



Business Angels Support Instrument

Business Angel Awareness and Knowledge Sharing

Transfer of knowledge and practice to prospective and existing early-stage private investors who provide capital, encouragement and networks to help start-ups succeed

Preamble

This document was approved in the domain meeting of 05.11.2015.

1 Intended beneficiaries and support objectives

1.1 Potential applicants

The support instrument has a national outlook. It is aimed at organisations that represent different business angels and business angel networks/platforms, and at other organisations that support early-stage investment by private investors in Switzerland.

1.2 Context and objectives

The CTI supports technology- and science-based entrepreneurship and provides professional assistance in the creation and growth of technology- and science-based companies. It is one of the few, if not the only, nationally active institution in the innovation ecosystem. Technology- and science-based start-up companies make a significant contribution to economic renewal. They play a particularly important role when it comes to bringing radical innovations to the market, which through new technologies and business models can bring about lasting changes to processes and products and ultimately create new markets.

For technology- and science-based start-ups, it is often difficult to raise the required capital for developing their products, for launching their market entrance and building the required team. Initially, founders and their “family and friends” often provide the first capital. This is often supplemented with some public/private grants/awards. However, for the next financing need there is a substantial gap, which is best filled by angel investors or business angels. These are high net-worth individuals investing their own money and their management and/or their entrepreneurial experience into unquoted high growth potential start-ups. It has been demonstrated that angel investments are strongly linked to the growth, survival and access to follow-on funding of start-up companies. Unlike venture capitalists that manage the pooled money of others, business angels invest their own funds. Compared to other highly innovative locations around the globe, capital provided by business angels in Switzerland is not as high as it could be expected.

The aim of the **Business Angels support instrument** is to increase the number of business angel investments in science and technology based start-ups in Switzerland and to build up the knowledge of business angels so they can bring the most value to start-ups and maximise the chances of having a positive return on their investment. This should raise the chances of a sustainable private investor basis developing in Switzerland, which can continuously provide seed capital as well as encouragement and networks to technology- and science-based start-ups. This aim can be reached by adopting basic measures:

- **Awareness-building:** Organisation of national or regional events for potential investors, which help to build awareness of the activities of business angels. Meeting with experienced angels and start-ups (pitching, round tables or networking events) is considered as a plus. Building visibility of business angels in the media including articles, business angel profiles and case studies of how business angels support start-ups. This will be done via traditional and online media channels.
- **Initiation workshops:** Organisation of initiation workshops to transfer knowledge and practice to potential investors in order to increase the number of business angels and to build up knowledge about how to make start-up investments, support entrepreneurs and reduce investment risks. These sessions should also give tips on how to set up as a business angel and how to join organisations/networks for business angels and the platforms they can use to meet entrepreneurs and make investments. Meeting with experienced angels and start-ups (pitching, round tables or networking events) is considered as a plus.
- **Events for more experienced business angels:** Organisation of events at which good practice can be shared on a theoretical and practical level among more experienced business angels and business angel networks/platform managers. At the centre of these activities is the procurement of information on how business angels and angel networks can best co-invest and on the latest best practices from Switzerland and abroad on how to reduce investment

risks and how to best support science- and technology-based start-ups. Meeting with start-ups (pitching, round tables or networking events) is considered as a plus.

These basic activities will be expanded in the years to come (cf. CTI Strategy 2017 – 2020).

2 Business Angels support instrument

2.1 Requirements and performance portfolio

Applications are assessed based on the following eligibility and performance criteria:

2.1.1 Eligibility criteria

The eligibility criteria must generally be met. The Business Angels instrument is intended to support:

- Institutions domiciled in Switzerland, which represent a great number of private investors, including business angels and business angel networks/platforms, such as a trade association, and aspire mainly to invest in science and technology based start-ups or
- Consortia of institutions domiciled in Switzerland, groups or persons, which have a great number of contacts with business angels and/or different business angel networks/platforms, and aspire mainly to invest in science and technology based start-ups.

