**UTSA New Venture Incubator (NVI) Procedures**

**I. Scope**

Public and private investment in sponsored research at the University of Texas at San Antonio results in the creation of technology, inventions, and ideas. Part of the mission of the University is to facilitate the practical application of such knowledge for the benefit of the faculty, University, students, and the public. To fulfill this objective, the University has elected to create the UTSA New Venture Incubator (hereinafter “NVI”).

The goal of NVI is to facilitate the development of marketable products, processes, and services from university-based research discoveries and to promote the distribution of those products, processes, and services through successful business ventures. In the long-term this will result in a positive impact on regional technology-based economic development.

The purpose of these procedures are to provide guidance to University personnel in the operation of the NVI, including the selection of new business enterprises within the context of and consistent with the principles governing a public institution of higher education. This procedure is designed to set minimum standards for the NVI while maintaining the flexibility necessary to consider matters arising under this procedure in light of their own unique circumstances. In all circumstances, the NVI shall follow all relevant University policy or any applicable law or regulation.

**II. Administration**

1. The New Venture Incubator (NVI) shall be operated by the Office of Commercialization and Innovation under the direction of the Chief Commercialization Officer (CCO).
2. The New Venture Incubator (NVI) shall have an Advisory Committee (hereinafter “Committee”). The Committee membership shall be appointed by the CCO and shall review all incubator applications from businesses for membership into the NVI. The Committee shall make a recommendation to the CCO or designee for acceptance of the business into the NVI. The Committee may seek ad hoc assistance as required to complete an effective review of any application for membership. Members of the Committee shall recuse themselves from any review where the member has a potential conflict of interest. The final decision on granting membership in the NVI to a business shall be made by the CCO or designee.

1. The CCO shall sign all agreements between the University and the NVI Members.

**III. Criteria for Admission to NVI**

An applicant for admission to the NVI must meet all of the following criteria:

1. The applicant must be a formally organized business entity (corporation, LLC, etc…).
2. The applicant must utilize a technology-based product, idea, or business concept that is consistent with the goals of the University and that has the potential to attract collaborative research with University researchers, commercialize university’s intellectual property, stimulate job growth, provide valuable internships to university students, or promote other positive impacts for the faculty, University, students, and the public.
3. The business venture must demonstrate collaboration with a University faculty member or a University research scientist, such as the commercialization of UTSA intellectual property, the intention to seek joint grant opportunities, internship programs for UTSA students, or supporting UTSA research through a Master Research Agreement or Sponsored Research Agreement.
4. The applicant must have a financial/business plan.
5. The business venture must not be in competition with another member in the NVI and must not be primarily a retail, franchising, or manufacturing concern.
6. The applicant must have in place or must have identified the beginnings of a sound management and/or product development team.

**IV. Requirements of Membership in the NVI.**

In addition to satisfying the criteria for admission to the NVI, an applicant must agree:

1. To pay to the University negotiated fees for the use of space on University premises, which includes the cost of utilities, computer use, telephone use, and for other equipment or services provided by the University.
2. To limit the duration of membership in the NVI to a negotiated period of time generally not exceeding five (5) years. The CCO, under the advice of the Committee, may extend this term as appropriate, or grant the status of Anchor Tenant as described in section VI.
3. To indemnify and hold harmless The University of Texas System, its Board of Trustees, The University of Texas at San Antonio, its employees and agents from all claims relating to, but not limited to, product liability, health and safety violations, accidents and injuries and to provide reasonable insurance protection against such claims.
4. To follow and to be bound by relevant laws and by University policies and procedures, including, but not limited to:

1. Patents and Copyright;

2. Conflict of Interest;

3. Use of Human and Animal Subjects in Research;

4. Biosafety; and,

5. Hazardous Waste and Restricted Materials.

6. Export Control

7. Insurance

1. To execute and deliver to NVI such documents as may be necessary to reflect these and other reasonable requirements, including an Application for Membership, an Incubator License Agreement, an Intellectual Property License Agreement, and a Safety Checklist, as appropriate.

**V. Application Process**

Applications for membership in the NVI shall be processed as follows:

1. An applicant shall submit an Application for Membership, Safety Checklist, and any required supporting documentation to the NVI. The Advisory Committee and shall review the application, or a summary thereof. The application can be found at:

http://research.utsa.edu/research-funding/commercialization/new-venture-incubator/

1. The Committee may require the principal(s) of the applicant to appear at an NVI meeting to present the information contained in the Application.
2. Based on the review, the Committee shall make a recommendation regarding the application to the CCO, who may accept or reject the recommendation. All acceptances into the NVI shall be conditioned on the execution of appropriate agreements as referenced in section IV.E. above. The CCO may impose additional conditions on acceptance into the NVI.
3. After an applicant has been accepted into the NVI, the CCO or designee shall work to facilitate the negotiation of the required agreements. In the event the parties cannot reach an agreement on the necessary terms of membership, acceptance into the NVI shall be revoked.

**VI. Periodic Review**

At the time of acceptance into the NVI the CCO shall establish a schedule of periodic review of the member’s inclusion in the NVI, which shall be no less frequently than on an annual basis. The periodic review shall be conducted by the members of the Committee or designee(s), which shall establish such criteria for review as it deems appropriate. The Committee or designee(s) shall make a recommendation to the CCO regarding the member’s continued participation in the NVI based on the review. The CCO may accept or reject the recommendation or may impose conditions on the member’s continued participation in the NVI

**VII. Description of Anchor Tenants**

The National Business Incubator Association reported that “as experienced companies with business needs and resources, anchor tenants can directly or indirectly help start-ups and the incubator’s overall economic development mission.”

Being an anchor tenant in the NVI provides UTSA with knowledge and expertise related to start-ups and boot strapping new companies.  The incubator tenants have the opportunity to engage with experienced successful entrepreneurs who understand what the needs are of the UTSA community and of San Antonio. This “NVI-Anchor Tenant” relationship benefits UTSA in future start-ups for our faculty, students and our community outreach.

Anchor Tenants may be members of the NVI for an indefinite period of time beyond the typical duration of membership, as long as they continue to fulfill the mission as described above.