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**SUBJECT:**

**Permanent Open Call for Proposals for the European Space Agency**

**Business Incubation Centre IRELAND**

**(ESA BIC Ireland)**

Dear Madam/Sir,

As part of its endeavour to encourage the transfer and commercialisation of space technologies, the European Space Agency[[1]](#footnote-2) (the Agency) has set up business incubatorslocated in Noordwijk (The Netherlands), Frascati (Italy), Darmstadt and Bavaria (Germany), Harwell (United Kingdom), Redu and Geel (Belgium) Toulouse in France, Barcelona, Portugal (Lisbon, Porto and Coimbra), Madrid (Spain), Sweden, Prague (Czech Republic) and now Ireland (Athlone, Cork and Maynooth) with Austria and Switzerland to open soon. Their purpose is to enable entrepreneurs (incubatees) to receive comprehensive commercial and technical assistance in order to set up their business using space technology for non-space industrial and commercial uses.

Tyndall National Institute through a partnership with Athlone Institute of Technology, Maynooth University and the Irish Maritime Energy Resource Cluster (the ESA BIC Ireland Partners) are entrusted by the Agency with the setting-up, administration and implementation of this Call.

ESA BIC Ireland hereby invites you to submit a proposal for the above subject.

Please find enclosed the following documents:

**Appendix 1: Call for Proposals**

Section 1: Instruction for Business & Activity Proposals

Section 2: Formal requirements, selection process and evaluation criteria

Section 3: Draft Contracts

1. Draft Incubation Contract

Addendum 1: Standard requirements for management, reporting, meetings and deliverables

Addendum 2: Agenda for Mid Term Review

Addendum 3: Final Review Template

Addendum 4: Logo

1. Draft Rental Contract

**Appendix 2: Proposal Templates**

Your attention is drawn to the following:

**Nature and purpose of this Call for Proposals**

1. The purpose of this Call for Proposals (Call) is to select projects and ideas for business incubation in ESA BIC Ireland.

2. ESA BIC Ireland offers to support projects and ideas for business incubation by providing funding, business support, technical assistance and office accommodation & services for a maximum of 24 months. The extent and modalities of the support provided is negotiated on a case-to-case basis. As a general rule the ESA BIC Ireland related financial support granted to one project will be of maximum EUR 50.000.

3. This Call is of a permanent nature meaning that it has no closing date for the submission of proposals as long as the ESA BIC Ireland has not indicated otherwise.

4. Applications are only considered from nationals of one of the Agency’s Member States (see note 1) and Canada.

5. Start-up companies, with or without legal personality as well as individuals may apply for this call (individuals must later register their company at the Companies Registration Office in order to get financial support).

6. In case of start-up companies with legal personality, the company – represented by its authorised representative(s) – is considered to be the Applicant.

7. In case of legal entities without legal personality, the general partner is considered to be the Applicant. Applications of non-profit organizations are excluded.

8. In case the Applicant is an individual, (s)he shall be over eighteen years of age and of sound mind, and therefore able to enter into a binding agreement.

9. All the above categories are hereinafter referred to as “Applicant”.

10. This Call is aimed at Applicants who are developing technology from a space background for non-space activities or domains, but explicitly excludes activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.

**Requirements**

11. Applicants are required to closely follow the instructions provided in this Call when producing and submitting their proposal (Appendix 1 Section 1).

12. Only those Applicants that fulfil all formal requirements (Appendix 1 Section 2) will be accepted for evaluation.

13. Applicants should carefully read the contractual documentation provided in Appendix 1 Section 3. The application shall include a clear, explicit and unambiguous statement whereby the Applicant has read and understood the terms and conditions contained in the contractual documentation and accepts them. In exceptional cases where the Applicant wishes to propose modifications or amendments, the full text of such modifications or amendments shall be given and the reasons for the amendments requested shall be clearly explained as part of the proposal.

**Procedure and planning**

14. The evaluation of all proposals received shall take place in accordance with the Agency’s and the ESA BIC Ireland rules and procedures (Appendix 1 Section 2). All Applicants will be informed of the outcome of their application.

15. The evaluation procedure is carried out jointly by ESA BIC Ireland, Enterprise Ireland and the Agency.

16. A two phase application/evaluation procedure will apply as outlined in the following table. Phase 1 involves a pre-selection of candidates by Enterprise Ireland. Phase 2 involves (a) an initial eligibility assessment of Applications by the Tender Opening Board (TOB) of ESA BIC Ireland and (b) the evaluation of eligible Applications by the Tender Evaluation Board (TEB).

|  |
| --- |
| ESA BIC Ireland |
| **Phase 1 – Enterprise Ireland Pre-Selection**   * Feasibility Grant Application to Enterprise Ireland. * Approval of Feasibility Grant Award by Enterprise Ireland.   A positive decision by Enterprise Ireland will be a pre-requisite / pre-condition to a client making an Application to ESA BIC Ireland.  Release of Enterprise Ireland funds will be subject to a positive decision by the Tender Evaluation Board of ESA BIC Ireland.  **Phase 2 – ESA BIC Ireland**   * ESA BIC Application submission to ESA BIC Ireland by thrice yearly Selection Campaign deadline. * 2(a) Initial assessment by Tender Opening Board for admissibility / compliance with formal requirements. On a positive outcome, Applicant will be invited to present their Proposal to Tender Evaluation Board. * 2(b) Presentation by Applicant of Proposal to Tender Evaluation Board. Decision by TEB. |

17. The Tender Evaluation Board meets thrice yearly to evaluate the proposals received in the preceding four months. Proposals will be accepted for the current evaluation round in case they reach the ESA BIC Ireland Manager and the Agency within the current deadline, the date which is published on [www.esa.int/bic](http://www.esa.int/bic) and [www.esa-space-solutions-ireland.ie](http://www.esa-space-solutions-ireland.ie).

18. The period between receipt of a proposal and contract placement is in principle no longer than 3 months.

**Miscellaneous**

18. The contents of the Applicant proposals shall be treated as confidential.

19. In spite of the efforts undertaken by ESA BIC Ireland to ensure full confidentiality, the Applicant’s idea may through the application with ESA BIC Ireland (if not specifically protected for example by patent rights) fall into the public domain. Therefore it is strongly recommended that the Applicant discusses the protection of his/her idea with a dedicated expert in this field prior to application to ESA BIC Ireland.

20. As far as allowed by law, any title held by the Applicant to his/her idea shall remain vested in him/her. This application shall under no circumstances result in the acquisition of any title whatsoever to the idea[[2]](#footnote-3).

21. No expenses incurred in any stage of the application procedure will be reimbursed to the Applicant by ESA BIC Ireland, Enterprise Ireland, the Agency and/or any third party.

22. In no event shall this Call for Proposals be construed as imposing any obligation whatsoever upon ESA BIC Ireland, Enterprise Ireland, the Agency and/or any third party to enter into negotiations with any Applicant or to enter into any other specific arrangement for business incubation in any of the Agency’s or the ESA BIC Ireland partner’s establishments.

23. THE ESA BIC Ireland, Enterprise Ireland and the Agency are committed to ensuring equal opportunities and the elimination of discrimination of any type for all applications complying with the conditions and requirements set forth in this Call.

Any queries relevant to the submissions of proposals are to be addressed - in writing - to: [david.gibbons@tyndall.ie](mailto:david.gibbons@tyndall.ie)

The complete proposal and all supporting documents are to be submitted, in electronic form (.pdf or .doc) to the following email addresses: [david.gibbons@tyndall.ie](mailto:david.gibbons@tyndall.ie)

In parallel, one signed hard copy of the original must be sent to:

ESA Space Solutions Centre Ireland

Tyndall National Institute

Lee Maltings, Dyke Parade,

T12 R5CP, Cork,

Ireland

For the attention of Mr David Gibbons

With reference: ESA BIC Ireland - Open Call

Yours faithfully,

David Gibbons

ESA Space Solutions Centre Ireland - Manager

**DOCUMENT CHANGE LOG**

|  |  |  |  |
| --- | --- | --- | --- |
| **Iss.** | **Rev.** | **Date** | **Reason for Change** |
| 1 | 1 | 11/08/2016 | First Issue (general review) |
| 1 | 2 | 07/09/2016 | First release of this document |
| 1 | 3 | 3/11/2016 | Update with ESA additions |
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**APPENDIX 1**

**CALL FOR PROPOSALS**

***(for business incubation)***

[Section 1. Instructions for Business & Activity Proposals 9](#_Toc461022619)

[A. Length of proposal 9](#_Toc461022620)

[B. Content of proposal 9](#_Toc461022621)

[1. Cover Letter 9](#_Toc461022622)

[2. Requirements Checklist 9](#_Toc461022623)

[3. Executive Summary 9](#_Toc461022624)

[4. Business & Activity Proposal 10](#_Toc461022625)

[Section 2. Formal Requirements, Evaluation Process and Criteria 11](#_Toc461022626)

[A. Formal requirements 11](#_Toc461022627)

[B. Evaluation process 12](#_Toc461022628)

[C. Evaluation criteria 13](#_Toc461022629)

[Section 3: Draft Contracts 15](#_Toc461022630)

[I. Draft Incubation Contract 15](#_Toc461022631)

[II. Draft Rental Contract 54](#_Toc461022632)

[[INSERT DRAFT RENTAL CONTRACT HERE] 54](#_Toc461022633)

[1. Cover Letter 57](#_Toc461022634)

[2. Requirements Checklist 59](#_Toc461022635)

[3. Declaration of State Aid 61](#_Toc461022636)

[4. Executive Summary 62](#_Toc461022637)

[5. Business and Activity Proposal 63](#_Toc461022638)

# Section 1. Instructions for Business & Activity Proposals

Appendix 1 Section 1 of this Call for Business & Activity Proposals is meant to inform applicants of the required length and content of their Business & Activity Proposal (BAP). Any relevant information in addition to the required information is welcome.

## Length of proposal

The proposal shall not contain more than 30 pages, annexes excluded.

The Executive Summary shall be maximum one page.

## Content of proposal

The proposal shall contain the following information:

### Cover Letter

The Applicant is asked to introduce the application with a cover letter (following the template attached in Appendix 2 Section 1 – Cover Letter). The cover letter must clearly state that the draft contract conditions are read, understood and accepted.

It shall also provide the name, address, fax or email and telephone number of the Applicant whom all communications relating to the call for proposal shall be addressed to, as well as the names, fax or email and telephone numbers of the persons who will be responsible for the day-to-day management of any resulting contract and the legal representative signing the contract.

### Requirements Checklist

The Applicant is specifically asked to fill out, sign, date and attach the Requirements Checklist and the Declaration of State Aid (following the template attached in Appendix 2 Section 2 – Requirement Checklist and Section 3 – Declaration of State of Aid).

The Applicant is welcome to provide additional information on any aspect of the Requirements Checklist.

### Executive Summary

The Applicant is asked to produce an executive summary as attached in Appendix 2 Section 4 – Executive Summary.

### Business & Activity Proposal

The Applicant is requested to produce a Business & Activity Proposal as attached in Appendix 2 Section 5 – Business and Activity Proposal.

# Section 2. Formal Requirements, Evaluation Process and Criteria

Appendix 1 Section 2 of this Call is intended to inform Applicants of the selection process and criteria.

## Formal requirements

In order for the Applicant’s proposal to be accepted for evaluation, the requirements listed below need to be fulfilled.

