



D4.3 NordicAIP Exploitation Plan

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ESTBAN

FIBAN[®] FINNISH BUSINESS ANGELS NETWORK



CIVITTA

flows
BY CONTRIBUTOR

NORDIC BUSINESS ANGEL NETWORK

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Abbreviations

Abbreviation	Definition
NAP	Nordic angel (investment) program
WP	Work package
BAN	Business angels network
EstBAN	Estonian business angels network
FiBAN	Finnish business angels network
DanBAN	Danish business angels network
BAN Norway	Business angels network Norway
NordicBAN	Nordic business angels network
ICT	Information and communications technology
SME	Small and medium-sized enterprise
DD	Due diligence
IPR	Intellectual Property rights
SPV	Special Purpose Vehicle





Index of tables

Table 1. Estimated cost of NAP administration and services provided	8
Table 2. Impact experienced in local ecosystems since 2018.....	16

Table of contents

1. Executive Summary	4
2. NordicAIP exploitation plan elements	5
2.1. The strategy	5
2.2. Exploitable results	5
Angel Investment Program toolbox	5
Startup Includer platform	6
NAP brand, network and alumni	6
3. Common approach to exploiting NAP	6
4. Individual approach to exploiting NAP	7
4.1. Exploitation in Estonia (lead by EstBAN)	8
4.2. Exploitation in Finland (lead by FiBAN)	10
4.3. Exploitation in Denmark (lead by DanBAN)	11
4.4. Exploitation in Norway (lead by BAN Norway)	12
4.5. Exploitation plan for Startup Includer (lead by ContriBER)	14
5. Overall impact and further outlooks	16
5.1. Competition overview	17
6. Conclusions	18





1. Executive Summary

Nordic Angel Program (NAP) is a training and investment program for startup investors run by Nordic & Baltic angel networks EstBAN, FiBAN, DanBAN and BANNorway supported by Civitta and the Nordic angel network NordicBAN as well as powered by the investment platform Startup Includer.

Programs run by the angel networks cover a 3-month angel training period, including joint study trips, evaluation of startups and networking with experienced angel investors. NAP links with some of the leading startup events (TechBBQ, Latitude 59, Slush, etc) in the Nordic & Baltic region, culminating in a syndicated investment chosen by the investor group.

The main services of the program include investor trainings led by experienced business angels, facilitation of group investments, dealflow management with an investment platform and links to some of the main Nordic startup events.

The program spans over three months and consists of four parts:

- Building the investment group: at least 20-25 participants in each program
- Training sessions for participants: four training sessions and workshops in each program
- Group evaluation of startup applications from a startup conference: access to the Startup Includer platform
- Culminating with a group investment and follow-up: approximately 250.000€ invested in each program

The strategic objective of Nordic Investment Program (Nordic AIP) is to help European high-tech start-ups and innovative SMEs to grow and scale up at pan-European and global level.

Direct objectives of the project are:

- To enlarge the pool of active early stage investors (investors doing at least 1 investment per year) with relevant understanding of market trends, business models, investment mechanics and instruments and practical business angel skills.
- To provide the investor and ICT startup community in EU with relevant up to date tools and practices for networking, learning and cooperative investment management.

The Nordic AIP project also contributes to the elevation of business angels' investment and managerial skills as well as sustainability of the established BANs in the Nordic region. This in turn ensures the sustainability of the project results.





2. NordicAIP exploitation plan elements

This chapter shortly introduces the methodology behind creating an exploitation plan for the project results, including the initial strategy set up and the results that can be exploited. The exploitation plan is created considering the future goals for BANs as the organizers of NAP, but also Startup Includer as the owner of the platform developed for the interest of the NAP project. NordicBAN and Civitta Estonia carried supportive roles in this project and therefore were not included in the exploitation plan.

2.1. The strategy

The focus of this deliverable is to suggest a sustainable strategy which aims at the **continuation, replicability and scaling of the main activities** of the project, and the **exploitation of project results**. The exploitation plan is developed in cooperation with all partners throughout the project and includes **a short-term plan (1 year) and long-term plan (5 years)**. The process of reflecting on the potential of the program started with the beginning of the project. The **barriers and opportunities** related to NordicAIP were assessed with every new situation, issue, learning point, and possibility that occurred from January 2018 to December 2019.

