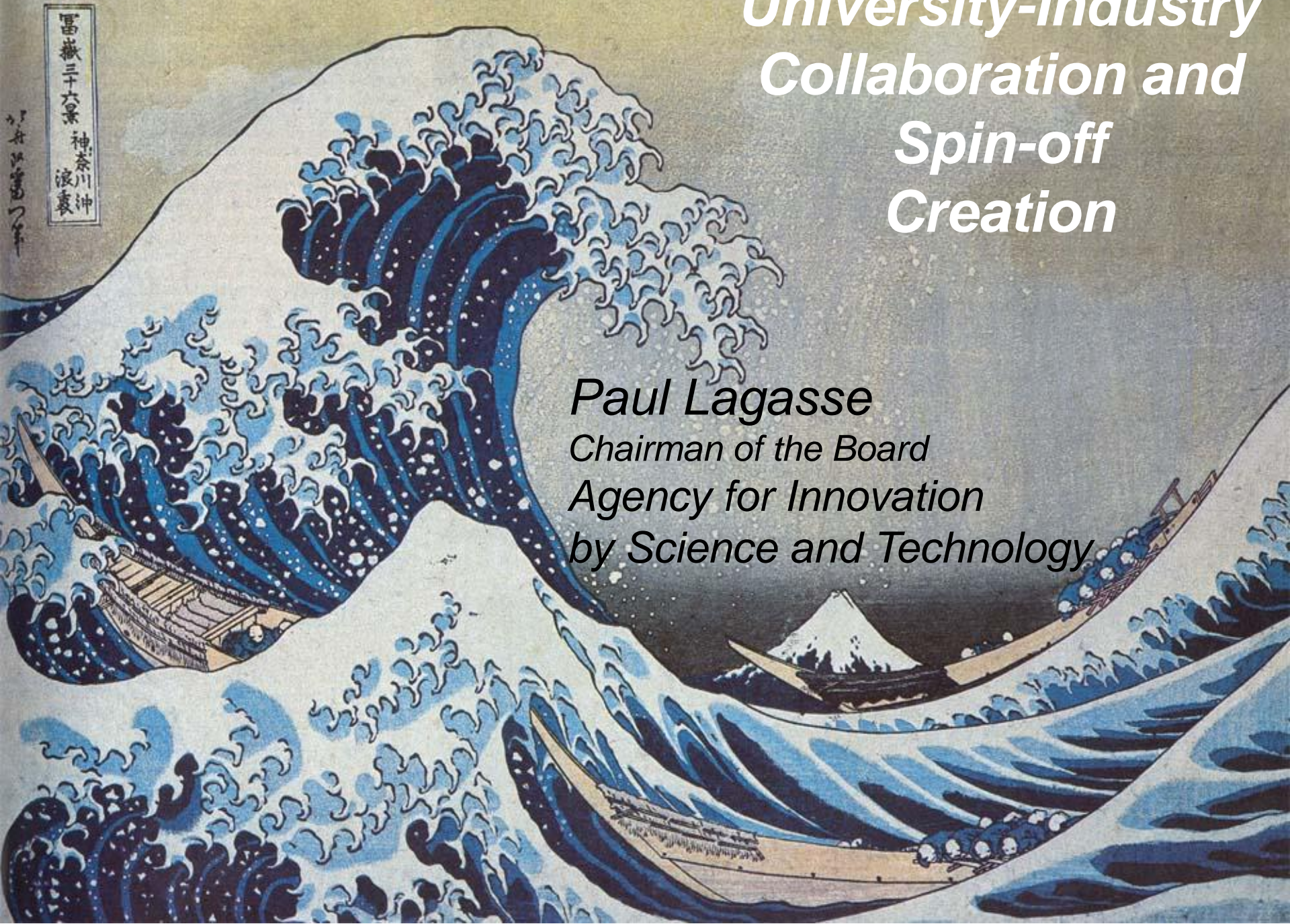


# *University-Industry Collaboration and Spin-off Creation*

*Paul Lagasse  
Chairman of the Board  
Agency for Innovation  
by Science and Technology*



# Industry-university collaboration and spin-off creation

1. Introduction
2. IWT
3. iMinds
4. A personal view



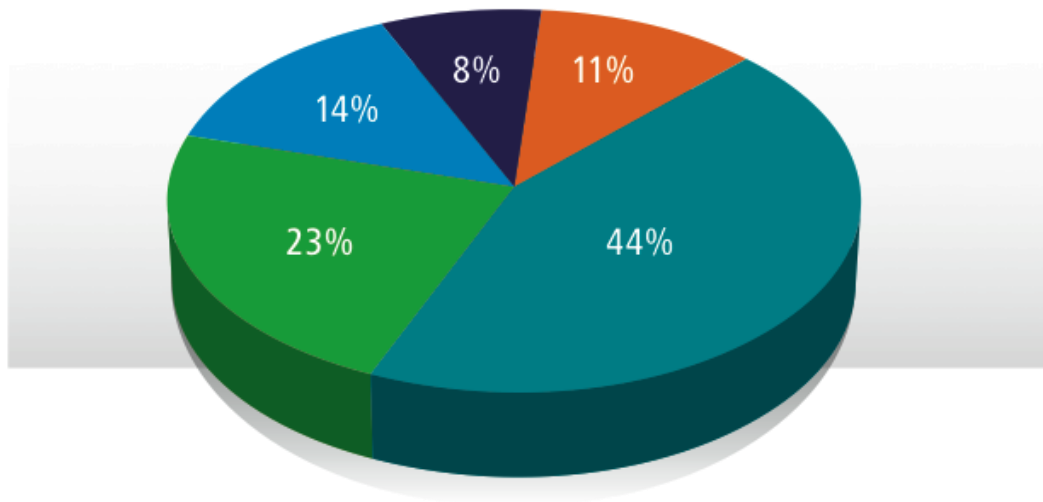


# **The agency for Innovation by Science and Technology**

**One point of contact for all innovation support**

IWT does everything it can to make innovation possible in Flanders. We help innovative companies, researchers and knowledge centers with their applications for funding. We offer them advice at every stage of the innovation process and we connect them with potential partners to realize their innovative projects efficiently and effectively.



