

# Study Visit

## Austria

**REPORT**  
**1<sup>st</sup> Study Visit**  
**Vienna – Linz 26-28 February 2018**

## Program:

<p><b>26<sup>th</sup> February 2018</b></p> <p>15:00 p.m.,</p> <p>19:00 p.m.</p> <p>19:30 p.m.</p> <p>20:00 p.m.</p>	<ul style="list-style-type: none"> <li>- Departure from Klagenfurt, Lakeside Technology Park GmbH, Lakeside B11, 9020 Klagenfurt</li> <li>- Traveling to Vienna by car</li> <li>- Arriving at the hotel (Novotel Wien City, Aspernbrückengasse 1, 1020 Wien)</li> <li>- check in</li> <li>- Dinner at Five Senses</li> </ul>
<p><b>27<sup>th</sup> February 2018</b></p> <p>08:30 a.m.</p> <p>09:00 a.m.</p> <p>11:00 a.m.</p> <p>11:45 a.m.</p> <p>13:00 p.m.</p> <p>15:00 p.m.</p> <p>16:30 p.m.</p> <p>19:30 p.m.</p>	<ul style="list-style-type: none"> <li>- check out</li> <li>- Meeting weXelerate, Praterstraße 1, 1020 Wien</li> <li>- internal meeting lunch at el gaucho Wien (Praterstraße 1, 1020 Wien, ground floor weXelerate)</li> <li>- Meeting Vienna Business Agency (Mariahilfer Straße 20, 1070 Wien)</li> <li>- Leaving by car to Linz</li> <li>- Arrival at Linz hotel (Arcotel Nike, Untere Donaulände 9, 4020 Linz)</li> <li>- Dinner at Arcotel Nike das Restaurant (Untere Donaulände 9, 4020 Linz )</li> </ul>
<p><b>28<sup>th</sup> February 2018</b></p> <p>08:45 a.m.</p> <p>09:00 a.m.</p> <p>10:00 a.m.</p> <p>12:00 a.m.</p> <p>12:30 p.m.</p> <p>13:00 p.m.</p> <p>15:30 p.m.</p>	<ul style="list-style-type: none"> <li>- check out</li> <li>- Guided tour Tabakfabrik (Peter-Behrens-Platz 11, 4020 Linz) – G1 Gruberstrasse – Meeting point</li> <li>- meeting Factory 300 (at Tabakfabrik, Peter-Behrens-Platz 11)</li> <li>- Lunch at Charmanter Elefant, Peter-Behrens-Platz 8, 4020 Linz)</li> <li>- Leaving</li> <li>- ARS Electronica (Ars-Electronica-Straße 1, 4040 Linz)</li> <li>- Departure, return to Klagenfurt</li> </ul>

## 1. Introduction

The study visit was organised by KWF as leading partner for WP 3. For organisational issues EB projektmanagement GmbH was subcontracted. They were responsible for organising the program, the travel including hotels, meals as well as transport facilities.

All partners participated to this study visit: Friuli Innovazione (2 representatives), t2i (2 representatives), Lakeside Science & Technology Park (2 representatives), build! (1 representative), KWF (1 representative) as well as EB projektmanagement (1 representative).

For preparing this report we collected two key questions from each project partner:

What were the most inspiring learnings/experiences/information?

What are the tools/methods/strategies you can transfer into your organization?

## 2. Report

### 2.1. Location – weXelerate

#### About:

weXelerate is a startup & innovation hub with a unique and thriving ecosystem of open innovation on nearly 9000 sqm that aims to connect startups and established corporates. The location is a former shopping mall situated closed to the city center of Vienna.



Each year the weXelerate Accelerator supports 100 of the most promising European startups with a focus on energy and infrastructure, industry 4.0, media, insurance and banking, as well as cross-industry technologies such as internet of things, artificial intelligence, bots, mobility, block chain and cyber security.

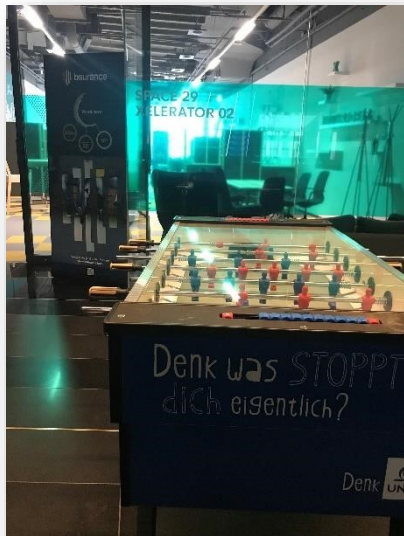
The Ecosystem provides space for thriving start-ups, mentors and partners, leading corporates and a network of investors.

