Activity A.T3. Adjust & design Scale-up support schemes

DELIVERABLES: D.T3.1.1

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Responsible: WP3 Leader : Chambre de Commerce et d’Industrie Nice Côte d’Azur (CCINCA)

This e-book is based on Veneto Innovazione WP1 findings on strengths and weaknesses of all SCALE(up)ALPS partners’ ecosystems, as well as the first outcomes of LPAG meeting held in Sophia Antipolis with local stakeholders. 2017 BPI, CdC & DGE “French Tech barometer” final report in France has unveiled new insights on Start-ups / Corporates collaboration. Finally, SCALE(up)ALPS partners, through their contribution to the scale-ups acceleration best practices study, have brought in very valuable inputs in the process of tailoring a specific support scheme for Alpine Space Scale-ups.

“How to build an efficient and sustainable support scheme for scale-ups”

Introduction: has “Scale-up” the same meaning to all of us?

The concept of Scale-up is to handle with care because of its somehow polymorph definition. When it comes to describe how ecosystems deal with scale-ups dedicated support schemes, it and might event lead to misunderstanding. In SCALE(up)ALPS’ case, and after many discussions, SCALE(up)ALPS Consortium agreed upon a common definition of a Scale-up. The adopted definition to be used throughout SCALE(up)ALPS project is that of the OECD: “An enterprise with average annualized growth (in number of employees or turnover) greater than 20% per annum, over a three years’ period, with a minimum of 10 employees at the beginning of the growth period”.

The challenge for a start-up to scale up lies in managing high speed exponential growth and strategic organization. The 2016 Scale-up Manifesto has identified 6 headings divided into 49 subchapters. The Gazelles Growth Institute points out three key factors that drive the process of Scaling up.

- Leadership and the art of recruiting the team that not only have the proper training but also share the company’s value and CEO’s vision: TALENTS
- 360° Marketing (not only customer and product based, but a corporate marketing that can facilitate the company capacity to attract corporate partners and investors) and facilitate access to domestic and international markets: NEW MARKETS
- Infrastructure: it is absolutely critical to mobilise capital and invest in innovation, business development, organisation: FINANCE
Prerequisites to put together an efficient & sustainable support scheme

A. If we take for granted that an ecosystem is “A digital ecosystem is a distributed, adaptive, open socio-technical system with properties of self-organisation, scalability and sustainability inspired from natural ecosystems. Digital ecosystem models are informed by knowledge of natural ecosystems, especially for aspects related to competition and collaboration among diverse entities”. As far as SCALE(up)ALPS project is concerned, the ecosystem is where it all happens. LPAG meeting held in Sophia Antipolis in June 2017 with local stakeholders such as academics, policy makers, incubators, Startoppers and business executives points out that building a scale-up dedicated support scheme depends strongly on a supporting and balanced ecosystem. Former examples, not only in the US but also in many EU cities such as Lisbon or Stuttgart, show that entrepreneurs and finance, although a necessary and indispensable prerequisite, are not enough to make an ecosystem boom with high potential start-ups. It takes a combination of different ingredients of the ecosystem, including a strong political commitment that can influence education, academic and vocational training, as well as R&D centres both public and private, Corporations, and a critical number of entrepreneurs. Most of the time, all these actors obviously know each other, and sometimes event talk to each other. But what is needed here, is to make them understand each other to contribute in building an efficient ecosystem. For instance, it is vital for a university to be able to anticipate local or tech companies needs in the next 5 years, as it is the necessary time to train a junior engineer.

B. What makes a supporting (vibrant?) and balanced ecosystem?

i) Committed policy makers:
Among all stakeholders, policy makers (and elected politicians) hold a decisive part in an ecosystem’s operations. They elaborate the strategy of a territory over a mid-term period, and have the power to decide how public funds are to be distributed and spent. These key actors play then a decisive role in the way an ecosystem lives, grows and develops, especially in a global, highly competitive environment. As part of the process developed in SCALE(up)ALPS, involving policy makers is one of the key success factors, hence LPAG meetings. These meetings proved to be useful, and helped policy makers better understand the “scaling up” process, particularly through many fast-growing start-up CEOs testimonies. Nevertheless, one shot awareness action is not enough if we seek true commitment. These meetings are but a starting point, and must be followed by regular information on companies’ needs, difficulties and successes. One can think of a most efficient means of obtaining policy makers commitment, by keeping them informed, interested, and potenially involved in local workshops through focused information campaigns. The decision-making process in favour of scale-ups dedicated schemes should then be eased up.

