Project Presentation

# SAXEED

## The Start-up Network for Universities in Southwest Saxony



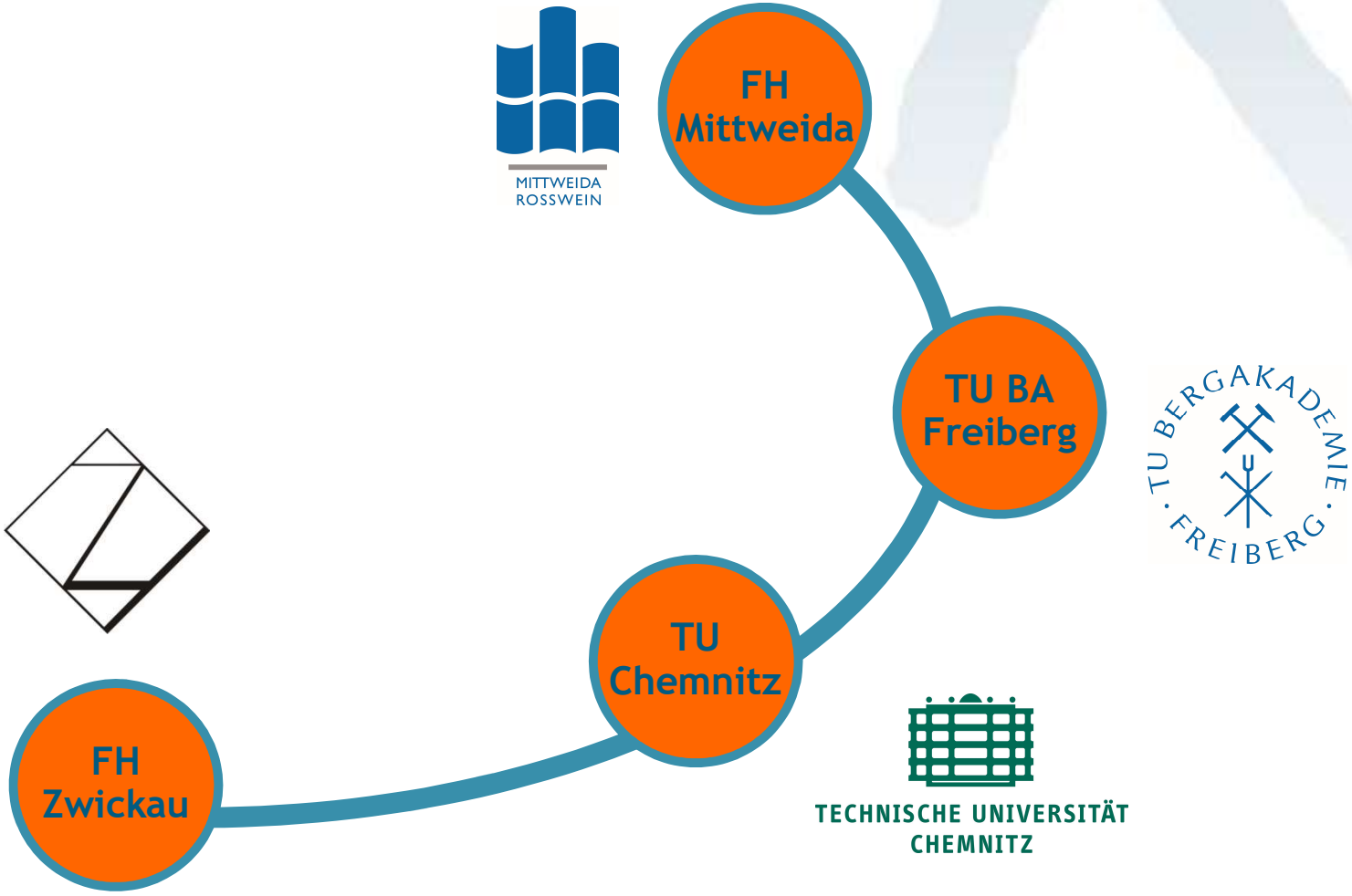
Das Gründernetzwerk Südwestsachsen

SAXEED wird finanziert aus Mitteln der EU und des Freistaates Sachsen:

