North
Innovation Lab

We help FinTech stay the course

Let's build the future of the banking industry through

North Innovation Lab

Topics we will cover

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a few words

In parallel of my 10 year experience as an investment manager, I have developed a strong interest in digital economy and innovation. In 2014, I had the opportunity to present to the previous CEO of Banque Internationale à Luxembourg – M. François Pauly, a business plan I elaborated, which shed some light on the following question: "Is crowdfunding an opportunity for BIL?".

Following the conclusions of my report, a working group was created. As a member of this group I was in contact with the bank's head of Strategy. I produced a weekly FinTech newsletter for 6 months, which provided some updates related to the FinTech industry.

By the time, my follow up and reports where not translated into action. Maybe BIL was not ready for innovation and digital was not a priority.

This highlights how an Innovation Lab will be useful for the bank. Not only it will support innovation and innovators but it will allow BIL to stay ahead of its competitors embracing digital technologies and thinking beyond classic banking in order to be customer centric and respond to continuous changing needs. Innovation Lab will be dedicated to innovation with the aim of identifying relevant technologies and solutions for its customers and helping BIL in its transformation plan. From a wider point of view, it will build new cross border leaders, relying on Legend Holding know-how.

Our secret sauce will be to develop an ecosystem of motivated, ambitious people, federated around a meaningful project and provide them with a space where ambition is valued, risk-taking is embraced, knowledge is shared and awesome products are built.

Based on Lean Startup model, we should start small, have huge ambition, be ready to fail cheap and fast, and learn as much as possible. Some projects will die while having spent just few resources, other will disrupt the entire industry and create exponential growth.

The Innovation Lab to be organized in 3 business lines: Product, People, and Growth. This organization will contribute to the development of 3 kind of projects, internal and external: collaboration with FinTech, ventures building or funding.

The purpose of this document is to provide the vision of what the Innovation Lab will be and how it will achieve its long term goals. In this document we will develop the following:

- How FinTech emerged since 2007 financial crisis and in what way they threat incumbent banks.
- Explain why BIL should launch an Innovation Lab.
- Our understanding of what the Innovation Lab will be.
- Explain the different missions that will be entrusted to the Innovation Lab.
- Assess the business model the Innovation Lab.

how all this began?

The financial crisis resulted in a loss of trust among retail customers who rushed to take their business elsewhere. At the same time, Financial Technologies (FinTech) Ventures popped up all over the world and brought many new concepts.

Disruptive technologies forced all industries to reshape their strategies and the very classic banking industry was no exception.

Just as during the 18th century and the industrial revolution, we are now experiencing the 4th economic revolution driven by technologies that are changing the way humans live and specifically the nature of banking.

From Wall Street to The City, bankers were hearing about a new technical jargon that came from the Silicon Valley: User Experience, APIs, digitalization are so many examples. At that time, only few banks embraced radial innovation adoption and most of them lagged behind in digital innovation.

New players seized the opportunity to take the most lucrative parts of their business which is an issue as classic sources of income, such as lending, are much less lucrative because of the erosion of interest margins.

This trend is a reality for more than a decade and the growing use of smart phones confirm the "mobile first" spirit. Customers want everything, anywhere, anytime.

This pressure is even being fostered by governments that publish new regulations which purpose is to increase competition amongst investment services while also boosting consumer protection. Last January, the PSD2 directive came into play, and GAFAM will be able to make payments directly without the bank's help.

Since then, most banks massively invested in IT and digital transformation. Those programs became a priority for 85% of them and a way to promote innovation and increase digital exposure is to launch innovation labs initiatives. Some are close to us and examples include L'Atelier by BNP Paribas, Start It by KBC or Le Village by Crédit Agricole which is even domiciliated within LHoFT, Luxembourg House of FinTech.

In all those aspects, FinTech and more generally, large Tech companies, represent a threat to banks as testifies Alibaba example becoming the 10th largest bank within only 4 years.

Bill Gates, 2010

"We need banking but we don't need banks anymore."

threats we plan to alleviate

Financial sector executives fear FinTech. Those new ventures could involve a loss of market share, a pressure on margins and an increase of clients' churn. Most traditional banks are associated with trust, security, significant capitalization and customer indifference.

Alternatively, FinTech are usually associated with mobile functionality, simplicity, accessibility, agility, personalization, convenience and overall, customer centricity.

.01

Customer-focus culture

According to a PwC Global FinTech Survey, only 50% of traditional players believe they are consumer centric compared with 80% for new comers who take over new functionalities wanted by end users.

Moreover, those FinTech mainly team up with millennials who have a digital native culture as they grew up in an environment that has been transformed by all the uses of new technologies. As such, they have a mobile-first approach which is consistent with end-users needs.

Customer expectations towards banking services changed and increased because of FinTech; traditional financial institutions need to understand and respond to them otherwise no doubt they will lose market share.

Customers want to be taken seriously, to be known, to be respected, and to be listened to.

Banks have to be honest with them, be trustful, and work the way customers work, ie being available everywhere and respond instantaneously.

.02

FinTech are agile

Size matters!

When an organization gets bigger, it becomes harder for it to keep culture of innovation. Instead of silos, FinTech have a flatter structure and just few barriers to change which encourages not only innovation but allow them to pivot and rebuild if needed. While freedom, pace, energy, adaptability, and flexibility are all concepts FinTech promote, governance, planification, rigidity, organization and risk focus are ideas conveyed by incumbent banks and make innovation difficult.

