

The background of the slide is a futuristic, curved tunnel or corridor. The walls and ceiling are composed of dark, textured panels with numerous small, glowing blue dots. The floor is also curved and features several bright, rectangular blue light strips. A prominent feature is a glowing blue trail of light that curves through the tunnel, ending in a bright, starburst-like glow. The overall atmosphere is high-tech and futuristic.

Startup Europe: The Accelerator & Incubator Ecosystem

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Founder Talentum Startups*

Telefónica



1. Key Findings: Destroying Myths

2. Policy Decalogue: A Wake up Call

3. Talentum Europe: An Erasmus for Hackers

A futuristic, glowing blue tunnel with a grid pattern and a bright light source at the end. The tunnel is composed of many parallel lines that create a sense of depth and perspective. The walls and floor are illuminated with a soft blue light, and there are several bright, glowing spots along the walls. The overall atmosphere is clean, modern, and high-tech.

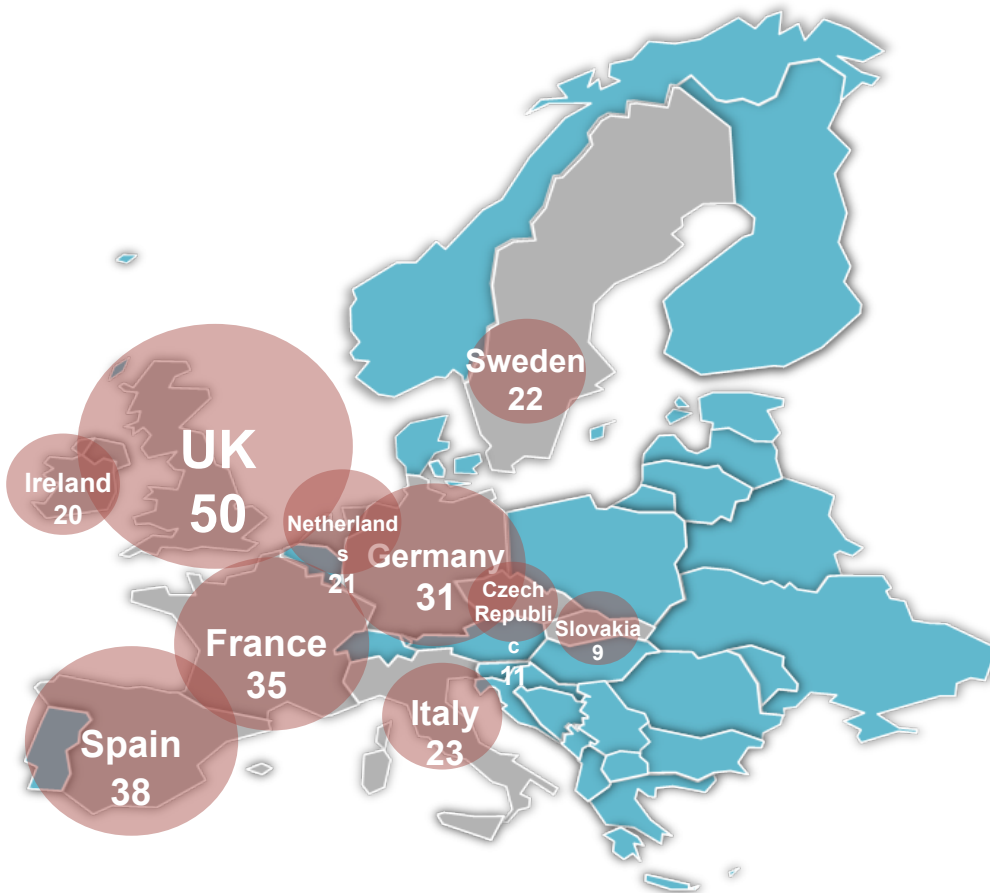
1. Key Findings: Destroying Myths

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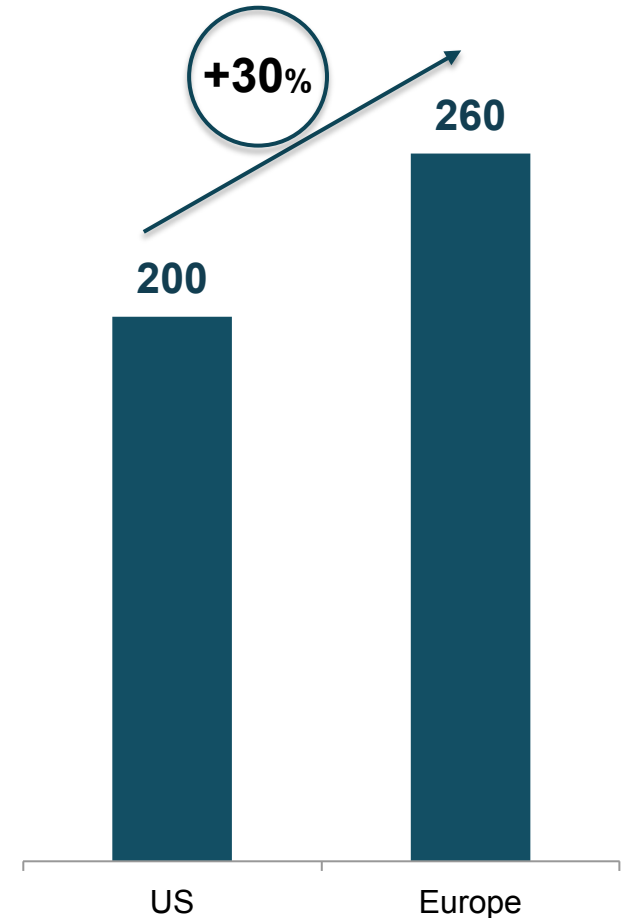
3. Talantum Europe: An Erasmus for Hackers

Europe is Alive & Kicking: Europe (260) has now more startup programs than the US (200)

Main European hubs by number of startup programs¹ (2013)



Startup programs in Europe vs US (2013)²



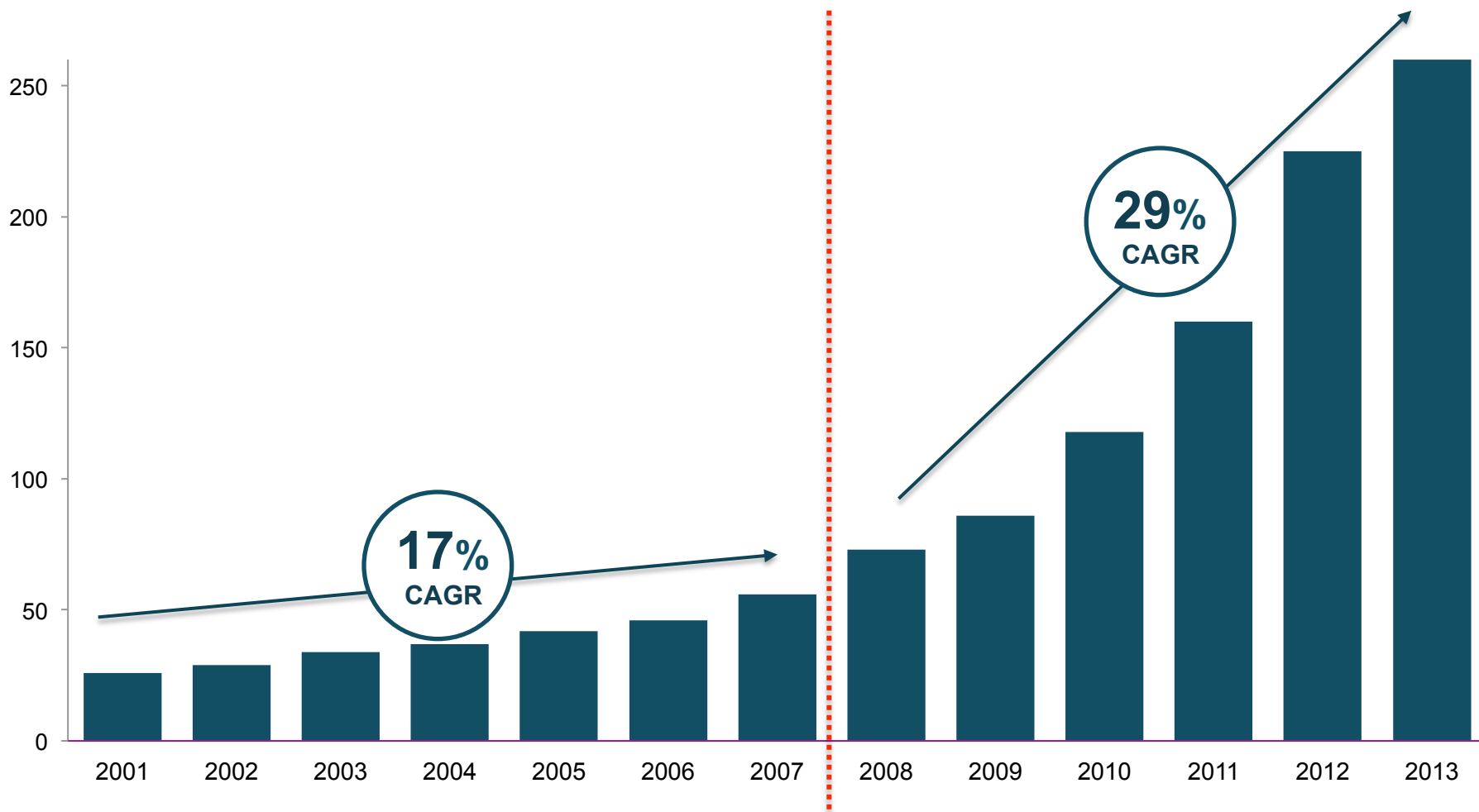
Source: Telefónica Global Affairs & New Ventures, 2013.

