

Financing instruments and Start-up support

Manfred Grigo
ITC Bentwisch

Entrepreneurship

high tech

non high tech

Sources:

Skilled workers, engineers

Spin off from research institutions

Change from unemployment to entrepreneurship

A startup requires a lot of money. Reality: It does not take much money to initiate a StartUp. The typical U.S. StartUp needs less than \$ 25,000 seed capital.

Founders look everywhere for capital. Reality: Most entrepreneurs receive their initial investment not by others (Friends, Families & Fools, business angels, VCs) but use their own savings.

Wealthy will tend to become foundaers. Reality: Although unexpected capital gains increase the likelihood that those will start self-employment. But wealthier do not tend to a stronger foundation than the average, unless they belong to the 10 percent of the wealthiest and then they mostly become freelancers.

Start-ups with good business ideas and good teams get capital. Reality: One of the most overlooked reasons why someone gets an external financing and others not is simply that they have to asks for.

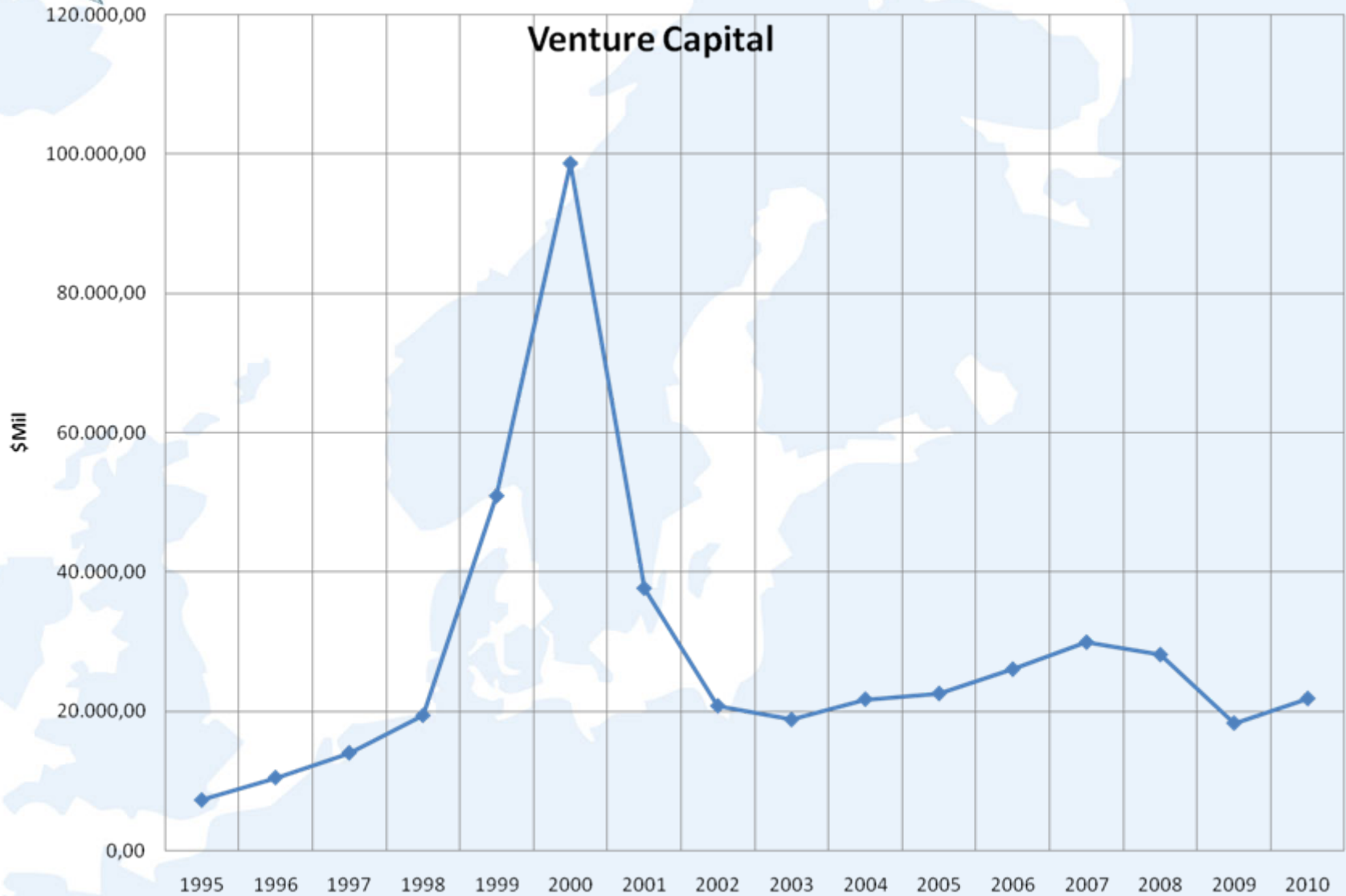
Very “fresh” start-ups get most money. Reality: One reason why some companies obtain external capital and others not is that they already evolved, may have positive cash-flow, and thus the risk to investors is lower.