However, we have to admit that banks show a strong clients database, a large distribution network, decades of experience, and a certain financial power.

Partnering with these new agile ventures allows traditional players to expand and grow at much faster rates.

So. Competition or Collaboration? Threat or Opportunity? Cannibalism or Complementarity?

Those are the important questions banks face nowadays as they continue to deal with the boom in global FinTech. We will show in this vision document how an Innovation Lab will help BIL achieve its transformation plan and become a larger player in a borderless landscape.

stay ahead

BIL aims at staying ahead of its competitors embracing digital technologies though an innovation mindset. The bank thinks beyond classic banking and wants to increase the pace of innovation in order to be customer focus and respond to its changing needs.

Innovation Lab will be a BIL subsidiary dedicated to innovation with the aim of identifying relevant technologies and solutions for its customers.

As a focal point for innovation programs and activities, Innovation Lab objectives are the following:

.01

Support innovation & innovators

Foster innovation and digital in the banking industry, work with passionate, motivated and inspired people, and boost entrepreneurship within and outside BIL.

.02

Leadership

BIL wants to be a leader in Luxembourg digital banking landscape. Innovation Lab will be its weapon to reach that objective and to build new cross border leaders which will increase BIL valuation significantly.

.03

New way of thinking

Encourage outside the box vision, put ourselves in question, reshape what we know, learn from startups best practices such as agility and peer learning, admit that innovation comes from inside and outside, improve decision making processes.

.04

Synergies

Develop synergies and interactions with Legend Holdings Angel, VC and PE financial investments.

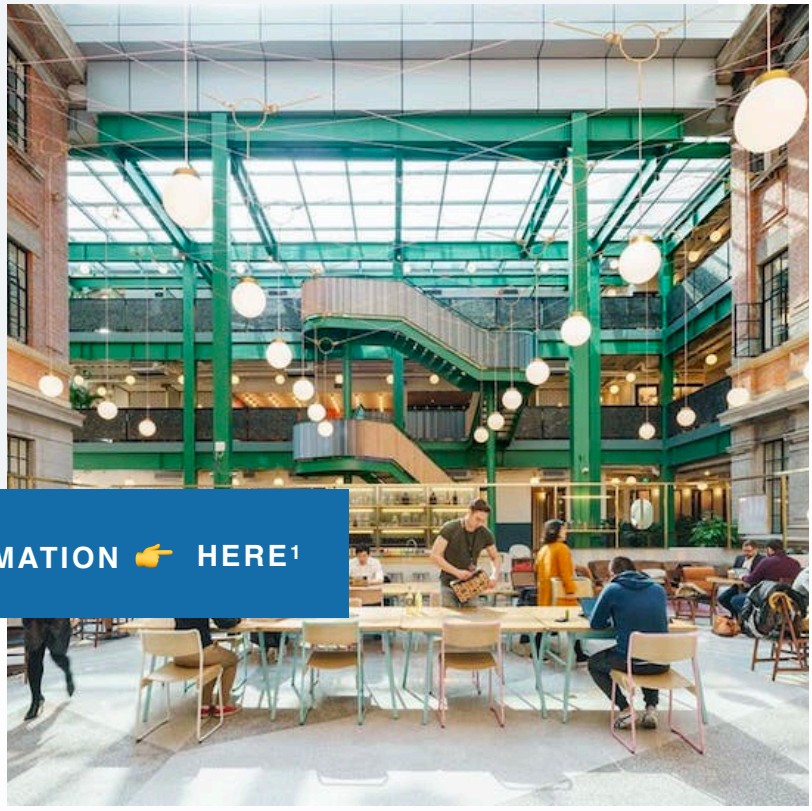
From an organization perspective, Innovation Lab should be an independent company because:

- BIL may want to limit reputation risk.
- Innovation Lab may need to raise funds from external counterparts in order to build large scalable projects and support fast-growth companies.
- Built services will be sold to incumbent banks with whom BIL competes.
- Innovation Lab will need another marketing and communication plan and actions as its targeted audience will not only be within Grande Région area.

The Innovation Lab will avoid to be a program where project holders are alone and projects that are not scalable at large level won't be supported.

our value statement

For **FinTech projects holders**,
Who want to be supported by **like-minded people** with whom they will learn, share knowledge and form lasting connections,
North is an Innovation Lab,
That **supports** financial projects from inception to scalability,
Gathering a large **network of experts** who are **operationally involved** and who will help scale and finance successful projects.



MORE INFORMATION 👉 HERE[1]

[1] https://adobbels.github.io/innovationlab/welcome.html

Why should BIL launch an Innovation Lab?

values that matter to us

1

Dare

People have big ideas! They must not keep them and we will help them build awesome products customers dream of.

2

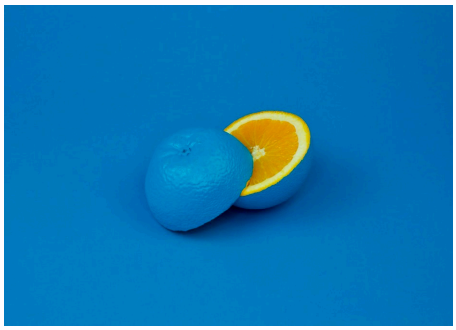
Meet

Learn from people and their experience. Knowledge sharing while having fun is key!

3

Impact

Founders and their projects will change the world.



