Workshop
International Incubation
Best Practices and Cases

Tehran, 07.01.2020
Introducing
Fast Forward Advisors
MISSION & VISION

We make

Highly innovative small companies

GROW
MISSION & VISION

And help Mature corporations be more INNOVATIVE
MISSION & VISION

While partnering up with and supporting

Ecosystem Players
& Multipliers
MISSION & VISION

Founded in

2011

We define ourselves as

Entrepreneurial Consultants

We are deliberately

Industry-Agnostic

We work 100% as

Remote Teams
PRESENCE AND CLIENTS
LEADERSHIP

Luca Mohammadi
Managing Partner
Asia

Experience / Education:

Frank M. Saviane
Managing Partner
Europe & LatAm

Experience / Education:

ADVISORY BOARD

Gianfranco Pizzuto
Co-Founder Fisker Karma
US$ 2 bn valuation, raised Series D from top-tier investors in SV (e.g. Sequoia)

Tom Strodtbeck
Former Director NBIA
Worked with 40 incubators worldwide and had over 500 keynote speeches / workshops in the world most renowned top conferences
<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporations/SMEs</td>
<td>100+</td>
</tr>
<tr>
<td>Universities/Higher Edu.</td>
<td>15+</td>
</tr>
<tr>
<td>Governments/Dev. Agen.</td>
<td>5+</td>
</tr>
<tr>
<td>Startups/Scaleups</td>
<td>2500+</td>
</tr>
<tr>
<td>Accelerators/Incubators/STPs</td>
<td>150+</td>
</tr>
<tr>
<td>Venture Capital/Business Angel Nets</td>
<td>25+</td>
</tr>
</tbody>
</table>
Brief Intro
Our Thoughts on Iran
GLOBAL TRENDS
EXTERNAL FACTORS

- Globalization Regionalism
- Tech & Product LC
- Computing & Cloud
- Blockchain
- New Business Models
- Distributed Systems
- Crowd / Empowering
GLOBALIZATION VS. REGIONALISM
THE PROBLEMS / CHALLENGES IN IRAN

- Sanctions
- Public / Private Sector
- Institutions
SANCTIONS

■ SWIFT / Financial Markets
  - Iran can’t participate in global largest payment system
    → EU starting INSTEX efforts

■ Trade / Business Restrictions
  - Certain asset classes are under special inspections to oblige western / global regulations
Out of 1,650 Iranian bitcoiners surveyed in Persian Telegram groups, 25 percent earned $500 to $3,000 a month from working with cryptocurrency, according to a survey conducted by the analytics firm Gate Trade.
OVERVIEW OF THE ISLAMIC REPUBLIC OF IRAN’S RANKINGS IN THE 7 GII AREAS

The Islamic Republic of Iran performs the best in Human capital & research and its weakest performance is in Institutions.

- Human capital & research: 43
- Creative outputs: 45
- Knowledge & technology outputs: 46
- Global Innovation Index 2019: 61
- Infrastructure: 68
- Market sophistication: 100
- Business sophistication: 113
- Institutions: 116

*The highest possible ranking in each pillar is 1.

* GII 2019, WIPO
## STRENGTHS & WEAKNESSES

### THE ISLAMIC REPUBLIC OF IRAN’S INNOVATION STRENGTHS AND WEAKNESSES

The table below gives an overview of the Islamic Republic of Iran’s strengths and weaknesses in the GII 2019.

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Code</strong></td>
<td><strong>Indicator name</strong></td>
</tr>
<tr>
<td>2.2</td>
<td>Tertiary education</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Tertiary enrolment, % gross</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Graduates in science &amp; engineering, %</td>
</tr>
<tr>
<td>3.2</td>
<td>General infrastructure</td>
</tr>
<tr>
<td>3.2.3</td>
<td>Gross capital formation, % GDP</td>
</tr>
<tr>
<td>4.3.3</td>
<td>Domestic market scale, bn PPP$</td>
</tr>
<tr>
<td>6.1</td>
<td>Knowledge creation</td>
</tr>
<tr>
<td>6.11</td>
<td>Patents by origin/bn PPP$ GDP</td>
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<tr>
<td>6.14</td>
<td>Scientific &amp; technical articles/bn PPP$ GDP</td>
</tr>
<tr>
<td>6.2</td>
<td>Knowledge impact</td>
</tr>
<tr>
<td>6.2.1</td>
<td>Growth rate of PPP$ GDP/worker, %, 3-year average</td>
</tr>
<tr>
<td>6.2.5</td>
<td>High- &amp; medium-high-tech manufactures, %</td>
</tr>
<tr>
<td>7.1</td>
<td>Intangible assets</td>
</tr>
<tr>
<td>7.11</td>
<td>Trademarks by origin/bn PPP$ GDP</td>
</tr>
<tr>
<td>7.12</td>
<td>Industrial designs by origin/bn PPP$ GDP</td>
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</tbody>
</table>