2.1.2 Performance criteria for regular funding

Applications and the level of funding are assessed based on the following performance criteria:

- Detailed concept for events on awareness-building and initiation workshops on angel investing as well as on events for more experienced business angels related to science and technology start-ups and entrepreneurs, indicating the methodology, the communication activities, the number of events of (potential) business angels and the number of technology- and science-based start-ups involved;
- The profile of a number of the business angel trainers and experts who will lead the workshops, both from Switzerland and abroad;
- A communication concept, which helps to enhance awareness-building for business angel networks in public media channels (traditional and online).
- An action plan for either national or regional coverage;
- A conceptual framework with elements to promote empowerment, bottom-up strategies and self-organisation among business angels as well as diversity, particularly in language, background, age and gender;
- A set of criteria determining the participation of (potential) business angels, business angel networks/platforms, other contributors to the financing eco-system and of start-ups at the events financed by the CTI;
- A feedback system which encourages new input for future activities, measures the number of new business angels, their activities and the degree of satisfaction of the (potential) business angels.
- Conceptual elements, which demonstrate the partial self-funding or even the long-term self-sufficiency of the funded organisation.
- A conceptual framework governing the intellectual property of documents used by experts and trainers for the events (open source, copyright of the authors, use by the CTI, etc.).
- Strategic outlook on how to increase the number of business angel investments in science and technology based start-ups by encouraging the growth of business angel networks and platforms, and on how to define a formal curriculum of training for novice and experienced business angels.

2.1.3 Performance criteria for set-up funding

- A new strategy with an action plan to increase the number of business angel investments in science and technology based start-ups by holding events on awareness-building and initiation workshops on angel investments as well as on events for more experienced business angels.
- Evidence that the offer is completely new and has not been funded by the CTI in the last three years.

2.1.4 Duration and funding

Funding is granted within the limits of the corresponding budget and is generally awarded for one year. For recurring projects, it is possible to apply for a two year funding, in which case funding for the second year is subject to approval by the domain of Start-Up and Entrepreneurship based on the reporting from the first year and/or a possible hearing. The maximum amount for regular funding is set at CHF 50 000 a year and is based on individual cases according to support instrument criteria. This maximum amount can be exceeded in exceptional and justified cases. Initiatives or platforms related particularly to women's entrepreneurship will be seen especially well.

CTI's contribution shall generally stay below 50% of the total costs. The budget has to be attached to the application.

Set-up funding is fixed at a maximum of CHF 20 000 and is generally a one-off payment. The Start-up and Entrepreneurship domain considers whether the organisation has been funded by the CTI in this context during the last three years or has been active in this exact same field or with this same strategy.

2.1.5 Quality management and performance measurement

A quality and performance management statement must be provided with the proposal, and should include quantitative and qualitative figures and describe the general impact in this field.

2.1.6 Procedure

The criteria listed under paragraph 2.1.5 are evaluated by the domain of Start-Up and Entrepreneurship and each time only the best applications are being granted a contribution.

Generally applicants for the Business Angels instrument can only submit one application per institution in parallel.

Calls for the Business Angels support instrument are advertised in Q4 on the CTI website www.kti.admin.ch. Applications should be made on the application form published there. Please, send us a signed version by postal mail and an unsigned version in word format by E-Mail to claudia.appenzeller@kti.admin.ch.

Deadlines for submissions are published on the CTI website www.kti.admin.ch under the under the sections funding opportunities / working for the CTI / Business Angel Platform

2.1.7 Tabular overview of criteria for regular funding

	Eligibility criteria (MUST criteria) <i>One of the two criteria must apply</i>	Indicators	Yes/No
E1	The applicant is an institution domiciled in Switzerland which represents a great number of private investors, including business angels and business angel networks or platforms, such as a trade association, and aspire mainly to invest in science and technology based start-ups.	Large number of private investors, including business angels or business angel networks represented by the institution.	Yes/No
E2	The application is submitted by a consortium of institutions, groups or persons domiciled in Switzerland who have a great number of contacts with business angels and/or different business angel networks/platforms, and aspire mainly to invest in science and technology based start-ups.	Large number of contacts with business angels or with one or several business angel networks, represented by a consortium of institutions, groups or persons.	Yes/No