The fields of activity of weXelerate are Mentoring, Networking, Equity, providing free working space, organising individual coaching programs and Workshops

#### What were the most inspiring learnings/experiences/information?

For the participating partner the location was really impressive. The reinvented of a shopping mall is very appealing and it can be inspiring due to the coexistence of several services in one space. To create such a location big money with big infrastructure is needed. They take the corporate – innovation – startup topic really serious. The but a lot of effort and money in it.

weXelerate working premises stroke for the effective space RE-organization: a structured multilayered real estate comprising efficiently in one unique building an entire cluster where main stakeholders are at reach and easy to connect. The high request of renting spaces inside the mall is a clear proof that this concept has a great value.



Also the strong commitment of private sector and the high price companies are willing to pay to get innovative startups is motivating. This reflects a great trust in the accelerator that is not easy to build in a short period.

Interesting and certainly ambitious is their system of private investments. Also the strategy of creating a coexistence between investors, business angels, startups, companies of various transversal nature in a single space is remarkable.

Especially noticed is the innovation service for corporates to get access to innovation potential of Startups and develop an innovation strategy. The corporate is the customer; the startup is part of the service.

#### What are the tools/methods/strategies you can transfer into your organization?

Wexelerate program and their service delivery approach was particularly interesting for its unique model of acceleration based on large corporates interested in connecting with international growing startups (mainly from AT and CEE countries) including the idea to concentrate the acceleration activity within a dedicated functional space located in the center of the city. The Accelerator model is driven/fueled by the “clients” that are 16 corporates/partners interested in activating innovation processes together with the selected start-ups (currently around 50 start-ups). In this perspective, start-ups and the alumni network are the added value of the Accelerator Offer for corporates. For this reason, during the acceleration program, start-ups (new batch every 6 months) are not charged for the support provided (advanced co-working spaces, guidance and contact to potential investor) neither are they required to share equity (which is quite unusual).

Partners recognized also that by concentrating a bunch of services on one place, with enough space for exchange and also equipment with the right stuff (and money) you really can move something. It would be interesting to test if in our region we can replicate the model of putting in place an agreement with a big company for start-up scouting, likely at a lower price and integrated with some other services.

Considering the involvement of large corporates another distinctiveness of weXelerate is that their services necessarily address only to growing/mature start-ups or better SCALE UPS. In this perspective, the definition of start-up is quite different from our standard reference, where “startups” denote mainly early stage high tech, digital businesses.

#### Lessons learned:

- The combination of a physical Hub with „everything in one place“ but also an online portal of mentors/experts who provide (in-kind) services free of charge
- The long-term perspective to generate commitment of corporates through a long-term (3year) membership.
- Pre-requisites to setup an Accelerator: 2 key-persons, 4 corporates, 1 building

## 2.2. VIENNA BUSINESS AGENCY

### About:

The Vienna Business Agency was founded in 1982 as the Vienna Economic Development Fund (Wirtschaftsförderungsfonds) by the City of Vienna, the Vienna Chamber of Commerce, the UniCredit Bank Austria AG (formerly the Zentralsparkasse) as well as the Erste Bank der Österreichischen Sparkassen AG (formerly the Erste Österreichische Sparkasse).



### What were the most inspiring learnings/experiences/information?

Vienna put a lot of money and effort to present itself as an interesting hot spot for Start-ups. The massive strategy Vienna Business Agency is implementing to attract international talents is impressive. There are several networking initiatives between bigger City-Hubs and Vienna puts a lot of money to be part of the bigger Hubs.

The strong link with banks and lenders is certainly a success factor. The complete package offered to international start up is very appealing and can be seen as a “free of concern” offer for a start-up who wants just to focus on running its business and increase its contact with new potential investors/partners.

The events dedicated to start-ups are winning to involve them in the Vienna services; the result is simultaneously the enhancement of the startups and Vienna ecosystem

Remarkable was to recognize that the co-creation Lab for corporate problem solving is not limited to Startups, also SME and persons can participate.



