

Welcome

Otaniemi 2004

PROGRAMME

- Innovation, research and education environment in Otaniemi

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- Science park and incubator operations

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IASP - International Association
of Science Parks*

- Discussion



Otaniemi Best Practice Networking Model for generating and supporting the development of innovative start-ups and firms
Otaniemi Science Park, Helsinki region, Finland

Universities in Finland

Helsinki

-Academy of Fine Arts, Helsinki School of Economics and Business Administration, Helsinki University of Technology, National Defense Academy, Sibelius Academy, Swedish School of Economics and Business Administration, Theatre Academy, University of Art and Design, University of Helsinki

Joensuu

- University of Joensuu

Jyväskylä

- University of Jyväskylä

Kuopio

- University of Kuopio

Lappeenranta

- Lappeenranta University of Technology

Oulu

- University of Oulu

Rovaniemi

- University of Lapland

Tampere

- Tampere University of Technology
- University of Tampere

Turku

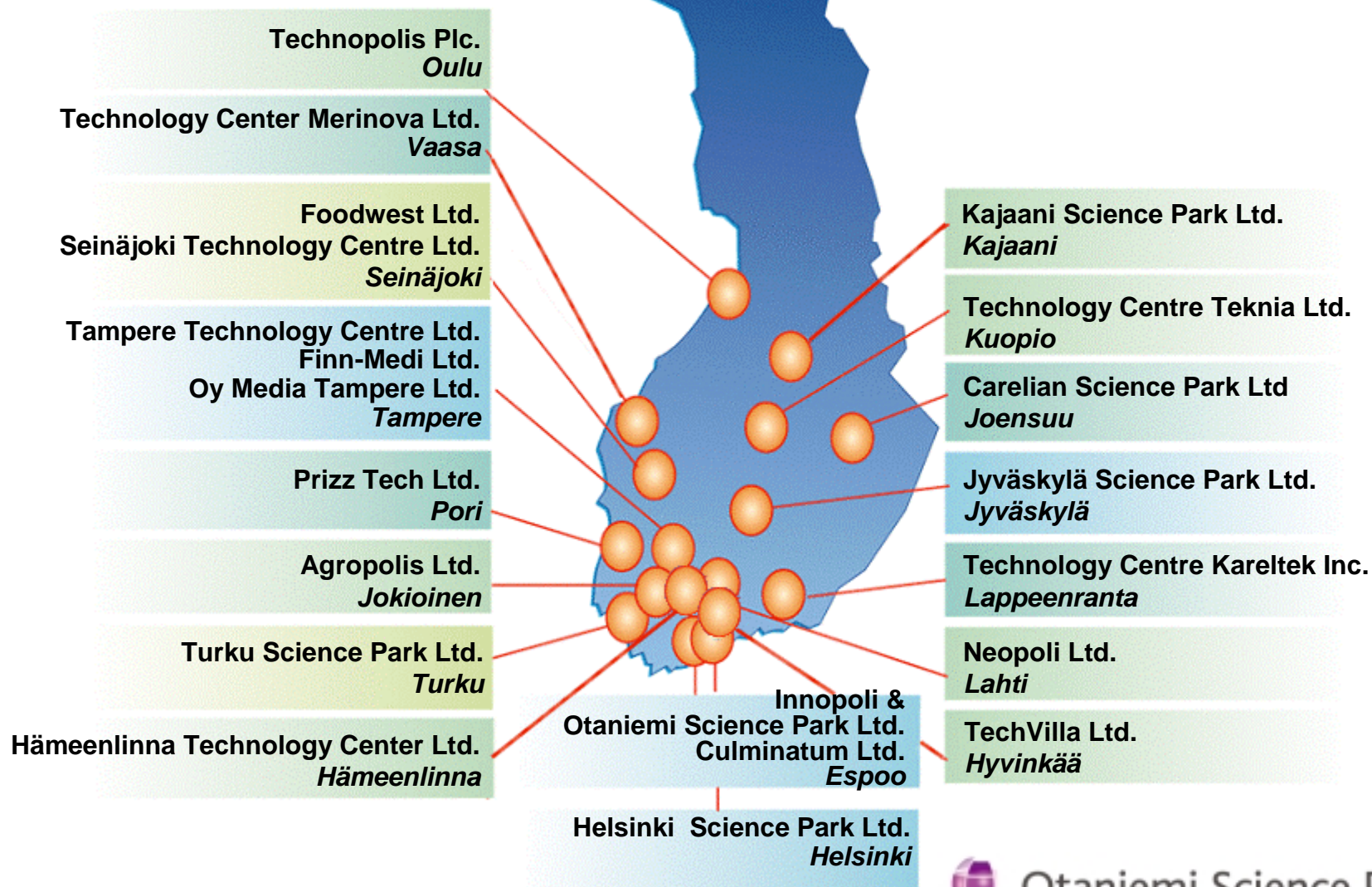
- Turku School of Economics and Business Administration, University of Turku, Åbo Akademi University

