



UNIVERSITY OF AGRICULTURE, FAISALABAD
BUSINESS INCUBATION CENTER

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UNIVERSITY OF AGRICULTURE, FAISALABAD
BUSINESS INCUBATION CENTER

i. Overview

The Competitive Support Fund of USA in Facilitation with Higher Education Commission, Islamabad, has established a Business incubation Center at University of Agriculture, Faisalabad to accelerate the successful development of startup and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

ii. Introduction

Innovation is the science of new ideas, creativity and value addition which results in new products, services and business models, contributing to enterprises growth. These innovative enterprises then explore new business horizons including novel consumer needs and devising better ways to their needs creating value for their shareholders.

A business incubation facility has been established in the University of Agriculture, Faisalabad in order to translate the research findings of the scientists/researchers of the university into new products and technologies. The academic affiliated business incubators help in transferring technology from universities and create linkage of subject matter experts with the business community, a system for bringing technological advances and products to the market.

Vision

To develop an entrepreneurship culture and capacity by creating knowledge based enterprises, thus upgrading Pakistan's economic competitiveness.

Mission

Nurturing startup companies and young firms by helping them to grow and survive when they are most vulnerable.

Objectives

University of Agriculture, Faisalabad Business Incubation Center has been established with the following objectives:

- Provide management guidance, technical assistance and consulting tailored to young growing companies.
- Develop start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services.
- Create linkages between academic/ R&D institutions and private sector, aimed at creating knowledge based enterprises.
- Facilitate entrepreneurs with well-equipped laboratories, extensive libraries, powerful computer systems, technology expertise, a well-educated workforce and subject matter experts.
- Promote innovative research based initiatives.

To achieve these objectives the Business Incubation Center will focus itself as a catalyst organization for providing new business opportunities based on inventions of the scientists of the University and attracting new investors in the agriculture sector to expand its horizon.

Goals

- Fostering Research
- Mobilizing capital
- Creating jobs
- Strengthening markets
- Making university financially viable

iii. Business Development Services

Business Development Services (BDS) are a wide range of services used by the entrepreneurs to help them grow and sustain. BDS include training, consultancy, and advisory services, marketing assistance (brand development, sales strategies, marketing plans etc.), technology transfer and development and business linkage promotion.

Access to effective BDS has proved to act as a catalyst to reduce risk of enterprise development and make it profitable. In Pakistan, technical, managerial, marketing, financial and legal advisory services are almost non-existent. This is also true of research and extension services, which have been largely unresponsive to the needs of private sector business enterprises. These supply-side constraints are exacerbated by a lack of demand on the part of business enterprises which have yet to understand the benefits of BDS and have limited choice of services geared to meeting their business development needs.

There is thus a clear need to develop BDS related to enterprises development. One such facility has been established with the name of Business incubation Center in four Universities of the country.

iv. Operational Procedures of Business Incubator

The following criteria will be taken into consideration for selecting incubating companies:

General Qualification Criteria for selection of Business Incubatees

- The proposed investment would fall in BIC's identified inventions/products
- The candidate has good repute and reasonable experience in the relevant sector.
- The candidate is not defaulter of any financial institution or any government duties or taxes.
- The candidate has not been convicted in any civil or criminal case.

The business:

- Good understanding of the market and competition.
- Pre-feasibility
- Strong growth potential
- Demonstrate scalable business potential

- Financial condition
- Industry growth rate
- Significant growth rate
- Significant market size
- Identification of marketing, financial or management deficiencies.

The Technology:

- Involves around an innovative concept
- Potential for IPR
- Technical expertise and edge.

