

BUSINESS FINLAND

FUNDING FOR RESEARCH ORGANIZATIONS

14.2.2020

Business Finland's funding for research organizations

Co-Creation

To initiate research

- Preparing Co-innovation proposal
- Specifying research question together with companies
- Creating consortium
- Novel idea

Co-Innovation

To perform research

- Research organization and companies collaborate
- To develop a solution, which aims at a significant commercial exploitation and export business

Research to Business

To initiate business

- Major share of the project is to prepare commercialization
- Actual research done in prior projects

International and other special calls

CO-INNOVATION FUNDING

For joint actions of research organisations and companies, in which they jointly develop new knowledge and innovations for new business needs.

CO-INNOVATION

Funding for research organizations and companies for their joint actions

- Companies and research organizations - develop jointly new knowledge and innovations for business needs.
- A common goal and a plan to reach the goal
- At least one research organization and three companies, of which at least two have applied for funding for their R&D projects from Business Finland

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CO-INNOVATION

For whom?

- For research organizations and companies of all sizes for their joint actions
- Prioritises projects and ecosystems that support SME growth and internationalization.
- Companies can have various roles: either an own R&D project or participating in another organisation's project as a financier, a subcontractor or in any other way.

For what purpose?

- Research organizations and companies jointly develop new knowledge and innovations for business needs.
- The funding accelerates the use of research knowledge, boosts the creation of new Finnish export products and strengthens networks in ecosystems.
- Funding is meant for actions that have either already finalised the Co-Creation phase or for those that are directly ready to start a joint action.

What has changed in the beginning of 2020

- The funding level of Co-Innovation research projects is now 70%.
- From now on, all research projects are expected to have international collaboration to be eligible for funding. Only in exceptional cases we may fund projects without international collaboration.
- Along with the increased funding level, separate incentive for international collaboration will be discontinued.
- Funding terms and conditions have changed; Research organizations are now requested to provide equal rights of the first refusal on utilization of the research results also to those companies whose projects have participated in the same joint action.
- There are no changes in Co-Creation funding.





How do I apply for Co-Innovation funding?

- Contact first the innovation service unit of your own organization.
- Contact the Research Funding Team of Business Finland.
- Prepare to present the consortium and the project plan before applying.
- Companies and research organizations send each their own applications.

How does Co-Innovation funding work?

The consortium forms an entity which is able to solve the research problem

- The joint action must include at least one research organization and three companies, of which at least two have applied for funding for their R&D projects from Business Finland.
- Priority is given to high-quality projects and ecosystems supporting the growth and internationalization of SMEs.

Company funding is granted in accordance with the regular funding options or levels offered to companies

- Normal business project evaluation criteria
- The company must have sufficient resources and self-financing to carry out the project.

All companies make a participation notice to a public research project The research projects funding level is 70%

- A duration for the research project is typically 2-3 years.
- Continuous application time; if necessary, there will be theme calls or submission deadlines.

What are the criteria for the Co-Innovation funding?

- Proved relevance and demand (problem-solution fit)
- The credibility of the joint action
 - Are the parties to a joint action right to achieve results?
 - Is the work distributed in such a way that it makes sense in terms of the results?
 - Is the company's investment reasonable in relation to the results to be achieved and the exploitation paths?
 - How does the joint action affect the development of SMEs and midcap businesses?
- The novelty value and competitive advantage of the solution model, market potential, societal influence as well as the joint action's international collaboration



Requirement for international collaboration in the research projects

- Research project must have international collaboration which boost the results of the project.
- Research project needs to have at least one of the following criteria filled:
 - A joint action: Common targets and actions, a common project plan with a foreign research organization
 - Researcher mobility: At least 3 person-months research mobility
 - Purchase of IP rights: Licencing or technology transfer
 - Organized information exchange: Organized information exchange which contributes to the project results.

What are the qualities of a good Co-Innovation application?

The following slides summarize the features of a typical successful application. They are not funding criteria, funded projects may also be different.

