

GRANT APPLICATION GUIDELINES

Founder Factory Stage 1 Pre-Accelerator

Key Dates:

Letter of Intent Deadline	June 1, 2026, 5:00 PM CST
Application Deadline	June 19, 2026, 5:00 PM CST
Award Notification	Late July
Orientation Appointments	August
Classes (In-person in Milwaukee)	Mondays: September 14-November 16 Anticipated time: 2:00-4:00 PM

Program Website:

<https://wisconsinctc.org/founder-factory/>

Program Outline:

[Founder Factory Stage 1 Illustrative Program Outline.pdf](#)

Application Portal:

<https://www.grantinterface.com/Home/Logon?urlkey=uwex>

Program Manager Email:

FounderFactory@lists.wisconsin.edu

Program Overview

The Founder Factory Stage 1 Pre-Accelerator is a structured program designed to position high-growth startups in Southeastern Wisconsin for a next funding step—such as startup incubators or accelerators, equity investment, SBIR/STTR or other commercialization grants, or industry partnerships—by accelerating their transition from early customer discovery toward market entry.

This program focuses on founder readiness, business model development, and execution, supported by up to \$15,000 in non-dilutive seed funding to advance early milestones. Participants will leave the program with an actionable playbook, stronger leadership and decision-making skills, and a clear pathway toward follow-on funding. Stage 1 is best suited for startups that have demonstrated early problem–solution fit and are prepared to commit the time and effort required for meaningful progress.

Award Information

Awarded teams will receive up to \$15,000 in non-dilutive seed funding, distributed in tranches. Funding is earned through milestone-based progress aligned with discovery, validation, and capital-readiness objectives.

The intent of Stage 1 funding is not to subsidize operations, but to help teams reduce key risks, strengthen founder readiness, and prepare for competitive follow-on funding opportunities.

Award Amount

- Up to \$15,000 per selected team
- Funding is non-dilutive and provided as a grant
- Funds are distributed in tranches based on milestone completion, as defined with program staff during Stage 1
- Continued disbursement is contingent on active participation and satisfactory progress toward agreed-upon milestones

Eligible Use of Funds

Stage 1 awards support focused, milestone-driven activities that strengthen a venture's business model, reduce key risks, and prepare teams for follow-on funding. Teams may request up to \$15,000 but are encouraged to seek only the amount needed to execute their proposed milestones. Applicants must clearly justify their funding request and explain how planned expenses advance Stage 1 objectives.

All expenditures must be reasonable, well-justified, and directly tied to the team's approved milestone plan. Program staff will review proposed uses of funds with selected teams prior to disbursement to ensure alignment with Stage 1 goals.

Eligible expenses may include, but are not limited to, the following categories and examples:

Customer Discovery & Market Validation

- Market research and customer discovery activities
- Incentives for interviews, surveys, or focus groups
- Subscriptions to market, industry, or analytic data services
- Travel expenses directly related to customer or partner engagement

Product Development, Prototyping & MVP

- Prototype or minimum viable product (MVP) development
- Software development or engineering service fees
- Development and project management tools
- No-code or low-code platforms used for MVP validation

Founder, Team & Capability Development

- Training, education, or coaching related to leadership, fundraising, regulatory strategy, or commercialization readiness
- Specialized professional services (e.g., IP strategy, SBIR preparation, regulatory consulting) aligned with Stage 1 milestones

Business Development & Operations

- Business services (e.g., bookkeeping, accounting, legal services related to commercialization)
- Office or laboratory rent necessary to support pilot, validation, or early development activities
- Web hosting services and basic digital infrastructure

Ineligible Use of Funds (Examples)

To ensure funding is focused on venture formation and commercialization readiness, Stage 1 funds may not be used for:

- Basic or exploratory academic research not tied to commercialization or market validation
- Business relocation costs, including moving offices or operations outside the region
- Founder salaries, stipends, or fringe benefits unrelated to milestone execution

- General operating expenses not directly connected to Stage 1 milestones
- Capital purchases or large equipment not justified for pilot or validation activities
- Debt repayment or refinancing
- Entertainment or hospitality expenses not directly tied to customer discovery

Program Details: What to Expect

The Founder Factory Stage 1 Pre-Accelerator is a 10-week, milestone-driven program designed to help early-stage startups move from initial validation toward an investable business model. The program emphasizes execution, learning, and founder development and is built to help teams make real progress in a short period of time. Stage 1 is designed to reward teams that are coachable, data-driven, and prepared to make informed decisions—whether that means doubling down, pivoting, or determining that an opportunity is not yet ready for further investment.