Overall, NordicAIP exploitation strategy is based on the following main pillars:

- a common approach and tools to be used under the NAP brand;
- individual plans with exploiting project results, based on the specific interests of each partner;
- further potential for cooperation and program developments foreseen, including an overview of potential competition.

2.2. Exploitable results

Angel Investment Program toolbox

The Angel Investment Program toolbox is a concept, a methodology and guidelines developed within the program to ensure the scalability and sustainability of the project. The toolbox is based on the experience of all BANs that participated in the process, the feedback received from investors and startups that participated in the program and best practices found during the lifespan of the project.

The toolbox is designed to guarantee the scalability and sustainability of the program. Therefore, the toolbox is subject to undergo changes and modifications according to the different needs of the target markets recognized after the project. For example, changes could be made in the number of pitch events required in the funnel, the information gathered from the ICT startups, or the topics chosen for investor trainings, but also other aspects that are deemed necessary for the success of the program in that specific context.

More information about the toolbox can be read from the public report D2.1 Nordic Angel Investment Program toolbox.





Startup Includer platform

Startup Includer platform is a digital platform for investment pipeline management and facilitation of cross-border investment processes developed specifically for the needs of the NordicAIP, allowing BANs to streamline their processes, improve networking and the management and distribution of deals. Startup Includer focuses on improving the deal flow management - collecting startup applications, sharing these with members and partner networks, collecting investor feedback and interests. In addition, the platform includes communication, co-investment, statistics and reporting, and voting tools as well as a module to manage events, members contact book, and portfolio.

NAP brand, network and alumni

Nordic Angel Program brand consists of a website and social media accounts that reflect on the activities of the program - trainings, events, learnings and other highlights, invitation to angel trainings, as well as virtual and physical visuals, including a logo, document templates, a slide deck, team shirts and banners.

In two years, NAP gained visibility and interest among both investors and startups internationally due to being presented at selected flagship events in Estonia, Finland, Denmark and Norway that have a good relationship with the European startup ecosystem. Additionally, with each batch of the program held, information about NAP investments and good quality dealflow travelled within the ecosystem, creating interest in more investors that wanted to join the alumni. The brand was also strengthened thanks to being awarded by European Business Angels Network as Best in Globally Engaging the Early Stage Investment and Entrepreneurial Ecosystem in 2018 which gained global interest in the project.

At the end of the project, the alumni were given a unique chance to put in tickets into the best startups across countries that hadn't closed their investments yet. Therefore, the network can be seen as a secret group for promising deals which are made more easily accessible thanks to the cross-country connections created between BANs running NAP.

3. Common approach to exploiting NAP

Thanks to the success experienced with piloting this training and investment program, the continuity of NAP is certain - all BANs that ran NAP in have decided to continue with running investor trainings and investment syndicates lead by experienced angels. Reasons for this include the positive impact made to the investor networks and experience sharing, the rather new knowledge gained and models developed for investment syndicates, including the cross-border investment opportunities provided thanks to the collaboration established between the participating BANs, as well as the brand of NAP that has reached a certain level of fame and trust thanks to the successful batches held in this piloting phase.

Thanks to two years of work, including program developments, communicating the program both online and at different events, sharing the success stories of startups that have received investments via NAP and the positive word-of-mouth shared among investor networks in relation to the unique opportunities received via NAP, all BANs agreed to continue using a reference to





the Nordic Angel Program. Different from previous years, the name will be slightly changed according to the needs of each BAN, but the common details to be used going forward will be agreed on in the next network meetings.

The network of BAN managers running NAP batches is another valuable aspect of this pilot project that all partners agreed to proceed with. Similarly to the project period, partners will have recurring meetings in order to share news, tips, learnings, etc., and to work collectively to expand their network.

Next to regular experience sharing, the network will also work on preparing for the yearly event where NAP deal room will be opened to investors across BANs. Based on the first such super deal room event held in Tallinn in December 2019, this opportunity is considered a good selling point to those BAN members that wish to find trustworthy startups to their portfolio, but also to encourage cross-border investing. The deal room will be opened in Startup Includer as the BANs agreed to continue with this platform for the invaluable benefits and immense potential seen in Startup Includer.

