

THE ENTREPRENEURIAL NETWORK
LOCKHEED MARTIN CORPORATION

The Entrepreneurial Network Application Kit

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1. What is the Entrepreneurial Network?

Since 2012 the Entrepreneurial Network (includes the recognized Entrepreneurship Challenge program) has highlighted and supported revolutionary ideas, ventures and innovators whose technology is highly relevant to our focus areas. Each focus area represents current technology interests, which align to our strategic engineering objectives and supports customer priorities.

Each year Sikorsky Innovations presents new Focus Areas and hosts companies to pitch their differentiating technology to our program stakeholders. Awardees have an opportunity to collaborate with an industry leader, leveraging our knowledge and relationships.

2. What is Sikorsky Innovation's Entrepreneurship Challenges?

The Entrepreneurial Challenge is a competition held by Lockheed Martin Corporation, led by Sikorsky Innovations. Sikorsky is looking for agile technology leaders across all industry domains that embody the entrepreneurial spirit, passion, and high energy management style to complement the qualities of an established industry leader and creatively address the toughest problems in flight. As the host, Sikorsky identifies critical POCs across the LM enterprise to join the technical pitches.

Whether your product can enhance Lockheed Martin's business or create opportunities in new markets or missions, the Entrepreneurial Challenge is used to identify opportunities to collaborate and increase efforts between inventors, entrepreneurs and innovators with a world leader in military and commercial products. Selected contestants will join the Lockheed Martin Entrepreneurial Network of global technical experts, tech fellows, business mentors, strategic collaboration, leaders, potential customers, and experienced investors working together to Spark What's Next™.

3. How does the Challenge work?

Sikorsky Innovations will post a set of Focus Areas on the website. The Focus Areas are designed to be inclusive to both companies within the aerospace market, and those innovators working in other domains that may not have considered an aerospace application yet. The Entrepreneurial Challenge is open to new entrepreneurial ventures, startups, small companies that are already fully formed as well as innovative small teams within larger, established organizations.

The structure of the competition then proceeds as follows:

- Focus Areas will be accessible on the website for at least 90 days, until the submission deadline, or remain on the site if still an area of interest accepting applications. Once the deadline has passed, valid applications (see below for further details) will be judged by a series of technical and business experts.
- Based upon the judging, a select group of contestants will be asked into the Final Round, a minimum 15 minute (10 minute presentation, 5 minute Q&A) pitch

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presentation at Sikorsky's headquarters in Stratford, CT. The length of the pitch is subject to change.

- From this Final Round, zero, one or more contestants could be selected as an Awardee; awardees will fall into the level of Winner, Special Recognition, or Honorable Mention of the Entrepreneurial Network, depending on the quality of the applicant pool to the challenge.

4. What are the prizes for the Entrepreneurial Challenge?

The Sikorsky Innovations department seeks to build a close relationship with awardees to look at alignment opportunities and provide access to the Lockheed Martin Innovations network to help accelerate the awardees innovative ideas. Each winning entity will be assigned a Lockheed Martin point of contact (POC) to assist in the maturation of the product and alignment of the business with the needs of the Lockheed Martin Corporation and its network of clients, and suppliers. Note the technical information and guidance provided to each awardee may vary based on citizenship of the team members and applicable Focus Area.

Each winning entity will also be entitled to a cash prize, the amount and conditions of which will be announced on an individual basis. Such cash prizes are subject to the winning entity entering into a post award agreement.

Awardees may have the opportunity, as appropriate, to work with Lockheed Martin at one of our sites. Lockheed Martin operates in almost every state of the USA.

Awardees may have the opportunity to receive, during their 12-month interaction, an investment evaluation by Lockheed Martin Corporation to determine if follow on investment by the Corporation is appropriate. Comprised of a panel of Sikorsky and Lockheed Martin executives, and subject matter experts, the evaluation panel is empowered to grant teams follow-on investments of varying amounts.

5. Who is eligible to compete?

Individuals or teams incubating new ideas around the globe, whether working in a garage, spinning off a new business, or changing industries, are encouraged to apply. The company does not need to be an aerospace company to apply.

