

# How to prepare a winning Eurostars application

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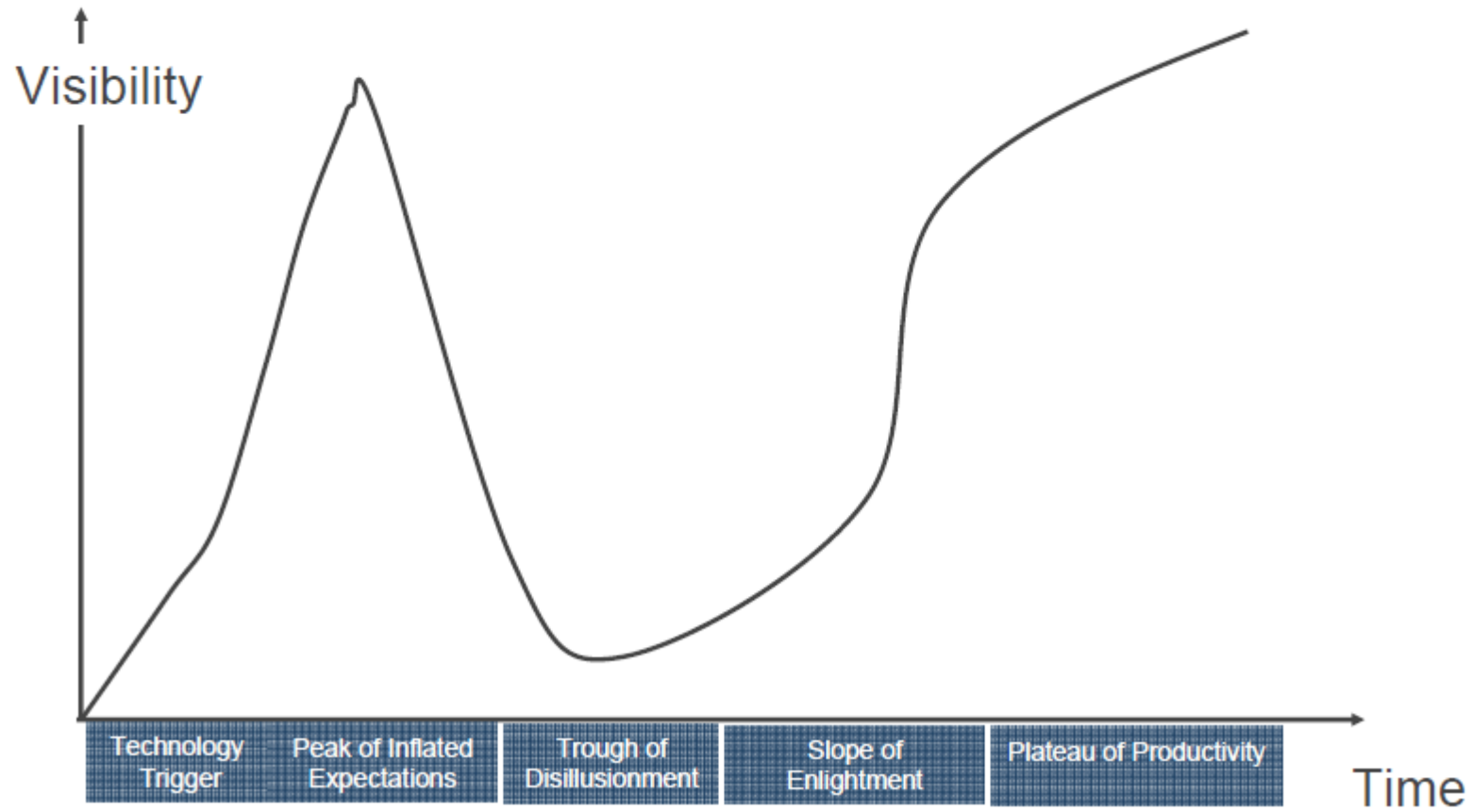
EUROSTARS-2 IEP CHAIRMAN,

