

# ANNUAL REPORT 2009



130.000 to kick your startup

Explore the business potential of your technology

St.Gallen, January 8th 2009

## **MISSION STATEMENT**

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Launched on June 12<sup>th</sup> 2007, at the TV show "startup" of the Swiss television, the venture kick initiative closes a gap in the innovation chain. Many research projects performed in the Swiss universities could and should be turned into promising businesses. Unfortunately, this transfer between academia and market often fails due to a lack of business interest or know-how from the potential entrepreneur, as well as a missing so-called pre-seed capital required to explore the market potential and structure a strong business case to attract investors.

venture kick aims for an early identification, structuring and promotion of promising business ideas with a clear vision: to double the number of spin-offs at Swiss universities, to accelerate the founding process and raise the attractiveness of these young companies for professional investors:

### **Double the number of spin-offs**

We want more scientists at Swiss universities to explore the startup potential of their research.

### **Cut time-to-market by half**

We want to speed up the process of structuring business opportunities and startup companies.

### **Secure more startup funding and network**

We want to improve the quality of projects to attract and secure fast VC/BA-Investments.

venture kick helps potential entrepreneurs by giving them the opportunity to win up to CHF 130'000 in funds without security. Moreover, startups can also take advantage of know-how from experienced experts and entrepreneurs and be granted access to a national network of investors and startup experts. venture kick provides a unique and leading approach with a proven track-record for the creation of new hightech startups in Switzerland:

### **Unique**

venture kick combines donations "à fonds perdu" with an achievement-oriented awarding procedure to early-stage entrepreneurs. The beneficiaries of venture kick are selected by a pool of highly qualified Swiss experts (jury members) comprising private and public investors, entrepreneurs and startup supporters.

### **Leading**

venture kick is working in close collaboration with all Swiss universities and relevant organisations in the field of hightech entrepreneurship. A strong link to these organisations is established thanks to the jury pool consisting of close to a 100 important individuals representing the Swiss startup ecosystem.

### **Proven**

Since September 2007 venture kick has funded 100 startup projects with CHF 3.62 mio. and contributed to the creation of 72 high tech startup companies. These startups created more than 300 qualified jobs for Switzerland and raised a total of over CHF 30 mio. of financing.

venture kick is an initiative of private donors and is supported by four leading foundations: GEBERT RÜF STIFTUNG, ERNST GÖHNER STIFTUNG, OPO-Stiftung and AVINA STIFTUNG. "Fondation des Fondateurs", an independent foundation of private founders, serves as legal entity to the donors. This foundation operates under the supervision of the Federal foundation authority, and offers individuals as well as other foundations and institutions a flexible and functional platform to launch support initiatives in a cost effective and professional manner.

### **Call for donators**

To continue and expand its very successful model, venture kick needs to raise a total of CHF 10 mio. for the period 2011-2015 in the forms of donations. Help us to double the number of highly innovative startup companies at Swiss universities and to generate hundreds of new job opportunities for our country.

## **HIGHLIGHTS AS OF DECEMBER 2009**

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- 90+ renowned jury members across Switzerland evaluating all projects at 3 jury sessions per month;
- 100 startup projects were supported with CHF 3.62 mio. (with up to CHF 130'000 each);
- 72 new Swiss companies were incorporated;
- CHF 30+ mio. financing volume has been attracted by the supported startups;
- 300+ new jobs (FTEs) have been created in Switzerland.

## **ORGANISATION**

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### **1. Governing documents**

- venture kick concept (see [www.venturekick.ch](http://www.venturekick.ch));
- Rules of the fund venture kick approved by the Board of Trustees of Fondation des Fondateurs (July 4th, 2007);
- Agreement about the fund venture kick between GEBERT RÜF STIFTUNG and ERNST GÖHNER STIFTUNG with Fondation des Fondateurs (4<sup>th</sup> July 2007);
- Agreement about the fund venture kick between GEBERT RÜF STIFTUNG, ERNST GÖHNER STIFTUNG and OPO-Stiftung (April 24<sup>th</sup> 2008);
- venture kick bylaws approved by the Strategy Board venture kick (Sept 5<sup>th</sup> 2007 and April 21<sup>st</sup> 2008);
- Framework agreement for the venture kick fund, between Fondation des Fondateurs, represented by the Strategy Board venture kick and the Institut für Jungunternehmen AG (IFJ) (Sept 5<sup>th</sup> 2007).