ii) A strong academic basis
Fostering high level researchers, skilled technicians and business developers: TALENT has been identified as a key success factor to contribute to supporting Scale ups development. Therefore, the whole academic value chain (universities, R&D public labs, postgraduates and business schools) must take part of every thinking process in the ecosystem. High quality (needless to say high level) graduates can contribute in increasing the number of innovative projects and thus innovative companies, exclusive of the capacity of bringing in new skilled workforce in the existing ones. For a fast-growing (future) scale-up, it is obviously quicker, cheaper and much more convenient to be able to recruit talents locally, although not always possible. For instance, Cote d’Azur most dynamic start-ups are searching for means to attract talents from Europe, but also Asia and North Africa. A close periodic communication with the academic body fosters a better anticipation of the need for certain kind of competences and create local, high-skilled and tech-fitted
employment for the ecosystem. Knowing that not all academic talent make successful entrepreneurs, the presence of a business school is definitely an asset, as experienced by Sophia Antipolis’ UCA (Université Côte d’Azur) initiative of gathering within one campus all local academia, R&D centres, design schools, and two world class business schools (EDHEC & SKEMA), both of them already hosting their own incubator.

iii) A critical number of Startups.
As a matter of fact, with an average ratio of a Start-up lifespan of 3 years, and a failure ratio of 90%, it takes a huge number of projects and potential start-ups to beget one Scale-up. June 22\textsuperscript{nd} 2017 Sophia Antipolis’s LPAg meeting showed that the area has a lot of services to offer promising projects in all fields: Strategy, finance, P.I, talents etc. WP1 outcomes tend to indicate that this situation is very similar in each SCALE(up)ALPS territory. A.S area is very active and act strongly upon new projects and early stage companies, which seems to be the best method so far for a handful of fast-growing start-up to emerge.

iv) A sufficient number of large Corporate companies
There are many examples of highly successful ecosystems where established companies and start-up cooperate on a win-win business basis. Most of the times, this cooperation takes on concrete form through contracting, incubation, equity or even funding (i.e Stuttgart). On one hand, innovative start-ups have what large companies lack – or no longer have: flexibility, short response-time, capacity to anticipate market changes, ensure as short as possible time to market… On the other hand, large corporate companies have important financing capacity, they can provide working spaces and facilities, offer business opportunities and eventually ventures… Zack Weisfeld, founder of Microsoft corporate accelerator explains that “It’ll help us [MS] jointly create value, connecting our R&D to the ecosystem and empowering the best entrepreneurs to achieve more.” This virtuous process (one could call it osmosis) is possible if the ecosystem hosts enough of these key accounts. SCALE(up)ALPS’ analysis of the acceleration programs offer within partners’ territories shows that 40% of acceleration schemes are supported by international corporate companies in many ways: access to funding, mentoring, facilities (soft landing), networking and sometimes seed money.

v) A well-structured network of services (incubators, social communities, BAs, …)

vi) Local, domestic and international strong connectivity.
There are two kinds of connectivity. On one hand, according to a Kauffman Foundation report, connectivity is key. That’s why those successful communities like Boulder and New York created a myriad of events to connect. Density cause collaboration and creates culture. That’s why in most cities (especially in Chicago with 1871), there is innovation hub where people are co-located, can meet and connect and therefore build the future of the community. On the other hand, for a territory to the presence of physical connectivity, particularly easy access to airport/train station is also an asset for an ecosystem to grow as it strengthens

vii) Entrepreneur-led with public support & a shared vision of the ecosystem development:
The strongest start-up hubs have been founded in the US (Boulder, Chicago & NYC). there were entrepreneurs that took on their time and put efforts to foster a vibrant startup community. This sense of membership laid the foundation on which the ecosystem infrastructure like incubators and accelerators were
build. This second stage needed help from the public sector or wealthy people (founders with an exit or donors like in Chicago). The French Tech initiative in France is an example of how entrepreneurs can work together and actively contribute to the development of an ecosystem. “Hunting in pack” has proven a much better strategy than individual initiative, especially when supported by public bodies or intermediaries such as Chambers of Commerce.

1. Methodology
   i) **Identify** the relevant targets: Not all start-ups are equally designed to scale up quickly enough, raise money, go international and crush competition. Only the most promising ones have a better chance to compete successfully (ex: PASS French Tech in Provence Cote d’Azur Region). SCALE(up)ALPS targets must comply with OECD definition (P1). The first step is therefore to check which companies are “SCALE(up)ALPS compliant” in each of the partners’ territories.
   
   ii) **Understand** the targets’ needs. A VC cannot be regarded only as a well-stuffed wallet, or a new share holder. Investment is obviously a key factor, but it is what a company makes out of it which must be the focal point of all survey on Start-ups, future Scale-Ups. In November 2017, SKEMA’s conference “Le rôle de l’immatériel dans l’innovation” put into light the fact that not all CEOs want their company to expand at the speed of light, that financial issue comes third after recruitment and business development, and finally that raising money is not an end, but a means that must be initiated at the right moment and for legitimate reasons. For all these reasons, selection depends deeply on how much each partner knows about its ecosystem.
   