4

Identity

Disruptive design and trendy brand is important to display a strong, singular and coherent culture.

stakeholders and actors

Key counterparts with whom we will collaborate

- BIL, Legend Holdings and its subsidiaries as shareholders, in particular:

1. Legend Star: it is the investment arm of LH specializing in incubation, seed and early stages. It primarily invests in companies based in China and prefers to invest in TMT & Innovative Consumption, Healthrcare, Culture & Sports, Professional Services & Intelligent Manufacturing.

2. Legend Capital: it is the investment arm of LH specializing in VC. It has the same investment focus than Legend Star.

With the Innovation Lab focusing on FinTech, it will be a new business development for the company.

- BIL's employees as experts from which founders and project holders will learn.

- Advisors / Mentors / Entrepreneurs willing to tell their story and support FinTech from a strategic point of view.

- Partners from different businesses: legal, accountancy, consultancy, HR, design etc.

- Services providers: unfair negotiated advantages with all startup tools such as Algolia, Aircall, Forest Admin, Sketch etc.

- External Investors (HNWI, VC, BA) willing to invest in ventures built in the Innovation Lab: Belair House, Private Banking desks, LBAN, Expon, Mangrove, Digital Tech Fund, European Investment Fund.

- Public entities and initiatives: City, Government, Chambre de Commerce, House of Entrepreneurship, Luxembourg House of Training, House of FinTech, Luxembourg for Finance, Luxinnovation.

- Startup Ecosystem: Incubators, Coworking, Newspaper, meetups.

- Business Schools, Engineering Schools, Universities, Clusters.

how are we different?

.01

With the right support, nothing is impossible

Hands-on mentoring and support

Unlike most of players in Luxembourg, Innovation Lab aims at helping entrepreneurs in their daily operational jobs and offers professionals practical solutions. We are not just a training center where CEOs follow a workshop and then go back home not being followed up. We will actively follow each project with 1-on-1 sessions. All actors and project holders will be provided with the tools and resources needed to help them realize their dreams.

.03

Community

People are key

We will develop a dynamic ecosystem and organize weekly and monthly events, focusing on the theory, on experiences of startups, on practical aspects of growing a company, on case studies and on interviews with successful entrepreneurs. We will develop our FinTech culture.

FinTech will be part of BIL ecosystem and will be hands-on mentored from experienced financial professionals, advisors, mentors, investors and entrepreneurs.
Proof of Concept will be deployed, put into the public eye through our communication channels and addressed to more than 220,000 customers.
Any project will be launched and accelerated in a minimum time and the gap between FinTech, corporates, cities, foundations and universities will be bridged to accelerate innovation.

.02

First class shareholders

BIL

That means FinTech products and solutions will be directly implemented and addressed to more than 220,000 customers.

Legend Holdings

It holds Lenovo, one of the largest computer makers in the world, which means that FinTech will have access to the latest available cutting-edge technologies.

Legend Holdings Angel, VC and PE investment management companies

They are among the best investment companies in China: ranked top 3 PE firms by Zero2IPO and ChinaVenture in 2015, and the second best early-stage venture PE firm in 2016 by ChinaVenture in 2017.

On the other hand, we will expect a lot from our built / incubated FinTech

Communication

clear, honest and relevant information on a regular basis

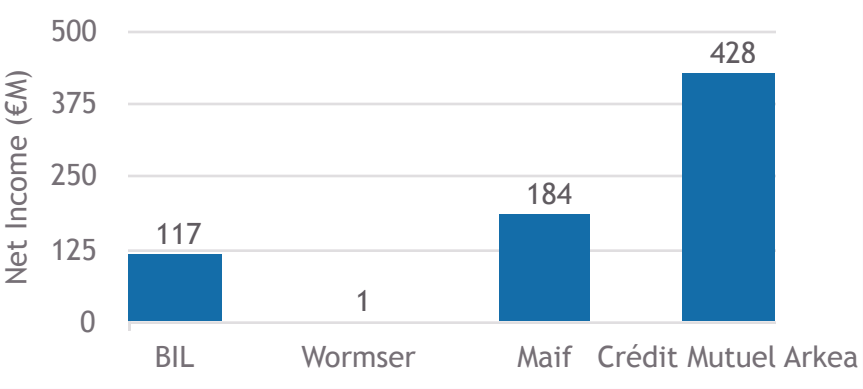
Commitment

spend 100% of their time on projects

Knowledge sharing and peer learning

teach other in material on which they are experts

from whom could we take inspiration



Dalai Lama

"If you think you are too small to make the difference, try sleeping with a mosquito"

.01

Crédit Mutuel Arkéa

Crédit Mutuel Arkéa bought and funded several FinTech such as MangoPay in 2015, or more recently Pumpkin and Yomoni in 2017.

The bank manages its own fund (€35M AuMs) and accelerator under the name West Web Valley[1]. Last year, it invested €20M to launch its own neo bank, Max[2].

The company has the full support of the whole digital ecosystem, from VCs to startups.

« *Arkéa est un acteur agile, moderne et innovant très utile à l'écosystème 'digital' français - sa taille moyenne et son indépendance sont certainement à la base de ce positionnement et de cette efficacité* » Jean-David Chamboredon, président ISAI

.02

Community

Maif manages Maif Avenir[3], a €125M fund that invests in innovative and digital startups.