### **2. Purpose of the organization**

The venture kick name stands for a constituted fund in Fondation des Fondateurs.

The fund's objectives are to promote entrepreneurship and spin-offs from Swiss universities: a major potential for innovative ideas is present in Swiss universities, which transfer into practice is too rarely implemented. venture kick aims to help these innovative ideas prevail at the early stage of their development.

### **3. Organisation/Governing bodies**

#### **Board of Trustees of Fondation des Fondateurs**

venture kick is a fund without legal personality within Fondation des Fondateurs (FdF). The FdF Board of Trustees delegated all strategic and managerial competence of venture kick to the Strategy Board venture kick. The FdF Board controls the business activities of venture kick based on an annual reporting (annual activity and accounting reports).

FdF members of the Board of Trustees: Dr. jur. Thomas Sprecher, President; Dr. phil. Philipp Egger, vice-president; Lori Lutz-Dinkel, Member, Evelyn S. Braun, Member.

#### **Strategy Board venture kick**

The Strategy Board defines the medium and long-term objectives and orientations of venture kick. It is composed of representatives of the supporting foundations and successful entrepreneurs. The representatives of the Fondateurs are always the majority of the Strategy Board and select the additional members.

Members of the Strategy Board, elected 2007-2009: Dr. Pascale Vonmont, representative GEBERT RÜF STIFTUNG, delegate; Dr. Roger Schmid, representing ERNST GÖHNER STIFTUNG and OPO-Stiftung; Dr. Igor Fisch, Selexis SA.

#### **Persons accountable for the management**

The Strategy Board has given the operational management mandate to the Institut für Jungunternehmen, St. Gallen.

The management is assumed by two managing directors: Beat Schillig (head of German-speaking Switzerland) and Jordi Montserrat (head of the French-speaking Switzerland).

Staff: Dr. Pius Küng, startup support; André Brühlmann, startup support; Thomas Rüegg, lic. oec. HSG, startup support; Derek Barras, Betr. oec. FH, scouting; William Lüthi, Betr. oec. FH, scouting; Daniel Leutenegger, HSG, scouting; Simon May, topic. oec. FH, promotion and management Support Center; Nadine Reichenthal, promotion and administration; Flavio Agosti, promotion and administration; Diego Probst, promotion and administration, Esther Studer, media relations/communications; Daniel Niklaus, online communications; Raphael Huber, administration.

#### **Pool of experts**

The evaluation of projects during the process is ensured by a pool of qualified and competent technical and business experts, which compose the jury present at the jury sessions.

The list of experts can be found at [www.venturekick.ch](http://www.venturekick.ch) under "Jury".

## ACTIVITY REPORT 2009

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### Advisory Board

- 3 ordinary strategy board meeting on Feb 3<sup>rd</sup>, May 27<sup>th</sup> and October 21<sup>st</sup>.
- 1 extraordinary strategy meeting on June 8<sup>th</sup>.
- Several meetings between the management and the delegate of the Strategy Board.

### Jury sessions

In general, eight projects are presented at stage 1, and four at stage 2 and 3. The Jury is composed of approximately eight to twelve members at each session.

- 12 Jury sessions stage 1, venture pitch (support of projects with CHF 10'000):  
13.01., 10.02., 10.03., 21.04., 12.05., 23.06., 07.07., 18.08., 08.09., 06.10., 10.11., 08.12.;
- 12 Jury sessions stage 2, venture case (support of projects with CHF 20'000):  
12.01., 11.02., 11.03., 22.04., 13.05., 24.06., 08.07., 19.08., 30.09., 07.10., 11.11., 09.12.;
- 5 Jury sessions stage 3, venture kick (support of projects with CHF 100'000):  
25.03., 27.05., 26.08., 14.10., 02.12.

