# 2019 EU|BIC IMPACT AND ACTIVITY REPORT

An analysis of the structure, services and impact achieved by EBN's certified organisations in 2018

# FOREWORD

Enthusiasm, personal commitment and hard work.

This is what this year's annual survey of EU|BICs confirms once again. The support that innovative startups, scaleups and SMEs find at the EU|BICs remains of the highest standard, beyond fashionable models, breakthroughs in technology and the permanent evolution of the markets, particularly those related to technology.

More money has been raised than previous years by the close to 25.000 companies supported by the EU|BICs. Many grew beyond the support structures after successfully consolidating their business models and expansion. And many others came in -- close to 15.000 new companies.

The EU|BICs permanently adapt their coaching and mentoring techniques, their structures and their links to the market to be able to accompany these new companies. But in this 35th anniversary of the EBN and the EU|BICs, the numbers prove it once again. The most important element of the successful EU|BIC model is the personal commitment and know-how of the professional staff and their experts.

**Javier Echarri**
*EBN CEO*

Facts, figures and analysis of the data from the annual surveys of the EU|BIC Network reflecting activities from 2018.

**STATISTICAL CHARACTERISTICS OF THE SURVEY:**

**Respondents:** 117 (2018)
**Method:** online self-evaluation questionnaire plus subsequent validation by the EBN Quality Team
**Source:** EBN Quality System (**www.ebn.eu**)

**www.ebn.eu**
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# LIST OF ABBREVIATIONS

| | |
|---|---|
| **BIC:** | Business and Innovation Centre |
| **DG REGIO:** | The European Commission’s Directorate-General for Regional and Urban Policy |
| **EBN:** | European Business and Innovation Centre Network |
| **EU:** | European Union |
| **EU\|BIC:** | European Business and Innovation Centre |
| **FIBIA:** | Fostering Inclusive Business Incubation and Acceleration |
| **FTE:** | Full-Time Equivalent |
| **PPP:** | Public-Private Partnership |

# DEFINITIONS

**EU|BICs:** European Union Business and Innovation Centres are local/regional economic development tools aimed at fostering entrepreneurial innovation. Depending on the characteristics of the territory and of the existing actors, EU|BICs may place the emphasis on promoting the creation of new innovative enterprises and/or fostering innovation in existing enterprises.

EU|BICs must work in a specific catchment area, be acknowledged by public authorities who are relevant within the framework of their mission, be it either public or private but preferably public/private, work in coordination with other support organisations, have an allocated budget, have a clear positioning, strategy and action plan aimed at creating new jobs through the creation of innovative companies or promoting existing companies, have identified premises (a BIC may be hosted by a bigger organisation) and have an identified group of staff (with the appropriate skills and experience required for the deployment of the BIC mission), numbering at least three people employed on a full-time basis.

EU|BICs must support regional/local authorities in designing and implementing local development programmes aimed at creating new, innovative SMEs and/or promoting existing SMEs. EU|BICs' missions are to accelerate the generation of new, innovative enterprises, to provide integrated incubation support to startups and spin-offs, to stimulate and mentor innovation projects in developing SMEs, and to raise awareness of entrepreneurship, innovation and internationalisation at regional and local community level.

**Access to funding:** refers to the services provided by business support organisations to help their clients secure capital to develop their own ventures/innovations.

**Business Incubators:** organisations that provide business support services to potential entrepreneurs to help them turn their ideas into profitable businesses. Business support is usually provided for one to three years.

**Chambers of Commerce/Industry:** local associations set up to promote and protect the interests of the business community in a particular place.

**Clusters:** geographic concentrations of interconnected businesses, suppliers, and associated institutions in a particular field.

**Development Agencies:** organisations that have the goal of developing and supporting economic growth within a specified city, region or state by providing the necessary resources and assistance.

**Enquiries:** refers to the number of people who contact an EU|BIC to obtain information on how to access their services and launch a business.

**Entrepreneurship centres:** Higher Education centres that contribute to enterprise and entrepreneurship curriculum enhancement and research, and provide support to entrepreneurs. They typically focus on bridging the gap between academia and entrepreneurship.

**Entry strategy:** a process or method of filtering and selecting entrepreneurs who have applied to join incubator or business support programmes.

**Exit strategy:** a process or method to ensure businesses move on to their own premises once they have reached a satisfactory level of sustainability or no longer require the support of the EU|BIC.

**Government Organisations:** permanent or semi-permanent organisations in the machinery of government that are responsible for the oversight and administration of specific functions.

**Growth Accelerators:** organisations or programmes that select established startups/companies and provide them with intense business services for a short period of time (usually 3-6 months) to expand their revenues and improve profitability.

**Innovation Agencies:** organisations in charge of delivering and co-ordinating innovation policies implemented in a given area/region or nation.

**Innovation Centres:** organisations set up to provide help and support programmes for companies/entrepreneurs, enabling the latter to develop innovative ideas or innovate when it comes to existing products, services or processes. Innovation centres typically include the latest technologies and tools for employees to experiment with or discuss their ideas and explore how they might become more efficient. Space is also usually provided for people to come together and enable design thinking for innovation via workshops or training courses.

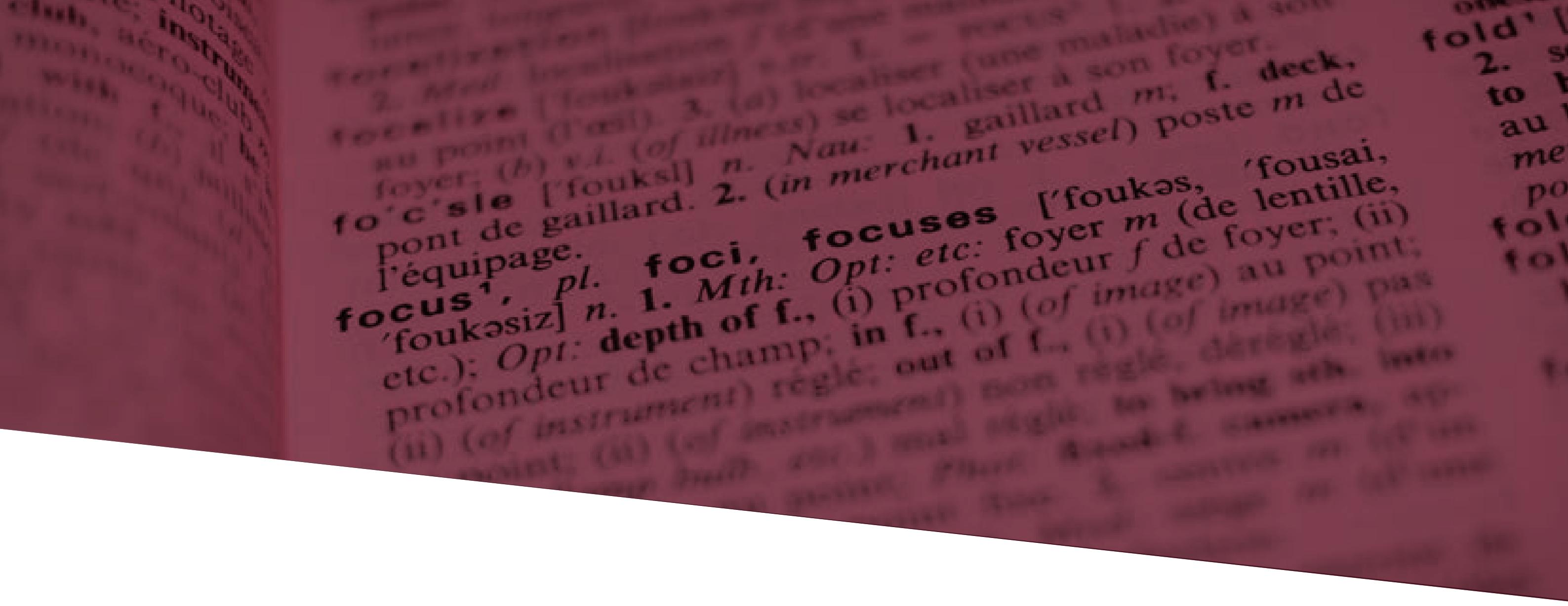
**Open Innovation:** business activities which encourage an exchange among established companies and startups, allowing companies to acquire outside sources of innovation to improve product lines and shorten the time required to bring products to market, and for the startups to access distribution channels, funding, resources or opportunities within the sector and industry to develop the concept faster and more easily.

**Potential entrepreneurs:** individuals who have an idea which they would like to turn into a sustainable business.

**Proof of business services:** includes services such as business modelling, business planning, financial stimulation and forecasting.

**Research Centres:** Non-departmental academic or administrative units established for the purposes of facilitating collaborative research, mainly within a sector.

**Seed Accelerators:** organisations or programmes that provide business support services during a short but intense period of time (usually 3-6 months) to entrepreneurs with a business idea. The objective is to test whether the entrepreneur's ideas can be marketable and further developed.



**Science/Technology Parks:** business support and technology transfer initiatives that encourage and support the startup and incubation of innovation-led, high-growth, knowledge-based businesses, creating an environment that allows larger and international businesses to develop specific and close interactions with centres of knowledge creation for their mutual benefit. Science technology parks usually have formal and operational links with universities, Higher Education institutes and research organisations.

**Startup:** a company in its first three years of activity.

**SME:** an already-consolidated company, not from the incubation deal-flow, seeking growth services from the EU|BIC.

The following EU definitions apply :

| Size | Employees | Turnover | Balance Sheet |
|---|---|---|---|
| Medium | <250 | <€50m | <€43m |
| Small | <50 | <€10m | <€10m |

**Under-represented entrepreneurs:** any entrepreneur facing higher barriers at the time of starting a business.


# EXECUTIVE SUMMARY

This report presents the results of the annual survey conducted by the European Business and Innovation Centre Network (EBN) of its 138 quality-certified members that are labelled European Business and Innovation Centres (EU|BIC). The certification process ensures that the organisations abide by strict quality criteria, which nonetheless leaves room for a wide spectrum of organisations of different shapes and sizes. The main typology of EU|BICs, on which this report will focus, are Business incubators, development agencies and innovation/entrepreneurship centres. The data- collection exercise was conducted during the first semester of 2019 and the figures reported refer to activities that took place in 2018.

The survey has the following main objectives:

- to ensure that the EU|BIC Quality Criteria are met and maintained by all the members of the network;
- to benchmark the impact of EU|BICs among themselves, and the impact on the economy;
- to gain insights into the EU|BICs' activity during 2018;
- to detect trends in the innovation ecosystem.

## Economic impact

### COMPANY CREATION

The report identified three main EU|BIC groups, namely: development agencies (16); innovation centres (30) and business incubators (40). Other types of certified organisations included science/technology parks (9) and government organisations (6). The remaining 16 respondents classified themselves according to other categories, such as Chambers of Commerce/Industry, research centres, etc.

In 2018, the EU|BICs that participated in the survey received around 40,000 enquiries from potential entrepreneurs. Of this total, more than 15,600 were selected to take part in the EU|BICs' business support programmes, resulting in a 39% support rate. We can observe a positive increase in the scale of the support provided, as there was a 40% increase in the number of enquiries received, compared to 2017, whilst the number of entrepreneurs supported more than doubled.

When comparing the ability to attract potential clients, the development agencies appeared to be the highest performing, as they received 51% of the total number of enquiries. This was followed by the innovation centres that received 18.3% and, finally, the business incubators (17.6%).

The entrepreneurs who sought support from EU|BICs were mainly individuals (49% of the supported businesses), whereas 19% of them stemmed from academic and industrial spin-offs. Moreover, the typical profile of these individuals was male, 31-50 years of age.

During the initial stage of their projects, entrepreneurs were mainly supported via proof of business services (offered by 86% of the EU|BICs) as well as access to funding services (offered by 85% of the respondents).

## BUSINESSES SUPPORTED

### IMPACT ON COMPANY GROWTH

In 2018, EU|BICs actively supported approximately 23,400 companies. Once again, development agencies supported the largest number (close to 42% of the total), followed by innovation centres (25%).

Of these 23,400 companies, around 5,900 were given support to access various funding streams. EU|BICs managed to more than double the amount of funding they helped their clients to access, as we observed an increase from €558m euros raised in 2017 to more than €1.2bn in 2018. 45% of the €1.2bn was raised for companies in their startup phase, 23% for mature SMEs or large companies and 16% for companies in their scale-up/growth phase.

Out of the 23,400 companies supported, 56% were tech companies, active mostly in ICT and communications (18%) and health and pharmaceuticals (12%).

### SURVIVAL RATES OF COMPANIES SUPPORTED

In 2018, 93% of the supported companies survived their first year while being actively supported by the EU|BICs three years after they exited the support programmes the rate decreased slightly to 89%

### JOB CREATION

Companies supported by EU|BICs created close to 22,600 jobs in 2018. This represents an increase of 60%, compared with the 14,222 jobs created the previous year. Approximately 47% of these jobs required middle-level skills, compared to 22% of those requiring entry-level skills.

# ACTIVITY

## OUTPUT

On average, EU|BICs dealt with 28 enquiries per one full-time equivalent (FTE) member of support staff in 2018. Each FTE also supported an average in excess of 17 established businesses. Of this total, 5 companies were looking for funding. The amount successfully raised, per support staff member reached, close to €1m. Over the year, EU|BICs consolidated and improved their capacity to attract and access funds.

## FINANCIAL RESOURCES

The average income of the EU|BICs in 2018 was €2m. The sources of income came predominantly from public sources (EU and non-EU), with an average share around 65%. On average, private funding represented slightly more than 35% of the income generated during the exercise.

Average expenses also reached €2m, resulting in an average margin of close to zero per cent for all EU|BICs. Expenses were mainly attributed to Human Resources (47%), whereas the budget for external consultants represented roughly 11% of the total expenses. Funding to entrepreneurs accounted for 6% of the total expenses. On average, other cost items amounted to 36% of all expenses.

## HUMAN RESOURCES

In 2018, the average EU|BIC employed 18 full-time employees. The median value stood at 11 persons, which shows the impact on the average value of some exceptionally large entities. Of these 18 individuals, an average of 12 were dedicated to support businesses. Back office functions were covered by 6 persons, with around half dedicated to administration and event logistics. The average cost per FTE was estimated at €49,000.

## EXTERNAL RESOURCES

To implement their objectives, almost 85% of the EU|BICs established formal partnerships with universities and 61% of them with Chambers of Commerce/Industry. They managed to secure 27% of the accessed financing for supported businesses via non-EU public funding, the single largest source of funding. The largest group of supported companies that secured external funding did so via public schemes (EU and non-EU, for 53% of the financed entities).

Overall, the report demonstrates that during 2018, EU|BICs improved their efficiency and capacity to help and support entrepreneurs. The analysis put forward indicates that the certified EBN members continue to have a positive impact on their catchment areas, by supporting entrepreneurs during all stages of company- development, while multiplying the creation of innovative solutions and sustainable jobs across Europe and beyond.

# **EU|BIC IMPACT AND ACTIVITY**
# INFOGRAPHIC 2019

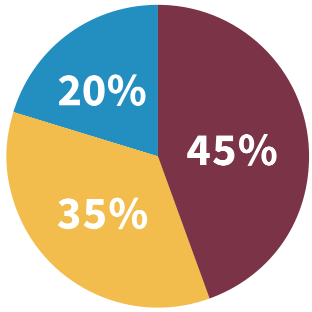
ebn innovation network

## EU|BICs

**Number of EU|BICs members 138**

- **40** Business Incubator
- **9** Science & Tech parks
- **30** Innovation Centre
- **6** Government organisations
- **16** Development Agency
- **16** Others*

*Chambers of Commerce/Industry, Research Centres, Cluster, Entrepreneurship Centre, Growth Accelerator, Innovation Agency.




