



European Institute of
Innovation & Technology

A body of the European Union



EIT

Community good practices in Business Creation

Case studies of innovative
approaches from:

- EIT InnoEnergy
- EIT Manufacturing
- EIT Health

2023

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The **EIT** is Europe's largest innovation ecosystem - with 3 200+ partners working across more than 70+ innovation hubs in Europe and beyond. We are the only innovation body with on-the-ground presence in every EU Member State and beyond.

We succeed by uniting business, research, and education into Knowledge and Innovation Communities (KICs).

Our nine KICs:

- Educate entrepreneurs through our education programmes
- Empower researchers to find smart solutions to pressing challenges
- Nourish ventures through business creation and acceleration services

EIT BUSINESS CREATION & ACCELERATION ACTIVITIES

The EIT business creation services for entrepreneurs, start-ups, scale-ups, and corporations - from pre-incubation to business acceleration - are offered in key fields related to climate change, digitalisation, sustainable energy, food, health, raw materials, manufacturing, urban mobility, and the cultural and creative sectors. The EIT KIC business creation programmes provide entrepreneurs with access to finance, customers, markets, vital business skills, and networks, helping ground-breaking ideas translate into successful, socially impactful ventures.

The EIT model has already delivered:

- EUR 550+ million provided in EIT funding for business creation activities (2017-2021).
- EUR 5.8 billion in investment attracted by EIT KIC-supported start-ups and scale-ups (2017-2021).
- 5 479 start-ups and scale-ups supported (2017-2021).
- 900 + (56%) of the EIT's supported start-ups are from the EIT Regional Innovation Scheme (RIS) countries (2017-2021). The EIT RIS boosts the innovation performance of countries with moderate or modest innovation scores as defined by the European Innovation Scoreboard.
- Strong links to local, national, regional, and European Union (EU) level investors and partners.

This document brings together three case studies which demonstrate how the unique EIT model helps to generate innovative solutions and new ways to approach challenges in the Business Creation area. By empowering our KICs to develop bottom-up solutions to the challenges faced by their sectors, the EIT Community provides opportunities and activities for all business development stages of innovators, entrepreneurs, start-ups, and scale-ups through Pre-seed, Seed, Scale-up and Series A-B.

Moreover, many of these innovative approaches are highly transferable, and these case studies outline how the creative solutions developed by our KICs can be applied to other actors working to support and develop Business Creation activities, and strengthen Europe's innovation capacity as a whole.

Guiding our Graduates to Success: The EIT InnoEnergy Business Creation Model



Our programme matches new EIT InnoEnergy businesses with the right talent straight out of our EIT Label education programmes. We know that access to top talent is one of the most important ingredients for a young business's success. It can be the deciding factor in investors' decision of whether to offer capital. Our tools are specially designed to give our young businesses their best chance at securing those investments.

They benefit from:

- Having a team aligned with investor requirements and ready for each stage of business growth
- Having a higher likelihood of survival with 92% of our supported start-ups surviving five years after establishment since 2016

77 of our Master and PhD-level graduates found jobs in our portfolio companies

277 graduates found jobs with our shareholder companies

49 start-ups were created by our alumni, some making it onto lists like the Forbes 30 under 30 list



Tools unique to our model

The Career Impact Programme (CIP): The CIP is a programme embedded in our EIT Label education and business creation programmes. In just one year, our mentors help our students explore, grow, and get real experience in the sustainable energy sector. The talent it produces boosts the potential of the businesses that talent then goes on to join or create.

E2Talent: E2Talent aligns team profiles best suited to the challenges companies face at each stage of their growth. This tool can be applied to all EIT InnoEnergy portfolio companies. It is already a mandatory element in most venture roadmaps and in EIT Label Master's student education.

GC Index: This assessment tool categorises student strengths and weaknesses to help them work on themselves and find their fit in entrepreneurial roles. It is the core of the 12-month Career Impact Programme, which helps EIT Label Master's students improve their abilities as sustainable energy innovators.



Brandon Vargas

Master's alumna in Energy Technologies and Energy Engineer at NitroCapt AB

"The GC Index has been an insightful and productive tool. It allowed me to work on my personal and professional development, understand where my strengths are, and more importantly where I should focus on my career journey."