### Kickers Camp

After each stage, the successful candidates can benefit from two days of intensive support. They receive a detailed feedback from the jury and are intensively prepared for the next stage.

- 23 two days intensive workshops for startups in the support process (12 camps stage I, 8 camps stage II and 3 camps stage III).

### Venture Summit

A large part of the venture kick supported startups and members of the jury have participated to the venture summit, a unique in its kind 24-hour networking event held at the "Top of Europe" (Kleine Scheidegg with excursion to the Jungfrau and Aletsch Glacier) from Friday, July 3<sup>rd</sup>, noon until Saturday 4<sup>th</sup>, noon. ([www.venturesummit.ch](http://www.venturesummit.ch))

### Communications

The initiative received an important media echo. Several of the supported projects have been featured in print media and even on TV.

In addition, many universities, colleges and other relevant institutions in the Swiss innovation and startup scene talked about venture kick in their newsletters and on their online platforms.

The initiative was published in well anchored online platforms of the Swiss startup and innovation scene ([venturelab.ch](http://venturelab.ch), [inno-swiss.com](http://inno-swiss.com), [ifj.ch](http://ifj.ch), [eStarter.ch](http://eStarter.ch), [startup.ch](http://startup.ch), [businessplan.ch](http://businessplan.ch)), in the IFJ and venturelab newsletters (over 60,000 subscribers) and the start-Channel news.ch.

It was also presented at several events related to startups, such as the multiple "venture aperos" from IFJ in German-speaking Switzerland (about 10 monthly, reaching more than 8000 people directly), and the Rezonance events in the French speaking part.

Finally, the initiative was intensively promoted directly to all academic institutions, source of the potential spin-offs supported by venture kick. Intense and recurrent communication activities have been conducted through specific newsletters and mailing campaigns, personal promotion to partners (such as technology transfer offices, coaching and support organisms,...), presentation of the initiative in lectures or startup related events on campuses (e. g. venturelab courses and events), poster and flyer campaigns directly on site.

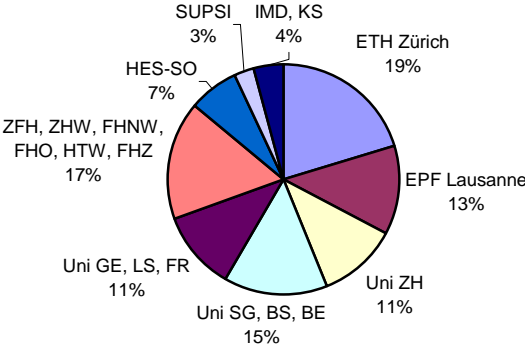
## PROJECT SELECTION

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From January to December 2009, a total of 175 projects applied to venture kick. The number of applications is usually around 15 per month. Regarding the regional origin of applications, approximately two third came from the German part of Switzerland, and one third from the French part. No application has been received from the Italian part in 2009.

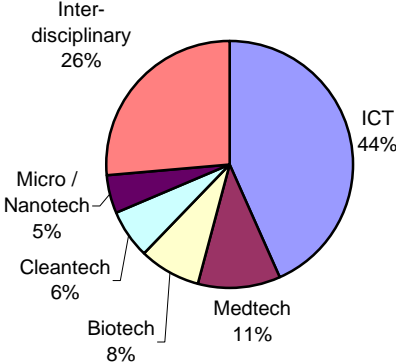
Not surprising is that 33% of the registered projects come from the Swiss Federal Institutes of Technology of Zurich and Lausanne, a number that has grown compared to 2008 (27%). It is to be noted however that the other applications are distributed among 20 different universities and universities of applied sciences. It gives a good indication that venture kick has been able to launch a national initiative within a short time frame, that is now anchored in all parts of the country and at all universities.

