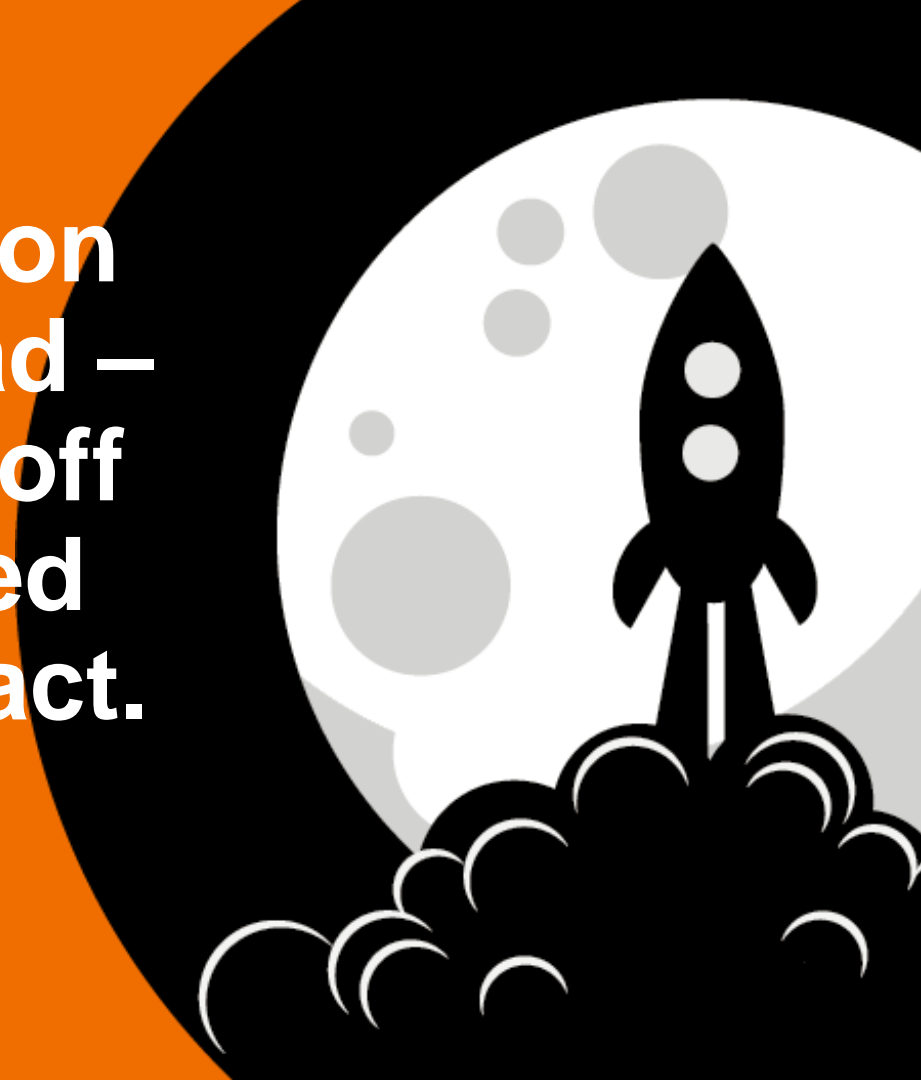



**Key learnings on  
VTT LaunchPad –  
fundable spin-off  
ventures geared  
for global impact.**

**5 years**



# Great to meet you!

Lotta Partanen

- Founder of VTT LaunchPad spin-off incubator
- Inspired by unusual perspectives, technology, arts and people. A business punk, passionate to orchestrate innovation revolution and drive impact.
- VTT 2019 –
- Corporate innovation roles at Nokia, Philips, and Fortum.
- By age of 20 was living in the 7<sup>th</sup> home country. 





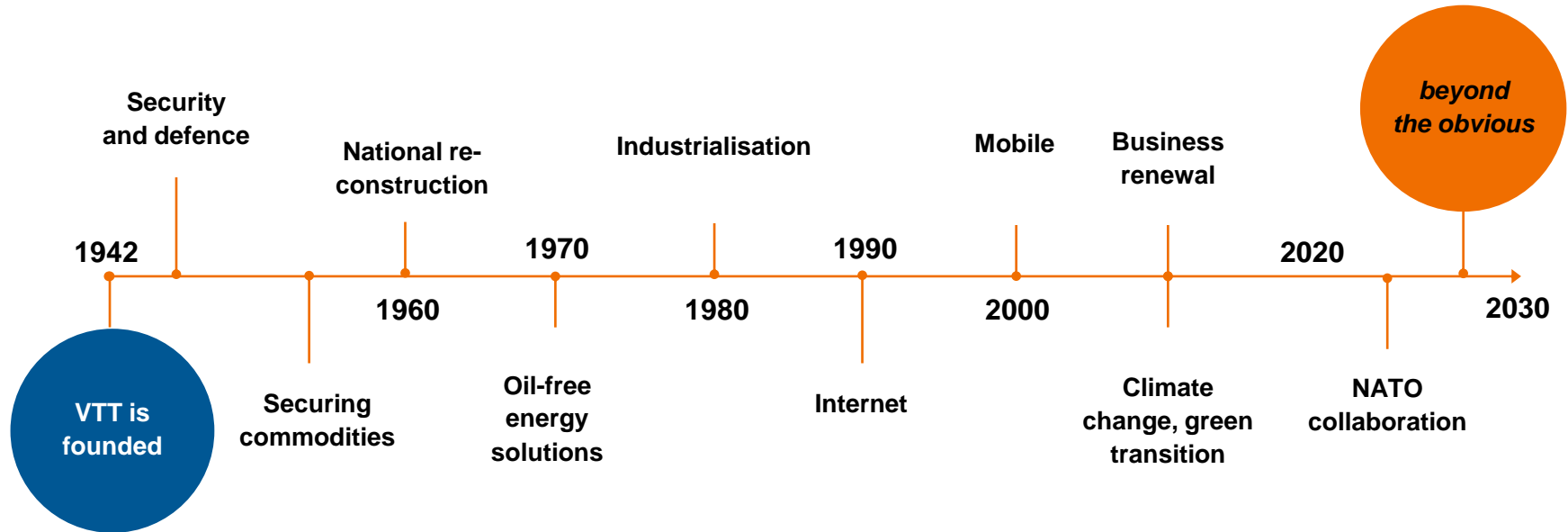
VTT

# VTT – your research, development and innovation partner

24/10/2024 VTT – beyond the obvious

“Did you ever think we could grow coffee in a lab in Finland, make egg white without chickens, solve energy challenges with small nuclear reactors or scale up quantum computer towards 300 qubits?”