Europa fördert Sachsen. ESF Europäischer Sozialfonds

# SAXEED Locations



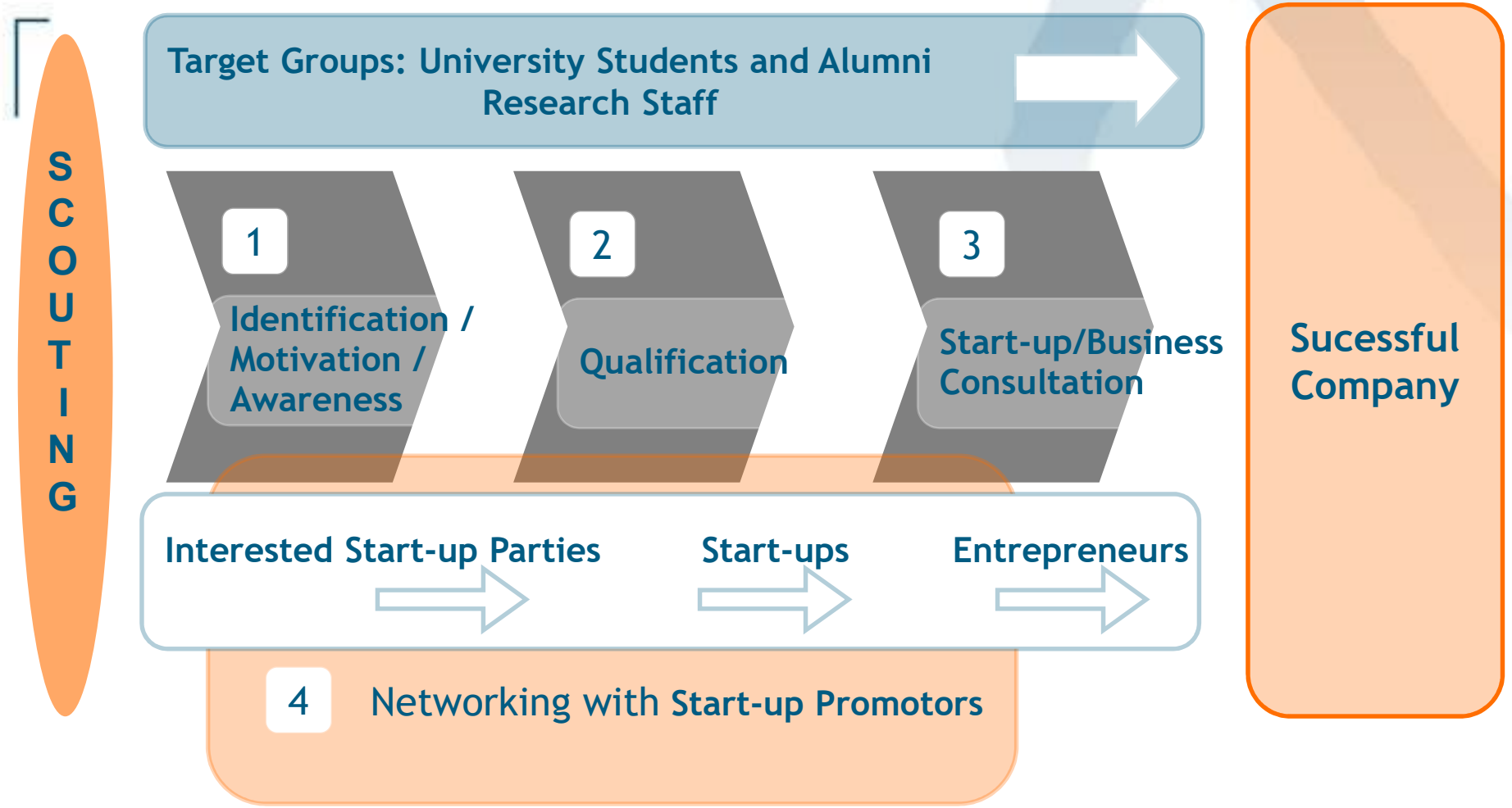





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# Process Model of the SAXEED-Start-up Support Program








