



# EASME

Executive Agency for Small and Medium-sized Enterprises

## Horizon 2020 SME Instrument

Is it for you?

Target, offer, results, hints & tips



**SME SUPPORT**

Executive  
Agency  
for SMEs



# Why this presentation?

The SME instrument attracted many SMEs

But 88% of proposals are below threshold

We want to clarify the rules of the game

# Menu for today



- Who shall apply?
- What does the programme offer?
- Why would you participate?
- How are proposals evaluated?
- What were the results so far?
- Lessons, hints and tips



# SME Instrument Target

- SMEs
  - Established in EU or associated countries
  - Single companies rate for funded proposals: Phase 1 – 92%, Phase 2 – 79%
- Innovative idea – disruptive - demonstration stage
- Clear ambition to grow at EU/global level
- Knowledge of the market and of competitors
- Convincing commercialization plan

# Themes for 2014-2015



- **ICT**: open disruptive innovation
- **Nanotech**, or other advanced tech for manufacturing and materials
- **Space** research and development
- Diagnostics devices and **biomarkers**
- Sustainable **food** production and processing
- **Blue growth**
- Low carbon **energy** systems
- Greener and more integrated **transport**
- Eco-innovation and sustainable **raw material** supply
- Urban critical **infrastructure**
- Biotechnology-based industrial **processes**
- Mobile e-government applications
- SME business **model innovation**



Number of projects varies according to the theme, E.g. :

- **ICT innovation**, 90 phase 1 and 26 phase 2
- **Biotech**, 8 phase 1 and 2 phase 2

- ➡ Check EASME website for number of project planned per theme  
<http://ec.europa.eu/easme/sme>

# What do we offer?



## The SME Instrument

SEAMLESS BUSINESS INNOVATION SUPPORT FROM IDEA TO MARKET...



...YOUR HIGHWAY TO DELIVER INNOVATION ON THE MARKET!

Apply at any time!

6 months

12-24 months

### ACTIVITIES SUPPORTED

#### PROOF OF CONCEPT

- ✓ Prove Technical and Commercial Viability
- ✓ Explore IP Regime
- ✓ Design Study
- ✓ Develop Pilot Application
- ✓ Risk Assessment

#### DEMONSTRATION OF COMMERCIAL POTENTIAL via

- ✓ Prototyping
- ✓ Testing
- ✓ Piloting
- ✓ Miniaturization
- ✓ Scaling-up
- ✓ Application Development

#### GO-TO-MARKET

- ✓ EU Quality Label (Promotion & Networking with Financiers/Clients)
- ✓ Investment Readiness Training
- ✓ SME window in the EU Financial Facilities (debt & equity backed by EIB/EIF)
- ✓ Link to Public Procurement Networks



# Business innovation coaching

- A total of 12 days
- To **empower SMEs** in their efforts toward successful **commercialisation** of their innovation
- Using professional methods and technics to help **strengthening the company's capability** to deal with the challenges of each stage of its life cycle
- Sensing and solving approach
- Cover aspects such as strategy, organisation, management, financing, resource development
- ➡ Higher efficiency and effectiveness
- ➡ Quicker to the market

# Why participate?



- Investment without equity
- Seal of excellence!
- Reduce risk and facilitate access to finance
- Visibility at EU and global level
- Broaden your network
- Benefit from business innovation coaching

# Evaluation process



- Remote evaluation
- At least 4 evaluators per proposal
- Balancing knowledge of industry, technology, market, finance
- No more than one evaluator from the applicant's country
- No consensus meeting
- Short standardised feedback
- No negotiation

# Evaluation criteria



3 criteria:

- Possible **economic impact**
- **Excellence** in innovation
- **Implementation**

# 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**

# What we have achieved in 2014



- **5 cut-offs**
- **8.181 proposals received**  
~25% of whole Horizon 2020
- **822 companies funded**
- **258,5 M€ budget allocated**

# What we have achieved in 2014



	Total Phase 1	Total Phase 2
Proposals	6972	1209
Above threshold	874 (12,5%)	312 (26%)
Funded	592 (68%)	134 (43%)
Budget allocated	€ 29.600.000	€ 228.943.877 (1,71 M€ per project)
Single companies rate for funded proposals	92%	81%