CLEAR CONSORTIUM – TOPIC AND IMPACT – MANAGEMENT



Good proposal: **CONSORTIUM**

- Common vision – it is not only a project
 - Real motivation to participate is the results of the project
 - Real cooperation
- It is easy to understand why each partner is involved and what they do expect.
- Max 5-6 companies (SMEs)
- Need to scale results, often large corporations required
- Companies economically stable
- Trust - Value chain



Good proposal: TOPIC AND IMPACT

- Novelty – Think big
- But still focused
- Potential impact (turnover and export) high compared to the investment
- Path to exploitation – plan beyond the project
- International collaboration with top research groups
- Topic aligned with Business Finland programs



Good proposal: **MANAGEMENT**

- Internal communication
- Openness, transparency
- Early and continuous involvement of partners
- Schedules, everybody committed
- Steering group
- Dialog with Business Finland already in draft proposal phase
- All project plans of individual partners are synchronized with the joint Co-Innovation plan.

Contact our research funding team!

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CO-CREATION FUNDING

Funding for developing a joint research idea between a research organization and companies

CO-CREATION

Funding for developing a joint research idea between a research organization and companies

- The research organization determines the research problem and the path to resolving it, processes the project plan to attract companies and constructs a new network of companies.
- The goal is to carry out the Co-Innovation joint action in close cooperation with the research organization and its new partnering companies.

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CO-CREATION

For whom?

- For research organizations aiming at a Co-Innovation Joint Action to be carried out in close cooperation with companies
- At the same time, companies are also preparing their own R&D projects.

For what purpose?

- For demonstrating the relevance of a research idea and the genuine demand related to the subject and for further development of the idea.
- For building a network of companies and an international network required for the research and the development of innovations.
- For other work related to the feasibility of the idea.
- The research idea must be new and broadly utilizable.