Vaasa

- University of Vaasa



5,2 milj. inhabitants - 22 Science Parks

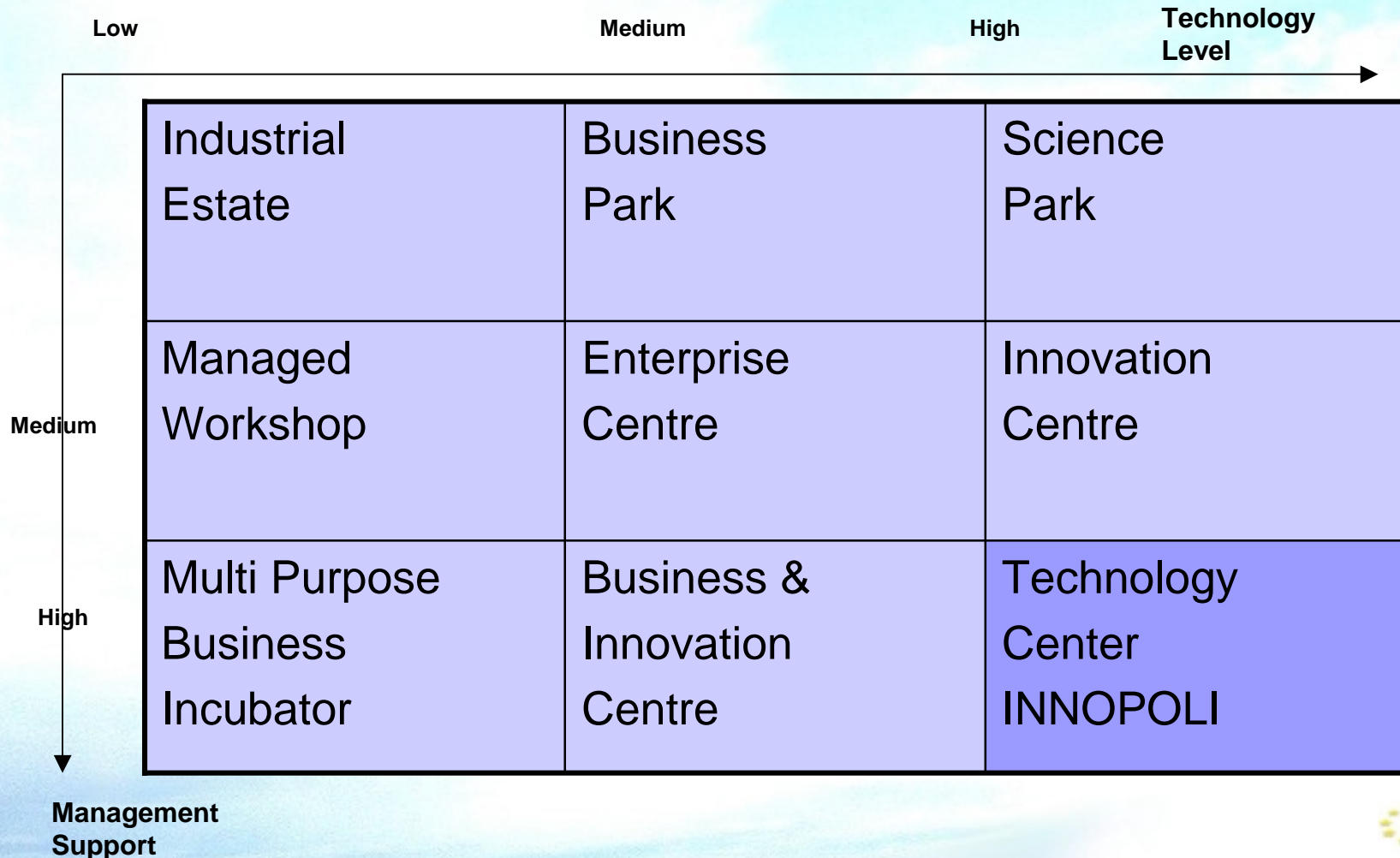


Development of Parks in Finland

	↑ 2000's	Acceleration to global markets Building international clusters
↑ 90's	Business development Incubation	Clustering Centres of excellence
↑ 80's Infrastructure	Buildings	Services



Typology of Business Incubators



Helsinki Region

A region of excellence for innovative start-ups

- Population 1,3 million inhabitants
- Largest cities: Helsinki, Espoo, Vantaa
- Helsinki Region is the heart of Finland, produces 35 % of national income
- Otaniemi high tech area as best practice
- R&D investments 4,7% of GDP
- Half of Finland's R&D facility, 60% of university graduates, over 70.000 university students
- World class excellence in generating innovative high tech firms

