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Acceleration Report

Version 0.04

Executive Summary

This document provides an overview and assessment of the achievement of the ATALANTA accelerators during the first iteration. It contains the raw data concerning number of applications, amount of funding and so on. Deviating from plan, these results are not assessed according to the success indicators defined during proposal time, since the real numbers exceed the estimations made two years ago by far. WP3 partners are currently working on the definition of an updated version of success indicators that take the new reality with much higher numbers into account.

The document constitutes deliverable D3.1 (Acceleration Report) and falls in the scope of WP 3 – Transnational Accelerators. The document was compiled by H-Farm with contributions of all partners.

Signatures

Lisbon, 25/05/2014

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Change Log

Motive for Change	Sections	Partner	Version	Date
First outline	All	Beta-i	0.01	20/02/2014
First content	All	H-Farm	0.02	26/06/2014

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1. Introduction

The first of three iterations of the ATALANTA project was successfully closed in spring 2014. The results, in terms of success indicators as they were defined in the proposal, are extremely promising. In fact, they are so much above the expected figures that the ATALANTA partners decided to review the original success criteria and to propose new indicators that are closer to today's reality, which has significantly changed for some consortium partners, since the original indicators have been drafted two years ago.

In this document, we give an overview of the results of the first iteration and provide an assessment of these results. The document is structured as follows. In section 3, we discuss the objectives and strategy in the implementation of the programmes. We also define the terminology used in the analysis and describe some aspects of the programmes, such as their timing. In section 4, we present the results for the individual accelerators based on analyses by F6S. Finally, we provide a brief assessment of the achievements and the analysis performed so far.

2. Reference Documents

Ref	Author(s)	Title	Additional Information	Publisher/Site	Date

3. Transnational Acceleration

3.1 Objectives

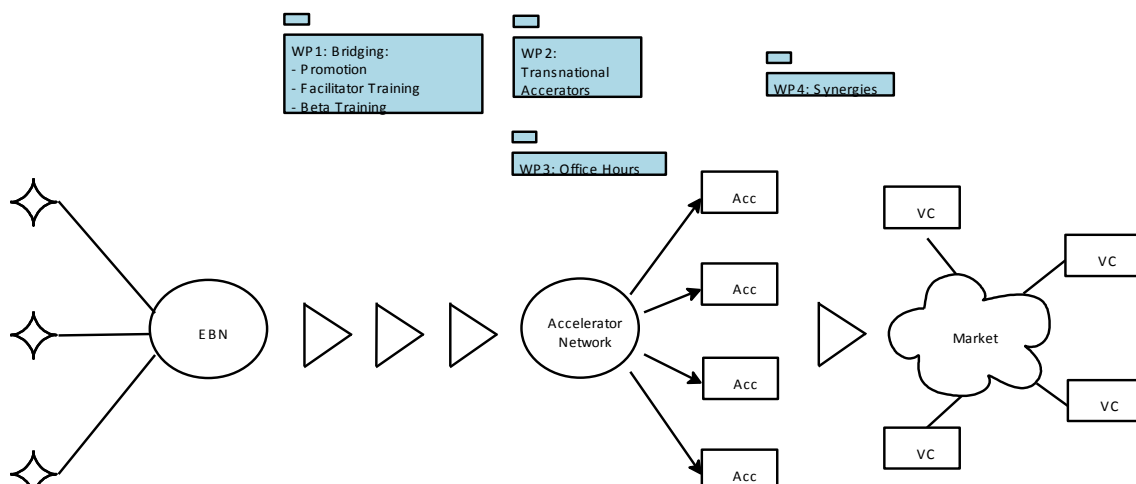
The objectives of the work done in the area of transnational accelerators (WP3) is to install international cooperation networks to

- Enhance sharing of best practices,
- Disseminate new methodologies,
- Improve promotion of accelerator programmes towards knowledge creators and the entrepreneur community and
- Optimise the mapping of start-ups to accelerator programmes.

The main objective, hence, is not so much to develop new ways to do the work (that is objective of WP4, “Office Hours”), but to embed the work of accelerators into a European context to create synergies (shared resources, optimised platforms), increase the outreach of promotion campaigns and to improve the mapping of start-ups to accelerators.

3.2 ATALANTA Strategy

The following diagram shows the overall strategy of the ATALANTA accelerators:



The diagram shows the overall pipeline in business acceleration and how accelerators cooperate or compete in this pipeline. On the left-hand side of the diagram, the entrepreneur and start-up community is depicted represented by EBN; in reality, EBN is just one network among others that connects accelerators to the community. All accelerators have networks to universities, innovation centres, to start-up associations and incubators. In the ATALANTA project, accelerators cooperate to increase these networks and, on this level the cooperation with other networks like the EBN is indeed very important. Another important means to improve cooperation of accelerators in this stage of the pipeline is the F6S platform that helps to fuse individual campaigns together. The concrete measures to improve the outreach are implemented in WP2 (Bridging) and WP6 (Dissemination and Exploitation) and reported in those contexts.

The next stage in the pipeline is the accelerator network. In this stage, which is related to the very core of accelerators' daily work, accelerators cooperate on some selected topics and in very specific ways, such as:

- Workshops on best practice and new methods;
- Start-up exchange for improving internationalisation strategy;
- Shared resources, such as services on the F6S platform;
- Joint events.

The main work, however, is performed in separate threads running in parallel, namely the individual accelerator programmes. The ATALANTA project does not aim to reduce the level of competition between accelerators, but, in the contrary, believes that competition has the potential to improve services provided to start-ups. The accelerator partners, therefore, execute their individual programmes independent of each other and without central coordination. The ATALANTA programmes are:

- The Lisbon Challenge (Beta-i)
- Start-up School (Tetuan Valley)
- LeCamping (NUMA)
- H-Camp (H-Farm)
- Superfounders (Balkan-Unlimited).

Results are reported mainly through F6S, from where statistical reports are generated, but for smaller and additional programmes that are not announced on F6S, also manually written form.

At the end of the acceleration stage, start-ups are presented to investors. Again, all accelerators have their own investor networks, since access to investors is a vital resource in the acceleration business. The ATALANTA project, however, works on optimising access finance mainly through E-Unlimited, a major player in organising competitions for start-up finance. The cooperation on finance on European level benefits both sides, accelerators/start-ups and investors. For accelerators and their clients, ATALANTA eases the access to top-investors; for investors, ATALANTA selects the most promising start-ups – not only on a national or regional level – but in the whole of Europe.

3.3 Terminology

We distinguish four classes of start-ups:

1. Concept/Idea

These are start-ups in a very early stage where the business idea is still under development (similar to SME Instrument Phase I); start-ups, at this stage, need to pass extremely competitive criteria to enter one of the ATALANTA accelerators, such as well-thought and innovative idea, a highly committed team and roadmap for further development. Most ATALANTA accelerators have their main focus on more mature start-ups. Tetuan Valley's Start-up School is specialised in early-stage start-ups and experienced teams of entrepreneurs in early stage are also accepted in the Lisbon Challenge.

2. Alfa/Prototype

These are start-ups that have already implemented their concept by means of some kind of demonstrator. The prototype has not reached sufficient maturity for market entrance, but demonstrates the main functionality. (This stage is between Phase I and II of the SME Instrument.) All accelerators accept start-ups at this level.

3. Beta

The start-up has turned the early prototype in a product, which is now in a Beta phase, i.e. is usable, but not yet complete. A small user community exists, but the start-up does not yet generate revenue. Typically, there was also a review of the business plan after first experience with the real market. The business plan is now more detailed and cleansed from unrealistic optimism. (In terms of the SME Instrument, these start-ups have already passed through Phase II.) All accelerators accept start-ups in this stage.

4. Live

These are start-ups that are already in business for at least one year or more and generate revenue and profit. Often, start-ups in this stage have very specific issues to solve. They need to grow faster, have to defend against comers or want to expand to international markets. They are often in need of fresh capital for new investments. All accelerators but Tetuan Valley accept this kind of start-ups.

We distinguish different type of finance:

1. Seed Funding

Very early stage funding with high risk and late returns; this kind of investment is typical for early-stage start-ups and the amount of a single investment is usually small.

2. Crowdfunding

This is a typically early-stage kind of investment where many people invest small amounts in a business idea they like. Calls for rowdfunding are often organised by start-ups themselves or by platforms specialised on this kind of investment.

3. Angel Investment

Angel investors finance start-ups in an early stage, but typically after idea and alpha stage. Angels are usually seen as bridging the gap between very early seed funding and more professional venture capital investment. Angel groups often support the start-ups in which they invest with services similar to those of incubators or accelerators.

4. Venture Capital

Venture capitalists invest in start-ups that are in an early stage of market entrance (Beta and Live in our terms). Venture capital investments are usually greater than seed funds or angel investments and, therefore, venture capitalists invest, when the entrepreneurial project has matured and a clear roadmap into the market is visible.

5. Series A

This kind of finance is already a stock-based investment, typically convertible into common stock and similar to an Initial Public Offering (IPO). A start-up receiving this kind of investment has made its breakthrough. It is considered real value by investors, not as a risky bet on the potential future value.

