STARTUP GRANT
Eligibility and Criteria

Please Note: The company must be an active SCRA Member Company to receive this grant.

About SCRA

The South Carolina Research Authority (SCRA) was chartered in 1983 by the State of South Carolina as a public, non-profit organization. The mission of SCRA is to fuel South Carolina's Innovation Economy by accelerating technology-enabled growth in research, academia, entrepreneurship, and industry. SCRA supports its stakeholders in key technology sectors, which include but are not limited to, Advanced Materials/ Manufacturing; Life Sciences; Clean Tech, Sustainability, and Resilience, and Information Technology. SCRA grant funding is made possible, in part, by Industry Partnership Fund (IPF) contributions. Contributors receive a dollar-for-dollar South Carolina income tax credit, making it a no-cost way to create a direct, positive economic effect and job creation.

Grant Objective

The objective of the Startup Grant is to provide early-stage funding to startups to support one or more critical milestones towards commercialization and to advance the company's pursuit of follow-on funding.

Eligibility Criteria

- The company is registered as a for-profit business with the SC Secretary of State.
- The company's principal place of business is in South Carolina **or** at least 51% of its full-time equivalent employees are located within the state.
- **The company must be an active SCRA Member Company to receive this grant.**
  Curious about SCRA Membership? Visit our SCRA Membership page to learn more and submit your interest.
- The company must be based on some form of technology, and ideally the technology is protected by intellectual property (IP).

Funding Amount & Use of Funds

- Startup Grants provide funding up to $25,000.
- The company is allowed one (1) Startup Grant during its lifetime.
- The Use of Funds must assist with commercialization of the technology, assess the business model, validate the performance of a company's technology, and/or moving the company to a high readiness level for further funding and scaling.
- Excluded from the Use of Funds are the following: rent, licensing fees, legal fees, reimbursement of past expenses, and profit/fee.

Application Process

- Interested applicants should contact their assigned Relationship Manager to discuss their interest in the grant.
- Companies that pass initial review, the assigned Relationship Manager will invite the company to complete an application for funding.
- When all requested documentation is submitted, the Relationship Manager will present the companies funding request to the SC Launch Team.
- Following the meeting, companies will receive notification of SCRA's decision and next steps. This typically occurs within one week.
- If approved, awards are typically funded within 20 calendar days after notification.
- Eligible applications are reviewed on a rolling basis.

Review Criteria

- **Technology Sector**: The business is aligned with SCRA's key technology sectors, which include but are not limited to, Advanced Materials/ Manufacturing; Life Sciences; Clean Tech, Sustainability, and Resilience; and Information Technology.
- **Management Team**: Experienced and coachable founding team with relevant domain expertise. The company should have an advisory board or relationships which can lead to the establishment of an advisory board.
- **Defensibility/Differentiation**: The company's product must be novel and have defensible differentiation. Ideally, the company will have an IP strategy that creates a competitive advantage.
- **Market Viability**: The company has a clear value proposition, a high-impact business model with the potential to generate significant revenue, and a clear path to market.
- **Funding**: The company has plans to or already has secured initial external funding, such as grants, banks, friends & family. The company has a credible funding plan to enter the market, as well as thoughts on exit opportunities.
- **Impact**: There is potential to create economic impact such as new jobs, new research or solutions for industry, recurring revenue, follow-on funding, etc.
- **Use of Funds**: The proposed use of funds achieves one or more critical milestones towards commercialization or expanding market position and will support the company in pursuing follow-on funding. Clear milestones and deliverables are outlined in the project plan.

Reporting Requirements

- **Final Grant Report**: The Final Grant Report is distributed to grant recipients thirty (30) days prior to the end of the grant performance period, as defined in the grant. This report is required and failure to timely submit the Final Grant Report may result in removal as an active SCRA Member Company. This Final Grant Report measures the Member Company's performance in fulfilling the requirement of the grant and will be referenced should the Member Company request additional funding. A Grant Final Report Template is available on the SCRA [website](#).
- **SCRA Annual Assessment**: Annually, the company must complete SCRA's Economic Impact Assessment. The assessment is essential in that it measures the economic impact of SCRA on South Carolina's economy in compliance with SCRA's legislative reporting mandate. The information is aggregated and does not reveal individual company information.

Terms and Conditions

- **Performance Period**: All proposed activities must be completed within the stated performance period in the Grant Agreement. Where circumstances warrant, the company may request in writing to extend the performance period.
- **Relocation**: The company agrees to reimburse all the awarded funds to SCRA if it leaves South Carolina within twelve (12) months of the final distribution of funds.
- **Investment Participation**: SCRA's investment affiliate, SC Launch, Inc., will have a reasonable right to purchase any future offered securities up to the amount of the Grant multiplied by four ("4x Grant Amount"), on uniform terms and conditions with other investors.
- **Acknowledgement of SCRA Funding**: Awardees should acknowledge SCRA as a funding source in publications and news releases. Acknowledgement language must be reviewed by SCRA prior to publication. Published documents should be shared with SCRA via the Relationship Manager.
- **Tax Reporting**: SCRA grants may be reportable income to the recipient via 1099 in the year funds are received.
- **Animal or Human Studies**: If research involves either animal or human subjects, the grant recipient must assure compliance with the prevailing national and institutional guidelines for animal and human studies.

South Carolina Freedom of Information Act

Information provided by the applicant will be treated by SCRA as business sensitive, and SCRA will make all reasonable efforts to protect this information when disclosure is not legally required. However, SCRA is subject to the South Carolina Freedom of Information Act (FOIA), and the applicant should not disclose to SCRA any information that would negatively affect its ability to obtain intellectual property protection or undermine other business efforts. This applies to all verbal or written material.

For Additional Information & FAQs

1. **Where can I apply for this grant?**
   The company must be an active SCRA Member Company to receive this grant. If your company is an active SCRA Member Company, contact your assigned relationship manager for next steps.

2. **Where can I apply for membership to get this grant?**
   More information about SCRA Membership can be found here.

3. **How do I report this on my company's taxes?**
   SCRA cannot provide tax advice, we recommend consulting with a tax professional if you have questions or concerns. SCRA grants may be reportable income to the recipient via 1099 in the year funds are received.

All other inquiries about the Startup Grant should be addressed to the SCRA Business Operations Manager at support@scra.org