**Sources of incomes**

EU · Public · Private

## Activities

### Top services provided*:

| | | |
|---|---|---|
| 1 | Access to markets | 84% |
| 2 | Access to funding | 83% |
| 3 | Marketing | 74% |
| 4 | Access to Open Innovation programmes | 68% |
| 5 | Team development | 65% |

* percentage of EU|BICs that provide this service

40K

**40 000** Enquiries received

**40%** of enquiries supported

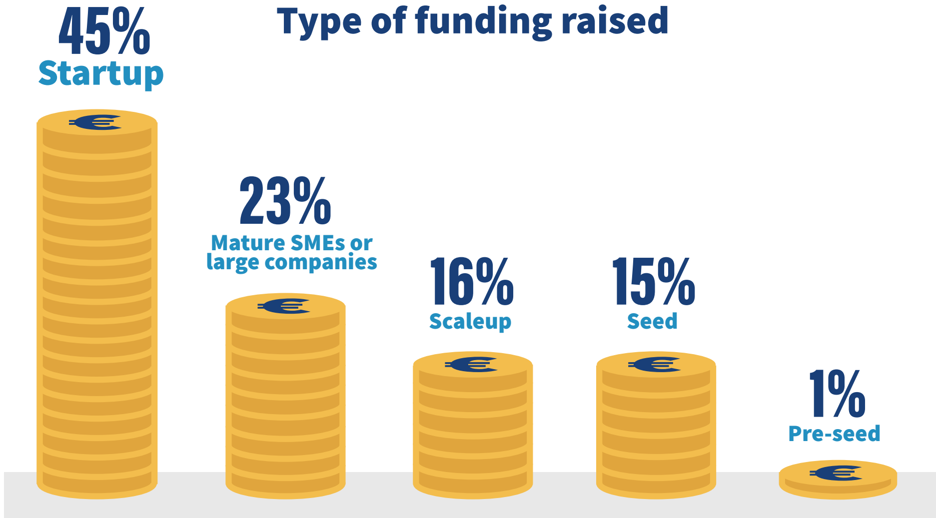
**Enquiries supported**

**8 300** 2017

**15 600** 2018

**23 404** Total companies supported

## Type of funding raised




## Impact

**22 636**
**Jobs created**
+59% vs 2017

**3.5 JOBS**
created per company

**5 900**
Businesses supported in access to capital

**1.2bn**
Raised for clients
+115% vs 2017

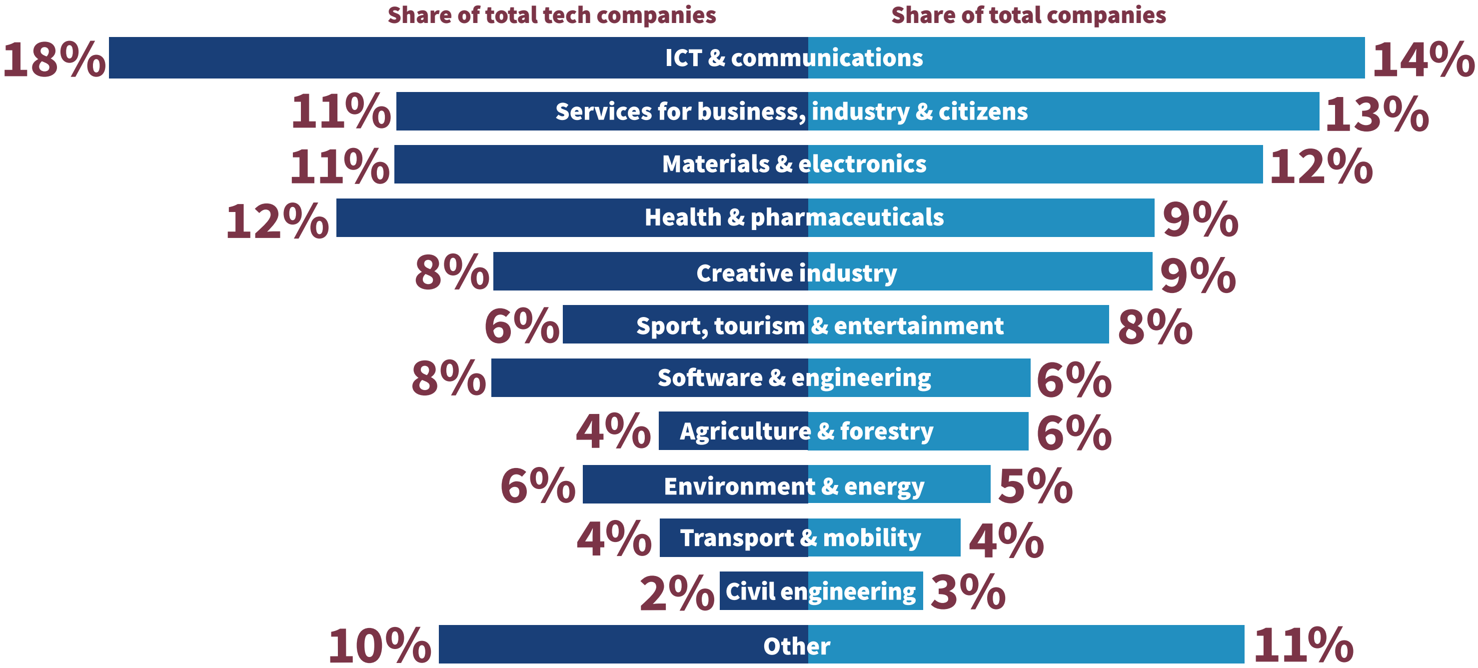
### Survival Rate

**93%** during business support

**89%** 3 years after business support

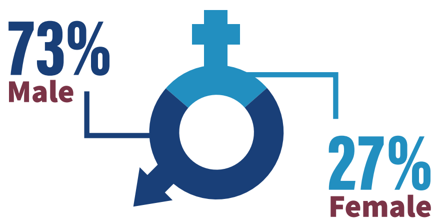
## Sector Distribution

### Sector distribution of companies supported (%)




## Entrepreneur demographics

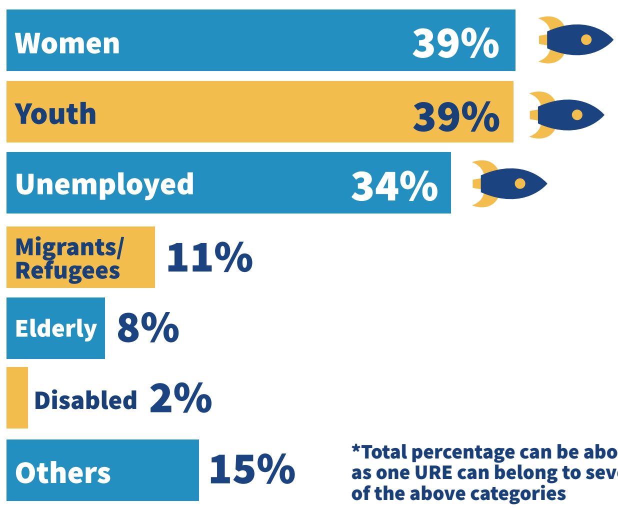
GENDER




AGE


### Under-represented entrepreneurs (UREs)

Profile of under-represented entrepreneurs* (%)




*Total percentage can be above 100% as one URE can belong to several of the above categories

**50%** EU|BICs provide services to under-represented entrepreneurs

The figures reported in this infographic have been collected via the EBN 2019 self-assessment exercise (data refers to 2018). Number of respondents: 117

# INTRODUCTION

## EBN AND THE EU|BICS

The European Business and Innovation Centre Network (EBN) is the leading non-profit, pan-European, association of business support organisations. EBN is a network of over 130 quality-certified Business and Innovation Centres (EU|BICs) and has approximately 70 associate members which support the development and growth of innovative entrepreneurs, startups, scale-ups, and SMEs. EBN's members cover over 40 countries in Europe and beyond (Argentina, Brazil, Canada, China, Lebanon, South Africa, Taiwan, etc). Over the last two decades, EBN has become a reference point in Europe for innovation, incubation, entrepreneurship, SMEs, and regional economic development.

As the official representative association for the EU|BICs, EBN's task is to promote the development of EU|BICs within and beyond the European Union. EBN's activities include quality certification, project and programme management and capacity building for innovative entrepreneurs (including scale-up and internationalisation services), institutional representation, development of new tools and methodologies for members, access to sectorial knowledge and best practice, provision of technical assistance, access to innovative content and networking.

EU|BICs and EBN were created by the European Commission in the 1980's with the goal of addressing the economic and social hardships generated by the fall of an economic model based on the leverage effect of large companies, and as a tool to drive local economic development. The aim was, and remains, to stimulate the growth of new enterprises by providing technical support to innovative startups, spin-offs, SMEs and entrepreneurs. EBN encourages an innovative spirit through its unique 'EBN Quality System', which exists to award and manage the label 'EU|BIC' (officially recognised by the European Commission), as a certification of quality for business support structures. It offers its members a full range of services including certification, networking, training, representation, events and access to projects.

EBN members have evolved greatly since their initial inception in line with the speed at which innovations are progressing, and, today, many types of organisation can qualify as EU|BICs. Depending on the characteristics of the territories in which they are located, they can take on different shapes or sizes, such as incubators, accelerators, innovation or entrepreneurship centres, research centres, universities and development agencies or chambers of commerce. In addition to that, the types of business model have greatly evolved during the past years too. Public-Private Partnerships (PPP), cooperative arrangements between two or more public and private organisations, are becoming more and more common in the innovation eco-system. What remains at the core of their DNA is the focus on fostering the creation of innovative enterprises and/or developing innovation within existing ones, with the ultimate goal of contributing to local/regional economic development and growth.

# How should I read this report?

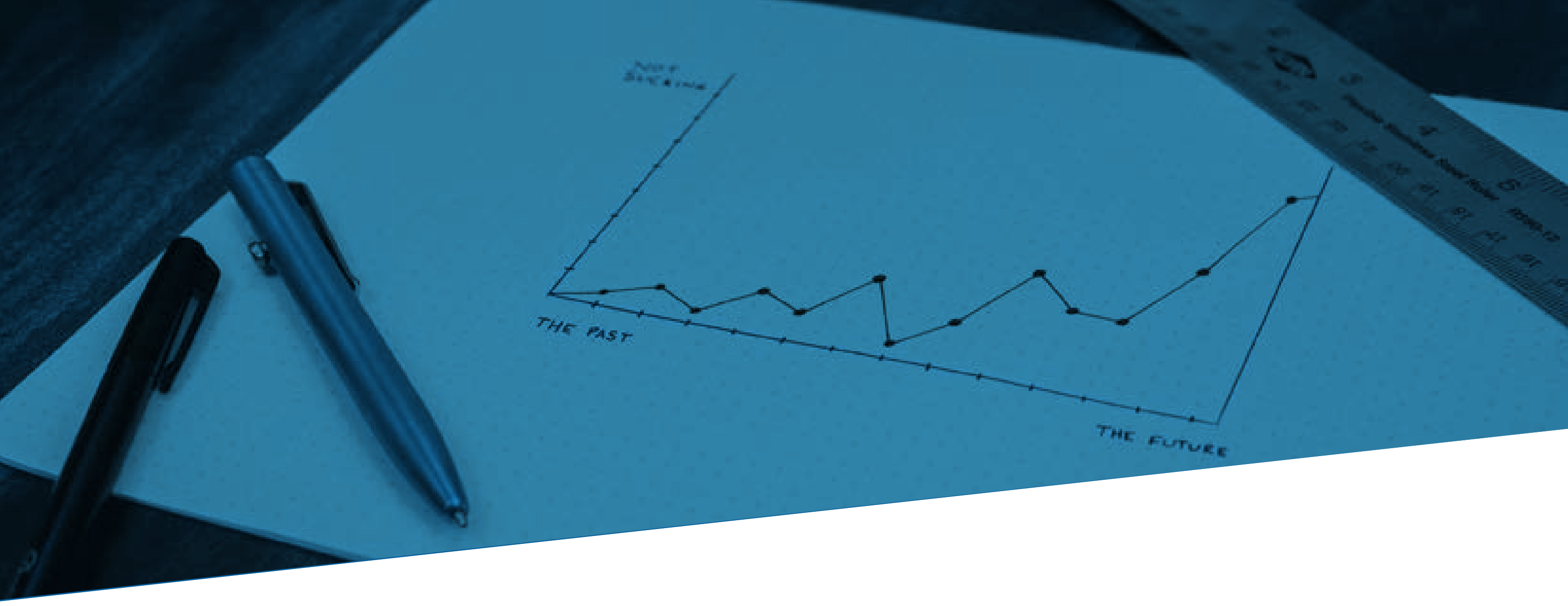
This report consists of three different sections. We would recommend that readers start with the first section, which provides a succinct description of the background and methodology of this annual exercise conducted by EBN to collect information on the EU|BICs.

Readers interested in the EU|BIC impact measurement on the economy will find information on company creation, company growth, exposure to specific industries and job creation in the second section.

Readers wishing to gain insights into the key aspects of the business model of EU|BICs will find the third section useful, as it offers several activity analysis indicators on how EU|BICs operate in terms of output, financial resources, human resources, external resources, communications strategy and a specific focus on the incubation business line.

# Enhancing the reading of the 2019 report with the EBN Benchmark for respondents

Each survey respondent received its individual EBN Benchmarking Report to help it position its own organisation in comparison with industry peers. These individual reports – whilst guaranteeing the confidentiality of received data – complement both sections two and three, by allowing the respondent to quantify the impact of its strategies and measure the relative performance of its operations, vis-à-vis the results of its comparable peers, in line with EU|BICs' commitment to continuously improve.




# BACKGROUND AND METHODOLOGY

The EBN self-assessment questionnaire is the EBN uses to annually check that:

- EU|BICs uphold the quality standards set by the EU|BIC Quality Criteria
- Progress and impact and monitored and ensured

The 2019 EBN activity and impact report presents the analysis of the 2018 dataset, whereby 117 of the EU|BICs submitted their questionnaire, resulting in a 91% response rate of 91%.

As indicated above, each respondent indicated which of the 11 sub-categories presented in Table 1 below it corresponds to. The 41 organisations belonging to the business incubator category represent 35% of the respondents. Innovation centres are the second largest group, with 30 entities (25% of all respondents), followed by 16 development agencies (14% of the respondents).

When deemed necessary, the report may present results for all EU|BICs, with a specific breakdown for the three largest categories in terms of members. These categories are the business incubators, the innovation centres and development agencies. Others categories consisting of smaller numbers of members are not singled out, in order to protect the confidentiality of data provided by the respondents.

