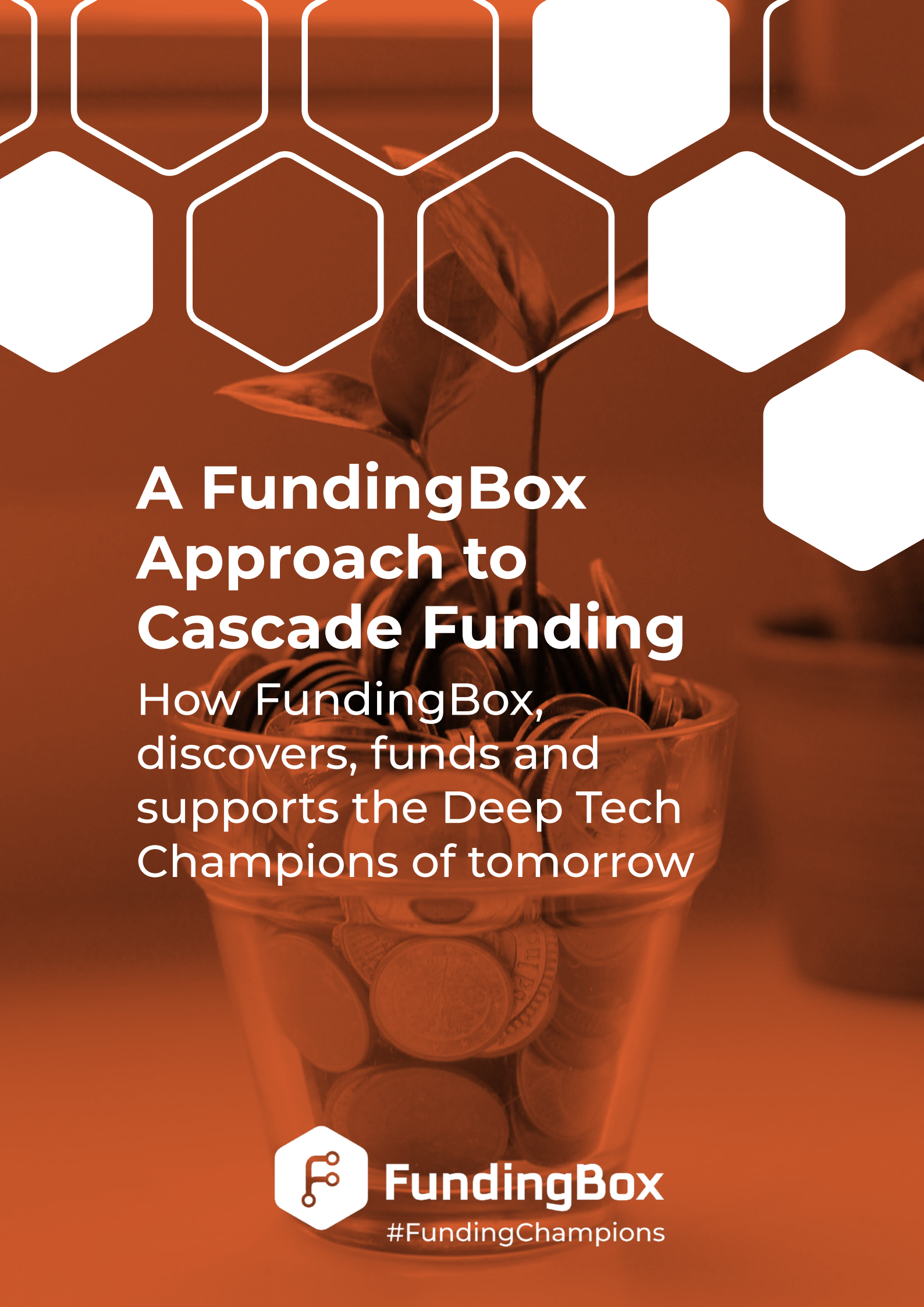

A FundingBox Approach to Cascade Funding

How FundingBox, discovers, funds and supports the Deep Tech Champions of tomorrow

FundingBox

#FundingChampions

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A few words of introduction

"The best invention of the European Union since the Erasmus programme is called cascade funding and it offers researchers and startups a financial boost that is about to change forever (and for the better) the entrepreneurship and innovation landscape in Europe."

Sanyu Karani
Co-founder & Executive Chairman at FundingBox

Innovators play a vital role in the economic development of any country. They bring new products, services and processes that contribute to creating new markets, transforming existing industrial value chains, providing new jobs and business opportunities and overall, improving the quality of the way we live and work.

However, accessing external financing for innovation has been a massive challenge for European businesses and innovators. Easing access to funding for innovation for entrepreneurs, startups and SMEs has been part of the agenda of the European Commission for decades but is was not until 2013 that such a challenge found a solution in the shape of a truly revolutionary mechanism that unlocks and speeds up access to financial resources for innovators: **Cascade Funding**.

Were you even aware that cascade funding existed and that it has been playing a major role to put Europe at the forefront of digital innovation?

Cascade funding works like this: the European Commission sets a technological scope (e.g. industrial collaborative robots or smart mobility) to champion and invest in. This is where next generation intermediaries, public and private, appear on stage. They are in charge of **discovering** European innovators, **screening** them and finally **handpicking** the most promising ones who will then be receiving funding. Such a process follows four main criteria established by the European Commission: **transparency, fair treatment, no conflicts of interest and confidentiality.**

With a 30-year long tradition of helping pioneer organisations obtaining public funding, FundingBox is one of these next generation intermediaries, allowing the money to “cascade” from European programmes to innovators. FundingBox is now a cascade funding leader with more than €143 million distributed. Not to mention that the company is involved in more than **35 cascade funding projects** related to a variety of sectors such as Smart Manufacturing, AI, Robotics, Internet, IoT, Blockchain, EdTech, Circular Economy and Digital Innovation Hubs.

This is why we would like to present our methodology to select the most talented innovators on the market.

We hope this report helps you to understand what cascade funding is and how it can help you boost innovation in your value chain. We encourage you to partner with us to support the European deep tech ecosystem. Together, we can contribute to making a positive impact on the world by fostering digital innovation.

Xabi Chao
Founder & CEO

The FundingBox results in numbers

"Cascade funding is a very good mechanism for testing digital solutions that can help European companies to increase their competitiveness. It is easier to obtain than traditional grants and it is also a very good opportunity for connecting with excellence competence centers all around Europe. At FundingBox we not just guarantee the smoothest application process but we also define impactful supporting programmes that complement the funding and thus help our beneficiaries in full deployment of their digital solutions."