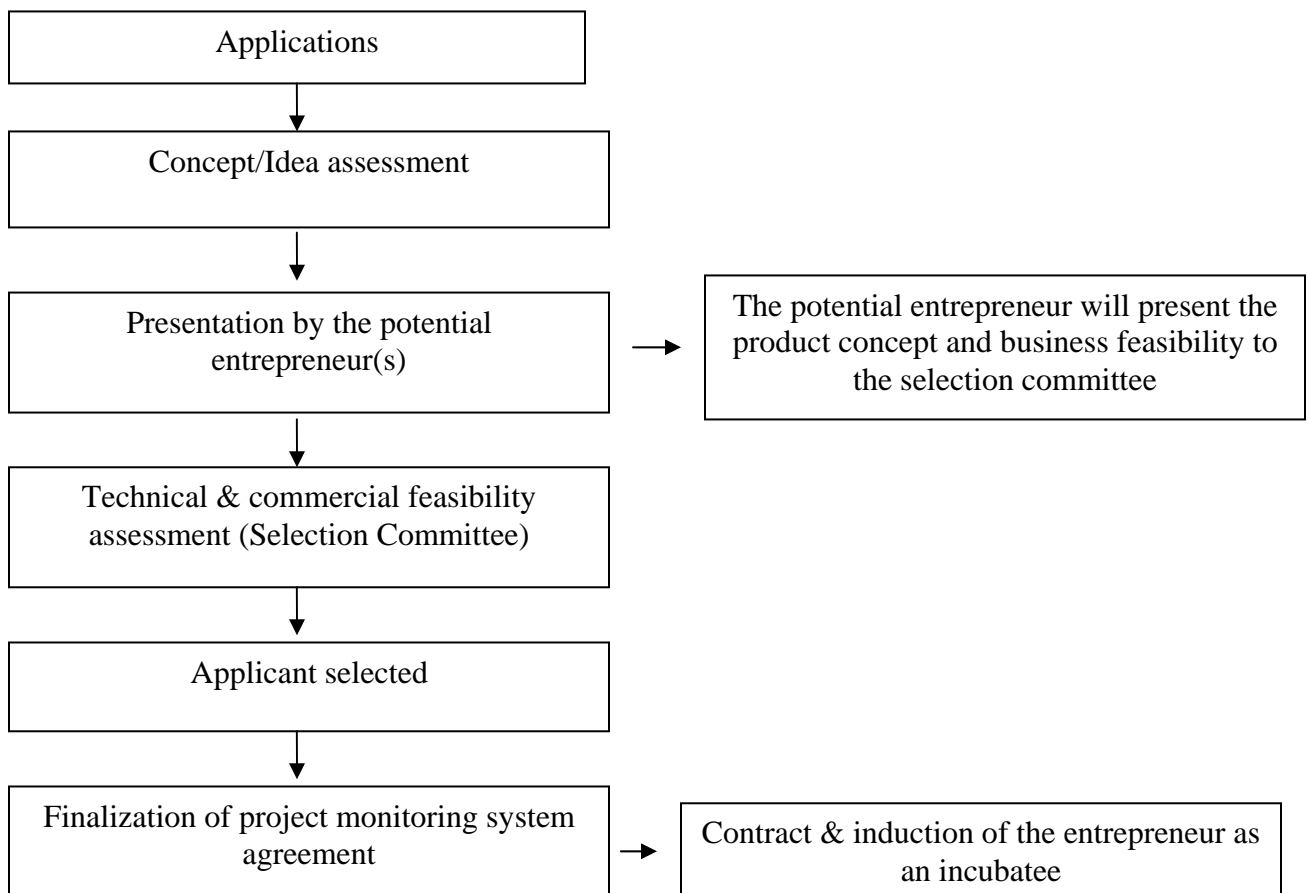
General

- At least one full-time person committed to company
- Relevant professional experience and education

Keeping the Incubatee Focused

A business like discipline, team work effort and attention to details of every aspect of the project is necessary for the success. This demands developing and managing project milestones such as product concept refinement, product design, prototype development, product testing in the laboratory and actual service conditions. Incubatee must prepare and present for review a project plan describing each milestone and corresponding activities along with resources needed for each milestone. The project plan must be adhered to strictly and corrective actions carefully designed and implemented to correct any deviation. Incubator management will ensure that the plan is followed properly.