Table 1: Breakdown of the EU|BIC respondents across categories (2018 data)

| Categories of EU|BICs | Number of respondents | Share (%) |
|---|---|---|
| ***Business Incubator*** | ***40*** | ***34,2*** |
| Chamber of Commerce / Industry | 3 | 2,6 |
| Cluster | 1 | 0,9 |
| ***Development Agency*** | ***16*** | ***13,7*** |
| Entrepreneurship Centre | 3 | 2,6 |
| Government Organisation | 6 | 5,1 |
| Growth accelerator | 1 | 0,9 |
| Innovation Agency | 5 | 4,3 |
| ***Innovation Centre*** | ***30*** | ***25,6*** |
| Research Centre | 3 | 2,6 |
| Science / Technology Park | 9 | 7,7 |
| **Total** | **117** | **100,0** |


# ECONOMIC IMPACT

## Companies created

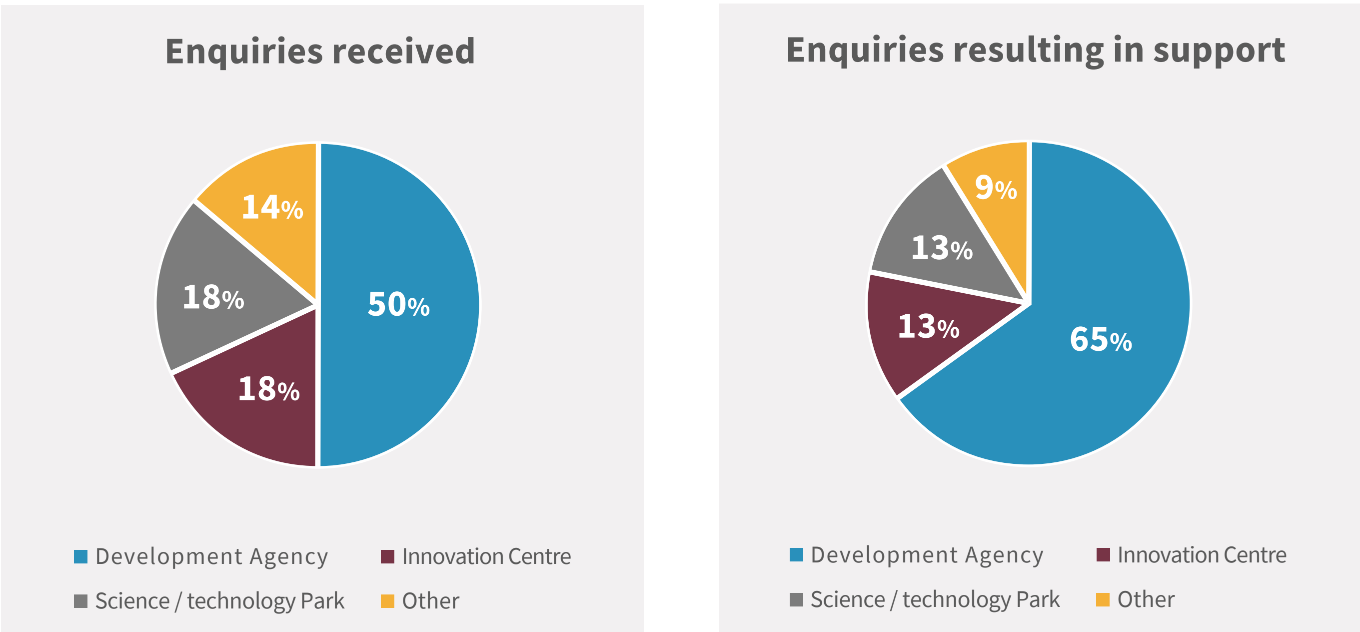
### ENQUIRIES SUPPORTED

In 2018, EU|BICs received around 40,000 enquiries from potential entrepreneurs. After implementing rigorous and selective entry strategy methodologies, approximately 15,700 were selected to receive business support services (see Table 2).

The development agencies received the biggest number of enquiries (50% - see Figure 1), followed by the innovation centres (18.3%). The same trend applies to the share of selected entrepreneurs: the development agencies supported close to 65%, whereas the innovation centres supported 13% of potential entrepreneurs (see Figure 1).

Business incubators received slightly less than 18% of the total number of enquiries and supported about 13% of the total number of supported entrepreneurs.

Figure 1: EU|BIC Enquiries received and enquiries supported in 2018




*Source: EBN*

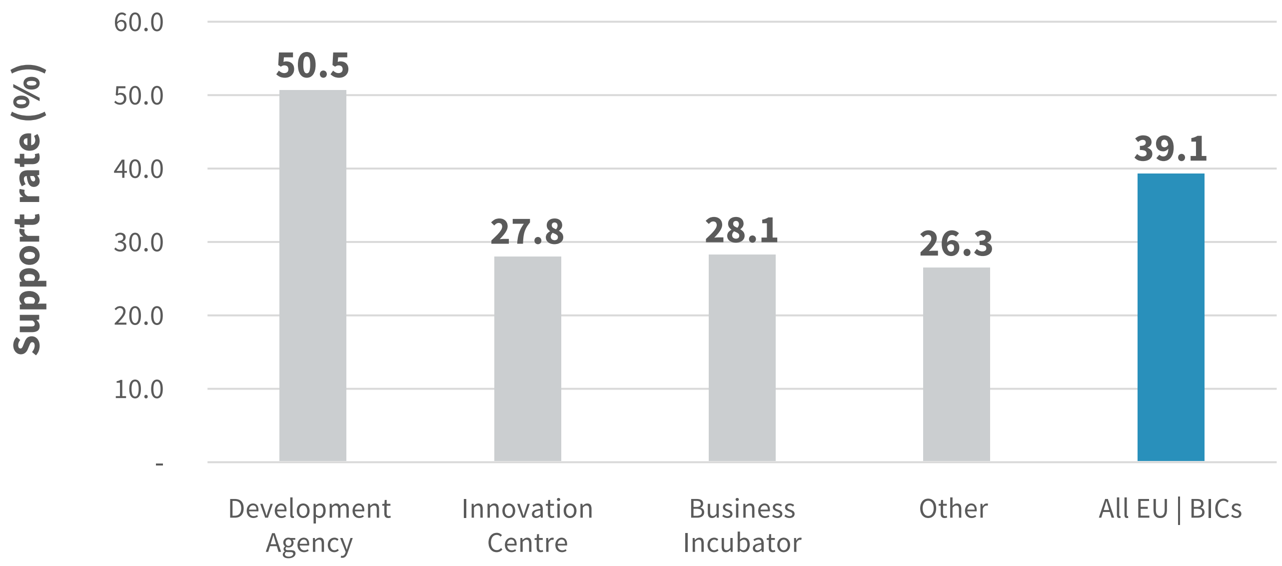
Table 2: Enquirites received and enquiries supported in 2018

| Categories of EU\|BICs | Enquiries received (number) | Share (in %) | Enquiries resulting in support (number) | Share (in %) |
|---|---|---|---|---|
| Development Agency | 20 222 | 50,5 | 10 222 | 65,2 |
| Innovation Centre | 7 321 | 18,3 | 2 034 | 13,0 |
| Business Incubator | 7 035 | 17,6 | 1 976 | 12,6 |
| Other | 5 450 | 13,6 | 1 434 | 9,2 |
| **Total** | **40 028** | **100,0** | **15 666** | **100,0** |

*Source: EBN*

The deal flow from enquiries received to those supported for all EU|BICs in 2018 amounted to 38%. Development agencies show the highest support rate is shared among the top-three categories, with a share of roughly 50% of the total amount. Business incubators and innovation centres' shares of support rate are lower and similar to each other, standing at28.1% and 27.8% respectively.

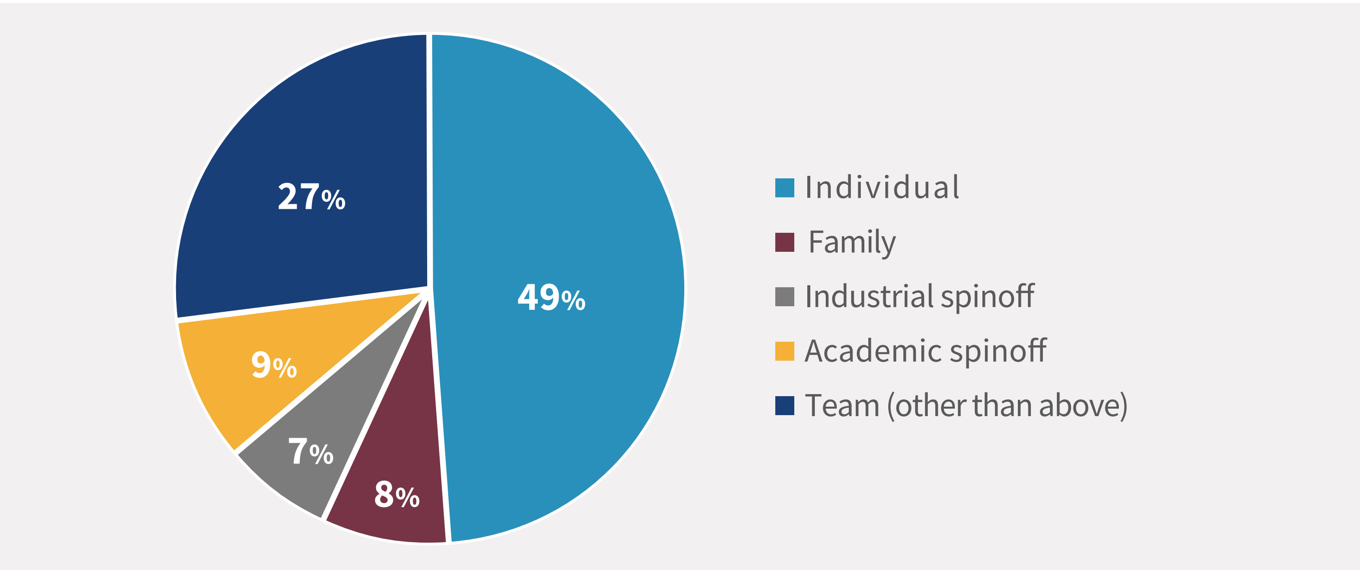
**Figure 2: EU|BICs Deal flow in 2018 (from enquiries received to those supported)**




*Source: EBN*

When we look at the sources of the businesses supported, we can observe that 82% came from individual sources, which mainly refers to people who decided to set up a business by themselves. Another 27% decided to do so as a team and 8% as a family (see Figure 3). The remainder is split across academic and industrial spin-offs, 9% and 7% respectively.

**Figure 3: Businesses Sources (in % - 2018 data)**




*Source: EBN*

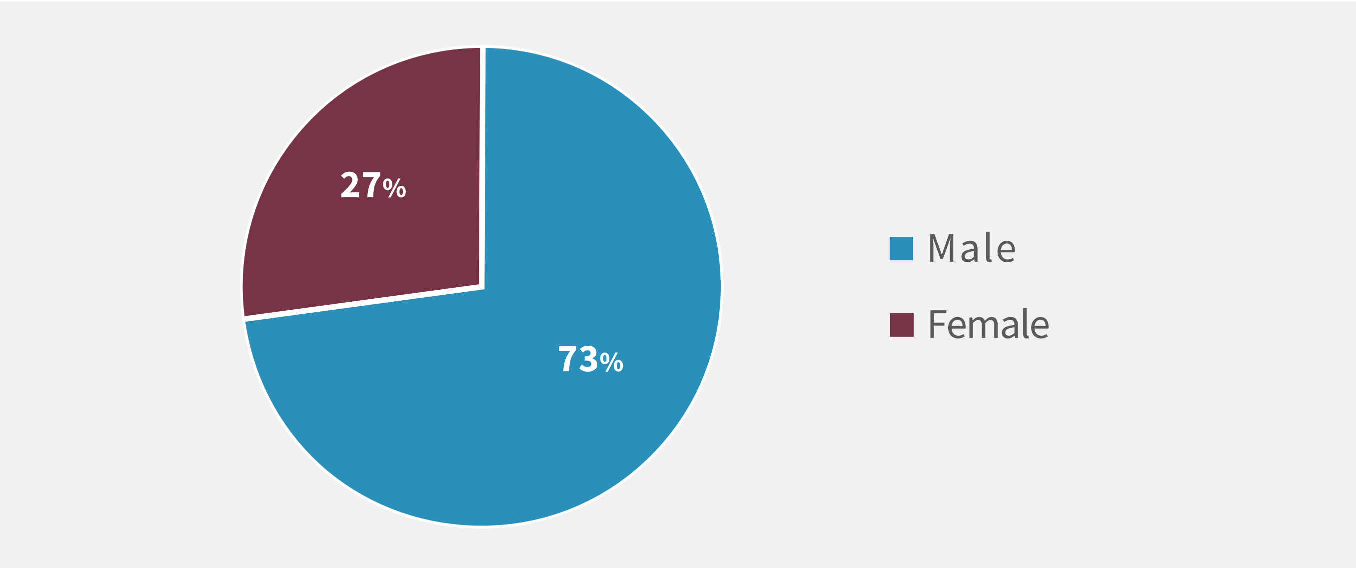
Most of the entrepreneurs were 31-50 years of age. This group represented 60% of all the supported entrepreneurs in 2018 (see Table 3). Individuals aged under 31 years old made up 25% of the supported total, whereas only 15% of the total were above 50 years old.

Table 3: Breakdown of the entrepreneurs supported by the EU|BICs by age group (2018 data)

| Age Groups | Share (in %) |
|---|---|
| Less or equal to 30 years old | 25,0 |
| 31 to 50 years old | 60,0 |
| More than 50 years old | 15,0 |
| **Total** | **100,0** |

In terms of gender representation, only one quarter of the supported entrepreneurs were women (see Figure 4).

Figure 4: Breakdown of the entrepreneurs supported by the EU|BICs by gender (in % of total number – 2018 data)




*Source: EBN*

Despite recording a very small overall percentage increase in terms of the women supported by EBN members (26% in 2017), several EU|BICs have started focusing greater attention on the provision of more inclusive and diverse environments within their innovation centres. Ideon Innovation presents a great example of this, as it launched a three-year project in 2017 called 'The Yes Way [1]', tailored to help new groups of aspiring entrepreneurs on a national scale. The goal is to shake up the innovation system and create a more diverse and inclusive entrepreneurial community. The Yes Way works to pave the way towards a more sustainable world. At this stage, the project focuses primarily on providing women with a new kind of support system, and,since Ideon Innovation initiated 'The Yes Way' one year ago, the share of women applying to the incubator has risen from 10 to 70 per cent.

1 Ideon Innovation, The Yes Way, 2019, https://www.ideoninnovation.se/the-yes-way, (accessed 27/05/2019)

## SERVICES TO SUPPORTED ENTREPRENEURS

To support entrepreneurs during the company-creation stages, EU|BICs provided a series of support services ranging from the initial business stimulation services to selection, startup and scale-up support. In order to help validate a business idea, about 86% of the EU|BICs provided proof of business services (see Table 5 below), 85% helped their entrepreneurs access diverse funding streams, 64% proof of concept services, 60% dedicated time to helping entrepreneurs work on their innovative edge and 61% of the EU|BICs also offered team assessment services.

These figures highlight the serious and professional support with which EU|BICs provide entrepreneurs at large. The EU|BIC Certification process evaluates the quality of the services delivered, ensuring that, besides being given physical space to set up their business, entrepreneurs are supervised, guided and supported throughout all of the company-creation stages and challenges.