MIOMIR KNEZEVIC

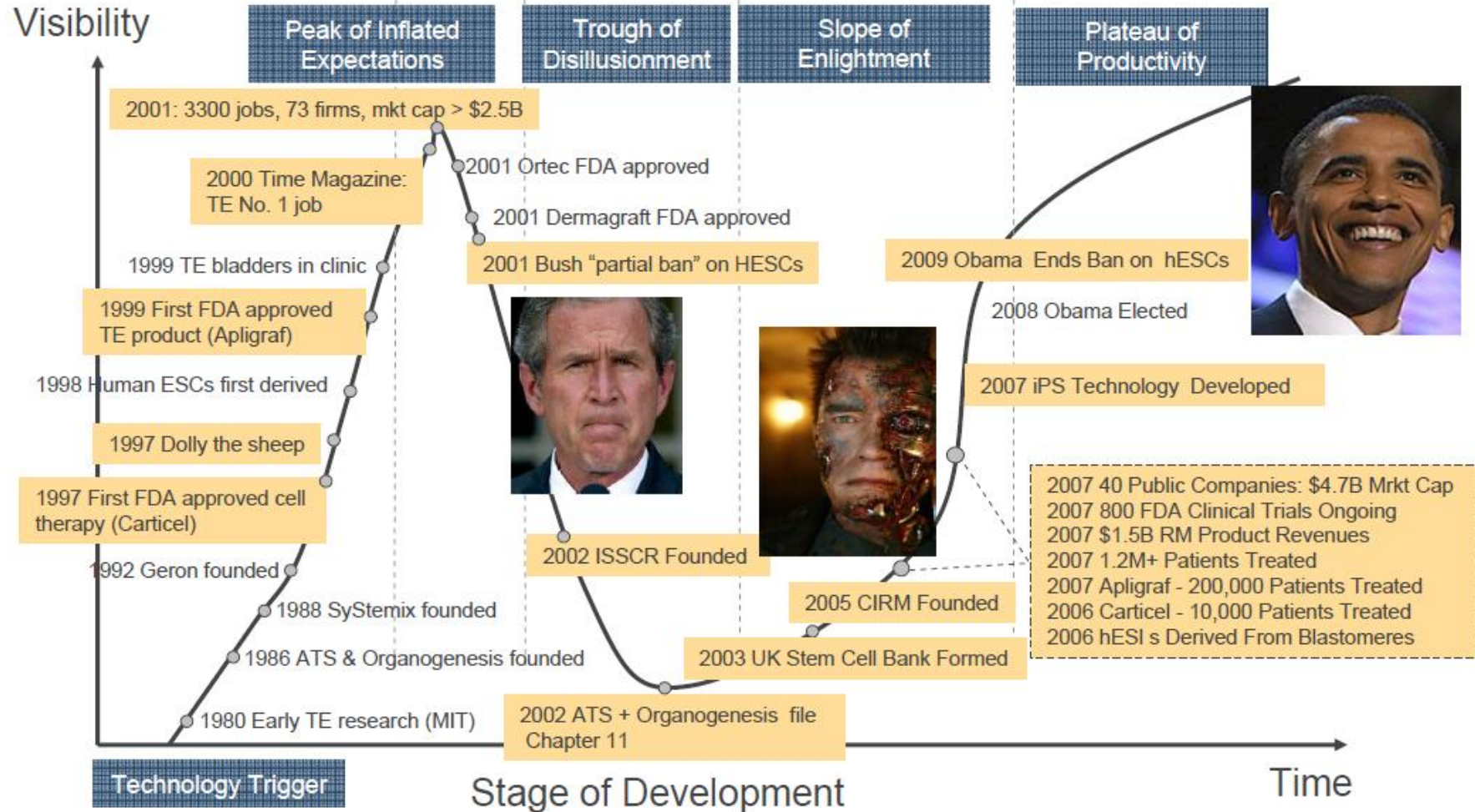
EUROSTARS IEP MEMBER

(MBSI SA, LUTRY, SWITZERLAND; EDUCCELL LTD, TRZIN, SLOVENIA)