For the cause of facilitating more international investments, BANs also agreed to continue organizing study trips either in collaboration or to provide seats left open to the network. Similarly to the open deal room, collective study trips support the networking of international angels and sharing local practices and knowledge further – this is expected to support the development of the norm of investing across borders.

These shared opportunities for investments, study trips and best practice cases will be communicated via a common newsletter to be sent to the shared NAP alumni of all BANs. In addition to the newsletter, a common social media presence and monthly or quarterly posts in BANs channels will be used for cross-promotion and further inclusion.

4. Individual approach to exploiting NAP

This chapter describes the individual exploitation plan of each partner within the program, introducing their short-term and long-term plans to keep the program going and continue sharing the best practices with the hope of expanding the number of investors trained in angel investments. This includes an overview of potential barriers and opportunities seen in the participating countries (Estonia, Finland, Denmark, Norway).

Table 1 presents an overview of the estimated price foreseen for the program to be administered without the support of project funding in each country going forward, the services that could be provided for this fee, the potential competition foreseen in the local market and organizations that might want to collaborate for the interest of the program. The detailed description of the individual exploitation strategy of each partner is provided in the following paragraph following to Table 1. NordicBAN is not included in the overview as their role in the project was to disseminate project information and not carry out the programs.





Table 1. Estimated cost of NAP administration and services provided

Partner	Fee estimate (program/angel)	Services provided	Potential competition	Potential collaborators
EstBAN	1500 EUR	Trainings and inclusion in syndicates with lead angels (excl. salaries)	None	EstBAN partners, legal councils, EBAN, other angel groups in Nordics and Baltics, startup and technology events (e.g., sSTARTUp Day, Latitude59)
FiBAN	350 EUR (1350 without sponsors)	Trainings and syndicate process inclusion (excl. salaries)	None	FiBAN Partners (eg. Nordea bank, KPMG, Fondia law), Arctic15, Slush
DanBAN	1200 EUR	Training program, syndicate process inclusion, administration of process (incl. salaries)	Keystones Toolbox	Keystone Toolbox, Accelerace, Katapult, TechBBQ
BAN Norway	2000 EUR	Training program, syndicate process inclusion, administration of process (incl. salaries)	Angel Challenge	Fintech Angels, Keiretsu Forum Nordics, Norwegian Investment Forum, Pangea Angel Investor Program, Scandinavian Investment Network, Seed Forum, Oslo Silicon Vikings

4.1. Exploitation in Estonia (lead by EstBAN)

EstBAN continues to use a similar setup of the program to train business angels under NAP branding but by making a general reference to NAP while promoting the program as a funding opportunity for new investors (which it is in its essence). The funding will be ensured by the participants' fees.

Training program itself will be held separately from the investment syndicates in order to ensure quick deal closing between startups and investors. NAP assumed very good timing of the trainings so that investors could test their newly gained knowledge in the right stages of the investment process. Keeping trainings separate is beneficial as it allows to educate more angels at the same time, not just the specific angels going through specific parts of the process.

Another exploitation opportunity is to provide consulting services to the BANs in less developed startup ecosystems to help them organise their own training program. This opportunity is already proved by the international interest expressed to such kinds of services. Currently there are three potential target groups for this:

- Less developed BAN networks and venture ecosystems;





- Current and new investors interested in investing into the region through a small ticket and syndicate format;
- New and less experienced investors who want to gain new knowledge, who have the experience, but want to improve trends knowledge and knowledge about investment process from foreign investors.

Short-term plan for NAP

EstBAN has already fixed plans for the first months that follow to the project and similar syndicate investments are being done during the next Estonian flagship events such as sTARTUp Day in January 2020 and Latitude 59 in May 2020. Additionally, a syndicated investment is given as a part of the biggest business idea challenge in Estonia named Brainhunt around March 2020.

EstBAN has since the beginning of the project had inquiries about the NAP program and methodology and has been invited to introduce the program to different BAN in Eastern Europe, but also Georgia and Belarus. EstBAN will proceed to accept the invitations and share NAP practice upon request by other BANs.

Trainings are planned to be held separate from the syndicated investments due to the learning that the quicker the investment process, the happier the stakeholders. Additionally, due to the different level of expertise held among the investor group, EstBAN wants to provide the opportunity to a wider group of investors to be trained in specific topics, not just the NAP syndicate group.

