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<p>Abstract:</p> <p>This document describes the activities promoted by the AgeingWell Network to bridge the gap between innovative SMEs and Venture Capital firms, Business Angels and other private equity firms.</p>		

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Statement of Originality

This deliverable contains original unpublished work except where clearly indicated otherwise. Acknowledgement of previously published material and of the work of others has been made through appropriate citation, quotation or both.

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1 Introduction

1.1 Background

The aim of the **AgeingWell** Network is to build and animate a European network focused on improving the quality of life of Elderly People by promoting the market uptake of ICT solutions for Ageing.

To achieve its aim, the following five **main objectives** of the AgeingWell project are:

- **Develop** guidelines for deployment and sharing of best practice between key competence centres;
- **Build** an ICT for Ageing Knowledge Centre with the aim to share the results with the Ageing Well Community;
- **Develop** an ICT for Ageing Society Strategic Agenda, with the aim of providing a study on options for future structure and implementation of EU innovation funding;
- **Promote** the European innovation reinforcement between innovative ICT industries & Ageing (in particular SMEs) and Venture Capital firms, Business Angels and other;
- **Raise awareness** within the European community of ICT & Ageing stakeholders through web-based communication, and the organization of 3 international events and 11 national events.

1.2 Summary

During the last three years the **AgeingWell** Network implemented various activities that contributed to enhance the knowledge about the ICT4Ageing domain, including the key stakeholders involved in it. The community of stakeholders was managed online web portal and in dedicated events organized at European and national level.

This document describes the activities promoted by the **AgeingWell** Network to bridge the gap between innovative SMEs and Venture Capital firms, Business Angels and other private equity firms, as well as two success cases as examples of these synergies.

2 AgeingWell Business Community Activities

This section presents the activities promoted by the **AgeingWell** Network to bridge the gap between innovative SMEs and Venture Capital firms, Business Angels and other private equity firms.

2.1 Key Stakeholders

Within the activities of WP2, **AgeingWell** network has identified key stakeholders at Regional, National, European and Global Level¹, among which innovative ICT SMEs offering solutions for Ageing sector and Venture Capital firms, Business Angels and other private equity firms interested in this field. In total, the **AgeingWell** network identified 72 ICT SMEs / Industry and 32 investment organisations (Figure 1).

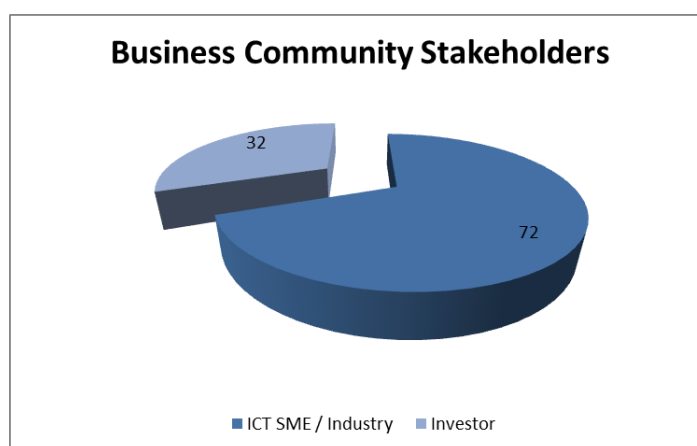


Figure 1 – Business Community Stakeholders | Category

The business community of stakeholders composed by solutions providers and investors is dispersed in several countries, as presented in Table 1, but with a higher extent in Poland and Portugal. However, it has to be mentioned that this is a non-exhaustive list and, for sure, many other stakeholders exist in other countries.

Table 1 – Business Community Stakeholders | Location

Country	Stakeholders	
	ICT SME / Industry	Investors
Belgium	3	5
Bulgaria	---	2
Cyprus	6	---
Denmark	2	2
France	1	---
Germany	3	4
Greece	5	4
Italy	9	2

¹ Complete list in D2.2 Identification of Key Stakeholders at Regional, National, European and Global Level.

Country	Stakeholders	
	ICT SME / Industry	Investors
Norway	1	---
Poland	9	6
Portugal	19	1
Romania	6	1
Spain	3	1
Sweden	---	1
Switzerland	1	---
The Netherlands	2	2
United Kingdom	2	---
United States	---	1

2.2 Events

The synergies among the business community stakeholders were promoted during the events organised by the **AgeingWell** Network, with particular emphasis on the First International Event held in 2012 (D4.1). The event, devoted to the theme “ICT for Ageing well Finance Marketplace”, took place as the AAL Venture Days, a sub-event focused on access to finance and growth organized under the banner of the EC Ambient Assisted Living Joint Programme and their annual AAL Forum that took place this year in Eindhoven, the Netherlands, from 24 to 27 September. The Venture Days incorporated presentations (pitches) made by 20 high-growth entrepreneurs with ICT solutions that improved the (quality of) life of an ageing population, as well as presentations made by venture capital investors and corporate venture investors and allowed numerous personal meeting opportunities for entrepreneurs. The event focused on entrepreneurs looking to access international markets, who were provided with concrete information, tools and resources in order to create successful partnerships and grow their business. Also several national events (D4.4) acted as network opportunities among the business community and also as stage to present their activities to the overall community.

