



Would you like to start a high-tech company? Have you developed a new technology and would you like to see an opportunity to start with your own business? With SO Kwadraat you are at the right place!

SO Kwadraat presentation
"New insights & case studies"
14/7/2018

Content

- Introduction to SO Kwadraat.
- Results & ambition.
- Key elements to a successful entrepreneurial Ecosystem.
- New insights from 15 years of coaching.
- Encountered problems during coaching.
- Follow-up processes.
- Case studies: 5 successful companies.

Executive Summary

Coaching Hi-Tech Starters

Innovation



Valorisation

The mission of SO Kwadraat is to:

- **Valorize human excellence (PhD's)** at universities and other knowledge centers.
- Stimulate **economic growth** and local **job creation** in strategic **hi-tech markets (Medical, ICT, Environment, Robotics,...)**.

SO Kwadraat's unique value proposition is its:

- **Individual coaching of PhD's and pre-starters by serial entrepreneurs** who successfully developed their own high-tech companies.
- In-house developed **methodology** to guide the coaching process.

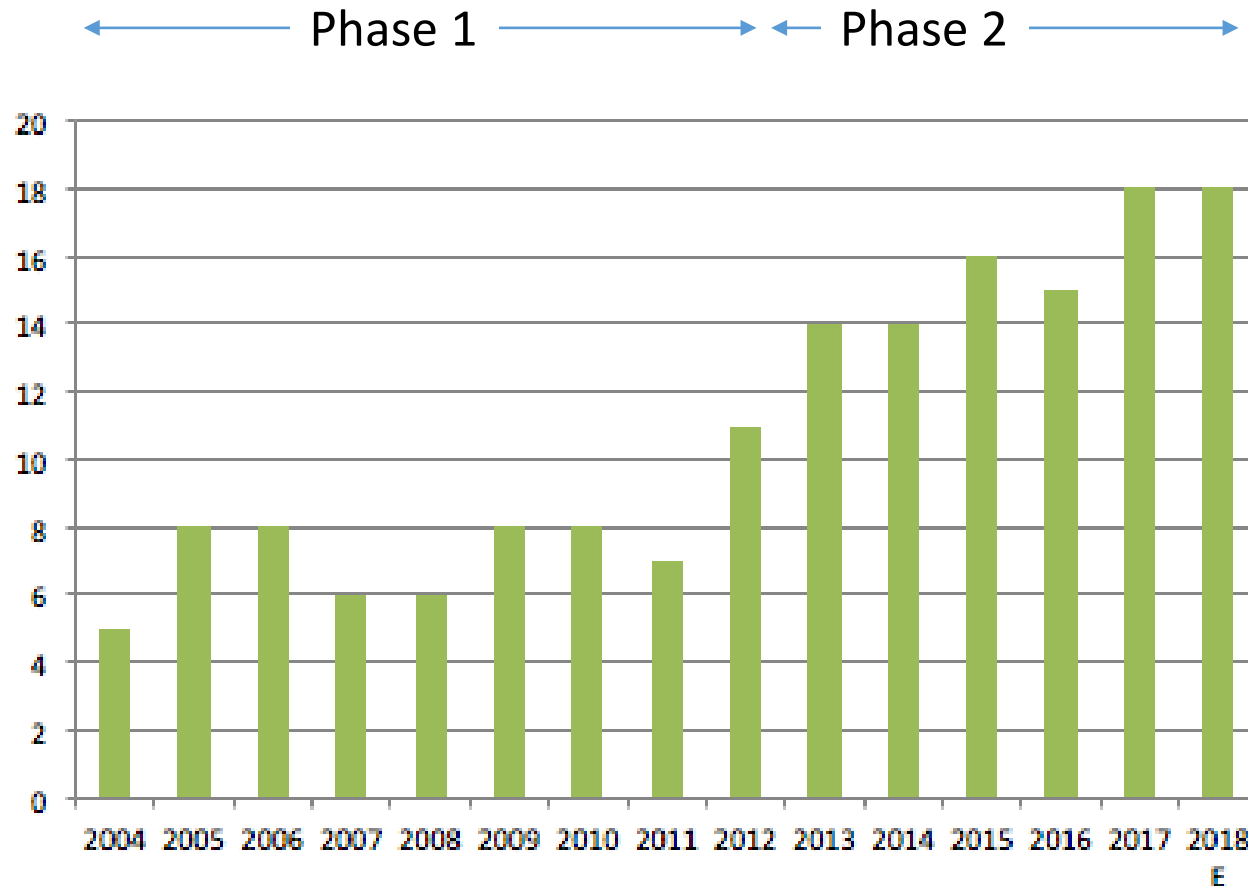
SO Kwadraat is:

- An **independent not-for-profit organization** that offers its services free-of charge.
- Advised by Captains of Industry and Entrepreneurs.
- Sponsored by individuals, companies, organizations who share the mission.

