

Call for Proposals for ESA BIC in Baden-Württemberg

Responsible Contracts Officer: Mr. M. Houten (PFL-PTE)

SUBJECT: Permanent Open Call for Proposals for the European Space Agency Business Incubation in Baden-Württemberg (ESA BIC in Baden-Württemberg)

REF: ESA BIC – Rev. March 2018

Dear Madam, Dear Sir,

As part of its endeavour to encourage the transfer and commercialisation of space technologies, the European Space Agency¹ (the Agency) has set up a network of business incubators located across Europe. Their purpose is to enable entrepreneurs (incubatees) to receive commercial and technical assistance in order to set up their business using space technology for general non-space industrial, scientific and commercial uses.

The Institut für Wissensmanagement und Wissenstransfer der IHK Reutlingen (IHK-IWW) and Airbus Defence and Space (DS) GmbH are entrusted by the Agency through its prime contractor cesah GmbH Centrum für Satellitennavigation Hessen with the setup, administration and implementation of this Call. IHK-IWW and Airbus DS manage the ESA BIC in Baden-Württemberg and are supported by local partners, i.e. the German Space Agency DLR, Bosch Automotive Electronics (AE), the Technologiepark Tübingen-Reutlingen GmbH (TTR), the Sparkasse Reutlingen and the Sparkasse Tübingen.

IHK-IWW, Airbus DS and cesah hereby invite you to submit a proposal for the above subject.

Please find attached hereto the following documents:

Appendix 1: Call for Proposals

- Section I: Instruction for Business & Activity Proposals
- Section II: Formal requirements, selection process and evaluation criteria
- Section III: Draft Incubation Contract
- Section IV: Draft Tenancy Contract

Appendix 2: ESA BIC BAP Template (including Cover Letter, Requirements Checklist & Executive Summary as well as Business Plan and Incubation Proposal)

Your attention is drawn to the following:

¹ The European Space Agency is an intergovernmental organisation constituted of the following Member States: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Rumania, Spain, Sweden, Switzerland and the United Kingdom.

Nature and purpose of this Open Call for Proposals:

1. The purpose of this Call for Proposals (Call) is to select projects and ideas for business incubation in ESA BIC in Baden-Württemberg for usually 12 months (maximum 24 months).
2. The ESA BIC in Baden-Württemberg offers to support projects and ideas for business incubation by providing funding, business support, technical assistance and access to office accommodation. The modalities and the extent of the support provided are negotiated on a case-to-case basis. As a general rule the incentive granted to one project shall be spent in Germany unless the product/service is not available in such territory and does not cover the labour costs of the entrepreneurs. The incentive will be maximum 25,000 EURO covering costs incurred for IPR & product development. This cash incentive is complemented by co-funding from the state of Baden-Württemberg up to the same amount of 25,000 EURO. In addition to the cash incentive, Bosch AE and Airbus DS are willing to provide the Incubatee with a maximum of 80 hrs technical support necessary for and directly related to the Activity of Incubatee (referred to as “Technical Support”). The Technical Support will be provided for the duration of the Incubation and is offered on a best efforts basis.
3. This Call is of a permanent nature meaning that it has no closing date for the submission of proposals as long as the ESA BIC in Baden-Württemberg has not indicated otherwise.
4. Applications are only considered from one of the Agency’s Member States (see note 1) and Canada.
5. Start-up companies with or without legal personality as well as individuals (natural persons) who are resident with a permanent working permit within said Member State may apply for this call. Natural persons are required to demonstrate that, at the time of submission of their proposal to the Open Call, the process of establishment and registration of a legal entity has been initiated. Additionally, if a legal entity has not been established/registered yet, the applicant shall provide the envisaged organisational structure, legal status and share ownership, if applicable, of the company. Non-compliance with such requirements will lead to the proposal being ruled non-admissible. A Contract with an applicant can only be signed when the registration of the corresponding legal entity has been completed and, said legal entity acquires full legal capacity.
6. In case of start-up companies with legal personality, the company – represented by its authorised representative(s) – is considered to be the Applicant.
7. In case of legal entities without legal personality, the general partner is considered to be the Applicant.
8. In case the Applicant is a natural person, (s)he is considered to be over eighteen years of age and of sound mind, and therefore able to enter into a binding agreement.

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9. All the above categories are hereinafter referred to as 'Applicant'.
10. This Call is not aimed at particular non-space sectors or domains but explicitly excludes activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.

Requirements:

11. Applicants are required to closely follow the instructions provided in this Call when producing and submitting their proposal (see Section I of Appendix 1).
12. Only those Applicants that fulfil all formal requirements (see Section II of Appendix 1) will be accepted for evaluation.
13. Applicants should carefully read the contractual documentation provided in Section III of Appendix 1. The application shall include a clear, explicit and unambiguous statement whereby the Applicant has read, understood and accepts the terms and conditions contained in the contractual documentation. In case, exceptionally, that the Applicant wishes to propose modifications or amendments, the full text of such modifications or amendments shall be given and the reasons for their being requested be clearly explained as part of the proposal.