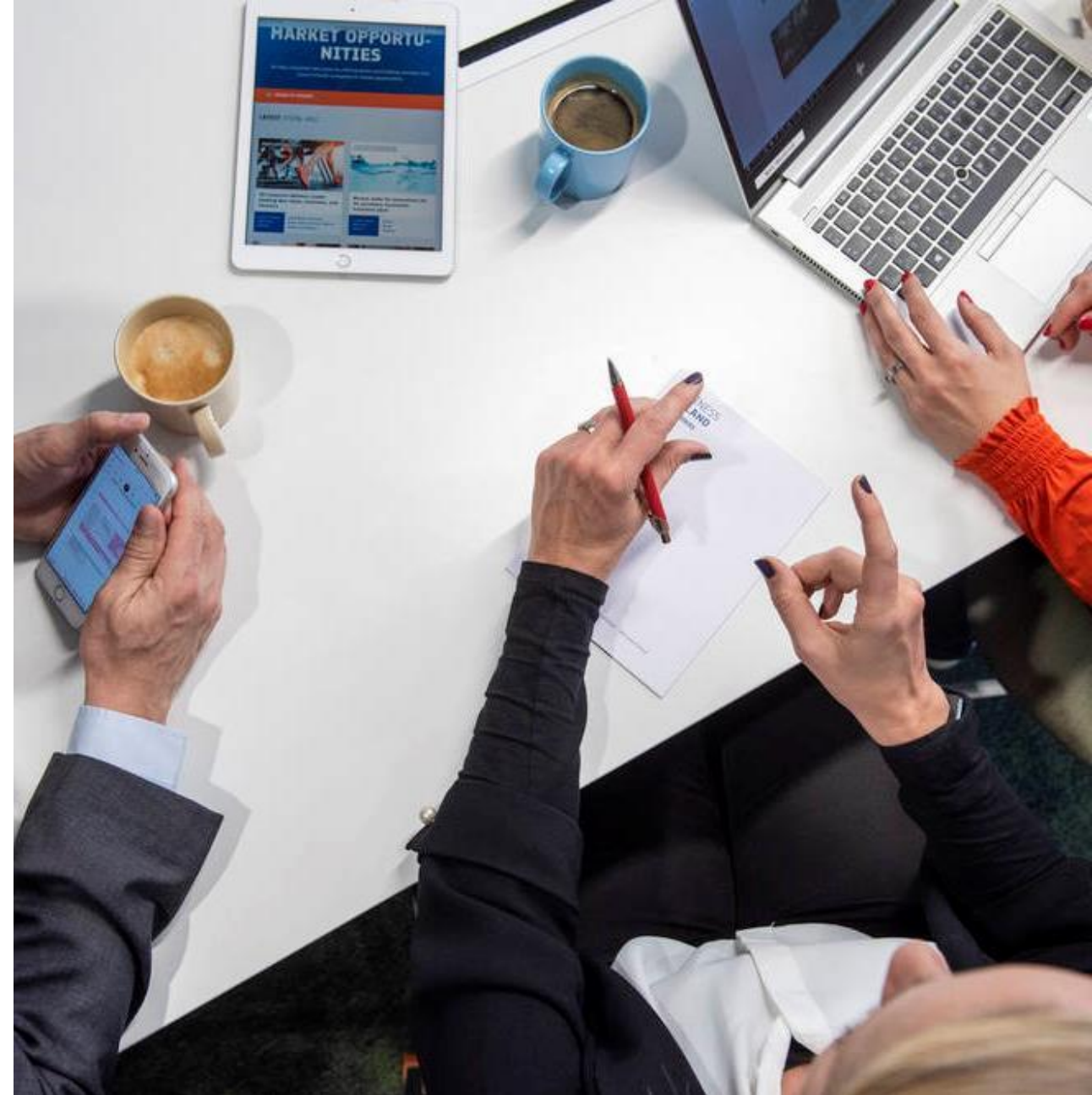


How do I apply for Co-Creation funding?

- Contact first the innovation service unit of your own organization.
- Contact the Research Funding Team of Business Finland.
- The problem to be addressed and its solution must be provisionally defined in the application.