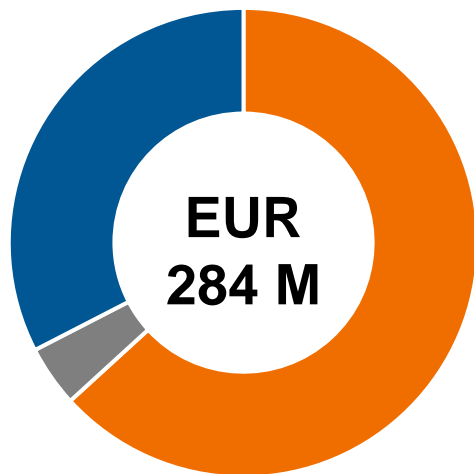
# More than 80 years of excellence and solving societal challenges



## OUR PURPOSE

We bring together people,  
business, science and technology,  
**TO SOLVE THE WORLD'S  
BIGGEST CHALLENGES,**  
creating sustainable growth,  
jobs and wellbeing.

## VTT today



**188 M€**

net turnover

**7.1 M€**

other operating income

**89.1 M€**

government grant

**2,355**

employees

**86%**

have completed a  
university degree

**45%**

of net turnover  
from abroad

**450**

patent families

**VTT**

is under the state ownership steering of the Ministry  
of Economic Affairs and Employment of Finland

