

R&D FINANCING

Report produced for the EC funded project

INNOREGIO: dissemination of innovation and knowledge management techniques

by **LEIA Technological Development Center**

M A R C H 2 0 0 0

R&D Financing
Participation in R&D Consortia

Re\$guide

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Annex I: Financial Plan

1. Description

Introduction:

Although financing doesn't play a booster role in technological innovation, it does as booster/easier maker, and financing lack, frequently, restraints innovation. Scarcity of financing means companies' main complaint and sets up the capital external barrier to innovation.

First, research need, new products or new applications developing, is established. Afterwards, financing sources search is done, although it is known that lack of financing can be a stoppage reason in an innovative project, it can even become a barrier to develop an innovative attitude.

Access to company external financing sources, requires having an information system about the existing financing sources and the mechanisms to approach to them at one's disposal. At this point, an outstanding difference is appreciated depending on the company size. Whereas, relatively big-sized companies haven't got any problem regarding this aspect, small and medium-sized businesses charge the lack of resources to allocate to this kind of tasks, needing an easy and quick access guide to profit their time and efforts devoted.

- *What is the technique?*

Financing search tool leads a company through the possible financing sources and helps to find the most suitable one to each managerial project.

Generally, funds required to develop our idea will come from both private sources and inside capital, familiar investments, approaching people or public sources; for instance banks, risk-capital or grants from the government. Other aspects to bear in mind would be the company nature and the research project the company desires to carry out; the project materialised state and the amount of money required.

For instance, in the following chart, we will reproduce the financing source depending on the project development stage.

Research:

Being the project at the Research stage, financing will usually come from non-refundable grants and should be searched in:

Public sector, National Governments, Regional Authorities or the European Commission.
Corporate Sector: Managerial societies for the industrial development.

Development:

Once the project is at the development stage, this means when a pattern is at a disposal or a pilot site can be built to show the project viability, financing can be searched throughout previous sectors, but also:

Seed Capital. Funds prepared to fulfil pre-technological investments, which would be accompanied by many other funds if a company were created at the end of the project. These funds could be loans convertible into shares once the company is established.
Venture capital. It would be interesting when the company is looking for additional funds in a specific field.

Start-up:

When the project is at this stage, problems to find financing funds endure, but it would depend roughly on the company size and the project kind. Funds can be found in:

Business Angels: Individual investors or nets (high net worth). They can provide financing and they can also give advise and help to the new company. This source is suitable for capital needs, when they are relatively small and for non high-technological projects.

Venture capital. Although mostly all funds are concentrated on big deals, there is a small part of them, that invest in projects when they are at this Start-up stage. Usually capital-risk investors have a great experience and contribute on the administration field.

Public Sector: They can provide grants or any other non-refundable help to finance or meet capital costs at this stage. Generally, public risk-funds take part in projects where expected benefits can render to employment creation.

Corporate finance: Funds from industrial and commercial companies searching new developments, being these firms potential buyers.

Exploitation:

It is at this step, when the main financial sources come from private financing through capital-risk funds or bank loans or credits. It is also at this stage, when a company survival depends on the additional injected funds. Usually financing should come from new markets: AIM, Nouveau Marché, Neuer Markt, markets where regulations aren't so hard.

Very often European companies establish American liaisons (US NASDAQ) taking advantage of the great number of investors in high technology companies existing in the US. EASDAQ (European Association of Securities Dealers Automated Quotation System) is based on the American scheme and providing a similar service to European companies.

Chart 1. Financing funds depending on the development stage of the managerial project.

Financing search tool drives the SME through various sources of financing, advising about the most suitable ones, providing information or making contacts easier both through the great range of public resits (lead time, resit's main characteristics, financing actions, ... supplying connection with the DOCE where it was published), supporting a tool to elaborate a business plan that allows leading the private funds deal: capital-risk funds, funds coming from Banks or investors association.