Helsinki Region Innovation Environment

Universities - 7 Science Campuses

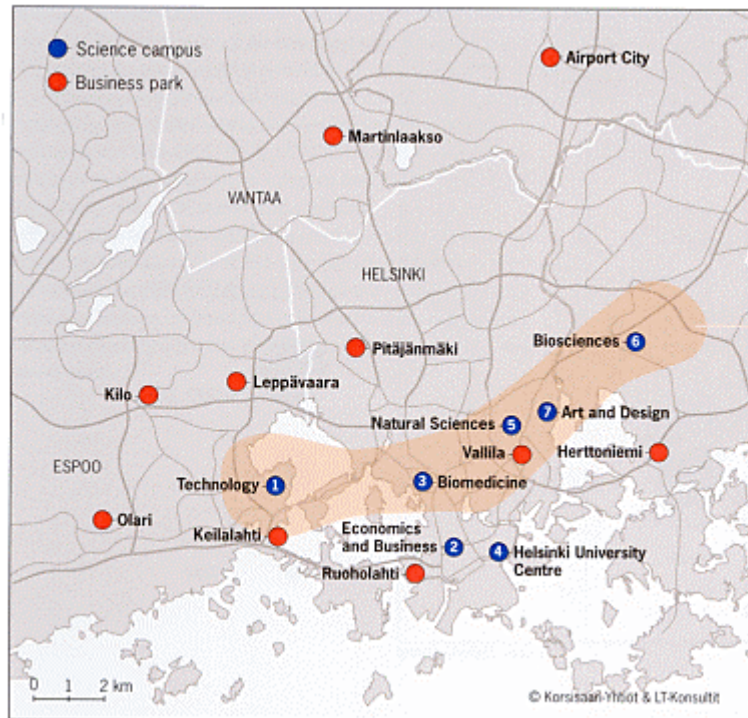
- Helsinki University of Technology - Otaniemi
- Finnish and Swedish School of Economics - Töölö
- University of Helsinki - Biomedicine - Meilahti
- University of Helsinki - Humanistic, Law - Centre
- University of Helsinki - Natural Sciences - Kumpula
- University of Art and Design - Arabianranta
- University of Helsinki - Biosciences - Viikki

Helsinki Region Innovation Environment



Helsinki Region - a fast-growing business hub:

- Area 6 365km², pop. 1,3M (25%), growth >1% p.a.
- Capital area (Helsinki, Espoo, Vantaa) 946 000
- High proportion of young & educated in work force
- R&D expenditure EUR 2B (45%)
- 2 science parks and a network of 17 incubators