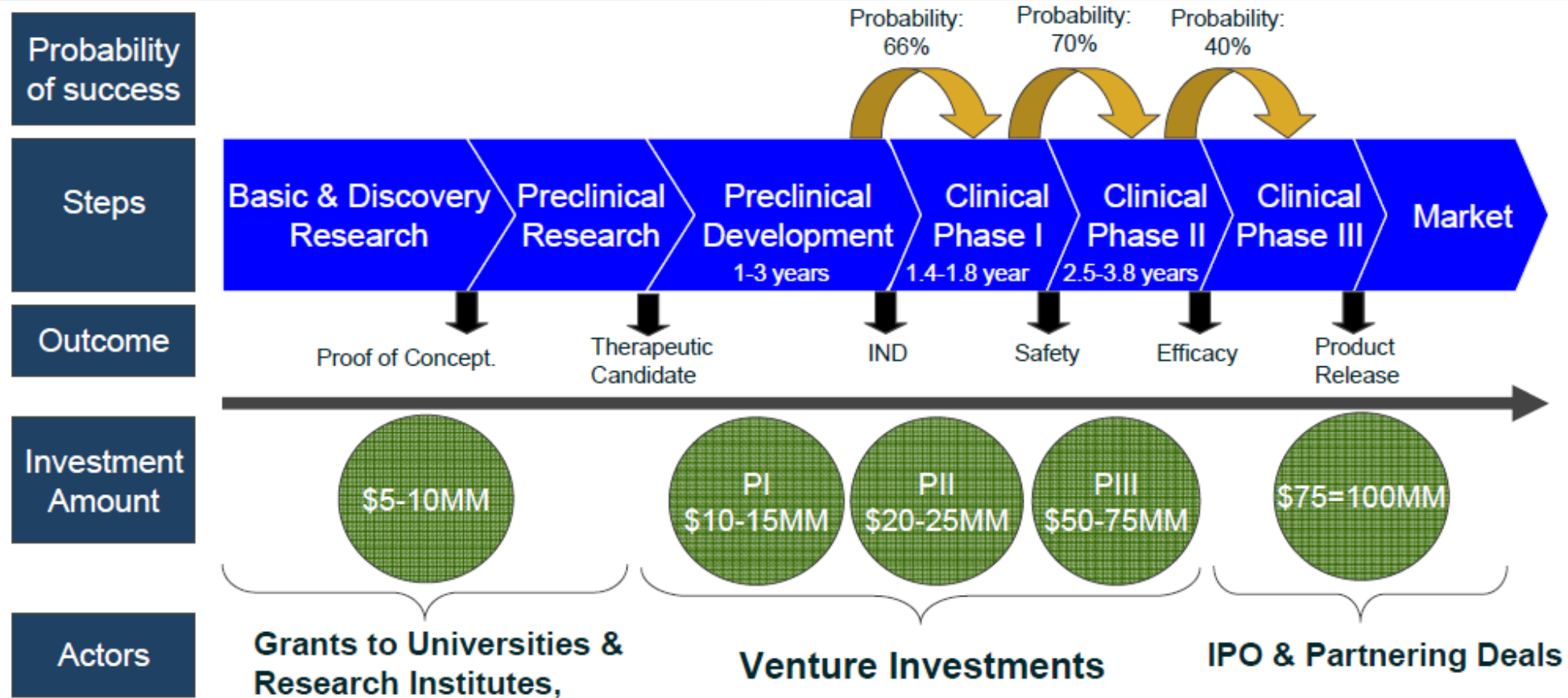
## Gartner's Hype Cycle of Emerging Technologies



# RM Market: On 2<sup>nd</sup> Half of the Gartner Curve



# Relay Model Is Broken: Fundamental Shift in Biotech Economics



# Success Factors for Eurostars Applications\*

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- ▶ **Be available:** allow time for necessary preparation (partner search, project proposal, consortium agreement...)
- ▶ **Build up a « win-win » cooperation:** show complementarities and added value of trans-national partnership during and after the project
- ▶ **Show partnership's ability to meet its commitments:** demonstrate each party's management, scientific and technical skills as well as its available financial resources for the project
- ▶ **Put the application in the context of the “project”:** Focus on the project methodology (objectives, means, results)
- ▶ \*ref.: [http://eurostars.dlr.de/\\_media/](http://eurostars.dlr.de/_media/)



