

EVALUATION OF RESEARCH TO BUSINESS

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ISSN 1797-7347

ISBN 978-952-457-686-4

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FOREWORD

The traditional tasks of universities include basic research and higher education, and these have served well in Finland. However, commercialization of research or turning public investments into competitive products and services has not been a particular strength. Partly for this reason, a third societal mission has been appointed to the universities and includes commercialization of public research results to benefit society and the economy. In concrete terms, this can be seen e.g. as patents applied, licensing deals made, or research-based spin-off companies born.

Tekes and Business Finland have used various funding instruments to support development of new business from public research.

Currently the funding instrument to support development of new business from public research is Research to Business as well as called earlier TUTL (tutkimuksesta liiketoimintaa). Operative since 2012, TUTL/Research to Business aims to build new business based on research at universities and research institutes to gain better economic benefit from inputs to public research. Accordingly, it is an instrument to help in commercialization of research results at their riskiest stage. At the same time, TUTL/Research to Business has worked as an incentive for universities to add focus on commercialization of research and technology transfer. Moreover, Sipilä's government of Finland from 2015 to 2019 carried out several so-called key projects of which a target was to ensure a better match

between the needs of business and industry and publicly funded research, which were called as 'Challenge Finland' and 'Research Benefit'

The purpose of this study was to produce evaluation of Business Finland's success in achieving the objectives associated with Research to Business and two case studies considering Challenge Finland and Research Benefit. Main evaluation questions were: How has Tekes/Business Finland's TUTL/Research to Business funding and other services (Challenge Finland and Research Benefit) succeeded to increase commercialization of research and new spin-offs? What are the main results and impacts for input, behavioral and expected output additionality of these funding services?

The evaluation team of Menon Economics AS carried out this evaluation. Business Finland wishes to thank the evaluators for their thorough and systematic approach. Business Finland expresses its gratitude to the steering group and all others who have contributed to the study.

Helsinki, November 2025
Business Finland

TIIVISTELMÄ

Viime vuosikymmeninä monet kehittyneet maat ovat vahvistaneet toimiaan varmistukseksi, että tieteelliset löydökset muuttuvat taloudelliseksi ja yhteiskunnalliseksi hyödyksi. Julkisesti rahoitetun tutkimuksen vaikeudet kaupallistamisessa ovat kannustaneet kehittämään uusia politiikkainstrumentteja kaupallistamisen tukemiseksi. Suomessa tämä johti TUTL-ohjelman perustamiseen vuonna 2012 ja myöhemmin sen uudelleenbrändäykseen Business Finlandin Research to Business (R2B) ohjelmaksi. Ohjelman tarkoituksena on viedä lupaava akateeminen tutkimus askeleen lähemmäs markkinoita. R2B on rakenteeltaan ja tavoitteiltaan samankaltainen kuin monet muut kansainväliset kaupallistamisohjelmat.

Suomen innovaatiopolitiikalle on historiallisesti ollut ominaista vahva julkinen panostus tutkimukseen ja teknologian kehittämiseen, mutta yliopistotutkimuksen kaupallistaminen on usein jäänyt tästä kehityksestä jälkeen. Vuonna 2007 tehty muutos siirsi immateriaalioikeuksien omistuksen yksittäisiltä tutkijoilta yliopistoille ja loi perustan nykyiselle järjestelmälle. Muutos ei kuitenkaan automaattisesti lisännyt patentointia eikä käynnistänyt uutta startup-toimintaa, vaan yliopistojen oli myös rakennettava uusia innovaatiotoimintoja ja tuettava kaupallistamista. R2B on ollut keskeinen väline tämän kehityksen mahdollistamisessa ja vauhdittamisessa. Arviomme R2B-ohjelman täyttäneen rakenteellisen rahoitusaukon ja tarjonnan tutkijoille väylän kohti kaupallistamista. Vuosina 2012–2025

ohjelma on rahoittanut 857 hanketta yhteensä 302 miljoonalla eurolla, mikä tekee siitä yhden Suomen merkittävimmistä tutkimuksen kaupallistamista tukevista ohjelmista.

Arvioinnin mukaan R2B:llä on merkittävä vaikutus tutkimuksen kaupallistamiseen:

- Yli puolet kyselyyn vastanneista ilmoitti, ettei heidän kaupallistamistoimintansa olisi toteutunut ilman ohjelman rahoitusta
- Lähes 40 prosenttia totesi, että eteneminen olisi ollut hitaampaa tai pienimuotoisempaa ilman ohjelman rahoitusta
- Noin 78 prosenttia vastaajista arvioi ohjelman vauhdittaneen kaupallistamista
- Kolmannes kertoi ohjelman johtaneen suoraan uuden startupin tai spin-offin syntymiseen

Ohjelman merkittävyyttä korostaa myös se, että tutkimusorganisaatioiden innovaatioyksiköiden palaute on lähes yksimielisesti myönteistä ja yksiköt kuvaavat ohjelmaa toistuvasti korvaamattomaksi resurssiksi.

R2B-ohjelman vaikutukset jatkuvat myös varsinaisen hankejakson jälkeen. Suurin osa tiimeistä jatkaa kaupallistamistyötä myös rahoituskauden jälkeen, ja huomattava osa hankkeista saavuttaa konkreettisia tuloksia kuten prototyyppejä, startup-yrityksiä tai lisensiointisopimuksia. Vain pieni osa hankkeista onnistuu houkuttelemaan yksityistä pääomaa, ja jatkorahoituksen saanti on edelleen suurin

pullonkaula kaupallistamisen edistämässä. Havainnot korostavat, että vaikka R2B onnistuu käynnistämään kaupallistamiseen tähtääviä prosesseja, laajemmalla innovaatiojärjestelmältä puuttuvat edelleen mekanismit jotka tukisivat hankkeita riittävän pitkälle innovaatioprosessissa kaupallisen onnistumisen saavuttamiseksi. Sama haaste nostettiin esiin myös Euroopan komission tilaamassa vuoden 2025 asiantuntijaraportissa (”Support to Finland on improving R&D collaboration between research organisations and the private sector”) ja se toistaa R2B-ohjelman vuoden 2018 arvioinnin keskeisen havainnon pysyvästä rahoitusvajasta julkisen tuen ja ensimmäisen yksityisen sijoittajan välillä.

Meidän tuloksemme vahvistavat, että rahoitusvaje on edelleen tärkein rakenteellinen haaste R2B-rahoituksen päättymisen jälkeen. Tämä herättää myös kysymyksen siitä, voiko esikaupallisen kehittämisen rahoitus saavuttaa tavoitteensa ilman rahoitusta joka tukee hankkeita myös kaupallistamisen myöhemmissä vaiheissa. Jatkorahoituksen tai muiden siirtymämekanismien puuttuessa lupaavat hankkeet saattavat pysähtyä juuri silloin kun ne alkavat olla markkinavalmiita. Siksi suosittelemme, että Business Finland tarkastelee kansallista rahoituskenttää, mukaan lukien Business Finlandin omia instrumentteja kuten Tempo, NIY ja DTA sekä ELY-keskusten tukimo-

toja, arvioidakseen tarjoavatko nykyiset välineet yhdessä riittävästi pääomaa markkinapuutteiden korjaamiseksi. Arviomme ohjelman tehokkuudesta ja rakenteesta osoittaa, että R2B:n toiminnassa on sekä vahvuuksia että haasteita. Rahoitusohjelma on hyvin tunnettu teknologiaintensiivisillä aloilla kuten insinööri-, bio- ja elämäntieteissä, mutta selvästi heikommin tunnettu yhteiskuntatieteissä ja humanistisissa tieteissä sekä pienemmissä tutkimusorganisaatioissa. Suuret yliopistot ovat ottaneet R2B:n tiiviiksi osaksi innovaatiokäytäntöjään ja luoneet sisäisiä arviointipaneelleja, kouluttaneet tutkijoita ideoiden esittelyssä ja kehittäneet hakemusmalleja. Pienemmät organisaatiot tukeutuvat sen sijaan epämuodollisiin verkostoihin ja yksittäisten henkilöiden aktiivisuuteen, mikä tekee niiden osallistumisesta ohjelmaan selvästi epätasaisempaa. Tässä mielessä R2B on edistänyt kaupallistamisen ammattimaistumista suomalaisessa tutkimuskentässä, mutta samalla vahvistanut jo entuudestaan olemassa olevia institutionaalisia eroja.

Tehokkuuden ja vastuun selkeyden parantamiseksi arviointi suosittelee virstanpylväisiin perustuvaa rahoitusmallia. Rahoitus vapautettaisiin vaiheittain sen mukaan, täyttyvätkö asetetut kriteerit. Kriteerien toteutumista seurattaisiin osittain itsearvioinnin ja osittain ulkopuolisten asiantuntijoiden esimerkiksi TTO asiantuntijapaneelin

tekemän arvioinnin avulla. Vaikka tämä lisää hallinnollista työtä, arvioimme mallin tehostavan resurssien käyttöä ja edistävän kaupallistamista.

Raportti korostaa myös tarvetta vahvistaa tutkijoiden institutionaalisia kannustimia. Vaikka tietoisuus ohjelmasta ja kaupallistamisen mahdollisuuksista on lisääntynyt, henkilökohtaiset kannustimet kaupallistamiseen ovat edelleen heikot. Innovaatioiden huomioiminen akateemisen uran arvioinnissa, yrittäjämäisen toiminnan tunnistaminen meriittijärjestelmissä ja yhteistyön vahvistaminen voisivat auttaa juurruttamaan kaupallistamisen luontevaksi osaksi akateemista toimintaa.

Raportti suosittelee lisäksi kansallisten indikaattoreiden kehittämistä tulosten ja vaikuttavuuden seurantaan. Business Finlandin ja tutkimusorganisaatioiden innovaatiotoimintojen vuosittainen raportointi mahdollistaisi tietopohjaisemman päätöksenteon ja parantaisi kansainvälistä vertailtavuutta.



EXECUTIVE SUMMARY

This report — commissioned by Business Finland and conducted by Menon Economics — contains an evaluation of the program Research to Business (R2B). It also investigates two earlier Tekes programs, *Challenge Finland* and *Research Benefit*, which share complementary objectives. The R2B program's primary objective is to finance activities that prepare research results for commercial use: developing prototypes, securing intellectual property, conducting market analyses, validating business concepts, and identifying viable routes to market. It deliberately excludes basic research, positioning itself as a targeted instrument for early validation.

Since the turn of the millennium, governments across the developed world have intensified their efforts to transform scientific discoveries into tangible economic and societal value. The growing awareness that publicly funded research often fails to reach the marketplace — the so-called “*Valley of Death*” between knowledge creation and commercialisation — has spurred a wave of policy instruments aimed at bridging that divide. In Finland, this recognition led to the establishment of *TUTL* in 2012, later rebranded as *Research to Business (R2B)* under Business Finland. The program is designed as a national proof-of-concept mechanism: a means to move promising academic research one crucial step closer to the market, providing the early-stage funding and structure necessary to transform ideas into business ventures. R2B has become the

financial cornerstone of Finland's pre-commercialisation system. Between 2012 and 2025, the program has supported 857 projects with a total of 302 million euros in funding, representing one of the country's most extensive efforts to link science and business.

Viewed from an international perspective, R2B fits within a broader family of proof-of-concept programs developed over the past two decades. From the UK's Higher Education Innovation Fund to the Dutch *Take-off* and *Faculty of Impact* initiatives, governments have increasingly recognised that without targeted support at the translational stage, many high-potential ideas remain confined to laboratories. Finland's scheme is thus neither unique nor experimental, as it reflects an established global policy logic.

Historically, Finland's innovation policy has been characterized by strong public investment in research and technology development, yet the commercialisation of university research has often lagged behind. The abolition of the “professor's privilege” in 2007 transferred intellectual property ownership from individual academics to institutions, paving the way for a more formalised technology transfer system. However, the shift did not automatically increase patenting or start-up activity. Universities had to build new innovation units and professionalise their approach to commercialisation — a process that R2B has both enabled and accelerated. We find that the R2B program's focus on pre-commercial development has filled a

structural funding gap, offering researchers an institution-alised pathway for commercialisation.

Typical R2B grants range from 300,000 to 700,000 euros, covering up to 70–80 percent of project costs over two years. Calls are organised twice annually, and projects are assessed on commercial potential, team competence, and clarity of their business pathway. Since 2012, R2B has maintained a stable annual volume of roughly 22 million euros per year. However, in real terms, the available funding has gradually decreased due to inflation. The average project size has grown over time, from 291,000 euros during 2012–2017 to 427,000 euros after 2018. This is a change that likely reflects general cost inflation and Business Finland’s adjustment of grant levels.

Data also show a clear concentration of resources towards Finland’s largest universities: Aalto University, the University of Helsinki, and Tampere University account for over half of total R2B allocations, and the ten largest institutions together receive more than 90 percent. Smaller universities and universities of applied sciences participate far less, constrained by limited administrative capacity and smaller pools of eligible research. This concentration also mirrors Finland’s overall research structure, but it also raises questions about inclusiveness and whether the national innovation system fully leverages regional and disciplinary diversity.

We evaluate the concrete outcomes of the R2B program and the longer-term effects that follow once the funding

period ends. R2B funding creates momentum that extends beyond the project period. Most teams continue commercialisation work, and a relatively large share of projects achieve concrete milestones such as prototypes, start-ups or licensing deals. However, only a small share succeeds in attracting private capital, and access to follow-up funding remains the clear main bottleneck for further commercial development. These findings underline that while R2B successfully initiates processes towards commercialisation, the broader system lacks mechanisms to sustain the efforts needed to actually reach commercial success. This is a serious problem that also the EU-commissioned expert report from 2025 stressed (“Support to Finland on improving R&D collaboration between research organisations and the private sector”). This problem raised is also similar to one of the key recommendations from the 2018-evaluation of R2B, where evaluators underlined the persistent funding gap between public support and the first private investor. Our findings confirm that bridging this gap remains the main structural challenge for sustaining commercialisation outcomes after R2B funding ends. This raises the question of whether proof-of-concept funding can fulfil its purpose without complementary mechanisms to support projects further up the TRL ladder.

The evaluation finds that R2B demonstrates strong *additionality*: more than half of surveyed participants said their commercialisation activities would not have taken place without the funding, and nearly 40 percent reported that

progress would have been slower or smaller in scale. About 78 percent stated that the program accelerated commercialisation, and a third indicated that it directly led to a new start-up or spin-off. The instrument's relevance is further underlined by the near-unanimous support it receives from innovation units at public research organisations, which consistently describe it as an “indispensable” resource. Yet, its effectiveness depends not only on the funding itself, but also on the institutional structures surrounding it – awareness, support capacity, application design, and post-project continuity.

Our assessment of efficiency and program design reveals both strengths and tensions in how R2B operates. Awareness of the funding program is high in technology-intensive environments such as engineering and life sciences, but far weaker in social sciences, humanities, and among smaller academic institutions. Larger universities have embedded R2B deeply into their innovation routines, creating internal review panels, training researchers in pitching, and providing templates for applications. Smaller organisations rely on informal networks and individual initiative, making their participation more uneven. In this sense, R2B has become a driver of professionalisation in Finnish research commercialisation, but also an amplifier of pre-existing institutional disparities.

At the level of individual experience, most applicants perceive the R2B program as accessible and manageable.

Around 70 percent reported having sufficient time and resources to prepare applications, and 80 percent found the process clear. However, roughly one in five described it as complex – often because commercialisation demands different skills than traditional research funding applications. Customer validation and business modelling remain challenging for many academics, highlighting the continued need for tailored support (mentors) and capacity building within public research organisation.

Innovation units express strong appreciation for the R2B instrument and described Business Finland as professional and responsive, while also highlighting some recurring challenges: the difficulty of recruiting experienced business developers for shorter terms and uncertain projects, and inconsistent interpretation of rules across case handlers at Business Finland. Some also perceive disciplinary bias in funding decisions, with technological projects enjoying higher success rates than social or service-innovation proposals.

Administrative requirements are generally viewed as proportionate to funding size by participants, though some of them expressed frustration with the frequency of reporting. Respondents generally viewed Business Finland's follow-up during R2B projects as positive. The majority found the support adequate and constructive. Support from institutional innovation units was rated higher though, reflecting the important role these units play in helping researchers

manage commercialization work and navigate the R2B process. The difference between the two is expected: innovation units, being part of the same organisations as the project teams, can offer more immediate and accessible support, while Business Finland operates at a greater organisational distance, focusing primarily on formal oversight and funding administration.

The most significant design challenge lies in what happens *after* the R2B phase. Many teams struggle to sustain momentum once funding ends, facing a sharp drop in available resources and the expiry of temporary contracts for business developers. Few secure private investments during or immediately after the R2B period, partly because state-aid regulations restrict negotiations with investors before project completion. The evaluation finds that this “post-R2B gap” is the most critical bottleneck in Finland’s commercialisation pipeline. Without follow-up instruments or bridging mechanisms, promising projects risk stalling just as they approach market readiness.

In addition to challenges that arise after R2B projects end, several innovation units also pointed to issues observed during the projects themselves. Three types of funding-related challenges were most frequently mentioned. First, some projects turn out to be unsuccessful partway through the R2B period, yet they are rarely terminated early, meaning that remaining funds remain tied up

in projects unlikely to progress. Second, some teams continue to focus heavily on research rather than commercialisation, suggesting that certain projects may have entered the program before reaching sufficient maturity for market validation. Third, several innovation units noted that many applicants request more funding than their projects actually require, which can limit the overall number of projects that Business Finland is able to support.

We show that The R2B program plays a vital role in Finland’s innovation system by bridging the gap between academic research and market-oriented business development. However, several weaknesses limit its full potential, particularly in funding design and transition phases.

The main bottleneck identified is insufficient follow-up financing after R2B projects end. Few teams secure further support, causing promising projects to lose momentum. The evaluation recommends that Business Finland review the national seed funding landscape, including its own instruments (Tempo, NIY, DTA) as well as ELY support, to determine whether current schemes collectively provide enough capital to address market imperfections.

Many projects lose key personnel after the R2B phase because experts are employed on short-term contracts. Additionally, strict rules against entering business agreements during R2B limit teams’ ability to attract investors early. While state aid restrictions must be upheld, Business

Finland should re-examine its regulations to eliminate unnecessary obstacles to cooperation with private investors and partners.

The evaluation also highlights Business Finland should encourage earlier termination and reallocation of remaining funds, since funds too often are spent mainly on research instead of preparation of commercialization. To improve efficiency and accountability, the evaluation recommends implementing a mandatory milestone funding structure. Funding would be released in stages upon meeting clear, measurable criteria, verified partly through self-reporting and partly by external referees (e.g., a TTO expert committee). Although such models increase administrative complexity, the benefits in terms of resource efficiency and commercial focus are deemed substantial.

The evaluation finds R2B to be highly relevant and strongly additional, playing a unique role in Finland's innovation system. Yet, it also identifies structural and procedural limitations that constrain its full impact. We recommend maintaining R2B's core focus on pre-commercialisation while strengthening its alignment with subsequent stages of the innovation chain.

The report further calls for deeper institutional incentives for researchers. Although awareness and strategic commitment are growing, personal rewards for commercialisation remain weak. Including innovation outcomes in academic career assessments, recognising entrepreneur-

ial activity in merit systems, and fostering collaboration could help embed commercialisation as a legitimate academic pursuit.

Finally, the study recommends the development of a national set of indicators for technology-transfer performance. Currently, Finland lacks unified metrics to track outcomes such as declarations of invention, licensing revenues, and spin-off performance. A joint effort by Business Finland and innovation units to publish annual data on these indicators would enable evidence-based policymaking and international benchmarking.

1 INTRODUCTION



1.1 BACKGROUND AND MANDATE

This report contains an evaluation of the Finnish government funding program Research to Business (R2B), previously known as TUTL. Also, it contains two case studies considering the associated programs Challenge Finland and Research Benefit. The objective of this report is to document results and contribute to the assessment of such funding instruments.

R2B provides targeted funding to innovation projects in public research organisations for the preparation of commercialisation of research results. The overall aim is to prepare promising research-driven innovations for market entry by identifying viable commercial pathways, protecting intellectual property rights, and validating business concepts. The program seeks to accelerate the transformation of scientific knowledge into business ventures that generate commercial revenues in the long run. The R2B program is administered by Business Finland and was initially known as TUTL, administered by TEKES, which is now an integrated part of Business Finland. The TUTL-program was

evaluated in 2018¹. Since 2012, more than 850 projects have been funded through TUT and R2B. 350 of these were funded 2018 or later.

Most countries have implemented a mix of policy initiatives to promote the commercialisation of scientific research conducted in universities, research institutes and other public sector entities. These include macro-level policies aiming to create a favourable institutional environment for commercialisation, micro-level policies providing funding to specific commercialisation projects, as well as soft instruments involving standards, partnerships, and communication. In most countries, the commercialisation work in universities and alike is organised in so-called technology transfer offices (TTOs). Their structure and objectives vary from one institution to another, yet they usually play a key role in administering micro-level policies and other measures. Also, in Finland such TTO-units (we label them innovation units) play a key role, being a kind of third party in the financing and completion of commercialisation projects.

Micro level policies (also referred to as Proof-of-Concept funding) has become a well-established form of government support to promote science commercialisation. Despite various efforts to bridge the gap between academic research and commercial applications, a persistent challenge remains—commonly referred to as the “funding

gap” or “Valley of Death”.² This term describes the lack of financial resources available to support the intermediate steps needed to transform basic research into commercially viable products or services. These steps—such as building prototypes, conducting tests, securing intellectual property, assessing market potential, and developing business plans—are essential for maturing a concept to the point where it can attract interest from private companies or investors. However, such activities typically fall outside the scope of traditional public research funding. At the same time, nascent commercialisation projects struggle to secure private investment due to their high risk, limited development, and uncertain commercial prospects. Hence, most governments provide various gap-funding instruments to help bridge the gap between scientific research and commercial applications.³ R2B is the Finnish policy instrument for dealing with this funding gap.

It is by all means complicated to bring academically driven R&D insights to commercially viable products and services. Studies of the activities of TTOs clearly display the vast challenges that such projects meet. There is only a tiny proportion of projects that actually provide solid revenues over time. Nevertheless, this is the main objective of the R2B-program and should be devoted substantial focus in this evaluation.

1 Valtakari, et al. (2018). Evaluation of precommercialisation activities of TEKES – TUTL and Innovation Scout.

2 Munari, F., Sobrero, M., & Toschi, L. (2018). The university as a venture capitalist? Gap funding instruments for technology transfer. *Technological Forecasting and Social Change*, 127, 70–84.

3 Rasmussen, E., Borch, O. J., & Sørheim, R. (2008). University entrepreneurship and government support schemes. *The dynamic between entrepreneurship, environment and education*, 105–130.

1.2 RECENT STUDIES AND EVALUATIONS: CONTENT AND RECOMMENDATIONS

In 2018, Business Finland conducted an evaluation of the TUTL and Innovation Scout programs of TEKES.⁴ The evaluation found that TUTL funding filled a critical gap between academic research and market-oriented development. From 2012 to 2017, 472 applications to TUTL were accepted, with a total funding of 138 million euros. In a survey of funding recipients, 57 percent state that their project would not have been implemented without the TUTL funding. It enabled research groups to explore commercial opportunities in a structured way and reduced the risks associated with early-stage innovation. A central finding is that the instrument significantly enhanced researchers' awareness of commercialisation pathways and entrepreneurial thinking, even in cases where projects did not lead to direct business creation.

The report finds that the projects contributed to the creation of numerous start-ups and spin-offs, with several achieving further private or public funding. According to the report, TUTL acted as an effective catalyst for moving ideas closer to market by supporting proof-of-concept work, customer validation, and protection of intellectual property. Importantly, the program strengthened networks between researchers, entrepreneurs, and investors, which proved decisive for long-term business prospects.

At the same time, the evaluation highlighted areas for improvement. The pathway from research to sustainable business remained uncertain for many projects, as a substantial share did not progress beyond the funded period. The report notes that business competencies within research teams were often limited, and stronger integration of commercial expertise from the outset would increase success rates. It also stresses that complementary support measures, such as follow-up financing and mentoring, are essential to secure continuity.

The recently released EU commissioned report ("Support to Finland on improving R&D collaboration between research organisations and the private sector" from 2025 provides a detailed analysis of Finland's research and innovation (R&I) ecosystem, with a strong emphasis on enhancing the commercialisation of academic research and the R2B program.

The report claims that the commercialisation of academic research results is one of the weakest links in Finland's R&I system. Despite widespread availability of Technology Transfer Offices (TTOs) and incubators, they claim that practices remain fragmented, with significant variation in the maturity of spin-off projects and IP management across institutions. The report points to a lack of standardisation in legal frameworks, IP templates, and valuation of research-based inventions. It also highlights weak business competencies within universities, and lim-

⁴ Valtakari, et al. (2018). Evaluation of precommercialisation activities of TEKES – TUTL and Innovation Scout.

ited access to professional development and support for university staff engaged in technology transfer. The authors point to insufficient data and metrics on knowledge transfer and impact. They claim that Finland lacks a unified national monitoring system for technology transfer performance. The report recommends learning from international best practices such as the UK's *Higher Education Innovation Fund* and the Dutch *Faculty of Impact* program.

R2B is identified as a critical instrument for bridging the gap between research and market application. The program is praised for enabling early-stage validation, but the EU-report points to several improvement areas. First, the report states that the scale and scope of the program is insufficient relative to Finland's innovation ambitions. Furthermore, support is organized in a linear invention model and does not integrate well with later-stage investment or venture capital mechanisms. The authors also argue that there exists coordination gaps between the R2B, Flagship, and Veturi programs, which could otherwise form a continuum from idea generation to market application.

The EU expert panel recommends strengthening R2B's role by linking it more explicitly to knowledge transfer and entrepreneurial training, and by aligning it with broader instruments supporting scale-up and spin-off develop-

ment. Furthermore, the panel recommends that 5 percent of the Ministry of Education and Culture's (MEC) core funding is reserved for a Research Impact Fund to support knowledge transfer, proof-of-principle projects, and pre-seed investments in spin-offs. Also, the panel recommends a program for upskilling TTO staff and researchers in IP negotiation, commercialisation, and industry collaboration management.

1.3 READING GUIDE

The report begins with an introduction to the R2B program (Chapter 2), presenting its objectives and funding allocations. This is followed, in Chapter 3, by a discussion of the broader commercialisation environment, placing R2B in context and comparing the Finnish system with international practices.

Chapter 4 provides an overview of the evaluation methodology, before the relevance of the R2B program is reviewed in chapter 5. Chapter 6 assesses the results and outcomes of the program, both at the project level and in relation to broader effects linked to disclosures of inventions (DOFI)⁵, licences, and start-ups. Chapter 7 explores the organisation and structure of the program, including

⁵ DOFI can stand for "Disclosure of Invention", which is a form used by for example researchers at research organisations to report an invention for commercialisation evaluation.



the support provided by Business Finland and the innovation units at universities, universities of applied sciences, and research institutes.

Finally, Chapter 8 summarises the main findings and provides recommendations for strengthening the impact of R2B. The two case studies – Challenge Finland and Research Benefit – are presented in Appendix C, while Appendices A–B provide supplementary data and background material.

2 RESEARCH TO BUSINESS – OBJECTIVES AND FUNDING HISTORY



Business Finland's Research to Business (R2B) program funds projects in public research organisations to commercialise research results by validating business concepts, protecting intellectual property, and developing market pathways. Between 2012 and 2025, 857 funding decisions were made, with a total granted funding of 302 million euros. The universities have received the largest share of the funding, with the top three universities accounting for 56 percent of the funding.⁶

In this chapter we present information about the R2B program (previously known as TUTL). This includes an introduction to the program, detailing its objectives. Following this the funding allocation of the R2B program is presented.

⁶ Between 2018 and 2025

2.1 DESCRIPTION OF THE RESEARCH TO BUSINESS PROGRAM

Business Finland's R2B program provides targeted funding to projects in public research organisations for the preparation of commercialisation of research results. The overall aim is to prepare promising research-driven innovations for market entry by identifying viable commercial pathways, protecting intellectual property, and validating business concepts. The program seeks to accelerate the transformation of scientific knowledge into impactful business ventures that generate growth and international competitiveness for Finland.

The funded projects usually span two years with funding ranging from EUR 300,000 to EUR 700,000. From 2025 R2B has covered 80 percent of the project cost, whereas it was 70 percent before 2025.⁷ The funding covers activities that support the transition from research to business, such as market analysis, customer validation, development of a commercialisation strategy, and initial proof of concept work that demonstrates the business feasibility of the research. It does not fund continued academic research or activities that would belong to normal scientific inquiry. The program is therefore strictly targeted at pre-commercial development steps that would otherwise not receive support from research funding or early-stage

private investment. Beyond financial support, the program also provides networking opportunities that strengthen the preparation for commercialisation. Further information about the network activities is provided in Appendix B.

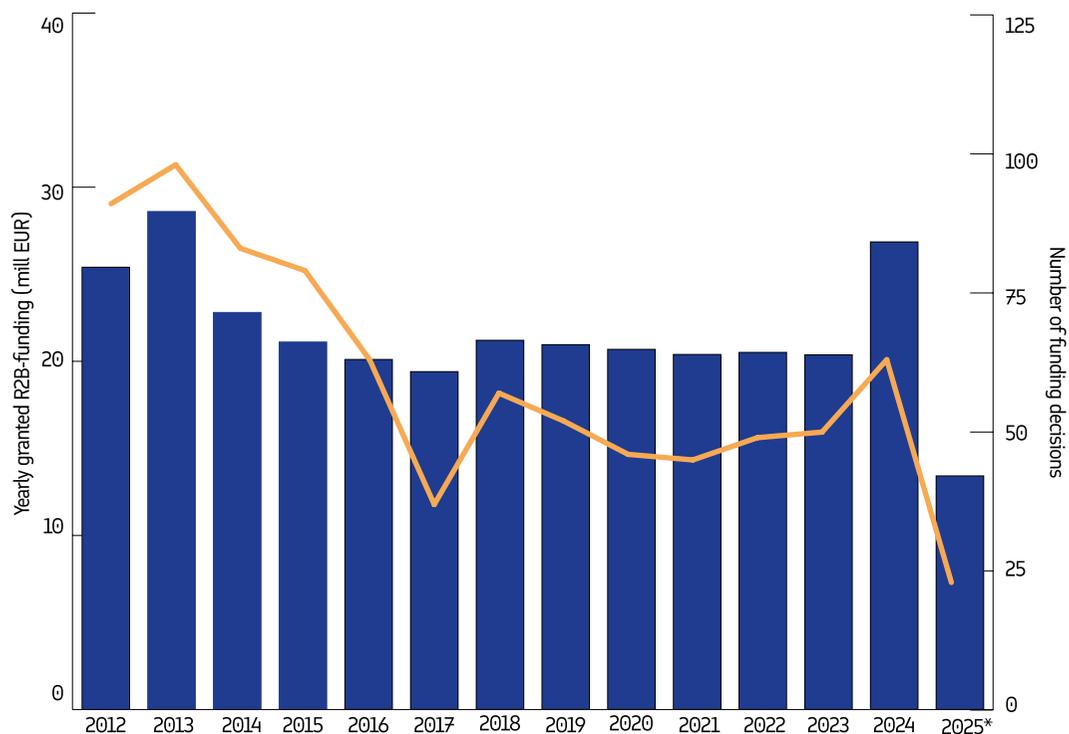
R2B calls are held twice a year, once in the spring and once in the fall, with applicants required to present both the scientific foundation of the project and a concrete plan for commercialisation activities. Each application is, among other things, assessed on its commercial potential, the commitment of the team, and the clarity of the route towards forming a new enterprise or licensing the results.

