

New Jersey Accelerate

NJ Accelerate recognizes the strength of accelerators in nurturing the next generation of entrepreneurs. Through NJ Accelerate, the NJEDA will provide entrepreneurs access to best in class programs to call NJ home with the tools and support to grow their businesses in the Garden State.

An accelerator is a fixed-term, cohort-based “boot camp” for start-up founders, exposing them to mentors, including former entrepreneurs, venture capitalists (VCs), angel investors, and corporate executives.

If you have any further questions, please email NJAccelerate@njeda.com.



NJ Accelerate is a Win-Win for Accelerators and Emerging Businesses

Through the NJ Accelerate Program, NJEDA will:

- Promote Approved Accelerator program opportunities to the NJ innovation ecosystem
- Sponsorship support for Approved Accelerator programs and events held in NJ
- Provide direct loans and rent support to eligible Approved Accelerator graduates
- Support Governor Murphy’s goal of making NJ the most diverse innovation ecosystem in the country

Program Overview:

NJ Accelerate is a two-step process to encourage the engagement of accelerator programs in New Jersey, while facilitating the participation of NJ businesses in these accelerator programs:

1. Accelerators apply to be pre-qualified as an “Approved Accelerator”
2. Approved Accelerator graduates are eligible for financial assistance from the NJEDA

Benefits for Approved Accelerator:

As a benefit for Approved Accelerators participating in NJ Accelerate, the NJEDA will:

- Disseminate information about, and facilitate introductions for Approved Accelerator Programs
- Offer sponsorship to each Approved Accelerator to host Programmatic Events in the State (e.g. Accelerator’s Demo Day; classes; pitch competitions; networking events)

1:1 matching sponsorship up to \$2,000 per event, per Approved Accelerator. NJEDA will fund up to \$20,000 for each Approved Accelerator during this pilot program, of bonus of 5% for Approved Accelerators that demonstrate meaningful written policies and practices for promoting companies owned by women and minorities, as defined by the NJ Department of the Treasury for purposes of the MBE/ WBE certification.

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Eligibility for Accelerator:

The NJEDA will welcome all accelerators that meet the program criteria and evaluate them during the pilot on a first-come, first-served basis.

The accelerator entity must meet the minimum following criteria:

- The Accelerator is best-in-class, defined by the NJEDA's evaluation criteria (see eligibility checklist)
- The accelerator must include an in-person aspect and not be entirely virtual, which allows for engagement and personal mentoring of the selected companies; the physical space must be equipped to host events.
- The accelerator will provide financial investment in some form to at least one participant company per program, including direct investment or customer sales relationship (in-kind arrangements are insufficient)
- The Accelerator Program is open to applicants from NJ.
- The Accelerator Program supports innovation and has a consideration for, or focus on, at least one of the "Targeted Industries" as identified by the NJEDA which currently include: Advanced Transportation and Logistics, Advanced Manufacturing, Aviation, Autonomous Vehicle and Zero-emissions, Clean Energy, Clean Technology, Life Sciences, Hemp Processing, Information and High Technology, Finance and Insurance
- A preference and bonus will be granted for all accelerator programs that have a focus on supporting under served groups including: female entrepreneurs and founders of color. 1) This preference translates into a monetary sponsorship bonus for Approved Accelerators with a diversity focus and their NJ-graduate companies that are certified by the state of NJ as a women or minority-owned business. 2) Accelerators must have graduated a minimum of two cohorts prior to application.

Benefits for Businesses Participating in Approved Accelerators:

Businesses that graduate from Approved Accelerators may be eligible for:

Direct Funding: 1:1 matching NJEDA loan funding up to \$250,000, with expedited consideration. A NJ-certified MBE/WBE is eligible for a 5% bonus. Additionally, there is a 10-year warrant equal to 50% of the loan amount.

Rent Support: Rent support up to the highest level of NJEDA grant support of 6-months at participating NJ Accelerate collaborative work spaces, post-accelerator graduation, not to exceed \$25,000 (in addition to any direct support from the NJ Accelerate host site). A NJ-certified MBE/WBE is eligible for a bonus month of rent sponsorship.

Eligibility Requirements for Businesses Participating in Approved Accelerators:

NJ companies must meet the following criteria within six months of graduation (or the latter date of departure out of the physical space offered, with respect only to the rent award of NJ Accelerate) from the Approved Accelerator to qualify for the post-graduation support.

- Registered to conduct business in NJ
- At least 50% of the workforce in the company work in NJ or pay NJ taxes, as demonstrated by documentation deemed acceptable by the NJEDA.
- A minimum of 2 founders devoting 100% of their professional time to the Company at approval date, with an average of 80% of that time in New Jersey. A founder is a C-level executive.
- The Company must have a focus on at least one of the NJEDA list "Targeted Industries", referenced above.

The company must support its verification with the following documents, including, at minimum:

- Valid NJ Tax Clearance
- 2-page executive summary
- Letter from Approved Accelerator confirming successful accelerator program graduation.
- NJWR30 or Registered PEO letter, or other forms of documentation, such as Forms 1099, W2, K1, job descriptions and offer letters, as deemed acceptable by the NJEDA.
- Additional documentation may be requested to confirm eligibility, if required.

Questions?

Email:
NJAccelerate@njeda.com



@NewJerseyEDA