Funding & Growth
Health & Life science Industry

Cathy Capdeville and Maria Lundstad Aulie
Agenda

• Innovation Norway introduction

• Startup funding
  - Grants, loans, equity

• Innovation Contract Program

• Global Programs

• Business Network
Innovation Norway: We provide global opportunities for local ideas

- The Government’s most important instrument for innovation and profitable business development

- Services intended to create successful entrepreneurs, more companies with capacity for growth and more innovative business clusters

- 19 offices in Norway, 35 foreign offices

- Newly appointed CEO – Håkon Haugli
More good entrepreneurs
More expansive companies and innovative environments
A sustainable Norway

42 key principals from county councils, NHD, LMD, KRD, FKD og UD
700 employees in Norway and international
10 000 projects where we delivered competencies or financing

approx. $7 200 000 000 => $21 400 000 000
NOK per year (annual report 2018)

8.000 – 10.000 APPLICATIONS = 4,3 billions in loan and 2,9 billions in grants
Innovation Norway – Oslo Viken

Our offices
Oslo (HQ) - 24 employees
Grålum - 8 employees
Drammen - 8 employees

Three teams
• Startup
• Development
• Growth and Internationalisation
  • 28,5 finance advisors
  • 6 customer advisors
  • 2 EU advisors
  • 2 cluster advisors
  • 1 market/communication
  • 0,5 admin/IT support
  • 1 manager

No. of shareholding companies in our region (CRM): 9,531
No. of shareholding companies in our region (BRREG): 105,616

No. of clusters in our region:
• 8 in clusters programs (4 in Arena, 4 in NCE)
• 7 clusters established as cluster organisations

For the life science industry:
2 dedicated advisors
3 clusters (NHT, TLSC, OCC)
3 incubators (Aleap, ShareLab, OCCI)
75% of the healthcare industry

Population 1,863K (35%)
75% of industry in Oslo Viken area

Also strong:

Bergen
Trondheim
Tromsø
Stavanger

345+ companies

Health and welfare
Main reasons why our start-up customers fail

No Need in the Market 42%
Out of Cash 29%
Wrong team 23%

Source: https://www.cbinsights.com/blog/startup-failure-reasons-top/
How can Innovation Norway help your company?

Financing  Competence  Advising  Branding  Network
What are we looking for?

- Innovation
- Market potential
- Profitable growth
- Value creation in Norway
- Additionality
- Ability to execute
Market validation
From 50 000 to 100 000 NOK

Commercialization grant
Up to 600 000 NOK
(700 KNOK if marked validation was not used)

Startup loan
500 KNOK – 1.5 MNOK

Covers up to 75%
Project: 800 KNOK
Equity: 200 KNOK

Covers up to 60% of capital need.
(max. 1.5 MNOK)
Project 2.5 MNOK
Garanti: 20%
Interest free: 2 yrs
## Marked validation grant

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Goal</td>
<td>Market analysis: Does my project satisfy a need or solve a problem? Are there buying customers willing to pay for my solution? At a sustainable price?</td>
</tr>
<tr>
<td>Criteria</td>
<td>The idea must be new (not existing in the market) and innovative. Ambition and potential for growth (domestic and International) Ability to execute Must have a registered company. The company must be younger than 3 years old.</td>
</tr>
<tr>
<td>Amount</td>
<td>50 000 – 100 000 kr</td>
</tr>
<tr>
<td>Conditions</td>
<td>External costs only. Up to 100% costs coverage. Managed by the Entrepreneur team (Gründersenteret) in Førde Must deliver a project financial plan approved by an accountant.</td>
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## Commercialization grant

<table>
<thead>
<tr>
<th>Phase</th>
<th>Proven and documented marked acceptance</th>
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<tbody>
<tr>
<td>Goal</td>
<td>Get customers and collaboration partners</td>
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<tr>
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<td>Define the right business model</td>
</tr>
<tr>
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<td>Be prepared for growth</td>
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<tr>
<td>Criteria</td>
<td>Document innovation worth and market acceptance</td>
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<td></td>
<td>Ressources: team and capital</td>
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<td>Plan for activities, processes and growth</td>
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<td>Plan to secure IPR</td>
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<td>Company &lt; 5 years</td>
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<tr>
<td>Amount</td>
<td>Up to 600 000 kr (700 000kr incl. marked validation grant)</td>
</tr>
<tr>
<td>Conditions</td>
<td>Up to 75% coverage of external costs, 50% internal costs (salary)</td>
</tr>
<tr>
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<td>Must have own capital</td>
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<td>Must deliver a project financial plan (P&amp;L, balance sheet) approved by an accountant.</td>
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## Start-up loan

