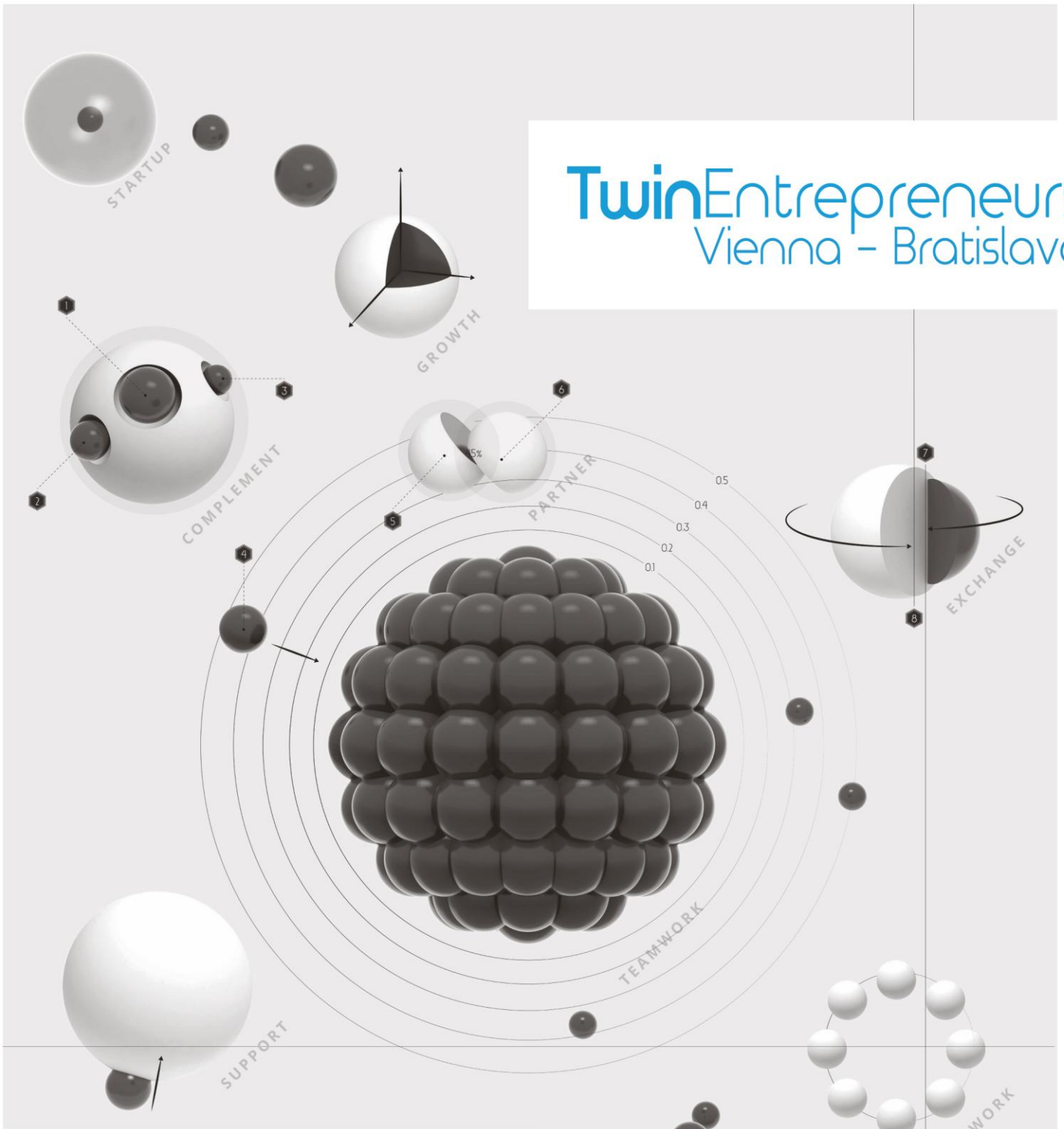


TwinEntrepreneurs Vienna - Bratislava



Regional Study

Analysis of start-ups and young companies in the region SK-AT (support and environment).

AUSTRIAN PART BY:

rsaeSPARK

DR. RUDOLF DÖMÖTÖR
ULRICH FANDL, BSC.
DR. THOMAS FUNKE

SLOVAKIAN PART BY:



ING. MARIÁN SMORADA, PHD.
ING. ĽUDOVÍT ŠRENKEL, PHD.

Imprint

Authors:

Dr. Rudolf Dömötör

Ulrich Fandl, BSc.

Dr. Thomas Funke

Ing. Marián Smorada, PhD.

Ing. Ľudovít Šrenkel, PhD.

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Vienna Business Agency (VBA)

Ebendorferstrasse 2

1010 Vienna, Austria

T +43 1 4000 86 70, F +43 1 4000 86 584

www.wirtschaftsagentur.at

and Young Entrepreneurs Association Slovakia (YEAS)

Cukrova 14

Bratislava 813 39, Slovenska republika

T +421 2 59 32 43 44, F +421 2 59 32 43 50

www.zmps.sk

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1. Introduction

This report is a contract work made for Vienna Business Agency and Young Entrepreneurs Association of Slovakia by RSA eSPARK and PPCentrum as part of the project “TwinEntrepreneurs”, which has been co-funded by the European Research and Development Fund. TwinEntrepreneurs is an initiative for empowering start-ups in the area of Vienna and Bratislava. The focus is on companies that are pursuing clear goals for growth and internationalization.

The purpose of this regional study at hand is to analyze the existing start-up ecosystems in Vienna and Bratislava (with a particular focus on the respective support and services infrastructures) in order to provide insights for the development of specific support measures to promote cooperation between start-ups and growth-oriented companies in Vienna and Bratislava.

The report is structured as follows:

- Business demography (general view on the regional economies in Bratislava and Vienna)
- Characteristics of start-ups in Bratislava and Vienna
- Strengths and weaknesses of the regional start-up ecosystems
- Start-up support initiatives and programs (both public and private)
- International best practices of start-up ecosystems (incl. trends and takeaways)
- Recommendations

Method

The theoretical framework of the analysis was built upon the existing research literature, including scientific state of the art articles, books, magazines and newspaper articles. Findings thereof were complemented by a quantitative (existing statistical data and a survey conducted in Slovakia) and a qualitative research design (semi-structured interviews with founders and start-up experts). Main sources of statistical data were EUROSTAT, Wirtschaftskammer Österreich (Austrian Economic Chambers), Statistik Austria (Statistics Austria), Kreditschutzverband von 1870 (creditors' protection association), National Agency for Development of Small and Medium Enterprises (NADSME) and the Statistical Office of the Slovak Republic. A quantitative survey on characteristics of start-ups was conducted in Slovakia between May and June 2013. Out of 180 participants of the survey, 119 were entrepreneurs and the remaining 61 stated they intended to start a business in the near future. 30 interviews with start-up founders, representatives of support initiatives in Austria and Slovakia, and experts regarding the international best practices were conducted between April und July, 2013. The interviews took from 60 to 120 minutes.

2. Business Demography

2.1 General View

Both Bratislava and Vienna hold the **leading positions** in their respective economies. Whereas Bratislava region hosts only 11% of Slovakia's population, it contributes more than 27% to the country's GDP. About 35% of all Slovak companies are located there, and more than 40% of Slovak undergraduates attend a college or university in Bratislava. The situation is similar in Vienna: 20.4% of the Austrian population lives in the capital city. The regional GDP corresponds to more than one quarter of Austria's GDP, approx. 26% of Austrian companies can be found in Vienna and almost 60% of all Austrian university students are studying there. These indicators emphasize the importance of both cities for their countries' economies.

