director, participants will work to create an Investor Relationship Action Plan. Founders will develop a strategy to make investor connections, deliver solution information, and ultimately pitch their products.

## **Mentorship and Networking**

- **Who are the mentors, and what are their areas of expertise?**

The key Mentor/Coach/Consultant for the startups are their Client Directors. These are typically former C-Suite and Senior Executives with extensive life sciences and startup commercialization experiences. They work collaboratively with client company management teams on issues including business strategy, capital/funding, customer acquisition, sourcing talent and operations. Client Directors focus on unique aspects and attributes of life sciences startup ventures.

While each startup is assigned a direct Client Director, they will get support from all the Client Directors as they move through the program and in the Mastermind Programming.

- **How are mentors matched with startups?**

Outside of the Client Directors and as part of the program, the curriculum will work with company founders to help them differentiate the roles and responsibilities of Mentors, Advisors, and in some cases Board Members. This includes when, where, and in what priority these important relationships are established. Once target relationships are identified, our partner network is activated to provide recommendations and introductions to mentor targets.

- **What networking opportunities are available through the program?**

The powerhouse network of organizations participating in this program provides many opportunities for networking. Throughout the course of the program, there will be many events, educational programs and conferences that our Cohort members will be invited to participate in.

While the Innosphere HQs is located in Colorado, we will also be designing events and networking opportunities at our nine University partner locations as well.

- **How does the program facilitate connections with industry and potential customers?**

Our Client Directors have deep industry experience and connections to potential customers. They work closely with founders to capitalize on their network and those of fellow Client Directors to create valuable connections.

Our partner network includes three bioscience associations and nine R1 universities. Their members and stakeholders include the industry and potential customers that founders look to make connections with. We will tap into this valuable resource when a connection need is identified.

Our program listens closely to the needs of our participating founders. When we identify opportunities to incorporate the input from industry representatives and potential customers into the program, we can create webinars, seminars and Fireside Chats to drive interaction and networking opportunities.

## **Outcomes and Expectations**

- **What are the expected outcomes for startups by the end of the incubator program?**

The expected outcomes for participating startups are to accelerate their development progress and graduate the program at a high state of investor readiness.

As our participating companies join us with different development pathways and stages of readiness, we use a Company Assessment to capture their starting point and initial development priorities. We reapply the assessment during the program to gauge our pace of progress and satisfaction with work completed.

Our achievement of investor readiness is measured by accomplishment of individual company Capital Strategy goals, notably the ability to secure non-dilutive or investor funding. In our first Cohort of the Colorado Life Sciences Incubator Program (which this Incubator is based on), 100% of our Founders achieved a Capital Strategy funding goal.

- **Are there specific milestones or goals that participants are expected to achieve?**

Our program incorporates legendary venture capitalist John Doerr's OKR (Objectives, Key Results) approach to identifying specific milestones and goals that individual Founders need to achieve to be successful. This approach is outcomes driven, operates on 90-day cycles, and provides direct measurement of achievement of results.

- **How is progress measured throughout the program?**

Individual Founder progress is measured by their specific progress against OKRs and Capital Strategy goals.

All companies will receive measures of progress through the application of our Company Assessment. This will monitor business and life science market readiness.

Program progress will be measured by the U.S. Economic Development Administration on measures of participating startup funding, job creation, IP, strategic partnership development, product development, and market entry.

- **What happens after the program ends?**

After the program ends, participating companies will join our Alumni network. They are allowed to participate in any new curriculum developed for future Cohorts without additional costs. We will invite them to stay active in our online Slack community which provides many resources and research reports. They will continue to be invited to our community and networking events.

We welcome the opportunity for our Cohort companies to continue their formal Client Director relationship. That would be a custom engagement that they would need to contract for separately with Innosphere Ventures.

In most cases, Client Directors maintain an ongoing mentor relationship with their client companies providing occasional and informal feedback.

## **Diversity and Inclusion**

- **What initiatives are in place to support diversity and inclusion within the program?**

It is a key objective of the program to transform the landscape of life science entrepreneurship through inclusive and equitable access to capital.

- **Does the program have any specific goals related to the representation of women, BIPOC, or veteran founders?**

Yes, the program does have specific goals related to the representation of women, BIPOC, or veteran founders. We are targeting to have at least half of our program's startup founders hail from underrepresented groups by the end of the first two years.

