

## Case Study 5.3. Investors Day at University of Minho

**CRITICAL AREA OF FOCUS 3:** “Accessing finance and interacting with financial stakeholders”

**BEST PRACTICE FOR:** “Matchmaking Events and network of Interactions with Investors”

**AIMED AT:** TTOs

**UNIVERSITY:** University of Minho (Portugal)

**TTO:** TecMinho



### The context:

Founded in 1973, the University of Minho today is a highly renowned Portuguese university, with over 19,000 students, 1,300 professors and 600 employees. It has eleven schools and institutes on two campuses and plays a key role as development agent of the Minho region, which is known for its significant economic activity.

TecMinho was established in 1990 as a private non-profit association to promote the University's connection to society and contribute to regional development by supporting the transfer of knowledge and technologies created at the University into application. TecMinho's Knowledge Transfer Office now has a staff of 12 people, covering the key aspects of technology transfer: IP management, commercialization and entrepreneurship.

### The problem:

One of the key challenges in technology transfer is the limited availability of funding for early stage projects. TecMinho has neither its own funds available nor the resources to initiate and efficiently foster matchmaking with potential investors for each entrepreneurial project originating from the university. At the same time, there are investors looking for attractive investment opportunities, but they have no established process to communicate with the TTO or academics.

### The solution:

In 2010, TecMinho established a yearly half-day event called Investors' Day to connect potential investors with academics who have early-stage validated technologies available for investment. In just one afternoon, investors have the opportunity to listen to and learn about 12 high-potential projects and initiate contact with the lead scientists. The projects cover a broad range of topics and are at different development stages, but all of them are carefully selected by TecMinho considering their degree of investment readiness. The TecMinho team performs a thorough due diligence regarding the novelty and quality of technology / science, the commercial potential and the sustainability of the business concept before admitting a project to the Investors' Day. Moreover, the TTO offers dedicated pitch and communication trainings to prepare the academics/entrepreneurs for the Day.

Investors are invited personally by TecMinho, ranging from business angels and venture capitalists to decision makers representing public funding agencies or micro-credit opportunities. Over the years, TecMinho has built a strong network in these areas and was therefore able to attract some 20-30 investors per Investors' Day. For each event, four seasoned investors of various backgrounds are selected to form a panel that will lead the Q&A sessions, while the other investors attend as part of the audience.

The event starts in the afternoon and lasts usually from 1pm to 7pm. Academics will present their projects in focused pitches of maximum 10 minutes length and will then be challenged by the panel (10 extra minutes). In addition, one or two questions from the audience can be admitted. These sessions last from 1pm to 5p-5.30pm, and are followed by brief one-on-ones, in a speed-dating format. Finally, all participants are invited for dinner.

The combination of presentations, Q&A, one-on-ones and networking enables the investors to gain a comprehensive overview about the investment opportunities arising from University of Minho and to establish the relationships that are needed to further pursue the projects of interest.

The matching between projects and investors is made in an informal manner, without the support of any platform or technology. Attending investors indicate which projects they would like to meet immediately and the TecMinho team organises the agendas during coffee break to allow as many investors to meet their preferred projects in a one-on-one basis in the follow-up session (5.30-7pm), and the dinner is an extra opportunity for networking.

TecMinho follows-up with both academics and investors. Academics receive a questionnaire on how they perceived the event and investors are contacted personally to learn if / which academics they would like to meet. The level to which TecMinho gets involved in subsequent activities varies with the type of project. In the case of student projects, where TecMinho does not own the IP, the TTO usually takes a consultant role supporting the teams on request and monitoring progress on a periodical basis. If the University owns IP in a project, TecMinho will participate in follow-on meetings and actively promote project progress.

The Investors' Day is one element in a broad range of support and training activities that TecMinho has established to support entrepreneurs-to-be. Experience shows that academics who take advantage of one or more of the modules (listed below) perform better during the Investors' Day, but the modules are not mandatory. All of them are run with very limited funds, made possible through basic fund-raising and the gratuitous support of external experts.

They include:

- Workshops and seminars where serial entrepreneurs share their knowledge on how to build a business
- A business plan competition.
- An Idea Lab for early projects, a lean type of acceleration programme taking place once a week over four months, where academics are matched with mentors and coaches to intensely work on their business models .
- A Company Lab for more advanced spin-off projects focusing on practical aspects of running a business.
- A helpdesk called start@tecminho offering individual consulting services on specific issues relating to company foundation and growth.

### Alignment to PROGRESS-TT:

This case is a good illustration of the “Matchmaking Events and Network of Interactions with Investors” Best Practice in PROGRESS-TT Critical Area of Focus 3 “Accessing finance and interacting with financial stakeholders”.

The Investors' Day is an initiative which can dramatically reduce the time needed for matching early, high-potential spin-off teams with potential investors. It is easy to do, at almost no cost, and therefore suited for all TTOs who have a strong portfolio of research with commercial potential but lack access to early-stage funding to get their ideas market- and investor-ready. TecMinho's experience demonstrates that the format meets the demands of investors looking for cutting-edge, early stage investment opportunities. For each Investors' day, the TTO managed to attract some 20-30 potential investors and 10-15 entrepreneurial ideas. According to the questionnaires, the atmosphere during the event was perceived overwhelmingly positive and constructive by all participants and several follow-on meetings were as well. Secondary effects are that the Investors' Day helps spread the word among investors about the commercial opportunities arising from the University of Minho and helps foster a supportive ecosystem in the Minho region.

The major measure of impact is the number of scheduled meetings after the Investor's Day, which indicates the level of interest raised by the presented projects. So far, each project has scheduled an average of 10 follow-up meetings with investors, which would hardly be possible without such a facilitating event.

Critical success factors are the availability of a broad and diverse network of investors and strong project assessment and business planning skills. Dedicated training and support programs are recommended to help academics transform their ideas into winning investment cases. TecMinho has demonstrated that these can be offered with limited resources and funds, e.g. by integrating external experts who are willing to share their knowledge at (almost) no charge.

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