**MTEP BUSINESS PLAN**[[1]](#footnote-2)

**1. SUMMARY**

A description (up to 1 page) of the legal entity presenting its plan (name of the applicant, main activities), the nature of the project to be implemented, the activities that have been and will be carried out and the commercialisation potential of the product (good, service, technology) (hereinafter referred to as 'the product') to be developed or substantially improved, what makes it unique, who are the target customers and what added value is offered to them, what funding is needed, what is the value of the project (what costs are needed for research and experimental development (R&D) activities, what costs are needed for patenting, for preparing the product for the market), and what are the long-term objectives set.

**2. DESCRIPTION OF THE LEGAL ENTITY AND ITS ACTIVITIES**

*(if the project involves partner(s), to be filled in separately for each legal entity; in the case of a large number of companies, natural persons related to the applicant and to the partner companies, we recommend to provide a linking scheme)*

2.1. Information on shareholders: name, company code/name, number of shares held:

2.1.1. Information on the applicant's shareholders and shareholders' shareholders (up to natural persons):

| Shareholder | Company code\* | Shareholding, % |
| --- | --- | --- |
|  |  |  |

*\* If the shareholder is a natural person, the personal identification number is not provided.*

2.1.2. Information on the legal entities in which the applicant holds shares:

| Name of the legal entity | Identification code | Shareholding, % |
| --- | --- | --- |
|  |  |  |

2.1.3. Information on the legal entities in which the applicant's shareholders hold shares:

| Name of the legal entity | Identification code | Shareholding, % |
| --- | --- | --- |
|  |  |  |

2.2 Current activities - information on the nature of the applicant's activities according to the statutes and the Economic Activity Classification, version 2 (hereinafter referred to as the 'ECC'). Indicate the subclass, if not possible the class, descending order of volume, the share in the total activity of the undertaking (information on the share of the activity in the total activity of the undertaking shall be provided on the basis of the last year's certified financial statements):

|  |  |  |
| --- | --- | --- |
| Activity(ies) carried out by the applicant | Share of activity (%) in total company activity | Class of the CESE |
|  |  |  |

2.3. the products offered by the applicant (information on the share of the product in the sales structure shall be provided on the basis of the most recent year's certified accounts):

| Products offered | Percentage of sales | Buyer of the product (country) |
| --- | --- | --- |
|  |  |  |

**3. PRODUCTS FOR WHICH FUNDING IS REQUESTED**

3.1. Description of the new or substantially improved product to be developed:

3.1.1. Describe the specific characteristics, measurable features, technical solutions, etc., that will characterise the new product to be developed, the innovativeness of the product to be developed. It shall also describe the new characteristics of the product to be developed in comparison with analogues available on the market, and shall provide comparisons (where possible with specific parameters) with analogues or close substitutes. If it is not possible to define the specific measurable characteristics of the product without testing, a description of the intended use of the results of the tests shall be given as far as possible. It shall describe how and why the product advantages mentioned are important to consumers, what benefits the new products will bring to consumers, what problems they will solve, etc.

3.1.2. the level of novelty of the product(s) created by the project:

| Product | Level of novelty\* | Justification that the product for which funding is requested is new |
| --- | --- | --- |
|  |  |  |

\* *The level of novelty is assessed as described in the Oslo Manual 2018: Guidelines for Collecting, Reporting and Using Data on Innovation, The Measurement of Scientific, Technological and Innovation Activities*[[2]](#footnote-3) : product novel at company level, product novel at market level, product novel at global level*.*

3.1.3. justify that the project contributes to the Concept of Research and Experimental Development and Innovation (hereinafter referred to as 'RDI') (Smart Specialisation) and is in line with the implementation of at least one of the RDI priorities (hereinafter referred to as 'RDI priority') of the Concept:

| R&D priority(s) and themes\* | Justification that the project contributes to at least one of the R&D&I priorities identified in the Concept and corresponds to the themes of at least one priority |
| --- | --- |
|  |  |

*\* R&D&I priorities and their implementation themes are approved by the Resolution of the Government of the Republic of Lithuania No. 835 of 17 August 2022 "On the Approval of the Concept of Research and Experimental Development and Innovation (Smart Specialisation)"*[[3]](#footnote-4) *.*

3.1.4. the research direction of the project (*to be chosen in accordance with the Order of the Ministry of Education, Science and Sport of the Republic of Lithuania No V-93 of 6 February 2019 "On the approval of the classifications of scientific directions and artistic directions"*[[4]](#footnote-5) *)*:

| Research area(s) of the project (*Indicate up to two areas, marking the main one*) |
| --- |
| 1.  2. |

3.1.5. Project keywords

(*Keywords describing the focus of the project research. Give no more than 100 words*).