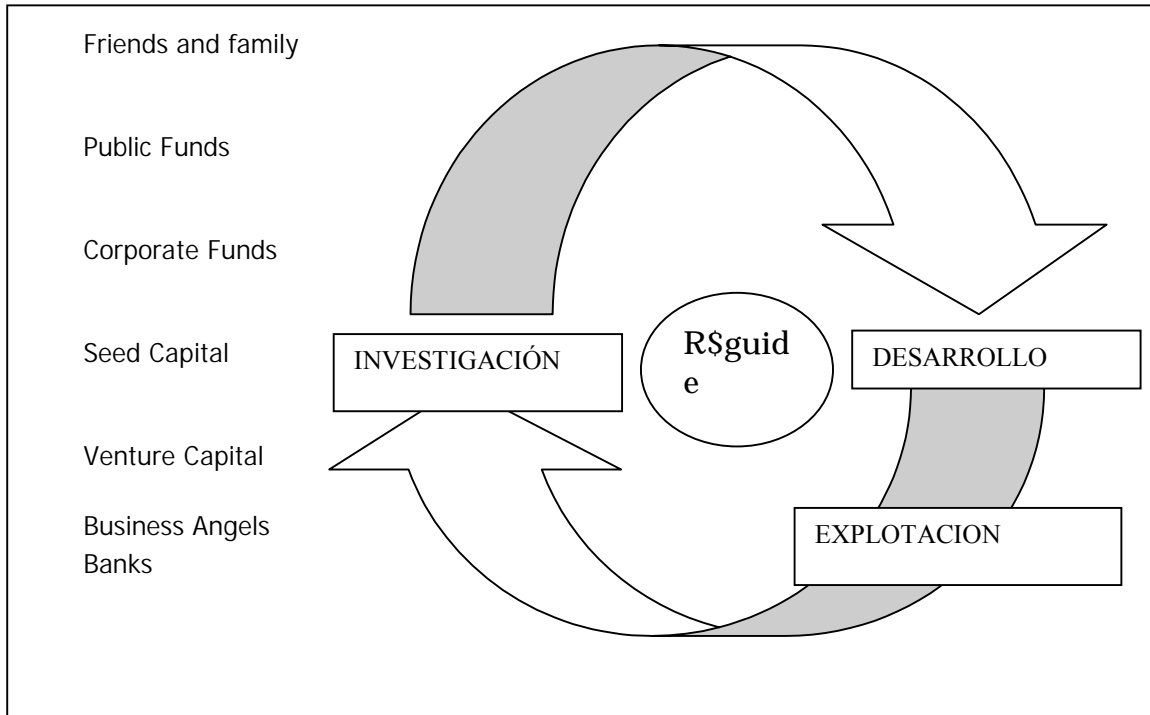


Chart 2. Graphic chart of existing financing funds.

- Objectives of the R\$guide technique

Companies achieving R\$guide would be able to obtain the following aims:

- Leading company to search the most adequate financial funds for their managerial process.
- Growing of their productivity, as a result of the saving time, generally dedicated to settle the different possibilities.
- Guiding the company to create an Innovation business plan popping up from the investigation.
- Easing the approach to public resits' information, local or self-governmental, public or Europeans.
- Obtaining the necessary documentation, working plans, forms for completion, ...in an easy and quick way.
- Advising in the fulfilment of those public resit requirements in which the company would decide to submit its project.

- Description/ structure of the methodology/ alternative solutions

R\$guide is the only financial guide whose objective is focused on advising and helping companies to search their financing funds. Therefore, this is an agglutination tool about financing sources.

European Commission through Innovation/SMEs programme is managed by DG Enterprise and has a legal mandate under the Council Decision on the 5th Frame work Programme and its workprogramme to promote the exploitation of RTD results, as well as the emergence, favourable environment to finance the exploitation, adaptation and dissemination of technology. To this effect it has developed projects focused on facilitating private investors net development. These activities are the following ones:

Activities promoting Venture Capital and new Stock Markets for High Growth, Innovative Companies

Innovation and Technology Equity Capital (I-TEC) Launched in July 1997 in co-operation with the European Investment Fund, I-TEC aims to foster investment in early stage, innovative technology projects by private Venture Capital operators. The [I-TEC Network of Venture Capital Funds](#) gathers funds, which have committed to invest at least 25% of their capital in such projects.

Support to the establishment of specialised networks of financiers and investors

- Since 1984, DG Enterprise has supported actively the establishment and development of the [European Venture Capital Association](#) (EVCA), which currently gathers more than 350 professional Venture Capital operators. DG Enterprise represents the European Commission on the Board of the EVCA.
- From 1994, DG Enterprise supported the creation of the [European Association of Securities Dealers](#) (EASD), today representing some 75 investment banks and market professionals. [New Stock Markets for High Growth, Innovative Companies](#) such as EASDAQ and EuroNM find their origins in these initiatives.

Activities promoting the exploitation and financing of RTD results

- *The FIT Policy Exchange Project* The [FIT Policy Exchange Project](#) aims to organise a systematic exchange of good practice in Financing Innovation between Member States' policy makers and market operators. Three subjects (expanding) are to be covered in the coming months: Guarantee mechanisms, Technology Rating, and [Informal Investors or "Business Angels"](#), with workshops and dissemination activities in the autumn of 1999, with additional [events](#) planned for 2000.
- *The LIFT Help Desk for Financing Innovation* LIFT is to create a help desk on the financing of innovation to support and direct participants in Community RTD programmes in the exploitation of results, as well as to assist thematic RTD programmes in establishing links with financiers and investors. The [LIFT Help Desk for Financing Innovation](#) is fully operational since mid-1999.

On the other hand, the information tool <http://www.cordis.lu> is a platform to make easier for industrial users the access, in order to improve the investigation results broadcasting, supplying a frame, that facilitates technology transfer.