2.2 FUNDING – SIZE AND DISTRIBUTION

This section presents key statistics on the funding allocated through the R2B program, including the total volume of grants, annual trends, and the distribution of funding over time. Please note that the figures presented in this section are based on data from two different sources covering partly overlapping time periods:

- 2012–2017: Data derived from the previous evaluation of the TUTL program (no raw data available).
- 2018–2025: Based on raw project-level funding data from Business Finland.

⁷ Business Finland. Research to Business. Available [here](#)



*Statistics for 2025 include the first of the two annual calls

■ Granted R2B-funding (mill euro) - left axis
 ■ Number of funding decisions - right axis

FIGURE 2-1: GRANTED R2B-FUNDING (MILLION EUR) AND NUMBER OF FUNDING DECISION EACH YEAR. SOURCE: STATISTICS FROM BUSINESS FINLAND AND THE TUTL-EVALUATION FROM 2018

Consequently, some figures cover the full period 2012–2025, while others only include 2018–2025, depending on data availability. For 2025, only the first call for applications is included, and the numbers for this year are therefore lower than in previous years.

OVERALL FUNDING TRENDS AND PROJECT VOLUME

Through R2B, Business Finland has allocated almost EUR 302 million to commercialisation activities between 2012 and mid-2025. On average, the program has awarded approximately EUR 22 million per year. As illustrated in the figure below, the total annual funding level has remained relatively stable over time, except for a notable increase in 2024, when the total allocation reached EUR 27 million. Please note that the figure for 2025 only includes the first of the two annual calls.

The relatively unchanged funding frame in nominal terms implies that, in real terms, the program’s budget has gradually decreased due to inflation.

In total, 857 funding decisions were made between 2012 and mid-2025.⁸ The number of decisions has fluctuated more than the total funding volume, particularly during the first period up to 2017. Since 2018, the annual number of funding decisions has stabilised at between 40 and 60 projects per year.

8 For the years 2012–2017, the granted funding and number of funding decisions is based on numbers from the TUTL evaluation-report. Please note that the sum of the number of funding decisions per year reported in the evaluation (451 funding decisions), does not align with the reported number for each year (472 funding decisions in total).

As described above, Business Finland typically provides between EUR 300,000 and 700,000 per project. Across the entire period (2012–2025), the average grant size has been EUR 352,000. As shown in the table below, the average project size has increased since 2018, reflecting the lower number of projects funded each year but higher grant amounts per project. The same trend is evident for both the median and maximum grant values. This development may indicate an effort to partially offset the effects of inflation by increasing the nominal size of individual grants, even though the overall program budget has remained largely

unchanged. However, it should also be noted that previous restrictions on eligible costs in R2B have been removed.

The statistics above describe projects that were awarded R2B funding. To provide a more complete picture, it is also relevant to consider the number of applications submitted to the program. As illustrated in the figure below, the total number of applications since 2018 has varied from year to year, while the number of approved applications since 2018 has remained relatively stable. The number of approved applications corresponds to the number of funding decisions presented above.

	TOTAL (2012-2025)	FIRST PERIOD 2012-2017	SECOND PERIOD 2018-2025
Average size of R2B funding decision (thousand EUR)	352	291	427
Median (thousand EUR)	420*	320*	440
Max (thousand EUR)	1 240*	750*	1 240
Min (thousand EUR)	30*	50*	30

*Does not include 2012 and 2013.

TABLE 2-1: GRANT SIZE AND DISTRIBUTION OF R2B FUNDING DECISIONS. SOURCE: BUSINESS FINLAND AND TUTL-EVALUATION.

In 2024, a slightly higher number of applications were approved; however, this was accompanied by a significant increase in total applications (and granted funding). As shown in the figure below, the approval rate has ranged between 37 and 69 percent, with consistently high levels observed from 2022 to 2024.

ALLOCATION OF R2B FUNDING BY TYPE OF RESEARCH INSTITUTION

The researchers submitting applications are affiliated with various types of public research organisations. These can be grouped into four categories:

- Universities
- Universities of Applied Sciences
- State research institutes
- VTT⁹

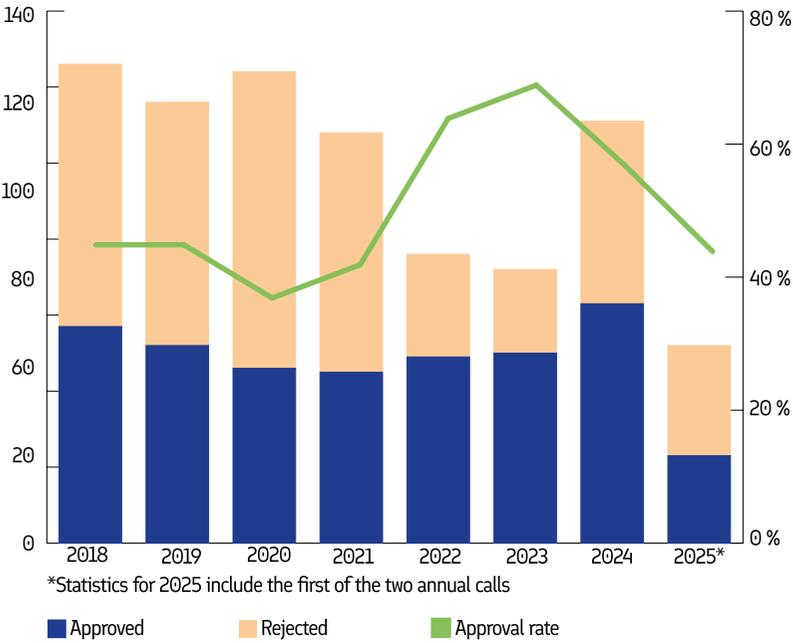


FIGURE 2-2: APPROVAL RATE OF APPLICATIONS, 2018–2025

While Business Finland does not take the type of applicant organisation into account during the evaluation process, it is still relevant to examine which types of institutions have submitted applications and received funding.

As mentioned above, the R2B program has awarded EUR 302 million in project funding between 2012 and 2025. The majority of this has been allocated to universities, as illustrated in the figure below. Over the period as a whole, researchers affiliated with universities have received 82 percent of the total funding. The distribution between the four groups has varied over time, but universities have consistently accounted for the largest share, in most years exceeding 85 percent. Only in the early years (2013–2015) did the university’s share fall below this level.

⁹ A separate category given its size and significance

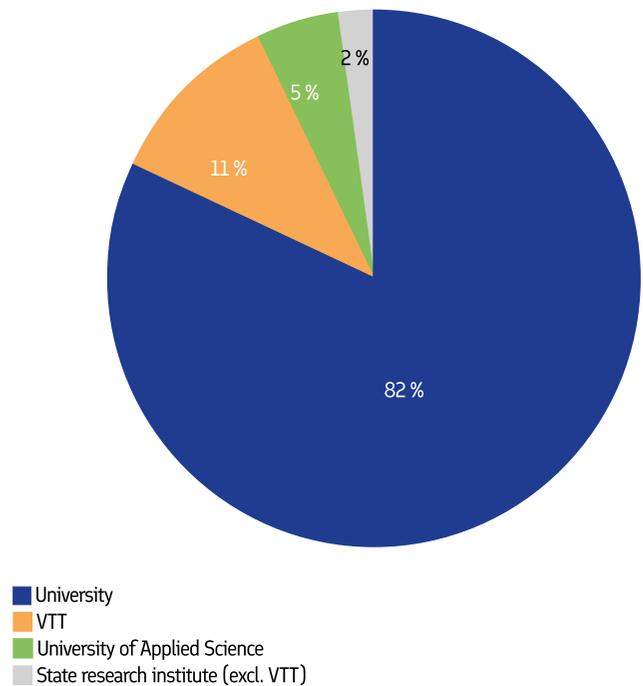


FIGURE 2-3: DISTRIBUTION OF FUNDING TO THE RESEARCH INSTITUTION CATEGORIES, 2012-2025.

The fact that universities have received the largest share of funding is also linked to the volume of applications they submit. As shown in the figure below, the share of funding decisions largely corresponds to the share of applications. The only exception is the universities of applied sciences, which have received fewer approved applications than their share of total applications would suggest.

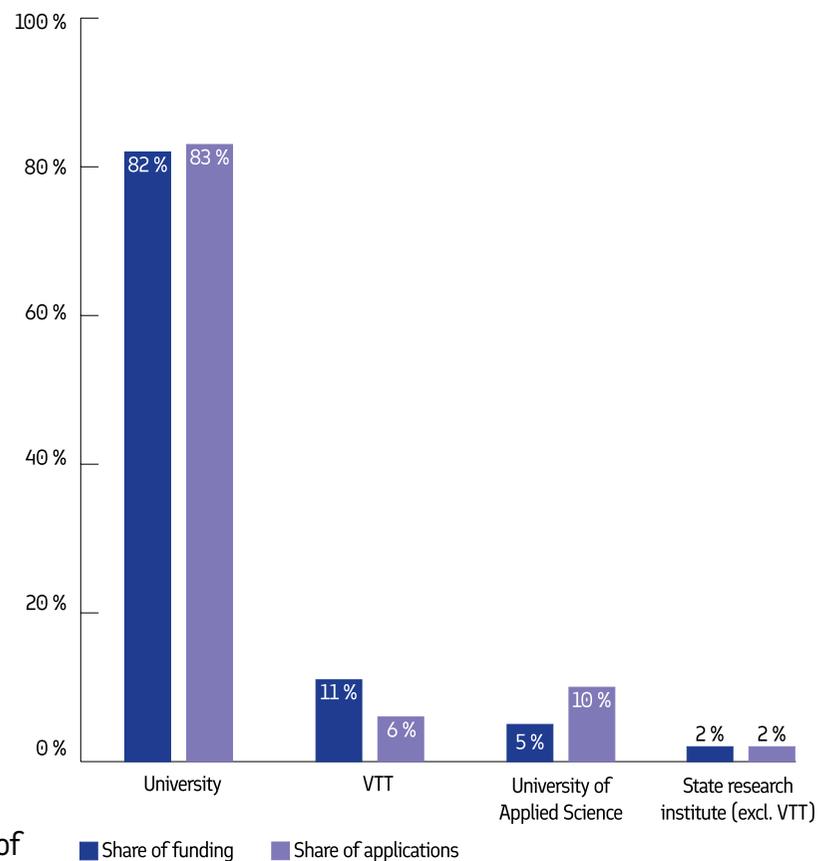


FIGURE 2-4: SHARE OF FUNDING DECISIONS AND APPLICATIONS PER RESEARCH INSTITUTION CATEGORY, 2018-2025*. SOURCE: BUSINESS FINLAND

*Statistics for 2025 include the first of the two annual calls

The figures below illustrate the total funding distributed among the public research organisations of the recipients.

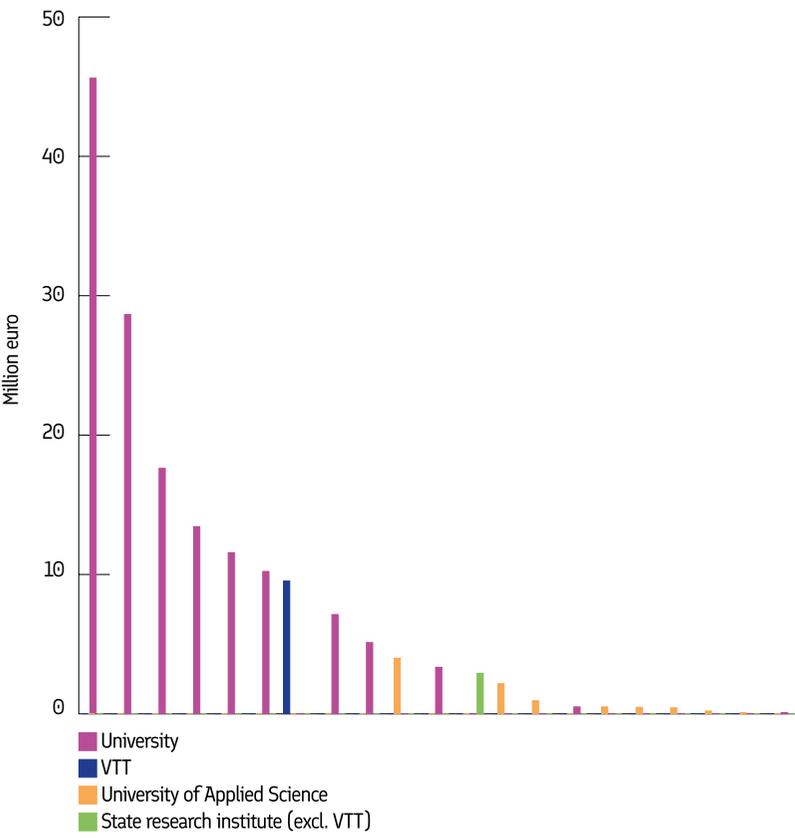


FIGURE 2-5: TOTAL FUNDING PER RESEARCH INSTITUTION, 2018-2025*.
SOURCE: BUSINESS FINLAND
*Statistics for 2025 include the first of the two annual calls



As shown in the figure above, the funding is highly concentrated among a small number of universities. The three leading institutions, Aalto University, the University of Helsinki and Tampere University, alone account for 56 percent of the total funding allocation. The ten largest recipients represent 93 percent of all funding awarded. If we look at these two groups share of applications and share of funding decisions, we find that the top three universities are behind 45 percent of the application, but 51 percent of the funding decisions. Likewise, the ten largest recipients have 86 percent of the applications and 91 percent of the funding decisions. Thus, illustrating a higher approval rate amongst these two groups. This concentration reflects the central role of the major research universities in driving commercialisation activities, but it also raises questions about the extent to which smaller institutions can access and benefit from the program.

The map below illustrates the relationship between total R2B funding and the number of research employees. Funding data are sourced from Business Finland’s register, while regional R&D employment figures are drawn from Statistics Finland.¹⁰ Etelä-Karjala stands out with the region that has received the highest level of R2B-funding per R&D employee, driven by funding to projects at LUT and LAB University of Applied Science.

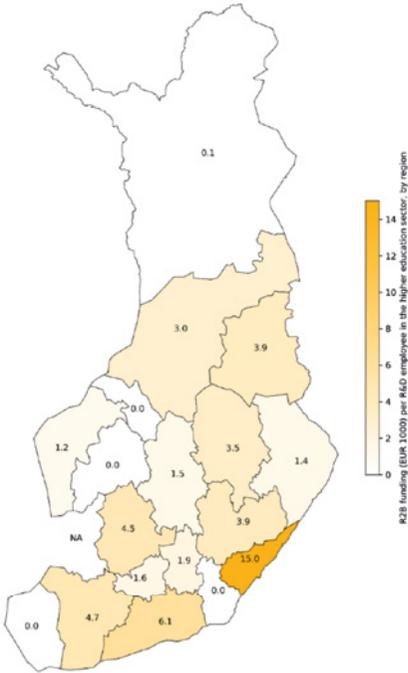


FIGURE 2-6: TOTAL R2B-FUNDING BY R&D EMPLOYEES IN THE HIGHER EDUCATION SECTOR. EUR 1000 PER EMPLOYEE.

¹⁰ Statistics Finland (2023). 13tn -- Research and development expenditure, personnel and full-time equivalents by region, 2011–2023. R&D personell. Higher education sector, Total.

3 THE COMMERCIALISATION SYSTEM IN FINLAND AND OTHER RELEVANT COUNTRIES



In this chapter we briefly review the international literature on policies towards the commercialisation of academic R&D. We also sum up the role of R2B and TTO-activities in the Finnish innovation system, and review some of the most recent studies thematically related to this field.

3.1 THE INTERNATIONAL LANDSCAPE OF TTOS AND SCIENCE COMMERCIALISATION

HISTORICAL AND INTERNATIONAL CONTEXT

The increased formalization of science commercialisation led to the establishment of technology transfer offices (TTOs) at universities in North America and the UK in the 1990s, and in most European countries by the early 2000s.¹¹ A common barrier to commercializing research through these offices was the lack of funding to verify the feasibility and commercial potential of scientific discoveries. On this background, universities in the US established Proof of Concept (PoC) centers aimed at filling the

¹¹ Geuna, A., & Muscio, A. (2009). The governance of university knowledge transfer: A critical review of the literature. *Minerva*, 47(1), 93–114.

funding gap and accelerating the commercialisation of research from the university into the marketplace. Early examples include the von Liebig Center, established at the University of California, San Diego (UCSD) in 2001, and the Deshpande Center, established at MIT in 2002.¹² Later, Bradley et al. (2013) identified 32 PoC centers connected to U.S. universities that were founded between 2001 and 2012. They were established through a combination of federal, regional, and university funding and offered a range of funding and business support services.

Many countries have followed suite and established national PoC schemes. Early examples include Scottish Enterprise, which launched the proof-of-concept program in 1999; the Canadian CIHR Proof of Principle Program, established in 2001; the Irish commercialisation fund, offering proof-of-concept grants from 2001; and the Norwegian FORNY program, which included proof-of-concept funding from 2002.¹³ Common to all these programs is that they provided grants for individual academics based on a competitive application process. A typical grant could be up to 100k EUR for 12 months and require some connection to business expertise, often through TTOs.

Countries with a stronger research base in industry, such as Sweden, relied more heavily on funding initiatives that required involvement and co-funding from industry partners. However, PoC funding has become increasingly available in most countries during the 2000s and 2010s. An analysis of PoC programs in the UK identified 25 national funds, 14 regional funds, and 23 internal organisation-specific funds.¹⁴ PoC funding is also available at the European level, such as the European Commission's Joint Research Centre (JRC) Proof of Concept Program established in 2001.¹⁵

EXAMPLES OF POC FUNDING SCHEMES

A prominent example is the European Research Council (ERC) Proof-of-Concept Grants. This scheme was established in 2011 as a tool to strengthen the innovation outcomes from ERC's growing portfolio of frontier basic science projects. The ERC PoC grants cover early-stage activities aimed at identifying and demonstrating potential opportunities for commercial application. The PoC Grants are up to €150,000 over 18 months and can be used for technical feasibility studies, prototype develop-

¹² Gulbranson, C. A., & Audretsch, D. B. (2008). Proof of concept centers: accelerating the commercialisation of university innovation. *The Journal of Technology Transfer*, 33(3), 249–258.

¹³ Rasmussen, E., Borch, O. J., Sørheim, R., & Gjellan, A. (2006). Government initiatives to support the commercialisation of research-an international benchmarking study. Report. Bodø Graduate School of Business, 100p.

¹⁴ Eggington, E., & Osborn, R. (2015). Review of UK Proof of Concept Support – Review commissioned by Innovate UK, London: IP Pragmatics

¹⁵ Denis, B., Haunold, C. and Patel, V., Joint Research Centre - Proof of Concept Report, Karlsson Dinnetz, M. editor(s), Publications Office of the European Union, Luxembourg, 2022, ISBN 978-92-76-56975-6, doi:10.2760/714289, JRC129267.

ment, technical tests, intellectual property rights protection strategies, assessing market demand and user needs, initial expenses for the creation of a new company, and/or searching for additional funding sources. A study of 4378 ERC grant holders, of whom 618 had received proof-of-concept funding, showed that projects receiving grants performed significantly better in terms of licensing, start-up creation, research contracts, consulting, and access to follow-on funding.¹⁶ By exclusively targeting ERC grant holders, this scheme funds only the most productive scientists in Europe. This may be a crucial precondition for the program's positive results.

While national funding schemes are common, particularly in Europe, PoC funding is often available at the regional or university level. The National Institutes of Health (NIH) Centers for Accelerated Innovation (NCAI) & REACH (USA) operate as regional hubs at major research institutions. An assessment of this scheme revealed that 366 funded projects have secured \$1.7 billion in follow-on funding, resulting in 88 start-ups and 17 technology licenses. The success rate for SBIR/STTR applications was significantly higher than the national average (~42% vs. ~19%).¹⁷ The evaluation highlighted several best practices, including milestone-based project management with experienced

project managers, the use of external advisory boards to evaluate both scientific and commercial merit, integrated commercialisation education, and pilot funding models to test viability before full investment.

The Dutch Research Council (NWO) offers a range of funding instruments to support the valorisation of scientific research.¹⁸ Demonstrator provides funding to researchers who need to develop a minimal viable product (MVP) to attract external investment. This is particularly useful when a prototype is necessary to demonstrate the commercial potential of a scientific innovation. Another program is Take-off, which is aimed at researchers who want to explore the feasibility of starting a business based on their academic work. It supports feasibility studies to assess market potential and technical viability, and a second phase offers early-stage loans to help launch start-ups originating from Dutch research institutions. The Faculty of Impact is a more intensive program that supports researchers over a two-year period. It's designed for those who want to tackle major societal challenges and are committed to turning their research into a business. Participants receive training, mentorship, and resources to help bring their innovations to market. For researchers in the life sciences, the Venture Challenge offers a 10-week course that helps

¹⁶ Munari, F., & Toschi, L. (2021). The impact of public funding on science valorisation: an analysis of the ERC Proof-of-Concept Program. *Research Policy*, 50(6), 104211.

¹⁷ Anderson, B. J., Leonchuk, O., O'Connor, A. C., Shaw, B. K., & Walsh, A. C. (2022). Insights from the evaluations of the NIH Centers for Accelerated Innovation and Research Evaluation and Commercialization Hubs programs. *Journal of Clinical and Translational Science*, 6(1), e7.

¹⁸ <https://www.nwo.nl/en/valorisation-funding-instruments>

teams develop a strong business proposition. The program focuses on preparing participants to pitch their ideas to investors and includes guidance on business planning and development. Lastly, Impact Explorer supports curiosity-driven research projects where unexpected opportunities for societal impact arise.

The SATT (Sociétés d'Accélération du Transfert de Technologies) network in France offers a range of funding schemes and support programs designed to help researchers transform their scientific findings into market-ready innovations. The SATTs provide financial investment to support the maturation of research-based technologies, including technical development (e.g., building prototypes), feasibility studies, market validation, and IP protection and strategy. The goal is to de-risk innovations so they become attractive for industrial partners or suitable for startup creation. The SATT network is organised as a federation of 13 regional technology transfer companies, each operating independently but coordinated under a national umbrella. Evaluations indicate a strong, positive economic impact of SATT-funded projects, with many addressing societal challenges.¹⁹

HOW POC FUNDING IS ORGANISED

As seen from the examples above, there are different ways to organise PoC funding. Examples of different dimensions and the rationale for these are as follows:

- *Grants or loans.* Most PoC funding is awarded as a grant based on an application. This follows the same logic as traditional funding for scientific research, placing the risk of an unsuccessful project with the program. Combining a grant with in-kind contributions, such as mentorship, training, commercialisation services, and facilities, is also common. However, some schemes offer parts of or all the funding as a loan or convertible notes.
- *Co-funding.* Most PoC funds cover all the costs of the PoC project and do not require co-funding. However, some funding schemes require that parts of the costs are covered, for instance by the university or industry partners.
- *Milestone-based payments.* While PoC schemes often award a single grant, many schemes use milestone-based payments where parts of the funds are released after the project has achieved predefined objectives or milestones. These milestones can include completion of a prototype, successful beta testing, securing IP (e.g., patents), market validation, or customer acquisition targets. Another common approach is to provide staged funding schemes, where a successful validation from an early-stage grant, typically of limited size, can serve as the basis for applying for a larger grant. Milestone-based PoC funding reduces risk by ensuring progress before

¹⁹ https://www.satt.fr/wp-content/uploads/2020/01/Synthese-etude-Technopolis-impact-des-SATT_janvier-2020.pdf

releasing more capital and provides a structured way to monitor and evaluate project success.

- *General versus sector-specific.* While many PoC schemes are open to all sectors and disciplines, there are numerous examples of more specialised schemes that fund projects exclusively from a single scientific discipline or industry sector. Such sector-specific schemes can accumulate more specialised competence and networks, making it easier to assess and support the projects that are funded. Moreover, the characteristics of different sectors may influence the effectiveness of support; for instance, Fini et al. (2023) found that public subsidies to academic spin-offs had a positive effect on firms in the biotech and energy sectors but a negative effect on digital spin-offs.
- *Geographical reach.* The geographical reach of PoC programs varies widely from European to National, regional, or university-specific programs. A study of gap-funding instruments in Europe revealed that these instruments were often initiated at the national level, followed by an increasing number of decentralised instruments before converging to fewer instruments, mainly at the national level.²⁰

- *Who can apply.* Many PoC schemes are usually targeted at academic scientists who act as principal investigators. Due to the lack of business competence among academics and to avoid the funding being used for research, there is usually a requirement that advisors or commercial partners are involved in the project. This is often the university TTO or other intermediary organisations.
- *Timeline.* PoC funding is usually awarded based on an application that is evaluated by reviewers or an expert panel. Typical times from application to award are 3 to 6 months for projects with durations of 6 to 12 months.

OTHER RELEVANT FUNDING SCHEMES

The borderline between PoC funding schemes and other schemes with similar purposes is not clear-cut. At the “research side” of the funding gap, many government agencies provide funding for competence-building initiatives.²¹ The aim is to enhance the knowledge, skills, and attitudes of academics towards commercialisation, thereby improving the quality and quantity of scientific discoveries with commercial potential. This funding could support training, mentoring, networking events, and infrastructure, typically implemented locally by the university or its TTO.

20 Munari, F., Rasmussen, E., Toschi, L., & Villani, E. (2016). Determinants of the university technology transfer policy-mix: A cross-national analysis of gap-funding instruments. *The Journal of Technology Transfer*, 41(6), 1377–1405.

21 Kochenkova, A., Grimaldi, R., & Munari, F. (2016). Public policy measures in support of knowledge transfer activities: a review of academic literature. *The Journal of Technology Transfer*, 41(3), 407–429.



Examples of well-established programs are the invention to Innovation (i2I) program in Canada²² and the YES program in the UK^{23,24}

On the “business side,” numerous funding schemes become available to support commercialisation projects once a new venture is established. Some are exclusively targeting academic spin-offs, but most are aimed at innovative startups in general. For an overview, see Audretsch et al. (2020).²⁵ Notable examples include the Small Business Innovation Research (SBIR) program in the US and the German EXIST program.²⁶

EVALUATING THE EFFECTS OF GOVERNMENT SUPPORT

The long development paths of science commercialisation make it challenging to assess the economic or societal effects of PoC funding directly. Hence, evaluations typically rely on intermediary outcome measures, such as the number of projects that progress to the next stage of development, for instance, in terms of patenting, licensing, spin-off creation, or receiving further grants and private

²² <https://inventiontoinnovation.ca/>

²³ <https://www.yescompetitions.co.uk/>

²⁴ Treanor, L., Noke, H., Marlow, S., & Mosey, S. (2021). Developing entrepreneurial competences in biotechnology early career researchers to support long-term entrepreneurial career outcomes. *Technological Forecasting and Social Change*, 164, 120031.

²⁵ Audretsch, D., Colombelli, A., Grilli, L., Minola, T., & Rasmussen, E. (2020). Innovative start-ups and policy initiatives. *Research Policy*, 49(10), 104027.

²⁶ Mueller, C. E. (2023). Startup grants and the development of academic startup projects during funding: Quasi-experimental evidence from the German ‘EXIST–Business startup grant’. *Journal of Business Venturing Insights*, 20, e00408.

investment. While these indicators may be associated with subsequent commercialisation performance, they can also become goals of their own and lead to counterproductive efforts.²⁷ For instance, policy efforts to spur the establishment of academic spin-offs are found to increase the number of spin-offs at the expense of their quality.²⁸

Evaluating the effect of government support is challenging. A robust evaluation of the Finnish high-growth entrepreneurship policy initiative, the NIY Program of the Finnish National Technology Agency, Tekes²⁹, found considerable return on the invested public funding. However, research on the effect of public funding provides mixed results, as access to grants may reduce the need to stretch resources or obtain resources from other sources.³⁰ Most support programs provide support to selected projects or firms, and due to selection bias, these projects are likely to perform better than the non-supported ones, regardless of the public support. Experimental studies where the support is randomly assigned are rarely feasible.³¹ Moreover, PoC funding is often combined with mentoring and networking activities, and receives support from several sup-

port schemes, making it difficult to separately assess the effectiveness of one particular funding scheme.

The most strongly articulated goal of PoC funding is contributing to economic development and job creation. However, the rationale for funding scientific research is much broader and the potential of using science commercialisation as a tool for achieving societal impacts from academic research is increasingly recognised.³² For example, the valorisation policy in the Netherlands has increasingly shifted from a narrow focus on commercialisation—such as turning lab knowledge into market products—toward a broader ambition of contributing to societal transitions. This includes areas like sustainable agriculture, healthcare, and digital transformation.³³ This follows a general trend that government programs increasingly address grand challenges and social impacts, alongside economic goals. One example is the German EXIST program, which has evolved from primarily prioritising economic goals to placing increased emphasis on environmental, social, and governance goals.³⁴

27 Langford, C. H., Hall, J., Josty, P., Matos, S., & Jacobson, A. (2006). Indicators and outcomes of Canadian university research: Proxies becoming goals?. *Research policy*, 35(10), 1586–1598.

28 Fini, R., Fu, K., Mathisen, M. T., Rasmussen, E., & Wright, M. (2017). Institutional determinants of university spin-off quantity and quality: a longitudinal, multilevel, cross-country study. *Small Business Economics*, 48(2), 361–391.

29 Autio, E., & Rannikko, H. (2016). Retaining winners: Can policy boost high-growth entrepreneurship? *Research Policy*, 45(1), 42–55.

30 Stevenson, R., Kier, A. S., & Taylor, S. G. (2021). Do policy makers take grants for granted? The efficacy of public sponsorship for innovative entrepreneurship. *Strategic Entrepreneurship Journal*, 15(2), 231–253.