An individual entity or small team are eligible to compete, provided the following requirements are met:

- Each team must have at least **1 full time employee**. A 'full time employee' is defined as a person that maintains standard business hours working on the technology or venture (at a minimum, Monday through Friday, 9:00am-5:00pm.)
- The product or technology the team is offering for consideration provides a **functionality or capability not currently available in any off the shelf product, or a functionality/capability that can be demonstrated to possess a significant advantage**

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over current offerings in some aspect. For example business impact, X less power consumption, X less expensive, X more powerful.

- The product or technology the team is offering for consideration **original ideas wholly owned, by the team.**
- By the time of the final round presentation, the team has formed or is a part of a recognized, legal entity for the company structure. Lockheed Martin reserves the right to ask for formation documentation prior to investment, Post Award Agreement, or during collaborative programs.
- Teams are not required to pay a fee, make a purchase or provide any other consideration to be eligible to compete.

If you have multiple ideas or have applied before, note the following:

- A contestant may submit an application to more than one Focus Area per competition.
- There is no limit to how many times a non-selected contestant competes per year. Increasing the number of times a non-selected contestant competes will not increase the contestant's odds of receiving an award.
- Once a contestant receives an award for one Entrepreneurial Challenge, they are considered in-eligible to re-apply for any future Challenges.

6. What is the first round application and what are the rules for submission?

To be considered for the Entrepreneurial Challenge, the application must include the following:

- Identity of the company and team.
- Specific Focus Area the team is applying to. If a team has a product applicable to more than one Focus Area, they must submit one application per Focus Area.
- The company may choose to apply without relation to a Focus Area, however there must be a strong business case

Eligible applications may **NOT** contain the following:

- Any information the team deems proprietary.
- Any third party proprietary information.
- Audio-visual material, including videos (static graphics only).
- Hyperlinks, QR codes or any other directional aid that directs reviewers to additional information outside the 5-page limit. Only information contained within the application will be reviewed.
- Photographs of any team members.

There is no set of topics required in the application, but insightful submissions generally include:

- Introduction/Business summary
- Development to date
- Competitive differentiation of the technology/product/offering

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- Patent portfolio (if applicable)
- Competition landscape
- Basic company financials
- Team description

Format your application according to the following rules:

- Submissions shall **not exceed** 5 single space, single side pages in length.
- Standard 1" margins on all sides of the page, with font **not smaller** than 12 pt Times New Roman.
- The file must be in Microsoft Word or PDF format.
- The file size should not exceed 3MB, if so, please contact/email echallenge.rms@lmco.com

Applications will be judged according to the following criteria and weighting factors:

Weighting Factor	Judging Criteria	Description
Pass/Fail	Alignment with Focus Area	Application clearly states Focus Area being applied for. Technology/product presented meets the need defined in the Focus Area.
Pass/Fail	Alignment with Lockheed Martin technology	Application demonstrates the highest caliber of ethical behavior in all aspects of both the technology/product and business proposition.
40	Product Merit	Product presented provides significant, quantified value to the Focus Area. Product presented displays innovation in its field and the potential for intellectual property protection or other differentiation. If applicable, Technical maturity is quantified (as defined by the US Department of Defense Technology Readiness Level, found at http://www.acq.osd.mil/ddre/publications/docs/TRA2011.pdf). Clear maturation strategy is presented.
20	Market Advantage	All potential market segments for product presented are identified. Top competitors (from any market) for product presented are named, and competitive advantage clearly explained. Evidence that intellectual property or differentiating process is being leveraged to enhance competitive advantage.
10	Product Viability	Company presents evidence that supports its independent viability (outside of any Sikorsky investment), growth and valuation.
30	Team Experience	Short bios of each employee/principal are presented. Company is comprised of an appropriately sized group,

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with experience in relevant disciplines to support current development strategy.

The Sikorsky Entrepreneurial Network team encourages companies to stay involved. The team sends out reminders of the application deadlines and when we launch a challenge or focus area(s). Keep in touch with our technical experts via the network.

Do not submit any proprietary information.

