



**REQUEST FOR PROPOSAL
TO DEVELOP AN
ENTREPRENEURIAL AND TECHNOLOGY TRANSFER
CENTER**

Wisconsin Department of Commerce, the state's economic development agency, seeks proposals creating a center to provide business services and technology transfer assistance to entrepreneurs.

September, 2004

Wisconsin Department of Commerce
Bureau of Entrepreneurship
201 W. Washington Avenue
Madison, WI 53703-2796
(608) 267-9384

Deadline for responses: 5:00 pm CST, October 15, 2004

I. General Information

A. Mission of the Wisconsin Department of Commerce

The mission of the Wisconsin Department of Commerce is to serve the people of Wisconsin by promoting opportunity, safety and community. Commerce's purpose is to:

- Foster the retention and creation of new jobs and investment opportunities in Wisconsin;
- Foster and promote economic business, export and community development.
- Promote the public health, safety and welfare through effective and efficient regulations, education and enforcement.

B. Overview of Services Requested and the Submission Process

To fulfill its responsibilities under 2003 Wisconsin Act 255, Commerce will accept proposals from interested applicants to create a statewide entrepreneurial and technology transfer center providing comprehensive services to the state's entrepreneurs.

Those interested in this Request for Proposal (RFP), should use the 2003 Wisconsin Act 255 Entrepreneurial Center Application Manual. Please prepare five (5) copies of this application.

RFP applicants may be asked to give an oral presentation of their proposal to the Wisconsin Department of Commerce. This oral presentation may provide an opportunity for the applicant to clarify, modify or elaborate on the proposal.

Proposals must be received no later than 5:00 pm CST on October 15, 2004.

Deliver all proposals to:

**Wisconsin Department of Commerce
ATTN: Entrepreneurial Center RFP
Division of Business Development
201 W. Washington Avenue
P.O. Box 7970
Madison, WI 53703**

Commerce reserves the right to reject any or all proposals submitted and assumes no obligation, no responsibility and no liability for costs incurred by the responding applicants prior to the issuance of an award.

II. Anticipated Scope of Services

The Wisconsin Department of Commerce is seeking applications from organizations, companies or consortia, to provide a system of support to entrepreneurs through an entrepreneurial and technology transfer center. The mission of the center is to assist entrepreneurs and would be entrepreneurs in their varied stages of business by providing tools for survival and growth. The center provides, directly or by referrals, statewide access to specialized business development services needed to take new ideas and technologies from concept to market. Up to \$1,000,000 will be available on an annual basis to one entity.

Working closely with the newly formed Bureau of Entrepreneurship within Commerce, the center will create an entrepreneurial support system to nurture companies with high growth potential. Successful applicants will have a clear strategy prioritizing how the limited resources available will be directed to those businesses demonstrating the greatest potential economic impact for Wisconsin. The center will provide business planning, counseling, education and technical assistance for new and expanding companies. The center should serve all areas of the state through a minimum of four physical locations strategically located around Wisconsin. Center services must address the needs of a diverse clientele base in both the urban and rural areas.

A. Center Clientele

The primary clients for the center include:

1. **High Technology Businesses** - The center should demonstrate its ability to support high technology ventures through a collaborative approach among state, academia, financial institutes, investors and other private and public sector parties. Through partnerships with other entrepreneurial assistance programs, the center should assist start-up and young technology-based companies, helping transfer new technologies to the market place. The center should develop a prioritization method to focus attention on entrepreneurs and businesses demonstrating a potentially strong economic impact for the state.

High technology businesses having received planning grants from Commerce and showing potential to create viable innovative businesses with a focus on future growth should be targeted. More one-on-one assistance and “hand-holding” should be provided to these types of entrepreneurs. Businesses applying for and receiving federal research and development (R&D) grants should also receive attention from the center. The center should have a plan on how it will identify and work with businesses having the potential to receive federal R&D funds.

2. **Gazelle/Growth Businesses** - The center should direct services and resources to “gazelle” companies, new rapidly growing companies found in all industries and regions of the state. Gazelles generate a large number of new higher paying jobs and have a positive impact on a state’s

economy. The center should develop a strategy to nurture gazelles at different stages of their development.

3. **Life Style Businesses** – The center should offer services either directly or through referrals, to provide instruction, training, technical assistance and support services to individuals who have recently started their own business or are interested in starting a business. New and aspiring entrepreneurs should have access to programs that help to develop basic business management skills, refine business concepts, devise early-stage marketing plans and prepare action plans. In addition, the center should help clients understand and obtain business financing.
4. **Manufacturing Businesses** – The center should provide support and services to those businesses being formed by “experts in the field”. In many cases, these manufacturing businesses will be started by former owners, managers or employees that have the technical expertise to establish a business entity with which they have a high degree of familiarity. These individuals may need guidance on the financial aspects of running a business, seek funds from non-traditional sources or may need help with the managerial/business side of their entrepreneurial venture.
5. **Inventors** – Independent inventors and inventions being spun out of the private sector need assistance with intellectual property and patents. The center should address the needs and hurdles facing inventors not affiliated with an academic institution, with plans to license their inventions or start a business in Wisconsin. Technical and financial assistance for technology feasibility assessment, product validation and testing, marketing feasibility and commercialization strategies and licensing assistance should be provided by the center.