31 <https://nap.nationalacademies.org/read/27244/chapter/2>

32 Fini, R., Rasmussen, E., Siegel, D., & Wiklund, J. (2018). Rethinking the commercialisation of public science: From entrepreneurial outcomes to societal impacts. *Academy of Management Perspectives*, 32(1), 4–20.

33 https://www.rathenau.nl/sites/default/files/2023-06/Valorisatie_voor_transities_Bericht_aan_het_parlement_Rathenau Instituut.pdf

34 Lehmann, E. E., Otto, J. M., & Wirsching, K. (2024). Entrepreneurial universities and the third mission paradigm shift from economic performance to impact entrepreneurship: Germany's EXIST program and ESG orientation. *The Journal of Technology Transfer*, 49(6), 2184–2199.



POC FUNDING AS PART OF ENTREPRENEURIAL ECOSYSTEMS

Policy and academic literature increasingly emphasise the importance of entrepreneurial ecosystems in facilitating the commercialisation of science. This emphasises how the structural elements surrounding a scientist or entrepreneur influence the outcome of a PoC project. An entrepreneurial ecosystem can be defined as: “combinations of social, political, economic, and cultural elements within a region that support the development and growth of innovative startups and encourage nascent entrepreneurs and other actors to take the risks of starting, funding, and otherwise assisting high-risk ventures”.³⁵ Research on the elements of well-functioning ecosystems focuses particular attention on entrepreneurial support organisations³⁶ and other intermediaries established to promote university technology transfer.³⁷ Common support organisations include incubators, technology parks, makerspaces, pre-accelerators, and accelerators. Incubators, pre-incubators, and technology parks typically provide tentative founders with access to office space alongside other founders, foster entrepreneurial skills, help founders test and develop

³⁵ Spigel, B. (2017). The relational organisation of entrepreneurial ecosystems. *Entrepreneurship theory and practice*, 41(1), 49-72.

³⁶ Bergman, B. J., & McMullen, J. S. (2022). Helping entrepreneurs help themselves: A review and relational research agenda on entrepreneurial support organisations. *Entrepreneurship Theory and Practice*, 46(3), 688-728.

³⁷ Villani, E., Rasmussen, E., & Grimaldi, R. (2017). How intermediary organisations facilitate university-industry technology transfer: A proximity approach. *Technological forecasting and social change*, 114, 86-102.

business ideas, and provide a supportive environment for entrepreneurship. Pre-accelerators and accelerators are relatively recent initiatives that provide founders with intense mentoring, training, and educational programs to validate ideas quickly and scale companies once ideas are validated.

A key policy prescription from this literature is that there may not be one best practice, but several good practices. Thus, it becomes important to map out the elements of specific ecosystems and the relevant support organisations surrounding scientists commercialising scientific results through PoC funding. A vital part of this is to understand how these elements interact (or not), discover bottlenecks and barriers, and also analyse whether and to what extent an ecosystem is underdeveloped and lacks important building blocks, such as a pre-accelerator program or preincubator, that might be needed to convert projects receiving PoC funding into a viable startup and scale-up. While support organisations like incubators and accelerators are considered beneficial, the literature nevertheless highlights that few startups originating from university research become scale-ups.

A recent actor in entrepreneurial ecosystems is venture studios, also known as start-up studios or venture builders.

These venture studios are for-profit start-up factories that repeatedly create, scale, and sell start-ups. As an element of effective ecosystems, venture studios institutionalise the function of serial entrepreneurship. The venture studio steps in as a co-founder, bringing all its expertise, knowledge, and systems, thereby enabling founders, including scientists, to create viable startups and scaleups by adding vital commercialisation expertise and competence.

3.2 THE ROLE OF R2B AND INNOVATION UNITS IN THE FINNISH INNOVATION SYSTEM

The Finnish innovation system involves a large number of public sector agencies and is represented by a network of policy tools and regional players that support a relatively dispersed government support system. Public sector agencies and players are mapped in in Figure 31. The lower part of the map, we find the R&D and innovation performers. The figure is from the European Commission report “*Support to Finland on Improving R&D Collaboration Between Research Organisations and the Private Sector*” from 2025.

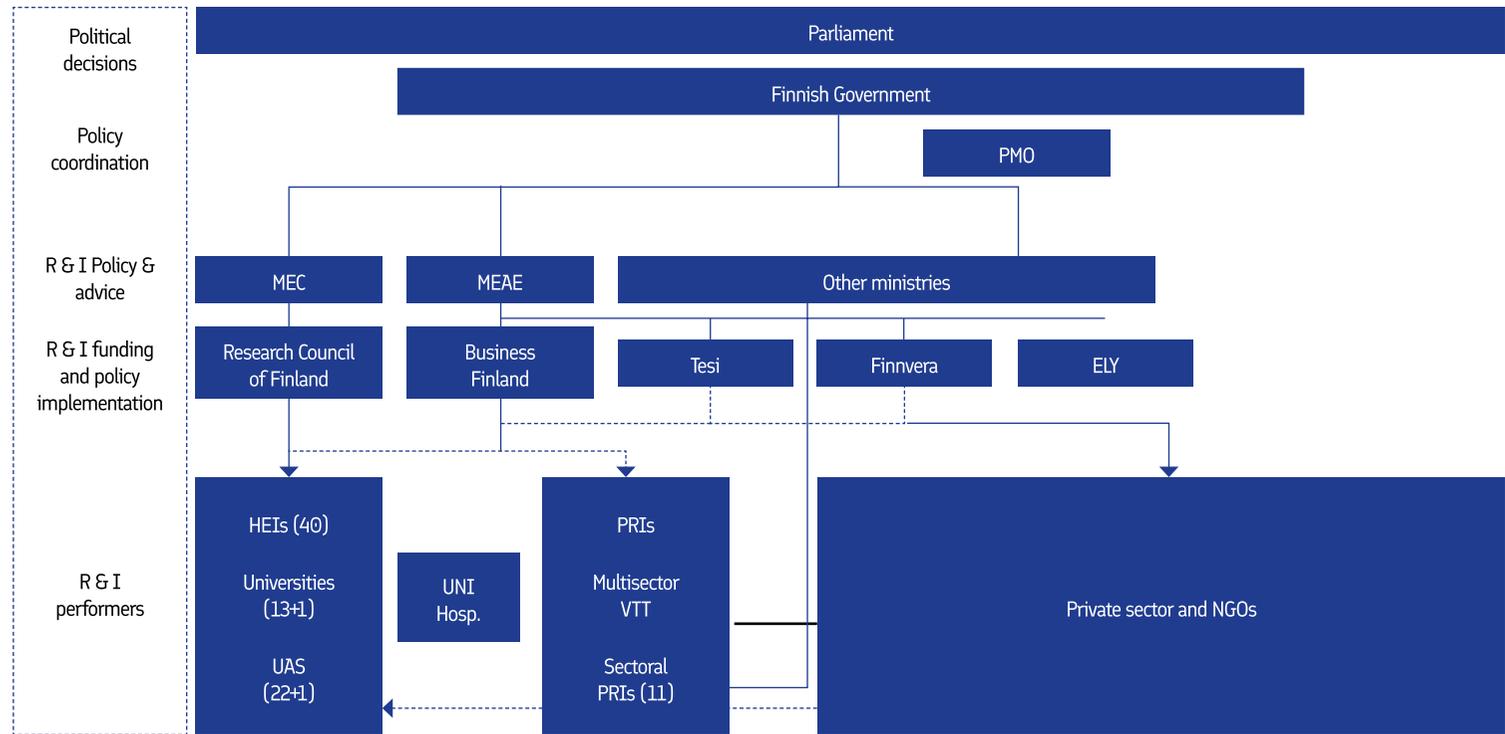


FIGURE 3-1: ILLUSTRATION OF THE R&D FUNDERS AND PERFORMERS IN FINLAND³⁸. SOURCE: EUROPEAN COMMISSION (2025).

38 Legend: BF = Business Finland; ELY = Centres for Economic Development, Transport, and the Environment; HEI = Higher Education Institutions; MEAE = Ministry of Economic Affairs and Employment; MEC = Ministry of Education and Culture; PMO = Prime Minister's Office; PRI = Public Research Institutes; RIC = Research and Innovation Council; VTT = Technical Research Centre of Finland.

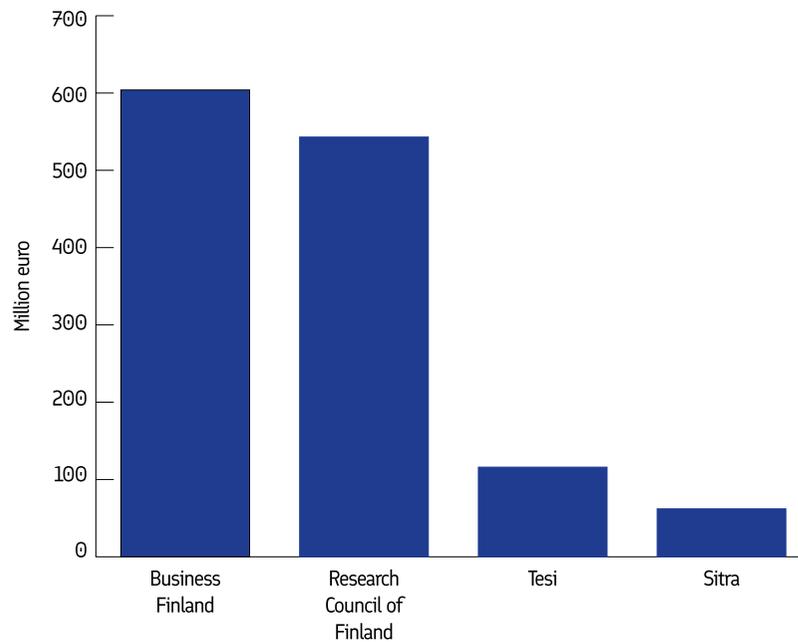


FIGURE 3-2: FUNDING FROM KEY AGENCIES IN THE FINNISH INNOVATION ECOSYSTEM IN 2024⁴⁰. SOURCE: MENON ECONOMICS, BUSINESS FINLAND, RESEARCH COUNCIL OF FINLAND, TESI AND SITRA

Applied research and technological development are primarily conducted by research institutes, where for instance VTT is a main actor, operating in the interface between science and application. Business Finland supports private-sector R&D through co-innovation programs and partnerships that strengthen innovation ecosystems. Sitra contributes by funding long-term projects in areas such as sustainability and digitalisation and promotes systemic innovation. Tesi (Finnish Industry Investment Ltd) is a state-owned investment company that invests on market terms both in venture capital and private equity funds, and directly in startups, scale-ups, and large industrial projects.³⁹

In Figure 32, we report figures on government spending through the most important innovation focused agencies. Most funds are channelled through Business Finland, followed by the Research Council of Finland. In addition to the funds shown in the figure below, the EU (through Horizon etc) also provides substantial funding for R&D in Finland. According to the Commission, the change in cumulative distributions amounted to EUR 425 mill in 2023 and EUR 355 mill in 2024. Clearly, the Horizon program plays an important role in funding and incentivising R&D in Finland.

³⁹ Tesi is a state-owned investment company that operates on market terms. It invests both directly in Finnish startups, scale-ups and large industrial projects, and indirectly through venture capital. Tesi's portfolio consists of EUR 2.6 billion of assets in management (Tesi, 2025). About half of its investments are in fund commitments and half are direct investments, although the balance varies with market conditions. Tesi acts as a minority investor alongside private VC and PE funds, with the explicit aim of mobilising additional private capital into Finland by reducing market gaps.

⁴⁰ Figures for Business Finland is their paid funding while figures for Research Council of Finland are their funding for scientific and strategic research. Figures for Tesi is investment and commitment given that year and figures for Sitra is their new investment commitments in 2024.

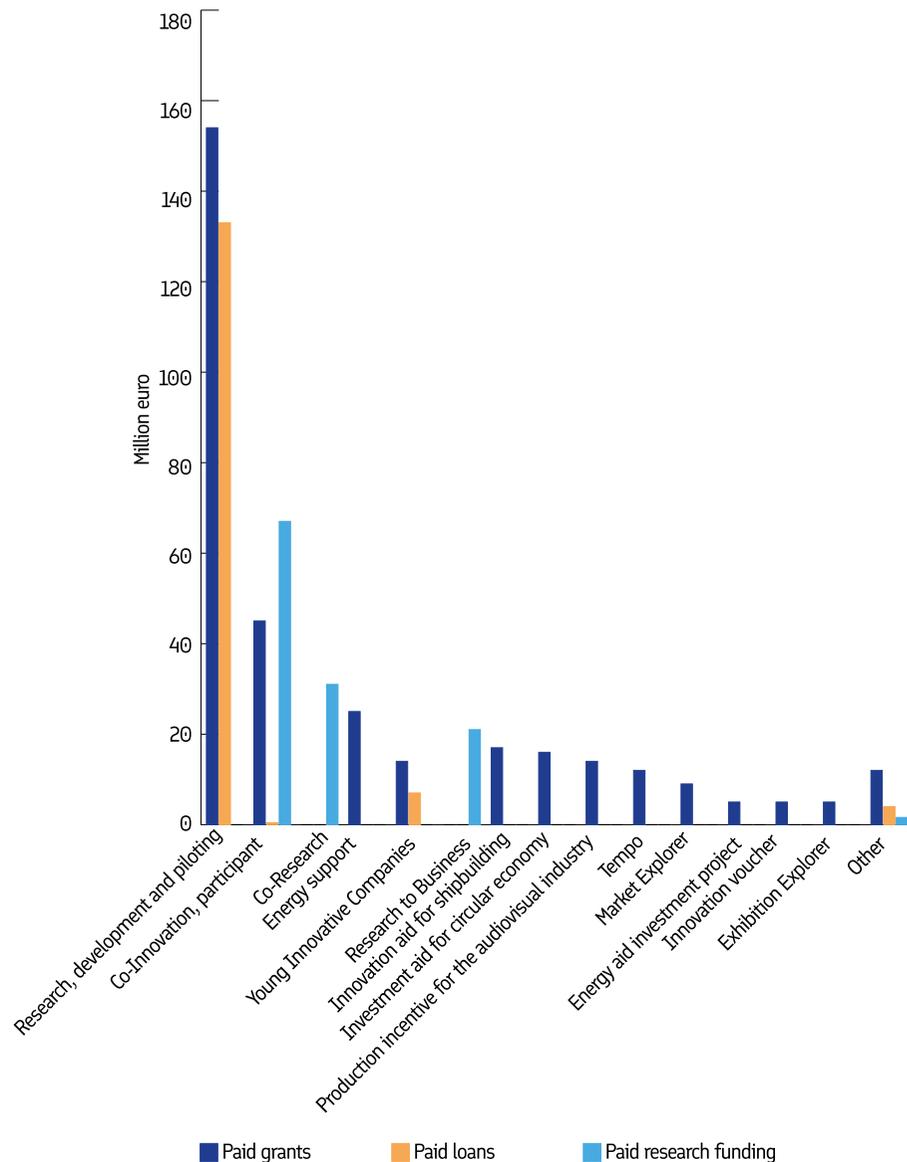


FIGURE 3-3 PAID FUNDING FROM BUSINESS FINLAND THROUGH DIFFERENT FUNDING SERVICES IN 2024. SOURCE: BUSINESS FINLAND AND MENON

As a program, R2B is administered by Business Finland but interacts extensively with activities funded by the Research Council, since R2B is channelled to projects that arise from scientific research at universities and research institutes. Yet other Business Finland instruments also neighbour the R2B and should interplay to propel commercialisation success. While ecosystems primarily serve as networks for collaboration and innovation platforms, it is the funding services that constitute Business Finland’s concrete mechanism for financing R&D activities in companies. The figure below illustrates the flow of funding through Business Finland’s various funding services (funding services above EUR 5 mill.).

The figure shows that the majority of Business Finland’s funding is directed towards R&D, piloting activities, and various co-projects in research and innovation.

The government has committed to lift public R&D outlays to roughly 1.2 percent of GDP by 2030 and is channelling much of the increase through Business Finland. From 2019 to 2024 Business Finland’s annual paid funding increased with over 30 percent, with further growth planned. The strategy is to make Business Finland the main driver of private R&D expansion by scaling up funding and targeting projects with high spillovers or risk that would not proceed without public support.

3.3 THE LEGAL FRAMING OF IPR FROM UNIVERSITIES IN FINLAND

In Finland, until 2007, academic researchers enjoyed what was known as the “professor’s privilege.” This system gave professors and other university researchers personal ownership of the intellectual property resulting from their research. In 2007, Finland decided to abolish the professor’s privilege and transfer ownership of university-generated inventions to the institutions themselves. The law was part of a broader European trend in the early 2000s. Policymakers argued that universities were better equipped to manage, protect, and commercialize intellectual property than individual researchers, especially since most universities had established or were developing technology transfer offices (TTOs) with professional staff.

Studies by Olof Ejerme and Hannes Toivanen⁴¹ found that the number of patents filed by academic inventors in Finland declined sharply after the abolition of the professor’s privilege. Their estimates indicate that individual patenting by academics dropped by roughly 29 percent after the reform took effect. Other studies examining similar changes across Europe have confirmed this pattern. In many countries where the professor’s privilege was abolished, the number and, in some cases, the technological

importance of academic patents decreased. Although universities gained ownership, they did not always develop the necessary infrastructure or culture to manage inventions effectively. In Finland, as in other countries, it turned out that ownership alone was not enough to stimulate innovation. Successful commercialization depends not only on who holds the legal rights but also on whether universities have sufficient capacity, resources, and incentives to turn research into marketable technologies.

3.4 THE ROLE OF INNOVATION UNITS (TTOS) FOR R2B

As noticed above, the innovation units play a central role in the R2B program by encouraging and supporting researchers to commercialise their research results. They are involved throughout the commercialisation journey – from mobilising researchers and shaping early ideas, to assisting with proposal preparation and application writing, and later providing guidance and support during and after R2B funding. In addition to their work related to R2B, the units are also responsible for broader innovation and commercialisation activities within their institutions.

For this study, we received insights and information on 13 innovation units⁴² from Business Finland, and these

⁴¹ See for example the 2018-study: “University invention and the abolishment of the professor’s privilege in Finland.”

⁴² In 2019, the University of Tampere and Tampere University of Technology merged to form Tampere University. Together with Tampere University of Applied Sciences (TAMK), they constitute the Tampere Universities community, but remain legally distinct institutions: Tampere University as a research university and TAMK as a university of applied sciences. They share joint innovation service functions.

form the basis of the analysis presented in the following sections. Together, these units are involved in roughly 90 percent of all R2B applications submitted since 2018, thus representing the main institutional actors in Finland’s research commercialisation landscape.

ORGANISATION OF INNOVATION UNITS (INTEGRATED VERSUS AUTONOMOUS)

Most of the innovation units we have interviewed are organised within their university’s central administration, typically under the department for research and innovation services, rather than operating as fully independent entities. This organisational model allows close coordination with funding administration, research support, and strategic management. A few institutions, however, have adopted

more autonomous structures. The University of Helsinki, for example, manages commercialisation through Helsinki Innovation Services Ltd., a fully owned company functioning as the university’s TTO. Likewise, VTT operates a dual model with VTT LaunchPad serving as an internal incubator and VTT Holding Ltd. managing equity and spin-off ownership.

STAFFING AND RESOURCES OF INNOVATION UNITS

The innovation units interviewed vary widely in terms of size and human resources, ranging from large, multi-team offices to single-person operations. These differences in capacity shape how systematically institutions can support commercialisation and R2B projects. At one end of the spectrum we find **large innovation units**, typically found

ORGANIZATIONAL MODEL	DESCRIPTION	EXAMPLES AMONG INTERVIEWED INSTITUTIONS
Integrated within university administration	Commercialisation and innovation support are managed as part of the university’s central services, typically under research and innovation affairs or strategy functions. The unit reports through normal administrative channels.	Aalto University, LUT, University of Oulu, University of Turku, University of Jyväskylä, University of Eastern Finland, Tampere University, Åbo Akademi University, Metropolia UAS, Turku University of Applied Sciences
Autonomous or corporate structure	The innovation function operates as a distinct entity with its own governance or corporate status, while remaining closely affiliated with the university or research organisation.	University of Helsinki (Helsinki Innovation Services Ltd.), VTT (VTT LaunchPad and VTT Holding Ltd.)

at Finland's major research universities. These offices have between 9 and 45 employees, often organised in several teams that together cover intellectual property, legal affairs, business development, and project management.

Medium-sized innovation units, usually comprising three to five employees, are found at some universities and research institutes. These teams are compact but often highly specialised, combining technical, legal, and business expertise within a small, cohesive group.

At the other end are **small or single-person innovation units**, with only one to three staff members. This group includes smaller universities and universities of applied sciences. Here, one or a handful of generalists manage the entire innovation process—from invention disclosures and IPR evaluation to funding applications and project follow-up. With such limited capacity, support tends to rely on

individual initiative and personal relationships rather than formalised systems or proactive outreach.

WORKING PRACTICES AND INTERNAL PROCESSES AT THE INNOVATION UNITS

The interviews reveal variation in how innovation units organise their commercialisation work in practice. This concerns the internal routines, decision-making procedures, and the degree to which activities are formalised or ad hoc.

At the larger universities, commercialisation is typically managed through systematic and process-oriented routines. Institutions such as Aalto University, the University of Helsinki, and Tampere University have formalised internal procedures for identifying and screening potential R2B projects. Research teams are often required to present their ideas to internal review panels or “innovation councils”

CATEGORY (BY SIZE OF INNOVATION UNIT)	APPROX. NUMBER OF STAFF	TYPICAL TYPE OF ORGANISATION	EXAMPLES (INTERVIEWED INSTITUTIONS)
Large innovation units	≥9	Large research universities	Aalto University, University of Helsinki, University of Turku, University of Oulu, Tampere University
Medium-sized innovation units	3–5	Mid-sized universities and research institutes	LUT, VTT, LUKE
Small/single-person innovation units	1–3	Smaller universities and universities of applied sciences	Åbo Akademi, UEF, Jyväskylä, Metropolia UAS, Turku UAS



before submitting to Business Finland. These universities use standard templates, evaluation criteria, and pitch training to ensure consistency and readiness across cases.

In contrast, smaller and mid-sized institutions apply more flexible and personalised approaches. Innovation officers work directly with researchers to refine ideas and applications, often without fixed deadlines or formal review steps. The process is iterative and depends heavily on the initiative and expertise of the individual innovation manager.

4 EVALUATION METHODOLOGY



4.1 OECD EVALUATION MODEL

This evaluation is based on the OECD (DAC) evaluation model, which provides a recognised international standard for evaluating public programs. The framework emphasises systematic assessment of how policy instruments are designed, implemented and utilised, and the extent to which they generate the intended results. The model is widely applied in evaluations of innovation policy and public support schemes and is therefore well suited for analysing early-stage commercialisation instruments such as R2B.

In the OECD model, evaluations typically centre on five core criteria: relevance, effectiveness, efficiency, coherence and impact. For the purpose of this study, the framework has been adapted to Business Finland's priorities and to the characteristics of the R2B program:

- **Relevance** – We assess whether the program addresses clearly identified needs in the Finnish innovation system, including commercialisation challenges.

- **Effectiveness** – We analyse to what extent R2B contributes to achieving its intended results.
- **Impact** – We explore broader effects on innovation capacity, commercialisation culture and collaboration between research environments and industry, while recognising that long-term impacts may take time to materialise.
- **Efficiency** – We assess whether the program mechanisms facilitate efficient mobilisation and support of projects, focusing on awareness, the application process, the support provided by Business Finland and the structure of the funding instrument.
- **Coherence** – We consider how R2B interacts with other instruments in the Finnish innovation policy mix (see chapter 3).

Using this framework ensures that the evaluation systematically links program design, implementation, outputs and outcomes, and that findings are relevant not only for assessing past performance, but also for policy learning and future development. The OECD structure also supports triangulation across multiple data sources, which is a key feature of the methodology used in this report. In particular, it helps us assess several evaluation aspects of R2B:

- the operating environment through literature and contextual analysis
- inputs and activities

- results and outcomes of the program
- how the instrument should evolve going forward, including lessons for future development
- and draw on experiences from Challenge Finland and Research Benefit case studies.

4.2 MIXED-METHODS APPROACH AND DATA SOURCES

To answer the evaluation questions, we have applied a mixed-methods design that combines quantitative and qualitative data. This approach supports triangulation, strengthens validity and enables both breadth (through statistical patterns) and depth (through context-specific insight). The evaluation draws on the following sources:

LITERATURE AND DOCUMENTATION REVIEW

We reviewed strategic and operational documentation from Business Finland, program guidelines, the earlier R2B evaluation from 2018 and relevant third-party analyses. This forms the contextual basis for understanding program logic and expected effects, as well as the development of the instrument over time. A key purpose of the document review has been to assess the recommendations and challenges identified in the previous evaluation, examine how they have been followed up, and identify which issues remain unresolved. This provides an important foundation



for evaluating current program performance and for identifying areas where further development may be needed.

INTERVIEWS WITH 13 INNOVATION UNITS AND REPRESENTATIVES FROM BUSINESS FINLAND

Interviews were conducted with representatives from 13 innovation units across Finnish research organisations, as well as with key representatives from Business Finland. A semi-structured interview guide was used to ensure comparability across cases while allowing for institutional differences and individuals perspectives. Topics included:

- The role and added value of R2B in commercialisation processes
- Institutional incentives, support structures and barriers
- Experiences with the R2B program requirements, reporting and follow-up

Following the interviews, we collected supplementary information by e-mail, including key figures on licences, start-ups and licence revenues.

SURVEY TO R2B PARTICIPANTS

We have conducted a comprehensive survey aimed at gathering quantitative data on R2B, focusing on aspects such as needs, outcomes, and other relevant facets. The survey was designed to include both standardised questions and

statements for consistent answers, as well as open-ended questions to allow for more detailed reflections.

The survey was distributed to participants of the R2B program from 2018 using email lists provided by Business Finland. The lists were reviewed by Menon to remove duplicates. In addition, some email addresses were no longer valid, or the intended recipients had changed jobs or retired. The survey was sent to 428 participants, of which 349 e-mails were active. A total of 163 responses were received. This yields a response rate of 46,7 percent.

In our report, we have grouped the participants into two categories based on their role in the project. In some cases, we present the survey results separately for these two groups. These are:

- Researchers: researchers/senior researcher, professor and PhD-candidate/postdoctoral
- Project administrators: research group leader, administrative staff and others

Please see appendix A for additional information about the survey and the respondents.

STATISTICAL AND REGISTER DATA

We used project-level data from Business Finland covering R2B, Challenge Finland and Research Benefit.

In addition, we received a list of registered start-ups linked to R2B funding, compiled by Business Finland staff. This

list forms the basis for our linkage to accounting information from Orbis, which has been used to analyse company development and economic outcomes.

Separately, we collected commercialisation metrics directly from innovation units, including the number of licences, the number of start-ups and licence-based revenues.

5 THE RELEVANCE OF RESEARCH TO BUSINESS



Findings from both the survey and the interviews highlight that the R2B program is widely regarded as relevant for supporting research-based commercialisation in Finland. The program has been effective in accelerating commercialisation, with a clear majority experiencing faster progress as a result of the support. Although some respondents considered the funding to have come too early in relation to project maturity, most still found it well timed. Finally, R2B has improved the preparedness of research teams to take further steps after funding, even if some gaps remain in ensuring that all projects are fully ready for the transition to market.

A key question in evaluating the R2B program is its relevance for supporting research-based commercialisation in Finland. Relevance here concerns whether the program addresses real needs in the research environment and whether it fulfils its purpose of preparing research-driven innovations for market entry.

In this chapter, we examine three main dimensions of relevance:

- **Adjustment for market failure** - the extent to which R2B reduces market failures.

- **Perceived relevance among innovation unit representatives** – perspectives from innovation units at universities, universities of applied sciences, and research institutes, highlighting how R2B is viewed at the institutional level and how it contributes to commercialisation capacity across Finland’s research system.
- **Actual demand for funding** – trends in application volume and success rates, indicating the demand after the R2B instrument.
- **Timing and contribution of support** – the degree to which R2B funding has been relevant in practice, by accelerating commercialisation, by being provided at an appropriate stage of project maturity, and by leaving teams prepared to take further steps once the funding ended.

5.1 DOES R2B REDUCE MARKET FAILURES?

Public funding for the commercialisation of academic inventions and innovations plays a crucial role in addressing several types of market failures. The fundamental idea is that the social returns from innovation often exceed the private returns that firms or universities can capture. Without intervention, this gap leads to underinvestment in research, development, and knowledge transfer. By supporting these projects, governments help correct these inefficiencies and stimulate innovation-driven growth.

A key source of market failure in research and innovation lies in the nature of knowledge itself. Knowledge is non-rival and often non-excludable. These characteristics mean that private actors cannot fully appropriate the benefits of their investment in innovation, which leads to underproduction of new knowledge relative to the social optimum. Innovation units and TTOs aim to bridge this gap by developing mechanisms—such as patents, licensing agreements, and spin-off creation—that allow research institutions to capture part of the value of their discoveries. Public support therefore enables universities and research organisations to invest in professional technology transfer capacity that would otherwise not emerge.

Innovation markets are also characterised by information asymmetries between researchers, investors, and firms. Early-stage research is often highly specialised and difficult to evaluate for commercial potential. This creates a “valley of death” between the generation of new ideas and their market adoption. TTOs can help reduce these asymmetries by translating scientific findings into business-relevant language, assessing commercial potential, and connecting inventors with investors and industry partners. Public funding helps ensure that TTOs can operate in this high-risk environment without relying solely on short-term financial returns. In doing so, governments address coordination failures—situations where mutually beneficial collaboration between research institutions and industry does not occur because of transaction costs, uncertainty, or lack of trust.

5.2 PERCEIVED RELEVANCE OF THE PROGRAM AMONG INNOVATION UNIT REPRESENTATIVES

To assess the relevance of the R2B program insights were gathered through interviews with representatives from innovation units. Across the interviews, there was near-unanimous agreement that R2B is a highly relevant instrument. Representatives consistently emphasised that there is no other comparable funding scheme in Finland that enables the preparation of research-based innovations for commercialisation. Several stated that without R2B, many promising ideas would remain undeveloped, with some explicitly describing the program as “*crucial*”, “*one of the best tools the government can provide*”, or even “*absolutely indispensable*”. At the same time, some pointed to limitations in the program design, such as the size of individual grants, the application process, and the expertise of evaluators. These aspects are further discussed in chapter 7.

