

## **Community Association for New Business Entrepreneurship Program Entry Criteria**

### **Ideal Candidates**

Ideal candidates for admission are new venture or spin off innovators with technological product ideas or knowledge-based business concepts. Examples of acceptable technology areas include, but are not limited to, software, electronic hardware, Internet/web-based, multimedia, biotechnology, nanotechnology, industrial, energy-related, information, engineering, and manufacturing-related technologies. CAN BE gives preference to companies possessing or developing proprietary technologies but this not the sole criterion for selection. Certain service-oriented businesses, such as in business/financial services arena, are not precluded from participation. Selection for admission into this broad-based program is accomplished on a case-by-case basis as a means to eliminate the preclusion of potential clients that may not fall within the aforementioned areas specifically.

### **Entry Criteria**

It is the policy of CAN BE that a complete feasibility/business plan be submitted to CAN BE and approved by the selection committee. The applicant will have an appropriate timeframe in which to correct criticisms and/or shortcomings in the feasibility/business plan during which time CAN BE can offer assistance.

I. The Business Plan should illustrate:

- (1) Sufficient operating resources;
- (2) A product or service that reaches the commercialization stage within the lease period; and
- (3) Financial projections demonstrating a trend towards increased revenues and profitability;
- (4) Commercialization potential based upon the feasibility of the technology or business concept, market potential, management expertise and the potential for financial return;
- (5) A potential for the generation of jobs, spin-off job creation and increased community benefit/awareness;
- (6) An operational feasibility/business plan delineating tasks, milestones and cash flow projections. Assistance in business plan formation can be provided through CANBE portfolio of services and/or partnerships.

II. The advisory board will review feasibility study/business plan goals and objectives annually. This process includes the principal/s of the tenant company and is designed to offer support, positive reinforcement and feedback.

III. Each tenant is required to submit a quarterly financial report that will be reviewed by trained individuals. CAN BE shall provide direction to the tenant in event that problems are discovered. Through its discretion, CAN BE, can request that the tenant submit periodic financial reports where serious cash-flows issues exist, until improvement is demonstrated.

IV. Each tenant is required to sign a one-year lease agreement. There is no maximum length of stay in the CAN BE incubator, however the national average is 3 to 5 years. Requests for extension are granted based on the participant's continued and steady progress.

V. A commitment and willingness to accept guidance, and involvement is required of participants in the CAN BE program:

- (1) Tenants are required to meet, as a group, on a bi-monthly basis to build on synergies within the group, share experiences and receive support.
- (2) Tenants are required to participate in training/education seminars and workshops. The tenants' needs will drive the topical areas of the seminars and workshops.

- (3) Applicants must demonstrate the need for CAN BE's services and a willingness to use them. Clients not utilizing the support services available within the incubator are not good candidates for inclusion in the incubator program.

VI. Participants must sign a service agreement contract and lease prior to entering into the incubator.

**Exit Criteria**

Since the first three years of any start-up are typically the most critical, most companies should plan to take advantage of the Incubator's affordable rent and business services for three to five years. As businesses become self-sufficient enough to move out of the incubator and contribute to the economic growth of the region, other early-stage enterprises take their place.

- (1) Graduates are encouraged to continue drawing upon the mentoring/consulting/networking resources of the incubator director and tenant community and to recommend new tenants.
- (2) Graduates must satisfy the program graduation reporting requirements and agree to follow up in the form of brief annual survey completion for a period of five years beyond graduation.