



MOBILE
WORLD CAPITAL
BARCELONA

Entrepreneurship & Innovation Programme

Strategic intent and operational plan

Exec summary

Entrepreneurship and Innovation Programme

- PEI -

- PEI is one of the five key programmes defined within the BWMCF's strategic plan 2013
- The Entrepreneurship and Innovation Programme has been created with a clear vocation to help the entrepreneurial movement aligned with other existing initiatives
- Build on the ambition to be **Global**
 - Meets the entrepreneurship needs and opportunities at different stages of people maturity
 - Comes with a clear mission to connect the World with Barcelona and Barcelona with the World

Objectives

The main objective of the program is:

- **Barcelona to become a benchmark in global mobile innovation and a good place to start new mobile businesses**

Also are objectives:

- **Achieve mobile critical mass**
- **Encourage a change of attitude towards entrepreneurship**

Operational Plan 2014-2015

Comprised of 3 stages:

1. **Attitude:** change and update the entrepreneurial culture of the new generations (and not that new) – *Initiatives: Mobile Summer Camps, Global Youth Summit, Startup Weekends...*
2. **Growth:** Consolidating mobile community and boosting the ecosystem – *Initiatives: 4YFN, Ambassadors, Talent Fair (UP)*
3. **Scale:** Barcelona as a global mobile innovation benchmark – *Initiatives: TIME, Mobile Acceleration Hub (MAH), Mobile Vertical Fund (MVF)*

Why entrepreneurship and innovation?

- The **Entrepreneurship and Innovation Programme** has been created within this process of reflection with a clear vocation to help the entrepreneurial movement aligned with other existing initiatives – commercial channel, funding, incubation, etc., – basing its strategy on promoting entrepreneurs with the BMWCF's assets.
- This focus is aligned with the expectations of the external agents in the Capital in terms of entrepreneurship, although the programme has been created with more ambition and relevance, as established in the BMWCF's objectives.
- It is necessary to increase the programme's ambition so that it promotes global mobile innovation. We understand global innovation to be that which is relevant on the worldwide level, which works on the leading edge of current knowledge, and which goes beyond technological progress, also dealing with its social and economic aspect.
- This focus opens the **doors to the creation of a new approach**, beyond the traditional focus of entrepreneurship, and allows new actors and key agents to be incorporated who until now were not included naturally in the Mobile World Capital: research centres, RDI laboratories, start-ups and SMEs with differential assets, etc. Working on this leading edge should provide Barcelona with platforms of long-term growth, supporting the technological and enterprising community and permitting it to grow.
- This new mobile innovative city approach is what truly benefits the entrepreneur: **Placing Barcelona on the map of enterprising ecosystems with a differential and unique value proposition.**

The Entrepreneurship and Innovation Programme begins to build on the ambition to be Global

- First, it meets the entrepreneurship needs and opportunities at different stages of people maturity. The Programme works in all age groups, from toddlers to the elderly; the most important thing is that they share the mobile entrepreneurial ambition.

- Secondly, it comes with a clear mission to connect the World with Barcelona and Barcelona with the World
 - **From the World to Barcelona**
 - The Programme promotes interest worldwide initiatives in leveraged with own international assets, such as the Mobile World Congress, and creating new ones together with existing international agents in the city (communities, incubators, etc.).

 - **From Barcelona to the World**
 - The ultimate goal of the program is to support and promote mobile entrepreneurs' initiatives with a clear potential for growth leveraging worldwide scalable products and solutions.

 - The Programme is committed to initiatives that articulate their value proposition around innovative products and services **with global reach**. For global innovation we understand that it is relevant globally, working on the edge of present knowledge, and going beyond the technological advances, taking care of the social and economic aspect of it.

Programme objectives

- Main Objective

- **Barcelona to become a benchmark in global mobile innovation and a good place to start new mobile businesses**

- To be a **Benchmark** it is necessary to work in terms of avant-garde, leading-edge technologies, to work on The Next Big Thing
 - Innovation must be geared toward and focused on the **Mobile** world, in the broad sense of the term.
 - It is only necessary to concentrate on **Global** innovation, this being that which tackles global scale challenges with an important economic and social impact.
 - In **Barcelona**, despite the global ambition, it is essential to take advantage of the key assets of the territory.

