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FUNDING BEYOND THE GRANT

FINDING THE BEST-FIT FUNDING MODEL FOR
YOUR PROJECT OR CENTER

Nancy Maron, BlueSky to BluePrint

Rachael Bower, ATE Central

April 5, 2016

1pm Eastern

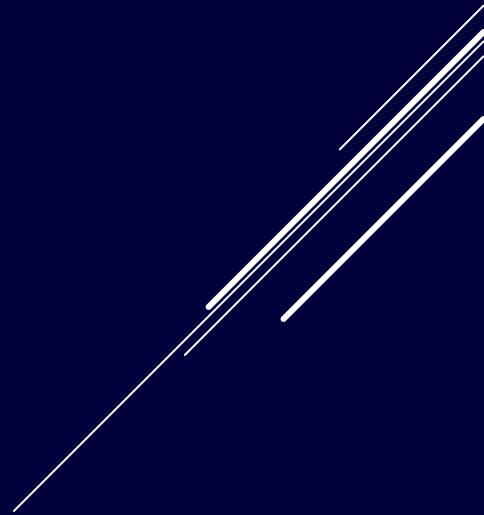
TODAY'S PRESENTERS



Nancy L. Maron
Founder, BlueSky to BluePrint, LLC



Rachael Bower
University of Wisconsin-Madison
PI, ATE Central



SPECIAL GUESTS



Dr. V. Celeste Carter
Lead Program Director
National Science Foundation




Deidre Sullivan
PI and Director, Marine Advanced Technology
Education [MATE]
Monterey Peninsula College




POLL QUESTION #1


I would describe myself as:

- A. Affiliated with an ATE grant
 - B. Affiliated with a TAACCCT grant
 - C. Not currently funded, but writing an ATE grant
 - D. Other
- 

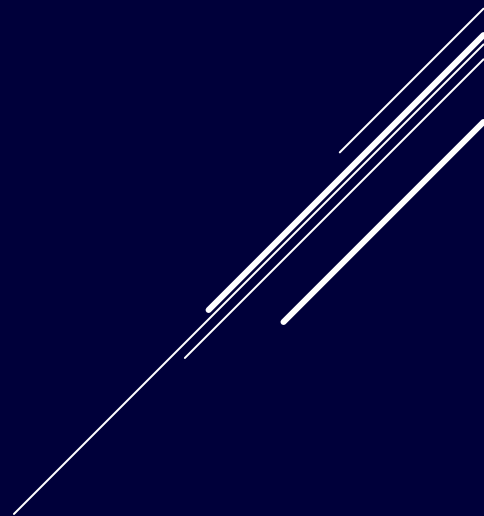
GOALS OF TODAY'S WEBINAR

- Encourage participants to challenge assumptions about future funding
 - Offer a framework to help brainstorm and test potential new funding opportunities
 - Share a strong example of an ATE center whose leaders have successfully created a diversified funding model
- 

AGENDA

- INTRODUCTIONS
 - SUSTAINABILITY AND FUNDING MODELS
 - TRANSLATING VALUE INTO REVENUE (or other forms of support)
 - OK, NOW WHAT? Testing your assumptions
- 

INTRODUCTIONS



ADVANCED TECHNOLOGICAL EDUCATION (ATE) PROGRAM

- **Education** of science and engineering technicians for high-technology fields that drive the nation's economy.
- **Community colleges** in leadership roles
- **Partnerships:** Industry and Economic Development Agencies, secondary schools, 4-yr institutions
- **Pathways:** 7-12, 2- and 4-yr

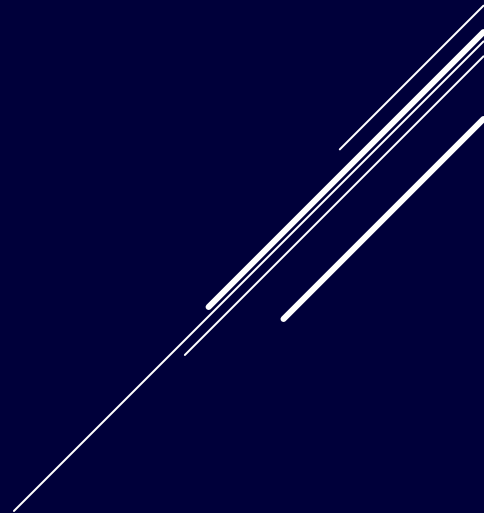




<http://atecentral.net/>

Primary Purpose: Amplify the Impact of ATE

- Information Hub and Portal
- Resource Collection
- Services and Tools
- Outreach and Dissemination



SUSTAINABILITY SUPPORT

- ATE Central: community driven
- *ATE Community Needs Survey* (2011)
- Significant need: sustainability support
- Workshops + webinars

MARINE ADVANCED TECHNOLOGY EDUCATION



MATE CENTER

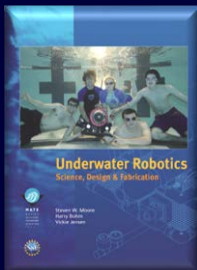
- ▶ First funded in 1997 - located at Monterey Peninsula College in California.
- ▶ MATE's mission is to use **marine technology** to inspire and challenge students to learn and **creatively** apply science, technology, engineering, and math (**STEM**) to solving **real-world** problems in a way that reinforces critical thinking, collaboration, **entrepreneurialism** and **innovation**.
- ▶ Currently funded by the NSF (ATE/ITEST/REU), industry contributions, and **SeaMATE** store sales.



MATE CENTER ACTIVITIES

Textbooks,
Curriculum,
Videos, Kits

SeaMATE



At-Sea Internships



Partnerships

800+ Academic Institutions
200 Industry Partners
4 Professional Societies

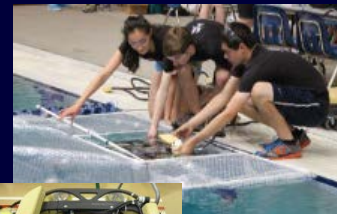
Workforce Research



Professional Development



Underwater Robotics Competitions



Career Awareness

Send us your Comments!

