



# MEDFEST'19

## Yearbook

 **Interreg**  
**Italia-Malta**  
**I KNOW**



UNIONE EUROPEA  
EUROPEAN UNION

Fondo Europeo di Sviluppo Regionale  
European Regional Development Fund







WELCOME TO

MEDFEST '19



INTERREG V-A Italy-Malta Programme  
Project part financed by the European Union  
European Regional Development Fund (ERDF)  
Co-financing rate: 85% EU Funds; 15% National Funds



Sometimes it seems like the words 'entrepreneurship' and 'money' cannot exist separately. If not in the same sentence, then they're almost certainly in the same paragraph or page. Whether discussing the capital needed to set up a new venture, the investment it can garner, the debt it can incur, or the wins and losses taken after a sale, money is always part of the picture. You can be excused for thinking it was the only goal, but the reality is very different.

Companies looking to raise funds should not just focus on the financial injection but look at the value beyond: the holistic value investors can bring to the table, tangible and intangible. If you're looking to fund a venture, focus not just on the financial returns to be gained, but on the broader return on the value you invest. Both of these may not be quantified in cash. They're about the satisfaction that can be gained from a partnership that leads to a success story that enhances the well-being of our communities. This is the true, open spirit of entrepreneurship—value creation for the betterment of society.

Entrepreneurship is a discipline which can be taught, must be learned, and most certainly must be practiced skilfully. Entrepreneurs are often described as risk-takers, but successful entrepreneurs are those who learn to effectively manage and mitigate the risks around identified opportunities. Failure should not be sought, or presented as a prerequisite for success. One need not burn nine fingers to celebrate the one preserved. Should failure still occur despite one's best efforts, however, then one should not fear it—learn the lessons it brings with it.

Learning how to put the mosaic pieces together that make up a business plan and pitch successfully to investors requires rigorous training. Investors seek well-thought-out proposals which address real needs or opportunities made by skilled, credible, and committed people, based on feasible plans to attain worthwhile goals.

The skills an entrepreneur must learn to deploy are there for the taking at the Centre for Entrepreneurship and Business Incubation at the University of Malta. Contact us.

Prof Juanito Camilleri,  
Rector Emeritus, Chairman of the Centre of Entrepreneurship  
and Incubation (CEBI), University of Malta

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# MEDFEST CONFERENCE

## AGENDA

VALLETTA CAMPUS  
UNIVERSITY OF MALTA,  
SATURDAY 14TH DECEMBER, '19

Invest In your Future



### THE FUTURE IS BRIGHT

08.30	Registration	
09.30	Welcome	Prof. Ing. Saviour Zammit
09.40	Opening remarks	Dr Aaron Farrugia Parliamentary Secretary For European Funds & Social Dialogue
09.50	Objectives for the day	Prof. Philip Wragg
10.00	The I KNOW Project - The Sicilian Perspective	Dr Sebastiano Di Stefano
10.10	The I KNOW Project - The Maltese Perspective	Prof. Russell Smith
10.20	Equity Finance Considerations in Malta	RSM Malta
10.30	Malta Enterprise: How we can help	Kurt Farrugia, CEO Malta Enterprise
10.40	Morning coffee	

### THE FUTURE IS NOW

11:10	Panel: Investor Opportunities at Universities	Dr Ing Anton Bartolo (University of Malta) Session Chair Prof Andrea Cirà (University of Messina) Prof Raffaele Scuderi (University of Enna Kore)
11:40	Incubation at Arkimede in Sicily	Giancarlo Visalli
11:50	Incubation at TAKEOFF in Malta	Ing Joseph Bartolo
12:00	Special Collaboration Announcement	Sicily / Malta
12:10	Innovation Drives Enterprise	UoM Racing Team
12:20	Innovation Changes Lives	Natalie Muschamp, SUPP
12:30	Lunch	

### THE FUTURE IS US

13.30	Investment Pitches I Part 1	Malta / Sicily
15.10	Afternoon tea	
15:40	Investment Pitches I Part 2	Malta / Sicily
17.20	Sicily: 'One to Watch'	Emerging technology from Sicily
17:25	Malta: 'One to Watch'	Emerging technology from Malta
17.30	Break and refreshments	