For instance, it recently led a $7M investment in Ledger, a bitcoin hardware startup along with first class VCs (Xange and Kima Venture to name a few). In 2015, the fund invested €4M in Morning, a French neo bank.

Early 2018, Maif inaugurated its Startup Club and strengthened its support to startups.

Crédit Mutuel Arkéa and Maif are leading players in innovation within the banking and insurance industry.

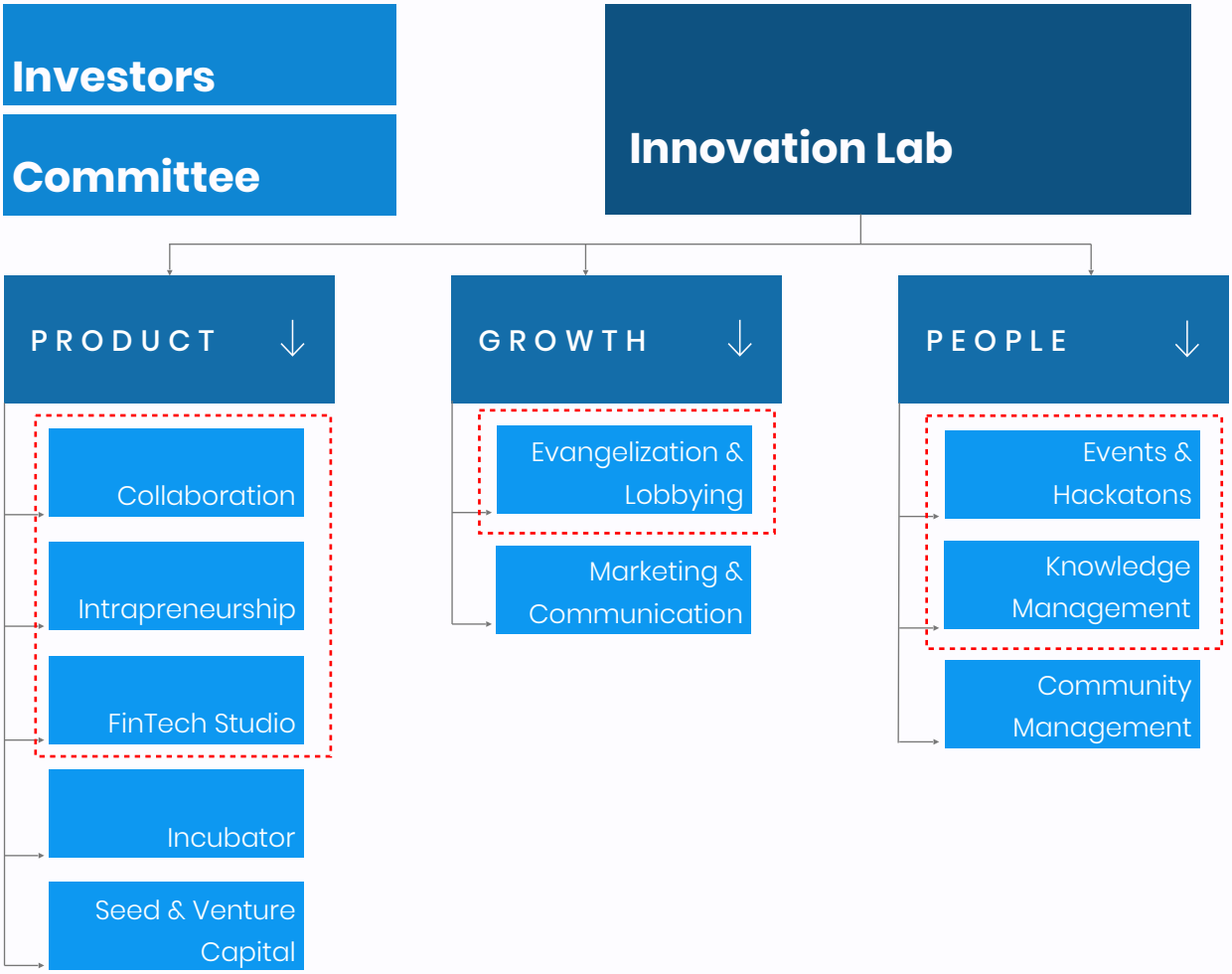
Those capital-intensive operations enable them to remain at the cutting edge of technology, monitor changes in consumption patterns and cultivate their agility in a rapidly changing environment.

Smaller initiatives exist as well. Banque Wormser Frères, founded in 1936, remains one of the only banks in France still independent, privately owned and managed by its founders.

However, the bank is really innovative: it has launched in 2014 a venture loan department and since 2015 the bank has partnered with Lendix[4], the leading online marketplace for business loans, enabling investors to lend money directly to small and medium sized enterprises. More recently, they launched Manager One[5] (an online business account for companies) with Saga Corp (an IT company managed by Adrien Touati).

[1] west-web-valley.fr/
[2] https://www.max.fr/
[3] https://www.maif-avenir.fr/
[4] https://en.lendix.com/
[5] https://www.manager.one/fr/

innovation lab structure



Activities currently under deployment
Collaboration: Neuroprofiler, Koosmik
Entrepreneurship: Innovation Days
FinTech Studio: First prototype: 24h loan[1]
Evangelization & Lobbying: Innovation Community
Events & Hackatons: Innovation Days
Knowledge Management: Develop service design knowledge.