3.4 Geographical Coverage

The geographical focus of the ATALANTA accelerators is Southern Europe (Portugal, Spain and Italy), Central Europe (France) and South-East Europe (Macedonia and the Balkan Peninsula). The consortium is in contact with accelerators and other start-up support organisations all over Europe, in particular in the Baltics, Scandinavia, Belgium and the UK, to further extend their reach into the start-up community. The long-term goal is to create a trans-European network of accelerators that functions as an entrepreneur ecosystem to mitigate the fragmentation of markets in Europe.



3.5 Timing

Even if the design of partner programmes is similar, the individual accelerator programmes are not completely synchronised. The data are therefore accumulated on the base of a timeline that may, for some accelerators, cover more than one programme (e.g. the autumn programme 2013 and the start of the spring programme of 2014). We, hence, look at the accelerators as a black-box and describe its input (i.e. the number of start-up applications) and various kinds of output (e.g. number / amount of investments).

4. Individual Accelerators

The content of this section was created with the support of the F6S platform.

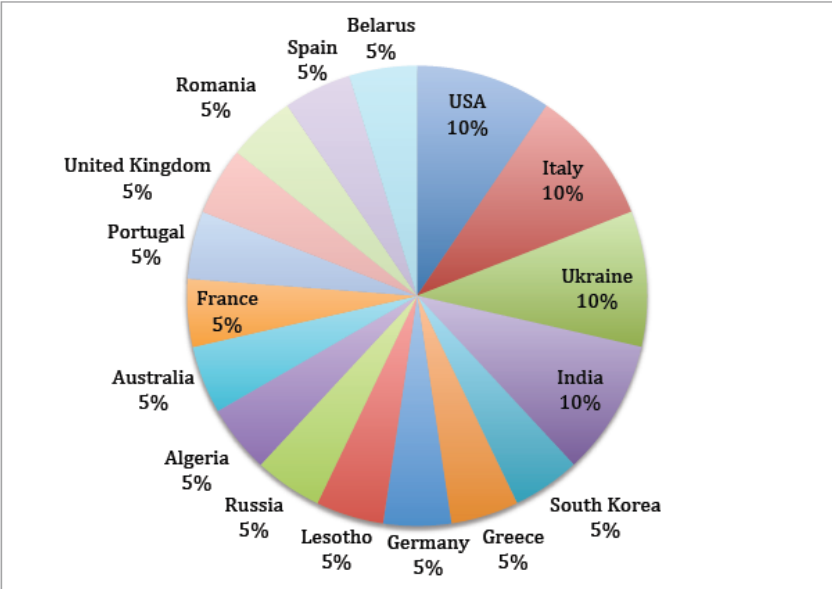
All data were provided by start-ups and accelerators on a voluntary basis. In some cases, the start-ups or the accelerators may have decided not to reveal the information in question. In this cases, the data point is given as “not applicable” (N/A).

4.1 Beta-i

4.1.1 Autumn 2013

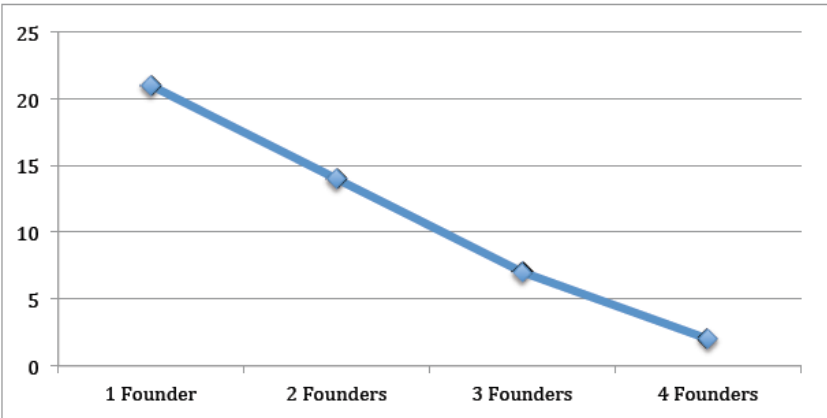
Nº of applications: 21 from 17 different countries:

USA	2
Italy	2
Ukraine	2
India	2
South Korea	1
Greece	1
Germany	1
Lesotho	1
Russia	1
Algeria	1
Australia	1
France	1
Portugal	1
United Kingdom	1
Romania	1
Spain	1
Belarus	1

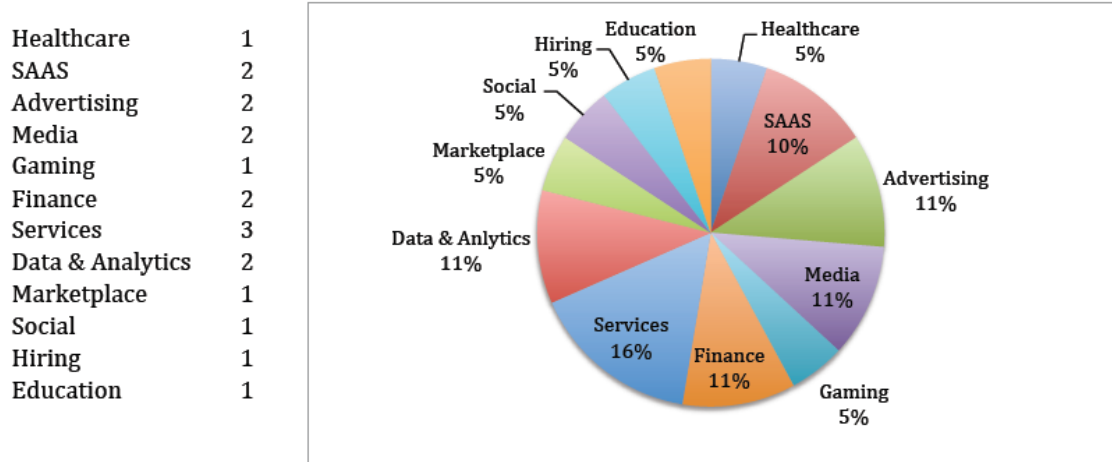


Average number of founders in teams was **2,09**. Below is the graph that visualizes founder number correlation.

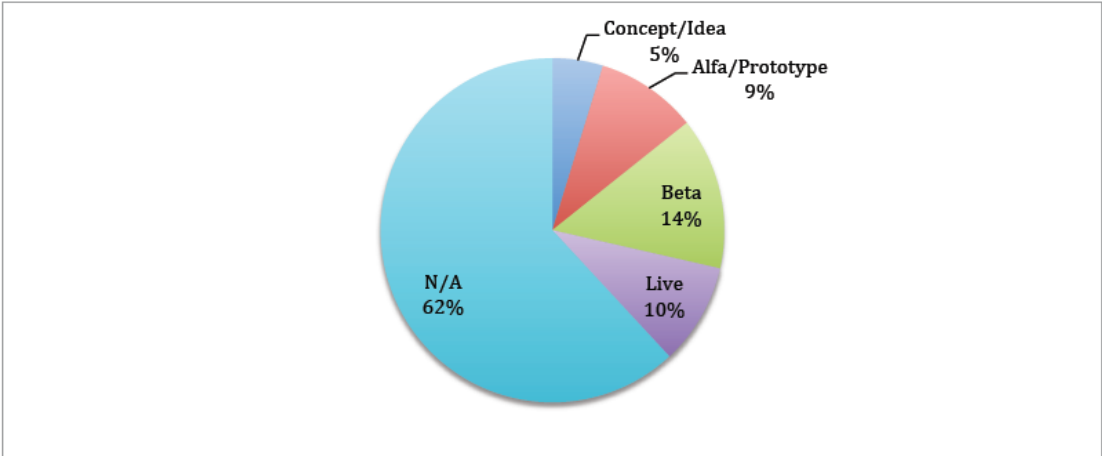
1 Founder	21
2 Founders	14
3 Founders	7
4 Founders	2



Lisbon Challenge accepts applications from any kind of market/industry. Therefore applications received varies a lot by their nature with a market leader being **Services** industry (**16%**), followed by **Finance, Media, Data & Analytics, Advertising** industries (**11% each**). Below is a list of the market split across the applications.



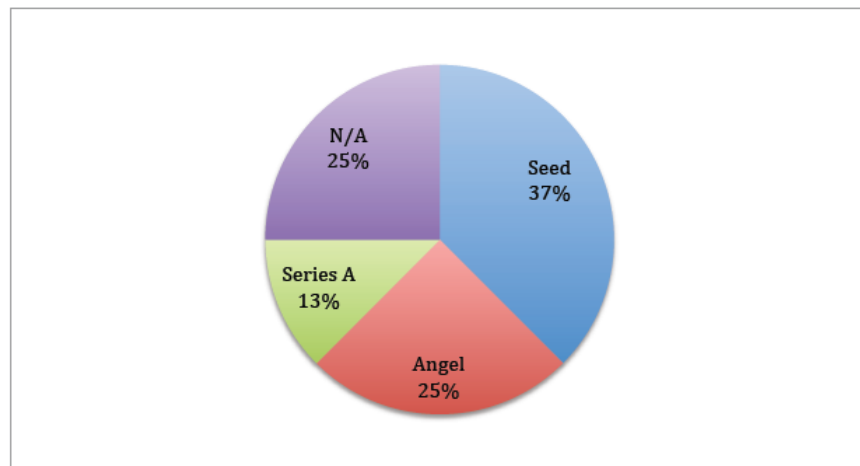
The Lisbon Challenge were looking for companies in Growth and Traction phase. In this open call 62% of the companies have not disclosed their current stage. **14%** of the companies were in **Beta** stage and **10%** were **Live**. Below is a visualization of company stages.