	Performance criteria (funding)	Indicators	Weighting
P1	Detailed concept for events on awareness - building and initiation workshops on angel investing related to science and technology start-ups and entrepreneurs, as well as on events for more experienced business angels in this field, indicating the methodology, the communication activities, the number of events, of (potential) business angels as well as the number of technology- and science-based start-ups involved.	Quality of the strategic concept or action plan. Methodology for events (based on national or international good practice); volume (range, amplitude) of communication activities, which are planned; number of business angels and start-ups involved.	High
P2	The profile of a number of the business angel trainers and experts who will lead the workshops, both from Switzerland and abroad.	Track record of trainers and experts, broad range of expertise.	Medium
P3	A communication concept, which helps to raise awareness-building for business angel networks in public media channels (traditional and online).	Quality of concept, variety and character of channels used.	Medium
P4	National or regional coverage.	Geographic range.	High
P5	Factual proof that the applicant represents a consortium or group of more than one business Angel Organization. A conceptual framework with elements to promote empowerment, bottom-up strategies and self-organisation and diversity among business angels.	One or more co-applicants acting as a consortium or group. Elements, which help to promote empowerment and diversity of (potential) business angels (language, background, age, gender etc.).	High

P6	A set of criteria determining the participation of (potential) business angels, business angel networks/platforms, other contributors to the financing eco-system as well as of start-ups at the events financed by the CTI.	Criteria, which assure equal treatment of target groups (potential investors, start-ups etc.).	Medium
P7	A feedback system which encourages new input for future activities, measures the number of new business angels, their activities and the degree of satisfaction of the (potential) business angels.	Quality of the systems for quality management and performance (impact) measurement.	Medium
P8	Conceptual elements that demonstrate the partial self-funding or even the long-term self-sufficiency of the funded organisation.	Ratio of self-funding (short- and long-term)	Medium
P9	A conceptual framework regarding the intellectual property of documents used by experts and trainers for the events (open source, copyright of the authors, use by the CTI, etc.).	Quality of document management system	Medium
P10	Strategic outlook on how to increase the number of business angel investments in science and technology based start-ups, by supporting the growth of business angel networks and platforms, and on how to define a formal curriculum of training for novice and experienced business angels.	Innovative ideas on how to support growth of business angel networks and platforms in the future for curricula for the training of novice and experienced business angels.	Medium
P11	Elements in initiatives or platforms related particularly to women's entrepreneurship.	Special elements related to science and technology based start-ups, which shall be or are founded or operated by female entrepreneurs.	High

2.1.8 Tabular overview of criteria for set-up funding

	Performance criteria	Indicators	Weighting
PS1	A new strategy with action plan to increase the number of business angels by holding events on awareness-building and initiation workshops on angel investments as well as on events for more experienced business angels.	Quality of the described strategy with definition of measures.	High
PS2	Evidence that the offer is completely new and has not been funded by the CTI in the last three years.	Evidence of a novel approach, no funding by the CTI in the last three years.	High

2.1.9 Assessment of applications and appeals

The CTI Secretariat (Start-up & Entrepreneurship) reviews the formal aspects of the applications. The president of the Start-up domain and the three head coaches (Start-up Management Panel) provide their opinion on each application and then the Start-up & Entrepreneurship domain makes the final assessment based on the published criteria.

The CTI notifies applicants of its decision (and, where applicable, of any conditions) in the form of a ruling. If the decision to grant funding is positive, the CTI concludes a contract with the applicant.

Negative decisions also take the form of a ruling. Notifications of applications rejected on formal grounds will be made by the CTI Secretariat directly.

An appeal against the CTI's ruling may be submitted in writing, citing the grounds, to the Federal Administrative Court, Postfach, 9023 St. Gallen, within 30 days of notification.