B. Services Available Through the Center

Every effort will be made not to duplicate the entrepreneurial infrastructure and services already being provided around the state. The new center will evaluate needs of the entrepreneurs and connect them to the most applicable programs, people and resources. In addition to offering coordinated services, the center will identify and address gaps and limitations in existing entrepreneurial resources. The goal of the center is to improve the state’s existing entrepreneurial support system and create capacity that does not currently exist or is underdeveloped.

By providing a “triage” type of function, the center will assess entrepreneurs and either refer them to appropriate existing programs or provide the hands-on assistance necessary. Recognizing the limited resources available to the center, RFP applicants will need to come up with a way to prioritize those center clients demonstrating the ability to develop into economically viable and sustainable companies that will grow and create jobs in Wisconsin.

Core center services should involve an intake assessment (assessing client needs and capabilities) and a determination of appropriate follow up activities. Other services may include evaluating business opportunity, coordinating the delivery of services, validating the commercial potential of the venture, which includes the technical, market and business elements contained within the business plan and assisting with intellectual property and patents, trademark, and copyright issues. Specific services provided or conducted by partnering organizations should include:

1. Business Counseling and Needs Assessment

- Provide business counseling
- Assist with strategic planning and business plan development
- Identify appropriate referral services
- Conduct market analyses and help with marketing strategies
- Mentor and provide networking opportunities
- Assess capital needs
- Help identify appropriate lending sources

2. Financial Assistance

- Help to locate and access early stage risk capital
- Connect clients to the new technology and commercialization grants and loans
- Provide grant writing help
- Explain equity financing options
- Groom entrepreneurs to better present their business to potential investors
- Assist with company valuation determination
- Help develop capitalization strategies and set company milestones

3. Technology Expertise

- Provide management consulting
- Conduct technical assessments
- Consult on federal research and development (R&D) grant program opportunities
- Assist with prototype development and testing
- Answer general questions regarding patent policies
- Provide access to patent forms and helping to fill out those forms
- Provide general information on patent rules, procedures, and fees
- Advise on the regulatory pathway governing product development and commercialization.

C. Coordination and Cooperation

The entity selected to operate the Entrepreneurial and Technology Transfer Center will communicate with the Wisconsin Department of Commerce Bureau of Entrepreneurship on a regular basis. Through meetings and annual reports, the center will outline its progress towards agreed upon milestones. The annual report will provide details such as the number of businesses assisted,

number of new company formations resulting from assistance, number of women, minority and disadvantaged businesses served, geographic location of clients served, amount of federal and private funds leveraged, etc. Future funding will be dictated by the center's ability to demonstrate its success.

To ensure a coordinated delivery of services, the center will need to partner with state, regional and local economic development professionals, industrial development representatives, chambers of commerce, utility companies, local lending institutions and other entrepreneurial assistance providers. Commerce will expect the RFP recipient to identify existing organizations that support entrepreneurs and harness their services where appropriate. While we do not expect a comprehensive list with this application, the agency would like to see a preliminary listing of the programs and personnel that will be a direct part of the center as well as outside organizations that will serve as external partners and key referrals.

Based on the center's ability to demonstrate a strong capability to coordinate, cooperate and partner with other entrepreneurial assistance providers, Commerce may explore the possibility of transferring existing business planning grants within the agency to the center. This includes the Entrepreneurial Training Grant and the Early Planning Grant programs. The center will also need to help entrepreneurs turn technological innovations into exceptional business opportunities by accessing the new state funds available under Act 255 for federal research and development (R&D) grants.

D. Available Funds

The initial funding of the center will be for two years, with up to \$1,000,000 available per year going to one entity. The 2003 Wisconsin Act 255 will provide up to \$500,000 in funds and an additional \$500,000 will be available through existing Commerce programs. Initial funds of up to \$1,000,000 will be distributed in calendar year 2005 and up to an additional \$1,000,000 distributed again in calendar year 2006. Contingent on the performance of the center, its ability to meet agreed upon milestones and availability of the funds, Commerce will either renew the contract or issue a new RFP at the end of 2006.

Monies issued under this RFP cannot be used to fund an applicant's existing programs or services or those of its partnering organizations. Funds must be directed towards new initiatives, programs and positions.

Commerce recognizes that applicants may dedicate significant non-cash or in-kind resources to the center. Applicants are encouraged to detail these resources within their budget. Although these additional in-kind resources are not required to appear in the proposed budget, special consideration will be given to proposals that leverage additional resources.