   iii) **Design** the relevant schemes – All SCALE(up)ALPS partners contributed to a global Alpine Space benchmark and identification of Scale-ups acceleration schemes best practices. All schemes selected by each partner have been assessed through a series of 5 criteria, leading to CCINCA proposal of a 3-part scale-up dedicated scheme to be presented to the project’s partners. Then, co-conception with stakeholders & sponsors can be seen as a way to ensure sustainability.
   
   iv) **Select** a test population: Among the identified target group (1), not all Start-ups are meant to be interested by an acceleration program for many legitimate reasons. Selection of 100 scalable Start-ups among all SCALE(up)ALPS’ partners (T3.3) means a mere 15 targets at the most per partner.
   
   v) **Communicate**, inform, disseminate:

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4 SKEMA is a leading business school with campuses in Paris, Sophia Antipolis, Brazil, China and the U.S
5 “Evaluation of intangible assets in innovation”
2. Alpine Space Best practices analysis

A. A total of seventeen acceleration best practices have been collected between September and November 2017. A specific matrix has been sent to all partners in order for them to identify, describe and assess the most relevant local acceleration schemes. Four critical and unbiased criteria facilitated the evaluation of the identified schemes by each partner on a 1-5 scale.

<table>
<thead>
<tr>
<th>Relevance / project</th>
<th>Transferability</th>
<th>Sustainability</th>
<th>Implementation</th>
<th>Total / 5</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

i) **Relevance / project:** the scheme must be compliant with SCALE(up)ALPS’ scope, objectives, and targets.

ii) **Transferability:** To be identified as potentially selectable for the project, the support scheme must have a transferable process: ie: not local public funding dependant, be budget compliant…

iii) **Sustainability:** As part of SCALE(up)ALPS main objectives, sustainability must be regarded as an ultimate criterion. Therefore, each support scheme must have characteristics that can be sustained through time (not a one shot private or public funded) and regardless of cyclical economic or political conditions

iv) **Implementation:** T3.3 is a rather short time span to put into practise a long term, multi-participant acceleration scheme. To be relevant, SCALE(up)ALPS’ partners’ choice should be aimed at being executed during T3.3 timespan in order to be assessed properly.

B. Due to T3.1.1 critical importance to the project final outputs, this part took a little more time than expected. Nevertheless, this extra time has allowed partners to more clearly describe local acceleration schemes and identify a series of common Key Success Factors.

<table>
<thead>
<tr>
<th>Corporate-backed program</th>
<th>Long-term program</th>
<th>Early stage</th>
<th>Scale(up)Alps Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name Partner</td>
<td>Name Partner</td>
<td>Name Partner</td>
<td>Name Partner</td>
</tr>
<tr>
<td>Allianz Accelerator</td>
<td>CCINCA EIT Digital</td>
<td>CCINCA Tech Founders</td>
<td>UTUM NITRO</td>
</tr>
<tr>
<td>BMW startup Village</td>
<td>UTUM Go Global</td>
<td>US Build</td>
<td>KWF H-Farm/ Marco Polo</td>
</tr>
<tr>
<td>Village by CA</td>
<td>CCINCA KWF</td>
<td>KWF</td>
<td>CMT</td>
</tr>
<tr>
<td>Wayra</td>
<td>UTUM PACA Accelerator</td>
<td>ARRI PACA</td>
<td>ABC Accelerator</td>
</tr>
<tr>
<td>H-farm Health</td>
<td>VI MED4SCALE-UP</td>
<td>ARRI PACA</td>
<td>H-Farm/Travel &amp; Leisure Accelerator</td>
</tr>
<tr>
<td>Intesa San Paolo</td>
<td>CMT</td>
<td></td>
<td>VI</td>
</tr>
<tr>
<td>H-Farm/Blockchain</td>
<td>VI</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The analysis of the 17 acceleration programs / schemes sent by the project partners provides deep insights into the way these schemes have been conceived and implemented in A.S Regions. Although these programs are often presented under an “acceleration” banner, one must note that many of them still deal with seed money, prototyping, first customer etc. They are therefore early stage oriented rather than genuinely dedicated to scale-ups and acceleration.
Only one fourth of the programs are open to any kind of sector/segment or technology, the majority of them are specialised in specific technologies (blockchain, IOT etc.) or activity (tourism, insurance, bank etc.). One reason of this specialisation is the large number of large companies-backed programs (BMW, Allianz, Deutsche bank etc.).