**Table 5: Selection services provided by EU|BICs (in % of total number of respondents – 2018 data)**

| Selection services | Number of EU\|BICs offering these services | Share (in %) |
|---|---|---|
| Proof of business | 101 | 86,3 |
| Access to funding | 99 | 84,6 |
| Proof of concept | 82 | 70,1 |
| Team assessment | 72 | 61,5 |
| Proof of innovation | 70 | 59,8 |
| No selection services provided | 3 | 2,6 |
| **Total** | **427** | |

*Source: EBN*

# Businesses supported

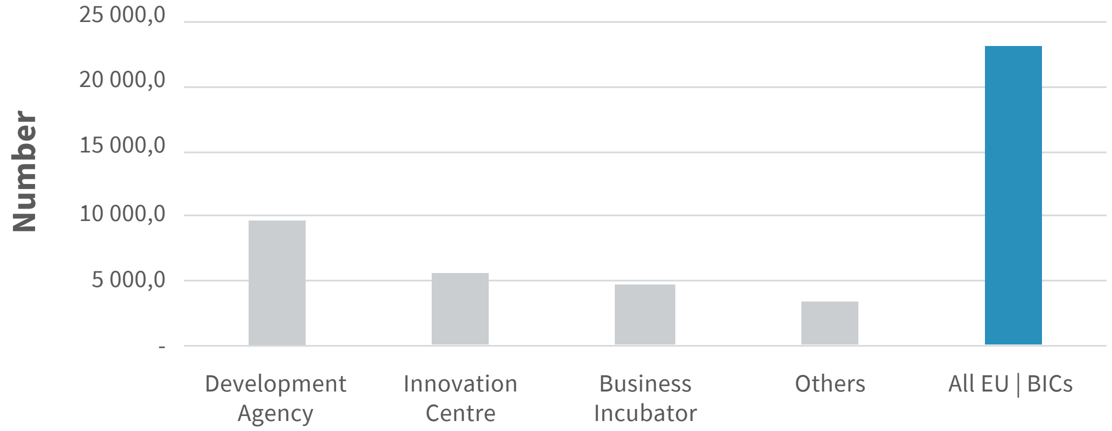
In 2018, EU|BICs supported more than 23,400 businesses through the complete service package they offer their clients. The deal flow tracks how many entrepreneurs are supervised from the start to the end of the venture-creation process, but EU|BICs can support more entrepreneurs via ad hoc one-off services or specialised and short term help (see Figure 5 and Table 6). Of the total amount, development agencies serviced above 9,700 of these companies, representing 42% of the total figure. Innovation centres provided support to 5,600 of the companies (24% of the total share), and business incubators supported 20% of the pie (roughly 4,700 companies).

**Coventry University Enterprises Ltd** (UK) provides an excellent example of the instrumental role they played in supporting **AVA Consulting**, a company in the automotive sector, to overcome critical challenges during the startup phase. AVA Consulting was founded by Richard Crompton and Roanan Ellis, both automotive NVH (noise, vibration & harshness) engineers with many years' experience working for major car manufacturers, both in the UK and overseas. They identified a gap in the market and took the opportunity to buy normally prohibitively expensive specialised NVH equipment at an advantageous price. Moreover, they have been able to build a semi-anechoic chamber with a vehicle dynamometer to offer NVH services to automotive OEMs. In other words, they were able to create a large sound-proofed room, able to house and run a vehicle for sound recording and testing purposes.

AVA was supported by Coventry University Enterprises Business Solutions at a critical time in the development of the business, when the future still looked risky. They have since had funding from Coventry's Innovation Network. The support provided was partly funded by ERDF and Innovate UK.After a slow start due to the difficulty in winning over automotive OEMs, AVA Consulting went on to thrive. Besides the original large chamber, they also boast two other smaller semi-anechoic chambers and three pairs of hub dynamometers, plus a complete NVH toolkit of the latest test equipment and software. They are one of the largest independent NVH facilities in the UK and enjoy almost 100% occupancy with major automotive OEMs. They have also established themselves as the 'go to' consultancy for NVH on electric vehicle powertrains.

One of the founders, Richard Crompton argued that, «Martin Ellis, our adviser, has been instrumental in the successful growth of AVA Consulting since its inception. The I2S programme in particular has helped us refine our recent business strategy in order to focus on novel electric motor and vehicle testing methods, alongside further customer diversification. We are incredibly grateful for this valuable support» Now with a full-time staff of eight, AVA Consulting is a highly-successful and profitable business with plans for further expansion.

Figure 5: Number of companies supported by EU|BICs




*Source: EBN*

Table 6: Breakdown of companies supported by EU|BIC categories (2018 data)

| Categories of EU\|BICs | Companies supported (number) | Share (in %) |
|---|---|---|
| Development Agency | 9 727 | 41,6 |
| Innovation Centre | 5 605 | 24,0 |
| Business Incubator | 4 701 | 20,1 |
| Other | 3 371 | 14,4 |
| **All EU\|BICs** | **23 404** | **100,0** |

*Source: EBN*

**Abodoo** is a data and tech intelligence platform supported by **South East Business and Innovation Centre** in Ireland, whichaims to reduce bias and speed up the hiring of SmartWorkers. It is a marketplace that connects companies and candidates by using a unique algorithm with machine learning which guarantees global access to talent and opportunities. It enables the discovery of talent, support for diversity sourcing and finally, speedy recruitment. Abodoo was founded by Wexford couple, Vanessa Tierney and Ben Wainwright. The personal experience of working from home was a key factor in their story. In 2011, Vanessa was hospitalised in the UK with a severe virus, from which she took months to recover and which prevented her from commuting to the office. This gave the couple the idea for Abadoo, where they began exploring opportunities to provide stronger career access options for people working remotely.

South East BIC supported Abodoo from the very beginning, identifying funding options and working with the team on the development of an investor-ready business plan. They guided them through the investment process and assisted them when it came to sourcing financing options. South East BIC also worked on their investment documentation and provided key support in accessing investment from Enterprise Ireland (the Government agency responsible for supporting Irish businesses in manufacturing and internationally-traded services).

At present, Abodoo has 22,000 registered users in Ireland and Britain and not only matches workers with companies, but also uses the data it collects to develop talent heatmaps that can highlight skills clusters outside of major cities. This provides employers with key information linked to the type of talent available in rural areas.

To date, the company, which is already active in Ireland and Britain has raised €750,000 with backers including Linda and Dan Kiely and Enterprise Ireland. Abodoo is seeking to expand to the US market since winning the Think Global Start Up Award from Mountainview and has just signed its first American client Concentrix on a global contract. With investment now secured and more planned, the business will be able to branch out into new territories, which will see an increase in headcount, taking in North America & Canada after the United Kingdom.

## ACCESS TO FINANCE AND STAGES OF DEVELOPMENT OF SUPPORTED COMPANIES

One fourth of the 23,404 supported companies received help to access funding streams. Among the 5,900 companies that were supported by the EU|BICs to gain access to finance, 41% of these were in the startup phase. More than 29% were in the pre-seed or seed stages. 16% were in the scale-up or growth phase and, finally, more than 13% of these were mature SMEs or large companies.

**Table 7: Stages of development of companies supported by EU|BICs to access finance (2018 data)**

| Stages of development | Number | Share (in %) |
|---|---|---|
| Pre-seed | 930 | 15,8 |
| Seed | 821 | 13,9 |
| Startup | 2 430 | 41,2 |
| Scaleup/growth | 927 | 15,7 |
| Mature SMEs or large companies | 792 | 13,4 |
| **Total** | **5 900** | **100,0** |

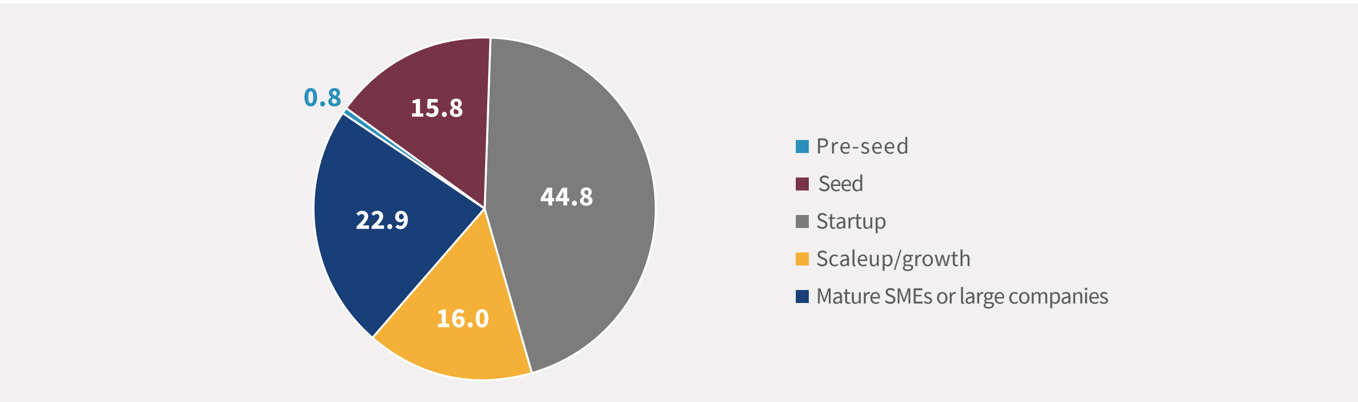
*Source: EBN*

The total amount of financing that the EU|BICs helped their entrepreneurs to raise in 2018 was above €1.2bn. This amount was allocated across the following stages of development (see Figure 6):

- 45% to startups
- 23% to mature SMEs or large companies
- 16% to scale-up/growth companies
- 16% to seed stage; and
- Less than 1% to pre-seed stage

The selection services delivered by EU|BICs helped entrepreneurs validate their product/business model and market size. Figures indicate that most of the companies that secured funding had reached a level of maturity whereby their proof of concept/business and technology had been tested and could appeal to investors for further capital to develop the minimum viable product.

**Figure 6: Breakdown of funds raised according to different company stages of development (in % of total amount raised – 2018 data)**




*Source: EBN*

## SERVICES PROVIDED BY EU|BICS DURING THE STARTUP AND SCALE-UP/ GROWTH STAGES OF DEVELOPMENT

During the startup phase, companies generally benefit from services dedicated to helping them access funding (close to 90% of the EU|BICs offer these services – see Table 8). Most of the EU|BICs (87% of them)help their companies with special support schemes dedicated to gaining access to markets. In combination with these services, around 74% of the EU|BICs help the startups with marketing. Services dedicated to team development are offered by approximately 71% of the EU|BICs and about half of them provide Support for incorporation.

**Table 8: Startup services provided by EU|BICs (in % of total number of respondents – 2018 data)**

| Selection services | Number of EU\|BICs offering these services | Share (in %) |
|---|---|---|
| Access to funding | 105 | 89,7 |
| Access to markets | 102 | 87,2 |
| Marketing | 87 | 74,4 |
| Team development | 83 | 70,9 |
| Support for incorporation | 57 | 48,7 |
| No Startup services provided | 1 | 0,9 |
| Total | 435 | |

*Source: EBN*

Companies in the scale-up/growth phase are supported by roughly 81% of the EU|BICs to access funding (see Table 9). 79% of the certified EBN members provide support for accessing new markets. Two thirds of the EU|BICs also provide access to Open Innovation programmes and 56% help companies to develop their teams.

**Capsule Skateboards** is an innovative startup company from Cyprus, supported by **CyRIC**. It produces high quality skateboards and longboards made of composite polymer materials that are 100% recyclable, six times stronger, with 0% delamination risk and with an impact-absorbing capacity amounting to 40% less than conventional 7-ply wood boards. In addition, a skater can custom-make his board based on his weight, type of use and pop-up level.

The founder initially contacted the EU|BIC with the idea to develop a new type of innovative skateboard. At the time, he had no business competence or the resources and expertise required to develop and start the venture. CyRIC helped him to identify the potential in the market and define the product (proof of concept). After a thorough examination, the entrepreneur was selected to receive business support services from the business incubator Gravity. Since then, the EU|BIC has dedicated resources and funding to the company, and focused heavily on R&D. Capsule Skateboards has emerged into a successful start-up in Cyprus, winning multiple innovation awards in Cyprus and Europe. Recently, Capsule was listed among the top 50 finalist innovative sport products in ISPO Munich.

The support services provided by CyRIC during the incubation period included: R&D (research and technical development carried out to achieve the breakthrough combination of materials that can produce the properties of the construction of the skateboard); design support and prototyping (to finalise the construction based on lab testing feedback); access to funds and investments (secured multiple times); constant interaction with in-house mentors and trainers on entrepreneurial services, such as pitching, business planning, financial planning, marketing services, (enabled the entrepreneur to develop critical skills and the vital competences required to manage an international business); services related to intellectual property (in-house innovation diagnostics and patent submission for the material and manufacturing process); manufacturing services; and internationalisation services (allowed Capsule to be present at a series of prestigious events such as Websummit, Slush, Agenda Tradeshow in Los Angeles, and ISPO Munich 2019).

Capsule Skateboards is currently setting up a production line, ready to hit global markets. Its main goals for the future are to become financially sustainable and to scale up to international markets.

**Table 9: Scaling-up services provided by EU|BICs (in % of total number of respondents – 2018 data)**

| Selection services | Number of EU|BICs offering these services | Share (in %) |
|---|---|---|
| Access to markets | 94 | 80,3 |
| Access to funding | 96 | 82,1 |
| Access to Open Innovation programmes | 79 | 67,5 |
| Clustering | 55 | 47,0 |
| Innovation diagnostic | 66 | 56,4 |
| Team development | 67 | 57,3 |
| No scaling services provided | 3 | 2,6 |

*Source: EBN*

**Global Connection Apps** provides accident prevention app services to work sites. Hosted by the tech incubator, Ideta, and coached by the EU|BIC **Entreprende Wapi** in Belgium, it has the goal of becoming a European leader within its niche market. It has received support services throughout its different stages of development, including business model testing, fundraising support, and access to partners such as the Microsoft Innovation Centre facility. This has enabled it to develop its technical strengths and raise 100,000 EUR in funding through Digital Attraction (DA) and an additional 150,000 EUR to accelerate its development.

Global Connection Apps has just provided its solutions to the wastewater treatment plant Aquiris (a subsidiary of Veolia) in Brussels and its new challenge is to expand the technology across France as it collaborates increasingly closely with Euratechnologies (Lille, France).

Entreprendre Wapi is currently supporting the company, helping it to consolidate, pursue and accelerate the sales process in a controlled manner. The coaching provided is done through regular meetings, daily challenges and business development workshops to review the sales funnel, optimising communication tools at each step of the way. Communication tools include printed media and other channels, such as email, phone calls, business presentations, offers and tendering. In addition to communication and sales, coaching includes monthly financial follow-up, regular forecastchecks and the implementation of efficient governance with regular board meetings and ongoing interaction among shareholders and stakeholders.

Concrete and sound outcomes of the coaching provided by Entreprendre Wapi can be evidenced by the fast-growing market recognition from major players, such as Veolia or AXA Insurance, two of the many companies which have contracted Global Connection Apps or are interested in doing so in the near future.

