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finanse edilmektedir



Technical Assistance for Turkey in Horizon 2020 Phase-II
EuropeAid/139098/IH/SER/TR

Turkey in Horizon 2020 II

Horizon 2020 SME Instrument (EIC Accelerator) –
Project Writing Camp for SMEs
Section 3: Implementation

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Training Coordinator

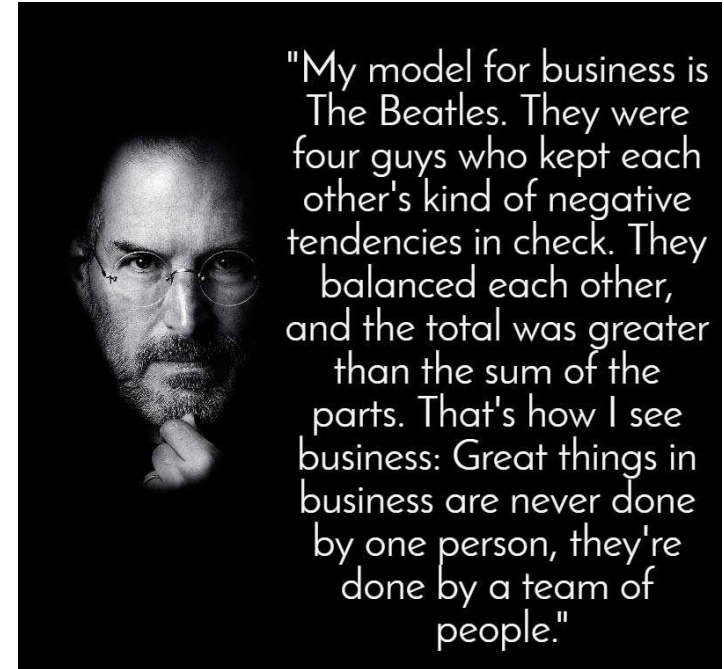


REPUBLIC OF TURKEY
MINISTRY OF INDUSTRY
AND TECHNOLOGY



TEAM AND CAPABILITIES

- Team
- Different roles and commitment
- Achievements/experience (strategic, technical and commercial) in relation to your innovation
- Role of the company's owner(s) if not part of the team.
- Shareholding and stock options of team members (including owners).
- Strengths and weaknesses of the team
- Plans to acquire currently missing competencies
- Incentives for team members



ROLES AND COMMITMENT

Team Member (Name and Surname)	Position	Department	Function/ key competencies	Commitment (from 1-100% where 100% is full time, i.e. no other commitment outside of the company)
	CEO			?
	CTO			
	COO			
	CMO			
	Other?			

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Who Wants to Be a Ninja? Job Titles Get a Rebranding

Companies hire for 'data wranglers,' 'growth hackers' in the race for talent



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COMPETITIVE
SECTORS
PROGRAMME



TÜBİTAK

ACHIEVEMENTS AND EXPERIENCE

Strategic (CEO)
Technical (CTO)
Commercial (CMO)
...In **relation** to your innovation



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Ben Horowitz is a cofounder and general partner at the venture capital firm Andreessen Horowitz. He is the author of the *New York Times* bestsellers, *The Hard Thing About Hard Things* and *What You Do Is Who You Are*. He also created the a16z Cultural Leadership Fund to connect the greatest cultural leaders to the best new technology companies, and enable more young African Americans to enter the technology industry.

Prior to a16z, Ben was cofounder and CEO of Opsware (formerly Loudcloud), which was acquired by Hewlett-Packard for \$1.6 billion in 2007, and was appointed vice president and general manager of Business Technology Optimization for Software at HP. Earlier, he was vice president and general manager of America Online's E-commerce Platform division, where he oversaw development of the company's flagship Shop@AOL service. Previously, Ben ran several product divisions at Netscape Communications. He also served as vice president of Netscape's widely acclaimed Directory and Security product line. Before joining Netscape in July 1995, he held various senior product marketing positions at Lotus Development Corporation.

