

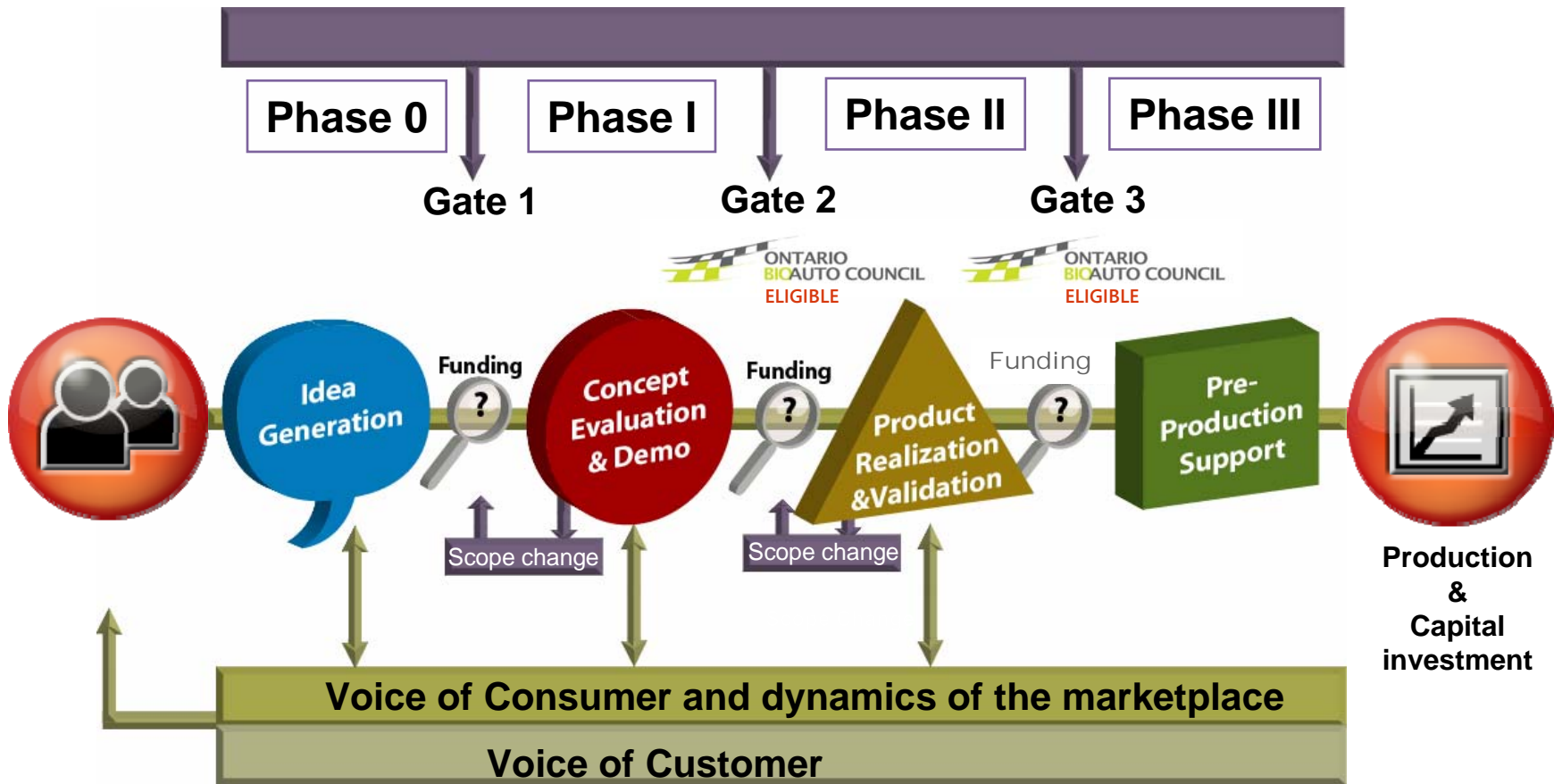


**ONTARIO
BIOAUTO COUNCIL**

BIOAUTO INVESTMENT FUND

Commercialization Process and
Investment Fund targets

Ontario BioAuto Investment Fund Commercialization Process



Phase 0: Defined

Idea Generation

Technical Risk	Commercial Risk	Company Spending
High	High	\$-Low

Technical Development

- Idea phase
- Brainstorm solutions to pre-identified market needs
- Concept design sketches

Commercial Development

- Ideas clearly linked to defined market & customer needs
- Preliminary business case in development

Gate 1: Defined

*Assessment of **Phase I** Readiness:*

- Is idea linked to market need and customer need?
- Is idea unique?
- Can the idea be protected? By patent? Trade secrets?

Phase I: Defined

Concept Evaluation & Demonstration

Technical Risk

High

Commercial Risk

High

Company
Spending

\$\$-Med

Technical Development

- Research concept technical feasibility
- Low cost concept mock ups & testing, if possible
- Preliminary product design & drawing
- Demonstration of basic concept feasibility in desired application

Commercial Development

- Clinic ideas, consumer feedback
- Business case assessment using surrogate data/costs
- Patent search and filing
- Survey competitive situation
- Identification of potential development partners

Gate 2: Defined

Assessment of Phase II Readiness:

- Is idea supported by a market and customer need?
- Has concept feasibility been demonstrated for desired application?
- Has patent application been filed, if applicable?
- Has intellectual property strategy been identified?
- Does preliminary business case justify further development?
- Has a target customer been identified?
- Has a competitive strategy been established?
- Does idea support the BioAuto Investment Fund objectives & priorities?

If yes to all questions above, concept is ready to proceed to **Phase II** and may be eligible for Ontario BioAuto Council funding

Phase II: Defined

Product Realization & Validation

Technical Risk

Med

Commercial Risk

Med

Spending

\$\$\$-High

Technical Development

- Detail product design and drawing
- Product creation and validation to basic customer requirements using prototype tooling
- Identification of manufacturing process and supply options

Commercial Development

- Market entry clearly identified (ideally customer interest established)
- Clinic prototype, consumer feedback
- Detailed analysis of business case
- Establish IP strategy, (licensing agreements signed etc.)
- Monitor competitive threats



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Gate 3: Defined

*Assessment of **Phase III** Readiness:*

- Has prototype demonstrated ability to meet customer technical requirements?
- Does detailed business case support profitable new product launch?
- Does idea support the BioAuto Investment Fund objectives & priorities?

If yes to **all** questions above, product is ready to proceed to **Phase III and may be eligible for Ontario BioAuto Council funding**

Phase III: Defined

Pre-Production Support

Technical Risk

Low

Commercial Risk

Low

Company
Spending

\$\$\$-High

Technical Development

- Product build, validation and design changes using production tooling
- AQPO requirements (auto industry)
- Limited R&D support

Commercial Development

- Program awarded/Product sales
- Re-validation of business case with production resources
- Secure manufacturing supply options
- Execution of commercial /IP agreements
- Suppliers sourced and engaged

Phase 0: Defined
Idea Generation

↓ GATE 1

Phase I: Defined
Concept Evaluation &
Demonstration

↓ GATE 2



Phase II: Defined
Product Realization &
Validation

↓ GATE 3



Phase III: Defined
Pre-Production
Support

Technical Risk	Commercial Risk	Spending
High	High	\$-Low

Technical Risk	Commercial Risk	Spending
High	High	\$\$-Med

Technical Risk	Commercial Risk	Spending
Med	Med	\$\$\$-High

Technical Risk	Commercial Risk	Spending
Low	Low	\$\$\$-High

Questions?

Please contact the Ontario BioAuto Council
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519-827-1118