**ESA General Application Requirements**

* The Applicant’s product or service is based on a transfer of space technology to, and/or utilisation of a space system in a non-space environment.
* The Applicant shall sell and deliver innovative products, processes or services (advice/consultancy is excluded) for his own account and risk.
* The Applicant company’s registration at the Companies Registration Office shall have taken place no longer than 5 years prior to submission of Applicant’s proposal to the Agency.
* In case the Applicant is a legal entity, the Applicant shall not form part of a group at the time of submission of the Applicant’s proposal to the Agency. This means that no less than half the issued capital or voting rights shall be owned – directly or indirectly – by the authorised representatives applying on behalf of the Applicant. In case the Applicant is a legal entity without legal personality, the Applicant shall be a fully authorised general partner.
* The Applicant shall not conduct business activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.
* The Applicant shall provide a copy of an official identity form.
* The Applicant is able to communicate in the English language.
* Any notice of approval of the Applicant’s proposal is only valid with the submission of a written declaration of consent.
* Shareholders of the company in question are:

**(1)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(    \_   %)                  (2)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(    \_   %)**

**(3)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(    \_   %)                  (4)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(    \_   %)**

* The Applicant states that the terms and conditions of the draft incubation contract and the synopsis of the tenancy agreement are read, understood and accepted. Any reservations shall be explicitly mentioned in the cover letter of the application.
* The Applicant states not to be hosted in another business incubator – or entity or organization providing similar support - for the duration of the incubation contract.
* The total amount of de-minimis aid (such as subsidies, holdings, loans, and bonds) may not exceed €200,000 over a period of three years.
* The Funding is linked to work packages within the incubation project only.
* The Funding is granted in net amounts (not including VAT).
* The information provided in the application and in the supplementary data sheet is binding and forms the basis of the funding granted. Any changes in this information must be reported immediately and are subject to approval.
* The Applicant is liable for any wilful misrepresentation in his Business Application Proposal and is subject to recourse in case one of the parties to this Open Call suffers damages as a direct result of the misrepresentation.

###### Application Requirements Specific to ESA BIC Ireland

* In case the Applicant is a legal entity, the company must fall into the EU definition of SME[[3]](#footnote-4)
* The authorized representative of the Applicant must be a resident of Ireland at the moment of signing an Incubation Contract, for at least the duration of the incubation period.
* Company headquarters have to be located at (one of) the offices of the Partners
* The applicant has to provide all documents requested by Enterprise Ireland and to comply with all conditions required.

## Evaluation process

Until further notice by the Agency or ESA BIC Ireland, Applicants are invited to submit their proposal for ESA BIC Ireland at all times.

Upon its receipt, ESA BIC Ireland and the Agency shall first assess the admissibility of the Applicant’s proposal. The proposal is only admitted for further evaluation where all formal requirements (See ***A*** above) have been met. If the Tender Opening Board (TOB) identifies that some missing information is due to a material mistake and can be easily corrected, it shall give the Applicant 48 hours to correct the mistake. In all other cases the proposal shall be rejected.

The outcome of this first assessment shall be communicated to the Applicant.

In case the proposal is compliant with the formal requirements, the applicant is invited in writing to present the proposal in person to a Tender Evaluation Board (TEB) upon which the Board (Agency, ESA BIC Ireland Partners, Enterprise Ireland, local partners) shall be able to ask additional questions to perform an evaluation.

The proposal and the presentation will be marked against the selection criteria detailed under ***C*** below.

A positive decision by the (overall) Tender Evaluation Board in relation to an individual application will be subject to Agency approval by the Agency representative on the Tender Evaluation Board. The Agency’s decision is final and without appeal, and the Agency will not enter into correspondence on the reasons for the decision. ESA BIC Ireland will notify the Applicant about the final outcome of the evaluation and will debrief the Applicant if requested. The outcome will not be construed as to prevent the Applicant from submitting a renewed application.

Upon receiving notice that the application has been successful the Applicant is requested to register his/her company at the Companies Registration Office during the first stage of incubation, if not already done so.

## Evaluation criteria

The evaluation shall be based on the way the criteria below have been addressed both in the proposal and during the Applicant’s presentation. The respective weighting factors, used by the Evaluation Board are also indicated (%)

* Formal Aspects (10%)
  + Compliance with the General and Specific Requirements of ESA BIC Ireland
  + Acceptance of tender conditions
* Background and Experience (30%)
  + Team composition and ownership structure
  + Support entities and ownership structure
  + Vision
* Business Case (20%)
  + Business idea
  + Market
  + Business Model
  + Strategy
  + Finance
* Technology (20%)
  + Technical Feasibility
  + Non-space benefit
  + Research and development strategy
  + Intellectual Property strategy
* Activity Proposal (20%)
  + Milestone planning
  + Task description and related cost
  + Funding requested
  + Work Breakdown
  + ESA BIC Investment opportunity
  + Management

# Section 3: Draft Contracts

## Draft Incubation Contract

**Between:**

ESA BIC Ireland

**On the one part,**

**And:**

Mr/Mrs ………………….………………………………………………………………………………………………………...

Whose Registered Office is located at: ……………………………………………………………….………

……………………………………………………………….………

……………………………………………………………….………

Whose Trade Registration Number is: ……………………………………………………………….………

(Hereinafter named the “Incubatee")

Represented by Mr/Mrs ……………….………………………. as the company legal representative.

**On the other part,**

(Together, hereinafter referred to as the “Parties” or individually as a “Party”)

Commencement Date: ………………..………….

Contract End Date: ………………..………….

The following has been agreed:

**P R E A M B L E**

1. WHEREAS the European Space Agency (the Agency) is an intergovernmental organisation established by the Convention approved by the Conference of plenipotentiaries of its Member States on 30 May 1975 and which entered into force on 30 October 1980.
2. WHEREAS Article II of the Convention assigns to the Agency the task to promote cooperation in space research and technology and their space applications and to elaborate and implement activities and programmes in the space field.
3. WHEREAS the Agency manages a technology transfer initiative to encourage the utilisation of space technology for general non-space industrial, scientific and commercial uses.
4. WHEREAS as part of the technology transfer initiative the Agency has set up the ESA Business Incubation Centres (ESA BICs) initiative to enable start-up companies (incubatees) to receive comprehensive commercial and technical assistance in order to set up their business using space technology for such general non-space industrial, scientific and commercial uses.
5. WHEREAS the Agency has chosen the ESA BIC Ireland Partners to implement and manage ESA BIC Ireland through an ESA Contract.
6. WHEREAS ESA BIC Ireland is partly funded by the Agency and Enterprise Ireland.
7. WHEREAS the Incubatee wishes to participate in ESA BIC Ireland and benefit from the assistance which shall be offered to it through the provisions of this Contract.
8. WHEREAS, as part of the assistance offered to the Incubatee, the ESA BIC Ireland Partners and the Incubatee shall sign a tenancy agreement covering the same period as this Contract for the provision of office accommodation and related equipment and services to the Incubatee.

**Article 1 - Contractual Baseline**

1.1. Definitions

For the purpose of this Contract the following words shall have the meanings assigned to them.

“Activity” means all the activities that the Incubatee will undertake under this Contract in relation to its participation in the ESA BIC, including the preparation of the Mid Term Report, the Executive Summary, the Annual Performance Report and the Business Plan and all other obligations and deliverables to be made by the Incubatee under this Contract.

“Annual Performance Report” shall have the meaning set out in Addendum 1 Section 5.6.

“Business Plan” shall have the meaning set out in Addendum 1 Section 5.5.

“CCN” shall mean a contract change notice.

“Change Review Board” shall be a board consisting of a contractual and a technical representative of each Party established to discuss and agree upon the approval or rejection of a change proposal, and final CCN.

“Commencement Date” shall mean the date that this Contract shall come into force, as set out in Article 5.

“Confidential Information” shall have the meaning set out in Article 11.2.

“Contract” shall mean an agreement between ESA BIC Ireland and the Incubatee regulating the Activity.

“Contract End Date” shall mean the date that this Contract shall come to an end, as set out in Article 5.

“Contract Term” shall be the period between the Commencement Date and the Contract End Date.

“Conversion Proposal” shall mean a proposal detailing all costs incurred in relation to the Activity, to be submitted by the Incubatee to ESA BIC Ireland.

“Deliverables” shall have the meaning set out in Article 2.

“Disclosing Party” shall mean the Party disclosing Confidential Information.

“Equipment” shall have the meaning set out in Article 3.2.

“ESA BIC” shall have the meaning set out in the Preamble.

“Executive Summary” shall have the meaning set out in Addendum 1, section 5.4.

“Final Report” shall mean the complete statement of the work undertaken by the Incubatee during the Contract Term, as further defined in Addendum 1, section 5.3.

“ESA BIC Ireland” means the entity which, under an ESA Contract, provides business development support and office accommodation to start-up companies. The ESA BIC Ireland Partners are Tyndall National Institute, Athlone Institute of Technology, Maynooth University and the Irish Maritime and Energy Resource Cluster.

“Intellectual Property Rights” shall mean all rights in copyright, patents, know-how, Confidential Information, database rights, rights in trademarks and designs (whether registered or unregistered), applications for registration of any of the foregoing and the right to apply for registration, and all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

“Mid Term” shall mean the midpoint date between the Commencement Date and the Contract End Date.

“Mid Term Report” shall have the meaning set out in Article 2.1.1.

“Mid Term Review” shall have the meaning set out in Addendum 1 Section 4.2.

“Receiving Party” shall mean the Party receiving Confidential Information.

“Statement of Non Co-incubation” shall mean the statement from the Incubatee that his company shall not be incubated in or receive support of any kind from any other incubator whatsoever for the duration of the Contract Term.

“Technical Support” shall have the meaning set out in Article 3.1.

“Third Party” shall mean any person or entity other than the Agency and the Parties to this Contract or their personnel.

“Third Party Services” shall have the meaning set out in Article 4.

1.2 Contractual baseline

The Incubatee shall perform the Activity in accordance with the following applicable documents listed hereunder in order of precedence:

1.2.1 This Incubation Contract;

1.2.2 The Agency’s Standard Requirements for Management, Reporting, Meetings and Deliverables as set out in Addendum 2;

1.2.3 The Tenancy Agreement;

1.2.4 The Minutes of the negotiation meeting held on the ……………….., not attached hereto but known to both parties;

1.2.5 The Incubatee’s Business Activity Proposal, Ref. …………..…………., dated ……..…………, Version …….……..….., not attached hereto but known to both Parties.

**Article 2 – Activity of the Incubatee**

The Incubatee undertakes to deliver the items mentioned below (the “Deliverables”), as part of the Activity in accordance with the following provisions:

* 1. Documentation

2.1.1 Mid Term Report

At Mid Term, the Incubatee shall provide to ESA BIC Ireland representatives, described in Article 9.3(a) and (b), a report detailing the technical and commercial work carried out by the Incubatee as part of the Activity during the first half of the Contract Term (“Mid Term Report”). Templates are provided in Addendum 2 herein.

2.1.2 Business Plan

The Business Plan shall be provided to the ESA BIC Ireland technical representative stated in Article 9.3(a) in 2 copies, not later than the Contract End Date.

2.1.3 Final Report and Executive Summary

1. At least two months prior to the Contract End Date, the Incubatee shall provide ESA BIC Ireland with draft versions of the Final Report and the Executive Summary. ESA BIC Ireland shall have one month to review the draft documents and provide comments on each to the Incubatee. The Incubatee shall then have the remaining month in which to produce the final version of the Final Report and the Executive Summary and submit them to ESA BIC Ireland. Templates are provided in Addendum 3 herein.
2. The Final Report and the Executive Summary shall be delivered by the Incubatee to ESA BIC Ireland in 3 copies (2 paper copies and 1 electronic copy) and 6 copies (5 paper copies and 1 electronic copy) respectively.
   1. Other Deliverables

As part of the Incentive Scheme, it is expected from the Incubatee to deliver proof of the developed product or service. It is to be delivered to the Agency through ESA BIC Ireland. Its use by the Agency is restricted to demonstration and exhibition purposes.