Start-Ups receive no money from banks. Reality: banks lend money to startups. The most common source of external capital are banks.

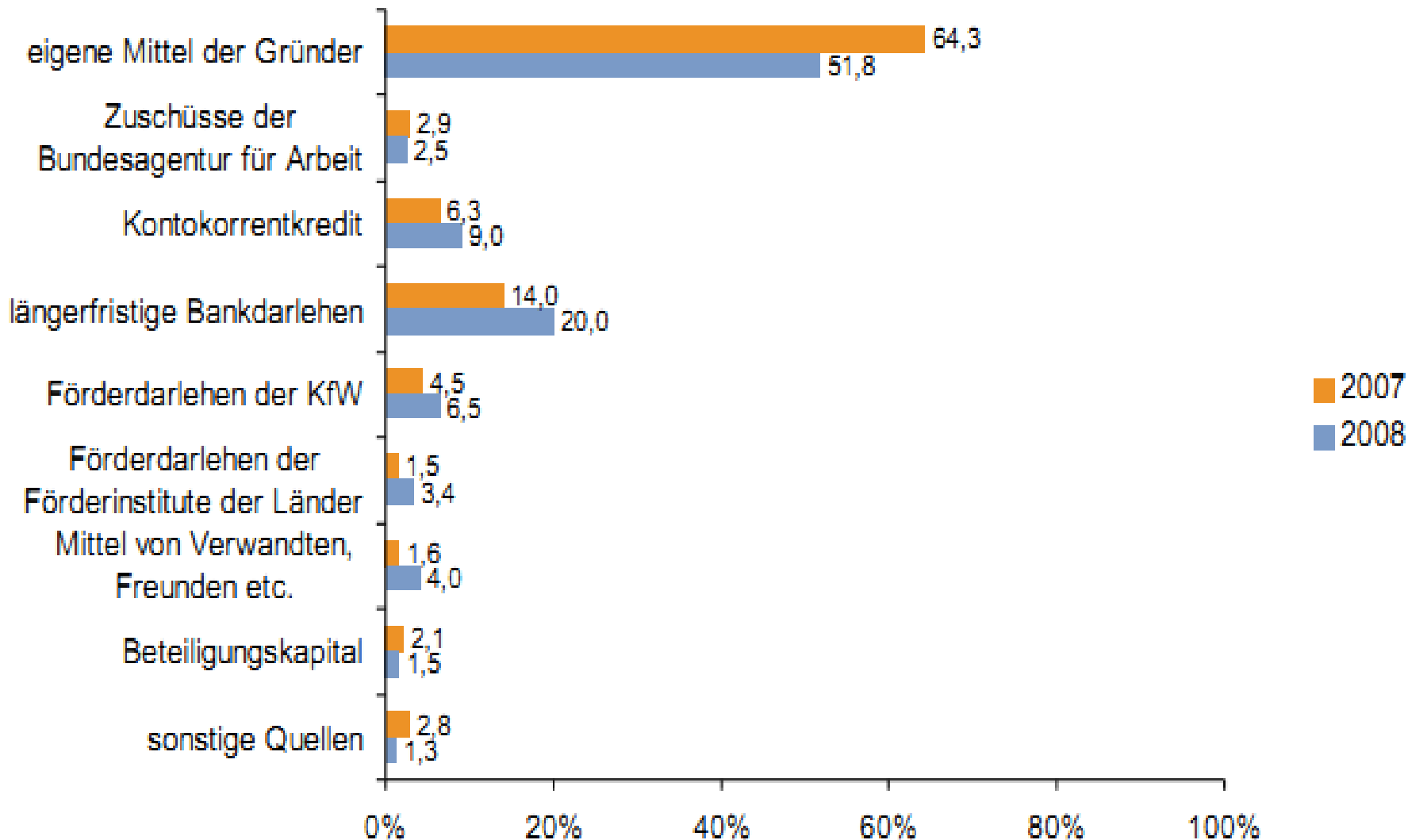
Receive seed capital from friends and family is simple and common. Reality: The frequently cited “Friends & Family” are a poor source of external capital.