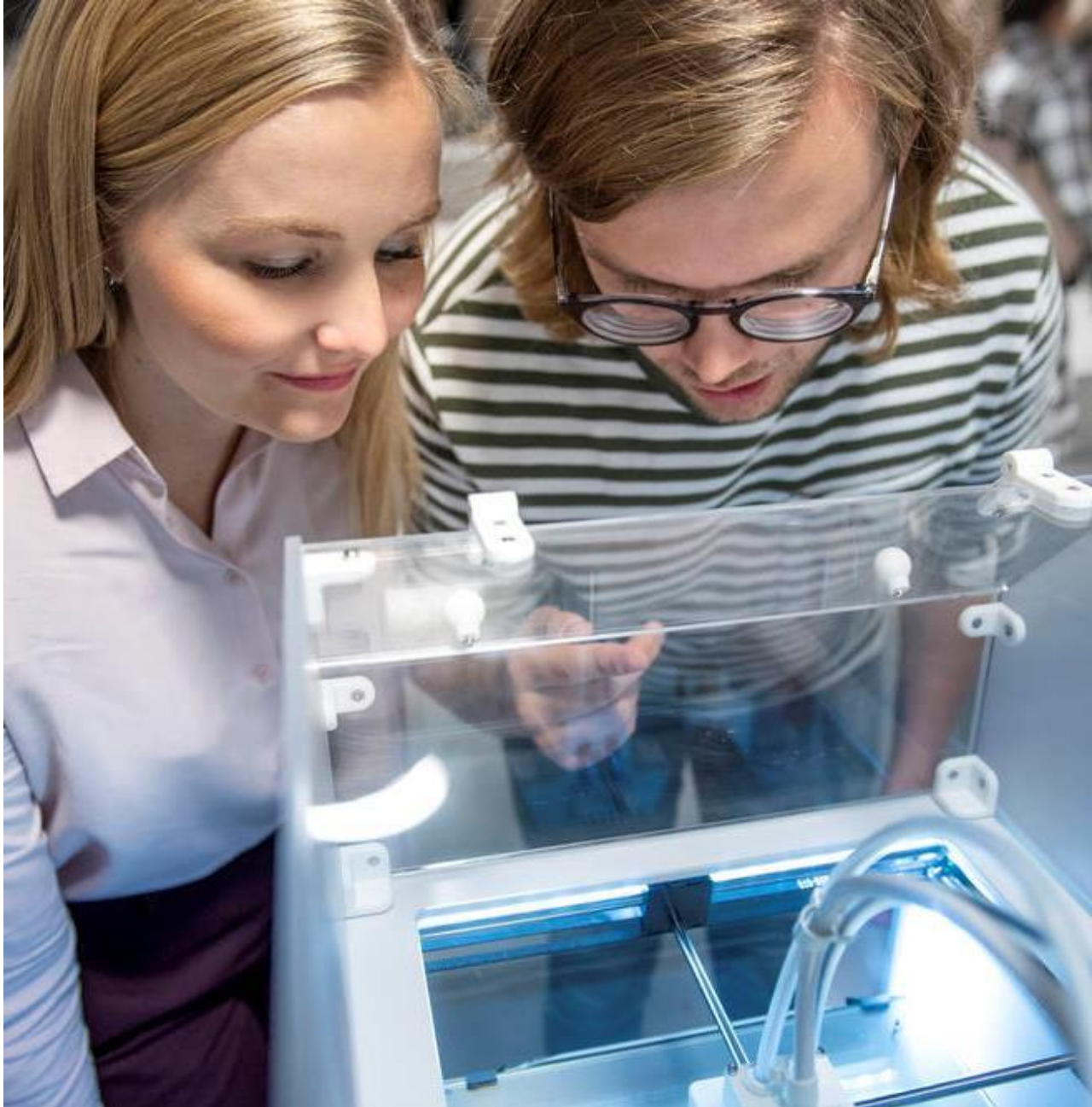
What are the criteria for Co-Creation funding?

- Impact
 - International novelty value of an idea
 - Impact of the planned joint action on the capabilities of the research organization
 - Impact of the planned joint action on the international business operations of companies
- Quality of the plan
 - The actions intended to demonstrate the business potential and need for research
 - The actions for engaging the companies and drawing up a joint research plan
- The fact whether the project promotes the objectives of Business Finland's programs



How does Co-Creation funding work?

- Funding can be applied for at any time.
- The funding covers 60% of the project's approved total eligible costs.
- The size of projects is at maximum EUR 100,000 per idea
- The duration of a project is 4–6 months
- A fixed overhead cost rate of 20% and a indirect personnel cost rate of 50%
- Only the final report is provided. An auditor's opinion is not required.
- The projects shall comply with the general terms and conditions of public research funding applied by Business Finland.



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RESEARCH TO BUSINESS FUNDING

For research organizations to prepare
the commercialization of their
research idea

RESEARCH TO BUSINESS

Funding for research organizations for preparing the commercialization of the research based idea and promoting its development as a new business