8 companies are currently fundraising an average sum of €255,000.00

Below is information of the funding stages of the fundraising companies along with fundraising visualization pie-chart.

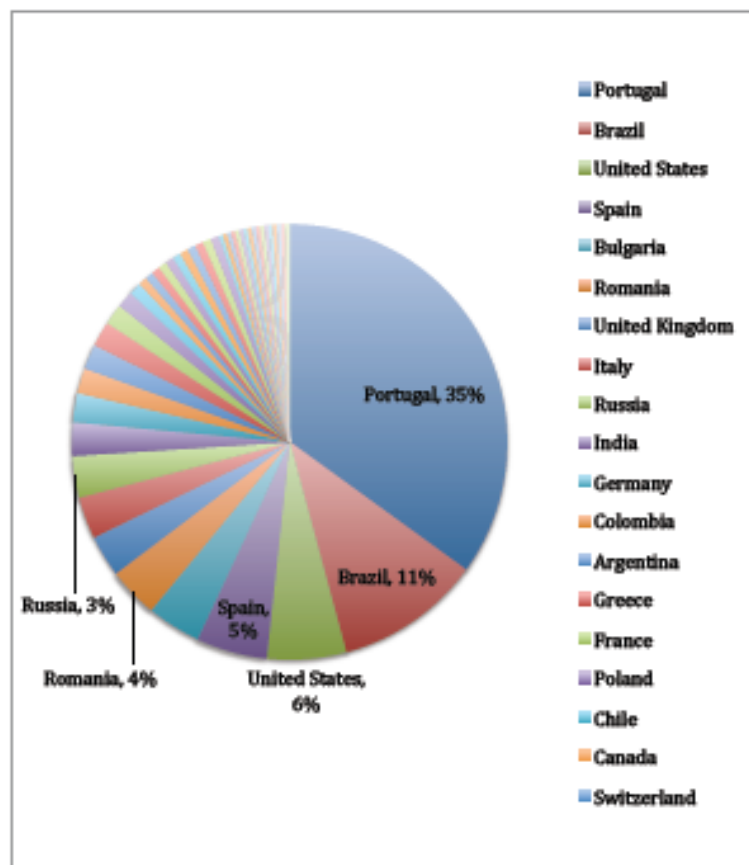
Seed	3
Angel	2
Series A	1
N/A	2



4.1.2 Spring 2014

The Lisbon Challenge Spring 2014 batch received 386 applications, all of the applications came for companies (no individuals). Applications came from 45 different countries, 16 of those are EU members. Below are the list of countries and number of applications with graphical chart.

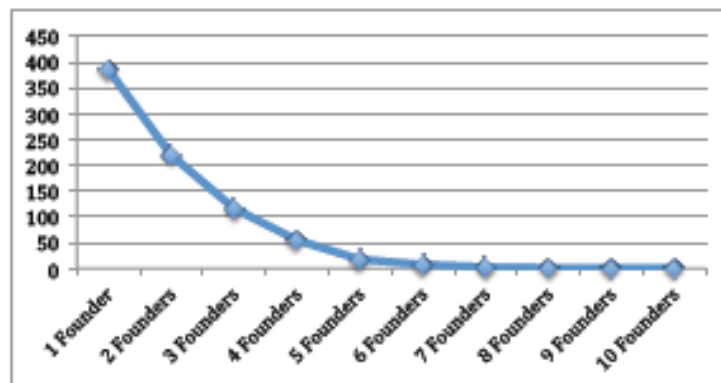
Portugal	113
Brazil	35
United States	19
Spain	17
Bulgaria	13
Romania	12
United Kingdom	10
Italy	10
Russia	10
India	8
Germany	7
Colombia	6
Argentina	6
Greece	6
France	6
Poland	4
Chile	3
Canada	2
Switzerland	2
Israel	2
Ghana	2
Malta	2
Belgium	2
Denmark	2
Sweden	2
Netherlands	2
Estonia	2
Serbia	2
Cameroon	1
Ukraine	1
Philippines	1
Ireland	1
China	1
Kenya	1



Qatar	1
Slovenia	1
Hungary	1
Algeria	1
Japan	1
Albania	1
Moldova	1
Uruguay	1
Czech Republic	1
Luxembourg	1
Pakistan	1
N/A	51

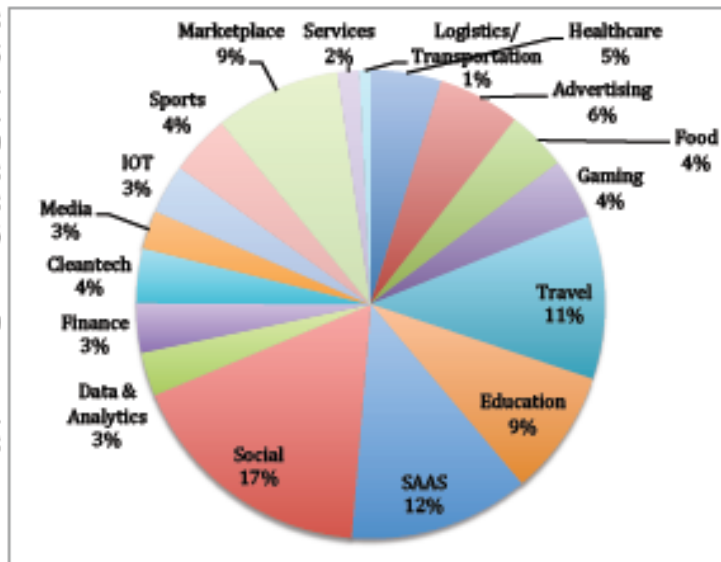
Average number of founders in teams was 2,1. Below is the graph that visualizes founder number correlation.

1 Founder	386
2 Founders	220
3 Founders	117
4 Founders	56
5 Founders	18
6 Founders	8
7 Founders	3
8 Founders	2
9 Founders	1
10 Founders	1

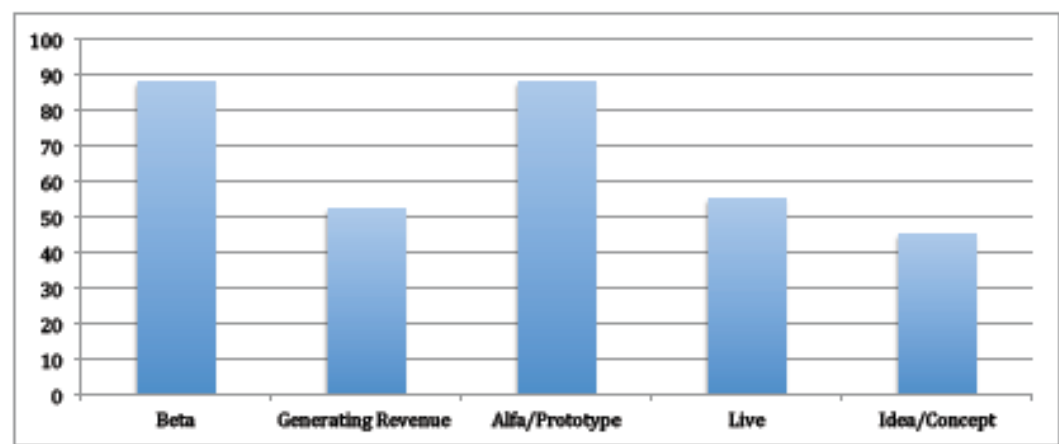


Lisbon Challenge accepts applications from any kind of market/industry. Therefore applications received varies a lot by their nature with a market leader being **Social industry (17)**, followed by **SaaS (12%)** and **Travel industry (11%)**. Below is a list of the market split across the applications.