In 2012, there were approx. 1.8 times more **active companies** in Vienna (approx. 105,000; Statistics Austria) than in Bratislava (58,401; Statistical Office Slovak Republic). However, whereas the number of active companies in Vienna has remained rather stable over the past five years, Bratislava experienced a remarkable increase of 18% between 2010 and 2012 (from 49,600 to 58,401). Regarding **company size**, both cities are characterized by a large share of micro-sized (<10 employees) and small-sized (10-49 employees) companies (about 98% of all companies). In both regional economies the **tertiary sector** (trade and services) accounts for the largest proportion of economic output (Vienna: >80%, Bratislava: >77% of value added).

2.2 Enterprise Births

In 2012, **6,157 new companies were founded in Bratislava and 8,279 in Vienna**. These numbers correspond to enterprise birth rates (i.e. number of newly born companies as a proportion of the total number of active companies) of 10.5% in Bratislava and 7.9% in Vienna. However, as shown in Table 1, the number of newly incorporated companies decreased in both cities between 2010 and 2012 (-11.5% in Bratislava and -10.5% in Vienna). The "survival rate 7" of newly founded companies in Vienna is above 50% (i.e. more than 50% of newly founded companies will survive to year 7 of operation; Statistics Austria).

Table 1: Newly incorporated and defunct companies in Bratislava and Vienna (2010-2012)

Region	2010	2011	2012
Newly incorporated companies			
Bratislava*	6,955 (2,697)	6,838 (2,461)	6,157 (2,348)
Vienna	9,253	8,325	8,279
Defunct companies			
Bratislava*	3,933 (458)	5,179 (785)	5,157 (1,153)
Vienna	2,023	1,836	1,862

(Sources: KSV 1870, 2013, NADSME, 2013, and WKO, 2013a)

* Note: Data in brackets refer to newly funded corporations. A specific pattern of Slovak entrepreneurial environment is that a considerable amount of employees perform their job as sole proprietors (due to the lower tax and insurance burden). As a consequence, data about legal persons provide better information about the topic of this report.

In 2012, nearly **90% of all new companies** in the Bratislava Region were in the **tertiary sector** (66% services and 23% trade). A similar pattern can be observed in Vienna, where even 95% of new firms are providing services (61%) or are in the trade business (34%) (WKW, 2013, and Wien, 2013).

The most popular **legal form** for new businesses in both countries are sole proprietorships (86% in Austria and 62% in Slovakia) followed by limited-liability companies (GmbH resp. s.r.o.). In Austria, limited-liability compa-

nies are expected to become more popular among newly founded companies. Reason is that in July 2013 minimum share capital and minimum corporation tax were lowered and the process of setting up a GmbH was simplified. In Slovakia, a different pattern can be observed. Aiming to fight against tax frauds the government performed several steps which have complicated the process of establishing a llc s.r.o. for all potential entrepreneurs (e.g. the necessity to pay the registered capital on a bank account, tax licenses, VAT collateral etc.).

When it comes to determining the actual number of start-ups in Vienna and Bratislava (defined as young/newly created company [<7 years], with a scalable business model [operating margin increases as the revenues grow], built on some sort of product or marketing innovation, and showing global ambitions), our research found that currently there are no statistical data available yet. Given the importance of the start-up sector as a growth engine we would welcome collecting such data in the future.

3. Start-up Characteristics

The following analyses refer to start-ups in Vienna and Bratislava which were defined as follows:

- Young/newly created company (<7 years),
- with a scalable business model (operating margin increases as the revenues grow),
- built on some sort of product or marketing innovation,
- and showing global ambitions.

The respective data were collected in nine expert interviews and a quantitative survey by Röhrich (n=37, 2012) in Vienna and 21 expert interviews and a quantitative survey (n=180) in Bratislava.

3.1 Typical Vienna Start-up

Legal Form

Besides the sole proprietorship, the most common legal form in Austria is the GmbH (llc), which in 2012 accounted for 8.6% (3,058) of all new companies. However, when it comes to (high growth) start-ups there are indications (e.g. from expert interviews and data from Statistics Austria) that a similar pattern as in Bratislava is true for Vienna as well (almost all start-ups are llcs).

Gender Distribution

Generally, there is a greater involvement of men in start-up activities in most economies. This reflects what most of our interviewed experts are observing, too. In a recent survey among start-ups (Röhrich, 2012), even all of the respondents (n=37) were male.

Age Distribution and Educational/Professional Background

According to the Global Entrepreneurship Monitor, the highest entrepreneurship participation is shown between 25-34 year olds. The second participation level ranges from 35-40. Both categories account for approximately 50% of all entrepreneurs (Xavier et al., 2012).

One of our interviewed experts was Bernd Litzka. He is the manager of Austria's largest business angel network "i2" and he observes differences in the team composition depending on the respective industries: the IT, mobile and software industry is characterized by a rather homogenous team structure (co-founders of similar age [~30 years] went to the same education institution and decided to start a business afterwards). In life sciences, the team structure is rather heterogeneous. Often a founding team consists of 2-3 senior founders (>40 years), typically with a strong research background, and 2-3 junior founders (<30 years) with an educational background in business or law.

Entrepreneurial Experience

According to the beforementioned start-up survey (Röhrich, 2012), 54% of start-up founders have already started, or tried to start, at least one business before and are able to contribute specific experience and start-up knowledge to their new ventures. The proportion of experienced entrepreneurs among the total number of founders is higher in Vienna than in Bratislava. Noteworthy is the finding that 38% of the respondents work on more than one start-up project (Röhrich, 2012).

Scope of Business Activities

Apparently, the (high growth) start-up scene is characterized by a large number of start-ups in ICT followed by Life Sciences.

3.2 Typical Bratislava Start-up

Legal Form

Most of the start-ups in the Bratislava Region operate as limited-liability companies (46% of respondents). Among start-ups with several co-founders, even 98% are llcs. Even start-ups with only one founder prefer an llc (62%) over a sole proprietorship (38%).

Gender Distribution

Young companies are mainly led by men. Only 34% of start-ups from the Bratislava Region were either established by women or by a team of founders with at least one woman on it.

Age Distribution

34% of start-up founders are between 25 and 29 years old. Another relatively large category with 28% share is the group of 30 to 34 years old. In the case of start-ups with more than one co-founder the survey showed another interesting fact: in 54% of these start-ups at least one co-founder is older than 30 years. This indicates that Bratislava start-ups seek to have at least one elder (experienced) team member.

Educational/Professional Background

70% of start-ups in the Bratislava Region have at least one co-founder with university education (in 28% the highest educational level is secondary education). Hence, university education is one of the fundamental features of start-up founders in the Bratislava Region. The majority specializes in technical or economics education.

Entrepreneurial Experience

The majority of start-up co-founders from the Bratislava region do not have any previous business experience (55%). This is probably a consequence of the lower age of the founders (the average age of more than half of the founders is less than 30 years). Almost three quarters of the start-ups whose founders have had prior business experience evaluated it as successful. In this respect, our results differ from the FOBS (2005) and YEAS (2012) surveys. According to the FOBS results 87% of Slovak start-ups and young companies did not have any previous business experience (YEAS: 72%). However, this may be for methodological reasons: as long as at least one of the co-founders had previous entrepreneurial experience, we regarded a start-up as one with prior business experience. Nevertheless it is obvious that many start-ups enter the market with only little business experience. This is likely to be reflected in the overall quality of their business and managerial decisions.

Scope of Business Activities

63% of start-ups provide (or would like to provide, that is) services. More than 40% of them focus on IT.