* GII 2019, WIPO
FFA Incubation Meta Framework
FFA INCUBATION META FRAMEWORK (FFA IMF)

- An incubation framework based on 100+ incubator cases
  - Strategy & Objectives
  - Market & Industries
  - Ecosystem Focus & Development
  - Services & Processes
  - Funding & Shareholders
  - Infrastructures & Team
  - Business & Financial Model
Is there a clear strategic setup?

- Long-term and Short-term Objectives
- KPIs: Business / Financial / Institutional / Impact
- Focus on specific Sectors / Technologies / Phases / Maturity
  what is needed in the markets that you work in?
  if from an university → what is the university good at?
- You can use Business Model Canvas to model your STP / incubator
Are you focusing on a certain market & industry?
- What are your specialized in? (what is the specialty / core competence of the university?)
- In which markets do you want to support your tenants / companies for PMF / scaling / commercialization?
- Why? → focus helps in bundling resources and increase outputs
Is there an tech research & entrepreneurship in place?

- Local, national, regional or international level?
- If not, planning (with or without institutional help) how to close the gaps
What if we don’t have a specific ecosystem (or is too small)?

- Try to create a “new” one, based on history, core competence, resources, and trends
- Connect or be a first-class provider of larger ecosystems in your country, region, globally
- Facilitate discussion with public and private sector to enable missing parts

Examples:

- Israel
- China
- CEE countries in Europe
FFA IMF
SERVICES & PROCESSES

■ Evolution of support

- **Level 1: infrastructure**
  Provides high quality space and facilities together with value-added services

- **Level 2: startup/SME support**
  Facilitates the creation and growth of innovation-based companies through incubation and spin-off processes

- **Level 3: b2b linking / partnerships**
  Links innovative companies and research institutions throughout the world, facilitating the internationalization of their tenants
Evolution of support

- **Level 4: collaboration**
  
  *Stimulates and manages the flow of knowledge and technology amongst research institutions, companies and global markets*

- **Level 5: commercialization**
  
  *Supports their tenants in testing, validating and reaching commercialization goals in target markets*
What is the set of products and services that you are providing?

- hosting services = offices / labs / IT / equipment
- TTO = IP tech transfer, IP sold/licensed
- training services = workshops, b2b sessions, group mentoring & advisory
- incubation = companies internationally trading, startups in different phases, valuations raised
- acceleration = startup / scaleup portfolio, boosting in valuation, exit strategies
- professional services = b2b matching with corporations, ecc.
- networking services = enabling intangible assets (like e.g. partnerships, introductions, mentoring)
- commercialization services = support in finding and implementing softlanding in specific countries
Adopting standard processes to ensure operational excellence

- Standardize at least non-value adding steps in your services
  - offering / pricing
  - dealflow / origination / selection
  - legal
  - decision making stage gates (!)
  - kpis and reporting
FFA IMF
FUNDING & SHAREHOLDERS

■ Where is your funding coming from?

- Private vs. Public
  - mix would be ideal
  - private for business / finance
  - public for institutional matters
- Shareholders and BoD
  - should enable short-term and long-term agility and execution
Where is your funding coming from?

- **Offices, Labs, Coworking Spaces, Event Spaces, ...**
  *(Tangible)*
  - depends on what you want to offer and your business model
  - digitalization → dematerialization (but community and trust still important for an ecosystem)
  - ICT networks and services

- **Networks / Connections, Partnerships, Access to Assets / Opportunities, ...**
  *(Intangible)*
  - don’t have high cost and can make the difference
  - some are strategic / some other could be activated at request
Is the Team / Talent suitable?

