

SWINBURNE KNOWLEDGE

Preliminary Opportunity Assessment Guide

The Preliminary Opportunity Assessment (POA) is the summary document used as a guide in deciding whether to proceed with or reject a commercialisation proposal. Generally the POA is prepared by Swinburne Knowledge, as part of preparing a proposal for consideration by the Swinburne Ventures Board.

Potential	Higher	Lower	Comments
<u>MARKET</u> Need	Identified	Unfocussed	
Customers	Reachable, receptive	Unreachable, Loyal to others	
Competitors	Few not self destructive	Many, price wars	
Market accessibility	No dominant technology Market channels clear	Many proven technologies	
Sustainable competitive advantage	Other technologies not progressing	'Hot' research area	
Market structure	Emerging industry	Mature/declining industry	
Indeterminate but believably large upside potential	Self-evident market	Market need unclear	
Market size estimate	\$50M+ sales	Unknown: <\$10M sales	
Market growth rate	Significant	Contracting	
<u>COMMERCIAL</u> External investment Required	Low (<\$50k)	Very high (\$5m+)	
Return on Investment	25%+ p.a.	<15% p.a.	
Exit mechanism	Known, float, sell	Undefined, Illiquid investment	
Low financial risk	Low risk for founders	Risky investment	
Technology as basis for a spin-off company	Start up feasible	Requires large investment, Resources & market access	

PEOPLE Inventor as technology champion	Realistic expectations	Not a team player
Management Team	Track record of success	Plodders
Industry / Market Knowledge	Experienced	New Entrants
PRODUCT & TECHNOLOGY		
Patent search completed and clean	Technology protectable by patents	Obvious idea Prior art identified
Strength of Patent	Enforceable Distinguishable from alternative approaches	Hard to determine infringement
Literature search completed and clean	Few researchers in area	Active many players
Value added or created	High	Low
Development Stage	Functioning prototype Mass producible	Proof of concept
Manufacturing Costs	Feasible with reasonable investment	High cost to establish
Overall Probability of success	High	Low

Additional Questions:
What are the biggest concerns/risk factors?
What is the upside opportunity?
Is there critical information missing?
Estimated dollar returns to Swinburne Ventures? Beginning when, and over what time span?

RECOMMENDATION:	Comments
Proceed with commercialisation <input type="checkbox"/>	
Further work required <input type="checkbox"/>	
Swinburne Ventures Declines <input type="checkbox"/>	

Signed: **Date:**