1: Programs include Accelerators, Incubators and Company Builders in 10 EU countries (UK, Ireland, France, Netherlands, Germany, Spain, Italy, Czech Rep., Slovakia & Sweden)

2: Estimate derived from: seed-db.com, findthebest.com and TechCocktail Report 2012. Estimate includes accelerators, incubators and company builders

Europe is Alive & Kicking: Since the start of the crisis, European startup programs have increased by 400%

Accumulated number of startup programs in the 10 countries since 2001



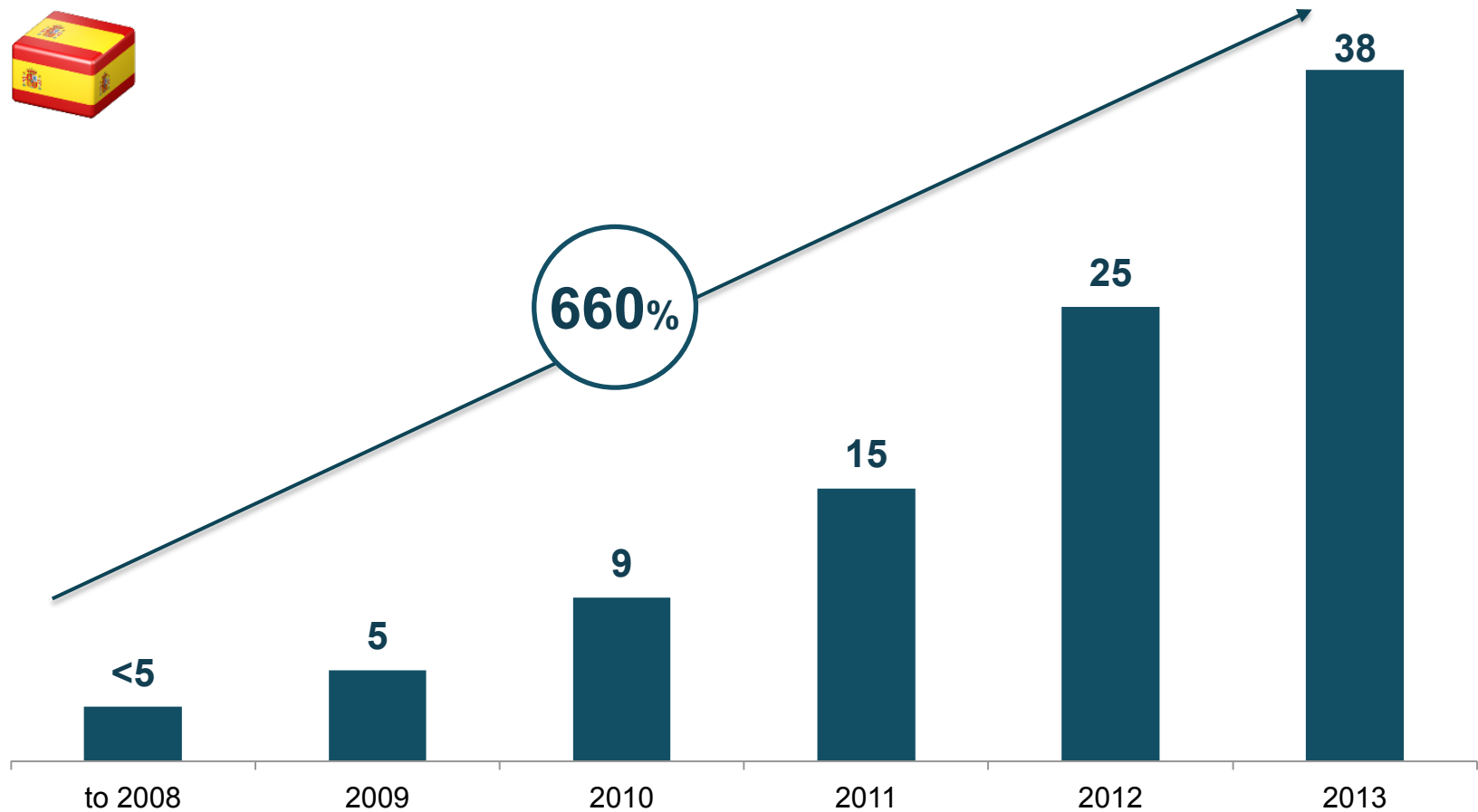
Countries of Research: UK, Ireland, France, Netherlands, Germany, Spain, Italy, Czech Republic, Slovakia & Sweden

Source: Based on Telefónica Global Affairs & New Ventures, 2013.

CAGR: The compound annual growth rate is calculated by taking the nth root of the total percentage growth rate where n is the number of years in the period being considered.

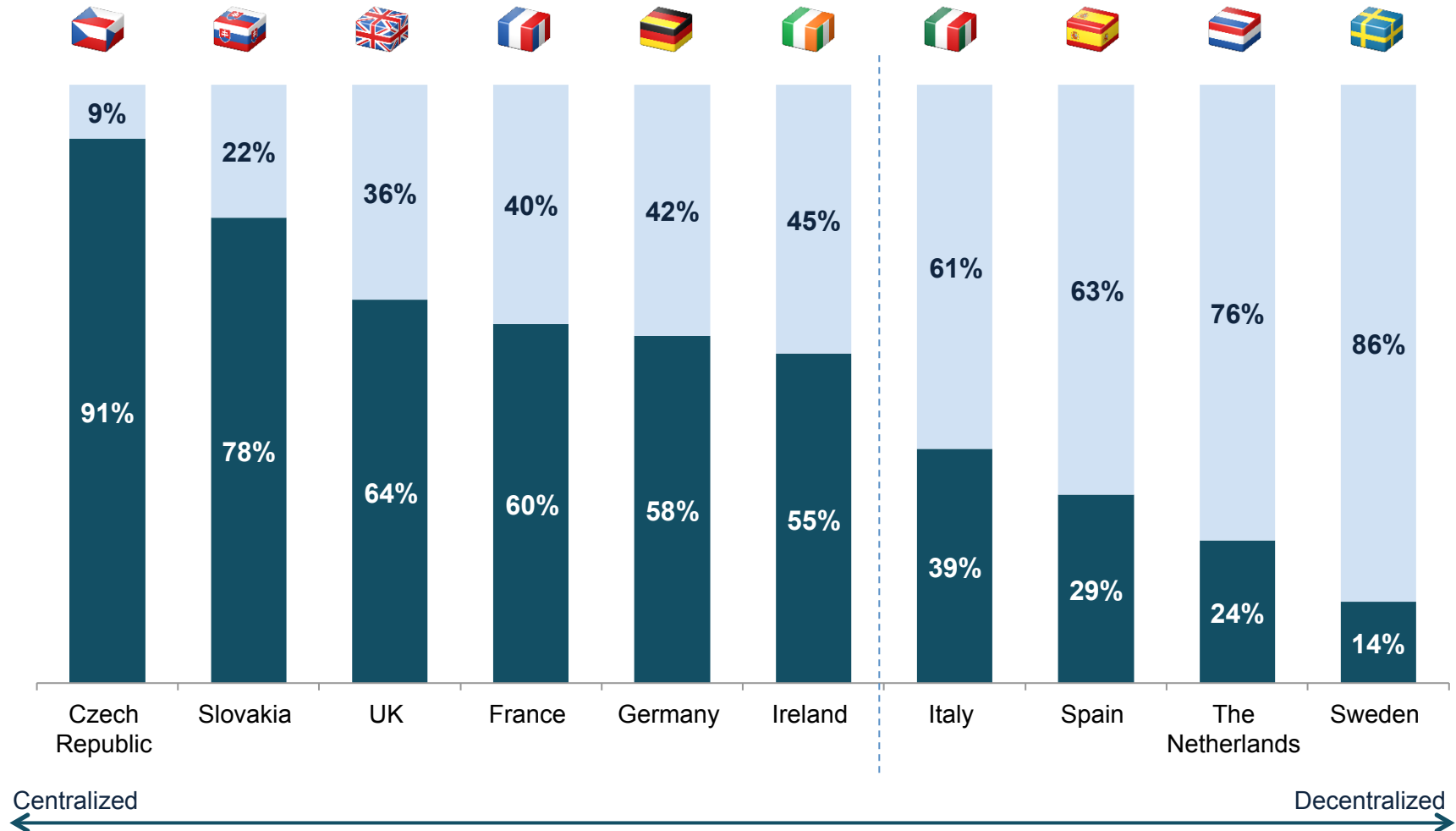
Countries hit by the crisis have been particularly active: The case of Spain