- Business Incubation needs T-shaped professionals that can “connect dots” and have the right “openness”
  - Mix of entrepreneurial, corporate and institutional talent, but all with the same “philosophy”
  - International profiles that connect within and outside of ecosystems
  - Be able to connect to specific expertise that can be found outside (mentors, consultants...)

ffa IMF
INFRASTRUCTURE & TEAM
Diversification is key for success

- Mixed revenues / income from:
  - public funding & grants
  - projects (collaborative within own ecosystem or other ecosystems)
  - revenues from products / services to tenants / ecosystem stakeholders
Business Models of Products / Services

- hosting services = linear business model
- TTO = % of royalties, % of deal
- training & event services = paid for external parties, free internally
- incubation = revenue share, equity → SME monetization or Exit strategy
- acceleration = same as incubators (but more early stages for early validations)
- professional services = % on deals made between companies
- networking services = participation fees, % of long term potential of the partnerships
- commercialization services = % of revenues in new market
Examples:
PoliHUB / Politecnico di Milano
POLIHUB / POLIMI

NUMBERS

- Politecnico di Milano University
  - 45,000 students (7,000 foreign students)
  - QS Ranking = Top 150 universities in the world
  - Core competence: Engineering, Architecture, Industrial Design
PoliHub is the Politecnico di Milano incubator, managed by Fondazione Politecnico di Milano.
PoliHub’s mission is to support highly innovative start-ups with scalable business models to foster cross-fertilization between the academy, the various start-ups and consolidated companies focused on innovation.
PoliHub facilitates the exchange of experiences, knowledge and entrepreneurial networking.
The centres of excellence of Politecnico di Milano are: MIP, PoliDesign and Cefriel; aimed at collaboration with businesses.
PoliHub as startup / innovation “district”
- Real estate (offices, small labs, makerspace, design workshops)
- Close to the university (industrial design and practical engineering degrees) with labs and facilities of the university
- Clear objective of maturing and monetizing the knowledge at PoliMi on a European scale
- Focus on PoliMi core competencies and skills
POLIHUB / POLIMI

ACTIVITIES

- The incubator includes all connection efforts between the external stakeholders and PoliMi R&D, IP and projects
  - TUTORSHIP (Forming teams and prototyping)
  - PoliHub offers an intense business empowerment program, specifically designed for startups, in collaboration with MIP, the Polytechnic University of Milan’s business school and center of excellence. The program offers input from key players in the worlds of business and venture capital, specialty seminars on crucial topics for startup development and in-depth workshops on technological themes.
POLIHUB / POLIMI
ACTIVITIES

The incubator includes all connection efforts between the external stakeholders and PoliMi R&D, IP and projects

- **MENTORSHIP** (Defining a business model and market viability)
  - The mentoring program is tailor-made for PoliHub’s startups. Every entrepreneurial initiative is supported by one or more expert mentors with experience in the relevant sector, who help accelerate the growth of the individual startups.
  - PoliHub has a Mentor Club, whose members have specialized experience and skills to select and validate business ideas. Take a look at the Mentor Club members’ profiles.

- **OPEN INNOVATION**
  - We help businesses to innovate
  - PoliHub helps consolidated companies with “open” innovation by identifying and selecting startups and supporting the development of new innovative technology companies.
POLIHUB / POLIMI
ACTIVITIES

- The incubator includes all connection efforts between the external stakeholders and PoliMi R&D, IP and projects
  - ADVISORY (Research, financing and scale-up support)
  - Advisory is a service offered to PoliHub’s startups in order to support them in private and public fund raising. PoliHub operates with the main Italian and foreign Venture Capital funds and Business Angel and important Corporate Venture networks. In addition, PoliHub directly participates in Ban-Up, a holding company created to favor startup financing.
  - Finally, PoliHub operates via Fondazione Politecnico di Milano to identify major sources of public, national and international funding, startup funding and to build specific co-financed applied research projects.
POLIHUB / POLIMI

ACTIVITIES

- The incubator includes all connection efforts between the external stakeholders and PoliMi R&D, IP and projects
  - **OPEN INNOVATION** (We help businesses to innovate)
  - PoliHub helps consolidated companies with “open” innovation by identifying and selecting startups and supporting the development of new innovative technology companies.
  - The main “open” innovation support services offered by PoliHub are:
    - Startup Intelligence
    - Hackathon
    - Startup Scouting & Innovation Consultancy
    - Tailored Startups
    - Corporate VC
    - Corporate Spin-off
    - Call for Ideas
POLIHUB / POLIMI PARTNERSHIPS

- The incubator partners up and launches collaboration projects
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Innovation | Ventures
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