



Incubation Investment Award - Program Guidelines

*SCN is deploying a new program to advance Canadian regenerative medicine
biotechnology companies*

Timeline and Key Dates:

- Stage 1 Applications accepted starting Monday, September 8, 2025.
- Stage 1 Application deadline is Friday, September 26, 2025, at 11:59 p.m. Pacific Time.
- Applicants will be notified by Wednesday October 22, 2025, if they have been selected to move forward to Stage 2 of the application process.
- Stage 2 document submission for due diligence assessment is due Tuesday, December 2, 2025, at 11:59 p.m. Pacific Time.
- Stage 2 applicants will be notified by Monday, February 2, 2026, if they have been selected to move forward to the pitch presentation component of the application process.
- For applicants selected to move forward to the pitch presentation, virtual pitch presentations will be scheduled Monday, February 9 and Tuesday, February 10, 2026.
- Award notification is planned for Tuesday, March 31, 2026.
- Deployment of the first tranche of funding is expected spring 2026.

The Incubation Investment Award

The Stem Cell Network's new Incubation Investment Award (IIA) Program is designed to advance pre-seed and seed-staged Canadian regenerative medicine (RM) companies. The new program will support high-potential ventures by enabling the generation of critical data packages to attract third-party investment and accelerate company growth. The program will provide company investment ranging from \$250,000 to \$1 million per company, with funds released in tranches over a two-to-three-year period contingent on the achievement of defined scientific and business milestones.

Eligibility Criteria

To qualify for the IIA, each company must either answer "yes" to each of the criteria below or provide a response that fully complies with each of the following criteria:

1. **Be a Canadian For-Profit Entity** – The company must be incorporated in Canada. A Canadian company is a commercial enterprise that is incorporated pursuant to the laws of Canada and has ongoing business activities in Canada. Eligible biotech are non-subsidiary, independent firms.
2. **Be Canadian Controlled** – The company must be >51% Canadian owned.
3. **Focus on Regenerative Medicine Innovation** – The company must be regenerative medicine focused and be advancing a Canadian regenerative medicine innovation. See below for more information.
4. **Hold Commercialization Rights** – The company must have filed intellectual property (IP) and own the commercialization rights to the IP.
5. **Have Investment** – The company must have raised a minimum of \$250,000 CAD to advance company objectives (cumulative from all sources, including grants).
6. **Be Committed** – The company must have the equivalent of at least 1 (pre-seed) or 2 (seed-staged) full time employee(s) dedicated to advance the company. Salaried employees, employees paid from grants and/or vested contributors can be considered. Summer students and co-op students will not be considered.
7. **Technology Readiness Level (TRL) Between 3 and 6** – Eligible companies should be at minimum TRL 3 (have a defined lead asset/platform and in vitro proof of concept) and not beyond TRL 6 (phase 1 clinical trials). Click [here](#) for details on TRL levels.

Regenerative Medicine Focus

Regenerative medicine is the branch of medicine that develops methods to regrow, repair or replace damaged or diseased cells, organs or tissues. Regenerative medicine includes the generation and use of therapeutic stem cells, tissue engineering, and the production of artificial organs. Companies that are focused on cancer must be proposing a regenerative medicine solution or using stem cells for addressing the proposed problem.

To be eligible for the SCN Incubation Investment Award, companies must be developing regenerative medicine technologies that centre on one or more of the following topics:

1. Developing or testing therapeutic approaches that are regenerative in nature, including but not limited to cell and/or gene therapies, tissue engineering technologies or biomaterials;
2. Addressing the role and function of stem cells in a tissue or disease;
3. Using stem cells as a necessary component for the generation of functional cell types; or
4. Investigating a small molecule or biologic that acts on or is dependent on endogenous stem cells for its therapeutic effect.

Application Process

The Incubation Investment Award application process includes a two-staged assessment. For Stage 1, eligible companies will first submit an application and, if invited to move forward with the process, companies will undergo a due diligence assessment for Stage 2. Application instructions will be provided at both stages of the process and instructions will include a detailed breakdown of submission requirements.

STAGE 1: INCUBATION INVESTMENT AWARD APPLICATION

The application process begins with the submission of the Incubation Investment Award Application and a non-confidential pitch deck. The application form is a list of questions geared towards assessing company eligibility, company stage of development (pre-seed or seed staged), and overall investment and commercial potential of the company. Companies are also required to submit a PDF copy of their non-confidential pitch deck as part of the application process. Please refer to the Stage 1 Incubation Investment Award application form found on the [SCN website](#) for detailed application instructions.