2.2.1 Software

1. In the event that the Incubatee develops software during the Contract Term as part of its Activity, the Incubatee shall deliver a copy of such software to ESA BIC Ireland in a form to be agreed with ESA BIC Ireland.
2. The Incubatee shall deliver such software at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties.
3. The incubatee shall deliver a complete demonstration including hosting server (functional prototype level)

2.2.2 Hardware

1. In the event that the Incubatee develops any hardware during the Contract Term and as part of its Activity, ESA BIC Ireland is entitled to request the Incubatee to loan the hardware to ESA BIC Ireland and/or the Agency for the purposes of displaying it in an exhibition or for promotional purposes for a period of five (5) years from the end of the Contract Term or from the cancellation of this Contract, unless otherwise agreed in writing by the Parties.
2. Any photographs and visual presentations (i.e. an automatic slide show and/or video trailer) of any hardware developed by the Incubatee during the Contract Term and as part of its Activity shall be delivered to ESA BIC Ireland at the end of the Contract Term or upon the cancellation of this Contract, unless otherwise agreed in writing by the Parties

**Article 3 – ESA BIC IRELAND UNDERTAKINGS**

3.1 Technical Support

1. For the purposes of this Contract ESA BIC Ireland will provide the Incubatee with technical supportnecessary for and directly related to the activity of the Incubatee (referred to as “Technical Support”), with a maximum of 80 hours during the contract term.
2. The Technical Support shall be provided for the duration of the Contract Term, unless a shorter period is agreed between the Parties.
3. Any information in documentary or other physical form provided to the Incubatee as part of the Technical Support shall remain property of the lending institution and shall be returned to this institution at the end of the Contract Term or upon the cancellation of this Contract.

d) For all matters relating to the technical support the responsible technical officer is nominated in Clause 9.3 a).

* 1. Equipment

It is not foreseen that ESA BIC Ireland or any of its Partners will loan the Incubatee any equipment.

In the event that during negotiation between the Incubatee and the technical support entity the loan of any equipment is envisaged, all conditions will then be defined in the related meeting minutes.

* 1. Software

It is not foreseen that ESA BIC Ireland or any of its Partners will loan the Incubatee any software.

In the event that during negotiation between the Incubatee and the technical support entity the loan of any software is envisaged, all conditions will then be defined in the related meeting minutes.

**Article 4 - Services to be Provided by Third Parties**

The Incubatee shall notify ESA BIC Ireland prior to entering into agreements with Third Parties to obtain specific advice/product relevant to the Activity (“Third Party Services”). ESA BIC Ireland shall bear no responsibility for such advice or product.

For the purposes of this Article it is hereby understood that the incentive funding shall be spent in Ireland unless the product/service is not available in such territory and within the boundaries stated on Article 7.1 (Financial Contribution) hereto.

**Article 5 - Contract Term**

This Contract shall enter into force upon signature by the legal representatives of both Parties(“Commencement Date”) and shall continue in force until (“Contract End Date”), unless it is cancelled or otherwise terminated in accordance with Article 16. In no case shall the Contract Term exceed the duration of 2 (two) years.

**Article 6 – Meetings and Reporting Requirements**

Full details of reporting and meeting requirements are set out in Addendum 1 Sections 3 and 4 respectively.

**Article 7 – Financial Contribution and Payment**

7.1 Financial Contribution

7.1.1 The total financial contribution to the Activity amounts to EUR 50,000 (Fifty thousand Euros) maximum, broken down as follows:

1. EUR 25.000 maximum from Enterprise Ireland related to ESA BIC Ireland incubation. covering IPR and product development (prototype). Payment will be done upon acceptance of the deliverables on the agreed milestones. The budget has to be spent on the technical development, e.g. software or hardware development or for prototype development, etc. For any additional funding obtained from EI on top of this amount the requirements and deliverables for this payment are defined by Enterprise Ireland, in their Feasibility / Competitive start agreements.
2. EUR 25.000 maximum from ESA covering IPR and product development (prototype). Payment will be done upon acceptance of the deliverables on the agreed milestones. The budget has to be spent on the technical development, e.g. software or hardware development or for prototype development, etc.

Direct labour costs are not accepted to be paid with the ESA incentive

account holder: XXX

bank name: XXX

IBAN : XXX

BIC/SWIFT: XXX

7.1.2 For the purpose of this Contract the above mentioned financial contribution from ESA under 7.1.1 b) is stated to be a ceiling which amount shall not be exceeded and for which the Incubatee shall perform the Activity in full*.* At the end of the Contract Term the ceiling amount shall be converted into a firm fixed amount by means of a Conversion Proposal, detailing all costs incurred, to be submitted by the Incubatee to ESA BIC Ireland. The Incubatee shall provide copies of invoices to show all expenses were incurred solely with third parties used for IPR and product development. The Incubatee is not authorized to use the stated ESA funding for reimbursement of his own hours spent in the project.

7.1.3 The above amount does not include any taxes and duties.

7.2 Payment Terms

All payments shall be made according to the provisions of this Article 7.

7.3 Categories of Payment

Relative to the financial contribution set out under Article 7.1, ESA BIC Ireland shall make the following payments to the Incubatee:

7.3.1Progress Payments

(a) ESA BIC Ireland may authorise progress payments in connection with this Contract.

(b) Progress payments are not final payments and shall be deducted from the sums due to the Incubatee under this Contract.

(c) Except with the specific agreement of ESA BIC Ireland, the Incubatee shall not divert to uses not provided for in this Contract any material or services in respect of which advances or progress payments have been made. In the event of any violation of this provision ESA BIC Ireland reserves the right to require the return of the advances or progress payments without prejudice to its rights under Article 16.

7.4 Final Settlement

7.4.1 The Incubatee shall be allowed to claim final settlement when all the Incubatee’s obligations under this Contract have been fulfilled.

7.4.2 Final settlement to the Incubatee is due by ESA BIC Ireland upon:

1. receipt by ESA BIC Ireland of the Final Report, including Cost Report;
2. receipt by ESA BIC Ireland of all the relevant invoice(s) from the Incubatee with a clear indication of the funding provided under this contract, and;
3. certification by ESA BIC Ireland of the satisfactory completion of the Activity under this Contract.
   * 1. Unless otherwise provided for in this Contract, a period of one (1) month shall be granted to ESA BIC Ireland for the execution of the final payment.
     2. ESA BIC Ireland will make the following payments:

|  |  |  |
| --- | --- | --- |
| MILESTONE DESCRIPTION | SCHEDULE DATES | AMOUNT IN € |
| KICK-OFF: upon signing the contract and start of incubation at ESA BIC Ireland | T0 | €10,000, (ESA) plus €10,000 (EI) |
| PROGRESS: upon acceptance by ESA BIC Ireland of the deliverables due on Mid Term Review | T0+12  (max) | €10,000, (ESA) plus €10,000 (EI) |
| FINAL: upon acceptance by ESA BIC Ireland of all Deliverables under the contract, including the Final Report, business plan, the hardware and/or software and upon acceptance by ESA BIC Ireland of the Incubatee’s Cost Report | T0+24  (max) | €5,000, (ESA) plus €5,000 (EI) |
|  |

7.5 Invoices, place and payments

7.5.1 The Incubatee is required to submit invoices for all payments due under this Contract.

7.5.2 Payments shall be made by ESA BIC Ireland in Euros to the account specified by the Incubatee. Such information shall clearly indicate the IBAN (International Bank Account Number) and BIC/SWIFT (Bank Identification Code). Payments shall be considered as effected on time if ESA BIC Ireland orders of payment reach its bank within the payment period stipulated in Article 7.4.3 above.

7.5.3 Any special charges related to the execution of payments will be borne by the Incubatee.

**ARTICLE 8 – DE-MINIMIS AID**

8.1 Any aid granted to the Incubatee that originates from Enterprise Ireland and that is provided under this contract to the Incubatee by ESA BIC Ireland may fall under the terms of EC regulation 1998/2006 of 15th of December 2006 on the application of articles 87 and 88 of the EC treaty to “de minimis aid”.

8.2 The Incubatee shall notify through ESA BIC Ireland in writing of how much state aid it has received during the three (3) years prior to the commencement date from any administrative body, insofar as no approval for such state aid was previously obtained from the commission of the European communities (“declaration of state aid”).

8.3 The Incubatee agrees to reimburse any state aid that the Incubatee has received under this Contract if it is later established that the payment was issued in violation of EC Regulation 1998/2006 of 15th of December 2006 on the application of Article 87 and 88 of the EC Treaty to de minimis aid.

**Article 9 – Parties Representatives and Communications**

9.1 All correspondence affecting the terms and conditions of this Contract and concerning its execution shall be made or confirmed in writing. All communications or correspondence between the Parties shall be in English.

9.2 All correspondence for either Party shall be sent to both representatives of each Party stated in Articles 9.3 and 9.4, i.e. depending on the subject, addressed to one representative with a copy to the other.

9.3 For the purpose of this Contract the ESA BIC Ireland representatives are:

**(a) For technical, administrative and contractual matters:**

Mr David Gibbons

Manager ESA Space Solutions Centre Ireland

Tyndall National Institute

Lee Maltings, Dyke Parade,

T12 R5CP, Cork.

Tel: +353 (0)21 234 6117

e-mail: [david.gibbons@tyndall.ie](mailto:david.gibbons@tyndall.ie)

*or a person duly authorised by him.*

9.4 For the purpose of this Contract the Incubatee’s representatives are:

1. For technical matters: ……………………………………………………………………………….

………………………………………………………………………………………………………………………..

………………………………………………………………………………………………………………………..

(b) For contractual and administrative matters: ……………………………………………..

………………………………………………………………………………………………………………………..

………………………………………………………………………………………………………………………..

**Article 10 - Publicity and Visual Identity of Incubatees**

10.1 Publicity

10.1.1 The Incubatee shall not produce or disseminate any form of communication material, press releases or other publicity documents, including the Incubatee’s advertising and news bulletins, which are intended by the Incubatee for the press, internet/web-sites or television, which refer to the ESA BIC Ireland Partners, ESA BIC Ireland or any aspect of ESA BIC Ireland activities, or permit any Third Party to do so, without the prior written consent of ESA BIC Ireland’s contractual representative or his duly authorised representative.

10.1.2 ESA BIC Ireland shall not produce or disseminate any form of communication material, press releases or other publicity documents which are intended by ESA BIC Ireland for the press, internet/web-sites or television, which refer to the Incubatee or any aspect of the Incubatee’s activities, or permit any Third Party to do so, without the prior written consent of the Incubatee’s contractual representative or his duly authorised representative.

* 1. Visual Identity of the Incubatee

10.2.1 The Incubatee shall not use the official emblem of ESA, ESA BICs or ESA BIC Ireland or any other logo or trademark which may be owned or used by the Agency, the ESA BIC Ireland Partners or ESA BIC Ireland for any purpose whatsoever without approval.