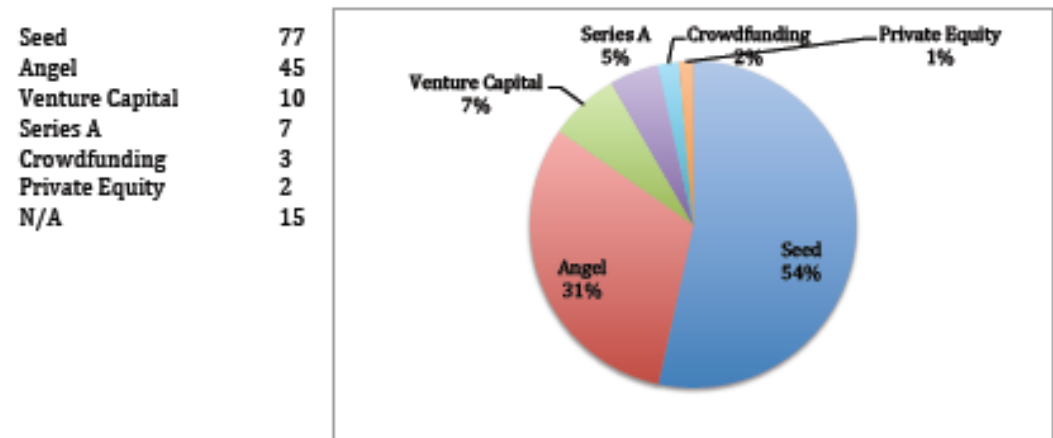
Healthcare	13
Advertising	15
Food	11
Gaming	11
Travel	30
Education	23
SAAS	33
Social	46
Data & Analytics	8
Finance	9
Cleantech	10
Media	7
IOT	9
Sports	11
Marketplace	23
Services	4
Logistics/Transportation	2



The Lisbon Challenge were looking for companies in Growth and Traction phase. Companies that applied were mostly in **Alpha/Prototype** and **Beta** (88 applications each) stages, 55 companies are in **Live** stage, another 52 companies are already **Generating revenue**. 45 companies are in **Idea/Concept** stage. 55 companies have not disclosed their current stage. Below is a visualization of company stages.



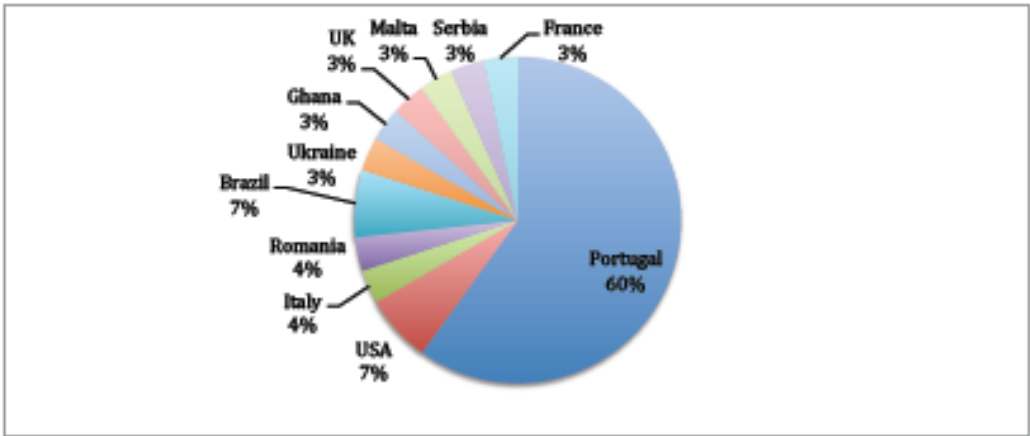
Below is information of the funding stages of the fundraising companies along with fundraising visualization pie-chart.



Lisbon Challenge Spring 2014 applications were evaluated by 11 Evaluators.

Out of 386 applications received for The Lisbon Challenge Spring 2014, 30 applications were accepted into the program. Acceptance rate for the program was 7,77%.

Below is the graphical visualization of country distribution of accepted applications.

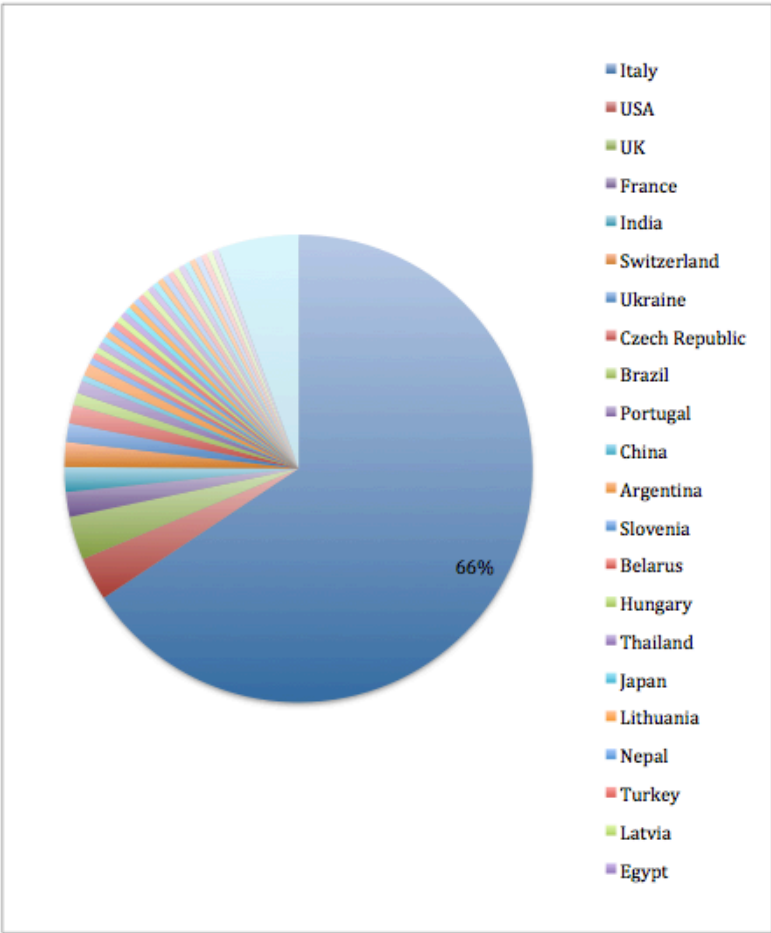


4.2 H-Farm

4.2.1 H-CAMP FALL 2013

Nº of applications: 241 from 40 different countries:

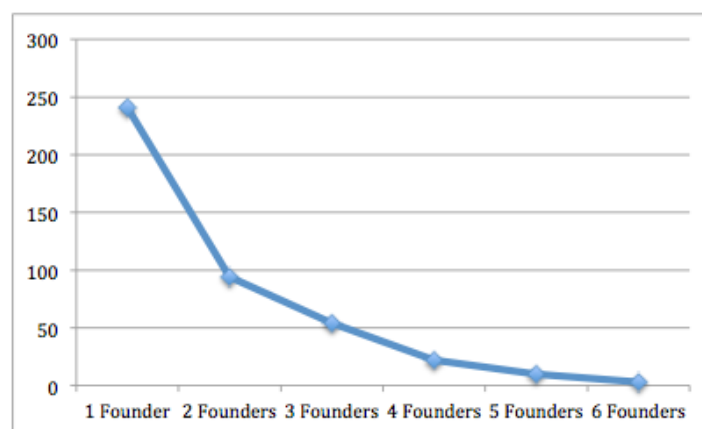
Italy	153
USA	7
UK	7
France	4
India	4
Switzerland	4
Ukraine	3
Czech Republic	3
Brazil	2
Portugal	2
China	1
Argentina	2
Slovenia	1
Belarus	1
Hungary	1
Thailand	1
Japan	1
Lithuania	1
Nepal	1
Turkey	1
Latvia	1
Egypt	1
Germany	1
Ghana	1
Jamaica	1
Finland	1
Nigeria	1
Kenya	1
Greece	1
Sudan	1
Chile	1
Spain	1



Bangladesh	1
Netherlands	1
Israel	1
Australia	1
Romania	1
Cyprus	1
Serbia	1
Estonia	1
Canada	1
N/A	13

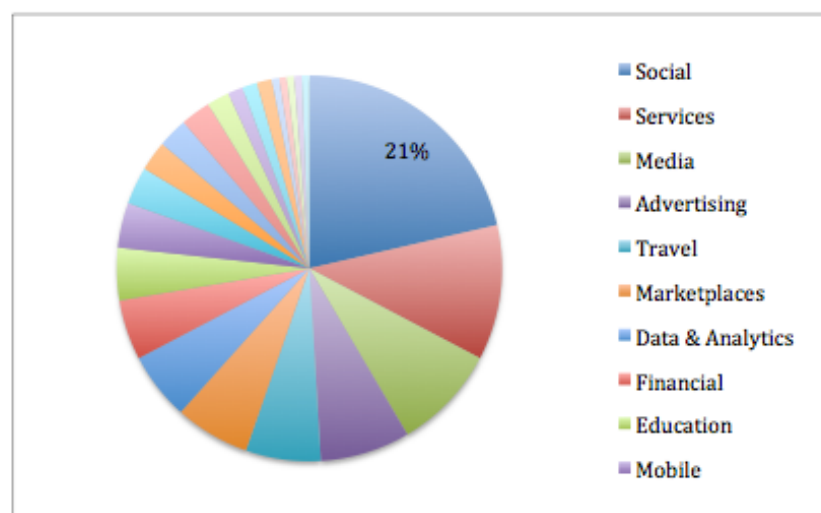
Average numbers of founders in teams was 1,76. Below is the graph that visualizes founder numbers correlation.