Evolution in the number of startup accelerators in recent years in Spain



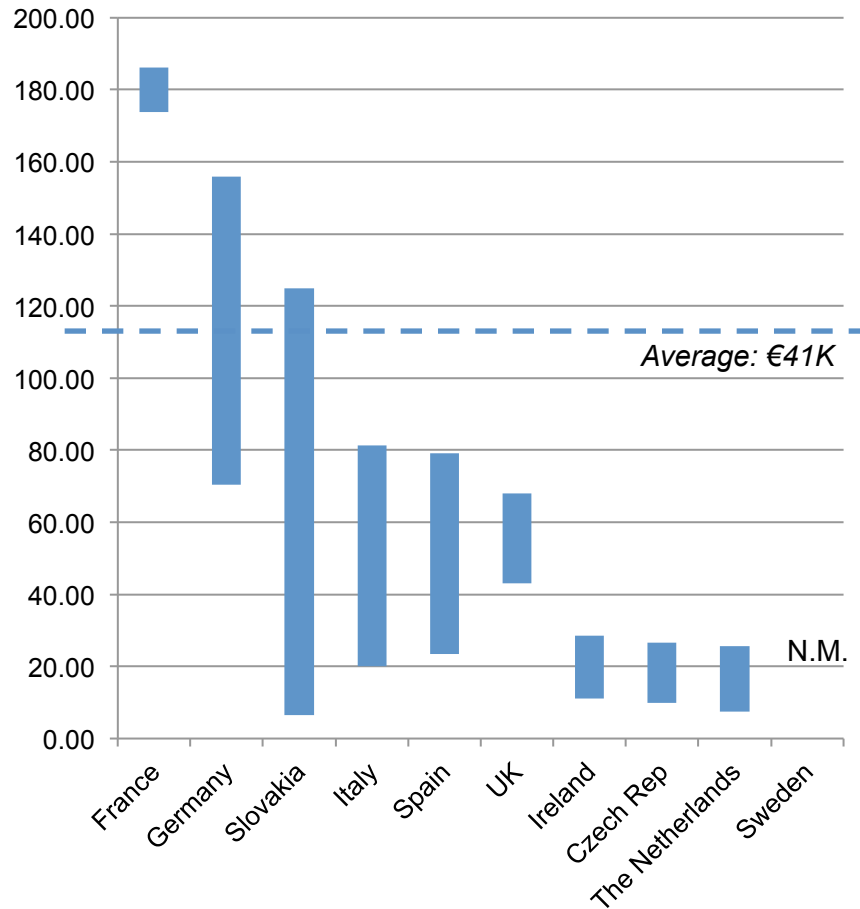
Europe has a diverse accelerator & incubator landscape both in features and geographical dispersion

Breakdown, % of programs hosted in the main hub vs the programs in the whole country

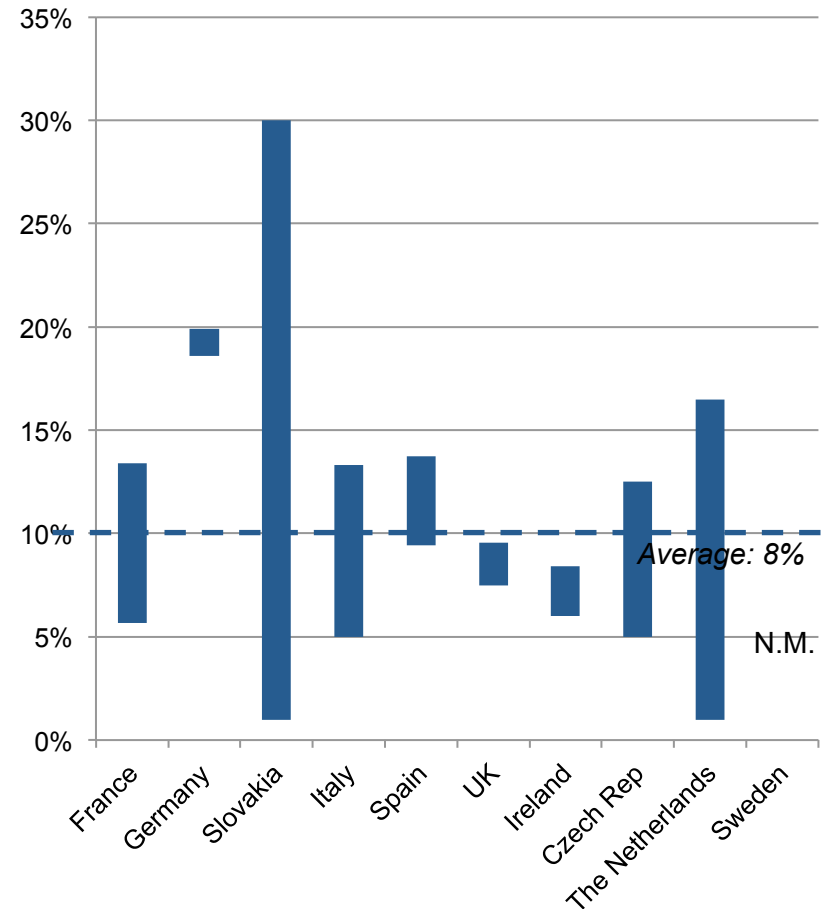


European accelerator programs have a wide dispersion in valuation range; Large differences in equity cost between and within countries

Average max-min ticket size across startup programs ('000, euros)*



Average max-min equity share across startup programs (%)*



* Note: data has been obtained calculating the average of minimum and the average of maximum equity percentages taken, where available. Therefore, the ranges shown are not absolute and one might find individual programs outside of the range in each country.



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3. **Talentum Europe: An Erasmus for Hackers**

Public institutions are key drivers in the European startup ecosystem

European initiatives backing SME and entrepreneurship

“€100m to fund tech startups and SME”
July 11th, 2013.



“Supporting entrepreneurship and innovation in Europe”



€3bn

Commitments in Venture Capital Funding

Selected national institutions backing entrepreneurship and innovation



Nesta



bpi france



ENISA



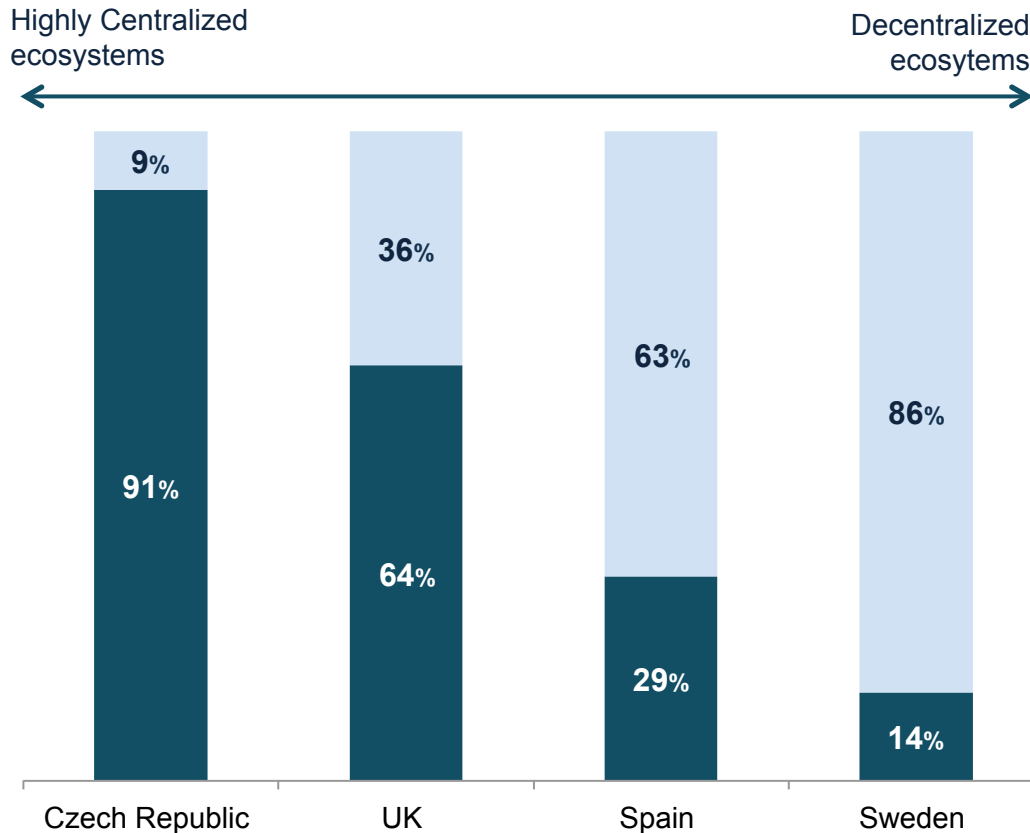
ALMI
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ENTERPRISE
IRELAND

Europe has a diverse entrepreneurial ecosystem. Each country will require their own solutions