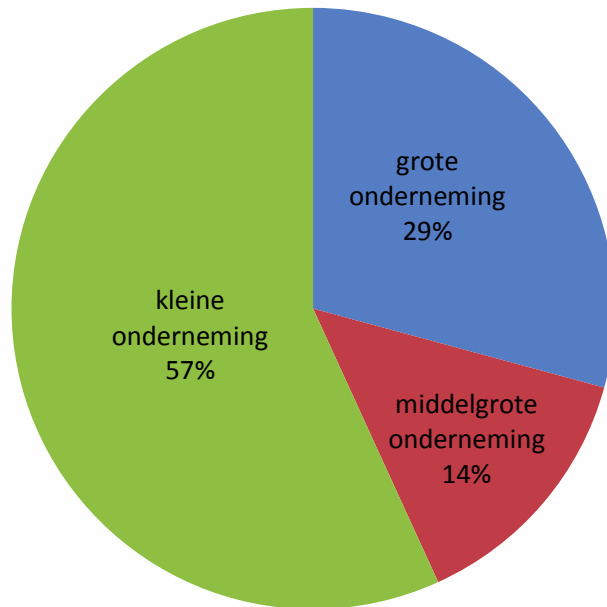


### **DISTRIBUTION OF FUNDING BY TYPE OF PROJECT ACTIVITIES**

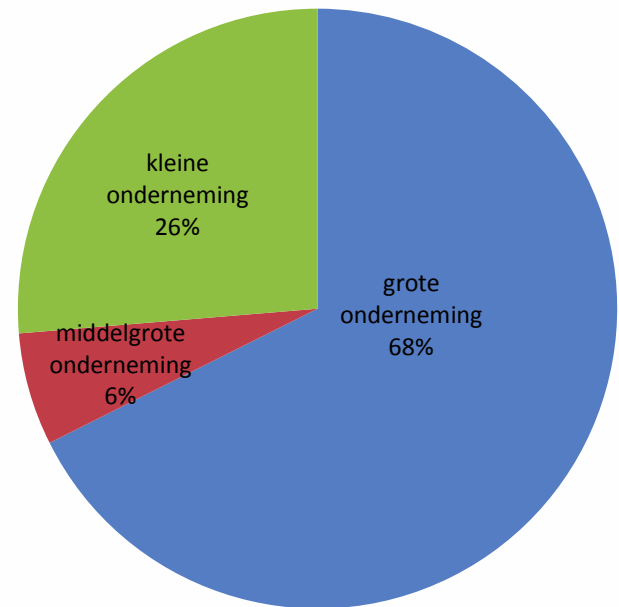
- Companies
- Research institutions
- Researchers
- Flemish Government
- Cooperation on innovation

# Distribution between types of enterprises

## Number of business projects



## Funding



SME



Medium size enterprise



Large enterprise

Ankara 2013

© Paul Lagasse 5

# Stimulating industry-university collaboration

- ✓ Higher % funding in industry funding programs
- ✓ Prerequisite for some industry funding programs
- ✓ Prerequisite for some university funding programs
- ✓ Specific incentives for SME-university collaboration
- ✓ Joint industry-university PhD programs
- ✓ Joint spinoff-university PhD programs
- ✓ Support for university technology transfer offices
- ✓ Inter-university research centers



*iMinds aims to add economic and social value through excellent research and the creation of human capital in the domain of ICT*