# Success Factors for Eurostars Applications cont.6

- ▶ **Be technologically ambitious while remaining realistic:** define a methodical approach in line with partnership, budget and time limit set for the completion of the project and the marketing of its results
- ▶ **Point out the innovative nature of the proposal submitted:** present new industrial applications and their impact on the industry sector and relevant markets
- ▶ **Set clear, measurable and verifiable objectives:** define success indicators for technological performance as well as the commercial and financial targets to achieve
- ▶ **Demonstrate clearly why the projects should be financed:** highlight the risks and the strategic character of the project in terms of expected commercial and financial impact on a European scale
- ▶ **Fill in the project application carefully and ensure it is clear:** promote the key elements the evaluators are looking for and ask an objective party to read it

# From an IEP member perspective: What happened in COD1 (example):

- ▶ Number of accepted projects:
- ▶ In Eurostars 2-COD1 roughly 82 out of 158 above threshold.
- ▶ First 70 out of 82 have been funded
- ▶ **In any case, intended project must rank within first 50, whatever the number of project submitted,**
- ▶ **If a project fails the first time, you can resubmit. However, from past experience, it is seen that a resubmission receive +- same ranking,**
- ▶ **If a resubmission, change the product scope as well as the consortium partnerships (totally new submission may have a better ranking opportunity).**



# Funding



- ▶ The funding of partners is based on the national funding rules. **Project partners must demonstrate good financial health. Otherwise project is „killed“. The content has then no real value at all.**
- ▶ The funding of projects is following the ranking list until national budget exhaustion. **If project is medium quality (ranking between 50-80), then partner countries (countries which can fund all proposals) must be carefully selected.**



Eurostars2: try to cooperate with No.1's SME's (and institutions) in their respective countries:

- ▶ **Allows the combination of the best institutions of each country: try to cooperate with an SME with**
  - ▶ **Links to top research institutions AND**
  - ▶ **Companies with already strong market presence and good market access**
- ▶ Past: good research **background**, **already** patented excellent technology,
- ▶ Present: **excellent pre-applications** of patented idea, **healthy financial** structure,
- ▶ Future: excellent **product marketing** plan.



# Basic Assessment - Quality and efficiency of the implementation - 1

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- ▶ 1. At least 2 participants that are Eurostars members. Well balanced partnership (no country responsible for more than 75% of the project costs).
- ▶ 2. Consortium Leader must be an R&D-performing SME. **The managerial capacity of the project coordinator should be clearly outlined. The coordinator must have a clear track record of international project management.**
- ▶ 3. The consortium must be extremely well balanced. **The innovation is embedded within the leading SME + there a high tech research institution backing the technological idea + there is a company already well rooted in the market willing to exploit and/or market the new product.**



# Basic Assessment - Quality and efficiency of the implementation -2

- ▶ 4. There must be Added Value through cooperation.
  - **Cooperation of similar companies should be avoided.**
  - **Technologically complementary institutions should form the consortium.**
  - **Companies already present in the market should be chosen.**
- ▶ 5. Methodology and Planning should be **detailed.**
  - **Risks and contingency plans must be clearly described.**
- ▶ 6. Milestones and deliverables should **be detailed.**
  - **The work share of the partners in the consortium should be evenly distributed.**