Procedure and planning:

14. The evaluation of all proposals received shall take place in accordance with the rules and procedures of the Agency and the ESA BIC in Darmstadt (see Section II of Appendix 1). All Applicants will be informed of the outcome of the evaluation.
15. The evaluation procedure is managed locally by IHK-IWW with the participation of ESA, DLR, Airbus DS and cesah.
16. The Evaluation Board meets 3 times a year to evaluate the proposals received in the preceding months. Proposals will be accepted for the current evaluation round in case they reach the ESA BIC Darmstadt Project Manager and ESA within the current deadline, the date of which is published on the web page www.esa-bic-bw.de.
17. The period between notification of a successful tender and contract placement should not exceed 3 months.

Miscellaneous:

18. The contents of Applicant proposals shall be treated as confidential.
19. In spite of the efforts undertaken by IHK-IWW, Airbus DS and cesah to ensure full confidentiality, the Applicant's idea may through this application (if not specifically protected like for example by patent rights) fall into the public domain. Therefore, we strongly recommend that the Applicant

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discusses the protection of his/her idea with a dedicated expert in this field prior to application.

20. The Incubatee shall own all Intellectual Property Rights arising out of the Activity performed under this Contract as may be granted by law, as far as no infringement of Third Party rights occurs.²
21. No expenses incurred in either stage of the application procedure will be reimbursed to the Applicant by IHK-IWW, Airbus DS, cesah, the Agency and/or any third party.
22. In no event shall this Call for Proposals be construed as imposing any obligation whatsoever upon cesah to enter into negotiations with any Applicant or to enter into any other specific arrangement for business incubation in any of the Agency's establishments.
23. IHK-IWW, Airbus DS, cesah and the Agency are committed to ensuring equal opportunities and the elimination of discrimination of any type for all applications complying with the conditions and requirements set forth in this Call.

Your complete proposal with all supporting documents is to be submitted in electronic form (signed .pdf and .doc) to the following email address:

engelhard@reutlingen.ihk.de

Any queries relevant to the submissions of proposals are to be addressed to the above e-mail.

In parallel, one signed paper original is to be submitted to:

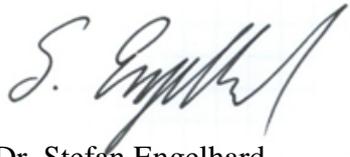
Institut für Wissensmanagement und Wissenstransfer (IHK-IWW)
IHK Reutlingen
Hindenburgstr. 54
72762 Reutlingen
Germany

for the attention of Dr. Stefan Engelhard
Subject: ESA BIC in Baden-Württemberg Open Call

² If the Agency or its Member States require the use of any Intellectual Property Rights, owned by the Incubatee as described in Item 20 above, for the performance of the Agency's programmes, the Incubatee shall be invited to submit a proposal following a request for quotation issued by the Agency. If, for any reason, the Incubatee is not able to submit a proposal within the determined tendering period, or following evaluation, said proposal is not recommended in-line with the ESA Rules and Regulations, the Agency is automatically entitled to a worldwide, irrevocable, transferable, non-exclusive licence to use on "favourable conditions" (i.e. more favourable for the Licensee than market conditions but still allowing reasonable profit for the Licensor) such Intellectual Property Rights for non-commercial purposes within its Scientific Research and Research and Development programmes, with the right to grant sub-licenses. Notwithstanding the above provisions of this Sub-Clause, shall the Incubatee provide the Agency with conclusive evidence that granting said licence would cause it to suffer economic hardship, the Agency's authorised representatives may jointly, on a case by case basis, waive this right.

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Yours faithfully,



Dr. Stefan Engelhard
Head of Institut für Wissensmanagement und Wissenstransfer, IHK Reutlingen



Dr. Georg Willich
Head of Technical Strategy Space Germany, Airbus Defence and Space GmbH



Dr. Frank Zimmermann
Managing Director cesah GmbH, Darmstadt, Germany

Appendix 1: Call for proposals
(for business incubation)

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Section I. Instructions for Business & Activity Proposals

Section I of this Call for Business & Activity Proposals is meant to inform applicants of the required length and content of their Business & Activity Proposal (BAP). Any relevant information in addition to the required information is welcome.

Please refer to “Appendix 2: ESA BIC BAP Template” containing the above-mentioned instructions.

Section II. Formal Requirements, Evaluation Process and Criteria

Section II of this Call is meant to inform Applicants of the selection process and criteria.

A. Formal requirements

In order for the Applicant's proposal to be accepted for evaluation, the requirements listed below need to be fulfilled. The ESA BIC in Baden-Württemberg general application requirements are applicable to all ESA BICs Applicants. The specific requirements are only applicable for incubation in the ESA BIC in Baden-Württemberg .