[1] https://adobbels.github.io/innovationlab/Prototype_24hLoan.mov

innovation lab structure

.01

Innovation Lab Committee

An Innovation Lab committee will be created in order to help the Lab in selecting FinTech which have a significant potential for growth and the ambition to cause a real impact to the future. This committee should include a BIL executive, a Legend Holdings executive, Head of Innovation Lab, Head of Innovation Lab Incubator, Innovation Lab Head of FinTech Studio, Innovation Lab Head of VC, and if it exists, an external investors representative.

Our investment and selection should be made of several steps:

- An initial review determines whether the business fits our basic criterias.
- An initial meeting where the project holder uses this opportunity to present its business in details.
- A second meeting is our chance to focus on particular areas where we have questions.
- A committee meeting: if everything went well, Innovation Lab invites the founder to meet the partners of the committee and pitch the project to all of them.
- Final decision.

Our secret sauce will be to develop an ecosystem and provide a space where ambition is valued, risk-taking is embraced, knowledge is shared and awesome products are built.

Weekly events will be held and our strong brand image will allow us to be visible on a borderless landscape.

This secret sauce implies that Innovation Lab will be organized with 3 business lines: Product, People, Growth.

awesome financial technologies

.02

Product

Innovation Lab will promote innovation and help BIL pursue its digital transformation process in 3 different ways: collaborate, build, fund / buy

Collaboration and FinTech integration

After having spotted a FinTech that matches our criterias, we will plug its solution on the bank level.
This should be the first step and the most straight forward way to perform digital transformation.
BIL is already involved in this process as it is partnering with FinTech solutions such as IDNow, Budget Insight or Neuroprofiler.

Build with a FinTech Studio

FinTech Studio is an organization that builds companies using its own ideas and resources. It focuses on creating and developing a company from the ground up. It pulls business ideas from its own network of resources and assigns internal teams to develop them. It is a kind of a holding company that would be much more operational and hands-on than traditional holdings.

Being involved from the very start implies an important involvement of time, dedication and resources to work operationally on the project.

In order to create a business from the ground, Innovation Lab may partner up with external founders who will need to combine a strong business expertise with entrepreneurial vision.

The studio provides human capital and support: a place to work, advices from experienced persons, and other kinds of non-financial services such as getting over legal issues, help with HR, and general management advice.

After recruiting a great team, project is spin off into a venture, and Innovation Lab help it grow and become a successful business.

While VC typically place a large number of small bets, FinTech studio will only operate a small number of ventures at any given time and therefore should focus on models with medium risk-return profile.
There is a high potential ROI in case of exit / IPO.

Rocket internet (2007, berlin) founds online startups following the strategy of building companies on the basis of proven internet-based business models.
For instance, it founded Zalando in 2008, getting inspiration from zappos, a US company.
It IPOed in 2014, currently has ~300 employees (30,000 if we include its ventures) and had €2.2bn of turnover in 2016.

awesome financial technologies

.02

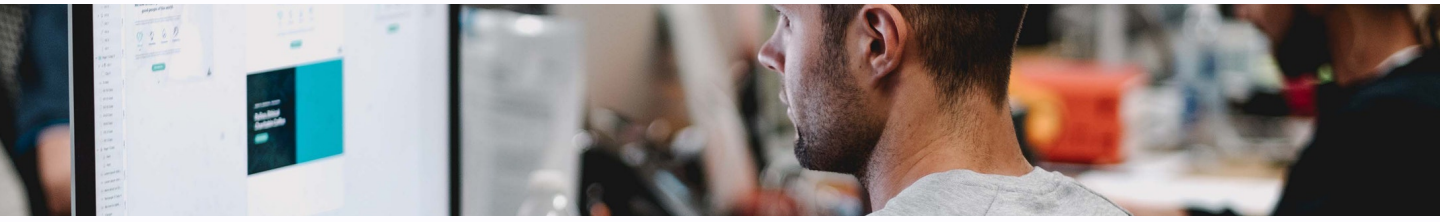
Product

Build with Intrapreneurship

It is a FinTech Studio from the inside.
Intrapreneurship initiatives encourage the banks' existing employees and undiscovered creative talent to submit ideas in areas in which they are specialized. It ensures innovation comes from the organization, promotes cultural transformation, conveys positive brand image and reputation, develops agility, answers a real need.

Employees will develop their own project for several weeks / months and a cross functional team will be built around them.

BNP Paribas for example has his Innovation Booster. However, some other non-financial companies are well known for their intrapreneurial programs, such as Intel. In 1998, it launched its New Business Initiative. Since then, the initiative allows employees to pitch their ideas, with the winners receiving funding and incubation.



Fund with a FinTech Incubator

This is a several month incubation program that targets early stage FinTech startups with huge ambition. The purpose is to create an optimal launchpad for entrepreneurs wishing to start their business.

Projects have access to our teams and to a carefully curated group of industry leaders to assist with both general company-building needs and with topics specific to each theme.

What will be included: office space, access to our corporate partners and sponsors offers, coaching and daily support from our experts, connection with other FinTech, invitations to our events, access to our knowledge center, pitch to partners and VCs at the end of the program, alumni will have access to all our resources.

Last November, ING FinTech Village[1] launched its third edition and invited startups from all around the world to apply to its program. Applicants had to be able to tackle 4 challenges: personal bank, secure bank, efficient bank and beyond bank. Deloitte, SWIFT Innotribe and The Bridge were the main partners.

