



# INCUBATION POLICY



**RESEARCH**



**INNOVATION**



**COMMERCIALIZATION**



# ORIC

**OFFICE OF RESEARCH, INNOVATION  
AND COMMERCIALIZATION**

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# **CUST Incubation Policy**

## **1. Introduction**

Major jobs all around the world are created in new small and large enterprises. These enterprises are of extreme importance for economic progression of a country as they produce and develop new products/goods and services. Development comes with creativity and these new and small enterprises provide flexibility and creativity playing an important role in country's economy.

Establishing a new startup is difficult and may result in failure. The biggest cause of failure in new startup is that small businesses have to "go it alone" with no support directly provided to entrepreneurs to help them remain enthusiastic in the face of difficult conditions and long working hours. In transition countries, difficult registration and legal procedures, as well as the lack of support services to companies make these first years of operation especially difficult. Universities can play a vital role in this phase of startup by providing a business incubator to these new startups. When startup is incubated in Incubation Center it gives them a chance to bring their business in shape, before they reach out to the world. By integrating students, entrepreneurs, and universities, business incubators have the most significant impact on the economy when they are tied to universities.

## **2. What is an Incubation Center?**

Incubation center provides a whole new startup ecosystem for the young entrepreneur. It may be defined as "a platform where idea can be nurtured into viable business or where you can get some expert mentoring."

Business incubation is a business support process that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

As illustrated in the figure above, the Pre-Incubation process takes place while finalizing an undergraduate FYP or graduate research topic. Once the work approaches completion and a

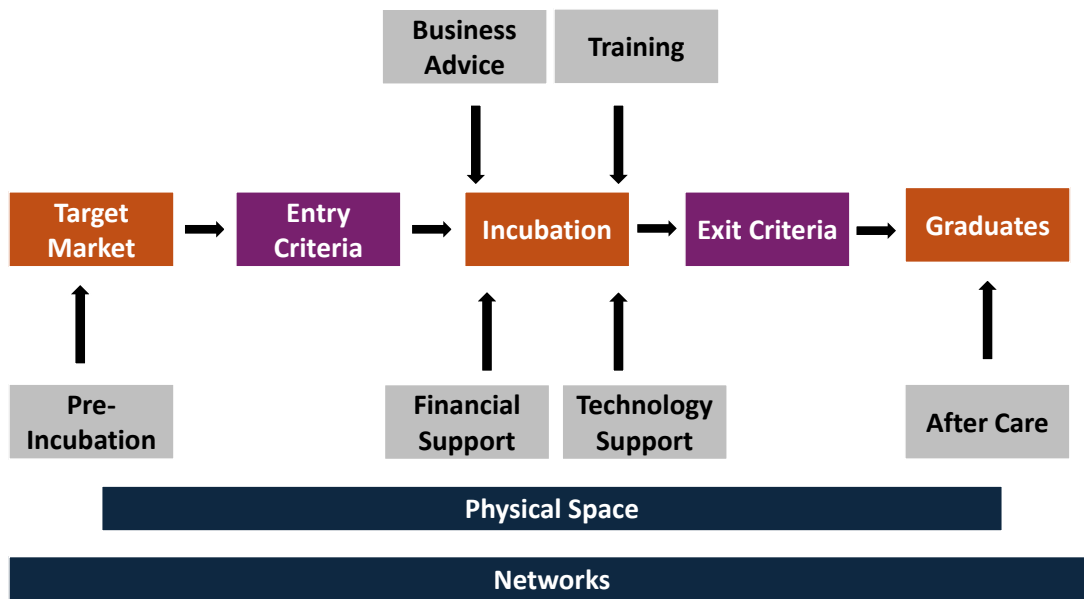


Figure 1: Business Incubation Process

working model or prototype is ready, students are encouraged to participate in the startup competition initiated by ORIC. Selected participants, or incubates, are chosen through a competitive process. The subsequent steps of the incubation program are then carried out at the Incubation Center, continuing until the incubates successfully graduate from the program.

## 2.1 Takhleeq: The Incubation Center at CUST

The competent authority has officially designated the incubation center at CUST as Takhleeq. In the remainder of this document, it will be referred to as Takhleeq@CUST. The objectives of Takhleeq@CUST are as follows:

- (a) To provide focused support to entrepreneurs through a supportive environment that helps them establish their business ideas and develop their concepts into market ready products.
- (b) To develop and commercialize new ideas and technologies.
- (c) To introduce the entrepreneurs to business networks.

All of these should substantially reduce the level of failure and increase their chances of survival and success by building capacity and networks.

## **2.2 Program Features of Takhleeq@CUST**

The following services will be provided to the incubates in partnership with industries/companies and professionals in the concerned fields. Consulting Services: The goal of the consulting services is to help the entrepreneur start and grow his/her business and achieve economic milestones. Workshops: Arrange workshops on requirement basis including but not limited to:

- (a) How to pitch a business plan to investors?
- (b) Developing new technology skills.
- (c) Market accessing strategies
- (d) Other areas of interests to the incubator clients.

Meeting with industry Experts: Meeting with the successful entrepreneurs and professional industrialists will be arranged to enhance the motivational level and act as intellectual property attorneys for the clients/incubatees.

Mentorship Program: Mentorship relationships will be initiated with industry experts to provide additional guidance and support to Incubator clients

## **2.3 Working Model of Takhleeq@CUST**

Takhleeq@CUST will have registered companies consisting of CUST Faculty, Researchers and Students with dedicated working zone assigned to them.

