

**OPEN PHOTONICS INC. (OPI)** was formed specifically to accelerate the commercialization of photonics technologies. We do this by facilitating unprecedented collaboration between established companies with channels to market and researchers/inventors having new ideas that they want to see commercialized.

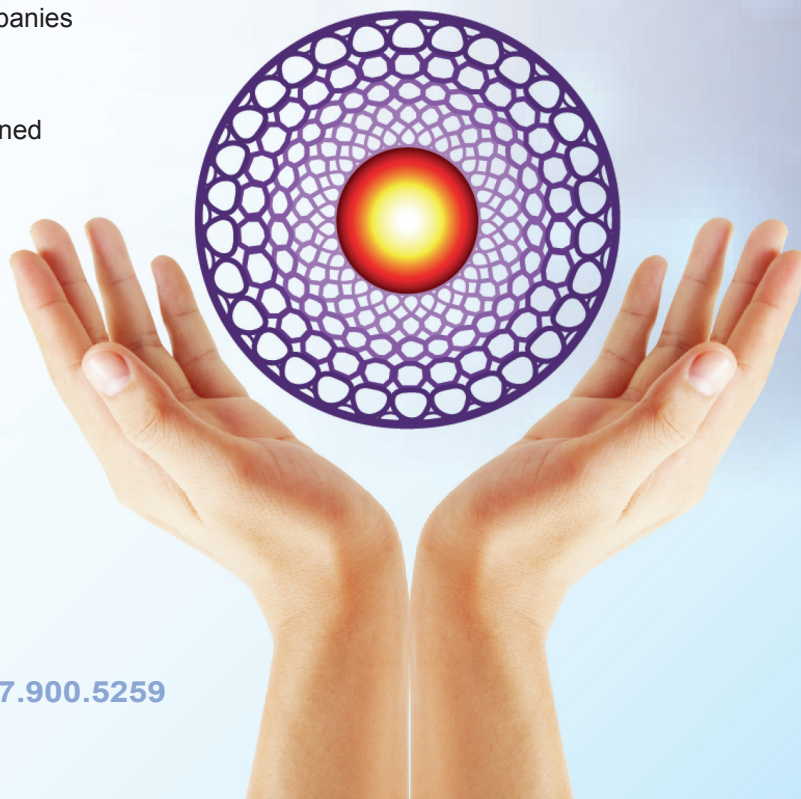
OPI has created a completely new open-innovation and crowd-sourcing grant program to help companies expand and enhance their photonics based R&D and product development pipeline. **Despite their significant resources, as companies grow, they typically pay a “size penalty” when it comes to innovation.** This tends to make their development efforts slower, more incremental and less effective. Unfortunately, these same companies are the best equipped to bring new products to market via their established market channels.

We have designed our Photonic Horizons™ grant program to help these companies. We **harvest technology and new product ideas**, sitting dormant within universities and small companies, and then match them with more established companies looking to bring these ideas to market.

The entire grant program is specifically designed to facilitate successful technology transfer to our clients. We offer market exclusivity, an IP transfer framework, and a unique “dual-view” technical/business peer-review process that is based on our experiences and “lessons learned” in operating successful technology transfer and open-innovation projects.

**OPI only engages clients and projects encompassing the commercialization of photonics technologies.** We are unique in this aspect. We provide the highest value to our clients and leverage our decades of domain expertise and connections in the photonics industry.

OPI’s approach to R&D and product development is extremely cost effective and accelerates time to market by linking our customer’s infrastructure and market channels with the **best minds and partners in the photonics industry.**



## OVERVIEW

Open Photonics, Inc. (OPI) is a photonics-only technology & product accelerator company that links our clients with a global photonic innovation ecosystem of talent, research capabilities and commercialization partners. **OPI's corporate mission is to enable early stage research and development, product development and innovation** for our global clientele that seek photonic-based solutions as part of their strategy and product roadmap.

We do this by helping our clientele implement a **photonics-based open innovation program**. Open innovation is a paradigm that assumes firms should explore and use external ideas as they look to



advance their technology base. We facilitate our client's desire to look for new ideas by providing them with access to a wider network of talent and technology from outside their organizational boundaries.

