

Business Incubation in Estonia

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Business Incubation in general

Business Incubation as a concept and a philosophy is nothing really new.

Providing: **Infrastructure – Business development services**

Access to: **Knowledge – Funding – Networks**

Business Incubation is systematic approach primarily aimed at growth-oriented start-up enterprises to help them grow into sustainable and competitive companies.



BI in EE – some no's

Target groups

3 tech

2 (+1) creative

3 general

Location

4 business incubation centres (b-i-c) are in Tallinn (capitol)

3 in Tartu

1 in Narva

Ownership

5 b-i-c are under the control of local municipalities

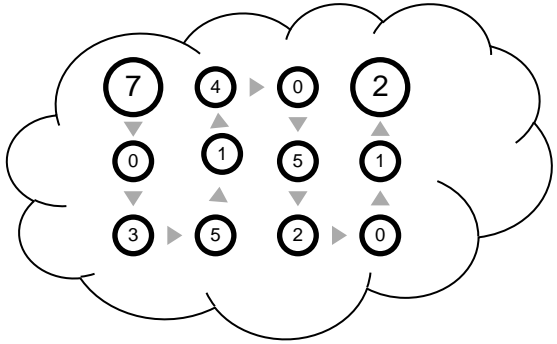
2 are joint ventures between City Governments and Universities with independent Supervisory Boards

1 is privately run – Tartu Biotechnology Park

BI in EE – more numbers

2010 figures

	Total	Average per Centre
Space		
Gross area (sq m)	8077	1010
Net lettable area (sq m)	5411	676
Area let (sq m)	4481	560
% let occupied	83%	83%
Client base		
Total number of clients	107	13
New clients	79	10
Clients leaving	47	6
No in pre-incubation	123	15



Financing of Incubators

	2010	2012*
• Rent & services	20%	5%
• Enterprise Estonia grants	15%	60%
• Other	65%	35%

(support from local municipalities & cross-subsidiation from other income streams)

*estimated figures



Aim of incubation – state view

Main objective of Enterprise Estonia Incubation Programme...

...is to support the creation and sustainable development of innovative companies with growth potential by decreasing the risks of their failure, accelerating their growth and developing innovativeness



Sub-objectives (until 2011):

- Increase the quality of services provided by incubators
- Promote mutual cooperation between research institutions and companies
- Improve an incubation environment by promoting development, growth and innovation.

Strengths

State support – Incubation programme, variety of grants, Start-Up Estonia programme (from Enterprise Estonia)

Strong & renowned **startup community**: Estonian (Baltic) Mafia, Garage48, Open Coffee, Mobile Monday, Start Smart, Brainhunt, Startup Wise Guys

Its a **reference** business: Economist, Angellist, TechCrunch, ...



Weaknesses

Incubation Centres:

...lack visibility

...are small and financially dependent

...have limited experience with high-growth companies

Thus: low level of awareness among entrepreneurs

**SCOPE
&
AMBITION**



Where to?



- * Strategic management & marketing
- * Network management
- * Growth management
- * General management
- * Competence management



Thank You!

It's easy to make the first step:

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