# We work together and create solutions to global challenges



**Carbon neutral solutions**




**Digital technologies**



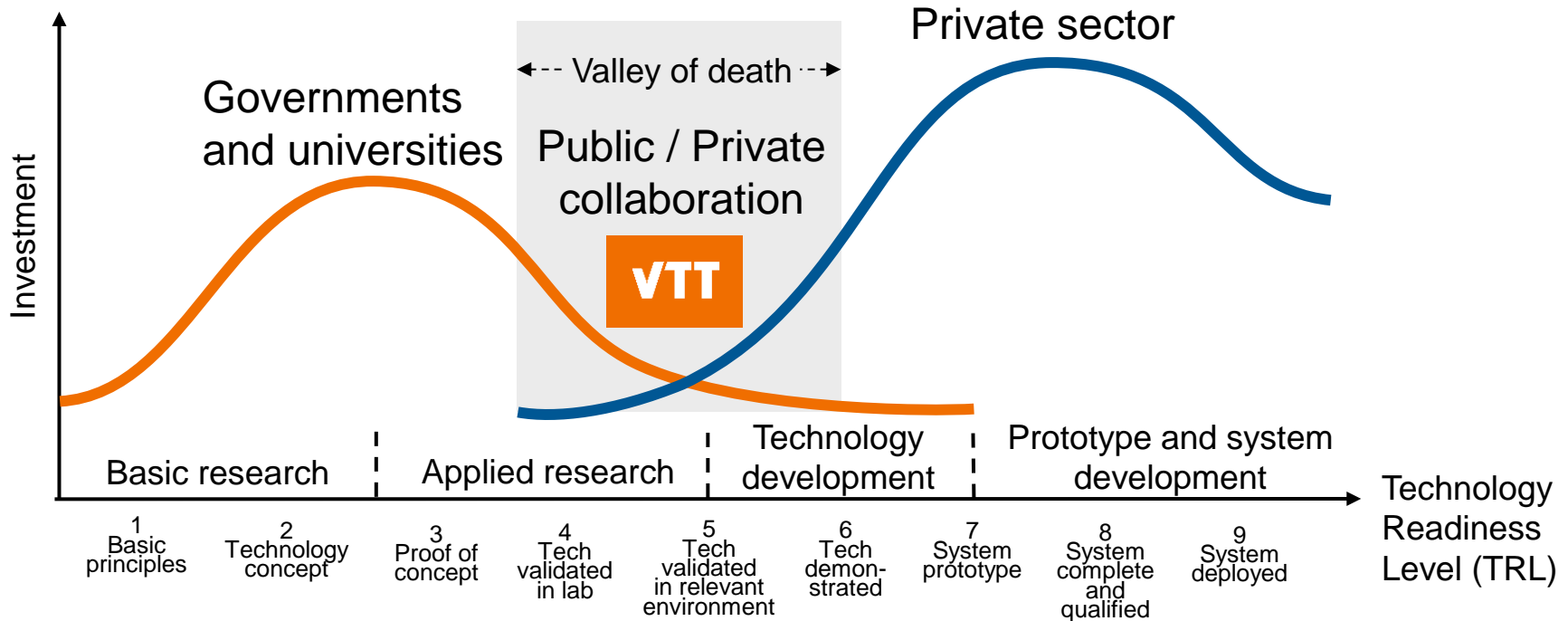
**Sustainable products and materials**



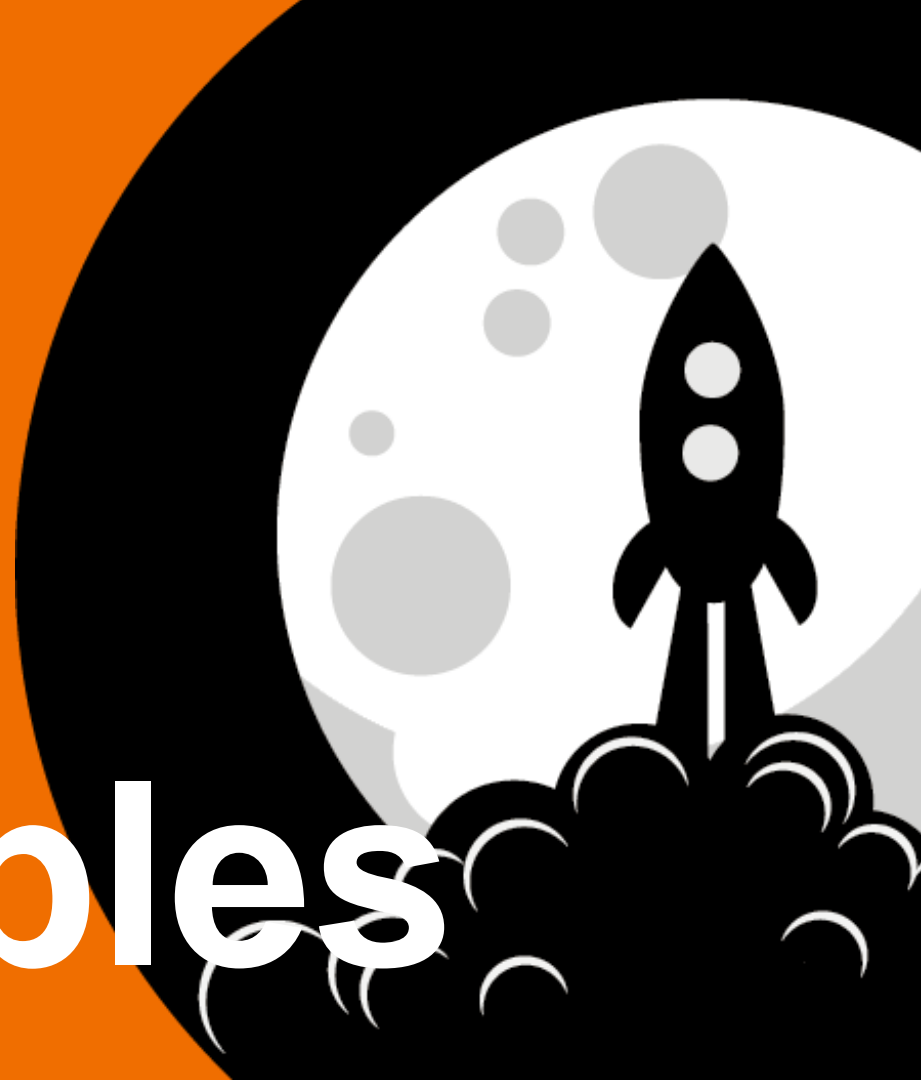
A person wearing a blue VTT jacket and a white helmet is holding a clear, cylindrical object. The person's face is partially obscured by the object. The background is a blurred blue wall. The VTT logo is visible on the person's jacket.

**At VTT, we believe  
that true  
innovation is born  
where an  
exceptional  
business idea is  
backed up with  
science.**

# We help our customers turn science into practical innovations



# 5 principles



**As a state-owned RTO, VTT's task is to create an impact of change in society and industry by accelerating their renewal.**

**The main method is technology transfer.**

# Principle 1

**Aim for global impact.**



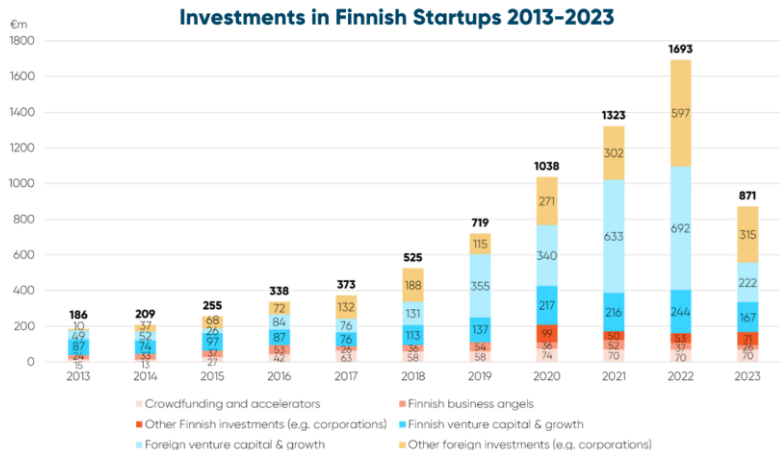
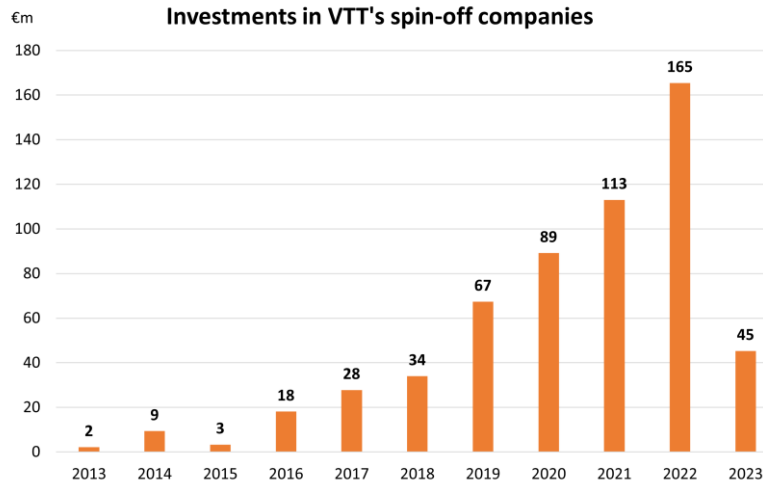
# Strategically assess, how might the technology create the most powerful impact of renewal?

**In-kind investment of technology to well funded spinoff company**  
that uses all its resources on bringing the solution to market and scaling it as soon as possible.