156 High-Tech Start-ups out of 500+ teams coached (PhD's) (2004 - 2018)

Doubling the output

Number of Start-ups



Phase 1

Start-up &

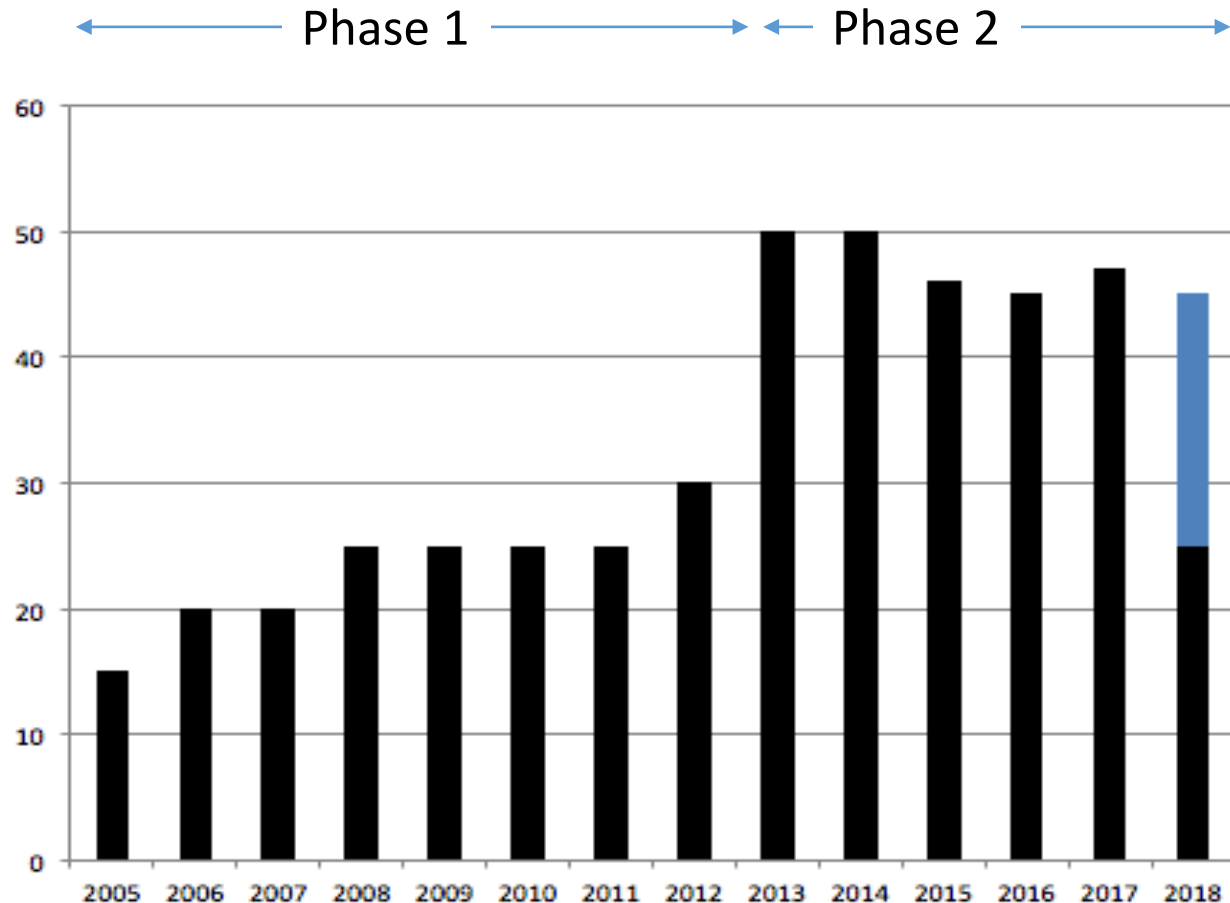
Validation of SO Kwadraat concept
Average 7 Start-ups/year

Phase 2 (budget increased to 250K)