7. What are the guidelines for the Final Round?

Contestants asked to compete in the Final Round are expected to prepare a minimum 10 minute pitch presentation. Additional guidelines will follow once selected and are subject to change. The pitch presentation shall be judged according to the following criteria and weightings:

Weighting Factor	Judging Criteria	Description
Pass/Fail	Alignment with Lockheed Martin technology and values	Final presentation continues to demonstrate the highest caliber of ethical behavior in all aspects of both the technology/product and business proposition.
30	Product Merit	Sufficient detail is provided in the Final Presentation to substantiate the product's maturity detailed in the application and illustrate thorough understanding of any underlying technology and its associated business risks. Maturation strategy is expanded upon in sufficient detail to support the presented go-to-market timeline.
30	Market Advantage	Top competitors are examined in greater detail, and compelling reasons established for product differentiation. Specific intellectual property or unique process is detailed.
30	Product Viability	Company presents business strategy and corresponding financial projections for its offering, with enough detail to show clear understanding of the business risks to the offering and mitigation strategies.
10	Team Experience	Presentation team clearly displays and communicates technical and business knowledge and presents plans for team growth that shows careful thought into the venture's growth strategy.

Do not submit any proprietary information. Note the criteria is subject to change depending on the Focus Area needs.

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8. How do I profile the team if it is changing as the business develops?

It is possible individuals will join or depart the team in the time between when the application is submitted and when the awardee(s) are selected. Your application should identify your team to the best of your ability and Lockheed Martin Innovations Network will consider the presenters in the Final Round their main point of contact.

9. Can the guidelines change?

Yes, while not anticipated, Lockheed Martin Corporation reserves the right to change or eliminate the application prior to the Pitch event. Lockheed Martin Corporation also has the right to withdraw prizes, without notification.

10. Can teams be disqualified?

Lockheed Martin Corporation reserves the right to disqualify from competition and/or revoke prizes from entrants deemed to have practiced illegal or unethical behavior during an action that has bearing on their business or technology.

Awardees will be also required to enter into a post award agreement with Lockheed Martin Corporation upon investment, which is negotiated after the assessment is complete. Failure to enter into an agreement will disqualify the participant.

Do not submit any proprietary information.

11. Where do I submit my first round application or ask questions?

Please see the Entrepreneurial Challenge website, you can visit the application portal depending on your browser at:

<https://www.lockheedmartin.com/en-us/capabilities/sikorsky/echallenge.html>

or <https://www.lockheedmartin.com/echallenge>

Questions can be sent through the Contacts section of the website or directly to echallenge.rms@lmco.com

12. What are the submission dates and timeline for the upcoming competition?

The complete calendar for the current Entrepreneurial Challenge can be found on the website <https://www.lockheedmartin.com/en-us/capabilities/sikorsky/echallenge.html>

or <https://www.lockheedmartin.com/echallenge> If the dates are not listed feel free to email us or check by for updates.

13. Are there any other terms and conditions associated with the Challenge, including non-confidentiality of all submissions?

Yes, as part of the Lockheed Martin Corporation Entrepreneurial Challenge led by the Sikorsky, all applicant submissions may only be provided via the application portal to Sikorsky Innovations, i.e., Lockheed Martin Corporation, under the conditions stated below.

We suggest that you consult your own attorney before accepting the following conditions.

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CONDITIONS:

The participant agrees that all submissions are deemed non- confidential and non-proprietary by the participant and participant's associates and the submissions contain no third party proprietary information. The disclosure of the submission by participant to Sikorsky, Lockheed Martin Corporation, will not give rise to a confidential relationship.

The participant agrees that Lockheed Martin Corporation may keep a copy of all submissions for its files and that participant's rights and remedies (and those of anyone who may be associated with or claiming through you in the matter) arising out of the use or disclosure of any information that participant submits to Sikorsky under this contest, shall be only such as participant and participant's associates may be entitled to under the patent statutes of the United States or foreign countries.

If it so happens that Lockheed Martin Corporation previously worked on, or is now working along lines similar to participant's submission, or if it has learned of such subject matter from other sources, it would not be obliged to so inform the participant since Lockheed Martin Corporation usually does not make its work public until it is well advanced or in production; even then the requirements of military secrecy may prevent such notice.

Do not submit any proprietary information.