- (a) CIC team will identify commercially viable business ideas and projects from the industry.
- (b) The identified ideas and projects will be evaluated by a team of technical experts consisting of CUST faculty, industry and senior executives.
- (c) Technical experts' team will submit the project brief to the CIC after extensive evaluation in the light of CIC objectives.
- (d) Based upon the project brief Takhleeq@CUST team will prepare proposal and submit it to the relevant industry.

## **2.4 Physical Infrastructure:**

For a smooth operation the incubation center requires resources which include:

- (a) Space
- (b) Connectivity – internet/telephone/electricity

- (c) Data center
- (d) Services – maintenance, security
- (e) Furnishing – chair, table, cubicles
- (f) IT Infra and Support – software, LAN, leased lines, Wi-Fi, printer, scanner, copier
- (g) Others – board rooms, meeting rooms.

## 2.5 Selection Policy of Incubates

The incubator management will define the selection criteria for incubates on basis of following qualities but not limited to:

- (a) A capable team with entrepreneurial abilities.
- (b) Technology based or knowledge-based business
- (c) Business compatible with Takhleeq@CUST objectives
- (d) Cross-faculty or cross-discipline ideas will be highly encouraged

## 2.6 Selection Procedure

Three stage criteria will be followed for the process of enrollment of a startup at Takhleeq@CUST.

**Stage 1:** Call for Proposals: The enrollment will be announced and an online application portal will be available for the applicants. The submitted applications will be screened and evaluated by a team formed by the respective HoD. Each department will forward three short-listed projects to ORIC.

**Stage 2:** Presentations and Evaluation: In the second stage, the short-listed student teams will be invited to ORIC–CUST to present their ideas before a panel. The panel will include members with a marketing background to evaluate the commercialization potential of the idea, the preparedness of the teams, and the quality of their presentation. The panel will also, preferably, include members from industry. Each team will be required to deliver a 3–5 minute pitch of their idea. After each presentation, the evaluators will provide feedback and suggestions for improvement from a commercial perspective. The panel will then make its final decision based on both the submitted application and the live presentation.

**Stage 3:** Selection and Support: The selected teams will be formally contacted and provided with support, which includes:

- (a) Workspace at Takhleeq@CUST
- (b) Optional pre-seed funding, as approved by the University
- (c) Guidance and mentoring in accordance with ORIC policies

Before availing these benefits, teams are required to sign an agreement with ORIC, affirming:

- (a) Their availability at Takhleeq@CUST for the minimum time and duration agreed upon between the team and ORIC.
- (b) Their commitment to comply with the University's Intellectual Property (IP) and Commercialization policies.

Upon signing this agreement, teams will be allocated dedicated workspace within Takhleeq@CUST to carry out their project activities.

## **2.7 Eligibility**

Following are eligible for getting a place in the Takhleeq@CUST:

- (a) CUST faculty members (current and past)
- (b) CUST student and Alumni
- (c) CUST R & D partners
- (d) CUST Partner/ Collaborating Universities.

## **2.8 Graduation/Exit Policy**

The ultimate objective of incubating student and faculty projects is to support their transition into viable startups or spin-offs. The University will continue to provide all necessary assistance during this progression, including mentoring, pre-seed funding, and access to workspace, as outlined in earlier sections.

A project may graduate or exit from Takhleeq@CUST when the team (students and, where applicable, the supervising faculty member) is confident in its ability to operate independently. At this stage, the University will facilitate the formal registration of the company with the appropriate regulatory body (e.g., SECP), with the student(s) and supervisor registered as founding shareholders. In accordance with the University's Commercialization Policy, the University will also enter into an agreement with the founders securing a 10% equity share for the University in recognition of the institutional support, resources, and early-stage commercialization assistance

provided.

Teams that wish to continue using the facilities of Takhleeq@CUST after registration may request extended access. The University may approve such requests based on available space and strategic value. Continued use of facilities may be provided at no cost for a limited period, after which standard usage fees may apply as determined by ORIC and the University. The above incubation policy will be applied in the true letter and spirit by the ORIC with the approval of competent authority. The incubation cycle will be executed in the form of two cohorts each academic year. During the incubation period, the selected teams will be provided with the mentorship sessions by different industry experts.

## Definitions

**Incubation Centre:** is a specialized program or physical space designed to nurture and accelerate the growth of startups and new ventures that are based on university research, technology, and intellectual property (IP). Its primary goal is to bridge the gap between academic innovation and commercial success.

**Intellectual Property (IP):** refers to creations of the mind, such as inventions, literary and artistic works, designs, and symbols, names, and images used in commerce. It is a class of property that results from the workings of human intellect and has commercial value.

**Patent:** is a legal right granted by a governing body to an inventor or assignee for a limited period of time, in exchange for the public disclosure of an invention

**Spin-Off:** refers to a company established to commercialize university-owned IP, developed through Final Year Projects (FYPs), theses, funded research, or other institutional activities.

**Startup:** refers to a new business venture initiated by students, faculty, or staff based on skills, know-how, or project experience, without involving university-owned Intellectual Property (IP).

**Venture Capital (VC):** refers to a type of private equity financing provided by investors to startups and early-stage companies that have been developed from university research. This funding is given in exchange for an ownership stake (equity) in the company.

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