Basically, one can identify five key factors shared by most of the acceleration programs:

i) Most services are strongly business/international (47%) and investment-readiness oriented (37%), while the “talent” side is much less represented, usually as part of a larger scope program.

ii) Nearly 40% of the acceleration programs rely on a strong cooperation with major companies (BMW, Telefonica, Allianz etc.) which bring know-how, mentoring, working space and eventually financing or prizes. Most of these major companies-sponsored programs are thematic (i.e.: automotive, IOT, blockchain etc.)

iii) Unlike early stage start-up services, acceleration must be based upon high level networking, highly experienced coaches either from major companies or from very successful start-ups and scale-ups.

iv) Acceleration programs last very scarcely more than 3 or 4 months. Only four last for one year or more (up to three years), and half of them tend to address rather promising start-ups but not quite future Scale-ups.

v) Most of the analysed programs use the means of operational execution to provide services

3. CCINCA proposal of a “tailored support service scheme”

Considering the aims and objectives of the project, and the fact that 60+ companies must join SCALE(up)ALPS acceleration program, a scale-up specific tailored – and somehow “one size fits all” acceleration scheme must be set up for 2018.

A. A significant example of an acceleration program: H2020 ePlus Ecosystem “NITRO”

NITRO is a two days event dedicated to European start-uppers willing to develop more quickly and acquire new skills through a series of 3 hours workshops (business development, negotiation, PI, project management, pitching, investment readiness...). On the second day, they have the opportunity to pitch in front of 10-12 Business Angels &/or VCs, and meet some of them individually.

The 2016-2017 acceleration program feedback shows a strong appetite from CEOs for this kind of concentrated “commando” action. They are already very busy running a company which sells products or services to many customers both domestic and international, and expect a very high value service in a short period of time.
NITRO has been experimented through 3 European sessions, in Utrecht, Sophia Antipolis and Lisbon. Each session has been assessed so that the 1.5 – 2 days program has been modified to best suit start-ups expectations.

The workshops were run by experts from the Consortium.

A 500€ max micro-grant was awarded to each selected company to attend the event (travel expenses & accommodation), all other services being offered.

This series of three events have proven more attractive to advanced companies rather than early stage ones, and shown a highly satisfactory feedback.

B. NITRO Key success factors

i) **Content** is definitely the main element that made NITRO successful. The choice of the workshops is made in advance by participants, so they can come up with their own real cases and come back with practical answers - not just the usual theoretical courses. A survey is done beforehand just to make sure that the workshops will really be focused on the companies’ issues.

ii) **Organisation and timing.** When participating such a mature start-up acceleration event, company owners & founders are looking for immediate answers to business and negotiation, HR and talents and funding issues. They want R.O.I. No time to waste: one day of selected workshops, Masterclasses-like, with experienced experts and former entrepreneurs, and a second day dedicated to investment readiness (pitch training) and pitching sessions in front of a dozen (or more) local and European investors. Face to face meetings with investors conclude the session.

The whole two-days event is set in one single location in order to avoid useless and time-consuming commuting. Informal chats with experts and improvised networking sessions during coffee and lunch breaks contribute to the success of the method used for NITRO event.

iii) **Generate attractiveness:** This kind of event is a project within the project. A large part of the event attractiveness relies on multi-cultural experts and start-ups, a coherent selection of the companies (through F6S platform – but any platform will do), a benefit-focused communication, and of course the possibility to offer “micro grants” (up to 500€). Policy makers are invited to attend, meet the participants to get a useful feedback and therefore ensure sustainability.
C. Why use NITRO experience as SCALE(up)ALPS acceleration scheme?

Needless to insist on the quality of proposed acceleration schemes presented by SCALE(up)ALPS partners. They all have a high level of performance and have proven efficiency each in their own ecosystem.

If SCALE(up)ALPS should prove that Alpine Space is but one large territory, sharing the same concerns with scaling up process, then SCALE(up)ALPS tailored supporting scheme must use tried and tested efficient methodology, and be easy to set up in any territory within the project lifespan (8-9 months).

The NITRO model seems to be ideally qualified as it matches each “eligibility requirements”. This acceleration program can easily be disseminated and reproduced in each of SCALE(up)ALPS partner territory, partly because the content already exists in many of partners’ acceleration schemes: high level experts and coaches, campuses or identified locations, potential partners and local Business Angels networks.

Thanks to a short two-days format, NITRO can be regarded as a showcase for policy makers, potential partner and basically all of the ecosystem stakeholders. As for policy makers, the program can help them better understand the difference between a Start-up and a Scale-up, and initiate (or strengthen) their commitment by inviting them to a specific workshop, an introductory speech or keynote. This way, NITRO contributes to two of SCALE(up)ALPS objectives: raising policy makers awareness on Scale-up issues and connect Alpine Space territories by the means of a common scale-ups dedicated acceleration program.