Mayte Carracedo
Partner & Chief Business Development Officer

1. Organisation of open calls[1]

74
Funding opportunities[2] organised so far

37
Funding opportunities foreseen

€143M
Total funding for beneficiaries[3] managed by FundingBox

€35M
Funding distributed so far

2. Nominations

10,802
Total number of applications so far

90
Number of countries where applications come from

3. Selection

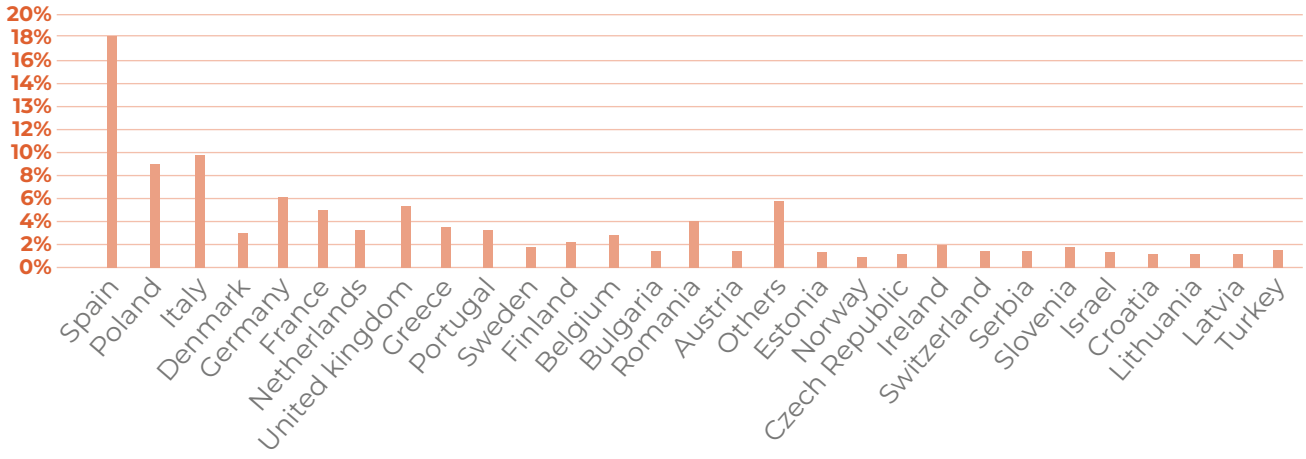
840
Number of beneficiaries so far

36
Number of countries where beneficiaries come from

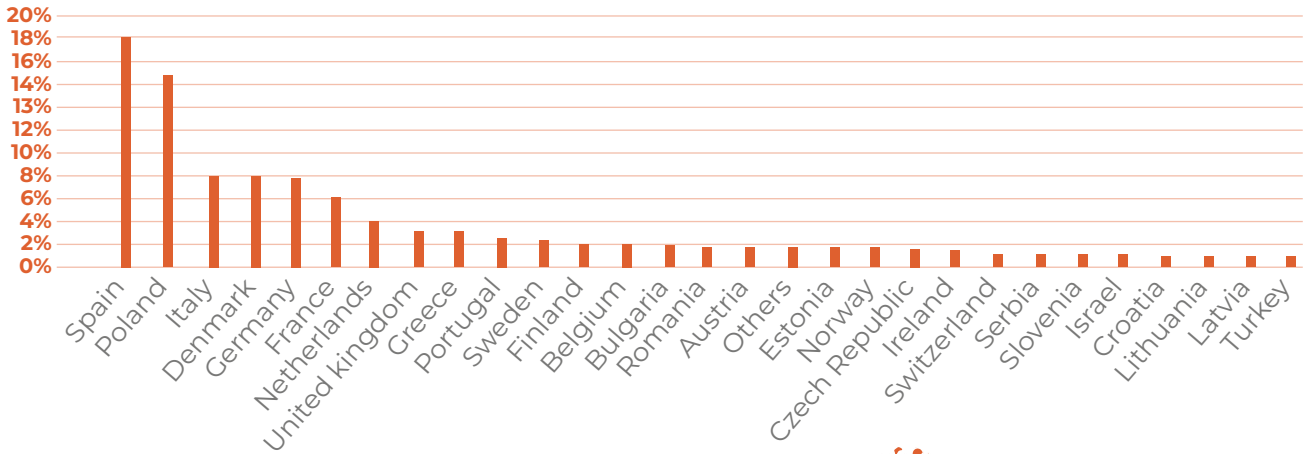
€110,000
Average amount foreseen to be distributed to future beneficiaries

1 The funding opportunities data presented was collected until June 2021.
2 The common designation for funding opportunities in the European cascade funding jargon is open innovation call as we will see in the next section.
3 In the European cascade funding jargon, funding for beneficiaries is designated as Funding Support to Third Parties (FSTP).

Submitted applications to FundingBox funding opportunities per country

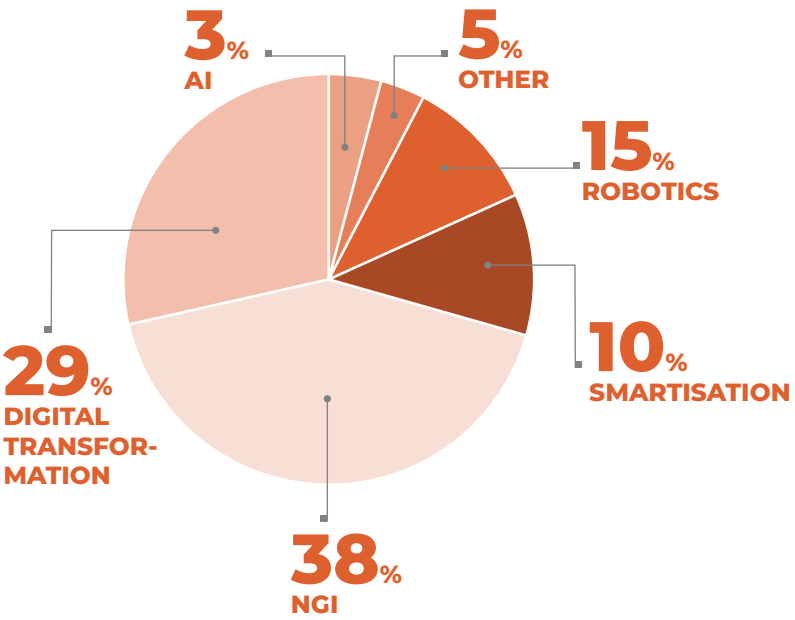


Beneficiaries of FundingBox funding opportunities per country



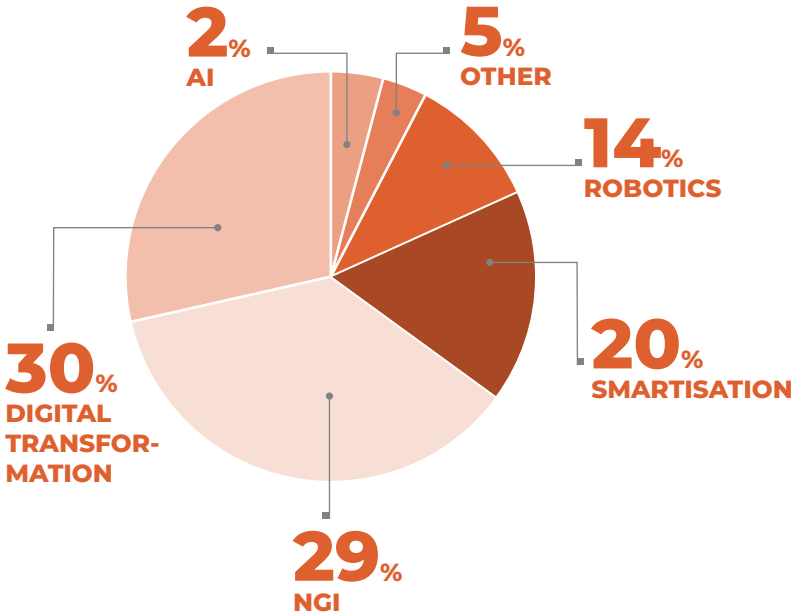
FundingBox has received submitted applications from 90 countries (86% from European Union countries) and has eventually distributed funding to applicants from 36 countries (69% from European Union countries) taking into consideration data from 8,200 applications.

Technology area of the submitted applications to the funding opportunities managed by FundingBox

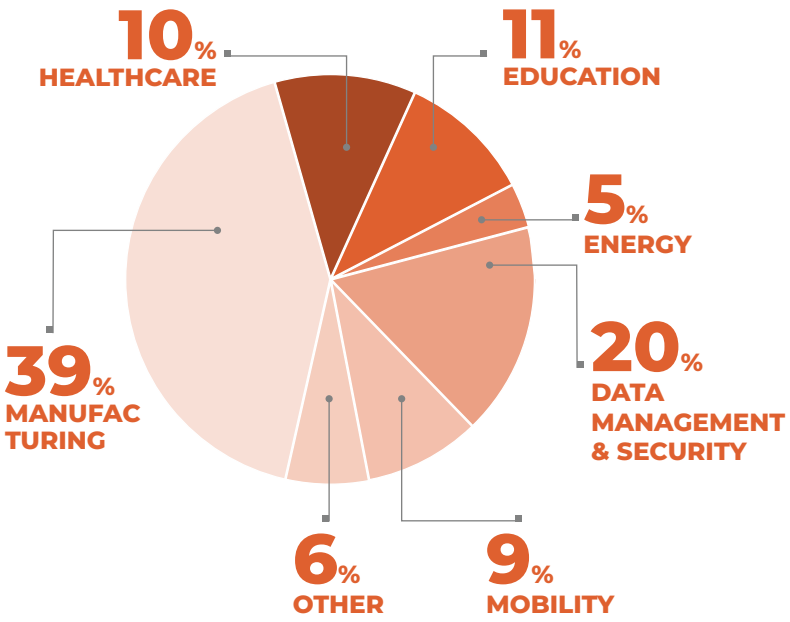


The technology areas related to Next Generation Internet and Digital Transformation account for more than two-thirds of the total number of the submitted applications (considering 7,000 in total). However, it is expected that the trend will be in favour of Artificial Intelligence-related applications in the near future as the number of funding opportunities in this fields is growing. The same can be said about selected applications (see graph below).