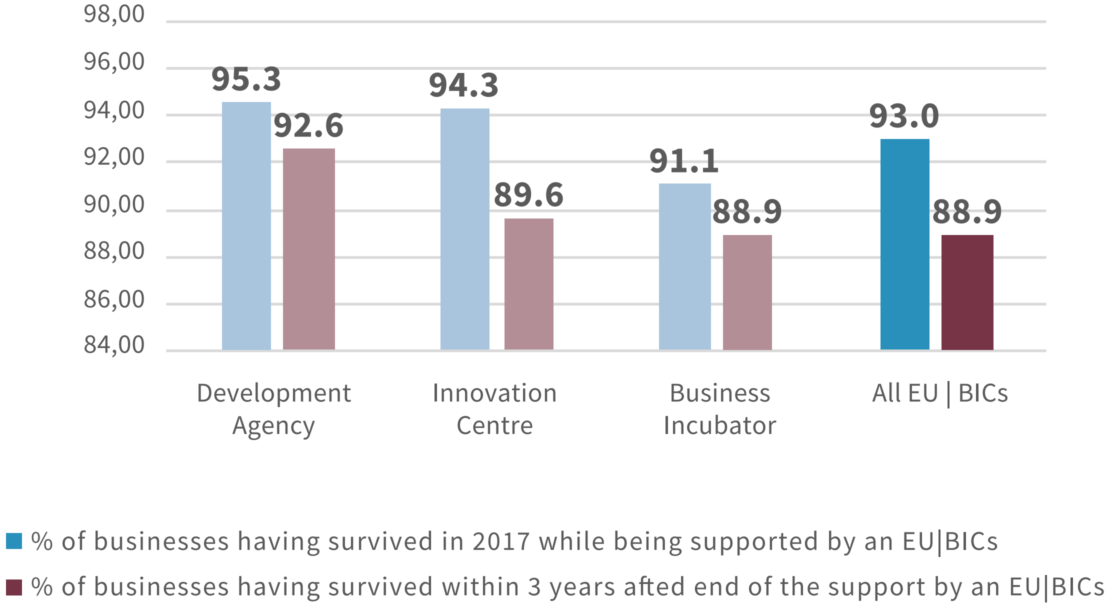
## SURVIVAL RATES OF SUPPORTED COMPANIES

Figure 7 shows the survival rate of companies whilst they are being actively supported by the EU|BICs and three years after they exit their support programmes.

All EU|BICs point to an average survival rate close to 93% of the companies which they actively support. This rate decreases to slightly less than 89% for companies within three years after having left their support programmes. The business incubators category tends to have lower rates than the two other categories of EU|BICs (measured respectively at 91.1% and 88.9%, while development agencies score 95% and 93% and innovation centres 94% and 90%).

Compared to EU|BICs' 2018 performance, average survival rates did not experience significant changes, confirming the value and serious impact of the services provided to entrepreneurs when setting up and consolidating their companies.

**Figure 7: Average survival rates of businesses supported by EU|BICs (2018 data)**




*Source: EBN*

# Sector Distribution

Of 23,404 companies supported in 2018, 13,076 of these had a tech component within their product or service, representing 56% of the total companies supported.

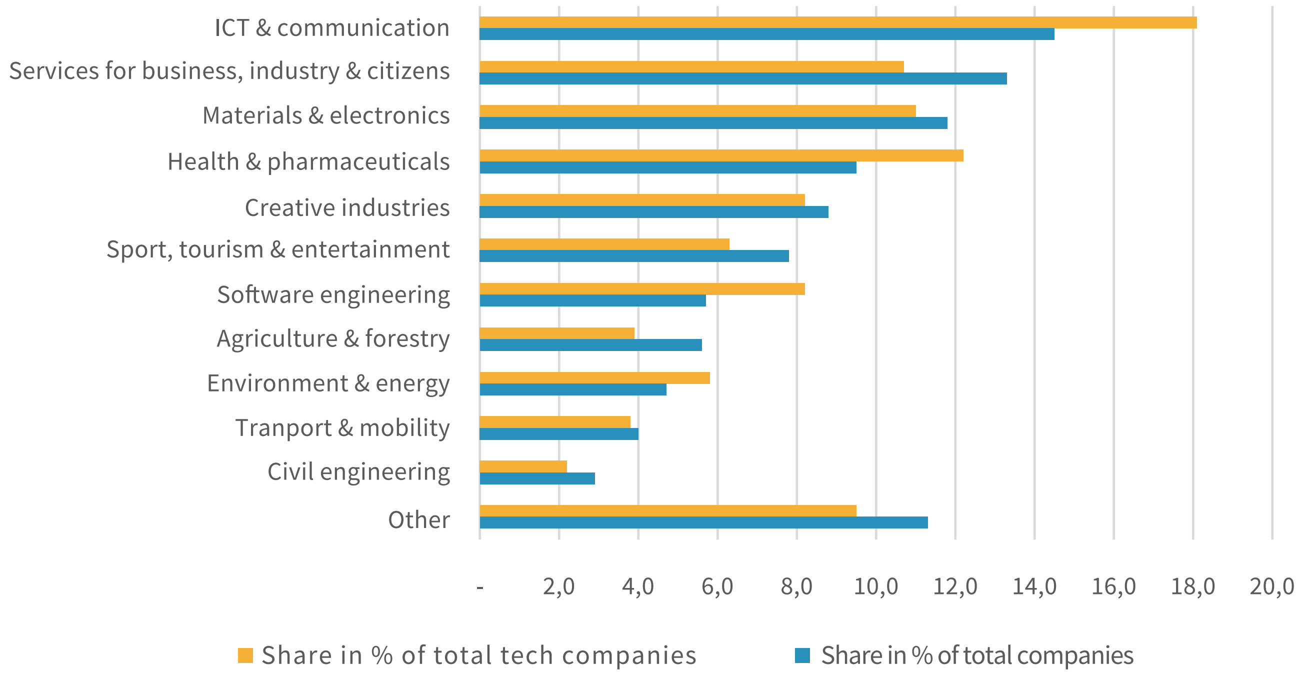
When looking at the percentage of tech and non-tech companies in specific industries, we can observe that:

- ICT and communications were the first industry in terms of the number of supported companies – both taken as a whole or when focusing only on tech companies (respective shares are 14.5 and 18%)
- Services for business, industry and citizens is the second most active industry for the total number of companies with a share at 13% and ranks fourth in terms of tech companies only (share at 11%)
- Materials and electronics rank third with a 12% share of the total number of supported companies. This sector is third in terms of supported tech companies with an 11% share.
- Health and pharmaceuticals are second in terms of supported tech companies (with a 12% share) and fourth in terms of the total number of supported companies (with a 9.5% share)

This is in line with the distribution of startups according to industry sector analysis provided by the EU Startup Monitor in their 2018 report[2], which consolidates ICT and software development as the main sector in the current startup landscape (including 19,1% of startups), followed by Biotech, healthcare and medical technology (6.5%). This analysis confirms that EU|BICs tend to follow market trends when selecting which companies to support.

2 European Commission, '2018 EU Startup Monitor', 2018, http://startupmonitor.eu/EU-Startup-Monitor-2018-Report-WEB.pdf

**Figure 8: Breakdown of the total number of businesses and tech businesses supported across industries (2018 data)**




*Source: EBN*

# Job creation

In 2018, around 22,600 jobs were created by 6,400 of the supported companies by the surveyed EU|BICs (see Table 10). Innovation centres stimulated the creation of more than 9,000 of these jobs. Business incubators contributed to creating close to 5,700, whereas development agencies were the source of almost 5,100 jobs.

Of the total number workplaces created, 47% required middle-level skills, whereas 22% were attributed to individuals with entry-level skills.

| Categories of EU\|BICs | Number of jobs created | Number of companies that created these jobs |
|---|---|---|
| Innovation Centre | 9 059 | 1 514 |
| Business Incubator | 5 699 | 1 863 |
| Development Agency | 5 097 | 1 939 |
| Other | 2 781 | 1 092 |
| **Total** | **22 636** | **6 408** |

*Source: EBN*

EBN members contribute to the development of European economic growth, which is stimulated by its 23 million small and medium-sized enterprises (SMEs). These represent 99.8 percent of all European companies and form the foundation for innovation, competition and jobs. SMEs provide two thirds of private sector jobs (almost 90 million) and contribute to more than half of the total added value created by businesses in the EU. Nine out of ten SMEs are actually micro enterprises with fewer than 10 employees. They account for nearly 30% of the total employment in this sector.[3]

**CitySwifter** is a young, ambitious company on the fast track to success that uses big data and predictive analytics to optimise high-frequency, urban bus networks. Supported by **WestBIC** in Ireland, it has developed a special technology to create a supply and demand equilibrium, make accurate capacity predictions and optimise vehicle requirements. It also provides measurable improvements in efficiency and reduces the costs associated with providing the highest- quality public transport service in large cities.

Initially envisaged as a B2C business aimed at facilitating access for commuters, it has changed its name and business model to pivot to B2B. Founders Brian O'Rourke and school friend Alan Farrelly first came up with the idea for the business when preparing for their finals in Business Studies at DCU.

WestBIC supported CitySwifter with their HPSU application process, which proved successful. Support is still being provided as the company starts to explore new markets for expansion. After raising €1.5 million in funding, Galway transport tech startup CitySwifter is laying the groundwork for an ambitious UK expansion. The investment comes from Ryanair co-founder Declan Ryan's Irelandia Investments, ACT Venture Capital and former CarTrawler chief executive Mike McGearty. CitySwifter will be expanding its Galway-based team to 40 employees over the coming year and has one staff member in the UK who is responsible for integrating commercial partners. Its primary focus is to deliver for the UK bus companies. This funding will allow them to do that and become the market leader in the UK with strong revenues. They have ambitions for international growth and have already positioned one member of staff in New York to prepare for an eventual launch Stateside.

3 Interreg Europe, 'Policy Brief - The SME policy of the European Union', 2016, https://www.interregeurope.eu/fileadmin/user_upload/plp_uploads/policy_briefs/TO3_policy_brief_2__SME_policy_final_V23_01_2017_Siriuss_LS_clean.pdf, (accessed 27/05/2019)

# Support to under-represented entrepreneurs

As part of the FIBIA (Fostering Inclusive Business Incubation and Acceleration) programme, an initiative supported by the JPMorgan Chase Foundation and delivered by EBN to empower business support organisations to become more inclusive and diverse, a set of questions were added to the EBN survey. These enquiries served to gather data on the level of accessibility to the services provided by EBN members and the level of diversity among the entrepreneurs supported. Out of the 117 survey respondents, close to 50% of the EBN members claimed to provide services to under-represented entrepreneurs such as women, the unemployed, young people, the elderly, migrants, minority groups, refugees, and people with disabilities.

Through this collaboration, EBN has revitalised its core mission for inclusive business development. FIBIA provided a valuable opportunity to reach out to a diverse group of service providers with greater experience in helping underserved entrepreneurs. By joining forces with the EU|BICs, organisations were encouraged to engage in fruitful exchanges of know-how and best practice when working with entrepreneurs from disadvantaged groups. As a result, new inclusive methods and practices have been rolled out by the EU|BICs to provide greater entrepreneurial opportunities for all. The EU|BICs supporting under-represented entrepreneurs provided almost 24,000 of them with support to launch their companies, including facility adaption to people with disabilities, nursery services for mothers, etc.

**iMEMS Technology** has developed a new generation of motion sensors using FPGA cutting-edge technology. Supported by **Lazio Innova** in Italy, the project was founded by Mohamad Mahmoud, IMEMS Technology's co-founder. He came up with the idea of shaping a new generation of Motion sensors while working for a leading company in the IMU industry. Drawing on the experiences gained in the inertial navigation systems for UAV (Unmanned Aerial Vehicles) in Syria and as Signal Processing Engineer in Malta, the entrepreneur developed an algorithm of parallel calculation able to deliver high performance and low-cost dimension of the unit.

Like many startups in their inception phase, iMEMS Technology faced problems related to a lack of funds. Therefore, its main challenge was to access capital, in order to redistribute resources to R&D activities and set new targets. The company is being supported by Lazio Innova BIC to help it achieve these objectives. iMEMS Technology is also facing challenges linked to production, causing it to struggle with delivery delays from components manufactured outside the EU. These are having an overall negative impact on the wholesome production process. Therefore, the current strategic objective of iMEMS is to create a made-in-Italy product, looking for more qualified suppliers – an action that could positively impact the production process as a whole.

As Lazio Innova pre-incubated the company, iMEMS had the opportunity to participate in key events organized by the EU|BIC and the Lazio Region. After receiving pitching training , the company had the chance to present their innovative technology in 'Venture Up'. This opportunity enabled the company to meet two big Italian corporates: Leonardo SPA and Trenitalia SPA, with whom the company is still in touch with and exploring business opportunities.

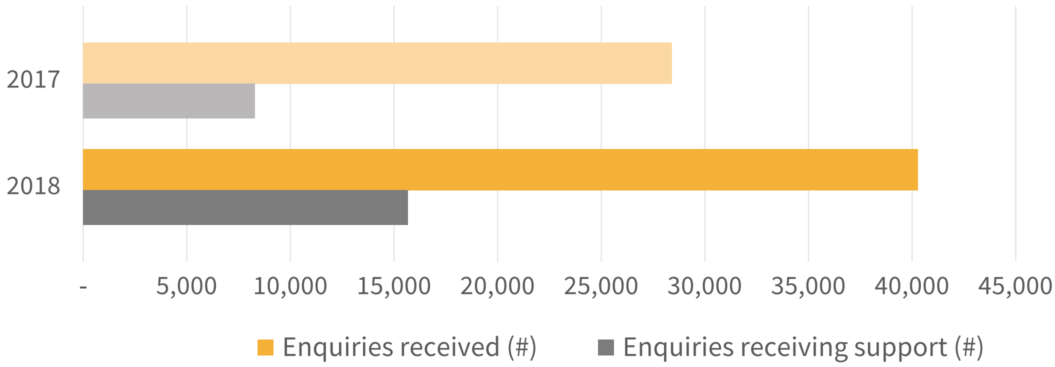
# Economic impact: Year 2018 vs. Year 2017

When looking at the Economic Impact in during the year 2018 compared to that in 2017, EU|BICs show better results overall, demonstrating a stronger capacity to attract and retain potential entrepreneurs as well as create jobs and opportunities to access finance.

In detail, EU|BICs shows better results in terms of:

- **EU|BIC Deal flow**

In 2018, the number of enquiries received by the EU|BICs increased by 40% compared to the previous year. In 2017, EU|BICs received 28,500 enquiries from potential entrepreneurs. In 2018, the number of enquiries received increased to approximately 40,000.




Of these 40,000 enquiries, EU|BICs selected approximately 16,000 entrepreneurs to actually receive support, almost doubling their activity level compared to 2017, when 8,298 enquiries resulted in EU|BICs' support.

- **Access to finance and job creation**

The amount raised by companies supported by EU|BICs totalled more than € 1.2bn in 2018. This figure was **more than twice** the amount of financing recorded the year before (€558m). This clearly demonstrates that EU|BICs have grown more efficient in providing access to financial support to entrepreneurs.

Contemporarily, the total number of jobs created by supported companies **increased by roughly 60%** in 2018 (approximately 22,600 jobs compared to 14,200 jobs created in 2017).

This figure reinforces the capacity and the value of EU|BICs in turning enquiries into opportunities for job creation and national/regional/local socio-economic development.


# ACTIVITY ANALYSIS

## Output

Table 11 presents the main output indicators for four categories of EU|BICs, namely:

- All EU|BICs taken as a whole
- Development Agencies
- Innovation Centres
- Business Incubators

The following average and median values of the indicators below have been selected to indicate the EU|BICs' performance during 2018:

- The total number of enquiries received
- The enquiries received divided by the number of full-time employees (FTE)
- The total number of supported businesses
- The number of supported businesses divided by the number of FTE
- The total number of supported businesses that successfully accessed capital
- The number of businesses that accessed capital divided by the number of FTE
- The amount raised for the aforementioned companies
- Sum of capital raised divided by the number of FTE

The main findings include:

- **Total number of enquiries received**

  On average, each EU|BIC dealt with approximately 342 enquiries from potential entrepreneurs in 2018. The median value was estimated at 104.

  The difference between average and median values of the total number of enquiries received can be explained by the heterogeneity of sizes across the organisation, notably among development agencies, for which the average value of enquiries received was measured at 1,264, whereas the median value stood at 250.

- **Enquiries received divided by the number of FTE**

  Looking at the average and median values of enquiries received by support staff or full time equivalent (28.4 and 13 respectively) and comparing these values across categories of EU|BICs, we can state that the most efficient players to generate and analyse enquiries were the development agencies.

