The European SME Instrument

Supporting the best European SMEs since 2014

Dorota Przyłudzka, European Commission

Who are we looking for ?

- Single company support
- Highly innovative idea – disruptive – close to market (TRL 6)
- Knowledge of the market and of competitors
- Convincing commercialisation plan
- Clear ambition to grow at EU/global level

Why participate?

- ✓ Investment without equity
- ✓ Additional services: business coaching + commercialisation support
- ✓ Reduce risk and facilitate access to finance
- ✓ Quality label
- ✓ Visibility at EU and global level
- ✓ Broaden your network

Horizon 2020's SME Instrument

Looking for Europe's next innovation leader

PHASES

PHASE1 €50 000 in funding

Concept & Feasibility Assessment
Idea to concept (6 months)

The SME will draft an initial **business proposal**.

PHASE2 €0.5 million to €2.5 million*

Demonstration, Market Replication, R&D
Concept to Market-Maturity (1-2 years)

The SME will further develop its proposal through **innovation activities**, and draft a more developed **business plan**.

BUSINESS INNOVATION COACHING

For PHASE1 and PHASE2 beneficiaries

PHASE3

Commercialisation, Finding Business Partners and Investors
Prepare for Market Launch

Funded SMEs receive **no financial support but services are offered** such as: networking and training on business models/doing business abroad, access to public procurement and to finance, business and innovation management, legal and IPR advices to gain new business partners, investors and commercialisation of their solutions.

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Phase 1 *- Concept & Feasibility Assessment*

- **Feasibility study**
- **Proposal** (10 pages): **Idea, initial business plan, activities**
- **Duration** project: ~6 months
- **EU funding: €50,000** per project
- Up to **3 coaching days**

=> ***Outcome****: feasibility assessment with a more elaborated business plan*

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Phase 2 *– Innovation Project*

- **Proposal** (30 pages): idea with feasibility assessment+ full business plan
- **EU funding: €0.5 -€2.5 million**
- **Up to 12 days coaching**
- **Duration**:1-2 years
- **Develop project through innovation strategy**

⇒ **Outcome**:

⇒ **new idea** (product, service, process) to launch on the market

⇒ **a business innovation plan** with a commercialization strategy & plan to attract **investors**

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Business innovation coaching

- ***Duration****: 3 days= phase 1; 12 days = phase 2*
- ***Empowering SMEs:*** successful commercialisation
  - **Strengthening the company's capability to deal with the challenges of each stage of its life cycle**
  - **Problem solving approach**
  - **Cover aspects such as strategy, organisation, management, financing, resource development**

- *Higher* ***efficiency*** *and* ***effectiveness***
- ***Quicker to the market***

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SME Instrument attracts top coaches!

Franco Malerba (It)
-Former Astronaut
IT companies

Julio Marco Barroso (Esp)
-SG Int.Coach Federation
VC experience, 8 cases

Mike Bradley (UK)
--Successful IPO
Biz dev. Licensing IP

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Phase 3: support to commercialisation services

- Video https://www.youtube.com/watch?v=bhhoASUTjqU

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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*

Evaluation of proposals

- *By independent **experts***
- *Award criteria:*
  - **IMPACT**
  - **EXCELLENCE**
  - **QUALITY**
- ***Threshold***
  - Phase 1 : per individual criteria is 4. Overall is 13
  - Phase 2 : per individual criteria is 3 (expect for "Impact" which is 4). Overall is 12

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Evaluation: IMPACT

Convince evaluators that your project will **make money** and **create jobs**

- **Market (will to pay) - targeted users**
- **Market conditions – competition – Market share**
- **Commercialisation plan**
- **EU/global dimension**
- **Knowledge protection**
- **Jobs created in Europe**

Evaluation: EXCELLENCE

Convince evaluators that your innovation is excellent

- **Innovative product/process/service**
- **Viable & Disruptive technology**
- **Added value**
- **Better than existing solutions**
- **Commercial potential**
- **Understanding of risks and opportunities**

Evaluation: IMPLEMENTATION

Convince evaluators that you will make it

- **Credibility of the work plan**
- **Right resources internally**
- **Right partners and stakeholders**
- **Team organisation**
- **Realistic time frame**

Experts:

- 100% experience in business/industry
- business development, finance, technology
- 88% work in private for-profit companies
- 6% investors (BA, VC, institutional investors)
  5% other finance

- we don‘t want to mimic an investor process, but we are interested in companies with a good commercialisation strategy

Choose your topic!

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TOPICS	CALL ID	BUDGET	
		2016	2017
Open Disruptive Innovation Scheme	SMEInst-01	€60 m.	€66 m.
Accelerating the uptake of nanotechnologies advanced materials or advanced manufacturing and processing technologies by SMEs	SMEInst-02	€31.83 m.	€35.32 m.
Dedicated support to biotechnology SMEs closing the gap from lab to market	SMEInst-03	€7.5 m.	€7.5 m.
Engaging SMEs in space research and development	SMEInst-04	€11.37 m.	€12.6 m.
Supporting innovative SMEs in the healthcare biotechnology sector	SMEInst-05	€35 m.	€45 m.
Accelerating market introduction of ICT solutions for Health, Well-Being and Ageing Well	SMEInst-06	€18 m.	€12.5 m.
Stimulating the innovation potential of SMEs for sustainable and competitive agriculture, forestry, agri-food and bio-based sectors	SMEInst-07	€25.46 m.	€32.19 m.
Supporting SMEs efforts for the development - deployment and market replication of innovative solutions for blue growth	SMEInst-08	€9.5 m.	€10 m.
Stimulating the innovation potential of SMEs for a low carbon and efficient energy system	SMEInst-09	€46 m.	€50 m.
Small business innovation research for Transport and Smart Cities Mobility	SMEInst-10	€57.57 m.	€61.23 m.
Boosting the potential of small businesses in the areas of climate action, environment, resource efficiency and raw materials	SMEInst-11	€25 m.	€27.5 m.
New business models for inclusive, innovative and reflective societies	SMEInst-12	€10.8 m.	€11.4 m.
Engaging SMEs in security research and development	SMEInst-13	€15.37 m.	€14.67 m.
TOTAL		€353.4 m.	€385.91 m.