# Basic Assessment - Quality and efficiency of the implementation-3

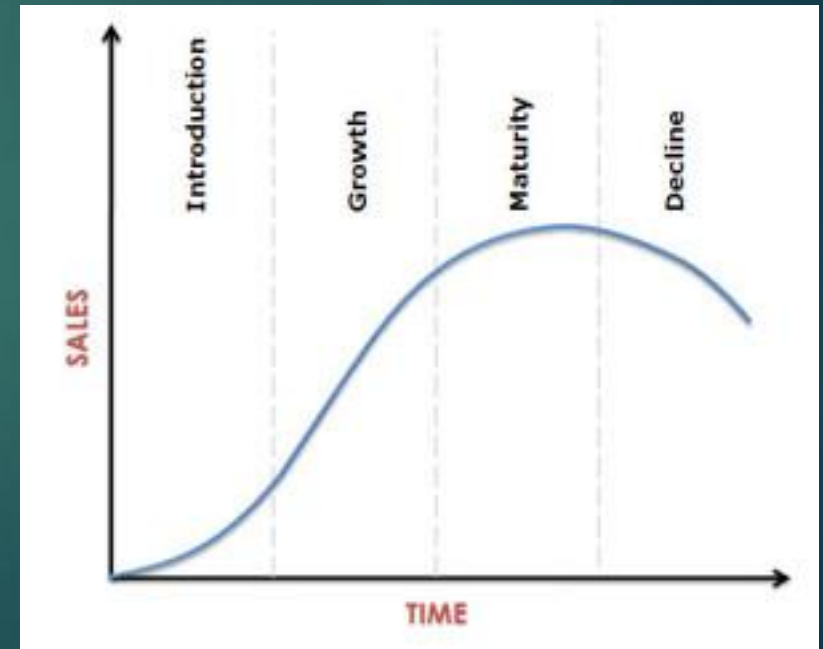
- ▶ 7. Cost and Financing Structure should be detailed.
  - **The cost and project financial share and benefits of the partners in the consortium should be evenly distributed.** The R&D performing SMEs are undertaking at least 50% of total R&D cost.
  - **IP protection is usually not well addressed.**
- ▶ 8. Financial Commitment of each partner should be detailed.



# Product development level must be already mature at time of application

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- ▶ Project duration is less than 3 years
- ▶ **Time to Market: Market introduction is foreseen within 2 years after project completion.**





# Technology and Innovation – Excellence -1

- ▶ Degree of Innovation should be very high. **New IP should be well documented.**
- ▶ Degree of technical maturity should be low. **Not a conglomeration of existing technologies,**
- ▶ Technological **risks could be very high,** but **must be properly addressed,**



# Technology and Innovation – Excellence -2

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- ▶ Technological achievements should be detailed,
- ▶ Technological progress for SMEs should be clearly stated,
- ▶ Geographical or sectorial impact should be very wide.



# Market and Commercialization – Impact -1

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- ▶ 1. Market and Commercialisation is most often neglected in project proposal. Actually it is the most important part of the proposal.
  - **What is the added value of the proposed product ?**
  - **What are its strength and weaknesses?**
  - **How to correct the weaknesses.**
- ▶ 2. Market Size should not be overrealistic.
  - **Usually it is described larger than reality.**
  - **No major already established player should be in the targeted market.**
  - **Market share should be described.**
- ▶ 3. Market **access barrier should be low.**
- ▶ 4. Return On Investment (ROI) should be correctly calculated.
  - **E.g.: return on investment = (gain from investment – cost of investment) / cost of investment (expected 3-10).**
  - **Input parameters and assumptions should be detailed and calculation steps should be presented.**



# Market and Commercialization – Impact -2

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- ▶ 5. Market potential for SME should be analysed
- ▶ 6. Time to Market should **be short (around 2 years) (problem in medicine, pharmacy, biotech)**
- ▶ 7. Strategic importance of the new product should be detailed. **This will affect market share.**
- ▶ 8. Enhanced capabilities/visibility. **Strength of the product, presence in the market and market planning should be detailed.**



# 2-step evaluation

- ▶ 1. Technical Assessment by 3 experts + NPC cover note
- ▶ 2. Evaluation and Ranking by Independent Evaluation Panel. **Very strong statistical data and impartial expert analysis making ranking close to perfect (continued legacy of Eurostars 1)**
- ▶ What is evaluated: be the devils advocate in writing the proposal:
  - ▶ Basic Assessment. Proposal should not only focus on setting up a good consortium. **Timely product idea and how to achieve it should be underlined.**
  - ▶ Technology and Innovation. **Risky technology is good but risks must be assessed very well. This part of the proposal should be written very clear.**
  - ▶ Market and Competitiveness. **Time and efforts should be dedicated to write marketing of the new product. An excellent consortium helps the MC as well.**





# Thanks and good bye!

