

NJ INNOVATION FELLOWS

Fostering Inclusive Innovation and Entrepreneurship in New Jersey



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About NJEDA

Mission

The New Jersey Economic Development Authority (NJEDA) grows the state's economy and increases equitable access to opportunity by supporting high-quality job creation, catalyzing investment, and fostering vibrant, inclusive community development. The NJEDA works in partnership with a diverse range of stakeholders to implement programs and initiatives that improve quality of life, enhance economic vitality, and strengthen New Jersey's long-term economic competitiveness.

Vision

To make New Jersey a national model for sustainable and equitable economic growth by investing in communities, fostering innovation, and supporting industries with high quality-jobs in the State.

Economic Transformation

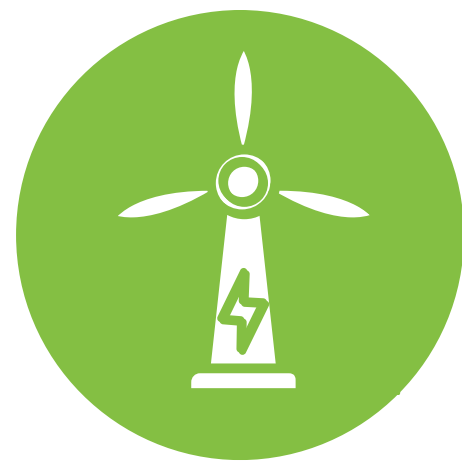
Mission Statement

The Economic Transformation (ET) Division works to support high-quality job creation, catalyze private investment and build the country's most diverse innovation ecosystem in New Jersey. The division provides value added business engagement and products aimed at commercial businesses within the strategic sectors.

Strategic Sectors



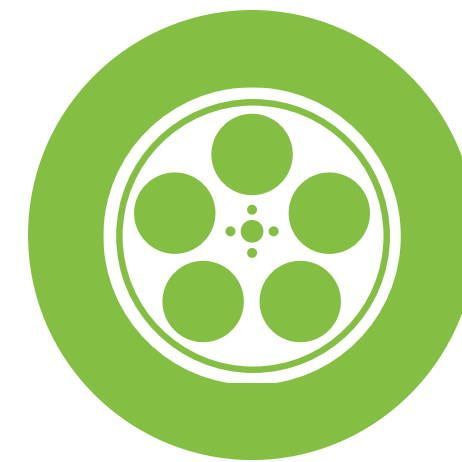
Advanced
Manufacturing



Offshore
Wind



Clean Energy



Film & Digital
Media



Financial & Professional
Services



Non-Retail
Food & Beverage



Life Sciences



Advanced Transportation
& Logistics



Technology

Financing & Incentives

Grants

- ▶ Catalyst Seed Grant (CSIT)
- ▶ SBIR Matching (CSIT)
- ▶ Clean Tech Seed Grant Program (Round III)
- ▶ Maternal Infant Health Seed Grant
- ▶ NJ Innovation Fellows (NJIF)
- ▶ Technology Business Tax Certificate Transfer Program (NOL)



Investment Tools

- ▶ Angel Investor Tax Credit
- ▶ Angel Match Program
- ▶ Bond Financing
- ▶ Venture Fund Investments
- ▶ NJ Innovation Evergreen Fund
- ▶ Net Operating Loss
- ▶ Edison Innovation Fund
- ▶ NJ Accelerate



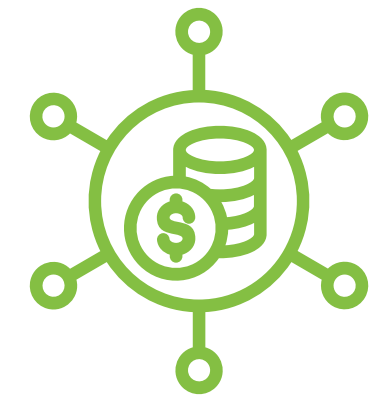
Community

- ▶ NJ Founders and Funders
- ▶ NJ Ignite
- ▶ NJ Aspire
- ▶ NJ Cells
- ▶ NJ Entrepreneur Support
- ▶ NJ ZIP
- ▶ NJ Cool
- ▶ Salem County Energy Sales Tax Exemption
- ▶ Garden State C-Pace



