

PCI Ventures 2.0

UPstart is a virtual incubator for faculty-founded companies built around Penn intellectual property.

The program bridges the gap between basic research and commercialization through a fully hands-on approach that includes active involvement with operations and fundraising efforts.

UPstart is ideal for those interested in being entrepreneurial, but don't have the time or expertise to be entrepreneurs.



The objective of UPstart 2.0 is for faculty to retain maximum equity ownership under the Penn Patent Policy for as long as allowed.

- Consistent with the previous model, Penn founders will continue to receive 51% equity in a newly created UPstart company.
- Penn will accept disproportionate dilution of its equity ownership from the addition of management and advisors to the company prior to the first dilutive funding event (or once Penn is reduced to 20% equity ownership).
- Proportionate dilution will occur there on out and for each equity funding round unless an alternative structure is requested or mandated by the investors.
- No additional equity will be issued to Penn through the negotiation of an IP license agreement.

PCI Ventures programs: pci.upenn.edu/ventures

UPadvisors provides services for companies that do not request a full hands-on approach, but want access to the PCIV team and the Penn venture ecosystem.

Offerings include: ongoing mentorship and advice, access to PCIV/Pennovation accelerators and programming, step-by-step venture acceleration manual, legal agreement templates, and connections to capital acquisition sources.

UPadvisors is ideal for those that do not need the level of support provided under UPstart.



Penn will not take an initial equity stake in an UPadvisors company.

- The UPadvisors company will be initially 100% owned by faculty founders.
- PCIV will offer its services in exchange for a Simple Agreement for Future Equity (SAFE) in the amount of \$50,000. The SAFE will convert into an expected 5% equity ownership coincident with a qualified equity financing into the UPadvisors company.
- Independent of the SAFE, Penn may receive additional equity for an IP license agreement with the UPadvisors company.
- Penn faculty founders will still need to comply with the Patent Policy requirements with respect to ownership and control (less than 50% at the time of negotiating a license).

Penn Center for Innovation: pci.upenn.edu