Ben has an MS in Computer Science from UCLA and a BA in Computer Science from Columbia University.

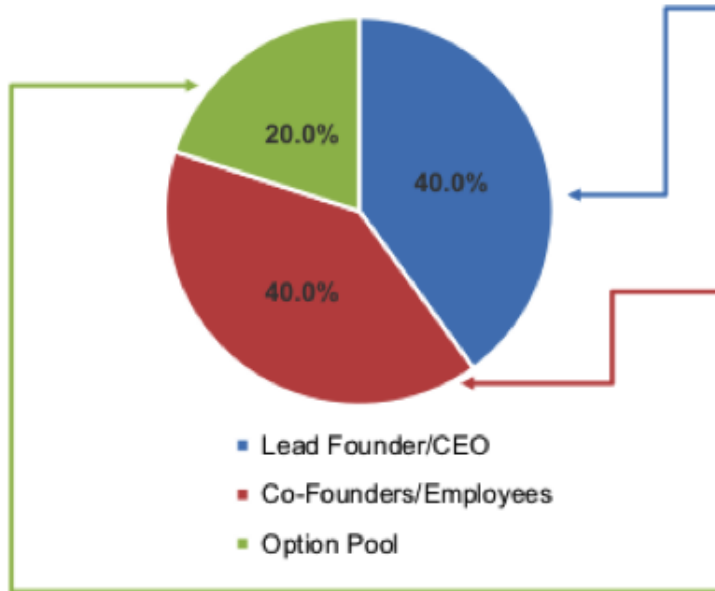


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INITIAL FOUNDER SPLIT

Example Initial Cap Table



- Initial CEOs/Lead Founders typically get the largest chunk of ownership
- These Founders are day-to-day
- Initial Equity ranges from 30-60% of the company
- Co-Founders and key employees includes founding scientists, C-level execs, VP, and any initial employee
- Investors will typically like to see an initial team in place before investing in a company
- Initial option pools are set up to incentivize new hires
- A company typically refreshes their option pool at every financing round and targets 15-25%

STOCK OPTIONS OF TEAM MEMBERS

An **employee stock ownership plan (ESOP)** is an employee benefit plan that gives workers ownership interest in the company. Startups often use ESOPs as a corporate-finance strategy and to **incentivize employees, align their interests with those of their shareholders and compete against large companies in attracting talent.**

TYPICAL PRE-FINANCING EQUITY

Position	Range %
Founding CEO	30-60%
Active Founding Scientist	20-40%
Passive Founding Scientist	1-5%
University Founding Equity	2-20%
Professional CEO (Series ~A/B)	5-10%
C-Level	2-5%
Lead Engineer / Scientist	1-2%
Engineer (5+ years)	0.66-1.25%
Engineer (Junior)	0.2-0.66%
Ind. Board Member/Advisor	1%

- Titles range from CTO, CEO, Chief Scientist
- Many are part time, but spend at least 30% of their time at the startup
- Get 20% median and 25% mean initial equity
- The most highly compensated are founding scientist CEOs, which is rare
- Active Founding Scientist are more typical in tech companies (less common in biotech)

- Titles range from nothing, Advisor, Scientific Advisory Board to Chief Scientist
- Spending very little time day to day at the startup and some are not in touch with their companies at all
- Get less than 5% initial equity



STRENGTHS, WEAKNESSES AND MISSING COMPETENCIES

CREDIBLE AND REALISTIC ASSESMENT

STRENGHTS	WEAKNESSES
Technical know - how	Lack of sales/ marketing skills
Long-term previous collaboration	Limited contacts in Europe
Commitment	Lack of hierarchy
....