  Records indicate that, on average, each support staff member dealt with approximately 68 enquiries. However, figures vary greatly across agencies, as the median value for this category is only 14. The same does not apply to the business incubators (21.5 and 18 respectively) nor is it the case for the innovation centres (25 compared with almost 18).

- **Total number of businesses supported**

  As previously, the average and median values of supported businesses differed significantly across all EU|BICs (194 compared with 91). This difference can be attributed to the wide range of certified EU|BICs, that despite being equally certified, can assume various shapes and sizes according to the catchment area in which they are located.

- **Businesses supported divided by number of FTE**

  Development agencies appear to outperform their peer EU|BIC organisations when looking at the total number of businesses supported (one FTE supported almost 39 companies compared to 17.5 supported by the EU|BIC average as a whole). However, the same principle as above applies, whereby the agencies have very different scales that alter the overall average value. [4]

- **Businesses supported with access to capital services**

  Development agencies supported a much higher average number of companies through this service in 2018 (an average value of 119, more than double the value observed for all EU|BICs). Here again, size and efficiency played a significant role in explaining identified spreads of average versus median values.

4 The value measured for development agencies is skewed by the impact of some high performers, as the median value of development agencies is somewhat below the same indicator for all EU|BICs (9 compared with 10).

- **Businesses supported with access to capital divided by number of FTE**

The median values observed across all EU|BIC categories for this ratio comprised between 2.0 and 4.3. Across all EU|BICs, a support staff member has helped 4.5 companies on average to obtain access to funding. The median value was estimated at 2.1. Across categories, development agencies were the best performers with an average of 6.1 companies per staff member and a median value of 4.3. Business incubators outperformed the innovation centres (average and median values of 5.0 vs 4.0 and 2.4 vs 2.1).

- **Capital raised through access to finance services**

With a rough average of €25m raised in 2018 by the development agencies for their supported startups and SMEs, these players significantly outperformed the other categories (€12m and €5.3m for the business incubators and innovation centres). This higher relative average output was also observed for the median values (€7.8m compared to €1.4m and €1.1m for the innovation centres and the business incubators).

- **Sum of capital raised divided by FTEs**

On average, business incubators managed to raise €1.4m per support staff, which was the highest amount, followed by the development agencies (€1.2m). However, when comparing median values, it appears that development agencies scored better than their counterparts with €327k. Comparatively, all other categories were below €227k.

**Table 11: Output – All indicators 2018 data**

| Entity categories | Indicators | Average value | Median value |
|---|---|---|---|
| **All EU\|BICs** | **Enquiries received (Number)** | **342,1** | **104,0** |
| | Enquiries/support staff number (#/FTE) | 28,4 | 13,0 |
| | **Businesses supported (Number)** | **194,1** | **91,0** |
| | Businesses supported/support staff number (#/FTE) | 17,5 | 10,1 |
| | **Businesses supported with access to finance (Number)** | **49,6** | **17,0** |
| | Businesses supported/support staff number (#/FTE) | 4,5 | 2,1 |
| | **Amount raised (€)** | **10 466 642,0** | **1 325 400,0** |
| | Amount raised/support staff number (€/FTE) | 908 651,0 | 174 783,0 |
| **Development Agency** | **Enquiries received (Number)** | **1 263,9** | **250,0** |
| | Enquiries/support staff number (#/FTE) | 68,3 | 14,4 |
| | **Businesses supported (Number)** | **600,0** | **290,0** |
| | Businesses supported/support staff number (#/FTE) | 38,9 | 8,9 |
| | **Businesses supported with access to finance (Number)** | **119,1** | **40,5** |
| | Businesses supported/support staff number (#/FTE) | 6,1 | 4,3 |
| | **Amount raised (€)** | **25 300 638,0** | **7 802 500,0** |
| | Amount raised/support staff number (€/FTE) | 1 227 381,0 | 326 818,0 |

| Entity categories | Indicators | Average value | Median value |
|---|---|---|---|
| **Innovation Centre** | **Enquiries received (Number)** | **252,4** | **133,0** |
| | Enquiries/support staff number (#/FTE) | 25,0 | 17,8 |
| | **Businesses supported (Number)** | **184,4** | **93,5** |
| | Businesses supported/support staff number (#/FTE) | 16,7 | 13,6 |
| | **Businesses supported with access to finance (Number)** | **39,5** | **18,0** |
| | Businesses supported/support staff number (#/FTE) | 4,0 | 2,1 |
| | **Amount raised (€)** | **5 307 479,0** | **1 425 000,0** |
| | Amount raised/support staff number (€/FTE) | 608 961,0 | 226 533,0 |
| **Business Incubator** | **Enquiries received (Number)** | **175,9** | **114,0** |
| | Enquiries/support staff number (#/FTE) | 21,5 | 18,1 |
| | **Businesses supported (Number)** | **113,2** | **91,0** |
| | Businesses supported/support staff number (#/FTE) | 15,4 | 11,5 |
| | **Businesses supported with access to finance (Number)** | **37,5** | **17,0** |
| | Businesses supported/support staff number (#/FTE) | 5,0 | 2,4 |
| | **Amount raised (€)** | **11 869 933,0** | **1 107 500,0** |
| | Amount raised/support staff number (€/FTE) | 1 402 663,0 | 187 570,0 |

*Source: EBN*

# Financial resources

In line with the previous sections, Table 12 presents the main financial indicators for the four categories of EU|BICs; namely, EU|BICs taken as a whole, development agencies, innovation centres and business incubators.

The main financial indicators for the year 2018 are the average and median values of the following items:

- Annual income
- Sources of income expressed in percentage. These sources are classified in three categories: EU funding, other public sources and private sources.
- Annual expenses
- Breakdown in percentage of expenses across the following items: payroll, external consultants, funding to entrepreneurs and other
- The margin ratio calculated as income minus expenses divided by income

The main findings include:

- **Annual income**

  The average annual income in 2018 for all EU|BICs was calculated at €2.1m. The median value stood at €1.1m, around half this amount.

On average, the largest budgets were to be found among development agencies, with an amount estimated at €4.8m. The median value for these players was measured at €1.8m[5]. Business incubators had the smaller average budget at €1.2m. Innovation centres had a higher average budget reaching €2m. These two last categories of EU|BICs showed similar median income at around €1.0m.

- **Sources of income**

On average, all EU|BICs benefited from a larger share of non-EU public sources (44% of their income). The second largest source of income was from private sources (share of 35%). The remainder came from EU funding (20%). The median values preserve this ranking.

The innovation centres are the best at securing income from the EU, with average and median values measured at 30% and 21% respectively. Development agencies show a relatively strong dependence on other public sources, with average and median weights both calculated at around 60%.

Business incubators managed to secure the highest share of income from private sources, with average and median values of 39 and 40% respectively.

- **Expenses**

Average annual expenses for all EU|BICs were calculated at €2.0m and the median value at around €1.0m. Development agencies had the highest average expenses (€4.9m) and business incubators the lowest at €1.2m. As for the median income level, median expenses were quite similar at around €1m for innovation centres and business incubators. The median expenses were slightly higher for development agencies with an amount of €2.5m.

- **Breakdown of expenses**

Across all categories, average and median weights of destinations of resources were similar, except for funding to entrepreneurs. Payroll made up the lion's share of expenses (around 50%) whereas external consultants accounted for around 11%. Given that most of the EU|BICs do not directly invest in the companies they support, the funding to entrepreneurs played a minor role, with average value at around 5% and median value at 0%. The expenses made in other items represented around 35% of all expenses.

- **Margin**

The average margin was close to zero for all EU|BICs, which is in line with the not-for-profit calling of most of them.

Median values did not paint a different picture, emerging as break-even or positive (e.g. +0.6% for all EU|BICs and +0.2% for innovation centres).

The most notable difference was for the average margin for innovation centres, with some entities being highly profitable and therefore pushing up the average margin to 20% in 2018.

5 The value measured for development agencies is skewed by the impact of some high performers, as the median value of development agencies is somewhat closer to the same indicator for all EU|BICs. This reasoning will also apply to the financial indicator 'Expenses', which also presents skewed values for the EU|BIC category 'Development Agency'.

Table 12: Financial indicators – All indicators 2018 data

| Entity categories | Indicators | Average value | Median value |
|---|---|---|---|
| **All EU\|BICs** | **Income (€)** | **2 084 046,0** | **1 068 704,0** |
| | From (share in % (1)): | | |
| | EU | 20,1 | 15,0 |
| | Other public sources | 44,5 | 50,5 |
| | Private sources | 35,4 | 30,0 |
| | **Expenses(€)** | **1 999 124,0** | **1 009 818,0** |
| | Items (share in % (1)): | | |
| | Payroll | 47,2 | 48,5 |
| | External consultants | 11,2 | 9,0 |
| | Funding to entrepreneurs | 5,7 | 0,0 |
| | Other | 35,9 | 36,0 |
| | **Margin (%(2))** | **0,0** | **0,6** |
| | | | |
| **Development Agency** | **Income (€)** | **4 834 884,0** | **1 789 028,0** |
| | From (share in % (1)): | | |
| | EU | 18,1 | 12,0 |
| | Other public sources | 59,7 | 60,5 |
| | Private sources | 22,2 | 7,0 |
| | **Expenses(€)** | **4 910 791,0** | **2 506 976,0** |
| | Items (share in % (1)): | | |
| | Payroll | 49,4 | 48,0 |
| | External consultants | 11,5 | 10,0 |
| | Funding to entrepreneurs | 7,8 | 0,5 |
| | Other | 31,3 | 33,5 |
| | **Margin (%(2))** | **-0,2** | **0,1** |
| | | | |
| **Innovation Centre** | **Income (€)** | **2 015 710,0** | **997 870,0** |
| | From (share in % (1)): | | |
| | EU | 30,0 | 21,5 |
| | Other public sources | 34,0 | 38,0 |
| | Private sources | 36,0 | 32,0 |
| | **Expenses(€)** | **1 608 730,0** | **910 556,0** |
| | Items (share in % (1)): | | |
| | Payroll | 47,9 | 50,0 |
| | External consultants | 11,6 | 9,5 |
| | Funding to entrepreneurs | 8,3 | 0,0 |
| | Other | 32,1 | 31,0 |
| | **Margin (%(2))** | **20,0** | **0,2** |

[1] Sums of median values can be different from 100%
[2] Defined as (Income – Expenses)/Income

| Entity categories | Indicators | Average value | Median value |
| --- | --- | --- | --- |
| **Business Incubator** | **Income (€)** | **1 221 141,0** | **1 089 704,0** |
| | From (share in % (1)): | | |
| | EU | 16,1 | 12,5 |
| | Other public sources | 44,5 | 47,0 |
| | Private sources | 39,4 | 40,0 |
| | **Expenses(€)** | **1 221 456,0** | **1 081 311,0** |
| | Items (share in % (1)): | | |
| | Payroll | 49,9 | 50,5 |
| | External consultants | 10,5 | 9,0 |
| | Funding to entrepreneurs | 3,7 | 0,0 |
| | Other | 35,9 | 37,0 |
| | **Margin (%(2))** | **0,0** | **0,0** |


**Neosentec** is a technology innovation company mainly focused on augmented reality developments based on its own development and content management platform: Onirix. They have experience in applying this technology to different sectors, such as experimental marketing, tourism and culture, health or industry 4.0. The support from **CEEI Asturias** has been crucial when it came to define its early stage-development strategy and providing support to access funding, allowing the company to grow and expand.

Neosntec established itself in the CEEI Asturias in November 2014 and received support with business development, feasibility analysis and legal and intellectual property advice. The company also benefited from the CEEI Asturias Investment Readiness itinerary and its participation in investment forums to attract private and public funding (the amount of funds raised resulted in approximately €600,000). It also participated in Open Innovation Programs and annual events organised by the EU|BIC. As a result, the company has positioned itself in the virtual and augmented reality sector and collaborated with relevant companies such as Thyssenkrupp, KPMG or EntamAr (a technological project working with the Red Cross to provide a more pleasant time for children in hospital).

Neosentec has received much recognition for its technological developments, such as the award from the ONCE Foundation for LAZZUS, an app for visually-impaired people and the recognition of Onirix, its AR platform, which was chosen as one of the hundred best Spanish platforms and selected to take part in the international annual event 'South Summit'.

The startup itself has also been recognised with an award by Google Spain for being the most disruptive in its sector, by Vodafone Award for Innovation in Telecommunications as well as by the Telefonica Ability Awards. Furthermore, Neosentec has been selected by the magazine 'Emprendedores' to feature among the 50 most promising Spanish startups with an outstanding technological and international component that are destined for success.

# Human resources

Table 13 presents the main human resource indicators for four categories of EU|BICs. These are: all EU|BICs taken as a whole, development agencies, innovation centres and business incubators.

The main Human resources indicators for the year 2018 are the average and median values of the following items:

- Total number of support staff members and their breakdown across main functions (all expressed in FTE)
- Total number of back office staff members and their breakdown across main functions (all expressed in FTE)
- Management ratios (support/back office staff and payroll/total staff)

The main findings are as follows:

- **Total number of support staff members and their breakdown across main functions (all expressed in FTE)**

  The difference in size across all EU|BICs results in a spread between the average number of FTE and the median FTE (12.1 compared with 8.0).

  Development agencies had the largest average number of support staff expressed in FTE (18.9, while the median value stood at 16). Innovation centres and business incubators enjoyed average values of 10.7 and 8.5 respectively (the median values stood at just above 7 FTE for both categories).

  Across all categories of EU|BICs presented in Table 13, their support staff consist first of business coaches and training staff (4 to 9 FTE on average and median values comprised of between 3.5 and 6 FTE). Project management required 1.9 to 5 FTE on average (median values 1.3 to 4 FTE). Incubator management required on average around 1.5 to 2.2 FTE (median values at 1 FTE).

- **Total number of back office staff members and their breakdown across main functions (all expressed in FTE)**

  Back office staff members measured an average of 5.9 FTE for all EU| BICs (median values of around 3.5 FTE).

  Team structures were consistent across all EU|BIC categories (see Table 13) with administration/event logistics requiring on average around 2.6 to 4.5 FTE (median value 1.8 to 4 FTE). General management was allocated a relatively similar average number of FTE across categories close to 1.5 FTE (median value 1 FTE). And, on average, 1 to 2 persons were allocated to Communications, both confirmed by the average and the median.

- **Management ratios (support/back office staff and payroll/total staff)**

  When looking at all the EU|BICs taken as a whole, there were, on average, 2 FTE working as support staff for every single FTE in the back office (the median value is 2.3). There was little difference across categories of EU|BICs, with average and median values all approaching 2.

  When it comes to the average cost for all staff members (support and back office included), the average values for all EU|BICs is measured at €49,100 annually for one FTE. The median value reaches €39,518. There are significant differences across categories of players. Development agencies' payroll costs per FTE were, on average, measured at €72.850 (median value was €47,120). Innovation centres' average costs were estimated at around €52,000 and the median costs were slightly lower than €37,500. Business incubators had an average and a median of almost €45,000 and €41,500.