Level of centralization in selected ecosystems, 2013

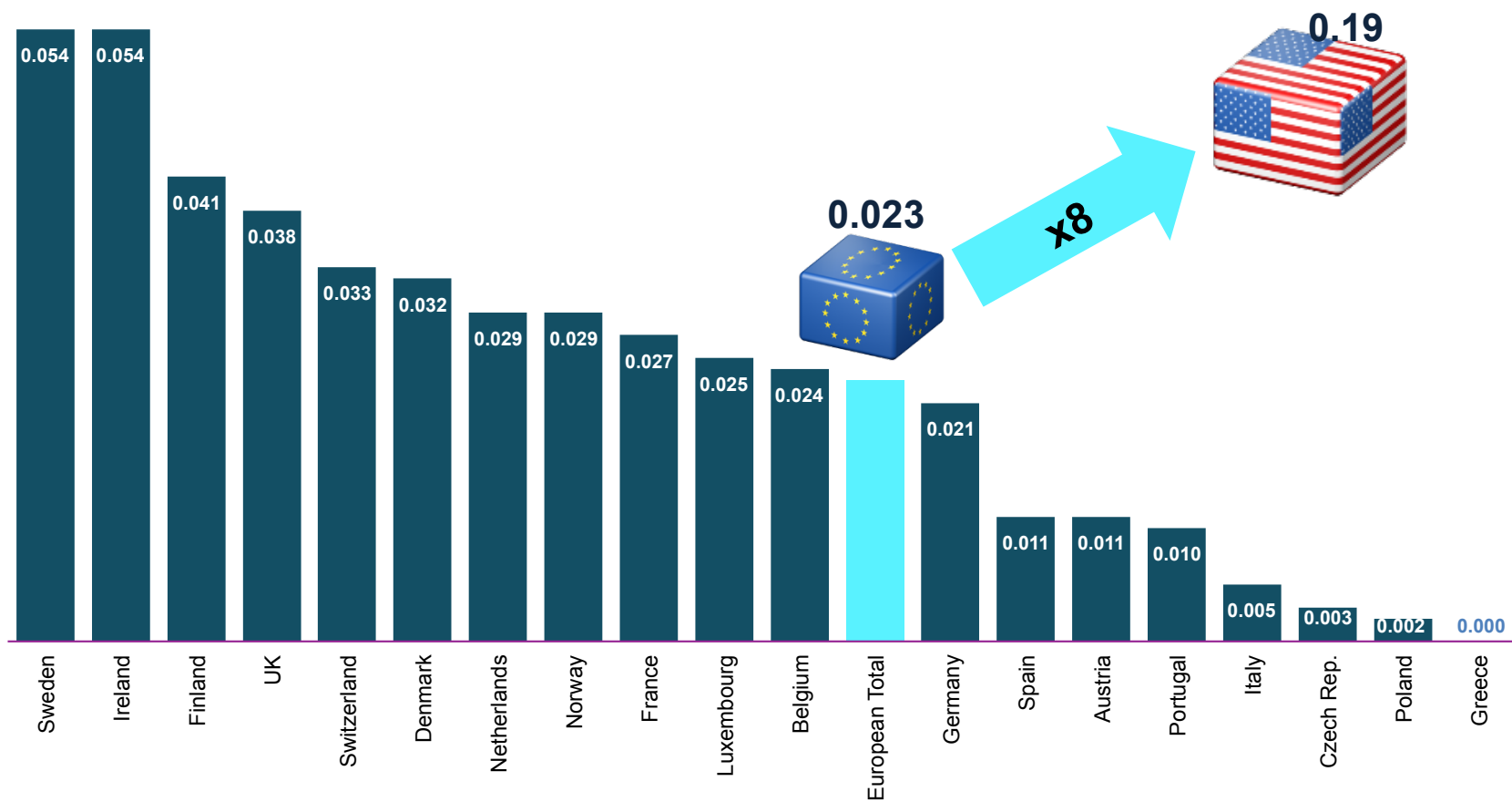


Recommendation 1 - The one size fits all model, does not fit. When giving support to startups bear in mind the level of centralization, the funding gaps, the maturity as well as the specialization level of each ecosystem.

Europe is still lagging behind when it comes to funding activity

Recommendation 2 - Mind the funding gaps: Each ecosystem has different funding needs

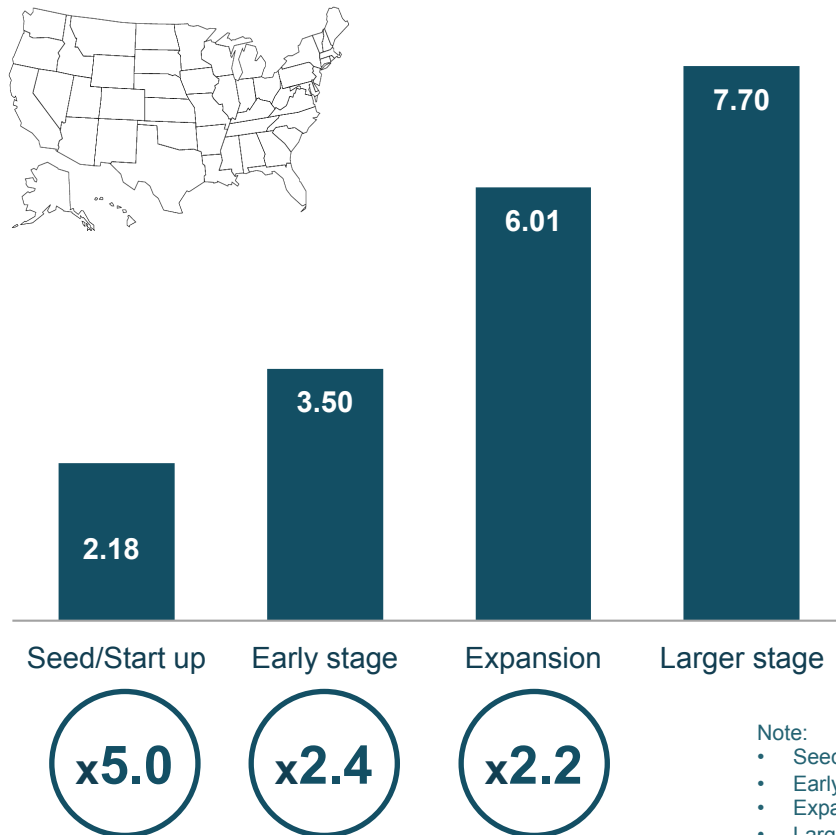
VC investment as a % of GDP
(%, 2012)



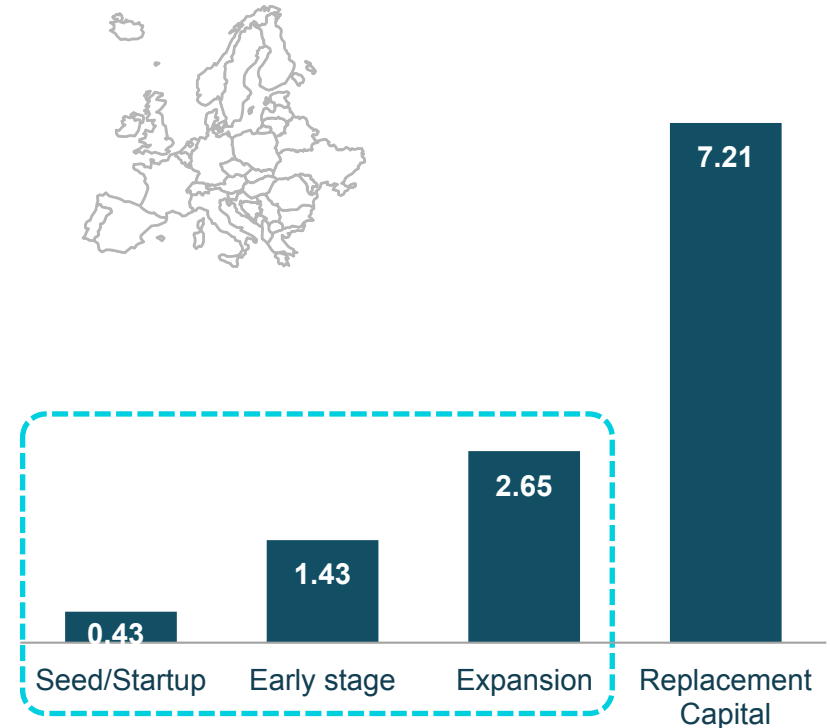
Europe is still lagging behind when it comes to funding activity

Recommendation 2 - Mind the funding gaps: Each ecosystem has different funding needs

USA– Average deal size of VC investment
(2003-06, € millions)



Europe – Average deal size of VC investment
(2003-06, € millions)



Note:

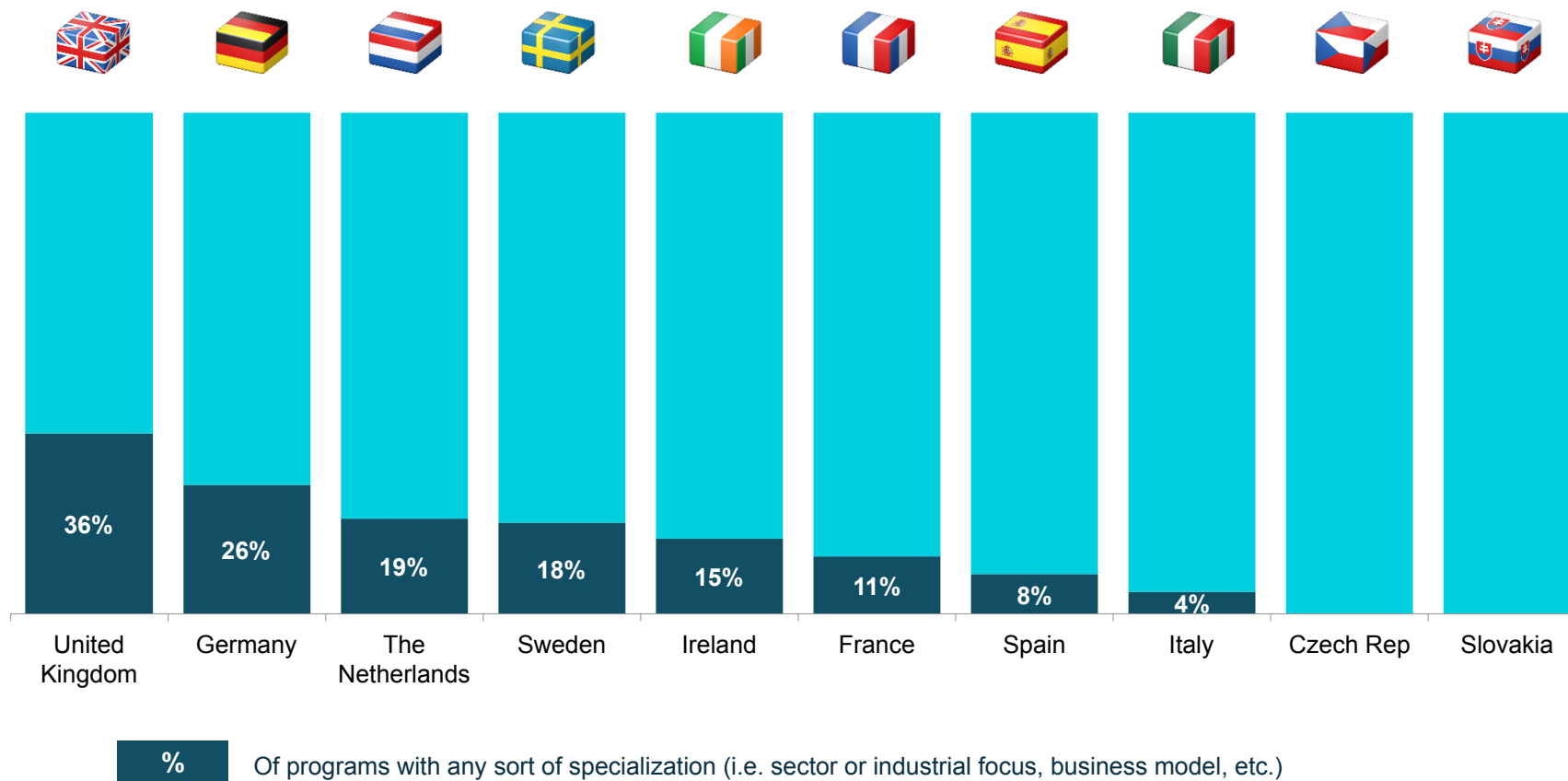
- Seed / Startup rounds: They usually go from just some thousand € to €1m (Europe) or €3m (US)
- Early stage rounds (A and B) are those between €0.5m to €3m (Europe) or €5m (US)
- Expansion rounds are those above €3m (Europe) or €5m (US)
- Larger stage and replacement capital are usually the rounds before an exit, IPO, or private equity investments.

Specialized programs could revolutionize traditional sectors

Recommendation 3 - Boost sector-specialized programs with 50% of the European funding resources to maintain a balance with generalist ones

Breakdown between Specialized and Generalist programs by Country

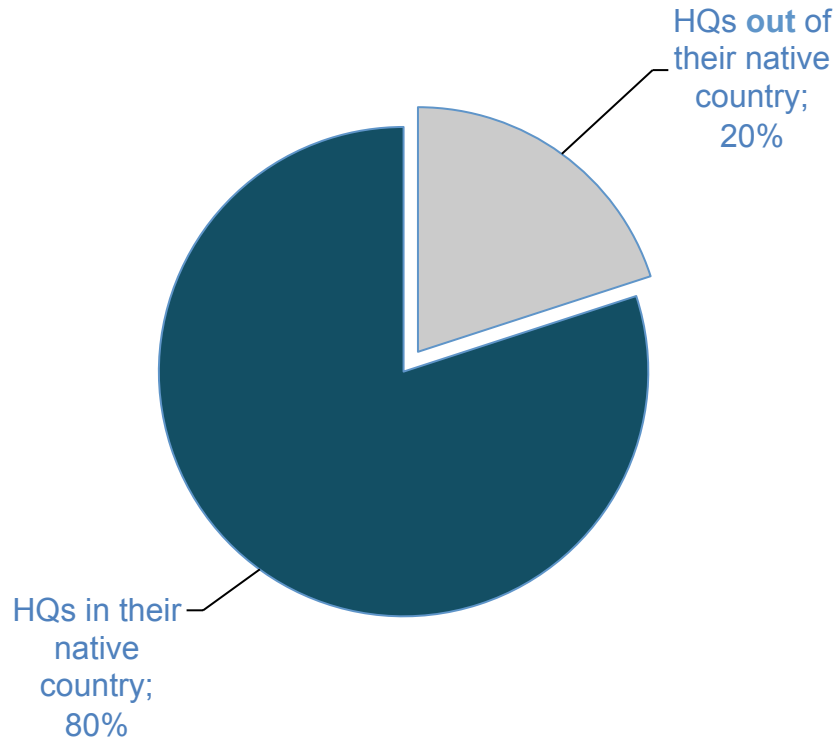
(Total number and % breakdown, 2013)



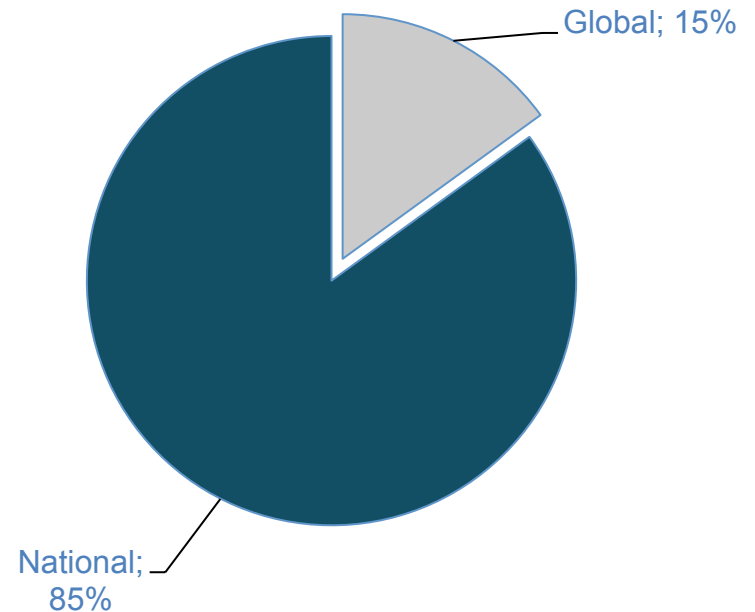
European Start-ups have to increase their internationalization

Recommendation 4 - Make country borders meaningless for entrepreneurs. The European market must be accessible for every startup

“European” Startups: A lack of internationalized presence (% , 2013; n=125)



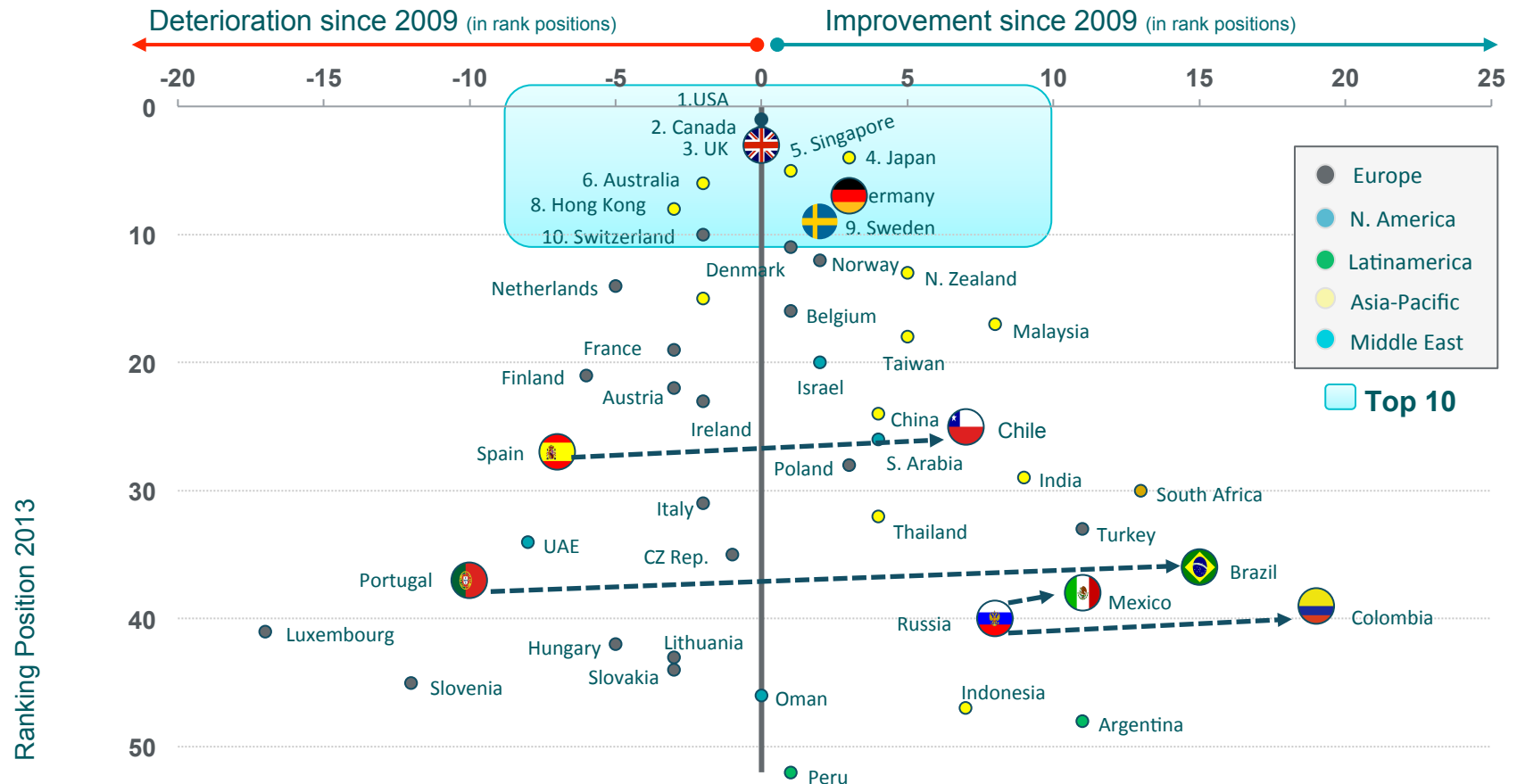
Accelerators / Incubators Footprint (% , 2013; n=260)



Emerging economies are overtaking European ones when it comes to investment attractiveness

Recommendation 5 - Simplify & Unite. Reduce bureaucracy and facilitate startup rollout within Europe

Top 50 - Venture Capital & Private Equity Attractiveness Index (2013)



Source: Telefónica Global Affairs & New Ventures based on IESE Business School, 2013.