How the Program Works

Stage 1 uses Lean Startup principles to guide teams through a disciplined process of testing assumptions, learning from customers and stakeholders, and iterating toward a scalable opportunity. Teams participate in a structured program that combines:

- Weekly facilitated cohort sessions focused on business model development and founder readiness
- Regular one-on-one meetings with staff, experienced coaches and mentors
- Independent work to conduct customer (stakeholder) discovery, test hypotheses, and execute milestones
- Structured reporting of learnings, progress, and deliverables, as described in the [Stage 1 Program Outline](#).

These activities are designed to move teams quickly through Stage 1 milestones and to surface the most critical business questions underlying each venture.

Time Commitment & Participation

Stage 1 is hands-on and time-intensive. Teams should expect to devote consistent weekly effort to program sessions, discovery interviews, milestone execution, and preparation of deliverables. Active participation is required throughout the program.

Funding Disbursements & Milestones

Stage 1 funding is distributed in tranches tied to milestone achievement, rather than as a lump-sum award. This approach supports disciplined execution, encourages rapid learning, and allows the program team to tailor each company's journey based on what is most relevant to its business model, industry, and follow-on funding path.

While broad milestone expectations are outlined below, specific milestone definitions will be refined with each team early in the program based on application materials, discovery progress, and intended next-stage outcomes.

Tranche 1: Program Onboarding (10% of award)

Released upon:

- Execution of the program award agreement, and
- Confirmation of program participation requirements and initial milestone plan.

Tranche 2: Discovery Progress & Business Model Learning (40% of award)

Released upon demonstrated progress toward **core discovery and validation objectives**, which may include a combination of:

- Ongoing, structured customer and stakeholder discovery interviews throughout the program
- Evidence that key assumptions about the customer, problem, and value proposition are being actively tested
- Clear articulation of learnings, insights, and decisions resulting from discovery
- Early refinement of target customer segments or use cases

Tranche 3: Early Traction or Capital-Readiness Milestone (40% of award)

Released upon execution of an **early traction milestone** relevant to the company's intended follow-on funding path. Examples may include but are not limited to:

- Demonstrated pilot activity, letters of intent, or early customer traction
- MVP, prototype, or technical validation milestones relevant to customers or partners
- Advancement of regulatory, IP, or manufacturing readiness required for investment
- Preparation and submission of competitive applications (e.g., SBIR/STTR, accelerators)
- Development of a credible investor pipeline or fundraising narrative

Tranche 4: Program Completion & Deliverables (10% of award)

Released upon:

- Satisfactory completion of all required program activities, and
- Submission of final Stage 1 deliverables, including:
 - Updated actionable roadmap & playbook
 - Summary of validated assumptions, decisions, and next steps
 - Investor- or funder-ready presentation aligned with the company's follow-on path

Important Notes on Milestones

- Not all teams will receive the full approved award amount. In some cases, the learning process may demonstrate that an opportunity does not support a scalable or investable business model.
- Milestone progress and funding release decisions are made by the Founder Factory staff with consideration from a review committee, as appropriate.

Evaluation & Support

Lean Startup deliverables and milestone progress are reviewed by the Founder Factory staff, with consideration from a broader review committee as appropriate. Throughout the program, teams receive one-on-one guidance to help translate learnings into concrete deliverables and to ensure funding requests align with demonstrated progress.

Outcomes of Stage 1

By the end of Stage 1, participating teams should expect to have:

- Conducted at least 50 customer (stakeholder) discovery interviews. *Note: Teams targeting Stage 2 or other competitive follow-on funding should expect to demonstrate a substantially higher level of discovery interviews.*
- Tested and refined key business model assumptions
- Developed an actionable roadmap and playbook
- Strengthened founder readiness and decision-making capability
- Clarified a realistic pathway toward follow-on funding or next-stage acceleration

Eligibility

The Stage 1 Pre-Accelerator is a competitive, milestone-driven program designed for a specific type of early-stage startup. Review the eligibility checklist below to determine whether your company is a good fit before applying.

If you are unsure whether your startup meets these criteria, we encourage you to apply—or reach out with questions—prior to the application deadline.