AMBITIOUS PLANS



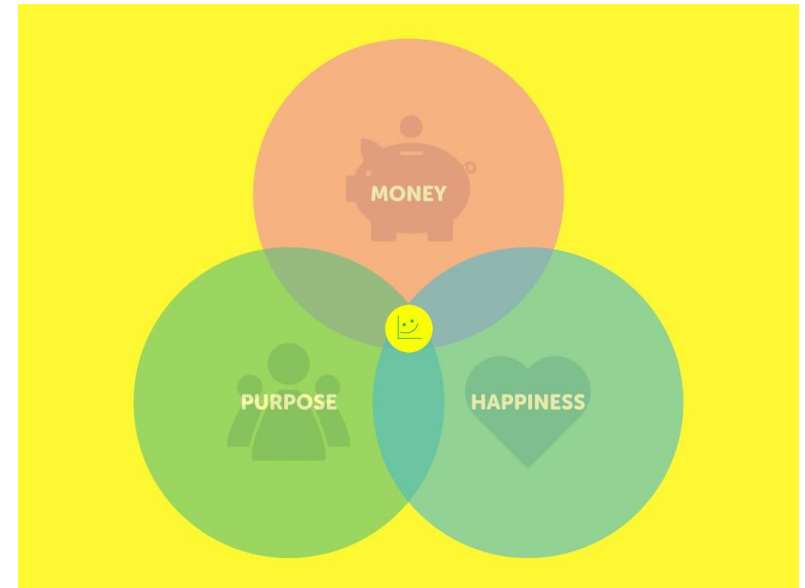
INCENTIVES

FINANCIAL INCENTIVES

- Salaries
- Stock options
- Bonus (based on targets)
- Other?

NON-FINANCIAL INCENTIVES

- Flexible working hours
- Training/ travelling
- Team-building activities
- Company car
- Working environment
- **Working for a purpose**
- Other?



FINANCIAL NEEDS

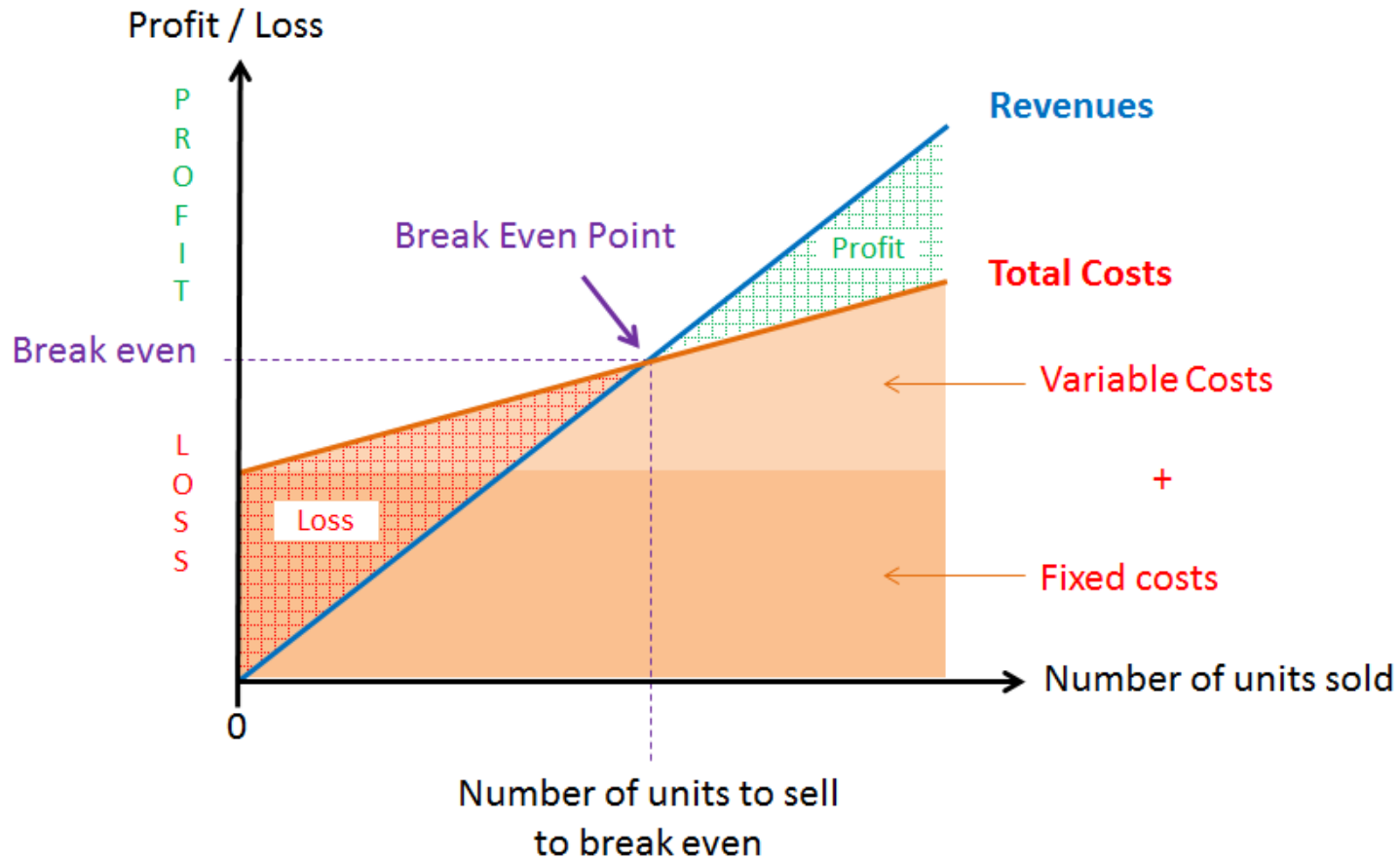
- Estimation of the total financial resources
- Required timing of financial needs to develop your innovation and to reach the break-even point

