



STARTUP³

Annex 1: Open Call Text

February 2020



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List of Abbreviations and Acronyms	
CVC	Corporate Venture Capital
KPA	Key Performance Area
MVP	Minimum Viable Product
SME	Small and Medium Enterprise
VC	Venture Capital

1 Introduction

This document provides a full set of information regarding the Open Call for Proposals for the STARTUP3 Project. The Sub-Grantee Agreement model (Annex 4) must be additionally considered for the submission of a Proposal.

STARTUP3 will launch an Open Call aiming to support (in 3-stages) the most promising and near-to market fast growing product concepts throughout the innovation cycle, in view of facilitating synergies with “market-makers”. The 3-stage growth support programme is a mixture of cross-sectoral/-border business and technology specialised services/activities with funding and access to network.

1.1 STARTUP3 Project Background Information

Deep-tech innovations are defined as disruptive solutions built around unique, protected or hard-to-reproduce technological or scientific advances. Deep-tech innovations lie at the crossroads of massive shifts in demand led by megatrends (such as global climate change, demographic shifts, resource scarcity, and an aging population) and scientific progress (such as the discovery of the CRISPR-Cas microbial adaptive immune system) and are impacting all industries.

In a survey conducted by Hello Tomorrow and BCG, and answered by more than 400 deep-tech startups, the challenges that respondents identified most frequently included lengthy time-to-market (27%), high capital intensity (25%), technology risk and complexity (17%), and yet-to-be-developed commercial applications (14%)² To address the challenges, deep-tech startups need go beyond funding (which 80% of the startups surveyed ranked among the top three challenges they faced) to such issues as market access (61%), technical expertise (39%), and business expertise (26%)

To access the resources that they don't have internally, startups rely on several stakeholders, each of which addresses specific needs. Such collaborations are especially important for deep tech since it lies at the crossroads of fundamental research and industrial application.

Universities, the public sector, business angels, and venture capitalists may have crucial roles to play in the development of deep-tech startups, **but corporates**—whether midsize, large, or enterprise-size companies— **are the only potential partners that can meet all of the startup's needs, combining technical, industrial, and commercial visions and skills**. That fact explains more than 95% of startups in the survey wish to develop a long-term partnership with a corporate, and 57% of them have successfully established one.

The first step is to define a clear mandate for collaborating with startups, which is in line with corporate strategy. This mandate focuses on venture objectives and R&D fields. In terms of STARTUP3, corporates need to communicate their needs and requirements, (Key Performance Areas - KPAs).

² <http://media-publications.bcg.com/from-tech-to-deep-tech.pdf>

It is our vision to build smart spaces ecosystem, a reef-like deep-tech hub-of-hubs that fosters deep tech startups/ SMEs to scale and capture new opportunities for funding and business expansion. As a first step, STARTUP 3 will scout for top founding teams to identify (uptake) breakthrough innovations from deep tech verticals (i.e. built on tangible scientific discoveries or engineering/ technical advances). Then STARTUP3 will help them fine tune (upgrade) their technologies/ business models and align their value proposition to the actual market demand (the so-called Key Performance Areas – KPAs). Finally, STARTUP3 will bring together top deep tech startups/SMEs and the most prominent corporate innovators – CVC arms, incubators and accelerators, and innovation labs (facilitated by clusters and digital innovations hubs – DIHs) with the aim of catalysing productive interaction (upscale). This catalysation is rooted towards networking of deep-tech focused players (collaborative ecosystems and open innovation), raising understanding of the benefits of head spinning deep-tech innovation, smart take off and soft-landing support. STARTUP3 will support innovators (deep tech startups/ SMEs) all the way from product-market-fit to a healthy, sustainable business, offering them tailored business and technical support as well as access to capital and markets through a novel business and growth programme. As such, the project will directly support high potential deep tech innovators to achieve market success on a pan-European and international level.

Through an open/collaborative hub-of-hubs, STARTUP3 will create a pan-European startup/corporate matching platform where high potential innovators (startups, SMEs from deep tech verticals- ‘innovation suppliers’) are challenged by Corporates (‘market makers’) to fine-tune their deep-tech innovative and disruptive solutions to meet an actual market need.

Throughout the project, we will unlock the innovation potential within deep-tech-focused startups/SMEs and uncover opportunities to build relationships and partnerships across the corporate landscape. To bridge the best of two worlds, STARTUP3 will provide access to a personalised business and growth program that includes: immersion into thriving deep-tech scenes across Europe and internationally, technical & business mentors, scale up supporting activities, access to funding opportunities and exposure to global markets.