ABOUT OCEANCAREERS.COM

- Home
- CAREERS
- EDUCATION
- PROFESSIONAL SOCIETIES
- JOB AND INTERNSHIPS
- PROFILES
- PHOTO GALLERY
- LINKS
- SEARCH

Welcome to OceanCareers.com

- Explore over fifty ocean-related careers
- Find a college, university or training center that specializes in ocean-related education
- Find professional societies that can provide career guidance and scholarships
- Find internships and jobs
- Find hundreds of related links to continue your career exploration

I T H A K A

ITHAKA is a not-for-profit organization that helps the academic community use digital technologies to preserve the scholarly record and to advance research and teaching in sustainable ways.



JSTOR is a not-for-profit digital library of academic journals, books, and primary sources.



Ithaka S+R is a not-for-profit research and consulting service that helps academic, cultural, and publishing communities thrive in the digital environment.



PORTICO

Portico is a not-for-profit preservation service for digital publications, including electronic journals, books, and historical collections.

A GUIDE TO THE BEST REVENUE MODELS...



- ▶ Includes briefs on each model with real-world examples and tips on how to decide if the model is right for you.

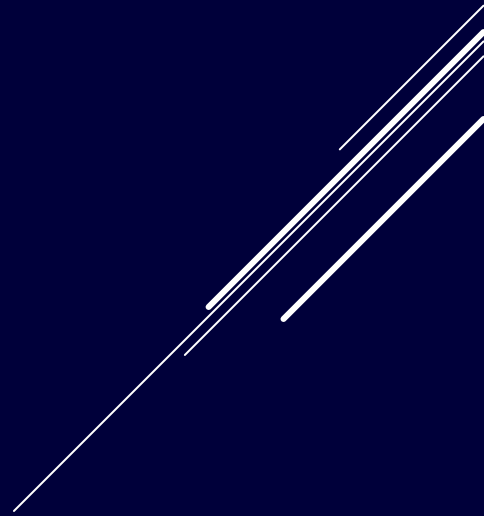
Available at: http://www.sr.ithaka.org/wp-content/uploads/2015/08/Jisc_Report_032614.pdf



- Strategy, consulting, research and training
- Focus on business models in academic and cultural heritage settings, all disciplines
- Case studies, reports and tools freely available on the Ithaka website, and ours
- Customized training and workshops for project teams


[HTTP://BLUESKYTOBLUEPRINT.COM/](http://blueskytoblueprint.com/)

SUSTAINABILITY AND FUNDING MODELS



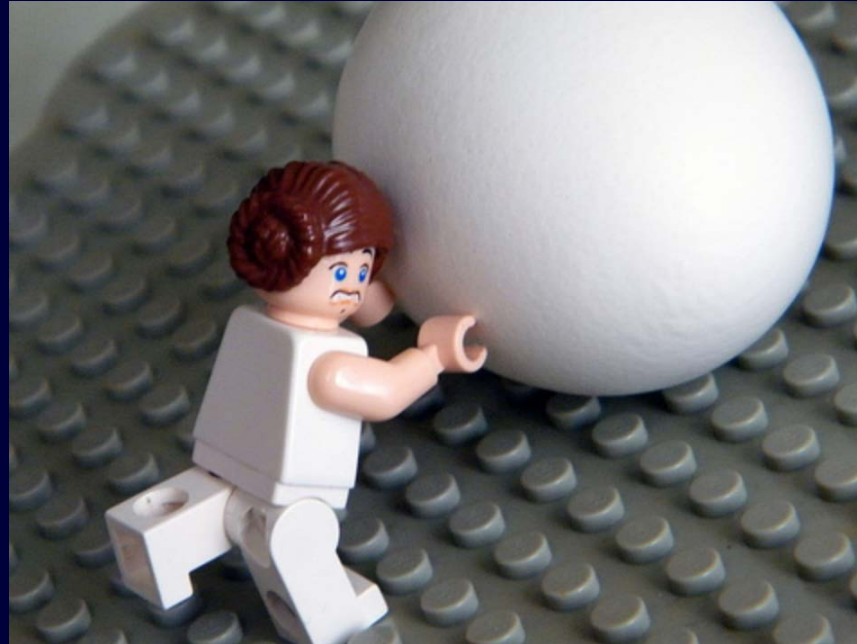
POLL QUESTION #2

I would describe our funding model as

- A. Very stable and reliable. We are confident it is working.
 - B. Somewhat stable. It has worked so far, but we keep looking for new approaches.
 - C. Unpredictable. We are always looking for ways to have greater control.
 - D. At risk. We are seriously concerned about how we will support our work in the future.
- 

WHY LOOK BEYOND THE GRANT?

- Funders face the Sisyphean task of launching new innovations... that keep coming back for more support
- PIs, too, realize that funding may not last forever.
- How might PI's take a more entrepreneurial approach?



Flickr. Dani_Girl

<https://www.flickr.com/photos/postcardsfromthemothership/3385880850/sizes/m/>

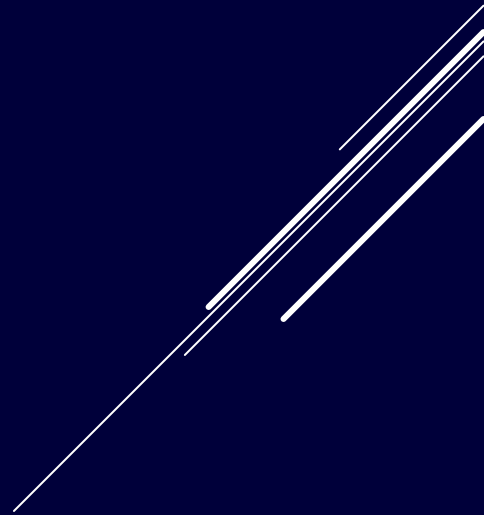
SUSTAINABILITY DEPENDS ON...