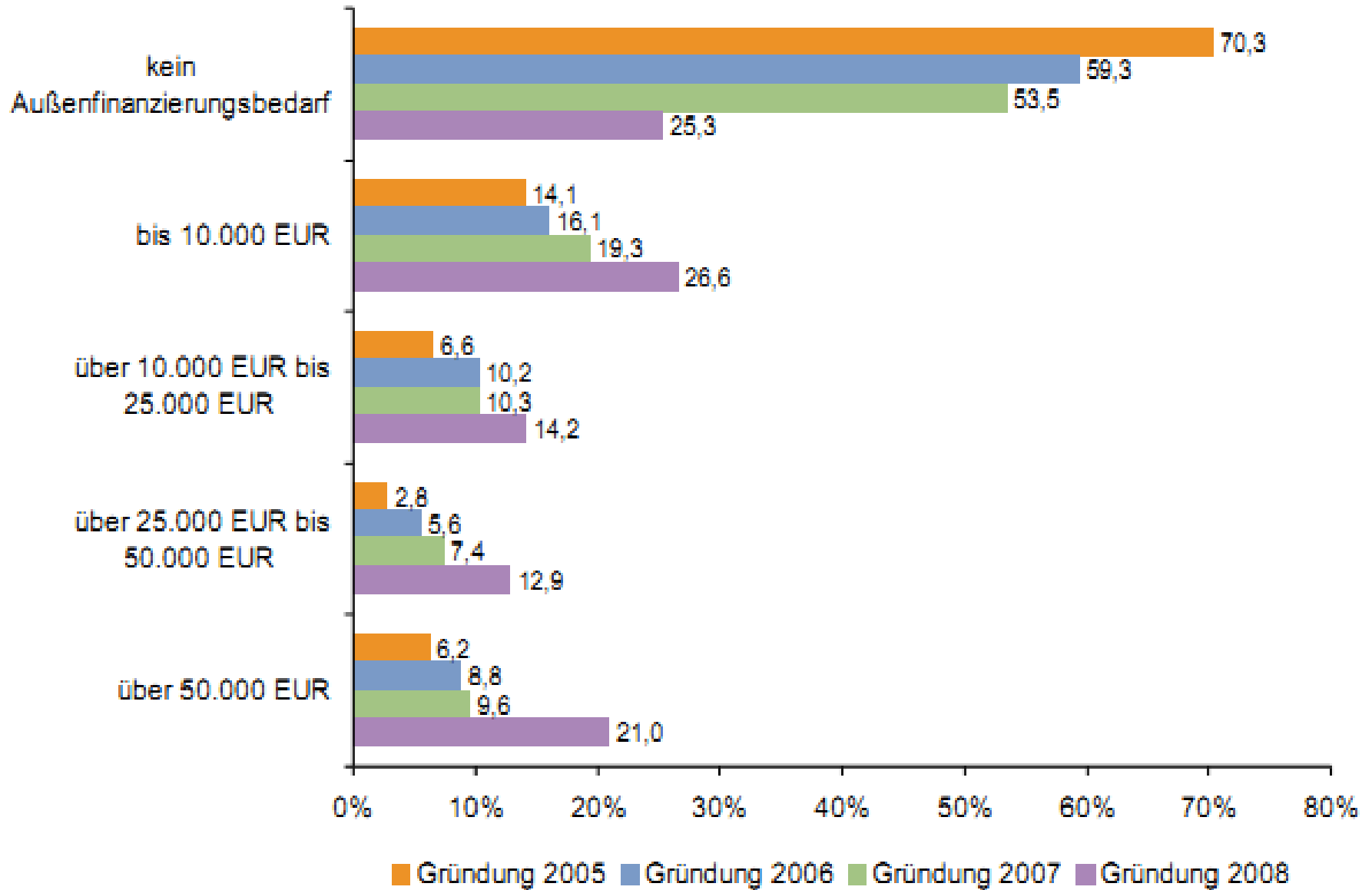
VCs are central for the capital supply of start-ups. Reality: VCs serving less than 1 percent of young companies with capital. Overall, they are responsible for less than 2 percent of the total start-up financing.