Eligibility Checklist

Your startup is likely a good fit for the Founder Factory Stage 1 Pre-Accelerator if you can answer yes to all (or nearly all) of the following:

Location & Wisconsin Presence

- We have a formed legal business entity or will have one before the program begins
- Our business is (or will be) based and registered in Southeastern Wisconsin
- We can demonstrate meaningful business activity in SE Wisconsin (e.g., employees, partners, customers, operations)
- We intend to grow and retain business activity in Wisconsin

Company & Stage

- We are a startup or early-stage business with high-growth potential
- We have 1–25 employees
- We have received no more than \$100,000 in prior external funding (equity, commercialization grants, or similar). *Note: This limit does not apply to funds provided by bootstrapping.*
- We have demonstrated early problem–solution fit and are ready to test, learn, and iterate

Readiness & Commitment

- We have at least one company founder that can commit the time and effort to fully participate throughout the program
- We have a mentor/coach who can commit the time and effort to participate throughout the program
- We are open to coaching, feedback, and data-driven decision-making

Eligibility Limitations & Final Determination

Businesses are **not eligible** for Stage 1 funding if their primary activity is real estate development, direct-to-consumer retail, or hospitality (including restaurants), or if they have received more than \$100,000 in prior external commercialization funding (excluding research funding). Companies that do not align with the Founder Factory mission of supporting scalable, investable ventures are also ineligible.

Final eligibility determinations are made by the Founder Factory review committee based on the program's mission, investment criteria, and the applicant's ability to benefit meaningfully from Stage 1 participation. The review committee reserves the right to determine eligibility, including assessment of Wisconsin presence and program fit.

Letters of Intent (LOI)

Letters of Intent help Founder Factory gauge early interest, eligibility, and program alignment before full applications are submitted. The LOI is non-binding and is designed to be quick and lightweight, requiring only brief responses and checkboxes. Most applicants can complete the LOI in 5–10 minutes (approximately 150–250 words total).

LOI submissions are not competitively evaluated and are used to assess overall interest, identify potential applicant needs, and guide outreach and follow-up prior to the June 19 application deadline. Teams that submit an LOI will receive additional information and guidance on whether Founder Factory Stage 1 may be a good fit before completing a full application.

Application & Submission Instructions

Applications are intended to provide the review committee with a clear, concise understanding of your company, your opportunity, your team, and how you would use Stage 1 support to advance your venture. Applications should emphasize substance and focus on learning objectives, execution readiness, and alignment with the goals of the program.

Founder Factory Stage 1 values thoughtful engagement with uncertainty. Strong applications clearly articulate not only what the team believes today, but also where assumptions remain untested, where gaps exist, and what the team needs to learn next. Applicants should not hesitate

to identify risks, unknowns, or capability gaps, so long as they demonstrate a disciplined approach to learning and execution if accepted in the program.

Required Application Sections

Applicants must organize their submission using the sections outlined below. The core application narrative must not exceed **the character length listed by each section below**.

- 1. Company Overview (500 characters).** Provide a brief high-level overview of your company, including:
 - Company name, location, and legal status
 - Description of your technology, product or service
 - Target customer(s) and market context
 - Current stage of development

- 2. Problem & Customer (1250 characters)**
 - Describe the specific problem you are addressing and why it is meaningful for the customer.
 - Who experiences this problem most acutely today? Describe your primary target customer or customer segment as precisely as possible.
 - If you have identified—or are forming—an initial beachhead customer segment, describe it and explain why it is an appropriate starting point.
 - How do customers currently address this problem (including workarounds, substitutes, or competing solutions, if any)?
 - What evidence, observations, or early learnings inform your belief that this problem exists and is worth solving?

- 3. Market Opportunity (750 characters).** Applicants are not expected to provide definitive market sizing at this stage, but should demonstrate disciplined, transparent thinking about market structure, assumptions, and scale.
 - Define the initial market opportunity associated with the customer problem described above. What is the relevant market you would realistically target first?
 - Provide a reasoned estimate of the size of this opportunity (e.g., number of customers × expected value per customer), including key assumptions.
 - Describe how this market might expand over time (e.g., adjacent segments, use cases, pricing models).
 - What factors make this opportunity attractive—or challenging—for follow-on funding or partnership?

- 4. Solution & Value Proposition (750 characters).** Explain your proposed solution and its differentiation:
 - How does your solution address the problem described above?
 - What key assumptions must prove true for this solution to succeed?

- What distinguishes your approach from alternatives or competitors?
- Are there barriers to competition around your solution? If so, what are they?
- If relevant, describe the intellectual property protection and ownership status of your solution.