- What long-term impact do you want your initiative to have?
- Which elements need long-term support, and which do not?
- For those that are intended to continue, what will an ongoing, reliable, and recurring funding model look like?



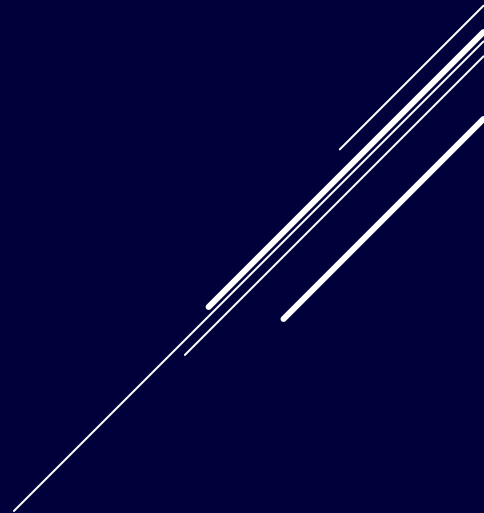
Jerzy Durczak, "Dead End" Flickr. Some rights reserved.
https://www.flickr.com/photos/jurek_durczak/6660149543/sizes/l

First, there is...



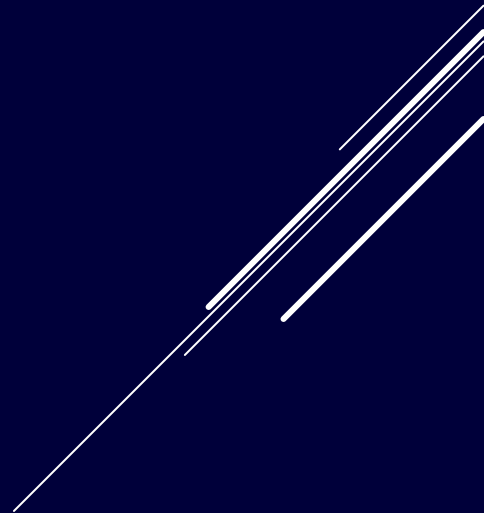
There are forces that may help you refine that idea...

EXTERNAL FACTORS



With project aims clarified, how to achieve them?

EXTERNAL FACTORS



With project aims clarified, how to achieve them?

EXTERNAL FACTORS

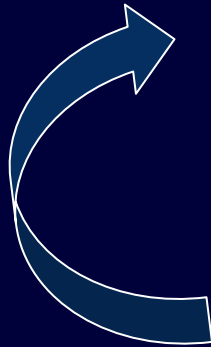


INTERNAL FACTORS



A reliable, recurring cycle of investment and value

EXTERNAL FACTORS

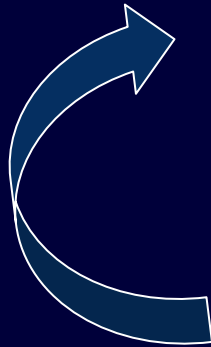


INTERNAL FACTORS



A reliable, recurring cycle of investment and value

EXTERNAL FACTORS



INTERNAL FACTORS



FUNDING MODELS – A RANGE

Grant from one funder

Riskier. Dependent on one “customer” –the funder.

Grants from several funders

A mix of grants, donations, revenue generation, consulting, in-kind contributions from partners and host institution

More sustainable:
Recurring sources of support. Success tied to user need and demand

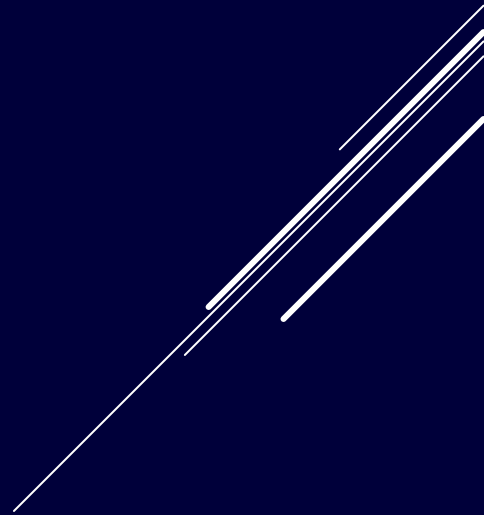
BENEFITS OF NON-GRANT FUNDING

- Can offer more flexibility when needed
- Value of market feedback (!!!)
- Ability to scale as project grows
- Creation of a direct base of support from users and stakeholders of all kinds (not just a funder)