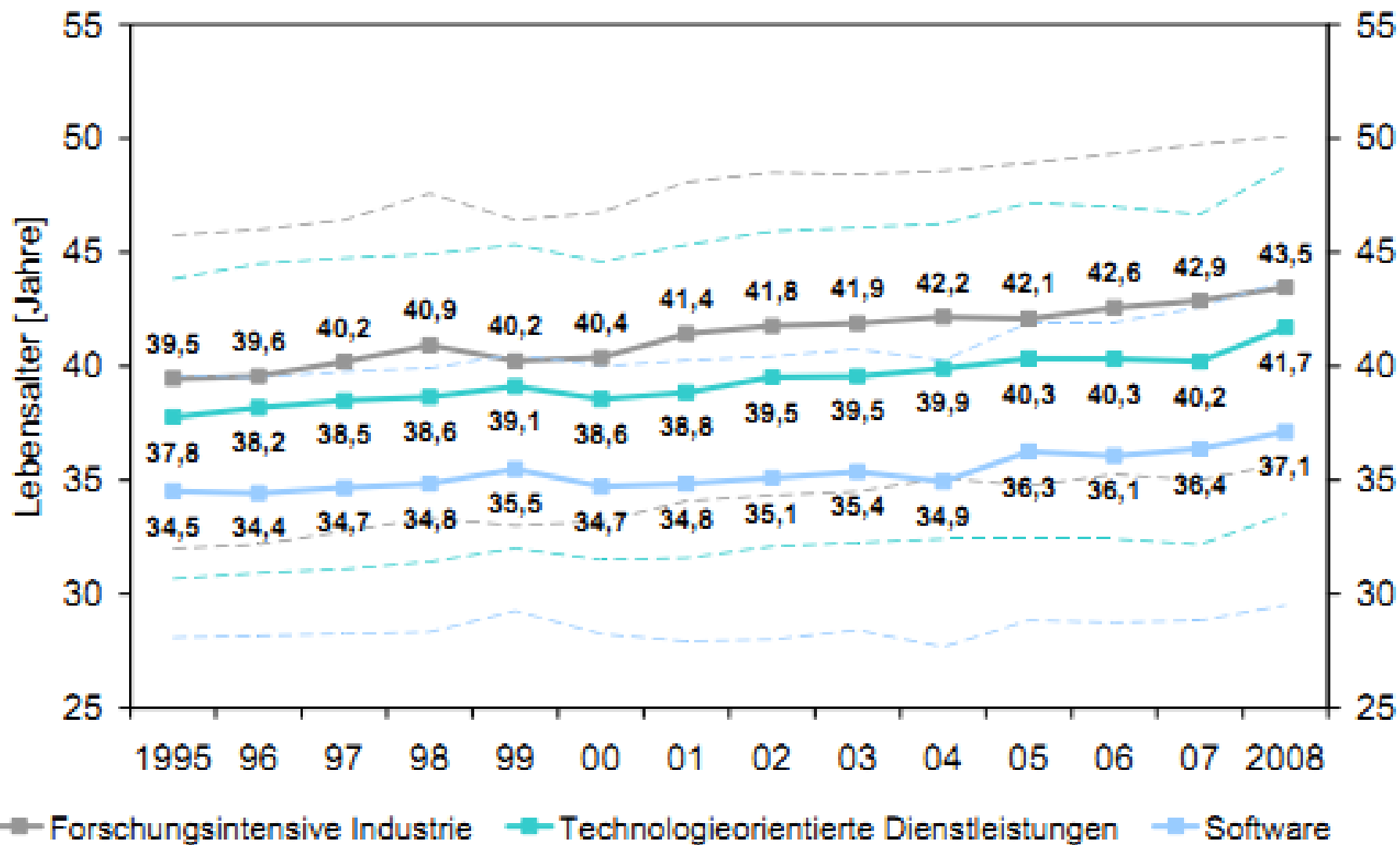
VCs are more relevant compared to business angels. Reality: Informal investors and business angels are an important source of capital for start-ups as VCs.