10.2.2 The Incubatee may place the logo attached in Addendum 4 and the following text line, in full and without amendment, on its promotional material and publicity documents, including exhibition and conference material and its internet site, and also on its products (including prototypes) and other material which it produces:

*“[Name of the Incubatee] participates in ESA Business Incubation Centre Ireland”,*

Referred to as the “Text Line”

Use of the Text Line and Logo by the Incubatee shall be subject to the following conditions:

(a) the Incubatee shall submit to ESA BIC Ireland’s contractual representative or his duly authorised representative for prior written approval all promotional material, publicity documents, products and other materials, or samples of them, on which the Text Line is to appear or is intended to be used, which approval may be withheld or withdrawn from any material, products or documents at any time at ESA BIC Ireland’s discretion;

(b) the prior approval of ESA BIC Ireland for the use of the Text Line and logo shall not constitute an endorsement or approval of the Incubatee’s Activity, products or services, or of their quality, technology or suitability for a particular use, neither shall it constitute verification by ESA BIC Ireland of the compatibility of materials produced by the Incubatee with applicable law and regulations, and the Incubatee shall refrain from using any statements which could suggest otherwise;

(c) any use of the Text Line on amended or revised promotional material and publicity documents shall be subject to the same approval process as the original material and documents;

(d) the Text Line may be translated into a different language other than English, subject to the approval of ESA BIC Ireland’s contractual representative or his duly authorised representative;

(e) no use of the Text Line shall be made in connection with material, products or documents that:

1. constitute an infringement of law and/or legal provisions;
2. undermine the reputation and dignity of the Agency, the ESA BIC Ireland Partners or ESA BIC Ireland;
3. promote or are related to alcohol, tobacco, religion, political affairs, intolerance, violence, firearms, pornography, obscenity, gambling, and narcotic drugs.
   * 1. The Incubatee shall keep appropriate records of the extent of its use of the Text Line, stating in particular the nature and time of use of the Text Line on its material, products and documentation. The Incubatee shall provide ESA BIC Ireland’s contractual representative or his duly authorised representative request, with information, samples and documents to evidence its use of the Text Line.
     2. The use by the Incubatee of the Text Line shall terminate upon the cancellation or expiry of this Contract as described in Article 16.

**Article 11 - Confidentiality**

11.1 Each Party shall observe complete discretion with regard to all matters related to the activities of the other Party and each Party will ensure compliance by its employees and agents with the obligations of confidence set out in this Article 11 and assumed by that Party in relation to the other Party.

11.2 Neither Party shall disclose any documentation, information or materials obtained from the other Party, whether marked (by way of example as, “confidential” or “proprietary information”) or un-marked (“Confidential Information”), to any Third Party whatsoever without the prior written consent of the other Party in which case the other Party may require the recipient to sign a non-disclosure agreement. For the purposes of this Article 11, documentation shall include any final documentation deliverable under this Contract with the exception of the Executive Summary.

11.3 Each Party may disclose Confidential Information on a strictly “need to know” basis to:

- its employees; and

- its professional agents; and

- the ESA BIC Ireland Partners

- ESA and Enterprise Ireland

11.4 On the Contract End Date, or upon the earlier termination or cancellation of this Contract in accordance with Article 16, the Receiving Party shall promptly return to the Disclosing Party or otherwise certify the destruction of all Confidential Information, with exception of the Deliverables provided by the Incubatee to ESA BIC Ireland.

11.5 The obligations in this Article 11 shall not apply to Confidential Information:

- which is in the public domain at the time of disclosure or becomes part of the public domain after disclosure otherwise than through a breach of this Contract;

- for which the Receiving Party can provide documentary evidence that it was in its lawful possession prior to disclosure to it by the Disclosing Party or which is lawfully and bona fide obtained thereafter by the Receiving Party from a Third Party who, to the knowledge or reasonable belief of the Receiving Party, did not receive the Confidential Information directly or indirectly from the Disclosing Party when under a duty of confidentiality;

- which, at the time of circulation is already known by the Receiving Party (as evidence in writing) and is not hindered by any obligation not to circulate; or

- which is required to be circulated by governmental or judicial order or applicable law.

11.6 The contents of this Contract are Confidential Information.

11.7 The obligations set out in this Article 11 shall survive the termination, cancellation or expiry of this Contract.

**Article 12 – Intellectual Property**

12.1 Ownership

12.1.1 The Incubatee shall own all Intellectual Property Rights arising out of the Activity performed under this Contract as may be granted by law, as far as no infringement of Third Party rights occurs.

12.1.2 All rights pertaining to any results arising out of the Activity performed under this Contract shall belong to the Incubatee.

12.2 Use of Intellectual Property Rights by the Agency

12.2.1 If the Agency or its Member States require the use of any Intellectual Property Rights, owned by the Incubatee as described in Article 12.1.1, for the performance of the Agency’s programmes in the field of space research and technology and space applications, the Agency will issue a request for quotation to the Incubatee. If the Incubatee is not willing or is not able to perform the activity for the Agency, the Agency or its Member States shall be entitled to a free of charge, transferable, non-exclusive licence to use such Intellectual Property Rights, which licence shall be limited to the territories of the Agency’s Member States.

12.2 2 When transferring any Intellectual Property Rights, of which the Incubatee retains the ownership in accordance with Article 12.1.1, to an assignee the Incubatee shall ensure that the Agency’s and its Member States’ rights, as set out in Article 12.2.1, are reassigned to the new assignee.

12.3 Transfer of Intellectual Property Rights outside the ESA Member States

The Incubatee shall inform ESA BIC Ireland’s technical representative, as stated in Article 9.3(a), well in advance of its intention to transfer outside the Agency’s Member States any Intellectual Property Rights arising from this Contract.

**Article 13 – Liability**

13.1 Limitations of Liability

13.1.1 Neither Party excludes its liability to the other Party for:

1. death or personal injury caused by its negligence or that of its employees or agents;
2. fraud, including fraudulent misrepresentations; and
3. liability under Articles 11 and 12.

13.1.2Limitation of Liability

Subject to Article 13.1.1, the liability of one Party towards the other under or in connection with this Contract whether arising from negligence, breach of contract or any other obligation or duty shall not exceed, an amount equivalent to €50,000 (Fifty thousand Euros), per event or series of connected events.

13.2 Infringements of the Law

13.2.1 ESA BIC Ireland or the Agency shall not be responsible if the Incubatee infringes any existing and/or future national, communal or provincial laws or decrees, rules or regulations in force in Ireland or in any other country whatsoever.

13.2.2 The Incubatee shall indemnify ESA BIC Ireland and the Agency from and against all claims, proceedings, damages, costs and expenses arising out of any infringement of the Incubatee’s obligations under this Contract.

13.3 Infringement of the Rights of Third Parties

13.3.1 The Incubatee shall indemnify ESA BIC Ireland, the ESA BIC Ireland Partners and the Agency from and against all claims, proceedings, damages, costs and expenses arising from the infringement of Intellectual Property Rights of third-parties with respect to the subject matter of this Contract - excluding any infringement resulting from the use of documents, patterns, drawings or goods supplied by ESA BIC Ireland or the Agency through - which may be made, or brought against ESA BIC Ireland or the Agency, or to which ESA BIC Ireland or the Agency may be put by reason of such infringement or alleged infringement.

13.3.2 ESA BIC Ireland shall notify the Incubatee immediately of any written claim or notice of infringement of third-party rights that it receives concerning the subject matter of this Contract.

13.3.3 The Incubatee shall immediately take all necessary steps within the Incubatee’s competence to prevent or end a dispute and shall assist ESA BIC Ireland and the Agency to defend any such dispute, or make settlement in respect of any claim or notice of infringement or suit for infringement.

13.3.4 The Parties shall notify each other of any known Intellectual Property Rights connected with the use of documents, patterns, drawings and goods supplied by one Party to the other or connected with the execution of the specifications laid down by the other Party.

13.4 Compensation for Damage Caused to Goods and Property

Claims in respect of damage shall be settled as follows.

13.4.1 Direct Damages

(a) The Incubatee shall indemnify ESA BIC Ireland, the ESA BIC Ireland Partners and the Agency against, and shall be personally responsible for, direct damage to ESA BIC Ireland’s, the ESA BIC Ireland Partners’ or the Agency’s property and equipment to the extent that such damage is caused by the negligence of the Incubatee and the Incubatee’s personnel or agents.

1. ESA BIC Ireland shall indemnify the Incubatee against, and shall be personally responsible for, direct damage to the Incubatee's property and equipment to the extent that such damage is caused by the negligence of ESA BIC Ireland or their staff or agents.

13.4.2 Indirect or Consequential Damages

(a) The Parties shall in no circumstances be liable for indirect or consequential damages such as loss of use, loss of business, loss of data, loss of rights, loss of services, loss of goodwill, Third Party claims to the extent that they represent the indirect loss of a Third Party, loss of revenues or anticipated savings, or for any indirect financial loss or indirect economic loss or for any indirect or consequential loss or damage whatsoever suffered by the other Party.

(b) The Parties shall in no circumstances be liable for loss of profit, whether direct or indirect.

13.5 Damages to Third Parties by the Incubatee

ESA BIC Ireland, the ESA BIC Ireland Partners or the Agency shall not be liable for any damage caused by the personnel or agents of the Incubatee to a Third Party during the performance of this Contract.

**Article 14 – Changes to this Contract**

14.1 Introduction of a Change

14.1.1 For all changes to this Contract, whether requested by ESA BIC Ireland or initiated by the Incubatee, the Incubatee shall submit a proposal for a Contract Change Note (CCN).

14.1.2 The Incubatee shall ensure - in liaison with ESA BIC Ireland - that each change proposal is fully coordinated and that all reasonably foreseeable implications of the change have been considered by the Incubatee and ESA BIC Ireland. The Incubatee shall, on the request of ESA BIC Ireland, provide additional documentary evidence of the effect of the change to both Parties.

14.2 Approval or Rejection of the Change Proposal

14.2.1 Should the change proposal be approved by ESA BIC Ireland, a corresponding CCN shall be prepared by ESA BIC Ireland contractual representatives as stated in Article 9.3(b) and submitted to both Parties for signature.

14.2.2 Should a change proposal be rejected for any reason, the Incubatee shall be informed accordingly, together with the reasons for the rejection. At the request of either Party, the change may be discussed at a Change Review Board, consisting of a contractual and a technical representative of each Party.

14.3 Implementation and Status of an Approved CCN

Upon the signature of a CCN by both Parties, the CCN will have immediate effect and constitutes a binding contractual agreement between the Parties. The Incubatee shall implement the change in accordance with the implementation dates agreed in the CCN.

**Article 15 – Post Incubation Management**

On each anniversary of the end of the Contract Term, during 10 (ten) years, subject to losing the right to use the ESA BIC logo or Test Line if non-compliant, the Incubatee shall prepare and submit an Annual Performance Report (See Addendum 1, point 5.6 – annual performance report) to the Incubation Manager of ESA BIC Ireland, as stated in Article 9.3(a) as well as to the Agency’s Technical Representative, as follows:

Mr. B. Naulais (TEC-ST) E-mail: Bruno.Naulais@esa.int

ESTEC Tel.: + 31 71 56 54 711

P.O. Box 299, Fax.: + 31 71 56 56 635

2200 AG Noordwijk, NL

**Article 16 – Termination and Cancellation**

16.1 Right of Termination

16.1.1 Each Party will have the right at any time during the Contract Term, without prejudice to its other rights or remedies, to terminate this Contract immediately, and without cause, by one (1) month’s written notice to the other Party.

16.1.2 Each Party reserves the right to terminate this Contract, with immediate effect, in the event that the other Party commits a substantial breach of this Contract.

16.2 Cancellation without fault of the Incubatee

16.2.1 In the event of cancellation of this Contract by ESA BIC Ireland without any fault of the Incubatee, the Incubatee shall, on receipt of ESA BIC Ireland’s instructions for cancellation of this Contract, immediately take the necessary steps to implement the instructions. The period by which the Incubatee must implement such instructions shall be determined by ESA BIC Ireland after consultation with the Incubatee.