Long-term plans for NAP

EstBAN sees a long future for NAP methodology, the toolbox and collaboration with Startup Includer. EstBAN is seen as an evangelist that will help to spread the practice to as far as possible to all BANs that are interested in training their angels. In five years' time, EstBAN foresees that several angel networks in the CEE area have adopted the NAP program as an example, educated hundreds of angels and is collaborating even more within the pan-European angel network.

Possible barriers

The number of potential new investors decreases significantly with each year due to the small nation. Nevertheless, this is not a dealbreaker, since EstBAN receives approximately 10 new members in each quarter and the newcomers are in need of angel training as potential new participants in syndicates. The challenge with the syndications is the lack of lead angels taking the task of leading the group, but EstBAN is tackling the challenge with a designated group of lead angels from the EstBAN members and educating them on leading.

Collaboration opportunities

The local collaboration will continue within the region, as well as local investors new to angel investing. The cooperation with the technology and startup events is ongoing will continue in the future to support dissemination activities to get more coverage and dealflow. Local partners such as universities, acceleration programs and entrepreneurial groups will also be engaged more in the future activities. The international collaboration opportunities are presenting themselves already before the end of the program, but there are plenty of angel networks in CEE region to





adapt the outlines and framework of the program, to include more angels in the area, educate and bring them together, by facilitating the syndication process and working together with the large international events.

4.2. Exploitation in Finland (lead by FiBAN)

FiBAN has benefited greatly from NAP, especially in training new angels, getting international deal flow and investors, and creating new lead angels, while making them more visible to the ecosystem. Thus, there's an immense deal of interest in continuing with NAP after this project ends. To keep the program running going forward, funding will be ensured asking for participant fees, which have been calculated so that FiBAN partners would support the programs and thus, compensation on some of the costs of the program. The program structure will be amended a bit to ensure that the salary costs are not too high for the price that is paid for the trainings and syndicate administration.

Lead angels will be compensated for their work through a carry or other set of compensation model to be specified in the further process. The trainings held as FiBAN Academy sessions are part of the deal, so all NAP participants can join FiBAN Academy sessions for free which is normally 80€ for members and 160€ for others joining the trainings from outside the network.

The process will be less facilitated than previously but resembles more a typical syndication process where lead angel gathers a smaller syndicate to invest into certain stage/vertical company. This also enables NAP to have multiple investments done by multiple syndicates.

Short-term plan for NAP

In Spring 2019, FiBAN will continue to collaborate with Arctic15 to get deal flow – in other words, have startups applying for NAP. This time there will be several lead angels, choosing their favorite startups vertically (e.g. food, fintech, health, EdTech and other interest-related investment groups will be represented by an experienced lead angel). The participating investors can choose which lead they want to follow, which can be based on either personal trust to the lead or their interest to a certain vertical.

Long-term plans for NAP

NAP will continue as long as there is a need for training new angels, clear and quick syndication process, and collaboration with flagship events. As educating business angels is in the core of FiBAN's activities, it seems unlikely that there wouldn't be a need for a program like NAP. In five years' time, FiBAN hopes that 80% of new FiBAN members have gone through NAP (the members are considered to have been in the network for 1-5 years).

Possible barriers

Biggest problem for the future model is to get lead angels on board. The New Nordic market is lacking good, experienced lead angels, who still have room in their portfolio for new companies. Also, lead angels tend to be busy, so NAP needs to be as lean as possible for them. FiBAN office will help in all administration aspects. Also, pricing of the program will be difficult, if FiBAN's partners don't see their benefits or the overall value in the program and therefore don't want to sponsor it.





Collaboration opportunities

Collaborating with existing NAP partners, like other business angel networks, FiBAN partners and flagship events will continue, as it has worked very well previously. BANs can exchange speakers and experts, hopefully share deal flow and make investors meet with each other in form of joint study trips, for example.

4.3. Exploitation in Denmark (lead by DanBAN)

NAP by DanBAN has been a huge success for the Danish business angel network. Before NAP there was no angel investor training provided and the project gave the essential knowledge and resources to pilot the program. DanBAN is therefore planning to continue using the toolbox developed within the program for the business angel trainings with slightly updated branding (e.g. name of the project) while still referring to the NAP as the main link to where it originates from. The trainings are planned to be funded from the fees of members participating in the program.