Number of Employees

Nearly three-quarters of Slovak start-ups did not have any full-time employee in 2012. 15% hired 1 or 2 employees and only in the case of 12% the number of full-time employees was higher than 3. Of course, this result is partially linked to the fact that several respondents had no legal form and as a consequence could not hire any employees. However, even if we take this factor into consideration, it will be clear that Slovak start-ups usually employ only minimum staff.

Sales

According to our survey a typical start-up from the Bratislava Region earned no sales or less than 50,000 EUR in 2012. In the case of more founders it is likely that sales range from 10,000 to 50,000 EUR.

Table 2 summarizes the findings on typical patterns of start-ups in Vienna and Bratislava.

Table 2: Typical patterns of start-ups and young companies in the Vienna and the Bratislava Regions

	Start-up in Vienna	Start-up in the Bratislava Region
Number of founders	2-3	1-3
Legal form	Limited Liability Company (GmbH)	Limited Liability Company (s.r.o.)
Gender	Mostly men	Mostly men (approximately 30% women)
Age	25-34 years (founders in Life Sciences are usually older)	25-29 years (in case of more founders, usually one of the founders is >30 years)
Education	University education	University education
Education specialization	Technics, economics	Technics, economics
Previous start-up experience	54% Yes, 46% No (IT sector: more no)	45% Yes, 55% No
Sectorial (branch) experience	n.a.	Yes
Scope of business activities	ICT, Life Sciences	IT, other services
Sales	n.a.	less than 50,000 EUR (in case of one founder less than 10,000 EUR)
Number of employees	n.a.	0
Age of company	Less than 3 years	Less than 2 years

Sources: Röhrich, 2012, and own analysis (9 expert interviews in Vienna; 21 expert interviews and quantitative survey [n=180] in Bratislava)

4. Start-up Support Programs and Services

According to Isenberg (2011) “supports” represent an integral part of any entrepreneurship ecosystem. In the following we will present a general description of different kinds of public and private start-up support institutions. Subsequently, we will provide an overview of the number of players in Vienna and Bratislava as well as EU support programs.

In this study, **Private support institutions** have been classified according to four categories: (1) initiatives and organizations aimed at raising awareness (or lobbying) for entrepreneurship/start-ups, providing (offline and online) platforms/events for getting to know each other in the start-up scene, interaction, or idea generation, idea enrichment, exchange and pitching (**Networking & Promotion**). (2) **Co-working Spaces & Offices** (similar to accelerators, some co-working spaces even provide services such as advisory, accounting, administrative support, networking and support regarding communication with authorities. (3) **Incubators & Accelerators** provide start-ups assistance (incl. infrastructure), guidance and coaching. The most important forms of (4) private start-up **Funding** are business angels and (early stage) VCs. Two rather new forms of early stage financing are crowdinvesting and media for equity.

Public support institutions provide government grants and subsidies (**Financial Support**). They also offer counselling and advise start-ups during the financial aid process. Furthermore, they often also offer additional consulting services in legal, founding and business development matters (**Non-Financial Support**). Especially firms which operate in highly volatile industries or are associated with high risk due to their innovativeness, highly depend on such public support measures as they do not get access to funds from private investors easily. Therefore, public support institutions have two important effects: First, some start-ups receive funding which is otherwise unavailable. Second, private sources may be easier to attract eventually, since the initial public intervention may be seen as a quality certification. Particular measures that make it easier to start a business can include tax breaks, access to information, encouraging incubation or subsidizing start-ups with guaranteed or direct loans. These measures aim to reduce obstacles and hurdles a start-up founder faces when establishing a business. In fact many state-sponsored institutions mainly grant aid in financial form since a majority of start-ups usually face credit problems (Maggioni et al., 1999).

Table 3 gives an overview the **number of currently available public and private support offers** for start-ups in Bratislava and Vienna. The presentation is organized according to the classification above.

A comparison of the number of players in Bratislava and Vienna shows that the support infrastructure (both private and public) is **more advanced in the Austrian capital**. Particularly with regard to private funding, co-working spaces and incubators/accelerators Bratislava Region lags behind. Concerning co-working spaces we observed that quite a reasonable number of such places were established. However, some of them have already been closed down due to a lack of demand.

According to our analysis, one reason for Vienna’s leading position compared to Bratislava lies in the fact that **many support programs/services (both public and private) were launched some years before** similar initiatives were introduced in Bratislava: e.g. support programs by the Vienna Business Agency like ZIT (since 2001) or departure (2003); Entrepreneurship Chair at WU Vienna (2001); National Business Angel Network (1997); StartEurope/Pioneers (2009). In fact, most private initiatives in Bratislava were launched only recently (most of them are no more than 3 years old). Furthermore, the ones behind these initiatives are not very experienced in working with start-ups (yet). As a result, the **local start-up scene in Bratislava is growing only slowly**. However, it is very dynamic and keeps changing. New initiatives emerge and some of the older ones vanish. This development is the consequence of two main reasons: Firstly, tools of public support to run these initiatives efficiently do not exist. As a consequence, the services offered to start-ups are of low quality. Secondly, there is a lack of cooperation and coordination between the various existing initiatives.

Table 3: Overview private and public support in Bratislava and Vienna

	Bratislava		Vienna	
	Private	Public	Private	Public
Networking & Promotion	~5 (mainly students' organizations)	(see "Non-Financial Support")	>15 (e.g. events, awards, students' organization)	(see "Non-Financial Support")
Co-working Spaces & Offices	4	-	>15 (focussing on particular industries)	10 (Mingo & Tech Gate)
Incubators & Accelerators	1	1	~8 (mostly accelerator programmes)	1 (INITS, university incubator)
Funding	2	(see "Financial Support")	>15 (incl. networks, associations and institutional investors)	(see "Financial Support")
Non-Financial Support	(see "Networking & Promotion")	2	(see "Networking & Promotion")	>5 (incl. City of Vienna, Chambers of Commerce and academic institutions)
Financial Support	(see "Funding")	3	(see "Funding")	>5 (distinct institutions providing >30 financial support programs)

Furthermore, there are four support institutions on the level of the European Union fostering cooperation between Bratislava and Vienna:

- Centrope (managing multilateral cooperation in the Central European region)
- European Investment Fund (EIF) (supporting SMEs by helping them to access finance)
- Regionfemme (contact platform for female entrepreneurs from the Vienna-Bratislava region)
- The Slovak-Austrian Cross-Border Cooperation Program (aims at building a border region with vital, knowledge-based, socially and environmentally attractive regional economies, which would play a significant role among European metropolitan regions)

See appendix for a detailed list of public and private support initiatives in Vienna and Bratislava.

5. Strengths & Weaknesses of Ecosystems

5.1 Culture

According to the GEM-Report 2007 Austrian culture shows **characteristics** (i.e. high risk-aversion, fault intolerance and high uncertainty-avoidance) **that are hindering entrepreneurship**. Positively, some interviewees observe a **change in the cultural habits through the growing number of people involved in the start-up community** and their surroundings. Same – on an even higher level – is true for Slovakia, where the term “entrepreneur” even has negative connotations. A significant number of Slovaks is eager to think that entrepreneurs are thieves, who make money at the expense of their employees. This opinion was expressed by 78.2% of respondents in a NADSME survey (2010).

5.2 Talents

Both Vienna and Bratislava stand out as university cities benefiting from a large number of students and graduates. However, **good formal education does not necessarily imply good entrepreneurial education**. For the majority of students being an entrepreneur (or working for a start-up) is no career path to think of. In Vienna, there are already some **initiatives aiming at promoting entrepreneurship among students and faculty** and fostering **inter-disciplinary co-operation** between different universities (e.g. ECN - Entrepreneurship Center Network). In Bratislava, this research detected a **weak integration between research and practice** leading to the lower number of innovative companies, which are able to transform the latest knowledge into practice.