Technology area of the selected applications to the funding opportunities managed by FundingBox



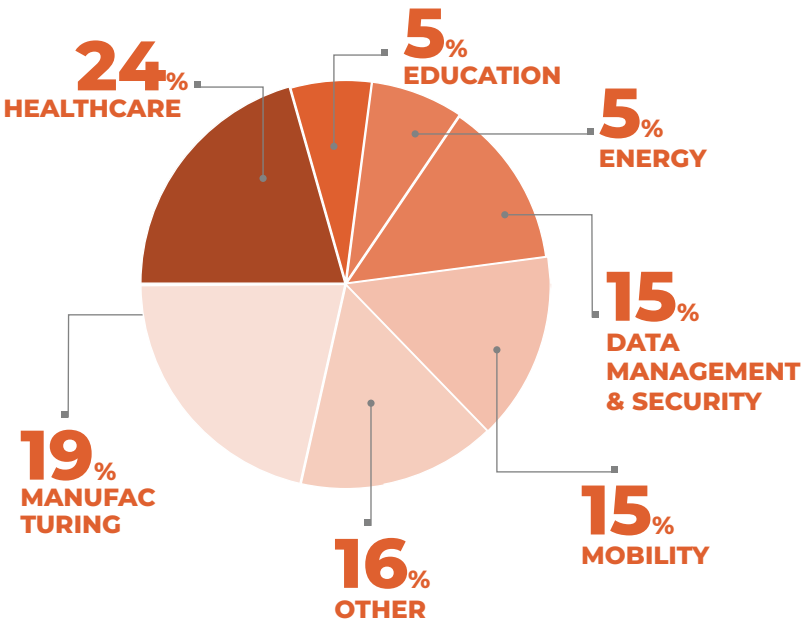
Submitted applications to FundingBox funding opportunities following the industry



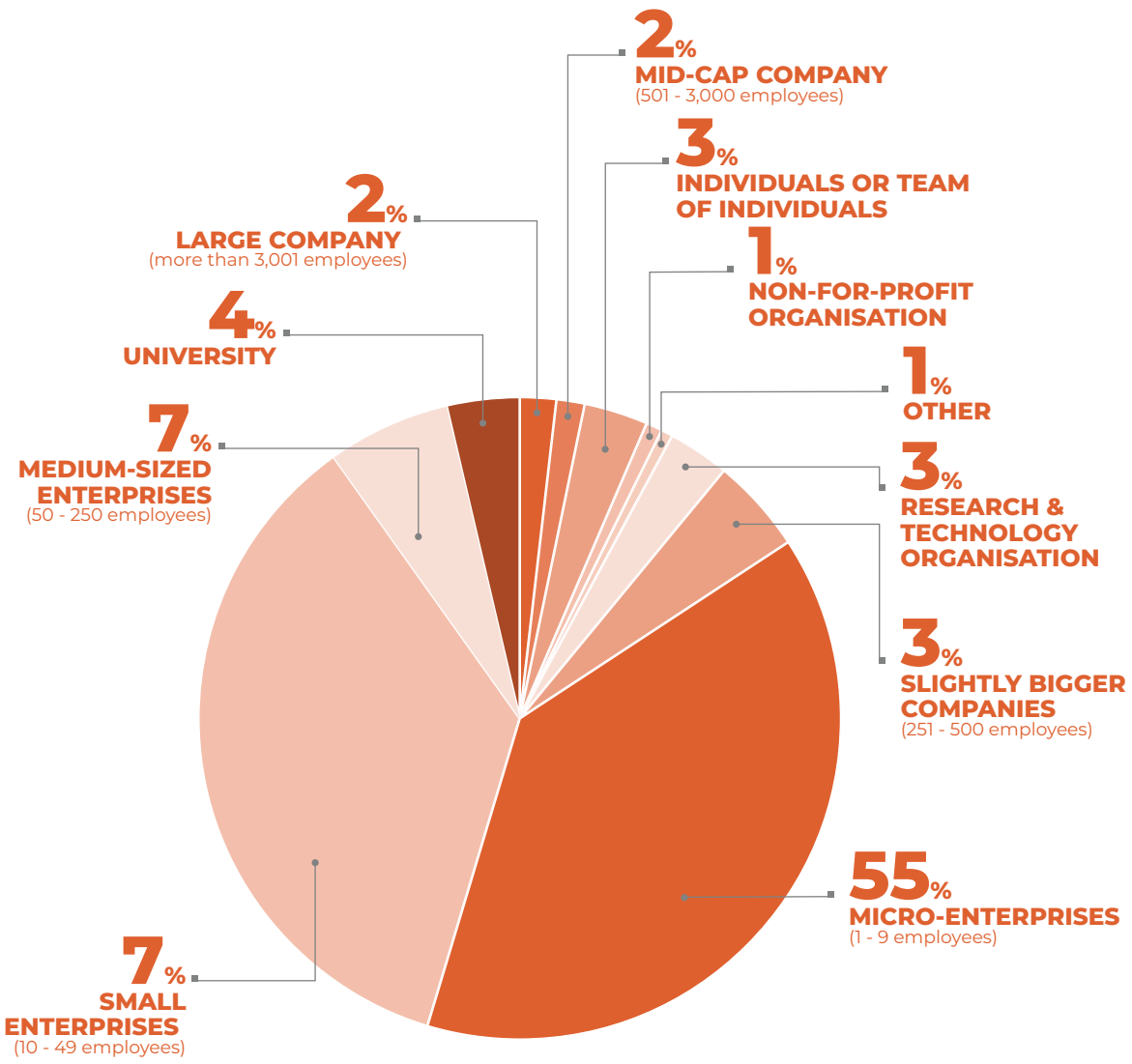
Out of almost 7,000 applicants, nearly three-fifths of them submitted innovations related to the following industries: manufacturing (additive manufacturing, welding, etc.), data management and security and healthcare.

The preponderance of these industries is reflected in the selected applicants.

Selected applications to FundingBox funding opportunities following the industry



Type of organisations that applied to funding opportunities managed by FundingBox



Almost 8 cascade funding beneficiaries out of 10 are SMEs. More than half of these SMEs are micro-enterprises (1 - 9 employees).

Conclusion

The aforementioned results reflect the spirit of cascade funding:

Funding for all: Though FundingBox generally gathers more applications from Spain and Poland (due to its historical activity in both countries), applications in general not only come from all over the European Union territory but also from Associated Countries such as Switzerland, Norway and Turkey.

Digitalisation is at the heart of everything: Digitalising the economy in order to simplify and automate processes is one of the European Commission's mantras in order to be more competitive. This is testified by the importance given by the institution to foster the development of Digital Innovation Hubs and is also materialised by the technology specialisations of the cascade funding beneficiaries (Smartisation, Digital Transformation, etc.).

Manufacturing and Healthcare are key but not only: The Manufacturing and Healthcare sector account for close to half of all beneficiaries. Healthcare has been holding an important role and now, more than ever in a post-pandemic context. On the other hand, manufactured products, from a computer to a frying pan, are everywhere in our daily lives and as the world population keeps on growing, it is crucial to find ways to make industrial processes more productive and more sustainable too. Many other fields hold non negligible proportions: Mobility, Data Management and Security and more.

Funding for David more than for Goliath: More than half of the beneficiaries are organisations between 1 to 9 collaborators. European grants are a fantastic opportunity for small innovators to take their prototype or MVP to the next level by avoiding having to face a board of investors and remain independent. Benefitting from cascade funding is an excellent way to develop a product while maintaining a sound financial situation. It acts as a springboard to later raise private funds.

