



TURKEY_{in}
HORIZON 2020
COOPERATION. INNOVATION. COMPETITIVENESS

TURKEY IN HORIZON 2020
ALTUN/HORIZ/TR2012/0740.14-2/SER/005



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finanse edilmektedir

H2020 SME Instrument Project Writing Camp

Phase 2

2. Impact: business & market

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Istanbul – 4.October.2017



How to approach proposal improvement

- **Tech** development vs. **Project** planning vs. **Proposal** writing
- Reflecting on your **ESR** and external **feedbacks**

H2020 SME Instrument @H2020SME · Feb 12

When it comes to innovation SMEs are not pushed by technology but pulled by market opportunities ≠ #startups #Coachcom2020

H2020 SME Instrument @H2020SME · Feb 12

Applying to #H2020 #SMEinstrument? Don't focus on tech only analysis of market, competition, financial plan, team, skills & planning is key

- **You** should be comfortable and at peace with your proposal



Everything starts and ends with customers

- SME Instrument is **business-oriented** and **company-centered**.
- Evaluators have a **VC mentality**, not an academic view.
- Program looks for **innovation plans**, not scientific proposals.
- Project starts with **market need**, not a research question.
- Research, if any, is **innovation-based**, not discovery-based.
- Project should **change people's lives**, not create documents.
- Results should be **quantified**, not left to vague projections.

H2020 SME Instrument @H2020SME · May 26

#H2020 #SMEinstrument applicant tip: you need to demonstrate that your project will generate revenues & create jobs ow.ly/N4TYo

- However, you still need to be a **disciplined** entrepreneur with a **comprehensive, robust**, and **evidence-based** proposal.



Impact: Proposal Outline

2.1 Expected impact

a) Users/Market

b) Company

2.2 Measures to maximize impact

a) Dissemination and exploitation of results

b) IP, knowledge protection, and regulatory issues

Depth of Proposals: Phase 1 vs. Phase 2

Funding object	Feasibility study for an innovation	Innovation activities based on a feasibility & business plan
Funding €	€50K	€0,5–2,5M
Duration	6 months or shorter/longer	Between 1-2 years or longer
Outcome	A feasibility report & detailed business plan	A new product, process, or service and its commercialization plan
Tech Annex 1-3	10 pages	30 pages

All Evaluation Criteria are Interconnected

Impact (x1,5)

1. growth
2. overall strategy
3. European value
4. market demand
5. target users
6. social benefits
7. market & competition
8. commercialization plan
9. IPR

Excellence

1. feasibility objectives
2. value for money
3. innovation roadmap
4. risks and opportunities
5. new market opportunities
6. state-of-the-art

