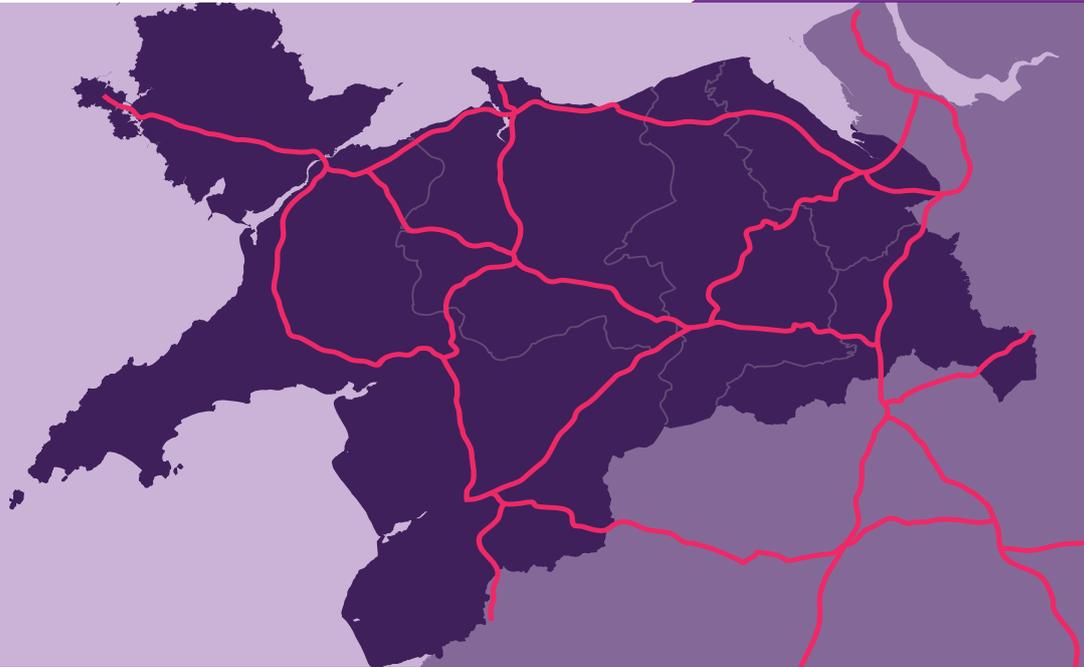


Innovate UK

Competition for funding

North Wales photonics Launchpad

December 2015



Deadline
6 April 2016

LAUNCHPAD

Innovate UK is to invest up to £500,000 in innovative research and development projects centred on the emerging cluster of photonics, electro-optics, and opto-electronics businesses in North Wales.

The competition aims to stimulate this hotspot of photonics, electro-optics and opto-electronics businesses in North Wales by enabling companies to go further and/or faster towards commercial success. In collaboration with the Welsh Government and the Welsh Opto-Electronics Forum, we want to draw investment and people into the area, and to encourage networking and collaboration to strengthen the cluster.

We are therefore looking for projects that may be too risky for companies to take forward without any support, or that may take them into new innovative areas, and where the majority of the project activities are carried out in North Wales.

We will fund industrial research projects, with estimated project sizes ranging between £50,000 and £90,000. Projects can last up to 12 months and must be

led by a micro, small or medium-sized company that we anticipate is likely to be in the early stages of its development; businesses can work alone or in collaboration. Micro and small businesses will receive up to 70% of eligible costs, medium-sized businesses 60%.

An integral part of Launchpad is the offer of support to help applicants to raise additional new external finance that we expect will be needed to fully fund the project and its subsequent commercialisation. In addition to receiving project funding, successful applicants will participate in a programme of business support and growth activities that will run in parallel to projects.

The competition opens for applicants on **22 February 2016**. The deadline for video submissions is at noon on **6 April 2016**.

A briefing event will be held at The OptIC Centre in St Asaph on **11 February 2016**.

Background

The Welsh photonics sector is made up of around 80 companies, with a strong innovation and manufacturing cluster in North Wales, around St Asaph. The sector employs 5,000 people, and steady on-going growth of 8% per annum is expected as exports increase and Wales continues its take-up of photonic technologies. Businesses range from micro companies and SMEs to larger corporations, and many have links to the automotive and space industries, which provide significant opportunities for market expansion and growth.

Partners



What is a Launchpad?

Launchpad competitions support business innovation through a combination of R&D project funding, business support and attracting new investment, delivered through an accessible application process. Launchpad enables businesses to take advantage of being part of a developing cluster to realise their potential for growth.

Launchpad aims to support the development and strengthening of clusters of innovative companies in specific sectors and geographical locations. Due to the concentration of expertise within these clusters of businesses there are often advantages of speed and knowledge transfer, which we want to encourage. We do not create the clusters, but we support the development of clusters that are already emerging:

- by creating opportunities for SMEs (often including those that are pre-revenue) through funding for innovative projects

- by working with others in the cluster to provide a programme of business support (including coaching and mentoring) that will help the businesses develop solid growth strategies and access finance
- by providing a letter of intent to fund projects that businesses can use to attract new private-sector investment, as companies will probably need to raise other forms of finance (including debt or equity-based solutions) either to match the grant or to support scale-up later

Launchpad competitions are open to SMEs that:

- are in the cluster
- plan to start up in the cluster
- move into the cluster
- collaborate with a company already in the cluster

They are aimed at young and early-stage companies with significant growth ambition.

