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EASME

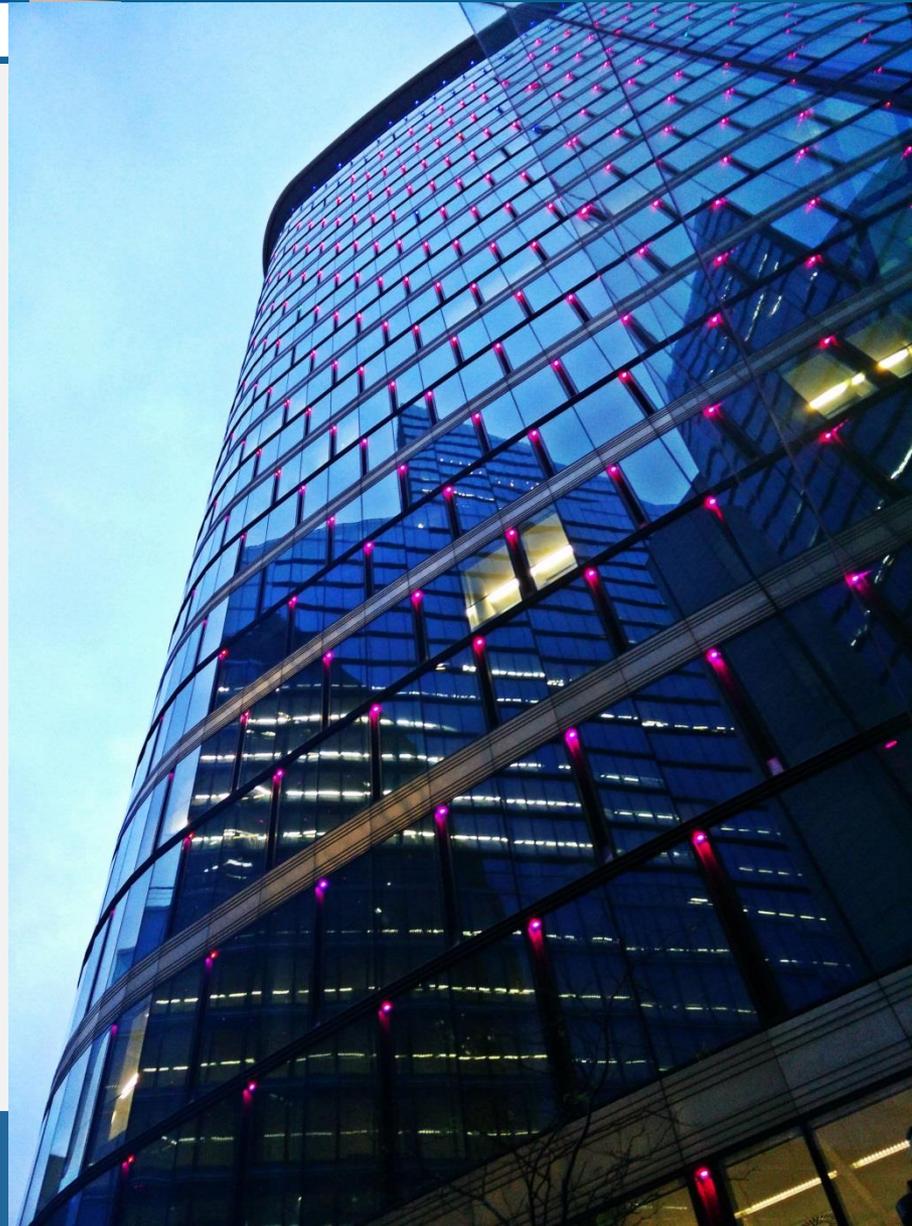
Executive Agency for Small and Medium-sized Enterprises

EIC- SME Instrument

- Horizon 2020-

Bucharest Info Day

Executive
Agency for
SMEs



The SME Instrument

SEAMLESS BUSINESS INNOVATION SUPPORT FROM IDEA TO MARKET...

PHASE I

Grant of € 50,000 (lump sum) + coaching support

Concept & Feasibility Assessment
Idea to Concept

10% success



Idea > Business Plan

10% budget

PHASE II

Grant of € 0.5 Million to € 2.5 Million (70% of funding)* + coaching support

*as a general rule

Demonstration Market Replication R&D
Concept to Market-Maturity

30-50% success



Elaborated Business Plan

Commercialisable Output

PHASE III

Risk Finance (Private/Public)

Commercialisation
Market-Maturity to Market Launch

2% budget



Market Success

...YOUR HIGHWAY TO DELIVER INNOVATION ON THE MARKET!

Apply at any time!

6 months

88% budget

12-24 months

ACTIVITIES SUPPORTED

PROOF OF CONCEPT

- ✓ Prove Technical and Commercial Viability
- ✓ Explore IP Regime
- ✓ Design Study
- ✓ Develop Pilot Application
- ✓ Risk Assessment

DEMONSTRATION OF COMMERCIAL POTENTIAL via

- ✓ Prototyping
- ✓ Testing
- ✓ Piloting
- ✓ Miniaturization
- ✓ Scaling-up
- ✓ Application Development

GO-TO-MARKET

- ✓ EU Quality Label (Promotion & Networking with Financiers/Clients)
- ✓ Investment Readiness Training
- ✓ SME window in the EU Financial Facilities (debt & equity backed by EIB/EIF)
- ✓ Link to Public Procurement Networks



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Phase 1 - Concept & Feasibility Assessment



- Proposal 10 pages
- Feasibility study
- ~6 months
- **€ 50,000** per project
- Up to 3 coaching days

⇒ **Outcome:**

feasibility assessment with a more elaborated business plan



Phase 2 – Innovation Project



- Proposal 30 pages: feasibility assessment+ full business plan
- **€ 0.5 -€2.5 million**
- 70% co-financing
- Up to 12 days coaching
- 1-2 years

⇒ **Outcome:**

- **Ready** to launch on the market
- **Commercialization strategy & plan to attract investors**



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SME Instrument attracts top coaches!