The representatives highlighted a number of reasons why they consider R2B relevant:

- **Filling a funding gap:** R2B provides dedicated resources for activities that fall between academic research and private investment, such as prototyping, piloting, IP protection, and market validation. Without this funding, these activities would often not take place.
- **Enabling spin-offs and commercialisation:** Many universities could point to concrete examples of spin-offs and licenses that would not have materialised

without R2B. Some described the program as the cornerstone of their commercialisation activities.

- **Ease of use compared to alternatives:** A few respondents highlighted that R2B is simpler and more accessible than many EU-level instruments, making it easier to promote internally and to involve a research team.
- **Awareness and ecosystem impact:** Beyond individual projects, some representatives noted that R2B funding has raised awareness of commercialisation opportunities among researchers and innovation units.

Overall, the interviews confirm that R2B is widely regarded as a unique and indispensable funding instrument for bridging the gap between academic research and commercialisation. Innovation unit representatives consistently emphasised that without the program, many promising ideas would remain undeveloped, and the number of spin-offs and licenses would be significantly lower.

THE VIEWS OF INNOVATION UNITS (TTOS)

Across the interviews, representatives of the innovation units describe the R2B program as an important but not exclusive driver of their commercialisation activities. It is widely seen as a key national instrument that provides both funding and a clear procedural framework for research-based innovation, yet interviewees also highlight that their

work is shaped by a broader set of factors — including institutional strategies, leadership priorities, and other national or European funding mechanisms.

Several innovation units noted that many of their current practices — from scouting and internal evaluation to supporting proposal development — have evolved partly in response to the R2B program’s requirements and regular calls. R2B was frequently mentioned as having contributed to greater professionalisation and structure in university innovation work. Its defined application process has encouraged institutions to develop internal procedures, templates, and evaluation practices to prepare projects for funding. For smaller universities and universities of applied sciences, the program provides a useful framework and continuity for innovation work that might otherwise depend on ad hoc initiatives.

When it comes to the institutional role of R2B, perceptions vary. Some interviewees felt that the program has helped to make commercialisation more visible and accepted internally — as one noted, “*without R2B, our office would hardly exist in its current form.*” Others saw it as one element among many in a broader policy and institutional context that promotes research impact and knowledge transfer.

5.3 R2B: TIMING AND THE ABILITY TO FILL IMPORTANT FUNDING GAPS

The relevance of R2B funding can also be assessed by looking at whether it was provided in a way that genuinely helped projects move forward. Relevance thus depends on the contribution and timing of support: did the funding accelerate commercialisation, was it provided at the right stage of project maturity, and did it help research teams position themselves for the next steps? If the funding came too early or too late, or did not meaningfully influence the pace of commercialisation, the program’s relevance would be weaker. In contrast, if it accelerated commercialisation at the right time, its relevance is strengthened.

ACCELERATION OF COMMERCIALISATION

Survey results indicate that the program has been highly effective in accelerating commercialisation efforts. A large majority of participants (78 percent) reported that R2B funding accelerated the commercialisation of their research. This is in line with one of the central objectives of the program; to help research-based innovations reach the market more quickly. Another 17 percent indicated that it had no significant effect on the pace of commercialisation, while only a very small share (1–2 percent) felt that it delayed or complicated the process. This is a positive finding, as it suggests that the program’s funding rules and

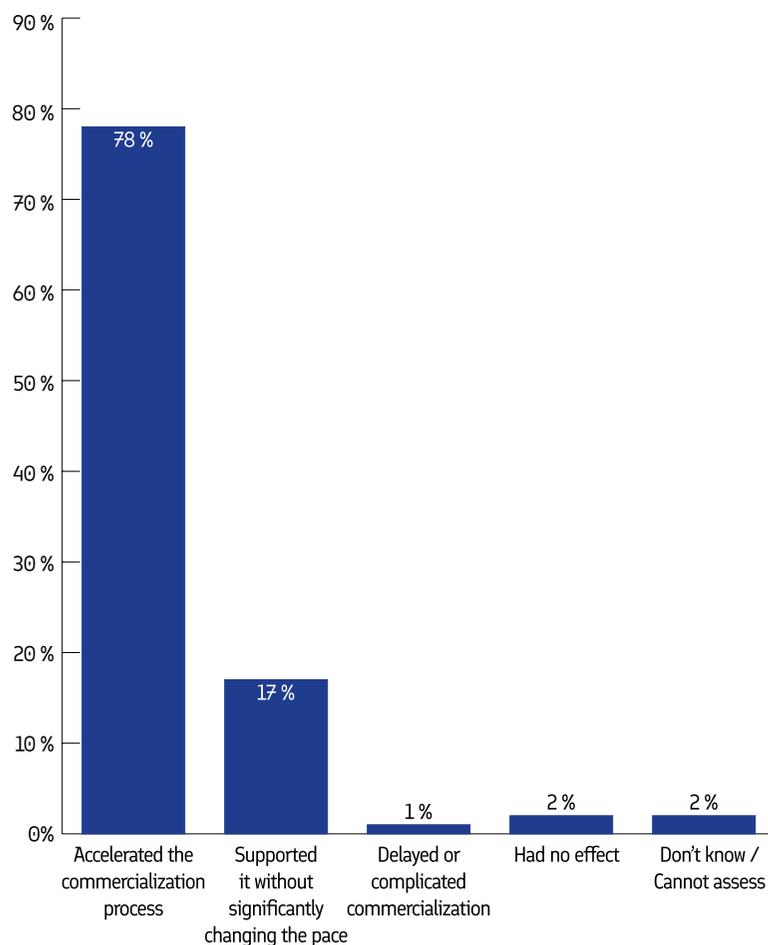


FIGURE 5-1: “IF THE R2B FUNDING IS COMPLETED, DID THE R2B PROJECT ACCELERATE OR SLOW DOWN THE COMMERCIALISATION OF YOUR RESEARCH?” (N=102).
SOURCE: MENON ECONOMICS

requirements—for instance, restrictions on certain activities during the project period—have not hindered commercialisation efforts in practice. Overall, we find little difference between the two subgroups (researchers versus project administration (management and support)).

**TIMING OF SUPPORT
IN RELATION TO PROJECT MATURITY**

When asked to reflect on the timing of support relative to the maturity of their research ideas, participants expressed somewhat more varied views. Around half of respondents considered the funding to be well timed (56 per cent), while roughly 42 percent felt that the support came too early or slightly early in relation to their project’s development stage. This divergence is noteworthy, as it may reflect the inherent differences in how quickly research ideas mature and become ready for commercialisation. It also resonates with the earlier finding that R2B funding nevertheless contributed to accelerating commercialisation in most cases, even when participants perceived the timing to be somewhat premature.

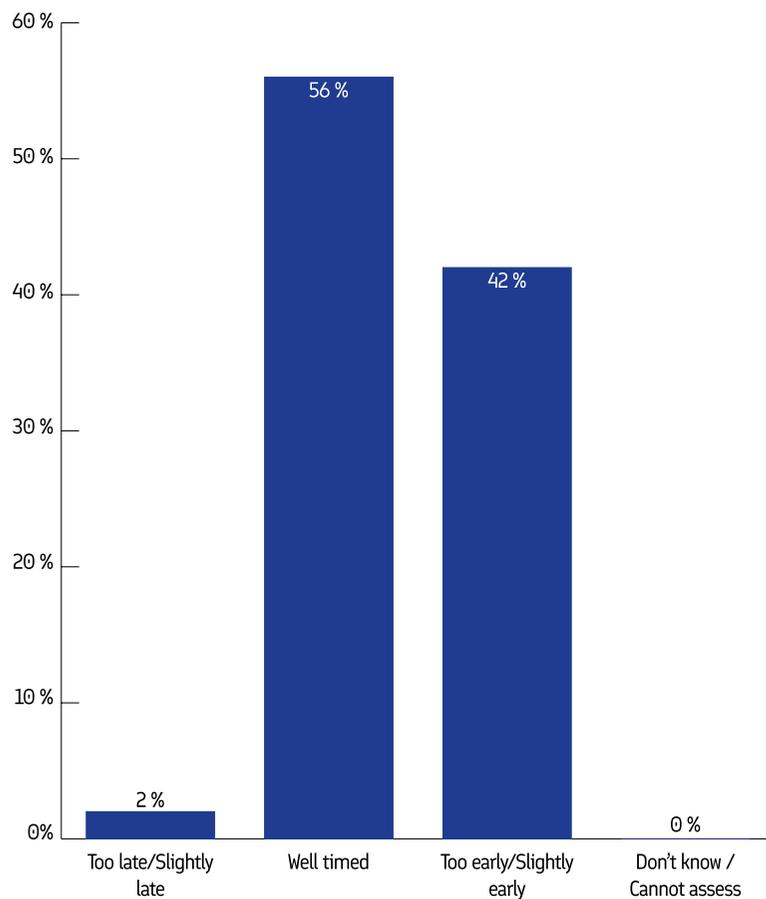


FIGURE 5-2: “IN RETROSPECT, HOW WELL TIMED DO YOU FEEL THE R2B PROJECT WAS IN RELATION TO THE MATURITY OF YOUR RESEARCH IDEA?” (N=100).
SOURCE: MENON ECONOMICS

A closer look at the two main respondent groups reveals some variation. Researchers were somewhat more likely than project administrators to state that funding arrived too early. This pattern is natural, as researchers are often more deeply engaged in the scientific process and may feel that additional research was needed before moving toward commercialisation. For many, commercialisation represents a new and unfamiliar activity, and the perception of premature timing may reflect the challenge of shifting focus from research to market readiness.

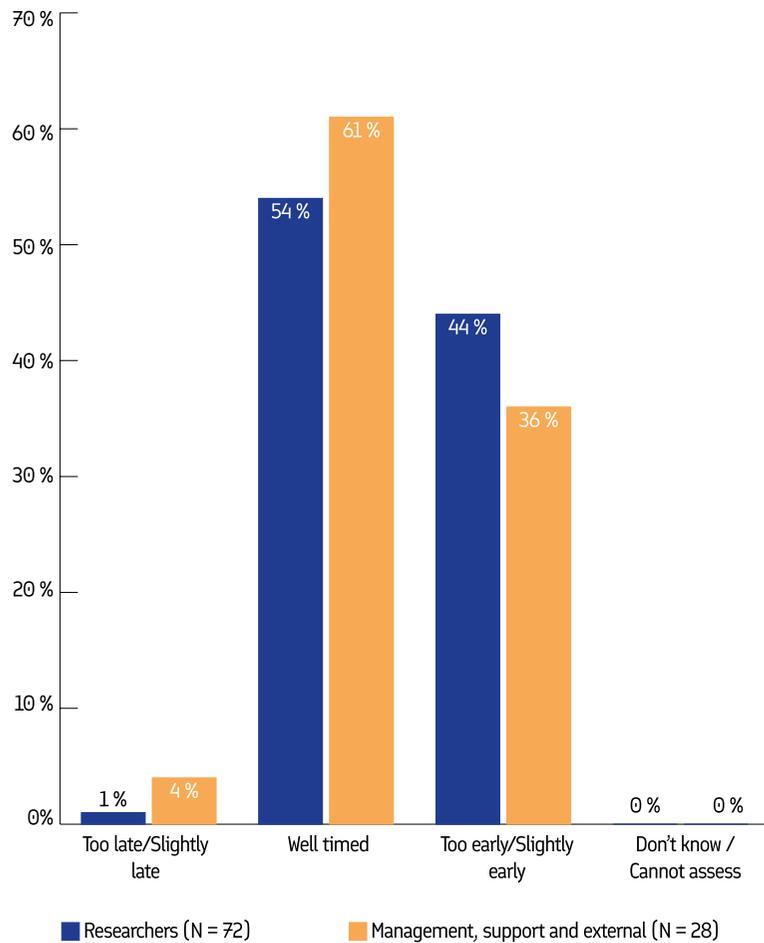


FIGURE 5-3: “IN RETROSPECT, HOW WELL TIMED DO YOU FEEL THE R2B PROJECT WAS IN RELATION TO THE MATURITY OF YOUR RESEARCH IDEA?”
SOURCE: MENON ECONOMICS

These results suggest that while the program could not always perfectly align with the maturity of every project, it has nonetheless played a crucial role in advancing commercialisation efforts and ensuring that promising research-based ideas did not stall before reaching the market.

PREPAREDNESS FOR NEXT STEPS

Finally, the survey asked how well-prepared teams felt to continue commercialisation once the R2B project ended. Among those still receiving funding, most felt at least somewhat prepared (58 percent), while about a quarter (24 percent) already considered themselves fully prepared. For those whose funding had ended, the majority (79 percent) said they had been somewhat prepared, while only 12 percent felt fully prepared to take the next steps. A smaller share in both groups reported being unprepared or could not assess their readiness.

Interestingly, a higher share of ongoing projects reported feeling fully prepared compared to completed ones (24 percent versus 12 percent). This may reflect a learning dynamic similar to the Dunning–Kruger effect—where confidence tends to be higher early in the process, before teams gain deeper insight into the complexities of commercialisation. As projects progress, growing experience may lead to a more nuanced and realistic self-assessment of preparedness.

This indicates that while R2B projects often succeed in moving teams closer to commercialisation, there remains a

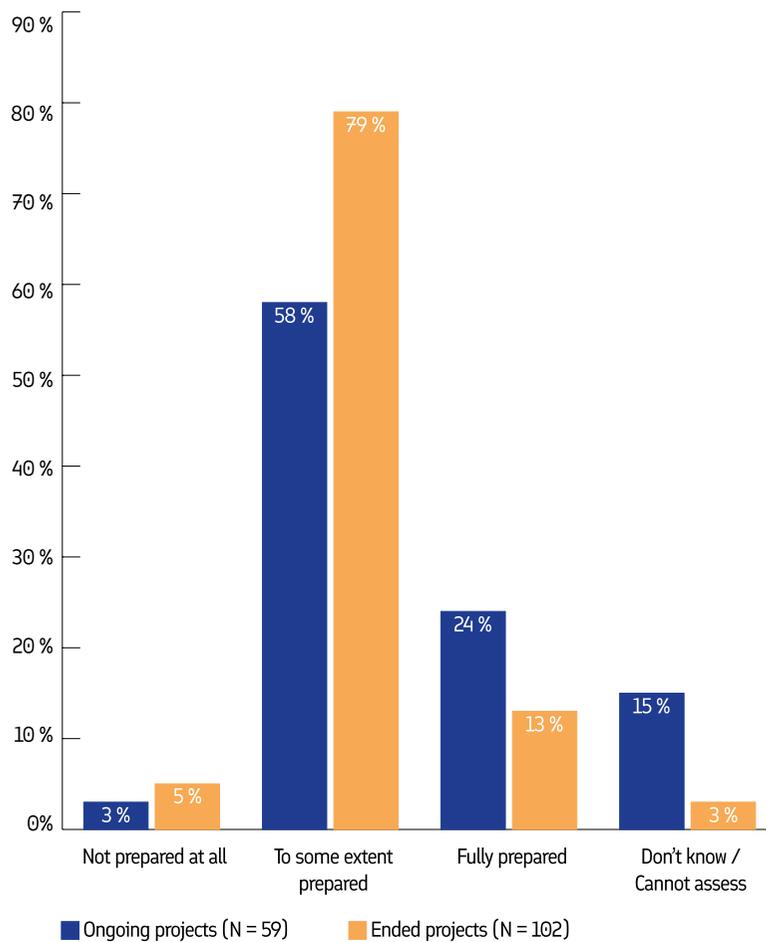


FIGURE 5-4: “TO WHAT EXTENT DO/DID YOU FEEL PREPARED TO TAKE THE NEXT STEPS TOWARDS COMMERCIALISATION?” SOURCE: MENON ECONOMICS

gap in ensuring that research teams are fully equipped for the transition. One respondent underlined the importance of this aspect by stating: “R2B Project allowed us to identify correct customers, market opportunities and requirements for the technology. It offered appropriate industry network for further collaboration to continue and establish consortium for bigger pilot studies of the technology.”

5.4 DEMAND FOR THE GRANTS

The relevance of a government intervention cannot merely be evaluated based on perceived relevance among grant holders. It is also highly relevant whether these grants actually face a large demand. Several interviewees emphasised that the R2B program is the only available support program for activities related to the commercialisation of research. Nevertheless, the total number of applications to the R2B program has shown a steady decline over time. In 2012 and 2013, Business Finland received more than 200 applications annually. Between 2018 and 2024, however, the average number of submissions fell to around 100 per year.⁴³ During the same period, the acceptance rate has increased slightly.

⁴³ Interestingly, the data also show a somewhat lower number of applications in 2022 and 2023. This could potentially reflect residual effects of the COVID-19 pandemic, which may have influenced research activities or the ability to initiate new commercialisation projects. However, we do not have concrete evidence to confirm this. It is therefore unclear to what extent the decline can be attributed to structural changes in demand versus temporary external factors.

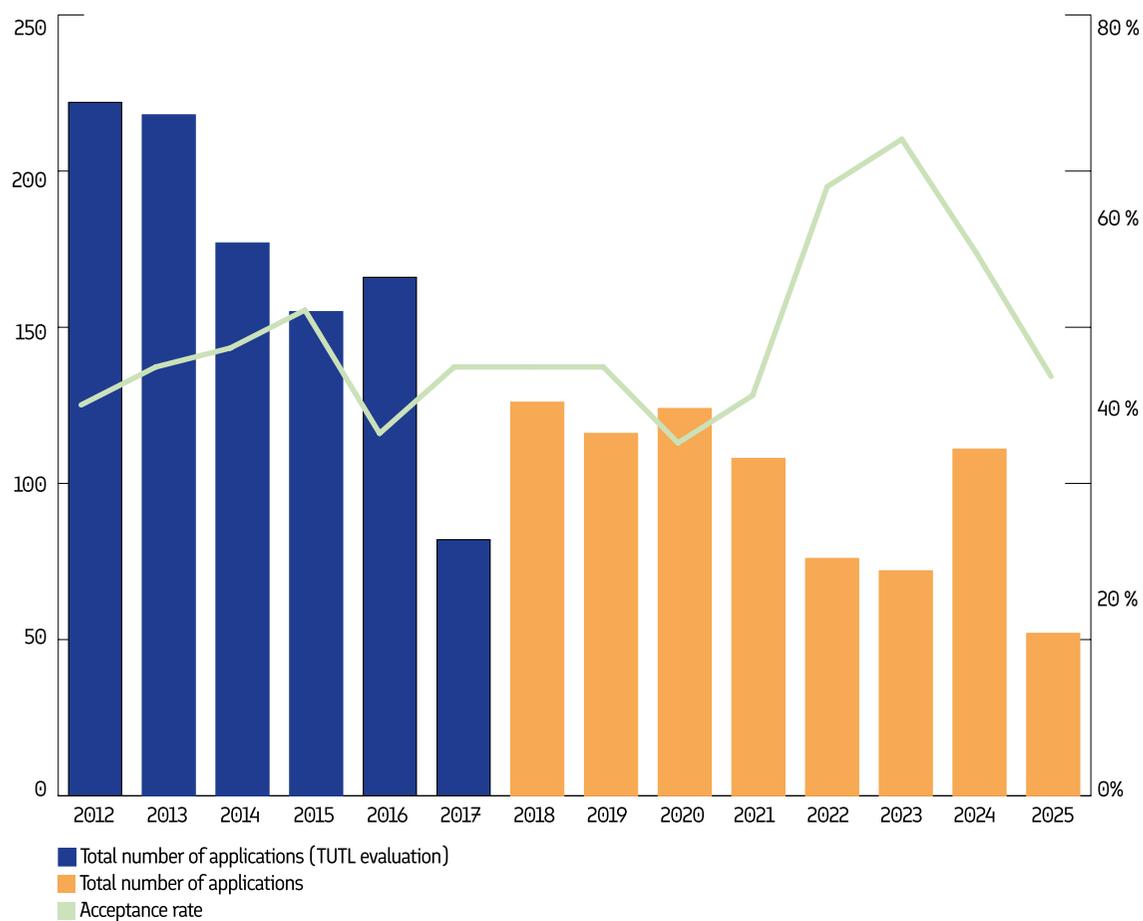


FIGURE 5-5: APPLICATIONS AND ACCEPTANCE RATES. SOURCE: BUSINESS FINLAND AND TUTL-EVALUATION

We have less information related to why there is a declining number of applications. One possible explanation is a more professionalised process over time, where weaker projects are filtered out by the innovation units before entering the application stage. Another possible explanation, as noted by Business Finland representatives, is that the rules and eligibility criteria have gradually become more stringent. In the early years of the TUTL programme, there were fewer restrictions on how the funding could be used, and researchers could allocate a larger share to scientific work. As these rules were tightened, the scope for research-oriented projects narrowed, which may have discouraged applications from those primarily interested in continuing research rather than pursuing commercialisation.

The graph below compares the total number of applications and acceptance rates over time. For the period prior to 2018, the analysis draws on statistics presented in the TUTL evaluation.⁴⁴

⁴⁴ The number of applications prior to 2017 has been estimated based on the annual number of funding decisions and the corresponding acceptance rates, allowing us to infer the total number of applications each year. This sums up to 1,019 applications. This estimated total does not fully align with the figure reported in the TUTL evaluation for the period, which stated that 1,070 applications were submitted during the period 2012–2017.

5.5. CASE STUDY – RESEARCH BENEFIT

The Research Benefit program was established by Tekes as part of Finland's strategic effort to strengthen the link between high-quality research and its practical application in business and society. Conceived within the government's kärkihankkeet (key projects) framework, it aimed to ensure that nearly completed or promising research outcomes did not remain underutilised. Rather than funding early-stage science, the program specifically targeted results that had already reached an advanced stage of development, offering researchers and companies a pathway to bring them closer to commercialisation and societal use. The program's open and flexible structure, without fixed call deadlines, encouraged participation from both academic institutions and industry partners, allowing new actors to join projects as they progressed.

As a funding instrument, Research Benefit was designed to operate at the interface of research and innovation ecosystems, complementing other Tekes initiatives such as Challenge Finland and Innovation Scout. While Challenge Finland fostered problem-driven research and Innovation Scout built researchers' commercialisation skills, Research Benefit provided a mechanism to carry forward existing research results into application and market contexts. By emphasising collaboration, openness and scalability, the program sought not only to stimulate growth and job creation through radical innovations, but also to enhance Finland's attractiveness as an international innovation hub. In doing so, it embodied the government's broader objective of transforming research investments into tangible economic and societal returns.

The Research Benefit program can be regarded as a response to the persistent challenge of bridging the so-called "valley of death" between academic research and commercial application. By focusing on nearly completed research projects and offering flexible, open-ended funding, it lowered barriers to collaboration between universities, research institutes, and industry. The possibility for new actors to join consortia during the lifetime of a project further reinforced its role as a connector within innovation ecosystems. In this sense, Research Benefit complemented other Tekes instruments and aligned closely with national objectives to accelerate innovation-driven growth.

However, the program also presented certain limitations. Its focus on projects already close to market readiness meant that earlier-stage but potentially radical ideas risked being overlooked. This raises questions about whether it fully captured the breadth of innovative potential within the research system. In addition, while it sat alongside Challenge Finland and Innovation Scout, the boundaries between these instruments were not always clear, which could cause duplication or confusion for applicants. The very flexibility that made Research Benefit attractive also created challenges for evaluation, as continuous entry into projects required robust monitoring to ensure accountability and long-term impact. Finally, sustaining the benefits beyond the initial funding cycles remained an open question, highlighting the need for structural measures to embed outcomes more firmly within commercial and societal frameworks.

6 THE RESULTS AND OUTCOMES OF RESEARCH TO BUSINESS



Survey results show that more than half of the participants would not have initiated commercialisation activities without R2B funding, while many others stated that progress would have been slower or on a smaller scale. Most R2B projects continue their commercialisation efforts after funding ends, demonstrating that the instrument creates momentum beyond its formal scope. Many teams report tangible results such as prototypes, start-ups, and licensing agreements, although progress varies across projects. At the same time, several challenges persist: access to private capital remains limited, and some projects struggle to maintain partnerships or investor interest. Overall, the findings suggest that R2B successfully prepares research ideas for commercialisation, but that stronger links to follow-up funding and continued support are needed to ensure lasting impact.

This chapter presents key results and outcomes of the R2B funding program. The overall aim of R2B is to prepare promising research-driven innovations for market entry by identifying viable commercial pathways, protecting intellectual property, and validating business concepts. The

program seeks to accelerate the transformation of scientific knowledge into business ventures that generate growth and international competitiveness for Finland.

Hence our analysis of outcomes focuses on four main aspects:

- **Additionality of support** – the extent to which R2B funding has been decisive in triggering or accelerating the commercialisation of research results that would not otherwise have progressed.
- **Outcomes of completed R2B projects** – including whether projects continued their commercialisation efforts after the funding period, secured additional capital, or established start-ups and licence agreements.
- **Innovations, licensing and start-up creation** – covering broader indicators such as DOFI registrations, licences, and start-ups reported by Business Finland and the innovation units.
- **Barriers and challenges** – identifying the main obstacles faced by projects after the R2B phase and how these may have affected further commercialisation efforts.

6.1 ADDITIONALITY OF FUNDING FROM BUSINESS FINLAND

To assess the input additionality⁴⁵ of the R2B program, it is essential to consider what researchers would have done in the absence of Business Finland's support. If projects would have proceeded without R2B funding, the program's added value is limited. High additionality, on the other hand, indicates that the funding has played a decisive role in triggering or accelerating the commercialisation of research that would otherwise have remained at an early stage.

Survey responses suggest that the program demonstrates a substantial level of additionality. More than half of the participants (54 percent) reported that they would not have initiated commercialisation activities without R2B funding. In addition, around 39 percent indicated that commercialisation would have taken place on a smaller scale or with significant delays in the absence of support. These findings point to a high additionality of the program, highlighting that many projects would either not have been realised or would have developed at a much slower pace without the funding. This is illustrated in the figure below.

⁴⁵ Input additionality refers to whether public funding makes it possible to start, expand, or accelerate activities that would not have taken place otherwise. In contrast, behavioural additionality concerns how the support changes the way organisations or researchers work—for example, by influencing collaboration, learning, or commercialisation practices.

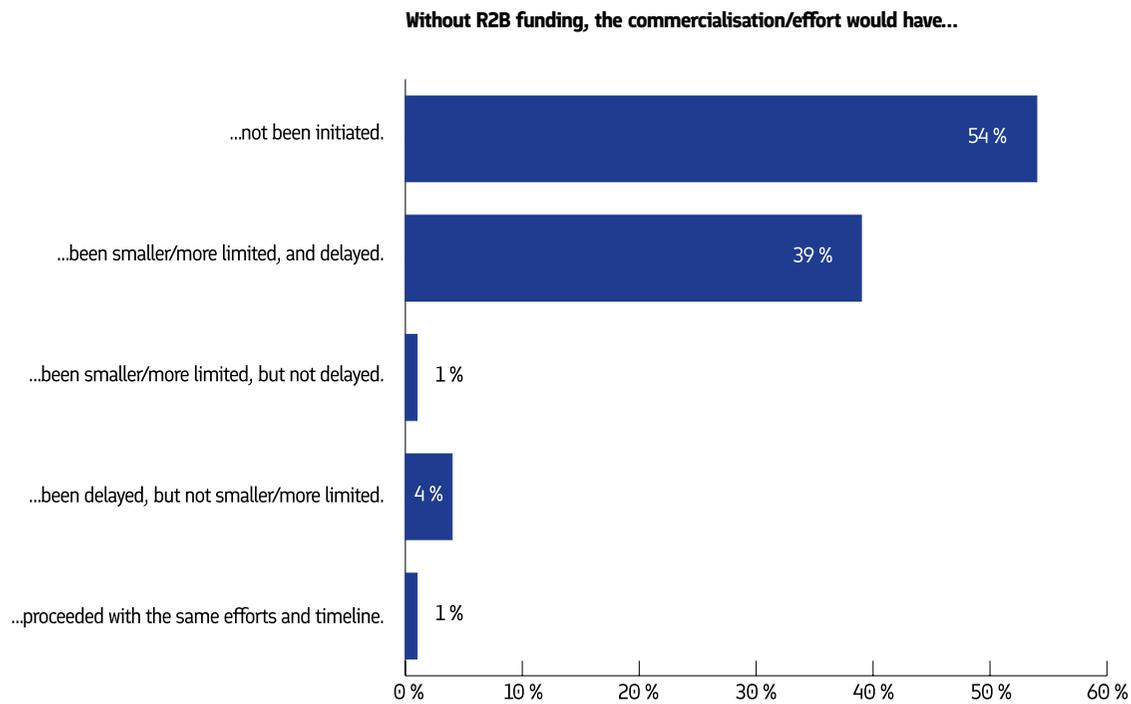


FIGURE 6-1: “WHAT DO YOU THINK WOULD MOST LIKELY HAVE HAPPENED TO THE COMMERCIALISATION OF YOUR RESEARCH IF THE PROJECT HAD NOT RECEIVED R2B FUNDING?” (N=156). SOURCE: MENON ECONOMICS

Importantly, the pattern of additionality is consistent across different groups of research team participants. Both researchers and project administrators reported similar experiences regarding the role of R2B funding in enabling commercialisation activities. This indicates that the perceived additionality of the program is broad-based and not limited to one type of project role or responsibility.

TEXTBOX 6-1: ADDITIONALITY INSIGHTS FROM THE TUTL-EVALUATION (2018).

In the evaluation of TUTL (now R2B) conducted in 2018, the additionality of TUTL was assessed. As a part of the analysis, three surveys were carried out, including one targeting the projects that had received TUTL-funding. In line with our findings, the survey from 2018 also highlights that a notable share of the respondents report that their project would

not have implemented at all (57 percent). This observation is very close to the 54 percent among our respondents. The responses indicated that, in general, the projects would either not have been implemented at all without the funding, or would have been implemented more slowly, at a later stage or in a different format.