FINANCIAL TABLES

- Simplified financial information on revenues, expenditures, cash flow and balance sheet;
- Company up-to-date financial data relating to cash and debt;
- Summary information about company financial history;
- Company ownership and capital structure (Blended applicants only);
- Information about current financing round.



BREAK-EVEN POINT



SIMPLIFIED FINANCIAL INFORMATION

Table 1 - Simplified financials, k€ - Please fill in with figures for your company. The figures below are illustrative. You may use the formulas provided to accelerate data input

Note: Please pay attention while filling the tables when relevant to use negative values for the formulas to work properly (for example: expenses, taxes, debt etc.).

	Actual (if applicable)			Forecast					
P&L	N-2	N-1	N (explain which year)	N+1	N+2	N+3	N+4	N+5	N+6
Revenues	0	0	0	0	0	0	0	0	0
Gross Margin	0	0	0	0	0	0	0	0	0
Selling, General and Administrative expenses	0	0	0	0	0	0	0	0	0
R&D expenses	0	0	0	0	0	0	0	0	0
Other operational expenses	0	0	0	0	0	0	0	0	0
EBITDA	0	0	0	0	0	0	0	0	0
Interest	0	0	0	0	0	0	0	0	0
Other revenues/expenses (including grants)	0	0	0	0	0	0	0	0	0
EBT	0	0	0	0	0	0	0	0	0
Taxes	0	0	0	0	0	0	0	0	0
Net Income	0	0	0	0	0	0	0	0	0
CASHFLOWS	N-2	N-1	N	N+1	N+2	N+3	N+4	N+5	N+6
Cashflows from operating activities (net)	0	0	0	0	0	0	0	0	0
Cashflows from investing activities (net)	0	0	0	0	0	0	0	0	0
Cashflows from financing activities (net)	0	0	0	0	0	0	0	0	0
of which									
Proceeds from grants	0	0	0	0	0	0	0	0	0
Proceeds from issuance of debt	0	0	0	0	0	0	0	0	0
Repayment of debt	0	0	0	0	0	0	0	0	0
Proceeds from issuance of equity	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0
Net increase/decrease in cash and cash equivalent	0	0	0	0	0	0	0	0	0
BALANCE SHEET	N-2	N-1	N	N+1					
Total assets	0	0	0	0					
of which									
Cash and cash equivalents	0	0	0	0					
Inventory	0	0	0	0					
Accounts receivable	0	0	0	0					
Property and Equipment	0	0	0	0					
Intangible assets	0	0	0	0					
Other assets	0	0	0	0					
Outstanding liabilities	0	0	0	0					
of which									
Accounts payable	0	0	0	0					
Short-term debt	0	0	0	0					
Long-term debt	0	0	0	0					
Other liabilities	0	0	0	0					
Equity	0	0	0	0					
of which									
Share capital	0	0	0	0					
Retained Earnings	0	0	0	0					
Other equity	0	0	0	0					