16.2.2 ESA BIC Ireland shall indemnify the Incubatee against such part of any loss of profit as is reasonably attributable to the cancellation of this Contract and against any damages resulting from the cancellation of this Contract in particular against any commitments, liabilities or expenditure which are reasonably and properly incurred by the Incubatee and are directly related to this Contract, in so far as the said commitments, liabilities or expenditure would otherwise represent an unavoidable loss by the Incubatee by reason of the cancellation of this Contract.

16.2.3 The amount of compensation payable under Article 16.2.2 shall be fixed on the basis of documentary evidence produced by the Incubatee and accepted by ESA BIC Ireland. In calculating the amount of compensation payable to the Incubatee, ESA BIC Ireland shall take account of the proportion of this Contract completed and shall take into account the provisions of Article 16.2.4.

16.2.4 ESA BIC Ireland shall in no circumstances be liable to pay any sum which, when added to the other sums paid, due or becoming due to the Incubatee under this Contract by ESA BIC Ireland, exceeds the total contractual payments due by ESA BIC Ireland to the Incubatee, as set out in Article 7.1.

16.2.5 ESA BIC Ireland shall in no circumstances be liable to pay any sum which deviates from the provisions set out on Article 7.1 and Article 4 herein or when added to the other sums paid, due or becoming due to the Incubatee under this Contract, exceeds the total contractual payments due by ESA BIC Ireland to the Incubatee, as set out in Article 7.1.

16.3 Grounds for Cancellation by ESA BIC Ireland

ESA BIC Ireland will have the right, without prejudice to its other rights or remedies, after full consideration of all relevant circumstances, which may include consultation with the Incubatee, to cancel this Contract by giving written notice with immediate effect to the Incubatee in any of the following circumstances:

(a) if the Incubatee assigns or transfers this Contract in breach of Article 17;

(b) if the Incubatee becomes insolvent or if its financial position is such that within the framework of the national law of the Incubatee’s incorporation, legal action leading towards bankruptcy may be taken against the Incubatee by its creditors;

(c) if the Incubatee conducts fraudulent practices in connection with this Contract, particularly concerning the nature and quality of the Activity or by giving or offering gifts or remuneration for the purpose of bribery to any person, irrespective of whether such bribes or remuneration are made on the initiative of the Incubatee or otherwise; and/or

(d) if the Incubatee has provided incorrect and/or incomplete information regarding:

(a) the Statement of Non Co-incubation;

(b) the Incubatee’s legal ownership;

(c) the Incubatee’s Companies Registration Office registration

(d) the declaration of State Aid;

16.4 Consequences of Cancellation

Any information, in documentary or other physical form, pertaining to the Activity carried out by the Incubatee during the Contract Term, remains the property of ESA BIC Ireland and the Agency and shall be handed over to ESA BIC Ireland upon the expiry or cancellation of this Contract. This shall include:

1. any information and documentation under Article 3.1;
2. any equipment under Article 3.2;
3. any software under Article 3.3.

**Article 17 - Assignation of this Contract**

The Incubatee shall not be permitted to assign its rights and/ or transfer its obligations under this Contract in whole or in part.

**Article 18 - Dispute Settlement**

18.1 This Contract shall be governed by Irish law.

18.2 The Parties will consult with each other promptly when events occur or matters arise that may occasion a question of interpretation or implementation of the terms of this Contract. Any issue of interpretation or implementation of this Agreement that cannot be settled by the designated points of contact shall be referred to arbitration.

18.3 Any dispute arising out of the interpretation or implementation of this Agreement that cannot be settled through the consultations referred to in Article 18.1 above may, at the request of either Party, be submitted to arbitration in Ireland.

**ARTICLE 19 - DATA PROTECTION**

19.1 To the extent that is reasonably necessary, in connection to the Incubatee’s activities under this contract, his/her data may be disclosed to others, including staff of ESA BIC Ireland, the Agency and all ESA BIC Ireland Partners, for any studies and/or reporting that may be carried out by the Agency and/or ESA BIC Ireland. The Incubatee hereby consents to the recording, processing, use and disclosure of personal data related to him as set out here above (including the recording, processing, use and disclosure of his sensitive personal data to the extent required by reason of the contractor’s performance of the activities under this contract) including the transmission of such data between Ireland and other countries for the fulfilment of ESA’s own requirements.

Done and signed in two (2) original copies, one for each party to this contract, on behalf of ESA BIC Ireland.

**ON BEHALF OF ESA BIC IRELAND:**

**………………………… Date: …………………………**

David Gibbons

ESA Space Solutions Centre Ireland Manager

**ON BEHALF OF THE INCUBATEE:**

………………………………………. **Date: …………………………**

Name / Position

……………………………………….

Company

**Draft Incubation Contract - Addendum 1**

**STANDARD REQUIREMENTS FOR MANAGEMENT, REPORTING, MEETINGS AND DELIVERABLES**

This document contains the standard requirements for management, reporting, meetings and deliverables for contracts to be placed by ESA BIC Ireland in regard to ESA BIC Ireland.

**1. CONTRACTUAL BASELINE**

The Incubatee is a start-up company in the early stage development of its commercial enterprise, applying space technology or systems to non-space applications, including industrial, scientific and commercial uses. As a start-up company the Incubatee requires business development supports, technical and commercial advices and marketing expertise to be able to commercialise its product or service through:

* developing its commercial focus;
* enhancing or creating its business plan;
* elaborating on its business outline proposal;
* making relevant use of Third Party advisors;
* establishing a sound financial, commercial and marketing model; and
* performing additional technical activities, functional to the above activities as required.

**2. MANAGEMENT**

2.1 General

The Incubatee shall implement effective and economical management for the work to be performed under this contract. The nominated representative of the Incubatee shall be responsible for the management and execution of the work to be performed.

* 1. Communications

All communications sent by the Incubatee to ESA BIC Ireland shall be addressed to ESA BIC Ireland’s representatives nominated in Article 9.3 of this Contract.

**3. REPORTING**

3.1 Minutes of Meetings

The Incubatee is responsible for the preparation and distribution of minutes of meetings held in connection with this Contract. Electronic and paper versions of the minutes of each meeting shall be issued and distributed to all participants and to ESA BIC Ireland's representatives, not later than ten (10) days after the meeting concerned was held.

* 1. Progress Reports

Every three (3) months, the Incubatee shall provide a progress report to ESA BIC Ireland's representatives, covering the Activity. This report shall provide details of:

* action items completed during the reporting period;
* description of progress: events accomplished etc.;
* problem areas, if any, and corrective actions planned and/or taken;
* events anticipated during the next reporting period;
* [*further details to be provided on a case-by-case basis*]
  1. Problem Notification

The Incubatee shall notify ESA BIC Ireland's representatives of any problem likely to significantly impact the progress of the Activity.

**4. MEETINGS**

4.1 Kick-off Meeting

The kick-off meeting shall take place at ESA BIC Ireland's premises or by teleconference at the beginning of the Contract Term.

4.2 Mid Term Review

At Mid Term a meeting shall be held (“Mid Term Review”), where the Incubatee shall present the Mid Term Report, to verify the status of the Activity and to confirm its feasibility.

4.3 Additional Meetings

Additional meetings may be requested either by ESA BIC Ireland or the

Incubatee.

4.4 Notice and Agenda for Meetings

For all meetings the Incubatee shall ensure that proper notice to ESA BIC Ireland is given at least two (2) weeks in advance of when ESA BIC Ireland’s participation is foreseen to be required. The Incubatee is responsible for ensuring the participation of the Incubatee’s personnel and/or third party advisors, as needed.

For each meeting the Incubatee shall propose an agenda in electronic form and shall compile and distribute hand-outs of any presentation given at the meeting.

**5. DELIVERABLES**

* 1. Documentation to be delivered

In addition to the documents to be delivered according to section 3 above, the documentation set out in this section 5 shall also be deliverable. All documentation Deliverables mentioned in this section 5 (including all their constituent parts) shall be delivered as follows:

5.1.1 in electronic form on computer readable media (e.g. CD-ROM, DVD-ROM) as agreed by ESA BIC Ireland, and in other exchange formats where relevant (e.g., PDF- format, HTML); and

5.1.2 in one (1) paper copy

The draft version of the documentation shall be sent to ESA BIC Ireland’s technical officer in one (1) electronic copy for approval not later than two (2) weeks before the documentation is to be presented.

* 1. Mid Term Report

The Incubatee shall document in detail the status of its technical and commercial progress in relation to the Activity in the Mid Term Report and confirm the feasibility of the Activity. The Mid Term Report shall furthermore contain all invoices relevant to the Third Party Services obtained by the Incubatee in accordance with Article 4 of this Contract. The Mid Term Report shall be presented by the Incubatee to ESA BIC Ireland at the Mid Term Review. The Incubatee shall submit the presentation of the Mid Term Report to ESA BIC Ireland two (2) weeks in advance of the Mid Term Review meeting.

5.3 Final Report

A report shall be produced by the Incubatee at the end of the Contract Term. It shall be a complete statement of all the work undertaken by the Incubatee during the Contract Term, including the activities functional to the Business Plan (“Final Report”). It shall not refer to any other report that may have been provided by the Incubatee and shall detail the full results of the Activity to include:

1. lessons learned;
2. details of the support received from ESA BIC Ireland, the ESA BIC Ireland Partners, Enterprise Ireland and/or ESA;
3. contacts established;
4. description of technical developments;
5. financial details;
6. all invoices relevant to the Third Party Services obtained by the Incubatee in accordance with Article 4 of this Contract.
7. licences granted and patent filings and applications;
8. photographic documentation
9. … [*further input by* ESA BIC Ireland *required on a case by case basis*]

5.4 Executive Summary to the Final report

The Incubatee shall prepare a summary which shall concisely summarise the findings of the Incubatee in performing the Activity (“Executive Summary”). It shall be suitable for non-experts and should also be appropriate for publication, including on a web page. For this reason, it shall not contain any confidential information. The Executive Summary shall not exceed three (3) to four (4) pages of text with coloured illustrations or photographs, if appropriate. It shall also be delivered to ESA BIC Ireland by the Incubatee in PDF or HTML format.

5.5 Business Plan

The Incubatee shall produce a business plan that sets out the Incubatee's expected course of action for next period of the development of the company, including a detailed listing and analysis of risks and uncertainties (“Business Plan”). The Business Plan should also examine the proposed products (including scientific and technical requirements and feasibility), the market, the industry, the management policies, the marketing policies, production needs and financial needs of the Incubatee and may be used as a prospectus for potential investors and lenders and participation in ESA BIC Ireland’s Investors Forum at a later stage.

5.6 Annual Performance Report

The annual performance report shall describe the sales made and/or licences granted by the Incubatee during the preceding twelve (12) months (“Annual Performance Report”). The Incubatee shall submit this in one (1) paper copy and in electronic form. The Incubatee shall submit the Annual Performance Report to ESA BIC Ireland and to the Agency every year for a period of ten (10) years from the end of the Contract Term.

5.7 Photographic Documentation

Photographic documentation comprises photographs of events organised by the Contractor and photographs of hardware under manufacture by the incubatees showing major progress, as well as of tests and test set-ups. Videos presenting the functioning of hardware/test set-up and relating test activities may also be included in this category.

5.8 Software (including computer programmes)

Copy of the software developed by the Incubatee shall be a deliverable to be kept under confidentiality provisions for the purpose of auditing.

The incubatees shall provide a demonstration of the software to ESA BIC Ireland’s representative including a trailer/movie clip illustrating the use and application of their developed software program for the purpose of ESA BIC Ireland / ESA exhibitions.

5.9 Hardware

A prototype or product manufactured by the incubatees. In case of very high production costs, the incubatee can keep the original prototype and deliver a mock-up of the prototype. Incubatee shall however keep the prototype available for lending it to ESA BIC Ireland / ESA for exhibitions.