OR

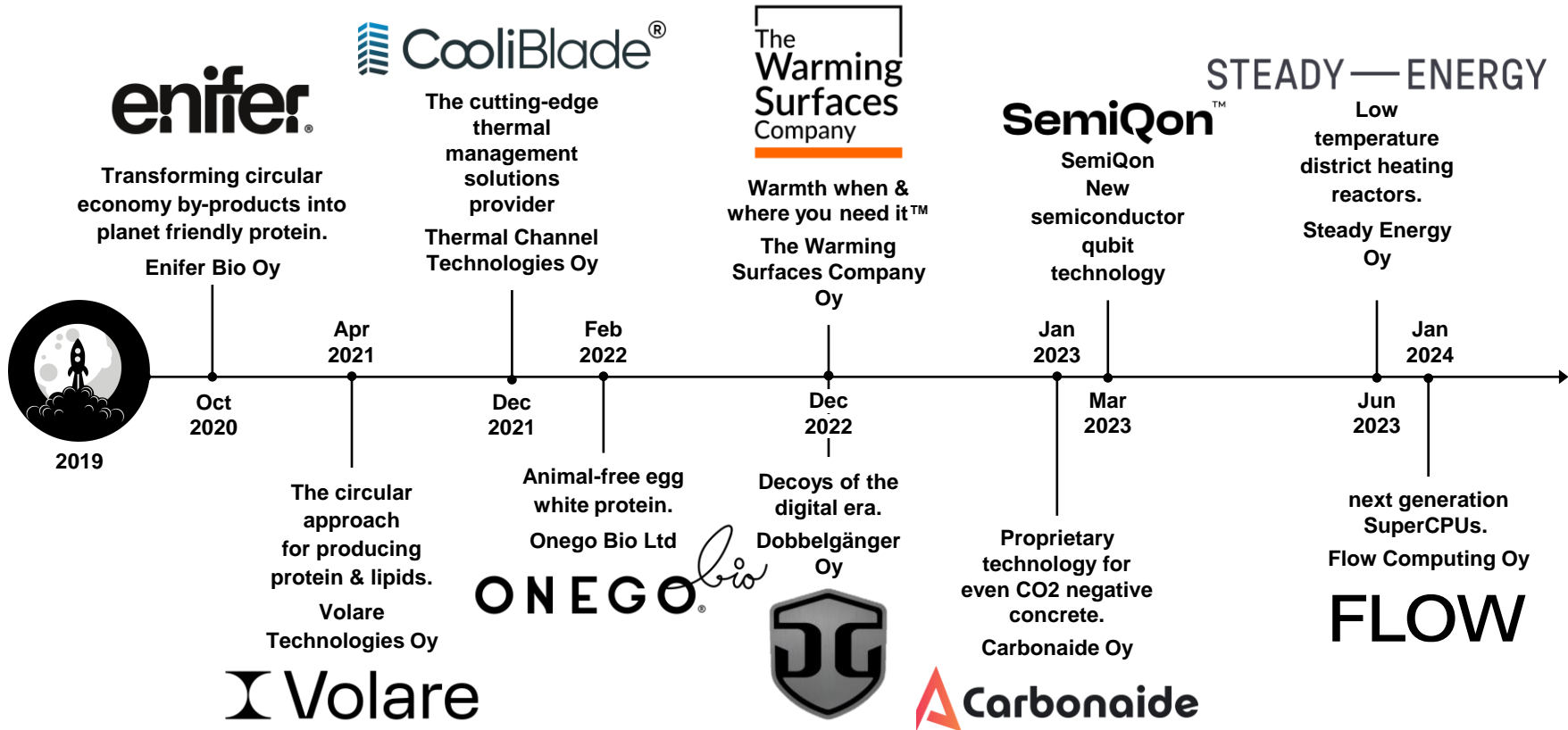
**Contract research with established industry.**  
VTT licenses and sells VTT IPR and helps the customer create new IP.

In the past five years, 28 VTT spin-offs raised 480 M€ in investments, amounting to 8,5% of the equity capital funding raised by all Finnish startups.



EUROPE'S LEADING  
**START-UP HUBS**  
2024

# Funded spinoffs from VTT LaunchPad





# Principle 2

**Steer for global impact.**



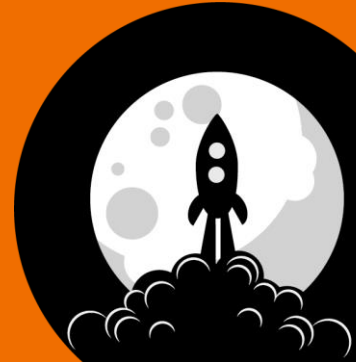
10 years from now,  
what is the magnificent global impact  
created with this technology ?

IN 10  
YEARS

What do you need to  
do and with whom?

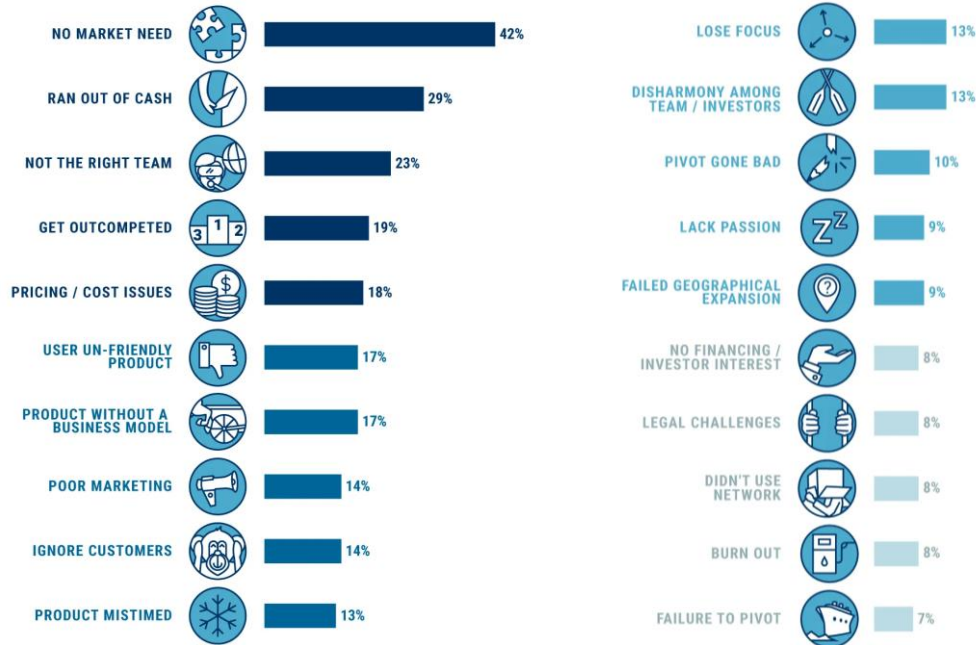
NOW

In 3 years,  
where do you need to be  
to be on the right track?