SIMPLIFIED FINANCIAL INFORMATION

... CONTINUED FROM PREVIOUS TABLE

Business metrics and ratios (please do not change)	N-2	N-1	N	N+1	N+2	N+3	N+4	N+5	N+6
Cash and cash equivalents	0	0	0	0	0	0	0	0	0
Total debt	0	0	0	0	0	0	0	0	0
Total Equity	0	0	0	0	0	0	0	0	0
Gross Margin, %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EBITDA Margin, %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Debt-to-Equity ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Return on Equity, %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Return on Capital Employed, %	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Break-even (operating cashflows)	N	N	N	N	N	N	N	N	N
Cross-check: Is the Balance Sheet balanced?	0	0	0	0	0	0	0	0	0



UP-TO-DATE FINANCIAL DATA

Table 2 - Company up-to-date financial data

Information item	Value, k€	Optional comment box
External Debt as of application date		
Total cash balance as of application date		
Cash burn per month (as per last month)		



FINANCING HISTORY

Table 3 - Company financing history

Please, specify all the previous funding and equity history

Date	Entities providing financing	Public or private	Financing type (e.g. equity, convertible loan, debt, grant)	Amount, k€	Implied valuation, k€ (if relevant)	Comments
			equity			
			convertible loan			
			debt			
			grant			
			other (specify...)			
			Total	0		



OWNERSHIP AND CAPITAL STRUCTURE (ONLY FOR B.F.)

Table 4 - Company ownership and capital structure (Blended applicants only)

Shareholder name	Type	Optional comment on investor type	Amount of shares fully diluted	Ownership % Fully-Diluted, as of application date	% of voting rights, as of application date	Forecasted ownership % Fully-Diluted, 12 months from application date	Forecasted % of voting rights, 12 months from application date
	founder		0	0	0	0	0
	management team		0	0	0	0	0
	friends and family		0	0	0	0	0
	business angel		0	0	0	0	0
	family office (non-institutional investor)		0	0	0	0	0
	strategic/corporate investor		0	0	0	0	0
	venture capital fund		0	0	0	0	0
	private equity fund		0	0	0	0	0
	other institutional investor		0	0	0	0	0
	public investor		0	0	0	0	0
	employees stock option plan		0	0	0	0	0
	other		0	0	0	0	0
		Total	0	0	0	0	0



CURRENT FINANCING ROUND

Table 5 - Current financing round

Information item	Value, k€	Optional comment box
Total financing needed	0	
<i>Grant amount requested</i>		
<i>Equity amount requested (if applicable)</i>		
<i>Other financing - specify</i>		
Suggested post-money valuation		



EQUITY (ONLY IF BLENDED FINANCE IS REQUESTED)

Describe what the requested equity component will be **used for** and how much **equity share** the company plans to **give in return**.

Describe/comment how **the valuation** of the company has developed over time (e.g. financing rounds) and the rationale behind it - relevant **metrics/milestones achieved** from start to present.