D. CCINCA proposal

i) Roadmap to set up a SCALE(up)ALPS NITRO event

![Roadmap diagram]

The roadmap from January 2018 to September 2019 is as follows:

1. Selection
2. NITRO event
3. Assessment
4. Communication
5. Follow up
6. Coordination
7. 8-12 KF / event

ii) Selection of the Companies

Selected companies should at least comply with the SCALE(up)ALPS adopted definition, and be able to prove it. If necessary, the Consortium might agree on a series of complementary criteria, such as: line of business, innovation, technology, targeted market, (B2B, B2C…), objectives, motivation…

Candidates apply on a specific platform such as F6S (but there are many others) by filling in a short application form with necessary information (address, website, team description, business model…). All partners can access the platform and evaluate each company on a 1-5 scale. Then the 15-20 best are selected, and final decision is made by a jury of 5 partners.
iii) Special vouchers for travel & accommodation

As no voucher has been made easily available, NITRO events have been organised mostly for local companies. The voucher system has proven very convenient for low budget and early stage Startups, but as far are Scale-ups are concerned, the main issue for potential participants was time and not money. Therefore, not being able to give vouchers away has not been an obstacle to attract participants.

E. Organisation & Action plan

“Taylor 3 S.M.A.R.T full-fledged pilot-support schemes for at least 4 Alpine Space regions allowing Scale-ups to better access three decisive fields: talent & leadership, new domestic and foreign market opportunities and accurate funding sources.”

Currently, the objective is to implement SCALE(up)ALPS pilot scheme in four regions in a limited time of seven to nine months. This is how the action plan could work:

<table>
<thead>
<tr>
<th>Project Partner</th>
<th>March 2018</th>
<th>June 2018</th>
<th>Sept. 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>PP1 CCIAA TO</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP2 CityMetroTo</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP3 V.I</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP4 J.S.I</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP5 TP Lj</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP6 UTUM</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP7 USI-CPS</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP8 KWF</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP9 MC</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP10 CCI NCA</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
<tr>
<td>PP11 ARII-PACA</td>
<td>RH &amp; talent event</td>
<td>Finance / funding event</td>
<td>New markets event</td>
</tr>
</tbody>
</table>

Here is a hypothetical segmentation of the project partners. One Scale-up could participate to one or more event on different subjects.

Doing so, SCALE(up)ALPS could benefit from the opportunity to strongly communicate on three occasions, transforming a local event into a three-part coordinated Alpine Space event. A bigger event would more attract Scale-ups, policy makers and most probably ease up partnerships with Corporates.

Another asset is that more than 100 Scale-ups could participate, thus doubling the project objectives and enforcing the credibility of the project.

F. Awareness Campaign plan

The final objective of the project is to deploy and assess 3 pilot schemes (one for each theme – Talent, Business development, Finance). 100 Scale-ups among the project partners are targeted and at 60 of them will experiment the pilot schemes. In order to achieve this aim, an awareness campaign will be implemented. As there are more than one type of targets (policy makers, intermediaries, service providers, scale-ups…), a specific tool kit is to be created. Experience shows that direct information (i.e face to face or phone call) is much more efficient than any other means. This is what a promotional tool kit could look like:

i) Policy makers must be informed of SCALE(up)ALPS activities in the ecosystem. Some of them have already been invited in participating LPAG meeting or been interviewed during WP1.

- An information bulletin or personalised mail (based on project development & actions) will be sent to each policy maker to explain SCALE(up)ALPS objectives and actions, with a focus on the acceleration program.
- An invitation to attend/visit/participate will be sent too
- A videomotion will be sent & disseminated through all relevant medias (social networks, partners & project websites…)
- A video will be made and presented i.e: stakeholder / scale-up CEO cross interview
ii) Stakeholders directly involved in the ecosystem life: Incubators, accelerators, intermediaries…

- An information bulletin or personalised mail (based on project development & actions) will be sent to each organisation to explain SCALE(up)ALPS objectives and actions with a focus on the acceleration program
- A videomotion will be sent & disseminated through all relevant medias (social networks, partners & project websites…)
- An invitation to attend/visit/participate (as an expert for example) will be sent too
- Face to face meetings

iii) Scale-ups: Direct information to scale-ups is must be favoured, supported by both videomotion & video.

Contacts with the Scale-ups will be done by means of a specific factsheet

EEN factsheets are designed for companies seeking commercial or technological partners in Europe. They must be certified by the European Commission. As far as SCALE(up)ALPS project is concerned, there is no specific reason for a targeted company to seek partnership. Doing so would mean adding yet another criterion and would be too selective and most probably counter-productive. For the project’s sake, it has been decided to write a short, simple but specific document. Face to face meetings have been then chosen as the appropriate method of interview.

iv) Each scale-up will then be asked to assess the acceleration scheme. A two-phased multi-criteria template will be created in order to evaluate immediate and middle-term (3 months) benefits. All assessments will then be added up to have a clear picture of the project’s acceleration scheme efficiency and facilitate local decision-making.
NITRO: implementation

A. First NITRO event: Sophia Antipolis April 26th - “HR & talent”

As a 2017 BPI (Banque Publique d’Investissement – Public Investment bank) points out, talent acquisition is one of the main issues promising startup and fast-growing Scale-up have to face. One can imagine that this might depend on the social and economical environment of the area, the size of the company, and, of course competition intensity. As this situation is shared by many ecosystems in Europe, two workshops have been set up to benchmark the existing talent acquisition techniques and try to explore new ones.