**1000+**

**Researchers**

across 5 universities

**250+**

**Projects**

with the Industry

**700+**

**Partners**

in the iMinds ecosystem

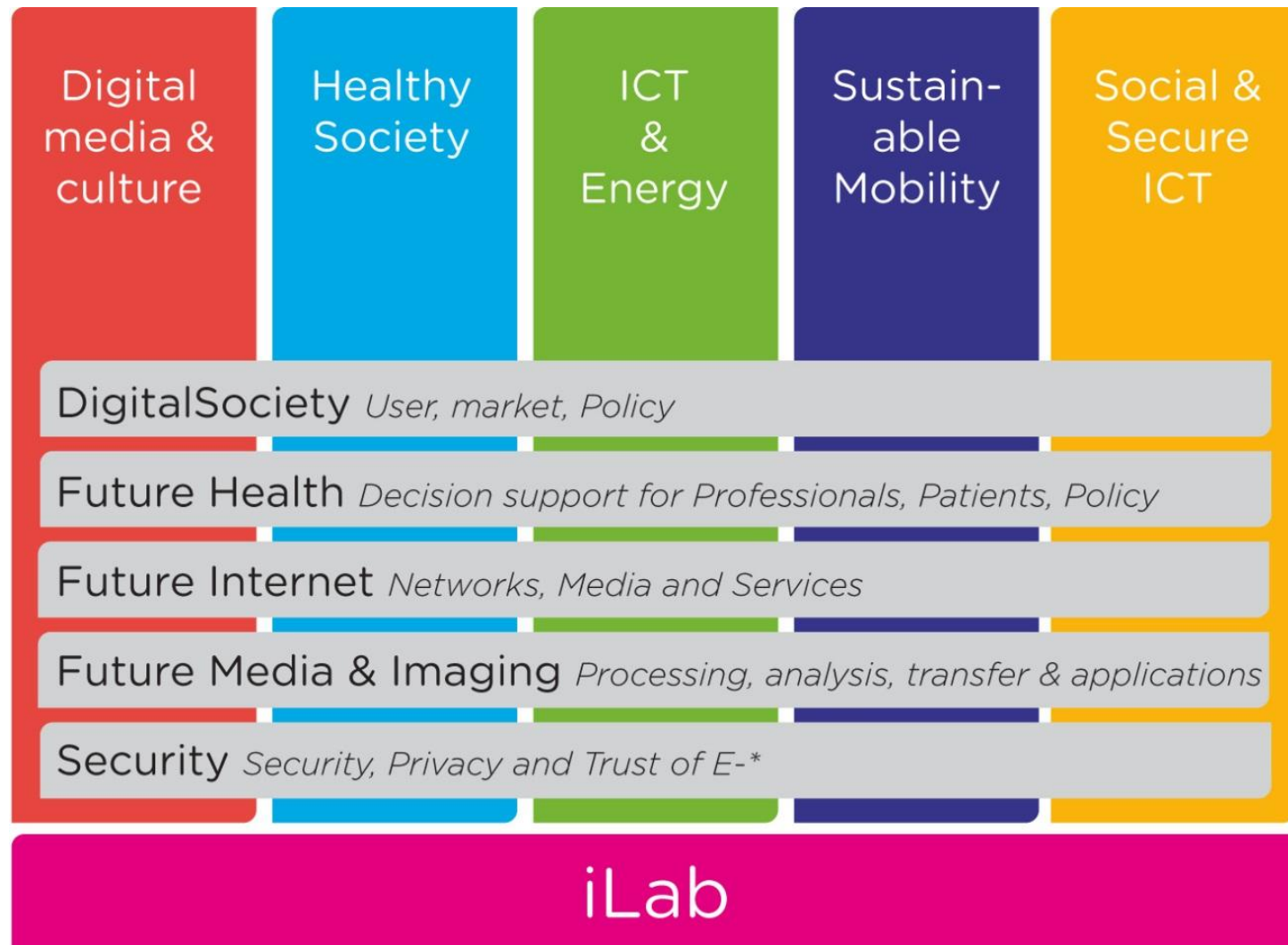
**35 & 14**

**Seeds & Spin-offs**

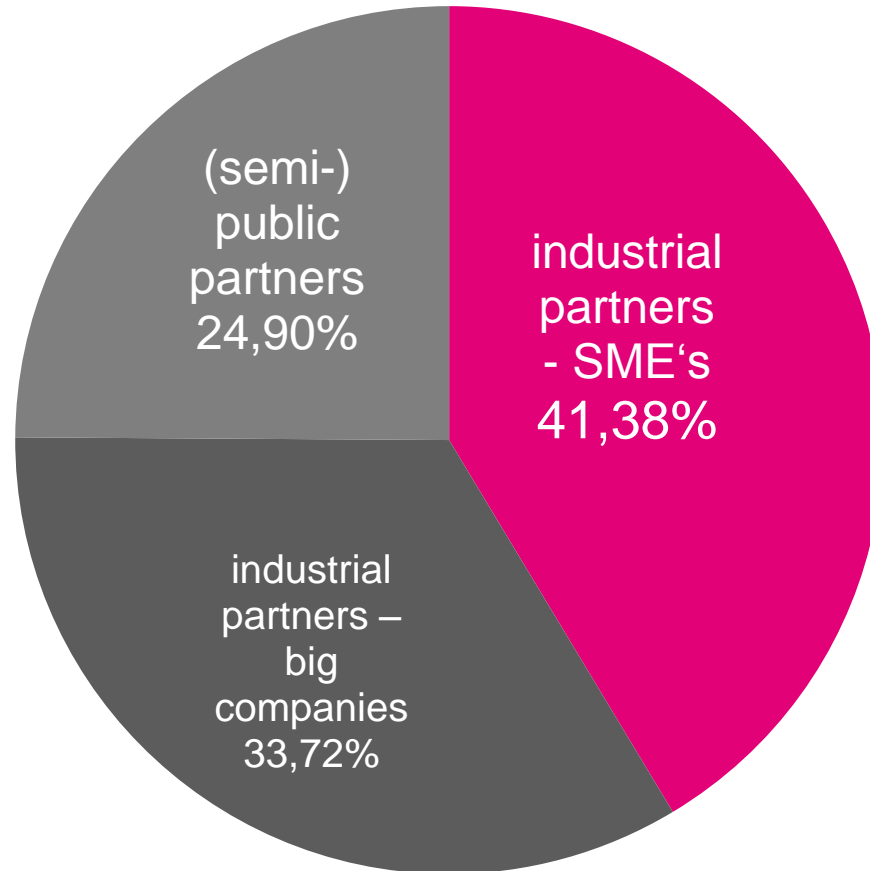
in the iMinds Incubator program



# 1000 Researchers organised in 5 departments



# 720 iMinds Partners



# 720 iMinds partners



# Goals and enablers in our strategic plan

- Strategic Goals

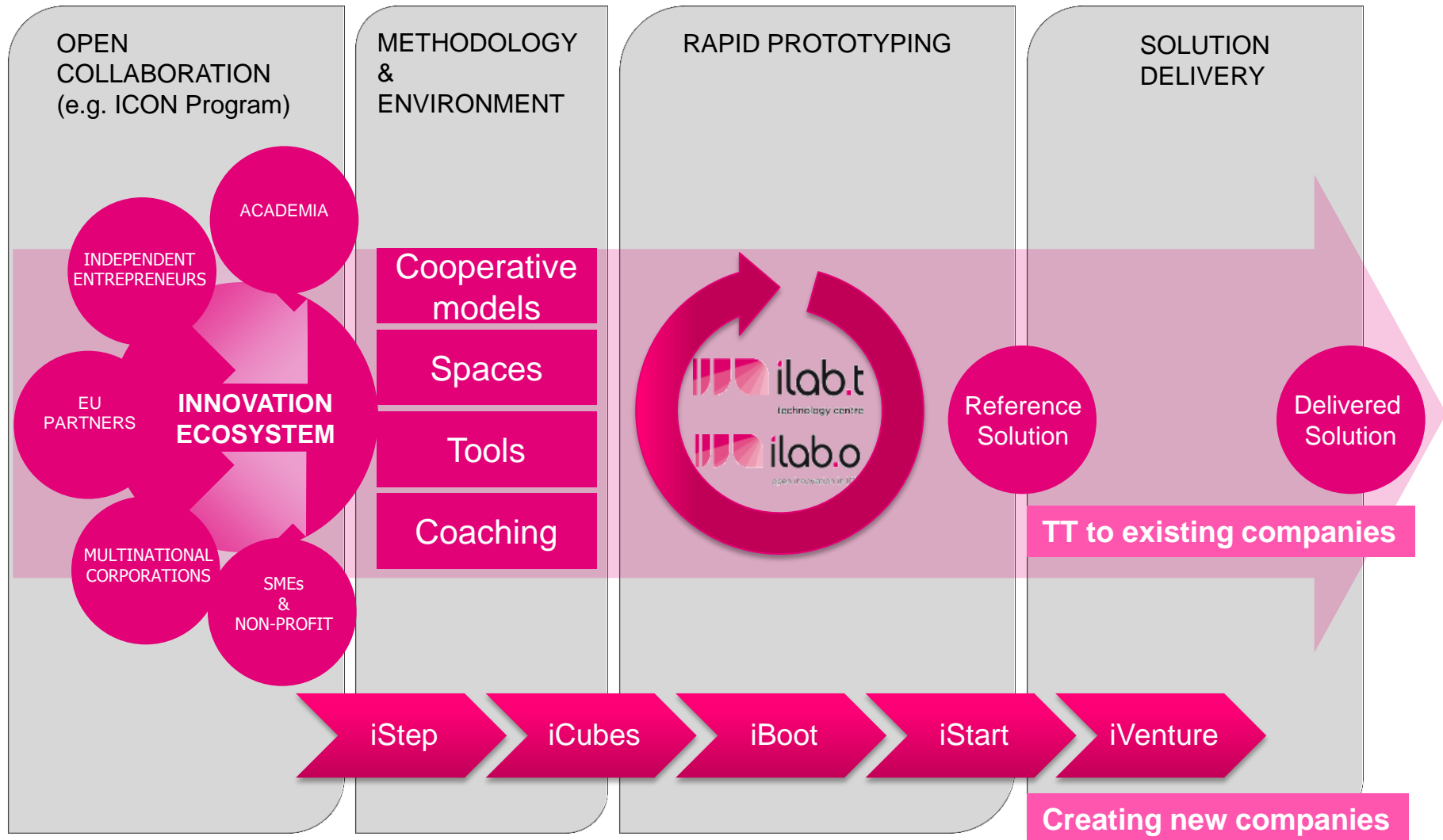
- Achieve excellence in market-driven research
- Provide comprehensive support for entrepreneurship and innovation
- Foster human capital through knowledge exchange