Explain the **company ownership and capital structure** presented in Table 4 of Annex 4. If there are different classes of shares, describe why.

What **exit strategy** do you expect, including the timeline and **expected return on investment**? Explain the assumptions.



NEED FOR EIC SUPPORT

- Why it is not possible for your company to raise the required financial resources from private investors or other sources:

Reminder: *"Venture capital is too small, fragmented, short term, concentrated on digital, not enough oriented towards deep-tech and lacking critical mass for patient capital. **Bank lending**, Europe's predominant investment channel and inherently risk averse, is not adept at supporting breakthrough and deep-tech innovation. **Public support for innovation** – including EU support - is perceived as complex, slow, designed for R&D and fails to bridge the gap to private investment."* **Use relevant facts and data for Turkey!**

- Description of your company's track record and current efforts (to complement the information provided in Table 3 of Annex 4).

Demonstrate that you tried all three above and more. E.g. Corporate investors, other?
Use Annexes to provide evidence (and make clear reference)

- What would the impact be if you do not receive financial support from the EIC pilot?
?

FOMO (brain drain)



RISKS (PROJECT RISKS)

<i>Risk Description</i>	<i>WP(s)</i>	<i>Proposed risk-mitigation measures(Initial Contingency Plan)</i>
Technical Risks		
Not all requirements captured	2	(R): Not all requirements were recorded and analyzed. (M): Regular review and validation of outputs and interaction with stakeholders and expert group.
LIT-MS mass range	3	(R): Molecular weights of VOCs higher than the mass range that the LIT-MS can detect, which will make it unable to be detected in the open field. (M): Alterations to the electronics to increase the mass range of the instrument.
LIT-MS sensitivity	3	(R): Field detection encounters low concentration levels require increased sensitivity. (M): Examine different types of inlets to increase sensitivity.
LIT-MS resolution	3	(R): In on-site measurements there are compounds that interact among them and give close peaks. (M): These components need to be properly distinguished. High resolving power for analyzes of interest is a solution for that risk.

Description of risk	WP(s) involved	Proposed risk-mitigation measures
Development risks arising from not achieving the set objectives for the LASSI hardware and software solution	WP2	The design of the system and the product specifications will be enhanced with the involvement of target users early in the project implementation.
Incomplete understanding of customer use cases which can cause a misfit of the solution to the users' need	WP2	Create a tight feedback loop between the user responses and the technical activities. Run case studies in parallel to the technical activities to allow for continuous assessment of the results.
Customer take-up below expectations	WP4, WP6	Intensify promotional efforts. Interview customers and analyse their experience and reasons for slow take-up. Increase viral distribution incentives.

APPROACH

- Overall structure
 - Approach
 - Timing of work packages and activities
- (Based on the objectives and strategy)



SUMMARY TABLE

Work Package (number and title)	Start month	End month	Deliverable (number and title)	Milestone (description and date) – if applicable	Person months	Indicative budget	Grant or Equity

- Including **TRL 9 / market deployment** activities covered by EU investment in equity **up to break-even point**
- Not more than **5** Work Packages
- Only essential deliverables (ideally **one per Work Package**)



WORK PACKAGES

Work Package Number				
Work Package Title				
Start Month		End Month		
Person Months				
Budget				
Indicate if requesting financing by grant or equity investment				
WP description (You should provide enough detail to justify the proposed resources and also quantified information so that progress can be monitored, including by the Commission):				
Description of tasks:				
List of deliverables:				
Number	Deliverable name	Type	Dissemination Level	Delivery date



DELIVERABLES

Deliverables are outputs (e.g. information, special report, a technical diagram brochure, list, a software milestone or other building block of the project) that must be produced at a given moment during the action.

TYPE

R: Document, report (excluding the periodic and final reports)

DEM: Demonstrator, pilot, prototype, plan designs

DEC: Websites, patents filing, press & media actions, videos, etc.