Incubatees Selection process



Facilitating services to be provided by the BIC, UAF

- BIC will provide entrepreneurs with well equipped laboratories, extensive libraries, powerful computer systems, technology expertise and subject-matter experts from the faculty.
- Assist in preparation of feasibilities of projects.
- Participate in securing financing for the projects.
- Ensure commercial and economic viability of coordinated projects.
- Assist in formulation of business and market plans.
- Participate in finding suitable markets for the products of the project.
- Facilitate in the removal of legal and or administrative hurdles in the implementation of coordinated project.
- Facilitate in getting patent for the product and intellectual property right to the scientist/inventor of the product.

Graduation or Exit Policy.

The incubatee company will be graduated out of the incubator once it meets the following criteria:

- Incubatee might has spent about 18 months at the incubator. If the project has not completed yet, an additional 2-6 months could be given by business incubator framework.
- Incubatee has achieved milestones agreed in the business plan. Specifically, the company has transferred technology to another party or has a solid plan that will allow it to operate successfully outside the incubator.
- Space requirement of the incubatee company exceeds incubator capacity.
- If incubatee fails to meet the quarterly targets twice in a calendar year.
- If the review committee decides that the project in no longer viable.
- If incubatee violates the tenancy agreement.

Follow up programme

The Business Incubator will make arrangements to facilitate the graduating incubatee after he exits by creating linkage with the scientists/researchers of the UAF to further improve the technology/product.

Revenue Generation for the Incubator

- Incubator may charge each incubatee a reasonable residency fee to cover utility, internet, telephone, building rent, stationary and building maintenance costs.
- Where university funds/customized services are utilized for product development and or commercialization, the incubator may acquire equity share in the company.
- Incubator management will ask the treasurer UAF to keep recurring budget for the on-going quarter in its current account and the rest of the money may be deposited in a savings account. Interest accumulated from the savings account will be considered as revenue generated for incubator.

Tenancy Agreement with Incubatee

INCUBATEE APPLICATION FORM

1.	Applicant Details (for Business initiator)			
	Full Name:	Member/Associate member Chamber of Commerce & Industry		Yes No
	CNIC:	NTN:	Gender	
	Postal Address (for correspondence)			
	Business address			
	Business activity			
	Partners if any			
	Telephone No.	Fax No.	Mobile	E-mail
2.	Business Activity Detail			
	Year operations started		Ownership/management structure	
	Main business activities			
	Description of product range			
	Markets served			
	Total value of assets(Rs.)	Value of capital (Rs.)	Total liabilities (Rs.)	Full time employees
	Other information relating to existing operation			
	Product of BIC wanted to commercialize			
	Focal person for contact			
3.	Declaration by applicant:			

I the undersigned, duly understand, affirm and certify that:

- I am fully authorized to represent my business and/or business associates on its/their behalf.
- I am completely aware of the applicable terms and conditions in applying to BIC
- I will pay the charges agreed upon for
- I have submitted the business plan with the application for utilization of the services of BIC
- I shall submit all required documents and cooperate with BIC in every respect.
- BIC reserves the right to accept or reject any application, at any stage. BICs decision to my/our application will be final and incontestable and applicant will not appeal against the decision.
- The information provided in this application is correct to the best of my knowledge & belief.

Name	Designation	CNIC#
Signature & Date:		

BIC Tenant's selection criteria

1. Entrepreneurs having a well developed business plan and pre-feasibility will be preferred in the selection process
2. Preference will be given to entrepreneurs having a Bank Account and an NTN
3. Current status of the business to assess the need for services of BIC and their sustainability for future business success or growth. Applicants business scope, function and activities falling within preview of BIC.
4. Applicant has secure sources of funding for running the business.
5. The line of business falls within the specific products of BIC
6. Applicant demonstrates scalable business potential and enjoys significant market size.
7. Applicant presents strong growth potential and is well versed with marketing, financial or management deficiencies.
8. Applicant has relevant professional experience and education, can demonstrate technical expertise and has potential for IPR.
9. Applicant is committed not to misuse the BIC office facility for any as a retail/wholesale outlet.