**Draft Incubation Contract - Addendum 2**

**AGENDA FOR MIDTERM REVIEW**

1. Welcome/Introduction

2. Elevator pitch

2-3 minutes without slides. *(This is good training and will introduce the company and business idea to potential new audience.)*

3. Progress status tasks/work packages, first phase.

Refer to each task in original proposal, and present the current status of the task/work package. Explain reasons to why tasks have not been completed (if any). Present any new tasks that have been added in this first phase (if any).

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Task/Work Package #**  **Objectives**  **Sub-tasks**  **Costs**   |  |  | | --- | --- | | **Sub-tasks** | **Costs (€)** | |  |  | |  |  | | **Total (€)** |  |   **Output** |

4. Planning of tasks/work packages, next phase

Refer to each task in original proposal and present current status or changes, if any. Include overview of additional new tasks (if any).

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Task/Work Package #**  **Objectives**  **Sub-tasks**  **Costs**   |  |  | | --- | --- | | **Sub-tasks** | **Costs (€)** | |  |  | |  |  | | **Total (€)** |  |   **Output** |

5. Incubation Planning Overview:



6. Cost Breakdown Overview, first phase:



7. Changes in expected Costs, first phase:



8. Overview of technical experts

* Expert hours used, this phase
* Experts hours needed, next phase

9. Overview of major challenges/concerns.

10. Other news/updates

Very short, for example:

* change in team
* financial developments/ additional sources of funding/ investments (personal/subsidy)
* cooperation agreements

11. Proposal of CCN

If any

12. Q&A

**Draft Incubation Contract - Addendum 3**

**FINAL REPORT TEMPLATE**

*Template for Final Report (see also 5.3 of Addendum 1 of the incubation contract). Please use this template also to structure your presentation for the Final Review.*

1. Introduction

2. Elevator pitch

2-3 minutes Pitch *(This is good training and will introduce the company and business idea to potential new audience.)*

3. Lessons learned *(5.3.a in Addendum 1 of the contract)*;

4. Details of the support received from ………… *(5.3.b in Addendum 1 of the contract)*;

Also mention the expert’s names, sections and hours used during the incubation period.

5. Business contacts established *(5.3.c in Addendum 1 of the contract)*;

6. Progress report on work packages of *total* incubation period *(5.3.d in Addendum 1 of the contract)*

Refer to each task in original proposal, and present the current status of the task/work package. Explain reasons to why tasks have not been completed (if any). Present any new tasks that have been added in this first phase (if any).

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Task/Work Package #**  **Objectives**  **Sub-tasks**  **Costs**   |  |  | | --- | --- | | **Sub-tasks** | **Csts (€)** | |  |  | |  |  | | **Total (€)** |  |   **Output** |

7. Incubation Planning Overview (planned *and* actual):



8. Changes in expected Costs, total incubation period *(5.3.e in Addendum 1 of the contract)*;



9. Overview of major challenges/concerns.

10. Other news/updates

* changes in your team’s composition
* financial developments; i.e. secured financing , launching customers, other income
* cooperation agreements

11. Way forward

12. Feedback on ESA Business Incubation support

ANNEX to the Final Report. Please attached to this report also:

1. An overview and the copies of all invoices relevant to the Third Party Services obtained by the Incubatee *(5.3.f in Addendum 1 of the contract)*;
2. An overview and copies of patents, patent filings and/or licences granted *(5.3.g in Addendum 1 of the contract)*;
3. Photographic documentation accordance *(5.3.h in Addendum 1 of the contract)*.

**Draft Incubation Contract - Addendum 4**

**LOGOS**



## Draft Rental Contract

## [INSERT DRAFT RENTAL CONTRACT HERE]

**APPENDIX 2**

**PROPOSAL TEMPLATES**

***(for business incubation)***

COVERPAGE

[please insert cover page here which shall include the company title, product/service title and may include an illustration]

**Appendix 2: Templates**

Incubation Proposal

**[Name of the company]**

**[Address of the Company or of the Entrepreneur]**

**[Reference Period of Incubation]**

Author:

Date:

Reference: XXXX, Issue… Version …

Table of Content

1. Activity Proposal 3

1.1 Milestone Planning 3

1.2 Task Descriptions 3

2. Management & Work Logic 4

3. Funding Request 4

4. Support Request 5

4.1 Technical Support 5

4.2 Business Support 5

4.3 Office Support 5

[Before each paragraph, you will find “writing tips”. Please use these questions as guidelines.

Please limit this Incubation Proposal to maximum 10 pages excluding cover page and excluding the table of contents.]

# 1. Activity Proposal

## 1.1 Milestone Planning

Writing Tips

[Please provide an overview on the schedule including a planning of the milestones (Kick-Off, Mid Term Review and Final Review). The maximum duration of the incubation is 24 months. For this, please use the PLAN table contained in the Excel file attached to this application package. Note, all Tasks defined in this planning have to be specified below.]

Text



Fig.: Milestone Planning [example]

## 1.2 Task Descriptions

Writing Tips

[Please provide for each Task one table containing detailed tasks description. Provide for each task the responsible person, input, objectives and output with a detailed description of the task itself. Please limit yourself to a manageable Task structure and use Sub-tasks to detail the activities further.]

Text

|  |
| --- |
| **TASK # …** [name]  **INPUTS:** [e.g. output of previous tasks, results of a tests campaign, reference of publication, …  **OBJECTIVES:**  **SUB-TASKS:**   * **…** * **…** * **…**   **OUTPUT:** [e.g. Design Document, Software, Hardware prototype, Test Results …] |

Tab.: Task Description

# 2. Management & Work Logic

Writing Tips

[Please provide a description of how you are going to manage the work during the incubation period. For guidance, you may refer to the management requirements already defined in the draft contract. We however expect that you amend them by your own processes and rationale on how to manage your technical developments and other key activities.]

Text

# 3. Funding Request

Writing Tips

[Please, provide the funding split with your data to outline the planned financial sources to cover the project costs during incubation. For this purpose, in the table Funding Split, please provide per task the estimated split of the cost into “Product Development”, “IPR Management” and “other”.

The funding sources are divided into:

* The **ESA incentive** is limited to 25 KEUR. It is provided only for the purpose of product/service development, IPR (patenting or acquiring licenses), market studies, and travel to international business fairs (max 10% of the funding). The incentive has to be spent on 3rd parties and cannot be spent on direct labour and or office costs. It is encouraged that the cash incentive is spent within the ESA BIC’s region unless no suitable suppliers are available there. This incentive does not have to be paid back; it is provided without sales tax, but may be subject to income tax.
* The **local incentive** is limited to 25 KEUR and is provided by local sources (so-called “local co-funding”), where specific funding rules may apply. For guidance, please contact the individual ESA BIC that you apply for before you submit the application.
* **Loan Request**: You may optionally request a bank loan (or other funding mechanism) prior to or during incubation. For this purpose, individual ESA BICs have agreed “loan” schemes with local partner banks or financial institutions. The application is part of the ESA BIC application. For the point of contact of the local financing partner, please contact the ESA BIC you apply for. In the table Funding Split, please provide what amount you plan to request as a loan (or other funding source), where the maximum is 50 KEUR (note that some ESA BICs can provide more than 50 KEUR).
* **Other Sources** may specify additional local financial opportunities such as financial support provided by business angels, etc. as well as company/entrepreneur own/self-funding. Please specify the other funding sources considered in a footnote to the table.

Please ensure that “Total Costs” match “Total Funding”.

In the column “Experts”, please provide a distribution of the Technical Support requested across the defined tasks - on top of the incentive. Note, the number of support hours available per applicant may differ for individual ESA BICs. For guidance, please contact the individual ESA BIC that you apply for before you submit the application.

Please use the FUNDING table contained in the Excel file attached to this application]

Text



Tab.: Funding Split

# 4. Support Request

## 4.1 Technical Support

Writing Tips

[Please define in your own words, what type of Technical Support you request from the ESA BIC in order to develop your product/service. Such support is typically provided as advisory support and is typically related to the use of space technology, data with space origin or methodologies developed within the space engineering domain. Note, the support provider may differ for individual ESA BICs. For guidance, please contact the individual ESA BIC that you apply for before you submit the application.]

Text

## 4.2 Business Support

Writing Tips

[Please define in your own words, what type of Business Support you request from the ESA BIC in order to establish and grow your company. Such support is typically provided through coaching and training. Note, the support provider may differ for individual ESA BICs as well as the number of support hours available per applicant. For guidance, please contact the individual ESA BIC that you apply for before you submit the application.]

Text

## 4.3 Office Support

Writing Tips

[Please define the number of desk places and further requirements such as laboratory space. Please note, that you will typically be required to rent office & lab space, while common facilities at the ESA BIC may be provided free of charge during incubation, such as meeting rooms. For guidance, please contact the individual ESA BIC that you apply for before you submit the application.]

# 5. Cover Letter

Text

[Sender: Name] [company logo, if available]

[Company (if already founded)]

[Address]

[E-Mail]

[Web Site (if available)]

ESA Space Solutions Centre Ireland

Tyndall National Institute

Lee Maltings, Dyke Parade,

T12 R5CP, Cork,

Ireland

For the attention of David Gibbons

SUBJECT: Application to ESA BIC Ireland

REF: [please insert your own reference number here]

Dear Madam, dear Sir,

In response to the Permanent Open Call for Proposals for Business Incubation issued by [insert company/institution managing the ESA BIC], we are pleased to submit **our proposal** to host [insert name of existing company or company to be founded] in your BIC.

Please find annexed the following information:

* Requirements Checklist
* Space Connection
* Funding, Technical and Business Support Requests
* Executive Summary

Please find attached hereto the following documents:

* Business Plan
* Incubation Proposal

1. The Application is **compliant with the Requirements** set out in the Call for Proposals as shown in the Requirement Checklists attached to this document.

2. The **contract conditions have been read, understood and accepted**.

Any queries relevant to the proposal are to be addressed to the attention of:

[Name(s)]

[Address(es)]

[Phone]

[E-Mail]

Contact information of the person(s) who will be in charge of the day-to-day management:

[Name(s)]

[Address(es)]

[Phone]

[E-Mail]

Contact information of the legal representative who will be in charge of signing the contract:

[Name(s), representing min. 50% of company shares in total]

[Address(es)]

[Phone]

[E-Mail]

**Signature(s): Date:** [insert date of submission]

[Insert Sender(s) Name(s) & Title(s) representing min. 50% of company shares in total, as per Chamber of Commerce registration form]

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

[Please remove all blue text before submitting the document.]