[1] https://www.ing.be/en/retail/fintech-village

awesome financial technologies

.02

Product

VC Fund

In order to foster invention and innovation, and for investors who seek private equity stakes in financial startups with strong growth potential, Innovation Lab will launch its own fund. It will address this new asset class to BIL wealthiest customers that have high-risk / high-return profile.

We will partner with European Investment Fund and our fund might be listed within 2 programs:

- European Angels Fund: EAF provides equity to Business Angels and other non-institutional investors for the financing of innovative companies in the form of co-investments.
- Pan-European Venture Capital Fund-of-Funds program: it aims to further address Europe's equity gap, the fragmentation of the VC market and to attract additional private funding from institutional investors into the EU venture capital asset class.

As a reminder, BIL and EIF already partner through InnovFin program.

There are many synergies to build with Legend Holdings and Legend Star which manages approximately RMB2.5bn (~€340M) through 5 angel investment funds and over 200 projects. A new fund has just been launched as it closed a RMB800M (~€110M) round opened for the first time to third party investors.

As described previously, Crédit Mutuel Arkéa West Web Valley Fund and Maif Avenir Fund are great source of inspiration for the Innovation Lab.

Fund of VC Funds

Innovation Lab will launch a fund-of-funds and will invest in VC funds along with other institutional investors.

For instance, mid-July, BlackFin Capital Partners closed a new €180M fund which is now the largest independent FinTech fund in Europe. It will finance FinTech, InsurTech and RegTech, from seed to Serie C. The following institutional investors closed this first fund raising: Bpifrance, Groupama, Sogecap, Natixis Assurances, Swiss Life, Vaudoise Assurances Group, BNP Paribas, la Macif, Crédit Agricole, Banque Populaire, Caisse d'Epargne.
Innovation Lab could have invested in this round.

On the other hand, top 10 French private VC firms involved in FinTech are the following: Kima Venture, Xange Private Equity, Newfund, Partech Ventures, Truffle Capital, Idinvest Partners, 360 Capital Partners, Iris Capital, Elaia Partners and Alven Capital. Should those VC firms launch a new fund, Innovation Lab may participate in the round.

great people build great things

.03

People

In order to source new ideas, launch new projects, develop new skills and help BIL achieve its digital transformation, Innovation Lab will focus on people, on their development, interactions, vision and motivation.

This 3 minute video about Skello[1], or this 45 minute podcast on Boris Paillard[2], CEO of Le Wagon, are the kind of stories that will be built within the Innovation Lab. This is inspiring, motivating, visionary, and federative.

Problem-Solving on Demand

All founders run into a problem they can't solve: they haven't seen it before or don't know where to start. Innovation Lab will develop a network made of people who are our in-house experts. Whatever the issue, we will find the exact right person. Experts include executives willing to meet over coffee or help as official advisors in order to sky rocket FinTech data

Workshops / On demand training

An intense program will be delivered by the best speakers. Internal and external experts will be there to guide entrepreneurs with their project and help them gather all the tricks and tips they can't find in books or on the internet.
All workshops will be recorded and will be made available on the internet.

Those workshops could include topics such as:

- Project management methodologies: service design, story mapping, scrum, agility, lean startup.
- Technical: 2 hours landing page, mockup with Sketch and MarvelApp, UI, UX, Web design, Git and Github.
- Entrepreneurship: mindset, idea, team, product, technical workflow for a startup.
- Fund rising: pitch deck, roadshow, negotiation and closing.
- Sell: lead generation, pricing, go to market, large account sales, customer care and empowerment.
- Growth Hacking: KPIs, tests, analytics, acquisition, activation, retention, revenue, referral.

Koudetat[3] is a program run by The Family[4].

The Family

"We're not an incubator, not a VC, not an accelerator. We are The Family for entrepreneurs in Europe"

Initially all their workshops were held physically and attendees had to pay. After having recorded each of them, they made them available on their Youtube channel, Startup Food[5]. 53,000 people subscribed and each video has been watched tens of thousands times.

[1] https://www.youtube.com/watch?v=AiDhPJAzbnA&feature=youtu.be
[2] https://nouvelleecole.org/ep-01-boris-paillard-monter-wagon-code/
[3] http://www.koudetatondemand.co/
[4] https://www.thefamily.co/
[5] https://www.youtube.com/channel/UCYxgidQYV3WPD0eeVGOgibg

great people build great things

.03

People

Online resources

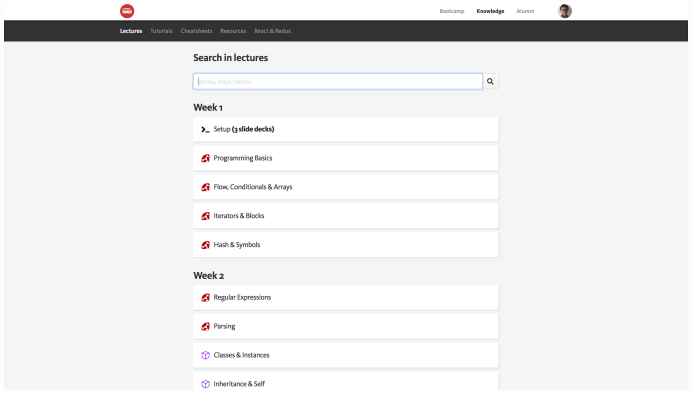
Every training support provided during workshops will be online. Alumni will have a fast and convenient way to look for the information they need.