- Strategic Enablers

- Focus on internationalization
- Create world-class research infrastructures

# iMinds' open innovation framework

*From Ideation, Validation to Prototyping and Delivery*





# iMinds culture & values

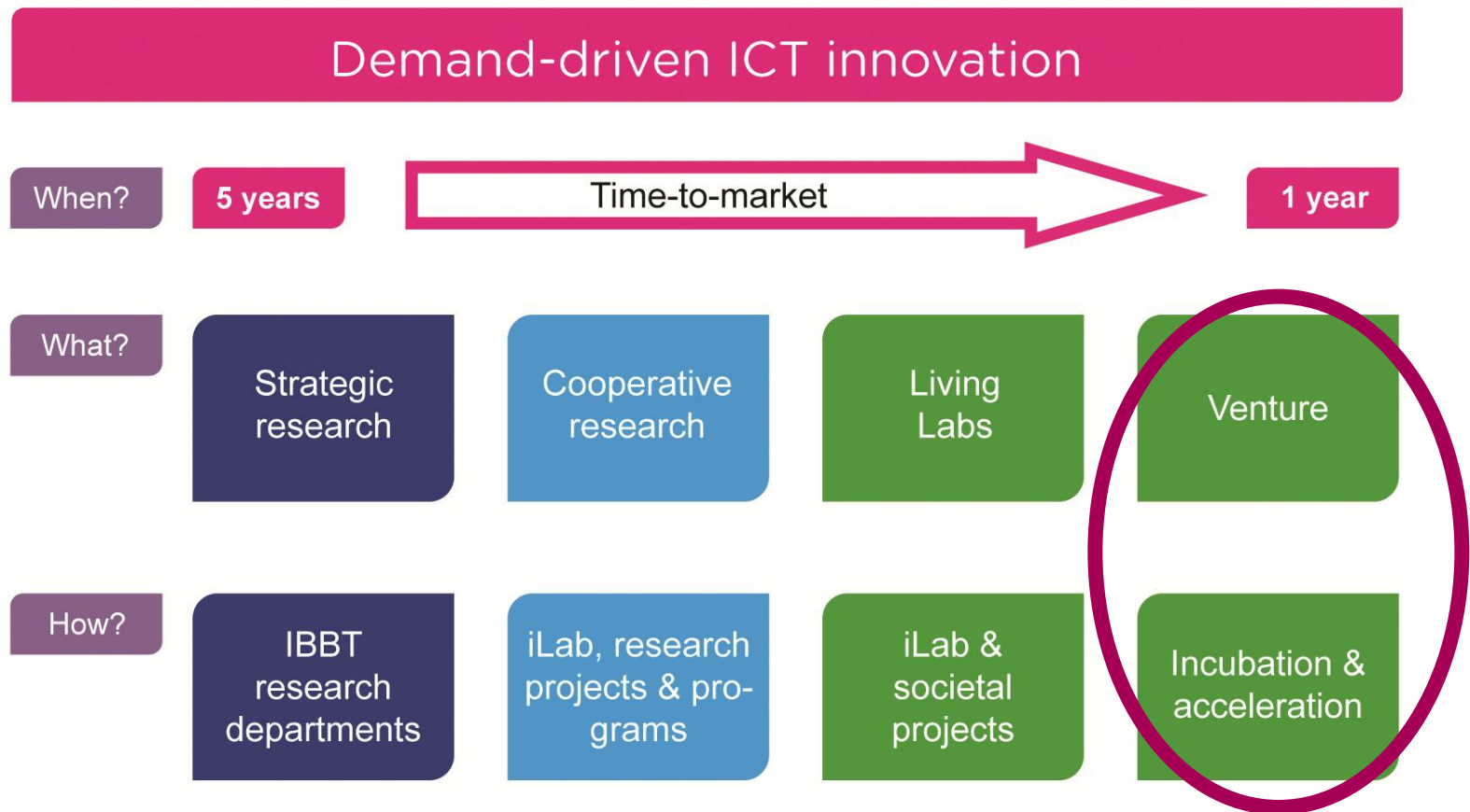




**“The iMinds model is truly unique and potentially powerful as a result of its *interdisciplinary, cooperative, demand-driven* nature and thanks to the combination of applied and basic research in a number of focus domains”**

source: Evaluation of iMinds, final report June 2011,  
ADL reference P11000158

# From idea to business: our R&D toolbox



# Entrepreneurship philosophy

*Create a vibrant environment with an international vision that links entrepreneurs with iMinds know how, provides access to financing and leverages our industry network*

- Entrepreneurs-in-residence
- Network of experts (60+)
- Building teams & companies

- Public Funding
- Angel Investors
- Venture Capital
- Cross border financing (EU)

Entrepreneurs

Financing



- Sharing industry know how
- Market driven
- Engage in co-development
- Act as launching customers

Industry  
Partner  
Network

# Incubation & Venturing toolbox

iStep

- Teaching & learning

iBoot

- Create entrepreneurial teams around your idea
- Validate the business opportunity

iStart Light

- Student entrepreneurship program

iStart

- Coaching and implementing real ventures

iCubes

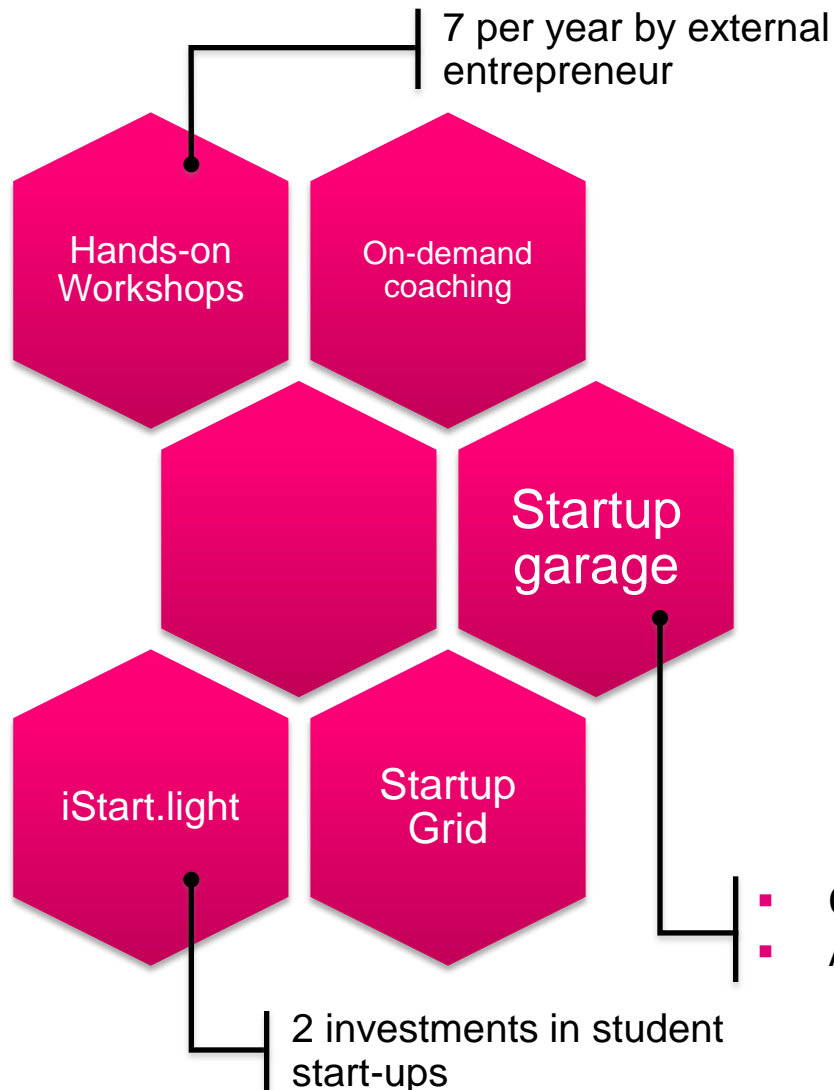
- Provide space, logistic support & operational services

iVenture

- Preseed capital fund



# Student entrepreneurship



- Co-working space for starters
- As from March 2012

# iStart incubation program

The iStart incubation program focuses on the **further development and commercialization** of ICT innovations and the results of research projects

## Criteria to get in

- Mature ICT-related ideas
- Technological PoC available
- Capable and committed team
- Focus on business development

## iMinds services for Starters

- Pre-seed financing
- Access to startup garage (facilities)
- Training and coaching (e.g., Lean startup)
- Entrepreneur-in-Residence (EiR)

# Internationalization support



- Partnership with the incubator **Plug & Play Tech Center**, supported by FIT
- ICT start-ups can spend up to 3 months in **Silicon Valley** and find the introductions, local market knowledge and support they need to get started

up.  
2011 9 companies  
2012 8 companies

“ *High tech ICT companies are born global* ”

- **European pilot** program from EBN (until end 2011)
- Offer companies services at a selection of global locations, tailored to match their: **logistics**, access to the **local business** world, **expert advice**