STARTUP3 will launch an Open Call aiming to support (in 3-stages) the most promising and near-to market fast growing product concepts throughout the innovation cycle, in view of facilitating synergies with “market-makers”. The 3-stage growth support programme is a mixture of cross-sectoral/-border business and technology specialised services/activities with funding and access to network.

1.2 STARTUP3 Project Approach

STARTUP3 is unique because it i) helps deep-tech startups/SMEs from smaller, less mature ecosystems to co-create strategic growth opportunities across more mature markets (STARTUP3 Discovery Missions), ii) builds bridges between deep-tech innovators and top-tier corporates, VCs and private equity firms for synergy, industry guidance/support, funding, and the likes (STARTUP3 Innovation Hub) iii) offers unique technology support, community, and go-to-market benefits to help them grow.

In order to navigate investment risks and opportunities in the high-risk, high-reward deep-tech sector, European SMEs need simultaneous access to market and technical & industrial expertise and

capability unique to deep-tech commercialisation. STRATUP3 aims to offer exactly this type of access to startups/SMEs by harnessing the potential of ‘corporate open innovation’ and through a systemic approach geared towards viable commercialisation of high-potential deep-tech products and services.

In our overall concept, the following main dimensions play a major role (see Figure 1):

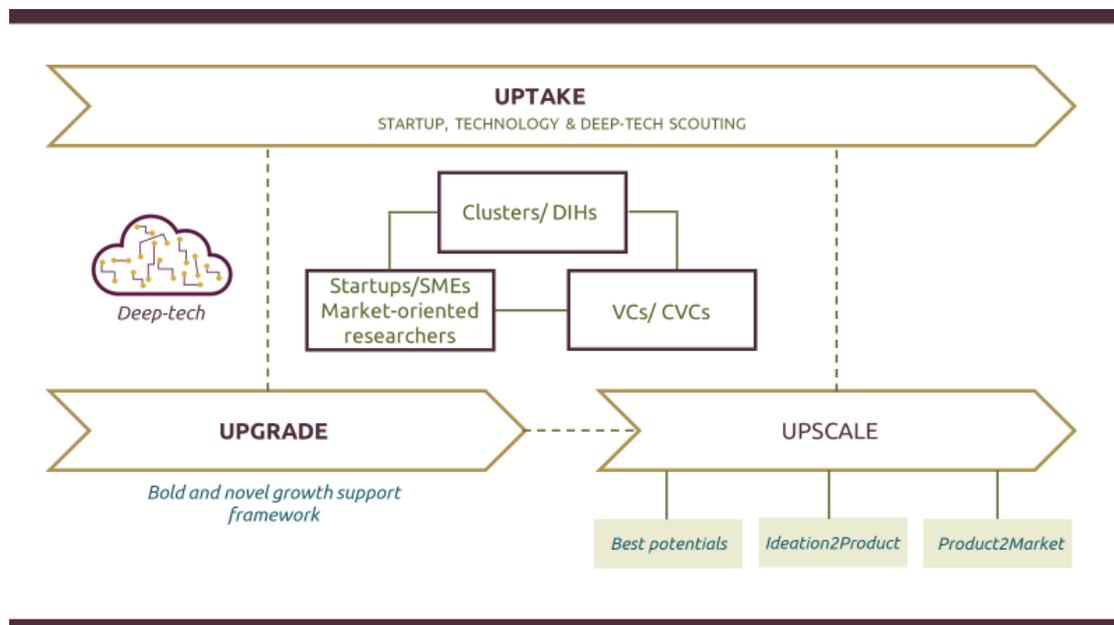


Figure 1: STARTUP3 Overall Concept

- I. **UPTAKE** is about finding and engaging innovation, i.e. high-potential startups/SMEs from deep-tech fields; through our ‘hub of hubs’ we leverage cluster/DIH-built synergies to foster the sharing of obstacles and best practices in startup-corporate collaboration and exchange of knowledge on ecosystem specific conditions/challenges (via Ecosystem Discovery Missions);
- II. **UPGRADE** here we unveil a dedicated growth support framework called ‘Ideation2Market’; the goal is to fine-tune and polish innovations with excellent growth potential and make them more attractive for commercialization in Europe and beyond;
- III. **UPSCALE** is designed to bring growth-stage startups/SMEs right into the VCs/CVCs community to showcase/ pilot their products, get feedback and gain access to capital, new customers and future partners; with the common goal being to enhance deep-tech innovators’ access to real market demands and providing them with an opportunity refine their products accordingly.

STARTUP3 will allow innovative deep-tech startups and scaleups to explore different incentives, tools/platforms and resources along its intensive growth support programme. The underlying aim is to facilitate deeper understanding of the latest trends and dynamics behind deep-tech commercialisation, and how startups and corporates can (soft) land successful business partnerships.