Universities and science campuses:

1. Technology (Otaniemi)

- Helsinki University of Technology

2. Economics and Business (Töölö)

- Helsinki School of Economics
- Swedish School of Economics

University of Helsinki (4 campuses):

3. Biomedicine (Meilahti)

4. Social sciences, law and arts (Centre)

5. Natural Sciences (Kumpula)

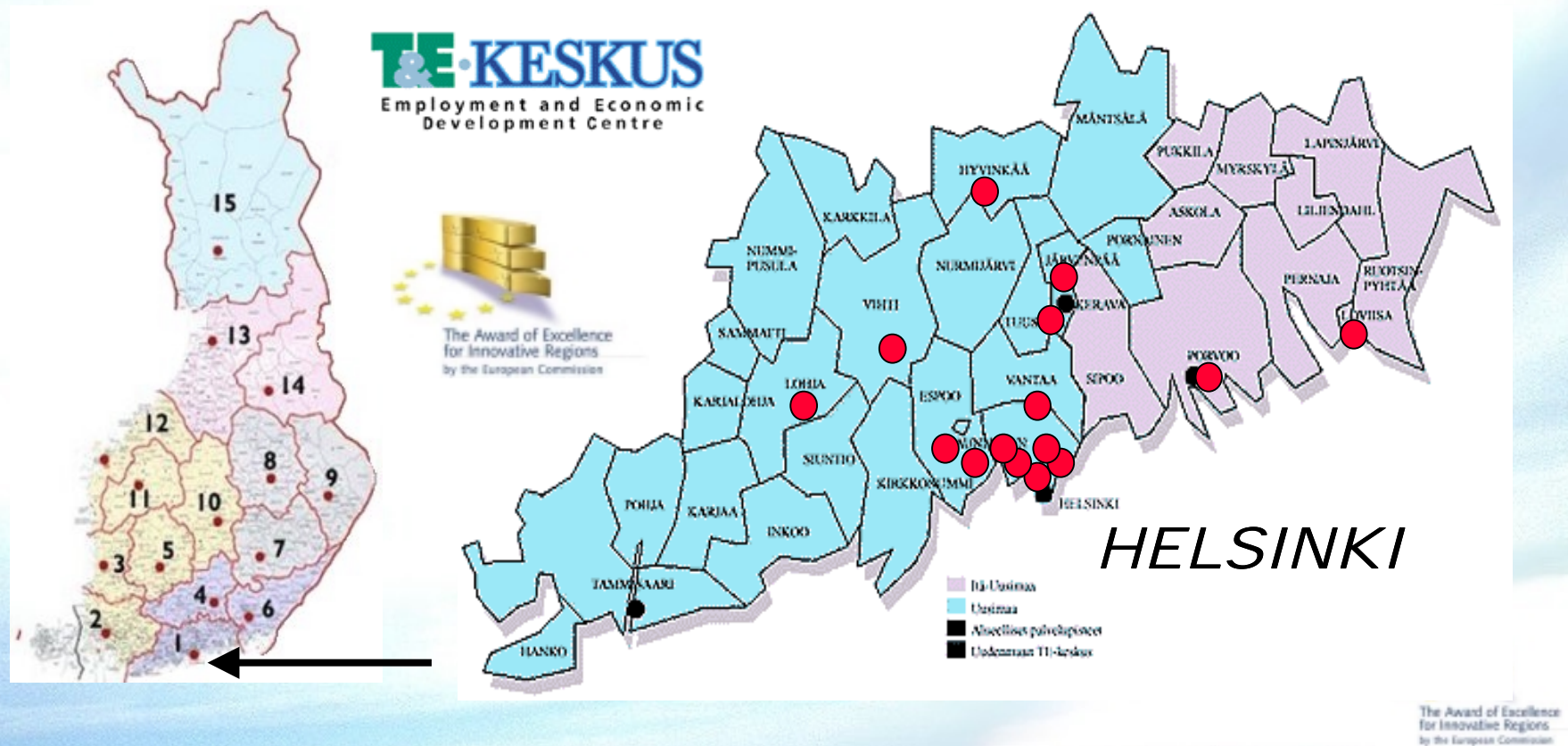
6. Biosciences (Viikki)