Gina Domanig

Managing Partner of Emerald Technology Ventures

"We were very impressed with the methodology and especially the results. We have been searching for such a tool since we started in 2000 and are convinced we found a great solution."

What our business partners say

Joan Miquel Anglès

Business Development Manager and
Co-Founder of Nnergix

"After our E2Talent® assessment, we knew exactly where we needed to improve. Targeted coaching sessions led by experts helped us make progress in both sales and marketing and management. A solid team is based on the right balance between strengths and weaknesses. Individual efforts must be effectively coordinated to lead everyone towards a common goal."

Manel Sanmarti

CEO of Bamboo Energy

EIT InnoEnergy's support has been essential in the recruitment of two profiles for sales and business development for Bamboo Energy. The process has been very satisfactory from the beginning in the definition of the needs for Bamboo, through the pre-selection and selection of the best profiles, as well as the follow-up of the interview and decision process."

Our model's long-term potential:

Our model is easy to replicate across all associated organisations and easy to scale-up. By partnering with us, businesses do not just get funding: they get a whole community ready to guide them with unique tools and expertise every step of the way. Fostering our model is just a matter of finding enough mentors and partner organisations to operate our tools.

It is a huge benefit for students, too. The programme gives them direct work experience within companies and top industry events.

What our students say



Laura Laringe

Master's alumna in Smart Electrical Networks and Systems

"We have been very supported by EIT InnoEnergy – and provided with an excellent technical education in top universities that also taught me about business and entrepreneurship. This opportunity helped me understand my career goals and interests and brought me to where I am today"

Francesco de Marco

Master's student in Energy Storage

"I got to know Northvolt thanks to the EIT InnoEnergy Connect event held in Stockholm last year [...] It was clear that they highly valued the EIT InnoEnergy label and were interested in my experience with battery simulation. What I find very helpful is the EIT mentorship in the Career Impact Programme, which assisted me in developing a winning CV and trained me for the interviews. I am currently holding an intern position in the Battery Systems Simulation team."



What do Investors Want? EIT Manufacturing's business Creation Model Asks Them Directly



EIT Manufacturing's business creation model depends on start-ups that:

- Attract investors
- Create value
- Produce revenue for EIT Manufacturing from the sale of its equity positions

That is why we put in place the Selection Committees in 2021 as an integral part of our Switch On and Supercharge programmes, which provide new businesses with access to markets and financial services. These Committees include voices from the early-stage Venture Capital (VC) community to ensure the quality of the start-ups EIT Manufacturing selects and that these businesses will contribute to EIT Manufacturing's own financial sustainability. In turn, our early-stage business partners get input on their investor attractiveness from our VC members, who can even help them with pitching and fundraising. And the VC members themselves can pursue co-investments with the start-ups they have been able to judge up close for quality.

Our accomplishments

EIT Manufacturing has successfully:

- Supported 274 start-ups and scale-ups between 2021 and 2022
- Created 29 start-ups or innovation projects in that same period

How we pick the best

To make this mutual cycle of benefits work for everyone, it is up to EIT Manufacturing to select enough high-quality start-ups and scale-ups to incubate and accelerate.

EIT Manufacturing and its business partners benefit greatly from this selection process:

- The work on investment case development improves attractiveness to investors
- The cash position of start-ups and scale-ups are directly improved when VC members choose to co-finance
- Start-ups and scale-ups get improved maturation before a larger investment round takes place, bringing them to a higher valuation point



Giving Synsor.ai experience and insights

Synsor.ai built a deep learning-based visual inspection solution for tough quality control use cases in the manufacturing industry.

SYNSOR.

"We were surprised by the level of experience and the quality of feedback that we got, based on very little information provided before the feedback. In future, we hope to turn that feedback into a better product and make the most out of the network contacts that the EIT Manufacturing programme offers.

The support programme provides valuable experience and insights that can help refine your own idea or product to reach a product market fit quicker. On top of that, it can get you in touch with potential customers to develop your solution alongside a specific need with revenue attached - which is not easy to achieve by yourself!"