Three specialists have been invited to facilitate the workshops and share with CEOs their knowledge, techniques, solutions, ideas and experience.

Moderator #1: Hélène séjourné (Buis & séjourné)

She has more than 20 years of experience in operational positions, in mass distribution, at the European Commission or in the management of innovation.

Part of her activity is dedicated to supporting teams in performance management. Based on a diagnosis suited to the size of the company and a co-construction workshop, she helps teams implement pragmatic tools and work methods.

Hélène is persuaded that what makes a company stronger are its people. After working for more than 20 years as a professional buyer and financial project coordinator, Hélène decided to use her emotional intelligence to facilitate dialogue within teams.

She is an experienced manager and team leader and helps teams and their leaders to collaborate with their stakeholders in a cohesive way that improves performance.

Moderator #2: Emmanuel TURCI (SAP Labs)

Emmanuel studied computer science, artificial intelligence, robotics and advanced technics in algorithmic and automatism. He worked for SII, Lucent Technology and joined SAP 17 years ago as developer in the research and breakthrough innovation organization. He’s now project manager in the “Digital Business Support” organization, working in Agile development with teams distributed across different regions. As qualified development manager he is always seeking how to coach his team, improving teamwork and ease personal development of each team member. Innovation, new ideas and customer success are his key words, focusing on problem solving.

Moderator #3 & 4: Constanze Backhaus & Maria del Mar Mitjavila (UnternehmerTUM)

Constanze Backhaus is passionate about people, equal access to education, and solving societal challenges through tech & social entrepreneurship. She leads the Startup HR Program at UnternehmerTUM Innovation and Business Creation Center. Constanze supports high-growth tech startups in finding and the right talent, building collaborative, mission-based teams, instilling a leadership culture with empowered employees, and mastering any topic HR. She also manages UnternehmerTUM’s Startup Talents Pool Community. Before joining UnternehmerTUM, Constanze led world-wide consulting projects and departments for tech, life sciences and media corporations in Paris. In 2016, she moved to Munich to build the HR department of a social SaaS Startup.

NITRO Sophia Antipolis contents

Teach On Mars – Edtech
Milanamos – Air travel market
Wildmoka - Entertainment
Koedia - Tourism

Kinaxia – Big data
Constanz - Air travel market
Ignilife – Well being
Datacorp - Engeneering

Identifying and contacting the eight companies that eventually registered has mobilised important communication and staff resources. Social networks, particularly LinkedIn attracted very few contacts, and most of them from early stage startups which had to be turned down. Direct approach (phone calls and face to face meetings) has proven the most efficient way. It seems that Nitro’s attractiveness had to compete with Scale-ups daily priorities, and CEOs had to be convinced to participate through a specific presentation. Eventually, eight digital companies (most of them Scaleup and a couple of fast-growing startups) registered, represented by their CEOs and one CHO. Four partners completed the attendance (ARI PACA, CCI Nice Côte d’Azur, UnternehmerTUM and Universita della Svizzera Italiana). French Tech Association was also invited as an observer (La French Tech refers to all the people working for or with French Startups in France or Abroad representing 9 500 companies and 2 billions raised in 2016).

Because of such a small number of companies (50% of the objective), schedule and programme had to be changed. At first, a one
day- two workshops (instead of three) format has then been organised, and the first workshop had to be modified in order to cover two topics at once (loyalty and talent acquisition).

On D Day morning, two companies withdrew and another two did not show up, so both the workshops and the agenda had to be modified again. The workshops had to be then facilitated in a row with a short coffee break in between. Of course the plenary sessions have been shortened and became an open discussion with the experts, mainly around talent acquisition.

In spite of the disappointment, the positive feedback given by the participants shows that both the HR topics and the choice of the experts were relevant.

A promotional video has been made during the workshops and sent to all the project partners.

B. Second NITRO event: Munich July 5th & 6th “New market opportunities”

NITRO Munich was organised and hosted by PP 6 UnternehmerTUM and was dedicated to “business development and new markets” The two-days format was chosen in order for participants to optimise the presence of the two invited mentors and local experts. UTUM Nitro was to offer: “Access to world-class experts, individualised feedback and a set of tools that will help you bring your company to the next level”. Two plenary sessions were planned and three workshops built around business topics:

- Generate (elaborate new market opportunities, potential, prospection, specific market study, prioritisation)
- Evaluate (quick and dirty evaluation of market opportunities, volume, resources, competition, …)
- Start (define an agile go-to-market strategy, pricing, marketing plan…)

Based on Sophia Antipolis’ experience and feedback, Munich’s NITRO widened the targeted companies and addressed not only Scaleups but also Alpine Space most promising and fast-growing startups. 12-15 participating companies were expected.

A specific “Scale(up)Alps Nitro-branded” communication plan has been set up, using both digital (especially social networks Linkedin and Facebook) and direct contact with targeted prospects.