1. **Diversify Leadership:** Within two years, ensure that at least 50% of our supported startups include individuals on their leadership team from DEIA-relevant backgrounds, reflecting our commitment to diverse leadership.
2. **Inclusive Technology Development:** Achieve a goal of 30% or more of the technological innovations we back are designed to

disproportionately benefit disadvantaged communities, surpassing general population benchmarks by the end of the second year.

## Intellectual Property

- **How does the program handle intellectual property (IP) created during the program?**

The Incubator program treats any intellectual property (IP) created during the program to be owned by the participating startup that created it.

The program will survey founders at certain intervals as to their filed and received IP as well as the type of IP. This is a reporting requirement by the United States Economic Development Administration which is supporting the development and execution of this Incubator program. This is an annual reporting accountability for a period of 5 years.

- **Will the incubator have any claim to IP developed by participating startups?**

No. The incubator will not have any claim to IP developed by participating startups.

## Program Curriculum and Structure

- **What does the typical program curriculum look like?**
  - Creating relevant strategies specific for successful life sciences product commercialization.
  - Understanding key business principles and processes.
  - Developing a strong investor pitch and deck.
  - Defining a clear development timeline.
  - Refining communications strategy.
  - Enhancing and communicating the company's business model.
  - Building a deep network of life sciences leaders.
  - Connecting companies to corporate partners, investors, and advisors.
  - Gaining visibility and investor recognition.
- **Are there any mandatory events or sessions that participants must attend?**



Yes, there are several elements of the program that we consider mandatory for participant attendance. These include:

- **Workshops, Seminars, and Mastermind Sessions:** Regular attendance is expected to gain industry insights and business development knowledge.
  - **Community Engagement:** Actively participate in our community through Slack, networking events and peer-to-peer sessions.
  - **Regular Meetings and Reviews:** Engage in scheduled meetings, performance reviews, and reporting sessions to track your progress.
  - **OKRs:** Objectives and Key Results (OKRs) are key to driving progress in our program. Each company will be required to maintain an OKR document while in the program.
- **How is the program tailored to meet the needs of life science startups?**

We highly value the interaction between your company and your assigned Client Director. Regular and meaningful engagement is crucial for the success of your venture. Our advisors will also conduct in-depth reviews quarterly to assess your business progress and tackle any specific challenges your team or technology may be facing.

Your feedback is invaluable in helping us tailor the program to your needs and improve. Regular check-ins, surveys, and peer review sessions will facilitate this exchange of feedback.

## Success Metrics and Past Performance

- **Can you share success stories or metrics from previous cohorts?**

Innosphere supports entrepreneurs in many industries, including but not limited to: bioscience; medical device; energy; advanced materials; hardware; enterprise software; fintech; and artificial intelligence. In the past 10 years Innosphere client companies have achieved the following:

- \$224,000,000 capital raised
- \$116,000,000 revenue generated
- 2,000+ jobs created
- 135 graduated companies

After redesigning our Life Science Incubator in 2022, our first Cohort graduates accomplished the following:

- **Vitro3D** (Advanced Material Science) - Closed an oversubscribed pre-seed funding round and was named to the Colorado Inno Top Companies to Watch list.
  - **RedDrop Dx** (Medical Device) - Closed a pre-seed funding round and won a Colorado Office of Economic Development and International Trade Bioscience Advanced Industry Grant
  - **DenTriage** (Digital Health) - Won the 2022 Prime Health Innovation Challenge, receiving funding and a pilot opportunity with a premier Colorado health institution
  - **MicroPure Genomics** (Biotechnology) - Won a National Science Foundation (NSF) SBIR Grant
- **What is the track record of startups that have completed the program in terms of funding, growth, and market entry?**

Cohort #1 (n = 8 companies) Completed Program April 2023

- **Capital Strategy**
  - 100% achieved a major capital strategy goal.
  - 62% secured non-dilutive funding.
  - 38% closed a pre-seed or seed round.
  - Over \$4.2M was raised during the program.
- **Economic Development**
  - 48 full and part-time jobs created.
  - Average salary of full-time jobs created was \$142,000.
  - 62% contracted CO third-party service providers.
  - 38% purchased/rented CO materials, facilities or resources.
- **Competitive Advantage**
  - 14 patents filed and 1 patent awarded during the course of the program.
  - 62% won a regional/national grant, award or recognition
  - 57% secured a key strategic partner

Cohort #2 (n = 8 companies) Program 25% Complete

- **Capital Strategy**
  - 37% secured non-dilutive funding
  - 12% secured more friends/family funding
- **Economic Development**
  - 25% contracted CO third-party service providers

- 25% purchased/rented CO materials, facilities or resources
  - **Competitive Advantage**
    - 25% won a regional/national grant, award or recognition
- **How does the program measure its success in terms of participant satisfaction and long-term viability of the startups?**

Participant satisfaction is measured at several points during the program. We measure perceptions of Client Director quality; satisfaction with the progress being made against priority goals; and we measure relevance, quality and impact of our programming content. Finally, to gauge our success and satisfaction versus alternative programs, we incorporate a Net Promoter Score (NPS).