Prove of up-scaling potential
Average 15 Start-ups/year

Doubling the Input

Number of new teams under coaching



Phase 1

Start-up

Validation of SO Kwadraat concept
Average 23 new teams/year

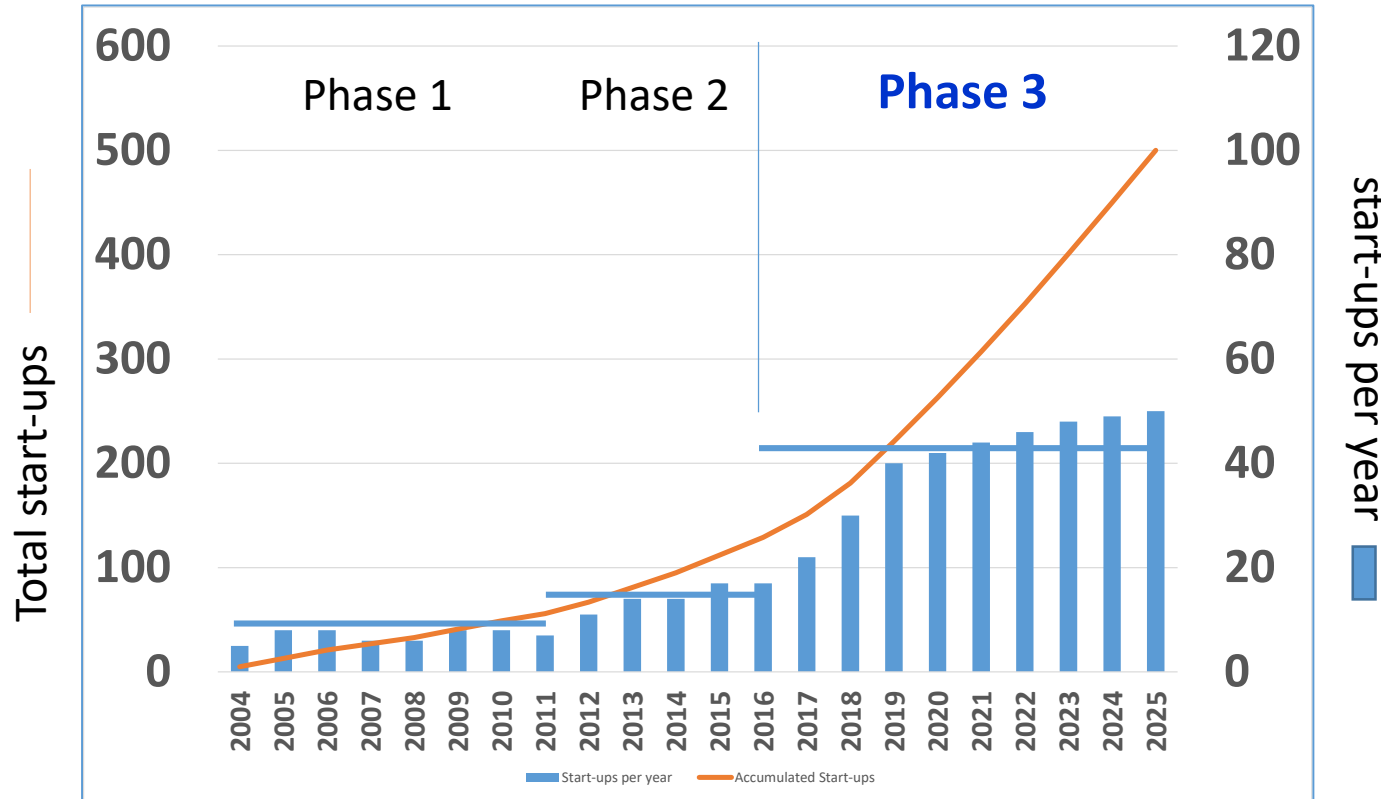
Phase 2 (=budget increased to 250K)

Step-up

Prove of up-scaling potential
Average 47 new teams/year

Ambition 2025

Up to Phase 3



1. Move the needle
 - 500 Start-ups
 - 30.000 employees
 - Digital Champion

2. Be the pillar of Valorisation
 - Increase #Start-up vs #PhD ratio from 0,5% to 3-5%

Employees (dir+ind : 1+2)	1.200	2.500	30.000
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Conditions to realize the Ambition

Stick to the fundamentals



- Unique selling proposition
 - individual coaching by experienced entrepreneurs
- SO Kwadraat Phase III
 - Increase the number of High-tech Spin-offs to 500, valorizing PhD's & human Excellence.
 - Increase number of coaches to 25.
 - Increase the budget from 250K/Year to 750K/Year
 - Average cost per coach = 30K/Year
 - Total budget for 25 coaches = 750K/Year
 - Travel costs = 10K/year
 - Publicity: website = 3K/Year