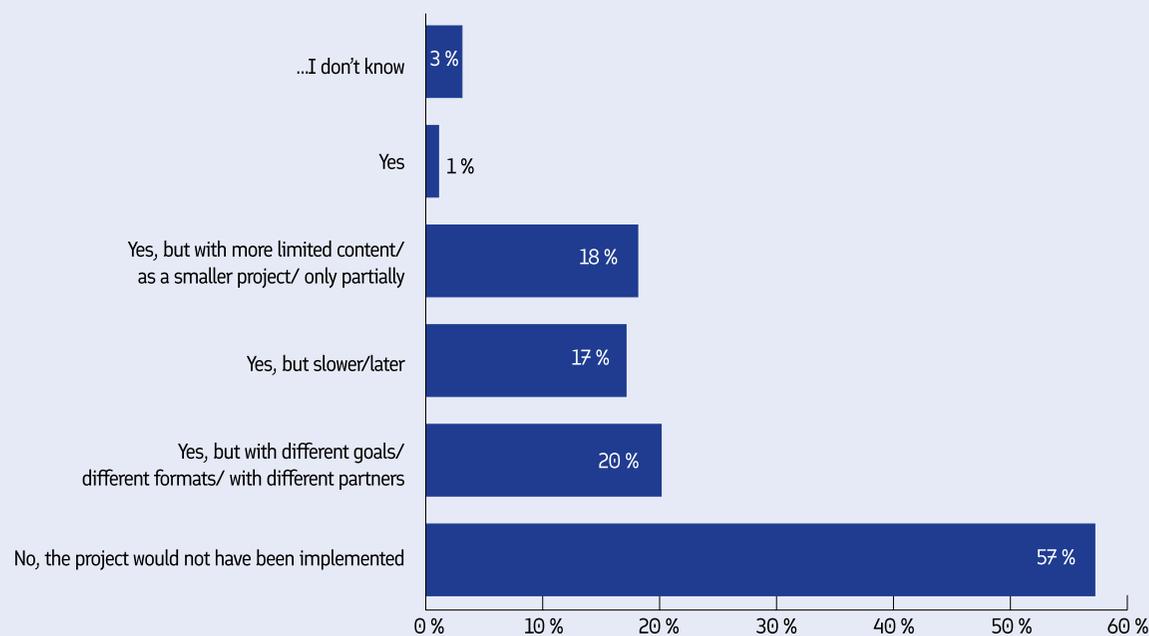


FIGURE 6-2: “WOULD THE PROJECT OR ITS ESSENTIAL CONTENT HAVE BEEN IMPLEMENTED WITHOUT TUTL-FUNDING?”



6.2 OUTCOMES OF THE R2B PROJECTS REPORTED BY PROJECT LEADERS

The true test of the R2B program lies in what happens once the funding period has ended. Since R2B funding is designed to prepare research ideas for commercialisation rather than finance full-scale market entry, it is important to examine whether projects managed to build on the foundation created during the program. By looking at developments after the funding period, we can assess to what extent the program succeeded in creating lasting actual commercialisation results.

It should be noted that the survey was only distributed to participants in projects that have received funding since 2018, and that the results presented in this section include only respondents whose R2B projects had already been completed at the time of the survey. This limitation is necessary in order to draw lessons on results ex post.

CONTINUATION OF COMMERCIALISATION WORK

The majority of projects did not stop when R2B funding ended. More than half of the respondents (52 percent) reported that they continued to work actively on commercialisation, while another 38 percent engaged in at least some follow-up activities. Only 4 percent discontinued their efforts altogether, and 6 percent plan to resume work at a later stage. This persistence underlines that the program has succeeded in creating momentum for further commercialisation efforts, beyond the initial funding phase.

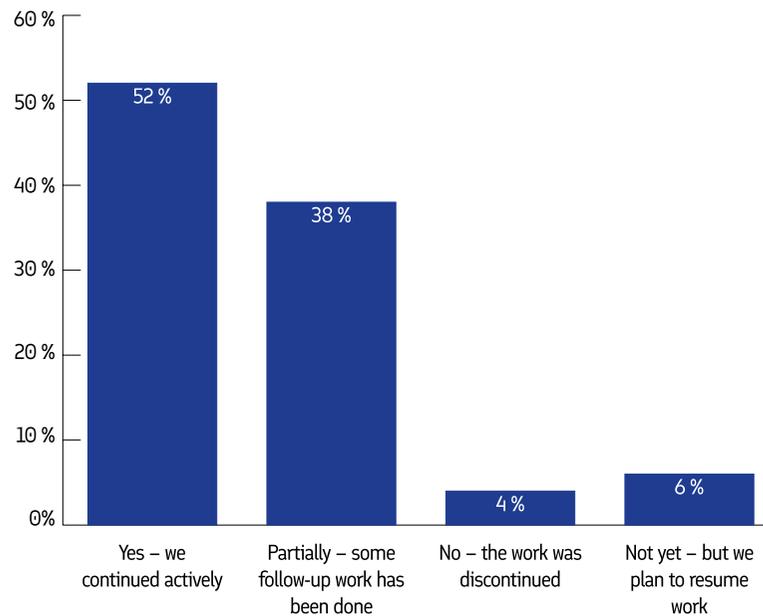


FIGURE 6-3: “AFTER THE R2B FUNDING ENDED, DID YOU OR YOUR TEAM CONTINUE TO WORK ON THE COMMERCIALISATION OF THE RESEARCH?” (N=102).
SOURCE: MENON ECONOMICS

RESULTS ACHIEVED AFTER THE R2B FUNDING PERIOD

One of the most important questions is what concrete results projects have achieved after the end of the R2B funding period. Since the funding is primarily intended to prepare the ground for commercialisation, it is particularly relevant to examine what measurable outcomes the projects have been able to deliver once the support ended.

Not all projects have advanced smoothly beyond the funding phase. As illustrated in the figure below, a considerable share of respondents (43 percent) indicated that commercialisation work is still ongoing but not yet finalised. This partly reflects the fact that projects had ended at different points in time when responding to the survey, meaning that some had more opportunity to generate results than others. However, variation in progress also stems from inherent differences between fields. For instance, commercialisation processes in healthcare or life sciences typically take considerably longer than in ICT or software development. The finding nonetheless suggests that progress continues, albeit at different speeds. A smaller proportion (14 percent) reported that their project or idea had been paused or discontinued, while 3 percent were unable to assess the status. This shows that only a minority of projects have come to a complete end.

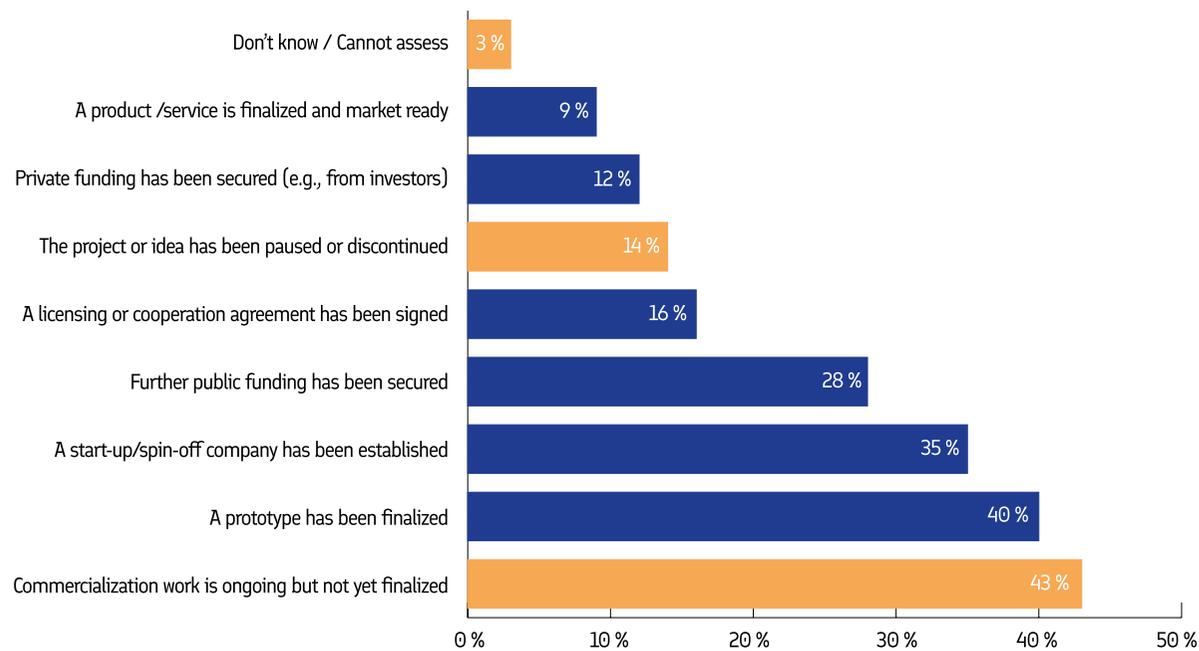


FIGURE 6-4: “WHAT HAS HAPPENED WITH THE COMMERCIALISATION PROCESS SINCE THE END OF THE R2B FUNDING PERIOD?” (N=102).
SOURCE: MENON ECONOMICS

Among the tangible results, two stand out as particularly common. 40 percent of respondents reported that a prototype had been finalised, marking a critical milestone in the commercialisation pathway. In addition, more than one in three (35 percent) indicated that a start-up or spin-off company had been established as a direct continuation of the project. These outcomes are strong indicators that R2B support has helped transform research ideas into concrete ventures and technologies. Given that the R2B program is designed to fund high-risk projects that would not have progressed without public support, a moderate share of successful start-ups can in fact be seen as a positive sign. If the proportion were significantly higher, it could suggest that the program was not targeting sufficiently high-risk projects.

TEXTBOX 6-2: RESULTS RELATED TO BUSINESS CREATION FROM THE TUTL-EVALUATION OF 2018.

As earlier stated, TUTL has been evaluated in 2018. In the report, the establishment of new companies and businesses following the TUTL project was assessed. 28 percent reported that the TUTL-project resulted in the establishment of new businesses, while 67 percent reported that a company has not been established yet, but they either had plans to start one or were already in the process. *Our results of 36 percent reporting that their R2B-project has resulted in a new start-up/spin-off company is a small increase from the previous evaluation.*

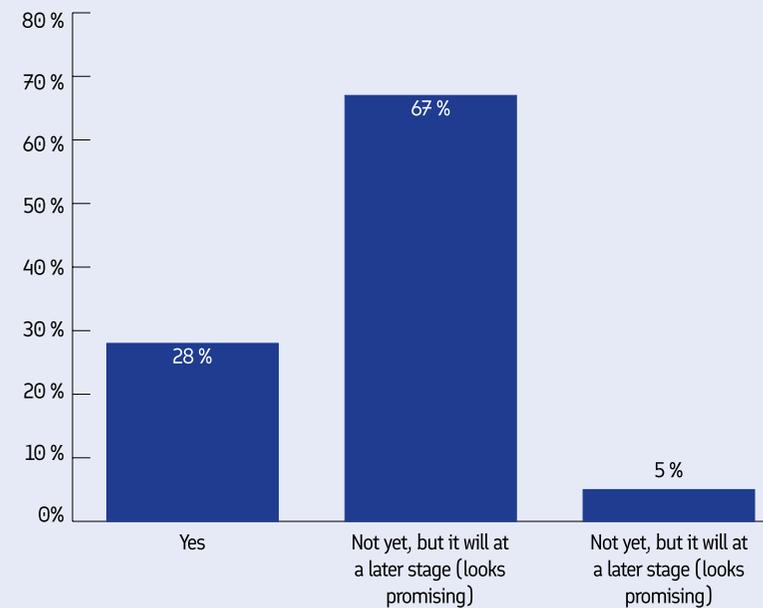


FIGURE 6-5: "HAVE NEW BUSINESSES BEEN CREATED FROM TUTL PROJECTS?"
SOURCE: TUTL-EVALUATION

The difference between public and private follow-up funding is particularly noteworthy. While almost one-third of respondents (28 percent) reported securing further public funding, only 12 percent had succeeded in attracting private investment. This imbalance highlights a central challenge in the commercialisation pathway: many projects remain reliant on public support mechanisms even after the R2B phase, while private capital appears more difficult to access. As will be discussed later in the report, limited access to follow up funding is among the most frequently cited barriers to commercialisation.

These results suggest that R2B funding has in many cases been effective in setting the stage for continued commercialisation work, even though the trajectory varies largely across projects. However, some projects have achieved more limited results, and many remain reliant on public support mechanisms even after the R2B phase. This suggests that, in several cases, the funding may have been provided too early, before projects were fully ready to advance towards commercialisation. As noted in Chapter 5, roughly 42 percent of respondents felt that R2B support came too early or slightly early relative to their project's stage of development, and many teams reported being only somewhat prepared to continue commercialisation after the project ended. These findings together indicate that some projects entered the programme at an earlier maturity stage than ideal, which could help explain the slower progress observed after the R2B funding phase.

COLLABORATION WITH THE PRIVATE SECTOR

Collaboration with industry partners is a vital component of successful commercialisation. Market uptake of research-based innovations almost always requires engagement with companies, investors, and other private actors who can provide funding, distribution channels, and practical knowledge of customer needs.

More than half of the respondents indicate that they established contacts or collaborations with private business interests *during* the R2B period, regardless of whether their projects have ended or is still ongoing. Among the remainder, most already had business collaborations in place before receiving funding. Only about 5 percent reported no collaboration at all.

These connections appear to have been highly valuable, as several participants highlighted in their comments: *“We made good connections with investors and potential customers. Investors were interested; however, we decided to refine our business model first.”* Another respondent emphasised that *“meeting with investors and industry provided valuable feedback and new opportunities for collaboration.”*

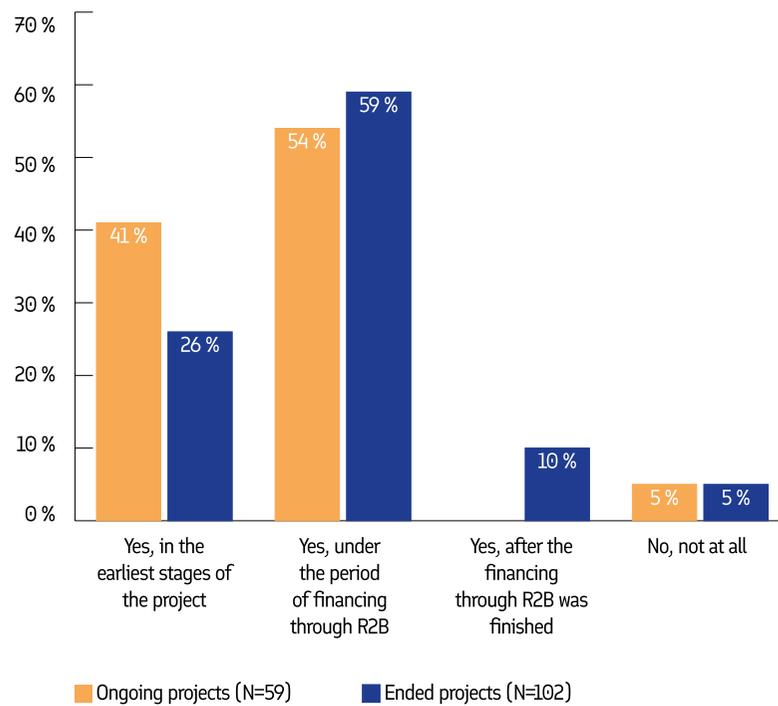


FIGURE 6-6: “DURING THE COMMERCIALISATION PROCESS, HAVE YOU ESTABLISHED/DID YOU ESTABLISH CONTACT AND/OR COLLABORATIONS WITH PRIVATE BUSINESS SECTOR INTERESTS?” SOURCE: MENON ECONOMICS

6.3 INNOVATIONS, LICENSING AND START-UP CREATION

DECLARATIONS OF INNOVATION (DOFI)

We begin with an overview of the number of Declarations of Innovation (DOFIs) and how these have developed over time. These figures provide insight into universities’ capacity to generate new ideas, forming the foundation for subsequent results such as licenses and start-ups. R2B as a program is not designed to encourage DOFIs, but the existence of the program should provide incentives for researchers to announce the commercialization potential in their R&D-projects.

Eleven innovation units have provided information on the number of Declarations of Innovation (DOFIs) they have received between 2020 and 2024. In total, they have received between 550 and 700 DOFIs annually. So far in 2025, 560 DOFIs have been reported. This indicates a consistently higher inflow of new ideas.

Between 40 and 50 percent of these DOFIs have been linked to the R2B program, suggesting that a substantial proportion of innovation declarations are driven by the potential for applying for grants.

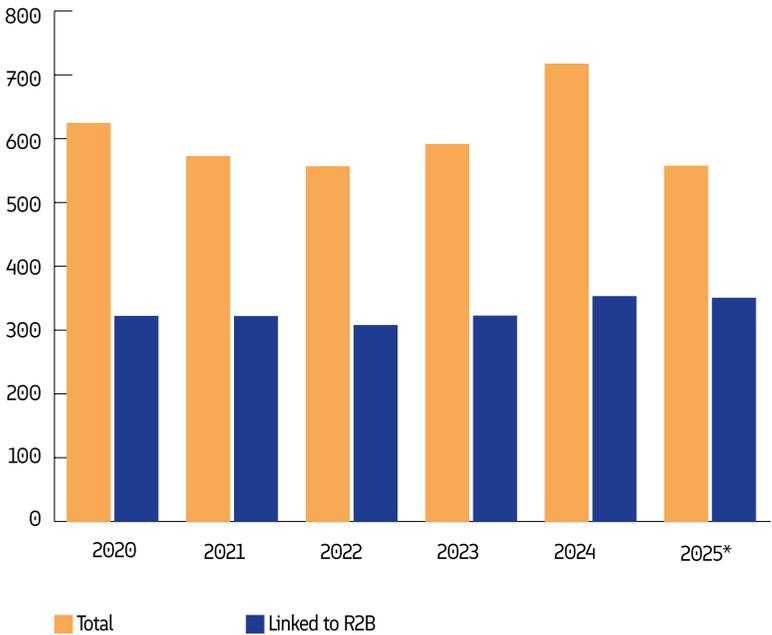


FIGURE 6-7: TOTAL NUMBER OF DECLARATIONS OF INNOVATION (DOFIS).
SOURCE: INNOVATION UNITS

LICENSES AND LICENSING REVENUE

From 2020 to 2025, research institutions issued 520 licences.⁴⁶ Between 25 and 50 per cent of the related revenues originated from former R2B projects. The figure below shows the approximate contributions of R2B-related projects to total licensing revenues at the research institutions in the period between 2020 and 2025.

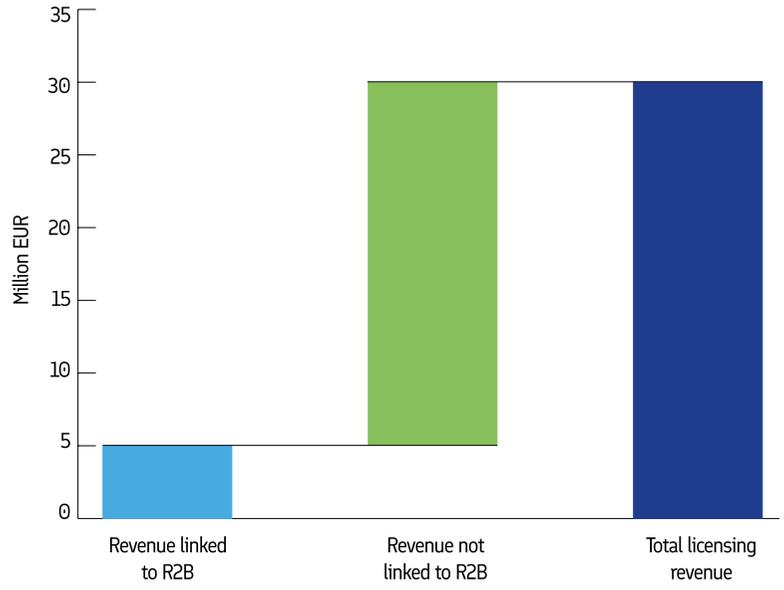


FIGURE 6-8: LICENSING REVENUE (TOTAL FROM 2020-2025).
SOURCE: INNOVATION UNITS

⁴⁶ The number is based on reported data from 10 innovation units. It includes all licences issued by the innovation units, regardless of origin. Of the eleven innovation units who participated, one innovation unit did not respond to this question.

In total, approximately EUR 30 million in licence revenues were generated during this period, corresponding to an average of around EUR 5 million per year. For comparison, Business Finland allocated more than EUR 20 million annually in R2B funding during the same period. We interpret this revenue figure as a relatively weak result,

considering this to be the sum of all the most important universities. On the other hand, R2B projects often revolve around deep tech solutions that are complex to licence or convey to interested parties. They often require expertise from the researchers behind it, and that is not something that can be licenced.

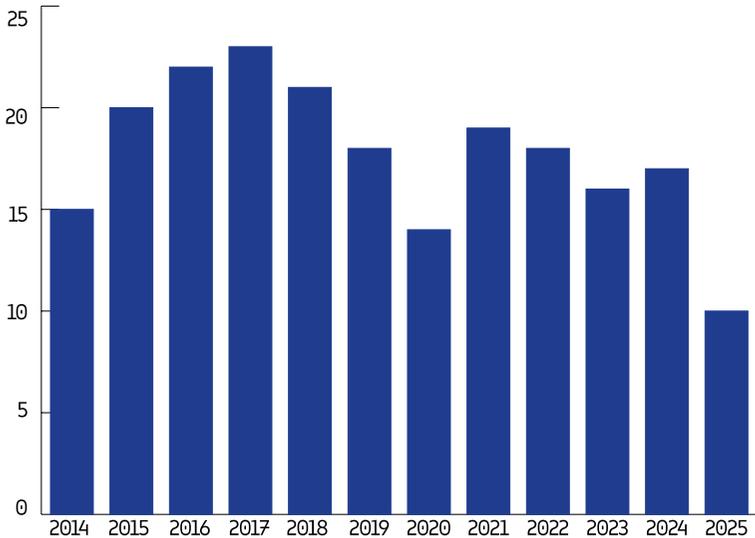


FIGURE 6-9: NUMBER OF START-UPS BY YEAR OF ESTABLISHMENT.
SOURCE: BUSINESS FINLAND AND ORBIS.

START-UP CREATION

According to Business Finland’s internal overview, the R2B program has resulted in the establishment of 213 start-ups since 2014.⁴⁷ The figure below illustrates how the number of start-ups (linked to R2B / TUTL) has developed over time.⁴⁸ In view of the 850 grants distributed through the program, this implies that 25 percent of all projects end up in a startup.

The number of start-up establishments peaked in 2017, when 23 start-ups were created. Since the COVID-19 pandemic, the annual number of start-ups has stabilised at a somewhat lower level. On average, 16 start-ups have been established annually between 2021 and 2024.⁴⁹

The figure below illustrates the distribution of all R2B-related start-ups per industry.⁵⁰ Health-related start-ups dominate the portfolio, accounting for 30 per cent of all companies. This corresponds to the findings in the survey,

⁴⁷ The list used as the basis for this analysis was compiled by employees at BF, partly on their own initiative. It should therefore not be regarded as a complete or exhaustive overview.
⁴⁸ Please note that the low number of start-ups in the early years may be related to data quality issues in the Business Finland records. It is possible that information on these early start-ups was collected retrospectively.
⁴⁹ Please note that the year of establishment is identified through the Orbis database.
⁵⁰ The categorisation is based on Business Finland’s own categories. In cases where Business Finland has not provided a categorisation, the start-ups have been labelled as “Other.”

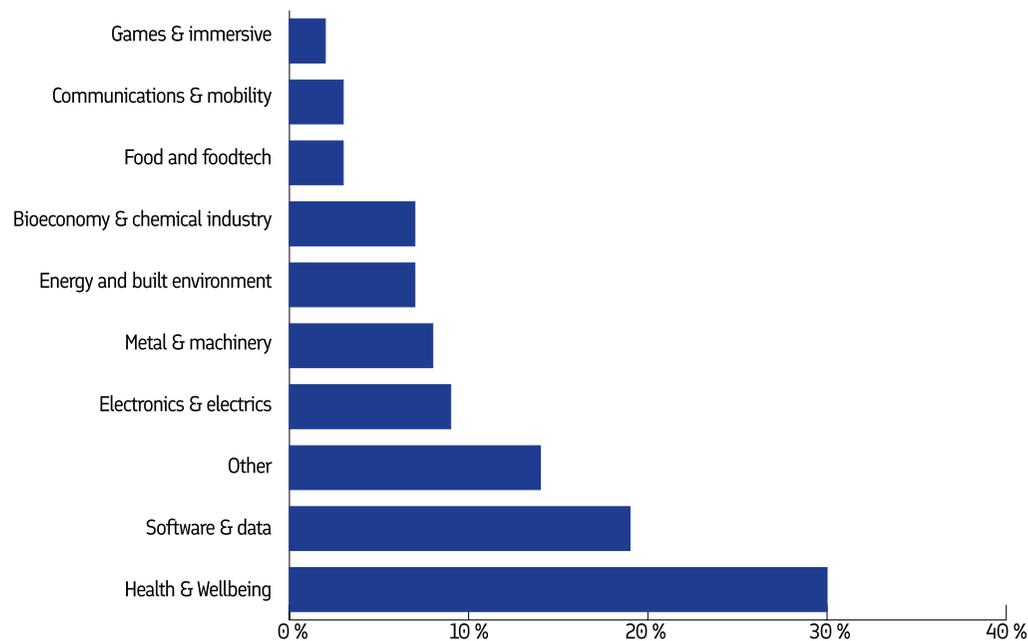


FIGURE 6-10: SHARE OF START-UP COMPANIES PER INDUSTRY.
SOURCE: BUSINESS FINLAND AND MENON ECONOMICS.

presented in appendix A, where 37 percent of the respondents belonged to a health-related R2B project. The health sector is inherently research and development intensive.⁵¹ This aligns well with the fact that start-ups originating from research institutions are particularly well represented in health-related fields. Of the start-ups established through R2B projects, 19 per cent fall within Software and Data, while 14 per cent fall within Electronics and Electrics. This underlines Finland’s strength in electronics.

PERFORMANCE AFTER FIVE YEARS

To assess how start-ups develop over time, we analyse their performance five years after its year of establishment.

The companies are classified into six different success categories based on value added, revenue growth, profitability and the ability to raise capital. If a company has shown ability to attract investors, it may signal higher quality and an improved ability to survive the valley of death. The financial performance of the R2B startups is described using accounting data from the international Orbis database.

51 Menon Economics (2023): Klyngemekanismer i helsenæringen - analyse av aktører og samspill i økosystemet. Available [here](#)

Inactive	Dissolved, or has no activity (no employees or turnover).
Burning money	Negative value added per employee and an accumulated operating loss more than twice the total funding received to date.
Low growth	Positive value added per employee, but turnover has increased by less than EUR 100 thousand per year.
Living dangerously	Positive value added per employee, but less than EUR 50 thousand per employee, and turnover growth of at least EUR 100 thousand per year.
Burning money, but capitalised	Negative value added per employee, but accumulated operating losses are less than twice the total funding received to date.
Success	Value added per employee greater than EUR 50 thousand and turnover growth exceeding EUR 100 thousand per year. In addition, companies that have increased capital by more than EUR 5 million are included.

TABLE 6-1: CATEGORIES FOR SUCCESS

Through these six categories, we capture different development patterns among the start-ups. The inactive firms have ceased operations within five years after their first year of activity. The categories “Low Growth” and “Living dangerously” share the common feature of positive value added, meaning that wage costs exceed any potential losses. The distinction between the two lies in revenue growth: “Low Growth” firms have limited turnover growth, whereas “Living dangerously” firms experience growth that is unprofitable, as their value added per employee is less than EUR 50 000. Typically, this indicates that the company either operates with significant losses and/or that wage costs per employee are insufficient to cover full-time positions.

Companies with substantial losses and negative value added per employee are classified as either “Burning money” or “Burning money, but capitalised”. The difference between these two categories lies in the firm’s ability to attract equity and/or debt financing to cover a significant portion of its deficits.

The “Success” category is designed to capture two types of firms:

- Companies experiencing revenue growth and value added per employee sufficient to operate profitably and pay competitive wages.
- Companies that attract substantial amounts of equity from investors.

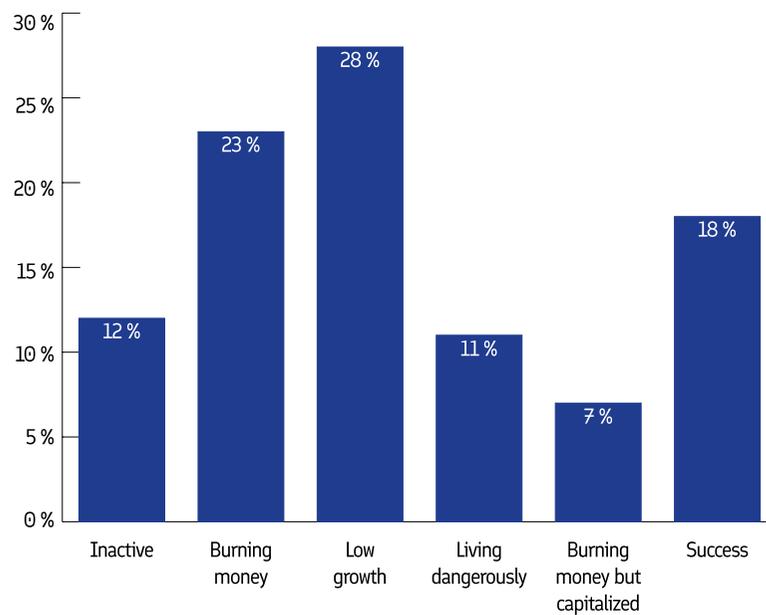


FIGURE 6-11: STATUS FIVE YEARS AFTER ESTABLISHMENT. (N=82).
SOURCE: MENON ECONOMICS

In the figure below, we have categorised the companies at five years of age, according to the six performance categories:

Five years after establishment, 12 percent of the companies had no activity. Almost one in four companies are “Burning money”, upholding activity but demonstrating large operating losses. 28 percent are in the “Low growth” category, with positive value added but modest turnover growth. 18 percent of the companies can be categorised as a success after five years.

Compared to other similar studies, there is reason to claim that a success rate of 18 percent is relatively high. However, this figure does not tell us much about the returns on R2B as an investment, since it does not sum up the value added in these cases.

Research-based start-ups may take time to have a large revenue and growth. Thus, we have also investigated how these figures look for those start-ups who have been active for 8 years or more. After eight years, almost one in four companies are inactive: either declared inactive in Orbis, or having both zero employees and zero revenue. The distribution has been pushed to the left, while a few companies remain successful.

SNAPSHOT FROM 2024

In this section, we describe the financial performance of the R2B start-ups as of 2024. For this analysis, we are constrained by the number of firms that have financial data for 2024 available in the Orbis database. Below, we describe the number of employees, operating revenue and value creation for the companies that have the corresponding figures available. In addition firms marked as “inactive” in Orbis have been excluded to ensure that the analysis

focuses on active companies. In total, 43 companies have been flagged as “inactive” in the Orbis database. According to Business Finland’s own records, 13 of the R2B-related companies have gone bankrupt. In the figures below, we examine the companies that have not been flagged as bankrupt or inactive in our data sources. These companies may be older than five years, since we set no limit to the company age.