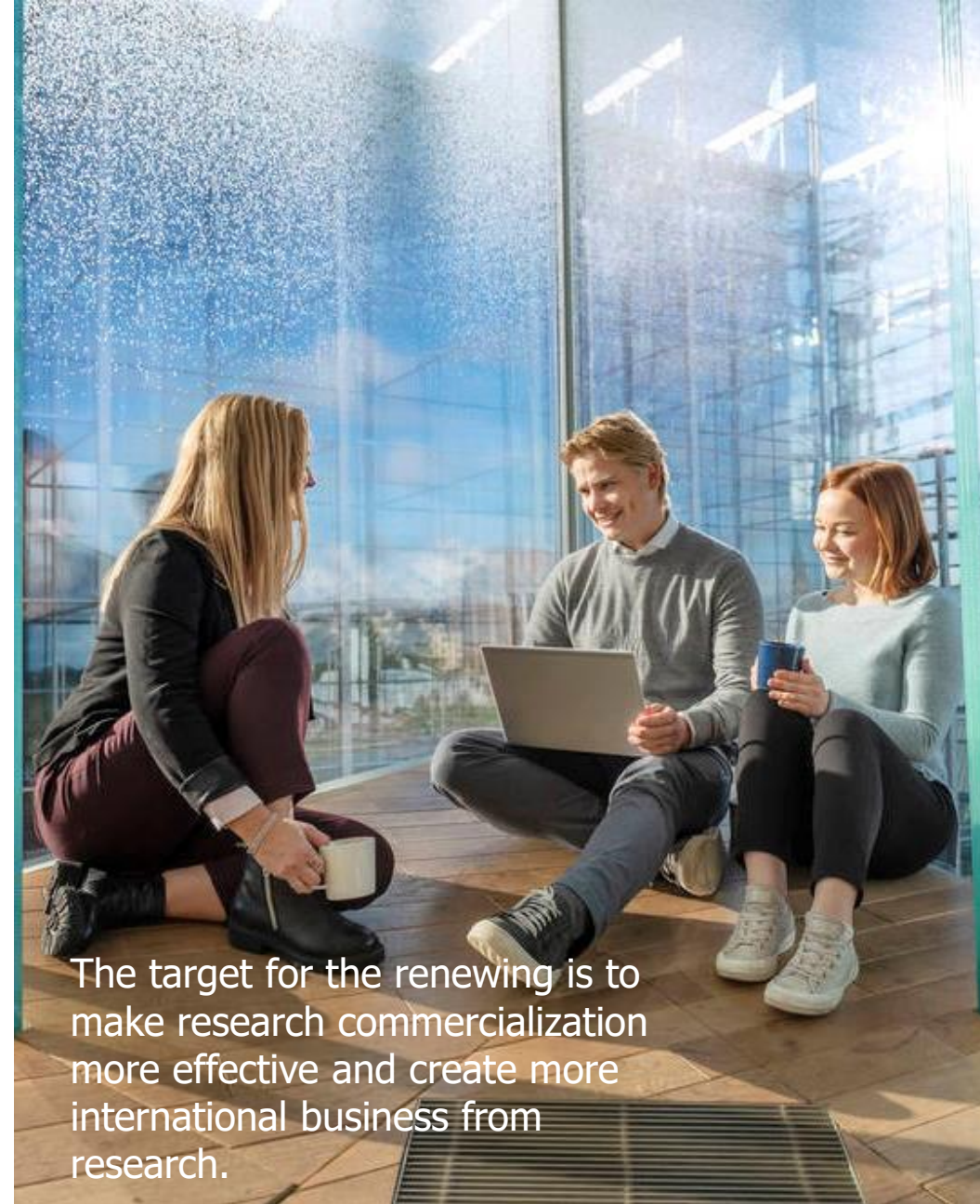
- For researchers, who want to build new business based on their research and make it real by commercializing their idea.
- The funding can be used e.g. for technology or novelty searches, determination of customer value and functionality and proof of relevance.

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What has changed in the beginning of 2020?

- The New business from research (TUTLI) -funding is now Research to Business - service.
- The target for the renewing is to make research commercialization more effective and create more international business from research.
- Project funding can be divided into two phases.
- The funded projects will be set 3-5 concrete targets (concerning e.g. team, development of the idea, markets, finance and IPR) for commercialization preparations.
- The project steering group has to monitor that the project is implemented in accordance with the approved plan and objectives and that at least 40% of the project costs are used for the commercialization preparations.
- Projects are offered new services and events which support the preparation of commercialization.
- Projects can prepare the idea for European Innovation Council (EIC) Pathfinder funding, which will start in 2021.



The target for the renewing is to make research commercialization more effective and create more international business from research.

RESEARCH TO BUSINESS FUNDING

For whom?

- Funding is intended for public research groups and researchers in public research organizations, who want to build new business based on their research and make it real by commercializing their idea.
- The team members will also have a chance to develop their own commercialization skills.