- Expected results/ benefits

- ↪ Through this guide use, an agile access is provided and focused to finance, taking advantage of resources. For this reason more managerial ideas born is hoped to be incentivated, with high technological content, able to be transformed in new creation companies.
- ↪ Final benefits expected will be measured through new employment creation. This experienced growth can be translated into figures and into generated work quality, through the materialising or exploitation of new projects borned with financial help found through the R\$guide.
- ↪ Impetus to new entrepreneurs, as a result of overcoming the proximity barrier to the company, making easy the access to financing sources in such a way that no any other idea or innovative project could be stopped, because of financing sources, being able to impulse its development unknowledge.
- ↪ Advising about a Business plan elaboration, facilitating examples and supplying a tool for its creation. With this Business plan, financing search could be undertaken.
- ↪ Finally, as an expected result, new innovative companies' establishment is eased, impelling the regional development, based on modernisation and industrial network competitiveness increase.

- Characteristics of firms/ organisations and service providers

Added to the information provided in R\$guide web and focused on ameliorating information to each case, it is necessary to offer an advising service specialised, to help and guide the company in finance searching. This service can be supplied by consultants specialised in Innovation, or company professional with capacity to give advise in those fields connected to business plan elaboration: managerial organisation, marketing and commercial business,...

For instance, they could be consultants, R\$guide consultants, the experticians working with the following networks, actually working out in the European Commission. This network personnel has a previous knowledge, which added to this tool help, could allow them to increase the service efficiency. We are just referring to the following networks:

Network	Client group	Services	Coverage	Web address
IRC (Innovation Relay Centres)	Technology suppliers and technology users, principally SMEs	Support for transnational technology transfer (technology acquisition, licensing, etc.), first-line advice on IPR and innovation financing issues	53 IRCs, plus regional offices, in every EU Member State, Iceland, Norway, Switzerland and Israel, as well as some central and eastern European countries	http://www.cordis.lu/irc/
NCP (National Contact Points)	SMEs, large companies, research institutions and universities wishing to participate in EU research	Pro-active information dissemination about EU research programmes, and support for the development of	In each Member State and Associated State, at least one NCP for each of FP5's seven thematic and horizontal	http://www.cordis.lu/fp5/src/ncps.htm For SMEs: http://www.cordis.lu/sme/src/sme-ncps.htm

		research project proposals	programmes, including a special SME NCP	
EIC (Euro-Info Centres)	All SMEs	First-line information, advice and assistance on EU programmes, funds and legislation, training seminars and documentation	237 Euro-Info Centres and 41 Associate Members (AM) are available to SMEs in all the regions of the European Economic Area	http://europa.eu.int/en/comm/dg23/eic/eic.htm
BIC (Business and Innovation Centres)	Technology-oriented SMEs	Support for business creation and development - including planning, networking, access to capital, business incubators	140 BICs throughout the EU	

Source: Innovation technology and transfer magazine n° 6/99. Published by the European Commission.
Chart 3. EC nowadays existing net, working on innovation.

2. Application

- Where the technique has been applied

Financing search process is developed, at the moment, in one way or another in all BIC (Business and Innovation Centres) as well as in NPC net (National Contact Points) or in EIC (Euro-Info Centres). Frequently, organisms promoting new companies creation, advise and help to contact with the most adequate finance sources.

Particularly from Fundación Leia as a non profit association, we have got in touch and advised to moreover 500 small companies and we have helped them to create over a thousand Research and Development projects which were liable to receive public help.

Nowadays this advice is personally done, detecting the existing need to automate this procedure. With the aim of maintaining it up to date, a web named R\$guide has been designed in order to give an answer to all those needs loomed during the previous working years.

- Types of firms/ organisations concerned

R\$guide tool can be applied by all the companies and/or industrial promoters looking for financing for their projects. Firstly, this tool advises them about where they can find this financing, leading them fast towards the most adequate source, allowing resources and time saving.

Secondly, all information is provided depending on each source of financing. When it comes from a public resit they are addressed towards those resits financing R&D projects and basis and application forms are provided. When it comes from private financing, possible sources are broached and companies are addressed towards the most appropriate ones depending on the project stage and their monetary needs. At the same time, to manage financing coming from private sources it is essential to have at one's disposal a business plan from the germ company, R\$guide helps and runs this business plan making up, through those tools carried out by specialised organisms.

Consistently, those companies aware of their need to carry out new developments, leading towards their technological update or willing to open themselves towards new markets, will find an easy answer in R\$guide.

Implementation cost

TASKS		MONTHS							
		1	2	3	4	5	6	7	8-12
0	Contents definition	■							
1	Web design: screens		■						
2	Forms and links performance			■	■				
3	Documentation load: texts and resits (For each country)					■			
4	Joining web page to server and execution licences.						■		
5	Access to final user							■	
6	Maintenance: reading Bulletins, updating resits, updating webs.								■

An approximate separate cost on initial investment and annual maintenance cost is reproduced in the following chart:

<i>STAGE</i>	<i>CONCEPT DESCRIPTION</i>	<i>Personnel</i>	<i>Infrastructure</i>	<i>Subcon- traction</i>	<i>Total COST(pts.)</i>	<i>Euros</i>
1	Financing Guide web preparation. Tasks: from 0 to 5 (In task 4 everybody takes part fulfilling this web with local information)	4700080	1195000	700000	6595080	41219
2	Web maintenance Task 6	1728000			1728000	10800
TOTAL		6.428.080	1.195.000	700.000	8.323.080	52.019

- *Conditions for implementation*

To implement this web, it would be necessary to have computer equipment with the following characteristics:

Server would be installed where information is bond to be managed and kept.