We will also be gauging the long-term viability of the participating startups by measuring:

- **Transformational Growth**
  - *Dynamic Job Creation* - Create over 500 diverse job opportunities (full-time and part-time) in emerging sectors within three years, catalyzing workforce development and regional economic dynamism.
  - *Substantial Funding Injections* - Facilitate at least \$45M in funding for our program's startups within three years, fueling the growth of innovative enterprises and regional economic ecosystems.
  - *Product Development and Market Entry* - Achieve a milestone where 30% of supported startups successfully bring a product or service to market within three years, demonstrating the practical application and commercial viability of their innovations.
- **Competitive Advantage**
  - *Intellectual Property Milestones* - Facilitate the filing of over 125 patents through our program within three years, marking our commitment to tangible innovation and protection of novel ideas in life sciences.
  - *Strategic Partnership Development* - Ensure at least 60% of our startups form at least one strategic partnership within two years, fostering collaboration and acceleration in bringing life sciences advancements to market.
- **Transforming the Landscape of Life Science Entrepreneurship**
  - *Diversify Leadership* - Within two years, ensure that at least 50% of our supported startups include individuals on their

leadership team from DEIA-relevant backgrounds, reflecting our commitment to diverse leadership.

- *Inclusive Technology Development* - Achieve that 30% or more of the technological innovations we back are designed to disproportionately benefit disadvantaged communities, surpassing general population benchmarks by the end of the second year.

## **Alumni Network and Post-Program Support**

- **What kind of post-program support can startups expect?**

After the program ends, participating companies are allowed to participate in any new curriculum developed for future Cohorts without additional costs.

They will be invited to stay active in our online Slack community which provides community, connections, resources and research reports.

Participating Founders will continue to be invited to our social and networking events.

- **Is there an alumni network, and how can past participants engage with it?**

Yes, there is an Alumni network. They will have access to the post-program support noted above without additional costs.

- **Are there follow-on investments or continued mentorship opportunities available after completion of the program?**

If a company would like to continue its formal Client Director relationship, they would need to contract for that support separately.

In most cases, Client Directors maintain an ongoing mentor relationship with their client companies providing occasional and informal feedback.

## **Application Process and Selection Criteria**

- **What is the selection process for applicants?**

(1) An interested company founder should apply at [www.innosphereventures.org](http://www.innosphereventures.org) between January 1, 2024 and March 22, 2024.

- (2) Innosphere will evaluate all applications between March 1, 2024 and March 29, 2024.
- (3) If Innosphere determines that a company is a good fit for the Incubator Program, it will set up an interview between March 1, 2024 and March 29, 2024.
- (4) If Innosphere determines that a company is not a good fit for the Incubator Program, it will communicate that to an applicant at the time of that determination.
- (5) Acceptance communications will occur between March 18 and March 29, 2024.

- **What criteria are used to evaluate startups for the program?**

There are five selection criteria that will be used to evaluate each startup applicant.

- (1) **Field of Focus** – Solutions that will have a direct impact on human and animal health with a regulatory pathway that includes the FDA in the fields of medical device technology, diagnostics, biopharma, health technology, digital health, advanced material science, and veterinary translational medicine.
- (2) **Innovative Solution** – Innovative solution or product that addresses a significant problem or need in the life sciences sector. This innovation can be in terms of technology, methodology, service delivery, business model, or ways of delivering value to customers.
- (3) **Stage of Development** – Our target startups are typically in the late START to early LAUNCH stages of development. Late START companies include those finalizing the testing phase of their business idea and assessing the fit between the product and the market, ensuring that there is a demand for what they're offering. The LAUNCH stage include those with a focus on growth and expansion. They are beginning to seek significant funding, typically through Series A, B, or later-stage venture capital rounds, to support and accelerate growth.
- (4) **Team Composition** – The founding team should demonstrate an appropriate level of skills and experiences, relevant to the stage of their project, including appropriate scientific, business, and operational expertise. If a single Founder, demonstrating an understanding what this is and

having a plan to achieve it will be beneficial to their selection.  
The program can help founders with team building.