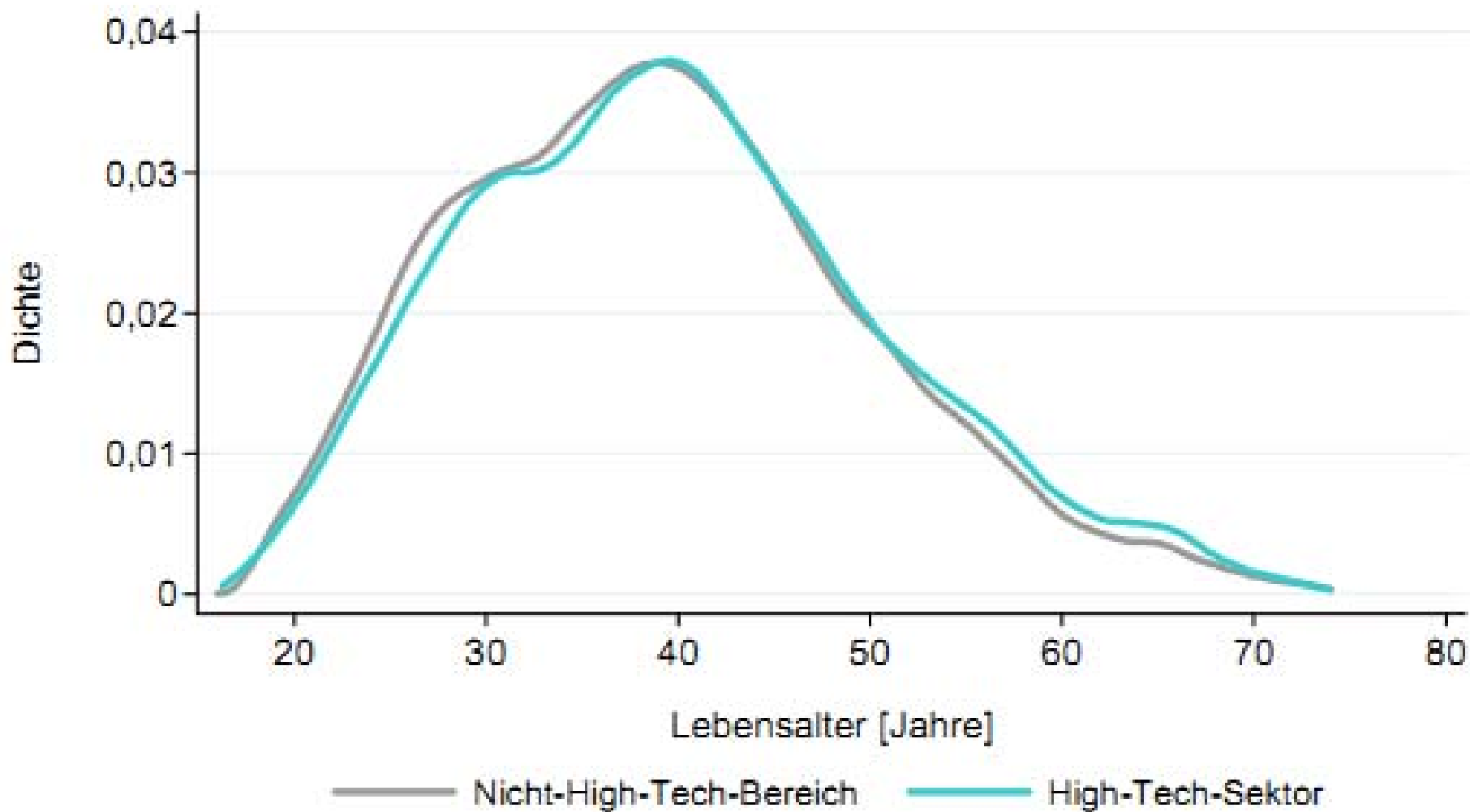


Volumenanteile









Partnership

University of Rostock
Faculty of Computer Science and
Electrical Engineering
Faculty of Law

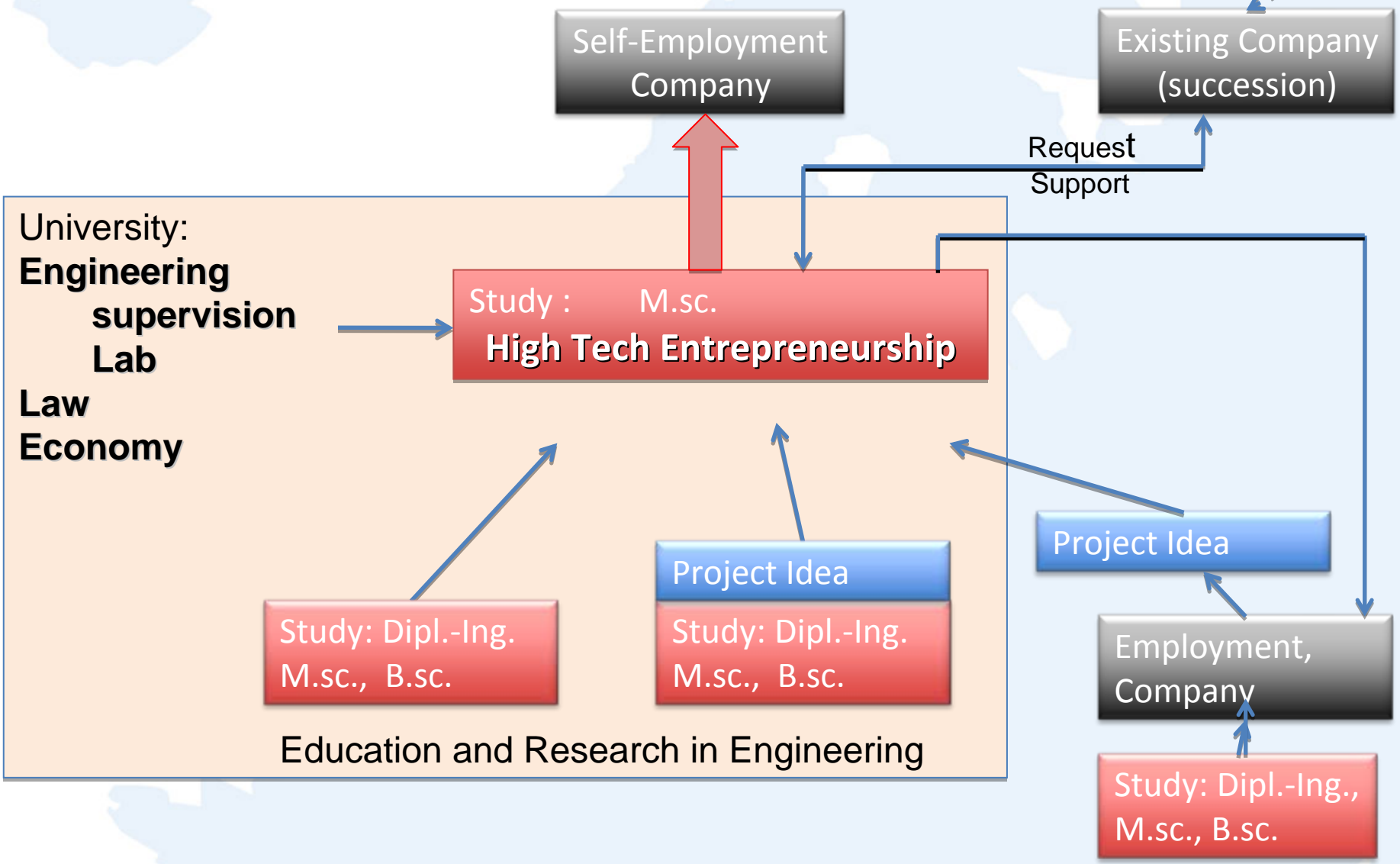
**Innovations- und
Trendcenter**
Bentwisch/ Rostock