The willingness of the potential participants has been confirmed with a survey conducted among the target group. Based on the survey and thanks to the good coverage of this project at different investor events, it is highly probable that each new DanBAN member sees the importance and the possibilities in angel training and therefore willingly pay the fee for DanBAN to facilitate NAP going forward.

Future exploitation will continue focusing on the cross-border investment powered by Startup Includer platform and sharing best practices of NAP with potential participants by attending field-specific events.

Short-term plan for NAP

It has not been hard to fill up the spots for NAP in DanBAN, but since 100 angel investors from DanBAN have participated in NAP and there are approximately 190 members in the network, it is not certain that a new batch could be filled already in February already. Therefore, DanBAN is planning to start with the fifth batch of NAP in the Fall of 2020 and will be ready to accept new angels to the program in Spring 2020.

As DanBAN sees NAP as a great onboarding opportunity for new members, the service is aimed to be provided as acquisitions for approximately €1000. Depending on the other networks and their plans with NAP, the name of the programs will be decided upon in Fall 2020. For now, NAP will be used since it is well-known and supports the goal of reaching more cross-border investors which is the main element of the program that DanBAN wants to continue pursuing.

Long-term plans for NAP

DanBAN sees a long future for NAP methodology, the toolbox and collaboration with Startup Includer. DanBAN wants to be seen as an evangelist similarly to EstBAN that will help to spread the practice as far as possible to all BANs that are interested in training their angel investors. We see that education of angel investors are important due to the constant shift in the economy and the need to fund early stage and innovative companies.





Possible barriers

A lot of the previous NAP participants have stated in a survey that they would be happy to pay for a service/education like it, but the statement is not proven true until the participants actually have to pay for the invoice sent to them for the program. However, for a group to form, there must be at least 15+ participants in each batch and if less than 15 signups are received for NAP by DanBAN, it will not be the kind of an same experience for the investors as the previous NAP participants have told them about. So, two potential barriers can be seen in the Danish context are small interest as one and little willingness to pay for their education as second.

Collaboration opportunities

For the next batch, DanBAN aims to get more dealflow partners like Accelerace and Katapult as well as flagship events in Denmark like TechBBQ whom DanBAN has worked in cooperation with before. A new approach can be testing now that Startup Includer is being used at TechBBQ as their screening tool. Also, collaboration with current partners (will be continued to create content for NAP trainings similarly as is done now – this includes cross-border dissemination, common branding and deal flow sharing in collaboration with the other BANs.

Cooperation will also be initiated with Keystones which is a company that provides investor trainings as DanBAN recognized a chance for cross-dissemination and experience sharing by sharing trainers. DanBAN's plan to include Keystone trainers' lectures about valuations and borrow some NAP training elements to Keystone will be tested in the upcoming NAP in Fall 2020.

4.4. Exploitation in Norway (lead by BAN Norway)

Based on the results of the NordicAIP, BAN Norway is planning to organise training programs for the selected business angels twice a year (Spring and Autumn sessions). In order to fund the trainings, the network considers implementing membership with fees or obtaining sponsorship, but this is yet to be specified after the project.

The focus of the Norwegian network will remain on the cross-border investment, which will be ensured thanks to established collaboration with foreign Chambers of Commerce in Norway and with Oslo International Hub's ecosystem with whom we work actively on a daily basis. Moreover, effort will be given to attract investors to the project with small ticket size.

Short-term plan for NAP

In the first year after the project, BANN will continue spreading the word about the NAP training program that encourages cross-border investments. At the beginning of 2020, activities and resources for the next training program will be initiated. This includes building links with potential partners and making alliances with local organisations, such as accelerators and other incubators around Norway that have their own investor round or network and that have not yet been included in the NAP pilot.





Long-term plans for NAP

BANN will continue organizing road shows as promotional events for NAP in all (distant) areas throughout Norway. Roadshows held within NAP in the last 2 years were very successful to recruit both investors and startups to the program and raise awareness around the project. Similar dissemination plans with roadshows will be done for the following years.