In addition to co-financing opportunities, our VC committee members get:

- An investment pipeline at no cost
- Access to our entire partner network
- The ability to perform a live due diligence with limited resource deployment should they choose to co-invest with EIT Manufacturing

Matching Radicos Technologies with the right people

Radicos Technologies created 'TWIN', a patented sensor network technology for Industrial IoT applications to monitor industrial plants and assets.



"We made progress in all three sectors of the Business Creation support we are receiving by EIT Manufacturing:

- **Business Development Support:** EIT Manufacturing has made contacts for us with companies we selected together. Especially with one big global tech corporation, with which we have tried to get in touch several times before. We are now in contact with the right people at the right location.
- **Event support/Matchmaking:** We got great exposure at matchmaking events and several matches which will become relevant for us in the mid-term.
- **Access to Finance support:** EIT Manufacturing has a great network to put you into contact with companies. And their access to investor networks is highly efficient. You don't lose time.

Also, it seems to us that being supported by EIT Manufacturing Business Creation is generally considered a label of quality/trust."

A business creation recipe you can use again and again

Our Selection Committee model can be easily scaled by just adding more on-air committee time for each meeting and/or more committee meetings to handle a larger volume of business cases. And it can be easily replicated. All it would take for our fellow KICs is to identify the right VCs for their Selection Committees and modify committee processes to what is most comfortable for them.

Helping LinqCase crack new sectors

LinqCase develops non-destructive testing equipment based on electromagnetic techniques for the quality assurance of parts.

"As winners of the BoostUp!, EIT Manufacturing has given us the opportunity to receive monetary awards and also services, like getting in touch with new customers and experts in sectors in which we are not working currently, allowing us to diversify in both customers and sectors.

We have a better understanding of the textile and food industries, which were unknown to us prior to collaboration with EIT Manufacturing. Their introductions to new customers have generated sales leads that will potentially end in real sales."



Running Business Creation as a Business: EIT Health's Invest Health



We launched our own commercial entity, Invest Health, in 2021 that integrates and builds on the successes of EIT Health's Business Creation activities over the last three to four years. With Invest Health we provide a new business service platform, helping clients gain access to finance and smart investors. We particularly focus on helping start-ups and scale-ups access investors and corporate networks across Europe.

Our model makes sure everyone comes out as a winner:

- EIT Health gains both a vibrant life science sector and financial sustainability through the sale and conversion of their shares in beneficiary businesses
- Our start-up and scale-up clientele maximises their development through the support we give with fundraising and exit potential
- EIT Health's investor community gets qualified access to invest in and make deals with beneficiary businesses



Battle for Survival in the Life Sciences Sector

Start-ups and scale-ups in life sciences usually require a high amount of growth capital as the sector can be capital-intensive. Our improved asset assessment and focus on exit potential helps keep our clients on track. Invest Health judges exit potential of promising start-ups and scale-ups by looking at:

- Team experience
- Tech potential to meet unmet commercial and medical needs
- Ability to enhance value for both patients and healthcare systems

Businesses we choose to work with get stronger investment interest from Venture Capital (VC) firms, family offices, business angels, and other professional investors. We draw from across EIT Health's broad network within the European life science ecosystem to gather stakeholders that can co-create value. Our ability to align stakeholders around our young business clients creates opportunities for investor syndication, commercial collaboration, and other joint efforts in support of the beneficiaries.

A Sustainable Model

Invest Health can contribute towards EIT Health's financial sustainability ambitions in the long run. When we select the businesses we want to work with, exit potential (the potential back-flow of money from the sale or conversion of shares) will be one of our main criteria. It also provides revenue through success fee realisation from the finance agreements made at the conclusion of significant financial events by supported start-ups and scale-ups.

Our model of using exit potential as a beneficiary selection criterion may be scalable and replicable as it draws from the lessons learned for the market affirmations approach. The model could be used for other EIT Health and even other KIC activities, with adjustments accounting for industry and activity-specific needs.

Is Invest Health a Venture Capital (VC) firm?

Invest Health has a mission close to a VC's. It aims to generate revenue that allows EIT Health to fulfil its mission of creating an environment for the brightest minds to explore new ideas and find practical resources to create products and services rooted in innovation.

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