7. Art and Design (Arabianranta)

- University of Art and Design

15 incubators in Helsinki region, Finland

Helsinki region Incubators co-operate together forming a network



Otaniemi High-Tech Area

RESEARCH and EDUCATION HUT & VTT

- 14.000 technology students
- 3000 researchers

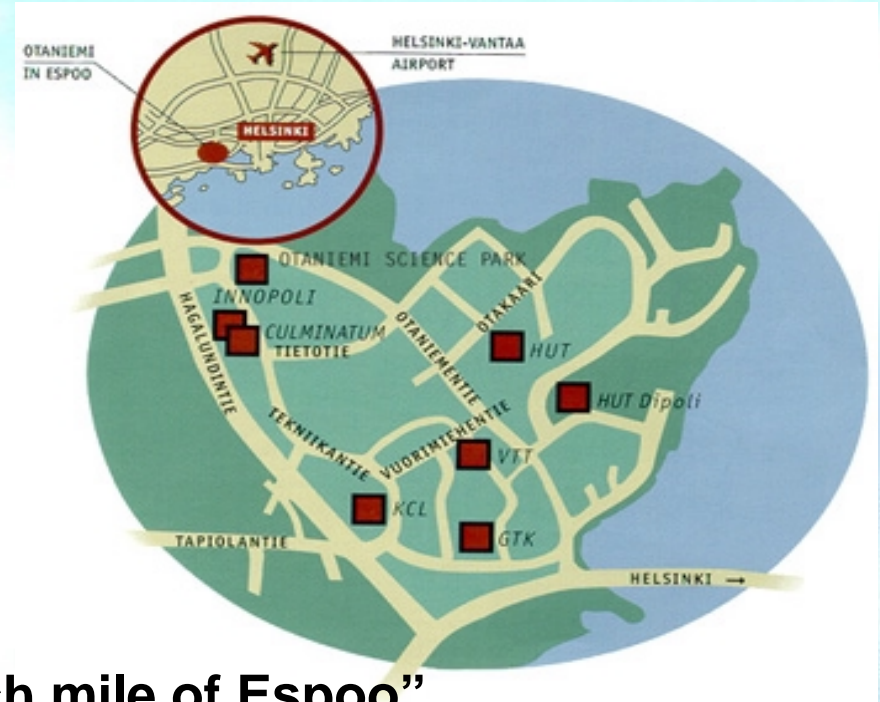
START-UP COMPANIES

High-tech firms, incubators

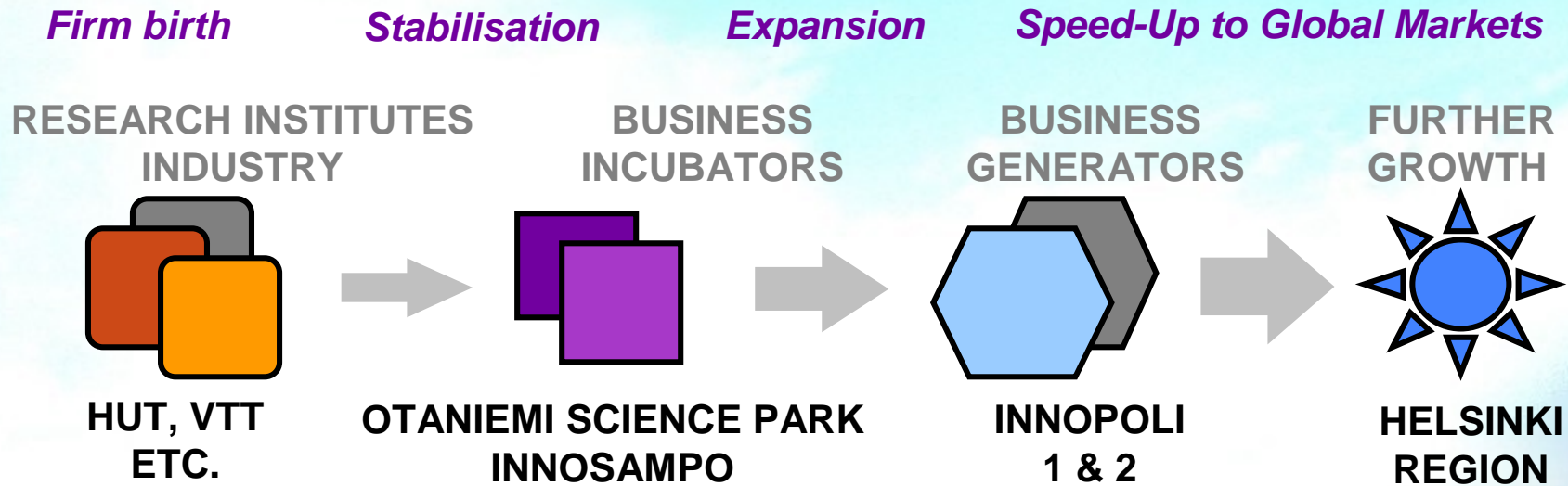
- 300 tenants
- 200 ICT & high-tech
- annually 70-80 new start-ups