The angels that participated in NAP during 2018 and 2019 were not necessarily members of BANN before stepping into the program. Therefore, BANN has set a goal in their long-term strategy to get all NAP participants joining BANN. In that case, NAP will be used as onboarding to a new investor relations platform. BANN tested a complementary platform next to Startup Includer for investor relations (Crowdworks) as the platform is used by most of the Norwegian crowdfunding organizations and offers features that allows Norwegian investors a better overview of the shared pipeline of startups. The decision as to whether BANN will continue with Startup Includer or the most recent platform they tested will be decided in the next year, however, the common deal room of NAP will be joined on Startup Includer.

Possible barriers

One of the potential difficulties in Norway is to assure sufficient and high-quality pipeline of startups since Norway is home to one of the fastest growing startup ecosystems in the Nordics but is not leading yet the startup scene in the Nordics.

Another potential barrier lies in addressing investors interested in specific sectors because startups are yet playing a role in transitioning the economy to a tech-focused future. This situation needs more backing from the government in order that Norway's startup scene is in every investor radar.

In addition, enhancing the marketing/communication strategy to target angel communities in the whole Norwegian territory is also a difficulty due to both the geography of the country and the distances that complicate investment initiatives in the far north (not only due to limits to physical attendance but also on dissemination-wise).

Whereas regular Norwegians have interest in investing, there is overall lack of training about how to invest in startups specifically. A certain level of trust is needed to change the traditional mindset rooted in Norwegians that deal with investments as they usually invest in assets with lower risk, since advisory services for investment are traditionally served through investment bankers and asset managers were addressed to financial products and real estate.

The percentage of cross-border investors is high in Norway, which is a good thing, but the different nationalities that are therefore included in the program need to be addressed better, especially in relation to the legal aspects and difficulties cross-border investing brings about. Managing with different nationalities and experience is both related to the international startups that join the program as well as the investors – both of them need to be considered when improving the approach and professional legal advice will be needed to succeed in this.

Collaboration opportunities

More interest can be expected from investors if links with well-known legal partners can be built. Therefore, BAN Norway plans to build an alliance with a legal company that would create more





trust in their investors to join the program. In addition, that entity and their expertise would provide value by helping the angel group in the investment process (for example, with SPVs) which adds an additional layer of trust for the Norwegian investors.

Norwegian tax legislation regarding investing in startups has been improved based on insights shared by BAN Norway about the NAP developments. More collaboration and talks with the main institutions and lawmakers in Norway can be held to continue enhancing the conditions for investments done in startups which promotes the fact that regular Norwegians increase their intention to invest in startups (next to the more traditional investments done in real estate and other assets).

Additionally, other networks could be connected with in Norway, especially all accelerators and incubators working with startups. This was initiated in the fourth batch of NAP in Norway and proved to be beneficial for the Norwegian ecosystem to develop a mutual understanding inside the community and especially between startups and investors about what is relevant to keep good relations. This cooperation could include not only masterclasses but also side events hosted within the Norwegian community.

4.5. Exploitation plan for Startup Includer (lead by Contriber)

Similarly to the project timeline, Contriber will focus on the necessary developments of the Startup Includer platform designed specifically for business angels. The platform was initially developed for the interests of NAP because there were no similar options available in the market that could have been subcontracted nor asked to be developed in direct connection with the BAN managers to serve the specific interests of business syndicates. Therefore, Contriber will proceed with exploiting the platform and developing its functions according to the needs reported by BANs running NAPs.

Short-term plan for NAP

Contriber's short-term strategy is to engage NAP member networks to identify potential early adopters among their lead angels to test the Deal Lead toolkit (Startup Includer 2.0 version) and share deals cross-border. The toolkit will be further developed based on the feedback received from the angels as well as the cooperation held with EstBAN. Country-specific as well as shared deal room space will be provided as a result.

Developments planned for the near future are as follows:

- **Startup Includer 2.0** can be called the Lead version. This version focuses on the convenience of lead angels to do their job in engaging other investors and building a network. We work on special functions which help the lead such as private deal rooms where specific investors can be invited instead of providing an overall deal room. In a larger picture, this will give small and medium size BANs the opportunity to level up in their actions.