Exemplary:

Study: High-Tech Entrepreneurship

University of Rostock
**Faculty of Computer Science and Electrical
Engineering**

Basics of the Study
High-Tech Entrepreneurship



High-Tech Entrepreneurship

Qualification

1.Name of Qualification: Master of Science – M.Sc.

2.Institution Awarding the Qualification and Administering Studies:

University of Rostock,
Faculty of Computer Science and Electrical Engineering

3.Control: Governmental Institution

→ **no university tuition fee**

High-Tech Entrepreneurship

Level of the Qualification

1. Level: Master's Degree, application-oriented

2. Official Length of Programme

Two years (120 ECTS credit points, workload 900 hours/semester)

3. Access Requirements

Requirements for admission to the master's studies High Tech Entrepreneurship are the following:

Bachelor of Science, Master of Science or Diploma in Engineering,

Letter of motivation,

sufficient knowledge in English language,

sufficient knowledge in German language for foreign students.

Programme Requirements/Qualification Profile of the Graduate

The basic concept of the course of the study is research oriented. In the focus is the application of principles of science and engineering to practical problems in research and development. Students are enabled to acquire and solve scientific problems autonomously by interdisciplinary and method-oriented learning.

- The mandatory part consists of a
- **high-tech project work** (27 credit points),
- **business law** (12 credit points) and
- **entrepreneurship** (18 credit points).

In the selectable mandatory part the students have to be selected

- 27 credit points in engineering and
- 6 credit points in languages.

The study completes with the **master thesis** (30 credit points).

The study gets the student knowledge and ability for scientific and self-employed work. The students will be able to recognize and to dissolve theoretical and practical problems, based on mathematical, scientific and engineering knowledge. The study enables the students to found and to lead enterprises. In the project work and in the master work the student has the opportunity to develop the scientific and technical basics of the own business.

Benefit by Partnership

**Improvement of
Attractiveness and Competitiveness
of the Region.**

**Young people (entrepreneurs)
stay in the region.**

Innovations- und Trendcenter





Gewerbepark Bentwisch

- Area: 1.000.000 m²
 - off industry 750.000 m²
 - off shopping 250.000 m²
- About 250 companies
- About 2.500 work places



1. From concept to foundation
2. Start and consolidation
3. From the foundation to expansion
4. Measures to promote entrepreneurship

From concept to creation

Pioneering initial consultation prior to the foundation
free of charge at the Chamber of Commerce,
Chamber of craftsmanship and Universities

Qualification before the foundation

education checks with a 80%-support may required
for different measures

Coaching before the foundation

individual coaching with 80% - support is possible

Start and consolidation (1)

Help for livelihood and social security

start-up grants for start-ups from Universities (EXIST and Land's start-up grant)

Foundation grant through the employment agency
entrance money (for long-term unemployed)