Server Hewlett Packard NetServer E60

Pentium III a 500 Mhz UW SCSI

128 SDRAM

Hard-disk from 9.1 GB to 7.2000 rpm.

Mirroring disk from 9.1 GB to 7.2000 rpm.

Network adapted card Ethernet 10/100 RY-45

Windows NT Server

SQL Server IIS, CDs to install

- Licences (min. 5 per.)

S.O. Windows NT, SQL Server (Client cd + manual) y IIS

- EGESA PIII 500 computer

Intel Pentium P III 500 Mhz (512 Kb Caché) processor + Dissipater air-fan CPU

Q-LITY P3BX PIII Chip set up to 600 MHz, processor inerl Chioset 440 BX AGP

DMA 8,1 Gb, IDE DMA 33 Ultra Hard disk integrated 2 I/O PCI, Floppy Driver 3 ½ 1.44 Mb.

128 MB SDRAM2 DIMM memory of 168 contacts (100 Mhz)

8MB ATI 3D graphic card

105 PS/2 minidin keyboard, 2 control bottoms mouse, mouse pad

CD ROM 48x, Monitor 15" Svga Dig 0,28, 10/100 Net card

- *European organisations supporting the implementation of the method:*

European Commission would be the main financing source through the Innovation/SMEs programme managed by DG Enterprise since this program has a legal mandate under the Council Decision on the 5th Frame work Programme, and its workprogramme to promote the exploitation of RTD results, as well as the emergence favourable environment for financing the exploitation, adaptation and dissemination of technology.

As an example of European financing guide supporting organisms, we could list the following ones, although we outline connection list would be quite wide:

- ↪ EUROPEAN INVESTMENT BANK: <http://www.eib.org>
- ↪ EUROPEAN VENTURE CAPITAL ASSOCIATION: <http://www.evca.com> more than 350 professional venture Capital Operators
- ↪ EUROPEAN ASSOCIATION OF SECURITY DEALERS (EASD): 75 investment bank and market professionals
- ↪ EUROPEAN BUSINESS ANGELS NETWORK: <http://www.eban.org/links.htm>
- ↪ EUROPEAN ASSOCIATION OF SECURITY DEALERS of AUTOMATIC QUOTATION: EASDAQ: <http://www.easdaq.com/pb/end.00.asp>
- ↪ DOCE: <http://europa.eu.int/eur-lex/es>
- ↪ Cordis: <http://www.cordis.lu>
- ↪ INNOVATION RELAY CENTRE: <http://www.codis.lu/irc>
- ↪ INNOVATION, TECHNOLOGY & TRANSFER: <http://www.cordis.lu/itt/itt-es/home.html>
- ↪ LIFT FINANCING INNOVATION. A GUIDE <http://www.cordis.lu/lift/>
- ↪ EUROPEAN COMMISSION INNOVATION HELP DESK DGXIII/D-4
- ↪ INNOVATION PROGRAMME <http://www.cordis.lu/irc/>
- ↪ INFORMATION ABOUT THE FIFTH FRAME WORK PROGRAMME <http://www.cordis.lu/fp5/src/ncps.htm>
- ↪ For SMEs:.. <http://www.cordis.lu/sme/src/sme-ncps.htm>
- ↪ EUROPEAN DOCUMENTATION <http://europa.eu.int/en/comm/dg23/eic/eic.htm>
- ↪ NCP (National Contact Points) <http://www.cordis.lu/fp5/src/ncps.htm>
- ↪ EIC (Euro-info Centres) <http://europa.eu.int/en/comm/dg23/eic.htm>
- ↪ NCP National Contact points for SME 's <http://www.cordis.lu/sme/src/sme-ncps.htm>

3. Implementation procedure

- *Steps/ phases*

R\$guide, provides to the user, industrial company or enterpriser next services:

Advises about the most adequate financing source to each project,

Guides its search through public existing resits, keeping him updated and supplying the suitable documents for each request.

Counsels about its company Business Plan preparation and keeps him in touch with possible private financing sources.

All this throughout a quick and interactive media as Internet is.

Consult process flowchart or diagram is as follows:

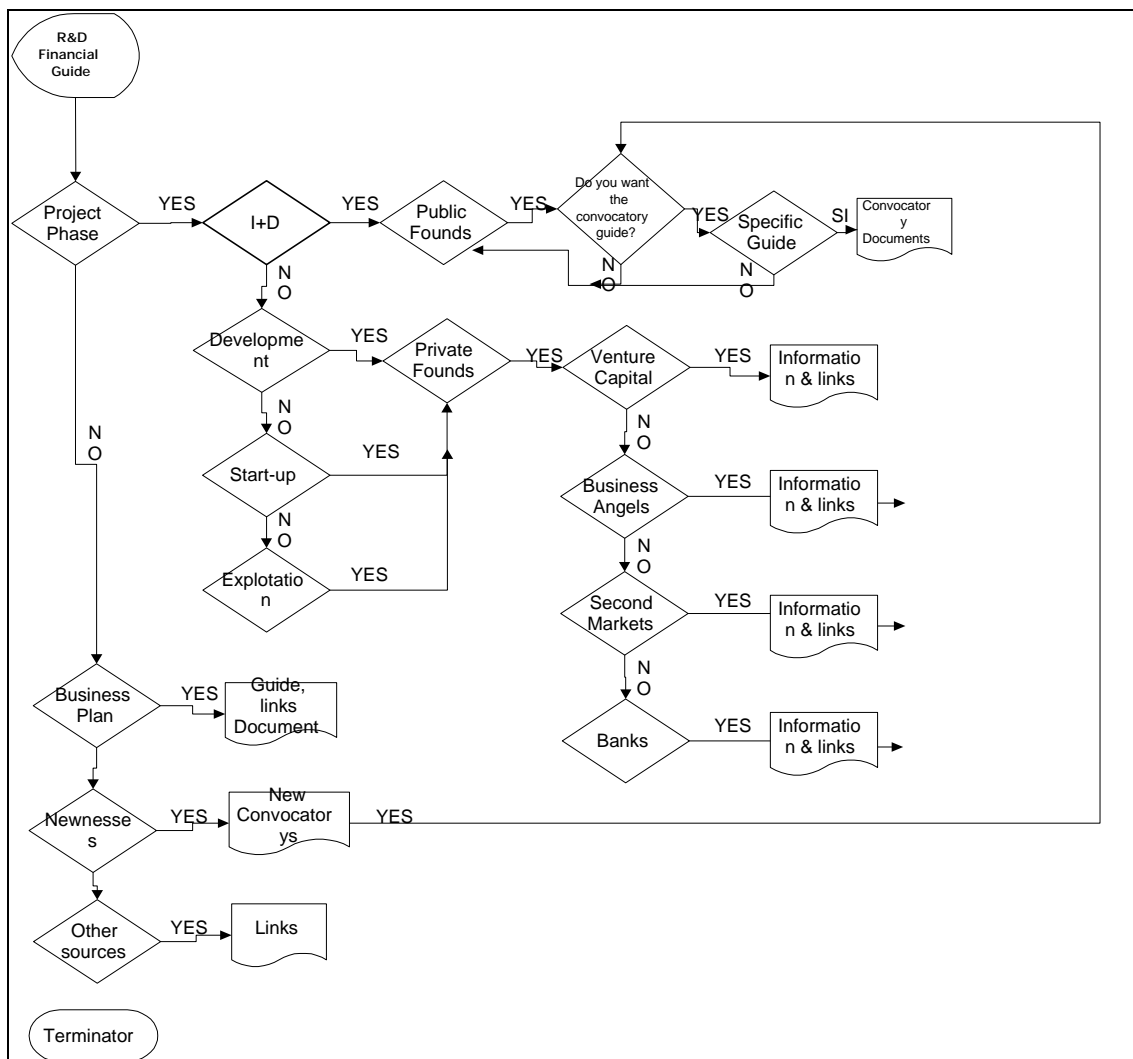


Chart4. Web consult process Flowchart

Following screens available

1	<h3>R&D FINANCING GUIDE</h3> <p><i>Aim:</i> R\$ Guide presentation, services provided and its own contents description.</p> <p><i>Content draft</i> Pages describing information entrances:</p> <p>Example:</p> <ul style="list-style-type: none"> Financing search service Financing sources Business plan News, public resits Different external sources
<p><i>Help desk</i></p> <p><i>Financing sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	

2	<h3>FINANCING SEARCH SERVICE</h3> <p><i>Aim:</i> Guiding about the most suitable financing source depending on the project stage.</p> <p><i>Content draft</i> On each project stage a financing sources list is provided with a definition and links to each concerned pages.</p> <p>Example:</p> <p>When the project is at the Research stage, financing will usually, come from non-refundable grants and it should be seek throughout:</p> <p>Public Section: National Governments, Regional authorities or European Commission.</p> <p>Corporate Section: Entrepreneurial societies for industrial development.</p> <p>When the project is at the Development stage, namely where a prototype is available, a pilot site can be built to show its viability, financing can be seek in both previous ways but also throughout:</p> <p>Seed Capital. Funds prepared to fulfil pre-technological investments accompanied by other funds in case that a company is built once the project is finished. These funds can be loans convertible into shares once the company is established.</p> <p>Venture capital. It would be interesting when the company is searching for extra funds for any specific theme.</p> <p>When the project is at the Start-up stage, problems to find financing already last, but it would much depend on the project size and kind. Funds can be found in:</p> <p>Business Angels: Individual or net investors (high net worth). They can provide financing and also advise and help to this new company. This is a suitable</p>
<p><i>Help desk</i></p> <p><i>Financing sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	