Networking, clustering and knowledge-sharing are essential to the success of photonics, electro-optics, and opto-electronics businesses, and concentrations of expertise and talent can achieve much more than isolated companies. In recognition of this, and to encourage the cluster dynamic, Innovate UK, supported by local cluster champion, the Welsh Opto-Electronics Forum, is seeking projects that can exploit this already vibrant and dynamic hub.

Scope

We are seeking to fund projects based on photonics, electro-optics and opto-electronics technologies that have the potential to create new products and services. The end market applications can be broad, including optical communications, manufacturing and materials processing, health and life science, lighting, energy, security and safety. Projects should demonstrate significant innovation in relation to topics that may include, but are not limited to the following:

- optical components
- optical coatings
- manufacture and measurement of high-surface-quality parts for optics and photonics
- conventional and modern optics
- anti-reflection thin films for optical and photovoltaic (PV) technologies
- electrostatic discharge films for solar cells
- solar cell thin films for different technologies or applications
- transparent, conducting oxides, spanning all PV technologies
- optical features in polymers and semiconductors and automotive/medical (mainly micro-mould tools for injection moulding)
- 3D printing of optically transparent glass and rapid prototyping of complete optical systems

Looking for partners to work on your project? Go to <https://connect.innovateuk.org>

Funding allocation and project details

We will award grants* to cover up to 70% of the eligible costs of a project for micro and small companies and up to 60% for medium-sized companies. We expect projects to use this funding to attract further investment from the private sector to cover the rest of their eligible costs. We will fund industrial research projects (for a definition of industrial research, see <https://interact.innovateuk.org/guidance-for-applicants>), with total project costs ranging between £50,000 and £90,000.

We anticipate that many applicants will not have funds available to cover the rest of the cost of their projects, and that they will need to bring this in from external sources, before starting their projects. We expect successful projects to attract their external funding from traditional or alternative sources, including equity investment from business angel, venture capital or corporate investors, debt finance from banks or other lenders, and development contracts with customers, suppliers or other suitable partners, as best meets their long-term funding needs.

This Launchpad competition helps applicants access the finance needed to complete project funding through an event at which successful applicants can make presentations to potential sources of private-sector finance. Alongside grant funding, this competition will also include a range of business support activities that are designed to help participants grow their businesses.

Projects can last up to 12 months. Applications may be from individual micro, small or medium-sized companies or from collaborative consortia of SMEs that base themselves within the cluster.

At the presentation event to potential investors there will be an opportunity for large and global companies and universities to take part in projects as unfunded project partners or as investors.

To find out whether your business fits the EU definition of an SME, see: http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm

* Please note that Innovate UK funding is subject to the result of the Government Spending Review in autumn 2015.

Application process

This is a 2-stage competition that opens for applicants on **22 February 2016**.

Stage 1 – Video submission

Applicants submit a brief application form and a 2-minute video describing their ideas.

The video should address:

- the challenge or opportunity being tackled and why it is important
- the approach that will be taken and how it is innovative
- the relationship to the North Wales cluster
- how the solution will be commercialised and what impact it could have if successful
- why Innovate UK funding is needed

The deadline for video submissions is noon on **6 April 2016**. Videos will remain confidential, but they will be seen by a panel of expert assessors who will review the ideas described in them and select a shortlist based upon how well they address the above criteria.

Stage 2 – Written proposal

The top-ranking applicants will be shortlisted and invited on **9 May 2016** to submit a written proposal. The deadline for written proposals is noon on **8 June 2016**.

Applicants will be informed of the results of their applications on **15 July 2016**. The selected projects will receive a letter of intent to fund from Innovate UK, subject to being able to secure the additional funds needed to start the project within 6 months.

A briefing for potential applicants will be held in St Asaph on **11 February 2016** to highlight the main features of the competition and explain the application process. Applicants are strongly recommended to attend.

Note: All deadlines are at noon.

Business support and presentation to potential investors

A key feature of this competition will be a programme of activities designed to bring together successful applicants to support the development of their businesses and help them to access finance.

This aspect of the Launchpad will see projects tapping into the range of programmes supported by the Welsh Government and packages of business support available through Business Wales.

All applicants invited to submit a written application (whether they receive an Innovate UK letter of intent for grant funding or not) will be invited to a workshop to showcase their ideas to potential investors. For successful applicants, this will be an opportunity to attract the remaining funds to run their project.

Key dates

Competition opens	22 February 2016
Briefing event	11 February 2016
Deadline for video submissions	noon 6 April 2016
Deadline for invited written proposals	noon 8 June 2016
Business support programme	autumn 2016
Presentation to potential investors	autumn 2016

More information

For more information and all the documents you need to read before you apply, including the *Guidance for Applicants*, go to the web page for this competition by using the search function at <https://interact.innovateuk.org/>

Get help to understand the future market for your innovation before you apply at <http://horizons.innovateuk.org>

Publicity

As part of the application process all applicants are asked to submit a public description of the project. This should adequately describe the project but not disclose any information that may impact on intellectual property, is confidential or commercially sensitive. The titles of successful projects, names of organisations, amounts awarded and the public description will be published once the decision to offer an award has been communicated to applicants by email. Information about unsuccessful project applications will remain confidential and will not be made public. Email pressoffice@innovateuk.gov.uk with any queries.

Competition helpline:

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gov.uk**

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