- Other objectives of the Entrepreneurship and Innovation Programme are:

- Favour Mobile technology transfer
 - Capture innovation-related public-private investment
 - Favour the appearance of new innovative and global enterprising initiatives
 - Generate talent and skilled jobs
 - Improve companies' capacity for innovation

Expected results and metrics

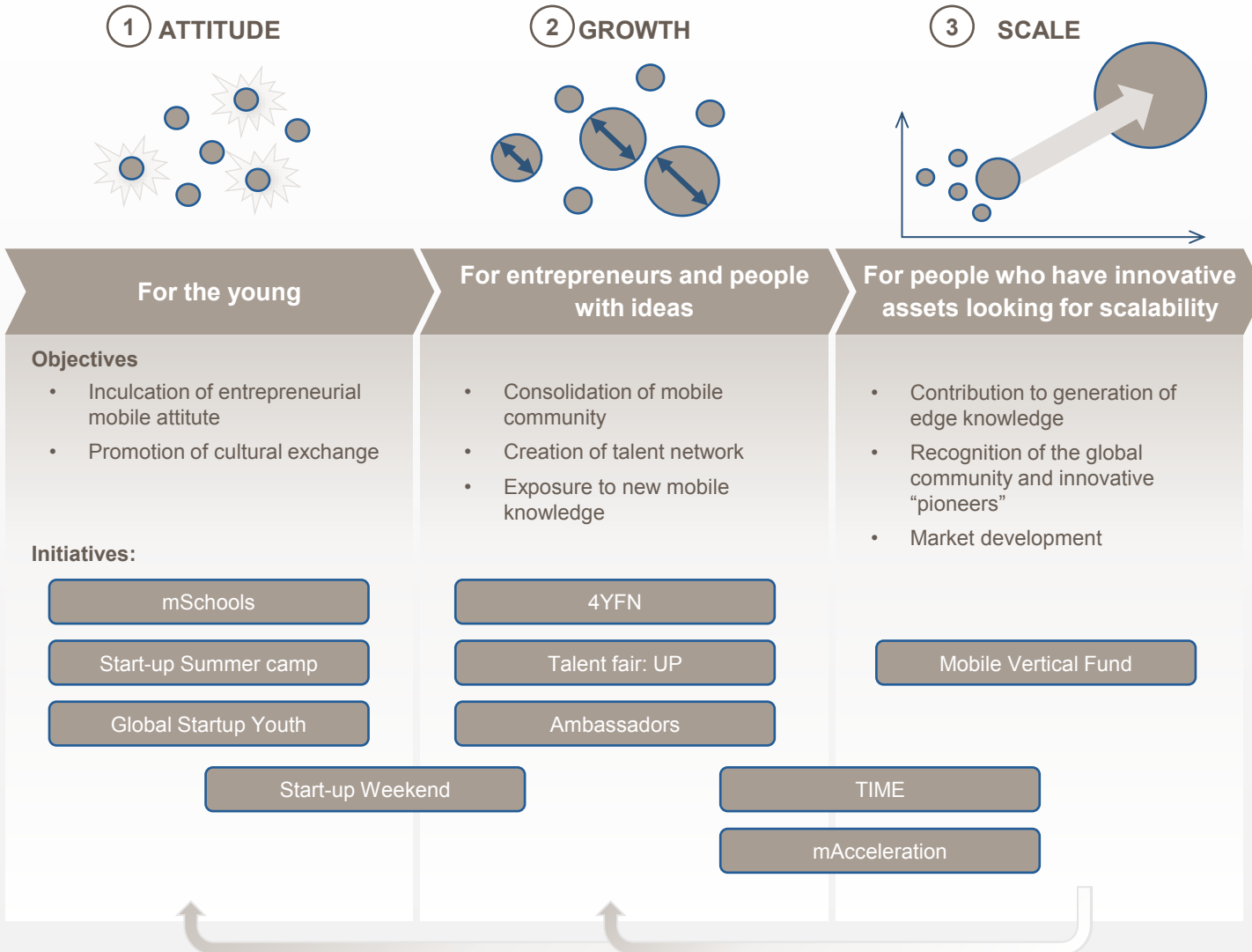
▪ EXPECTED RESULTS

- Mobile innovation benchmark within strategic sectors present in the territory
- Entrepreneurship of higher quality, more scalable and genuine
- Organic concentration of the mobile activity in the city and the territory
- Change of mind among young people in terms of entrepreneurship and internationalization
- "Mobilization" of existing initiatives

▪ METRICS

- **Process Metrics:** A set of metrics designed to measure programme's execution. Examples:
 - # Talent exhibitions made
 - # mSchools courses delivered
 - # Summer camps developed
 - # Registered Ambassadors
 - ...
- **Impact Metrics:** A set of metrics designed to understand the impact of programme's activities. Examples
 - #Startups created
 - Presence increase in Mobile communities
 - Impact on international media (TechCrunch, etc.).
 - Entrepreneurship perception change among young people
 - ...

The Program is composed of 3 stages; each one defines a number of initiatives:



1. ATTITUDE

▪ Start-up Summer camp

- Summer camps for boys and girls between 8 and 12 years of age learning mobile technology by playing and adventure and developing creative and entrepreneurial skills.
- 2 Different approaches:
 - mSchools Summer Camps, together with the Departament Educació, Gencat
 - ENTI, a summer camp around gaming industry

▪ mSchools

- Educational program to help high school students who work in Catalonia with mobile technology in the classroom. It is in cooperation with the Government of Catalonia, and it aims to reduce school dropout rates, improve student performance and ultimately prepare students better for the requirements imposed by today's digital world.