The big picture of Cascade Funding

How Cascade Funding fosters innovation in Europe

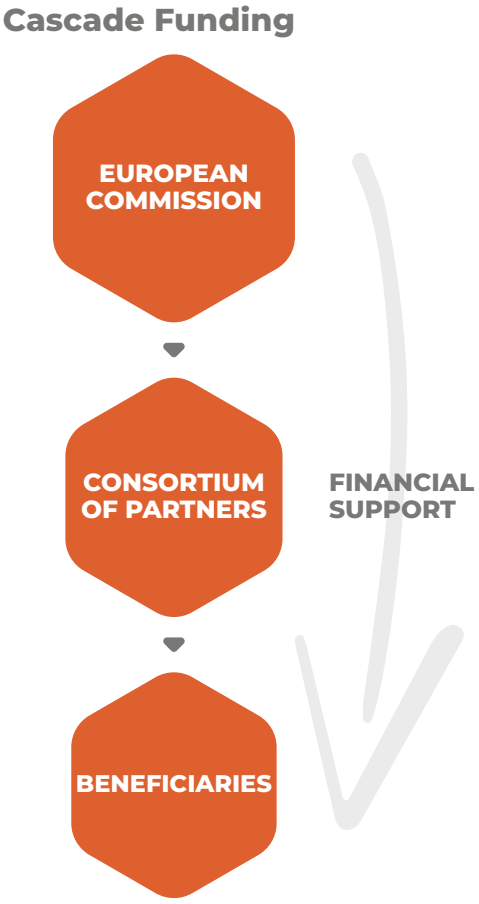
Why cascade funding and what is it?

Cascade funding takes place in the framework of the European Union's flagship funding programmes for research and innovation **Horizon 2020** and **Horizon Europe** (launched in 2021). These innovations plans are created to promote and create **smart, sustainable and inclusive growth and jobs** in Europe.

To achieve this, the mechanism of cascade funding was brought into action to make the process of applying for public funding from the European Commission **much easier and faster**. The dozens of bureaucratic forms that European innovators had to fill in the 1990's until the beginning of the 2010's come down nowadays to a straightforward online process. This has been made possible by delegating the selection of innovators to intermediary organisations. For each cascade funding initiative, these intermediary organisations form a **consortium of partners** that puts in common its expertise to:

- Filter most of the administrative procedures imposed by the European Commission
- Receive the money and then distribute it
- Training innovators in dedicated support programmes.

Hence, funding "cascades" from the European Commission to these specialised intermediaries and then to the selected innovators who in turn become **beneficiaries**.



The mechanism of cascade funding facilitates the adoption of new digital technologies promoted by the European Commission, allowing companies to test them and see the real advantages of the adoption before investing in them.

Who does Cascade Funding target?

Cascade funding supports digital innovators that can contribute to Europe's productivity, quality of life and competitiveness and also tackle societal and sustainability challenges.

In practice, these innovators would generally consist of:

- Entrepreneurs
- Startups & innovative SMEs
- "Adopters" (companies, generally SMEs and MidCaps, willing to implement a new technology to improve their processes)
- Universities
- Research & Technology Organisations

These different profiles are sometimes asked to apply together to demonstrate proof-of-concept. For instance, a university and a startup can work together on industrial robotics solutions and then apply with a manufacturing SME thanks to which they will be able to validate the effectiveness of a technology.

What are the technological fields targeted by Cascade Funding?

The funding opportunities organised under Horizon 2020 and Horizon Europe are related to the following domains:

Next Generation Internet

Smartisation

Industry 4.0

Internet of Things (IoT)

Robotics

Big Data

Photonics

Open Innovation Calls: The way to discover, attract, select and support the top innovators in Europe

Under the Horizon 2020 and Horizon Europe programmes, funding is distributed in the framework of specific projects aiming to solve challenges related to the fields mentioned above. The projects are managed by consortia of private and public organisations that have complementary roles with respect to the project. For example, FundingBox is generally in charge of the **communication strategy** to attract innovators as well as the **selection process** of the future cascade funding beneficiaries.

Some of our EU funding initiatives

Robotics

ROBOTUNION

Funds distributed
Over 4M€

Companies accelerated
20 beneficiaries

Smart mobility

<IMPACT> CONNECTED CAR

Funds distributed
Over 2M€

Companies accelerated
60 beneficiaries

All industries

<IMPACT> GROWTH

Funds distributed
Over 3M€

Companies accelerated
28 beneficiaries

Circular economy

C-Voucher

Funds distributed
Over 1M€

Companies accelerated
66 beneficiaries

Smart logistics

L4MS

Funds distributed
Over 2,6M€

Companies accelerated
45 beneficiaries

The communication and the selection of innovators takes place in what is commonly called **“open (innovation) calls”**. Open calls are innovation contests open to any team or organisation that match a defined set of criteria. During a period of two to three months, innovators in a specific field can apply to solve a given challenge by presenting a certain product or service. Following the application deadline, a selection process takes place in order to choose the most promising applicants who will later be granted European funding as well as support services to enhance their innovation.

Different open calls for different objectives:

Accelerating startups

Acceleration open calls are targeted towards entrepreneurs and startups resorting to the technology promoted by the project.

Supporting pilots, demonstrations and/or experiments

Experiments open calls support specific technology transfer initiatives undertaken by startups or SMEs:

- **Pilot experiments:** small-scale preliminary studies.
- **Application experiments** to provide final users with novel products and services and support them to implement these new technologies.
- **Innovation experiments by SMEs** to apply emerging technologies in a real world environment.
- **Assessment experiments** to support suppliers to assess their prototypes / products in a production-like environment.

Integrating more participants to the project

Integration open calls organised by a project intend to extend its scope or to address specific tasks such as:

- Enlarging the experimentation capacity of the project by adding new testers to a service developed by the project.
- Including new partners to develop additional functionalities for a given service developed by the project.

Our Cascade Funding methodology: from communication to selection and acceleration

Communication: from 0 to 10,000 applications

1. Who, What, Where, etc.: What is this Open Call about?

Scouting the top innovators in a given industry requires a plan. Preparation is key and the communication journey actually starts a few months before an open call starts.

Among other things, this is what we do:

We get familiar with what is at stake:

We are looking for innovators in a given field for a reason. What need or gap in the European economy and society are we answering to? What does the technology we are funding consist in? How can it help in our daily lives?

The why of the open call is crucial not only to pitch the project in front of potential applicants as it is essential for their proposals to demonstrate a minimum level of disruption and scalability.

We understand the ins and outs of the open call:

What profiles are we looking for? How much funding can innovators get? What countries are targeted? When would the open call take place? How many submissions are we aiming for?

Having a clear idea of the eligibility criteria (size, technology, etc.) and the benefits for the winners allows us to target specific potential applicants and detail the value we bring with more accuracy, thus making the promotion more relevant and more appealing.

We scout outstanding and relevant innovators:

Our scouting team does proactive research resorting to different techniques that combine data analytics and multi-source innovation monitoring. A preliminary list of top-notch candidates allows us to fine-tune the research of targeted profiles and assess the quality of our value proposition for innovators.

We take into account our budget:

We take note of the amount that is at our disposal to promote the open call which helps us prioritise which actions to undertake. A high budget, generally associated with a high target number of applicants, can imply to maximise our reach by tapping into paid channels (Google Ads, LinkedIn Ads, etc.). A smaller budget (generally associated with a lower number of applicants) can be used to undertake more niche communication by resorting for instance to promotion in very specialised media.

"We constantly try to be in the shoes of our applicants. We examine their particular needs and the tensions in their sectors. We become experts ourselves by researching and drawing on the enthusiasm of the technical experts who support us in every open call. Our ultimate goal is to excel at facilitating the path to becoming a funding champion."

Marta Albújar
Marketing Project Coordinator at FundingBox

2. How to spread the word across specific European innovation communities?

Preparing the communication

Armed with all of this preliminary information, we can mount an effective communication strategy. What does it involve?

- Determine the topics that are likely to be inspiring and useful for the profiles we are targeting.
- Define the most engaging formats and channels.
- Calendarise all the communication actions that will be undertaking.
- Build a brand identity for the project and therefore generate more "stickiness" in our audience's mind.

Maximising our reach

Once a solid communication plan has been defined, we can gradually launch and adjust all our initiatives. Here are some of the most common ones:

Encourage partners to share the news:

We build a communication toolkit with several materials (social media texts, banners, press releases, etc.) that partners can adapt, translate and use in their communications.

Promote the call in our monthly Funding Opportunities newsletter:

We have over 16,000 innovators subscribed to our newsletter that recaps all the current open calls!

Search Engine Advertising:

We use to Google Ads to make sure to appear on page 1 of the search results if an innovator looks for a specific funding opportunity on Google.