## WHO ARE THE FIRST WINNING SMES?

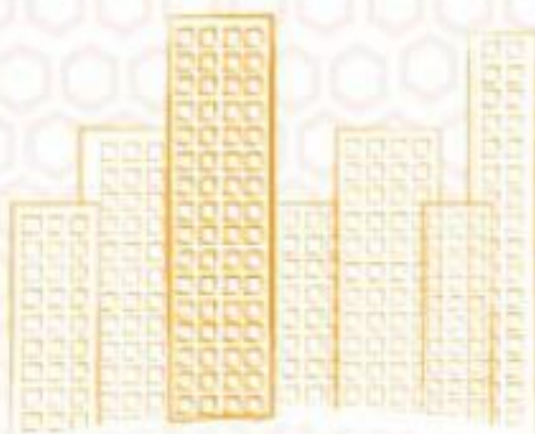
Going beyond borders



**50%**

are already trading on the global market, while 75% on the EU market

Established



**85%**

have more than 3 years on the market and/or more than 5 employees

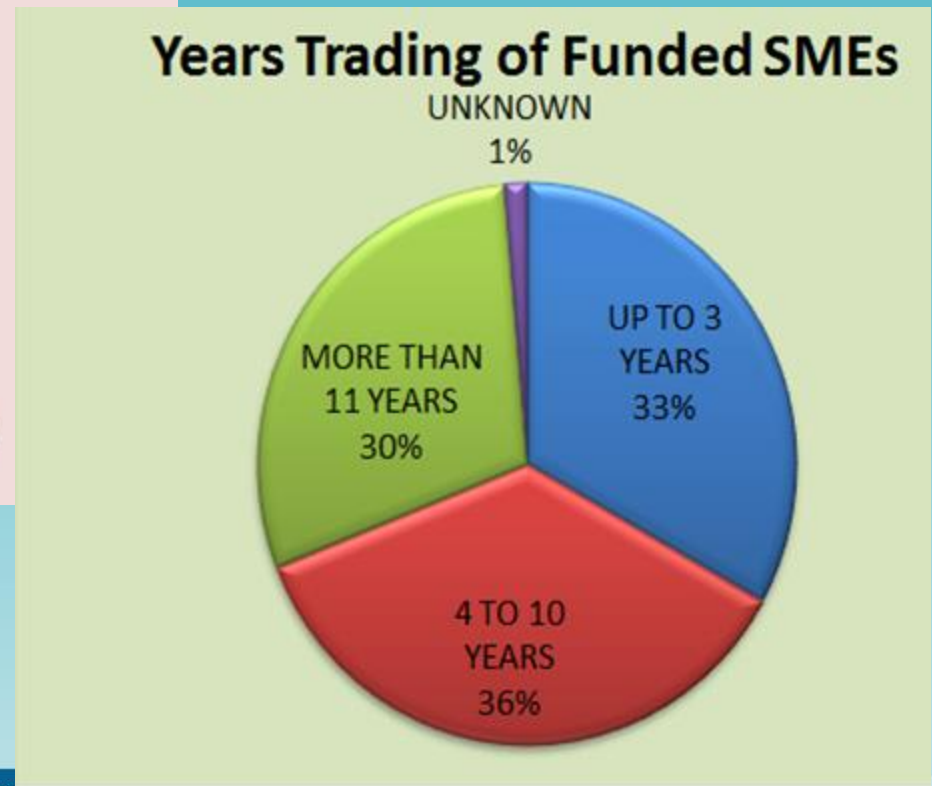
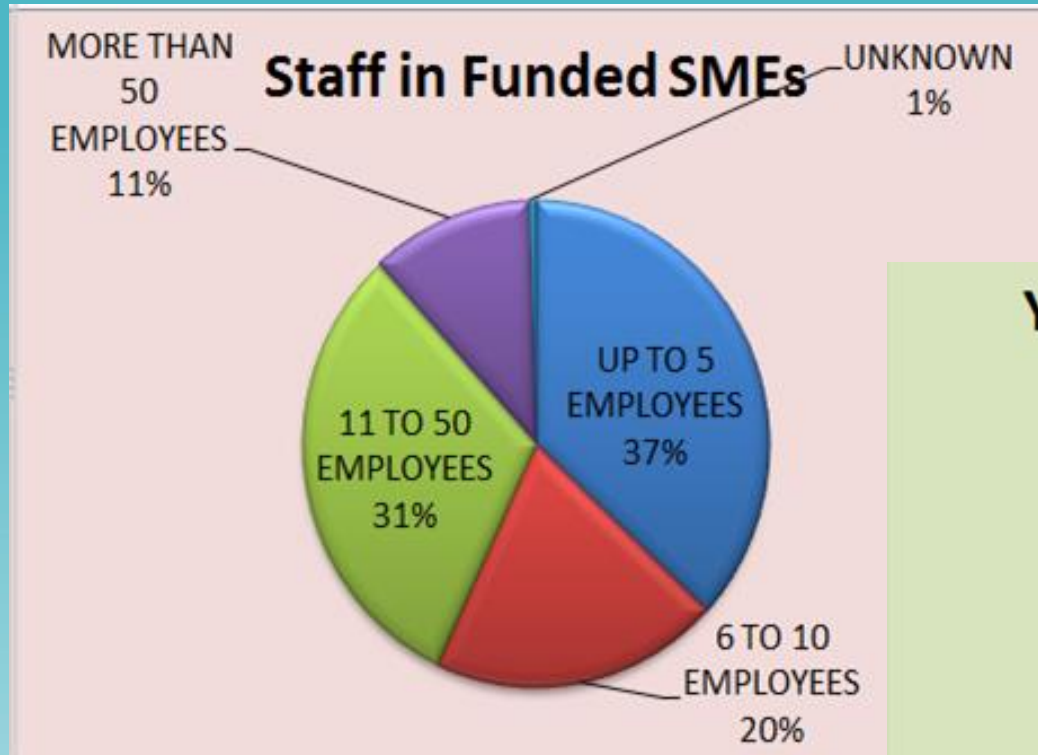
Innovation Champions