2	<h3>FINANCING SEARCH SERVICE</h3> <p>source when funds need is relatively small and projects in which high technology is not used.</p> <p>Venture capital. Although the majority of funds are focused to big deals, there is a small share that invests at the Start-up stage. Generally, capital-risk investors are very experienced and contribute assisting the administration.</p> <p>Public Sector: They can supply grants or different non-refundable helps to finance or cover the capital costs at this stage. Mostly, public risk-funds take part in those projects where benefits expected could be translated into employ creation.</p> <p>Corporate finance: Funds coming from industrial and commercial companies searching new developments, being these firms potential buyers.</p> <p>When the project is at the Exploitation stage main financing sources come from private financing in form of capital-risk funds or loans and bank credits. Also, at this stage, the additional injected capital acts on company survival. Usually, it should be found in new markets: AIM, Nouveau Marché, Neuer Markt, where regulations are not so severe.</p> <p>A large number of European companies start American connections (US NASDAQ) taking advantage of the huge number of investors in high technology companies, existing in US. EI EASDAQ (European Association of Securities Dealers Automated Quotation System) based on an American pattern and providing a service similar to that one offered by European companies.</p>
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3	<h3>FINANCING SOURCES</h3> <p><i>Aim:</i> General description of public and private financing sources.</p> <p><i>Content draft</i> Generic description of public and private funds, list of these ones and links and references to public resit guide pages, to Capital-Risk, to Business Angels; Second markets, Banks.</p> <p><i>Example:</i> Public Funds</p> <p>Since a company decides focus its strategy searching Public Financing, it should be well informed about the European, national, self-government or local programmes having funds at their disposal for this project. Basically, European programmes are the instruments where the Community takes part financing the actions and application measures for each policy it develops.</p> <p>Programs fetch an action frame-covering short and long-term aims definition, measure adoption account, a financial timetable and those access requirements to financing and actions bond to be financed.</p> <p>Public help is given through grants, warranties allowance and helps to interest grants.</p> <p>Besides, this web contains references to places and links to definitions such as:</p>
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	<p>Structural Funds</p> <p>European initiatives</p> <p>Actions arising out of 10 art. From FEDER and 6 art. From FSE</p> <p>Cohesion funds</p> <p>European programs</p> <p>Nets</p> <p>Loans and warranties (BEI, FEI, CECA loans)</p> <p>Private funds</p> <p>Funds arising from private capital expected to flow from the following sources, common characteristics are described, giving access to a specific page for each one of them:</p> <ul style="list-style-type: none"> Capital-Risk Business Angels Second markets: Banks
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<p>4</p> <p><i>Help desk</i></p> <p><i>Financing sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	<p>CAPITAL-RISK FUNDS</p> <p><i>Aim:</i></p> <p>Defining this kind of financing and providing links to capital-risk sources.</p> <p><i>Content draft</i></p> <p>Defining capital-risk funds. Links to capital-risk financing sources.</p> <p><i>Example:</i></p> <p>These funds provide financing support as shares or options to change loans into shares.</p> <p>Although the great part of funds is focused on big operations, there is a small section of them investing on plans at the Start-up stage. Usually, capital-risk investors are very experienced and contribute assisting on the steps.</p> <p>In the USA, the main source of money capital-risk lives on, are pension funds. At present, we can group risk-capital actors in this country as follows:</p> <p>Independent capital-risk funds mainly financed by pension funds.</p> <p>Banks and companies subsidiaries, developing the same financing activity, although their resources flow from a unique financing or industrial investor. The investor uses these ones, to diversify and access to new products, technologies and markets.</p> <p>Small business Investment Companies. Even though all of them do not act as capital-risk, many do. Originally, they had a great importance in capital-risk offer.</p> <p>References and links to:</p> <p>European Association for Capital-Risk Funds: http://www.evca.com</p> <p>European Venture Capital Association: http://www.cordis.lu/finance/src/venture.htm</p> <p>International Firms for capital-risk: http://www.vfinance.com/venca.asp</p> <p>Investors rooted in Spain: http://www.ucm.es/info/ecfin3/cr/inveresp.htm</p>
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5	BUSINESS ANGELS
<i>Help desk</i> <i>Financing sources</i> <i>Business Resit's Guide</i> <i>News</i> <i>Another webs</i> <i>Home</i>	<p><i>Aim:</i> Defining this kind of financing and links to information sources.</p> <p><i>Content Draft and example:</i> We entitle Business Angels to those individual or net investors (high net worth) searching for their money cost-effectiveness, providing financing for new companies, conseuling and helping them. This source suits to relatively small capital needs and to non high-technology projects. Therefore, we are talking about professionals turned into company minority investors who join in the Administrative Committee, contributing with their acquaintances and entrepreneurial knowledges.</p> <p>References and links</p> <p style="text-align: center;"> Business Angels Record: European Business Angels Network: http://www.eban.org/links.htm Business Angels Club in Spain: http://www.clubba.com/ http://www.cordis.lu/finance/src/angels.htm </p>