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# Start-up Qualification



- Lectures
- Seminars
- Workshop Pool with Courses offered on Introductory Basics, Soft Skills, Organisation
- Case Studies
- Idea Workshop

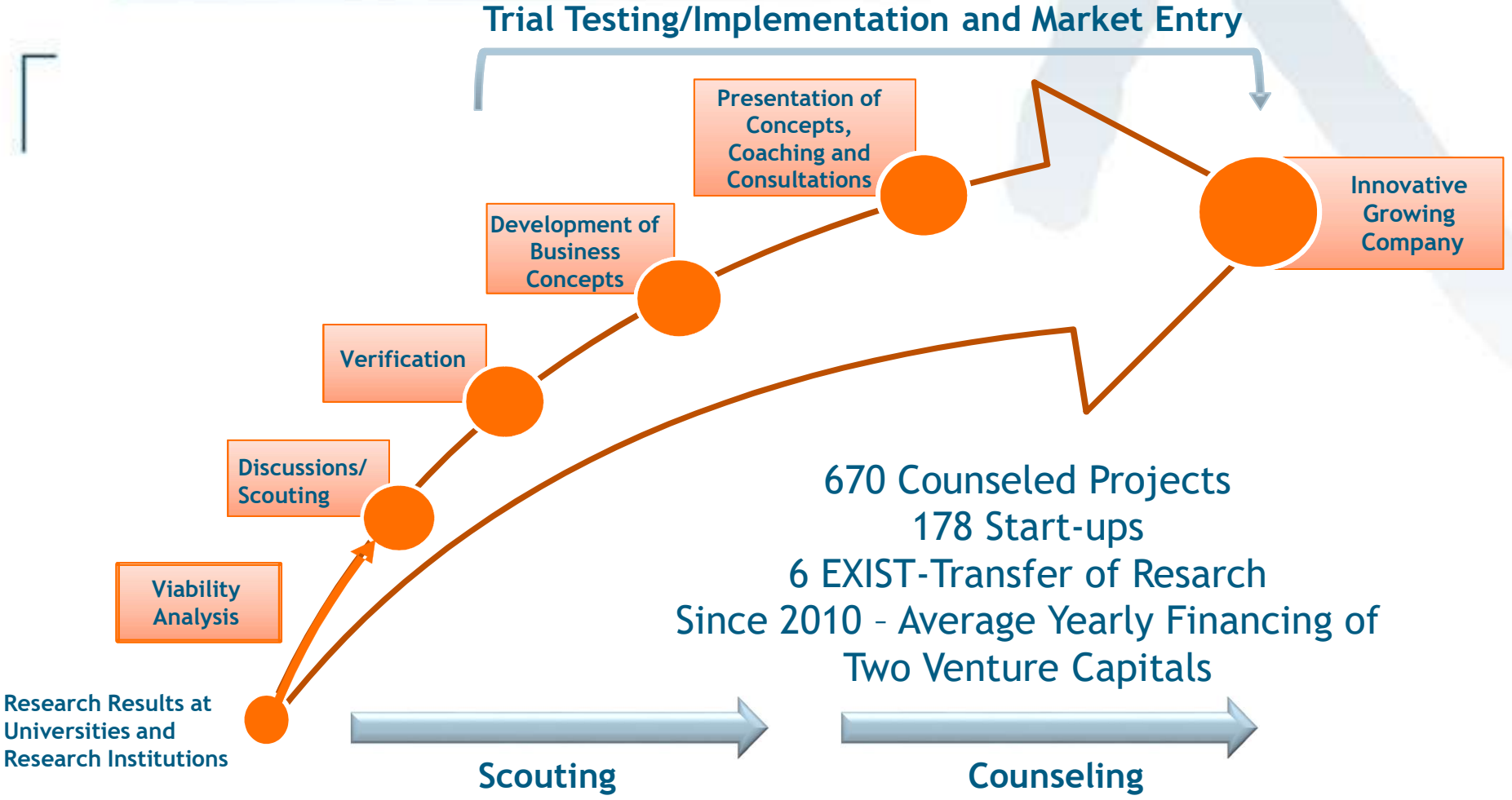




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# Scouting and Start-up Counselling








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# EXIST-Business Start-up Grant