Selection committee

- | | |
|---|----------|
| 1. Vice Chancellor, UAF | Chairman |
| 2. Director Business Incubation Center, UAF | Member |
| 3. Relevant faculty member | Member |
| 4. Rep. of CSF | Member |
| 5. Rep. of HEC | Member |
| 6. Rep. of Industry nominated | Member |

The selection committee may conduct face to face interview of the applicant to evaluate entrepreneurs' business prospects, strengths, potentials to manage his business and appropriateness to use BIC.

Services Offered at BIC, UAF

Physical infrastructure

Incubatees will be provided office space including reception services, shared meeting room, internet access, product display, exhibition hall and secure environment.

Technical & Managerial Assistance

This service will allow incubatees to access university faculty resources and gear-up their engineering and managerial capability. A total of 40 hours per month of consultancy may be provided by the incubator against which the incubator will pay Rs.800 per hour to Lecturer/Assistant Prof., Rs.1000 per hour to Associate Prof. Rs.1200 per hour to Professor. Any additional consultancy required by the incubatee will be charged.

Access to Labs

Incubatees will also have access to labs of the university. A nominal fee can be charged for that service by the university.

Access to funding sources

Selected incubating company may apply and get money for developing prototype and commercialization of their respective product, in order to get them ready for venture capital funding. The disbursement of this fund to the incubating company will be at the discretion and evaluation of the Supervisory Committee. The cap for this for each incubating company is PKR 0.5 million with flexibility of increasing this limit after requisite evaluation of the project by the Supervisory Committee, the structure of which is as under:-

1. Vice Chancellor, UAF – Head of the Committee
2. Director Incubation Center, UAF
3. Rep. of Industry.
4. Rep. of HEC
5. Rep. of CSF

Vice Chancellor will assume overall responsibility of incubator and will act its Chairman. Incubator Management will also help the incubatee in locating the right financial sources.

BIC; Space Allocation by functions

- Reception Area
- Kitchen
- Exhibition Hall
- Meeting Room
- BIC Management Room (3 offices)
- Incubatee Room (8-offices)
- Washroom (2)
- Any damage or breakage caused by a tenant will be charged to the tenant causing it.
- Following activities/practices will be strictly prohibited
 - i. Illegal and immoral activities
 - ii. Formation of any association/union within the premises of the center
 - iii. Unnecessary noise or disturbance causing problems for other tenants or spoiling the general environment of the center.
 - iv. Any other activity which could spoil the environment of the center or bring a bad name to it or is not permissible according to general social norms.

Fee for services offered at BIC

- | | |
|--------------------|----------------|
| - Photocopy | Rs.1/ per page |
| - Fax (nationwide) | Rs.5/ per page |
| - WWD/NWD call | as per actual |

Business Development Plan.

i. Status of Activities

The activities of the Business Incubation Center has been started with the invitation of briefs of innovations from the scientists/researchers of the UAF. These briefs then were sent to M/s Development Pool, a consulting firm based at Lahore for evaluation. The list of evaluated and approved to become successful ventures is given below.

ii. Products Ready for Commercialization

1. Hydro Vaccine

Hydro is very common disease in poultry industry of Pakistan which yields heavy losses to the farmers each year. UAF came up with state of the art new vaccine which has effectiveness as good as imported vaccines but has price far lower than imported products.

2. Texturized Vegetable Protein

In Pakistan there are more than 3 million people facing protein deficiency and 22 million school going children, 0.2 million troops, and about 1 million heart patients severely need solid protein diet. This unique product has meat like texture and is made to serve these people.

3. Aquatic Fish Feed

The fish farmers are faced with the ever existing problem of low FCR (Feed Conversion Ratio) and increased pollution of water. This environment friendly floating fish feed resolves both issues efficiently and provides better solution to the farmers.

4. Intermittent Poultry Feeding System

To provide poultry farmers a reliable automatic feeding system, scientists from UAF has developed an electro-mechanic feeding system which relieves the farmers from the hassle and threat of over/under feeding.

5. Zone Disk Tiller Drill

Zone Disk Tiller Drill (ZDTD) has been designed to cater the planting needs of wheat, barley and chickpea growers. This machine carries a special feature of sowing without removing the residuals of previous crop thus providing much savings to the farmers in terms of labor time and energy.