First, we examine the sizes of the R2B start-up companies in terms of the number of employees.

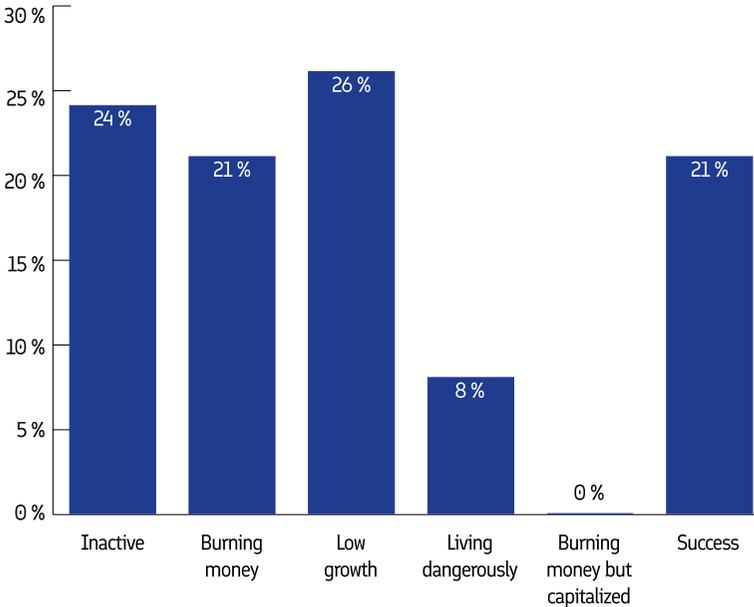


FIGURE 6-12: STATUS EIGHT YEARS AFTER ESTABLISHMENT. (N=38).
SOURCE: MENON ECONOMICS

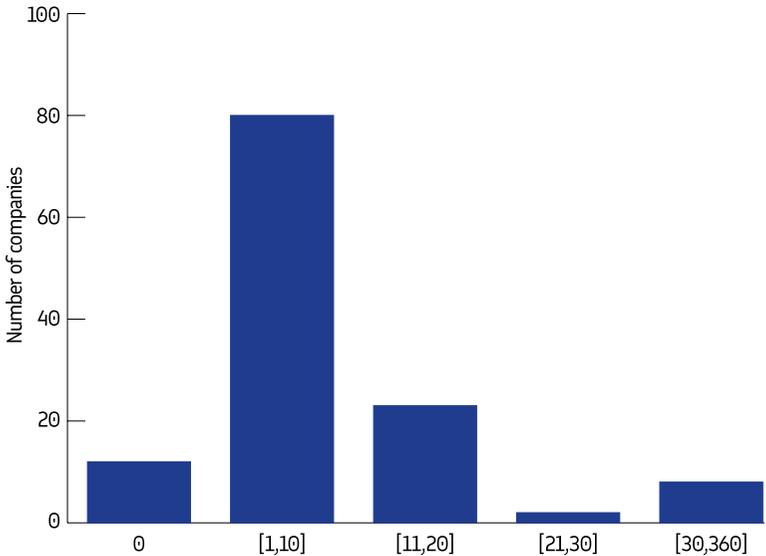


FIGURE 6-13: NUMBER OF EMPLOYEES DISTRIBUTION IN 2024. (N=125).
SOURCE: ORBIS AND MENON ECONOMICS

On average, the active R2B start-up companies have 12 employees. In comparison, the median employee count is five. This indicates that most firms are small, with a few large outliers that increase the overall average. The largest company in terms of employees had around 360 employees in 2024. This company was established in 2014. Among the 125 companies with available figures of number of employees in the Orbis database, 10 per cent did not have any employees as of 2024.

The same skewed distribution is revealed when examining the distribution of operating revenues.

On average, the R2B start-ups had an operating revenue of EUR 1.8 million. However, a few large companies stand out from the rest. The median operating is much lower than the average, approximately EUR 300 000. The highest operating revenue totalled EUR 120 million, almost 400 times larger than the median operating revenue.

Many companies report negative value added. The graph below illustrates how the companies are grouped based on their value added.

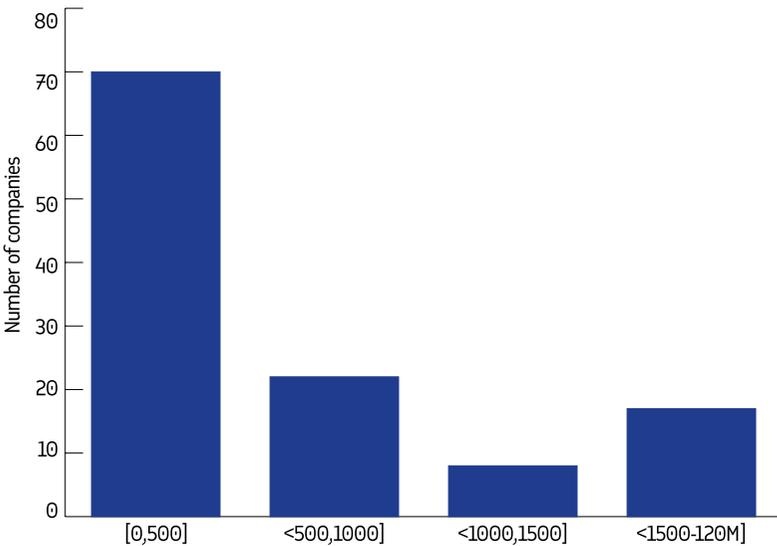


FIGURE 6-14: OPERATING REVENUE DISTRIBUTION IN 2024. (N=117). SOURCE: ORBIS AND MENON ECONOMICS

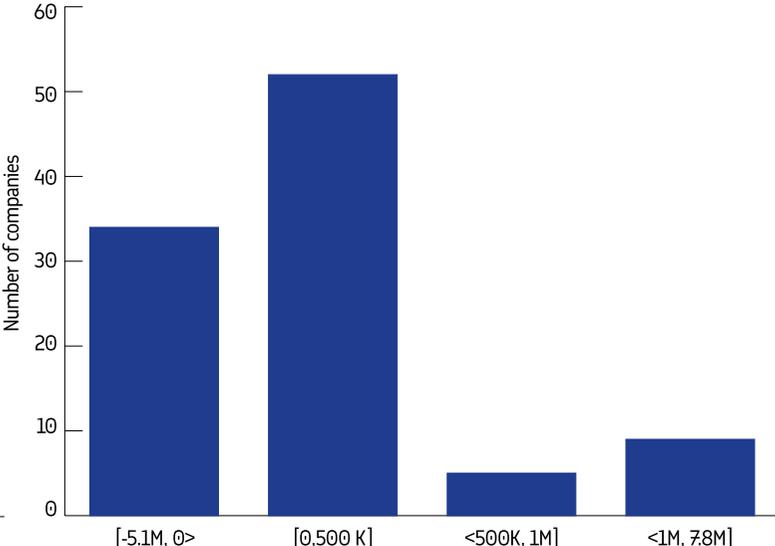


FIGURE 6-15: VALUE ADDED DISTRIBUTION IN 2024. (N=100). SOURCE: ORBIS AND MENON ECONOMICS

Two thirds of the R2B startups generated positive value added in 2024. On average, the companies achieved a value added of 170 000 euros in 2024. The company with the highest value added recorded 7.8 million euros.

EXAMPLES OF SUCCESSFUL START-UPS WITH R2B/TUTL-FUNDING

In all studies of early-stage funding, you find clear pattern where almost all value is concentrated to a few successful cases. In this section, we highlight five successful start-ups that have originated from R2B projects. Of the 110 start-ups that have financial information available for 2024, these five start-ups account for 70 percent of the total operating revenue and 50 percent of the number of employees in 2024.

ICEYE Oy is a Finnish space tech company emerging from Aalto University, established in 2014. It builds and operates a constellation of small synthetic-aperture radar (SAR) satellites, enabling imaging of Earth's surface regardless of weather or daylight. Its service is used for monitoring changing environments, maritime activity, disaster response, and insurance applications. As per 2024, ICEYE is the company with the highest number of employees and value added of all the R2B start-ups.

Dispelix Oy, originating from VTT, builds ultra-thin transparent displays for augmented reality (AR) glasses and

smart eyewear. Their technology enables digital images to blend naturally with the wearer's view of the real world. The start-up was established in 2015 and has the third largest operating revenue of the R2B startups on our list. Since its establishment, Dispelix has been granted more than 200 patents for waveguide display technology. Dispelix are among the start-up companies related to R2B that have exhibited the highest employee growth over time.

Vexlum Oy is a high-technology company, spun out from Tampere University. The company was established in 2017 and specializes in manufacturing advanced semiconductor-laser systems, with applications in quantum technology, medicine and semiconductor industry. The laser systems are based on the VECSEL-technology (Vertical-external-cavity surface-emitting laser). Vexlum Oy ranks among the R2B-companies with the highest value added.

Comptek Solutions is a deep tech company spun out of the University of Turku. Comptek Solutions develops passivation technology, under the brand name Kontrox™, for the semiconductor industry.™. The technology reduces oxidation and improves efficiency on semiconductor surfaces, improving performance and lifetime of the components. Comptek Solutions is among the top five start-up companies in terms of value added. It was established in 2017.

Nanoform Finland Oy is a pharmaceutical technology company, originating from the university of Helsinki. The company was established in 2015. The company specializes in engineering drug particles at the nanoscale to enhance the absorption, efficacy, and stability of pharmaceuticals. Its proprietary CESS® (Controlled Expansion of Supercritical Solutions) technology enables the production of extremely small and uniform active pharmaceutical ingredient (API) particles. The company is publicly listed and is among the start-up companies related to R2B that have exhibited the largest growth in terms of employees.

6.4 BARRIERS AND CHALLENGES

Many projects struggle with barriers that limited the extent to which commercialisation advance after the R2B funding period. Survey responses and open comments reveal a set of recurring challenges that help explain why some projects stalled or progressed only slowly.

One of the most frequently reported barriers was lack of follow-up funding (36 percent). Closely related, 22 percent pointed to insufficient interest from potential investors or partners. These findings resonate with earlier results (figure 5-2), where only 12 percent of projects had secured private funding after R2B. Several respondents stressed that while interest from potential customers and investors

was often present, the absence of capital prevented them from demonstrating the full potential of their technology. One participant explained: *“There was significant interest by potential customers, but due to insufficient funding we were unable to adequately demonstrate the performance of the technology.”* The limited success in securing funding, combined with the relatively high share reporting insufficient interest from partners and investors, raises an important question: was the research not mature enough for commercialisation before entering the program, or did R2B fail to prepare participants sufficiently for engaging with external funders?

In close connection with the funding challenges, 36 percent of respondents reported a lack of time or personnel as a barrier. Many research teams emphasised that their primary responsibility remains academic research, and without dedicated funding to pay salaries for commercialisation activities, it becomes difficult to sustain the work. As one respondent noted, *“Building a team for spin-out and maturing the commercialisation concept was critical – but we needed more support to keep momentum after funding ended.”* The shortage of human resources, therefore reflects not only limited staff capacity but also the financial constraints of keeping commercialisation efforts alive beyond the R2B phase.

Other obstacles relate to the support environment and the maturity of the technologies themselves. Around 19 per cent of respondents cited limited advice or support after the end of the project, while an equal share mentioned technical or scientific barriers as the main reason for slow

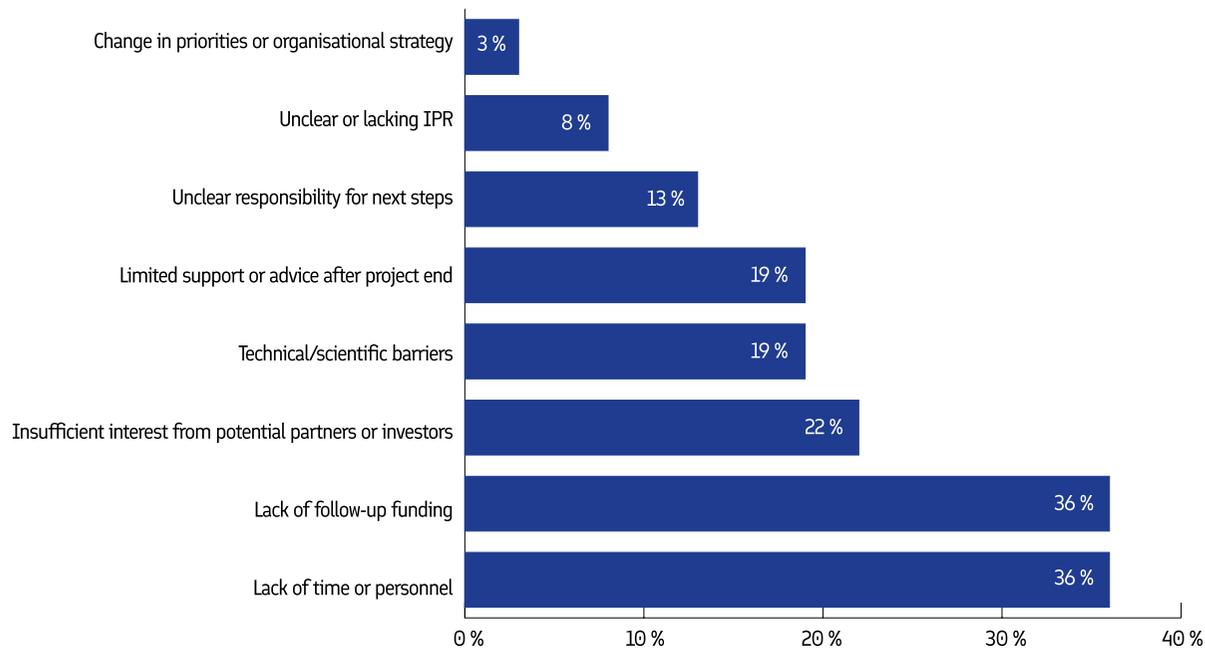
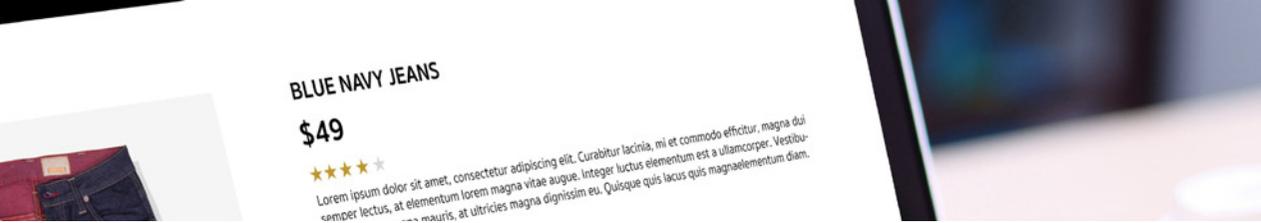


FIGURE 6-16: MAIN OBSTACLES THAT HINDERED PROGRESS AFTER R2B FUNDING ENDED (N=102). SOURCE: MENON ECONOMICS

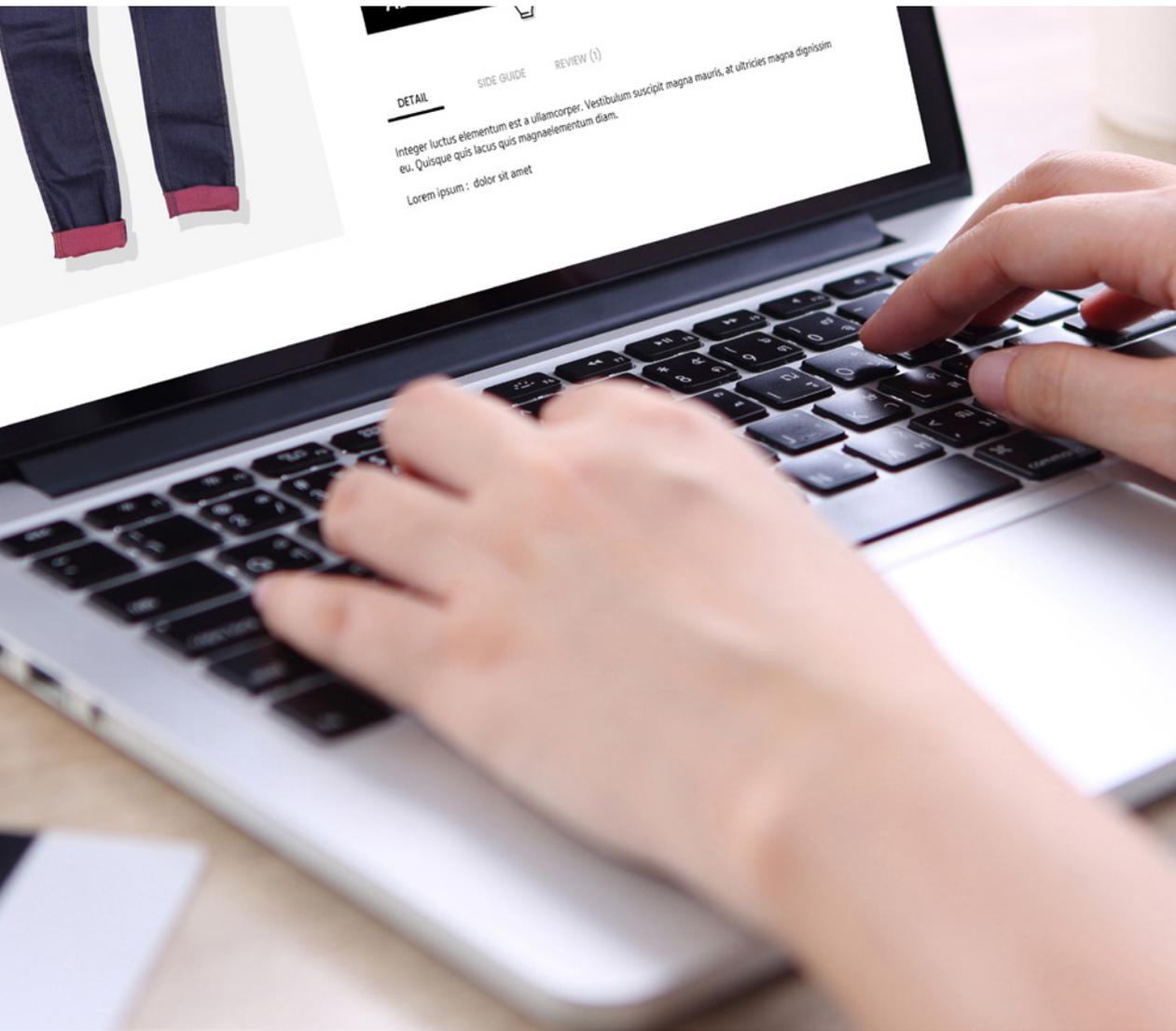
progress. These factors point to the importance of both stronger post-project support structures and the inherent uncertainty of early-stage research, where not all ideas will be technically feasible.

A smaller number of projects faced difficulties related to unclear responsibilities for next steps (13 percent) or issues with intellectual property rights (8 percent). A few also described organisational changes or shifting priorities as the main reason for discontinuation. While less common, these cases underline that commercialisation outcomes are also influenced by institutional context and internal decision-making processes.

The findings highlight that while R2B has created momentum for commercialisation, sustaining this momentum often depends on continued financial support and dedicated resources. Strengthening the bridge between R2B and subsequent funding opportunities therefore appears critical to ensuring that promising research-based projects reach the market.



7 THE EFFICIENCY AND DESIGN OF RESEARCH TO BUSINESS



R2B is regarded as a necessary instrument for the commercialisation of academic research, but its performance depends on how well processes and support are organised. Awareness is high in technology-intensive environments yet uneven across disciplines; the application phase is generally manageable—especially where innovation units provide solid assistance help. Both follow-up services from Business Finland and innovation units during projects are rated as useful. One remaining financing challenge is strongly emphasised: the post-R2B funding gap.

This chapter assesses the efficiency and design of the R2B program, focusing on how its processes and support structures are perceived and experienced by researchers and innovation units. The analysis combines survey data and interview insights to explore how the program functions in practice, and which barriers hinder efficient implementation and use of resources.

More specifically, the chapter explores:

- **Awareness and mobilisation** – how well known R2B are among researchers and institutions, and whether commercialisation is encouraged.

- **Application and selection process** – how participants and innovation units perceive the efficiency, accessibility, and clarity of the application and selection stages, including views on complexity, time use, internal support, and Business Finland’s guidance.

- **Project administration and implementation support** – the administrative workload during projects and the type and quality of support provided by Business Finland and innovation units.
- **Funding design and post-project continuity** – reflections and challenges related to the funding structure.

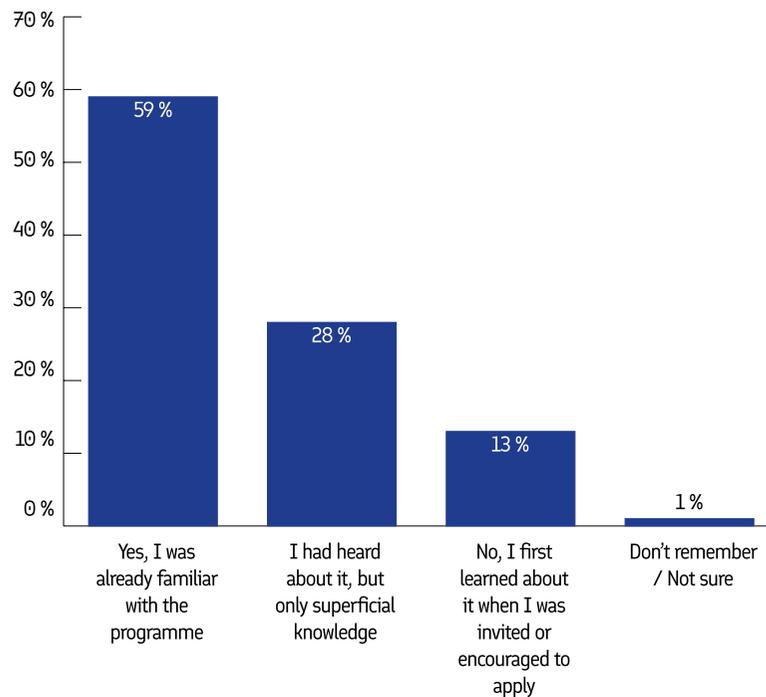


FIGURE 7-1: "HAD YOU HEARD ABOUT THE R2B PROGRAM BEFORE YOUR INVOLVEMENT IN THE PROJECT?" (N=163). SOURCE: MENON ECONOMICS

7.1 AWARENESS AND MOBILISATION

AWARENESS OF R2B AMONG RESEARCHERS

How well known was the program among participants before they applied and carried out their projects? This is an important question, since academic researchers in general devote little time to follow up projects in terms of application, use and commercialisation. Unless the program is known, there will hardly be more awareness devoted to commercialisation and DOFIs. The survey indicates that a majority of participants were already aware of the R2B program prior to becoming involved. As illustrated in the figure below, 59 percent reported that they were familiar with the program before applying, while 28 percent had only superficial knowledge. Only 13 percent learned about the program when they were invited or encouraged to apply, and a very small share could not recall.

Feedback from the interviews with the innovation units provides a somewhat more nuanced picture. While they confirm that the R2B program is well established and recognised among some researchers in technical and medical disciplines, they emphasise that awareness is unevenly distributed among institutes and fields of research. In particular, humanist and social science faculties are less familiar with the funding instrument. Larger universities, with dedicated innovation offices and long experience with Business Finland instruments, report high awareness and a steady inflow of potential applicants, whereas smaller universities and universities of applied sciences struggle to reach researchers beyond a few already engaged groups.

This pattern suggests that R2B has achieved strong visibility within Finland's leading research environments, but its reach is still shaped by existing commercialisation cultures and institutional capacity. Innovation units point out that awareness tends to grow where there are active internal support structures, recurring success stories, and a clear strategy for commercialisation. In contrast, disciplines and institutions with weaker innovation and commercialisation traditions remain peripheral to the program. The implication is that further mobilisation is not only a matter of

information, but of embedding commercialisation more deeply in academic practices—for example through training, internal incentives, and continued cooperation between Business Finland and the innovation units.

INSTITUTIONAL CULTURE AND INCENTIVES

While awareness of commercialisation possibilities (and thus R2B as a funding instrument) varies across disciplines and institutions, the interviews suggest that institutional culture plays a decisive role for commercialisation of research. Survey results indicate that most project participants feel their universities encourage commercialisation and have developed strategies to support it. As illustrated in the figure below, a large majority of respondents (82 percent) agreed or strongly agreed that their university or research unit encourages commercialisation of research.

Similarly, a majority of the respondents highlight that they had sufficient incentives to engage in commercialisation (69 percent) and that there was a clear institutional strategy for applying to funding like R2B (72 percent). These findings suggest that commercialisation has become a more accepted and integrated part of the academic environment in Finland.

However, innovation units point out that this does not always extend to daily academic practices. Formal encouragement and institutional strategies exist, but personal incentives often remain weak. Researchers still operate in a system where career advancement depends primarily on scientific publications, not on innovation and commercialisation outcomes. This creates a gap between rhetoric and reality: universities may promote commercialisation at the strategic level, yet fail to reward it at the individual level.

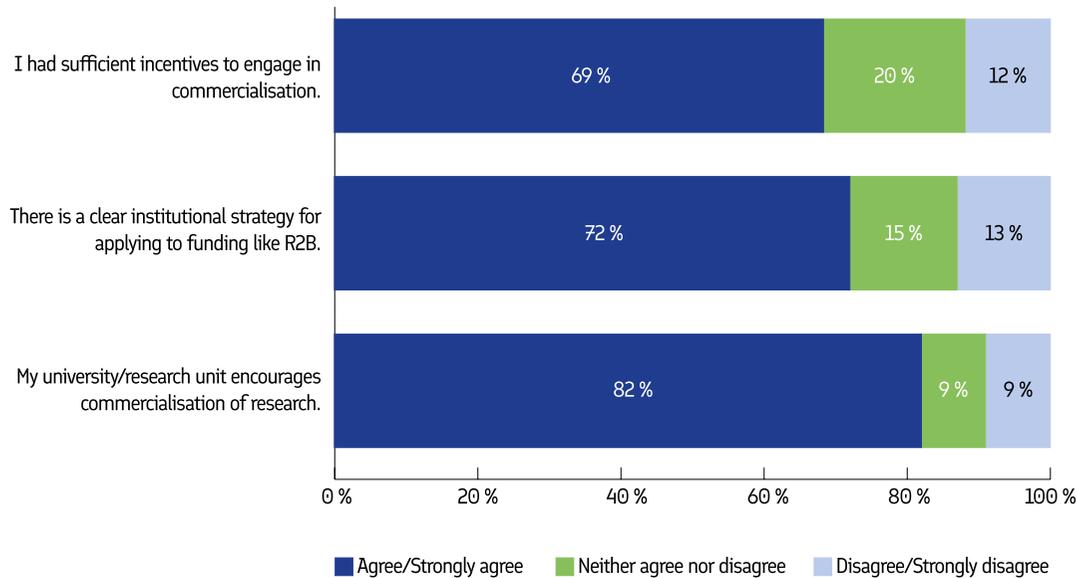


FIGURE 7-2: "TO WHAT DEGREE DO YOU AGREE WITH THE FOLLOWING STATEMENT?" (N=163) SOURCE: MENON ECONOMICS

TEXTBOX 7-1: FIRST EXPERIENCE WITH COMMERCIALISATION

For many participants, R2B represented their first direct experience with research commercialisation. Among researchers, 69 percent reported that R2B was their first exposure to commercializing research results. The corresponding share among project administrators was lower, at around 50 percent. This may reflect their broader experience with such funding instruments. This also highlights R2B's role as an entry point into commercialisation for researchers who might not otherwise engage with such activities.

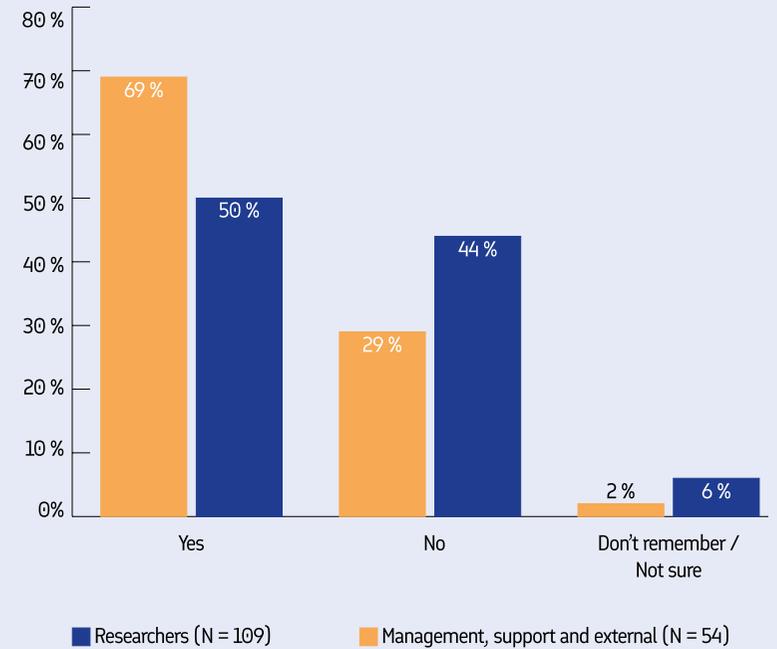


FIGURE 7-3: "WAS THE R2B PROJECT YOUR FIRST EXPERIENCE WITH COMMERCIALISATION OF YOUR OWN RESEARCH?" SOURCE: MENON ECONOMICS

7.2 APPLICATION PROCESS AND SELECTION

An effective funding instrument depends on the efficiency of its processes. The administrative effort required from applicants and Business Finland should be proportionate to the level of support provided. If the application process is perceived as overly complex or resource-intensive, it risks reducing participation and diverting effort away

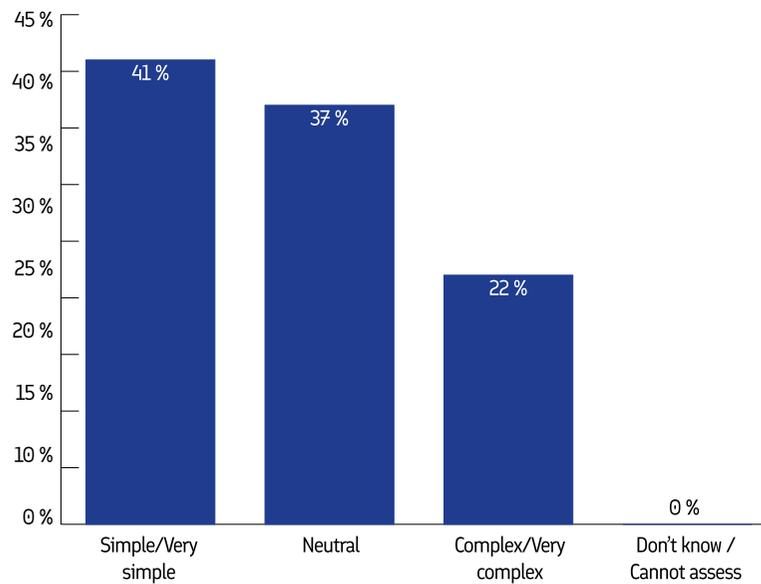


FIGURE 7-4: “HOW WOULD YOU RATE THE COMPLEXITY OF THE R2B APPLICATION PROCESS?” (N=162) SOURCE: MENON ECONOMICS

from the intended goal of commercialisation. Conversely, a clear, well-structured, and adequately supported process can lower the threshold for participation and improve the quality of applications.