For what purpose?

- With the funding public research organization can prepare the commercialization of a research idea and carry out applied research which support the preparation of commercialization.
- The funding can be used e.g. for technology or novelty searches, determination of customer value and functionality and proof of relevance.

How does Research to Business work?

- The funding is 70% of eligible project costs
- The project duration is normally 12-24 months
- A report must be submitted 3 times annually (January, May and September) via online services.
- The project must have several commercialization options.
- The actual product and business development will occur either within a new company being established or as a new business activity in an existing company.
- The commercifying company can not be known in the beginning or during the project.
- At least 40% of the project costs must be used for the preparation of commercialization.

How do I apply for Research to Business funding?

First prepare to answer the following questions:

NEED

- For what problem is your idea a solution?
- What is the market potential for your solution?
- How does your solution scale in business?

SOLUTION

- How does this project help to develop the solution and solve the problem?

BENEFITS

- What new information is developed in the project?
- What are the primary commercialization routes for the idea?

COMPETITION

- How does your solution differ from competing solutions?

COMPETENCIES

- What competence do you have in your team and steering group?
- How does the project benefit from competences?
- What other competencies do you need for the project?

INTELLECTUAL PROPERTY RIGHTS

- On what IPR does the project base on?
- Who owns the IPR for the solution?
- Does your solution infringe someone's rights?
- Are the results going to be protected with IPR?

PROJECT OBJECTIVES

- What concrete milestones and final objectives can be set for the commercialization preparations in your project?



How do I apply for Research to Business funding?

- Contact your innovation services team / commercialization unit in your research organization. They will help you to evaluate if Research to Business funding is suitable for your project. They will also assist you with the applying process.
- The applying process includes a project pitch to Business Finland advisor before submitting application.
- Submit your funding application via Business Finland's online services.
- Prepare to discuss about your application with Business Finland advisor after submitting the application.
- Research to Business funding calls are published twice a year, in spring and fall in 2020.

Evaluation of Research to Business funding applications

- The size of the targeted business
- The impact of the project on the development of significant international business and on the society
- Project team, skills level and international cooperation
- Especially the experience and knowledge of the persons responsible for commercialization preparation
- The novelty value and challenging nature of the technology or competence to be developed in the research project
- The project plan: commercialization path and it's realism
- Steering group composition and competence



Frequently asked questions

How long can the Research to Business project last?

- Research to Business projects typically vary in duration to 12-24 months, depending on the project's industry and idea readiness.

What can I do with Research to Business project funding?

- You can prepare the commercialization of research based idea and carry out applied research which support the commercialization.

Can I include basic research in the Research to Business project?

- The objective of Research to Business projects is to prepare the commercialization of research ideas after basic research, so basic research is not allowed in this project. Instead, applied research can be carried out according to the approved project plan to support the preparation of commercialization.

Frequently asked questions

Can I contact potential customers in the project?

- Yes. When you are preparing your research idea for commercialization, it is important to find out, what problems or needs your potential customers have. You can do it e.g. by interviewing the potential customers or by running proof of concept tests in the customer interface.

Can I make product development in the project?

- No. You can do proof of concept tests to verify the functionality of your research idea. However, ready-to-sell products cannot be made.

What should I do, if my research organization does not have any innovation/commercialization unit?

- Contact the person in your organization, who is in charge of research and /or Business Finland.

Frequently asked questions

Can we set up a start-up before the Research to Business project ends?

- If the project aims to start business in a start-up, the project's objectives have been achieved and the funding will be discontinued.

What role does steering group have in the project?

- The Research to Business project steering group is an advisory body. The steering group monitors that the project is implemented in accordance with the approved plan and objectives and that at least 40% of the project costs are used for the commercialization preparations.

What is the reason for dividing the project funding in phases?

- When Research to Business projects contain significant risks and uncertainties, we try to manage them with milestones. If the project does not progress according to the objectives, the funding will be discontinued.

More information

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