



RAPIDE: Regional Action Plans for Innovation Development and Enterprise

RAPIDE in Action conference Report

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**EUROPEAN UNION
European Regional
Development Fund**

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1. SUMMARY OF THE *RAPIDE* PROJECT

RAPIDE is exploring how the public sector influences innovation by looking at a number of critical factors that determine the success and speed of bringing innovation to market more quickly. While there are examples of good practices in different regions, there is little in the way of overarching or transferable key principles identified as being most important when commercialising innovation effectively. RAPIDE was already able to capitalise on good practices and ideas of the network as well drawing on expertise from both the partner regions and outside of the network.

The following innovative RAPIDE Actions will be implemented by the RAPIDE network partners:

1. Innovation Voucher Schemes
2. Pre-Commercial Procurement projects (PCP)
3. Business Angel Networks
4. Assessment tool for start-ups in incubators
5. Pitching tool to bring innovators to investors

2. INTRODUCTION AND PURPOSE OF THE EVENT

DG REGIO and the RAPIDE network have combined forces to organise this conference. Its purpose was to ensure the engagement of all regional and European stakeholders in the implementation of the future **RAPIDE Action Plans**. Those stakeholders will also learn about the current RAPIDE successes. **The Commission's direct involvement in RAPIDE will give partners a unique opportunity to develop a true dialogue between the European Commission and the respective regional players.** All RAPIDE partners had the possibility of presenting the regional interests and regional RAPIDE actions to the EC.

It was envisaged that each partner's **Managing Authority** will have the opportunity to meet with the respective **geographical unit** desk officers and EC experts to discuss their Action Plan, setting out concrete actions in their region for commercializing innovation more quickly. The afternoon of this event was used to discuss the successful completion and implementation of the RAPIDE Action Plans.

This report summarises the key points made over the one day event.

3. PROGRAMME – PRESENTATIONS

3.1. WELCOME

Zoltan Gyevai, the moderator is journalist and permanent correspondent in Brussels welcomed everybody and opened the RAPIDE in Action Conference. He emphasised the Fast Track status of RAPIDE and therefore the European Commission is also directly involved, acting as an additional partner and critical friend. This engagement is led by DG Enterprise and DG Regional Policy and supported by DG Research, DG Information Society and Media and DG Employment and Social Affairs.

We have today representatives of all those DGs here.

The PURPOSE of the EVENT is:

- ⇒ to present the successes and findings of RAPIDE so far
- ⇒ to inform the regional desk about the envisaged RAPIDE Actions
- ⇒ to ensure the engagement of the Regional Managing Authorities (MAs) in the future implementation of the RAPIDE Actions

3.2. Expectations of the EC at the Fast Track networks

Rudolf Niessler, DG REGIO/ Director Policy Coordination emphasised the reasons for the European Commission and the DG REGIO why Fast Track networks are of special value for them.

He emphasised that Fast Track networks must go one step ahead from exchange of 'good practices' to investments and implementation of actions and delivery of improved projects in each region.

This can be achieved only by active involvement of the Managing Authorities (MAs) of the relevant Operational Programmes and concrete deliverables (Regional Action Plans) to feed the Operational Programmes with qualified and better projects.

The main difference of Fast Track networks is the that the Commission works in partnership: in RAPIDE DG ENTR is in the lead but DG REGIO, DG INFSO and DG RTD are active as well.

See presentation Rudolf Niessler - Fast Track RAPIDE.ppt

3.3. Experience with Fast Track RAPIDE

Reinhard Büscher, DG ENTR – Head of Unit – Support for Innovation emphasised the differences of the RAPIDE regions in the Innovation Scoreboard. It is a mixture of very advanced and moderate regions. He also highlighted that Fast Track

networks have to be proactive partnerships which work together on joint solutions for pre-defined challenges.

See presentation Reinhard Buescher RAPIDE.ppt

3.4. Increasing levels of public procurement for innovation

Keith Sequeira, DG ENTR - Innovation Policy Development Unit gave a presentation about "How much public procurement of innovation is there? And if we can measure it and set targets?".