STAGE 2: DUE DILIGENCE ASSESSMENT

Companies that are selected to move forward with the application process will be asked to sign a non-disclosure agreement, submit additional materials (a Diligence Assessment Questionnaire, and a company data room), and will then undergo a confidential evaluation process and due diligence assessment. Following the due diligence assessments, top performing companies will be invited to deliver a virtual pitch presentation. Detailed Stage 2 application instructions will be provided to selected companies that will include a detailed list of data room requirements, and pitch deck requirements.

Pre-seed staged companies invited to Stage 2 of the application process will be offered support from Capital BioVentures to help them prepare for the Pitch Event. [Capital BioVentures](#) is a wet-lab accelerator operating out of Ottawa, Canada. Their mandate is to launch and scale therapeutic biotechnology companies by offering them lab space, funding, and access to a network of professional biotechnology experts. SCN is partnered with Capital BioVentures to bring their programming and network of biotechnology professionals to the regenerative medicine community. As part of the IIA application process, pre-seed staged companies selected to move forward with due diligence assessment have the option to be paired with a biotechnology executive to guide and support them to prepare for their pitch presentation. The support from Capital BioVentures will be geared towards pre-seed staged companies that are most likely to require support (companies at a TRL <6).

Evaluation Process and Evaluation Criteria

The IIA application process is structured to provide evaluators with a comprehensive understanding of each company's investment potential.

STAGE 1: INCUBATION INVESTMENT AWARD APPLICATION

Company applications will be assessed by the SCN Triage Committee that comprises external reviewers, members of the Capital BioVentures team, and members of the SCN team. Applications will first be assessed for eligibility based on the requirements of the program. For eligible companies, applications will further be assessed for company stage, and company investment potential. Company stage is determined based on the level of funding raised, the TRL of the technology, and the number of dedicated people working to advance the company. The company investment potential, will be evaluated across several distinct categories during Stage 1:

1. **Scientific excellence and differentiation/novelty of the innovation:** Scientific merit, IP portfolio, key technical results demonstrating proof of concept, and commercial potential of the innovation. *Does the innovation have commercial potential, and is there data that demonstrates that it is scientifically sound and works?*
2. **Commitment and experience of the team:** Academic track record and industry experience of contributing advisors and team members. *Who is committed to advancing the company, and does the team comprise a diverse set of contributors to enable success?*
3. **Maturity of product development plan:** Progress and gaps associated with product development plan through phase 1 clinical trial launch. *How realistic is the plan, and has the plan been de-risked?*
4. **Commercialization opportunity and business strategy:** Financing strategy/progress, and market opportunity. *Is the value proposition compelling, and is the business strategy de-risked?*

Non-confidential pitch decks received during Stage 1 of the application process will be evaluated according to two criteria: 1) Overall maturity, encompassing professionalism, clarity, coherence, and 2) Pitch effectiveness, measuring how compelling and persuasive the pitch is.

The SCN Triage Committee will be scoring eligible applicants, and companies that score the highest will be invited to Stage 2 of the application process (due diligence assessment). All applicants will be notified of Stage 1 outcomes, and no feedback will be given at Stage 1 of the application process.

STAGE 2: DUE DILIGENCE ASSESSMENT

Stage 2 diligence assessments will be performed by the Incubation Investment Award Review Committee (IARC), comprised of an independent and diverse group of individuals experienced in evaluating

regenerative medicine technologies, product development plans, commercial potential and company investment readiness. Companies that are invited to Stage 2 of the application process will be asked to sign a non-disclosure agreement and then will be evaluated based on: 1) Answers provided in the Diligence Assessment Questionnaire; and 2) Contents of their data room. Upon submission of the Stage 2 assessment form and data room contents, the SCN team will perform a completion evaluation. It is the applicant's responsibility to ensure that 100% of the required information is shared by the submission deadline. Only companies that have submitted all the required information by the Stage 2 submission deadline will move forward with the evaluation process. All companies that undergo confidential due diligence assessments and Stage 2 evaluations via the IARC will be provided with feedback, irrespective of investment decision. Following the due diligence assessment, top performing companies will be invited to the virtual pitch event. Stage 2 diligence will focus on three distinct categories: Technology, Market/Business Opportunity, and Team. The IARC will rank order companies across each of these categories with information shared from:

- 1) **Diligence Assessment Questionnaire:** The IARC will score companies based on their responses provided in the questionnaire with a focus on investment potential, across each of these categories: market opportunity, value proposition, technology differentiation and positioning, commercialization and business strategy, competitive landscape, finance strategy, development plan, awareness of risk and risk mitigation strategy.
- 2) **Data Room:** The IARC will compare the information submitted during the Stage 1 application process and from the Stage 2 Diligence Assessment Questionnaire to the data uploaded to the data room to verify for accuracy and overall investment potential of the company.
- 3) **Virtual Pitch Presentation (for top performing companies only):** The IARC will evaluate companies based on their performance at the pitch event. Evaluations will be based on the pitch deck itself, the company representative pitching, and the compelling nature of the pitch. The pitch deck will be evaluated for maturity, completeness, clarity, and coherence. The company representative will be evaluated for their ability to command a room, depth and breadth of knowledge on the science and business, confidence, and executive presence that will inspire future investment.
 - a. For eligible pre-seed companies paired with a Capital BioVentures executive for pitch preparation, companies will be further evaluated on their coachability, openness to feedback, entrepreneurial aptitude, commitment and motivation.

Selection of Awardees

Based on the Stage 2 evaluations, the IARC will make funding recommendations to the SCN's Board of Directors, specifically the Commercialization Readiness Steering Committee (CRSC). The steering committee will consider strategic fit with SCN's mandate and make the final selection of award recipients. SCN's full Board of Directors will be informed of final decisions.

Additional Information

PRE-ALIGNMENT OF SAFE INVESTMENT TERMS

The SCN will be offering the investment awards in the form SAFE investments (Simple Agreement for Future Equity). The SCN SAFE terms are consistent with what one would expect from early staged investments. In the spirit of transparency, and to streamline the award process, companies that are invited to Stage 2 of the application process will be asked to review the SAFE investment terms. Companies must confirm their acceptance of SCN's standardized SAFE terms as part of the Stage 2 submission process. Companies that do not agree with the proposed terms may choose to decline the invitation to Stage 2 of the IIA application process.

TRANCHING OF INVESTMENT AWARD

IIA recipients will be required to provide the SCN office with milestone progress and financial reports as requested. Company activities and progress will be regularly monitored through SCN's continual review process, and SCN may request a member of its management team sit as an observer at Board meetings of successful companies. During this post-award process, the IARC will evaluate whether appropriate progress is being made, including the timely attainment of milestones and deliverables, and will make recommendations on the continuance of funding. Projects that do not make appropriate progress may have funding withheld or terminated, while those that exceed progress expectations may be considered for additional top-up support, should funds be available.

RESEARCH SECURITY GUIDELINES AND ASSESSMENT

Companies that are invited to deliver a pitch presentation as part of Stage 2 of the application process, will be asked to complete a research security assessment. Only companies that meet the federal research security guidelines and complete the attestation and risk assessment forms as part of their Stage 2 submission will continue with the evaluation process. Information on research security guidelines can be found here: [Policy on Sensitive Technology Research and Affiliations of Concern](#) (STRAC Policy) and the [National Security Guidelines for Research Partnerships](#) (NSGRP).

SUPPORT FOR APPLICANT COMPANIES

SCN is offering companies several opportunities to learn more about the IIA program:

- 1) Companies should refer to our frequently asked questions posted on the [SCN website](#);
- 2) Companies are encouraged to review the informational webinar, available on the [SCN website](#);
- 3) Companies invited to Stage 2 are encouraged to attend scheduled office hours (November 2025) to address questions; a virtual meeting invitation will be made available to Stage 2 applicants.
- 4) Companies may email us at researchSCN@stemcellnetwork.ca

About the Stem Cell Network

The Stem Cell Network (SCN) is a Canadian not-for-profit that supports stem cell and regenerative medicine research; training the next generation of highly qualified personnel; enabling knowledge mobilization of research; and enhancing the commercialization readiness of stem cell and RM innovations. From the lab to the clinic, SCN's goal is to power life-saving therapies and technologies through regenerative medicine research for the benefit of all. Created in 2001, with support from the Government of Canada, the Network has funded over 280 research projects and 30 clinical trials, cumulatively driven by experts from 350 research groups across Canada. Since its inception, over 28 biotech companies have been catalyzed or enhanced and more than 7,900 highly qualified personnel have been trained. In 2023, the Government of Canada announced additional funding for SCN through the Strategic Science Fund that will support SCN activities and research through to the end of the decade.