Franco Malerba

*Former Astronaut,
IT companies, Genova
Startup founder*



Julio Marco Barroso

*SG Int.Coach Federation
VC experience, 8 cases*



Kaija Pöysti

*Business angel and
Investment Fund member*



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Phase 3 – Support to Commercialisation



- ❖ Community
- ❖ Academy
- ❖ Events and Trade fairs

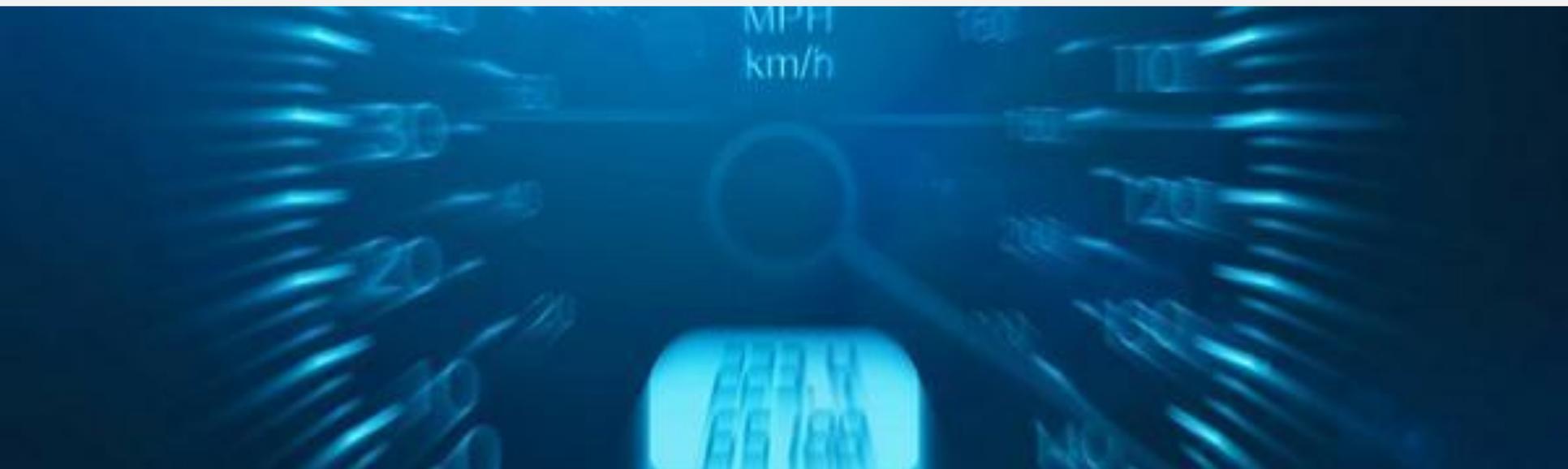


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EIC-SME Instrument



http://ec.europa.eu/research/participants/data/ref/h2020/wp/2018-2020/main/h2020-wp1820-eic_en.pdf

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SMEI- main changes



How do we evaluate?

Eligibility

- **Profit-SMEs**
- **<250 employees**
- **<€50 million turnover/ balance sheet <€43 million**
- **SME based in EU MS or H2020 Associated Countries**
- **Single SME or consortium SMEs**

Award criteria:

- **IMPACT**
- **EXCELLENCE**
- **IMPLEMENTATION**

Threshold

- **Scores 0-5:** pass mark 4 for each award criterion
- **Weighting:**
 - impact 50%;
 - excellence 25%;
 - implementation 25%
- **Median pass mark:** 13 points out of the total



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How do we evaluate?



Impact

Excellence

Implementation



Impact

- ✓ **Market** (willing to pay) – customers and end-users
- ✓ **Competition** on the market
- ✓ **Business Model** – your revenue model - strategy and stakeholders map - how to scale-up
- ✓ **Financing** – capital structure- profit/loss turnover- (phase 2: how to get the 30% for the project)
- ✓ **EU/global** dimension
- ✓ Knowledge protection (**IPR** management)
- ✓ **Jobs** created in Europe



Excellence

- ✓ **Innovative** product/process/service
- ✓ Viable & Disruptive technology
- ✓ Description Technology Readiness – **TRL 6**
- ✓ Added Market value
- ✓ Better than existing solutions
- ✓ Commercial potential
- ✓ Understanding of risks and opportunities

Technological Readiness Level



- ✓ TRL 1 – basic principles observed
- ✓ TRL 2 – technology concept formulated
- ✓ TRL 3 – experimental proof of concept
- ✓ TRL 4 – technology validated in lab
- ✓ TRL 5 – technology validated in relevant environment
- ✓ **TRL 6 – technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)**
- ✓ TRL 7 – system prototype demonstration in operational environment
- ✓ TRL 8 – system complete and qualified
- ✓ TRL 9 – actual system proven in operational environment (competitive manufacturing in the case of key enabling technologies; or in space)

**SME Instrument Phase 2-
TRL 6**



Quality and Efficient Implementation



- ✓ Credibility of the **work plan**
- ✓ Right **resources** internally (HR, other costs, etc.)
- ✓ Right **partners** and stakeholders
- ✓ Main characteristics of the company/
consortium
- ✓ **Team** organisation
- ✓ Realistic **time** frame