5.3 Policy (Taxes & Law)

Supporting **entrepreneurship/start-ups does not appear to be on top of the agenda** of the Austrian government. However, the recent introduction of the GmbH light and less stringent pre-conclusion and information requirements can be regarded as positive steps towards a more start-up friendly regulatory environment. Still, Austrian start-ups would welcome some further improvements, e.g. lowering of social charges, investment deduction from tax base, or less restrictive labor laws.

Previous surveys showed that the main obstacles faced by Slovak entrepreneurs are in the field of **law enforcement, corruption, instability and ambiguity of laws, tax and contribution burden**, functioning of tenders etc. For instance, it is quite difficult for start-ups to hire employees. Their activities are therefore usually being performed by the founders themselves, their relatives or external contractors. Some kind of “schizophrenia” can be observed in the field of start-up support. On the one hand government declares its support for start-ups and SMEs (e.g. through micro-loans, mentoring programs), and on the other hand it takes measures, which have negative impact on all entrepreneurs (tax licenses, special VAT-reports, VAT-collateral etc.) as it pursues its aim to fight against tax frauds and tax evasions. A coordinator whose aim would be to improve the SMEs ecosystem is missing, too.

5.4 Start-up Subsidies

Due to a rather low availability of risk capital (see 5.6 Financ), subsidies represent an important public measure in start-up support. Our research shows **room for improvement in both cities**. However, on different levels: Start-up founders in **Bratislava** reported they would not actively search for any institutional support, because they had **low trust** in it and thought it would not meet their needs. Support programs in the Slovak Republic are considered to provide only insufficient (sometimes only symbolic) and uncoordinated support to start-ups and young innovative companies. According to a YEAS survey (2012), more than 50% of respondents did not know anything about listed support programs.

When it comes to Vienna, most start-ups consider public support programs (particularly start-up subsidies) good in the terms of availability. Even the sometimes extensive bureaucratic demands are broadly accepted as

it's the taxpayers' money. However, they would welcome **more transparency** with regard to the decision-making process and receiving feedback. Furthermore, they wish for a **comprehensive overview of available offers**. Often times, subsidies are not exploited due to a lack of information.

5.5 Community

Strong start-up ecosystems function as incubators for creative people with innovative ideas and therefore transform the region into a start-up hub (Florida, 2002). The strength derives from a closely cross-linked network of founders, investors and the surrounding community. Usually, the community supports individual entrepreneurs, who profit from feedback on their ideas from more experienced members (e.g. at community events) or assistance to transfer them into a profitable business.

The **start-up community in Vienna has experienced a remarkably positive development** over the past years with the emergence of a considerable number of public and private initiatives. Bigger events (e.g. Pioneers Festival) also promote the Austrian start-up community internationally. The community seems to be **highly supportive** for new founders. The latter do profit from the knowledge and network shared by the more experienced members.

The **Slovak start-up scene is younger** (and less developed) than the Vienna start-up scene. Currently, there are only a few positive examples of successful start-ups that could act as role models for aspiring entrepreneurs. According to the YEAS survey (2012), 74% of Slovak entrepreneurs think that good mentoring is more important for young entrepreneurs than access to financial support. However, this research indicates that there is a **low number of competent mentors** who would be willing to share their experience. One of the reasons may be that there are only a few people who had sold their businesses successfully and who specifically want to encourage young people and support their start-ups. Only recently (during the last 2 years) some mentoring programs were launched by YEAS and NADSME-National Agency for Development of SMEs.

5.6 Finance

Most start-ups finance their ventures with risk-capital from Business Angels in the first phases and later via Venture Capital Funds. New forms of seed or early stage financing like crowdinvesting or media for equity emerged recently. According to our interview partners, **sufficient (private and public) fundings for smaller amounts** are available in Austria. However, we detected a **gap in the supply with capital for start-ups demanding millions to scale a business internationally**. About a decade ago, there were quite some VC-funds active in Austria. However, only a few of them survived.

In **Slovakia there is a just a small number of business angels**. When the Slovak Business Angels Network (SBAN) was established in 2011, Slovakia was the penultimate country of the EU 27 to have such a network. Public awareness about venture capital is low. According to the YEAS survey (2012) only 49% of potential Slovak entrepreneurs know about the term "venture capital". The situation in this particular field started to change only 3-4 years ago. Also several competitions for young entrepreneurs emerged recently (especially covered by YEAS) and brought the possibility to attract investors for the most interesting business ideas.

5.7 Markets

The interview partners in both countries clearly pointed out that there is one big and obvious reason why start-ups would expand their business: **scaling**. The Austrian and Slovak markets are just too small. 56% of the entrepreneurs in the Slovak survey, who are planning to expand, stated that cross-border expansion was crucial for their business idea. Slovak start-ups have only **limited opportunities with regard to international exposure**. The major problem with regard to cross-border expansion is that start-ups and young companies usually do not know the foreign market and therefore need a good network and partnerships. The Austrian Chamber of Commerce offers support to Austrian companies interested in export via "ADVANTAGE AUSTRIA" (Foreign Trade Promotion Organisation). However, none of the Austrian interviewees named institutions, which could

help start-ups with cross-border expansion. This leads to the assumption that there probably is an **information gap which needs to be filled**. The same is true for Slovak start-ups. But the specific pattern of Slovak start-up environment is the low trust in institutional support, so the establisher of potential support programs should take this into account.

Table 4: Strengths and Weaknesses Start-up Ecosystems Bratislava and Vienna

	Bratislava		Vienna	
Culture	-	High risk aversion, failure intolerance	-	High risk aversion, failure intolerance
	-	Negative perceptions of entrepreneurs	+	Change in cultural habit observed
Talents	+	Large pool of students/grads	+	Large pool of students/grads
	-	Entrep education	~	Entrep education
Policy	-	Several obstacles (especially instability and ambiguity of laws, bureaucracy)	-	Entrepreneurship not on top of agenda
			+	Recent legislation (e.g. GmbH light)
Start-up Subsidies	-	Low trust, considered insufficient and uncoordinated	+	Wide range
			-	Transparency
Community	~	Very young (and small) scene	+	Positive recent development
	-	Low number of mentors and role models	+	Highly supportive
Finance	-	Weak developed market with informal capital	+	Availability of seed and early stage funding (public and private)
	+	Possibility to attract investors from the Czech Republic	-	Later stage funding
Markets	~	Small home market, need to expand internationally	~	Small home market, need to expand internationally

6. International Best Practices

The best practice analysis comprises analyses of ten internationally renowned start-up ecosystems in Barcelona, Berlin, Boston, Helsinki, London, New York City, Moscow, Munich, Tel Aviv and Zurich. These cities with the goal of identifying partial hints on what kinds of (public) support measures can be applied in Bratislava and Vienna to further promote the existing local entrepreneurship ecosystem(s).