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<th>Phase</th>
<th>Proven and documented marked acceptance</th>
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<tr>
<td>Goal</td>
<td>Same as the commercialization grant, but gives the possibility for a longer development plan. More room to use the funds freely</td>
</tr>
<tr>
<td>Criteria</td>
<td>Same as the commercialization grant, Cofounded with private capital. Loan and private capital must match. Note: «Own efforts», such as working hours, cannot replace fresh capital. Company &lt; 5 years</td>
</tr>
<tr>
<td>Amount</td>
<td>500.000 – 1.5 millions kr</td>
</tr>
<tr>
<td>Conditions</td>
<td>Cannot be combined with commercialization grant, Covers up to 60 % of the capital need, Requires 20% security, Interest free: 2 yrs. 4.95% interest afterwards. Installments: 4 yrs. Down payment in full after 4 years.</td>
</tr>
</tbody>
</table>
Conditions for funding

- Norwegian AS company, adding value to Norway
- Innovative
- Market potential
- Proven profitability/willingness to pay
- Ability and plan to further development
- Competences to achieve the plan

- IN must have a triggering effect
We do not give startup funding if...

- Payment problems, poor financial situation
- Invention lacking business sense
- Company older than 5 years
- Local focus – traditional commerce, private service, consulting, hand craft
- Import, agencies or licensing businesses
Innovation Contracts
Innovation through collaboration
Innovation contracts in a nutshell

Pilot customer need

Idea /competences of a solution

Innovation contract: Collaborative development for the best solution

The pilot customer adopts the solution

Launch the solution internationally

Gain market shares
### Innovation contract

<table>
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<th>Phase</th>
<th>SME with such a high risk project that the Innovation contract is required to enable the projects’ launch.</th>
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<tr>
<td>Goal</td>
<td>Innovative and high risk project developed in collaboration with a demanding customer/«pilot company» (public or private enterprise with main activity within the project frame) High potential growth, domestic and international</td>
</tr>
</tbody>
</table>
| Criteria | Need not covered by existing offer  
Ambition to grow / International ambitions  
Must have a collaboration agreement (an innovation contract) signed with the pilot company  
Must include as a minimum a letter of intent between the two parties  
SME < 250 employees |
| Amount | Covers up to 45% of the development costs |
| Conditions | The company is responsible for submitting the application to IN  
«Pilot companies» efforts must be at least 20% of the total project costs  
The grant from IN must be a trigger for the project. This means that without the support from Innovation Norway, the project would not be carried out, without substantially alteration in scope or timeframe. |
Loan financing
Growth and internationalization
Risk loans

The main principle:

Loan financing does not improve the profitability of a project, but we share risk and provide a good source of financing at reasonable terms.

- Broad application offered nationwide across all sectors and industry
- Top financing loans – supplementary to the private market
- Profitable innovation and growth projects
- Purpose: innovation, restructuring, growth and internationalization
- Loans can be granted for investments in buildings, machinery, operational fittings, introduction of new technology, development, consultancy, market etc.

Vekstgarantiordningen: Improved access to bank financing for innovative or rapidly growing small and medium-sized businesses.
GLOBAL ACCELERATORS

Training & learning arenas for high potential startups

www.innovasjonnorge.no/GE
Global accelerators

**IN Growth Challenge, Norway**
Lær hvordan du tiltrekker og samarbeider med investorer, sikrer en inntektsstrøm og utvikler den strategiske retningen for hvordan din oppstartbedrift skal vokse.

**Tech Incubator (TINC)**
Jobber du i en teknologisk oppstartbedrift som er klar for å sette internasjonalt? Innovasjon Norges teknologiinkubator i Silicon Valley hjelper deg med å teste løsningen din i nye marked, og finne forretningssmodellen som kan hjelpe bedriften med å vokse.

**Entrepreneurial Marketing New York (EMNY)**
Lær hvordan du utvikler en merkevare- og markedsføringsstrategi som øker det internasjonale salget i ditt selskap. Du møter noen av USAs fremste eksperter innen markedsføring og salg, og får testet dine salgsteknikker på internasjonale investorer.

**Tech City Executive Accelerator (TEA)**
London
London er Europas teknologihovedstad, og på Tech City Executive Accelerator får norske teknologibedrifter sparre med og lære av noen av Europas mest innovative og raskest voksende teknologiselskaper.
Global Growth
Global Growth

A series of export programmes designed for companies aiming for international growth
Global Growth’s target group is companies that have:

- High level of ambition
- Export strategy supported by the Board of Directors
- Financial strength for investments
- Resources required for scaleup
How do we operate?

- 8-12 companies
- 4-12 months
- 3-6 gatherings
What are the benefits of taking part?

- Increased exports
- Charting potential customers
- The insight required for success
Who should take part from the company?
Global Growth Denmark Primary Care

Is your company ready to strengthen the Danish Primary Care, homecare and eHealth system? This program might be for you!

Contact Trine.Radmann@norwayhealthtech.com or Maria.Aulie@innovasjonnorge.no.

MOB: 9188692
Go Global

International market development

Export seminar

Seminars in Export rules and Regulations
Cooperation areas in Business networks
Bringing companies together

- Cooperative ability
- Innovative capability
- Competitive position
- Value creation
- Profitability

Strengthen the companies’
Who can participate?