- **Startup Includer 3.0** will aim at connecting BANs and creating synergies among the BANs, regardless of their geographical location. effect. This version also brings the possibility of specialisation for syndicates to invest in startups related to certain sectors or interests. Investors with similar interests can join syndicates that are created based on their focus area (certain types of startups such as fintech or impact investing, etc.) and not their geographical location. Startup Includer 3.0 is thereby designed to encourage cross-border investing and help to ease the process of making investments that are less dependent on geographical connections that angel networks mostly provide today.

Long-term plans for NAP

Contributer's long-term strategy is to engage with NAP members networks to develop a globally connected network and pilot interest-based investment groups.

First target group for collaboration is most certainly all BAN networks in Europe and worldwide as their solution is universal and therefore scalable. Once all BANs have already joined the platform and there are no BANs left to target, Contributer can address the other networks with investors that are not BAN members but are interested in topic- or sector-specific (in health, tech, etc.) investments and connecting to other investors in the field.

Another option for expansion is risk funds. Hackfund in the US is a good example of a risk fund that has been built based on community funding that provides the deal flow. In their case, it's relevant to have many people included as the community itself takes part of the process and needs to be onboarded. Their main problem or challenge lies with the fact that the tools they need (Doodle, Calendar, Sheets, emails) are all dispersed among different providers but in Startup Includer, all these actions could be done in one place.

Possible barriers

The main challenge foreseen by Contributer is to keep the service fee low without receiving any external funds. Startups alone cannot solve the kind of ecosystem issues with private investor funding, especially when the market is limited. If you only have a market consisting of 700 customers in the world and you have investors chipping in, then you do end up asking for 20 000 EUR a year from your customers (as do other platforms similar to Contributer's).

If this platform would not have been funded by the EU and would have been asked to be built on private investments, it wouldn't have focused on angel investors and their needs or requests as business angels are a very limited investor group and there is little space for scaling. This is something no investor would be interested in, usually. But with EU funding, this could be prevented. The BANs that we have been working with will definitely have the platform to use without any extra fees, but ways in which the fee could be kept low for other interested parties needs to be investigated further.

Additional barriers foreseen include the of digitalising and changing processes in networks, conflicts between the approach appreciated by angels and venture capitalists, and the level of value seen by bigger networks in deal sharing due to sufficient funds and investors being available within the network.





Collaboration opportunities

Hackfund has shown that word of mouth works well for our product as several other funds are now catching up with this news (similarly about NAP and its platform). In that way, BANs will continue to be the main collaborators as the ones that can share their experience with a wider group of investors. Additionally, case studies that the BANs have provided and can provide going forward to the platform developers are a crucial matter in the development of the whole ecosystem and build further opportunities.

Contributer expects increased speed of platform development thanks to continuous input from BAN managers by offering an opportunity to have early access to tools developed specifically for BANs, creating a cooperation ecosystem that benefits all sides.

5. Overall impact and further outlooks

Expectations set for the project were reached with ease with the exception of including cross-border investors:

- more than 1600 ICT startups were reached altogether and more than 100 ICT startups were attracted to participate per program on average;
- more than 400 investors were reached and approximately 25 investors were attracted to participate per program on average;
- 20% of the whole NAP investor alumni were cross-border, but not all batches had 20% of international investors on board.

Within the program in terms of the business environment, partners found the following benefits as presented in Table 2 below.

Table 2. Impact experienced in local ecosystems since 2018

EstBAN	FiBAN	DanBAN	BAN Norway	Contributer
Increased international attention to the program and cross-border investment	Increased deal flow	Positive change in the startups recruitment process and increased dealflow	Improved tax legislation for the investment in startups promoting future dealflow	Increased network member activity and engagement level
Expanded BA network	Engaging new and passive members	Simplification of syndicates and lead angel role	Expanded network for future exploitation of project results	Improved image of BANs in the eyes of startups
Simplification of the business angels' recruitment process	International collaboration in New Nordics to a new level	Expanded investment in ICT and knowledge of cross-border investors	Increased trust in venture investment and better awareness of the business angels activities	A more general/unified startup application process





EstBAN	FiBAN	DanBAN	BAN Norway	Contributer
Simplification of investing in startups from Scandinavian and Baltic countries	Efficient investing and syndication process	Increased relations among angel investors in DanBAN, especially for new angels.	Increased understanding of the community, primarily between the early stage investors and startups	

5.1. Competition overview

The consortium is aware of four initiatives similar to NAP that can be considered as competition – Angel Challenge in Norway, Keystone in Denmark, and Y Combinator and Seattle Angel Conference in the US.