**(5) Founder Characteristics** – We will be looking for commitment, accountability, urgency, courage, collaboration, growth, and appreciation of diversity.

- **When will applicants be notified of their acceptance into the program?**

Acceptance communications will occur between March 18 and March 29, 2024.

If a company is declined for anticipated fit reasons, they will be informed immediately.

## **Legal and Regulatory Guidance**

- **Does the program offer legal and regulatory guidance for life science companies?**

The program does not offer company specific legal and regulatory advice.

The program focuses on helping founders create the strategies they need to succeed as a Life Sciences startup. Regulatory and certain aspects of Legal strategy are included in the curriculum.

Where the founder needs counsel assistance to execute the strategy, we will work with the founder to identify multiple options they can pursue outside the program to secure that advice. That contract would be independent of the program.

- **Can participants receive help with FDA approval processes or clinical trial design?**

The program does not offer company specific help navigating FDA approval processes or providing clinical trial design.

The program focuses on helping founders create the strategies they need to succeed as a Life Sciences startup. The program will help Founders understand regulatory and clinical strategy.

Where the founder needs help executing a regulatory and clinical strategy, we will work with the founder to identify multiple options they can pursue outside the program to secure that assistance. That contract would be independent of the program.

## Market Access and Commercialization

- **How does the program assist with market analysis and entry strategies?**

The Incubator helps with market analysis and entry strategies in several ways.

- (1) The participating companies will have the support of both investment and life science research databases.
- (2) The program participants will have access to Research Associates who can use these databases to accelerate their access to insights about markets, target audiences, competitors, investors, and many other aspects that they need to sharpen their pitch.
- (3) The programming content will address life science specific business models, stakeholder strategy, reimbursement strategy, economic strategy, and market insights to best prepare the Founders for developing their market entry strategy.

- **What support is offered for commercialization and scaling of products?**

Innosphere has a successful history of helping companies reach their business milestones and working with university spinouts to advance technologies to commercialization.

Our program focuses on helping entrepreneurs learn valuable skills on how to access capital, acquire customers, build talented teams, grow top line revenue and (if it's your goal) execute a successful company exit. We connect inventors and business drivers, facilitate introductions to corporate partners, turn startups into viable businesses, and advance technologies to commercialization.

## Miscellaneous

- **What makes Innosphere Ventures' Life Sciences Incubator unique compared to other incubators?**

- (1) Innosphere's incubation program accelerates the success of high-impact startup companies. The program focuses on ensuring companies are investor-ready, connecting entrepreneurs with experienced advisors and early hires,

making introductions to corporate partners, exit planning, and accelerating top line revenue growth.

- (2) Companies in the program are supported by a dedicated client success manager that rolls up their sleeves to work **hands-on** with company founders and CEOs on business milestones.
- (3) We have a powerhouse network that spans 6 states and includes 9 R1 Universities and 3 State Bioscience Associations. This means the life science networking and development reach of this Incubator will be one of the strongest in the nation.
- (4) We are operating under a United States Economic Development Administration Build to Scale Grant aimed at creating breakthrough results and outcomes. We are accountable to performance. This is an impact-oriented program.
- (5) Innosphere does **not** take equity in companies, as we are fee-based 501(c)(3) nonprofit organization.

- **How can participants balance program participation with the ongoing demands of running their startup?**

Our program is designed to keep you focused on the priorities that your startup needs to achieve to be successful. So, this is not incremental or distracting work, it focuses everyday on driving and accelerating the key accomplishments that are your startup priorities.

To achieve your goals, we will look to you for:

**Accountability** - Taking responsibility for their engagement, work, and results.

**Urgency** - Recognizes that speed of delivering results matters; pressing necessity.

**Commitment** - Obligation of time and priority to achieve something great.

**Courage** - Strength to venture, persevere, and withstand uncertainty and risk.

**Leadership** - Ability to motivate, inspire, and influence others to drive accomplishment.

**Collaboration** - Harnessing diverse perspectives to create new solutions and thinking.



**Growth** - Lifelong learning, personal development, self-education.

**Diversity** - Including and respecting a wide range of people, customs, and lifestyles.