„Districte de la innovació“ (22@) in **Barcelona** has been internationally regarded as a model-example of urban development. 22@ was officially founded in 2000 and has experienced a prosperous development since then. **Berlin** can be seen as the current high-flyer on the European start-up map and hosts already more than 2,500 start-ups (FAZ, 2013a). We were looking for explanations for the recent strong growth and for Berlin's success factors (incl. the role of public support). In U.S. "standards" **Boston and New York City** can be regarded as geographically as close to each other as our twin cities Bratislava and Vienna. Both Boston and NYC are characterized by strong entrepreneurship ecosystems – we included these cities in our study with the goal of identifying potential public support initiatives promoting cooperation between the two start-up ecosystems. Finnish capital **Helsinki** profits from a young and highly active start-up scene and its renowned interdisciplinary working culture, which is actually also taught at Aalto University, a merger of Helsinki's business, technical and arts universities (Welt, 2011). Banking and finance metropolis **London** has developed a notable start-up ecosystem, ranking as number one in Europe in the „Start-up Genome Report 2012“ (Start-up Genome, 2012, p.47). We wanted to identify the decisive factors of this success and if / how the start-up scenes in Vienna and Bratislava could learn from them. The Russian government is currently attracting attention with its project „Skolkovo Innovation Center“ near **Moscow**. It aims at building a Russian „Silicon Valley“ and follows a top-down strategy to build an exact copy of the U.S. counterpart. It appears to be especially interesting for this study to analyze how such a top-down strategy influences the start-up scene. Whilst London and Berlin are both receiving a lot of media attention at the moment, **Munich** is emerging to be the „IT start-up capital“ of Germany. Since increasingly more and more IT-companies per capita are emerging there (BITKOM, 2012b) we wanted to find out what Vienna/Bratislava can learn from this development. The start-up ecosystem **Tel Aviv** is ranked among the top ones worldwide (Bloomberg, 2012). This success makes it worth to find out, how this emerged and what part the government played in this. Switzerland was repeatedly awarded "World Innovation Champion" by the World Intellectual Property Organization (Austria ranks 23rd, Slovakia 36th) (GII, 2013, NZZ, 2013). What kind of public initiatives were taken in **Zurich** to enable such an innovation performance?

The best practice analysis was based on semi-structured interviews with experts of these cities. Additionally, data research was carried out using economic literature, magazines, statistical databases and internet resources. In the following, some trends in start-up promotion and specific takeaways for Bratislava and Vienna that were derived from the best practice analysis will be presented.

6.1 Trends in Start-up Promotion and Support Services

I) International Ecosystem Promotion and/or Support of International Cooperation

Start-ups in Israel (BIRD), New York City (Made in NY), Barcelona (ACC1Ó) and Helsinki (FINNVERA) profit from initiatives that promote their start-up ecosystem and/or help to expand companies internationally. For example „BIRD“ (Binational Innovation Research and Development) in Israel was started in 1977 and has promoted a binational network of companies from Israel and the US. It finances up to 50% of product development and commercialization costs of cooperation projects between Israeli and US companies. The initiative „We Are Made In New York“ actively promotes the successful start-up ecosystem of this region internationally. A similar initiative in Barcelona is called „ACC1Ó“ and it additionally engages in promoting the local start-up scene to win-over investors and to market new products or to help Catalan companies extending abroad. In Finland, „Finnvera“ supports SMEs via export financing.

II) Early Stage Financing

Most governments confronted with an under-developed risk capital market introduce initiatives for early stage start-ups. For example, Spain set up the 40-million EUR fund „enisa“ in 2012. It is financed half by the government and half by national and international investors. Remarkable is the criteria catalogue set up in cooperation with IE Business School that serves as a decision guideline for early stage financing of start-ups with up to 1.5 million EUR per company. Similar support initiatives can be found in Finland (FINNVERA), Israel (BIRD) Switzerland (venture kick) and Russia (Moscow Seed Fund). Furthermore, characteristics of these funds are subordinate capital and no or reduced saying for public investors (i.e. governments) in the investment decisions.

III) Simplified IPO Process

The „Jobs Act“ in the USA has already reduced some bureaucratic hurdles for IPOs of small companies (Wired, 2012a). In 2012, 472 US start-ups went public that had received some kind of venture capital previously. As a result, also the British government is working on introducing a similar concept in order to prevent a myriad of local start-ups going public in the US. In this the British government is cooperating closely with the London Stock Exchange on a plan to simplify the IPO process, particularly for high-growth start-ups (e.g. less stringent pre-conclusion and information requirements).

6.2 Takeaways for Bratislava and Vienna

The results deriving from the best practice analysis are structured according to the six domains of an entrepreneurial ecosystem by Isenberg (2011).

6.2.1 Culture

Cultural factors are decisive for the success of a start-up ecosystem.

In all interviews, cultural factors like risk and failure tolerance were highly debated. Many experts have already gained experience in several start-up ecosystems worldwide. Employee from Start-up 2 in Boston: *„Here people don't really care, if they have an idea they drop everything, you know even when they are studying or what, they go for the idea. There is a very strong 'do-culture': you do the things and you try them out and experiment.“* This positive attitude towards (entrepreneurial) risks and failure is a particular strength of the US culture. Our analysis shows that there is a lot of catching-up to do in Europe. Former founder 1 in Barcelona: *„People don't like to fail and when you fail all the other people are laughing.“* Russian Professor 1: *„I think in Russia particularly young people have the fear of failure and that is why you can say that there is a barrier for starting a new business.“*

Cultural changes should be monitored.

European cities like Berlin, Munich or Helsinki have seen some positive cultural changes regarding the start-up sector in recent years. Staff at incubator 1 in Munich: *„[...] in Zeiten der Krise viel mehr Menschen, vor allem Absolventen, damit konfrontiert werden, aufgrund dass sie sogar hier in München Schwierigkeiten haben, einen Job zu finden, an die Selbstständigkeit zu denken.“* (*“... in times of economic crisis a lot more people, especially graduates, are confronted even here in Munich with difficulties to find a job and start to think about self-employment.”*). Staff 1 and student in Helsinki *„...vor allem die jüngere Generation in den letzten Jahren diesen Weg geebnet hat“.* (*“...particularly the young generation has paved the way for this development.”*). Our analysis shows that the respective epicenters of these developments can be manifold: a rather grass-roots movement like in Berlin or a well-matched interplay between the university sector and public support initiatives like in Munich to name just two examples.

6.2.2 Talents

A “good” educational system does not necessarily include teaching entrepreneurial skills.

Well-educated talents represent one of the most important resources for any entrepreneurial ecosystem. However, a good formal education is only one important ingredient. Take Finland: the country commands a good educational system, as approved by the latest PISA-study. However, the skills tested via PISA do not necessarily involve entrepreneurial skills and attitudes. Staff 1 and student from Helsinki: „[hier wird] eine besondere Art von Studieren und Denken [getestet]“ (“a special kind of studying and thinking [is assessed]”), but “wir können nicht nur da bleiben, wir müssen auch kreativ und innovativ sein.“ (“However, we cannot stop there – we also have to be creative and innovative.”). Consequently, Finland engages in early-phase promotion of entrepreneurial thinking in schools: “Projekte wie “Pioneer”, also diese Frühphasen-Projekte. Universitäten und Forscher arbeiten mit Grundschulen und High Schools zusammen, um diese neue Art des Arbeitens zu vermitteln.“ („There are seed projects like „Pioneer“. Universities and researchers launch projects with elementary schools and high schools in order to promote this new working style.”)

6.2.3 Policy

Easier founding process is positive, but not decisive for long-term success of start-ups.

In July 2013, the Austrian government introduced a highly debated legislative reform aiming to ease founding a limited company. Since July 2013 it is possible to start-up a limited liability company in Austria (“GmbH”) with 5.000 EUR of a total of 10.000 EUR in capital stock. This initiative is supposed to promote the Austrian start-up ecosystem and induce an increase in the number of start-ups. Whereas this legal reform was welcomed by the start-up scene, one should be aware that length and complexity of the (legal) founding process may not necessarily be a decisive factor for a company’s long-term performance. Former founder 1 from Barcelona: „I don't think that the success of your start-up is going to be impacted by that. If the start-up is good the problem is not to wait”.

6.2.4 Supports & Community

Universities are engaged in promoting entrepreneurship.