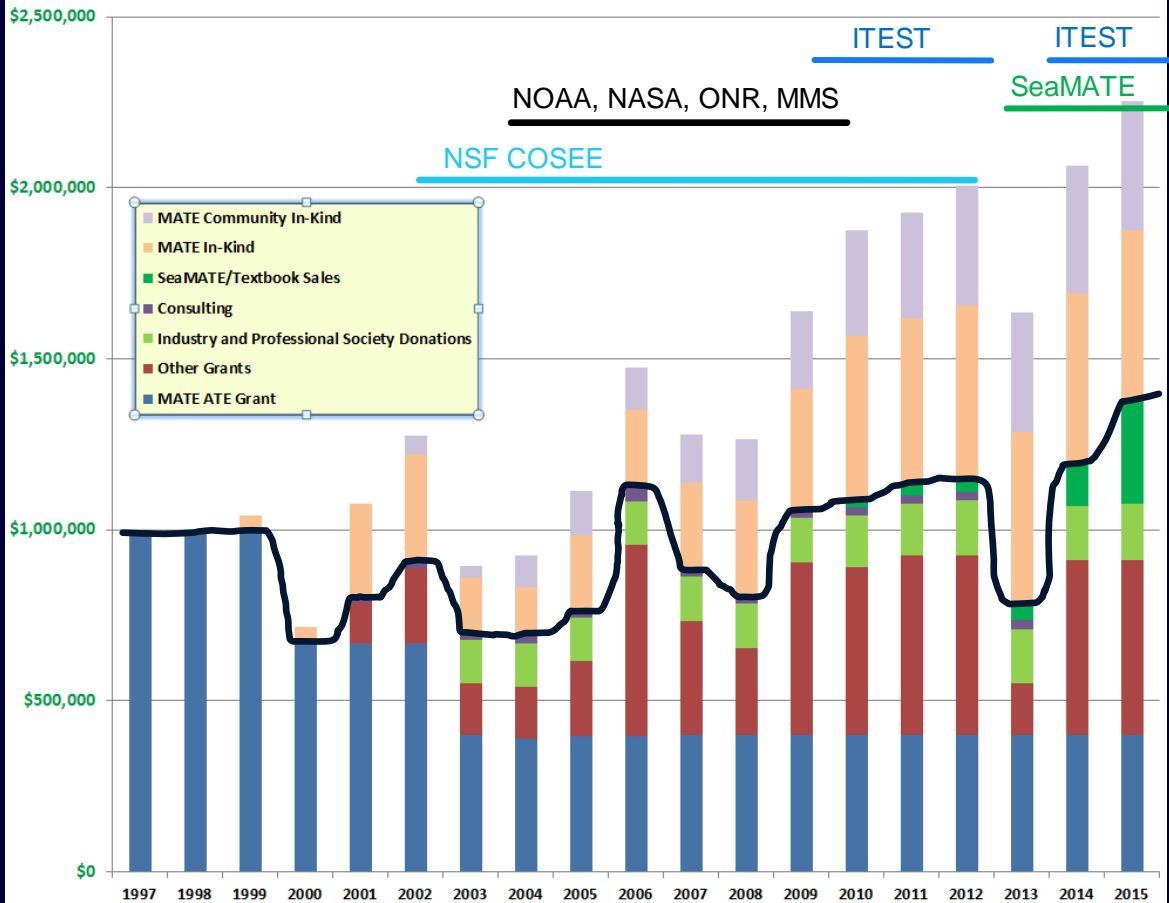


QUESTIONS FOR A FUNDER...

- What is ATE's stance on best model for long-term financial support?