Angel Challenge is a Norwegian program which runs a 7-week bootcamp with workshop sessions. Participants are usually **private banking customers** from big Nordic banks that have no previous experience in angel investing. Their program costs around 2500 EUR per participant with a minimum ticket of 5000 EUR to be invested in the program.

Angel Challenge differs from NAP as it focuses on the local ecosystem and encourages **investments to be made in the region** while NAP encourages cross-border investments and focuses on giving their participants an opportunity for international networking, accepting both foreign investors as well as startups from other countries.

Keystone is a competence network in Denmark with approx. 450 members, including business angels, consultants and startups. They have also quite recently launched a toolbox for their members that includes educational program with workshops on due diligence, lead angel activities, exits, syndicates, etc. Many trainings are similar to NAP, however, **there is no investment done at the end of the trainings to practice what is learned**. Also, it is unknown whether trainings on cross-border aspects are included or not.

While NAP is organized by BANs that are non-profit organizations, Keystone is a for-profit organization. Furthermore, it is not possible to participate in Keystone's trainings without becoming a member. The membership of Keystone costs about 650 EUR, including 10 classes and online materials, but not study trips or syndications guided by lead angels. The members of **Keystone invest mostly sweat and small amounts**, NAP investment tickets are bigger and stakes considered higher.

Seattle Angel Conference is a program for angels which combines workshops, startup filtering and due diligence process. It is inspired by a similar model originating from Oregon Angel Conference. Similarly to NAP, Seattle Angel Conference is a recurring event where new investors pool funds to invest in one of the early stage startups applying to the competition. However, the conference is **open to community members only and run locally** in the US while NAP remains open for all (including foreigners) interested in angel investing, regardless of their membership status and location.

Y Combinator is an accelerator run twice a year to “invest a small amount of money into a large number of early-stage startups” (ycombinator.com). The selected startups are sent to Silicon





Valley for three months to shape and refine their pitch, culminating with a demo day where companies are presented to an invitation-only audience. Y Combinator thereby helps the **startups to work on their ideas and get connected** to investors. Similarly to NAP, they have an alumni group to support further networking after the program. However, Y Combinator focuses on startup trainings, and not on investor trainings that NAP is about.

The competitors mentioned have slightly different objectives. NAP is focused on training investors, including the opportunity to invest in the selected startup and welcoming international investors and cross-border investments. None of the competitors provide this match as they:

- are not focused on investor training, but startups and/or;
- provide trainings only and no investments are made (with or without) lead angels and/or;
- have a local or regional focus, not an international and cross-border ambition.

6. Conclusions

The exploitation strategy is based on the experience of running four batches of syndicated investments in connection to an angel investor training program unique in the field. The activities implemented so far have already achieved a sound impact and raised the number of investors trained as well as investments made (including cross-border) in Scandinavia significantly for the region.

The impact of the project is expected to last for a long time thanks to the unique initiative that it provided and the success that was attributed to it among the regional and European BAN networks, but also the wider public interested in developments in the investment scene.

All partners have agreed to continue collaborating with the participated BANs, including organising joint study trips, exchanging ideas about good speakers, topics and locations for events, sharing best practices and deal flow with each other and establishing an alumni network for the Nordic Angel Program participants in all 4 countries (and beyond once the program to other countries).

Based on today's vision, partners' plans will differ in the specific trainings that will be held in the future NAP batches, the naming of the programs and the participation fee that will be required from the participants to keep the program running. Next steps of each BAN is to find most relevant topics to be included in next trainings and a sustainable price for the program in each country that covers all relevant costs while remaining affordable enough in comparison to the average costs and tickets used in the local investment scene.

Collectively, BANs running NAP will agree on next shared activities to be held in 2020 and onward, including recurring meetings and meetups, co-organized workshops and study trips, and the yearly final event with a super deal room to be shared with the international NAP alumni. This supports the long-term goals that are similar to all project partners – to continue educational programs, train existing BAN members and engage new angel investors in the region. Also, to encourage more cross border investing and syndicated events. Long term cooperation plan is set for all the BANs to continue cooperating with each other across borders and facilitate networking and communication between the BAN members across the BANs.