Social Media Advertising:

We use to paid promotion on social media to generate additional visibility on our targets' favourite social feeds.

Participate in specialised events:

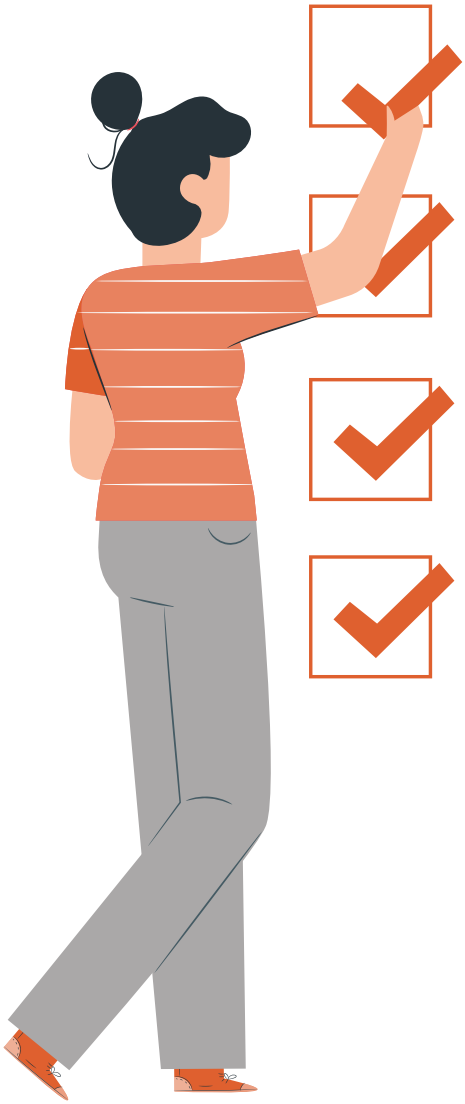
It may be Automatica in Munich or the IoT Week in Barcelona. During these tech events, we can meet up to 10-15 potential applicants a day by holding a booth and talking on stage.

Converting potential applicants into applicants

Raising interest is only the first step of the communication process, now that many potential applicants are aware of the opportunity, how do you convert them into final applicants? How to make sure they are well informed about the eligibility requirements, the subtleties of the application form and find the benefits worth the effort of submitting a top-notch application?

Build a user-friendly open call website and form:

Not only do we include all the information and resources (Guide for Applicants, webinar recordings, etc.) to submit an application but we also strive to display it in a way that is straightforward and clear



Associate the open call to a community:

We create beautiful and structured online communities in which potential applicants can ask questions in a helpdesk space to have fast responses and have access to the latest tips and updates regarding the open call.

Set up a support email address:

We also set up a dedicated email address that will allow us to make more elaborate answers if potential applicants favour this contact approach.

Organise helpful webinars:

This a great opportunity for potential applicants to ask more complex questions related to eligibility or the nature of the training programme for the winners.

Send to-the-point email reminders:

It is crucial to start sending reminders to draft applicants one month before the deadline. Many applicants decide to prepare their application and hit the submit button at the very last moment and it is sometimes only then that they realise they have some doubts.

3. Improving the Open Call process: how to collect feedback and data?

Analyse the applicants' behaviour:

We take care of tracking everything from visits to the open call landing page to submitted applications. This allows us to have an accurate vision of the effectiveness of the funnel, see at which stage we experience a drop in traffic and adopt corrective actions.

Understand the sources of traffic:

With the results of feedback forms sent to applicants after the open call ends, and an analysis of the traffic sources in our analytics dashboard, we have a good idea of what worked and what didn't. We then apply these learnings to all similar open calls.

Application, Evaluation & Selection

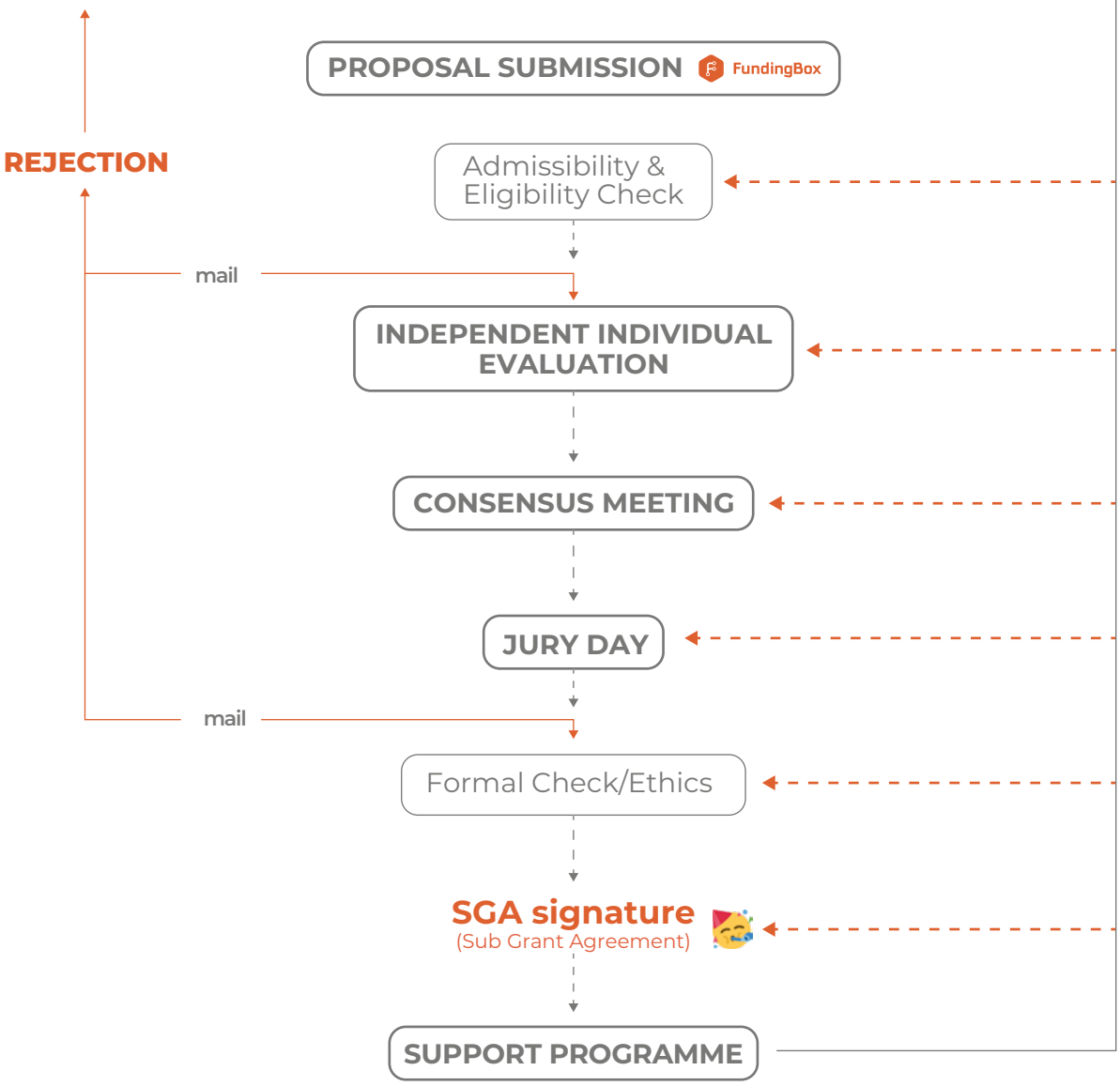
Step 1: Application through the FundingBox Platform

As a first step, all candidates submit their proposal through an application form on a dedicated FundingBox landing page. The application forms assess the three main criteria defined by the European Commission:

- **Excellence:** Credibility of the innovation proposal.
- **Impact:** Expected impact of the solution for consumers and/or businesses from a qualitative and quantitative perspective (e.g. does the proposal have at least a European scope?). Environmental and social impacts are also taken into account.
- **Implementation:** Coherence and effectiveness of the implementation plan which includes allocation of tasks and resources and complementarity of the team members.

From the very beginning, applicants are informed about the **transparency, fairness and equality** of the whole application process in compliance with European Commission rules.