**SOFT LANDING CLUB**  
YOUR BOARDING PASS TO INTERNATIONAL BUSINESS SUPPORT AT DIFFERENT GLOBAL LOCATIONS!



**Singapore**



# *University-Industry Collaboration and Spin-off Creation*

*A personal view*



富嶽三十六景

神奈川  
浪裏

大正四年



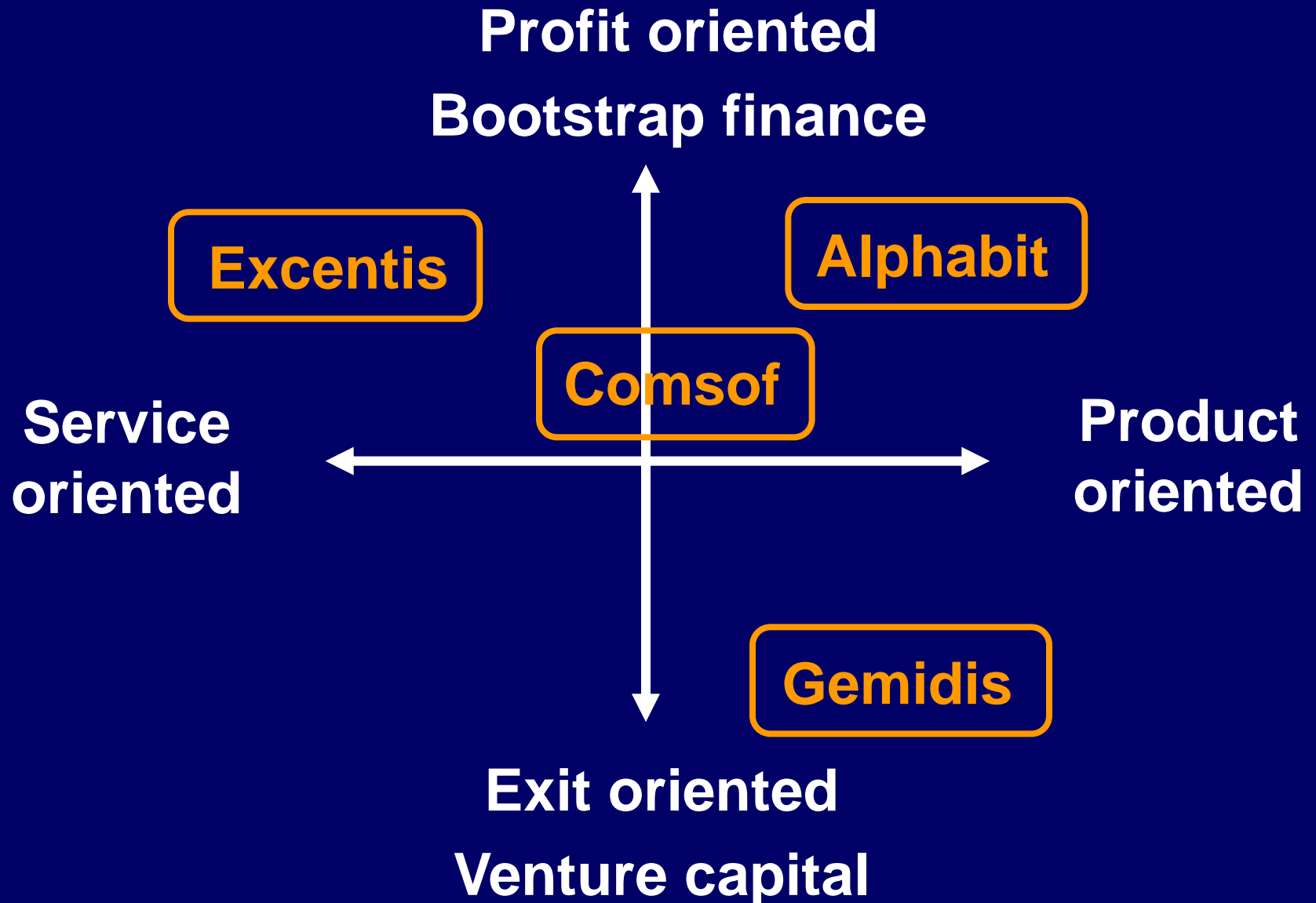
- ✓ **True value of innovation is created in society.**
- ✓ **Ideas are worthless, people are priceless.**

**Minds are like parachutes, they only function when they are open**



## Job Creation

**In USA from 1980 to 2005 firms less than 5 years old created 40 million new jobs, equivalent to 100% of the new jobs created by the entire American private sector.**



## Alphabit

- ✓ **Software product : computer aided engineering software for high frequency planar electronic circuits.**
- ✓ **Started in 1991**
- ✓ **Sold to HP in 1996**
- ✓ **Still active in Ghent as an Agilent company**

## **Excentis** (started as tComLabs)

- ✓ **Service: certification and consulting services for cable telecom industry.**
- ✓ **Started in 2000**
- ✓ **Still operating profitably (21 engineers)**
- ✓ **Lately also development, marketing and sale of software products**

## Gemidis

- ✓ **Hardware product: LCOS, LCD displays on CMOS chips.**
- ✓ **Started in 2004**
- ✓ **Bankrupt in 2008**
- ✓ **Important investments by venture capitalists**



## Comsof

- ✓ **Software product: planning tool for optical networks.**
- ✓ **Service: cost modeling for telecom operators**
- ✓ **Started in 1998**
- ✓ **Successful backbone network planning tool product line sold to OPNET (US, Nasdaq).**
- ✓ **Continuation of cost modeling services**
- ✓ **Start of access network planning tool development.**
- ✓ **Access network planning tool product currently successful worldwide.**

## Conflicting expectations

- ✓ Governments expect economic growth and increasing employment.
- ✓ Universities expect extra revenues
- ✓ Venture capitalists demand a high Return on Investment.
- ✓ University departments want to continue research projects in competition with the spin-off.
- ✓ Researchers hope for a financial reward.

## Conflicting expectations

- ✓ **Venture capitalists aim for a financial windfall based on short term exit strategies without regard for the subsequent operation of the company.**
- ✓ **Researchers hope for a long term sustainable operation of the company and for corresponding employment.**

## Roadblocks to success

- ✓ **Gaining credibility by having a first relevant customer contract is vital.**
- ✓ **Researchers usually lack commercial experience.**
- ✓ **Cost of marketing and sales is usually underestimated**

## Roadblocks to success

- ✓ The estimate of time to market is usually far too optimistic .
- ✓ US spin-off's are used as role models although the overall economic, regulatory and legal environment is fundamentally different.

## 5 steps to success

- 1) Idea - slide ware.
- 2) Proof of concept.
- 3) Product.
- 4) First substantial customer
- 5) Profitability or exit