Along the UPSCALE Pillar, we leverage the community built in the UPTAKE Stage and launch an open call through which startups/SMEs are selected to go through the Ideation2Market programme exploiting all the services prepared/fine-tuned under the UPGRADE Pillar. We have designed the UPSCALE pillar keeping in mind that the key roadblocks for deep-tech startups/SMEs are the lack of funding, market access and business knowledge. We offer a full suite of services where participants can benefit and understand their potential early enough to make any necessary adjustments or pivots.

For the successful Innovators, STARTUP3 offers the three-stage growth support programme described in the table below. Clearly, we begin from measuring the disruption potential, proceed with MVP development/optimisation and finally with market penetration, i.e. piloting.

<i>Stage</i>	<i>Overview</i>
Stage 1. Best Potentials	This the first stage following the peer-to-peer evaluation process. It is expected that around 25 projects will enter this stage. The goal here is to significantly increase the disruption potential. Along this phase, we will support innovators to challenge their concepts and ideas, identify market problems, estimate the MVP and overall product effort, and to identify their competitors from the deep-tech sphere. Clearly, all input/feedback gathered will be used to feed the 360° Strengths and Weaknesses Radar. At the end of this phase, we will organise Cluster-Corporate Assembly; based on the tangible scores from the Radar, the Assembly will identify Best Potentials for the participation in the Ideation2Product Stage (10 SMEs).
Stage 2. Mentoring – Ideation2Product	For the proper execution of the Ideation2Product stage, an MVP (Minimum Viable Product) needs to be built and tested; this MVP will be launched together with a digital marketing plan aimed at measuring traction. Teams will be prepared to enter the last stage – Product2Market by submitting a valid and strong Executive Summary and through soft skills necessary for a successful business meeting. After this phase, another Cluster-Corporate Assembly will be organised; the projects holding a major market potential – again, according to tangible scores, will be invited to enter the last stage of the funnel.
Stage 3. Product2Market	3-5 SMEs with a solid MVP and market potential will enter the final stage. This stage is dedicated to building solid partnerships and detecting real investment opportunities for the top projects in the STARTUP3 business and growth program. They will have access to targeted investors, clients, corporate partners and international accelerator representatives. Participation in major events (cluster or sector oriented; startups) for promotion will be a must. The projects will be encouraged to gain enough traction for next investment phase in terms of sales, prospects, users, markets and customers.

The selection will follow a funnel approach; this is to help the STARTUP3 consortium to focus on the top performing projects along the business and growth program. At first, the selected 25 (expected) startups/ SMEs are challenged to increase their disruption potential and convert it into value. Their performance is assessed by the Clusters-Innovators Assembly – at the end of the Best Potentials phase. These are filtered and Top-10 move on to the Ideation2Product phase where they receive all technical and business support. In the end, they end up with a validated prototype and a business plan which are used to evaluate/select the Top 3-5 applications to support towards Product2Market phase.

The overall process is shown below (**Error! Reference source not found.**).