Scoring and threshold

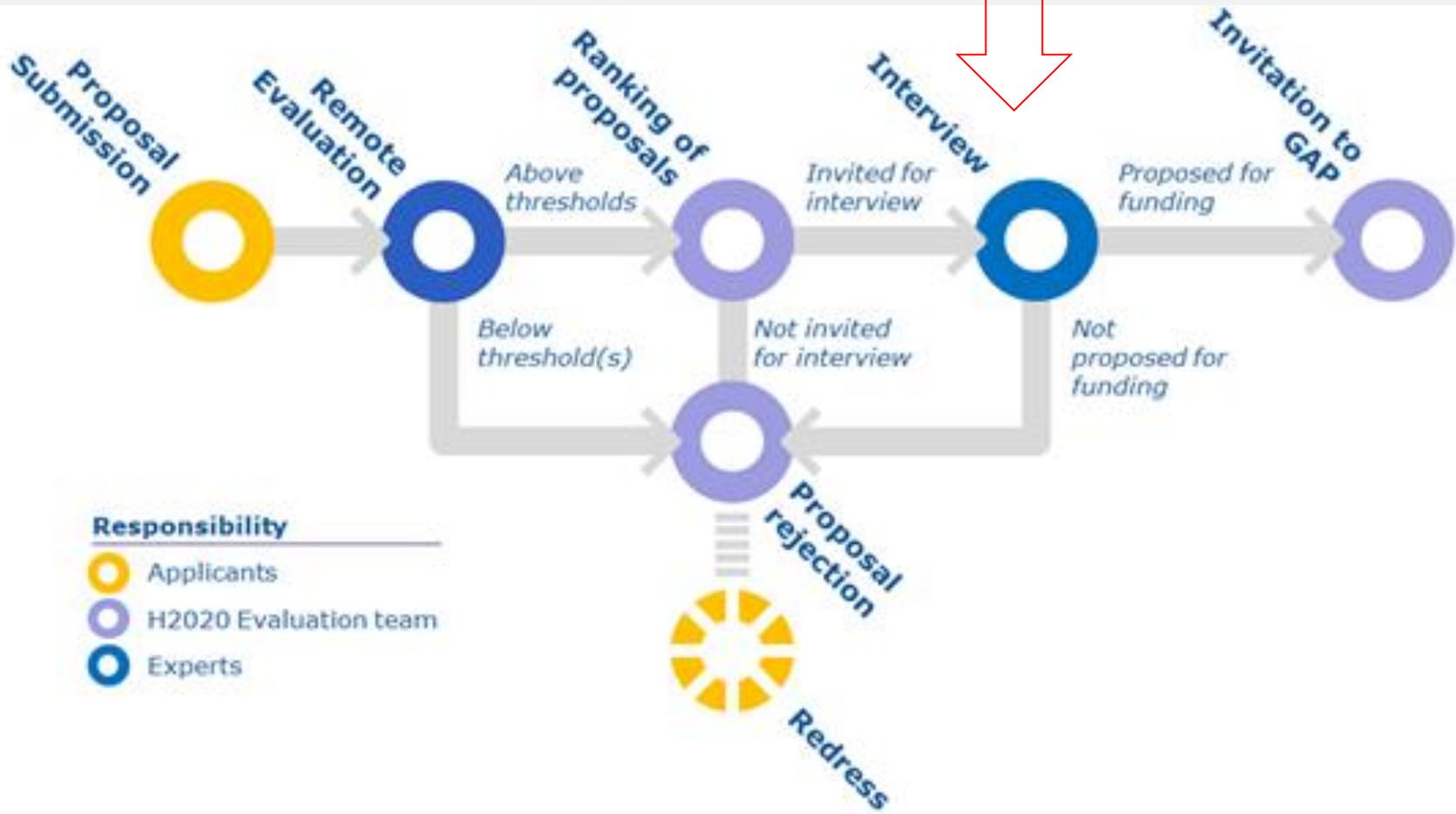
	Evaluators				Median	Weight	Weighted criteria
	1	2	3	4			
Impact	5	5	5	4.5	5 / 5	50	7.5 / 7.5
Excellence	5	3	4	4	4 / 5	25	3 / 3.75
Implement.	3	2	4	5	3.5 / 5	25	2.63 / 3.75
Threshold Criteria (≥ 4)	→				X < 4		$\Sigma = 13.13$
Threshold Weighted Sum (≥ 13)	→						✓ ≥ 13