Selection and Cascade Funding Flow



Step 2:
The Eligibility Check

Once the application deadline has passed, an initial verification is conducted in order to make sure the applications comply with some basic rules and are admissible for the next phase. Eligibility criteria can include:

The language that is used for the application (everything must be in English)

Country where the team is based

The technology readiness of the innovation

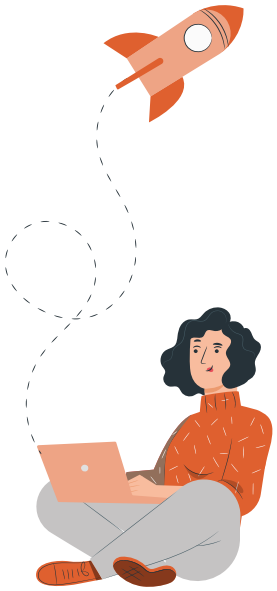
Type of applicant

Following this first assessment, all eligible applications move on to the next phase.

Step 3:
The Independent Evaluation

All the applications that qualified after the first eligibility check are assigned through our platform to independent evaluators. These applications then proceed to a qualitative assessment of the three principles mentioned in the description of step 1: **excellence, impact** and **implementation**.

Proposals are marked based on an average of the assessment of the previous mentioned principles. The applicants with the highest scores are then informed that they are moving forward to the final stage of the process. In less than 5 months after submitting an application, the applicants will receive the results of the independent evaluation.



The independent evaluators are experts in their field with a **solid technical background** as well as a good business vision. Aside from these primary criteria, we also select evaluators based on considerations related to **gender balance, country representation** and we guarantee the **absence of conflicts of interest**.

Based on the results of the independent assessment, the consortium partners will review the top ranked proposals and will validate the most promising ones to be invited to the next phase.

Step 4:
The Jury Day

It's pitching time! The applicants that made it to this stage are invited to participate in a "Jury Day". They will be asked to present their innovation proposal in front of a jury composed of technical and business experts. The jury gets to ask for any clarification regarding the approach chosen by the candidates and can thus make a more informed assessment concerning the proposal, its execution and its impact. Following this last stage, the selected finalists can finally catch their breath: **they will be joining the support programme that will take their innovation to the next level.**

"The rationale of cascade funding is to increase the opportunities of all European SMEs, startups and entrepreneurs to access EU funding. Clear guidelines and processes are essential to reach this goal."

María Roca,
Senior Project Manager
at FundingBox

Florent Anon

Innovation and EU projects manager, Mov'eo

Collaboration is key to put the EU at the forefront of innovation. Fundingbox provides valuable tools to connect people and strengthen the links between organisations.

Jose Iglesias

Senior Director of Community, Techstars

We believe great founders can come from anywhere in the world and helping FundingBox as an evaluator I've met great European startups.

Mirko Presser

Associate Professor, Aarhus University

In the NGI Community, Fundingbox is helping us accelerating public funding for Internet Architectures. We reach many startups, SMEs, entrepreneurs and developers.

Andrés Carrillo

Head of Innovation, Serveo

We increased the size of our startup ecosystem through acceleration programmes coordinated by FundingBox. We are proud to give startups a real business environment vision.

Our Support Programmes

An introduction to our 360° support programme

1. Accessing technical support & business services

It's not only about the money but also how you invest it. Besides receiving a quantity generally ranging from €10,000 to €200,000, beneficiaries are also assisted with a 6 to 12-month support programme involving **technical support** and **business services**.

By way of illustration, **IMPACT Growth** is a €3.5 million cascade funding project coordinated by FundingBox targeting startups in fields ranging from smart infrastructure to manufacturing via agrifood where beneficiaries were given access to several services focusing on:

- Going from a prototype to minimum viable product or service.
- Improving an existing product or service.
- Go-to-market strategies.
- Expanding abroad.
- Protecting the innovation.

On the other hand, in **DIH²** is another project in which FundingBox is involved and that intends to accelerate factories through robotics. Beneficiaries will receive €8 million equity-free as well as advice on the following topics:

- Testing and adopting new digital technologies (software, robots, etc.) in a real-life environment (factory, etc.).
- Understanding what are the new opportunities and return on investment from incorporating new technologies to products and processes.

2. Expanding business opportunities

Through our support programmes, our beneficiaries can participate in a variety of activities and events that allow them to broaden their network and generate business opportunities:

Startups and SMEs that join our programmes can attend and exhibit their products and services in various European world-class events such as 4YFN or Hannover Messe. These events are opportunities to get in contact with investors, venture capitalists, accelerators, policymakers and more

Big industry players also join some of the support programmes to put their contacts and infrastructure at the disposal of beneficiaries.: For instance, PSA Citroen in smart mobility projects, ENEL in energy projects, etc.

3. Raising additional rounds of funding ("Follow-on investment")

Getting more public funding

Based on their needs and characteristics, we provide beneficiaries with a **"grant scan"**. This service gives them a clear vision on what other EU funding programmes they are eligible for. Public funding opportunities can be complementary between each other and cascade funding is only one of the many European Union's funding schemes that intend to support a variety of aspects of the development of innovative organisations. For example, SMEs with a solid business plan to roll out marketable innovation solutions and with ambitions to scale up can apply to the EIC (European Innovation Council) Accelerator. On the other hand EIC FTI (Fast Track to Innovation) helps innovative businesses to reduce the time from idea to market.

Raising private funding

Cascade funding generally is a preliminary funding stage that helps companies build a sellable product or service. However, when more challenges on the growth road start arising - e.g. expanding abroad, investing in new offices and recruiting local employees - then bigger funding, in the range of millions rather than thousands, is required and this means **private investments.**

For this reason, we also support our startups with access to **specialised mentoring sessions** to understand the keys to convince angel investors and venture capitalists.

In addition, we invite them to participate in demo days which typically are pitching events during which startups and innovators can present their business to a room full of investors.

4. Learning from your peers

A series of events are organised throughout the whole support programmes: Welcome Event, co-working camps, bootcamps. The events are opportunities for the selected innovators to meet, discuss and learn from each other's experiences.

Acceleration programme

- **Type of Services:** Acceleration
- **Type of beneficiaries:** Deep tech startups and scaleups
- **Expected results:** Proof of Concept, Prototype, Minimum Viable Product
- Business Mentors more relevant than Technical Mentors
- **Technology Readiness Level (TRL):** from medium-high TRL
- **Duration:** around 6 months

Technology transfer programme

- **Type of Services:** Tech transfer services
- **Type of beneficiaries:** SMEs
- **Expected results:** Proof of Concept, Prototype/Demonstrators, MVP/Pilot
- Research Mentors more relevant than Business Mentors
- **Technology Readiness Level (TRL):** From low-medium TRL
- **Duration:** Around 12 months

The values of our business & technical support programmes

Challenge-driven

The solutions that we support through our programmes arise from everyday problems faced by people and businesses. Our mentors invest their efforts in improving solutions that will ultimately overcome specific obstacles. Moreover, confronting a challenge helps us define the main KPIs, and assign relevant evaluation criteria before investing additional valuable time and resources. This approach guarantees a service or a product that directly addresses a business or final consumer's problem.

Transparency

All the processes and results are made visible in order to build a reputation based on credibility. Always in compliance with privacy concerns and regulations, we share our metrics and KPIs with mentors, investors, corporations and the general public. Such transparency can then be a source of inspiration and learnings for other innovators and as well as for future support programmes.

High performance

We push supported companies not only to be the best, but to be the best of the best: champions in their respective fields. By urging startups to pursue strategic goals and to dare supersonic growth, we allow them to clearly show their differentiation and rise above the competition. In short, the guidance provided by mentors pushes our start-ups to achieve more in a shorter period of time while being in line with what is requested from European projects.

Continuous improvement

Based on the programme performance indicators defined beforehand such as the increase of the Technology Readiness Level, the amount of private funding raised, the number of paying users, team growth, we scrutinise the impact of all the activities and services provided. In addition, we collect direct feedback from the beneficiaries in order to ask them about their experience in the support programme. This allows us to identify lessons learnt to improve performance in future projects.

Committed and experienced mentors by your side

Our support programmes are totally customised. They are led by our pool of 400+ high-level researchers, technical mentors and business professionals that are selected based on their experience and the field they belong to so they can answer the needs of the beneficiaries and guide them throughout the whole programme.

Who are the mentors that support our beneficiaries?