Universities in the researched start-up ecosystems stood out as they promote entrepreneurship in their regions in various ways. For example, ESADE Business School in Barcelona offers a one-year master program in „innovation and entrepreneurship“. ETH Zürich has been repeatedly awarded for offering a fruitful „entrepreneurial ecosystem“ to spin-offs and in Finland the former Technical University, Business University and Design University were merged to Aalto University in 2010 in order to promote an interdisciplinary working culture. LMU Entrepreneurship Center in Munich provides services to students, start-ups and companies (e.g. teaching, networking, and accelerator/incubator).

Big start-up ecosystems attract international corporations.

In none of the researched best practices multinationals can be regarded as the starting point of the development of the respective start-up ecosystems. However, what we do see is that once there was an initial spark of broadly perceived entrepreneurial activity, start-up ecosystems attract incubators, accelerator programs or research facilities of renowned (tech) corporations. Hence they act as important players in reinforcing entrepreneurial activity.

6.2.5 Finance

Venture capital sector is underdeveloped outside the US.

In terms of financing, Europe and the United States are fundamentally different. Employee of start-up 2 in Boston: „Well, the VC market in Europe is almost like inexistent.“ Whereas the US venture capital for 2012 hit 28.3 billion USD (~21 billion EUR) invested across 3,267 deals (CB Insights, 2012a), only 1.5 billion GBP (1.8 billion EUR) were recorded in Great Britain (The Telegraph, 2013). The Russian VC sector with 910.6 million USD (~675.5 million EUR) in 2012 makes up only a fraction of its US counterpart (rusbase, 2013). Employee from

start-up 2: „Because in Europe you have not many VCs, they are very specialized and they go to very specialized events. And they only talk to the top, they only talk to very promising entrepreneurs and firms. But here in the US you see them all over the place and you have the impression that they are much more accessible. Here it is really the VC culture and I think it is really totally different“. Israel represents an interesting example outside the US: About 1.9 billion USD (1.41 billion EUR) of venture capital were invested in 2009 (Forbes, 2013d). Furthermore, in 2009 63 Israeli companies were listed at NASDAQ. That's more than all companies from Europe, Japan, South Korea and China together (The Times of Israel, 2013)

Public institutions play matchmaker for investors and start-ups.

Governments that are aware of the difficult financial situation help start-ups to find investors. For example, in Barcelona „Start-up Spain“ operates an Angel School, where potential investors can take an 8-hours workshop. „CTI Invest“ in Switzerland on the other hand offers help to start-ups that are preparing for investment negotiations.

6.2.6 **Markets**

Freedom of movement and residency is essential to attract start-ups.

Global talents are enriching each economy they decide to move to. They are the ones with the immense potential to come up with a groundbreaking idea and being able to capitalize it. However, restrictions in immigration policies are increasing in many countries. E.g., current US immigration policy is regarded as a threat for start-up ecosystems like Silicon Valley, Boston and New York City that depend on talented founders from abroad. As a result, Mark Zuckerberg introduced an initiative called „FWD.us“ with support of Marissa Mayer (CEO Yahoo) and Eric Schmidt (Chairman Google) to reform US immigration law. A positive example is Israel, where the government is working on a “start-up visa” to make it easier for international talents to found their company there.

7. Recommendations

Implement transparency in start-up subsidizing and offer feedback

Subsidies represent an important public measure in start-up support. Our research shows room for improvement in both cities. (Potential) founders wish for a comprehensive overview of available offers (often times, subsidies are not exploited due to a lack of information) and would welcome more transparency with regard to the decision-making process and receiving feedback.

Formalize information for entrepreneurs

There are quite some opportunities, but start-ups need to find them. With the growing start-up ecosystems, a new founder sometimes loses track of what is offered, where, by whom, when and at what price. There are for example quite a few coworking spaces, which offer cheap offices and a network of creative entrepreneurs working next to you. Still, many entrepreneurs, especially in IT stay at home and struggle to be part of the start-up community. The same is true for start-up subsidies, investors, business partners, helping governmental institutions – they exist, but sometimes only if you know someone, who knows someone.

Educate entrepreneurial spirit/ Put start-ups on the communications agenda

For many Austrians and Slovaks becoming an entrepreneur is no career path to think of. There are already some initiatives fostering entrepreneurship, but most of them target a limited percentage of people, only. Putting start-ups/entrepreneurship on the political (or marketing) agenda of state governments would help increasing visibility and awareness among general public.

Improve and strengthen inter-regional co-operation

Cooperation is a precondition for further development of neighboring regions such as Vienna and Bratislava, whose centers are only 60 km apart. Furthermore, Brno and Budapest represent two additional start-up ecosystems close by. Joint initiatives/projects (e.g. virtual platform, workshops, interchange events, etc.) could help in tapping the region's entrepreneurial/innovative potential.

8. Appendix

8.1 Public Support Institutions in Vienna

Non-Financial Support		
	<i>Entrepreneurship Center Network (ECN)</i>	The Entrepreneurship Center Network (ECN) is an initiative of six Viennese universities promoting and supporting entrepreneurship among students and faculty www.ecnetwork.at
	<i>Junge Wirtschaft</i>	Junge Wirtschaft is the youth institution of the Austrian Chamber of Commerce and focuses on the needs of start-ups and newly founded companies. www.jungewirtschaft.at
	<i>Mingo (by Vienna Business Agency)</i>	Mingo is the start-up initiative of Vienna Business Agency and offers low-priced and flexible office rentals, advisory and education. Furthermore it honors start-ups with the annual mingo award. www.mingo.at
	<i>Vienna Universities</i>	Also the Viennese universities and universities for applied science are engaging in start-up promotion, to increase the Austria's number of founders and market developed technologies, e.g. the Institute for Entrepreneurship & Innovation at WU Vienna. www.e-and-i.org
	<i>Wirtschaftskammer (Austrian Chamber of Commerce)</i>	The Austrian Chamber of Commerce is the legal public representative of the majority of Austria's companies. www.wko.at

Financial Support

	Arbeitsmarktservice (AMS)	Public employment service offers a special program for potential business founders. www.ams.at
	austria wirtschaftsservice (aws)	austria wirtschaftsservice is the federal development and financing bank for the promotion and financing of companies offering a number of specialized services to start-ups as well, e.g.: <ul style="list-style-type: none">• „i2 - Die Börse für Business Angels“ (Austrian Business Angel Network)• aws Gründerfonds (founders' fund) and Business Angel Fonds• Venture Capital Initiative• Specific calls and subsidy programs for start-ups (e.g. Impulse, Double Equity, Life Science Austria, Cleantech-Initiative) www.awsg.at
	Forschungsförderungsgesellschaft (FFG)	National funding institution for applied research and development in Austria. Start-up support via programs "Start-up funding" and "Innovationscheck". www.ffg.at
	departure (by Vienna Business Agency)	Vienna's agency for the creative industries, established in 2003 as Austria's first independent business promotion agency and service center for companies of the creative industries. departure offers various funding programs for entrepreneurs and company founders and supports outstanding achievements in the following fields of the creative industries: fashion, music, audio-vision, multimedia, design, publishing, art market and architecture. www.departure.at
	Wirtschaftsagentur (Vienna Business Agency)	Supports entrepreneurs and company founders in Vienna in a variety of ways: through consulting and advisory services, tailor-made commercial and industrial properties, financial subsidies and cooperation in networks www.wirtschaftsagentur.at
	WAFF	Employment fund of the City of Vienna. Supports, among others, innovation projects within existing firms. www.waff.at



ZIT
(by Vienna Business Agency)