OTHER: Software, technical diagram, etc.

DISSEMINATION LEVEL

PU - Public, fully open, e.g. web

CO - Confidential, restricted under conditions set out in Model Grant Agreement

CI - Classified, information as referred to in Commission Decision 2001/844/EC.



MILESTONES

Milestones are control points to help chart your progress. Milestones may correspond to the completion of a key deliverable. They may also correspond to other inputs, allowing the next phase to begin, to decide on further steps or to take corrective measures.



Together with deliverables they help the EC to assess whether a project is on schedule



Identify sufficient milestones to enable progress to be monitored at high level in all areas of the project at regular intervals and explain your choice



There should be a milestone when a particular stage is complete, or a target has been reached.



There should be milestones in each year of the project, so that annual reviews can be effective

RESOURCES

What are the resources, equipment and facilities required for the project and how you will access them?

HOLISTIC overall budget is 1.024.375 € and the total EU contribution is 717.062,50 €. The breakdown of this budget per WP and cost category is given in the table below.

Table 3.4 a: Breakdown of the project budget

	WP1	WP1	WP3	WP4	Totals
Person months	36,00	55,00	76,00	13,00	180,00
Personnel costs	144.000	220.000	304.000	52.000	720.000
Travel cost	15.000	3.000	3.000	10.000	31.000
Other	34.000	7.000	17.500	10.000	68.500
Other direct costs	49.000	10.000	20.500	20.000	99.500
Indirect costs	48.250	57.500	81.125	18.000	204.875
Total budget	241.250	287.500	405.625	90.000	1.024.375
Requested EC contribution	168.875	201.250	283.938	63.000	717.062,50



JUSTIFICATION OF COSTS

Only if the sum of the costs for 'travel', 'equipment' and 'goods and services' **exceeds 15% of the personnel costs.**

	Cost (€)	Justification
Travel		
Equipment		
Other goods and services		
Total		



SUBCONTRACTING AND THIRD PARTIES

If you plan to subcontract any tasks:

- **Describe and justify** the tasks to be subcontracted and the amount.
- Explain the measures to comply with the **best value for money principle**

Task(s)	Estimated amount	Measures to comply with best value for money (eg. criteria used amount for the selection of the subcontractors)

Subcontracting may be an essential part of the implementation of the project, **but should not be a disproportionate part** of the total estimated eligible costs.

Linked third party is an affiliated entity or has a legal link to a participant implying a collaboration not limited to the action.

Contributions in kind provided by third parties: Third parties contributing in kind make available some of their resources to a beneficiary without this being their economic activity (i.e. seconding personnel, contributing equipment, infrastructure or other assets, or other goods and services).



Annex 1 - Security and Ethics

Annex2 - CVs

Annex 3 - Others

Annex 4 - Financial and corporate information Excel file (provided as .pdf and .xls/.xlsx/.ods)