⇒ PROPOSAL NOT RANKED

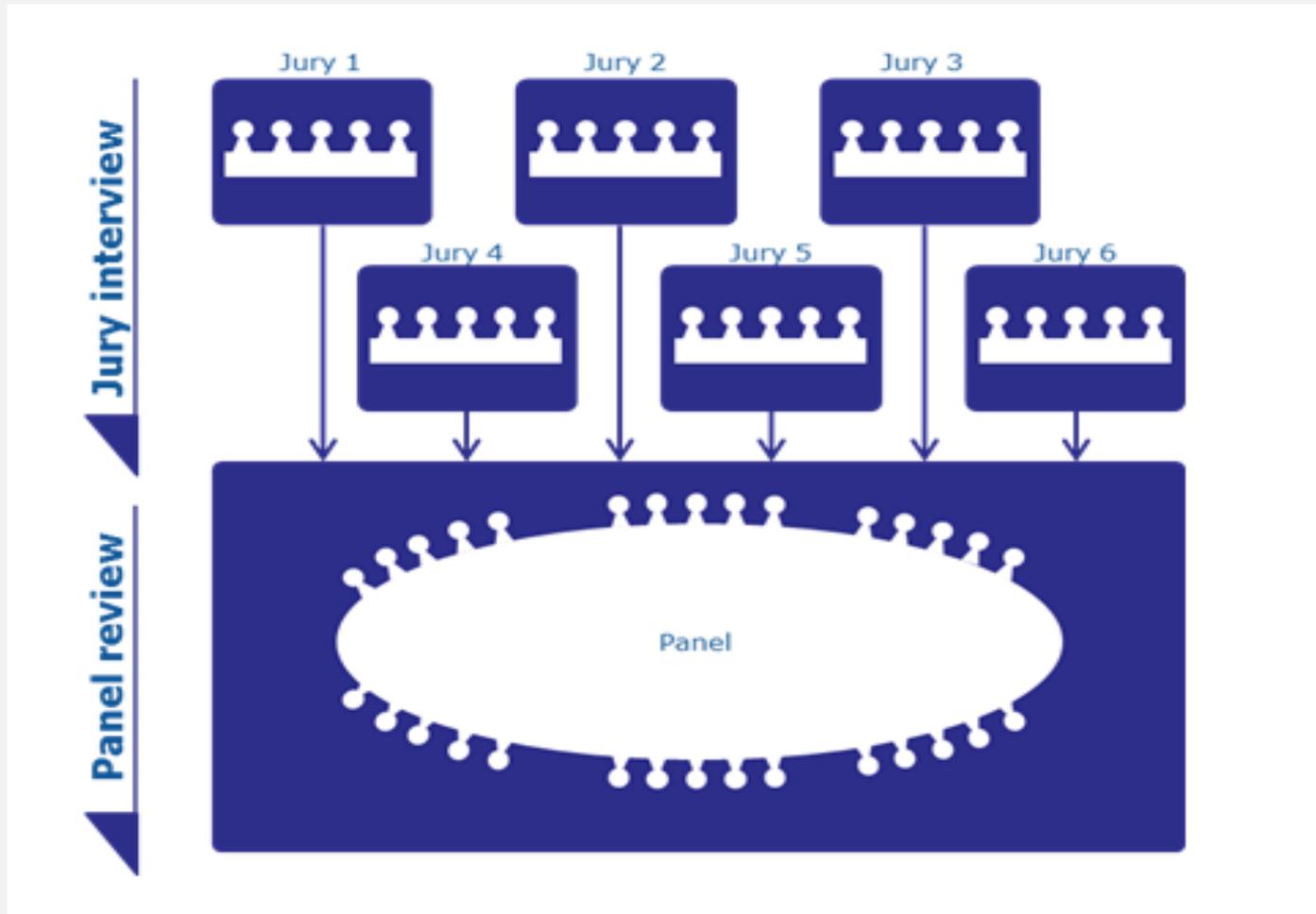


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Evaluation process for Ph2



Pitching process





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Our Experts



Business



Ms Stavriana Kofteros (CY)
CoFounder & Chief Evangelist
StartupCyprus

Innovation



Mr Samir Bendida (FR)
Founder & CEO of
Cyclodeo

Finance



Ms Merce Tell (ES)
Venture Capitalist
Co-founder & General Partner
Avet Ventures

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Call for evaluators

<http://ec.europa.eu/research/participants/portal/desktop/en/experts/index.html>



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- **Phase 1 cut-off**

08 February 2018

03 May 2018

05 September 2018

07 November 2018

- **Phase 2 cut-off**

10 January 2018

14 March 2018

23 May 2018

10 October 2018

Budget of the SME Instrument⁹

	€ millions		
	2018	2019	2020
Overall indicative budget	479.74	552.26	600.99
Phase 1 <i>divided equally between cut-off dates in each year</i>	10%	10%	10%
Phase 2 <i>divided equally between cut-off dates in each year</i>	87%	87%	87%