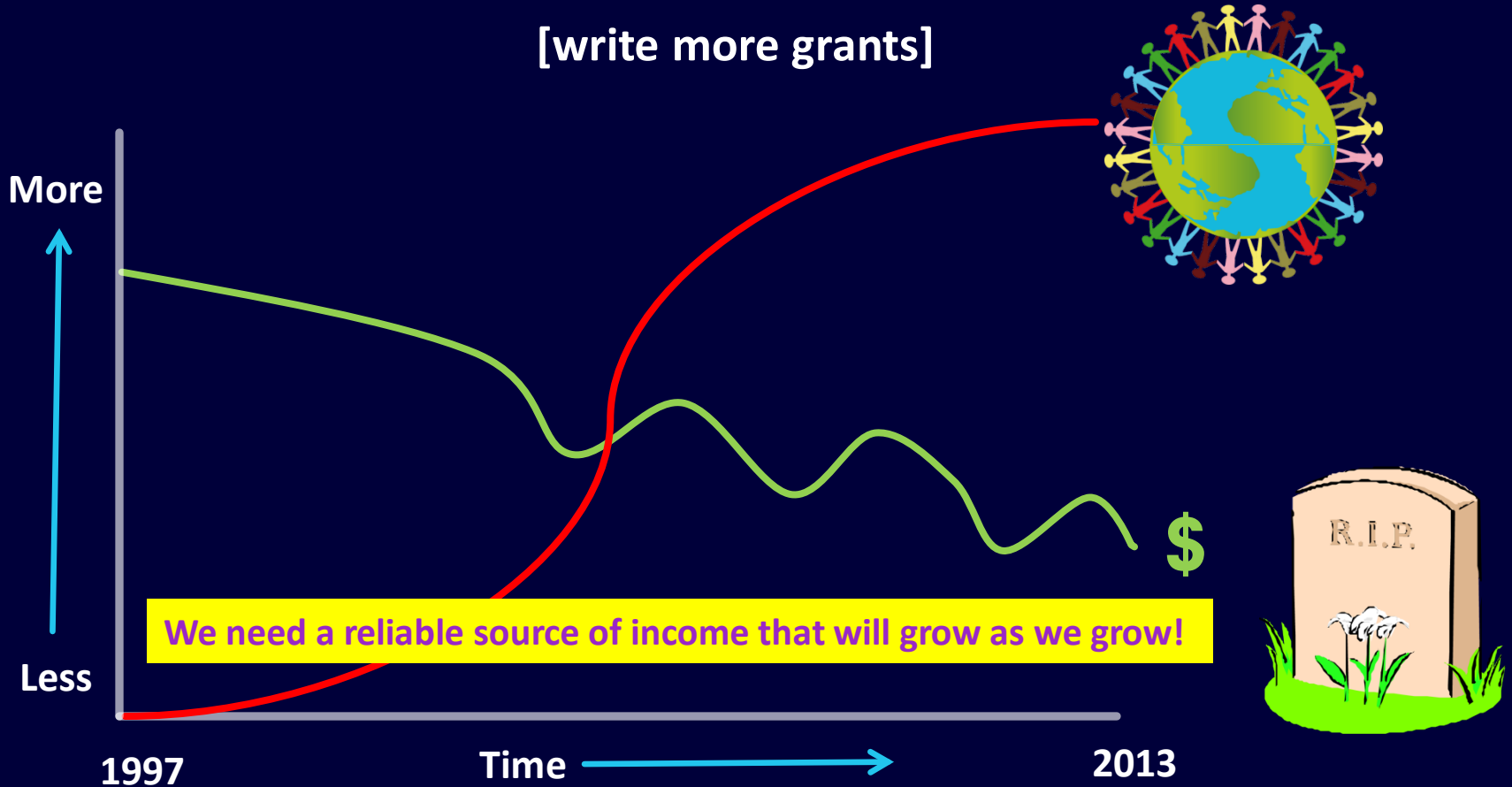
MATE FUNDING/INCOME OVER TIME



Real \$

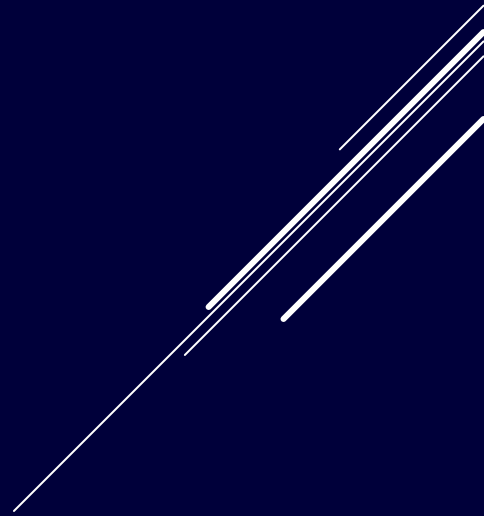
OLD MATE CENTER SUSTAINABILITY MODEL

[write more grants]




QUESTIONS?

TRANSLATING VALUE INTO REVENUE




POLL QUESTION #3

When I start to think about revenue generating activities, I...

- A. don't! I am sure this would never work for me.
 - B. immediately begin to feel queasy and turn back to writing the next grant.
 - C. think there could be something worth exploring there, but could use some help.
 - D. get excited. We have already started doing this.
- 

POLL QUESTION #4

The most valuable aspect of my project or center is...

- A. The content or curriculum we have created
 - B. The expertise of the team we have developed
 - C. The number (or quality) of people engaged in the work we do
 - D. How deeply our work is aligned with local and national priorities
- 

VALUE ASSESSMENT FRAMEWORK

Leverage the value of	Revenue Model	Compatible with Open Access?
CONTENT	Subscription	NO
	Purchase or pay per use	NO
	Licensing content	YES
	Freemium (added formats?)	YES
TOOLS & SERVICES	Freemium (added features?)	YES
	Licensing, customizing software	YES
	Consulting and other services	YES
	Publishing platform, or other software/service	YES
AUDIENCE	Advertising	YES
	Corporate sponsorships	YES
MISSION	Membership	YES
	Philanthropy (donations, grants, endowments)	YES
	Host institution support	YES

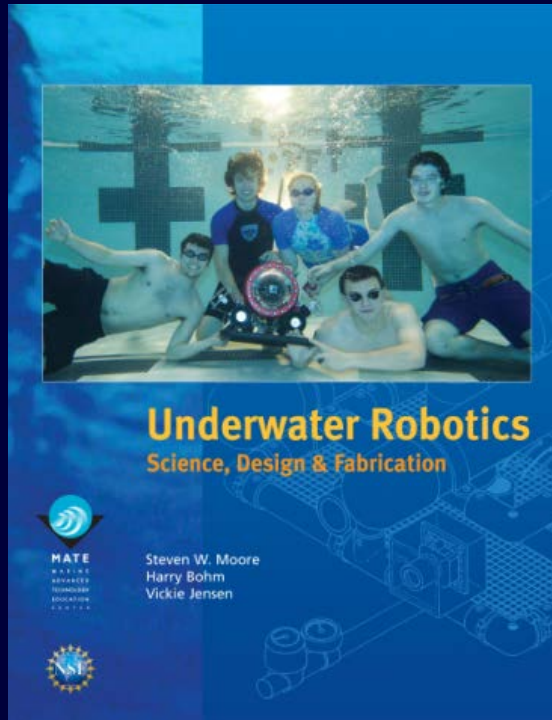
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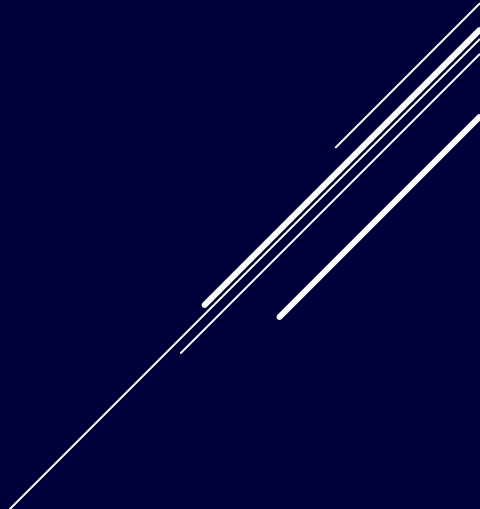
PUBLICATIONS

GOAL = MAKE THE BEST ROV BOOK EVER!
(NO CUSTOMER DISCOVERY)



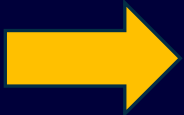
- ▶ Self published!
- ▶ Excellent reviews!
- ▶ 100s of beautiful color photographs and diagrams.
- ▶ 780 pages.
- ▶ Price \$115.00
- ▶ Sold 2,200 copies
- ▶ **Weighs 6 pounds!**