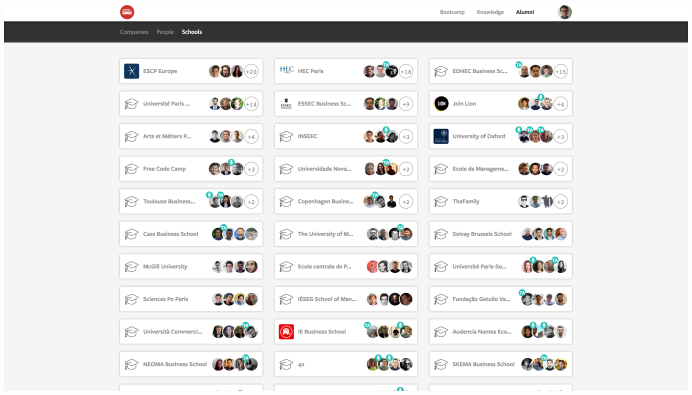
Alumni will also be able to share any materials they gauge useful.

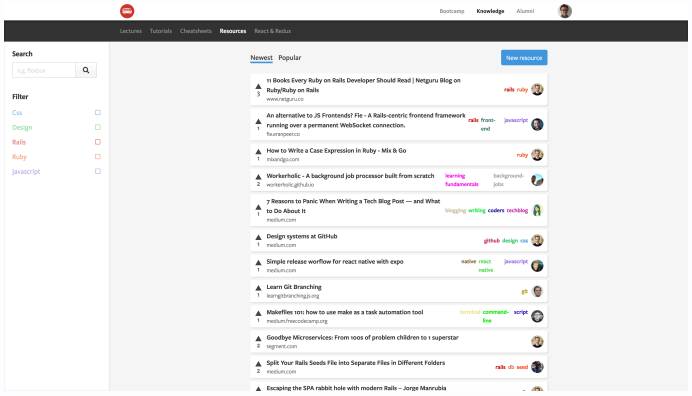
Le Wagon[1] (a 9 week-coding bootcamp rated first in the world according to Coursereport and Switchup, +3,500 alumni, 28 cities, 5 continents) developed such a solution for their alumni.

When students become alumni, they are granted an access to all Le Wagon resources:

flash card, tutorial, lectures, cheat sheets, Slack channels, and alumni details.







[1] https://www.lewagon.com/

great people build great things

.03

People

Talks / Podcasts / Youtube videos

Motivation is fleeting; it comes and goes depending on our moods and circumstances. The purpose of those weekly talks is to promote entrepreneurship, innovation and inspire attendees by learning from the best entrepreneurs.

They will cover insights from successful individuals in the business space: it is about motivation, success, failure, happiness, and fulfillment.

A vibrant entrepreneur or executive is invited to share his experience, to explain how he turned his idea into a profitable business, what issues he had to overcome, how he got helped at the beginning.
This is a source of motivation that is critical to success.
This is why talks will be recorded and available on demand.

Here is a list of podcasts that motivated me the most. Le Wagon[1]. Nouvelle Ecole[2]. Crème de la crème[3].

> *"Some of our most-loved products started at hackathons"*
>
> Pedram Keyani, Facebook Engineering Director

Hackaton

A hackathon is a venue where people come together and use technology to transform ideas into reality. All teams must be cross functional and self-organized. They include people with different profiles such as IT, design, projects and business.

Diversify[4] was a week-end event at Spotify in Stockholm, where 40 employees came together and designed, wrote code, and created new products.
There are many Apps and products that people don't know they were born at Hackaton. Among them, GroupMe[5], a group messaging app that was acquired by Skype for over $40M, or some of the best Facebook features such as the "Like button".

[1] https://shows.pippa.io/lewagon
[2] https://nouvelleecole.org/
[3] https://podcast-cremedelacreme.com/category/podcast/
[4] http://diversify.github.io/
[5] https://techcrunch.com/2012/05/11/from-disrupt-ny-to-a-43-million-skype-acquisition-groupme-tells-all/

great people build great things

.03

People

Community

Community management is a key part of any social strategy and is about relationships and how our brand seizes opportunities to interact with our community.
Our community will be made of our FinTech (in-house, incubated or funded), the target ventures we would like to work with, and all the people who interact with our brand directly and indirectly.
We must federate all the network that we will have gathered around our brand and vision.
We will create opportunities for people to learn and interact with each other: weekly talks and hackaton are good examples. We may organize monthly drinks or dinners where entrepreneurs, investors and media will have a good time.
We will organize our community around Slack and several channels will be accessible to our alumni. Those channels could include many topics such as jobs, help, pay-forward, products, ruby, JavaScript etc.
Entrepreneurs will be linked to our network of FinTech, specialists, mentors, and potential customers.

> *"Pay it forward: Respond to a person's kindness to oneself by being kind to someone else"*
> The Oxford English Dictionary

Coworking spaces

This is a good way to ease community development and to build an infrastructure to empower interactions. Coworking develops workspaces where FinTech and people will grow together in order to increase productivity, innovation and collaboration. We will offer flexible plans where FinTech offices will grow as their team grow, dedicated rooms to host meetings / events and all needed features such as internet, printer, or spacious common areas. Must read books / resources will be available in a dedicated library.

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.04

Growth

Growth mindset

"growth mindset" has become a buzzword in many companies. Growth, growth hacking, quantitative marketing, inbound / outbound marketing, technical marketing, or whatever, the purpose is to develop business, create and promote a trendy image with a strong brand.