# Requirements Checklist

|  |  |
| --- | --- |
| **ESA General Application Requirements:** | **Compliance statement** |
| The Applicant’s product or service is based on a transfer of space technology to, and/or utilisation of a space system in a non-space environment. | [compliant] |
| The Applicant sells and delivers innovative products, processes or services (consultancy is excluded) for his own account and risk. | [compliant] |
| The Applicant’s first registration at a chamber of commerce has taken place no longer than 5 years (3 years in Bavaria) prior to submission of Applicant’s proposal to the Agency. [attach Chamber of Commerce Registration Form, if available] | [compliant] |
| In case the Applicant has legal personality, the Applicant does not form part of a group at the time of submission of the Applicant’s proposal to the Agency. This means that no less than half the issued capital is owned – directly or indirectly – by the authorised representatives applying on behalf of the Applicant. In case the Applicant is a legal entity without legal personality, the Applicant is a fully authorised general partner. Please provide the names of the owner(s) of the company and the related shareholding. | [compliant] |
| Shareholders of the company in question are: (1)\_\_\_\_\_\_?\_\_\_\_\_\_\_( \_ %) ; (2)\_\_\_\_\_\_?\_\_\_\_\_\_\_( \_ %) ;  (3)\_\_\_\_\_\_?\_\_\_\_\_\_\_( \_ %) ; (4)\_\_\_\_\_\_?\_\_\_\_\_\_\_( \_ %) … | [compliant] |
| The Applicant does not conduct business activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs. | [compliant] |
| The Applicant shall provide a copy of an official identity form with this application. | [compliant] |
| The Applicant is able to communicate in English. | [compliant] |
| The Applicant will inform the Agency of any financial support received during the execution of the incubation contract and acknowledges the State Aid restrictions applicable in the European Union. | [compliant] |
| The Applicant states that the terms and conditions of the template incubation contract and the template tenancy agreement are accepted without any reservations. | [compliant] |
| The total amount of de minimis aid (such as subsidies, holdings, loans, and bonds) may not exceed €200,000 over a period of three years. | [compliant] |
| The Funding is linked to work packages within the incubation project only. | [compliant] |
| The Funding is granted in net amounts (not including VAT). | [compliant] |
| The information provided in the application and in the supplementary data sheet is binding and forms the basis of the funding granted. Any changes in this information must be reported immediately and are subject to approval. | [compliant] |

I hereby declare that my application is compliant to the General Application Requirements or that I shall undertake all necessary actions to ensure the compliance to same.

**Signature(s): Date:**

|  |  |
| --- | --- |
| **ESA BIC** [name] **Specific Application Requirements:** | **Compliance statement** |
| The Applicant states that the terms and conditions of the draft incubation contract and the draft rental agreement are accepted without any reservations | [compliant] |
| The Applicant states not to be hosted in another business incubator – or entity or organisation providing similar support, for the duration of the incubation contract. | [compliant] |
| The Applicant shall set up and register a company establishment in [insert Region of ESA BIC location] prior to the start of the business incubation. | [compliant] |
| The authorized representative of the Applicant must become a resident of [insert Region of ESA BIC location] before signing an Incubation Contract. | [compliant] |
| In case the Applicant is a legal entity, the company must fall into the UE definition of SME | [compliant] |
| Company headquarters have to be located at (one of) the offices of the [insert name of ESA BIC and choice of outpost, if any] | [compliant] |
| Local conditions of the incentive scheme: The applicant has to provide all documents requested by financial partners and to comply with all conditions required. | [compliant] |
| Local conditions of the Loan Scheme from Local Bank or other funding mechanism: The applicant has to provide all documents requested by financial partners and to comply with all conditions required. | [compliant] |

I hereby declare that my application is compliant to the Specific Application Requirements or that I shall undertake all necessary actions to ensure the compliance to same.

**Signature(s): Date:**

# Space Connection

Writing Tips

[Copy/Paste of Paragraph 4.1 of the Business Plan]

Text

# Support Request Overview

Writing Tips

[Please summarise on max. ½ page:

* the requested cash incentive (ESA funding),
* whether you plan to make use of a loan or financial scheme offered by [insert name ESA BIC] individually,
* the technical support hours requested
* and the business support hours requested (if offered by the individual ESA BIC).

Please also provide summary information of own resources provided by the applicant.]

Text

# Executive Summary

Writing Tips

[Copy/Paste of Paragraph 1 of the Business Plan]

Text

Business Plan

**[Name of the company]**

**[Address of the Company or of the Entrepreneur]**

Author:

Date:

Reference: XXXX, Issue… Version …

Table of Content

1. Executive Summary 4

2. Team Background & Company Setup 4

2.1. The Team 4

2.2. The Company 5

3. Value Proposition 5

3.1. Solving the Problem 5

3.2. The Added Value 5

4. Product/Service Description in Depth 6

4.1. The Space Connection 6

4.2. The Technology 6

4.3. The Readiness Level 7

4.4. Context 7

4.5. The Research & Development (R&D) strategy 7

4.6. Intellectual Property 8

5. Market Analysis 8

5.1. The Demand 8

5.1.1. Potential figures and trends 8

5.1.2. Analysis and segmentation 9

5.1.3. Field results (optional) 9

5.2. The Competition 9

5.2.1. Market penetration 9

5.2.2. Comparative product analysis 10

5.2.3. Competitors business strategy and resources 10

5.3. Growth opportunity / Competitive advantages 10

6. The Business Model 11

6.1. Channels 11

6.2. Customer Relationship 11

6.3. Revenue Streams 12

6.3.1. The Price 12

6.3.2. The Revenue 12

6.4. Key Resources 12

6.4.1. Growing the Business 12

6.4.2. The Production 12

6.5. Supply Chain, Key Partners and Support Entities 12

6.5.1. The Supply Chain 13

6.5.2. Partners and Support 13

7. Risk 13

7.1. SWOT Analysis 13

7.2. Risk Mitigation 14

8. Cost Structure & Financial Projection 14

9. Annexes 17

[Before each paragraph, you will find “writing tips”. Please use these questions as guidelines. **Maybe not all questions can be answered, yet**. Before starting editing, read the whole template; that will help to write text in the right paragraph and avoid duplicating sentences.

Please limit this Business Plan to maximum 25 pages excluding cover page and excluding the table of contents. To detail and add some more info, add annexes to maximum 15 pages; cf writing tips in the paragraph “Annexes”]

Remove all blue texts and update the table of contents before saving and submitting the final version.

This business plan is a “living” document, you will update regularly within the incubation phase.

Reference Documents

RD.1 ESA BIC BAP - Innovation Readiness Level - March 2015

RD.2 ESA BIC Open Call

# Executive Summary

Writing Tips

[This section is very important! By reading this, the TEB members should understand at once how your business works and be interested in reading more about it. Having a good business idea is important but showing that you have a clear execution plan, precise goals and the adequate management team to bring the idea to market is key to success.

Try and focus on relevant topics. You have to grab ESA BIC TEB member's attention with pertinent details.

Don't try to answer all the questions you think people will have, but choose carefully in order to make your project as attractive as possible!

Describe in simple words on **maximum 1 page** (!):

* the business opportunity you foresee for your products or services, including the space-connection):
  + An answer to a problem and the solution you offer using the space connection by your product or service you intend to sell (technology breakthroughs, sales innovation, patent, etc…);
  + Developments: any notable advances and/or the evolution of your state-of-the-art technology, changing needs, new regulations, etc...
* the market you are targeting;
* what are your competitive advantages, i.e. where do you differ from similar products or services already on the market – if any;
* your business model; What are your sources of revenue? Do you have any strategic partnerships? How is your offer organized? What is your priority target market? How are your products and services delivered to customers?
* the short-term and long-term vision you have for your company, including growth strategy and resources: what are your short-term goals? (e.g. number of clients, geographical presence, revenue targets...)? What resources will you have available to achieve your goals? What has been done and/or what still needs to be done (e.g. finishing the product, protecting intellectual property, marketing tactics, human and technical resources...)? What is your international growth potential? What is the scalability of your business?
* your IPR structure
* the skills set offered by the founder / founding team to make it happen.]

Text

# Team Background & Company Setup

## The Team

Writing Tips

[Please provide an introduction and background of the founders and core team members; who is the “leader”? give a brief resume with 5-10 lines (put CVs in annex). List, if any, the supporters (e.g. support entities, partnerships, advisory board members, financial backers, if any). Remember, we are looking for a visionary entrepreneur and team.].

Text

## The Company

Writing Tips

[Please provide a brief background that presents and substantiates your experience by showing what you have already done; describe the motivation for founding the company and the (intended) shareholding structure. If the company is already registered, please state the date of establishment (not longer than 5 years ago (or 3 in Bavaria)) and provide an extract from the chamber of commerce in the Annex of the cover letter.

What are the most significant developments related to the advent of your project?

* Sales activities (significant orders, participation in a "strategic trade show"…)
* Technical production (finished prototypes, creating a pilot unit, establishing a partnership…)
* Other economic or financial activities…
* Human resource structure (recruitment and consolidation of your organization)]

Text

# Value Proposition

The Value Proposition describes the bundle of products and services that create value for a specific Customer Segment. The Value Proposition is the reason why customers turn to one company over another. It solves a customer problem or satisfies a customer need.

Writing Tips

[Please state briefly what problems do you address, for which customer’s needs, and which solution do you offer by your product or service you intend to sell? state briefly your unique selling proposition, i.e. why your product or service will add more value to the customer than other similar offerings. *Values may be quantitative (e.g. price, speed of service) or qualitative (e.g. design, customer experience).* Can you give an example of an application of your product?]

Text

# Product/Service Description in Depth

## The Space Connection

Writing Tips

[The space connection is very important since it qualifies your start-up or project to apply to an ESA BIC. Failing to show a strong space connection is eliminatory.

Describe which space technology or system you are using for your product or service. Provide evidence that you have access to this technology. Provide a more extensive disruption of how precisely you are integrating the space technology or system into your product or service.

Note that only applications of space systems or the use of space technologies with a high degree of innovation will be selected.

* If you are processing Earth Observation satellites system data, which system (s) and spectrum are you using and why, and how do you get the data? Which quality is required (e.g. spatial resolution, temporal frequency, radiometric characteristics, availability etc.). Which other non-space data is required? The detailed specification of the CORE datasets can be found in the Copernicus Space Component Data Access, available under http://gmesdata.esa.int/web/gsc/dap\_document
* If you receive GNSS signals, which system(s) are you using? Do you need Galileo for a better location and/or resolution? If you use EGNOS, do you plan to use Sysnet?
* If you receive Telecommunications System signals, which system(s) are you using? Why? Did you make a trade-off between various systems (technical and budget wise)?
* If you transfer a space technology, detail which one and how it has been developed and used in the space sector (provide references)
* If you have access to intellectual property, explain how: through ownership, licensing or simply because it is publically available? Provide references.]

Text

## The Technology

Writing Tips

[Please provide an in-depth description of the technology needed for your product/service; explain the state-of-the-art technology that provides the innovative foundation of your project. Remember that you are addressing also non-specialists (bankers, managers, etc.), and that you must keep your explanation simple and concise.

What are some of the main technical terms used to describe your offer? What is the current state-of-the-art technology in your field? Point out some recent advances and their influence on the market. What are the perspectives for technological evolution, and in what time frame? Are there any other known projects or technical developments in progress that may have a strong influence on your future technological context? ]

Text

## The Readiness Level

Writing Tips

[In which development stage is the technology at the moment as well as your product/service? What is the maturity of your product/service. E.g. are all components available of-the-shelf and it is a matter of assembling. Or in case of services, e.g. what is the level of programming needed to turn the service idea into a real application. Please also state the current Innovation Readiness Level as well as which level you intend to reach at the end of the incubation phase. Use the Innovation Readiness Level overview (RD.1) as provided in the application package.]

Text

## The Research & Development (R&D) strategy

Writing Tips

[Please include information on the materials/software/data needed, the strategy to acquire these (what is done in-house, external partners), as well as the estimated development time. Also, address any critical issues still to be solved associated with your product development (partial or total failure, missing calendar targets, over-spending]

Text

## Intellectual Property

Writing Tips

[Please mention any patents you own or licenses you have acquired for your product/service (if necessary, annex evidence of the filed patent or trademark). For how long will they be valid? Who holds the patent(s)? What geographical zones are covered by the patent(s)? If you are contracting to use a patent from outside your own company, what are the contractual clauses (exclusivity, geographical zones, period of time, etc.)? What budget issues are related to industrial and intellectual property (cash payments, royalties, payment terms)?

If you don’t own any IP yet, but envisage getting some, please explain your strategy.