# Steer the incubation teams to build the best team and best company culture.

BASED ON ANALYSIS OF 101 STARTUP POSTMORTEMS  
Top 20 Reasons Startups Fail



**Steer the incubation teams to attract the best possible investors and the most competitive funding.**

PitchBook Products Solutions Data News & Analysis



**Empowering capital  
market professionals to  
win what's next**

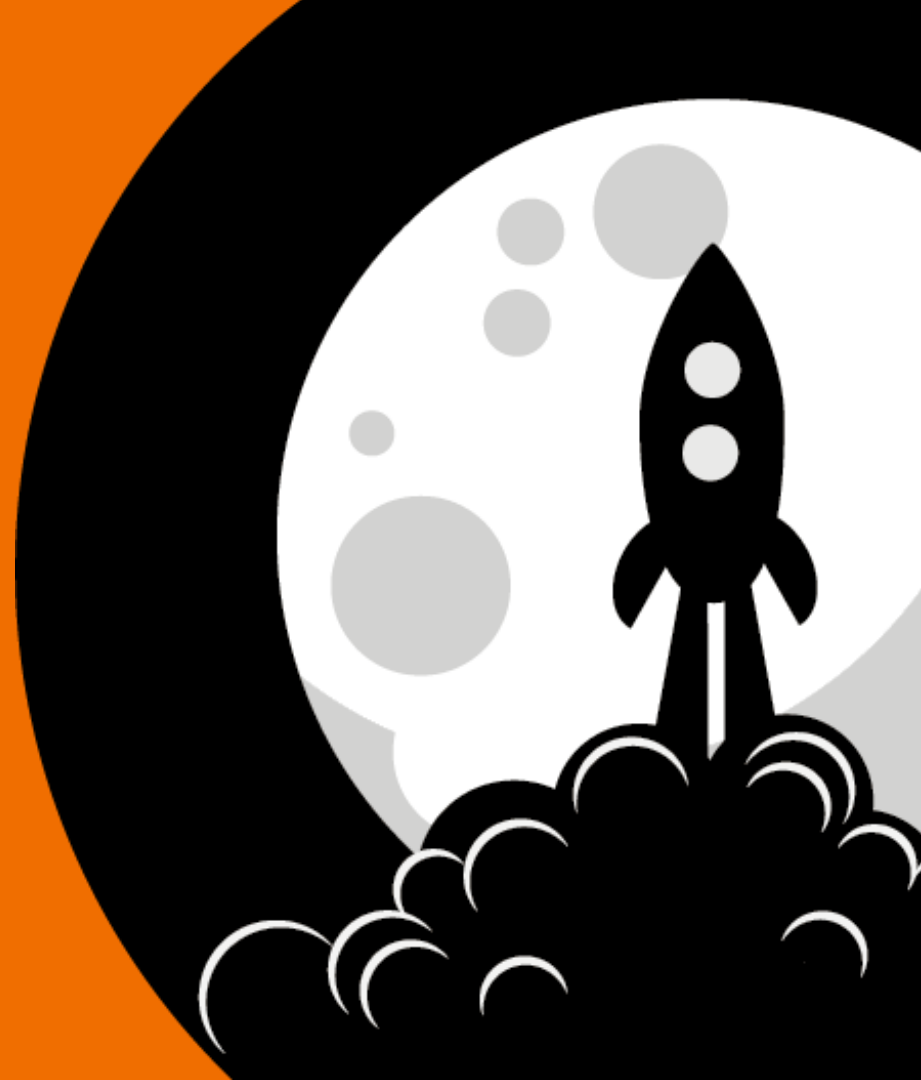
The top provider of global financial data, research, and insights.



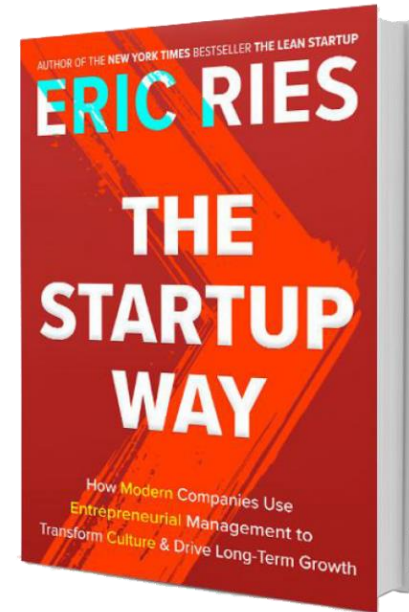
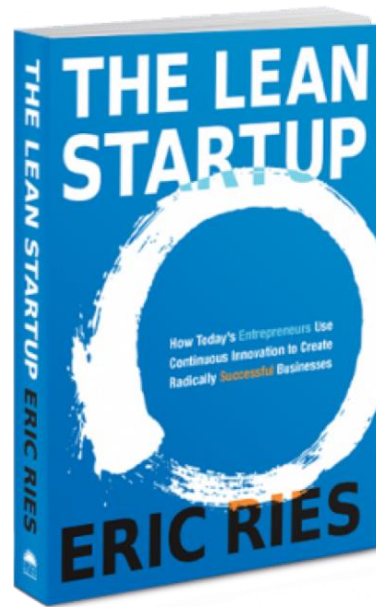
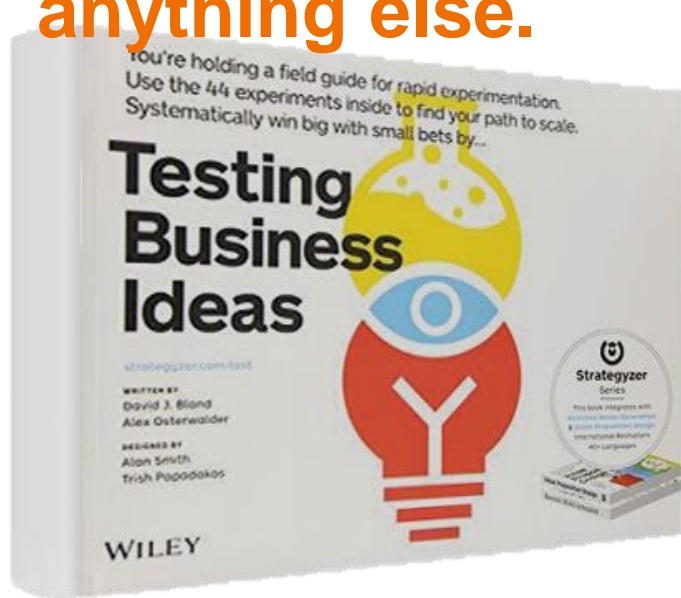
**hello  
tomorrow**