To better share Scale(up)Alps partners’ practices, one member of CCINCA Scale(up)Alps staff went to Munich and joined the workshops.

For the same reasons as CCINCA, Munich Nitro’s UnternehmerTUM faced a recruitment issue, with only five teams participating the workshops, as seven applications have been received (none from any other region than Munich).
C. **Third NITRO event: Lubjana July 5th & 6th - “Finance & Capital attraction”**

NITRO Lubjana was organised and hosted by PP XX - Technology Park Lubjana and was dedicated to “finance & capital attraction” as Sophia Antipolis’ experience had been communicated. It then had been decided to organise this NITRO as a morning session, from 8:00 to 13:30, including a networking lunch. Three local experts introduced the topics: Presentation skills, financial incentives and pitching.

Following e-handbook, a full-fledged scale-up business support scheme to support scale-up growth and sustainability focusing on one of agreed pillars: new markets (either domestic and international). Event was also tackling access to finance, however in limited scope since dedicated event will be organised in autumn by project partner IJS.

During the process of development of the scheme on regional level, also initiative on bilateral approach was raised by TPLJ, IJS and KWF. During bilateral (canvas) workshops organised back in March 2018 by TPLJ. However, due to financial as well as divergence in regional challenges identified, agreed approach was to implement 2 separate workshops.

First part of the event was focused on hands-on training and the second part of the workshop has been focused pitching and networking with SME community. The event was moderated by TPLJ internal pool of experts.

An attendance of 92 was reached, representing more than 60 local scale-ups and promising start-ups.

A video of this event has been produced and posted on the main channels and social networks.

D. **The Fourth NITRO event due in Vienna on “Finance & Capital attraction” has been cancelled due to very few participants and has been replaced by a series of face to face interviews with mentors**

**NITRO: lessons learned and pivoting**

September 2018 Torino consortium meeting presentation of Nitro by the partners and WP leader has come to the same conclusions. The outputs of this experiment are:

a. As an event, Nitro has failed to attract Scale-ups as it did with Startups in H2020 Eplus Ecosystem project. The analysis of the reasons why so few companies attended highlights the fact that, although Scale(up)Alps topics were considered interesting and well targeted, CEOs do not wish to spend two full days attending workshops and conferences. Interviewing some of those who did not wish to participate, one can identify different reasons:

- CEOs or executives don’t have enough time and often even cannot send any relevant staff member,
- Not the right time because the Company is in the process of negotiating important funding or even in the process of closing,
- Many of the targeted executives were on professional journey,
- Some CEOs showed some mistrust regarding the contents of the workshops operational aspects from a practical point of view,
- The expert’s credentials have been sometimes questioned

b. What we learned: unlike Startuppers’ needs, Scaleups CEOs have already experienced many workshops, conventions, and cross fertilisation programs, sometimes even within a EU project. Their company has now reached a different position and they have another, more ambitious, strategic posture. They express specific
expectations linked with the scaling up process, requiring a higher level of expertise. They want more acute and operational advice from experts who ideally have experienced Scaling – either successfully or not. In their opinion, this specific need can be fulfilled with face to face and individual consultancy.

c. The necessity to pivot. Not being able to adapt Scale(up)Alps project to the identified needs of Scaleups would be a mistake which could put WP3 objectives at risk. An alternative solution had to be found. Therefore, ARRI and CCINCA worked on a new proposal, based upon the feedback of the companies. Considering Scaleups expectations, we looked for a tool that could be allow CEOs and executives to take a step back and provide effective solutions or leads to meet their expectations. We thought that the innovation angle was relevant. Tackling the three topics of Scale(up)Alps project (HR & talent – new businesses & International – Finance) through the angle of innovation would be more attractive and less time consuming. An “innovation diagnostic” would lead to focus not only on the three topics but also add a new layer (organisational innovation) to work more effectively on the issues of each scaleup individually.

d. The new supporting scheme & tool: “Innovation Ways’ diagnostic Innovation. After defining a precise and restrictive requirements specification, “Innovation Ways” company was eventually chosen to provide a SAAS platform as the project tool to support another 35 Scaleups. The diagnostic allows any partner to analyse a Scalup environment and focus on Talents, business development and finance through an “innovation” lense. A 20 items questionnaire is done face to face with a Company CEO or executive. The whole process lasts between one to one and a half hour. For the project’s sake, we decided to carry out this diagnostic in the Company premises rather than using it as a self-assessment tool.

An introduction to Scale(up)Alps project is systematically done before the actual beginning of the diagnostic:

About Scale(up)Alps project

The Alpine Space, includes top innovative area in Europe, with great potential to grow an innovative entrepreneurship. Yet, as a transregional space, it is not living up to its potential – in terms of competitiveness, it lags behind other EU hubs. By establishing the Alpine Space (AS) as an Innovative hub on the international level, the AS will attract startups, and through this, the economy in the AS will be improved.