The Technology Agency of the City of Vienna, a subsidiary of the Vienna Business Agency, was founded in the year 2000. ZIT serves as the technology promotion agency of the City of Vienna. The activities of ZIT encompass providing direct financial assistance (i.e. grants) to companies or making a technology-specific infrastructure available, as well as the implementation of a broad range of accompanying measures in all phases of the innovation process.

www.zit.co.at

Incubators / Accelerators










INiTS

INiTS supports young entrepreneurs conceive, launch and grow their technological company. During a 18-month long program, start-ups receive funding, hands-on support, resources, a network and an office space to bring them to the next level.

www.inits.at

8.2 Private Support Initiatives in Vienna

Networking & Promotion		
	<i>AIESEC</i>	The biggest students for students organization worldwide is also engaged in start-up and entrepreneurship support activities at universities. www.aiesec.at
	<i>Austrianstartups</i>	Non-profit platform of, by, and for the Austrian startup community with the goals of increasing its visibility and strengthening the entrepreneurial ecosystem. Offers a map of the Viennese start-up ecosystem (esp. Internet and mobile sector) and organizes networking events. www.austrianstartups.com
	<i>BarCamp Wien</i>	BarCamp regularly organizes “unconferences” and aims at providing an open environment for learning and exchange. www.barcamp.at/Wien
	<i>Business Angel Days</i>	Annual conference focusing on entrepreneurship and angel investments. Takes place mid-November. www.businessangelsday.com
	<i>i2b</i>	The largest business plan competition in Austria. www.i2b.at
	<i>icon-s</i>	Junior enterprise (company run by students) operating in Vienna and engaging in entrepreneurship support/ consulting. www.icons.at
	<i>IncredibleEurope (by Brainswork)</i>	A private, bottom-up initiative fostering increased understanding for Europe’s potential in innovation and creativity. Annual summit in Vienna. New event: “BrainsLounge” (talks, brainworking, experiments). www.incredibleurope.com
	<i>Mehrblick</i>	Mehrblick runs a number of projects and initiatives promoting entrepreneurial spirit in Austria (e.g. media campaign “YES WE DO”, events “IdeenAlm” and “IdeenLounge” gamechanger conference “Schumbeta”, cleantech co-working space “TREIBHAUS”). www.mehrblick.at / www.ywd365.com / www.schumbeta.com / www.treibhaus.com



Social Impact Award

Annual award for social business ideas / start-ups. Originally initiated by the Institute for Entrepreneurship & Innovation (WU Vienna) is it now coordinated by HUB Vienna Incubation and serves as a channel for the HUB's accelerator program (see below).

socialimpactaward.net



Sustainable Entrepreneurship Award (SEA)

Annual international award honoring sustainable business practices. Gala takes places in Vienna.

www.se-award.org



STARTeurope/ Pioneers

Organizes networking and idea enrichment & pitching events in Austria and other European countries ("Startup Live"). Biggest event is the international „Pioneers Festival“ taking place in the Hofburg Vienna.

www.starteurope.at / www.pioneers.io



TEDx Vienna

Independently organized TED event in Vienna, taking place in November.

www.tedxvienna.at



uniforce Consulting

Junior enterprise offering consulting services incl. start-up consulting.

www.uniforce.at



Uni Management Club

Students' association, organizing – among many other events – the win² conference.

www.unimc.at

Co-Working Spaces & Offices



CO SPACE.

Focussing on the creative industries.

www.co-space.at

office space: 100m², capacity: n.a.

*Dreamingschatz
(Meins01, Grüner Hof,
Substrat)*

3 co-working spaces in Vienna.

www.dreamingschatz.at



Happylab

Vienna's "fab lab" (fabrication lab), enabling invention by providing access for individuals to tools for digital fabrication.

www.happylab.at/



Herminengasse1

Freelancers and self-employed in the art scene.

www.herminengasse1.at

office space: 65m², capacity: 5















Impact Hub Vienna

Focus: social entrepreneurs. Providing various events and an accelerator program.

www.vienna.the-hub.net

space: 400m², capacity: >30

	<p><i>Konnex</i> (Rochuspark, Hutfabrik, Schraubenfabrik)</p>	<p>Konnex operates three co-working spaces in Vienna: Hutfabrik, Schraubenfabrik and Rochuspark with a total space of 1,000m² and a capacity of 90. www.rochuspark.at / www.hutfabrik.com / www.schraubenfabrik.at</p>
	<p><i>LOFFICE</i></p>	<p>Additionally offers a “virtual office” and professional consulting for starting up a company. www.wien.lofficecoworking.com office space: 400m², capacity: 30</p>
	<p><i>Metalab</i></p>	<p>Vienna’s hacker space www.metalab.at/ space: 200m²</p>
	<p><i>NENO</i></p>	<p>www.workyourway.com office space: 1,850m², capacity: 180</p>
	<p><i>sektor5</i></p>	<p>Home to the web- and mobile- start-up community. www.sektor5.at office space: 600m², capacity: 70</p>
	<p><i>Smartspace</i></p>	<p>smartspace operates three co-working spaces and an innovation lab. www.smartspace.at office space: 1,500m², capacity: 85</p>
	<p><i>Stockwerk</i></p>	<p>Latest co-working space in Vienna. www.stockwerk.co.at capacity: 65 (on 4 floors)</p>
	<p><i>synergy7</i></p>	<p>Focus: people specialized in the multimedia sector. www.synergy7.at</p>
	<p><i>Treibhaus</i></p>	<p>Focussing on entrepreneurs in cleantech. www.treibhaus.co office space: 280m², capacity: 17</p>
	<p><i>YURP network</i></p>	<p>Focus: creative industries. www.yurp.at office space: 400m², capacity: 20</p>
<p>Incubators & Accelerators</p>		
	<p><i>A1 Start-up Initiative</i></p>	<p>One start-up a year is awarded by A1 (Austria’s biggest telco) – and receives support in the form of free advertising and office space. www.a1.net/ueber-uns/zukunft/A1-Start-up</p>
	<p><i>Alps Ventures</i></p>	<p>Incubator focusing on IT-Start-ups with locations in Austria and Singapore. www.alpsventures.com</p>



Frequentis start-up centre

Frequentis, one of the leading Austrian tech companies, operates an incubator focusing on IT, mobile, engineering and technical services.

www.frequentis.com



The HUB Vienna

The co-working space for social-entrepreneurs also operates an accelerator program.

www.vienna.the-hub.net/accelerator-program



i5invest

Incubator focusing on web and mobile start-ups.

www.i5invest.com



Microsoft BizSpark

Accelerator program offered worldwide by Microsoft. Provides start-ups with software tools and business development know-how.

www.microsoft.com/bizspark

Funding



3TS Capital Partners

Expansion capital and buy-out for CEE companies in growth sectors.

www.3tscapital.com



Austrian Angel Investors Association

Special interest group of Business Angels in Austria.

www.aaia.at



Austrian Private Equity and Venture Capital Organisation

Special interest group of PE and VC investors in Austria, comprising 55 members and with this covering 80% of the PE market.

www.avco.at



Business Angel Institute

Research institute focusing on investigating business angels and providing workshops and a certificate for Business Angels (Certified BA).

www.businessangelinstitute.org



Conda

Crowdfunding platform operating from Vienna.

www.conda.at



Cudos Capital

„Entrepreneurs’ fund“ focusing on CEE.