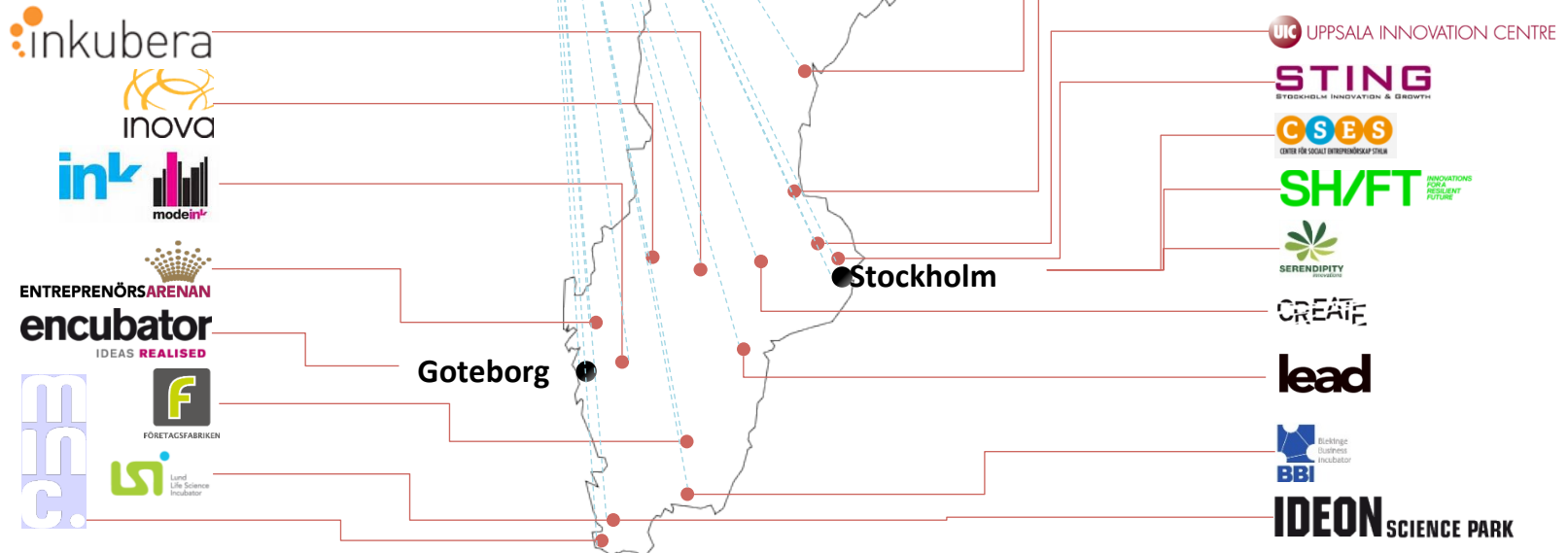
The Swedish case: a great example of transparency and best practices

Recommendation 6 - Solve the information Gap: Increase transparency making comparable data available

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Public Swedish Institution focused on entrepreneurial support. For publicly funded incubator programs, there is an extensive bi-annual data submission for all incubated companies, covering:

- Funding received
- People hired (detailed)
- Profit & Loss Accounts
- Tax Paid
- Etc.



Broadcast our entrepreneurs: they are today's role models

Recommendation 7 - Elevate entrepreneurs' status to "rockstars". Create incentives to encourage competition and innovation amongst Euro-entrepreneurs

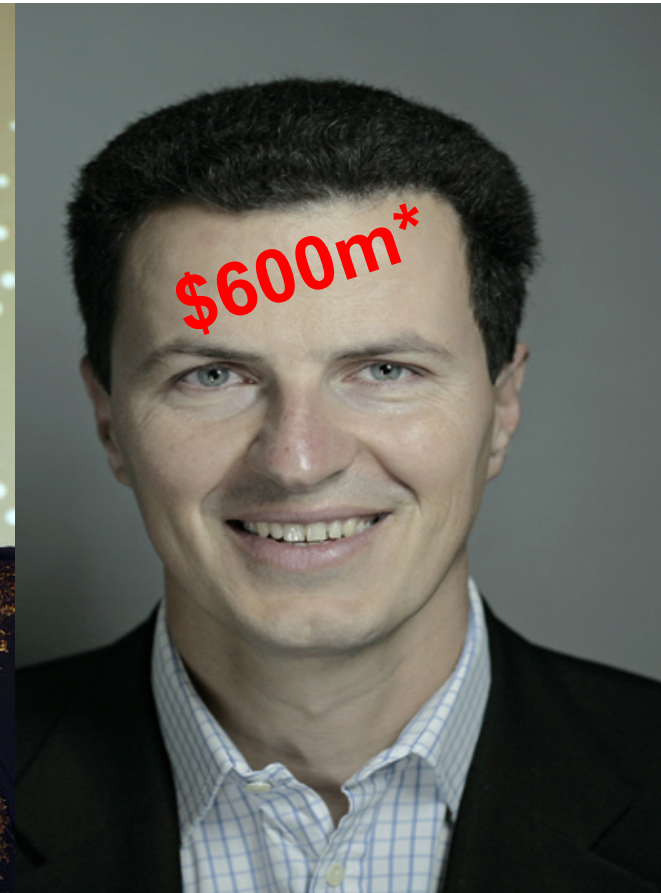
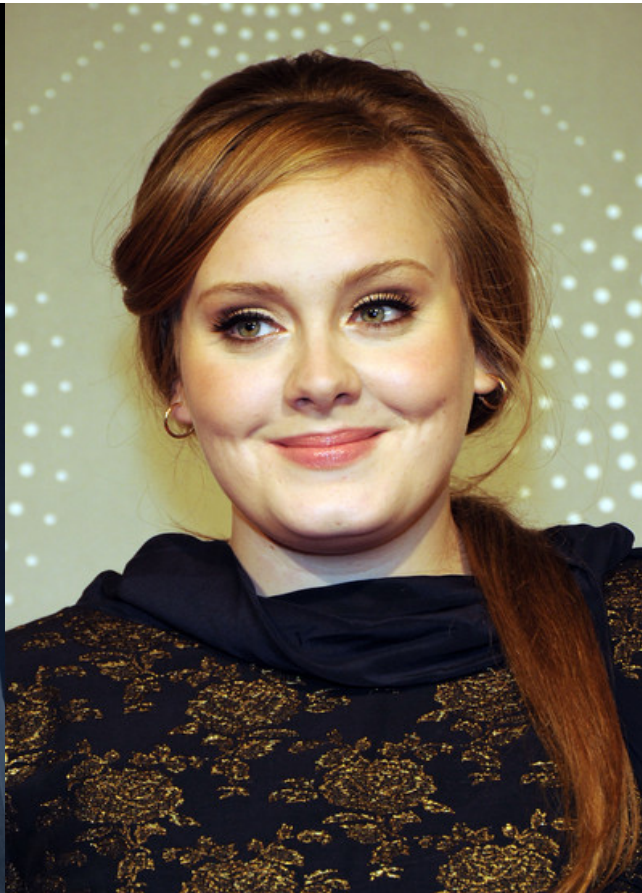
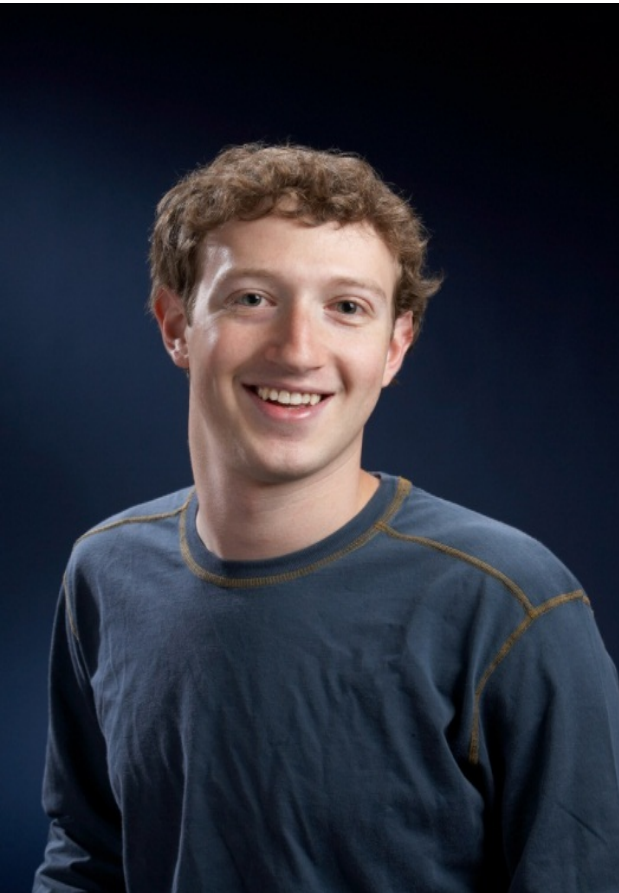
Mark Zuckerberg,
Facebook Co-Founder