LARGE COMPANIES – "high-tech mile of Espoo"

- 15.000 jobs
- International e.g.; Nokia, TietoEnator, Kone, Compaq, Microsoft



Experienced Networking Model



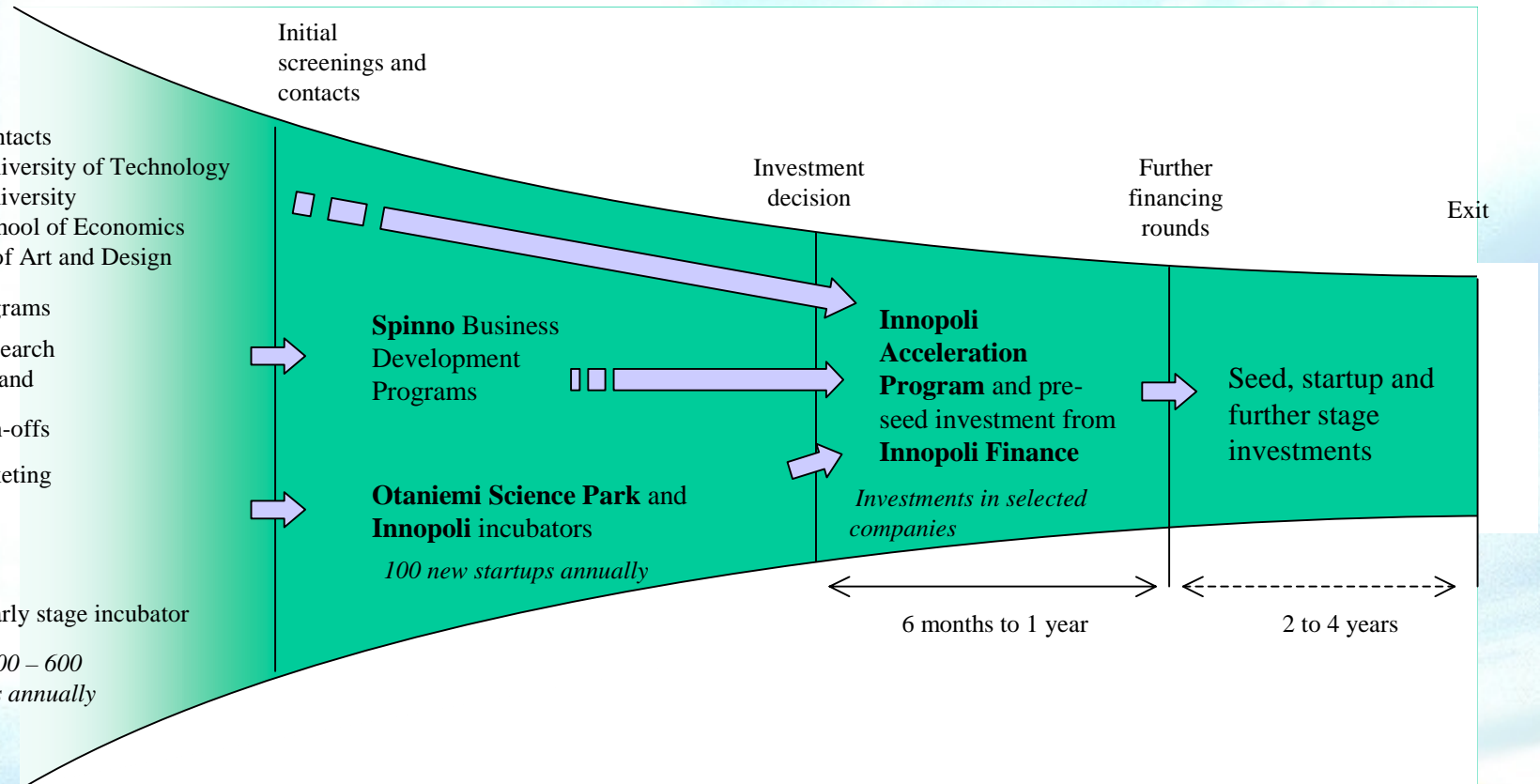
Development Programs, Services & Support:

InnoTULI services InnoLinko Pre-Incubator Incubator Services Spinno Programs Business Accelerator IRC Centres of Expertise

Evaluation Consulting Seed finance Networks Growth support Venture capital

Foundation for Finnish Inventions National Technology Agency TEKES Consultancies, law firms, other service providers VC firms

Deal Flow



Incubator Focus

Tools in the concept:

- Own expertise with responsible developers
- Financing instruments and guidance
- Incubator premises and services
- Networking

Growth phase
Acceleration,
Internationalisation

Incubator phase
Technology Park, Innopoli2,
InnoSampo, TwinBic

Pre-Incubator phase
InnoLinko, EVTEK-Innolinko

Innovation phase
InnoTULI, Venture Cup

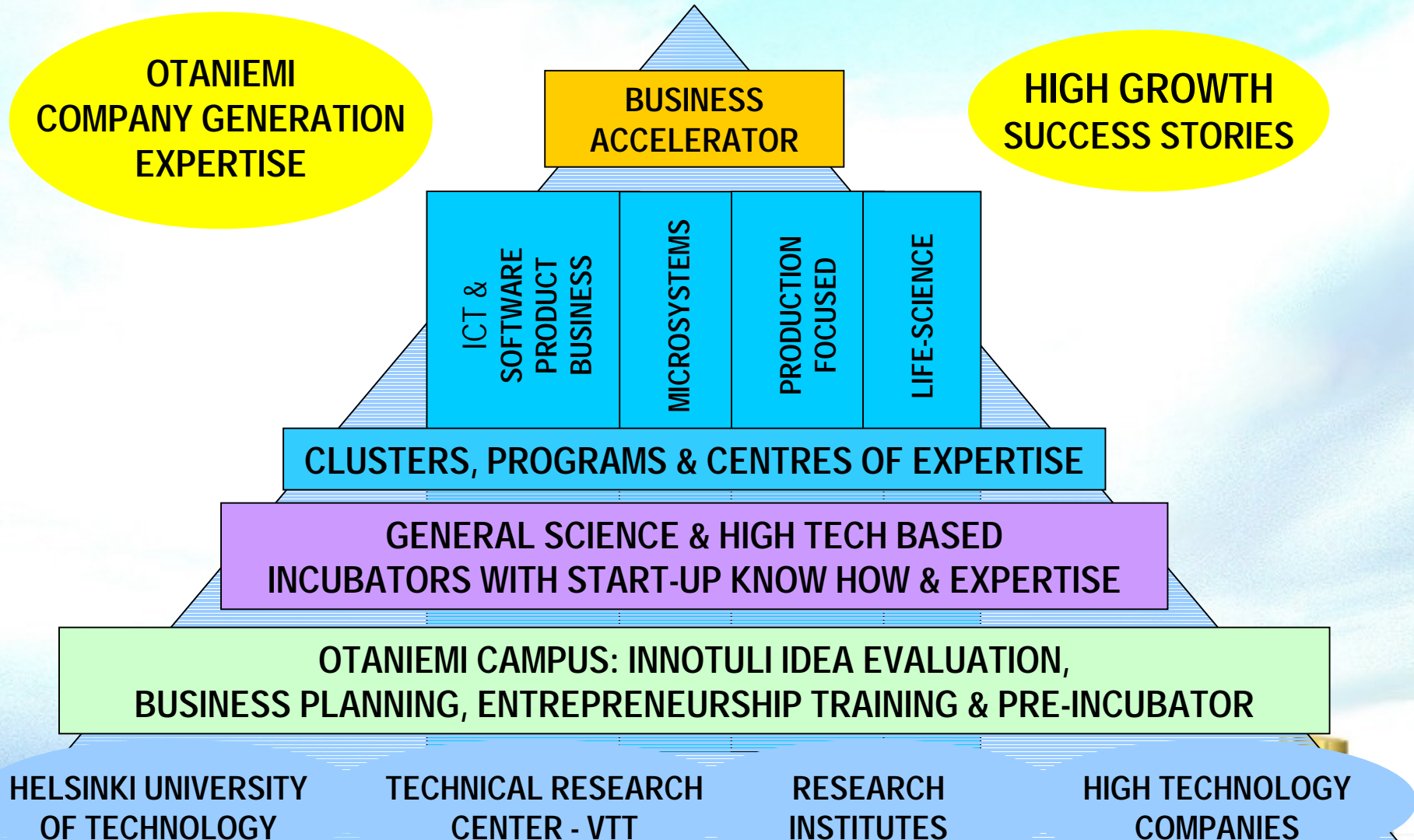
Results and benefits:

- Generating start-ups and growth firms
- Adding Universities social benefits
- Creating jobs and taxes to community

Clusters & Centres of Expertise

- Information and Communication Technology
- Centre of Expertise of Software Product
Business develops business operations and favourable conditions in the software sector
- Centre of Expertise of Adaptive Materials and Microsystems is a commercialisation and service centre for Microsystems Technology
- Others: Life-Tech and Production-Focused

Incubator Structure



Measuring the success/ results

- Number of new start-ups. jobs...
- Turnover, international trade...
- Growth, success stories, failures...
- Price for a new job...
- Collected new taxes... - return of investment
- Collected venture capital...
- Future potential
- Other indicators...

Difficult, difficult!!!

Measuring Success

- Award of Excellence by European Commission 2000 and 2002
 - Proven track record on creating new technology-based companies
 - Representing EU Best Practice
- Successful companies is also our success:
 - Radiolinja: globally first GSM operator
 - Codetoys: global provider of mobile services





Incubator Expertise
Thematic Network
HIGHEST:

Alpes-Maritimes, France
Helsinki region, Finland
Southern Sweden
Torino area, Italy
Berlin, Germany

Award of Excellence



**Helping Innovative firms Growth and Entrepreneurship
using Emerging IST and other Technologies**





Helsinki Region Business Incubators Feedback and Success Studies 2003

- ▶ Studies show figures of the impact of incubators, like growth of average company sales & employer amount in companies inside the incubator and survival rate of all the companies already left incubator
- ▶ For Otaniemi the results were excellent, average company sales or employer growth was 50% in companies inside the incubator and survival rate of all companies left from incubator is that 86% is still alive

Creating Wealth for Society

Return on investment, an illustrative calculation:

300 tenant companies + 300 moved out, success rate over 90%

New jobs created by growth and development since 90's*

Appr. 5000 jobs

times Salaries (avg. 30k) annually

EUR 150 M

times Income taxation (avg. 33%)

EUR 50 M

Public support in year**

EUR 1,5 M

*Return on public investment is in the scale of 50 to 1****

* estimate is based on client surveys (total growth without attribution of impact)

** public support is given only for business development services and programmes

*** Other factors: + V.A.T. (8-22%) + capital gain tax 29% - public R&D grants

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