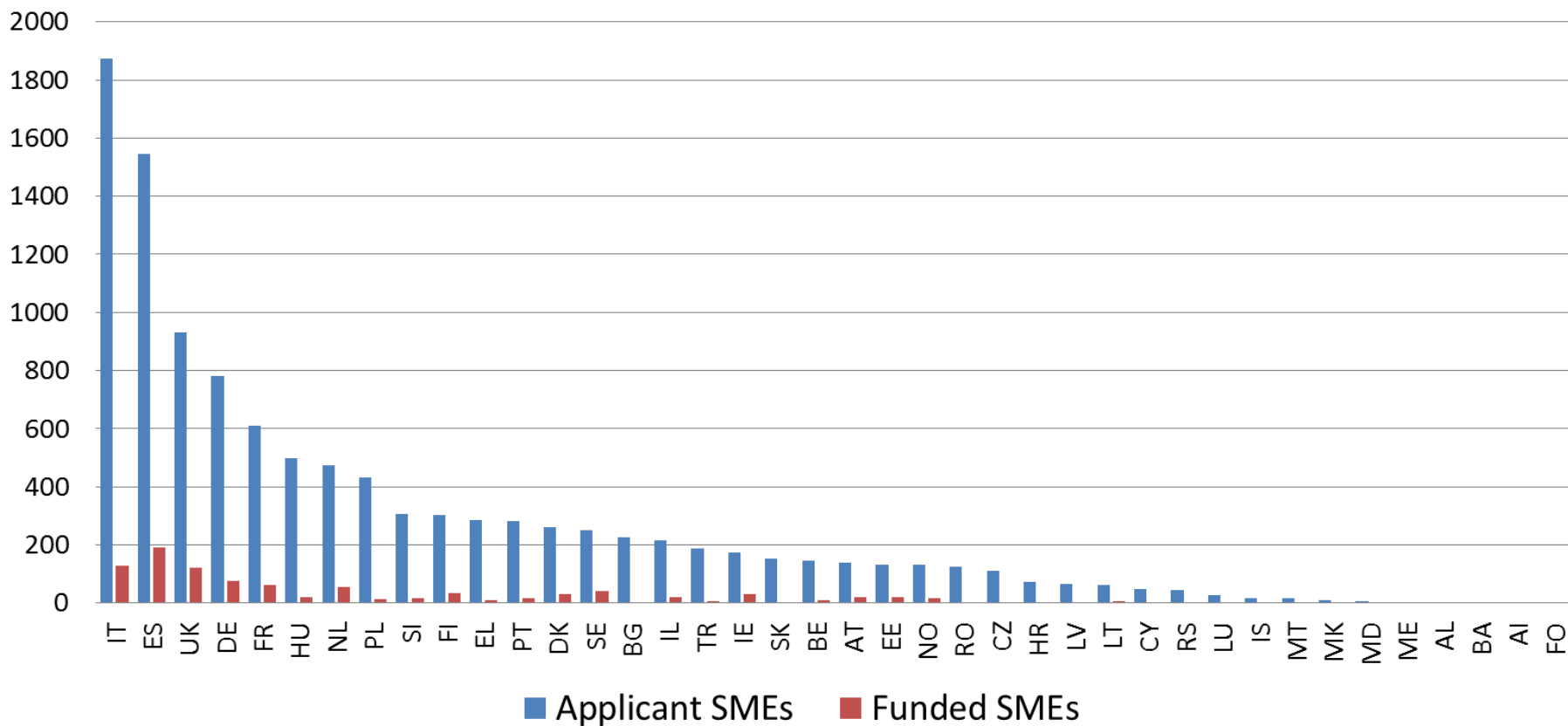
**50%**

of beneficiaries were already recognized by prizes

# Phase 1 SMEs in terms of staff and years of trading



## SME Instrument: Applications and funded projects (Ph1+Ph2)



# Who are the winning SMEs?



PIXEL  LEGEND

Poland, Phase 1,  
€50k



## We create apps

Award-winning team of Polish developers and artists  
who love to make unique app ideas a reality

Spend **2 minutes** to estimate your project

Jan, our CEO will reply on the same business day (CET)



featured in



Forbes

Bankier.pl

ANTYWEB

onet.biznes

pastguide®

Visit interesting place, raise your device  
and reenact how it looked and lived in the past...

# Pixelegend, Poland, Phase 1, €50k



Building first Scene  
in Kraków

We can let You know when it takes off

Leave your e-mail

Sign me up

Lubie to! Udostępnij! 212 Tweet 48

M

ANTYWEB

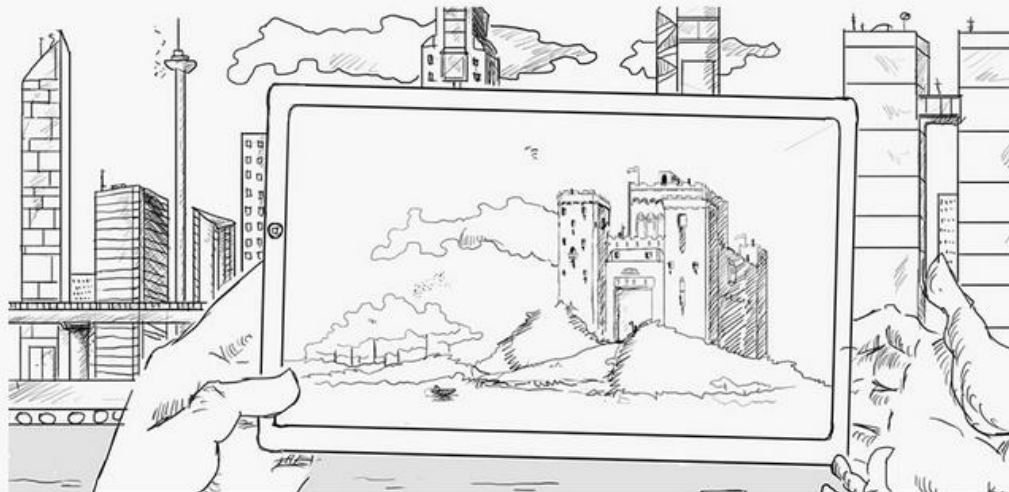
SPIDER'SWEB  
OPINIE I ANALIZY NA TEMAT TECHNOLOGII

Puls  
Biznesu

MAM  
STARTUP

## Mobile Time Machine

The app knows where You are, what You're looking at and replaces it with the 3D view from the past.





## Netherland, Phase 2, €1,8M

Developed a new generation of orthopaedic materials: accelerating the uptake of nanotechnologies for a faster and cost-effective bone tissue regeneration

# Part of the SME European Champions League

Horizon 2020 SME Instrument beneficiaries

Last update: 03/06/2015

 Phase 1 |  Phase 2



<http://ec.europa.eu/easme/en/sme-instrument-beneficiaries>

# Lessons learnt



## *Unsuccessful proposals were:*



- To strongly project-oriented, not enough information on market opportunities and commercialization strategy
- Company profile missing: has the company all the necessary skills to implement the market opportunity?
- Market situation: competitive solutions not mentioned
- Not really new to the market (no "game changer")
- Commercialisation concept missing; TRL too low, no innovation

# Hints and tips



*Before taking a strategic decision to apply*

- **Look carefully at the programme target**
- **Assess if your project is mature in all aspects of evaluation criteria**
- **Take advise on other funding programmes from NCP, EEN or others, notably incubators if you are a starter company**
- **Try a 3 minute pitch**
- **If you work with a consultant choose a success fee rather than a fixed price**