**4. A PLAN FOR THE DEVELOPMENT/IMPROVEMENT OF THE PRODUCT FOR WHICH FUNDING IS REQUESTED**

4.1. address of the applicant/partner's registered office and the place of implementation of the project (exact address):

4.1.1. a justification for the implementation of the project activities in the Central and Western Lithuania region and supporting documents:

4.2. Project implementation team: justification that the applicant has (or has foreseen) a sufficient number of suitably qualified persons to implement the project, indicating the project leader of the R & D activities (this function cannot be assigned to the project leader of the administrative activities).

Existing staff of the applicant and the partner who will be responsible for carrying out the R&D activities:

| Responsibilities | Responsibilities for R&D activities | Minimum qualification requirements for staff |
| --- | --- | --- |
|  |  |  |
|  |  |  |

4.2.2. additional staff of the applicant and the partner are needed to carry out the R&D activities:

| Responsibilities | Responsibilities for R&D activities | Minimum qualification requirements for staff | Period (year and month) of planned recruitment |
| --- | --- | --- | --- |
|  |  |  |  |

4.2.3. the tasks to be carried out by each of the applicant's and partner's R&D personnel in the implementation of each of the activities foreseen in Table 4.5 of the business plan, indicating the number of hours foreseen for the execution of the tasks and the expected result of these tasks:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Eil. No. | Name of employee Surname (if known) | Responsibilities | Task(s) to be carried out | Number of working hours per task | Result of planned tasks |
| 1. |  |  |  |  |  |
| N. |  |  |  |  |  |

4.2.4. The project management team: duties, experience, responsibilities.

4.3 Justification of the R&D activities required for product development/improvement.

|  |
| --- |
| *! The Frascati* Manual is used to determine whether the activity(ies) foreseen in the project qualify as R&D *("Standard practices suggested for statistical surveys on research and experimental development", Frascati Manual, Organisation for Economic Co-operation and Development, 2015*) [[5]](#footnote-6). |

|  |  |
| --- | --- |
| **4.3.1** | **Justification of the new or additional knowledge sought to be acquired through the project activities.**  *What are the scientific and/or technological problems for which knowledge is not publicly available and/or has not yet been applied in the industrial and/or service sector concerned and for which the project is needed? How does the project seek to generate such new or additional knowledge which, if applied, could lead to new or substantially improved products or processes or to specific practical objectives? What specific scientific and/or technological problems exist that need to be solved in order to develop/improve the planned product?* |
| **4.3.2.** | **Describe the original ideas and/or hypotheses on which the project is based.**  *What project tests an original, non-obvious hypothesis that solves a scientific-technological problem in order to develop a new product or process, or to substantially improve an existing one, or to address a specific practical objective? What methods of discovering new or additional knowledge (literature analysis and/or experimentation and/or observation and/or survey) add value?* |
| **4.3.3.** | **A description of whether the project's intended outcomes are subject to at least one of the uncertainties.**  *What is the likelihood of failing to generate sufficient quality or quantity of new or additional knowledge? What is the likelihood of failing to achieve the planned results at the planned cost? What is the probability of not achieving the planned results within the planned timeframe?* |
| **4.3.4.** | **Describe the systematic nature of the planned project activities.**  *Are the project activities coherent and logically structured? How does the quality of the project activities comply with the SMART principles (Specific, Measurable, Achievable, Relevant, Timed)? How do the project activities relate to the EP and RTD stages according to the description of the Recommended Classification of Research and Experimental Development Stages approved by the Resolution of the Government of the Republic of Lithuania of 6 June 2012 No 650 "On the Approval of the Recommended Classification of Research and Experimental Development Stages"*[[6]](#footnote-7) *?* |
| **4.3.5.** | **It describes how the results of the project activities will be replicable and transferable, and what documentation of knowledge creation will enable its transfer, ensuring its use and the possibility for other researchers to replicate the results in their own activities.** |

4.4 An overview of national and international research on product development:

*(brief analysis of the literature sources (only references to sources and description of the main results of the research, up to 3 pages)*.