# Principle 3

**Avoid waste!**



**Time is startup's scarcest resource.  
Use it only on what is most important to  
do right now, before it is worth doing  
anything else.**



## Principle 4

**Create and communicate  
clarity.  
Incubation processes  
must also avoid waste.**



# Process and Practices, Spinoff Guidelines and Incubation Undertaking.

**VTT** Guideline **VTT LaunchPad spinoff incubation process and practices** Version 9  
Valid from: 4.12.2023 1 (7)

## VTT LAUNCHPAD SPINOFF INCUBATION PROCESS AND PRACTICES

### Contents

- 1 What is VTT LaunchPad.....1
- 2 VTT LaunchPad Incubator team and roles.....2
- 3 Operating principles.....2
- 4 How to join the incubator.....2
- 4.1 Entry criteria.....2
- 4.2 Business Finland Research to Business (R2B).....2
- 5 Incubator undertaking.....2
- 6 Funding.....3
- 6.1 VTT LaunchPad funding.....3
- 6.1.1 How venture teams can get funding from the incubator.....3
- 6.1.2 What VTT LaunchPad does not fund.....4
- 7 Incubation program.....4
- 8 External partners and investor relations.....5
- 9 Entrepreneur-in-Residence (ER) and other external venture team members.....5
- 10 Exit from the incubator.....6
- 10.1 Fundable spinoff.....6
- 10.2 No spinoff.....6
- 11 BA & VTT LaunchPad collaboration.....6
- 12 VTT LaunchPad incubator steering.....6
- 13 Revision history.....7

### 1 What is VTT LaunchPad

The science-based incubator VTT LaunchPad delivers VTT's strategy to renew industries and society by spinning off companies built on VTT owned technologies. The incubator brings VTT researchers and IPR together with the best business minds and investors.

VTT LaunchPad is committed to develop high quality, fundable spinoff startups that aim for great global impact. VTT creates value out of VTT owned IPR by investing it into growth companies. In this context, fundable startup refers to a growth style business that is on track to become funded by venture capital, angel or strategic investing in the typical seed / A / B round structure. Since the first couple of years will typically produce limited revenue and will typically be cash flow negative due to all the investments needed to get the venture off the ground, there needs to be "a path to greatness" for investors to take notice.

VTT's success in spinoff creation is measured by the key performance indicator KPI 3b, which tracks the amount of capital investments attracted by our past spinoffs annually.

VTT internal guidelines regarding a spinoff development are defined in the [Spinoff guidelines](#) (VTT Handbook).

### 2 VTT LaunchPad Incubator team and roles

Manager Incubation and Acceleration leads the incubator, is responsible for its development and as the project manager, makes the financial decisions of the use of the VTT LaunchPad budget according to VTT approval rules and Co-boundaries.

Manager Spinoff Incubation coordinates the R2B-funding applications and interface with Business Finland VTT-wide and manages the incubation program.

Manager IPR investments participates in the venture teams spinning and leads the investment-in-kind process.

Business Analyst offers business development support to venture teams, such financial and investment planning

Sub-Value Stream: Strategic steering  
Document owner: Pärnäs Lotta  
VTT INTERNAL - ID: VTT-480  
Printed: 9.11.2024

**VTT** Guideline **Spin-off guidelines** Version 9  
Valid from: 4.12.2023 1 (4)

## SPIN-OFF GUIDELINES

### Contents

- 1 Background.....1
- 2 The commercialisation process and spin-offs.....1
- 3 Financed planning as part of the commercialisation process.....2
- 4 Spin-off preparations during VTT working hours.....2
- 5 Notification on secondary occupation.....2
- 6 Part-time VTT employment when working for a spin-off company.....2
- 7 Full-time unpaid leave.....2
- 8 Conflicts of interest.....3
- 9 Other employee obligations.....3
- 10 IPR and confidentiality, agreements and contracts.....3
- 11 Revision history.....4

### 1 Background

Commercialisation of research results is essential to VTT's purpose and creating impact. Commercialisation takes place through commissioned customer research projects, licensing and technology transfers to new companies (spin-off companies). Government grant can be used at an early stage of the preparation of a spin-off (e.g. VTT Launchpad, Research to Business (R2B, prev. TULT) projects). However, the Government grant cannot be used to benefit or finance any existing commercial operators or companies.

### 2 The commercialisation process and spin-offs

Sub-Value Stream: Customer relationship and business development  
Document owner: Pärnäs Lotta  
VTT INTERNAL - ID: VTT-480  
Printed: 18.8.2022

**VTT** 116

**PLEASE DELETE THIS INSTRUCTION BOX BEFORE SIGNING**

All VTT employees joining the deep tech incubator VTT LaunchPad are required to sign this Incubator Undertaking. The Undertaking's purpose is to outline the terms and conditions you must comply with when participating to the incubator's activities. If you have any questions about the content of this Undertaking, please contact [etunna.sukunniemi@vtt.fi](mailto:etunna.sukunniemi@vtt.fi).

### Incubator Undertaking

for Teknologian Tutkimuskeskus VTT Oy ("VTT") LaunchPad ("Incubator")  
(hereinafter referred to as the "Undertaking") made and entered into by

Name of the Incubator team: \_\_\_\_\_

(hereinafter "Team")

Names of the VTT employees participating in the Team: \_\_\_\_\_

\_\_\_\_\_

(hereinafter individually as "Member" and jointly "Members")

Each Member hereby independently agrees as follows:

### 1. Background and Purpose

1.1 The purpose of this Undertaking is to outline the terms and conditions under which the Members will participate in the Incubator and develop a spinoff venture.

### 2. Content of the Undertaking

2.1 This Undertaking consists of these terms and conditions and the following annexes:

- Annex 1 VTT LaunchPad spin-off incubation process and practices (hereinafter "Incubation Process and Practices")
- Annex 2 Spin-off guidelines

TEKNOLOGIAN TUTKIMUSKESKUS VTT OY  
Toukokuu 01, Etelä  
PL 1050, 02044 VTT, SUOMI  
Y-tunnus 2947375-4

LaunchPad\_pohjatekstit (Suomi) Sukunniemi  
Titteli  
etunna.sukunniemi@vtt.fi



# Clear incubation objectives, so individuals understand what is expected

## Market Readiness Level (1-10)

How well do you know & serve your customer and build a sustainable business?