It is a proven fact that other global economies do procure much more innovation and research than the European one. To change that, we need to target and train procurers and not innovation agencies. The target is to earmark at least 2% of the European public procurement for innovative and pre-commercial technologies.

See presentation Keith Sequeira RAPIDE.ppt

3.5. Successes and challenges of RAPIDE

Lorelei Hunt, Director of Innovation – SWERDA shortly summarised the history of RAPIDE and how it developed from a vague idea to one of the most innovative networks in Europe. RAPIDE is already fulfilling what Reinhard Buescher from DG REGIO is requesting. We work together on joint solutions for pre-defined challenges and we take up as network new ideas and we developed them further and try to promote them.

- PCP
- Pitching Methodology
- Start-Up Assessment

See presentation Lorelei Hunt RAPIDE in Action Successes and Challenges.ppt

4. PROGRAMME – INTERVIEWS – DISCUSSION

4.1. RAPIDE Actions to bring innovation quicker to the market

Zoltan Gyevai interviewed all RAPIDE partners and they gave insides about their challenges in designing and implementing the RAPIDE Action Plans.

Zoltan Balogh Director of Brussels office from the Hungarian region Eszak-Alfold informed the conference participants that **Eszak-Alfold** has concentrated on pre-commercial procurement. Pre-commercial procurement is a new action in the Operational Programme and it fits within the axis on Regional development and experimental action. Hungary is not an innovation leader and Eszak-Alfold would like to use Structural Funds to change this.

RAPIDE has represented a new challenge, as new types of partnership have been required to implement the project. The Managing Authority is a centralised body in Hungary and it has been difficult to demonstrate why it is important to implement the project and it is a joint learning process for Eszak-Alfold and the Managing Authority. The final signing ceremony for what has been learnt through RAPIDE in the Operational Programme will take place in May.

Maciej Kruzewski Director of Strategic and Economic Planning Department in the Marshal's Office of **Kujawsko-Pomorskie** Voivodeship outlined that Kujawsko-Pomorskie concentrates on innovation vouchers and these will be funded through the Structural Funds. Since the Marshal office itself is the Managing Authority there won't be any problem launching the call for innovative ideas to be funded through the innovation vouchers. They would like to focus on ICT.

Secondly they concentrated on the implementation of a PCP project and they envisage to boost innovation by this new procurement process.

Christos Tzomakas, Head of Scientific-Technical Support department from the Regional Development Fund in **Western Greece** explained that concentrates on innovation vouchers and a Business Angel Academy. The lack of innovation in SMEs and the need to stimulate investment in R&D has led to concentration on an innovation vouchers scheme, which will be launched in May or June. The Managing Authority for the Convergence Operation Programme is on board and is supporting cooperation between research institutes and enterprises.

Kaj Kostander, R&D Specialist from Kemi-Tornion University of Applied Sciences in Lapland indicated that the RAPIDE partner in **Lapland** intend to implement 2 RAPIDE actions.

- innovation vouchers, due to the lack of innovation culture. RAPIDE is being exploited to develop products and services for SMEs. Lapland is looking to develop a flexible innovation voucher tool to make it easier for SMEs to apply.
- A stronger partnership between all responsible stakeholders of the region. Innovation needs partnership

Daniela Bergelt, from the Ministry for economy and labour of Saxony-Anhalt outlined that the region of **Saxony-Anhalt** intends thanks to RAPIDE to implement a new style of an innovation voucher scheme. The innovation vouchers are fast to access and small in size, which has been applied through shared experience within RAPIDE.

Two funding schemes will be set up: 1) to access consultancy services to raise awareness on R&D investments; and 2) to access solid consultation or R&D.

Emil Picha, Director of the monitoring, assessment and publicity in the Ministry of Economy of Slovakia explained how the central Managing Authority supports the region of **Presov** to use structural funds for the realisation of a regional innovation voucher scheme. The ministry is also interested to extend this scheme to other Slovak regions.

Henri Hanson, from the **Tartu** Teaduspark - Science park described the reason why the RAPIDE partner from Tartu decided to create a Nano Lab as Rapide Action and how it has used the RAPIDE partnership to learn about the experiences with such innovative labs and incubators

Ricardo Capilla Pueyo , Director General for development and Innovation from Ministry for Economy and Industry of **Galicia** explained why the Galician partner decided to make the most ambitious Action Plan. The core of the action plan is the creation of a network of innovation agents, which funds researchers to work with companies and creates innovation training programmes for SMEs through grants.