CONTENT

- Have you created something unique?
 - Will your intended audience be able to pay?
 - Do you have all needed rights secured?
- 

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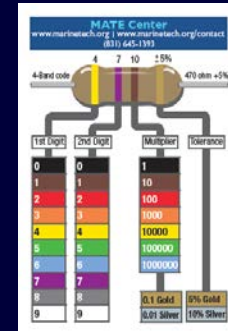
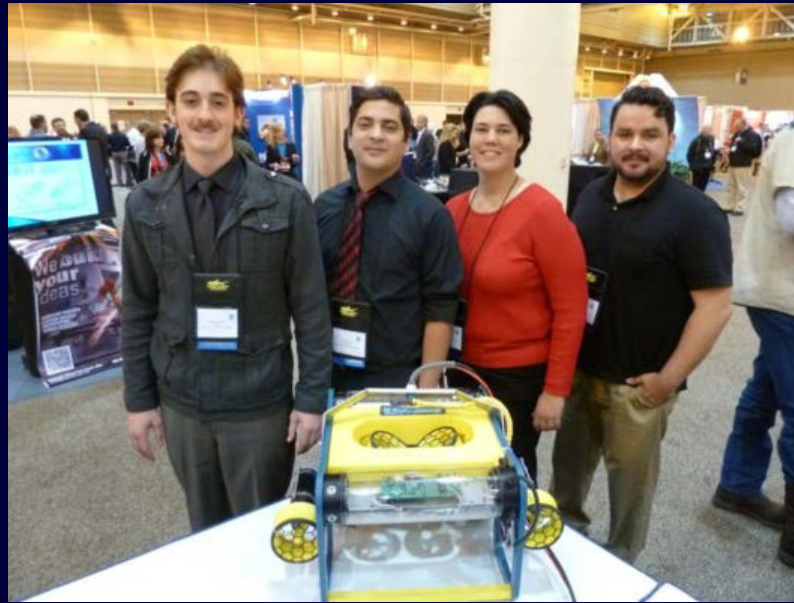


SeaMATE is a **social enterprise** that provides community college students with workplace experience while creating products and services that promote engineering and technology education.

SeaMATE is a social enterprise that provides community college students with workplace experience while creating products and services that promote marine technical education.

SeaMATE products include ROV kits, microcontrollers, electrical trainers, practice soldering boards, camera kits, and many accessories for building ROV's such as motors, prop, and propeller adapters.

To learn more about SeaMATE products, visit: <http://www.marintech.org/store/>



TOOLS AND SERVICES

- Does your staff have the time to work on both your project AND outside work?
- Can you license your platform or technology to others?



VALUE ASSESSMENT FRAMEWORK

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INDUSTRY SPONSORS


- ▶ 2015 = \$162,879 cash
- ▶ 2015 = \$800,000 in-kind
- ▶ Like to fund STUDENTS!
- ▶ Don't like to fund staff/operations.
- ▶ MATE sponsors are closely tied to oil & gas.
- ▶ We anticipate less revenue in 2016.
- ▶ **Professional Societies**



A Special Thanks to All of Our Sponsors!

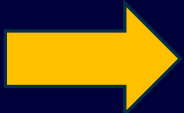


AUDIENCE

- What does industry find most valuable about your audience?
 - Are there other, related fields that might also see value in this group?
 - Which businesses are most closely aligned with your aims? (Might any pose a conflict?)
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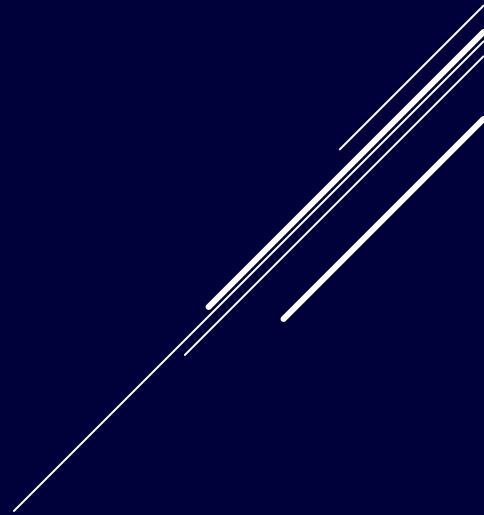
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MISSION

- Membership
- Philanthropy
- Host institution support

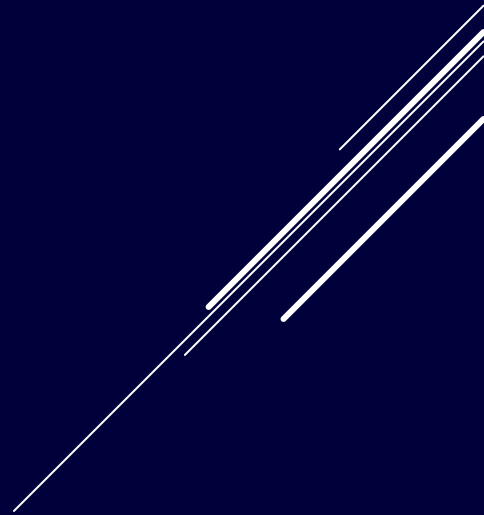


MISSION

- Membership
 - Maybe just a small core, but how devoted are they?
 - Philanthropy
 - How well do your aims align with those of the funder?
 - Host institution support
 - How does your work contribute to your university's strategic directions?
- 

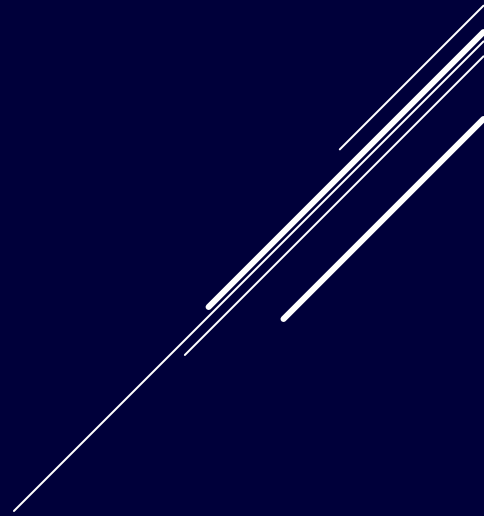
QUESTIONS FOR A FUNDER

- What is the best reason for a grantee to experiment with revenue generation?




