

# Spin-off support at Tecnalia Spain

**Authors/ discussant:**  
**Asier Rufino<sup>a</sup>**

<sup>a</sup> CEO, Tecnalia Ventures, Spain

The case study provides the CEO’s perspective on Tecnalia Ventures’ incubation and acceleration services for deep tech spin-offs, including the strategy to support spin-offs, its impacts, and lessons learnt.

## Topics covered

Deep tech start-ups, accelerator, incubator, investors, business support

### Tecnalia Ventures

- Founded in **2013** as subsidiary of Tecnalia
- Inspired by **Israeli tech transfer model**
- Provides **acceleration, incubation and venture building services** for Tecnalia’s most promising technologies
- It **develops early stage deep tech spin-offs** for international markets
- It also provides **consulting services for governments, companies, and investors** in Europe, Latin America and Asia

#### *Inspiring Business Forum (IBF)*

- Platform to link spin-offs to investors and large firms to business opportunities
- Large firms get access to Tecnalia spin-offs

#### *Tecnalia Venture’s Entrepreneur’s Club*

- Organises talks and coaching sessions
- “Human capital investment forums” to recruit CEOs

### Tecnalia

- **Private** foundation (non profit)
- Established in **2011** from a merger of 8 research institutes
- **Objective:** Transforming technology into GDP by creating business opportunities for companies and improving people's quality of life
- Annual revenues of **EUR 108 million** in 2018
- Board of trustees with **representatives from client companies**
- **6 business divisions:**
  - Energy and Environment
  - ICT
  - Industry and Transport
  - Health and Building Technologies
  - Lab Services

## Strategy to support spin-offs

➡ Focus on market pull (what investors want and VC as clients)

### *Accelerator incubator programme OMEGA*

#### 1st stage

Pitching sessions in front of an investment committee  
- Committee consists of real investors and technology experts

#### 2nd stage

Funding of spin-offs for prototype building and product development

### *Regional eco-system approach*

#### Minds

People that create technology-based business opportunities

#### Management

People with an entrepreneurial profile capable of bringing products to market

#### Money

Committed investors with long-term investment strategies

### Business services provided by Tecnalia Ventures

**Business**  
Start-ups,  
Companies

**Basic research**  
Universities

**Applied research**  
Tecnalia

**Smart Capital**  
Investors

**Smart Teams**  
Entrepreneurs

### Selection criteria for technologies

- **Technological value proposition** from the perspective of profit and loss (P&L)
- **Competitive advantage** based on industrial and intellectual property
- **Team competences** including technical skills and entrepreneurial skills
- Impact on the **creation of new markets**

### Main challenges for deep-tech spin-offs

- **Need for public procurement schemes** for technologies of deep tech spin offs
- **Small companies are penalised** in public procurement
- Establish **flexible hiring schemes** for CEOs
- **Supportive taxation** of early stage investment and R&D
- Establish a **public fund to acquire stakes** from the RTOs’ deep-tech spin-offs (avoid liquidity concerns)

### Lessons learnt

Translate research into technological products that resolve problems of end user companies

Protect technology in a way that will maximise its future economic value

Assemble well-rounded team of technological experts & business/ marketing/sales experts

Team needs to be able to launch product on the market

### Impact

- As of 2019: **555 patents and 167 patent families** in portfolio
- **95% of success rate** in patent concessions
- 2017: **2nd Spanish company in terms of EPO/PCT** applications (27)
- Successful **spin-offs**
- E.g. Nuevas Estrategias de Mantenimiento S.L. (won **EARTO’s European Innovation Award**)