III. Criteria for Selection

Successful RFP applicants will meet the following criteria:

1. ***The center must serve multiple regions of the state.*** The applicant must show a plan on how it will successfully serve multiple regions of the state. A partial indication of this success is the applicant's record of working with local economic development organizations, institutions of higher education, business association, etc. Applicants relying solely on web-based assistance may not be as competitive as those with physical locations. A minimum of four physical center sites will be required.
2. ***The center must provide assistance (other than financial assistance) to entrepreneurs to facilitate business development.*** The applicant must demonstrate a successful track record of working with different types of entrepreneurs at various stages of business development. Measures of success should include specific economic impact indicators such as new enterprises created, federal R&D funding awards secured by center clients, jobs created and saved, state sales tax generated, financial loans generated, etc.
3. ***The center must review and analyze entrepreneurial business plans and offer advice concerning the improvement of the plan.*** The applicant must show a successful track record for providing business plan assistance and advice to Wisconsin entrepreneurs, and indicate how the center will complete this requirement.
4. ***The center must provide advice to entrepreneurs concerning patent, trademark and copyright issues.*** The applicant must show experience in providing assistance to entrepreneurs concerning patent, trademarks and copyright issues, including any strong linkages to institutes of higher education, research groups, associations, or businesses in support of technology transfer.
5. ***The center must provide appropriate referral services to entrepreneurs.*** The applicant must show a successful record of providing referral services to entrepreneurs in multiple regions of the state. A partial indication of this success is the applicant's record and examples of partnerships with local economic development organizations, institutions of higher education, business associations, private sector service providers, state and federal agencies, etc.
6. ***The center must implement an evaluation component demonstrating the impact of the services and programs offered through the center.*** Future funding for the center will be based on its ability to clearly measure and articulate how well the state's entrepreneurs are being served, especially those designated primary clients.

7. ***The center must devise a plan to communicate regularly with the Wisconsin Department of Commerce Bureau of Entrepreneurship and other entrepreneurial assistance providers around the state.*** To avoid duplication of services, leverage resources and ensure the needs of all types of entrepreneurs are met, the center must demonstrate its ability to adequately communicate with key partners and its funding source.
8. ***If the center charges a fee for service, the fee must be nominal and take into consideration the client's ability to pay. The center may not take a financial interest in the businesses it serves.*** To avoid any appearance of impropriety, the center will not be allowed to take an equity position in a client/business while that business is receiving assistance from the center.

IV. Submission Requirements

Interested firms are invited to submit proposals using the RFP Application Manual. Submissions should include the following:

A. General Project Information

1. Lead Organization – If a consortia or partnership of organizations is applying, identify the lead organization that will bring the collaborative together, manage the center and serve as the main point of contact.
2. Fiscal Agent – The Fiscal Agent and Lead Organization may be the same entity. However, if a different entity will serve in this capacity, please identify. This is the entity that will be receiving the funds from Commerce.
3. Proposed Center Locations – Describe where the center(s) will be located and how they will serve entrepreneurs across the state. Please indicate if entrepreneurs would have access to both physical locations and virtual information/centers. Please list any specific areas of expertise or specialization provided by the center locations.
4. Executive Summary – Include an overview of how the applicant will serve the state's entrepreneurs.

B. Proposal Questions and Narrative Information

The following questions will be used to help determine a qualified RFP proposal. Responses should be limited to no more than two pages per question.

1. If more than one entity will be involved with this center, please describe how the various entities will partner together. Include information on existing resources that will be leveraged, strengths of

the different partners and how statewide geographical coverage will be achieved.

2. Please describe the types of entrepreneurs the center will serve. Include a description of how the center will identify the needs of these different types of entrepreneurs and the levels of service that will be provided to different segments. Please address:
 - How will you identify, prioritize and assist those companies with potential significant economic impact needing more hands-on, specialized assistance?
 - What existing programs, services, resources, products and tools will be used to address the needs of the different types of clients?
 - What new products, tools and services do you foresee offering to entrepreneurs?
3. Please provide information on the history of the applicant's experience providing entrepreneurial, technology transfer and commercialization services. Include any experience working with state agencies, economic development organizations, academia, trade organizations, nonprofits or federal agencies and their research and development grant programs.
4. What are some examples of major entrepreneurial projects that the applicant has completed in the areas of market development, technology commercialization, business planning assistance, intellectual property and implementation of financial programs? Please indicate how you have measured the success of these projects.
5. How will the center measure (both quantitatively and qualitatively) the impact of its services and demonstrate its success?
6. How will the center connect with other major programs and key resources in the different regions of the state?
7. What makes your application unique or superior to that of other organizations? What specialties or particular skills does your organization have to perform the requested services?

- C. Roles and Responsibilities** – Application must include information on the different roles and responsibilities that will be undertaken by those directly involved with the Center. Please provide resumes and/or biographies of the key individuals involved with the Center. A successful applicant will also need to identify and establish a strong working relationship with other existing outside organizations supporting entrepreneurs.

- D. Implementation Plan/ Timeline** – Application must include an implementation plan and timeline based on receiving funding for a two-year period, beginning in January 2005. The plan should include objectives, activities, outcomes, team members responsible and a timeframe.
- E. Budget**– Application must include a detailed two-year operating budget.
- F. Letters of Support** – Applications must include letter of support from the individuals or organizations that will be directly involved in the center’s day-to-day activities.

Responses to this RFP will be prepared at the sole cost and expense of the applicants. No materials submitted in response to this RFP will be returned.

If you have questions you would like answered before developing your proposal, please contact Pam Christenson at pchristenson@commerce.state.wi.us or 608-267-9384.