Investment

Programs of the KfW bank, micro loan from the Land, small loan program for SMEs, GENIUS Venture Capital GmbH

Start and consolidation (2)

“Gründercoaching Deutschland” (after the foundation)

support from the KfW

Spin-off from high schools

EXIST program on the Federal level for innovative start-ups (up to 100% grant)

Special funding programs of the Federal government, e.g. GOBio and others

From foundation to growth

Promotion of technology-oriented start-ups

Support of feasibility studies and patent applications

Support of research and development projects by grant from the Land

Risk capital, e.g. High-tech start-up fund or GENIUS Venture Capital

Loans: cornerstones for the expansion

micro-loans, small loan and KfW loan

Counseling program for SMEs

in addition to founding they can apply for further Coaching funds from the Land

Qualification

Training vouchers for in-service training for employers and employees

Measures to promote entrepreneurship

Student companies

Support for the foundation of student companies at school

Start-up climate at universities

Installation of a “Start-up office” at the University

Comprehensive care of spin-offs

VentureCup

Competition awards for the best ideas

mentor mentoring program

Land`s programme for young entrepreneurs

Venture mentor program for research-based start-ups

Founder phone and Founder web

www.gruender-mv.de

Thank you for your attention

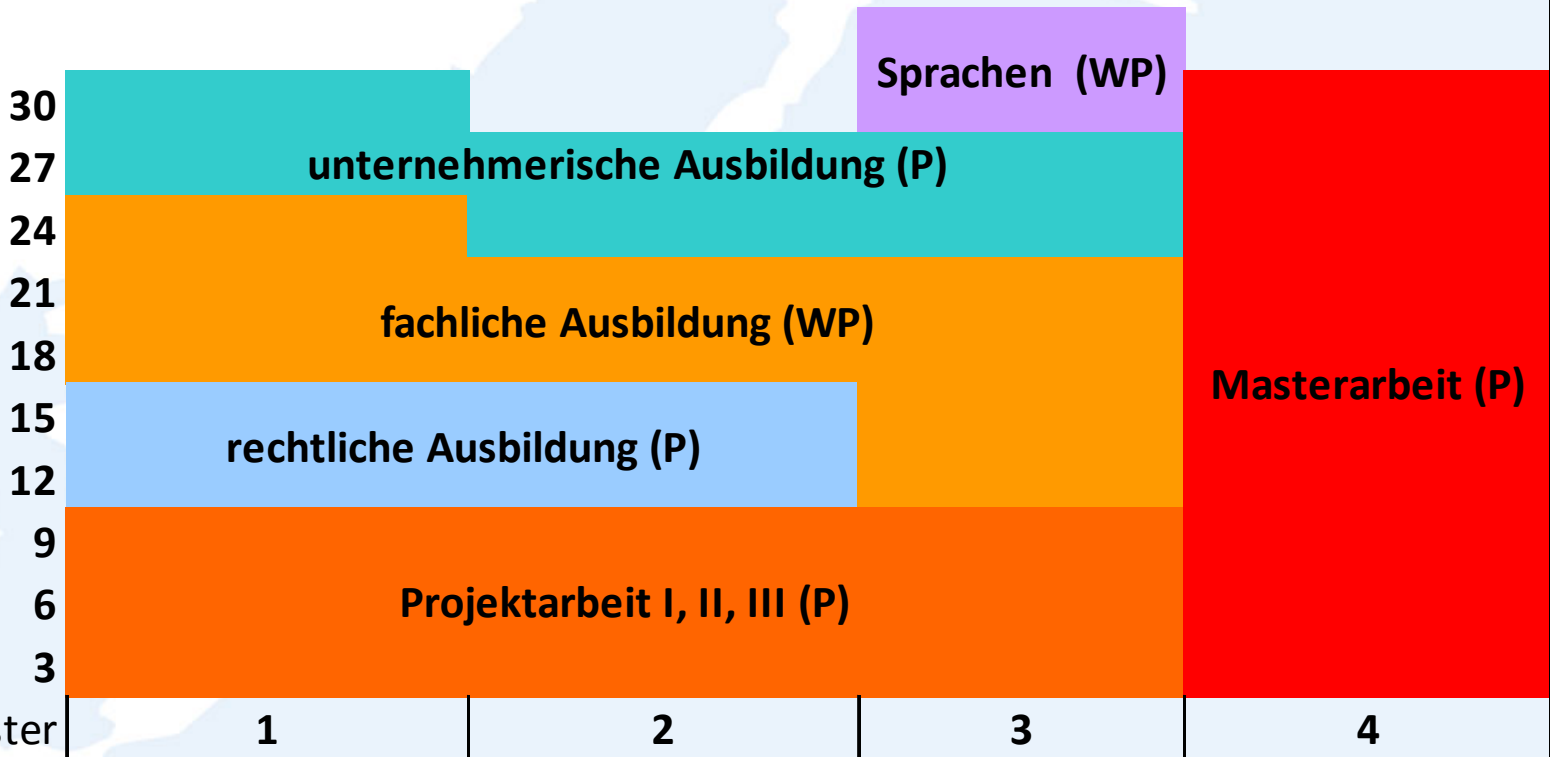
Further promotion of investment projects