QUESTIONS?

OK, NOW WHAT?
TESTING YOUR HYPOTHESIS



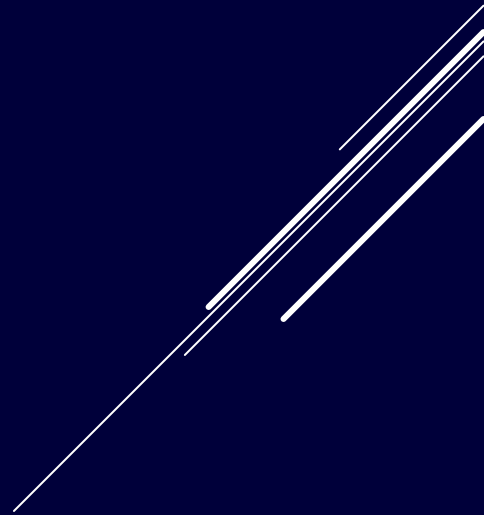
POLL QUESTION #5

To determine if this will work, I need to...

- A. Be certain this is appealing to my users/customers
 - B. Understand what other similar offerings already exist out there
 - C. Determine what it will cost to set this up and run it (both in time and in cash)
 - D. Evaluate the risks and benefits of taking this on
 - E. All of the above
- 

NOW THE HARD PART!

- **First: Testing, research**
 - Audience understanding (user needs, market size)
 - Competitive review
 - Refining your value proposition
- **Then: Analyzing, prioritizing**
 - Which is worth pursuing?



MARKET SIZE

22 million students in grades 5-12*

500,000 K-12 math & science teachers in the U.S.*

More than 500,000 students participate in robotics competitions.

And many more do a robotics activity.

If 5,000 (1%) of teachers participate in UW robotics and...

If the average sale of kits, lab resources, curriculum, and/or PD is \$500...

Revenue Goal: 5,000 x \$500 = \$2,500,000

*Source: <http://nces.ed.gov/>

VALUE PROPOSITIONS (PARTIAL LIST)

A business or marketing statement that summarizes why a consumer should buy a product or use a service.

Parents:


- ❖ Addressing **FEARS** that their children are not being taught **STEM concepts** in their formal education program that they believe are critical to future success.
- ❖ Getting experiences that can lead to **scholarships, internships and college entry**.

Teachers:

- ❖ Teaching STEM subjects in a way that **students want to keep doing it** during class and on their own time. (**PASSION**)
- ❖ Offering experiences that tie academics to **real-world problems** and the **workplace**.
[NGSS]
- ❖ Earning **formal recognition** for professional development.
- ❖ Making it easy to find and **purchase** materials.



SUMMING UP

- Single-source funding model is risky
 - Some diversity (of types, of funders) is a good idea, even if balance is grant-heavy
 - “Market” feedback is a powerful thing
 - All funding sources (not just sales-related) have “costs” to factor in – whether soliciting donors/sponsors, building relationships with deans/provosts, or coordinating volunteers
 - Consider risk and reward... then start testing!
- 

QUESTIONS FOR A FUNDER

- What other examples of non-grant funding do you see most often?
- What do you see as the major reasons more people do not try?



POLL QUESTION #6

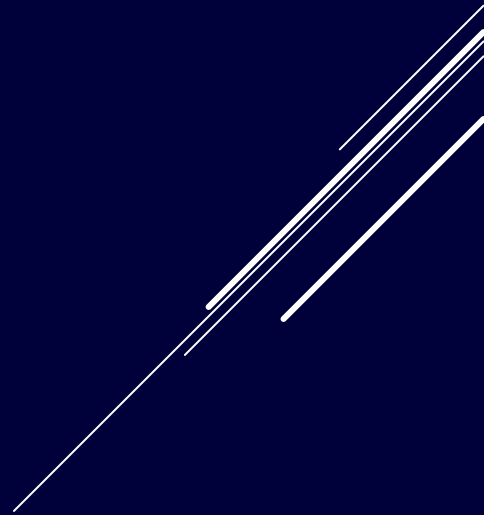
The greatest challenge I will have in testing these new ideas is...

- A. I am not sure how to do this.
- B. I have an idea how to do it, but don't have the time.
- C. I see no problems. We will prioritize this and start at once.
- D. Other



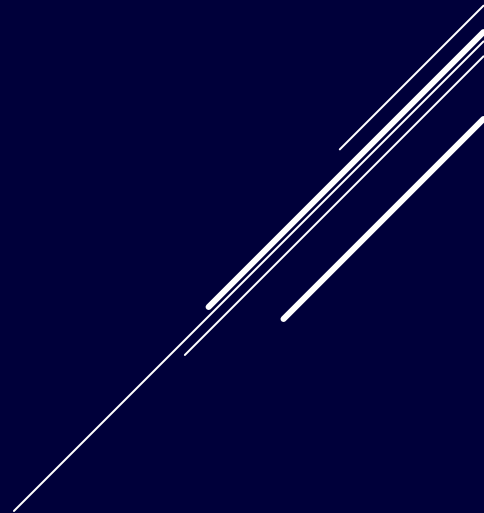
KEY STEPS TO SUSTAINABILITY

- **Define your long-range goals** for the project/center. **What do you really want to sustain?**