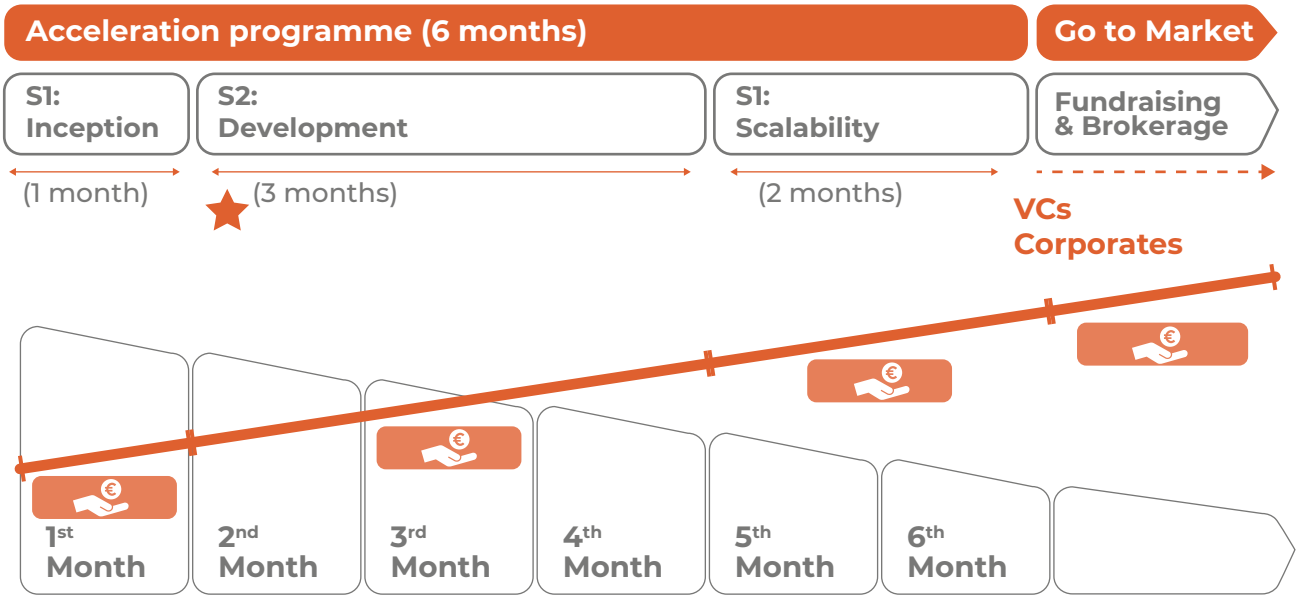
Technical Mentors

Technical Mentors are usually Ph.D.s or senior researchers that belongs to one of our **Research & Technical Partners**. They have vast experience in the technological or scientific field that is related to the open call.
They can thus give solid advice on how to improve the product or service (suppliers, materials, software, functionalities, etc.) from a technical perspective in order to save costs and fit the final users' needs.

Business Mentors

Business Mentors support beneficiaries in defining the Business Model (market research, product & service description, sales & marketing strategy, financial projections, organisational structure) and applying the lean startup methodology in order to rapidly find out whether the business model is viable and develop a go-to-market strategy.

Steps, milestones and impact assessment of our support programmes



Structure example of a support programme

1. The Welcome event: The foundation stone of any support programme

The key of a successful support programme lies in the definition of the **beneficiaries' needs and challenges** and **concrete steps and dates to overcome them**. In this respect, the selected teams and organisations meet during an intensive **Welcome Event** during which they are assigned a mentor.

Together, mentors and beneficiaries will determine all the aspects of the **Individual Mentoring Plan (IMP). This includes in particular the KPIs and deliverables to take into account** when assessing the evolution of the teams and organisations' performance.

Depending on the different support programmes and the objectives to be achieved, the deliverables produced by the beneficiaries can incorporate in the first months:

- Proof of Concept (PoC)
- Business Model
- Prototype/Demonstrator
- Market analysis.

And then, at a later stage:

- Minimum Viable Product (MVP) or Pilot
- Exploitation Plans (focusing on growth and scalability)
- Additional public and private funding.

2. The interim reviews: monitoring and rewarding performance

Throughout the course of the support programme, several interim reviews are carried out. Mentors check the progress made by the beneficiaries and compare it to the objectives defined during the welcome event.

Such reviews are crucial in the framework of the lump sum methodology, applied by FundingBox as the default mechanism to distribute funding: the grant is paid against the completion of specific milestones. The mentors assess and the project consortium takes the final decision. Two main advantages stemming from this process can be highlighted:

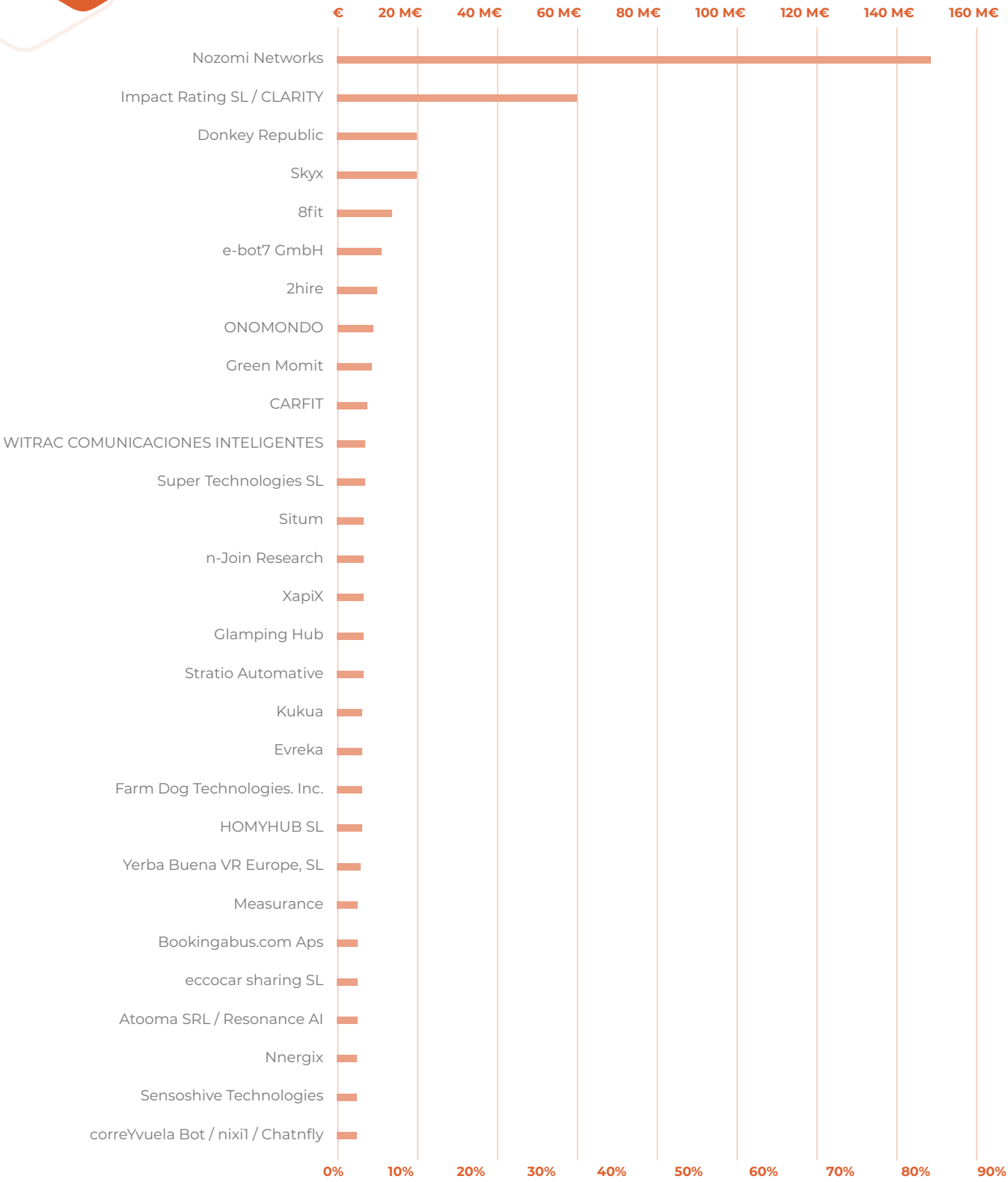
Such a procedure maximises the impact as the selected teams and organisations are constantly encouraged to implement their growth plan and achieve results in order to receive the full amount of funding they are entitled to.