OPI has created the **Photonic Horizons™** program, a unique crowd-sourcing and open-innovation framework to share innovation prospects with our corporate clients looking for new ideas to commercialize. To ensure the best and most relevant proposals get funded, we have assembled a preeminent group of technology and business advisors who peer review all grant proposals and advise our clients on their technical merits and business potential. **Our clients pick the proposals they want to fund.**

[www.open-photonics.com](http://www.open-photonics.com)



OPI has partnered with **SPIE, the International Society for Optics and Photonics, and PennWell Corporation** on a comprehensive marketing and scouting program to identify and connect promising researchers and project ideas with funding from our clients.

Open Photonics leverages the billions of funding invested in photonics R&D around the world to harvest an exceptional variety of quality product and technology development opportunities. We then help our clients commercialize them.

OPI's approach to R&D and product development is extremely **cost effective and accelerates time to market** by linking our customer's infrastructure and markets channels with the best minds and partners in the photonics industry.

## PHOTONIC HORIZONS™ GRANT PROGRAM

The OPI Photonic Horizons™ grant program is a client-funded, two-stage, **peer reviewed, R&D funding initiative**. Leveraging experiences and "lessons learned" by its founders in operating successful technology transfer and open-innovation programs, Photonic Horizons™ is seeded with client-defined as well as openly solicited product and technology innovation initiatives. The OPI team and its advisory board members help clients to prioritize and select the top ideas submitted to the Photonic Horizons™ program for initial proof-of-concept funding.

To identify these new technology ideas, OPI conducts an annual solicitation of the Photonic Horizons™ program consisting of an open call for new ideas. Winners of the solicitation are chosen by OPI clients with input and guidance from OPI's advisory boards. **OPI manages the entire grant process from concept validation through eventual prototype development completion.**



# facilitating collaboration

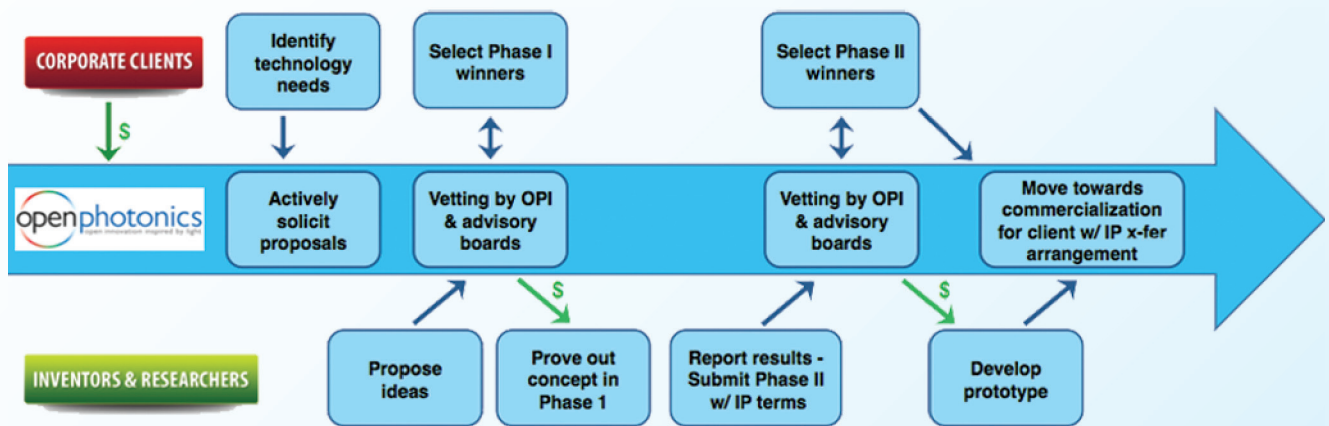
## TWO STAGE GRANT PROGRAM

**Initial stage (Phase I) grants are up to \$10k for a six month proof of concept project.** This allows the client to further explore the market potential of the ideas and to see how the teams perform with seed funding before a larger funding commitment to the product idea is required.

**The second stage (Phase II) grants are up to \$100k for a 6-12 month development project to create the first prototypes and facilitate technology transfer.** We help our clients make informed decisions on Phase II grants applications. Using this

process our clients can combine their market and development knowledge with insight on each team's performance and capabilities, proposed IP transfer terms, and input from our advisory boards.

