



External impact analysis of CTI Start-up Funding. Statement by the Commission for Technology and Innovation CTI

1 Background

The Swiss start-up scene has developed dramatically over the past 20 years. Start-ups can now benefit from a broad and varied funding environment, ranging from small-scale funding contests to intensive accelerator programmes. The CTI was one of the first organisations to provide funding and support programmes specifically for young entrepreneurs when it launched the Coaching programme in 1996.

In view of the ongoing development of the Swiss start-up scene, it is important to analyse our own offering and to evaluate how the CTI's system of start-up funding is positioned in the current environment. This also makes sense in view of the imminent establishment of Innosuisse, and offers an opportunity for making any necessary changes.

This is the background against which econcept AG, Koch Consulting and AIT drew up this impact analysis. This is the first of two reports which mainly deal with the Start-up Coaching programme, but also look at the other start-up funding instruments. The second report will be written following the completion of a second phase scheduled for 2018.

2 Statement on recommendations

This impact analysis shows that CTI Start-up coaching is judged to be attractive and useful by those who have benefited from it. Combined with the other funding instruments, such as R&D project funding and the Entrepreneurship courses, this creates an extensive range of support for science-based start-ups. It is notable that start-up companies participating in the CTI Coaching programme require and acquire more venture capital than comparable companies that do not. They also have more cooperation agreements with higher education institutions and file more patents. On the other hand, market entry among these start-ups is comparatively slow. This would suggest that the CTI Coaching programme is particularly beneficial to young companies wanting to implement complex business ideas with considerable development and financing requirements. This is also borne out by the high proportion of start-up companies in the life sciences, whose structure is very demanding due to the regulatory framework, among other things. It would seem, then, that the CTI Coaching programme is used by those who most need it.

It is also pleasing to note that there is an 80 per cent survival rate among start-ups that were awarded the CTI Start-up Label six to ten years ago and aimed for market entry. These companies show modest yet continuous growth on average.

However, the impact analysis also highlights the unused potential which could be exploited by the CTI – and, above all, by the future Innosuisse. The CTI presents its detailed view of the resulting three recommendations below.

Recommendation 1 – Greater emphasis on national tasks and coordination

The CTI shares the opinion that the growing number of regional and subject-specific offerings will mean that a greater degree of coordination is required. Information platforms such as the popular Startupticker news portal, which is sponsored by the CTI, provide a way of achieving this.

However, the main focus of CTI funding for start-ups is still the Coaching programme, in which entrepreneurs and specialists share their experience and their networks with start-ups. The CTI believes that this is a targeted and sustainable way to promote innovation. Start-ups will, in future, be able to select their own coaches, creating a certain degree of self-regulation; start-ups will be able to make use of those aspects of the CTI Coaching programme that are not available to them elsewhere.

Recommendation 2 – Reposition CTI coaching, including clarifying the target group

The CTI accepts this recommendation and is working to make the appropriate adjustments. The Coaching programme is already being revised ahead of the launch of Innosuisse, and the target groups and requirement criteria are being refined. The impact analysis provides a welcome input in this respect.

Recommendation 3 – Clarify the interfaces with R&D project funding

The CTI aims treat all the applications it receives equally and with as little red tape as possible. Each funding decision is based on transparent criteria. If additional measures can improve this process, they will of course be taken into account. In this respect, a separate sub-category for CTI start-ups in R&D Projects makes sense in order to understand specific innovations and how they develop within the CTI's overall funding system.

3 Final comments and thanks

The CTI would like to thank all the people and institutions involved for their support, in particular econcept AG, Koch Consulting and AIT for their competent and professional analysis. Thanks also go to the advisory group. The CTI is pleased that the conclusions are predominantly positive, and views the recommendations as a further motivation to continue improving its funding activities.

April 2017

For the CTI

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