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2014-2016 #SMEInstrument



3

years of the
programme



31k

applications



400

coaches deployed



2 457

SMEs supported



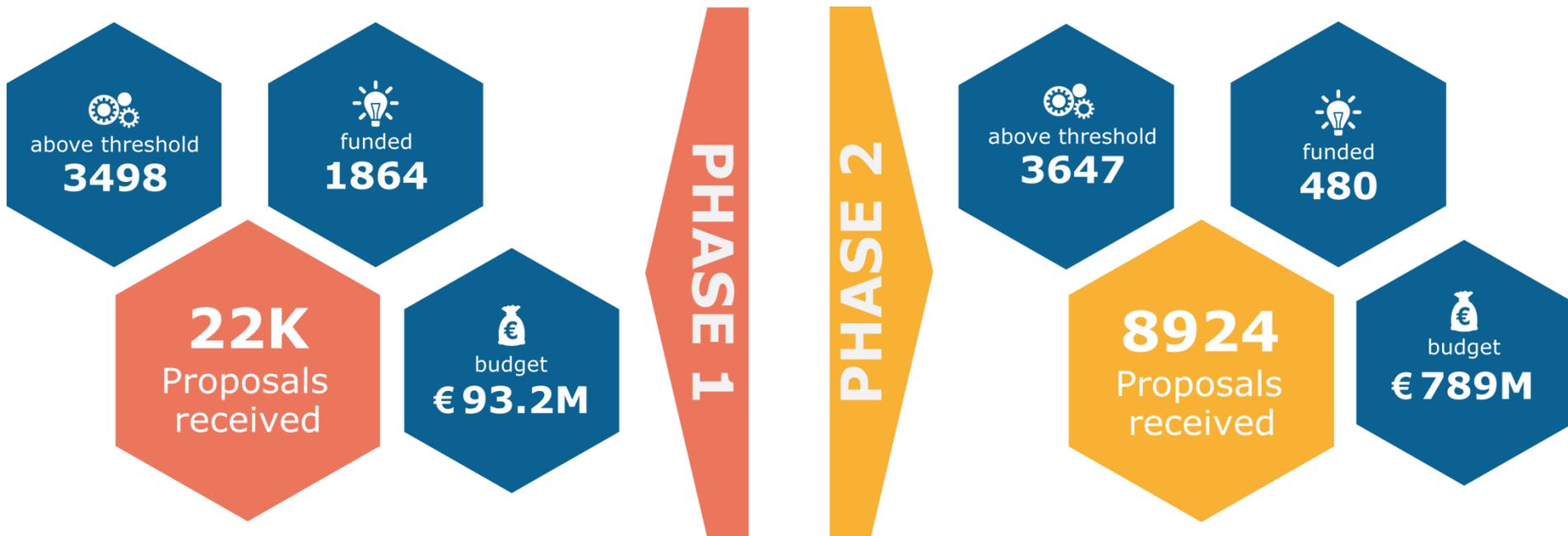
€882m

in funding



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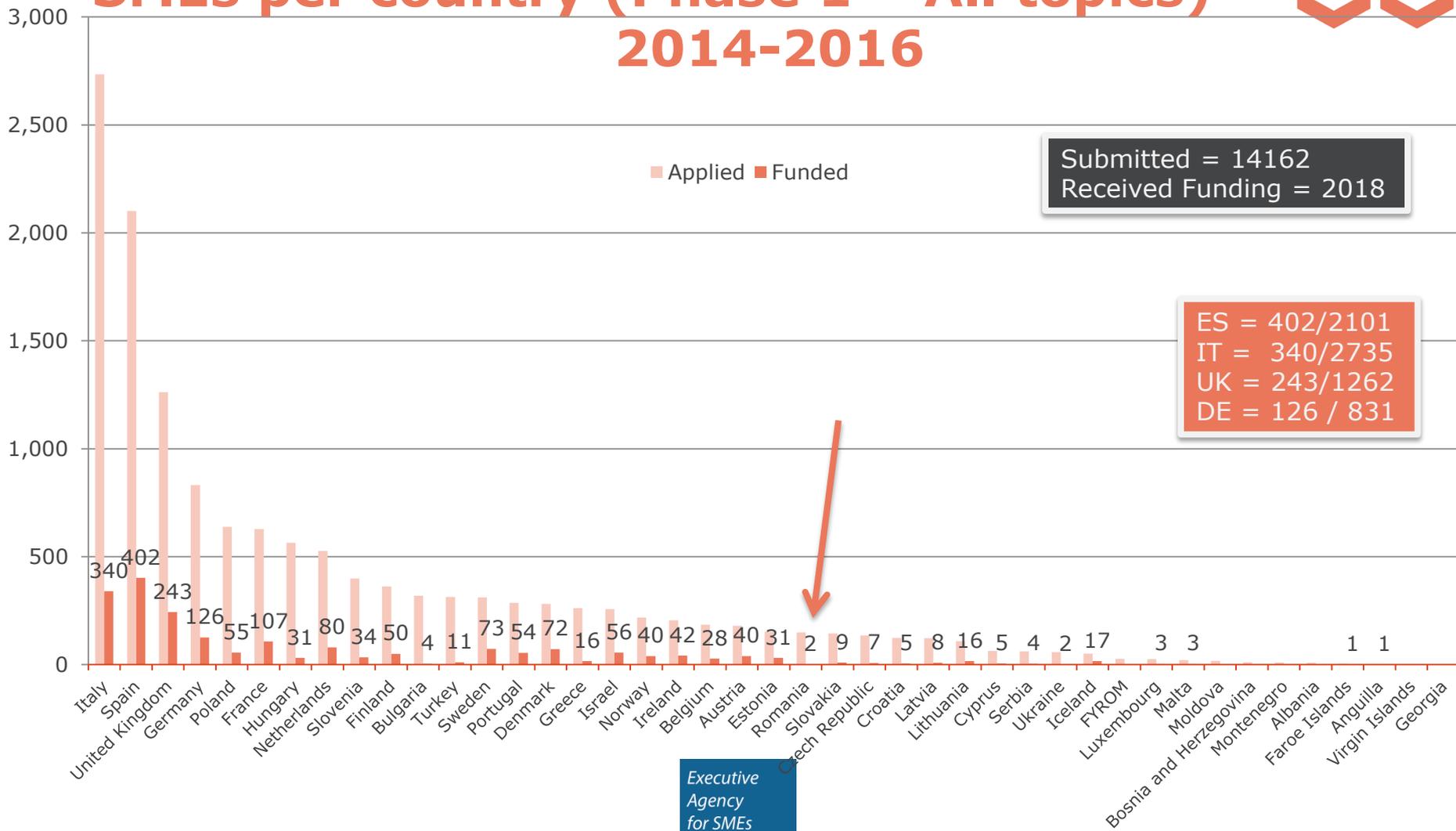
What we have achieved so far 2014 -2016





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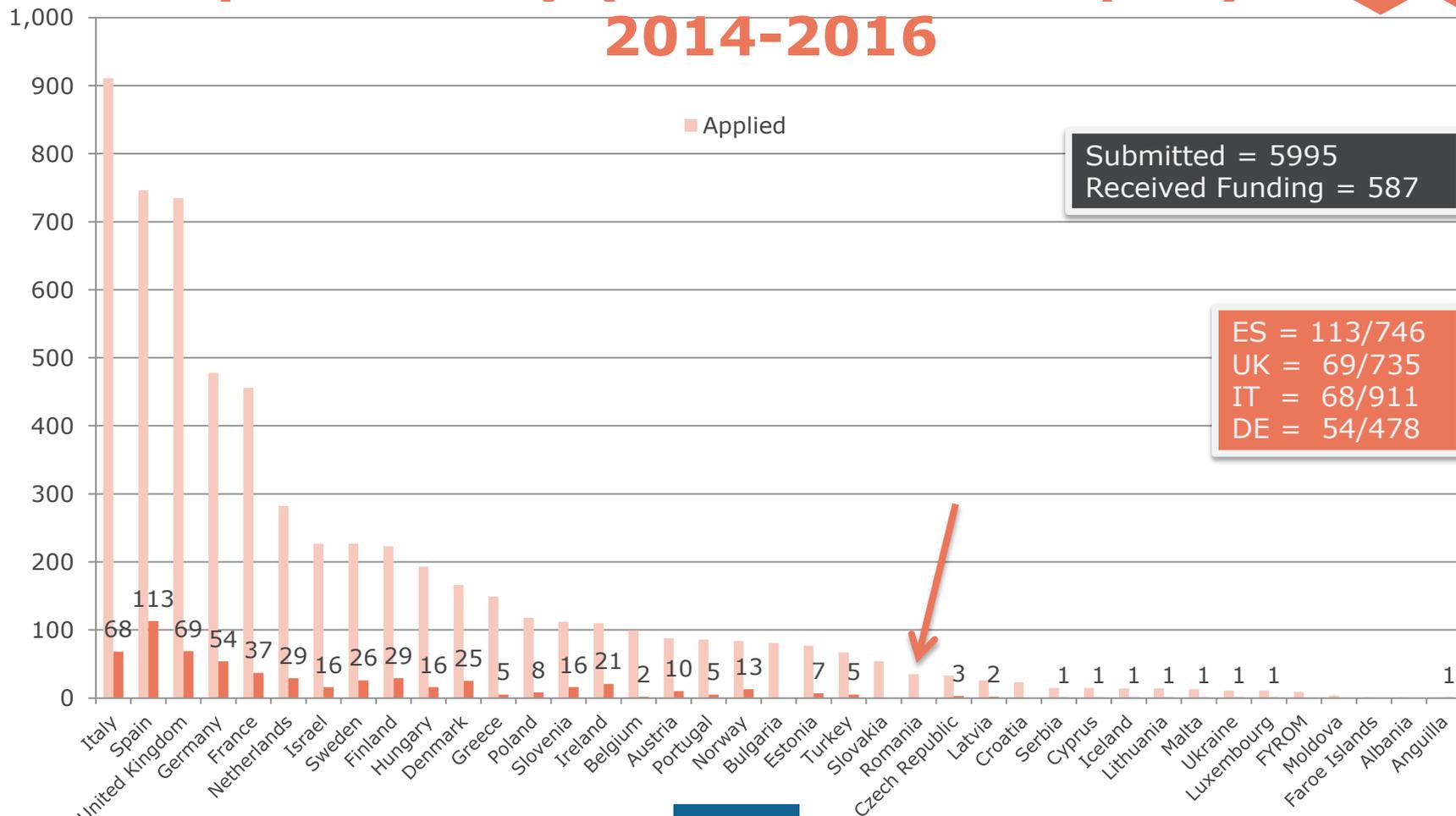
SMEs per country (Phase 1 – All topics) 2014-2016



