

Ploughshare Innovations Limited



Information Pack

Request for Tenders to Provide Services:
Japanese Intermediary Service Provider

Overview

Ploughshare Innovations Ltd is soliciting proposals from Japan-based parties, with senior executive and transaction experience, to act on our behalf in the region. The intermediary service to be provided will include developing technology-led strategic alliances with Japanese corporate entities and securing venture finance for the commercial development of Ploughshare Innovations' technologies. The contract will be awarded, following this open tender process, for an initial period of one (1) year starting no later than 1st October 2009. The contract will be extendable up to a total of three (3) years. Remuneration will be based solely on a share of revenues secured from Japanese clients.

Completed proposals must be received electronically by tajmattu@ploughshareinnovations.com no later than 5pm GMT August 5th 2009.

Dated: July 2nd 2009

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1. Introduction

Ploughshare Innovations Ltd¹ (Ploughshare) manages the commercial exploitation of intellectual property assets on behalf of the UK Ministry of Defence's Defence Science & Technology Laboratory² (Dstl); an organisation of some 3,500 plus staff devoted to providing the UK Government with independent expertise on defence and security-related issues. Ploughshare pursues the Government's technology transfer agenda on behalf of Dstl and was created in April 2005 as a commercially operated company. Ploughshare is 100% owned by the Secretary of State for Defence.

Since Ploughshare began trading it has signed twenty-three licences, sold three patents, incorporated four new companies and divested itself of two. Examples of the technology commercialised from Dstl include vaccine technologies for both human and animal health, vehicle armour, diagnostic systems, telemetry products and software. The existing portfolio of investments, which include P2i Ltd³ and Enigma Diagnostics Ltd⁴, are all making significant contributions to the innovative culture of the UK's small medium enterprises landscape. Dstl provides Ploughshare with a significant pipeline of new technologies across all markets and technological domains. For example, in 2007-08 alone 40 patent applications were published. Through the use of interdisciplinary teams the technology arising from Dstl research tends to be innovative yet practical and is often relied upon by front line forces. Through its exclusive rights to promote Dstl technologies for commercial exploitation, Ploughshare is able to provide leading edge solutions to meet industry's needs. That said, the sensitive nature of much of Dstl's work, together with its special position at the heart of the MOD, means that Ploughshare's operating constraints are not typical of the technology transfer community.

Successful commercial exploitation (also known as technology transfer) is an international activity; whilst sourcing venture finance, either directly or indirectly, is also increasingly a global activity. Japan represents a significant proportion of the world wide industrial output and is an important source of risk finance.

¹ www.ploughshareinnovations.com

² www.dstl.gov.uk

³ www.p2ilabs.com

⁴ www.enigmadiagnostics.com

Ploughshare has recognised that the significant cultural, resource and financial challenges associated with doing business in Japan prevents direct engagement and feel that these challenges can only be addressed by a locally-based agent. Ploughshare has been approached on numerous occasions over the years by technology brokers, introductory agents and cross-border transactional support service providers. Ploughshare now wishes to formally engage with such an intermediary and contract one to act on our behalf in Japan.

2. Services Required

Ploughshare will appoint a contractor located in Japan to create partnerships with major Japanese corporations and assist in the commercialisation of technologies suitable for those industrials. Applicants wishing to provide these services must have significant senior executive experience and a track record of concluding high value transactions across different industries and keiretsu⁵. The contractor will provide the following services:

1. Translate all necessary Ploughshare documentation (both technical and non-technical) into Japanese.
2. Carry out market analysis on suitable Ploughshare technologies and develop relationships with appropriate Japanese prospective licensees/partners at decision-making levels.
3. Provide a proactive service of defining deal structures with the Japanese industrial compliant with Ploughshare's goals, constraints and objectives⁶.
4. Lead the sales process throughout the deal continuum, including post-deal relationship management.
5. Where venture finance is being raised for Ploughshare spin-out companies, comply with all local financial regulations associated with the sector in Japan.

⁵ A keiretsu is a group of contractually or otherwise interrelated companies or industrials.

⁶ Ploughshare reserves the right to not execute deals prepared by the contractor for strategic reasons.

3. Contract & Remuneration

Following the successful conclusion of the Application Process, a contractor will be appointed no later than 1st October 2009 for the period of one (1) year. This contract will have a mutual three (3) month break clause and will also be renewable each year up to a total period of three (3) years. A copy of an agreement template, available from 10th July 2009, may be requested from Ploughshare using the details noted at the end of this document. For the avoidance of doubt, Ploughshare is not providing the contractor any rights to any technology *per se*; the right to market and develop licensees for the technologies are the only rights afforded under the contract.

The contractor must act solely on our behalf and should not be remunerated by the technology purchaser or the finance provider. Any and all remuneration from Ploughshare for services under the contract will be made solely through a revenue share from any deal secured. For the avoidance of doubt, Ploughshare is unable to engage with parties who require pre-payment, request retainer fees or expenses.

4 Application Process

The Request for Tenders will be advertised during July and completed Tenders will have to be submitted by 5pm GMT August 5th 2009. No Pre-Qualification Questionnaire was issued separately as interested parties will complete a standard questionnaire (noted below). The technical evaluation of the proposals will take place in August with phone interviews with shortlisted parties to be held during week commencing 17th - 21st August 2009. Should the tendering process be successful the contract awardee will be notified on September 1st 2009. The evaluation model for the review of the tenders is noted below.