PERCEIVED COMPLEXITY OF THE APPLICATION

Most participants considered the R2B application process manageable, but perceptions vary. A clear majority described it as straightforward and feasible to complete, suggesting that the structure and guidance provided by Business Finland generally work well. At the same time, around 20 percent of the respondents experienced the process as demanding and complex. This divide points to a system that functions effectively for experienced or well-supported applicants but still poses some challenges for those with limited resources or prior exposure to commercialisation funding. Comments from respondents underline this duality: some saw the process as fairly straightforward, while others described difficulties in balancing administrative requirements with the preparation of a solid proposal.

Given that most researchers are accustomed to preparing funding proposals, one might expect few to find the R2B application process complex. Writing applications is a routine part of academic work. However, the R2B process introduces elements that differ from traditional research funding – such as defining market potential, intellectual

property strategies, and business development plans. These commercialisation aspects likely explain why a minority of respondents (20 percent) nevertheless experienced the process as complex.

At the same time, the fact that a large majority did not perceive the process as complex may reflect the strong support provided by institutional innovation units. While our data do not show a clear statistical pattern across institutions, researchers from larger universities—with more established innovation offices—were somewhat less likely to view the process as complex. This indicates that structured, hands-on support can lower the perceived difficulty of preparing R2B applications.

TIME AND RESOURCES FOR PREPARING APPLICATIONS

Consistent with the finding that few applicants perceived the process as complex, most respondents also felt they had sufficient time and resources to prepare their applications (71 percent). This suggests that, for the majority, the R2B application process is not only clear but also feasible to manage alongside regular academic duties. The availability of internal guidance from innovation services likely contributed to this perception, even if the primary responsibility for writing and coordinating the proposal rested with the research teams themselves (see textbox below).

A smaller group, about 12 percent, reported that they did not have sufficient time or resources to prepare a strong application. This indicates that, although the process itself is generally seen as clear, it nonetheless requires an investment of time and effort. Several factors may explain this: some researchers may find it difficult to prioritise application work alongside teaching and research duties; others may have limited experience with commercialisation-oriented proposals, making the process more time-consuming; and for some, the perceived complexity of the system may have added to the workload.

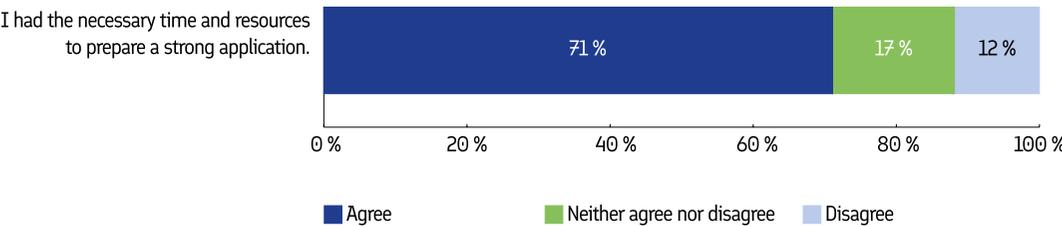


FIGURE 7-5: “TO WHAT DEGREE DO YOU AGREE WITH THE FOLLOWING STATEMENT?” (N=162) SOURCE: MENON ECONOMICS

TEXTBOX 7-2: RESPONSIBILITY FOR PREPARING APPLICATIONS

In most cases, researchers themselves took the lead in preparing applications (74 percent). In about 23 percent of the cases, the application was a shared effort between researchers and other actors. Only 1 percent said that innovation service units had taken the lead.

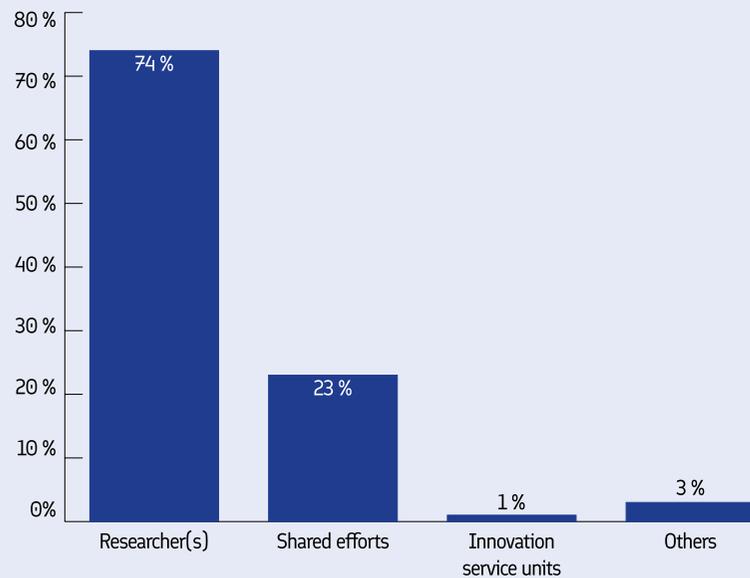


FIGURE 7-6: “WHO TOOK THE LEAD IN PREPARING THE R2B APPLICATION?” (N=162). SOURCE: MENON ECONOMICS

EXPERIENCES OF INNOVATION UNITS WITH THE APPLICATION PROCESS

Innovation units generally view the R2B application process as clear and well-designed but point to several recurring challenges with the application process that affect efficiency and accessibility.

The process is seen as **administratively demanding, particularly for smaller public research organisation** with limited staff. Preparing an R2B application requires coordination between researchers, innovation managers, and legal or financial officers. Larger universities, with dedicated innovation teams and established internal routines, describe the process as manageable, while smaller institutions note that it limits how many projects they can realistically support.

While the application format itself is not considered complex, the **commercialisation-related components are demanding** for many research teams. Sections on market analysis, customer validation, and intellectual property strategy require skills that are less common in academic environments. Some innovation units provide coaching, pitch rehearsals, and internal pre-evaluation to help applicants meet Business Finland’s expectations.

A recurring concern relates to **Business Finland’s requirement to include an experienced business developer in the project team**. Innovation units emphasise that this is difficult to fulfil in practice: recruiting a

qualified business professional for a short-term, high-risk project is difficult, and especially since the role cannot be confirmed before funding is granted. Several institutions have created pools of potential candidates or use junior developers, but the requirement remains one of the most challenging aspects of the application phase.

Finally, several innovation units note that **guidance from Business Finland can be inconsistent**. Interpretation of eligibility rules or project requirements varies between case handlers, leading to uncertainty for both applicants and support staff. While communication with individual officers is described as positive and open, innovation units call for clearer and more uniform guidance.

Although mentioned by fewer interviewees, several additional observations offer further insight into how the application phase is experienced across institutions.

- Representatives from smaller universities and universities of applied sciences sometimes feel that the **R2B scheme is designed primarily for larger universities**, with evaluation criteria that align less with applied or practice-driven projects.
- Others commented on the removal of the **first pitch** which Business Finland used to offer. This previously served as a milestone in the internal preparation process. Some welcomed the change to be able to focus more on preparing and writing the application, while others felt that this pitch provided valuable feedback and momentum for application.

- A few innovation units also argue that the application process has become **increasingly detailed and administratively focused over time**, with less emphasis on the expected market or societal impact of the proposed innovation.

INNOVATION UNITS' PERSPECTIVES ON THE EVALUATION OF APPLICATIONS

Innovation units express broad appreciation for the professionalism of Business Finland's staff and the overall quality of the R2B scheme. However, they also highlight some weaknesses in how applications are assessed, and how decisions are communicated.

A recurring theme is that **the selection of projects can appear unpredictable**. Some innovation units describe it as a "black box," where applicants receive limited insight into why specific proposals did not receive funding. While feedback is provided, it is in some cases perceived as too general to be of practical use for improving future submissions. Business Finland acknowledges that this can be challenging, as even applications that meet the formal criteria may not be approved if other proposals are assessed as stronger. As one representative explained: *"It is possible that an application fulfils the criteria but still won't get the funding because there are more promising or better applications. Only the best ones get the funding."*

Another mentioned issue concerns a **perceived disciplinary bias in funding decisions**. Representatives from

organisations with strong social science or humanities profiles reported that projects from these areas face higher barriers to success, as they believe Business Finland tends to prioritise technological innovation and measurable market potential. Several innovation units argued that the concept of commercial impact should be interpreted more broadly to also recognise societal and service-oriented innovations. Business Finland has also received similar feedback from companies participating in programs targeting these fields, indicating that this is not only a challenge within R2B. While some innovation units see gradual progress in this direction, they emphasise the need for continued efforts and clearer guidance for Business Finland case handlers to ensure a more balanced consideration of projects across disciplines. This suggests a need for continued development of assessment practices, but it may also reflect differences in the quality of applications, for example in how customer segments and market potential are described. Such aspects are often inherently more difficult to articulate for social or service-oriented innovations, which may explain part of the observed pattern.

A further point raised by a few institutions is the **length of the evaluation and decision-making period**. These innovation units emphasise that the period from when the application is sent to the project is accepted creates uncertainty for research teams and weakens project momentum. Especially when potential business developers or partners

must be kept on hold. Faster decision cycles were proposed as ways to mitigate these effects.

7.3 SUPPORT FROM BUSINESS FINLAND AND THE INNOVATION UNITS

Support during the R2B funding period is an important factor shaping participants' experiences of the program. Even with sufficient financial resources, commercialisation work can stall if administrative requirements are too demanding, or if support is lacking. In turn, effective follow-up by Business Finland, combined with well-functioning innovation services and supportive institutional strategies, can help research teams stay on track and build momentum.

ADMINISTRATIVE BURDEN DURING THE PROJECT

Most respondents considered the administrative workload associated with R2B to be reasonable and proportionate to the level of funding. Among both researchers and project administrators, a clear majority (59 and 74 percent respectively) reported that the administrative burden was adequate. Among the remaining respondents, opinions were roughly split between those who found it high and those who found it low, suggesting that most participants viewed the reporting requirements as acceptable and in line with what can be expected when receiving public funding. This is illustrated in the figure below.

Although the overall picture is positive, open responses highlight that follow-up activities could be demanding for some projects, particularly with regard to reporting requirements and frequent steering group meetings. As one participant noted: “Endless reporting responsibility even when there is nothing to report. Very complicated reporting

systems (e.g. incomprehensible forms with self-made terminology and concepts).” Another commented: “The progress report meetings were very frequent and required quite a lot of preparatory work.”

FOLLOW UP AND SUPPORT FROM BUSINESS FINLAND AND THE INSTITUTIONAL INNOVATION SERVICES

Participants generally viewed Business Finland’s follow-up support during the project as satisfactory. Most respondents considered it useful and sufficient for their needs, though a smaller group were less positive. The variation in assessments may reflect differences in project complexity or in expectations regarding how closely Business Finland should follow project progress. Overall, the findings indicate that the follow-up provided by Business Finland is valued but not always seen as equally relevant or hands-on across all projects.

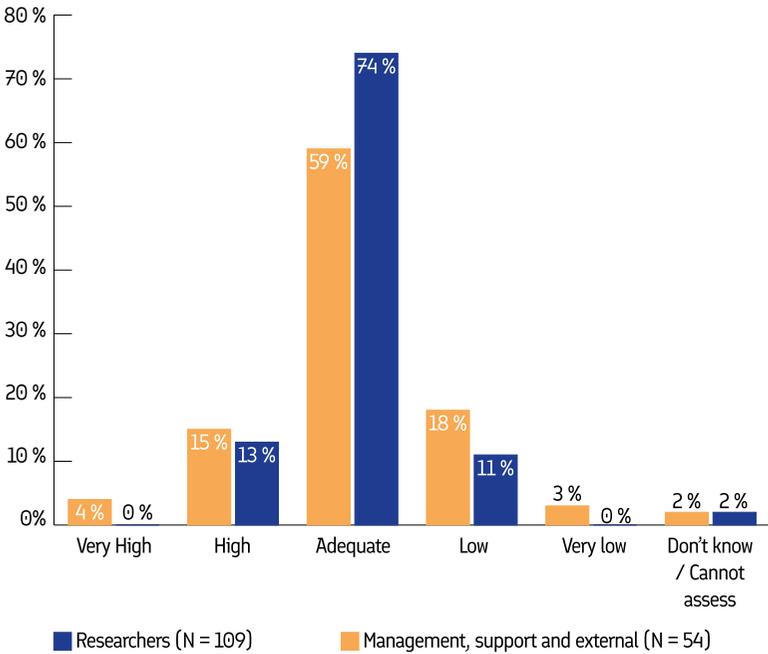


FIGURE 7-7: “HOW WOULD YOU RATE THE ADMINISTRATIVE BURDEN RELATED TO BUSINESS FINLAND’S FOLLOW-UP REQUIREMENTS DURING THE R2B FUNDING?”
SOURCE: MENON ECONOMICS

Respondents were generally positive about the support provided by their institutions' innovation units during the project. Just over half rated the quality of this support as high or very high, indicating that these services play an important role in helping researchers manage commercialisation activities. Some variation nevertheless exists, with a smaller group reporting lower satisfaction. This likely reflects differences between innovation units in terms of experience, staffing, and available resources.

When comparing the two sources of support, respondents tend to rate their institutional services more favour-

ably than Business Finland. This difference is not unexpected: innovation units are part of the same organisations as the project teams and can therefore provide support that is more immediate and accessible. Business Finland, by contrast, operates at a greater organisational distance and focuses primarily on formal oversight and funding administration. The results thus reflect the different roles these two actors play, rather than a weakness in either form of support.

REFLECTIONS ON THE ROLE AND INVOLVEMENT OF THE INNOVATION UNITS

The generally positive assessments of institutional support highlight the important contribution that innovation units make to R2B projects. Their guidance helps research teams navigate administrative procedures, structure project activities, and connect with external partners. However, the interviews also suggest that the scope and approach of innovation support vary considerably between institutions. While larger innovation units can draw on broader expertise and more formalised processes, bigger is not always better. Extensive or process-oriented innovation services may, in some cases, risk diverting resources toward administrative functions rather than commercialisation work. In addition, there is a risk that competencies are developed primarily within the innovation services rather than within the research teams themselves.

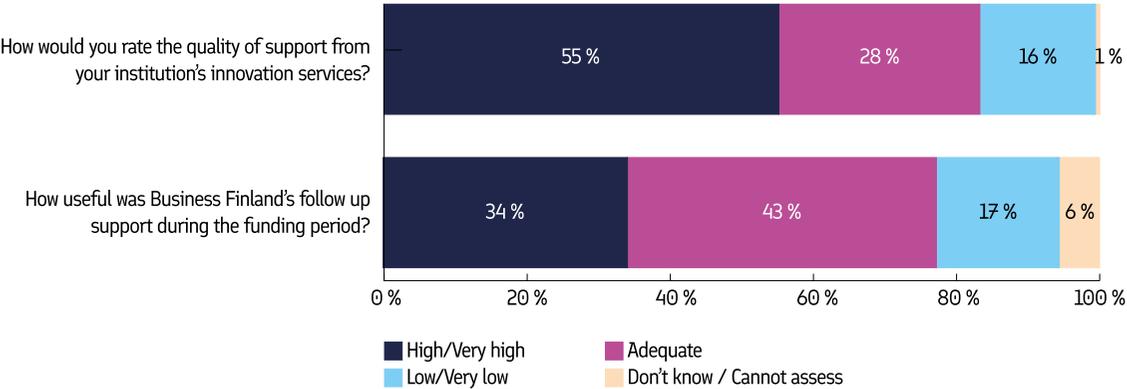


FIGURE 7-8: BUSINESS FINLAND'S FOLLOW UP SUPPORT AND THE SUPPORT OF THE RESPECTIVE INSTITUTION'S INNOVATION SERVICES. (N=163). SOURCE: MENON ECONOMICS

This raises a broader question about the role and involvement of innovation units in R2B projects. R2B funding is designed to strengthen the entrepreneurial and commercial skills of researchers and project teams, not to serve as a capacity-building mechanism for innovation units. Although the interviews conducted for this study did not reveal any systematic signs of such imbalances, it remains important to stay alert to this potential challenge.

7.4 THE FUNDING DESIGN AND POST-PROJECT CONTINUITY OF R2B

Across institutions, there is a broad consensus that the R2B program plays a unique and strongly needed role in Finland's innovation system. It remains one of the few instruments that enables research-based ideas to mature into commercial concepts, bridging the gap between academic research and market entry. Nevertheless, the interviews and our analysis point to several program weaknesses regarding funding design that may limit the scheme's full potential.

WEAKNESSES IN THE POST-R2B PHASE

As highlighted in chapter 5, one of the main barriers to commercialise research post R2B is insufficient funding. Only a small share of project teams report having secured further public support or private investments after their

R2B project ended. This lack of follow-up financing was also one of the most frequently raised issues in the interviews with innovation units. Many described how otherwise promising projects tend to lose momentum when the R2B funding expires, as there are few alternative instruments available to bridge the transition from pre-commercial research to early-stage business development.

Naturally, the funding gap in this phase (seed capital phase) comes as no surprise. There is good reason for a strong selection of projects when pilots, concepts and IPR are to approach the market. The question is however, whether the selection now is too strong, due to unsolved market imperfection, where investors have too little information regarding the status of the projects.

From an evaluation perspective, we do not recommend that R2B itself should be extended to cover this later stage. The program's mandate is limited to the pre-commercialisation phase (pre seed) as it would require some form of cofinancing with private investors. Also extending the scope could risk breaching state aid regulations and diluting resources from its primary purpose. Notice that the R2B's budget has not grown in recent years (see chapter 2). Hence, redirecting funds toward later-stage activities would likely reduce the number of early-stage projects that can be supported. We do however, recommend that Business Finland initiates a brief review of the supply public sector of seed funding available today. The key question is whether

its own instruments like Tempo, NIY (Young and Innovative Company) and Deep Tech Accelerator (DTA) in addition to support provided by ELY centers in sum constitutes a sufficient amount of capital to adjust for the strong market imperfections. More specifically, we notice that Finland does not offer a public sector finances seed funding structure, like we observe in Denmark, Sweden and Norway. Tesi has a strong focus on series A and B investments. In this evaluation we have not had the resources to identify the relay of support schemes associated with following up on R2B-projects, and we believe that the review should contain such a mapping.

Two related factors shed further light on this funding gap. The loss of key personnel at the end of the R2B phase is a recurring issue: business developers and commercialisation experts are often employed on short-term contracts that expire with the project, breaking continuity at a crucial point. Additionally, regulatory restrictions prevent project teams from entering business agreements or securing investor commitments during the R2B period. While these rules are important safeguards to avoid the violation of state aid rules, innovation units argue that they also limit the ability of teams to build partnerships and attract investors before the project ends. The practice is in a way self-destructive. From Business Finland's perspective, however, these restrictions may not be as constraining as often perceived. Teams are allowed to discuss with poten-

tial investors to determine whether establishing a start-up is a feasible route for commercialisation, even if no formal agreements can be made until after the R2B phase.

While these challenges reduce the commercial value added through R2B, it is equally important to recognise that not all ideas should progress beyond this stage. For any projects, the R2B phase reveals that the concept is not commercially viable. In such cases, discontinuation is natural, ensuring that only the most promising innovations continue to receive public or private support.

FUNDING ISSUES DURING PROJECTS

In addition to challenges that arise after R2B projects end, several innovation units also pointed to issues observed during the projects themselves. They noted that the current funding model offers little flexibility to adjust support as projects evolve and that resources are not always used in the most efficient way.

Below we have listed some recurring issues under the current funding structure:

- **Projects that prove unviable mid-way.** Some teams discover partway through the R2B period that their idea is not commercially viable. In such cases, they can inform Business Finland at any time that the project is unlikely to succeed and should be terminated. In practice, however, this rarely happens. As a result, remaining funds often stay locked

within projects that are no longer progressing, rather than being reallocated to support new and potentially more promising initiatives by Business Finland. Notice though, that shortening projects can also create practical challenges, for example in cases where experienced business developers have been hired for the full project duration and early termination could disrupt employment and continuity. Another practical obstacle is the funding rule requiring that at least 40 percent of total costs must be allocated to commercialization activities. This applies even to projects that are terminated early. If a project has initially focused more on applied research, early termination may mean that the 40 percent threshold is not met, reducing reimbursement from Business Finland. This creates a financial disincentive for teams to report when projects are no longer viable.

- **Funding used primarily for research rather than commercialisation.** Innovation units observed that some projects spend a large share of their resources on continued research instead of market validation and business development, which reduces the commercial impact of the project. This concern mirrors findings from the 2018-evaluation of the TUTL program (now R2B), which similarly noted that projects tended to allocate too much funding to research activities. This finding suggests that some projects

may have entered the R2B program before they were fully ready to advance towards commercialisation (see chapter 5.3). Entering the program at a too early maturity level may therefore help explain why some teams continue to prioritise research activities over market validation and business development, despite the program's commercialisation focus.

- **Projects applying for more funding than needed.** Many projects request the maximum amount available even when their actual financial needs are smaller. This can limit the total number of projects that Business Finland is able to support. According to Business Finland, project budgets are reviewed carefully, and applicants are asked to justify their cost estimates. However, Business Finland notes that this is a complex issue, and that the removal of a formal maximum grant level may help reduce the tendency for applicants to align their budgets with an assumed ceiling rather than their actual needs.

ALTERNATIVE MODELS FOR FUNDING

In exploring how to ensure efficient use of R2B resources, this chapter also considers potential alternative models for funding. The purpose is not to promote a specific approach, but to assess whether the current system represents the most effective way to support commercialisation, or whether other models could complement or improve it.

We present four different model variants for the R2B that approaches funding practice in slightly different ways:

1. **The current model** – where research teams apply for support for the entire project in one single application round.
2. **A milestone funding model:** The current model, but where the support is given in two steps. In other words, that the research team receives an initial sum at the start of the project, and along the way must meet some milestone requirements, which should be concrete and specific, in order to receive the rest of the amount. Through the use of clear requirements for what must be met, it will both minimize the need for resources used by Business Finland,
3. **A two-stage model:** Where an initial, smaller grant supports early exploration of commercial potential, followed by a new application round for larger grants for projects that demonstrate clear progress and viability through stage one.
4. **A more mature focus model:** Here, R2B runs a tougher screening process, requiring more mature projects with a clearer potential for commercialisation, cf. findings in Chapter 5.3. This means that you can allocate more money to those who are more mature.

The milestone funding model is relatively similar to what Business Finland has had before – but where there are clear requirements (more like criteria) that must be met before receiving the full amount of support. The model implies more administrative costs use for both the research team and business Finland. Also it may create other challenges such as disrupting project continuity, due to delays between stages. A similar, but voluntary, version of this model was previously available within the R2B program between 2020 to 2023. It allowed applicants to apply for funding in two phases if they wished to do so. The purpose was to reduce risk by enabling applicants to carry out key preliminary tasks on a go/no-go basis before committing to a larger funding phase. Business Finland could also, when considered appropriate, decide to structure funding in two steps. In practice, however, this option was rarely used. Only one known project applied the funding in two phases, and the option was eventually discontinued.

The two-stage model effectively introduces two closely related and relay linked schemes with two separate applications. A comparable two-stage funding logic has also been applied in the former *Challenge Finland* program (see text-box below), which combined early exploration funding with subsequent support for projects demonstrating clear market potential and credible partnerships. Similar approaches exist in other countries' innovation funding schemes, for instance in Norway, where staged funding has been used

to manage risk and ensure efficient use of resources. There are both advantages and disadvantages to stepwise funding models. On the one hand, they can help mitigate risk by allowing only the most promising projects to proceed to a second stage through application, thereby improving the overall efficiency of public funding. This approach would also allow Business Finland to engage a broader range of early-stage ideas, while ensuring that full-scale funding is reserved for those with the greatest potential. From an efficiency perspective, such a model could make better use of limited public resources and strengthen accountability, as project teams would need to demonstrate tangible progress to access further funding. It might also help maintain focus on commercialisation activities rather than extended research. On the other hand, there are several drawbacks with stepwise funding models. First, such models tend to increase administrative workload and complexity, as each stage requires separate applications, assessment, decision-making and reporting. This issue is also highlighted by Business Finland. Second, a stepwise structure can disrupt project continuity. Business Finland emphasised that this risk is particularly problematic for retaining experienced business developers, whose involvement is often crucial to ensure that projects maintain a commercial rather than purely research focus. Third, experience from R2B shows that the option was rarely used, suggesting that the added administrative effort may not justify the potential gains.

The more maturely focused model effectively leaves the responsibility of the earliest /least mature projects to other instruments or initiatives. In this phase, project scouting and early incentivisation is highly important. As highlighted by several innovation units, there is a broad need for funding such activities at universities. This need clearly points to a coordinated scheme that ensures some funding of basic TTO infrastructure tasks. However, this is not at the core of R2B. This, a shift towards more mature projects will require some form of coordinated introduction of a new scheme, potentially run through the research council.

Although the milestone funding structure tends to raise administrative burdens, we argue that the problem of inefficiently allocated finances is sufficiently large to implement some form of milestone funding in R2B. We are aware of the experience from the previous voluntary stepwise regime. Nevertheless, our suggestion points to a compulsory reporting practice that uses relatively simple milestone evaluations, partly self reported and partly evaluated by an external referee, potentially organised through a milestone referee committee consisting of a limited number of TTO-experts.



TEXTBOX 7-3: FUNDING SUGGESTION FROM SOME INNOVATION UNITS

A smaller number of interviewees, mainly from large and experienced public research organisations, proposed another model for funding: allocating R2B **funding directly to institutions**, allowing them to distribute it internally rather than through Business Finland's centralised calls. They argue that such a model could improve timing, strengthen follow-up, and better leverage institutional expertise.

While these arguments have some merit, our assessment is that such an approach would likely benefit large institutions disproportionately and could weaken national coherence and transparency. Smaller universities and universities of applied sciences lack comparable innovation capacity and emphasise that Business Finland's central role is essential for ensuring impartiality and equal access to funding. Moreover, questions have been raised about whether delegating funding decisions to institutions would be legally permissible, as current regulations place the authority for such decisions with Business Finland. In light of these considerations we do not recommend pursuing this model.

7.5 CASE STUDY – CHALLENGE FINLAND

Challenge Finland was a funding program initiated by Tekes with the ambition of bridging the gap between publicly funded research and business-led innovation. The aim was to ensure that high-quality scientific knowledge could be transformed into commercially viable innovations, strengthening both economic competitiveness and societal value added. The program was explicitly designed as an experiment in new ways of working, drawing on the principles of the Lean Startup methodology to validate assumptions and accelerate promising projects. Challenge Finland was organised as a two-stage process and was held only once (2016-2017).

The aim of the first stage was to test and refine ideas, verify assumptions with potential users or customers, and build credible partnerships for further development. The application for stage 1 only required a 3-page project description. For stage 1, the program received around 340 applications, of which 92 received funding. In total, 71 project ideas were funded, as some projects involved several applicants. By providing initial funding without the requirement of company co-financing in the first stage, they were given the opportunity to explore their concepts with reduced financial risk.

In stage 2, only those consortia that had successfully completed stage 1 and demonstrated credible progress were eli-

gible to apply. Consortia were required to include at least two companies and one research organisation, with companies expected to contribute their own resources either through direct funding or in-kind support. This ensured that projects were anchored in genuine market needs and that businesses had a clear incentive to drive outcomes towards implementation. In the call for stage 2, the program received 181 applications, of which 113 were accepted. These included several applications for the same project. According to internal reporting by Business Finland, 58 consortia applied for stage 2, where 33 were eventually funded.

An explicit goal of the program was to create new ways of working between companies and research organisations. Tools such as an online project gallery and matchmaking events were used to support the formation of partnerships. A notable example was the Challenge Finland All Stars event, which gathered around 350 participants and gave projects the opportunity to present themselves. Tekes also provided training focused on clarifying the problem–solution fit, which offered participants concrete methods for refining project ideas. These measures contributed to the development of more structured operating practices for collaboration.

8 CONCLUSION AND RECOMMENDATIONS



It is our conclusion that R2B is a highly relevant instrument to bridges the gap between research and commercialisation in Finland's innovation system. It is basically the only funding program designed to bring academic research over to commercial application. The program delivers clear additionality, yet the commercial results are not that clear, leading us to argue that changes to the program are required to reach the overall goals.

This chapter summarises our key conclusions and recommendations for the further development of R2B. They are structured around six thematic areas:

- A. Overall relevance and contribution of R2B
- B. Institutional culture and researcher engagement
- C. Efficiency, accessibility, and fairness of application processes
- D. Outcomes and longer-term effects
- E. Need for changes in funding design
- F. Improved indicators for measuring the outcomes over time

A. OVERALL RELEVANCE AND CONTRIBUTION OF R2B

R2B fills a unique and indispensable role in Finland's innovation landscape. The program shows strong additionality, as most activities would not have taken place without the R2B-funding, and the program effectively accelerates commercialisation at an early stage.

Recommendations:

- Maintain R2B's core mission as Finland's key pre-commercialisation instrument; avoid expanding its scope toward later-stage or venture funding.
- Complement it with relevant guidance to help teams prepare for investor engagement.
- Secure a clearer chain of funding programs for the following stages, that actively involves external private investors.

B. INSTITUTIONAL CULTURE AND RESEARCHER ENGAGEMENT

Survey results point to commercialisation becoming increasingly more embedded in Finland's academic environment. The awareness of R2B is high, particularly in technical and medical fields. However, awareness is low in certain fields and in some public research organisations.

Most researchers experience institutional encouragement and strategies that support commercialisation. But still personal incentives remain weak. Similar concerns were raised in the 2018-evaluation of R2B (TUTL), where

the evaluators noted that management commitment and individual incentives for commercialisation were limited. Thus, the gap between strategic ambitions of the organisations and everyday academic practice among researchers persists.