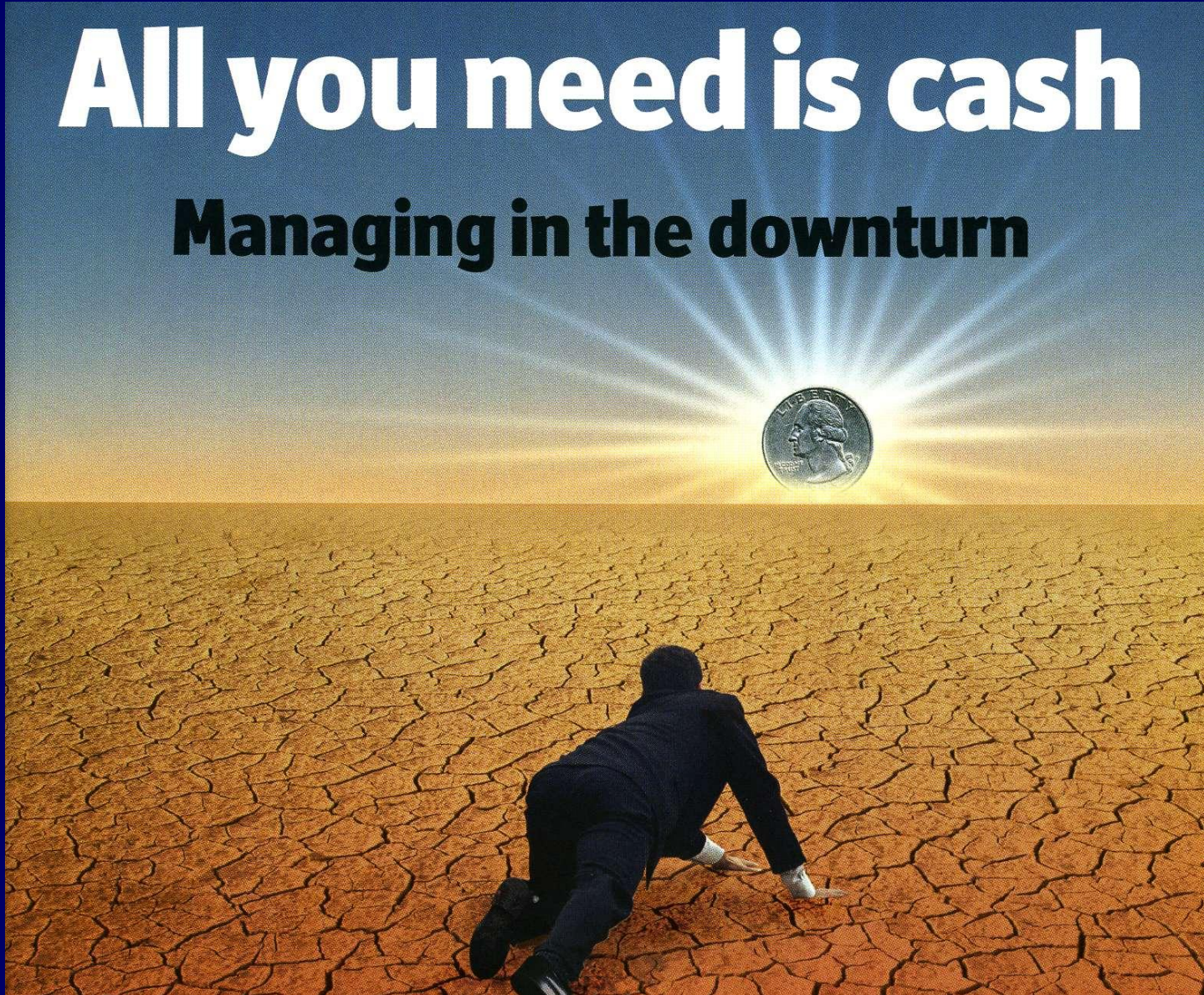
## Recommendations for Technology Transfer Offices

- ✓ Recognize the different types of spin-off's .
- ✓ Align the expectations of the different actors.
- ✓ Be clear about the aims of the university and communicate it to the researchers.
- ✓ Carefully manage the conflicts of interest.