## Product Readiness Level (1-10)

How mature is your product and how mature does it need to be to gain financing?

## Team Readiness Level (1-10)

Does your team demonstrate the capability of developing into a fundable startup?

## Financing Readiness Level (1-10)

How well are you ensuring the financing options for your venture?

## VTT Readiness Level (1-10)

The VTT process you need to comply with.

# Quick and easy to use access to incubation project funding.

VTT

## Actions

- The next central hypothesis (biggest and most significant uncertainty) is to demonstrate...
- This hypothesis is tested through
  - X
  - Y
  - Z
- The outcome is measured by
  - X
  - Y
  - Z

05/10/2024 VTT – beyond the obvious

VTT

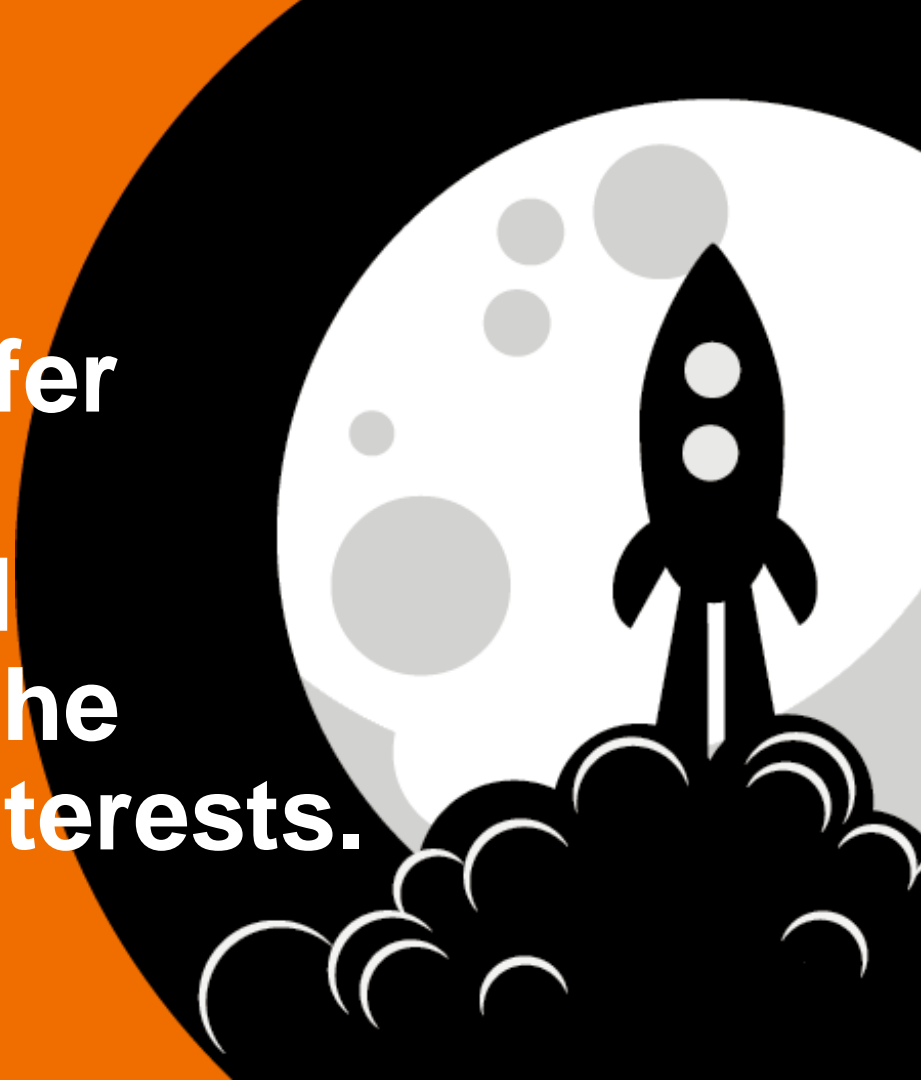
## Resources and schedule

- To test this hypothesis, the needed resource is XXX €, which will cover...
- Action point/task X will be done by (date), action point/task Y by (date)...