In case of non-patentable knowledge, please explain your strategy to protect your product or service idea (market gain, trade secrets etc.) and any planned patenting activities should this be needed.]

Text

# Market Analysis

## Context

Writing Tips

[Describe the global context (regulatory, political, sociological,...) surrounding your company, as well as the main trends and other factors that could affect your business (both in positive and negative ways).

Describe the environment and constraints over which you may have little or no influence, such as demographic trends, lifestyles, interest groups, legal aspects, exchange rates.

Is your business sector regulated? Is regulation harmonized internationally? Are there existing standards? Are they mandatory? Are there a lot of them? Is your business sector sensitive to cultural trends (such as "bio" or organic food products)? Is it subject to pressure from interest groups, either in favor or against your own position?]

Text

## The Demand

### Potential figures and trends

Writing Tips

[Evaluate the current global market, both in actual terms (real quantities sold) and/or potential terms (quantities that could be sold). Make sure to include market value, volume, and expected growth. Consider expressing your company's market share (as a percentage) in the long run.

What is the volume and current value of the target market? Indicate its progression over time? Is yours a potential market (watch out if you're the first one in it...), emerging, growing, mature, or declining? Show market coverage by product type, by customer segments, by geographical sector (Own Country, EU, USA, etc.). How did you gather your data? How reliable is it? Can you give upper and lower forecasts?]

Text

### Analysis and segmentation

Writing Tips

[Understand and present how the company's target market(s) operate(s) -- that is, the relationship between the company and its customers. Break the market down into several coherent segments in order to properly adapt your company's marketing strategy to one or more of those segments.

*Note: this is related to your analysis of the situation based on the market study if you already performed one, but also on the company's strategy to enter that market (which you will present later in this document).*

How does the market function? Are there conditions for entering it (regulations, authorizations, patents, exclusive contracts...)? How is the market segmented (i.e. what are the unified sub-markets)? What criteria and which segmentation methods did you choose: demographic, geographic, socio-economic, lifestyle, behavioral, and/or psychological attitudes towards your product?

Describe each segment in terms of: buying patterns, payment conditions, solvency, resistance to change, decision processes, decision cycles, etc. For the highest priority sectors, indicate relevant segmentation criteria such as: age, sex, revenue, risk, technology, synergy, size, competition,...

Text

### Field results

Writing Tips

If users have tested your product or service, show the outcome. Give an analysis of serious prospects: why are they interested? Did users express any thoughts on how the product could evolve or be improved (users often suggest unexpected ideas)? What price (psychological price) are they ready to pay? Take advantage of negative results as well: why were some people not interested? Gather their objections; they may be very useful for you in developing sales arguments.

Text

## The Competition

### Market penetration

Writing Tips

[Evaluate the power of your competition in the target market, whether it is direct, indirect, immediate, or theoretical.

Are there any competitors who sell the same product or a similar one? How many competitors are there? How big are they? Are they very active? What are their market shares? How has their market share changed recently? Is there any trustworthy information regarding the arrival of new competitors in the near future (new product announcements, press leaks, personal information)?]

Text

### Comparative product analysis

Writing Tips

[Analyse your competitors' products. Estimate the degree of satisfaction these products generate with respect to market needs.

Which products currently meet customer expectations for the need you intend to address? (identical products and/or those based on other technologies). What are their main characteristics: price, quality, delivery speed, and technical support? How are the products distributed? Can you place your technology and competing technologies on a life-cycle graph? If your product is totally new, is the market need currently being met by something else? To what degree? How?]

Text

### Competitors business strategy and resources

Writing Tips

[Who are your competitor's customers and suppliers? How do they operate and how are they organized? Sales force, distribution channels, resellers, decision cycles, communication budgets... Who are their shareholders? Do you have any information on their profitability? How will they react to your entry into the market? What are their strong and weak points?]

Text

## Growth opportunity / Competitive advantages

Writing Tips

[Show that there is a window of opportunity for your project in the market context that you have described (environment + market + competition), and explain it. Show the commercial breakthrough capacity of your product or service.

What needs are not being addressed properly by the competition? What are the latent needs you wish to meet? What new uses are you going to enable? How is your offer different from the competition? What will your competitive advantage be (technology break-through, marketing position, know-how…)? What is the scalability of your business case to achieve international growth (diversification in other market sectors and countries]

Text

# The Business Model

*A business model describes the rationale of how an organization creates, delivers, and captures value*

## Communication, distribution, and sales channels

Writing Tips

[The Channels describes how a company communicates with and reaches its Customer Segments to deliver a Value Proposition

How do you raise awareness about our company’s products and services? Through which Channels do your Customer Segments want to be reached? How are you reaching them now? How are your Channels integrated? Which ones work best? Which ones are most cost-efficient? How are you integrating them with customer routines?]

Text

## Customer Relationship

Writing Tips

[What type of relationship does each of your Customer Segments expect you to establish and maintain with them? Which ones have you already established? How are they integrated with the rest of your business model? How costly are they?

Possible examples are: Personal assistance, Dedicated Personal Assistance, Self-Service, Automated Services, Communities, Co-creation]

Text

## Revenue Streams

*The Revenue Streams represents the cash a company generates from each Customer Segment (costs must be subtracted from revenues to create earnings)*

### The Price

Writing Tips

[How do you expect to make money and explain your pricing strategy, i.e. what do you expect your customers are willing to pay? What and how do they recently pay? How would they prefer to pay?]

Text

### The Revenue

Writing Tips

[If you have multiple revenue streams, e.g. a product combined with a recurring service, how much does every revenue stream contribute to the overall revenues? Does your revenue forecast demonstrate increased profitability toward the end of the forecast period?

Additional tips:

**Asset sale:** selling ownership rights to a physical product

**Usage fee:** generated by the use of a particular service – the more used the more to be paid (e.g telecom operator, hotel charges, package delivery of parcel

**Subscription fees**: selling continuous access to access (gym, Music services Deezer)

**Lending/Renting/Leasing**: temporarily granting someone the exclusive right to use a particular asset for fixed period in return for a fee; benefits incurring expenses for only a limited time rather than bearing the full cost (eg carsharing services)

**Licencing:** permission to use protected IP in exchange for licencing fees; allows rights holder to generate revenues from their property

**Brokerage fees:** intermediation services performed on behalf of 2 or more parties (e.g Credit card providers, brokers and real estate,…)

**Advertising**: fees for advertising a particular product, service, or brand]

Text

## Key Resources

Writing Tips

[The Key Resources paragraph describes the most important assets required to make a business model work. Every business model requires Key Resources. These resources allow an enterprise to create and offer a Value Proposition, reach markets, maintain relationships with Customer Segments, and earn revenues.

Describe your Key Resources (they can be categorized as follows: **Physical, Intellectual, Human, Financial**). Detail which production capacity do you have or expect to acquire?

To grow your business, what assets (IP and infrastructure) and human resources do you expect to get into your company and when? Provide a growth projection over the next 3 years (also included in the Profit & Loss Projection in Paragraph 8).]

Text

## Key Activities

Writing Tips

[The Key Activities paragraph describes the most important things a company must do to make its business model work. These are the most important actions a company must take to operate successfully. Like Key Resources, they are required to create and offer a Value Proposition, reach markets, maintain Customer Relationships, and earn revenues.

Describe your Key Activities, which can be categorized as follows: **Production** (relate to designing, making, and delivering a product in substantial quantities and/or of superior quality); **Problem solving** (relate to coming up with new solutions to individual customer problems); **Platform/network**.

Describe the supply chain and your position within it. Who are your key partners and suppliers? Which of the key resources do they provide for you? What key activities do they perform for you? Provide a diagram showing the relationship. What partnerships will you need to develop during incubation?]

Text

## Key Partners

Writing Tips

The Key Partnerships Paragraph describes the network of suppliers and partners that make the business model work Companies forge partnerships for many reasons, and partnerships are becoming a cornerstone of many business models. Companies create alliances to optimize their business models, reduce risk, or acquire resources.

Describe your key partners, which can be categorized as follows: Strategic alliances between non-competitors, “Coopetition”: strategic partnerships between competitors, Joint ventures to develop new businesses, Buyer-supplier relationships to assure reliable supplies .

Text

# Risk

## SWOT Analysis

Writing Tips

[Please describe the strengths and weaknesses of your company; e.g. a strong IP basis, an experience team with an extensive track record; or the contrary, e.g. the lack of a certain area of expertise or no prior experience with the supplier network you would need for your business.]

[Also describe the external opportunities or threats you may encounter, e.g. the right timing for the market you are addressing or the fierce competition currently present.]

Text



Fig.: SWOT Analysis [template]

## Risk Mitigation

Writing Tips

[Please provide a list of all risks involved when setting up/growing your business in the incubation phase and beyond. Include a mitigation plan per identified risks, i.e. how likely is it that the risk indeed turns into a problem and how to solve the problem once it occurs. For this, please use the Risk Analysis table.]

Text



Fig.: Risk Analysis [template]

# Cost Structure & Financial Projection

Writing Tips

[What are the most important costs to operate the business? What are the most expensive key activities and resources? What are your fixed costs? What are your variable costs? Calculate your total cost for the next 3 years and if already operational also include the cost of last year. Provide all assumptions to compute the Profit & Loss projections.

Please provide a Profit & Loss projection including the above information and using the P&L table contained in the Excel file attached to this application package. Please, fill-in the white cells with your data in the following P&L scheme:

* **Sales Revenue (or Turnover)** refers to the income that the company receives from its normal business activities, usually from the sale of goods and services to customers.
* **Direct cost of Sales (or Cost of Sales)** refers to the total of all direct costs involved in preparing each company’s product/service for sale.
* **Gross Profit (or Sales Profit)** refers to the difference between sales revenue and the direct cost of sales
* **Operating Expenses (or OPEX)** refer to the expense incurred in carrying out the company’s day-to-day activities, but not directly associated with production of goods and/or services.
* **Income from Operations** refers to the money value generated from running the primary business and it excludes income from other extraordinary sources.
* **Other Income** refers to the income derived from extraordinary transactions not involved in daily operations of the company business
* **Net Profit** refers to the company's total earnings]

Text



Tab.: Profit & Loss Projection [template]

# Annexes

Writing Tips

[Please provide Curricula Vitae (CVs) of the key team members. In addition, you may provide here any additional information you consider relevant, such as market studies summary, technical details, flyers, recent accounting reports, Memoranda of Understanding (MoUs) with partners and suppliers, letters of interest or commitment from potential/existing customers, references of publications, etc.

**Maximum 15 pages**]

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1. The European Space Agency is an intergovernmental organization constituted of the following Member States: Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, The Netherlands, Norway, Poland, Portugal, Romania, Spain, Sweden, Switzerland and the United Kingdom. [↑](#footnote-ref-2)
2. If the Agency or its Member States require the use of Intellectual Property Rights related to the product or service being developed during the incubation programme, owned by the Incubatee as described in Item 21 here above for the performance of the Agency’s programmes in the field of space research and technology and space applications, ESA shall offer the work to the incubatee/start-up. If the Incubatee/start-up is not willing or able to perform the activity for the Agency, the Agency or its Member States shall be entitled to a free of charge, transferable, non-exclusive licence to use such Intellectual Property Rights, which licence shall be limited to the territories of the Agency’s Member States. [↑](#footnote-ref-3)
3. As included in the schedule to Commission Regulation (EC) No. 364/2004 of 25 February 2004 amending Commission Regulation (EC) No. 70/2001 as regards the application of articles 87 and 88 of the EC-treaty on state-aid for small and medium-seized businesses (PbEG L 10). [↑](#footnote-ref-4)