6. University Boom Sprayer

Research shows that traditional sprayers are inefficient and cause heavy chemical and time losses to the farmers resulting high cost of production. The University Boom Sprayer has the abilities to

spray under the leaves thus throwing chemical direct on the culprit. This direct approach saves lot of time, hassle and money of the farmer.

7. Isolation & Purification of Enzyme for production of Diagnostic Kits

The enzyme peroxidase , mostly used in diagnostic kits as chromogenic and terminating agent, has been purified in the department of Chemistry & Biochemistry. The conditions for the preparation of glucose diagnosis using indigenously produced enzyme (POD) have been optimized.

8. A Process for the Production of Zinc Sulphate

Through this process, more than 90% yields of zinc sulphate can be achieved compared with any other industrial production process of zinc sulphate. Normally it is seen that the industrial production processes yields are below 70%.

9. Rose Perfume

Rose perfume is very unique innovation from UAF which caters the market of perfume in the country. There is no competitive product available at the moment in the market. This alcohol free product has perfect match with our religious society. The product is prepared with highest possible purity standards.

10. Vaccine for Mastitis Control in Cows and Buffaloes

Mastitis Vaccine is very useful innovation from UAF which is designed to overcome mastitis disease within the mammary gland of the udder in cattle and buffaloes.

11. Citrus Bud-wood Certification and Propagation Program

In our country the current plantation methods of citrus fruit are primitive and less efficient. UAF has started a certification program to develop modern and scientific nurseries in the country which will help investors to establish UAF certified nurseries.

Many other innovations are at final stage or are in the pipeline which will be collected by the BIC and will be evaluated and approved for incubation in BIC. These products then will be offered for commercialization in due course of time.

Alongwith creating linkages between academia/R&D institutions and private sector, aiming at creating knowledge based enterprises the BIC will also promote economic sectors through pilot project activities. The BIC will also assist UAF in landing UAF based companies and commercialize processes to generate income. Efforts will be made to arrange technology fairs to create awareness and strengthen academia-industry linkage.

The university (UAF) is also going to register its own company for transferring technologies of the university and may sell the products produced by the scientists of the university. This company will be incubated by the Business Incubation Center of the University of Agriculture, Faisalabad.

iii. Operational Plan for Incubating the Business in BIC

Each registered incubatee will be provided with space in the BIC alongwith other facilities i.e. access to the technical expert, laboratories, library, internet facility and utilities. The incubatees may have to pay for some of the services utilized.

The management staff of the BIC will provide services selected to reducing the management risk of the investor. The use of economic principles and management tools like business plan, business cycle and marketing plan of the product, will be prepared for the benefit of each incubatee. The incubatees will also be assisted by arranging their contacts with financial institutions for providing them loans at reasonable rates and comfortable terms. Arrangements will be made to continue the contacts of the incubatee after exit, with the technical expert as well as the staff of the BIC. This will enable the firm to sustain and solve its problems being faced afterwards, as well.

vi. Milestone Events

Milestone	Description	Required resources	Year/month
Milestone-1	i. Providing space for BIC ii. Providing space for BIC	Rs.43,06,988/- spent by UAF as matching grant. Rs.10,28,572/- spent by UAF as matching grant.	Oct. 2009 to Jan. 10. Feb. – March, 2010
Milestone-2	Innovations invited from scientists of UAF and evaluated by development Pool (a consulting firm) for becoming feasible.	Rs.416,000/- spent by UAF as matching grant	December, 2009 January, 2010
Milestone-3	i. Recruitment of Director and Manager of BIC ii. Recruitment of Supporting staff. iii. preparation of procurement plan & provision of furniture & IT equipment in BIC iv. Forming a Supervisory Committee	Salaries provided by CSF Salaries provided by UAF Finance provided by CSF	Nov. 09 to Jan. 2010 Nov. 09 to May 2010 Feb. to May 2010 April, 2010
Milestone-4	Invitation to investors, their approval by incubator supervisory committee and induction of two incubatee companies. Training of incubator management to be arranged by CSF	Consultancy from faculty will be provided by UAF. Funds for prototype development & lab equipment have been provided by CSF	April to May, 2010
Milestone-5	Induction of remaining (5-8) incubatee companies At least two seed fund proposals to be reviewed & approved by supervisory committee Exchange of experiences through National Incubators	Resources will be available as indicated in milestone-4.	June to Sept. 2010 June to Sept. 2010
Milestone-6	Two incubatees will be nurtured and prepared for successful exit new technologies/ products will be collected from scientists & evaluated to become feasible.	Resources will be available as indicated in milestone-4.	May, 2010 to Oct. 2011
Milestone-7	The remaining incubatees will be nurtured and prepared for exit. New products will be offered for investment	Resources will be available as indicated in milestone-4. Resources will be generated by submitting proposal to CSF	June 2010 to January, 2012