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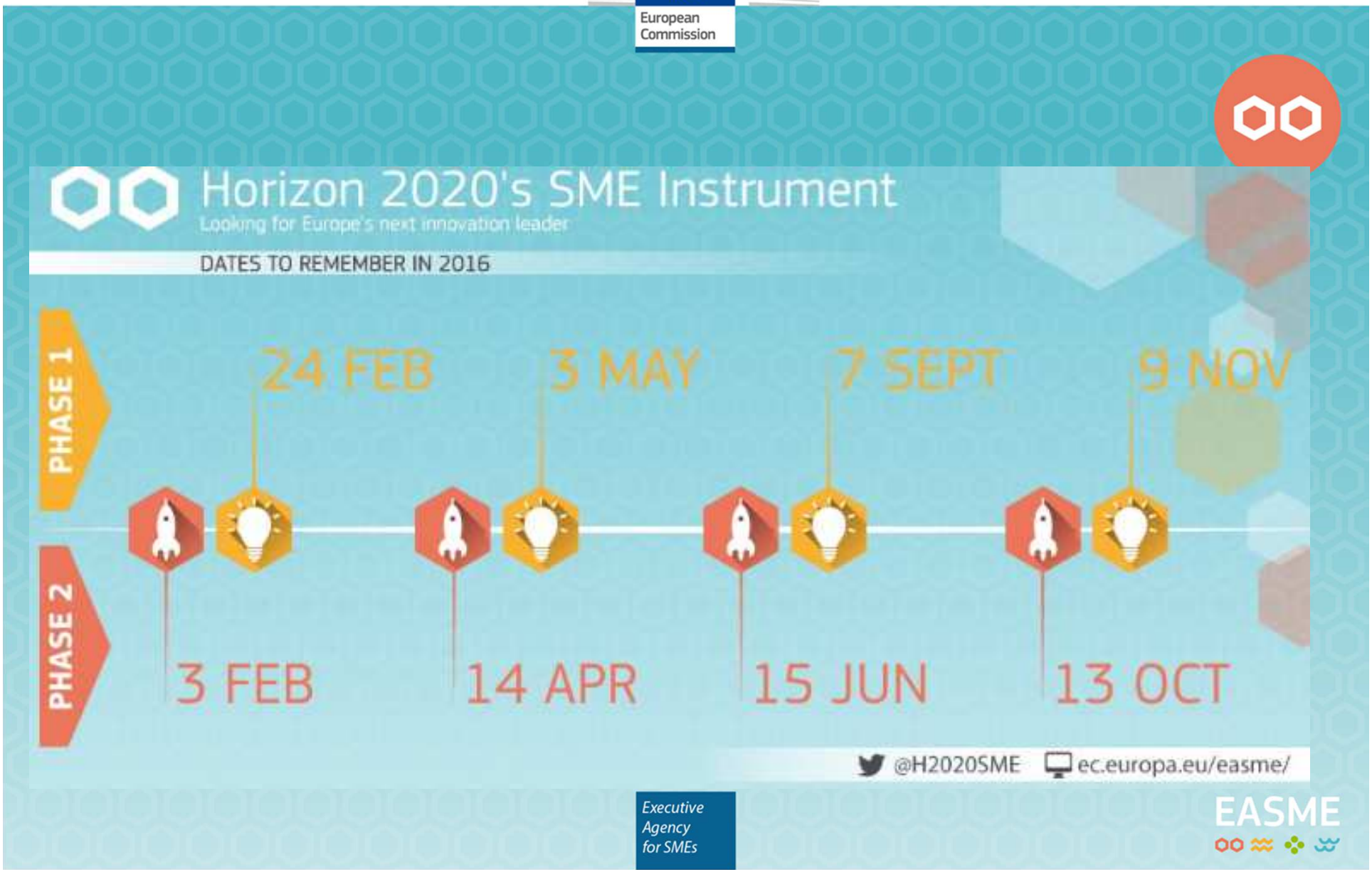
Dates for 2016



Practical info points:

- ***National Contact Point for SMEs***

http://bit.ly/1LsdMEn

- ***Enterprise Europe Network***
  http://een.ec.europa.eu/about/branches

Additional info:

- ***Twitter SME Instrument*** https://twitter.com/h2020sme
- ***EASME website***
  - **http://ec.europa.eu/easme/en/horizons-2020-sme-instrument**
  - **https://ec.europa.eu/easme/node/750**
  - **https://ec.europa.eu/easme/en/question-sme-instrument**
- ***IPR Helpdesk*** https://www.iprhelpdesk.eu/
- ***Any questions***:

EASME-SME-HELPDESK@ec.europa.eu

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What we have achieved so far 2014/2015

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2014 and 2015 in a nutshell

PHASE 1

above threshold **2119**

funded **1166**

14485 Proposals received

budget **€58.3M**

PHASE 2

above threshold **1698**

funded **278**

4835 Proposals received

budget **€468.7M**

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Thank you very much for your attention!

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http://ec.europa.eu/easme/sme/

Showcases of companies supported by the SME Instrument:
http://ec.europa.eu/easme/en/sme-instrument/showcase

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