**Registrations by Universities: Nationwide Presence**



The analysis of submissions by sector shows that all high-tech disciplines are represented. Most projects can be classified in the “Information & Communication Technologies”, largest sector in 2009, Biotech, Medtech, Cleantech, and Micro/Nanotechnology categories. The remaining applications are difficult to assign to a specific category due to their diversity and interdisciplinary content and target.

**Registrations by Sector: ICT as major sector for 2009**



The number of application coming from women strongly increased in 2009, moving from 11% to 16% of applications. This evolution encourages to continue the promotional efforts towards women entrepreneurs. This is furthermore remarkable, considering that the proportion of women among doctoral students, professors or assistants in the scientific and technological disciplines or with the proportion of women in the high-tech entrepreneurs leading high-tech companies (e. g. CTI label Companies) remains low.

## IMPACT ANALYSIS

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### Supported projects

By December 2009, exactly 189 candidates out of 500 registrations have been invited for a stage 1 presentation, starting in September 2007.

Out of the 189 presented projects, 100 have received CHF 10'000.

Out of the 100 projects supported at stage 1, 84 have already been invited to present at stage 2 and 46 received the additional support grant of CHF 20'000.

Out of these 46 projects the first 34 projects have been presented in stage 3, of which 17 spin-offs were granted the final kick of CHF 100'000:

- Dr. Stefan Tuchs Schmid c/o Virtamed AG, [www.virtamed.com](http://www.virtamed.com)
- Dr. Jochen Munding c/o Routerank SA, [www.routerank.com](http://www.routerank.com)
- Stéphane Doutriaux c/o Poken SA, [www.doyoupoken.com](http://www.doyoupoken.com)
- Dr. Bettina Ernst c/o Preclin Biosystems AG, [www.preclinbiosystems.com](http://www.preclinbiosystems.com)
- Dr. Manuel Aschwanden c/o Optotune GmbH, [www.optotune.com](http://www.optotune.com)
- Dr. Martin Bartholet c/o Celeroton AG, [www.celeroton.com](http://www.celeroton.com)
- Dr. Sadik Hafizovic c/o Zurich Instruments AG, [www.zhinst.com](http://www.zhinst.com)
- Dr. Vincent Schickel c/o Prediggo SA, [www.prediggo.com](http://www.prediggo.com)
- Dr. Fischer Patrizia c/o Pearltec SA, [www.pearltec.ch](http://www.pearltec.ch)
- Dr. Marc Gitzinger c/o BioVersys SA, [www.bioversys.com](http://www.bioversys.com)
- Dr. Barbara Yersin, c/o Minsh Sàrl, [www.minsh.com](http://www.minsh.com)
- Dr. Giorgio Pietramaggiori, c/o labseed, [www.labseed.com](http://www.labseed.com)
- Dr. Wolfgang Moritz, c/o InSpero, [www.insphero.com](http://www.insphero.com)
- Dr. Kristin Kapitza, c/o Aiducation, [www.aiducation-international.org](http://www.aiducation-international.org)
- Dr. Nicolas Burri, c/o Streamforge, [www.streamforge.com](http://www.streamforge.com)
- Dr. Rémi Charrier, c/o StereoTools Sàrl, [www.stereotools.com](http://www.stereotools.com)
- Dr. Christophe Canales, c/o Imina Technologies Sàrl, [www.imina.ch](http://www.imina.ch)

The complete list of supported projects can be found on [www.venturekick.ch](http://www.venturekick.ch) under "Supported Projects". The high quality of projects should be emphasized: The number of projects that would deserve a support grant from the experts jury perspective has regularly been above the financial resources currently available. Consequently, some promising projects could unfortunately not be supported.

### 72 newly created high-tech startups with 300+ jobs

The quality projects supported by venture kick can be observed through the impressive number of effectively created companies, as well as the amount of funds raised by these spin-offs. Out of the 100 supported projects with a cumulated CHF 3.62 mio.:

- 72 have turned into spin-offs;
- they have raised over CHF 30 mio. in additional financing (own funds, business angels/VC's investments, loans, CTI projects, prizes, etc.);
- they created more than 300 new positions.