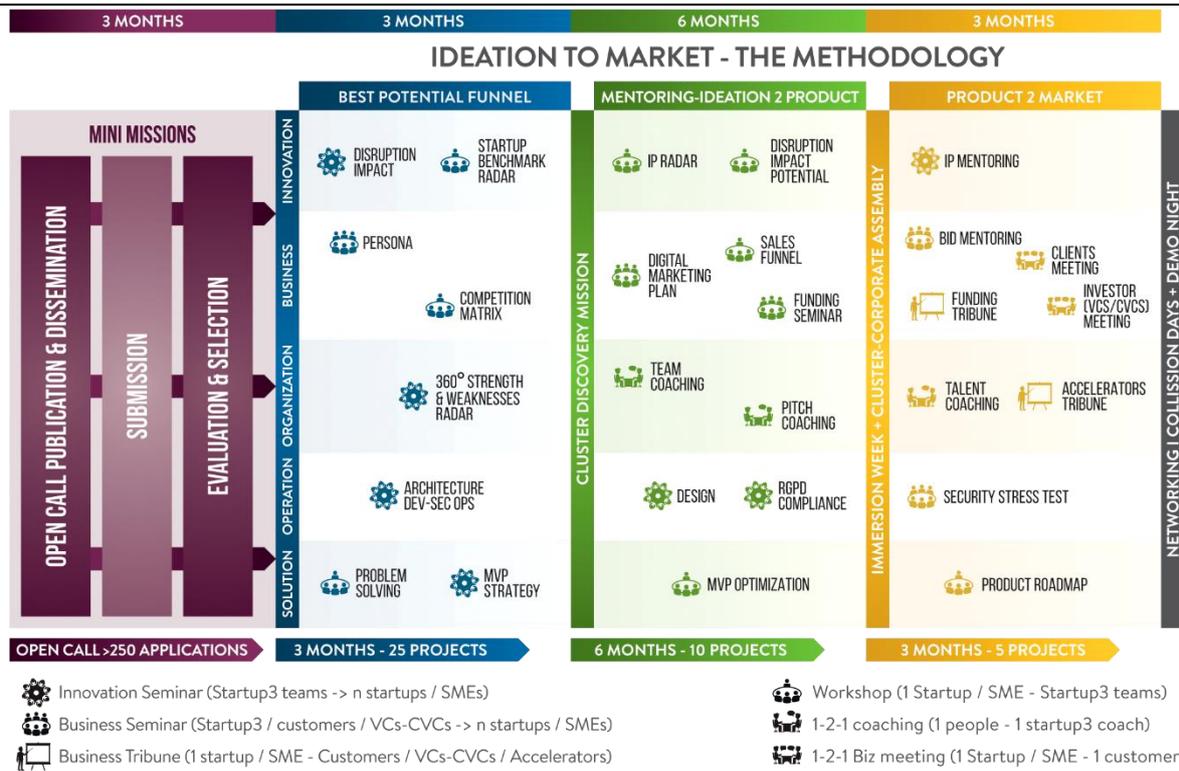


Figure 2: STARTUP3 Timeline

It is worth stressing that STARTUP3 relies on the 360° Strengths and Weaknesses Radar assessment of the SMEs/innovators to enter the three-phase programme and for passing from the ‘Best Potentials’ to ‘Ideation2Product’ to ‘Product2Market’ phases towards ensuring not only fair and transparent but also market-driven evaluation.

1.3 STARTUP3 Open Call Announcement

	Information to be provided by the project consortium
Call title:	ICT-33-2019 Startup Europe for Growth and Innovation Radar
Full name of the EU funded project:	Supporting deep-tech based innovative market players to uptake opportunities, upgrade performance and upscale their business
Project acronym:	STARTUP3
Grant agreement number:	H2020 - 871709
Call publication date:	20 February 2020
Call deadline:	20 April 2020
Expected duration of participation:	2 months
Submission & evaluation process:	<p>STARTUP3 will provide a three-stage growth support programme for deep-tech innovators in which they will fine-tune their services and raise their market potential.</p> <p>Open Call will have three phases: BEST POTENTIALS (where 25 innovators will be selected), MENTORING – IDEATION2PRODUCT (where 10 innovators will be selected from the previous stage), PRODUCT2MARKET (where the final 5 innovators will be selected to reach market potential with investors).</p> <p>STARTUP3 Open Call will select the best 25 ideas from deep-tech area.</p> <p>Submissions are available via the STARTUP3 Evaluation Platform.</p>
Further information:	Details available at startup3.eu
Task description:	<i>STARTUP3 will support innovators all the way from product-market-fit to a healthy, sustainable business, offering them tailored business and technical support as well as access to capital and markets through a novel business and growth programme. It will directly support high potential deep tech innovators to achieve market success on a pan-European and international level.</i>

2 Additional Information

2.1 Open Call Additional Material

Open Call supported material:

- **Annex 1: Open Call Text**, this document
- **Annex 2: Guidelines for Applicants**, which provides the scope and objectives of the Open Call,
- **Annex 2.1: Data Privacy Policy and GDPR Compliance**, describes the personal data collected or processed when using STARTUP3 website and Evaluation Platform. It also explains how personal data is used, shared and protected.
- **Annex 3: Honour Declaration**, which declares that all conditions of the Open Call are accepted by an Innovator legal representative.
- **Annex 4: Open Call Beneficiary Agreement Template**, which provides a template of the sub-grant agreement that the successful applicants will be requested to sign.

2.2 Contacts

The STARTUP3 Consortium will provide information to the applicants **only via the official STARTUP3 Support email address – support@startup3.eu** or queries asked via the STARTUP3 Website Contact Form – <https://startup3.eu/contact/>.

If you have comments or questions, any concerns or a complaint regarding the collection and use of your personal data, please feel free to contact the STARTUP3 Project by sending an email to STARTUP3 Support, as well.

Furthermore, no binding information will be provided via any other means (e.g. telephone).

Contact List & Links Summary	
Project Website	https://startup3.eu/
Application & Evaluation Platform	https://evaluation.startup3.eu/
STARTUP3 Support	support@startup3.eu
STARTUP3 Website Contact Form	https://startup3.eu/contact/
Online Q&A	https://startup3.eu/FAQ