Implementation

1. resources
2. team
3. Work Plan

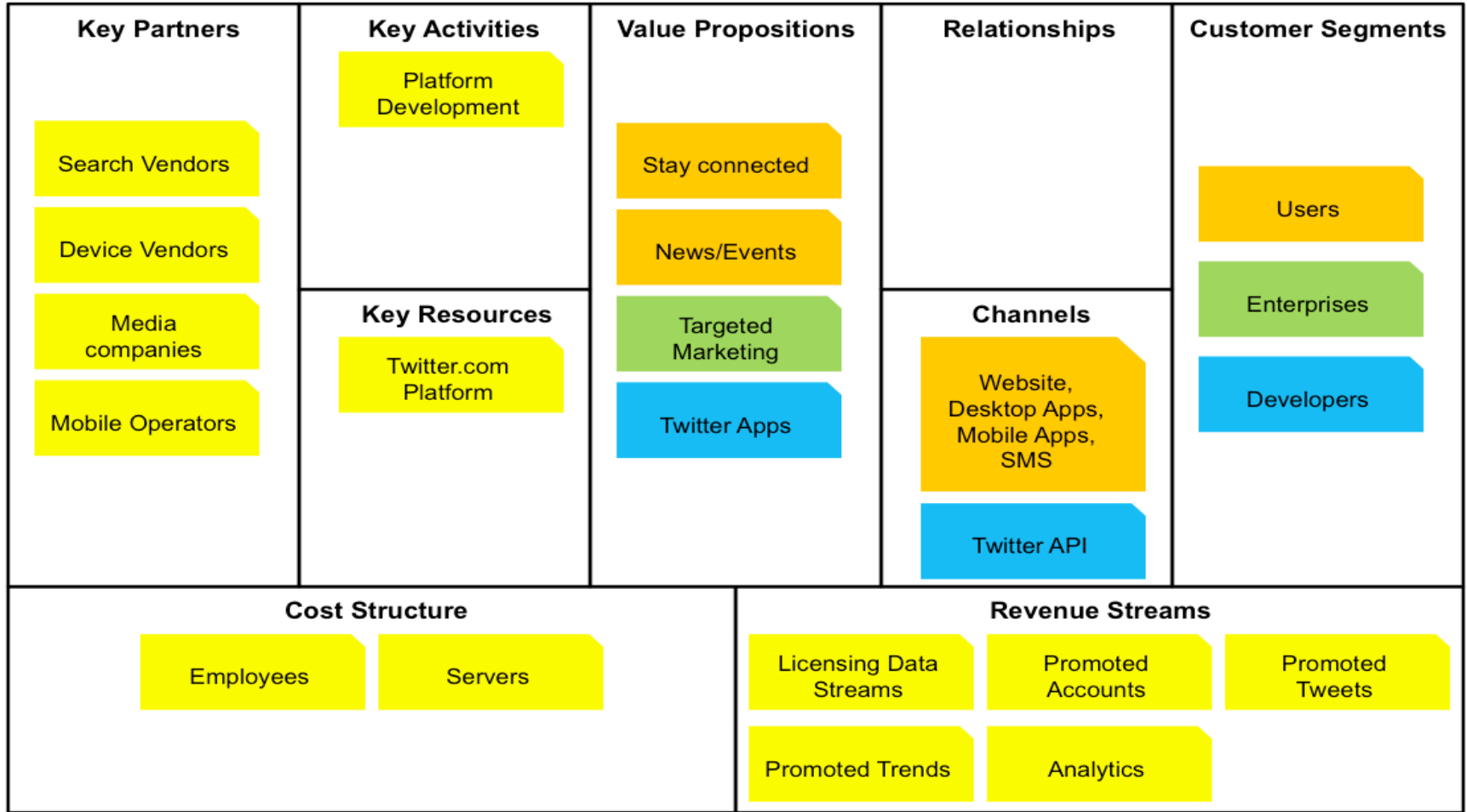
Reference EU Publication

Impact: Evaluation Sub-Criteria

1. potential to boost the growth of the applying company
2. overall strategy and experience of the SME(s)
3. European value a) market, b) competition, c) challenges
4. demand/market (willingness to pay) for the innovation
5. target user needs & comparison with current solutions
6. benefits for society, climate change, or the environment
7. market conditions, size and growth rate, competition
8. initial commercialization plan
9. freedom to operate analysis and current IPR situation