## Scope of the Financial Grant

### Conceptual and Development Phases:

- Maturation of a **business idea into a business plan**
- Development of market capable products and services
- Preparation of the company start-up

### Start-up Ideas with a Primary Business Focus in:

- Technical **product or process innovations**
- **Innovative services**
- Client benefits and clear competitive advantages



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# EXIST-Business Start-up Grant



## Target Group

- Alumni and former employees (until their fifth year after leaving the university)
- Scientists
- (Students that have completed at least **half of the regular planned study time)**
- Max. three people in a start-up team can be financed
- Start-up teams composed of a **majority of its members** being students only accepted in special cases





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# EXIST-Business Start-up Grant



**Staff Expenses:**

- Graduate Students **3,000 € / Month**
- University Graduates **2,500 € / Month**
- Students (min. 50% study completion) **1,000 € / Month**

**Materials and Equipment:**

- Solo Start-ups **10,000 €**
- Team Start-ups **30,000 €**

**Coaching: 5,000 €**

**Child Benefits:**

- 100 € / Month per Child





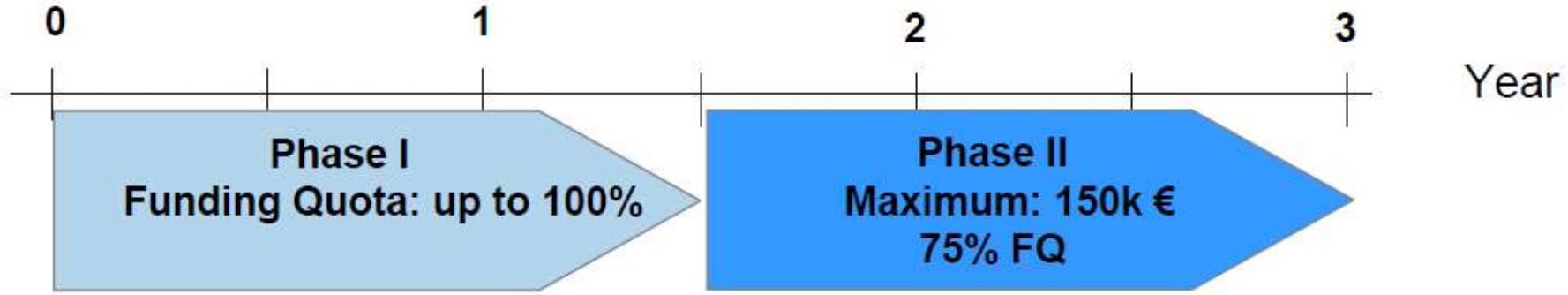
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# EXIST-Transfer of Research



## Scope of the Grant

- Staff Expenses
  (3 Scientists i.e. Laboratory Assistants/ Technicians)
- 1 Managerial Employee
- Up to 250k € for materials and part-time staff
- Third Party Contracts
- Material Costs
- Costs for Registering Proprietary Rights
- Licensing Procedure






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# Research Grant Comparison



| EXIST-Business Start-up Grant | EXIST-Transfer of Research |
|---|---|
| Innovative products and knowledge-based Services<br>Time to market ≤ 1 Year | Projects with high R&D expenditures<br>Requirement: Proof of principle<br>Time to market ≤ 3 Years |
| Students, Scientific Assistants, Alumni | Scientific Assistants |
| 1 Year | 1.5 Years Uni/Research Institutions<br>1.5 Years Start-up Company |
| Grant for max. 3 Entrepreneurs<br>Material Costs, Coaching | Phase 1: Staff of 3 SAs + 1 ME<br>Material Costs, Coaching<br>Phase 2: 150k € @ FQ 75% |
| Applications accepted at any time | Applications accepted until the 31st of July and 31st of January |
| Approval Quota approx. 55% | Approval Quota approx. 20% |



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# Foreign Students



Those who have completed their course of study at a:

- state university
- university recognized by the State
- comparable educational institute

or:

- posses a visa as a researcher or scientist

may found a start-up company if its activities correspond to the knowledge/skills aquired during their studies (§18b, 20 AufenthG).

