

# Tips on Completing the Application

- Take your time and think through your answers before submitting
- Complete every question on the application
- Submit only ONE idea per application. There is no limit to the number of applications an individual or company can submit, but each must be completed thoroughly.

*Below is a question by question discussion of the application with tips for answering each question.*

## **Title for your Product Idea:**

A short phrase that describes your product idea. Please limit to 75 characters.

## **In 100 words or less, please provide a non-confidential description of your product idea:**

Don't give technical details behind the product, especially if it has not been patented or disclosed. Here is what you need to include:

- A general description of the product and what it does
- Description of the end user or target market/audience

## **Loan Amount and Product Development Phase:**

The loan amount is limited by the product development phase that aligns most closely with the current status of your product idea. The maximum loan amount is \$60,000 for a Phase 3 loan. Mark only ONE phase. Use the guide on the last page of the application to determine which phase is most applicable. For Phase 1, the maximum loan amount is \$15k for early stage ideas that may require significant market research and/or patent work. For Phase 2, the maximum loan amount is \$40k intended for intensive market research and/or preliminary design/engineering work. For Phase 3 the maximum loan amount is \$60k for detailed design work and/or prototype development.

Please note: the work required in each phase **MUST** be completed before applying to the next phase, but don't get overly concerned about getting the phase correct. If you are selected for funding, you will work with the MAGNET staff to develop a Scope of Work defining the tasks that must be completed.

### **1. What is the problem that your idea will solve?**

Why will customers be excited to hear about your product? Is there a problem a certain industry or target audience has that current products do not adequately solve? Why will they care that your product exists?

### **2. Have you conducted market research related to this product idea (i.e. internet searches, focus groups, market surveys, etc.)? If so please describe.**

Have you had a market research firm do a market study for you? Have you done internet or other research yourself? Do you know who would buy this product? How many units you could expect to sell? What price you could sell it for? Don't worry if you do not have answers to these questions yet; just tell us what has been done thus far.

### **3. Are there similar products currently available on the market? If so, please describe.**

Is there another product on the market that does the same thing or has the same benefit as yours? Do your homework before answering this question. Conduct a thorough internet

search or make some phone calls to companies that sell competitive products to the target industry.

**4. What is your advantage over any competitors and competitive products?**

What is the dramatic difference between your product and what is currently available on the market? Why would customers buy yours? Clearly state any advantages, which should be real advantages in the eyes of the customer.

**5. How unique is the technology involved in your idea?**

Is your product made up of existing readily available components, or is it powered by a new technology that can potentially be adapted to other new products as well? If the technology is new, please explain differences and advantages over current technology.

**6. What is the current status of the development of your idea (i.e. work done to date on market research, product concepts, design, engineering, etc.)?**

Use the work listed in the "Product Development Phases" from the last page of the application to build a picture of where you stand in the development of your product.

**7. What product development activities do you expect to fund with this loan money? Please be specific.**

Please describe what specific activities you plan to fund with the money, and if possible, approximate the cost associated with each activity.

**8. Have you identified any viable manufacturing opportunities for your product in Cuyahoga County? If so, please describe. If not, please specify what manufacturing you expect to do in Cuyahoga County. Be as specific as you can. (Please note that under the terms of this program, manufacturing of the new product *must* be done in Cuyahoga County for a minimum of 7 years.)**

Please describe any manufacturing opportunities you have identified for your product in Cuyahoga County, specifying potential manufacturing sites, contract manufacturers, etc. Also, describe what specific manufacturing aspects of the product you plan to do in Cuyahoga County. This includes mechanical, physical, chemical or other transformation of materials, substances, or components into the new product. Activities comprised solely of packaging and/or distribution are not considered manufacturing for the purposes of this program.

**9. Have you made a personal investment into this idea?**

Did you buy some parts to make a rough prototype? Or maybe you invested in a patent or hired an outside firm to complete some of the product. In any event, total up the amount of your own money that you have invested so far. Do not include the value of time spent working on your idea.

**10. Have you received any External funding or investment?**

Whether it is \$5,000 from a family member or \$500,000 from an outside investor, give the total money you have received specifically for this product that was not yours.

**11. Have you applied for a patent on this idea? If so, provisional or full?**

Self explanatory

**12. Have you received a patent?**

Self explanatory

**13. Do you own patents on any other products?**

Self explanatory

**14. Have you disclosed this idea publicly?**

Have you written an article or given a speech about your product? If so, that is public disclosure of your idea.

**15. Do you have any design documents?**

Check YES if you have anything that will help the review committee get a better understanding of your product. This could include a hand sketch on a piece of paper to a professional 3-D computer model, or anything in between. Be sure to attach any drawings or documents that further explain your product idea, up to the 5 page limit.

**16. Do you have previous Product Development experience?**

Explain any relevant experience in any phase of product development or bringing a new product to market. This may include work done on your own product or work done while employed at a company.

**17. If you are applying on behalf of a company, how long have you been in business?  
What were your total sales in 2009?**

Self explanatory

**Attachments**

Please attach only relevant information that would support your application. This can include an executive overview, patent application, drawings, market study summary, etc. Only 5 pages or less will be reviewed by the judging committee.