Sven-Erik Sahlen, Development Manager from **Örebro** Regional Development Council highlighted that the Swedish partner from Örebro concentrates on innovation partnership and business angel network.

Sweden is a top innovation performer, but steps have been made to make Örebro a more dynamic region. Until now, the public innovation structure has been too complicated and there is now the plan to set up an innovation centre. The innovation centre should be up and running by January 2011 and €1.2 million has been allocated to run the centre, including its board and high-level manager. The Business angel work has been promoted to help finance innovative ideas.

Richard Rossington, Head of Policy for Business Support & Science from the Welsh Assembly Government emphasized the need for **Wales** to improve the Business-Academia cooperation. This work has been launched with Structural Funds and support from the Welsh Assembly Government. Commercialisation of research is the first priority of this work. Universities are involved in proof of concept work, as well as dealing with larger projects bringing innovation to the market. Nine innovation centres across Wales are offering services to business through this work and the RAPIDE Action should bring this relatively diverse services together and comparable.

Radek Novotny, advisor to the **South Bohemian** Innovation Agency explained why the innovation agency introduced an assessment tool for start ups in the regional incubators. Banks normally assess the 3 years financial history of companies, but start-ups do not have such a history, thus this new approach should evaluate the future performance of a company. If this is proved to be successful the national development bank will take up the same assessment tool.

Lorelei Hunt, Director of Innovation from the **South West England** Regional Development Agency summarised in the end in her function as Lead Partner that each region has taken something from RAPIDE to benefit them and no one solution fits all regions due to different institutional set ups.

4.2. RAPIDE CONCLUSION – What next?

After a short discussion about regulations within structural funds and details in the introduction of Innovation Voucher schemes and Pre-Commercial procurement projects

Mikel Landabaso, DG REGIO – Head of Unit thematic coordination, innovation concluded the first part of the conference in highlighting the uniqueness of this event. Only thanks to the Fast Track structure of RAPIDE it was able to bring together Project managers from all partners (those who hold the pen) with the respective Managing Authorities for the regional and national structural funds with the responsible regional desk officers from DG REGIO and representatives of the other involved DGs.

He also expressed his hope that the following bilateral (trilateral) meetings will be of use for all the parties.

4.3. RAPIDE networking Session

Trilateral meetings of all RAPIDE partners, MAs and EC regional desk officers and experts. Most partner's Managing Authority had the opportunity to meet with the respective geographical unit desk officers and EC experts to discuss their Action Plan, setting out concrete actions in their region for commercialising innovation more quickly. Unfortunately three DG REGIO desk officers namely for Saxony-Anhalt (Germany), South-Bohemia (Czech Republic) and Tartu (Estonia) did not appear to the meetings. Some of the meetings were very useful for the participants, but it can be clearly said that in similar future meetings all parties need more briefing about the purpose of this session.

5. PROGRAMME – PEER REVIEWS

The afternoon of the conference was reserved for the final peer review of the **17 drafted RAPIDE Action Plans**. The kick-off was done by an overall presentation about the results of the Assessment of Action Plans.

5.1. Keynote address

Brigitte Hatvan, Team Leader – Management Consulting, KWI Consultants GmbH outlined the development process of such an action and which are the most common errors in the design of such an Action.

She emphasised the need to clearly define all target groups (internal and external), an overall budget also after the implementation phase, increase staff capacity for new actions and define evaluation criteria already in advance.

See presentations:

- *Brigitte Hatvan RAPIDE in Action - Action Plan Assessment.ppt and*

5.2. Peer Reviews

After the introducing presentation the RAPIDE partners divided in four thematic peer review groups.

1. Innovation Voucher
2. Innovation Partnership
3. Pre-Commercial Procurement
4. Effective Funding – Business Angel – Assessment tool

Each group was lead by an external facilitator.

All the participants received in advance the Action Plans and the assessments of the other Action Plans within their thematic group.

