

TEDCO Company Assessment Tool

Companies passing through Stage 4 (completing listed milestones) are ready to be considered for a TEDCO Seed Investment.

| TEAM | |
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| Stage | Description of Company's Development |
| 4 | <ul style="list-style-type: none"> • Team has the capability to execute a sales/go-to-market/operational strategy as evidenced by past experience or by sales traction. • Team has demonstrated its ability to innovate (product or business model) to stay ahead of new entrants in the market. |
| 3 | <ul style="list-style-type: none"> • Team has a clear understanding of how their market operates – sales cycle, channel strategy, and pricing model. • Team has developed strong industry contacts with strategic partner organizations/large customers. • Team has recruited three to four key advisors and engaged with them. |
| 2 | <ul style="list-style-type: none"> • Team consists of more than one founder • Team has the technical ability to build a fully functional prototype • Team has a clear understanding of the value chain and cost structures in the industry • Team has engaged qualified, pro bono community resources/advisors. |
| 1 | <ul style="list-style-type: none"> • Team has members with relevant business experience – the founder(s) must have clearly demonstrated domain/industry vertical experience or technology/product development experience. • Team has substantial experience with the problem being addressed by the company's products. • The team understands the need for other team members including when it might be necessary to recruit an experienced CEO. |

| PROBLEM | |
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| Stage | Description of Company's Development |
| 4 | <ul style="list-style-type: none"> • Company has validated that it can solve its customers' problem to the degree claimed. |
| 3 | <ul style="list-style-type: none"> • Company's product/solution has been validated through beta/pilot or a small number of paying customer engagements. |
| 2 | <ul style="list-style-type: none"> • Company can articulate why it has the capability to solve the problem better than others. |

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| | <ul style="list-style-type: none"> • Company can articulate the problem quantitatively – by associated costs or other distinct measures. |
| 1 | <ul style="list-style-type: none"> • The identified problem is specific, important, and large. • Company [team] has personal experience with the problem and understands it thoroughly. • Company has an in-depth understanding of other approaches to solving the problem (including the status quo or “Do nothing” approach) including their strengths and weaknesses. |

PRODUCT

| Stage | Description of Company’s Development |
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| 4 | <ul style="list-style-type: none"> • Company has a commercial-ready product on the market or ready to launch with a viable go-to-market strategy. |
| 3 | <ul style="list-style-type: none"> • Company has a commercial-ready, minimum viable product. • Product has been (beta) tested with customers and feedback has been collected. |
| 2 | <ul style="list-style-type: none"> • Company has a basic low-fidelity prototype and evidence that the prototype solves the problem to the degree necessary to be competitive in the market. • Company has a clear product development plan with cost estimates and timeline. • Product has associated intellectual property or some other characteristic that provides for a sustainable competitive advantage. |
| 1 | <ul style="list-style-type: none"> • Company has a clear, detailed conception of the product that will solve the target problem. |

MARKET

| Stage | Description of Company’s Development |
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| 4 | <ul style="list-style-type: none"> • Company has validated its initial market through revenues or a pilot study. • Beta testers have converted to paying customers. |
| 3 | <ul style="list-style-type: none"> • Company has validated its market through beta testing in its initial target market. • Company has demonstrated that customer feedback has been incorporated into the product development plan and go-to-market strategy. |
| 2 | <ul style="list-style-type: none"> • Company has conducted formal customer interviews to validate assumptions about the problem and the proposed product. |

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| | <ul style="list-style-type: none"> • Company has identified regulatory hurdles and created a strategy to address them. |
| 1 | <ul style="list-style-type: none"> • Company has completed a detailed market segmentation analysis and selected an appropriate initial target market segment. • Company has completed a detailed competitive analysis. • Company has conducted a preliminary freedom-to-operate analysis. |

BUSINESS MODEL & SCALABILITY

| Stage | Description of Company's Development |
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| 4 | <ul style="list-style-type: none"> • Company has a financial model and can defend all assumptions. • Company is confident about meeting its 12-month projected financial targets |
| 3 | <ul style="list-style-type: none"> • Clear strategy to move into multiple markets while maintaining focus on initial target market goals. • Company has developed a set of 5-year financial projections with major and minor assumptions tested. |
| 2 | <ul style="list-style-type: none"> • Evidence that multiple markets experience the problem that will be addressed with the company's products. • Company has developed a set of 5-year financial projections with major assumptions tested. |
| 1 | <ul style="list-style-type: none"> • Company has identified an outline of a potential revenue/pricing model. • Company has identified multiple potential markets for their product and an initial target segment. |

INVESTMENT OPPORTUNITY/EXIT

| Stage | Description of Company's Development |
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| 4 | <ul style="list-style-type: none"> • Company has initiated conversations with one or more large customers, which are watching the company with interest. • Company is generating revenue or has a viable pathway to revenue. • Company has secured at least \$150K from one or more angel investors or through economic development programs. |
| 3 | <ul style="list-style-type: none"> • Company has identified a viable exit strategy including milestone targets, timing targets, potential acquisition partners, comparable acquisitions for the industry. • Company has secured at least \$50K in funding through a FFF round or bootstrapping or crowd sourcing. |

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| | <ul style="list-style-type: none">• Company has developed a viable financing strategy (including likely sources of funding/funding partners) to reach all milestones up to product launch and the likely sources |
| 2 | <ul style="list-style-type: none">• Company has developed a viable financing strategy to reach its next significant milestone and the likely source of funding/funding partners. |
| 1 | <ul style="list-style-type: none">• Company is targeting a Total Addressable Market greater than \$500M• Company is reasonably projected to grow to revenues of at least \$10M within five years. |