Recommendations:

- Promote stronger personal incentives for commercialisation at universities and research institutes, for instance by including innovation outcomes in career assessments and internal recognition.
- Support broader mobilisation efforts across under-represented disciplines and institutions through targeted outreach and shared good practices between innovation units.

Note that the recommendations related to incentives are not directly linked to R2B, but to research commercialisation in general.

C. EFFICIENCY, ACCESSIBILITY, AND FAIRNESS OF APPLICATION PROCESSES

The R2B process is mainly regarded as clear, proportionate and professionally managed. Most applicants find the administrative effort reasonable, while innovation units play a decisive role in making the process workable. However, we find some indications that researchers from organisations with smaller innovation units are more likely to perceive the process as complex. This indicates that

structured, hands-on support helps lower the perceived difficulty of preparing applications.

Furthermore, some representatives suggest that R2B is better suited to large, research-intensive institutions, with evaluation criteria that align less with applied or practice-driven projects. The 2018 TUTL evaluation also highlighted differences between scientific fields and institutions in their ability to participate effectively, recommending that criteria and processes should be better adapted to different research contexts. This is a challenge that remains partly relevant today. In addition, some innovation units point out inconsistencies in guidance and evaluation of applications between case handlers at Business Finland.

Recommendations:

- Continue dialogue with smaller institutions to ensure that evaluation criteria and communication are well aligned with their applied-research contexts.
- Ensure consistent interpretation and communication across case handlers at Business Finland through clear internal guidance and calibration.

D. OUTCOMES AND LONGER-TERM EFFECTS

R2B funding creates momentum that extends beyond the project period. Most teams continue commercialisation work, and a relatively large share of projects achieve concrete milestones such as prototypes, start-ups or licensing deals. However, only a small share of teams succeeds in

attracting private capital, and access to follow-up funding remains the clear main bottleneck. These findings underline that while R2B successfully initiates commercialisation, the broader system lacks mechanisms to sustain it. This is a serious problem that also the EU-commissioned expert report from 2025 stressed. This issue is also similar to one of the key recommendations from the 2018-evaluation of R2B, where evaluators underlined the persistent funding gap between public support and the first private investor. Our findings confirm that bridging this gap remains the main structural challenge for sustaining commercialisation outcomes after R2B funding ends.

Recommendations:

- Recognise post-R2B financing as the key structural bottleneck in the innovation chain. Business Finland and policy stakeholders should review whether current follow-up schemes adequately serve post-R2B phases and how transitions can be strengthened.
- Demand early planning for continuity during the R2B phase, including investor dialogue and preparation for subsequent funding instruments.
- Avoid extending R2B's mandate, but consider small, targeted actions (such as advisory support) to help projects bridge the post-funding gap.

E. NEED FOR CHANGES IN THE FUNDING DESIGN

We show that The R2B program plays a vital role in Finland's innovation system by bridging the gap between academic research and market-oriented business development. However, several weaknesses limit its full potential, particularly in funding design and transition phases.

The main bottleneck identified is insufficient follow-up financing after R2B projects end. Few teams secure further support, causing promising projects to lose momentum. The evaluation recommends that Business Finland review the national seed funding landscape, including its own instruments (Tempo, NIY, DTA) as well as ELY support, to determine whether current schemes collectively provide enough capital to address market imperfections.

Many projects lose key personnel after the R2B phase because experts are employed on short-term contracts. Additionally, strict rules against entering business agreements during R2B limit teams' ability to attract investors early.

The evaluation also highlights Business Finland should encourage earlier termination and reallocation of remaining funds, since funds too often are spent mainly on research instead of commercialisation. To improve efficiency and accountability, the evaluation recommends implementing a mandatory milestone funding structure. Funding would be released in stages upon meeting clear, measurable criteria, verified partly through self-reporting and partly by external referees (e.g., a TTO expert committee). Although such models increase admin-

istrative complexity, the benefits in terms of resource efficiency and commercial focus are deemed substantial.

F. INDICATORS FOR MEASURING OUTCOMES OVER TIME

Across both interviews and discussions with Business Finland, we found no common framework or well-established indicators for systematically tracking the commercialisation outcomes over time. While individual public research organisations and innovation units collect some statistics, the data are often fragmented. The absence of shared indicators makes it difficult to assess long-term impact, identify patterns of success, or build an evidence base for improving commercialisation policy.

This finding closely echoes the conclusions of the 2018 evaluation of the TUTL program, which similarly highlighted the need for consistent metrics to monitor performance and outcomes of technology transfer and commercialisation activities. That evaluation recommended the establishment of a national indicator framework to strengthen transparency, accountability, and learning across institutions.

Recommendation:

- Both Business Finland and the innovation units of public research organisations should come together to establish a set of indicators for measuring outcomes of TTO-activities over time.
- The set of indicators should be followed up annually and be published in an annual report.

APPENDIX A: INFORMATION ABOUT SURVEY RESPONDENTS AND THEIR PROJECTS

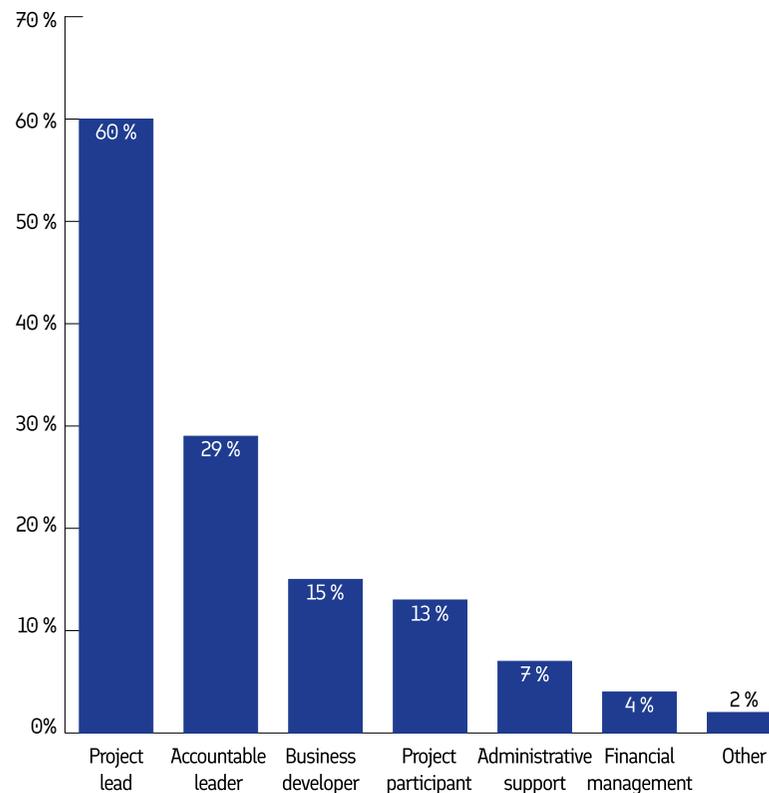


FIGURE V-1: "WHAT WAS YOUR MAIN ROLE IN THE R2B PROJECT?" (N=159).
SOURCE: MENON ECONOMICS

In this study, we conducted a comprehensive survey aimed at gathering quantitative data on R2B, focusing on aspects such as needs, outcomes, and other relevant facets. The survey was designed to include both standardised questions and statements for consistent answers, as well as open-ended questions to allow for more detailed reflections. The survey was distributed to participants in R2B projects that have received support from 2018 and until today. The survey was sent to 428 participants, of which 349 e-mails were active. A total of 163 responses were received. This yields a response rate of 46,7 percent.

Below we present some statistics of the respondents and their R2B, which include:

- The role of the respondent in the R2B project
- Whether the R2B project is ongoing or completed
- The scientific field of the R2B project
- Which project activities that were financed by the R2B funding

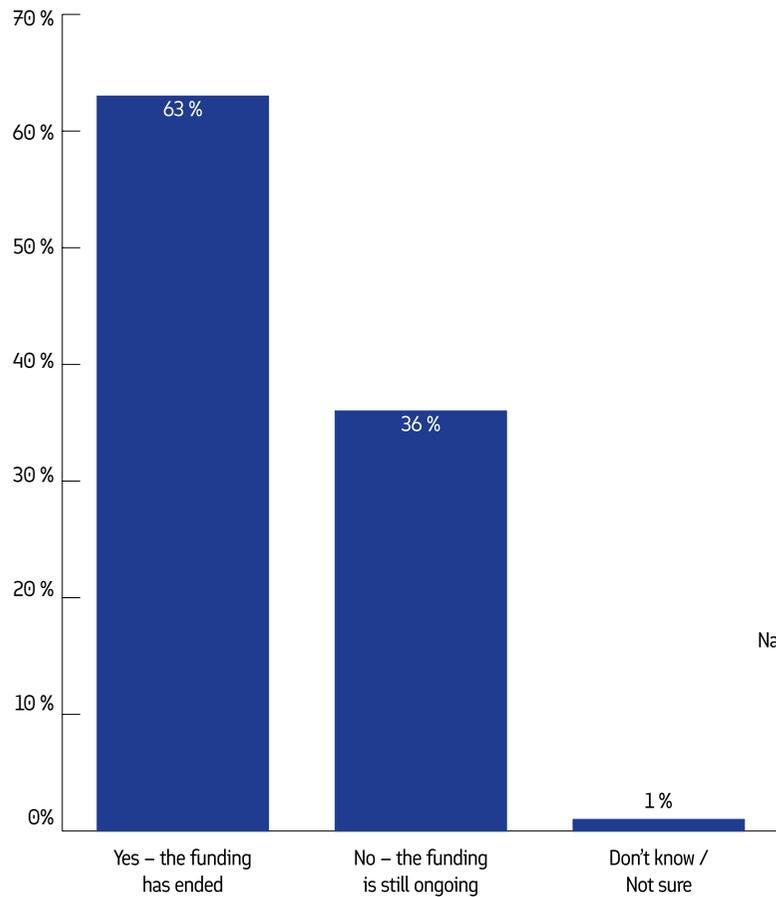


FIGURE V-2: “HAS YOUR R2B FUNDING BEEN COMPLETED?” (N=159)
SOURCE: MENON ECONOMICS

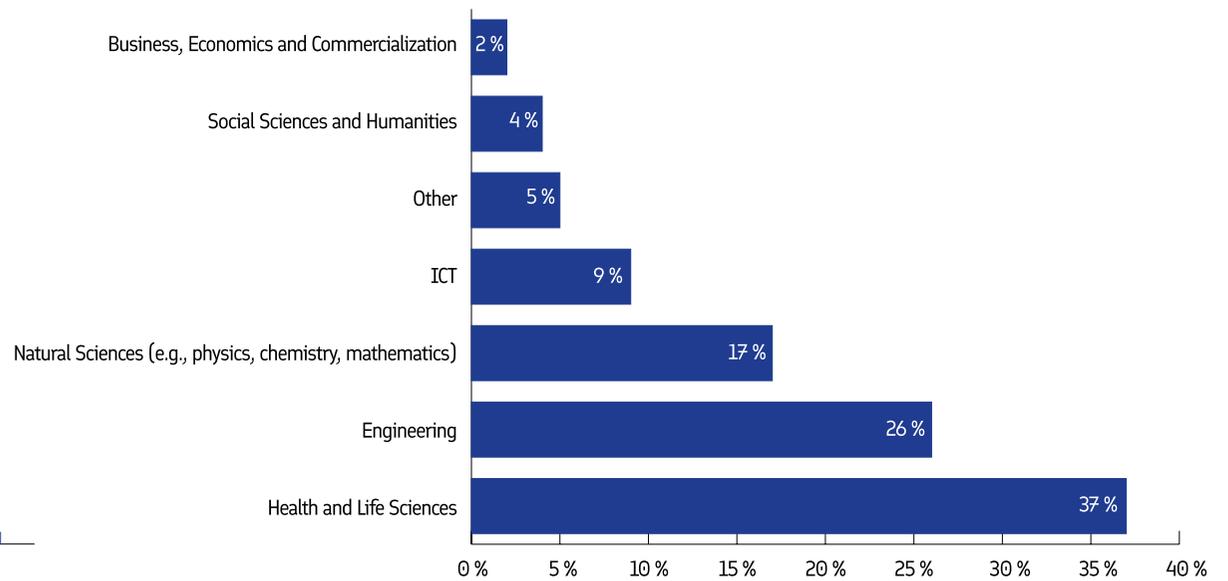


FIGURE V-3: “WHAT IS/WAS THE MAIN SCIENTIFIC FIELD OF THE R2B PROJECT?” (N=159)⁵². SOURCE: MENON ECONOMICS

⁵² The other category includes the answers not fully covered by the prespecified fields. These answers are typically combinations of the other scientific fields, e.g. ICT and Health.

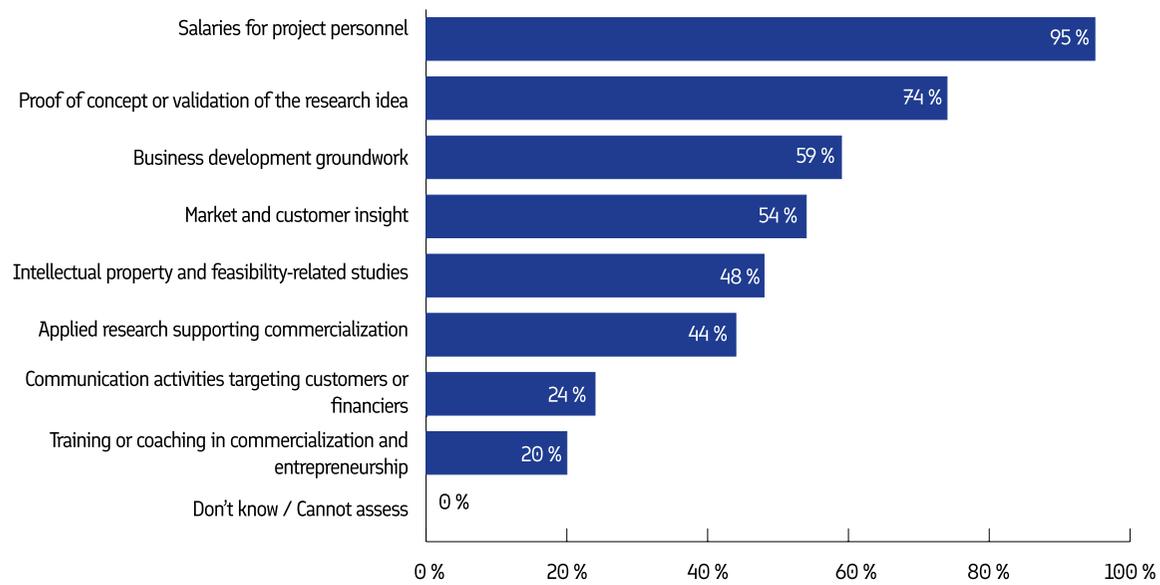


FIGURE V-4: "WHAT DID THE R2B FUNDING PRIMARILY FINANCE IN YOUR PROJECT?" (N=159) SOURCE: MENON ECONOMICS

APPENDIX B: NETWORKING ACTIVITIES OF R2B PARTICIPANTS

In the survey, respondents were also asked about networking activities carried out through the R2B program. As shown in the figure on the left below, 68 percent of respondents had participated in R2B networking activities. Participation was most common in events such as

Science Start Up Day and other R2B or Business Finland matchmaking events. Fewer respondents had taken part in pre-accelerator programs such as Reach or Amplify, or in Deal Flow services.

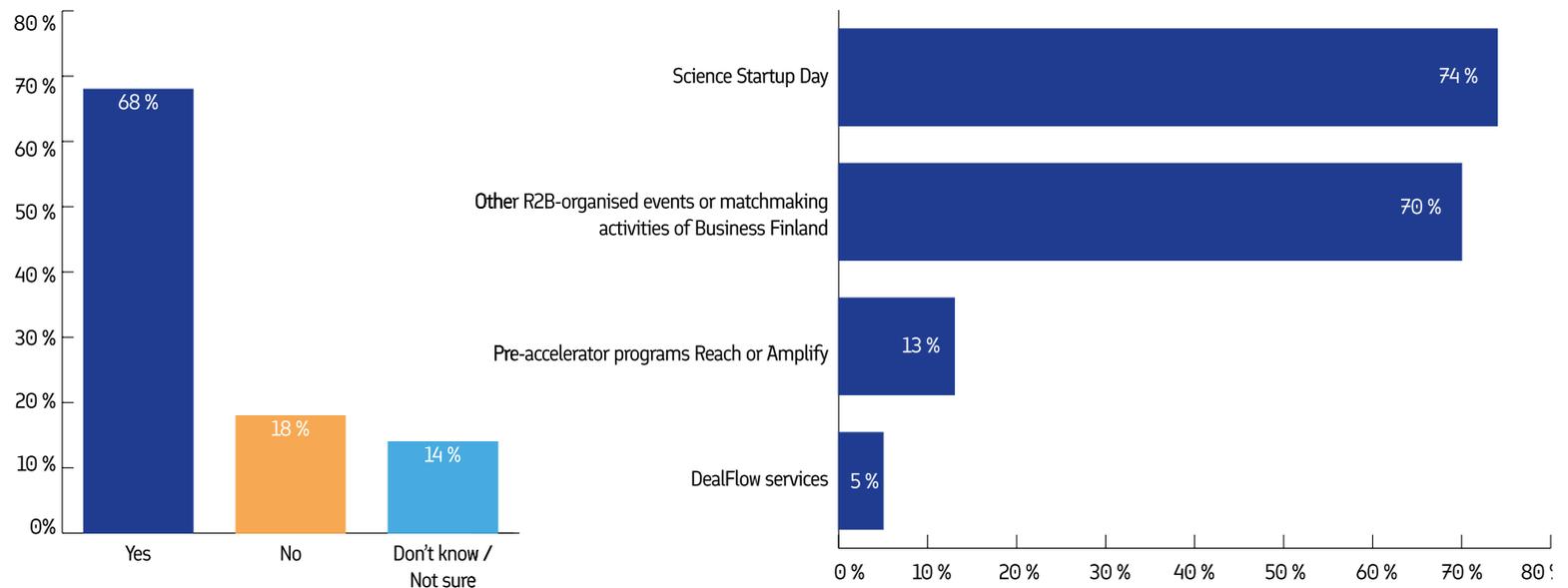


FIGURE V-5: LEFT: "DID YOU OR SOMEONE FROM YOUR PROJECT PARTICIPATE IN ANY R2B NETWORKING ACTIVITIES OFFERED BY BUSINESS FINLAND?" (N=163). RIGHT: "IF YOU OR SOMEONE FROM YOUR PROJECT PARTICIPATE IN ANY R2B NETWORKING ACTIVITIES OFFERED BY BUSINESS FINLAND, WHAT DID YOU/THEY PARTICIPATE IN?" (N=114). SOURCE: MENON ECONOMICS

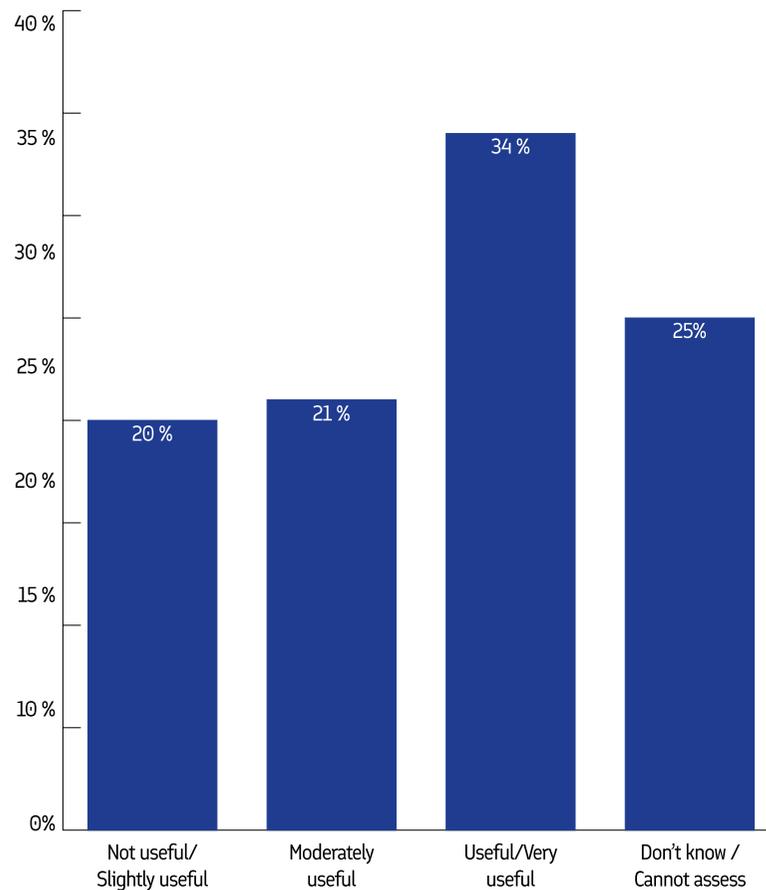


FIGURE V-6: "IF YOU PARTICIPATED IN ANY R2B NETWORKING ACTIVITIES, HOW USEFUL WERE THEY FOR SUPPORTING THE COMMERCIALISATION OF YOUR RESEARCH?" (N=94). SOURCE: MENON ECONOMICS

As shown above, many respondents had taken part in R2B networking activities, and about one-third of these considered the activities useful or very useful for supporting the commercialisation of their research. However, around one in five found them not useful, as illustrated in the figure below.

Respondents were also invited to describe any concrete outcomes or benefits from participating in R2B networking activities (e.g., investor contact, team collaboration, feedback). The main findings from these open-ended responses are summarised below:

- **Investor & funding contacts:** Many projects gained introductions to investors (some leading to VC discussions, strengthened relationships, or near-funding opportunities), but several noted that initial contacts did not translate into long-term investment.
- **Collaboration & peer networks:** Respondents reported valuable connections with potential customers, industry partners, other R2B teams, and peers. This included feedback shaping commercialisation paths, building consortia, and support in developing spin-outs.
- **Learning & feedback:** Networking provided feedback from investors, Business Finland, and peers that influenced strategy, business models, and even inspired open-source or spin-out directions. Educational sessions and pitching opportunities were

seen as useful for refining messages and understanding investor expectations.

- **Mixed or negative experiences:** Not all projects benefitted. Some reported no participation, lack of support from university/Business Finland, or poorly organised events. A few described experiences as frustrating, performative, or ineffective due to restrictions or insufficient resources.

APPENDIX C: CHALLENGE FINLAND AND RESEARCH BENEFIT

This appendix presents statistics related to Challenge Finland and Research Benefit. Additional information about the two case studies on Challenge Finland and Research benefit can be found in text-boxes in this report. Please note that it has proven difficult to obtain information about these two earlier funding instruments due to a limited number of potential interview candidates. Consequently, the information presented on the two former programs is primarily based on internal Business Finland documents and project-level data.

CHALLENGE FINLAND

The figures below present statistics regarding Challenge Finland.⁵³ In total, the program received 523 applications. 205 applications were approved, amounting to 39 percent. In total, 46 million euros were granted in both calls. The average size of the funding decision was approximately 223 000 euros.

⁵³ Tekes (2017): Challenge Finland palautekeskustelu. Internal presentation.

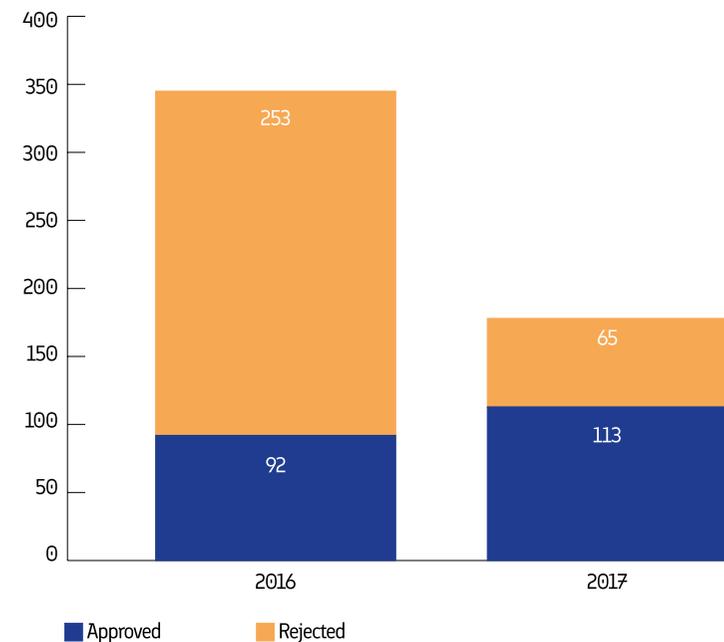


FIGURE V-7: NUMBER OF APPLICATIONS TO CHALLENGE FINLAND IN 2016 (STAGE 1) AND 2017 (STAGE 2). SOURCE: BUSINESS FINLAND

The figure below illustrates the number of applications received from different categories of applicants.

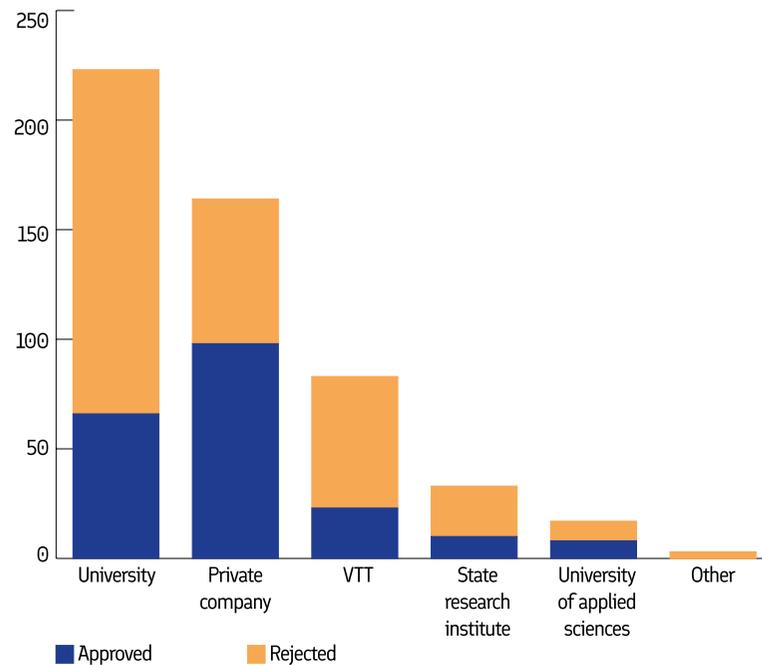


FIGURE V-8: NUMBER OF APPLICATIONS FROM DIFFERENT APPLICANT CATEGORIES. SOURCE: BUSINESS FINLAND

RESEARCH BENEFIT

The figures below present statistics regarding Research Benefit. 188 applications were accepted during the period of the program. In total, EUR 49 million was allocated through the Research Benefit program. On average, each accepted applicant received funding of EUR 262 000. The median funding amount was EUR 182 000.

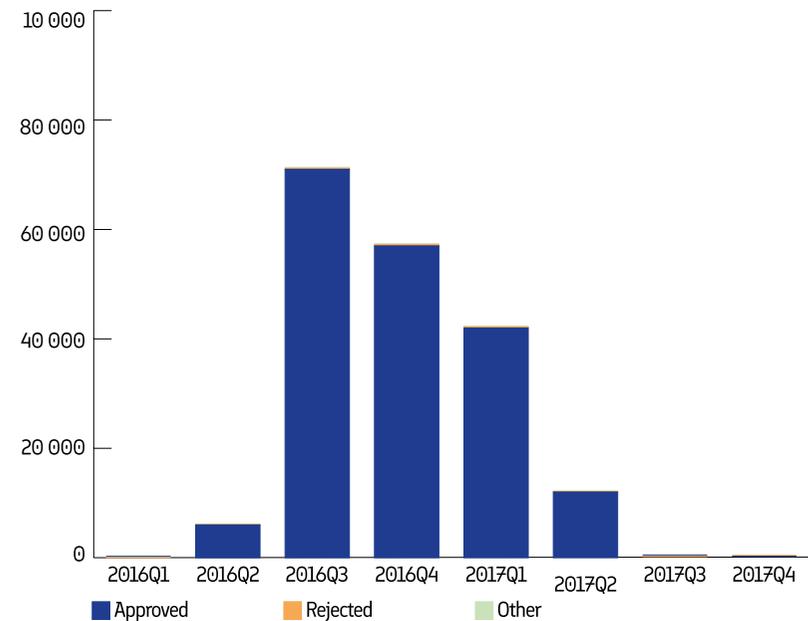


FIGURE V-9: FUNDING DECISIONS IN RESEARCH BENEFIT. SOURCE: BUSINESS FINLAND

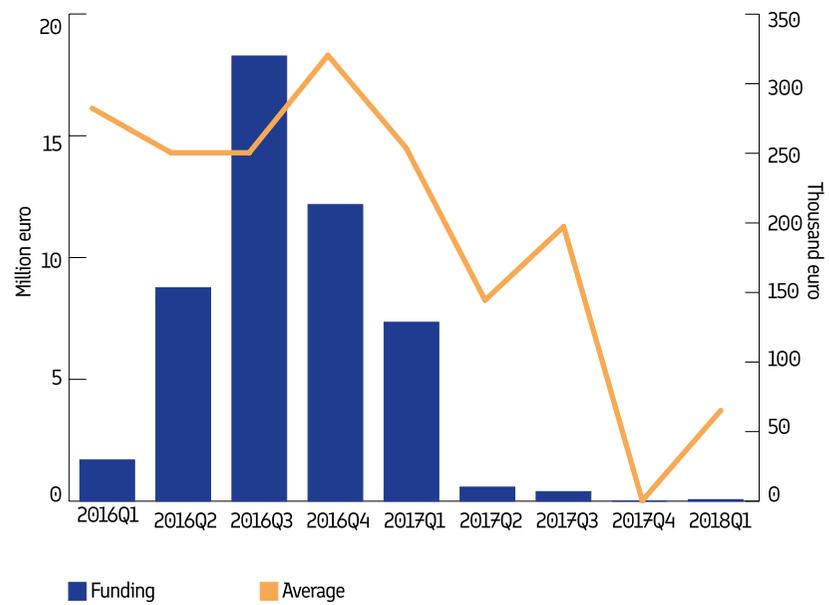


FIGURE V-10: TOTAL GRANTED FUNDING AND AVERAGE GRANTED FUNDING PER FUNDING DECISION (RIGHT AXIS), BY PROJECT START DATE.
SOURCE: BUSINESS FINLAND

BUSINESS FINLAND

Business Finland is an accelerator of global growth. We create new growth by helping businesses go global and by supporting and funding innovations. Our top experts and the latest research data enable companies to seize market opportunities and turn them into success stories.

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