4.5. a plan of the R&D activities to be carried out under the project. A separate table shall be completed for each of the project's activities (the table must be detailed enough to show the content and sequence of the activities to be carried out):

|  |  |
| --- | --- |
| Justification of the technological readiness level (TPL)\* achieved by the start of project activities | *Indication of the TPL fully implemented by the start of the project activities and justification of the assignment to a specific TPL.* |

|  |  |  |  |
| --- | --- | --- | --- |
| Project impact number(s) and title(s) specified in the PIP |  |  | |
| Project month, when the impact is planned to start |  | Project month, when the impact is expected to be completed |  |
| TPL for the start of project impacts |  | TPLs to be reached at the end of the exposure |  |
| Detailing the impact of the project and a description of what will be done and the resources and inputs required | *The objective is stated, and information is provided on the R&D activities carried out, the problems to be solved, the need for equipment, etc.*  *It details the tasks of the activity, indicating the duration of the task (from X project month to Y project month (not calendar month)) and the expected output of the task (e.g. technical specification, report, working prototype, test protocol, etc.), and describes the questions to be answered by the task.*  *Describes the need for the resources identified in Resource Table 1A.* | | |
| Criteria for success | *It lists the success criteria against which the intermediate result is planned to be adopted and the next TPL achieved.* | | |
| Date of expiry of TPL and TPL | *Indicate the TPL to be achieved and the month of the project when the TPL is to be achieved.*  *To be completed for each TPL separately, if no TPL is foreseen, indicate "Not foreseen"* | | |

\* *Technological readiness levels are understood as the stages of research and experimental development specified in the Description of the Classification of the Recommended Stages of Research and Experimental Development, approved by the Resolution of the Government of the Republic of Lithuania No 650 of 6 June 2012 "On the Approval of the Description of the Classification of the Recommended Stages of Scientific Research and Experimental Development".*

4.6. Intellectual property issues for the products to be produced: whether the products will be patented, if so, where, who will own the intellectual property. Justify the need for patenting *(if patenting activities are included in the scope of the project).*

4.7. Product market development plan: justification of the need, description of the activities to be carried out *(to be completed if the product market development activities are included in the scope of the project).*

4.8. Risk assessment of the R&D project:

| Stages | Risks | Critical points\* | Risk mitigation actions |
| --- | --- | --- | --- |
| Concept formulation and feasibility validation |  |  |  |
| Layout development, testing, checking |  |  |  |
| Prototype development and demonstration |  |  |  |
| Production and evaluation of a pilot batch |  |  |  |

*\*(if any) indicate the most risky R&D activities (critical points) which, if not carried out (without achieving the intended result), would make the execution of other R&D activities impossible or substantially change and/or would not lead to a final product with the expected characteristics (improvement).*

4.9. The feasibility and benefits of the partnership (applicable if the project is implemented with partners).

**5. DESCRIPTION OF HOW THE PRODUCT IS PLACED ON THE MARKET**

5.1. Description of the product market:

5.1.1. a forecast of demand and supply for the product (with calculations supporting the forecast);

5.1.2. the main target consumers of the products to be produced, the characteristics of the market, including its size, projected growth, seasonal changes in the market, product cycles, etc;

5.2. Main competitors and how they plan to compete in the future (positioning vis-à-vis competitors):

| Name of competitor | Market share (in the selected market in which competition is intended) | Competitor's attractiveness to consumers (price, quality, logistics, etc., competitor's strengths, weaknesses) |
| --- | --- | --- |
|  |  |  |
|  |  |  |

5.3:

5.3.1. information on the price of the product, comparing it with the prices of similar products (if any) offered by major competitors;

5.3.2. the assumptions used to determine the price of the planned product and the main factors influencing its determination.

5.4. Commercialisation potential of the products developed/improved by the project.

Technological readiness level of the product (to be filled in separately for each product):

|  |  |  |  |
| --- | --- | --- | --- |
| Product | Level of technological readiness of the product\* before the start of project activities\*\* | Level of technological readiness of the product after project implementation | Justification that the product meets a certain level of technological readiness |
|  |  |  |  |
|  |  |  |  |

*\* The level of technological readiness of the product is indicated in accordance with the Description of the Recommended Classification of the Stages of Research and Experimental Development, approved by the Resolution of the Government of the Republic of Lithuania No 650 of 6 June 2012 .*[[7]](#footnote-8)

*\*\* Indicate the level of TPL achieved by the applicant before the start of the project activities.*