1 Founder	241
2 Founders	94
3 Founders	54
4 Founders	22
5 Founders	10
6 Founders	3



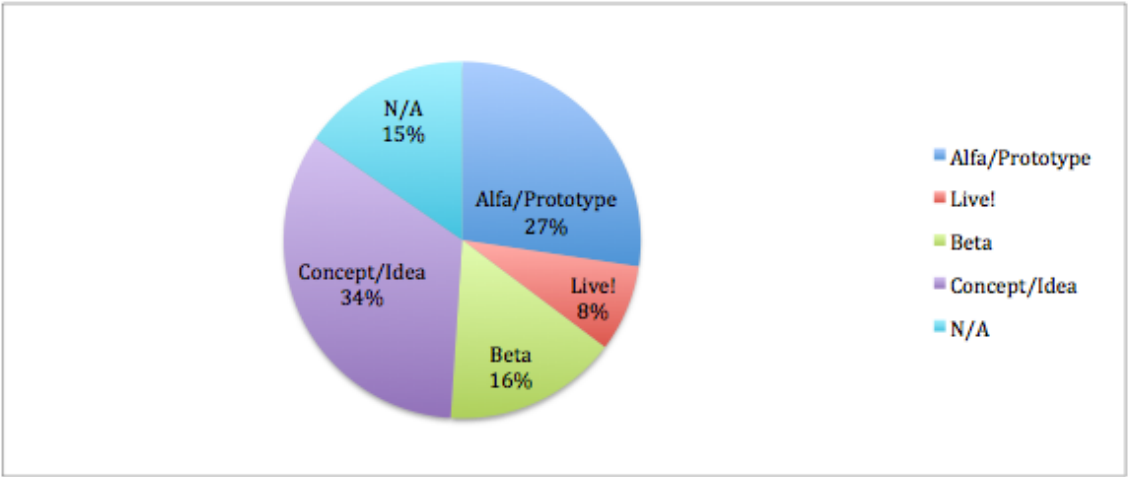
H-CAMP Fall 2013 accepted applications from various markets/industries. Most popular industry was Social (**21%**). Below is a list of the market split and most popular industries across the applications.

Social	34
Services	18
Media	14
Advertising	12
Travel	10
Marketplaces	10
Data & Analytics	9
Financial	8
Education	7
Mobile	6
SAAS	5
Healthcare	4
Food	4
Cleantech	4

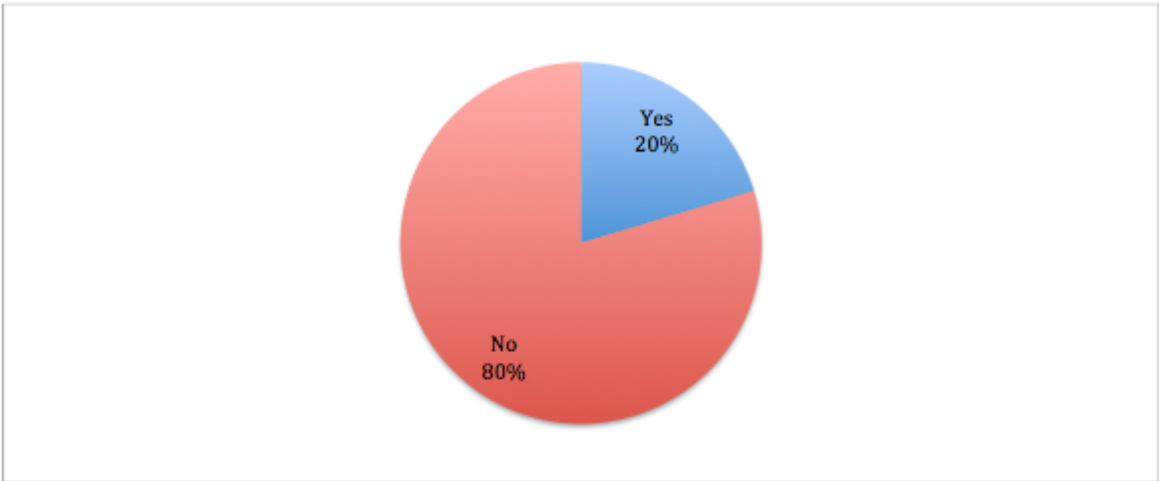


Fashion	3
Logistics	2
Art	2
Gaming	2
Food	1
Real Estate	1
Sports	1
IOT	1
Cloud	1

Most companies are in Concept/Idea (**81**) and Alfa/Prototype (**66**) stages, **38** companies are in Beta stage and **19** are Live and running, **37** companies have not listed their current stage. Below is a visualization of company stages.

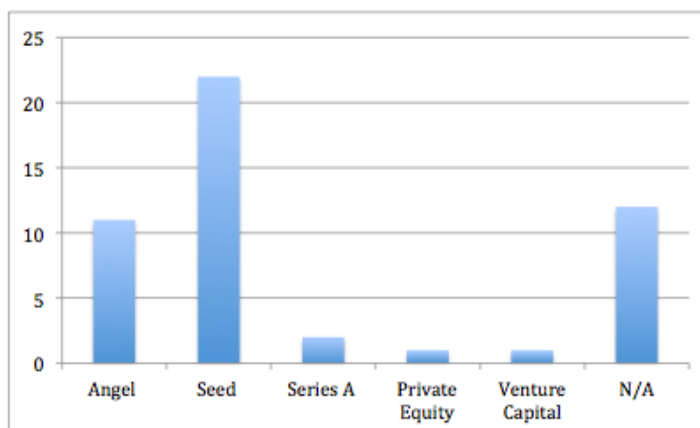


49 companies are currently fundraising an average sum of **€305.379,00**.



Below is information of the funding stages of the fundraising companies along with fundraising visualization pie-chart.

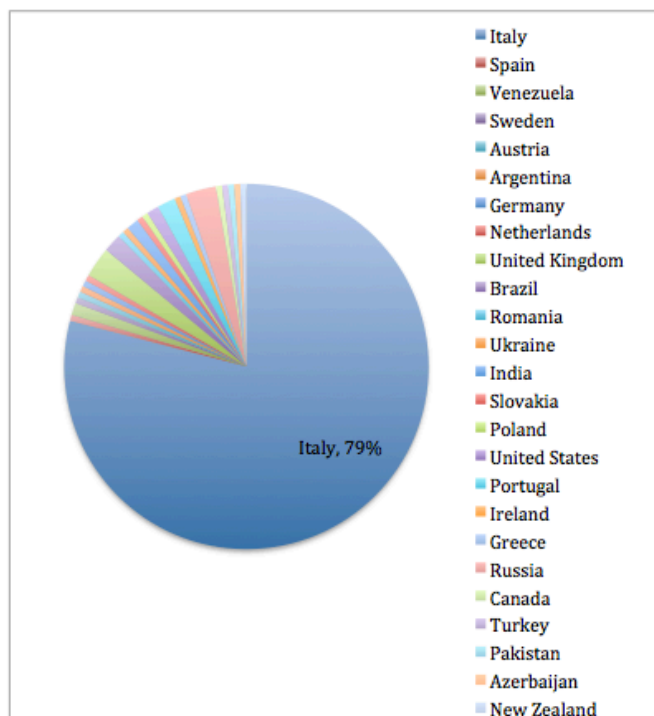
Angel	11
Seed	22
Series A	2
Private Equity	1
Venture Capital	1
N/A	12



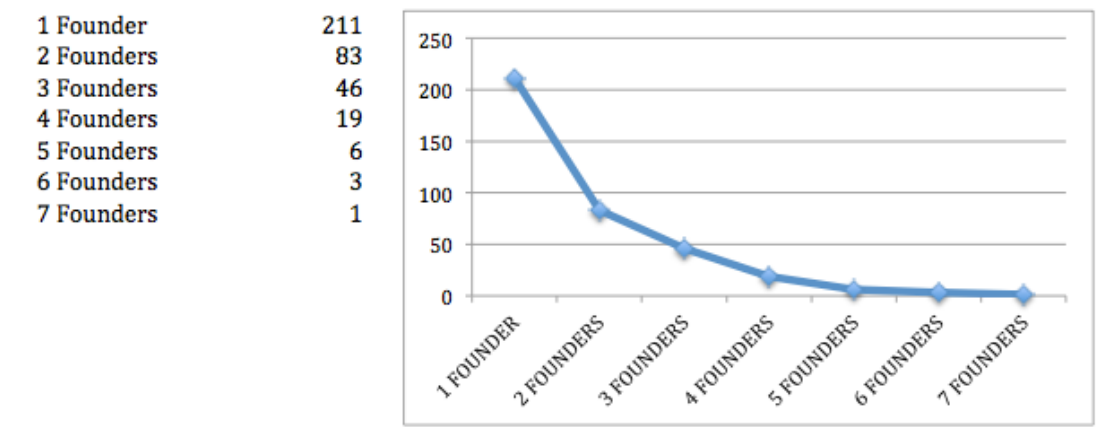
4.2.2 H-CAMP SPRING 2014

Nº of applications: 211 from 25 different countries:

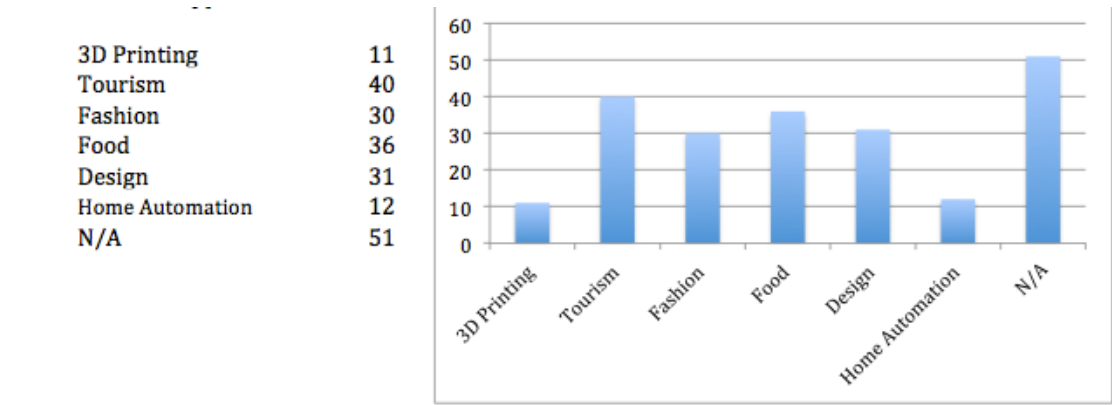
Italy	147
United Kingdom	5
Russia	5
Brazil	3
Portugal	3
United States	2
India	2
Venezuela	2
Spain	1
Sweden	1
Austria	1
Argentina	1
Germany	1
Netherlands	1
Romania	1
Ukraine	1
Slovakia	1
Poland	1
Ireland	1
Greece	1
Canada	1
Turkey	1
Pakistan	1
Azerbaijan	1
New Zealand	1



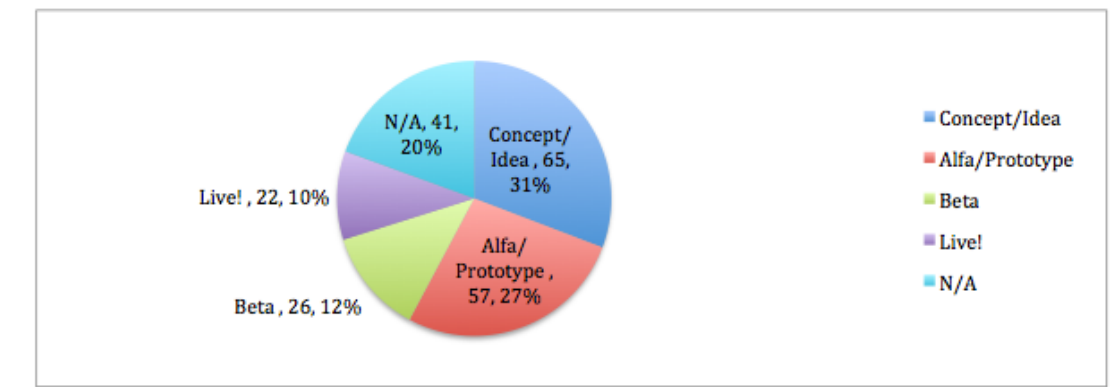
Average number of founders in teams was **1,75**. Below is the graph that visualizes founder number correlation.



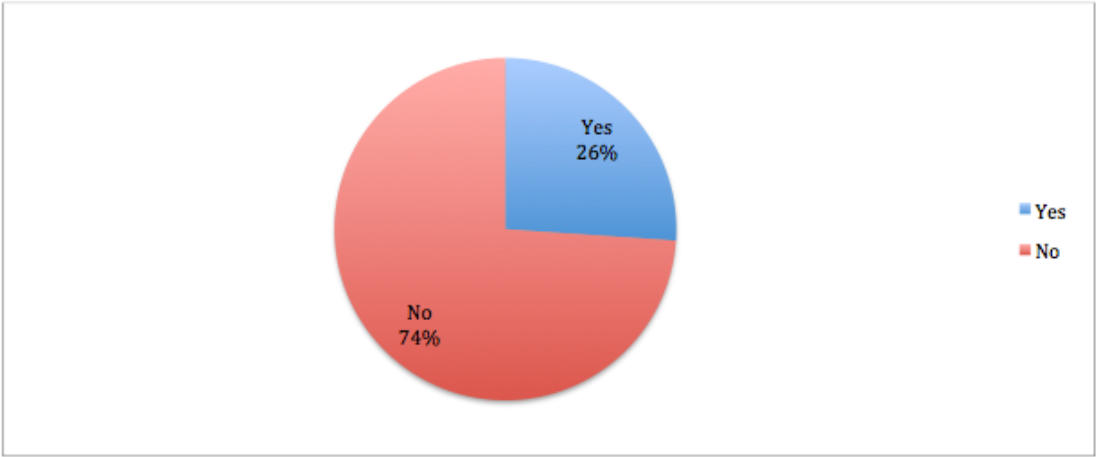
H-CAMP accepts applications from individuals/companies that works in six main markets/industries – 3D Printing, Tourism, Fashion, Food, Design & Home Automation. Below is a list of the market split across the applications.



Most companies are in Concept/Idea (65) and Alfa/Prototype (57) stages, 26 companies are in Beta stage and 22 are Live and running, 41 company have not listed their current stage. Below is a visualization of company stages.

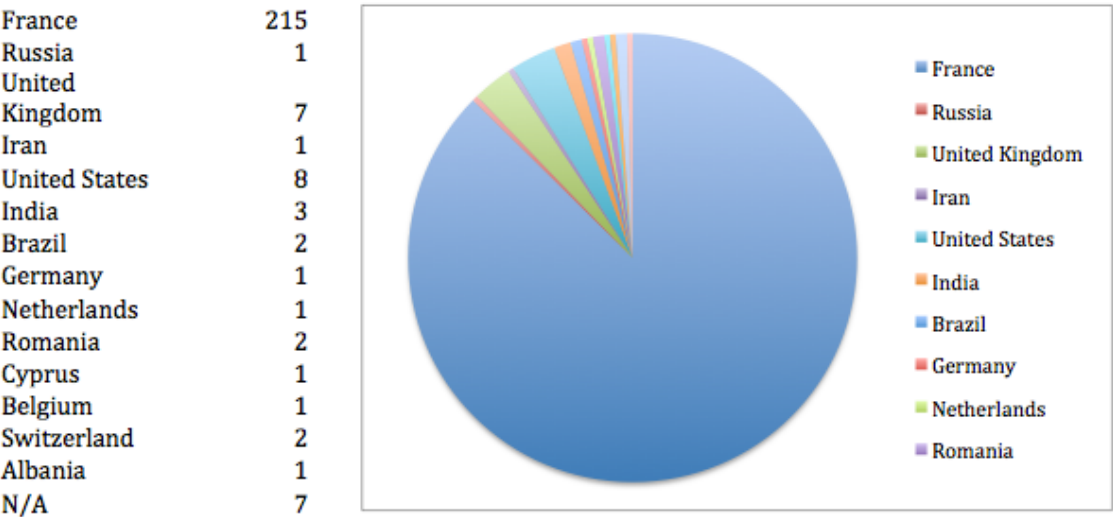


55 companies are currently fundraising an average sum of €140.430,00.