# SAXEED

## Founding a Company



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# Founding a company



## Invention ≠ Innovation

Innovation according to Schumpeter:
successful new combinations

Based on five categories:

- Production of a new good / new quality
- Introduction of a new production method
- The opening of a new market
- The take-over of a new source of raw materials
- New organisation of a market position



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# Failed Inventions



Ferdinand Porsche designed a hybrid car in 1898

Barcodes were invented in 1948

In 1997, SixDegrees.com was
the original online social network

3M invented the color copy machine in 1972



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# Successful Innovations



## Crocs

"If we make it a little bit more stylish, then we start to appeal to a larger audience," said the company's CEO





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# The Modern Entrepreneur



- An *entrepreneur* is someone who perceives an opportunity and creates an organization to pursue it.

- Entrepreneurship is the process of identifying and using new opportunities to bring innovative products and services to market.

Quelle: Bygrave 2010, S. 2



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# Myths and Assumptions



**Myth 1:** *Entrepreneurs Are Doers, Not Thinkers*

**Myth 2:** *Entrepreneurs Are Born, Not Made*

**Myth 3:** *Entrepreneurs Are Always Inventors*

**Myth 4:** *Entrepreneurs Are Academic and Social Misfits*

**Myth 5:** *Entrepreneurs Must Fit the Profile*

**Myth 6:** *All Entrepreneurs Need is Money*

**Myth 7:** *All Entrepreneurs Need is Luck*

**Myth 8:** *Entrepreneurship Is Unstructured and Chaotic*

**Myth 9:** *Most Entrepreneurial Initiatives Fail*

**Myth 10:** *Entrepreneurs Are Extreme Risk Takers … the Gamblers!*



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# Why found a company?



- ✓ Occupational Opportunity
- ✓ Diffusion of Innovations
- ✓ Renwal of Competition
- ✓ Personal Motives



Quelle: Hering, Vincenti 2005, S. 30 ff.

# How to found a company?



## Requirements for a business concept

### Clear advantages for customers

(i.e. better solution for a known problem → Savings potential, solving a new or future problem)

- What advantages are provided for the customer?
- How can value be created for the customer?



Quelle: Hering, Vincenti 2005, S. 30 ff.

# How to found a company?



## Requirements for a business concept

### Adequate market size

- Plausible assumptions about the target customers
  (market segment, new markets)
- Competition, market separation
- Substitutes
- Possible Partners

→ Who is going to be my customer?



Quelle: Hering, Vincenti 2005, S. 30 ff.

# How to found a company?



## Requirements for a business concept

### Adequate degree of innovation

(product or service innovation, produktion method, social innovation)

- Protection for the degree of innovation
  - o Through a head start
  - o Further development
  - o flexibility

→ How am I better than the competition?



Quelle: Hering, Vincenti 2005, S. 30 ff.

# How to found a company?



## Requirements for a business concept

### Feasability and Profit

- Feasability: (Examination of effective standards, regulations and patents as well as derivable habits (cost-benefit); technical competencies)
  → What is (legally and socially) possible?
- Profability: profit outlook; secure income
  → Can money be made with the idea?



Quelle: Hering, Vincenti 2005, S. 30 ff.

# The IDEAL Business Concept



- Functional, innovative offer
- Opportunity to protect and sustain the innovation
- Clear tangible, quantifiable customer benefits
- Existing reference customers
- Large market potential
- Strong and lasting market position
- Concise concept of market entry
- Competent and experienced management

# Start-up Example: BASELABS GmbH



- Development Software for Driver Assistant Systems
- Accompanbied by the EXIST-Transfer of Research (Phases I+II)
- Financed by the TGFS
- Founded in 2012, 13 Employees
- futureSAX 2012: 2nd Place
- Grand Prize: Start-up Competition „IKT Innovativ“ by the BMWi
- Chemnitz „Start-up“ Package 2013