Taking in account the temporal gap between the company creation and the financing round, the current impact of venture kick is only partially visible. More company incorporations, fund raising and job creation of the projects supported so far are expected during the coming months. So far more than 90% of the project owners effectively created the company within 1 year.

Hence for each franc of support granted by venture kick, the spin-offs were able to raise another ten francs.

## OUTLOOK

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The above expectations' results and very positive feedbacks from the experts, universities and spin-offs strongly motivate the initiators to further develop the support programme.

For 2010, the following figures are planned:

- 200+ applications;
- 178 projects presented in 32 jury sessions (104 venture pitch/52 venture case/22 venture kick);
- 89 projects funded (52 at CHF 10'000/26 at CHF 20'000/11 at CHF 100'000);
- 28 Kickers Camps (2-day intensive workshops in small groups);
- CHF 2.14 mio. granted support.

A major challenge is to secure the financing of venture kick for the coming years: an additional CHF 1.5 mio. is needed for the 2011 budget, in order to valorise the existing innovation potential of the Swiss universities and to realize the vision of doubling the number of spin-offs in Switzerland. To address this financing gap, relevant foundations and private individuals with entrepreneurial background will be systematically approached as potential donors.

With the existing commitment of the donating foundations, and the additional required CHF 1.5 mio., venture kick is confident to achieve the following goals by the end of 2011:

- **150+ newly incorporated innovative high-tech companies;**
- **CHF 100+ mio. financing volume invested in these companies;**
- **1000+ high-quality and sustainable jobs.**

Regarding the development of new jobs and investments, our calculation is based on a recently published study by ETH Zurich transfer ("The performance of spin-off companies at the Swiss Federal Institute of Technology Zurich"), which analyses in details the development of 130 spin-off companies in the period 1998 to 2007.

## FINANCES

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The expenditures of CHF 3'317'126 for 2009 were held 8% below the established budget.

Expenditures 2009				%
<b>Funding Contributions (Target)</b>		<b>Funding Contributions (Actual)</b>		
<b>82 Projects</b>	<b>2'130'000</b>	<b>80 Projects</b>	<b>1'850'000</b>	<b>55.8%</b>
47 Projects at CHF 10'000	470'000	47 Projects at CHF 10'000	470'000	
23 Projects at CHF 20'000	460'000	24 Projects at CHF 20'000	480'000	
12 Projects at CHF 100'000	1'200'000	9 Projects at CHF 100'000	900'000	
<b>Support Process</b>			<b>644'000</b>	<b>19.4%</b>
Individual feedbacks on projects				
Development/Supply of Tools und Checklists				
"Kickers Camps" – Organisation and execution				
<b>Jury Sessions</b>			<b>341'500</b>	<b>10.3%</b>
Evaluation Applications/Selection of processes				
Preparation Jury Sessions				
Implementation Jury Sessions (incl. Expenses)				
Overall Administration and expenses				
<b>Promotion und Communication</b>			<b>228'000</b>	<b>6.9%</b>
Direct promotion (phone, promotion on site,...)				
Press and Ads				
Promotional material in universities and events				
Online-marketing (Newsletters, Partner-Sites)				
Development internet web site				
Development intranet web site				
Translation				
Promotional expenses (travel,...)				
<b>Management</b>			<b>150'000</b>	<b>4.5%</b>
Reporting/Strategy/Planning/Development				
Conception and design of support process				
Optimisation of selection's process				
Conception and composition of Jury				
<b>VAT.</b>			<b>103'626</b>	<b>3.1%</b>
<b>Total (incl. VAT.)</b>			<b>3'317'126</b>	<b>100%</b>

In addition to the funding contributions, the "Support Process" and "Jury Sessions" are to be considered as "direct project expenses" (according to Swiss GAAP FER 21). For the year 2009 the project vs. operations part are of approximately 87% vs. 13%. For the second full year of operation, this can be considered as good. The 2010 budget forecasts a reduction of the operating ratio to 10% and a project share of 90%.

### venture kick

c/o IFJ Institut für Jungunternehmen

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