**Profile of Mr. Qamar Mohy-Ud-Din,
Director, Business incubation Center, UAF**

Mr. Qamar Mohy-ud-Din was born on 12th August, 1945 and has Pakistani Nationality. He graduated in Agriculture, majoring in Agricultural Economics. He completed Masters in Agricultural Economics from the University of Agriculture Faisalabad (UAF) and MS (Agri. Economics) from the University of Hawaii (USA).

Mr. Qamar served the UAF from 17.12.1969 to 11.08.2005 in the Faculty of Agricultural Economics & Rural Sociology, UAF. During his teaching career, he has supervised 50 postgraduate students. He has published 37 research papers in the journals of national and international repute, completed 21-research projects and has published a book entitled “Agricultural Marketing”.

Main area of his research was on topics like domestic agricultural marketing system, marketing of agricultural inputs and products and WTO etc. Besides his teaching and research, he was entrusted with additional assignments in the University. He remained Chairman, Department of Marketing & Agri. Business, UAF for about 17 years and Coordinator of the WTO Cell, UAF for one year. He worked as Coordinator/Chairman, Department of Business Management Sciences, UAF from 03.04.2004 to 31.01.2007 and Principal Officer, Estate Management, UAF from 23.02.2004 to 16.10.2005. After retirement from the University of Agriculture, Faisalabad he joined Loke Sanjh Foundation (NGO) and served as Director policy Research and Advocacy for about three years. Since 1st February, 2010 he is working as Director, Business Incubation Center in the University of Agriculture, Faisalabad. His mailing address is given below:

**Business Incubation Center
Near Admin Block,
University of Agriculture, Faisalabad
Ph # 041-9200161 Ext. 4231 (UAF)
Ph # 041-9200997 (Direct)
Cell # 0306-4890995**

GOLDEN OPPORTUNITY FOR INVESTORS

The University of Agriculture, Faisalabad has established a “Business Incubation Center” to support the development of startup companies by providing entrepreneurs with well-equipped laboratories, extensive libraries, powerful computer systems, technology expertise and well-educated workforce. The entrepreneurs in this center will also be provided with business support services to enhance and develop business, upgrade skills and techniques and technological advice and assistance for lowering the usual early stage failure rate.

The following products innovated by the scientists of the university of Agriculture are offered for commercialization. Details can be seen on the website.

1. Hydro Vaccine
2. Texturized Vegetable Protein
3. Aquatic Fish Feed
4. Intermittent Poultry Feeding System
5. Zone Disk Tiller Drill
6. University Boom Sprayer
7. Isolation & Purification of Enzyme for production of Diagnostic Kits
8. A Process for the Production of Zinc Sulphate
9. Rose Perfume
10. Vaccine for Mastitis Control in Cows and Buffaloes
11. Citrus Bud-wood Certification and Propagation Program

The Standard Operating Procedures (SoP) to be followed by the incubatees can be viewed from the website of the University of Agriculture, Faisalabad at (www.uaf.edu.pk). The application forms for any specific product(s) may be downloaded from the website and sent to the following address, within two weeks of publication:

**Director,
Business Incubation Center
Near Admin Block, University of Agriculture, Faisalabad
Ph # 041-9200997 (Direct), Ph # 041-9200161 Ext. 4231 (UAF), Cell # 0306-4890995
(Director) and 0321-6625598 (Manager)**