6	SECOND MARKETS.
<i>Help desk</i> <i>Financing sources</i> <i>Business Resit's Guide</i> <i>News</i> <i>Another webs</i> <i>Home</i>	<p><i>Aim:</i> Defining Second markets and links to main pages</p> <p><i>Content Draft</i> Second markets characteristics. Links to main pages.</p> <p><i>Example:</i> One of the main reasons to justify the innovation success in the United States is the existence of an efficient second market, NASDAQ. In NASDAQ over 5.500 companies quote, giving employment to over 9 million employers. Companies like Microsoft, Intel or MCI started quoting in NASDAQ at an early development stage and they are currently, a few of the main companies by stock exchange quotation in the Northamerican market.</p> <p>NASDAQ main characteristics are as follows: Technology, Growth, Rentability, Volatility, Electronic Access, Effective working, Demand encourage, Companies image, Non-overrated market. European strong investments in NASDAQ and the inexistence of a second market in Europe brought to EASDAQ establishment.</p> <p>EASDAQ was created to bring together fast growth companies, their investors and financing middlemen into a liquid quoted market, well-regulated and paneuropean. By means of admission to quotation in EASDAQ, companies have direct access to a wide range of capital sources, which can't be found in a national market. For institunial and public investors, EASDAQ establishment means an investment choice and allows trading directly with foreigner companies shares, without the problems and interrelated costs to international transactions, existing in domestic markets.</p> <p>Based in Brussels, EASDAQ has been established and financed with a great</p>

6	<h2>SECOND MARKETS.</h2> <p>middlemen group belonging to European Union and United States. This market is independent to existing European quoted markets.</p> <p>High control standards have been settled in EASDAQ to guarantee its faultless working and it is authorised by the Belgium Bank and Finance Commission. Additionally, recent European Union guidelines allow EASDAQ to operate in all state members. Furthermore, EASDAQ Rule book has been designed upon NASDAQ working framework, allowing the company to reach the United States Stock Exchange Committee requirements (SEC) and making possible to companies quoting both in NASDAQ and EASDAQ.</p> <p>Main advantages of quoting in EASDAQ for companies at the growth stage are:</p> <ul style="list-style-type: none"> ↪ Direct access to a more extensive range of capital suppliers than national markets. ↪ Image widespread throughout Europe. ↪ Wider and with more liquidity multinational market to reduce capital cost. <p>Foremost advantages of investing in EASDAQ for investors are:</p> <ul style="list-style-type: none"> ↪ Easy, direct and in-screen access to foreign markets. ↪ Bigger market and straightforwardly higher liquidity. ↪ Higher regulation level. <p>Foremost advantages for middlemen are:</p> <ul style="list-style-type: none"> ↪ New markets bringing new business opportunities. ↪ Economic entrance costs. ↪ Joining barriers decrease. <p>Nevertheless, EASDAQ isn't the only initiative developed during this last years in Europe. In Jun 1995, started to run the <i>Alternative Investment Market</i> (AIM) in the United Kingdom and afterwards the <i>Nouveau Marché</i>, in Paris y the <i>Neuer Mark</i> in Frankfurt were established, being in setting up process similar markets in Netherlands. Outlooks in Spain aren't very promising; not being noticed this alternative as an interesting one due to investors' lack of experience and usage.</p> <p><i>Source: Datastream, 1997.</i></p> <p>References:</p> <p>NASDAQ (http://nasdaq.com)</p> <p>EUROPEAN ASSOCIATION OF SECURITY DEALERS of AUTOMATIC QUOTATION: EASDAQ: http://www.easdaq.com/pb/end.00.asp</p>
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7	<h2>BANKS</h2>
<p><i>Help desk</i></p> <p><i>Financing</i></p>	<p><i>Aim:</i></p> <p>Private financing common characteristics</p>

<p><i>sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	<p>Content draft: The European Bank of Investments (EBI) is the EC bank agency whose main aim is supporting investors financing in order to contribute to a well-balanced EC development. Through loans and warrantees concession finance those projects aimed to contribute in a regional development, promoting companies updating, new activities creation...</p> <p>References and links to interesting webs, news and current articles about private financing arising from banks:</p> <p>Http://www.eib.org <input type="text"/></p> <p>http://www.cordis.lu/finance/src/debt.htm <input type="text"/></p> <p>EUROPEAN INVESTMENT BANK: http://www.eib.org</p> <p>BANCO MUNDIAL: http://www.worldbank.org</p>
<p>8</p> <p><i>Help desk</i></p> <p><i>Financing sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	<p style="text-align: center;">RESITS GUIDE (Brief shape)</p> <p><i>Aim:</i> Advising about public resits where research and Development projects are financed.</p> <p><i>Content draft</i> Brief summary (title, promoter entity and Official Bulletin where it has been published) of public existing resits where Research and Development projects are financed. It provides a text prospector in this page.</p> <p>Example:</p> <p>Title-help naming..... Promoter entityDOCE</p> <p>Title-help naming..... Promoter entityDOCE</p> <p>Title-help naming..... Promoter entityDOCE</p> <p>Name Prospector..... <input type="text"/></p> <p>Entity Prospector..... <input type="text"/></p>
<p>9</p>	<p style="text-align: center;">Resits Guide</p> <p><i>Aim:</i> Advising about public resits where Research and Development projects are financed</p>