Table 13: Human resources – All indicators 2018 data

| Entity categories | Indicators | Average value | Median value |
|---|---|---|---|
| **All EU\|BICs** | **Support staff (in FTE)** | **12,1** | **8,0** |
| | Per function: | | |
| | Business coaches and training staff | 5,4 | 4,0 |
| | Incubator management | 1,6 | 1,0 |
| | Project management | 2,8 | 1,8 |
| | Others | 2,4 | 0,0 |
| | **Back office staff (in FTE)** | **5,9** | **3,5** |
| | Per function: | | |
| | General management | 1,5 | 1,0 |
| | Communication | 1,3 | 1,0 |
| | Administration/Event logistics | 3,1 | 2,0 |
| | **Ratios** | | |
| | Support/back office staff (FTE) | 2,0 | 2,3 |
| | Payroll/total staff (€/FTE) | 49 095,0 | 39 518,0 |
| **Development Agency** | **Support staff (in FTE)** | **18,9** | **16,0** |
| | Per function: | | |
| | Business coaches and training staff | 8,9 | 6,0 |
| | Incubator management | 2,2 | 1,0 |
| | Project management | 5,0 | 4,0 |
| | Others | 2,8 | 0,8 |
| | **Back office staff (in FTE)** | **8,1** | **7,7** |
| | Per function: | | |
| | General management | 1,9 | 1,3 |
| | Communication | 1,7 | 1,5 |
| | Administration/Event logistics | 4,5 | 4,0 |
| | **Ratios** | | |
| | Support/back office staff (FTE) | 2,3 | 2,1 |
| | Payroll/total staff (€/FTE) | 72 850,0 | 47 120,0 |
| **Innovation Centre** | **Support staff (in FTE)** | **10,7** | **7,2** |
| | Per function: | | |
| | Business coaches and training staff | 5,2 | 3,5 |
| | Incubator management | 1,5 | 1,0 |
| | Project management | 2,9 | 2,0 |
| | Others | 1,2 | 0,0 |
| | **Back office staff (in FTE)** | **5,5** | **3,8** |
| | Per function: | | |

| Entity categories | Indicators | Average value | Median value |
|---|---|---|---|
| | General management | 1,5 | 1,0 |
| | Communication | 1,2 | 0,9 |
| | Administration/Event logistics | 2,7 | 2,0 |
| | **Ratios** | | |
| | Support/back office staff (FTE) | 2,0 | 2,1 |
| | Payroll/total staff (€/FTE) | 51 888,0 | 37 330,0 |
| **Business Incubator** | **Support staff (in FTE)** | **8,5** | **7,6** |
| | Per function: | | |
| | Business coaches and training staff | 4,2 | 4,0 |
| | Incubator management | 1,5 | 1,0 |
| | Project management | 1,9 | 1,3 |
| | Others | 1,0 | 0,0 |
| | **Back office staff (in FTE)** | **4,9** | **3,3** |
| | Per function: | | |
| | General management | 1,3 | 1,0 |
| | Communication | 1,0 | 1,0 |
| | Administration/Event logistics | 2,6 | 1,8 |
| | **Ratios** | | |
| | Support/back office staff (FTE) | 1,7 | 2,3 |
| | Payroll/total staff (€/FTE) | 44 901,0 | 41 474,0 |

Note: Sums of median values can be different from 100%

*Source: EBN*

# External resources

## STRATEGIC ALLIANCES

EU|BICs rely on a network of strategic alliances to implement their objectives.

The most common links made by the EBN members in 2018 were with universities, as roughly 84% of respondents established formal partnerships with universities, while around 16% operated on a non-formal partnership basis.

The second most common partners were Chambers of Commerce/Industry. Formal partnerships were primarily established with these entities (61% of the responses) rather than through non-formal agreements (39% of the responses).

Regional/local/development/innovation agencies ranked third as most-preferred partners with the share of formal partnership reaching 73%. For their part, most of the non-formal agreements were established with NGOs (72% of respondents).

### Table 14: Number of EU|BICs declaring formal or informal partnerships in 2018 with the following entities

| Entities | Total number | Formal partnership (%) | Informal partnership (%) | Total (%) |
|---|---|---|---|---|
| Accelerators | 93 | 52,7 | 47,3 | 100,0 |
| Banks | 97 | 62,9 | 37,1 | 100,0 |
| Business Angel Networks | 95 | 40,0 | 60,0 | 100,0 |
| Business Schools | 83 | 49,4 | 50,6 | 100,0 |
| Business Support Organisations | 98 | 61,2 | 38,8 | 100,0 |
| Chambers of Commerce / Industry | 110 | 60,9 | 39,1 | 100,0 |
| Coworking Spaces | 87 | 40,2 | 59,8 | 100,0 |
| Crowdfunding Schemes | 61 | 26,2 | 73,8 | 100,0 |
| Export Agencies | 65 | 35,4 | 64,6 | 100,0 |
| Innovation Centres | 96 | 63,5 | 36,5 | 100,0 |
| International Corporations | 68 | 51,5 | 48,5 | 100,0 |
| International Organisations | 87 | 58,6 | 41,4 | 100,0 |
| Large Companies | 88 | 51,1 | 48,9 | 100,0 |
| NGOs | 51 | 27,5 | 72,5 | 100,0 |
| R&D Institutions | 92 | 54,3 | 45,7 | 100,0 |
| Rapid Prototyping Centres | 63 | 42,9 | 57,1 | 100,0 |
| Regional / Local / Development / Innovation Agencies | 108 | 73,1 | 26,9 | 100,0 |
| Business Incubators | 93 | 62,4 | 37,6 | 100,0 |
| Seed funds | 83 | 44,6 | 55,4 | 100,0 |
| Tech Transfer Office | 83 | 54,2 | 45,8 | 100,0 |
| Technology Centres | 85 | 44,7 | 55,3 | 100,0 |
| Universities | 113 | 84,1 | 15,9 | 100,0 |
| Venture Capital funds | 88 | 38,6 | 61,4 | 100,0 |
| Other | 16 | 62,5 | 37,5 | 100,0 |

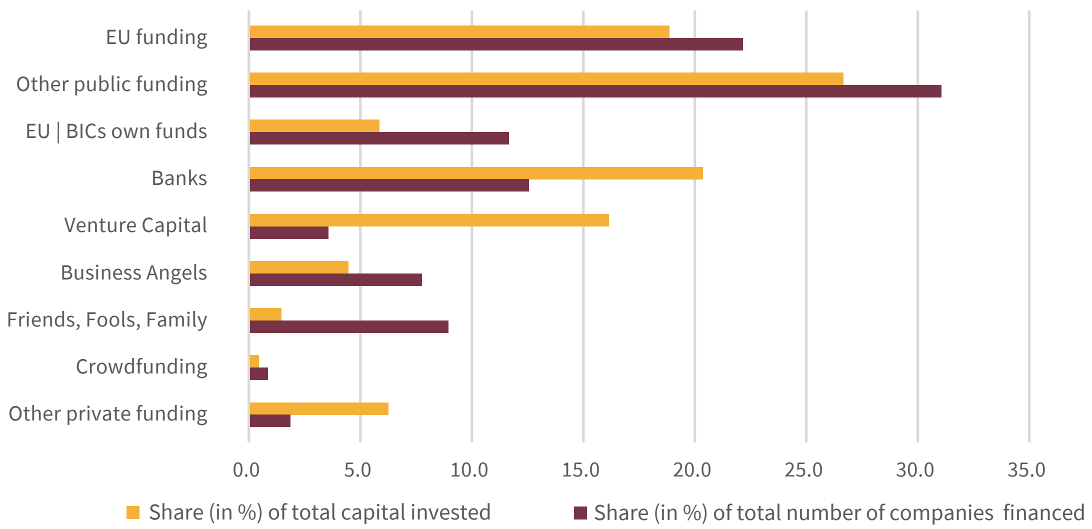
*Source: EBN*

## THIRD-PARTY INVESTORS

Figure 9 and Table 15 reveal that non-EU public funding schemes were the largest providers of capital when it came to providing finance to supported companies (27% of the total amount raised in 2018). The second source of funding were banks with a share above 20%. EU funding ranked third, totalling 19% of the amount raised.

When looking at the number of companies financed rather than the amount raised, the picture shows a different ranking. According to this metric, the first partners were other public funding schemes (almost 31% of the companies) but this is then followed by EU funding for 22% of the companies, with banks financing 12.5% of all companies financed.

### Figure 9: Investors financing supported companies by EU|BICs




*Source: EBN*

### Table 15: Investors financing supported companies by EU|BICs

| Investors | Number of companies financed | Share (in %) | Amount provided (€m) | Share (in %) |
|---|---|---|---|---|
| Banks | 867 | 12,5 | 232 964 704 | 20,3 |
| Business Angels | 535 | 7,7 | 50 779 569 | 4,4 |
| Crowdfunding | 58 | 0,8 | 5 096 706 | 0,4 |
| EU funding | 1 540 | 22,1 | 216 292 824 | 18,8 |
| Friends, Fools and Family | 618 | 8,9 | 15 938 343 | 1,4 |
| Other private funding | 128 | 1,8 | 71 171 755 | 6,2 |
| Other public funding | 2 160 | 31,0 | 305 936 196 | 26,6 |
| Venture Capital | 247 | 3,5 | 184 706 711 | 16,1 |
| EU\|BIC own funds | 809 | 11,6 | 66 506 270 | 5,8 |
| **Total** | **6 962** | **100,0** | **1 149 393 078** | **100,0** |

*Source: EBN*

**Carborem s.r.l.** is an Italian company which designs and implements innovative industrial plants for the treatment of sewage sludge, digestates and organic waste (e.g. the organic fraction of municipal solid waste, and agro-alimentary waste). Carborem was created in October 2017 as a spin-off of the University of Trento, establishing its headquarters in Progetto Manifattura, one of **Trentino Sviluppo**'s six business innovation centres, located in the Greentech pre-incubator known as 'Greenhouse'. In May 2018, Carborem gained second place in the ranking of the call for startup projects' 'Seed Money', managed by Trentino Sviluppo on behalf of the local ERDF Managing Authority. Carborem was granted €70,000 to be invested in activities related to the development of the first version of the prototype and its business plan. Following this, the company won both KIC Climate accelerator Phase 1 and 2, gaining financial and coaching support. In January 2019, the company secured first-round private investment of €150,000 supplied by Ecoopera and Consorzio Lavoro Ambiente, two industrial companies involved in environmental remediation.. Using the seed money provisions, Trentino Sviluppogranted an additional €100,000, thus achieving the objective of the call to create private-public investments for innovative startupstartups. Carborem will create a pilot by the end of the year, located at the sewage treatment plant in the town of Mezzocorona - formerly Distillery Val d'Adige - managed by the investors Consorzio Lavoro Ambiente and Ecoopera. After the pilot in the Province of Trento, the company could scale up in Europe. Carborem represents an interesting case of public-private cooperation, attracting private funds in a short time after the seed stage supported by ERDF public funds.

Trentino Sviluppo supported the company providing: pre-incubation services, physically hosting Carborem in open spaces in the Greentech coworking spaces of 'Progetto Manifattura', and mentoring services, coaching the members of the startupstartup team and providing courses to develop the team's entrepreneurial skills. Furthermore, Trentino Sviluppo presented Carborem to its 'Club Trentino degli Investitori', an informal network of about 80 investors (made up of former managers, companies, business angels and venture capitalists), built within the framework of the Interreg V-A Italia-Austria project 'Startup Euregio', involving partners from Trentino, South Tyrol and Tyrol.

## EXTERNAL CONSULTANTS

On average, all EU|BICs used 0.43 FTE external consultants in 2018. Those who mainly relied on the latter were the development agencies (0.40 FTE). Business incubators and innovation centres did not massively differ from this, as, on average, they respectively hired external consultants for an average of 0.39/0.34 FTE. Despite this, it should be noted that the medians for all categories were lower than the average values, indicating that some players used this external resource more than others.

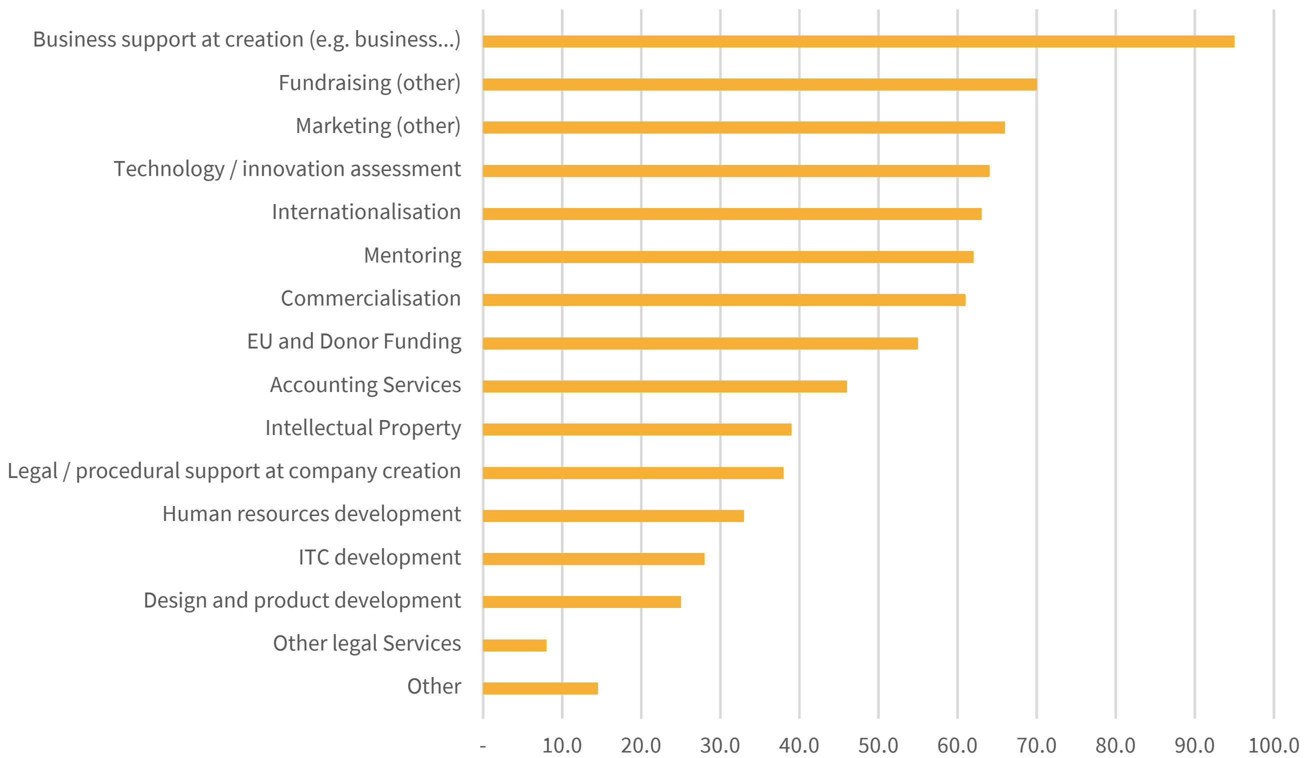
**Table 16: Average and median number of consultants per categories of EU|BIC (in FTE - 250 business days)**

| Categories of EU\|BICs | Average number of FTE | Median number of FTE |
|---|---|---|
| Development Agency | 0,40 | 0,24 |
| Innovation Centre | 0,34 | 0,11 |
| Business Incubator | 0,39 | 0,20 |
| Other | 0,58 | 0,18 |
| **All EU\|BICs** | **0,43** | **0,17** |

*Source: EBN*

EU|BICs called on external consultants firstly for business support at creation (95% of respondents). Around 70% of the respondents hired them for their competences in fundraising, 66% for their marketing expertise (see figure 10). Technology/innovation ranked only fourth, followed by internationalisation skills.