The purpose of these 1½ hour meetings was to identify for each Action Plan the points which need to be changed until the finalisation in mid of May 2010.

5.2.1. Innovation Voucher

RAPIDE Partners:

1. SAXONY-ANHALT, GERMANY
2. KUJAWSKO-POMORSKIE, POLAND
3. LAPLAND, FINLAND
4. PRESOV, SLOVAKIA
5. WESTERN GREECE

Facilitator:

Katharina Krell from Greenovate! Europe

Before turning to the individual reviews of the 5 action plans, 3 questions were discussed:

- 1) Did you find the external assessment of your action plans useful?

All regions replied that the assessment was positive and had highlighted weaknesses they had not through about before.

- 2) None of the action plans mentioned knowledge providers beyond the regional public institutes. Are there legal limitations in the Structural Funds rules that prevent from including non-regional knowledge providers in the actions plans?

All replied that there was no legal limitation. All regions then confirmed that they intended to allow their regional SMEs to chose among all available pubic knowledge providers country-wide. Since this was not specified in the action plans yet, they were asked to make this point clear in the next update.

- 3) None of the action plans mentioned private-sector knowledge providers. Are there legal limitations in the Structural Funds rules that prevent from including private knowledge providers in the actions plans?

All replied that there were no legal limitation, and that private knowledge providers could potentially be included. Katharina encouraged all regions to use the occasion of this new programme design to directly include also access to business expertise, and hence to set up 3rd generation vouchers, since any innovation plan has a business aspect. She recommended particularly a 2-stage voucher, where the 1st one should be a 1st generation access to technical expertise voucher, and the 2nd stage a 2nd generation access to business expertise voucher.

Then the actions plans were discussed in detail. As a result, all regions committed to improving their action plans by May 2010, addressing **all aspects** that had been **highlighted in the assessment**, and some more that came up during the peer review.

Regarding the question how to match the SME voucher beneficiaries with the right knowledge provider, Katharina highlighted the web-based solutions of the NorthWest RDA: an SME, having received its voucher, can type its knowledge question or problem into the web. The question is then automatically emails to all knowledge providers that are registered in a pool

(<http://www.nwdabusinessfinance.co.uk/innovation-vouchers/knowledge-providers>) with the NWRDA. Those knowledge providers who feel they have a good solution to the question email back to the SME – who then probably receives a number of offers from different knowledge providers and can chose the most appealing. Thus, competition is guaranteed, and in a sort of market place, SMEs demands meet R&Ds supplies.

<http://www.nwdabusinessfinance.co.uk/innovation-vouchers>

5.2.2. Innovation Partnership

RAPIDE Partners:

1. WALES, UK
2. TARTU, ESTONIA
3. ÖREBRO, SWEDEN
4. LAPLAND, FINLAND
5. GALICIA – SPAIN (apologised)

Facilitator:

Brigitte Hatvan, KWI Consultants GmbH

This thematic peer review can be characterised by its open discussion about the different Action Plans. The main discussion points were;

- Cooperation of universities
- Measurement of university engagement:
 - Cooperation with SME
 - social engagement

- Web platforms as information and networking tool for fostering interaction between academic institutions and industry, specifically SME
- Change of mindsets and structures of academic organizations
 - Commercial offices / F&E transfer agents

Each RAPIDE partner named two topics which will be improved in the final action plan;

- Tartu / Estonia
 - Specifying local, national and international users „market research“
 - Identifying additional funding possibilities
- Wales
 - Elaborating solutions for the adaptation of the Technium network
 - Developing approaches for steering the commercialisation of R&D results
- Örebro / Sweden
 - Developing a clear picture of the planned reorganisation of the innovation system and the new organisational structures
 - Elaborating the description of actions planned in more detail
- Lapland
 - Elaborating the web-based innovation transfer tool including existing virtual platforms
 - Defining the functionalities of the web-tool with regard to the target groups addressed

5.2.3. Pre-Commercial Procurement

RAPIDE Partners:

1. SOUTH WEST ENGLAND
2. ESZAK-ALFOLD – HUNGARY
3. KUJAWSKO-POMORSKIE – POLAND

Facilitator:

Matt Havard, SWERDA

All three partner-region representatives explained what they intending to deliver through their RAPIDE Actions Plans on the specific theme of pre-commercial procurement (PCP).