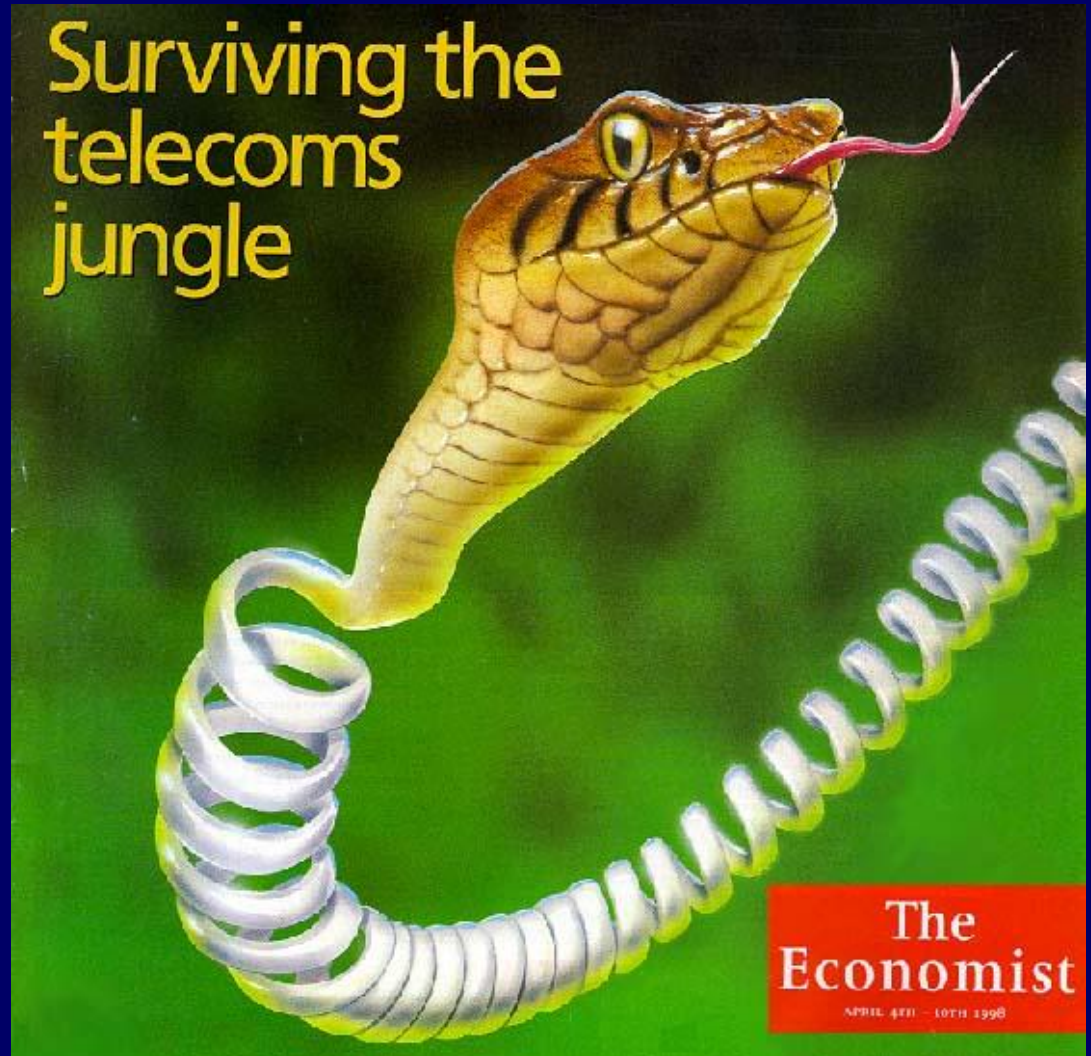
# All you need is cash

## Managing in the downturn

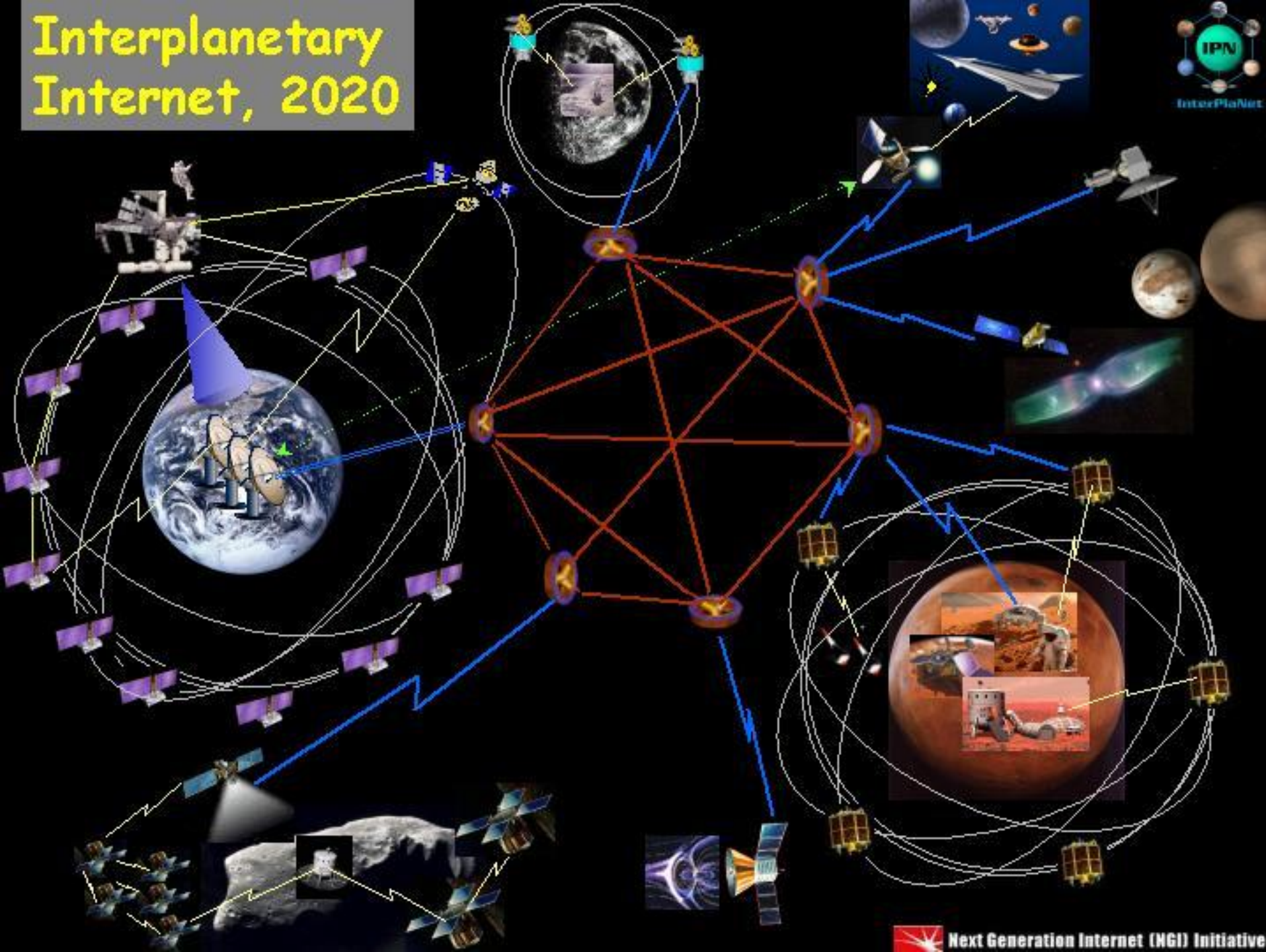




*DO NOT  
FIGHT  
THE  
CHANGES*

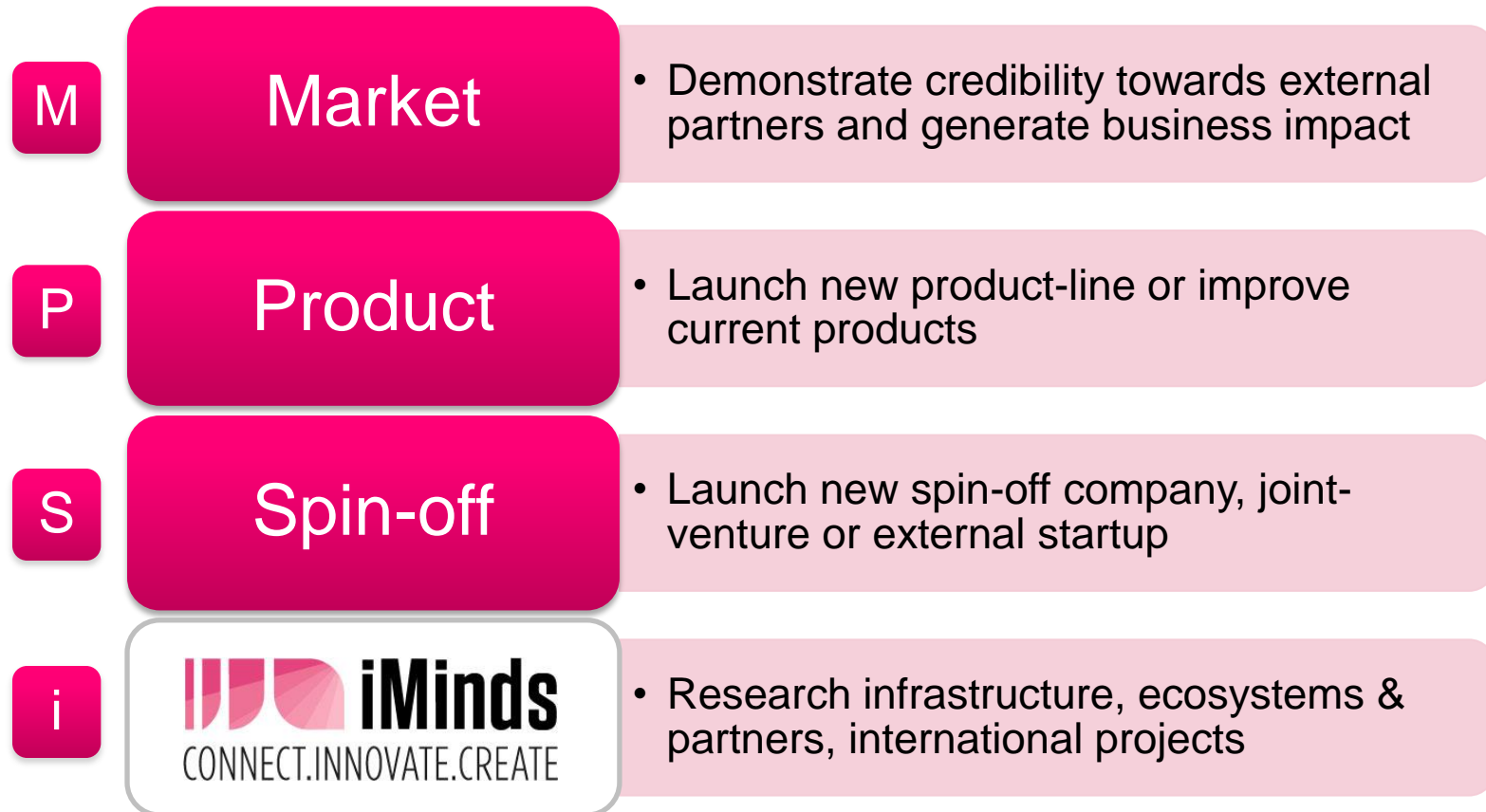


# Interplanetary Internet, 2020

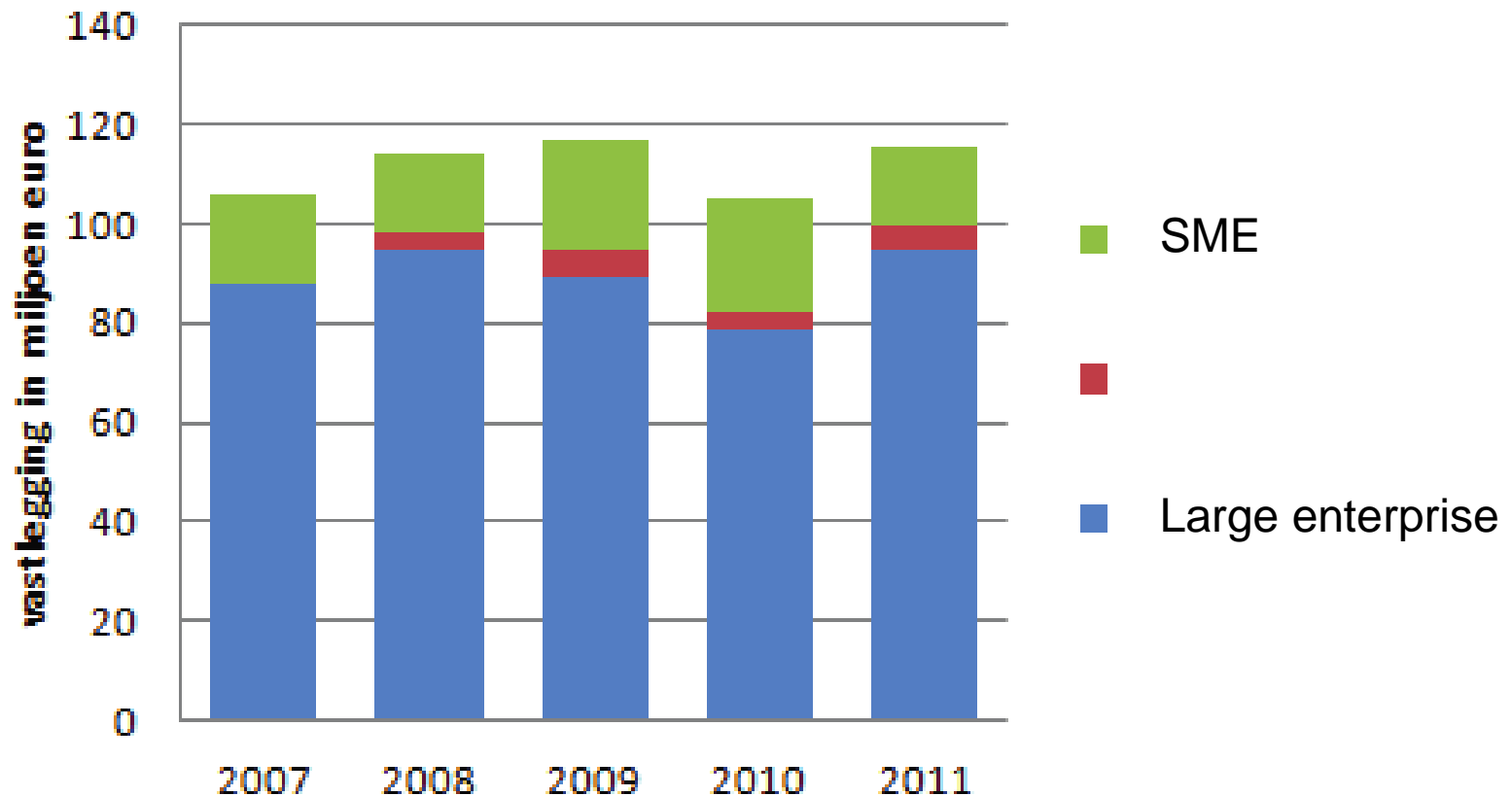


# ICON Program : our track record

## Valorization opportunities and value creation



# Development of innovation funding in Flanders

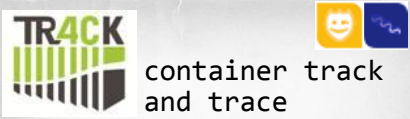




# The iMinds iStart portfolio consists of 18 ICT start-ups of which 2 failed



2011



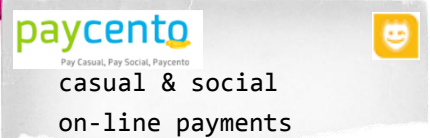
2011



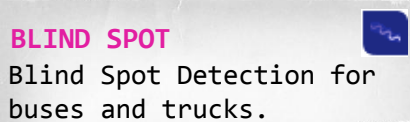
2011



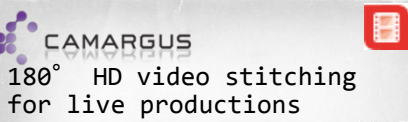
2011



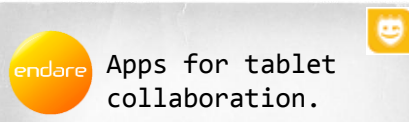
2012



2011



2011



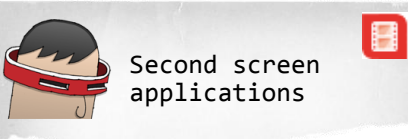
2011



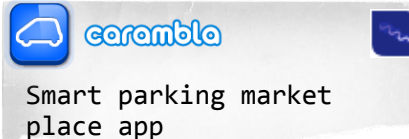
2012



2012



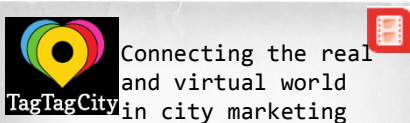
2012



2012



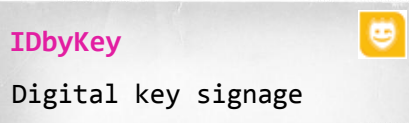
2012