For investment projects after the foundation in addition to the loan programs of KfW financing programs are available as grants under the GA-promotion (GA = joint task "Improving regional economic structures) and guarantees available

As a complementary aspect of the support, the country has the loan program to promote regional investment projects in the industrial sector strukturverbessernder updated as required, with the aim of safeguarding and creating sustainable jobs. This can be built or expanded premises and Others

Übersicht zum Studienverlauf Beginn Wintersemester

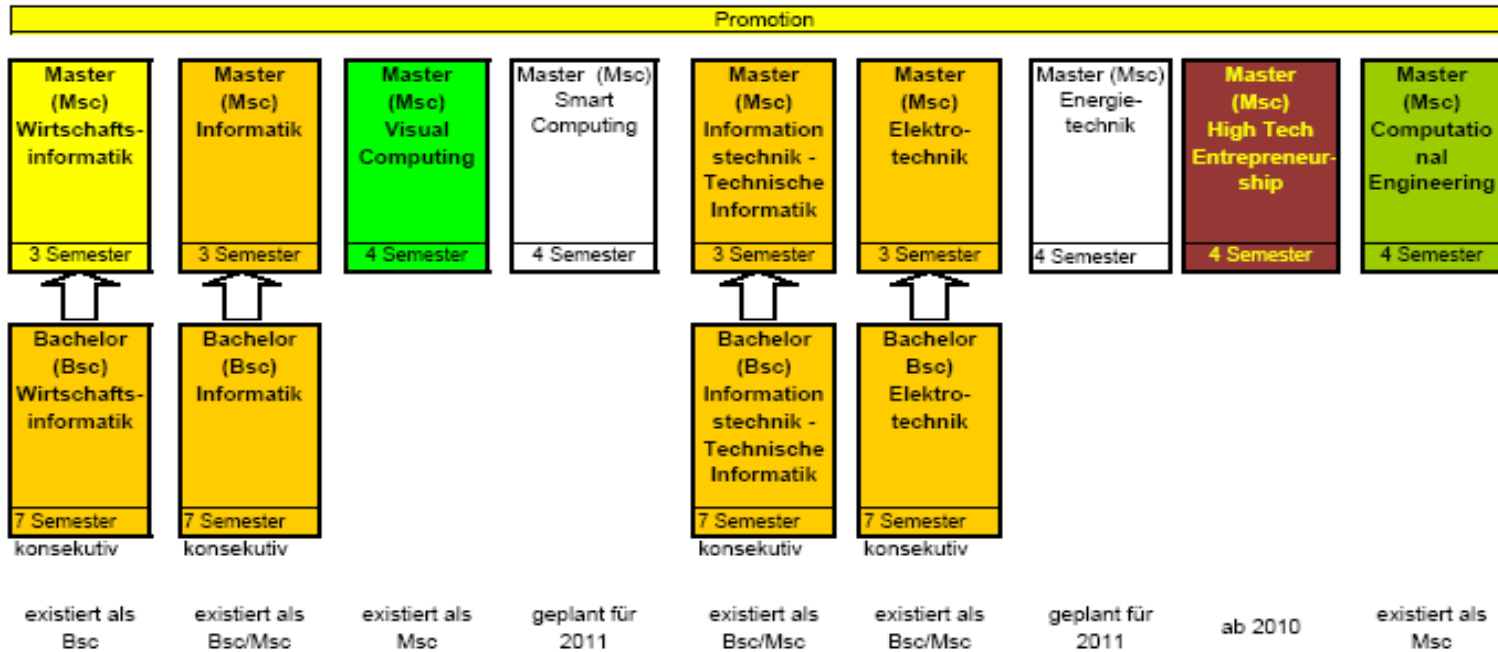
Leistungspunkte



The typical informal investor is a classic Angel - wealthy, experienced, high level of investment and high return expectations.

Reality: The typical informal investors are significantly less wealthy, has much less experience, makes much lower investment and expects significantly lower returns than we commonly believe to be made

Studiengangskonzept der Fakultät für Elektrotechnik und Informatik



Relationship between High-Tech Entrepreneurship and other studies

Thank you for your attention