Presentation of planned actions

The South West RDA explained that they were planning to embed PCP in the region. They intend to commission an expert to carry out a preliminary work in the region in order to produce a detailed plan as to how to engage with stakeholders in the South West. The idea would be to test the PCP process to tackle a transport issue in the North of the region and in the South of the region (Cornwall) on the theme of ageing population and pressure on health services. Part of the expert's brief is to consider how this could be implemented through the Convergence and Competitiveness programmes.

The Eszak-Alfold partner region presented their plan to create a process that would enable the integration of PCP into their procurement practices. In particular €300,000 has been identified in their Action Plan to launch a two-stage process whereby an assessment of the R&D needs of businesses working in the public sector would be carried out pilot project. The PCP process would be tested on a couple of pilot-projects. An Intermediary Support Organisation would be set-up to manage the process.

The Kujawsko-Pomorskie region is intending to create an 'Internet Platform of Innovation', a database platform that would enable cooperation between R&D Institutions and businesses implementing the innovative processes, with a view improve information flow between of information between all stakeholders.

All participants then had an opportunity to comment on each Action Plans. In particular, all praised the different approaches taken embedding PCP practices in their respective regions. In particular the following items were raised as points that would need particular attention:

- the less holistic approach taken by the South West England region and potential difficulties to embed PCP practices across the region;
- Eszak-Alfold action plan was praised for its holistic approach and potential to embed PCP practices in the region with perhaps the risk of the process being to administratively burdensome on some circumstances;
- Kujawsko-Pomorskie region's idea was also praised but they were some questions about the self-sustainability of the platform.

Assessment of Action Plans

All participants then took note of the assessments of their respective Actions Plans by KWI.

The assessment generally supports the South West RDA Action Plan and the approach of appointing an expert to define the working framework for potential test projects. It however draws the attention to the fact that lessons learnt from these test will need to be captured and adapted to other field and recommends a follow-up process to be put in place. It also highlights that PCP skills will also need to be considered when implementing the process.

KWI highlights the strengths of the Eszack-Alfold plan and in particular the partnership approach and the regional commitment to the PCP process. Most of their comments on the Action Plan focus on the way the lessons learnt will be adapted to other circumstances and publicised in the region.

KWI was enthusiastic about the Kujawsko-Pomorskie plan to set-up an interactive internet tool but emphasised on the need to define the appropriate procedures of interaction between innovation stakeholders.

Action points

All three regions agreed to look into the KWI assessment in more details. Eszak-Alfold was particularly interested in looking into ways of improving communication of advantages of PCP process with smaller businesses in their region.

Kujawsko-Pomorskie promised to take on board the KWI budget recommendations to define individual budgets for the different sub-projects to be implemented on the basis of the web-based tool.

South West of England was particularly interested in exploring the idea raised by Eszak-Alfold to organise a meeting/ field visit with Dutch experts on the matter.

On the latter, MH agreed to speak to Benjamin Kusher to explore various options of a field visit to Netherlands on the basis of RAPIDE budget restrictions.

5.2.4. Effective Funding – Business Angel – Assessment tool – Pitching Tool

RAPIDE Partners:

1. WESTERN GREECE
2. ÖREBRO – SWEDEN
3. SOUTH BOHEMIA – CZ

Facilitator:

Lorelei Hunt, SWERDA

The original facilitator of this group was Jenny Tooth from the BA network in the UK. Due to a broken down train she was unable to come to the meeting. Therefore the group discussed with Lorelei's help her written comments and committed to improve the Action Plans according to it.