**6. RESOURCES NEEDED FOR PRODUCT DEVELOPMENT/IMPROVEMENT**

|  |
| --- |
| *! The resources required for product development/improvement are to be filled in the Excel form "1A" attached in Annex 1 to the business plan.*  *The resources required for patenting and/or marketability shall be filled in on the Excel form "1B" attached as Annex 2 to the business plan.* |

|  |
| --- |
| *! Depreciation costs for assets purchased with grant funding are not eligible.* |

|  |
| --- |
| *! The area of the premises allocated to the project on a pro rata basis.*  *If additional space is to be rented (e.g. specific laboratories, etc.), indicate the actual costs and provide commercial proposals, letters of intent or other documentation to support the rental rate.*  *To justify the cost of renting the premises, a rental agreement and commercial offers are submitted.*  *Contracts, letters of intent or commercial offers are used to support the cost of hiring equipment.* |

6.1. a description of the main assets and resources held by the applicant/partner that will be used during the implementation of the project's R&D activities:

| Name of asset (premises, equipment, etc.) | Form of ownership | Share to be used in R&D activities (m2, %, units) | Which R&D activities will be used |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |

**7. FINANCIAL PLAN**

|  |
| --- |
| *! The financial plan is to be completed in the attached Excel form "Financial Plan" in Annex 3 of the Business Plan.* |

|  |
| --- |
| *! Preparing a financial plan:*  *Projections of sales of the products generated by the project are to be provided at the time of project implementation (if planned) and three years (36 calendar months) after the end of the project activities (e.g. if the project is to end in June 2025, the projected income should be provided up to 30 June 2028)* |

7.1. the ratio of the enterprise's projected income from the products developed and marketed as a direct result of the project to the eligible costs of the project during the lifetime of the project and for a period of 3 years after the end of the project activities:

| Planned revenue (P), EUR | Eligible project costs (I), EUR | Revenue to expenditure ratio (X)\* |
| --- | --- | --- |
|  |  |  |

*\*The revenue/expenditure ratio is calculated according to the formula*

*X=P/I, where:*

*P is the income generated by the enterprise during the project and for 3 years after the end of the project activities, from the products directly developed and marketed by the project;*

*I - Eligible project costs;*

*X is the ratio between the income generated by the products directly produced and marketed by the project during the project and for 3 years after the end of the project activities and the expenditure to finance the project.*

**8. SOURCES OF LITERATURE**

Literature sources used (scientific articles, internet information, etc.).

**9. ANNEXES**

1. Excel table "1A".

2. Excel spreadsheet "1B".

3. Excel spreadsheet "Financial Plan".

4. Other information relevant to the assessment of the business plan: staff CVs, charts, plans, financial data, market studies, preliminary contracts with buyers, etc.

1. 1 MTEP verslo plano finansavimui gauti pagal 2022–2030 metų plėtros programos valdytojos Lietuvos Respublikos ekonomikos ir inovacijų ministerijos ekonomikos transformacijos ir konkurencingumo plėtros programos pažangos priemonės Nr. 05-001-01-05-07 „Sukurti nuoseklią inovacinės veiklos skatinimo sistemą“ veiklą „Skatinti inovacijų pasiūlą“ turinio reikalavimai [↑](#footnote-ref-2)
2. 2 [Oslo Manual](https://www.oecd-ilibrary.org/docserver/a6ccbad3-lt.pdf?expires=1671008254&id=id&accname=guest&checksum=FF0B3123D7EC96A18F7D0F23344E1E64) [↑](#footnote-ref-3)
3. 3 [Smart specialisation concept](https://e-seimas.lrs.lt/portal/legalAct/lt/TAP/b70a8a20e6f511ec896de0b71e988500?jfwid=84nbea4rd) [↑](#footnote-ref-4)
4. 4 [Classifier](https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/064e79a22a4f11e9a505bd13c24940c9/ZJMNxsaspI) [↑](#footnote-ref-5)
5. 5 [Frascati\_leader](https://inagentura.sharepoint.com/sites/Intranetas/Fail%20serveris/Investicijų%20valdymo%20departamentas/MIPS/2021-2027/Vertinimas/InoStartas/Pasirengimas/MTEP%20verslo%20planas/Frascati_vadovas) [↑](#footnote-ref-6)
6. 6 [Technological readiness levels](https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.426659/asr) [↑](#footnote-ref-7)
7. 7 [Technological readiness levels](https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.426659/asr) [↑](#footnote-ref-8)