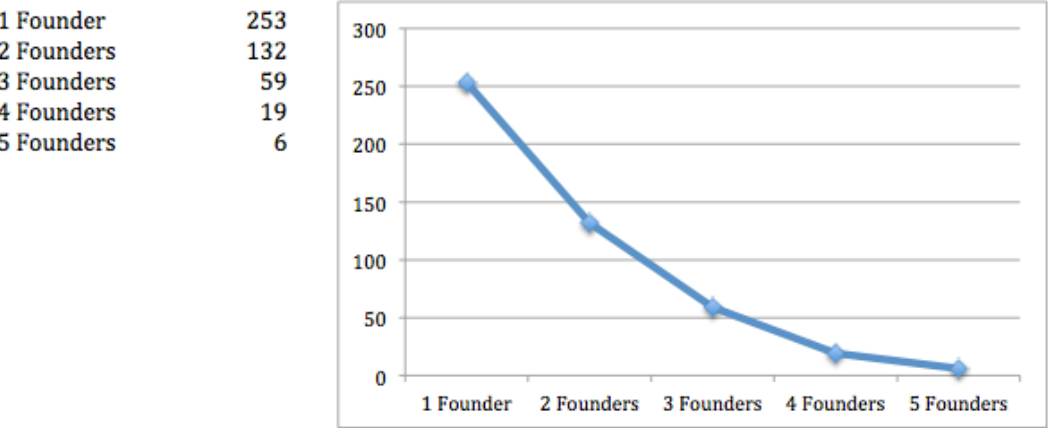


4.3 NUMA – Le camping Season 5

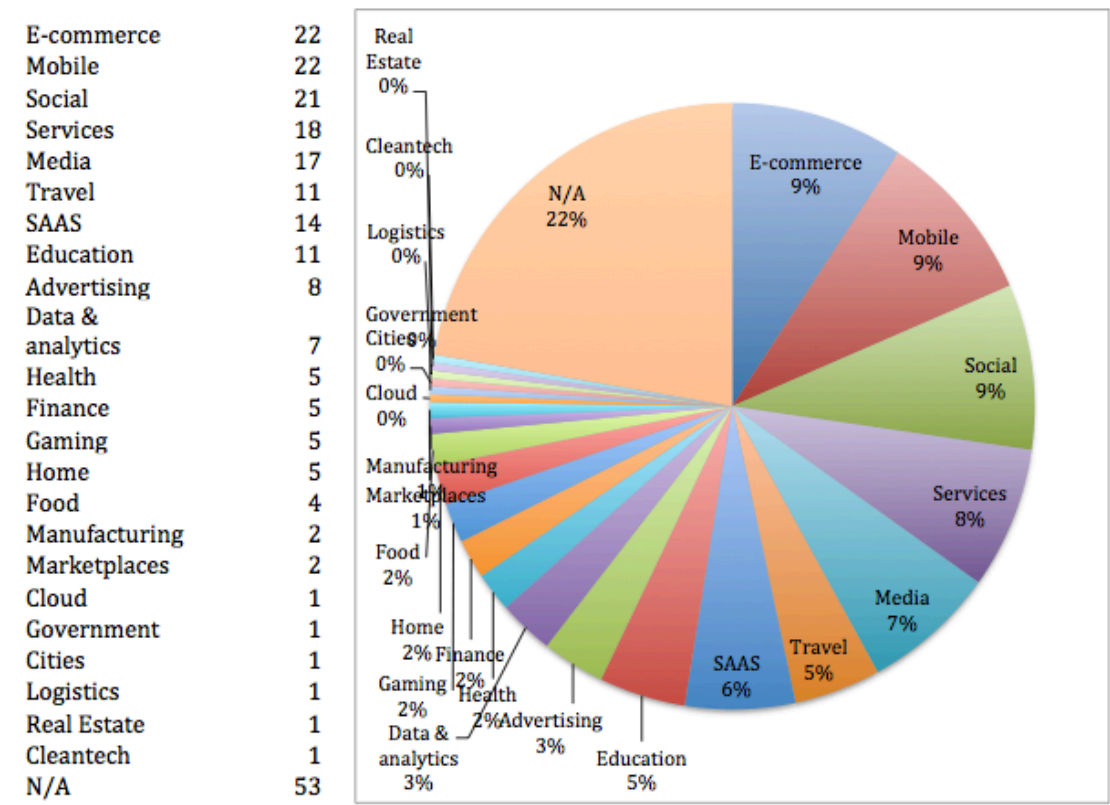
Nº of applications: 253 from 14 different countries:



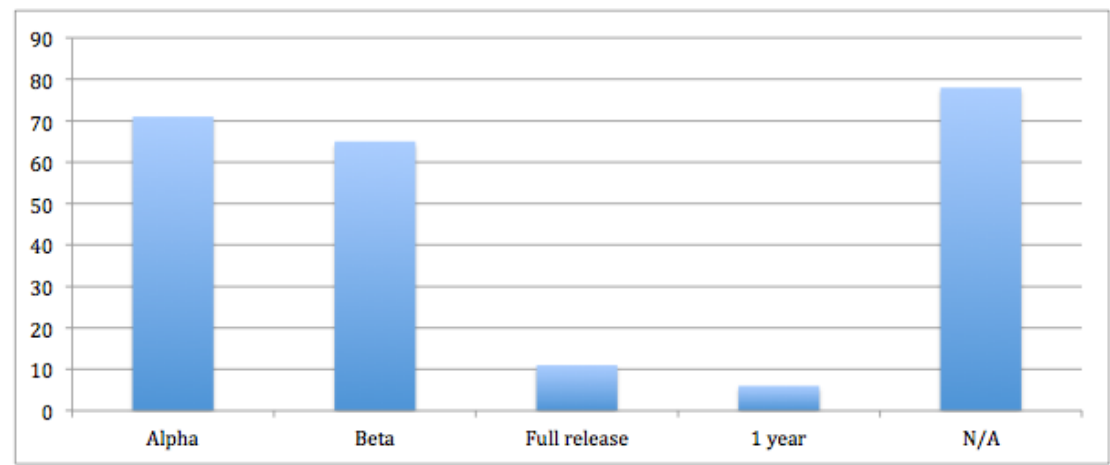
Average number of founders in teams was **1,85**. Below is the graph that visualizes founder number correlation.



Le Camping accepts applications from any kind of market/industry. Therefore applications received varies a lot by their nature with a market leader position being shared by **E-commerce, Social & Mobile** (9% each). Below is a list of the market split across the applications.

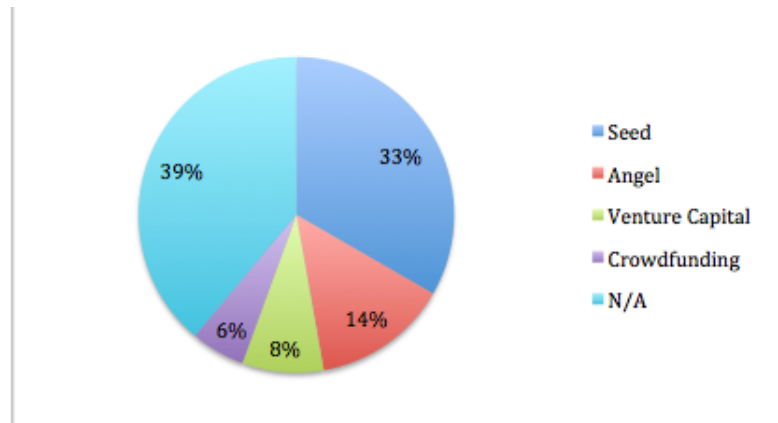


Most companies are in Alpha (**71**) and Beta (**65**) stages, **22** companies are in Idea stage, **11** have fully released their product and 6 companies have been operating for 1 year or more. **78** companies have not disclosed their current stage. Below is a visualization of company stages.



Below is information of the funding stages of the fundraising companies along with fundraising visualization pie-chart.

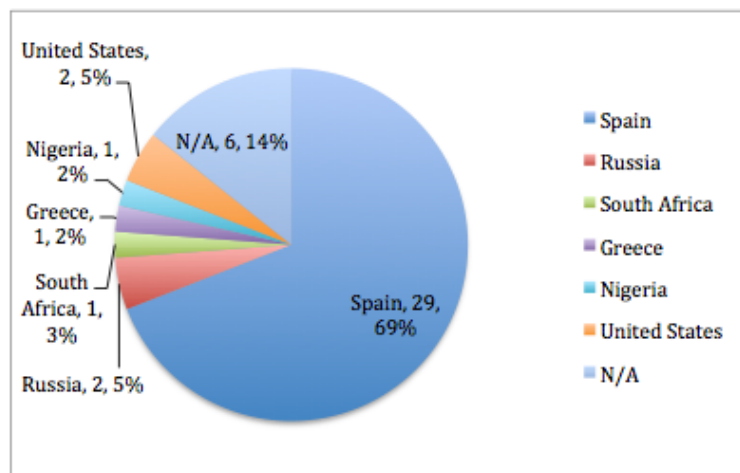
Seed	12
Angel	5
Venture Capital	3
Crowdfunding	2
N/A	14



4.4 Tetuan Valley Startup School 10 Madrid

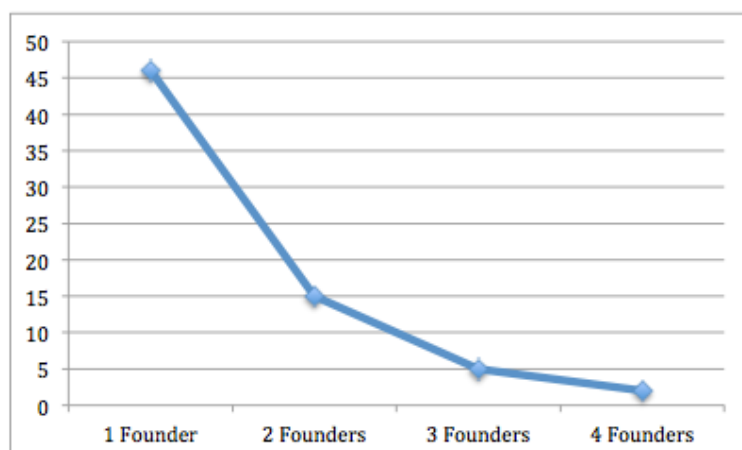
Nº of applications: 46 from 6 different countries:

Spain	29
Russia	2
South Africa	1
Greece	1
Nigeria	1
United States	2
N/A	6

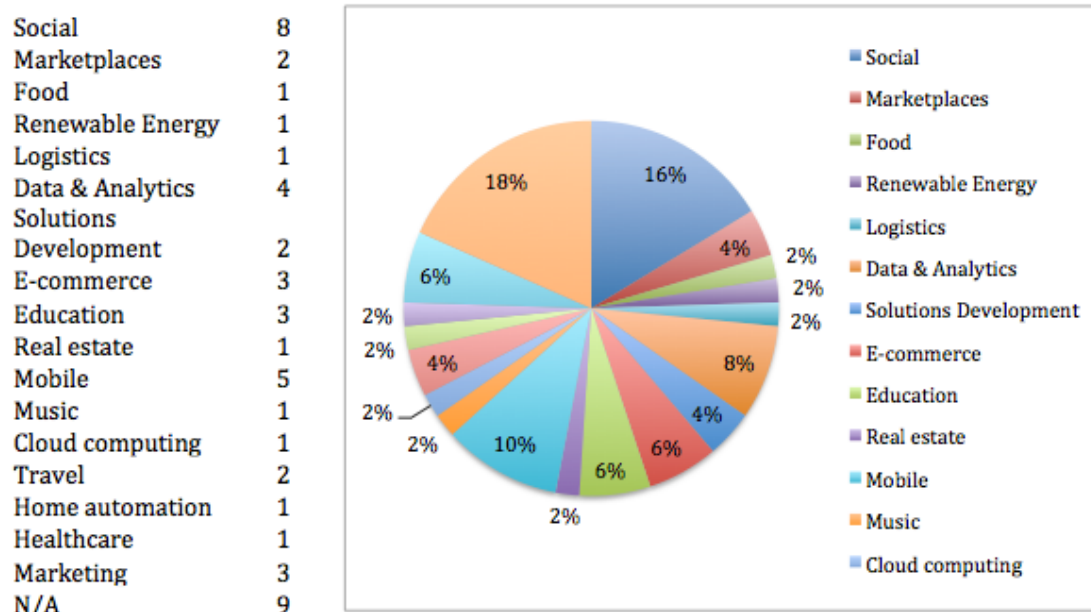


Average number of founders in teams was **1,47**. Below is the graph that visualizes founder number correlation.

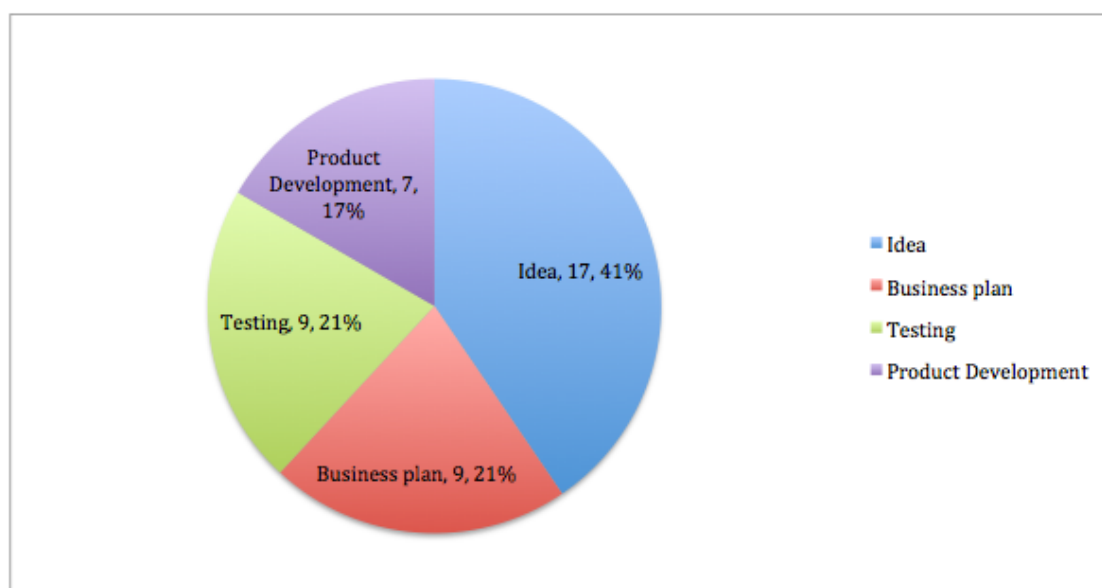
1 Founder	46
2 Founders	15
3 Founders	5
4 Founders	2



Tetuan Valley accepts applications from any kind of market/industry. Therefore applications received varies a lot by their nature with a market leader being **Social** industry (8 applications). Below is a list of the market split across the applications.



As Tetuan Valley is a pre-accelerator program, therefore most of the applications are in early stages, thus they were divided into four stage categories – Idea, Business Plan, Testing, Product Development. Most companies are in Idea (**17**) stage, followed by Testing and Business plan stages, equally receiving **9** applications each, **7** applications were in Product development stage. Below is a visualization of company stages.



6 companies are currently fundraising an average sum of **€30.000,00**.

4.5 Balkan Unlimited

For the Superfounders accelerator, data are not yet available. Balkan Unlimited will consolidate its statistics only during the last quarter of 2014. The results for 2013 and 2014 will be presented in the second edition of this report.

5. Evaluation of the first Iteration

5.1 Achievements of the first Iteration

The achievements of the first iteration surpass the expectations during proposal time by far. Beta-i, H-Farm and NUMA had all more, partly much more, than 250 applications for the programmes that opened during the first iteration period and accepted a multiple of the number expected in the success indicators. There are several reasons for this success. One important aspect, for sure, is the growth of the start-up and acceleration community in general in the last two years. Beta-i, NUMA and H-Farm have internationalised their promotion campaigns, intensified their networking activities and, this way, increased their outreach significantly. The three accelerators have also adapted the design of their programmes to the new necessities. In earlier years, their programmes took place once or twice per year with one application phase for each programme. Today, their programmes are more flexible with new start-ups entering the programmes every three months. Relevant is also a change of target start-ups of some of the programmes. Beta-i, for instance, reduced their main focus to technology start-ups – whereas in earlier years they address all kinds of new companies. This focus on technology, led to a higher share of start-ups in their programmes that fall into the scope of ATALANTA.

This trend, of course, is very encouraging. But it also causes a technical issue concerning the evaluation of project success. It does not make sense to continue with the success indicators rendered obsolete already. Instead, ATALANTA partners shall redefine the indicators on the ground of the new realities. The consortium will perform an analysis in the last quarter of 2014, when a complete overview of the data of the first year of ATALANTA is available. On the basis of this analysis a new set of success indicators will be proposed.

5.2 Assessment

During the first iteration, 1158 start-ups have applied for programmes in the scope of the project. About 10% of these start-ups managed to raise funds in the course of the acceleration programmes. The average investment per company is than €200K amounting to almost €25M.

These figures show impressively that the programmes in the scope of ATALANTA successfully implement the whole value chain of start-up support. The accelerators achieved to build strong links to the entrepreneur and start-up community which resulted in a huge amount of applications. On the other end of the chain, the ATALANTA partners created good connections to investors and gained their interest in the start-ups in the programmes. The significant amount that was invested in about hundred graduate companies shows that the programmes are able to increase the value of start-ups.

With the data collected from the accelerators during the first iteration, it is still difficult to assess the contribution of the ATALANTA project to these achievements. Certainly, the joint effort especially in promotion (bridging, WP2) and synergy (WP5) has some effect. To make more substantial claims, the data in the future shall be differentiated for contacts made through joint activities and traditional activities without direct support by ATALANTA. The implementation of tools to provide this detail of information is a topic of the next iteration.

6. Conclusion

By comparing the results obtained in the recruitment phase by the 4 accelerators considered (excluding Superfounders), it looks like there are some differences to be considered.

The most important difference is related to the stage of the projects in the moment of the application.

The Lisbon Challenge and Le Camping tend to attract a significative higher number of projects already quite developed (beyond beta stage are about 60% of all the applications).

This is also reflected in the number of these applications that are already focusing on fundraising, especially for The Lisbon Challenge.

All 4 accelerators (all but H-FARM since started focusing only on 6 industries) are mainly receiving projects in the Social Industry, and this is probably due to the fact that the targets are young and not very experienced people. It would be interesting understanding actually which industries were selected then by the evaluators of the accelerators. Moreover, for the future, it would also be more significant to split industries also between B2C and B2B to understand better the type of project in place.

Were the projects are in an earlier stage the projects are mainly coming from local people and almost all from Europe, where projects are in a more advanced phase those come from a more differentiated country-base. This is probably explained with the fact that, until the project doesn't exist or it doesn't get any contribution, the teams don't look over the borders.

Considering the objectives of the Atalanta Project in terms of creating synergies, it would be important to define what accelerators compete and what cooperate (i.e: which ones are focusing on the same type of projects/stage?, which ones are complementary phases for same projects?) so that there would be a more efficient sharing of best practices, methodologies and promotion activities.

It would also be interesting comparing the result of the application phase with those of the teams selected for each programme.