# Hints and tips

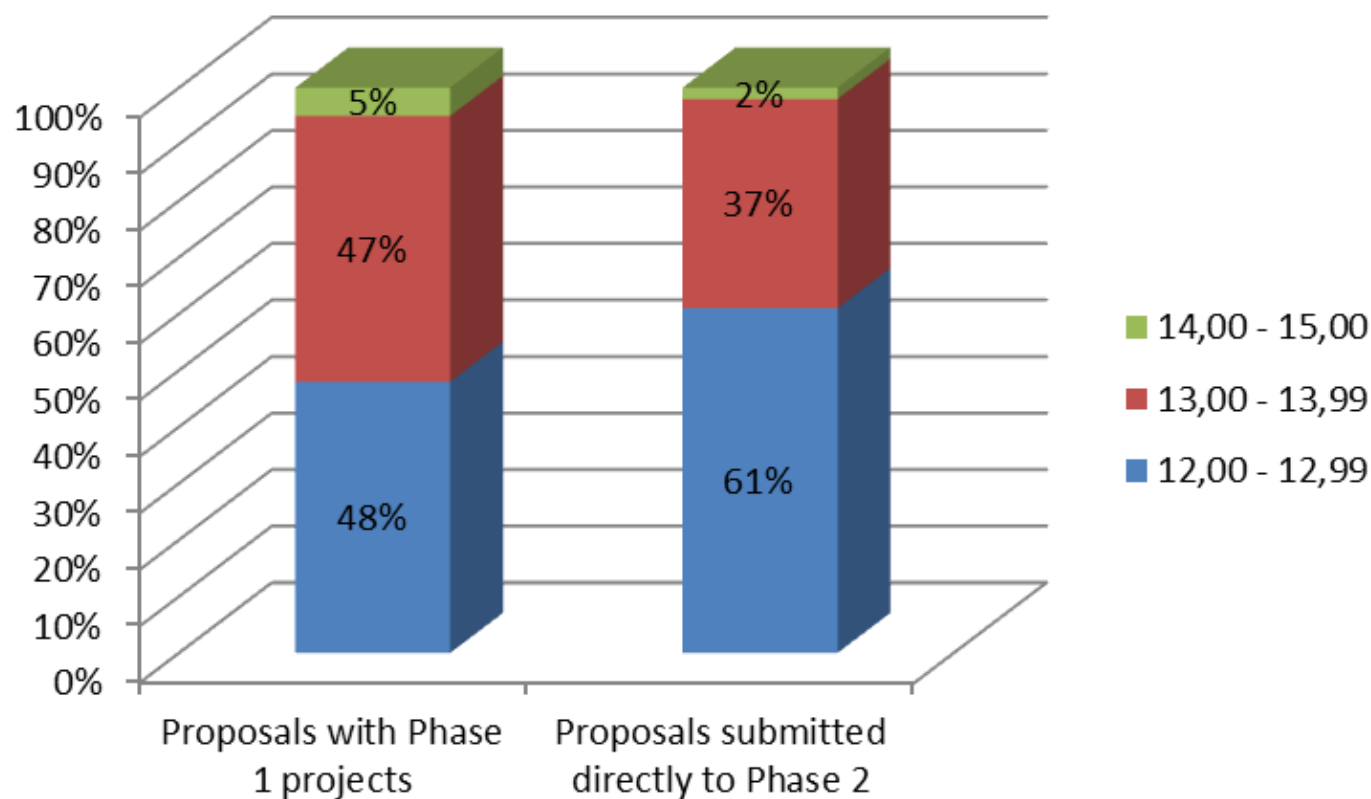


*When applying:*

- **Make sure your proposal is balanced and covers all aspects of each evaluation criteria**
- **Write to convince evaluators to invest**
- **Put concrete realistic figures**
  - Show market size, market share, sales price,*
  - Show 3 years projections of sales volumes, turnover, jobs created*
- **Invest in a catching title and a good abstract**
- **Use the full 10 pages** – delete the hints in the template
- **Form matters**, test your proposal, review the language,
- **Do not wait the cut-off date**

# Does a Phase 1 helps for Phase 2?

## Analysis of June cut-off



**And if you fail.....**

**.....apply again! Results show that resubmissions have double chances to succeed!**



# Resubmissions



- 3478 (25%) unique applicants resubmitted at least once
- 584 got funded after resubmission (16%)

**There is a clear learning factor and applicants resubmitting have double chances to get funding**

# Efforts are always rewarded





# Thank you very much for your attention



@H2020SME

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

*Showcases of companies supported by the  
SME Instrument*

<http://ec.europa.eu/easme/en/sme-instrument/showcase>