2.3 Communication tools

The **AgeingWell** Network has created and used several communication tools to disseminate its activities among the ICT4Ageing community, as well as to foster the dialogue among the different stakeholders.

The network’s web-portal comprises a section called Knowledge Centre which is a key tool to help the members and the general public gain access to the latest developments in the ICT for ageing sector. Within this Centre, the network has made available a list of opportunities for investors and a list of useful contacts for searching for Smart Money. This information is available in the following sections:

- **Opportunities for Investors:** aiming at providing relevant information to investors, this section includes a presentation on the potential of the ICT for Ageing market, as well as

information on companies that recently were recognized as having valuable ideas and projects;

- **Searching for Smart Money:** this section is addressing entrepreneurs and ICT solutions providers looking for investors to support their projects and ideas, and it includes a list of Investors in ICT4Ageing and Health established in Europe and beyond.

Besides the web-portal, the regularly issued newsletter allowed the dissemination of interesting information about innovative solutions being developed for Ageing Well, which may have attracted the interest of the investment community. The newsletters were distributed among the overall community of stakeholders listed in D2.2, as well as published in relevant online repositories, such as the EIP-AHA library.


Finally, the social media platforms, in particular Twitter, allowed the sharing of information about innovative products/services addressing the ICT4Ageing market, as well as about investment funds available, both public or private.

More information about the use made of the communication tools of the **AgeingWell** Network is available in D6.3, D6.4 and D6.6.

3 Success stories

3.1 Artica vs CMC Group

Artica Telemedicina, founding member of the **AgeingWell** Network, during the project implementation, has been bought by a bigger consultancy group and became part of it. Below, the statement of the representative of Artica Telemedicina is presented, describing the contribution of the network to this process.

	Name: Alejandro Sánchez-Rico de las Heras
	Organization: Artica Telemedicina
	Country: Spain

Artica Telemedicina is focus on applying technology to the social and health sector with a special focus on chronic diseases.


Participating in the Ageing Well network has help Artica to disseminate their focus, network with stakeholders on the sector and to disseminate our expertise in Europe. During the participation in Ageing Well Artica have been sold to a bigger consultancy group (CMC Group) that want to enter the sector of eHealth, being part of the network and of other European projects has help during the selling process.

Artica have been invited as experts on eHealth for elders to talk on internal meetings of big insurance company group. Being part and founders of Ageing Well network helps us to disseminate and legitimate our focus to other stakeholders, contact with them and arise new collaboration opportunities.

We are grateful to participate in the Ageing Well Network for the help it has given us to understand other markets, to contact with different stakeholders and to disseminate our focus and expertise within Europe which has led us to new collaboration and business opportunities to strengthen Artica's future.

3.2 Increase Time vs Index Talent

The case-study presented below presents the role of the **AgeingWell** Network as facilitator between a supplier and a buyer of an ICT-based solution for health. This case-study was presented at the EIPAHA Action group C2 Meeting, held on the 24th September 2014, in Brussels.



INCREASETIME[®]
Technology for better life

Name: Gil Gonçalves

Organization: Increase Time S.A

Country: Portugal

To set the scene is important to know the actors:

As:

Facilitator: AgeingWell network – Ageingwell - Thematic Network funded by CIP-PSP - animates a European network focused on improving the quality of life of Elderly People by promoting the market uptake of ICT solutions for Ageing Well

Supplier: Increase Time – The start-up have developed home solutions to enhance an autonomous lifestyle for the elderly and chronically ill patients.

Buyer: C4Bi – Network of Urban Procurers - approach relies on the networking of urban public procurers that will enhance internal processes and foster transnational procurement processes

Enabler: Index Talent – Business angel investment fund

The 5 steps that lead to a successful story in our project:

- 1- Facilitator – Ageingwell network – as the goal to enlarge the network with associated members. The network was established with 16 founding members and in this moment has more than 90 associated members. In this group we have investors, ICT start-ups, care givers, and others. We identify the Enabler (Index Talent) as an investment fund with a portfolio of ICT start-ups that develop solutions for elderly people and we invite them to join the network
- 2- As agreed between Ageingwell and the investment fund, the second will disseminate the Ageingwell network to their start-ups. This way the start-ups can become members of the network.
- 3- The supplier – Increase time – submitted to the facilitator – Ageingwell – a profile with their expertise and a description of their ICT solution.
- 4- The matching: A founding member of Ageingwell is also member of the C4Bi consortium and disseminate the Pre commercial procurement opportunity within the network
- 5- The Start-up received the specifications from the buyer and apply in a European competitive call and was selected to provide the service

3 Lessons that we can take from this case:

- a) Reliable ICT solutions are important but business models and commercialization channels are key for success
- b) the Silver market is there, as we discussed yesterday, however without “facilitators” will be hard for Start-ups and SMEs to reach the market
- c) The demand side is not ready to receive many of the ICT solutions available – there is a need

to improve soft skills of elderly people.