The basis of the Vienna start-up hub positioning strategy: the “hands on” internationalization offer applied by both organizations (Wex and VBA) although through different programs, aims at securing Vienna’s start-up hub as the referent ecosystem for CCE, EU and beyond (Asia) entrepreneurs seeking access to western markets and capital as well as at connecting foreign and domestic entrepreneurs with cooperation partners in the Austrian ecosystem. This is backed by the fact that Austria represents a strategic test market for the German one.

Partners would underline the fact that public resources aimed for the startup ecosystem are successfully applied to draw a unique identifiable framework where all Vienna startup stakeholders

are represented -this is particularly effective for attracting talents from CEE areas as well as capitals both from closer states in EU and internationally.

Among the actions/projects/service promoted by VBA those aimed at connecting Vienna startup ecosystem with other ecosystems both in Europe and internationally were particularly inspiring. On one side the INCOMING (SOFLANDING) offer of the Vienna Start-up Package and Vienna Business Agency initiative aimed at encouraging more international start-ups to opt for Vienna as their business location. On the other the OUTGOING offer represented by the Start Alliance's global network that makes international networking easier for Austrian located start-ups and facilitates quickly and cheaply testing new markets in North America, Europe or Asia to effectively evaluate new opportunities.

#### What are the tools/methods/strategies you can transfer into your organisation?

It could be worth to develop a start-up (softlanding) package in alliance with AT, IT and SI in the Alpe-Adriatic Region to make the region internationally visible. It will be crucial to find the niche USP for the region and it is hard to sell the added-value of cross-border cooperation.

Even though the availability of resources is completely different, we can think of some "start-up campus", two weeks, twice per year i.e., where start-ups from our region can be hosted for an established period in partners' venues and vice versa.

#### Lessons learned:

- The concept of "soft-landing"; the importance to have one reference point when you come from abroad or out of the town.

## 2.3. TABAKFABRIK

#### About:

Tabakfabrik is establishing itself as the heart of a vibrant, reimagined city district around the four cornerstones of creativity, social development, employment and education.

The relevance of these four cornerstones to Linz becomes apparent as soon as we take a look at the city's history. Linz has been and continues to be a workers' city, one of the few cities in Europe with more jobs than residents – a place where heavy industry, trade and the economy flourish. Thanks to the city's resulting financial power, it has also been possible to establish a dense network of social services and facilities here.



The expansion of educational and research institutions has furthermore been stepped up in recent years and, through the development of products with high value added, Linz has been made more

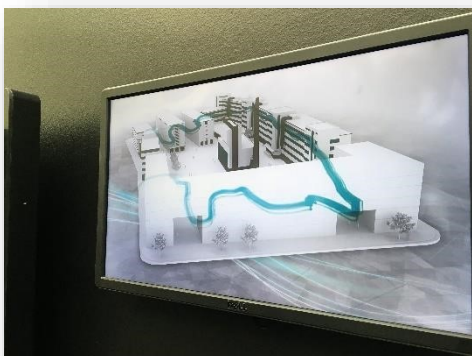


attractive as a business location. Finally, a dense network of outstanding public arts institutions and a very active independent arts scene have both developed within the city over the past four decades. The year as European Capital of Culture visibly marked Linz' coming of age as a city of the arts. The four cornerstones complement each other in content, and will be realised with a high degree of interconnectivity.

The city's aorta stretches from the Ars Electronica Center and Stadtwerkstatt, over Nibelungen Bridge to the University of Art & Design, Lentos Art Museum and Stifter Haus Literature Centre, then downriver past Brucknerhaus concert hall, Parkbad aquatic centre, the hotels lining the Danube and the beating heart – Tabakfabrik – to terminate in the Danube Port area at Posthof, Time's Up and Voestalpine Stahlwelt. Through its alignment along the river, this aorta links Linz to the Danube, increasing the appeal of the entire Danube region.

#### What were the most inspiring learnings/experiences/information?

Public administration efforts towards the requalification of this historic building is remarkable. Not only the strategy developed addressed the requalification of a building, but rather it was an investment for the entire neighbourhood, with the aim of creating a hotspot for innovative companies, co-working spaces, business angels... encouraging networking and business development.



The recovery of an ancient space of architectural and historical value is an inspiration for those who live it and those who "observe" it from the outside. Its only existence, within an area like Linz, generates a process of development of local high-level entrepreneurship, and makes Linz become an attraction for the whole of Austria.