Organizations

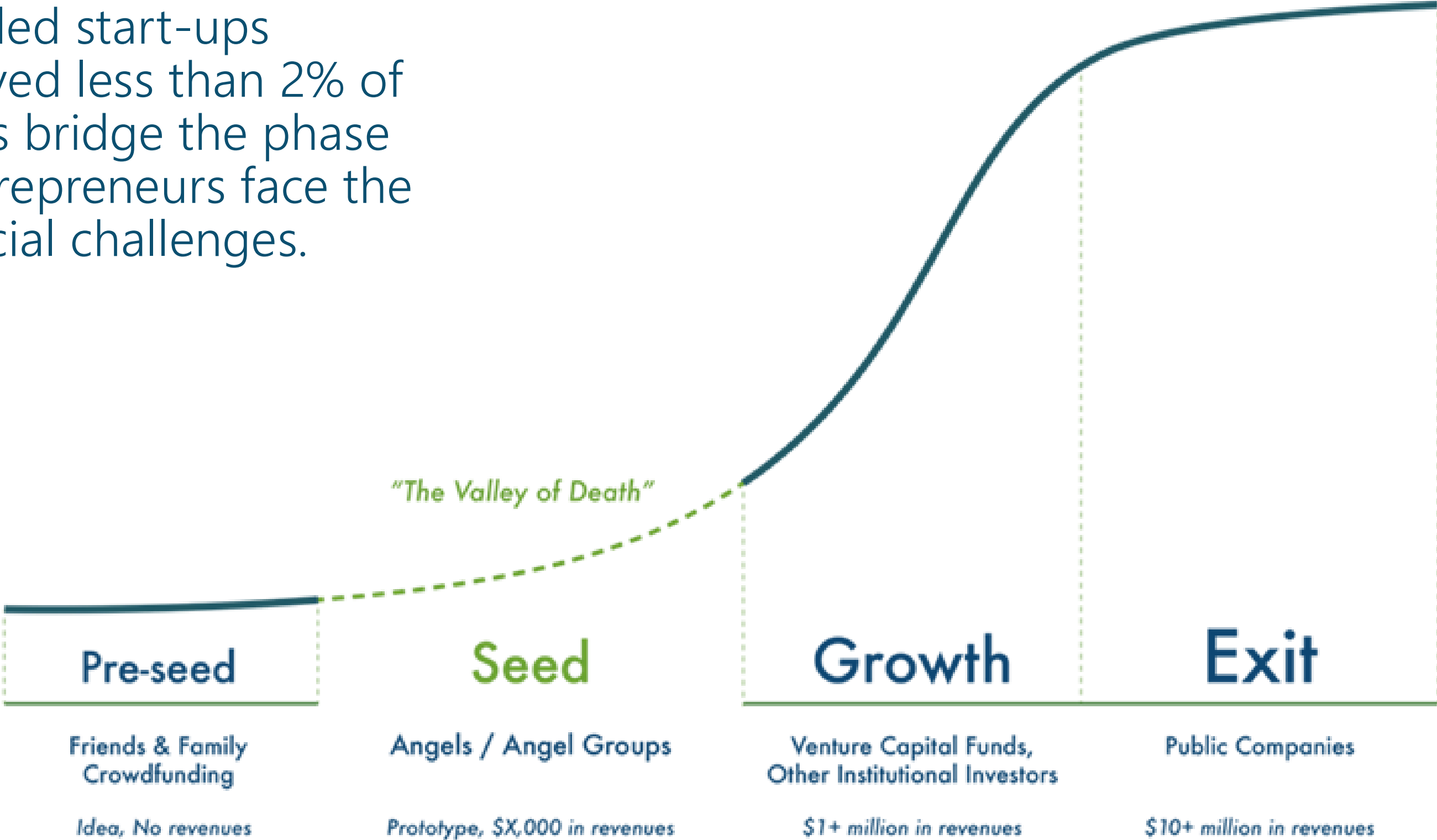
- ▶ Commission on Science, Innovation and Technology (CSIT)
- ▶ Small Business Development Centers (SBDCs)
- ▶ Maternal & Infant Health Authority (MIHIA)



CSIT - Commission of Science, Innovation and Technology

Early-Stage Support

Women and minority led start-ups historically have received less than 2% of VC funding. NJIF helps bridge the phase where early-stage entrepreneurs face the most significant financial challenges.