**Figure 10: Core expertise of external consultants hired by EU|BICs (% of respondents 2018 data)**




*Source: EBN*

The variation in the core expertise of the external consultants between 2017 and 2018 suggests that EU|BICs thoroughly assess the type of support needed by each company in order to provide the most tailored and comprehensive set of services to help them thrive and succeed. This provides evidence for the case-by-case support offered by EU|BICs, whereby the one-size-fits-all strategy is not implemented.

Figure 11 shows how accounting services is the only category which does not remarkably differ from the values of the previous year. On the other hand, we can observe that technology and innovation assessment, mentoring, marketing, internationalisation, commercialisation and fundraising always have higher rates – placing themselves as key services and expertise sectors on which EU|BICs tend to rely on for external consultants.

**Figure 11 - Breakdown of core expertise of external consultants (2017 and 2018 data)**

| | 2017 | 2018 |
|---|---|---|
| Accounting Services | 43% | 46% |
| Business support at creation | 29% | 95% |
| Commercialisation | 40% | 61% |
| Design and product development | 56% | 25% |
| EU and Donor Funding | 31% | 55% |
| Fundraising (other) | 36% | 70% |
| Human resource development | 44% | 33% |
| ICT development | 49% | 28% |
| Intellectual Property | 71% | 39% |
| Internationalisation | 48% | 63% |
| Legal / procedural support at company creation | 59% | 38% |
| Marketing (other) | 47% | 66% |
| Mentoring | 46% | 62% |
| Other legal Services | 57% | 8% |
| Technology / innovation assessment | 43% | 64% |

# Communications strategy

## EVENTS AND MEDIA

In 2018, EU|BICs organised 4,772 awareness-raising events. More than 184,000 people attended the events, representing an average of 39 participants per event (see Table 17).

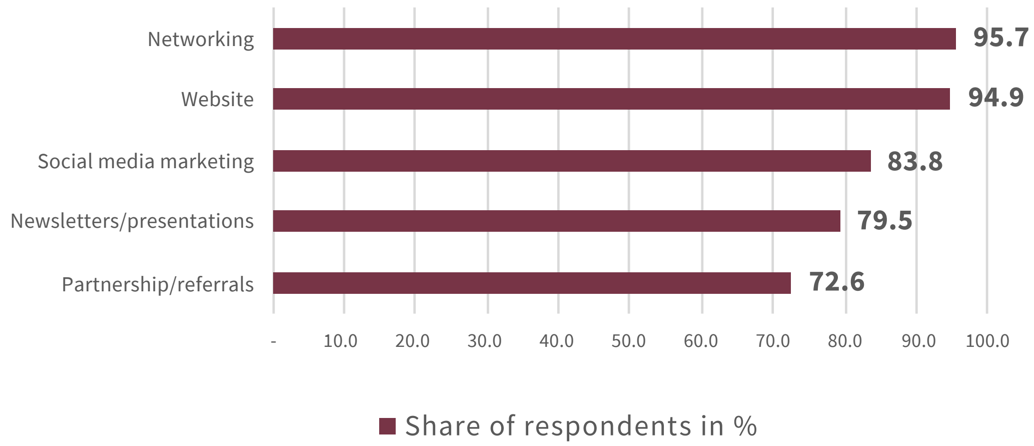
**Table 17: Awareness-Raising events organised by EU|BICs (2018 data)**

| | |
|---|---|
| Number of Awareness-Raising events | 4 772 |
| Number of participants in the events | 184 144 |
| Average Number participants per event | 39 |

*Source: EBN*

Other media channels used include networking events and websites (used by more than 94% of the respondents in both cases), followed by social media marketing campaigns, implemented by 84% of the respondents, ahead of more traditional channels such as newsletters and presentations, partnerships and referrals (see Figure 11).

**Figure 12: Public Relations by EU|BICs (2018 data)**




*Source: EBN*

## SATISFACTION MEASUREMENT

Almost 82% of the EU|BICs tracked and monitored their entrepreneur's satisfaction while providing business support services (see Table 18). 53% of them also measured this after the support period was completed.

**Table 18: Entrepreneurs' satisfaction monitoring by EU|BIC (2018 data - in % of respondents)**

| | EU\|BIC monitoring | EU\|BIC NOT monitoring | Total |
|---|---|---|---|
| While entrepreneurs were receiving support | 81,9 | 18,1 | 100,0 |
| After entrepreneurs stopped receiving support | 52,6 | 47,4 | 100,0 |

*Source: EBN*

# Incubation business line

In 2018, 83% of the EU|BICs provided physical incubation services to the entrepreneurs they supported. Their hosting capacities were, on average, for 271 persons, in 3 buildings representing 5,100 square meters (see Table 19).

**Table 19: Capacity by EU|BIC providing Physical Incubation Space (2018 data)**

| | Average |
|---|---|
| People-hosting capacity | 271 |
| Size in square metres | 5 099 |
| Number of buildings | 3 |

*Source: EBN*

The occupancy rate was, on average, 81%. This corresponded to an average number of 42 tenant businesses in the incubator. These tenants remained in the incubator for a period lasting, on average, 31 months (see Table 20).

EU|BICs implemented an entry strategy for 84% of them and an exit strategy for 62% of them.

**Table 20: Occupancy by EU|BIC providing Physical Incubation Space (2018 data)**

| | Average number |
|---|---|
| Number of tenant businesses in the incubator | 42 |
| Tenants having entered the incubator | 11 |
| Tenants having exited the incubator | 9 |
| Average incubation time (in months) | 31 |

*Source: EBN*

Beyond flexible co-working spaces offered by 75% of the respondents, businesses in the incubator could also benefit from rapid prototyping centres in 30% of the cases and end-user testing capacities in 26% of the EU|BICs. Access to wet lab facilities were offered by roughly 18% of the respondents.

**Table 21: Facilities provided by EU|BICs (2018 data)**

| Facilities | «Number of times mentioned by EU\|BICs» | Share (in % of respondents) |
|---|---|---|
| Access to wet lab | 21 | 17,8 |
| End-user testing | 31 | 26,3 |
| Flexible co-working space | 88 | 74,6 |
| Rapid prototyping centre | 36 | 30,5 |
| No facilities provided | 15 | 12,7 |

GBarena is an online gaming and e-sports community tailored for gamers. Founded in October 2017 by Samer Wagdy, Mustafa Zaza and Bishoy Mesdary, it was incubated by TIEC in Egypt. The platform helps gamers connect and challenge each other, enabling them to join a set of local and global tournaments, whilst also providing organisers with a platform that automates the whole tournament management process. Gbarena does this while also providing connections to potential sponsors. The platform handles everything starting from registration, match scheduling and bracket generation to match results and announcing the winners.

The idea was first dreamt up in 2015 in a gaming cafe, where the three founding members decided to attempt to solve the challenges faced by every professional gamer and tournament organiser. It received support from various international actors until it was incubated by TIEC in January 2018. During the support period, GBarena benefited from a wide range of services that include:

- Fully equipped company office at TIEC building in Smart Village;
- Access to shared facilities such as meeting and training rooms;
- Access to a network of mentors;
- Seed funding of 180,000 EGP

Eight months after being incubated they launched they first product! Moreover, they used the incubation fund to cover the cost of their participation in international competitions and exhibitions such as MIT, Gitex 2018 and Arab Net. Part of the fund was also directed towards providing technical, business and legal consultancy services. Marketing activities and printing materials also formed part of the support received.

In March 2019, GBarena raised six-figure seed funding from HIMangel. Today, GBarena is considered one of the leading startups in the e-sports industry and the first of its kind in the MENA region. It aims to expand and to compete on the global market.

# Internationalisation Activity

In 2018, 44% of the EU|BICs hosted entrepreneurs from a different country. On average, those who engaged in internationalisation activities welcomed 7 entrepreneurs per year.

Over the past five years, EBN has expanded its geographical reach beyond European borders by certifying business support organisations in Brazil, Argentina, Lebanon, Egypt, South Africa, Taiwan, China, Canada, etc. As a result, the potential and value to stimulate internationalisation activities have more than doubled Therefore, EBN is further developing its soft-landing programme in a more structured fashion, to further stimulate the exchange of European entrepreneurs to international markets and vice versa.

EBN is also part of ENRICH (the European Network of Research and Innovation Centres and Hubs in Brazil, China and USA). These H2020 funded projects have the objective of connecting and supporting European Research & Innovation & Business (R&I&B) organizations in the Brazilian, Chinese and American markets, while strengthening the European Union's position as a world leader in Science, Technology and Innovation.

Launched in 2017, with the goal of becoming self-sustainable by 2020, the centres provide a diverse set of services, including networking and partnering; business consultancy; pooling and sharing resources; investment attraction; capacity building and awareness- raising.

# CONCLUSION

In 2018, EU|BICs relied on an average annual income of €2.1m managed by an average team of 17 persons. Relying on a mix of public-private business models, and their embedded position within local/regional innovation eco-systems, they ensure that their role is acknowledged by the relevant public authorities in their catchment area and strengthen strategic alliances with both public and private institutions.

The heterogeneity of the EU|BIC spectrum remains noticeable as the characteristics (related to shape, size, scope of action) of the organisations may vary according – for example – to the territories in which they are located, their catchment area, sources of income.

The 117 surveyed EU|BICs received over 40,000 enquiries, of which approximately 16,000 resulted in new companies selected to participate in the EU|BIC's support programmes. The previous year, EU|BICs received 28,500 enquiries and selected 8,300 to support. This significant increase (+40% from 28,500 to 40,000), is in line with the widespread surge of people opting for self-employment and greater flexible working options. In turn, this resulted in the quasi-doubling of the number of new companies being selected by EU|BICs to receive support during 2018.

The entities that were followed throughout the entire company creation journey by EU|BICs were added to a portfolio business supported via additional, one-off support services that represented more than 23,000 companies in total. This figure is similar to last year's, as it indicates the sharp selection processes that the EU|BICs implement when selecting entrepreneurs into their service streams.

Once selected, the EU|BICs continued to provide sound and professional services to innovative entrepreneurs in 2018 by ensuring their support from the very initial ideation stage to the validation of concept/business model phases, all the way to scaleup and growth services. The provision of these services sets the EU|BICs apart from other non-certified business support organisations given that the EBN Quality Process ensures that besides being physically incubated, entrepreneurs receive the right mix of services to fail fast and scale quickly.

In 2018, EU|BICs also improved their efforts to help entrepreneurs access capital. They more than doubled the amount of finance raised for their clients from €560m in 2017 to 1.2bn in 2018. Since the second half of 2017, EBN has been encouraging its members to provide different sources/types of financing for their entrepreneurs to close the gap between the financial needs of companies and the financial aid they can rely on. While public funding (non-EU and EU) remain the main resource in terms of share of number of companies financed, accounting for more than 50% of the total, third-party investors (Banks, Venture Capital, Business Angels, etc.) account for roughly 40% of the total capital invested. Again, the report highlights the role played by EU|BICs in attracting third-party investments, which are significant but more selective (if we consider venture capital and business angels, they only financed slightly more than 10% of the total companies). Many of the EBN sectorial and thematic interest groups have been working towards this objective and will continue to do so in future.

The number of jobs created by the entrepreneurs supported followed the same upward and positive trend given that the EU|BICs recorded a 60% increase from 14,200 jobs in 2017 to 22,600 in 2018.

EBN has been placing emphasis on the support and access to skills and expertise in the following sectors: creative and cultural industries; social impact; eco-innovation, space and aeronautics, manufacturing and industry 4.0. Almost 60% of the enterprises supported were tech companies, mostly active in materials and electronics, ICT and communications. Moreover, as the network welcomes and certifies new organisations, which are always more sector specialised, and spread out internationally, EU|BICs have begun to boost their actions to import/export entrepreneurs and will continue to do so in the future.

# ANNEX: LIST OF EU|BICS WHO SUBMITTED THEIR YEARLY SELF-ASSESSMENT QUESTIONNAIRE IN 2019

**Name**

Ag-Bio Centre
Agropole
Angers Technopole
Atlanpole
Ayuntamiento de Madrid - Dirección General de Innovación y Promoción de la Ciudad
Barcelona Activa S.A.
BEAZ, S.A.U.
Berytech
BIC Alentejo - Sines Tecnopolo
BIC Araba
BIC BIZKAIA EZKERRALDEA
BIC Canarias - Instituto Tecnológico de Canarias
BIC CIAN
BIC Euronova S.A.
BIC Gipuzkoa
BIC Granada
BIC Innov'up
BIC Ostrava spol.s r.o.
BIC Plzen
BIC Staffordshire
BIC Zwickau GmbH
Bordeaux Technowest
Budapest Enterprise Agency
Bureau Economique de la Province de Namur
Business Development Friesland
Business Pôle - Sophia Antipolis
Campania Newsteel
CAP Innove
Castres-Mazamet Technopole
CEEI ALBACETE
CEEI Aragón S.A.
CEEI Asturias
CEEI Bahía de Cádiz
CEEI BURGOS
CEEI Cartagena
CEEI Castellón
CEEI Ciudad Real
CEEI de Murcia - CEEIM
CEEI Elche
CEEI Guadalajara
CEEI Héraclès
CEEI Nice Côte d'Azur
CEEI Plein Sud Entreprises
CEEI Talavera de la Reina
CEEI Théogone
CEEI Valencia
CEI Louvain
CIDE - SOCRAN asbl
CimArk
Consorzio ARCA
CorkBIC
Coventry University Enterprises Ltd
Créativ
CRESCENDO
Cyprus Research and Innovation Center Ltd - CyRIC
DEL – Développement Economique de l'Agglomération de Longueuil
DEV'UP Centre - Val de Loire
DNA Cascais
Dublin BIC
Entreprendre.wapi
ESTIA-ENTREPRENDRE – Technopole Izarbel
Eurobic Toscana Sud S.r.l
FI.LS.E. S.p.A
Fundació Balear de Innovació i Tecnología, Fundacióbit
Fundació CEEILLEIDA
Fundación madri+d
gate - Garchinger Technologie- und Gründerzentrum GmbH
IDELUX
Ideon Innovation
imec vzw
Incubateur Descartes
Incubatori FVG (Friuli Venezia Giulia) S.p.a.
Inkubator Sežana
Innova BIC S.r.l
Innovation et Développement Economique Trois-Rivières
Innovation Technopark IDEA
Instituto Pedro Nunes
ITRI - Industrial Technology Research Institute
JIC
Knowledge Dock - University of East London
Krakow Technology Park
La Maison de l'Entreprise S.A.
Laval Mayenne Technopole
Lazio Innova S.p.A
Le Grand Narbonne - Entreprendre et Innover
MATIKEM
Montpellier Méditerranée Métropole
Nonagon - Parque de Ciência e Tecnologia de Sao Miguel
North East BIC
Novitech a.s.
PCT Cartuja S.A.
Poznan Science and Technology Park
Puglia Sviluppo S.p.A
Raiar Incubator in PUCRS Science and Technology Park - TECNOPUC
RAIZ - Forest and Paper Research Institute
Ruse Chamber of Commerce and Industry
Science Park Graz
South East BIC
St John's Innovation Centre
Startup Madeira
Stichting StartLife
TagusValley
Technology Innovation and Entrepreneurship Center
Technopole de l'Aube en Champagne
Technopole Martinique
Technopole Quimper-Cornouaille
Technoport SA
Tecnopolis Parco Scientifico e Tecnologico
THE PLACE by CCI 28 - Eure et Loir
Thésame
Trentino Sviluppo S.p.A
TVT Innovation
University of Greenwich-Innovation Centre Medway
University of Warwick Science Park
Val d'Oise Technopole
WestBIC
Wirma Lappeenranta Ltd

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# NOTES

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