5. Team & Execution Readiness (500 characters). Describe the founding team and your ability to execute:

- Core team members and roles
- Relevant background, skills, or experience
- Identified gaps and plans to address them
- Expected time commitment during Stage 1 participation

6. Learning Agenda, Milestones & Funding Request (1500 characters). This section should describe what you aim to learn and accomplish during Stage 1. Applicants are not expected to present a perfect or final milestone plan. Rather, they should demonstrate clear thinking about what they need to learn next, where key risks lie, and how Stage 1 funding would be used to support those activities and reduce business risk.

- The most important business questions you need to answer in the next 6 months
- The discovery, validation, or execution activities you propose to pursue during Stage 1
- The specific learning outcomes or decisions these activities are intended to inform
- The total amount of Stage 1 funding you are requesting (up to \$15,000)
- A high-level description of how you anticipate allocating Stage 1 funds across major activities or milestones

7. Path Forward & Program Fit (500 characters). Describe your anticipated next steps and program alignment:

- What programs, training, or other preparatory activities (if any) have you participated in that have helped position your team for Founder Factory Stage 1? Please briefly describe what you gained from those experiences.
- Why this is the right program for your company at this time
- What success in Stage 1 would look like, even if it leads to a pivot or a decision not to proceed
- Likely follow-on path after Stage 1 (e.g., Stage 2, accelerator, investors, grants, pilots)

8. Founder Perspective / Differentiating Insight (300 characters)

Is there a non-obvious insight, advantage, or founder-specific perspective that you want to share? If so, briefly explain.

9. Optional Appendices (Not Counted Toward Page Limit). Applicants may include the following optional materials to provide additional context. These materials are not required and should be brief and relevant. Limit: 7 pages total.

Examples include:

- A current Business Model Canvas (if available)
- One-page executive summary or pitch deck
- Summaries of key prior customer (stakeholder) discovery interviews
- Product or prototype screenshots, diagrams
- Letters of intent, pilot agreements, or early traction evidence

How to Submit Your Letter of Intent and Application

You must create an account to access the Letter of Intent and Application.

All application materials are to be completed in the [Grant Application Portal](#) no later than **5PM CST on June 19, 2026**. Applications submitted after this time will not be accepted.

Please reach out to the Program Manager at FounderFactory@lists.wisconsin.edu if you do not receive confirmation that your application was submitted successfully.

Review Criteria

Applications will be evaluated through a competitive review process designed to identify teams that are most likely to actively engage in the program, execute on milestones, and emerge from Stage 1 as stronger contenders for follow-on funding or next-stage acceleration. While learning is a core goal of the program, Stage 1 is designed for teams ready to apply that learning toward concrete progress.

Reviewers will assess applications holistically using the criteria below. No single criterion is determinative; selection decisions are based on overall program fit and readiness.

1. Problem & Customer Understanding

Reviewers will evaluate the clarity of the problem being addressed, the specificity of the target customer, and the team's understanding of why the problem is meaningful. Strong applications demonstrate grounded customer insight rather than broad or speculative market claims.

2. Solution & Value Proposition

Reviewers will assess how well the proposed solution aligns with the stated problem and whether the value proposition is credible and differentiated. Teams are expected to demonstrate awareness of key assumptions and risks, not necessarily finished products.

3. Team Readiness & Commitment

Reviewers will consider whether the team has the skills, availability, and decision-making capacity to fully participate in a demanding, milestone-driven program. Coachability, self-awareness, and the ability to execute matter more than pedigree or prior fundraising.

4. Learning Agenda & Milestones



Reviewers will look for evidence that the team understands what it needs to learn next and has identified meaningful business questions to test during Stage 1. Strong applications reflect a disciplined approach to discovery, validation, and iteration.

5. Execution Potential & Use of Funds

Reviewers will assess whether the proposed use of funds is thoughtful, targeted, and appropriate for the company's stage. Funding requests should be clearly tied to activities that reduce risk and support forward progress within the program timeline.

6. Program Fit & Path Forward

Reviewers will evaluate alignment with the mission and structure of Founder Factory and whether Stage 1 is the right intervention at this time. Strong applicants articulate realistic next steps after Stage 1 and demonstrate readiness to use program momentum to advance toward those outcomes.

Points of Contact & Questions

Questions?

For questions about the application process or general questions about the Founder Factory Stage 1 Pre-Accelerator program, please reach out to Margaret Ramey at FounderFactory@lists.wisconsin.edu