

## **FOLLOW-ON FUND: FREQUENTLY ASKED QUESTIONS**

### **Q1. What is the Follow-on Fund (FOF)?**

- A. The FOF is designed to help demonstrate the commercial potential of ideas arising from Research Council funded research. It provides financial support at the very early or pre-seed stage of turning research outputs into a commercial proposition. This is the proof-of-concept model where further work on an idea will take it through to the stage at which the route to commercialisation is clear and the market is able to pick it up and secure for example a spin-out (seed or venture finance) or licensing opportunity. This often takes small amounts of funds to enable activities essential to preparing a robust business plan.

### **Q2. Which Research Councils are participating?**

- A. BBSRC, EPSRC, NERC and STFC all take part in the follow on fund – go to individual councils websites for information about their particular timetables as not all councils participate in every call, and may have different closing dates.

### **Q3. What is the aim of the Fund?**

- A. FOF aims to increase the level of commercialisation of research ideas arising from the research community by providing funds to enable these ideas to be brought to a stage where commercial opportunities (e.g. licensing, seed or equity funds) can be secured.

### **Q4. What activities are supported by the Fund?**

- A. FOF will enable activities essential to preparing a robust business plan and securing commercial opportunities such as licensing, seed or venture finance. These activities might include:
- i. undertaking further scientific and technical development of an idea;
  - ii. improving an IP position, through for example, supporting further work to exemplify or broaden patent claims;
  - iii. gaining further information about the market for the new products or process;
  - iv. identifying potential licensees or opportunities for joint ventures.

### **Q5. What is the relationship of the Fund to University Challenge Funds?**

- A. The FOF has been established to bridge the funding gap between Research Council funded research, and the point at which other initiatives are able to provide support. It will not be used to simply extend existing research grants, nor will it be used to duplicate University Challenge Funding or the PSRE Challenge Fund. The FOF is used to support proof-of-concept work at the very early or pre-seed stage of innovation prior to the point at which University Challenge, or PSRE Challenge, would normally support the work.

### **Q6. Is my application Confidential?**

- A. Yes. Unlike standard research grants, your application will not be sent out for external review by referees. It will only be seen by the Swindon Office staff responsible for processing the scheme, and by the Panel Members who have to sign a confidentiality undertaking not to disclose any information they may receive.

**Q7. Will the Fund support Patent Costs?**

- A. No. The Fund will not pay patent costs either in terms of fees for the Patent Office or patent agents.

**Q8. Will the fund support equipment costs?**

- A. The Fund will NOT support the purchase of large capital or usually the purchase of equipment. However, it is recognised that there may be exceptional cases where this is not a cost effective option (e.g. leasing or subcontracting), in which case the Panel may consider awarding funds.

**Q9. Who owns any intellectual property (IP) generated during a Follow-on Project?**

- A. All intellectual property arising from a FOF grant will rest with the institution to which the grant is awarded. In the case of applications from NERC and BBSRC employees, the normal rules will apply.

**Q10. Is a return sought on a grant from the Follow-on Fund?**

- A. No, as with IP the Research Councils do not expect to receive any royalties, equity or any other form of financial return.

**Q11. Who is eligible to apply to the Fund?**

- A. Eligibility is as for Standard Research Grants and full details are at BBSRC <http://www.bbsrc.ac.uk/funding/research/Welcome.html> - top , EPSRC <http://www.epsrc.ac.uk/ResearchFunding/HowtoApply/FundingGuide.hm> , NERC <http://www.nerc.ac.uk/funding/application/researchgrants/grantshandbook.doc> STFC <http://www.so.stfc.ac.uk/rgh/rghDisplay2.aspx?m=s&s=115>.

Additionally, for STFC, CERN, ESA and ESO are eligible for this scheme. However all applicants must have received previous research support from BBSRC, EPSRC, NERC or STFC.

**Q12. Must the Research Councils have supported me previously?**

- A. Yes. We are looking to build upon ideas which draw substantially from research that has been funded by the Research Councils. You will need to be able to demonstrate that your proposal draws substantially on the outputs of a previous research grant.

**Q13. Is a company eligible to apply to the Fund?**

- A. No. The scheme is only open to academic institutions that are already eligible for research grant funding. Other funding schemes such as LINK may be appropriate to support activities involving companies.

**Q14. Are Project Partners allowed on the grant?**

- A. Yes. If your original research grant was a collaborative project then it would not be unusual for the other partners to be involved in some way in the FOF grant. Similarly, you may need special scientific or commercial expertise from a third party to take forward your idea. However, the Councils would expect developments from collaborative grants involving industry to be taken forward by the company involved in supporting the original research unless the idea with commercial potential falls without the interests of that company. If this is the case it should be explained in the case for support and in an accompanying letter from the original collaborating company. The Councils will not support development that could be taken forward through the collaborating company.

**Q15 Do I need to secure additional funding from other sources?**

- A. Whilst other funding\* is not a prerequisite, FOF grant applications which have secured funding from elsewhere e.g. host institution, Regional Development Agency support, will be looked upon favourably. N.B. \*Funding from third parties must be additional to the funds requested.

**Q16. What do you mean by fEC (full Economic Cost)?**

- A. For applications from 1 September 2005, all new research grants are awarded on the basis of a proportion of the full economic cost (fEC). The proportion of fEC is 80% from 1 September 2005.

**Q17. What size Grant will be awarded?**

- A. The size of award will depend on the requirements of the proposed Follow-on project and the applicant's case for support. It is expected that 'typical' awards will be in the range £70k– £100K. Under present arrangements for FEC, Research Councils will award 80% of the full economic cost.

**Q18. How will my proposal be assessed?**

- A. Unlike standard research grant applications your proposal will not be peer reviewed by external referees but will be assessed by an expert Panel, with particular experience in the commercialisation of research. This Panel will assess all proposals using the criteria set out in the Call for Proposals document.

**Q19. When will the results be known?**

- A. The assessment panels typically meet within 6 weeks of the closing date, so results are known shortly after.

**Q20. How do I apply?**

- A. NERC will now only accept applications through JeS which can be accessed from the main Follow-on Fund web pages. Guidance notes and grants handbooks can also be accessed from the website

**Q21. If I am successful how will my grant be evaluated?**

- A. A final report will be required for all funded projects and will be evaluated against the Project Objectives and Milestones, as set out in the application.