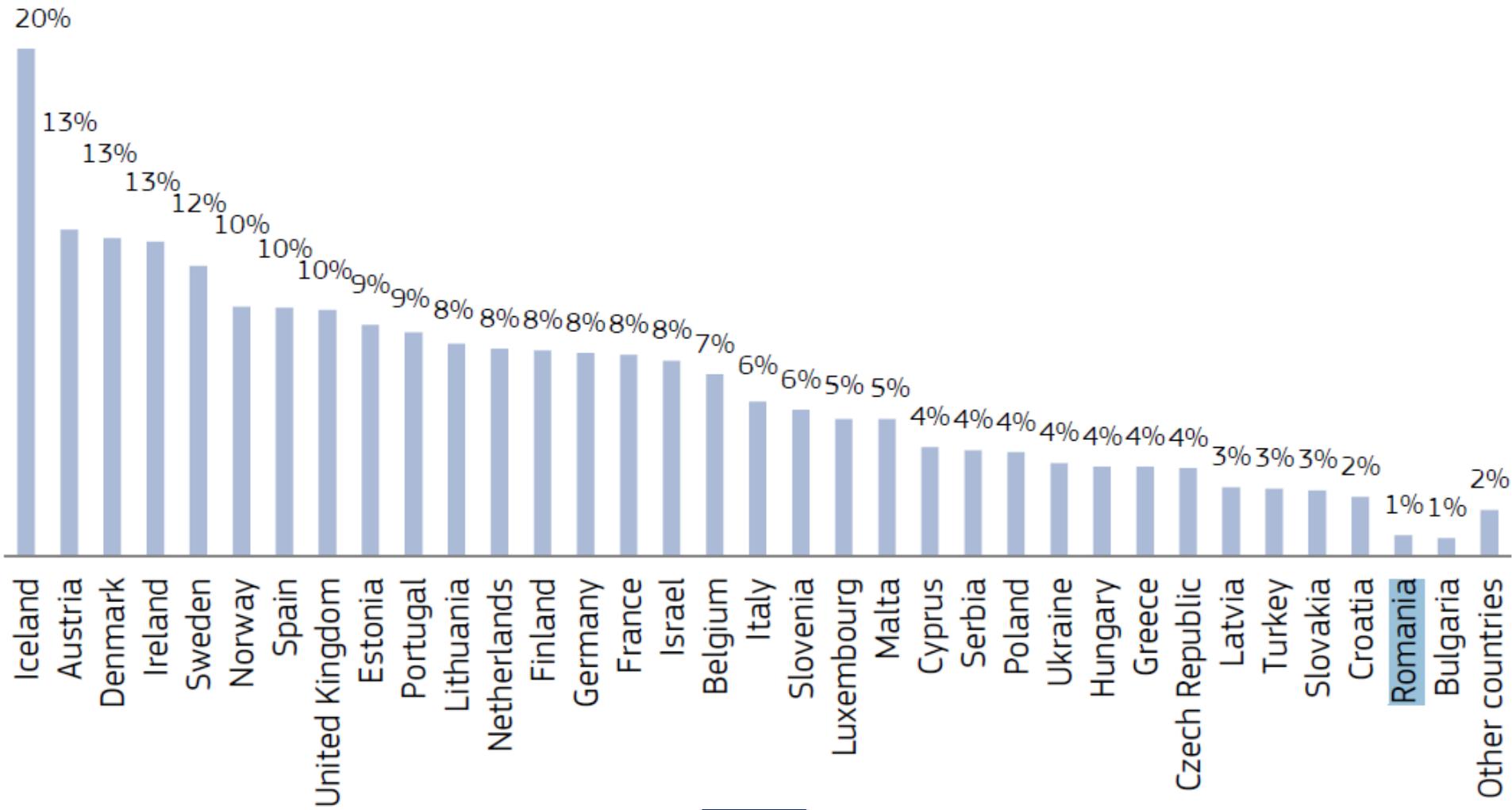


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SMEs per country (Phase 2 – All topics) 2014-2016