▪ Global Startup Youth

- Annual meeting of undergraduate students from around the world working together address the great challenges facing humanity today. To involve local students in a spiral of energy, different cultural work dynamics, encouraging exchange and international networking.
- Considering to be done next Mobile World Congress '15 within GSMA Youth initiative

▪ Start-up Weekend

- Program of regular events where a group of 80-100 people of all ages gather for a weekend to work from idea to prototype. It represents the entrepreneurial spirit at its maximum. The initiative should be leveraged on existing international networks.

2. GROWTH

▪ 4YFN

- International entrepreneurship platform created as a program in the Mobile World Congress around knowledge, talent, relationships and visibility. The aim of this initiative is to bring the entrepreneurial ecosystem into the great Mobile week. The format is three days of lectures, workshops, access to experts and networking, plus 1 day entry to the Mobile World Congress.
- 2015 will be the second edition

▪ Ambassadors Programme

- Create a network of people related to the values and ambition of the Mobile World Capital that take a leading role in the Mobile Transformation in their respective fields, whether technological, social or economic. This network is composed of people with different profiles, for example; designers, entrepreneurs, developers and students, and its mission is to evangelize and spread Mobile in communities, groups and organizations through content and relevant discourse to these segments.

▪ Talent fair: Stand up for Start up (UP)

- Program of events designed to match up existing mobile talent in the city with entrepreneurial projects. Startups will offer the profiles that are looking and talent, previously selected and filtered, will have the opportunity to see firsthand the job offer in the city.
- First pilot done

3. SCALE

▪ TIME Details

- Create Startups as a vehicle for tech transfer and innovation
- Link current R&D assets in the territory with high-class entrepreneurs through the Innovation Plans, converting ideas and technologies into real innovative Startups

▪ Mobile Acceleration Hub (MAH) Details

- Attracting international acceleration programmes in Barcelona will boost the arrival of new high-potential ventures, entrepreneurs and talent from around the world
- International Accelerators are a good opportunity to attract new talent and ventures to the ecosystems:
 - The success rate is far more better than other programmes
 - Their startups receive special attention from media
 - Have strong worldwide networks of entrepreneurs and alumni
 - Their startups have bigger valuation from potential buyers and investors

▪ Mobile Vertical Fund (MVF) Details

- A public-private venture & growth fund to support VCs investments made in Barcelona-based Startups
- The fund is targeted at local and international VCs willing to invest in Barcelona-based companies
- The idea is to promote VC funding by compromising investment in the same quantities and conditions – doubling their initial investment (matching private investment)
- The VC always leads the round, and MWC acts as a passive player
- Only startups based in Barcelona are eligible for this fund

To unlock all programme benefits, the legal and tax framework have to be adapted due to its public-private heavy-investing nature

1. Create Startups as a vehicle for tech transfer and innovation

- Link R&D assets to entrepreneurs
- Develop Innovation Plans
- Worldwide calls to attract high-class entrepreneurs and talent
- Initial 50k€ seed funding

