



Evaluation Rubric

Grading System and Decision-Making Criteria

for

Investment Range 2

Minimum VIRAL score of 2

MTI mission and impact goals:

- Jobs created and retained, with emphasis on higher wages and benefits, with geographic distribution across Maine
- Capital raised and/or funds leveraged
- Organizational and financial health of companies and teams awarded
- Increased company or organizational revenues
- Adding or expanding facilities in Maine

Grading System for MTI Funding Support

What cumulative green and red look like, with associated recommendation decision:

- € **Green (4) - Recommend Funding:** The Gold Standard, obvious path to success with no determined obstacles and fully aligned with MTI mission & impact goals; majority Greens (4) with a few Yellows (3) allowed in criteria areas
- € **Yellow (3) - Recommend Funding, potentially with contingencies:** Path to gold standard, aligned with MTI mission & impact goals, with more opportunities than obstacles; majority Yellows (3) and Greens (4) in criteria areas
- € **Orange (2) - Recommend Decline, with potential for resubmission:** Uncertain how to incorporate MTI mission & impact goals, with more obstacles than opportunities; a few Yellows (3) and Greens (4), but majority Oranges (2) and Reds (1) in criteria areas
- € **Red (1) - Recommend Decline:** No real alignment with MTI mission & impact goals, or no real path to success as currently designed, majority Reds (1) with some Oranges (2), few Yellows (3) and no Greens (4)

Category One: Connection to MTI’s Mission and Impact Goals

Ranking Criteria

Jobs created or retained

Increase in revenues

Funds raised or leveraged

Adding or expanding facilities in Maine

Indirect and/or social impact for Maine

| Definitional Questions | What red looks like | What green looks like |
|--|--|--|
| Impact Goals | 1 | 4 |
| <p>Jobs Created and Retained: How many jobs are projected to be created and retained because of the project? What are projected wages? Are there benefits?</p> <p>Projected increase in company/organizational revenues: Does the company project significant increases in revenue or cost decreases because of the project?</p> <p>Potential for capital raised or funds leveraged: Does the project provide opportunity to leverage or raise other funds?</p> <p>Adding or Expanding Facilities in Maine: Is team committed to Maine? Do projections call for adding or expanding in Maine?</p> <p>Other indirect economic impact in Maine? Are other economic impacts identified in the application?</p> | <p>Jobs retained or created are limited in numbers and wages. The company has projected limited growth and has not planned for leveraging MTI’s investment. No other economic impacts are identified in the application. Economic impact projections are high, but unsubstantiated and appear overly-optimistic.</p> | <p>Two to four of the four major impact areas are identified and addressed in the company’s projections. Jobs created and retained are well paying and include benefits. The project leverages opportunities for raising other funds and the MTI award is significant to this effort. The applicant has thought through other ways the team impacts Maine’s economy and their community. Application materials substantiate economic impact projections.</p> |

Category Two: Team Ability and Structure

Ranking Criteria

- Differentiated skill sets and experiences
- Ability to produce low fidelity prototype or pilot program
- Understanding of product/services value chain and/or cost structure
- Appropriately structured
- Lived experience with the problem being solved

| Definitional Questions | What red looks like | What green looks like |
|--|--|---|
| Team | 1 | 4 |
| <p>Differentiated Skill Sets/Ability: Who is the core team? What qualifications do they have to solve the problem/conduct the scope of work? How will they fill any gaps in ability?</p> <p>Ability to prototype or pilot: What key technical and/or programmatic challenges have team members faced? Do you have confidence they can meet similar challenges?</p> <p>Understanding of product / services value chain and/or cost structure: Does the team possess relevant experience to inform decisions around value chain and/or cost structures?</p> | <p>Team has skills/abilities gaps with no plan to address them; Team does not understand needed skills, and/or has not identified needed abilities, experiences - particularly in development of low fidelity prototype / pilot program; Team does not articulate needed skills / expertise concerning value chain / cost structure.</p> | <p>Team incorporates diverse skills & backgrounds - including lived experienced with problem and understanding of value chain / cost structures; Team has a strong understanding of what is needed, and Team has plan for addressing any gaps in team abilities; Instills confidence in Team’s ability to execute proposed project.</p> |
| <p>Appropriate structure: Has team begun to think about the appropriate company or organizational structure for the team to move forward?</p> | <p>Team has not begun to ask strategic questions about structure; team lacks oversight and/or formal organizational structure.</p> | <p>Team is thinking about the ultimate company or organizational structure needed to be successful; governance and/or management structures are clearly defined and provide for some level of oversight.</p> |

Category Three: Innovation and Value Proposition

Ranking Criteria

Identification of the problem and proposed solution

Identification of target customer

Differentiation of solution and technical claims/assumptions supported by relevant data