Adele
Singer, Multi-Grammy Winner



Stephan Dietrich
Neolane Founder



*Sold Neolane to Adobe by \$600m

Knowledge hubs is one of Europe's strengths. This potential should be unleashed



Top 10 European business schools and universities (Amount, 2013)

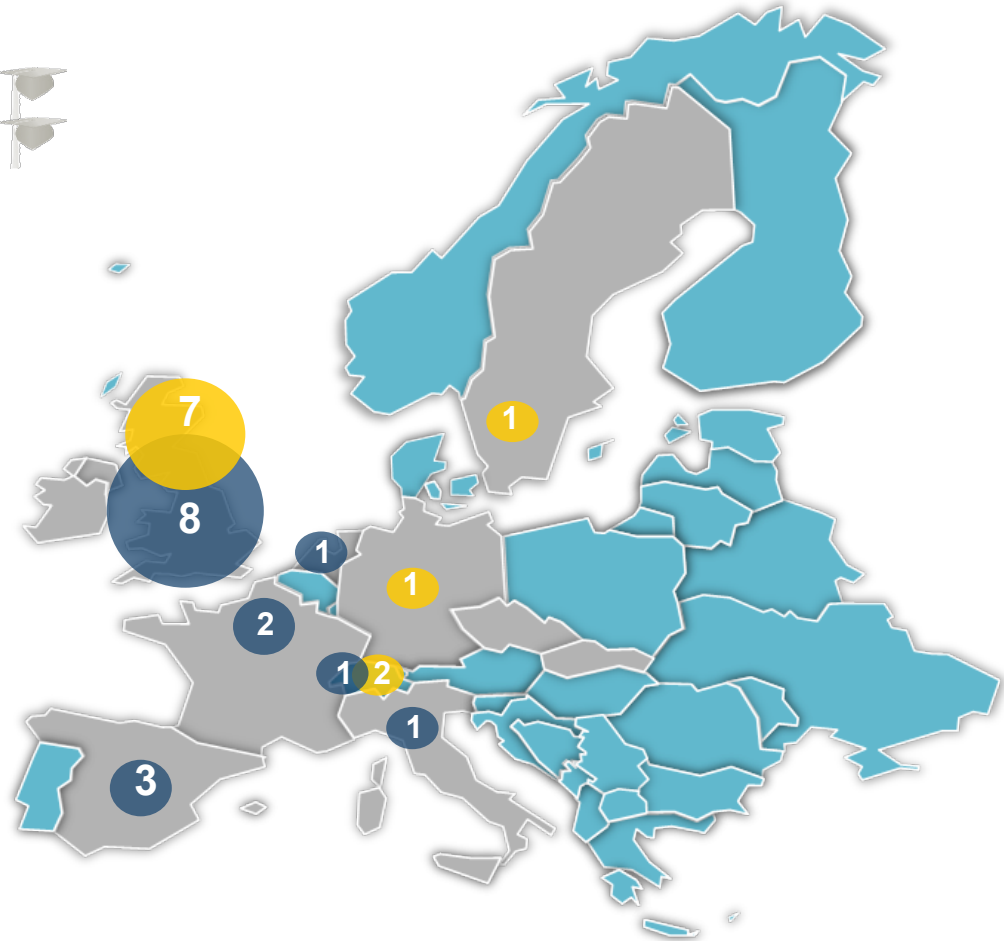


32% of the top 50 Business Schools are European



22% of the Top 50 Universities are European

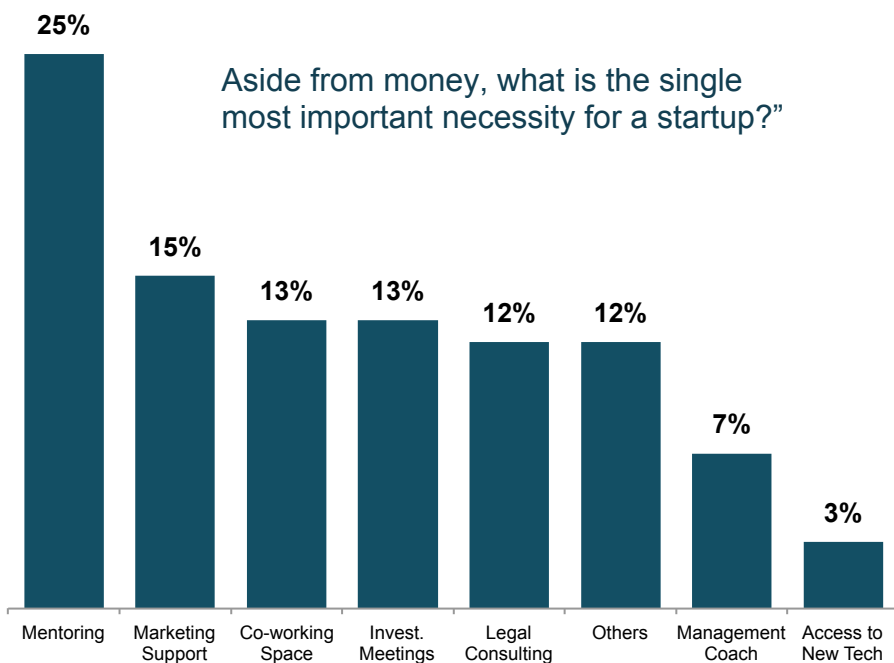
-  Business Schools in the top 50 FT Global MBA
-  Universities in the top 50 Times Global University Rankings



Business schools accelerators should be considered as these institutions have the know-how that startups could profit from

Recommendation 8 - Close the loop: Invest in university hubs, research institutes and business schools venture labs with 50% of pan-European funding dedicated to this type of institutions

Ranking of startup needs (% surveyed, 2013)

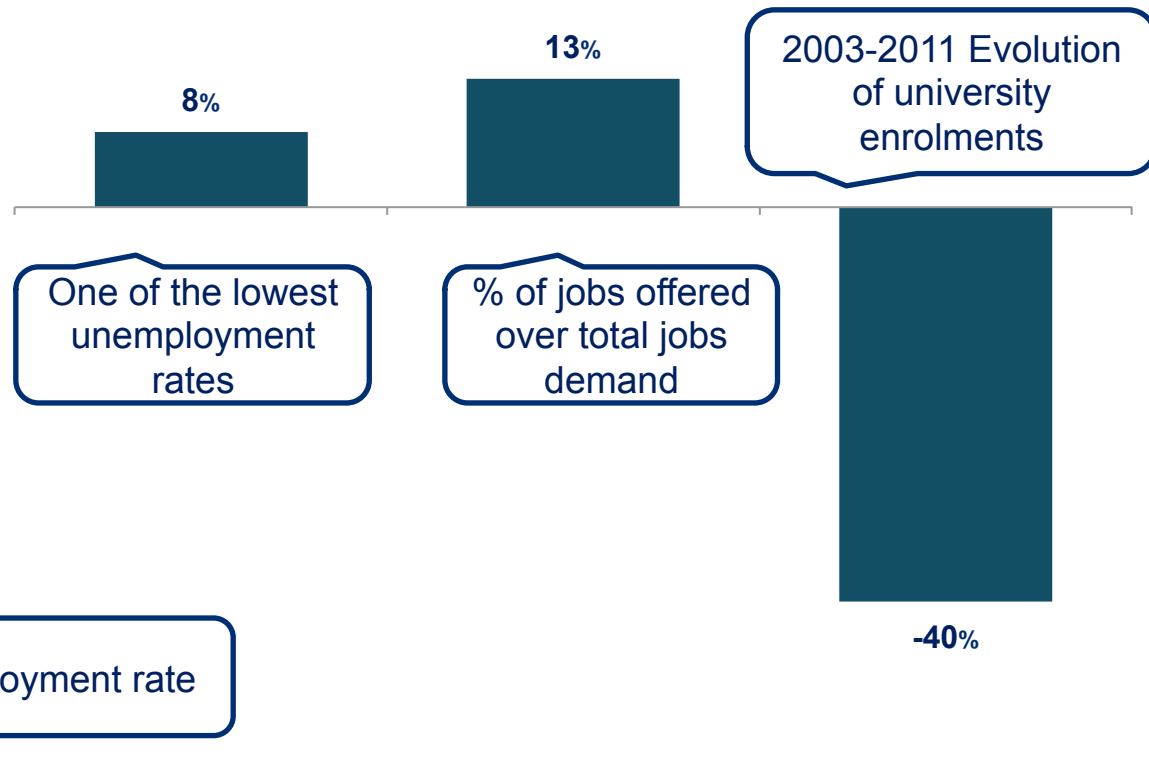


Top 10 European Business Schools by alphabetical order

Business School	Venture Lab / Accelerator	Investor Network	Seed Fund
Esade	✓	✓	✗
HEC	✓	✓	✗
IE	✓	✓	✗
IESE	✓	✓	✓
IMD	✗	✓	✗
INSEAD	✓	✓	✗
LBS	✓	✓	✓
Manheim Business School	✓	✓	✗
U. Of Cambridge: Judge	✓	✓	✗
U. Of Oxford: Said	✓	✓	✗