REQUIREMENT
At least 3 companies

The main participants are Norwegian SMEs

Established networks wishing to develop their cooperation

Foreign companies and R&D institutions may participate

Networks with international and long-term potential

Larger companies may be included in the network

Horizontal and vertical networks
Project requirements

- Anchored in the company's strategic plans.
- Innovation Norway's support has a triggering effect on realisation and quality.
- Sound finances in participating companies - financial latitude.
- Coordinate business development and interaction.
- Set up project management and business plan.
- Managerial commitment.

Approved projects can receive a maximum of NOK 750,000 per year for up to 3 years, representing maximum 50% of total costs.
Other activities
Innovation Norway, Norway Health Tech and Norwegian Smart Care Cluster will mark a strong Norwegian presence and join forces to organize a Norwegian pavilion at this year’s MEDICA. This will all be a part of an overall ambition to strengthen the brand awareness of Norwegian innovative solutions within health- and welfare technology internationally.

**MEDICA** is a global exhibition attracting buyers and decision makers from all over the world. It will be your opportunity to attack the international market with visitors from more than 130 countries.

Being a part of the Norway Pavilion at **MEDICA** is your golden ticket to showcasing your solutions at the key healthcare event in the world.

**You will get:**
- An attractive platform to present your company, products and solutions
- Open and inviting pavilion in a central location (Hall 15/National Pavilions)
- Service area for you and your customers
- Help with graphics, logos, visual displays etc.
- Assistance with PR/media/communication
- The best matchmaking possibilities
- Turn key solution enthusiastic

Mer info: @Trine Radmann
"This is harder than I expected!"

“We know: That’s why Innovation Norway is here!”
Questions?
• The European Union’s funding instrument for research and innovation
  – The world’s largest of its kind

• Contribute to innovation, sustainable growth and employment

• Duration: 2014-2020

• Budget: €74,83 billion

• Open for all
Main funding schemes in H2020 for SMEs

- **Research & Innovation Actions**
  - **Public Private Partnerships**
  - **Innovation Actions**
  - **FET - Open**

- **Coordination & Support Actions**
  - **EIC Prizes**
  - **Eurostars**
  - **SME Instrument**

- **Fast Track to Innovation**
- **Procurement of Innovation**
- **InnovFin**

Cluster Admins & Innosup
Horizon 2020 SME Instrument
Looking for Europe's next innovation leader

As part of the Horizon 2020 programme the SME Instrument will invest almost €3 billion in 7500 projects by 2020 in highly innovative small and medium-sized businesses.

FUNDING
The SME Instrument is an open call with four cut-off dates per year for each Phase.

PHASE 1
- Concept & feasibility study
- Idea to concept
- The European Union will provide €50,000 in funding
- Get results in 2 months and funding in 4 months

PHASE 2
- Demonstration, market replication, R&D and product development
- Concept to Market-Maturity
- The EU may contribute 70% of total project cost, between €0.5 and €2.5 million*
- Get results in 4 months and get funding in 8 months

BUSINESS SUPPORT for market launch
Participants at both phases will receive world-class coaching benefit from networking opportunities with top level investors and potential partners and get support to launch their product on European and international markets.

*Up to €5 million for health projects.
SME Instrument Target

- Breakthrough innovations
- Potential to create entirely new markets or revolutionise existing ones
- High Innovation - **High risk**
- Clear ambition to grow at international level
- Demonstrated knowledge of your target market
- Convincing business plan
- A killer international **team**

**Brings your innovation project from start to Scale Up!**

**Budget:** €1.6 billion for 2018-2020.

**Goal:** €3 billion injected in 7500 companies by 2020
European companies founded by industry

Health, Energy and Enterprise Software account for almost 60% of the SMEI portfolio.
European Innovation Council (EIC) Roadshow Event

05.06.19
Oslo
10.00 - 15.00
Sentralen (Marmorsalen)

Innformasjon

Europeiskommisjonen kommer til Oslo 5. juni og arrangerer i samarbeid med EUs delegasjon til Norge, Nærings- og fiskeridepartementet, Kunnskapsdepartementet, Innovasjon Norge og Forskningsrådet en informasjonsdag for å presentere Enhanced European Innovation Council (EIC).

Representanter fra Kommissionen vil presentere bakgrunnen for EIC og gi praktisk informasjon knyttet til søknads- og evalueringprocessen. Vi vil også presentere eksempler på innovative bedrifter som har mottatt støtte.

EIC Pilot ble først introdusert i 2018 under EUs råverdende rammeprogram for forskning og innovasjon, Horizon 2020. Basert på de erfaringene fra piloten, introduserer EU forbedringsområder for innovasjon.

Nye finansieringsmuligheter for 2019 og 2020 under den forbedrede piloten inkluderer:
How do IN support SMEs applying for EU funding?
For more information - Contact us!

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EU Advisor – Horizon 2020

Rosa.correa@innovasjonnorge.no
EU Advisor – Horizon 2020

Thank you!