SME instrument success rate per country



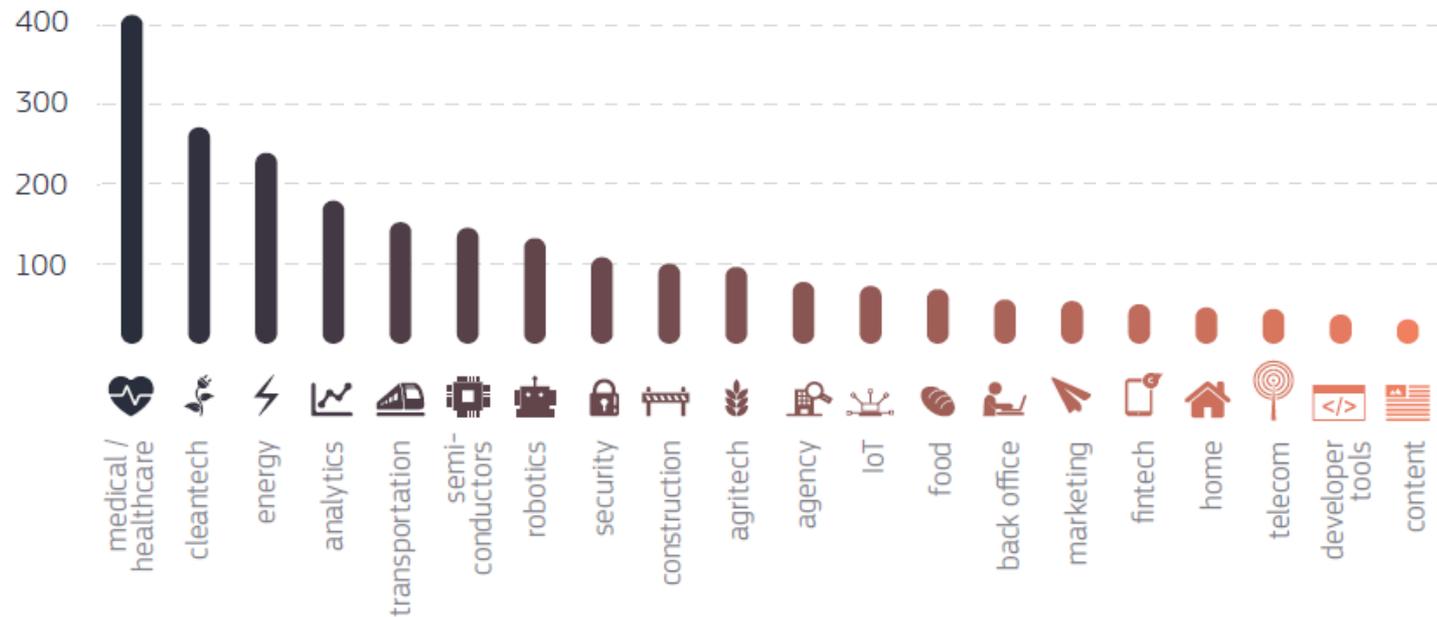


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Industry Sectors

Number of funded SMEs in different industry sectors





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Top 10 SMEs attracting the most private investment after the SMEI

Company Name	Country	Industry	Investment after SMEI funding (M€)
Kiosked	Finland	Marketing	42
Skeleton Technologies	Estonia	Energy	42
AlphaSense	Finland	Fintech, Analytics	30
Swap.com	Finland	Directory, Fashion	23
PragmatIC	United Kingdom	IoT Semiconductors	22
Qnergy	Israel	Cleantech	18
TactoTek	Finland	Home	18
Nyxoah	Belgium	Medical / Healthcare	18
Lingvist	Estonia	Education	15
Sol Voltaics	Sweden	Energy	13



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Fast growth

A year down the line funded Phase 2 companies experience on average:



250% increase in
turn-over



122% increase in
employment

9 funded companies among the fastest growing businesses in Technology Fast 500™ EMEA 2016



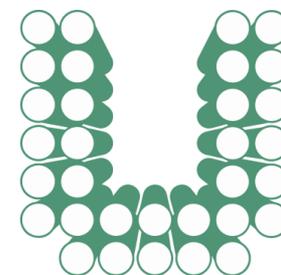
5 funded companies among the Financial Times 1000 Europe's Fastest Growing Companies 2016





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Success stories



ultrahaptics





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Ultrahaptics



- Feeling without touching
- SME Instrument –phase 2:
EUR **1,49 M**
- Jaguar Land Rover
investigates ultrasound
gesture controls in cars
- November 2015: **private**
A round of 10.1 M£



Ultrahaptics™

www.ultrahaptics.com



Platform.sh



- Open source software for e-commerce applications
- SME Instrument-Phase 2=> 1,9M Eur
- **Big clients deals: Orange Business Services, Microsoft (with a joint product offering) and Magento (the e-commerce giant whose cloud solution we operate).**
- Present in 63 countries

// *For us the grant from the European Commission was in effect, by all means very important in terms of timing. It supported us greatly to attract new clients.* **Frédéric Plais, CEO** **//**

platform.sh 

<http://platform.sh>



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Immunovia



- Blood test to diagnose pancreatic cancer
- SME Instrument- phase 2
March 2015=> **EUR 4,2 M**
- Not only! Being an SME Instrument Champion **persuaded investors** to subscribe Immunovia shares
- December 2015=> trading its shares on "**Nasdaq First North**"
Stockholm=> 6,4 M Eur