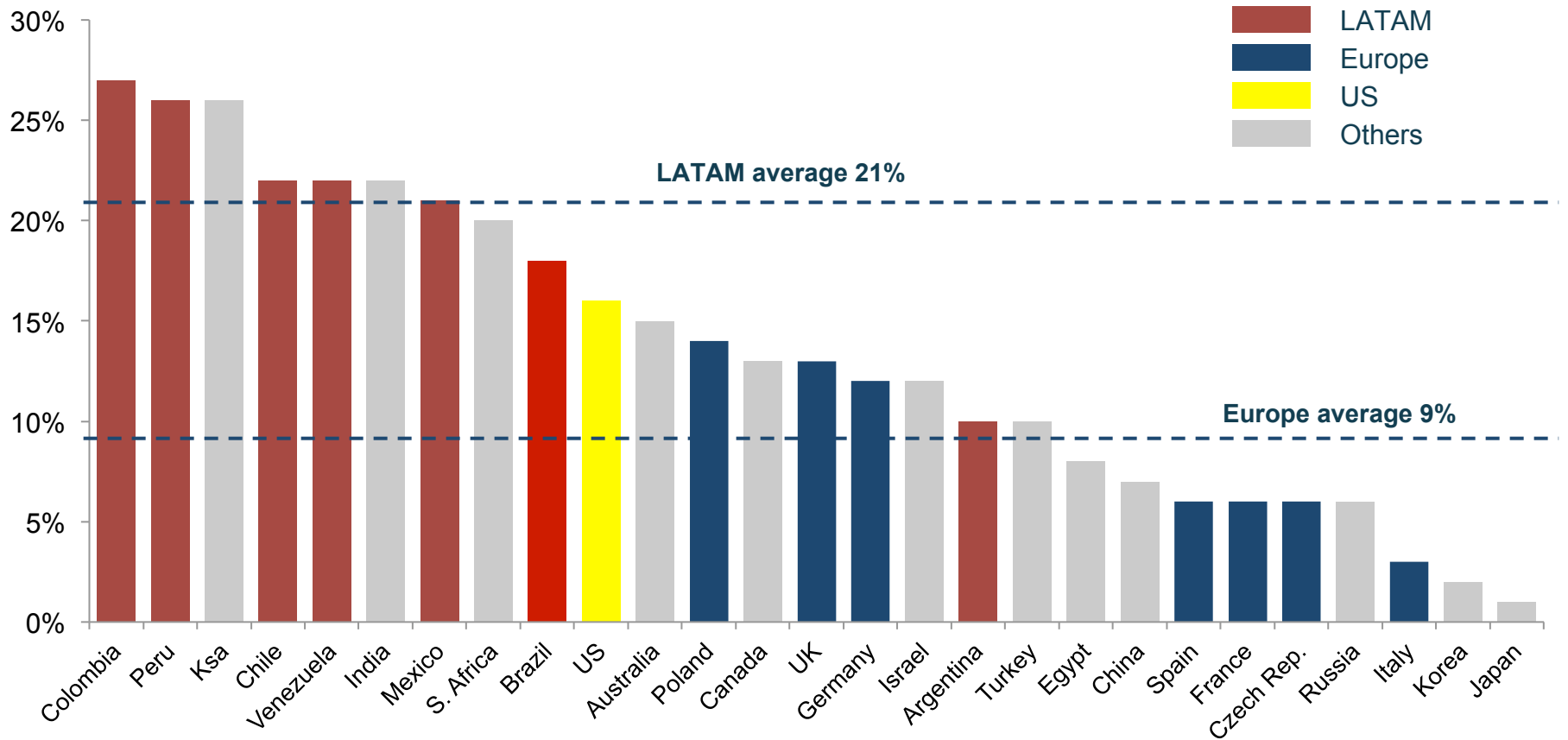
A wake up call: Technological careers are lagging behind others.

Computer and Telco engineers



A wake up call: Europe is lagging behind emerging economies

Where are the Millennial Leaders?



A Wake up Call: Create an “Erasmus” for programmers across Europe

Recommendation 9: Channel technical talent towards entrepreneurial ventures. Create an “Erasmus” for programmers across European Tech Hubs to discourage “Brain Drain”

European entrepreneurs migrating outside Europe in search for opportunities





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Talentum Startups: our proposal is to create an entrepreneurship program for geeks & hackers all across Europe

5000

talentum
Startups
by 2015

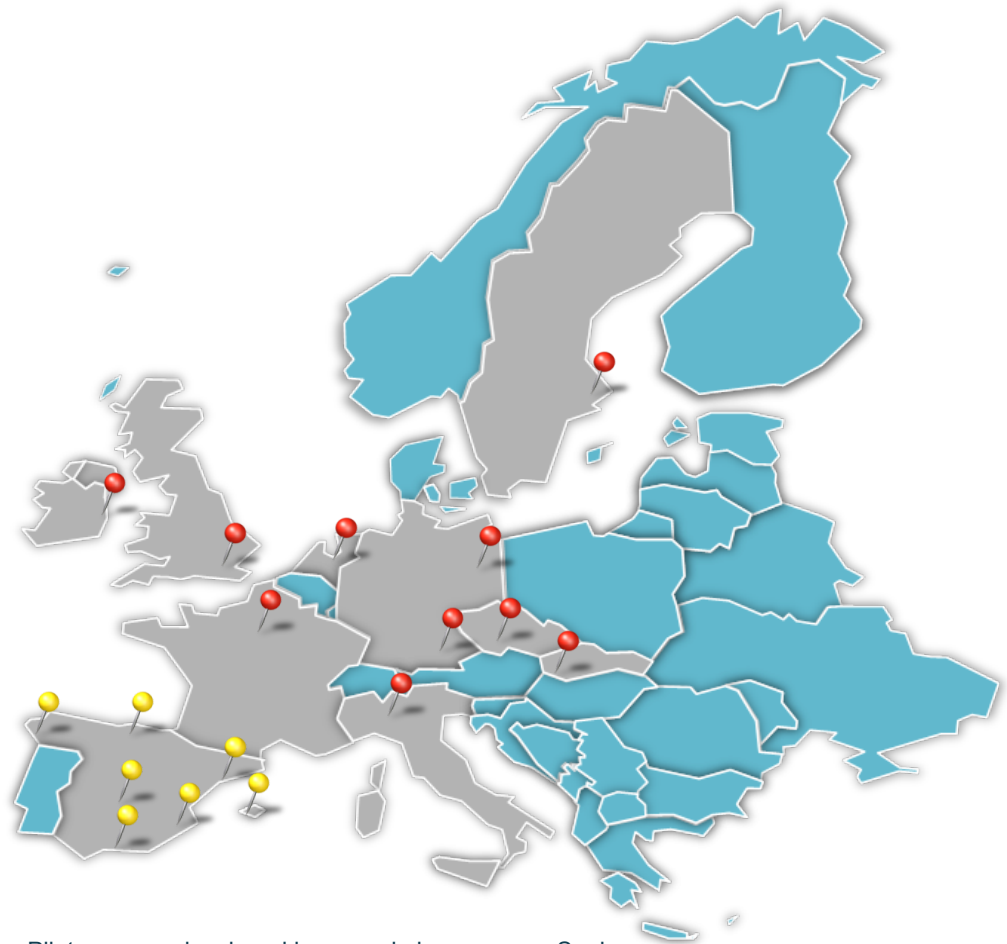
jointly




Telefonica

ERICSSON 

And several accelerators & incubators



 Pilot program developed in several places across Spain

 Cities considered to host the program

Talentum Startups: Achieving 3 goals in 1 program: Strengthening Startups; Boosting Geeks; Consolidating Accelerators

2013

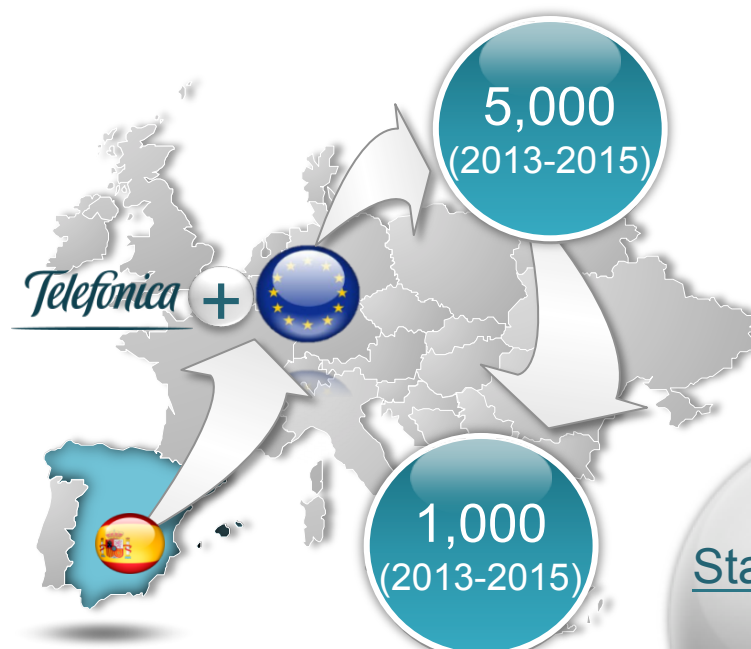
talentum



	2012	2013	2015
# internships	100	250	1,000
# accelerators	5	15	30
# startups	100	250	1,000

2013 - 2015

talentum



1,000
(2013-2015)

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of internships

Startup Europe:
Talentum
Startup in
Europe

Talentum Startups: An innovation platform that welcomes new partners

260
Interns



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