<http://www.cudos-group.com>



Gamma Capital Partners

Focus on technology growth companies in Austria, Switzerland and CEE.

www.gamma-capital.com



i5invest

Focus: seed funding and angel rounds in web and mobile industries. See also “Incubators & Accelerators”








www.i5invest.com






Inismo

Interactive early-stage investment boutique.

www.inismo.com

	<i>Media4Equity Invest</i>	Equity investor additionally providing advertising space and marketing services. www.media4equity.com
	<i>Mozart Venture Partners</i>	Early stage tech and new media investor offering advice via seasoned mentors. www.mozartventurepartners.com
	<i>Mountain Cleantech</i>	Swiss private equity company with office in Vienna focusing on cleantech investments. austria wirtschaftsservice is one of the main investors. www.mountain-cleantech.ch
	<i>next march</i>	PE investments in tech, internet and new media. www.nextmarch.com
	<i>Pontis Capital</i>	Focus on small/mid growth companies in ICT, cleantech and medtech. www.pontiscapital.at
	<i>Speedinvest</i>	The first Austrian "Superangel Fund". Focus: web & mobile www.speedinvest.com
	<i>Venionaire Capital</i>	Specialized in the fields of angel capital, venture capital and business development. www.venionaire.com

8.3 Public Support Institutions in Bratislava

Non-financial Support		
	<p><i>University of Economics in Bratislava, Faculty of Commerce</i></p>	<p>Faculty of Commerce is involved in several activities for start-ups. European Innovation Academy is training program for students to build their own start-ups. MIT Global Start-up Workshop is a meeting of start-up “gurus” and leading entrepreneurs.</p> <p>www.euba.sk/faculties/faculty-of-commerce</p>
	<p><i>The Consulting and Development Centre (PRC)</i></p>	<p>Established in 2005 within the Faculty of Management of the Comenius University in Bratislava. In addition to their consulting services, they are involved in the organization of several events like start-upawards.sk.</p> <p>www.prc.sk</p>
Incubators & Accelerators		
	<p><i>INQB</i></p>	<p>Technological incubator of the Slovak University of Technology in Bratislava. Its activities are focused on the support of start-ups. INQB offers 866 m² of office space to start-ups. Space of individual offices varies from 15 to 47 m².</p> <p>www.inqb.sk</p>
Financial Support		
	<p><i>National Agency for Development of Small and Medium Enterprises (NADSME)</i></p>	<p>Supports development and growth of SMEs in the Slovak Republic via micro-loans under advantageous conditions (low interest rate). Fond Fondov, a company established by NADSME, provides another possibility for start-ups to obtain financial support in the form of micro-loans and venture capital. Furthermore issues a variety of electronic, free of charge publications, e.g. “Business in Austria” from the series on “How to Do Business in EU Countries”.</p> <p>www.nadsme.sk</p>
		



The Slovak Guarantee and Development Bank (SZRB)



Besides providing direct support to entrepreneurs in Slovakia, SZRB contributes to tackling regional disparities. There are several loan programs available for entrepreneurs/start-ups:

- Micro-loans,
- Loans for women entrepreneurs,
- Loans for young entrepreneurs,
- Guarantees for entrepreneurs.

The Slovak Guarantee and Development Fund is the daughter company of SZRB and European Investment Fund (EIF). It was established in 2009 within the scope of the Jeremie in Slovakia initiative. It acts as a public institution through which EIF provides Jeremie activities (partial financing from the EU's structural funds through national or regional authorities).

www.szrb.sk



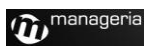






The Slovak Investment and Trade Development Agency (SARIO)

Government-funded allowance organization that operates under the auspices of the Ministry of Economy of the Slovak Republic. The Slovak Start-Up Development Program was organized in 2012 by SARIO in collaboration with a partner from USA – Plug and Play International, Inc. 61 participants from Slovakia applied for this program and 8 of them won a 3-month internship in the Silicon Valley, CA, USA.

www.sario.sk

8.4 Private Support Initiatives in Bratislava

Networking & Promotion		
	<i>AIESEC</i>	<p>The biggest students for students organization worldwide is also engaged in start-up and entrepreneurship support activities at universities. Organizes job fairs (“National Career Days”) and annual symposium for students interested in business and entrepreneurship.</p> <p>www.aiesec.sk</p>
	<i>Junior Achievement</i>	<p>Organizes numerous events for high school and collegen students (e.g. “Professional Entrepreneur”, “Creativity Innovation Challenge”).</p> <p>www.jasr.sk</p>
	<i>Manageria, o.z.</i>	<p>Non-government platform for young people. Provides support to young people in the process of realization of their own businesses (start-ups).</p> <p>www.manageria.org</p>
	<i>Neulogy, a.s.</i>	<p>Neulogy provides comprehensive services for research & development institutions and then transforms the knowledge gained into practice. Their experts assist with the establishment of innovative companies and start-ups, thus helping to turn ideas into successful business opportunities.</p> <p>www.neulogy.com</p>
	<i>Startupcamp</i>	<p>Startupcamp is an informal platform which has been organizing monthly meetings for start-ups, founders, coders, designers and investors since the summer of 2010.</p> <p>www.start-upcamp.sk</p>
Co-Working Spaces & Offices		
	<i>Connect network (ReVera, o.z.)</i>	<p>Operated by ReVera, an NGO that aims at meeting the needs of innovative entrepreneurs. Its members come from various branches, e.g. architects, graphic designers, marketers, lectors and so on. In addition, they provide comprehensive services for entrepreneurs – advisory, accounting, and networking.</p> <p>www.connect-network.com office space: 500 m2, members/capacity: 20/100-120</p>
	<i>Coworking Zen Bratislava (Martin Prodaj – INSIGHT)</i>	<p>Serves IT specialists, designers, graphic designers, consultants, and freelancers.</p> <p>www.coworking-bratislava.sk office space: 40m2, members/capacity: 0/7</p>



*MERIGLOBE ADVISORY
HOUSE*

Offers complementary services to entrepreneurs of all branches (advisory, accounting, legal services, etc.) and considers its coworking activities only as a secondary business activity.

www.meriglobe.sk

office space: 40m2, members/capacity: 0/7



The Spot

Specialized on IT start-ups only. Various events (networking, discussions, workshops, conferences, presentations) are often organized for entrepreneurs (5 times per week).

www.thespot.sk

office space: 400m2, members/capacity: 35/38

Incubators & Accelerators



Telefonica, O2

Wayra promotes innovation and provides support to IT talents in Europe and Latin America. It supports and funds the best innovative projects. The best projects are awarded 50,000 EUR and also gain access to 300 mio customers.

www.wayra.org

Financial Support



*Rural Organization for
Community Activities -
VOKA*

VOKA supports employment and entrepreneurship in rural communities. Programs such as Women Entrepreneurship Forum, Career Advisory, Young Entrepreneurs Support Network, Micro-loan program, and courses are offered.

www.voka.sk



*Young Entrepreneurs
Association of Slovakia*



The vision of YEAS is to become the voice of young entrepreneurs, who will defend their interests in institutions that form the business environment. The main reason that led to the establishment of YEAS was the lack of encouragement and insufficient attention paid to the young generation of entrepreneurs. One of the key activities of YEAS is the operation of the Slovak Business Angels Network.

www.zmps.sk

8.5 Public Support Institutions in European Union



Centrope

Manages multilateral cooperation in the Central European region.

www.centrope.com



*European Investment Fund
(EIF)*

The central mission of the EIF is to support small and medium-sized businesses by helping them to access finance.

www.eif.org



*The Slovak–Austrian
Cross-Border Cooperation
Program*

The overall strategic objective of the Slovak-Austrian Cross-Border Cooperation Program 2007-2013 is to build a border region with vital, knowledge-based, socially and environmentally attractive regional economies, which would play a significant role among European metropolitan regions.

www.sk-at.eu



Regionfemme

Regionfemme is a contact platform for female entrepreneurs from the Vienna – Bratislava region.

www.regionfemme.eu