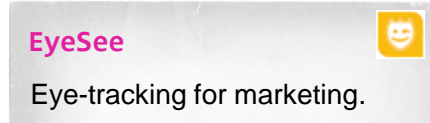
2012



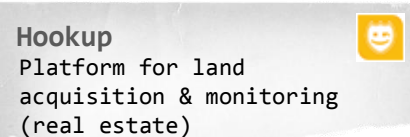
2012



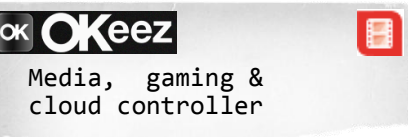
2012



2010-2011



2011-2012



Additional: OBMEC, Aqimed

# iStart projects facts and figures

Invested Funds : 100K

iStart Call  
Q4 2011:

16  
registrations

10 projects  
through to 2nd  
round

4 projects  
selected

2 projects signed  
the incubation  
agreement

Invested Funds : 150K

iStart Call  
Q1 2012:

17  
registrations

10 projects  
through to 2nd  
round

4 projects  
selected

3 projects signed  
the incubation  
agreement

Invested Funds : 50K

iStart Call  
Q2 2012:

14  
registrations

9 projects  
through to 2nd  
round

4 projects  
selected

2 projects signed  
the incubation  
agreement

Invested Funds : 625K

iStart  
registrations the  
outside of the  
calls:

numerous projects  
registered  
before the iStart  
call system was  
introduced.

10 projects  
selected

9 projects signed  
the incubation  
agreement