NJ Innovation Fellows Program

Provides non dilutive seed funding to serve as income-replacement for entrepreneurs



Delivers mentorship and skill development opportunities



Facilitates economic growth and job creation



Invests in diverse talent critical to New Jersey's vibrant innovation ecosystem



Targets innovative sectors



From a \$10M State appropriation, approved teams can compete to receive up to \$400,000 in startup capital for innovative business ideas.

Award Breakdown

Base Award \$200,000

- ▶ Each fellow receives a competitive salary to support their entrepreneurial journey and enable focus on their venture full-time.

Bonus Awards up to \$200,000

- ▶ Entrepreneurs that verify residency in a designated opportunity zone in New Jersey.
- ▶ Entrepreneurs who self-certifies as a diverse entrepreneur.
- ▶ Graduate of a New Jersey college or university (including 2-year and 4-year school) in the State.

Fellows gain access to income replacement capital of up to \$400,000

Mentorship

Innovation fellows will engage in a dynamic mentorship program, conducted in collaboration with the New Jersey Innovation Institute and Rowan University. This program will offer comprehensive technical training via a curated general operations curriculum. Additionally, fellows will have access to a diverse array of subject matter experts who will provide invaluable mentorship and guidance to teams, fostering innovation and growth.

Focus areas include:

- ▶ Managerial finance, accounting, & financial statements preparations
- ▶ Human resources development & management
- ▶ Marketing & customer development
- ▶ Product design, development & management
- ▶ Vision mapping
- ▶ Capital sourcing & raising
- ▶ Buyer personas
- ▶ Business model design
- ▶ Contracts & business structures (legal studies)



Application Process

Application evaluation is streamlined and consists of:

- ▶ Qualifying questionnaire
- ▶ Completeness check (document checklist)
- ▶ Competitive scoring
- ▶ 30-day registration period

All applications to the program, must include the following documentation:

- ▶ Online application
- ▶ Business plan in pitch deck format
- ▶ Organizational chart and resumes
- ▶ Personal address documentation
- ▶ Proof of NJ gross income tax paid



Qualifying Questionnaire

- 1 Does the applicant have at least three entrepreneurs that are willing to give full-time commitment to building its business over the next two years?
- 2 Does the applicant have a written business plan?
- 3 What fraction of applicant's leadership team of entrepreneurs (x/n) are first-time entrepreneurs?
- 4 What total equity interest in the applicant do the entrepreneurs have?
- 5 Does the entrepreneur leadership commit to program mentorship requirements?
- 6 Have the members of the team paid gross income tax to New Jersey within the last sixty (60) days?
- 7 Does the Entrepreneur Leadership commit to program mentorship requirements?
- 8 Do all members of the team commit to pay gross income tax to New Jersey for the two years following the initial disbursement of the fellowship grant?

Competitive Review

NJIF Competitive Scoring
(Max 29 Points)

*Evaluates business
foundation, operations, and
team strength.*



29 Possible
Points

Business Plan
Scoring:
0 – 5 points

Operations
Scoring:
0 – 4 points

Management
Scoring:
4 – 20 points

30-Day Registration Period

If approved, applicants are required to register their business with the State of New Jersey within thirty (30) days of notice of their award letter.

- ▶ Formation and Business Registration Documents of Newly Formed Business
- ▶ A Valid New Jersey Tax Clearance Certificate
- ▶ Payroll Service Provider Contract (e.g., Bank payroll agreement & accounts, Payroll software subscription, Payroll service provider agreement)



Award Disbursement & Ongoing Compliance Requirements

Awarded grants will be disbursed equally over the course of eight (8) quarters following EDA Board approval and upon submission of quarterly deliverables*:

- ▶ A Certified Organizational Chart
- ▶ Quarterly and Annual Financial Statements
- ▶ Verification of NJ Gross Income Tax Withheld and Paid for all entrepreneur leaders
- ▶ Evidence of Mentorship Engagement
- ▶ Evidence the Business Remains Located in an Eligible Municipality
- ▶ Individual Tax Filings



Important Program Material

There is a \$250 non-refundable application fee due at the time of application submission. Questions concerning the NJIF Program should be submitted to NJInnovationFellows@njeda.gov

All information related to the program can be found at njeda.com/new-jersey-innovation-fellows-program.



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