2. Boost the local entrepreneurial ecosystem

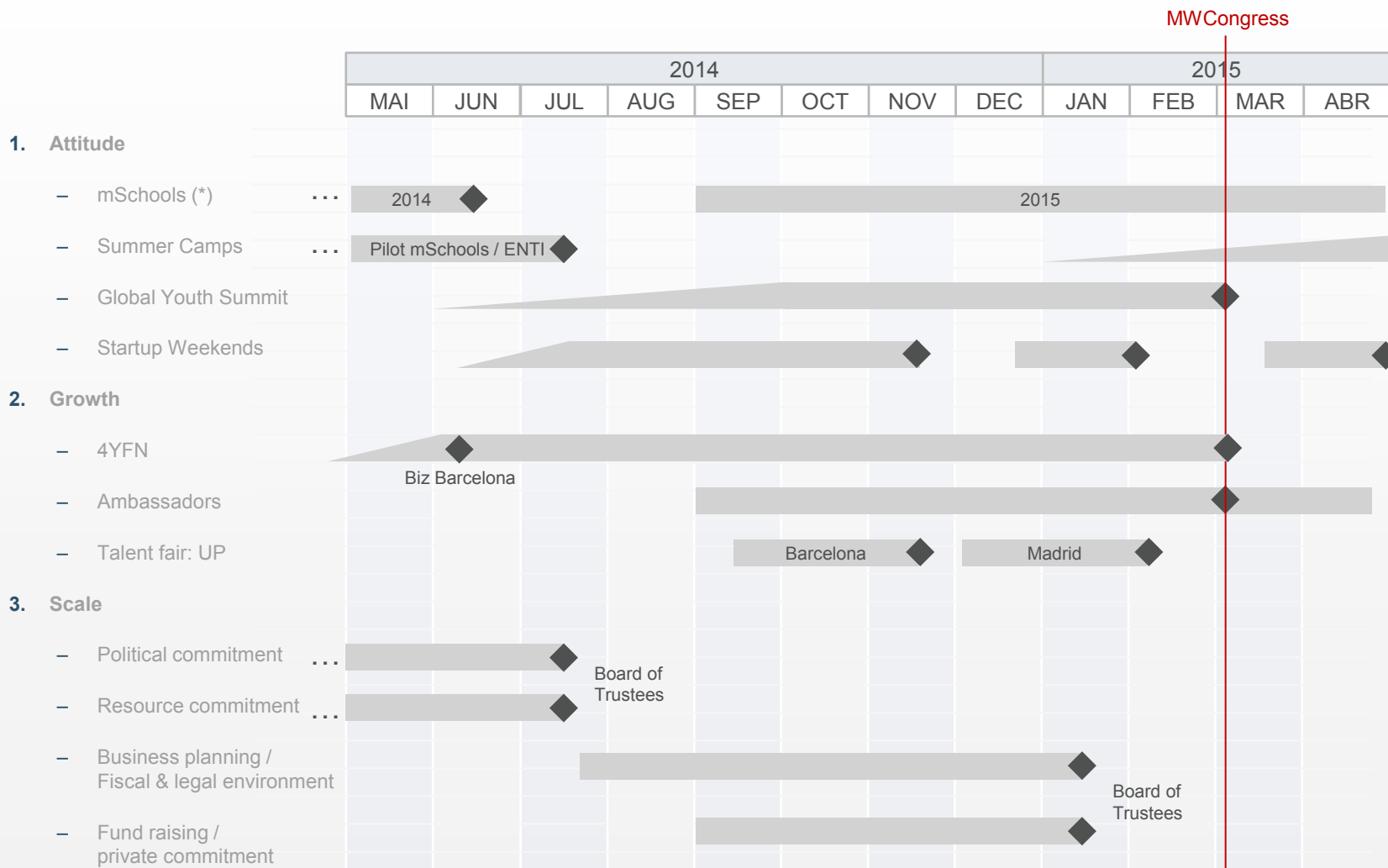
- Attract best international acceleration programmes
- Consolidate 4YFN as the right moment for showcasing startups
- Make Barcelona the home of new businesses

3. Promote VC funding in Barcelona

- Create a mobile vertical fund
- Promote VC investments by direct contributions to the deal
- Provoke local VCs
- Attract new investors from around