**RAPIDE Business Angel Network Group- Peer review:
Comments from Jenny Tooth, Director, Angel Capital Group, UK
Email: Jenny.t@angelcapital.co.uk**

- 1. Orebro regional Development Council.**

Action Plan – The How:
Establishing an Business Angels Network

1. Target groups- If this is to attract Business Angels then it is essential to make a clear target to the sources **of High Net worth individuals**- this includes Banks; tax Advisers; Accountants; Existing Business Networks- focusing on business leaders and CEOs of high growth businesses- ie you must target those with the financial capacity and strong business skills. It is important not to confuse your target with entrepreneurs seeking BA finance

Legal Changes- you must be clear you are not contravening MIFIID rules- ie you must decide whether you are involved in merely identifying suitable businesses and presenting them to businesses or brokering match making- this has different legal rules- if in doubt check with Swedish Venture capital Association or MIFIID regulations on the EU web-site

Staff: You need to employ someone with strong experience in equity funding or working with Business Angels

Capacity Building-= why is this not applicable? It is essential to build the capacity of staff to understand how to work with Business Angels; how to select suitable investments; how to support the investment process; how to induct and support new angel investors how to develop angel syndicates

Awareness raising: this is essential to have a strong campaign to promote and market the opportunity to high net worth individuals, identify, recruit, train them- key resources and effort needs to be spent on this aspect.

Implementation – key staff- these need to have a strong understanding in working with equity investment and HNW individuals and the investment process.

2. Target outputs/results

Project Education and organisation of early business angel capital
It is essential to draw upon existing good practice in training and building the capacity of new business angels- see for example the Ready4Equity Programme which with EBAN has developed a curriculum and methodology for training new investors. Also work closely with SVCA as the trade body representing angel investing in Sweden and which can link you to the existing BA networks and build on existing good practice in building angel capacity in Sweden- also strong experience in recruiting and supporting new Women investors .

What is the nature and description of the new Angel Company- Is the Angel Company going to act as a syndicate to encourage business angels to co-invest together rather than invest individually?

Who will be the lead or gate keeper for the deals What support will be given to support the syndicated deals?

What actions will be taken to build the links with the VC investors- How will the co-investment deals be organised

What kind of shares structures will you use to avoid dilution? again it would be useful to work through the SVCA to support these activities and look at deals already done between VCs and Angel groups.

4 Responsibilities for Implementation – timetable:

It will be important to have more detailed plan and timeline for the Awareness activity and recruitment plan. Are the meetings awareness events to attract High Net worth individuals- how many are expected to attend and from what sources?

How many is your target for the basis for your Angel Company/ for an Angel syndicate – should be minimum 10.

5. There should be a timeline for first company presentation events/pitching to investors beyond the education phase- what is the target for first investment to be done- Overall you should allow up to one year between beginning and getting first investments underway.

Finance for BA Network/ Company:

It is not clear about how much finance has been set aside for this?

Since only 25,000 € is identified for the Forum structure and no mention of funding levels for the BA Network – how will it be funded? Who will pay for the gatekeeper and co-ordination and training of the investors?

Who will pay for the investment readiness support for the Entrepreneurs and preparation for presentation to investors – there is no clear plan how this will be supported

Region of Western Greece: Deliverable: Draft regional Action Plan:
Business Angels Academy

page 11 : Good overview of role of Business Angels

Page 12: top: Indicators: In relation to outcomes of BA investing these indicators in relation to innovation outcomes are not appropriate since the causal link between the investment and these outcomes could not be shown: These indicators should be:

- Number of new Business Angels recruited
- Number of business angels that make investments
- Number of SMEs who gain equity finance to support their innovation achieve market

- Amount of risk capital gained by SMEs

The Angel Market is estimated at 3.5 to 4bn€ (EBAN) – not sure what stats were used for the 1.5bn estimate – it is 1bn in the UK alone!

Page 18: 4.2.: Whilst the concept of the BA Academy is very valuable the proposed outcomes and outputs of this initiative are not relevant:

20% new start-ups and

20% new business plans for new products/services within existing businesses.

Those outcomes are not a causal outcome of developing and maintaining a Business Angels Academy but these results are related to actions to support the Supply side. The above indicators are related to working with the SMEs community on the demand side to support the businesses prior to approaching the BAs

5.2. Business Angels Academy- Implementation:

Page 22-24

It is vital to draw on existing good practice and not duplicate existing good practice. Thus the region of Western Greece should draw on the extensive good practice from EBAN- European Trade Body for Business Angel investment and also the Ready4Equity Programme which has built and validated an extensive programme and curriculum for investor education and is launching the ReadyforEquity Academy. This involves delivery partners across Europe and has been funded under the EU LEONARDO Programme. The programme content should be compared with the very detailed modules available under this programme and which have been tried and tested on the investment community across Europe

It is also important to decide if you are targeting individuals with the capacity to invest (ie with spare capacity of at least 50-100euros per annum) and that you are not confusing this training with the role of being a mentor or coach with no money to invest.