It was impressive to see the requalification of a considerable part of the renewed building dedicated to start-ups: starting from the ongoing project of the "STRADA DEL START UP" a 230-meter-long "indoor promenade" part of a larger complex including Factory 300 and a workshop for prototypes, for a total of 7000 square meters dedicated to start-ups. With a potential (from what we learned during the visit) of 3,000 square meters of additional space within the tobacco factory to be dedicated to start-ups!

For implementing such a hot-spot a vision and money is needed. The City of Linz bought this historical listed building for € 17 Mio. and is ready to invest much more money to transform the vision into the reality.

What are the tools/methods/strategies you can transfer into your organisation?

Veneto have several similar initiatives, yet rarely the requalification goes beyond the simply refurbishment of physical spaces for reselling or renting. It would be nice to propose a similar project to some local public administration, concerning already refurbished buildings that still doesn't have a destination.

Lakesidepark recognized tha interactive Info-Screens could be useful for event area Lakeside Spitz. Also giving (cheap) space to creative and social businesses/initiatives/cooperation could result in attraction of entrepreneurs.

Principally the architecture and structure and also how the existing companies adapting it is very cool.

## 2.4. FACTORY 300

About:

Factory 300 is the meeting place for startups, founders, investors, innovative corporates and startup supporters. Burst filled with workshops and events, intertwined with the Business Angel Network startup300. Driven by the overwhelming spirit of entrepreneurship, the business cases of digital transformation arise here.

The factory300 is also a meeting place for established companies and startups. Innovative companies and leading companies can join the largest startup ecosystem in Austria here. Here you will find answers to questions of digital transformation, meet digital talents and exciting disruptive business models.

What were the most inspiring learnings/experiences/information?

The really easy atmosphere and the beautiful location of the co-working was impressive. We usually tend to forget that the location in which we are working is fundamental for the positive generation of ideas and synergies.

It was also interesting to see the market that private investors see in investing and supporting innovative ideas. This means that the start-up ecosystem is growing and have very good economic potential.





The "Spartan Style" represents a winning mentality, without fear and with great ambition.

A good idea is to transport in the physical space, the path of birth, development and affirmation of the start-up, in a hypothetical "journey" along the long corridor of the building. In general it looks like a marketing campaign for VC-network, backed up with events and a cool space, but even related Start-ups do not have to be present.

It is a big playground for big boys. It's an image project of the business angels guys. For them it makes absolutely sense to have a homebase like this.

### What are the tools/methods/strategies you can transfer into your organisation?

Lessons learned:

The easiest aspect we can transfer is the space organization of the co-working and the access management (no - physical reception, free access upon registration, etc.).

the approach to develop new services aimed at supporting late/growth start-ups and innovative SMEs,

- the possibility to enlarge our network with the contacts collected , thus enlarging our organization Offer mainly for growing startups and innovative SMEs looking for mentors/investors/partners in the Alpe-Adriatic region;
- the possibility to implement/test some of the services aimed at connecting start-ups with other EU and international hubs;
- the agile exchange of information and network activation of the Alliance's global network could be particularly useful for boosting the Alpe Adria Platform both internally and internationally.

The basis for this is

- a public or private investor for providing the building,
- time – it needs a lot of time because things evolve slower than planned □ a really good and an attention-grabbing marketing campaign.

## 2.5. Summary

The whole program of the visit was interesting for different reasons: in some cases, although the models applied were not new it was stimulating to see the results of their implementation (ie. Publicprivate co-investment and startup support actions integrated; international exchange platforms for startups, the effective unique selling proposition strategy adopted: "Vienna startup hub for CEE talents and best quality life town"). In other cases the method applied was new to us and learning

the experience directly from those who designed and implemented was of great interest: for example with reference to WeXelerate business model and its development.

From all the visits at weXelerate, VBA, Tabakfabrik and Startup 300 it emerged that Vienna's & Linz startup Hub success and attractiveness is also a result of the effective combination between generous government subsidies together with a substantial amount of private capitals, combined with a good access to tech and creative talent, as well as the presence of large corporates looking for innovation partners /ideas.

Last but not least the reinvention of urban spaces with impact on economic and social level was also of great interest for us. Starting from the visit to WeXelerate premises where a real estate changed from a central shopping store to an innovation Cluster, ending with the Tabakfabrik striking transformation. Here one of the most consistent industrial buildings in central Europe, a heritagelisted industrial complex that is a huge work of art is now "a vibrant, reimagined city district around the four cornerstones of creativity, social development, employment and education.