Freedom to operate (n/a for ecosystem)

| Definitional Questions | What red looks like | What green looks like |
|--|--|---|
| Innovation & Value Prop | 1 | 4 |
| <p>Identification of Problem and Proposed solution: Has team clearly identified the problem and is the solution/innovation measurably of value to the customer?</p> | The definition of the problem is vague, and/or the problem / opportunity does not seem significant; customer feedback loops are not built into product/program development. | Team articulates problem and a plan for validating solution; Team provides evidence that this is a significant problem for the customer - and that their solution will be of high value to customers. Team can clearly articulate the innovation. |
| <p>Target Customer: Does the applicant understand the target customer? Does the solution match the problem the customer experiences?</p> | The understanding of the customer is vague and customer needs cannot be easily verified. | Team provides believable initial customer discovery data that verifies the legitimacy of proposed solution. |
| <p>Differentiation of Solution: Is the solution sufficiently different from competing solutions? Are technical claims / assumptions supported by reliable data?</p> | Team does not understand competitors / landscape and cannot articulate how their solution is different from their competitors / other solutions on the market (or in the ecosystem). | Team identifies competition and articulates differentiators against competing products; technical claims / assumptions are supported by reliable data. |
| <p>Freedom to Operate: Is intellectual property protection articulated and is the regulatory landscape understood?</p> | Lacking understand of or has not investigated Intellectual Property (IP) protection or built a knowledge base from which to make an IP decision. | Instills confidence that applicant understands freedom to operate and IP protection issues. Provides requested IP information. |

Category Four: Customer and Market

Ranking Criteria

Market and customer analysis
 Plan and/or ability to capture identified market
 Evidence of market demand

| Definitional Questions | What red looks like | What green looks like |
|--|--|--|
| Customer / Market | 1 | 4 |
| Market and Customer Analysis: Does the team have believable evidence of customer demand? Will the team learn from the customer experience and further refine the innovation/program based on this information? | Team can't articulate how the market works and can't clearly define customer segments. Team's evidence of customer demand is highly anecdotal. | Team clearly articulates a description of the market that includes overall size of the market(s), and potential for multiple markets or customer segments, with data provided / cited to support those claims. Team has systems in place to iterate product and further refine based on customer feedback. |
| Plan or Ability to Capture identified Market: Has team articulated and have evidence for a robust plan or pipeline? How strong is the evidence provided? | Request is vague or lacking info on market segmentation, target market(s), and how to capture. Team can't articulate how their product will get to market and can't specifically articulate distribution channels. | Team articulates target market(s) and quantifies those opportunities; Team articulates methodical plans to capture target market(s) and provides initial evidence of customer demand. |

Category Five: Business Model

Ranking Criteria

- Overall vision for success
- Strategy to grow, exit or become sustainable
- Gantt Chart or visual roadmap of the next 2-5 years
- Financial Assumptions and Health

| Definitional Questions | What red looks like | What green looks like |
|---|---|--|
| Business Model | 1 | 4 |
| <p>Overall vision for success: Are business models and revenue streams outlined? Does the team have a vision for their future?</p> <p>Strategy to grow, exit or become sustainable: Has the team begun to explore strategies for success?</p> | Vague as to what business models are being considered and what success will look like for the company/organization. | Team provides a clear vision for success and demonstrates strategies for growth, exit or sustainability via Gantt Chart / Visual Roadmap of path forward. |
| <p>Financial Assumptions and Health:</p> <p>Are the revenue growth assumptions logical and reasonable? Is there backing in data (gathered on either performance to date or market study)? Do revenues create the conditions for success? Is there enough “runway” to complete the project?</p> | Revenue & cost projections lack basis in data or fact; assumptions do not lead to vision of success; lacking info provided on price points required to achieve profitability / sustainability. Enterprise will run out of funds before it completes project or levels up. | Team provides revenue and cost assumptions and instills confidence that those are realistic / attainable; Team identifies price points required to achieve profitability / sustainability. Enterprise has enough “runway” to complete the project and either begin to secure follow-on funding or has a revenue model that becomes sustainable by project end. |

Category Six: Scope of Work and Budget

Ranking Criteria

Description of supported activities and Timeline for project

Measurable and realistic outcomes

What applicant hopes to learn/what might be changed from learning

Uses align with scope of work

Matching meets scope of work budgetary needs

| Definitional Questions | What red looks like | What green looks like |
|---|---|---|
| SOW & Budget | 1 | 4 |
| Description of supported activities & Timeline for project | Planned activities do not directly connect to area of focused need or opportunity; timeline is either unrealistic or protracted. | Planned activities focus on areas of agreed upon need and instill confidence that if completed, will accelerate company/organization goal achievement; timeline is clear and realistic. |
| Measurable & Realistic Outcomes and Deliverables | Project outcomes are vague and/or unlikely to result in accelerated growth of the business / organization. | Project outcomes are measurable, and deliverables are clear and realistic to be accomplished within the proposed scope of work. |
| What applicant hopes to learn/ what might be changed from learning | Team cannot articulate project success and/or how learning will be applied to growth of business / organization. | Team has firm understanding of what it needs to learn from project and how to apply learning to the need or opportunity. |
| Uses align with scope of work Matching funds meet budget needs | Project budget is disconnected from project success; project budget is unrealistic for identified scope of work; matching funds sources are questionable. | Project budget is reasonable and appropriate; appropriate matching funds are identified. |