The main aims of the SCALE(up)ALPS project are to foster the scaling up of Alpine Space (AS) startups and brand the AS as a cooperative area for innovative businesses and job creation. The project is about improving funding opportunities, finding the talent and a skilled workforce, developing leadership and facilitating access to markets. The project’s main outputs will be:

1. connecting AS ecosystem policies & communities of practice
2. selecting policies that expand the quantity and the quality of AS serial entrepreneurs and fast-growing scalable ventures
3. producing a mid-level feasibility plan with high level recommendations on start-up ecosystems’ growth, reducing fragmentation and therefore increasing collaboration across disciplines & stakeholders
4. designing & testing innovative public-private support schemes, matching corporates and capital, attracting talent, opening up market access and improving innovation within the entrepreneurial life cycle.

SCALE(up)ALPS uses an innovative, integrated approach derived from START UP GENOME and learn start up methodologies to scale business ventures. A dedicated, cooperative, participatory, inclusive workflow based on the EU Start up Manifesto will be produced in an open AS web platform.

Optimal framework conditions that will support startups on a practical level in the following areas will be developed:

1. Attracting talent
2. Taking advantage of market opportunities
3. Obtaining funding

The AS will arise out of this project as an ecosystem with a systematic way of supporting scaleups and act as a best practice model.

This project is co-financed by the European Regional Development Fund (ERDF) through the Alpine Space programme.
**NITRO 2 : 23 innovation diagnostics**

This new version of Nitro has been warmly welcomed by company owners and CEOs. Taking the innovation angle to tackle the subjects of financing, talents and new markets has proven more efficient to raise interest. The two hours diagnostic format and the SAAS mode has helped convincing the decision makers to participate.

23 out of 30 diagnostics have been completed.

<table>
<thead>
<tr>
<th>Company name</th>
<th>Activity</th>
<th>Scaleup</th>
<th>Promising Startup</th>
<th>Income</th>
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</table>
23 diagnostics have been completed. The remaining seven diagnostics are still to be completed by the companies, as they decided to finish it online. Most of the contact persons were either the founder (or co-founder) or the CEO, with one exception. The average time spent with the contact person has been three hours, but this duration has often been extended up to a whole morning.

All 23 French companies come from Sophia Antipolis or Marseille Area. The awareness campaign has been more effective in areas where R&D activities are well developed and historical.

Very few contacts (3) cancelled the meeting.

4. NITRO: Assessment

Let’s face the facts: NITRO as a two-days / 3 workshops event has not reached the expected success. Originally designed for early stage and mature start-ups (ie: in the third year of development), the first two events (Sophia Antipolis and Munich) have not reached the objective of 15 participant companies each, in spite of considerable efforts made to raise interest. For instance, the six participants of the Sophia Antipolis event were CEOs already well known as successful startupper in the ecosystem. They eventually came to the event, but not without a series of phone calls, after what can be described as a hard-selling process!

Nevertheless, the debriefing session that followed the events highlighted that all participants agreed upon the quality of the experts and their interest in the topic. But they unanimously considered that NITRO, as a ½ day event, was too time-consuming for them.

As for the Sophia event, a strictly Scaleup-dedicated NITRO event has shown its limits, considering the limited number of targets.

The copy-paste method does not work in the present case.

Different more condensed patterns have been tried by PP 5 Ljubljana Technology Park and PP 9 Krems with different fortunes. TPL has reached a record attendance of nearly 90 people and 60 companies. A close look at the attendance show that a great number of attendees were early stage startups that could be called “promising”. Still, this NITRO event was a success for the Project and has highlighted the necessity to support promising startups, as early stage they can be.

V. Desnot – Teach On Mars
Conclusion: A sustainable Scaleup support scheme must be…

The two versions of NITRO have highlighted that the success key factors to deploy & assess a scaleup support scheme are not very difficult to identify, in fact they are a lot easier to find than it is to convince company owners & CEOs to participate. Basically, if one ecosystem is as vivid as one pretend, there should be enough potential targets to deploy at a large scale such a program. The information received through the NITRO event (either collective or individual) is that the Alpine Space area is in need of Scaleups.

In this particular case it has been a true challenge to develop and deploy a support scheme for scaleups event though the topics and the issues (new markets, talents and finance) were well known by each partner. A scaleup has the particularity to be in between two categories:

Not already a proper corporate, but with a solid financial structure that allows it to look for more (ie: C series …), a capacity to attract talents thanks to its innovative side, and clearly identified new markets to conquer.

No more a startup, but still fast-growing, capable to pivot rather easily.

The Scale(up)Alps project NITRO experiment highlighted that an individual approach must be favored, with a global approach of the companies’ issues. The support scheme cannot then be too time consuming, straightforward, and with an informative deliverable that can be used for different purposes (financing, commercial…)