Paperwork is reduced to bare minimum. It means that the grantees are not required to present accounting documents (e.g. invoices) to prove the costs that are to be covered by the funding. They merely demonstrate the completion of the **milestones** set at the beginning of the programme.

"Support programmes created through European Projects have a big innovation impact in terms of bridging discovery and market application. It is a great opportunity for companies to boost their technology with industrial experts and get funding to scale their business."

Iza Zrazińska
Senior Project Manager
at FundingBox

Portfolio distribution



The €423 million we reference here have been raised by a sample of 50 companies with whom we have a close relationship: the data comes from our own database. These 50 companies were involved in one of 14 different open calls.

Project:
INCENSE

Grant Raised: 150K €

Description: **NOZOMI**, the Leader in OT and IoT Security and Visibility

Equity Raised: €48M from VC's (318x grant)

Investors: THI Investments, Activate Capital Partners, Energize Ventures, THI Investments & Telefónica Ventures

Valuation: €150M

Results: 17 mio monitored devices implemented around the world. 2.500 worldwide installations .They have secured the Top Worldwide Organizations: 9 out 20 oil & gas companies, 7 of top 20 Pharma companies, 5 of top 20 mining companies, 5 of top 20 Utilities companies.

Project:
IMPACT CONNECTED CAR

Grant Raised: 150K €

Description: **SITUM**, an indoor positioning company, helps companies improve their processes and services by guiding and tracking their passengers, visitors and shoppers inside buildings

Equity Raised: €3M (20x grant)

Investors: Amadeus, Prosegur Tech Ventures, Swanlaab Venture Factory, Plug and Play Tech Center, Unirisco Galicia

Valuation: €16M

Results: Situm helps top organisations in healthcare leaders in Spain and Turkey, telco operators in Thailand, major automotive manufacturers, resorts in Cancún, exhibition centers in Russia and some of the companies are for instance: Securitas, Carrefour, Ferrovial.

Project:
IMPACT GROWTH

Grant Raised: 250K €

Description: **CLARITY**, a technology that analyses the social impact of companies and investments

Equity Raised: €21,5M from VC's (86x grant)

Investors: Deutsche Börse, Black Rock, 14W, DB1 Ventures, Empresa Nacional de Innovación (VC)

Valuation: €60M (FundingBox estimation)

Results: The platform uses machine learning and big data — data from more than 30,000 companies, 198 countries, 187 local governments and over 200,000 funds — to assess sustainability and provide clear reports

FundingBox set up last year its own Venture Capital fund, the FundingBox Deep Tech Fund. The latter invests in early-stage European startups with a clearly defined technological advantage. Other criteria such as the team expertise as well as the scalability of the idea are also taken into account. This is another opportunity for cascade funding beneficiaries to raise private investment that can take them to the next level. So far, four out of five investments from the FundingBox Deep Tech Fund were directed towards innovators that took part in a cascade funding initiative which clearly demonstrates the quality of the selection process and the support programmes.

"With public funding, you can go from prototype to MVP. With private funding, you can start scaling and sell your product abroad. By setting up FundingBox Deep Tech Fund, an early-stage VC, we show we are willing to support startups at all stages of their growth journey."

Tomasz Mazuryk
Co-founder at FundingBox,
Managing Partner
of FundingBox Deep Tech Fund

Startups FundingBox Deep Tech Fund has invested in so far

GLUCOACTIVE
Non-invasive glucose measurement

TechTree
Breaking vias in tech

Customy
Patient specific implants

re
Big data monitoring framework

Car Scanner
Visual inspection of any car in 120 seconds

Talkie.ai
Customer-focused AI voice assistant

pergamin
Digital contracts for the remote era

Conclusion

As Europe is slowly emerging from an unprecedented crisis in history, research and deep tech innovation have proved to be more important than ever.

Governments and pharmaceutical companies all over the world collaborated to release in a record amount of time several vaccines to counter the pandemic.

Businesses learnt to become more resilient, integrating solutions to keep operating and to maintain teams engaged thanks to video conferencing tools and other online options.

Schools learnt to do without physical classrooms by bringing to students education technology solutions.

And there is much more.

However, the current post-pandemic context also brings new challenges. The explosion of e-commerce raises environmental concerns due to the additional CO_2 emissions generated by increasing product transportation and door-to-door delivery. Teleworking may have allowed companies to keep on operating but it also comes with motivation and psychological issues as workers lack social contact.

Every problem has a solution and every solution has a problem. The history of mankind has been reflecting this never-ending process of men overcoming challenges that are specific to given contexts.

Accelerating this process is key for the well-being of our society. It implies giving the means, funding, advice and connections, to entrepreneurs and innovators so that they can put on the market efficient solutions for people and businesses. Cascade funding is a mechanism that provides all of these means and FundingBox is a platform making it accessible for everyone.

About us

FundingBox is a **go-to-funding platform**. Tech innovators, researchers, startups, scaleups and SMEs, can access **easy-to-apply public and private funding opportunities** for all stages of their growth journey: from building a minimum viable product to expanding abroad. As of today, **most of the funding opportunities FundingBox manages are cascade funding opportunities**.

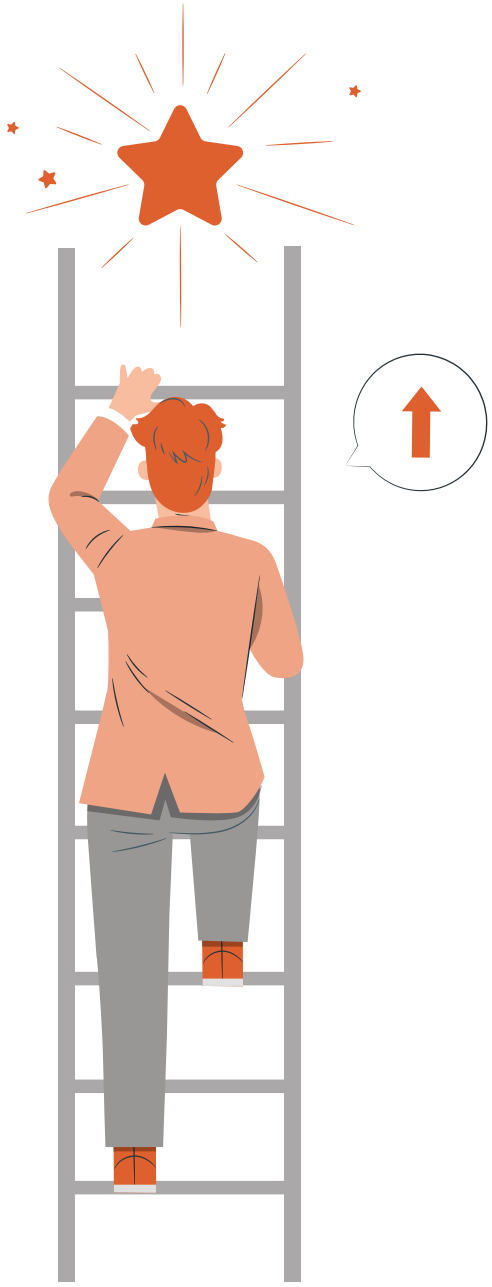
Because we know that funding is just one variable in the growth equation, we adopted an all-inclusive approach:

- It is not only about the amount of money innovators receive but also how they spend it that makes a difference. FundingBox, along with partners specialised in training and acceleration, **provides selected companies with premium technical and business acceleration services** to help them complete a prototype, build an MVP, go to market and more.
- Our platform is made of a constellation of **deep tech communities** where over 42,000 innovators, Digital Innovation Hubs, tech experts, corporates, investors benefit from each others' experiences related to funding. Conversations and knowledge sharing then triggers growth and business opportunities.

Anna Dymowska
COO at FundingBox

"If you are looking for early-stage money that will help your business/innovation take off, FundingBox is the place to go. We have built over time an extensive network of experts, startups and SMEs across the Deep Tech Industries."

Do you want to be involved?



Want to manage a cascade funding project with us? Write to euprojects@fundingbox.com and let's find synergies.

Want to launch your next open call with FundingBox? Write us at services@fundingbox.com.

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