 immunovia

www.immunovia.com

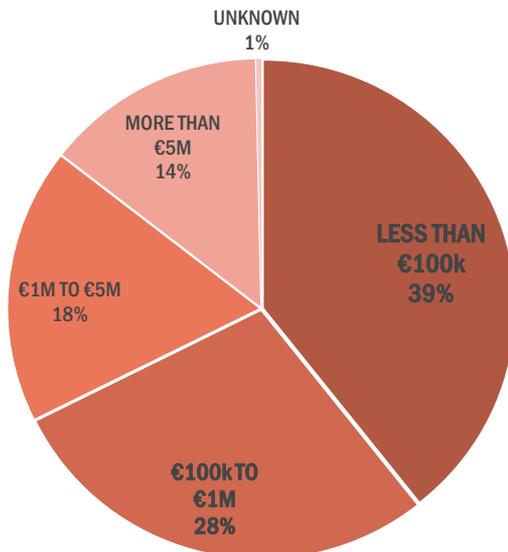


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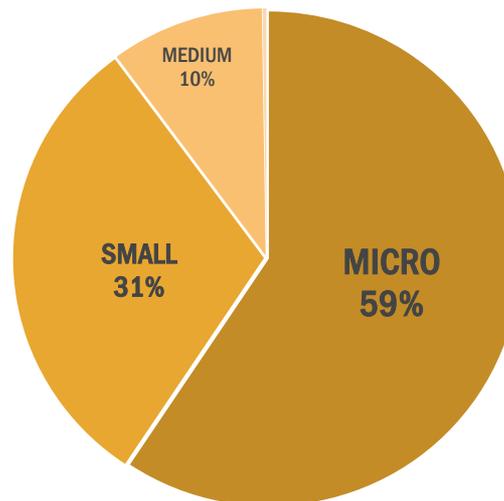
Funded SMEs in numbers Phase 1 – 2014-2016



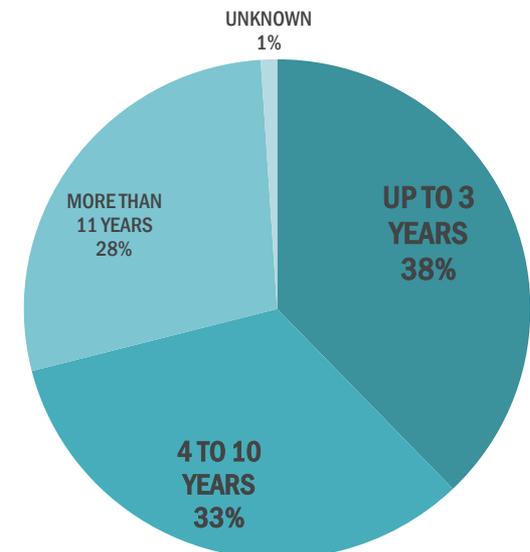
Turnover



Staff



Years trading



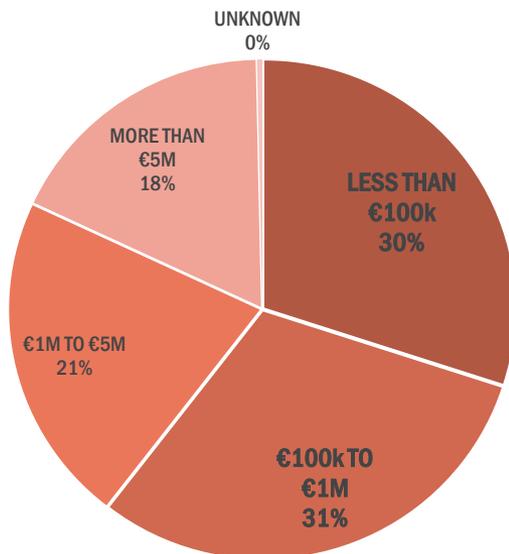


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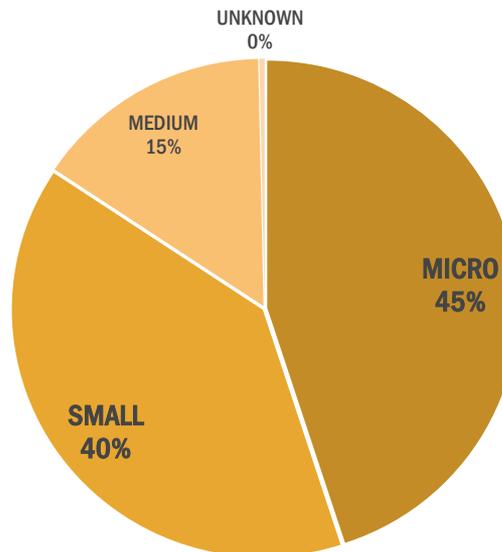
Funded SMEs in numbers Phase 2 – 2014-2016



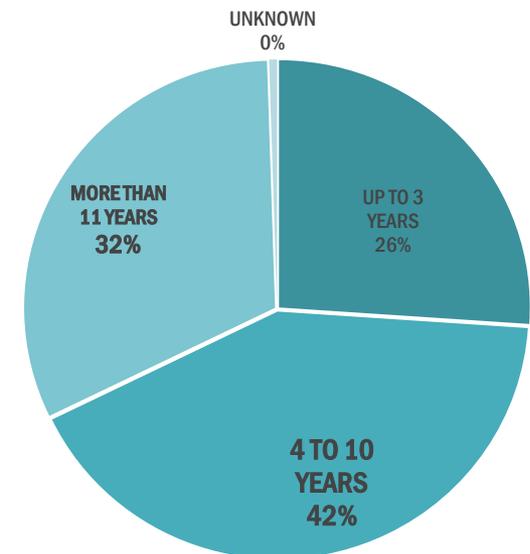
Turnover



Staff



Years trading



Useful links

- [National Contact Point for SMEs](#)
- [Enterprise Europe Network](#)
- <https://www.iprhelpdesk.eu>

Twitter SME Instrument

@H2020SME #SMEinstrument

- **Any questions:**
HELPDESK@ec.europa.eu

EASME website



- [Homepage](#)
- [SMEI report](#)
- [FAQ](#)
- [SMEI Overseas trade fairs](#)
(OTF programme)
- **EIC Work programme 2018-2020**
http://ec.europa.eu/research/participants/data/ref/h2020/wp/2018-2020/main/h2020-wp1820-eic_en.pdf
- [Guidance](#)