Business Angels support instrument

Application form

Name of the event(s), platform or initiative	
Name and address of institution (associations that are affiliated with a university or foundations affiliated with a parent organization please state the exact address (c/o etc.))	
Invoice address (in case the invoice address differs from the address of the institution or invoices are handled by a partner or parent organization)	
UID Number of institution (if the institution is not registered, please submit the statutes and documentation of signature authorisation)	
First name and surname of applicant(s) (representative(s) of institution with signature authorisation)	
First name and surname of contact person(s) + contact information (telephone no. and e-mail address)	

Requested level of funding

Expected # participants per event/training session

Expected # participants per year

Expected # of science and technology based start-ups involved

Requested support per event [CHF]: excl. VAT

Requested support per year [CHF] : excl. VAT

Overall budget*:

CTI part of overall budget (in %):

Other sources of funding/sponsors? :

Remarks:

*The budget has to be attached to the present request.

	Requirements	Assessment (CTI)
E1 E2	Please describe your institution or your consortium and indicate what kind of private investors, including business angel networks or platforms, you represent or the kind of contacts you have with business angels or business angel networks. Please confirm that your organization aspires mainly to invest in science and technology based start-ups.	
	(max. 200 words)	
E0	Please indicate if you have other activities within the CTI or which are funded by the CTI.	
	(max. 100 words)	

	Portfolio of activities	Assessment (CTI)
P1	Please describe your concept for events on awareness-building and initiation workshops on angel investment as well as for events for more experienced business angels (methodology, communication activities, number of events, number of technology- and science-based start-ups involved).	
	(max. 100 words)	
P2	Please describe briefly the profile of the most important business angel trainers and their background. Please indicate their names.	
	(max. 100 words)	
P3	Please describe briefly your communication concept and indicate in particular the target groups and channels used (traditional and online channels).	
	(max. 100 words)	
P4	Please describe your action plan for either regional or national coverage.	
	(max. 100 words)	
P5	Please, provide factual proof that you represent a consortium of more than one business Angel Organization. Please describe how	

	you will empower business angels and promote bottom-up strategies, diversity and self-organisation among business angels.	
	<i>(max. 100 words)</i>	
P6	Please describe what kind of criteria govern the participation of (potential) business angels, business angel networks/platforms and other contributors to the financing eco-system as well as of the start-ups at your events (equal treatment of your target groups).	
	<i>(max. 100 words)</i>	
P7	Please describe briefly your feedback system (quality management, impact measurement).	
	<i>(max. 100 words)</i>	
P8	Please describe briefly your concept for partial self-funding or for long-term self-sufficiency.	
	<i>(max. 100 words)</i>	
P9	Please describe briefly how you deal with the intellectual property of the documents used by experts and trainers during the funded events.	
	<i>(max. 100 words)</i>	
P10	Please describe your ideas on how to increase the number of business angel investments in science and technology based start-ups, by means of supporting the growth of business angel networks and platforms, and how to develop a formal curriculum of training for novice and experienced business angels.	
	<i>(max. 100 words)</i>	
P11	Please describe special elements in your initiative or platform related particularly to women's science and technology based entrepreneurship, if you have planned any.	
	<i>(max. 100 words)</i>	

	Portfolio of set-up activities	Assessment (CTI)
PS1	Please describe your concept for events on awareness-building and initiation workshops on angel investment as well as for events for more experienced business angels (methodology, communication activities, number of events, number of technology- and science-	

	based start-ups involved).	
	<i>(max. 100 words)</i>	
PS2	Please indicate why this offer is completely new and that it has not been funded by the CTI in the last three years.	
	<i>(max. 100 words)</i>	

Date and signature (Applicant)

I hereby confirm that the information provided is truthful and accurate.

Place, date

Signature

Name and position

Thank you for your application!



Start-up and entrepreneurship

Assessment (CTI)
SU Management Panel (President, 3 head coaches)
Names:
Practical recommendation (motivation if rejected):
Referee and Co-referee
Names:
Expert recommendation (motivation if rejected):

Decision CTI: Minutes	
Members of Start-up domain present	
Names:	
<input type="checkbox"/> Approved, no conditions	Overall evaluation:
<input type="checkbox"/> Approved with conditions	Overall evaluation: Conditions:
Level of funding	
<input type="checkbox"/> Rejected	Overall evaluation: Grounds:

Date and signatures (CTI)

Place, date

Prof. Lutz Nolte

Dr. Vital Meyer (minutes)

apc, 06.06.2014/21.08.2014/16.11.2015