Investment	Public	Public and Private
Management	Private and independent	

Operational plan 2014-2015



MWCongress



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PEI initiatives

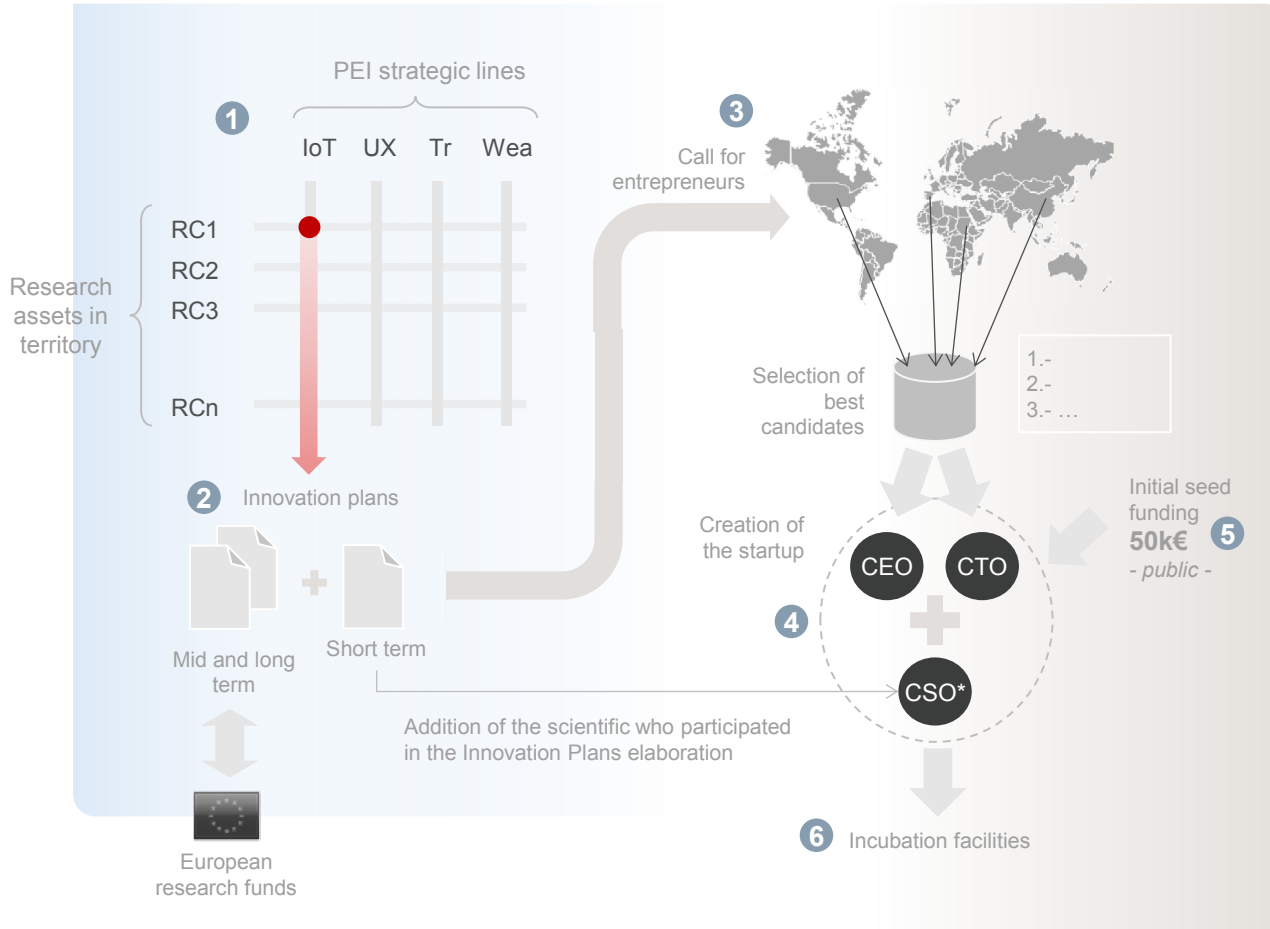


1. Create startups as a vehicle for tech transfer and innovation

Link current R&D assets in the territory with high-class entrepreneurs through the Innovation Plans, converting ideas and technologies into real innovative Startups

Ideation & research space

Execution space

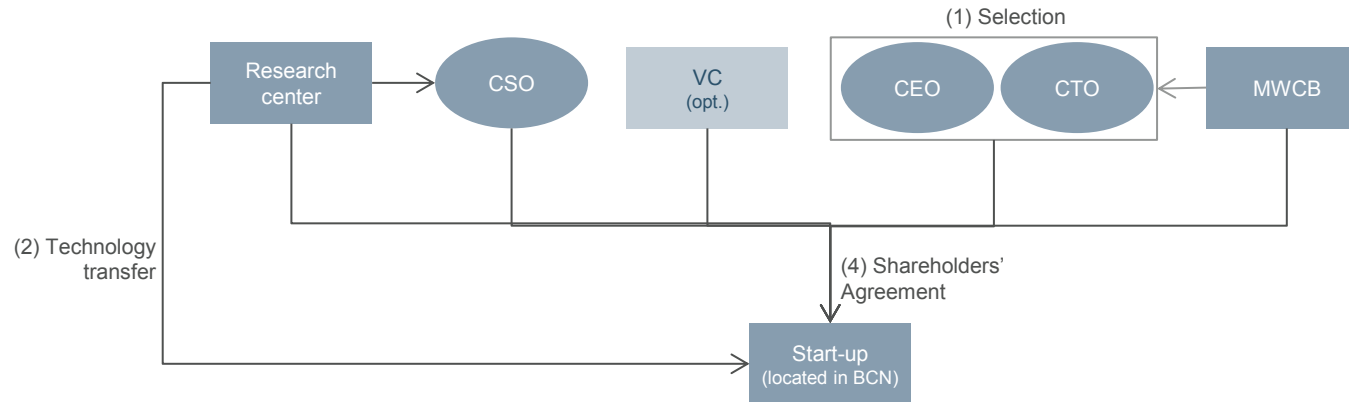


1. The intersection of high-level investigation & research and mobile trends lead to the development of the Innovation Plans
2. Innovation plans tackle with the short, mid and long term. Short term projects require little additional development, and long term require further research and development.
3. A worldwide call looking for the best entrepreneurs willing to leverage the new technology and create innovation out of it
4. Once the entrepreneurs are selected (at least one CEO and CTO), the startup is founded. A scientist from the RC scientific team also joins as CSO to keep the tech advantage and further developments.
5. Seed funding is provided as a public grant – no equity taken – to boost startups' liftoff
6. Join available incubation programmes

(*): CSO = Chief Scientific Officer

1. Create startups as a vehicle for tech transfer and innovation

Link current R&D assets in the territory with high-class entrepreneurs through the Innovation Plans, converting ideas and technologies into real innovative Startups



Legal issues:

1. Selection of CEO & CTO: Research center and CSO should be part of the Selection Committee (to involve them in the decision and generate trust and confidence).
2. Technology transfer: research center shall exclusively assign the rights to exploit the technology to start-ups.
3. MWCB investment: in addition to the selection of CEO and CTO, MWCB will make a financial investment in the start-up. Investment can be made (i) via grant (no return) or (ii) via equity (with return).
4. Shareholders' Agreement: in the latter case (equity investment), the rules of company management and investment protection will be agreed on a Shareholders' Agreement. MWCB will have its own model to protect its position, taking into account the specific characteristics of its investment.