This case study is a happy ending for all:

- Ageingwell is happy because we have a nice story to tell
- the start-up is happy because it made a nice business,
- the Municipalities are happy because they received an innovative solution
- the investor are happy because the Start-up is growing up and gave the first step for internationalization.

4 Lessons Learned

The *AgeingWell* community believes strongly that it is not only the “supply of money” which is important, but the “demand for money”, i.e., excellent entrepreneurial ideas that have potential to bring about impact in the economy and society, ideas that will make the difference.

Rather than subsidies and grants, which are certainly important, it is the framework and the conditions for success that will ultimately lead to a thriving, dynamic 21st silver economy. This framework for entrepreneurs, for investors or for innovators does not exist today in Europe. More and more, entrepreneurs, investors, and innovators are being entangled and beaten down by bureaucracy, red tape, investor and entrepreneur unfriendly laws.

All of the money in the world will not help if Europe does not change this situation and does not do so immediately. The private sector and private investors will not invest if the conditions for success are not at hand and if they cannot be certain that the companies they invest in have the best chances for success. In addition, Europe will be unable to attract capital from Institutional Investors and/or private equity fund of funds that would fuel the growth if the framework conditions were not met.

Private Equity, Venture Capital, Angel Investing, Crowd Funding, Banks, Stock Exchanges and Alternative Markets as well as Family Offices must be able to invest in companies that can access a single market not only in terms of consumers but also in terms of employment, insurance, pension funds and tax-incentives for investment across the single market.

There is a broad range of financial instruments and of financial sources. Corporate financing could be encouraged in Europe and platforms for Crowd-funding are developing to offer alternatives to traditional sources of lending and equity. Silver economy Entrepreneurs need publicly- supported training and awareness raising to help them define financial strategies and to be investment ready.

Equity financing is crucial for enterprises such as start-up and high growth companies with a risky profile and weak collateral. Seed and early stage finance, mainly provided by business angels, play a key role in the most critical stages of the life of the companies while venture and growth capital and public listing contribute to their expansion. In addition, debt financing must not be neglected or forgotten. EU should target the creation of a business eco-system that is conducive to entrepreneurship, investment, innovation and job creation in which innovative efforts are rewarded and growth potential is unleashed. Action on both the supply and the demand sides are necessary as well as on the regulatory framework, in order to boost innovation and entrepreneurship.

The following recommendations are made by *AgeingWell* Network to improve the financial environment of firms and to boost innovation and entrepreneurship:

INVESTORS:

- Create and implement a pan-European capital market in the EU, to enable Europe to build new world class businesses,
- Create a connected value chain for all players in the European finance ecosystem to support innovators from start-up through scale-up to high growth,
- Encourage, while respecting the diversity of targeted specialised fund structures, the creation of a common fund structure in the EU to overcome regulatory and fiscal barriers,

- Ensure that adequate risk sharing mechanisms are developed using notably existing good practices, when designing and implementing public/private schemes,
- Define the basis of a more harmonised strategy for Crowd-Funding allowing for co-investment schemes and extension of tax incentives schemes
- Promote new co-investment schemes with Business Angels and business angels syndicates at European and national levels, based on existing good practices in Europe or the rest of the world,
- Disseminate existing schemes encouraging successful entrepreneurs and investors to re-invest their gains through fiscal incentives,
- Use funding already available in Horizon 2020 to develop a public-private partnership for venture capital and early stage, using a fund of funds to bring global institutional investors back to Europe,
- Support corporate financing and the development of E-exit mechanisms to stimulate Business Angels and Venture Capital investments.
- Develop the sustainability of the ecosystems, strengthening those already existing and promoting syndicates, clubs, networks, crowd funding, early stage funds, etc. and their representative bodies where they still do not exist in the EU,

INNOVATORS AND ENTREPRENEURS:

- Build European business models, giving scalability to local start-ups;
- Simplify the regulatory environment and European administrative procedures as well as the language used by European Institutions with a clear and simple objective: each micro entrepreneur should be able to understand Commission directives, without the support of a lawyer,
- a new type of cross European company that can be created under 24 hours, possibly at a second stage with the same requirements across the EU and which would be invested in by investors
- Create a label for the European innovative enterprises facilitating their access to state aids, fiscal incentives and public procurement.
- Prepare graduates for a radically different marketplace. The skills required for thriving in today's job market are very different from what they were even a decade ago, yet most universities have done little to change their curriculum or provide graduates with new tools and skills.
- Make it easy for companies to hire outside their home countries.
- Buy more from smaller businesses. Government subsidies are one way to help SMEs flourish. The other is ensuring the government itself procures more from these companies. Across the EU, the vast majority of government procurement contracts are filled by large, often multinational businesses. For many entrepreneurs, selling to the government is all but impossible — navigating the procurement process is complex and existing suppliers have become so entrenched that unseating them discourages many entrepreneurs from even trying. If EU governments want to kick start the engines of growth in their countries, they must commit to shifting a certain percentage of their procurement contracts to smaller firms.