When you are an investor, you need to follow your investment and take a role on the board, not being a coach. There is a clear distinction of the role here and all research has shown that an Angel who gets hands on in the company is less effective than a strategic role on the board.

Further topics for the training:

NB its vital to include training on **Syndication** since this is the most effective format for angel investing and leverages much more significant investment and skills into individual businesses.

Co-investing alongside VCs- it is also important to include training and **linkages to VCs** for ongoing financing of the businesses- and awareness of angel investing within the overall finance and value chain

300,000 € sounds like an adequate sum to operate the BA Academy but the costs should be broken down into:

- Awareness raising and recruitment
- Training and ongoing professional development of the investors
- Gatekeeping -to identify and select suitable businesses propositions and put them before investors;
- Ongoing co-ordination and support of the investors- creation of linkages to the overall ecosystem for innovation

RAPIDE Action Plan:

Content of training see above comments

Target groups: It will be important to specify what you are looking for in terms of Business Angels – ie High Net Worth individuals with both investment capacity and business skills/experience

Staff and Capacity Building: Staff: You need to employ someone with strong experience in equity funding or working with Business Angels

Capacity Building :It is essential to build the capacity of staff to understand how to work with Business Angels; how to select suitable investments; how to support the investment process; how to induct and support new angel investors how to develop angel syndicates

Ensure that the Responsible persons fully understand this market place and can interact with the investment community and know how to recruit the right individuals and support them ongoing through the investment process, syndication etc. – much can go wrong if experienced individuals are not involved.

Time table and timeline- do not underestimate how long it will take to recruit the right individuals and train them and then support them to make the right investments – this should be a more detailed timeline and likely to take one year.

RAPIDE Regional Action Plan- Pitching Tool. UK South West

The How:

There are challenges in the use of the terminology Pitching Tool:

This is not a Pitching Tool for the Investment Community- it is an assessment of the existing IPR of the business which is only one element in of a pitch to investors either Angels or VCs – hence why SWAIN and Set Squared were reluctant to use this.

A pitch has many more elements to this and IP is one of 6 or 7 key areas in the Pitch :

- Management team
- Product/Service

- USP
- Business Model- Revenue stream and scalability
- Market validation
- Financial projects
- Competition
- Exit potential

This tool and consequent report would assist in providing the basis for supporting this overall Pitching in relation to valuation of the business proposition and identifying the market potential. It should be promoted as an aid to the Pitch and communicating the commercial value for investors and also to support due diligence

However it does not stand alone. To be useful to investors and to entrepreneurs pitching to investors it then needs to be incorporated into a the pitching template and pitching training toolkit-

Thus if this does not exist already a training programme for pitching also needs to be provided- there is extensive good practice available on this through BBAA and also the Readyfor Equity Programme

As a tool to intermediaries and to Business innovation Support Specialists this will be more useful as set out in terms of supporting assessment for Innovation Vouchers and for R&D Grants- it should also feed into the Investment readiness support process- Under the Understanding for Finance for Business Framework

The Target market should be more clearly defined and is more likely useful the intermediaries than to the Angel, VC or Corporate investment market as it stands.

The Pitching Tool: (new name eg IP Valuation and Due diligence tool?)

This needs some adjustments in relation to language: NB currently not "English" what is Tezaurus? Needs put into more clear language for the UK SMEs and intermediaires.

This should not just be about patents , there are many other important forms of IPR which have to be considered for SMEs who are in areas of software; digital media creative industries; technology service applications etc which are all vital innovation areas.

Its important also to identy areas fo IP that have not yet been filed and what restrictions there are on IP ownership

What IP is related to collaboration with third parties

What is geographic scope of the protection?- this is vital for investors

Economic Value

This is extremely difficult for the individual and needs to be supported by use of a valuation tool- see the NESTA Valuation tool- or this will be wildly inaccurate.