Business Model: Twitter

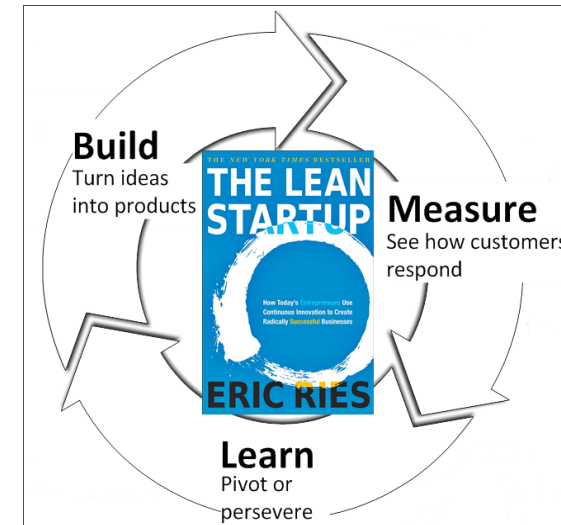
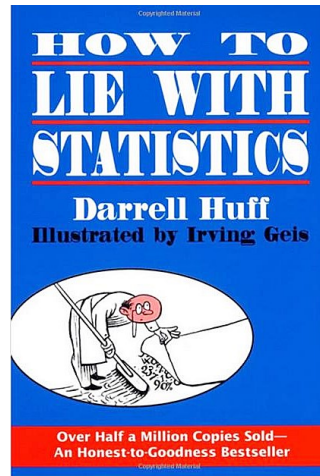
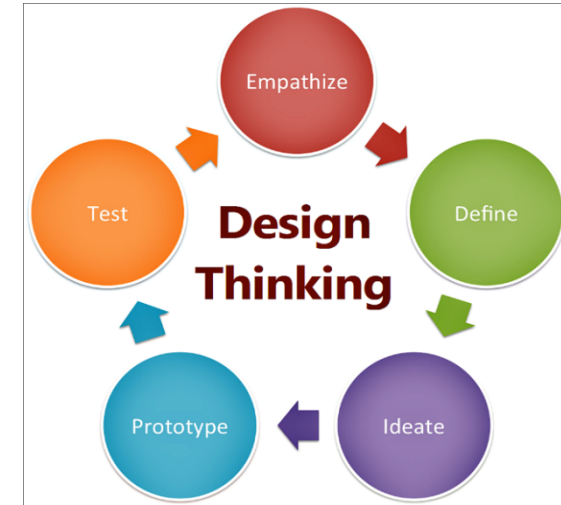
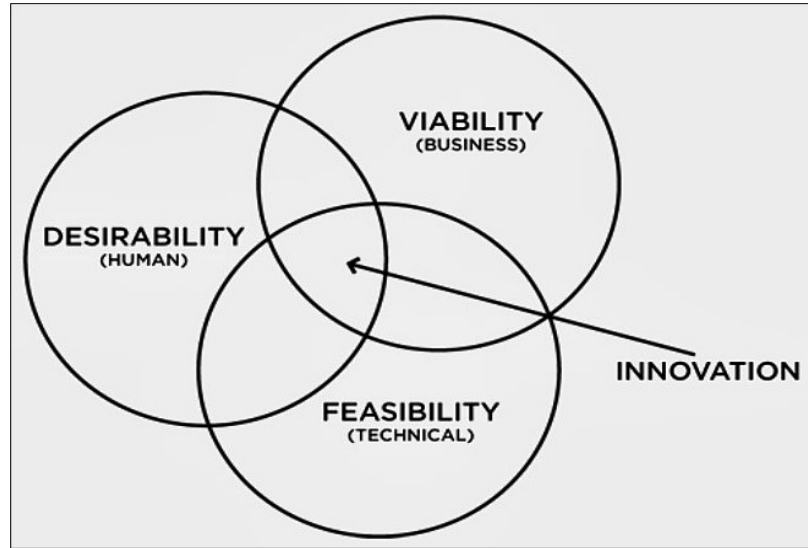
Twitter Business Model



www.businessmodelgeneration.com



What works for the project works for the evaluator



Growth Projections (1/2)

Current

Phase 1

Phase 2

After the Project

start

end

start

end

1.year

2.year

3.year

Revenue €

Profit €

Job creation

of customers

of products sold

of markets served

... (indicators of your choice)



Growth Projections (2/2)

- **Break-even point**

the minimum revenue & time needed to start making profit

Break-Even Quantity = (R&I Costs + Fixed Costs) / (Sales Price - Variable Costs)
100K ea. €2M + €300K / €50 - €27
(or €5M as revenue)

- **Return on Investment (ROI)**

time-bounded revenue expectation as compared to investment

ROI (%) = Total Revenue - Total Costs / Total Costs
30% €10M - €7,7M / €7,7M (if 200K ea. sold)

Remember to add a timeframe to your estimations



Competition

“car manufacturing for transportation need”

(same product category)

your innovation	similar offerings	different offerings	alternative solutions	almost non-consumption	time and budget competition
New Ford Fiesta	Hyundai i20, Fiat Punto	Toyota Land Cruiser	taxi, bus, metro, car sharing, rent a car	walking, bicycle, hitchhiking, no commuting	pay your debt, go for an MBA, invest in Forex

Attribute 1

Attribute 2

Attribute ...



Questions & Practice

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