Key elements for a successful Ecosystem

- Entrepreneurial Universities: entrepreneurial friendly, giving full support to the starters (e.g. Zweden), focus on excellent education.
- Human resources: entrepreneurs (PhD's) & employees (highly trained).
- Coaching organisation with a core of experienced coaches, supported by big industry players.
- Business Angels/VC funds: smart money, willing to take some risks.
- Patent office: IP protection is crucial!
- A government facilitating the creation and growth of new high-tech companies: low taxes, incentives to attract brains,...
- Customers: open to invest in/buy new technologies.

Some problems encountered with the teams

- HR problems:
 - Lack of thrust between the team members
 - Team members taking up a job (university, industry)
 - Team members not ready to jump (give up their well paid job)
- Technological/IP/market problems:
 - Competition is strong and advanced, lack of market intelligence.
 - No freedom to operate (IP issues).
 - Prototype is not working, and takes a too long time to bring up to speed.
 - There is no market for the product/service.

Lessons learned

- Let your (potential) customers drive your product/service design.
- Management skills are necessary to grow your company. If you feel more attracted to tech stuff, hire a manager.
- US headquarters can multiply your chances to:
 - Attract capital
 - Get access to a WW market
- Learn from competitors or adjacent companies: build market intelligence.
- Teams with two or more founders have a better growth potential, compared to individuals.
- Write a lean BP!

Lessons learned

- Successful teams have worked several years together before starting up...
- A researcher can become an entrepreneur in 3 to 6 months, through intensive individual coaching by experienced entrepreneurs.
- Be innovative in your business model! Adapt your model to the resources you have available, both financially and Human. E.g. Create sales teams, sales contests,...
- Dare to stop a product development if the market is not responding. Cut your losses!

Follow up activities at SO Kwadraat

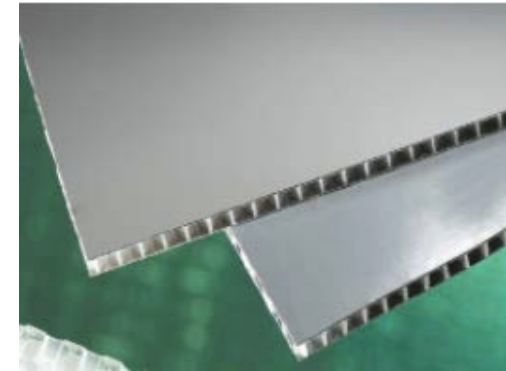
- For teams that started: Business club, SO Growth coaching
- For teams that did not start:
 - Some people return to SO Kwadraat with a new idea (example of a PhD engineer that returned 3 times, and now has a successful startup in 3D metal printing).
 - Others take a job in industry, at one of the high-tech companies, or at a university.

Case studies: 5 most successful SO Kwadraat coached companies (by value, capital raised and employees)

- Nr 1: Collibra:
 - Big data management software platform
 - Value: 600M\$, raised 133 M\$ so far (D-round)
 - 200 people active in EU and US.
- Nr. 2: DataCamp (started in 2015):
 - Data science courses platform
 - Value: 50 MEuro, raised 7 MEuro.
 - 100 people active in New York and Brussels.
- Nr. 3: TheoPlayer (started in 2012):
 - Universal video player
 - Market value: 40MEuro, 7 MEuro raised
 - 60 people in New York and Leuven, Belgium.

Case studies: 5 most successful SO Kwadraat coached companies (by value, capital raised and employees)

- Nr. 4: ICsense (started in 2005)
 - Analogue and digital IC design services.
 - Value: 20 MEuro, 250K raised at start-up.
 - 110 people in Leuven, Belgium.
- Nr. 5: EconCore (started in 2006)
 - Honeycomb sandwich material production.
 - Value: 10 MEuro, raised 2 Meuro.
 - 50 people in Leuven and Germany (production)



Conclusions

- A transparent, responsible and effective ECOsystem is key to support growth in a high-tech region.
- New **innovative software** companies have the best chances to become quickly world-wide leaders, resulting in tremendous benefits for the region (Top 3 SO Kwadraat coached companies).
- Overall survival rate of high-tech companies that received coaching is more than 90%. So more people should consider starting their own high-tech company!



SO KWADRAAT
Coaching Tech Starters

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Thank You!