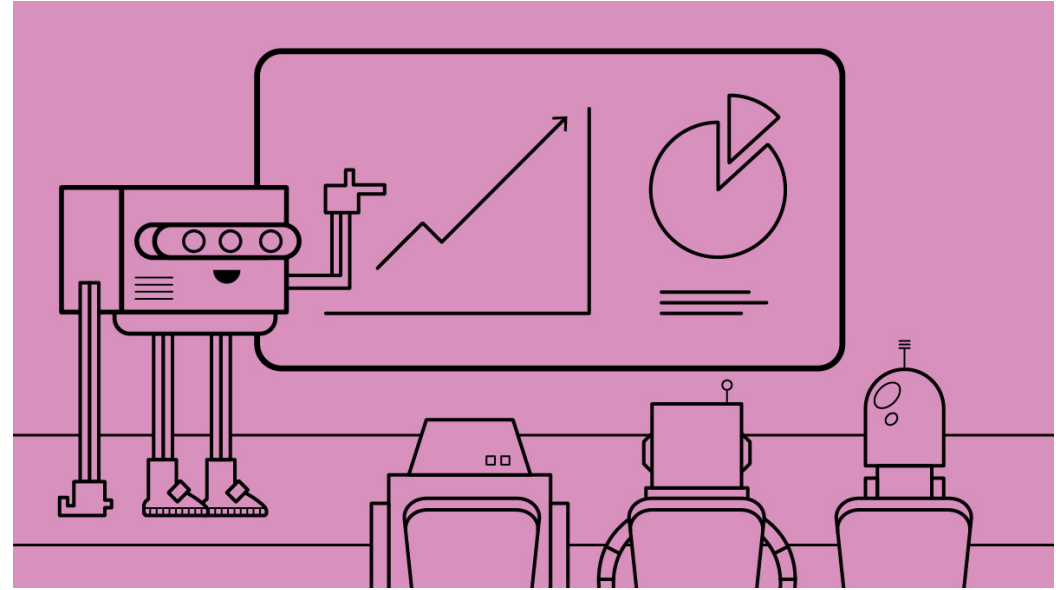
Annex 5 - Pitch-deck (provided in .pdf)



PITCH DECK

Total duration 10 mins:

Company Purpose
Problem & Solution
Value Proposition
Market Opportunity & Risks
Competition
Business Model
Commercialisation & Marketing
Strategy
Financial Projections
Team
Conclusion



After submission for step 1 of the evaluation, the pitch document cannot be changed anymore

One slide for each heading

ONLY applicants whose proposal has passed to step 2 are invited for face-to-face interview in Brussels

PITCH DECK - RECOMENDATIONS

- Take **award criteria** into account and **address all of them** in your pitch appropriately
- While writing the proposal, **plan enough time to prepare** the pitch deck
- Be precise and to the point: you only have **10 minutes** to present
- Explain your technology/innovation/business in way that **everyone understands it immediately** (avoid technical language)
- Use visuals and **do not overload slides** with text
- Do not forget that **update of pitch deck** before interview date is **not possible**
- Do not ignore the **technical requirements**: Separate PDF file in Annex 5, should not exceed 10MB



PITCH DECK – TIPS AND TRICKS FROM EASME

Do you want to perfect your pitch? Answer these 3 questions

- What are you selling?
- What are your customers?
- Why should they pay for it?

How to take your pitch from good to amazing?

- If you're making money, you should mention it!
- Engage the audience!
- Use storytelling for really complicated products or markets!
- Prepare as much as you can for Q&A.
- Be clear, positive and credible. Always!



CRITERIA

Evidence that the applicant company **cannot leverage sufficient investments** from the market, particularly for applicant companies requesting blended finance support. Evidence that the applicant company is **deemed 'non- bankable'** by the market, in view of the activities to be developed. ***The 'leveraging of investments' and 'bankability' aspects are closely examined if you are invited to present your proposal.***

Technical/business experience of the team, including management capacity to lead a growing team. If relevant, the proposal includes a plan to acquire missing competences, namely through partnerships and/or subcontracting* and explains why and how they are selected (subcontractors* must be selected using 'best value-for-money' principles). ***The team aspect is closely examined if you are invited to present your proposal.***



CRITERIA

Availability of resources required (personnel, facilities, networks, etc.) to develop project activities in the most suitable conditions. Where relevant, realistic description of how key stakeholders / partners / subcontractors* could be involved (subcontractors* must be selected using 'best value-for-money' principles). Where relevant, the estimated budget and the procedure planned for selecting the subcontractors* are appropriate.

Realistic timeframe and comprehensive description of implementation (work-packages, major deliverables and milestones, risk management) taking the company's or applicant's innovation ambitions and objectives into account.

Taken as whole, to what extent the above 'Implementation' elements are **coherent and plausible**.





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Teşekkür ederim!
Thank you!



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