We need to make our leads want to be part of our ecosystem, be proud of being one of us, give them the possibility to develop our community, and their referral must be automatic.

"Content is king"

Content production is the fuel for modern online marketing strategies, whether the goal is to drive more traffic via SEO or social media, get more conversions, or just feed the audience we will already have.
It is great for SEO, it encourages engagement, it generates new leads and it adds value to our service.

A study showed that 82% of buyers view at least 5 pieces of content from a company before they become a paying customer and 68% of them feel more comfortable with a brand after consuming content from them.

If we want to be competitive we need high-quality content. To do so, our experts and founders will write about their experiences, their perspectives and knowledge.
Been active on forums (Reedit, Stake Overflow), publish articles on Medium, make our workshops available on our YouTube channel, write white papers are good examples of what should be done.

Speed-Business Dating

As a FinTech, every opportunity you get to showcase your brand to a targeted audience of potential investors, partners and customers is invaluable.

On the other hand, as an Innovation Lab, we want to maximize the rate at which we will receive attractive business proposals and investment pitches

France Digitale created the France Digitale Tour[1] event which is a speed-business dating where VC and founders can discuss one-on-one for 15 minutes. We could get inspiration from this event.

[1] www.francedigitale.org/agenda/

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.04

Growth

Partnership

Innovation Lab will partner with universities, business and engineering schools. New entrepreneurship projects often require many capabilities and we will help them to acquire must-have skills, providing them with all the support they need to launch their business.

In that way, Innovation Lab will have access to young and ambitious entrepreneurs and will get a continuous flow of best ideas / talents / patents.

The CEO Training Program[1] managed by Legend Star and co-founded with Chinese Academy of Sciences, first opened in 2008, has been successfully held for 10 consecutive years. Its purpose is to discover and train talented entrepreneurs, incubate tech startups, and promote scientific and technological achievements.

Lobbying and evangelization

Evangelism is the commitment to preaching of the good about a particular mission. We need to build relationships (seek for influencers, press etc) in order to seed, create and grow a community that will share our vision. Ecosystem needs to be aware of our actions so that our traction and deal flow rate increase, allowing us to spot and meet best FinTech.

[1] http://www.legendstar.com.cn/home/ceo?lang=en

how will we make money?

Net Income from the business we built

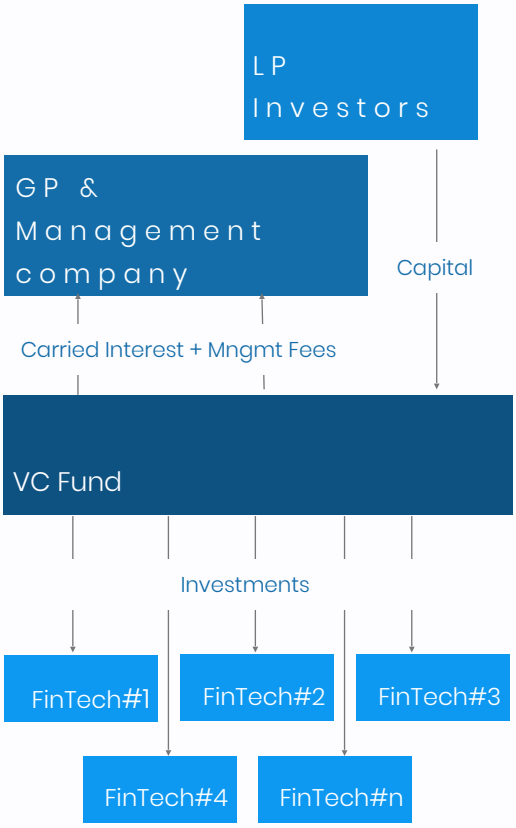
Obviously, once the project will be profitable, the team will stand on its own feet but from an investor point of view, once a venture scaled, there are two ways to make money from the shares he owns: i) capital appreciation which is the way described below, ii) dividends.
A dividend is a distribution of a portion of a company's earnings, decided by the board of directors, paid to a class of its shareholders. Dividends can be issued as cash payments or as shares of stock.

Exit: IPO, getting acquired, or sell our stake

After recruiting (or incubating) a team and put it through our development program, the venture will start standing on its own two feet.
A few years later, the venture we built or funded will either get bought by larger companies, get re-capitalized, or go through an IPO.
In case of success and in each case, the shares we own will be sold for more money than it originally cost us.
The profit will depend of i) the proportion of capital we own (100% if we built it from scratch, ~10%-20% if we funded it, <5% if we incubated it) and ii) the sale amount.

VC Fund and GP/LP structure

LP stands for Limited Partners, and GP for General Partners.
LP are the external investors (such as institutional investors as well as high net worth family offices and individuals) in a VC fund. They commit capital to the fund and demand a return for it. If something goes wrong, the investors' risk is only the capital committed.
The GP manages the fund and takes investment decisions. It is paid with management fees (typically 1% or 2%) which are a percentage of total amount of the fund's assets. Those fees cover general expenses such as salaries, consultants, travel etc. GP can also earn a carried interest which is a performance fee (typically 20%) charged on the basis of the total amount of profits which have been earned by the fund.



Coworking space

With the recent developments regarding the rise of the space-as-service industry, we could create multiple revenue streams, and rent coworking spaces. That would foster our community which would be more powerful and interconnected. We could offer offer various membership options.

For further information, please contact:

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