Factor to be considered: Receipt of an offer for the acquisition of technology, without the creation of start-up. In this case, if MWCB has participated in the international public tender procedure, its participation on proceeds should be determined.

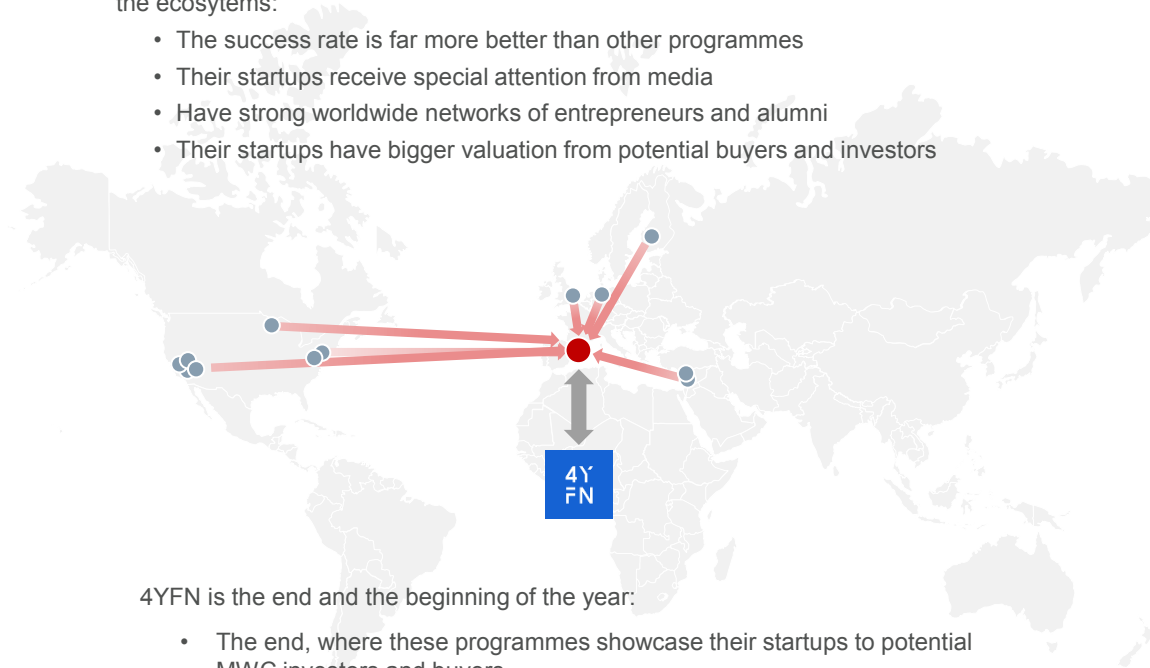
2. Boost the local entrepreneurial ecosystem



Attracting international acceleration programmes in Barcelona will boost the arrival of new high-potential ventures, entrepreneurs and talent from around the world

International Accelerators are a good opportunity to attract new talent and ventures to the ecosystems:

- The success rate is far more better than other programmes
- Their startups receive special attention from media
- Have strong worldwide networks of entrepreneurs and alumni
- Their startups have bigger valuation from potential buyers and investors



4YFN is the end and the beginning of the year:

- The end, where these programmes showcase their startups to potential MWC investors and buyers
- The beginning, the right moment to recruit new ventures for the programmes

About Accelerators

Accelerators, incubators and so-called “company builders” are innovative investment vehicles and business service providers that have made a novel contribution to advancing entrepreneurship around the globe, helping an entire generation of young companies, and particularly high-tech startups, to grow, prosper and thrive.

These startup programmes have become many young companies’ principal source of knowledge and support; they are in a position not just to help the needy, but to encourage the worthy. thrive.