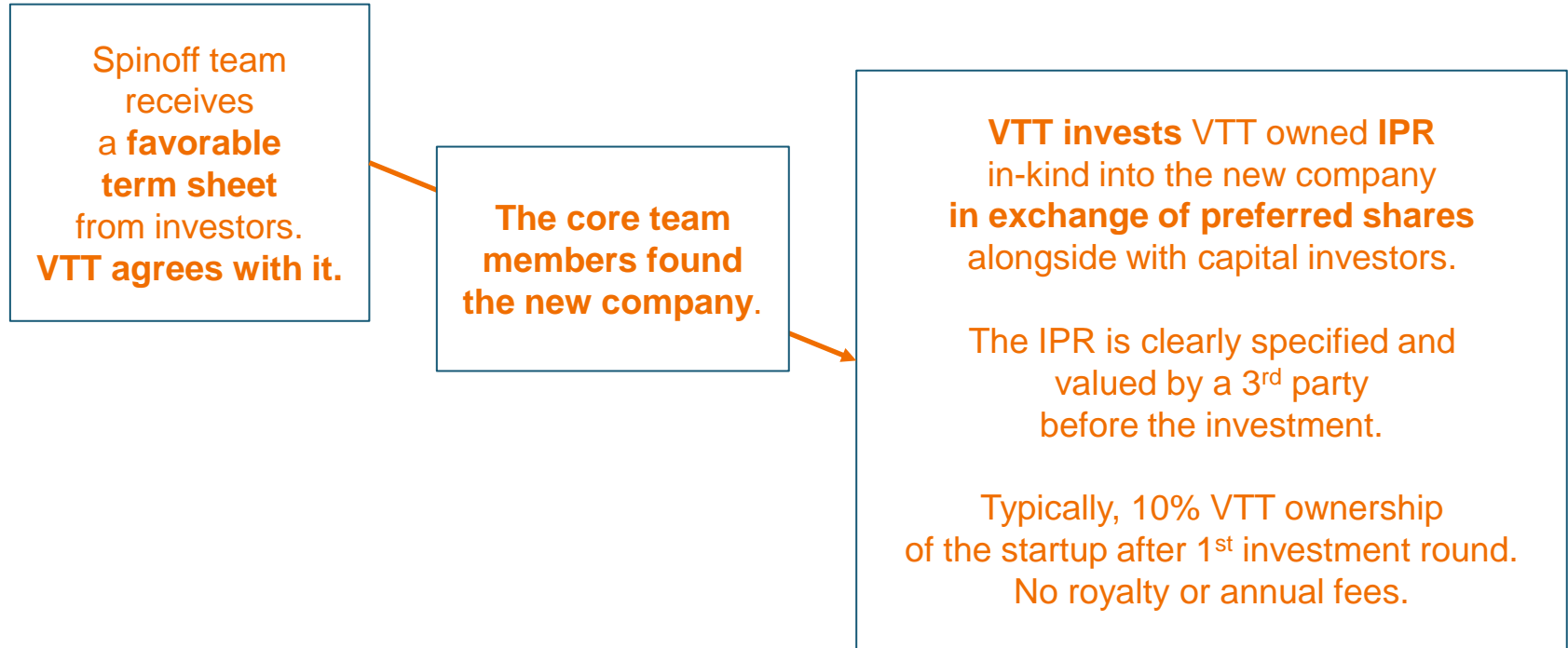
05/10/2024 VTT – beyond the obvious

# Principle 5

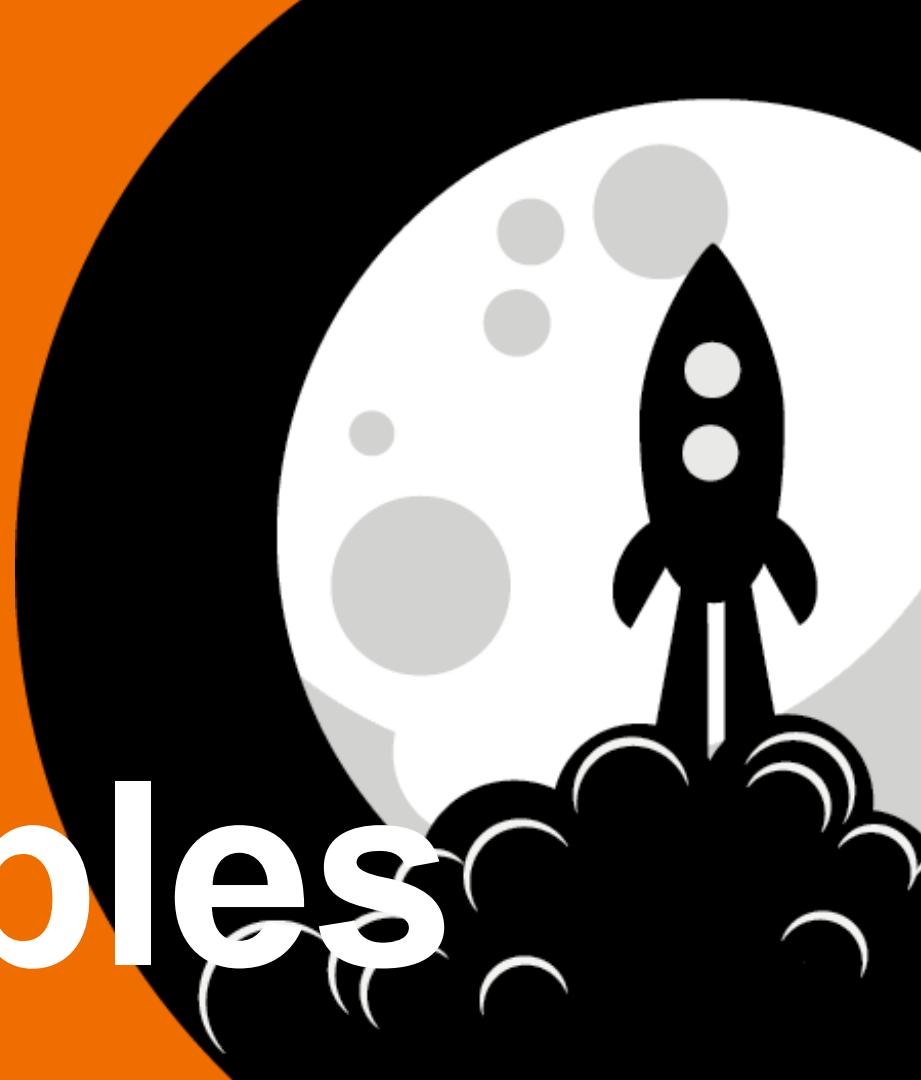
**Technology transfer terms that enable global impact and are respectful of the taxpayers' best interests.**



# VTT technology transfer to a startup is guided by potential to create impact.



# 5 principles



1. Aim for global impact
2. Steer for global impact
3. Avoid waste
4. Communicate clarity
5. Technology transfer terms  
for global impact

# 5 principles

# Favorable Business Finland programs that support deep tech startup creation

## For the research institution

- Funds Research to Business projects in public research organizations where the project team prepares a research-based product or service idea for commercialization and carries out applied research which support the commercialization.
- The purpose is to clarify the potential exploitation paths of the solution and to help choose the most promising paths and ways that can lead to business either in a new start-up or in an existing company.
- Funds 70 % of the total cost of projects of max. 700 000 €.

## For the spinoff company

- Offers funding for research, product development, and many kinds of business development needs, especially for small and medium-sized companies. Large companies and research organizations can receive funding for joint projects with smaller companies.
- 2023 launched the Deep Tech Accelerator pilot funding call in spring. The aim was to promote the use of research results in business operations and to accelerate both market access and international growth. The total funding consists of two phases, the first of which is an EUR 400.000 grant and the second an EUR 1 million loan.

# bey<sup>0</sup>nd

## the obvious

Thank you!

Lotta Partanen  
Head of Incubation and Acceleration  
Lotta.Partanen@vtt.fi

[vttresearch.com](http://vttresearch.com)