

# BUSINESS FINLAND

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BUSINESS FINLAND  
RESEARCH FUNDING SERVICES

7.1.2019



# Why we renewed our research funding?

We want to increase the effectiveness of research funding

The ability to create and utilize new ideas and to create a growing business should be improved in Finland

OECD country report 2017  
Holmström, Korkman, Vihriälä 25.8.2016  
memo to government

# Business Finland research funding

For research organizations  
**that collaborate with  
companies**  
to develop solutions for new  
business needs

# Equal cooperation side by side

Business Finland aims to increase the use of research in companies and strengthen the societal influence of research by:

- Promoting equal cooperation between companies and researchers
- Supporting the research activities and the R&D in companies simultaneously, not consecutively.
- Providing feedback for research ideas even before the application process

# What has changed?



- Researchers and companies are encouraged to engage in more active cooperation
- Two new funding services: **Co-Creation and Co-Innovation**
- **Continuous application time**
- **Sparring before applying for funding**, contact first the Research Funding Team of Business Finland
- (Not affected by the change: New business from research ideas funding, ERDF funding and international calls (e.g. Eureka))

# Our research funding services

## Co-Creation

Develop a research idea, build on cooperation

Research organizations and companies develop the research idea.

The funding will ensure the demand and suitability of a new research goal (problem to be solved) to businesses and construction of a new co-operation.

## Co-Innovation

Search for solutions with the help of research, cooperate and develop new export products

Research organisations develop new knowledge and solution models for new business purposes and and companies develop innovations for the global market.

Funding advances the use of research knowledge, increases the creation of new Finnish export products and strengthens networks in ecosystems.

## New business from

### research ideas (TUTLI)

Create new knowledge and business applications from research ideas

Research organisations prepare an idea for business purposes.

Funding advances the commercialisation of research ideas.

**International and other special calls (ESA, ERDF, Eureka etc.) have their own specific criteria**

# Two paths to funding

If you have a new idea that could open up significant business opportunities for companies and you want to

- Investigate and develop the idea and its potential together with companies
- Create a consortium required for work and engage companies in development work

First contact the Research Funding Team of Business Finland for feedback on the idea. You may want to apply for Co-Creation funding.

If you already have the necessary companies committed to the project and development work already in the consortium, and you will be able to demonstrate the problem associated with the issue and the impact of its solution to the emergence of a significant business.

First contact the Research Funding Team of Business Finland for feedback and sparring. You may want to apply for Co-Innovation funding.

## **Research organisation**

Carry out high-level public research and simultaneously cooperate with companies

## **Company**

Renew your business activities by working closely together with researchers



# Co-Creation funding

Funding for developing a research idea  
and for building cooperative networks

# Co-Creation funding

## For whom?

For research organisations aiming at a Co-Innovation project to be completed in close co-operation with companies

## For what purpose?

Research organisations and companies jointly develop a research idea. The goal is to create a Co-Innovation project (joint action) among companies and researchers. Funding ensures the need for the research goal and the solution and its suitability for business use. It also helps build a network for a possible Co-Innovation project.

Not necessary for all: Formed consortiums can advance directly to the Co-Innovation funding phase.

# Co-Creation funding

How does it work?

- Funding covers 60% of the project's total expenses
- The maximum size of the project is 100 000 euros.
- Project duration 4–6 months
- Fixed overhead percentage 20% and coefficient for indirect employee costs 50%
- Equipment costs are not accepted
- No application period
- Final report, no audit



# Applying for Co-Creation funding

Contact the Research Funding Team of Business Finland and prepare in advance to tell your idea:

## NEED

What is the problem solved by the research idea?

Has the matter been discussed with companies (which companies)? Are companies willing to participate in development work?

Is Co-Innovation Consortium required to stage the company already ready?

## BENEFIT

If your research succeeds, what kind of business opportunities will be created?

What is the preliminary estimate based on?  
What kind of businesses could interest the subject?

## SOLUTION

How is the solution sought (solution model)?

## COMPETITION

Has the subject been studied elsewhere, and where? What's new here? Has this been previously funded

# What kind of work is funded in Co-Creation project?

- The demonstration the relevance of the research idea and the relevant demand for the subject, to further develop and improve the idea
- The creation of an interaction model and a business network needed in research and innovation development (freedom of action in the area, IPR, ...)
- Other matters related to the feasibility of the idea of work
- The application defines the preliminary problem to be solved and its solution model. This idea must be widely utilized.
- The project deepens understanding of the importance of the problem and the solution model and whether it is solving the right problem.

# Co-Creation funding

## What are the criteria for the funding?

- The novelty value and business potential of the idea
- The quality of the plan to determine the relevance of the idea and demand (*problem-solution fit*)
- The quality of the plan to create cooperation with companies and the R&D consortium

Including Business Finland's strategic and programmes' themes in the plan will positively influence the evaluation process.

# Co-Innovation funding

Funding for R&D projects by companies and research organisations, in which they *jointly* develop new knowledge and innovations for new business needs.

# Co-Innovation funding

## For whom?

- For research organisations and companies of all sizes for their joint actions
- Prioritises projects and ecosystems that support SME growth and internationalisation
- 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 organisations 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

# How do I apply for Co-Innovation funding?



- 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 application

# Co-Innovation funding

## How does it work?

- The goal is an ambitious Co-Innovation joint action
  - The joint action can include multiple research organisations or teams
  - 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 internationalisation 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 60% and for large international projects 70%
- Maximum duration for the research project is 2 years
- Continuous application time; if necessary, there will be theme calls or submission deadlines

# Co-Innovation funding

## What are the criteria for the 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

# **New business from research ideas funding (TUTLI)**

Funding that helps research organisations prepare for commercialising their research idea

# New business from research ideas funding

## For whom?

- Funding is intended for research groups and researchers in research organisations, who want to build a new business based on their research and realise their idea by commercialising it
- The researcher will also have the chance to develop his or her own commercialisation expertise

## For what purpose?

- Projects by research organisations involving preparations for the commercialisation of an idea, such as innovation searches, the determination of customer value or other analyses, as well as projects involving applied research
- At least 40% of the project costs must be targeted at preparation of commercialisation

# New business from research ideas funding

## How does it work?

- Business Finland can fund 70% of the total cost of projects which have high commercial potential and on which the basis for a new business activity can be built.
- The project must have several commercialisation options. The actual commercialisation of the idea will occur either within the new company being formed, or as a new business activity in an existing company.

# New business from research ideas funding

## What are the criteria for the funding?

- The novelty value and challenging nature of the technology or competence to be developed by the research project
- The project's impacts on the development of a major international business and on society
- The role of businesses in the realisation and steering of the project and the utilisation of its results
- The project resources, competence level and international cooperation The team's commercialisation skills tend to present the greatest challenge.

# Contact our Research Funding Team!

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