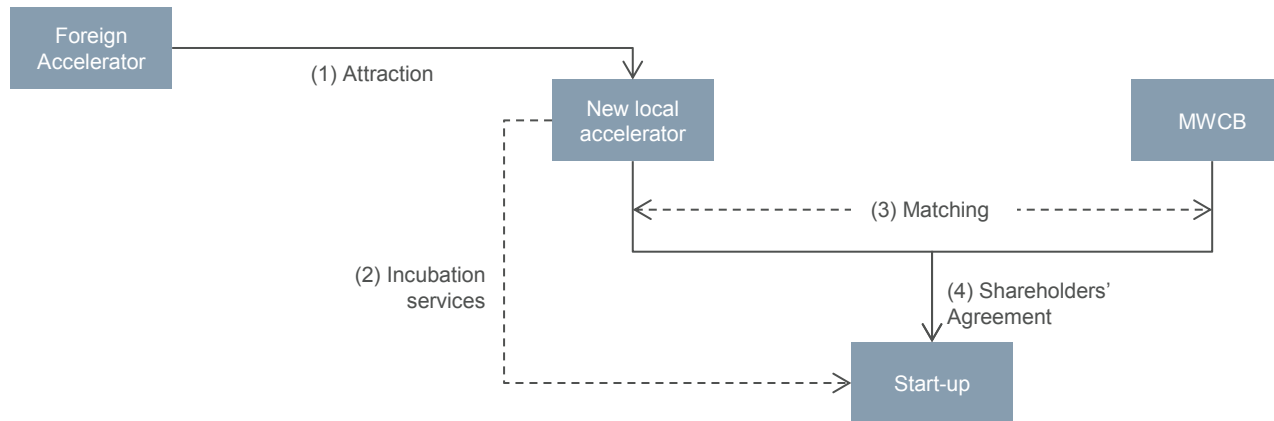
These startup programmes have become many young companies’ principal source of knowledge and support; they are in a position not just to help the needy, but to encourage the worthy.

Sample acceleration programmes:



2. Boost the local entrepreneurial ecosystem

Attracting international acceleration programmes in Barcelona will boost the arrival of new high-potential ventures, entrepreneurs and talent from around the world



Legal issues:

1. Attraction: The program would be aimed specifically at accelerators that decide to settle in Barcelona, establishing a new center of acceleration. The program may be extended to accelerators who already have a place of business in Barcelona.
2. Incubation services: Accelerators, in addition to investment, provide incubation services to start-ups (spaces, advising, fundraising). MWCB will make contributions for this concept.
3. MWCB investment: MWCB will make an investment equal to accelerator investment. MWCB will not take an active role in monitoring and controlling the company, as the accelerator will entrust such activities. Alternatively, MWCB may invest directly in local accelerator, through a joint account contract, so MWCB would not be in the equity of the start-up.
4. Shareholders' Agreement: If MWCB becomes shareholder of the start-up, it would be part of its Shareholders' Agreement, in which the rules of company management and investment protection would be defined.

Sample acceleration programmes:





3. Promote VC funding in Barcelona

A public-private venture & growth fund to support VCs investments made in Barcelona-based Startups

The fund is targeted at local and international VCs willing to invest in Barcelona-based companies

The idea is to promote VC funding by compromising investment in the same quantities and conditions – doubling their initial investment

VCs get bigger rounds without too many investors

The VC always leads the round, and MWC acts as a passive player

Only startups based in Barcelona are eligible for this fund



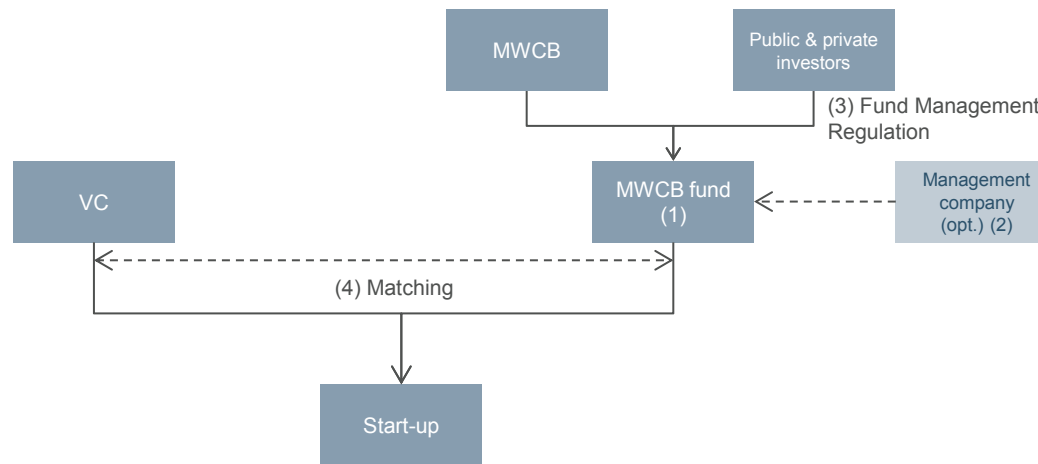
Use case:

A startup is looking for 8MM€ Series A investment

1. The startup presents the project to a VC
2. The VC decides to enter into an investment round
3. The VC leads a round for 4MM€, finding other VCs
4. Secures the 4MM€
5. The VC presents the project to MWC Fund
6. If the project fits the MWC portfolio and meet the fund requirements, MWC invests same quantity with same conditions: 4MM€
7. The round is closed, agreements are signed, and the startup receives 8MM€
8. VC invoices MWC in concept of management fee (~2,5%)

3. Promote VC funding in Barcelona

A public-private venture & growth fund to support VCs investments made in Barcelona-based Startups



Legal issues:

1. Incorporation of MWCB fund: considering the participation of other investors in this instrument, first step is to determine the entity that will manage investments. It should be a for-profit and tax optimum entity, allowing return of investment (externally managed venture capital fund, or self-managed venture capital company).
2. Management company: if venture capital fund is chosen, it will be required to hire a management company to manage it. The selection of the entity should be done by tender procedure.
3. Fund Management Regulation: A Fund Management Regulation shall govern the rules in relation to the management of the fund. This document must establish, inter alia, governance and management of the entity, criteria for investment and disinvestment, and benefit-sharing regime.
4. MWCB investment: the fund will make an investment equal to VC investment. The fund will not take an active role in monitoring and controlling of the investment, as the VC will entrust such activities.

To become a true benchmark of Mobile global innovation, it is necessary to work on tackling initiatives with the maximum both local and international impact and relevance

▪ The innovation activity that the BMWCF has to promote should be governed by the following **criteria**:

1. Alignment with global technological, social and economic trends: **the Next Big Thing**
2. Importance for the innovation agendas of the **private technological sector**
3. Presence of **innovation and research assets** in the territory of international renown: research centres, universities, etc.
4. Existence of **non-technological strategic sectors** with the capacity and will to take on and purchase Mobile innovation: retail, food, tourism, etc.

Internet of Things

The programmable and hyper-connected world

Wearable

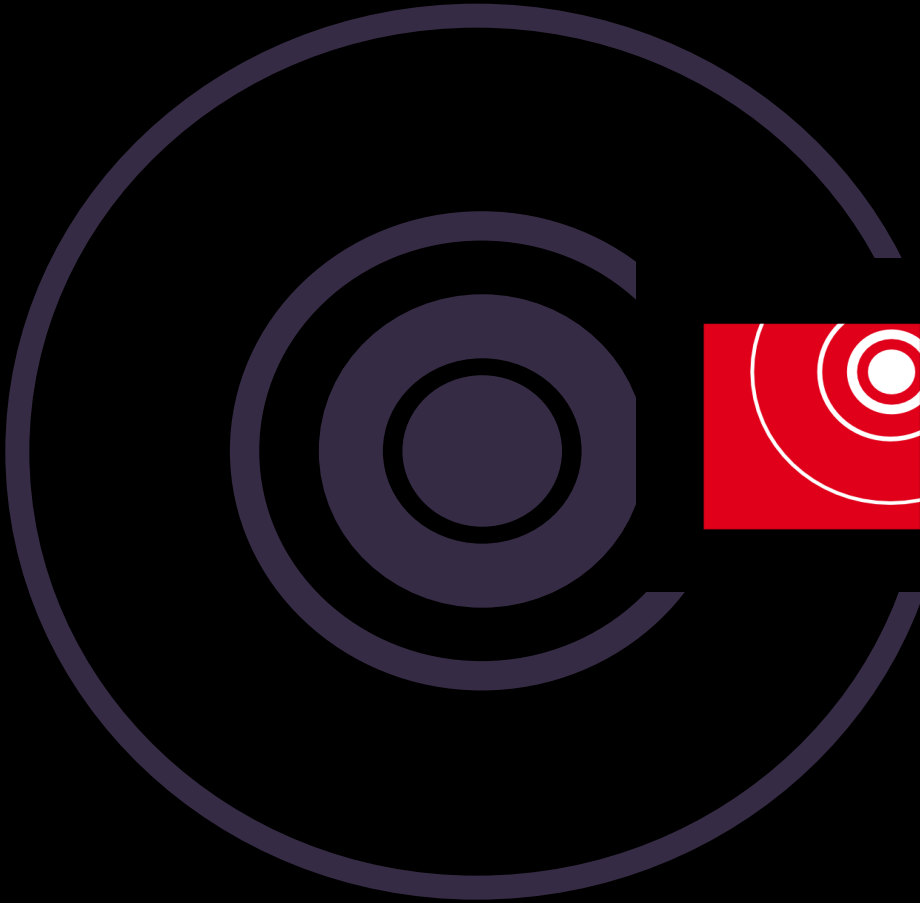
Incorporation of mobile technology into articles of clothing and accessories.

Transmedia

Format of formats, multi-format distribution of multimedia contents

User Experience

Exploration of new human-device interactions



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