KEY STEPS TO SUSTAINABILITY

- **Define your long-range goals** for the project/center.
- Carefully assess all elements you will need to continue delivering value

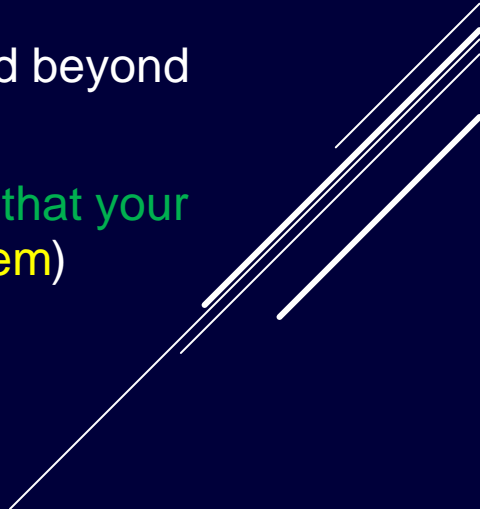


KEY STEPS TO SUSTAINABILITY

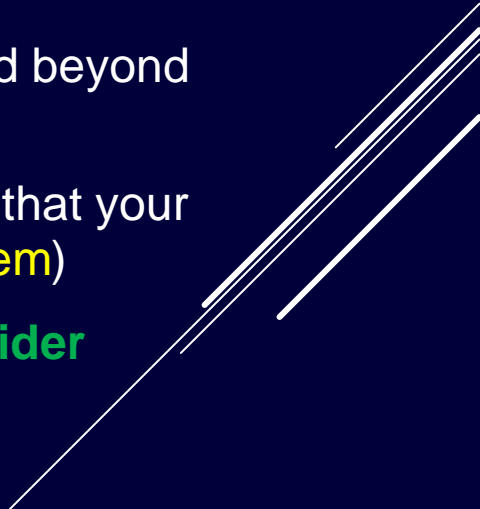
- **Define your long-range goals** for the project/center.
- Carefully assess all elements you will need to continue delivering value
- **Develop a budget**– What will it cost during the grant and beyond to keep up the activities you think are most important?



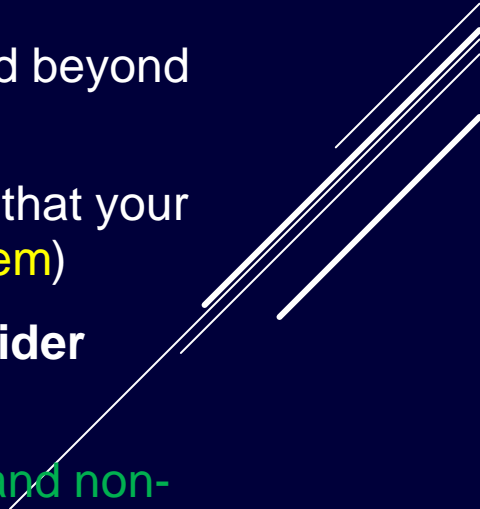
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 - **Assess the value to direct and indirect beneficiaries** that your project or center offers. (**Define assumptions and test them**)
- 
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KEY STEPS TO SUSTAINABILITY

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 - **Assess the role your project or center plays in the wider landscape** (Define assumptions and test them)
- 

KEY STEPS TO SUSTAINABILITY

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 - **Assess the role your project or center plays in the wider landscape** (**Define assumptions and test them**)
 - **Determine all possible sources of support** (financial and non-financial) (**Define assumptions and test them**)
- 

KEY STEPS TO SUSTAINABILITY

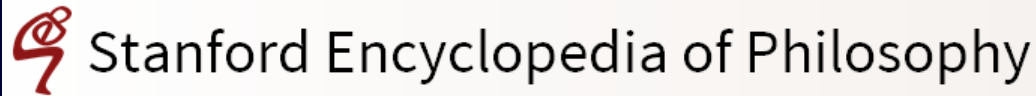
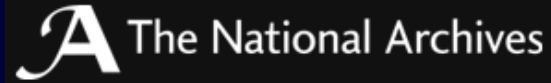
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- Carefully assess all elements you will need to continue delivering value
- **Develop a budget**– What will it cost during the grant and beyond to keep up the activities you think are most important?

- **Assess the value to direct and indirect beneficiaries** that your project or center offers. (**Define assumptions and test them**)
- **Assess the role your project or center plays in the wider landscape** (**Define assumptions and test them**)

Value proposition

- **Determine all possible sources of support** (financial and non-financial) (**Define assumptions and test them**)

CASE STUDIES IN SUSTAINABILITY (20+)



BUSINESS MODEL BOOTCAMP

AUGUST 8-10 -- CHICAGO

[HTTP://BLUESKYTOBLUEPRINT.COM/](http://blueskytoblueprint.com/)

August 8-10
@
Northwestern

- 3-day intensive workshop
- Work with teams and individuals to develop hypotheses for your funding model and plans for testing it
- Learn basics of business strategy and apply them to your project: audience assessment, competitive review, value proposition, budgeting and funding model development
- **Apply:** blueskytoblueprint.com

NSF INNOVATION-CORPS L

Challenge NSF education researchers to think beyond their research results and toward broader adoption of STEM education and learning innovations.

We attended the course ***Lean Startups and Evidence-Based Entrepreneurship in January – February 2015***

PI, Entrepreneur, Mentor **[team of 4]**

\$50,000 for 6 months

Interview 100 potential customers **[106]**



WEBINARS 2016

Tuesday, April 19 at 1pm Eastern

Know your Audience, the Rest Will Follow:

A Deeper Dive into Audience Assessment

Tuesday, May 3 at 1pm Eastern

The Funding Environment:

From Funder Mandates to Industry Partnerships

Guest speaker: Michael Lesiecki

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to sign up for the spring webinars!