Due to our press coverage and strategic partnerships, we have already received significant researcher and inventor interest. By leveraging our networks, social media and the synergy associated with combining the needs of multiple clients into one large annual call, we expect an exceptional quantity of high quality grant applications.



## INTELLECTUAL PROPERTY FRAMEWORK

In order to cast as wide a net as possible for new ideas, the **intellectual property initially remains with the proposing researcher as part of the “no strings attached” Phase 1 grant.** To further protect our clients, proposals cannot be submitted under an NDA.

OPI has developed several framework models to use during the Phase II proposal process. Typically, the client is offered a right of first refusal to the IP contingent upon Phase II funding with the IP optioned or li-

censed if the client desires at the end of the second stage project. **There is significant flexibility in the process and the teams and projects can be funded further** or even acquired directly by OPI clients. In other cases, OPI may decide to facilitate the launch of a new commercial venture in partnership with our clients.

**Our unique competitive bidding process built into the Phase II proposal puts the impetus on the researcher's institution to offer compelling IP deals and terms to motivate second stage funding.**

### VALUE TO OUR CLIENTELE

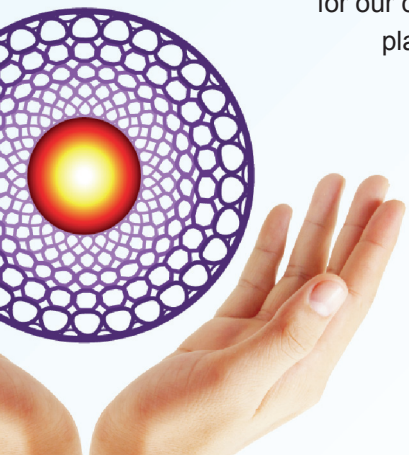
The OPI open-innovation grant based approach intelligently connects our clients with a global network of exceptional photonics R&D, product development and manufacturing resources. **OPI delivers a unique and prioritized access to a “global photonics skunk-works”** — expanding the horizons of technology and product possibilities while deepening R&D and product development pipelines for our clients.

**OPI clients are charged a flat rate fee determined by their Tier level.** Clients are pooled in the cycle with companies with non-competing interests. This group forms the basis of the annual funding cycle.

Compared to limited and often short-term horizon internal development efforts or traditional consulting services, OPI provides a much larger number of potential technology and product ideas to choose from, developed in an accelerated time frame, in an affordable and cost effective manner. **Our unique crowd-sourcing and open-innovation model brings hundreds of researchers from around the world on board.** They produce multiple ideas for new products that often were not originally contemplated by clients and offer a unique method to accelerate the early-stage product proof of concepts and working prototypes.

The Open Photonics collaborative approach both complements and enhances overall development efficiency for clients, working either independently or as part of the clients' R&D organization to rapidly and efficiently expand their photonics-based products – often with greater focus, speed and depth than their internal R&D programs can accomplish.

As requested, OPI can provide additional services for our clients including IP analysis, business plan generation and market analysis as well as negotiating the IP transfer framework with funded institutions.



### TIER 1 - \$275,000

In the first year (2013) a maximum of Ten (10) Tier 1 clients committing \$275,000 each will underwrite the annual Photonic Horizons™ cycle. This commitment covers the overhead to run the program and includes \$150,000 of funding for five (5) Phase I projects and then one (1) Phase II project as part of the cycle. Our clients pick the proposals they want to fund. Tier 1 clients are offered an early view of the submitted proposals. Tier 1 clients will also gain access to OPI's technical and business advisory boards.

An additional benefit of Tier 1 participation is that these clients receive exclusivity within their market vertical with the opportunity to identify five (5) of their competitors that cannot participate at the Tier 1 level. Because our Tier 1 clients are non-competing, we anticipate significant synergies between the companies.

### TIER 2 - \$65,000

OPI also offers a maximum of ten (10) Tier 2 client opportunities at \$65,000. Tier 2 clients have access to all of the submitted abstracts at the solicitation end. They then choose 20 full proposals to review and then fund three (3) Phase 1 proposals that have not already been selected by our Tier 1 clients.

Additional Phase I or Phase II projects can be funded for an incremental investment. OPI works with the research teams and clients to facilitate business opportunities from the onset of the program.



Tel: +1.407.900.5259