ESA General Application Requirements

- The Applicant's product or service is based on a transfer of space technology to, and/or utilisation of a space system in a non-space environment (spin-off), or exploitation of non-space technology in the space market (spin-in).The Applicant sells and delivers innovative products, processes or services (consultancy is excluded) for his own account and risk.
- The Applicant's first registration at a chamber of commerce (or business registration, entry in the commercial register, registration at the tax office) has taken place no longer than 5 years prior to submission of Applicant's proposal to the Agency³.
- In case the Applicant has legal personality, the Applicant does not form part of a group at the time of submission of the Applicant's proposal to the Agency. This means that no less than half the issued capital is owned – directly or indirectly – by the authorised representatives applying on behalf of the Applicant. In case the Applicant is a legal entity without legal personality, the Applicant is a fully authorised general partner. Please provide the names of the owner(s) of the company and the related shareholding.
- The Applicant does not conduct business activities promoting, or being related to, alcohol, tobacco, religion, politics, intolerance, violence, firearms, pornography, obscenity, gambling or illegal drugs.
- The Applicant shall provide a copy of an official identity form with the application.
- The Applicant is able to communicate in English.
- The Applicant will inform the Agency of any financial support received during the execution of the incubation contract and acknowledges the State Aid restrictions applicable in the European Union.
- The Applicant states that the terms and conditions of the template incubation contract and the template tenancy agreement are accepted without any reservations.

³ If applicable, a copy of the registration with the Chamber of Commerce shall be enclosed with the application.

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- The Funding is linked to work packages within the incubation project only.
- The Funding is granted in net amounts (not including VAT).
- The information provided in the application and in the supplementary data sheet is binding and forms the basis of the funding granted. Any changes in this information must be reported immediately and are subject to approval.

ESA BIC in Baden-Württemberg Specific Application Requirements

- The Applicant states that the terms and conditions of the draft incubation contract are accepted without any reservations.
- The Applicant states not to be hosted in another business incubator – or entity or organisation providing similar support, for the duration of the incubation contract.
- The Applicant shall set up and register a company establishment in Baden-Württemberg prior to the start of the business incubation.
- In case the Applicant is a legal entity, the company must fall into the EU definition of SME and the specific requirements of the state innovation voucher “Hightech Start-up” (Innovationsgutschein of Baden-Württemberg): A maximum company size of up to 100 employees (full-time equivalents) and a previous year's turnover or balance sheet total of 20 or less Million Euro..
- Company headquarters are expected to be located at the premises of one of the two sites of the ESA BIC in Baden-Württemberg. Further expected are local presence at the sites and the corresponding network events.
- The project must be a high-tech project in the following priority areas: sustainable mobility, environmental technology, renewable energy and resource efficiency, health economics, life sciences, information and communication technology (ICT), green IT and smart products.
- State funding of Baden-Württemberg as part of the total funding must comply with the conditions of the state innovation voucher “Hightech Start-up”. The eligible services of this part do not include e.g.
 - o internal work
 - o internal personnel,
 - o travel costs,
 - o classical business consulting,
 - o purchase of machinery, equipment, hardware and software,
 - o expenses for sales and advertising and
 - o fees in connection with the protection of property rights.
- The applicant has to provide all documents requested by financial partners and to comply with all conditions required.

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B. Evaluation process

Until further notice by the Agency, IHK-IWW, Airbus DS or cesah, Applicants are invited to submit their proposal for ESA business incubation centre in Baden-Württemberg at all times.

Upon receipt of the proposal, the Agency and its local partners shall first assess the admissibility of the Applicant's proposal. The proposal is only admitted for further evaluation in case all formal requirements (See *A* above) have been met. In all other cases the proposal shall be rejected. The outcome of this first assessment shall be communicated to the Applicant.

In case the proposal is compliant with the formal requirements, the Agency and its local partners shall perform an evaluation meeting (Tender Evaluation Board or "TEB").

Applicants will be requested to hold a presentation of the proposal in front of the above-mentioned TEB and to provide answers to any questions the Board might have.

The proposal and the presentation will be marked against the selection criteria detailed under *C* below.

The decision of the TEB regarding the application is final and without appeal. The incubator manager is responsible for notifying the Applicant in writing. The incubator manager will debrief the applicant if requested.

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C. Evaluation criteria

The evaluation shall be based on the way the criteria below have been addressed both in the proposal and during the Applicant's presentation.

- Formal Aspects
 - a) Compliance with ESA General Application Requirements
 - b) Compliance with the Specific Application Requirements of the ESA BIC in Baden-Württemberg

- Background and Experience (25%)
 - a) Experience and team composition
 - b) Support entities
 - c) Vision

- Technology / Service (20%)
 - a) Space Connection
 - b) Technical feasibility of the product / service to be developed
 - c) Product development strategy
 - d) Intellectual Property strategy

- Value Proposition & Market (20%)
 - a) Value Proposition
 - b) Market
 - c) Competition

- Business Modelling and Risk (15%)
 - a) Revenue Model
 - b) Finance
 - c) Risk

- Activity Proposal (20%)
 - a) Quality of the eBAP
 - b) Milestones / cost planning
 - c) Work break down
 - d) Management
 - e) ESA BIC investment opportunity