4.1 Evaluation Process

The evaluation process will comprise three main stages:

4.2.1 Technical/Quality evaluation. Suppliers will be scored and may be short-listed for interview during the week of 17th August 2009. The members of a tender evaluation panel will each score the technical/quality aspect of the bids

submitted. The tender panel will meet to discuss their individual scores and arrive at a consensus team score.

4.2.2 Supplier interviews with the top three bidders. After the evaluation panel have selected the three highest scoring candidates a decision will be made whether they can be significantly differentiated. If not then the candidates will be interviewed. The information received through the interviews may be used to increase/decrease the scores of the tenderers based on the evaluation panel's confidence that the Contractor can successfully fulfil the requirements of the specification. References may be taken up at this stage.

4.2.3 The pricing analysis will only be exploited as a differentiator once the technical/quality and interview analysis has been agreed by the evaluation panel. Ploughshare expects each applicant to provide details regarding how they propose to be remunerated, considering the limitations of the contract. Namely, any and all remuneration from Ploughshare for services under the contract will be made solely through a revenue share from any deal secured. This includes retainer fees or expenses. The pricing analysis for this tender will thus be based upon the percentages the service provider expects to secure from Ploughshare for transactions executed with Japanese industrials or finance houses.

4.2 Supplier Questionnaire

The evaluation of this Request for Tenders Questionnaire will be the basis for selecting a short list of potential contractors. Each question is allocated points based on its relevance for this contract. Each respondent should submit all the information requested in the order presented. Failure to do so will negatively impact upon your score. All information supplied will be treated as Strictly Private and Confidential. The information will be reviewed by the evaluation panel only and will not be divulged to other parties during the de-briefing stage, or at any other time.

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Section A: Your Contact Details

Company Name: _____

Address: _____

Web address: _____ e-mail: _____

Contact Name: _____ Direct Tel
No: _____

Contact Title: _____ Facsimile
No: _____

Signed: _____ Dated: _____

Section B: Details of Insurance Provisions

	Value	Company	Duration
Professional Indemnity Insurance:			
Public Liability			
Employers Liability			

All the above items must be provided and must be relevant to this requirement. Failure to be relevant may result in elimination.

Section C: Service Delivery

Our evaluation of the questions below will be based on qualitative responses. It is important therefore that your response is focussed to answering each question thoroughly and succinctly on no more than 1200 words per question.

UNDERSTANDING

1. Please summarise your understanding of the specialist consultancy services being requested.

Expect to see: Higher scores will be awarded where the supplier has demonstrated an understanding that there are several complex aspects to the services required, and have not simply regurgitated what is in the supplementary information provided.

RESOURCES

2. Please demonstrate that your organisation has direct access to the resources necessary to deliver the required services, at all stages of the IP innovation process. In addition to your response, you should include a short Curriculum Vita of each individual that would be servicing this contract. Please state whether these individuals are employees of your organisation, or form part of a wider network of individuals/organisations with which you work.

Guidance: Access to a range of skills in different fields and industrial sectors (e.g. market analysis expertise, transaction support, commercialisation expertise). A corresponding high level of understanding of stages involved in business development and deal closure and why there is a necessity for different skill sets; a higher score will be awarded where the majority of skills are available in-house, rather than being part of a network of associates.

EXPERIENCE

3. Using non-confidential examples please outline your experience of technology commercialisation and transaction execution (both public and private sector) within the life and physical science arenas. Of particular interest will be experience of selling IP assets to a varied range of industrials.

Guidance: Experience of both public and private sectors (higher scores should be awarded where experience is of both private sector, and government laboratory Agency and equivalent). A higher score will be awarded to those applicants where there is demonstrable senior executive expertise with suitable networks.

DEMONSTRABLE OUTPUTS

4. Please demonstrate that you have a track record of closing exploitation vehicle deals, indicating to what extent your existing network of senior business contacts has contributed to the success of previous deals.

Guidance: Evidence (preferably with numbers of deals and corresponding values to support this) that the supplier can actually close deals; evidence that the supplier has relevant contacts that have helped them to close deals in the past.

RELATIONSHIP BUILDING AND MANAGEMENT

5. Please provide evidence of your ability to establish, maintain and develop effective relationships with senior management, commercialisation & IP specialists and scientists within client organisations. Please indicate how you would establish such relationships with the parties involved in this project.

Guidance: Evidence that the supplier can build and maintain such relationships; demonstrated experience of building this kind of relationship with individuals in the public sector; a workable plan of how to establish, build and maintain the necessary relationships within the partner organisations.

PROJECT MANAGEMENT

6. Please describe, with examples, the processes that you would use internally to manage the project and links/communication with Ploughshare and other partner organisations. This should include any provisions specifically relating to the geographical spread of the parties.

Guidance: Internal project manager/account manager/central point of contact within the consultancy, recognition of importance of spreading resources towards those projects which will yield greater commercial gain.

Remuneration

7. Please describe, with examples, the remuneration matrix your organisation will expect from the revenues created through the Services provided.

Guidance: Evidence of an understanding of different deal structures for commercial exploitation of propositions.

REFERENCES

8. Please provide details of 2 organisations, with which you have, or have had contracts, whose requirements are similar to those required under this tender.

	Reference 1	Reference 2:
Company Name:		
Address:		
IP Manager:		
Tel No:		
Fax No:		
E-mail address:		

Two references must be provided and must be relevant to this requirement. Failure to be relevant may result in elimination.

5. Contact Details

For any queries regarding this Request for Tenders or the evaluation process please contact:

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Wiltshire SP4 OJQ
United Kingdom
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Responses to queries will be sent to all respondents to ensure that the same information is available to all bidders.