BASELABS

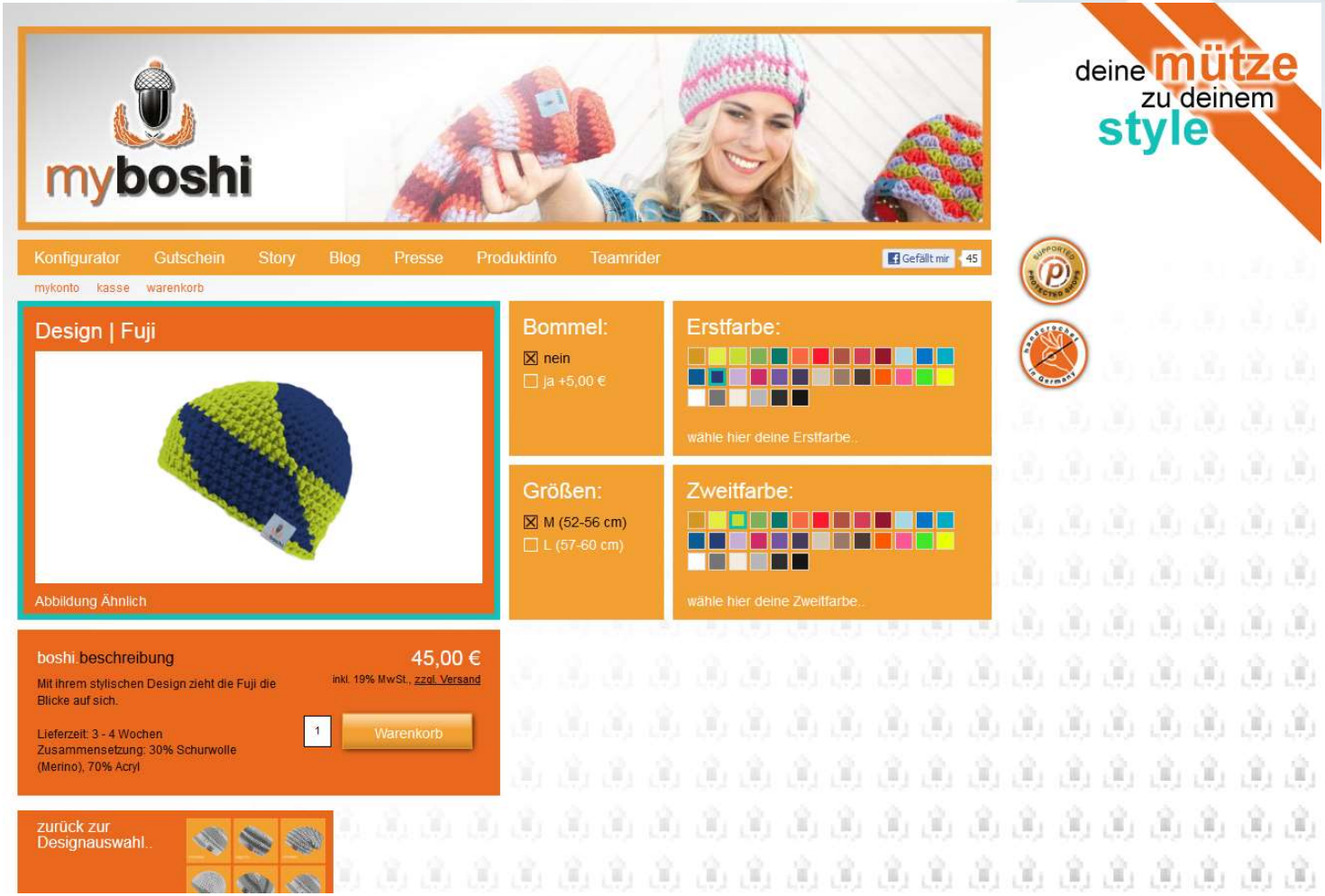
*Your ADAS advantage!*



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# Example TU BA Freiberg






Quelle: www.myboshi.net

# Example TU Chemnitz – Mr. Snow





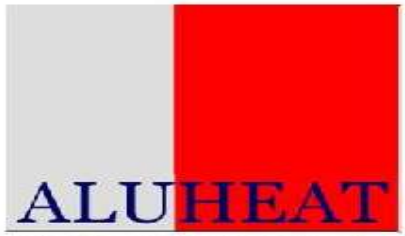





Quelle: www.mr-snow.de

# Further Start-up Examples

































































# Start-up Example: Your Turn





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# Thank you for your attention.


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|---|---|
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