<p><i>Help desk</i></p> <p><i>Financing sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	<p><i>Content draft:</i></p> <p>Total description (title, amount and limit, help aim, activities bond to be helped, delivery dates, promoter entity, and Official Bulletin where they have been published) of public existing resist to finance Research and Development projects. It allows taking the Bulletin where this help has been published and request documents associated to this one. A text prospector is supplied in this page.</p> <p>Example:</p> <p>Title-help naming..... Promoter entity</p> <p>Help amount and limit.....</p> <p>Aim</p> <p>Activities bond to be helped.....</p> <p>Publishing date..... Delivery date</p> <p>Instructions.....Forms/Documents</p>
<p>10</p> <p><i>Help desk</i></p> <p><i>Financing sources</i></p> <p><i>Business Resit's Guide</i></p> <p><i>News</i></p> <p><i>Another webs</i></p> <p><i>Home</i></p>	<p style="text-align: center;">BUSINESS PLAN</p> <p><i>Aim:</i></p> <p>Help to carry out a Company Plan</p> <p><i>Content draft</i></p> <p>Contents description in a Business plan and links to different existing tools with helps and examples</p> <p>Example:</p> <p>R&D financing process search comes from monetary need knowledge enduring our R&D, therefore, it is necessary to carry out an economic viability study or business plan. It would be the private funds financing negotiation basis: Banks or capital-risk funds.</p> <p>This business plan is double targeted. Firstly, it is an analysis tool for the project promoters themselves. Secondly, it is an excellent presentation letter allowing starting contacts with thirds. As well as to look for new partners, with <input type="text"/> port, to establish <input type="text"/> ts with suppliers and clients...</p> <p>Banks and capital-risk associations receive financing requests every day for viable or non-viable projects; first sort-out is done casting a quick glance at the company Business plan.</p> <p>There are different guides to carry out a Business plan:</p> <p>LIFT programme has issued a useful guide: "Preparing a technology business plan" http://www.cordis.lu/lift/</p> <p>Business Investments at Internet FORUM. It supplies information to fulfil a company Business plan in Internet: http://www.forvm.org</p> <p>ANCES: National Association of CEEI Spanish enterprise and innovation centres, has edited a CD named "Herramienta para la Formación del emprendedor/a" (Tool for enterprising training) and the company plan edition.</p> <p>SBA The business Plan. http://www.sbaonline.sba.gov/starting/businessplan.html</p> <p>Already made Business plans examples can be found in the following address: http://morebusiness.com/templates_worksheets/bplans/</p> <p>In Annex I we offer a tool done in excel sheets to help in your company business plan preparation.</p>

11	NEWS
<i>Help desk</i> <i>Financing sources</i> <i>Business Resit's Guide</i> <i>News</i> <i>Another webs</i> <i>Home</i> <i>Home</i>	<p><i>Aim:</i> Page where news emerged about public resits or private funds are reflected</p> <p><i>Content draft</i> News, modified every week, about new public resits (brief type) before going into your page. Information about news and new addresses related to Private Funds.</p> <p>Example: Title-help naming..... Promoter Entity.....DOCE Title-help naming..... Promoter Entity.....DOCE Title-help naming..... Promoter Entity.....DOCE</p> <p>Name Prospector..... Entity Prospector..... <input type="text"/> <input type="text"/></p>

12	OTHER SOURCES
<i>Help desk</i> <i>Financing sources</i> <i>Business Resit's Guide</i> <i>News</i> <i>Another webs</i> <i>Home</i>	<p><i>Aim:</i> Different links to organisms, programmes or another sources providing information in financing environment.</p> <p><i>Content Draft</i> Different sources of information where documentation about public resits can be found, as well as different financing sources.</p> <p>European Webs: Public Funds: http://www.cordis.lu http://www.europa.int Private Funds: The European Investment Bank: the European Union's financing institution http://www.eib.org Doce: http://www.europa.eu.int/eur-lex/es http://www.reviev.org National Webs Public Funds: http://www.min.es http://www.cdti.es http://www.ocyt.es BOE: http://www.boe.es Regional Webs http://www.dfa.jet.es</p>

Web Re\$guide framework draft:

Chart 5. Web draft framework

- *Partial techniques and tools included in each step*

Methods and techniques are explained in each step in paragraph 3.1. On each web screen, connections and references to addresses are given, as well as tools of interest.

Appendix I contains an excel tool to elaborate the Financial Plan.

- *Related software*

Re\$guide software is being executed and it will be available in Juin 2000. At present, advice is provided to seek information, assuming a tool made in Access where public funds information can be consulted. Advise to search private funds or to elaborate a business plan is also given, nevertheless this knowledge isn't expressed.

4. Bibliographic references

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Charts Index:

Chart 1. Financing funds depending on the development stage of the managerial project.

Chart 2. Graphic chart of external financing sources.

Chart 3. EC existing nets working on innovation framework.

Chart 4. Webs consult process flowchart.

Chart 5. Web draft framework

Annex I. Business Plan