# FLOOR PLAN

① - Information

1 - Registration

2 - Dancing Colours

3 - Huskie Beer

4 - Phileas Perfume

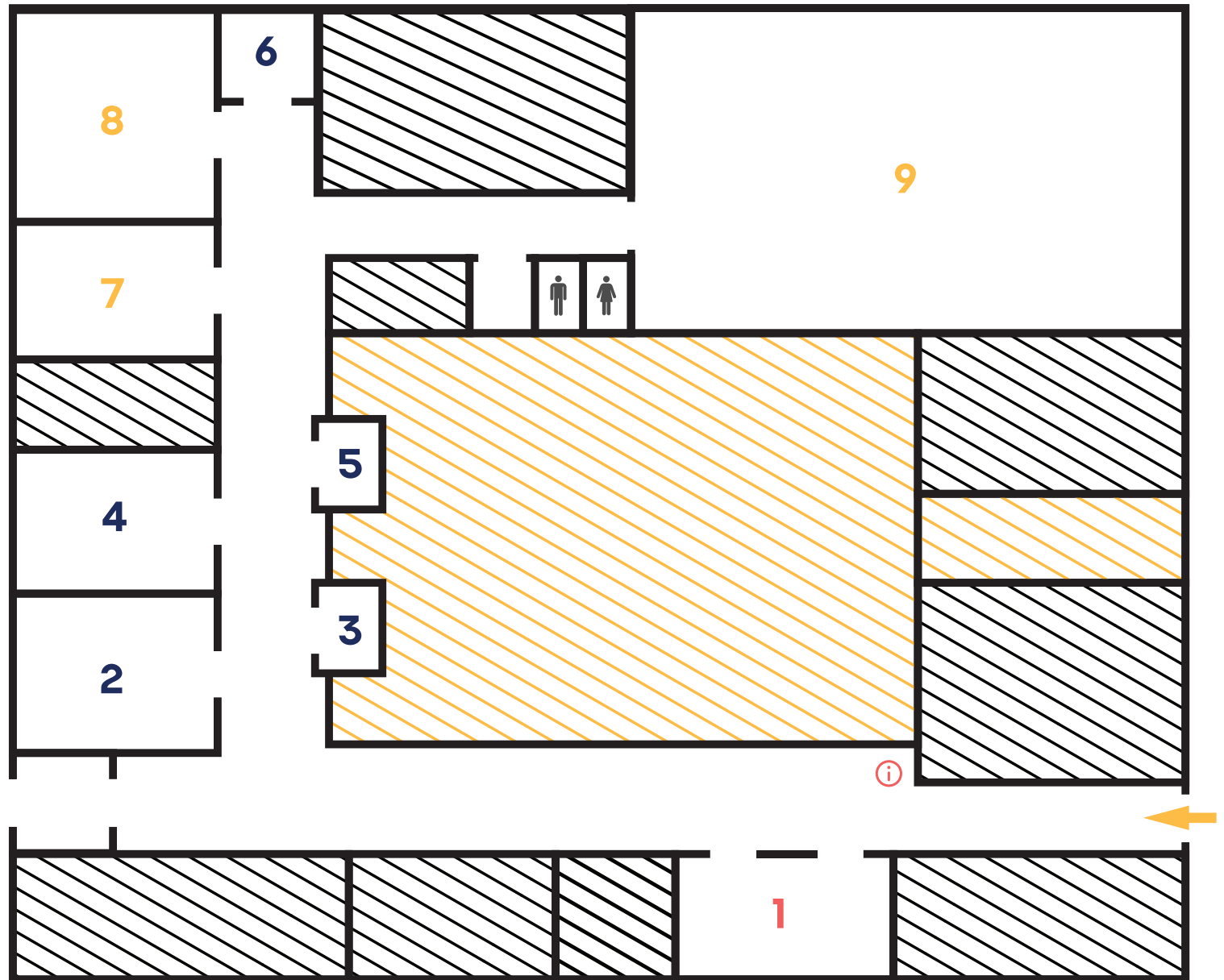
5 - UoM Racing Team

6 - Godwin Spiteri

7 - Break Out Room

8 - Break Out Room

9 - MEDFEST Theatre





MEDFEST

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MEDFEST'19

# WHY MEDFEST?

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*When we take away the showcases, the networking, and the pitches, what is it that remains? Dreams. Aspirations. Hope.*

High-tech, high-growth companies are all about pushing boundaries. They are the people who develop technology that revolutionises the way we do business; the people who find new cures for cancer; the people who go out into the world with the intention of having an impact. As expected, however, big aspirations come with hurdles.

Early stages are riddled with vicious cycles. New products and services need research and development, but R&D is expensive, and without a product earning income to pay for it, the company is at a standstill. Applying for a loan to get the ball rolling isn't an option either because no entity will trust you to make repayments. Then there is grant funding, which while being incredibly valuable at the outset, is usually inadequate to fund a new company for very long. This leaves just one solution—equity finance—and this is where MEDFEST comes in.

Equity finance is an area fraught with misconception. Many draw inaccurate parallels between private and public limited companies. With public companies, they're already trading shares, so when investors jump on board, buying shares means they receive a portion of profits.

With private companies, buying shares means investors become company owners alongside founders, joining them on their journey. If (and it's a big IF) the high-tech, high-growth company hits its targets, fulfills its goals, and develops that exciting new product that attracted investors to it in the first place, then the sell-off and capital gain that investors earn can be substantial. MEDFEST's goal is not only to train companies and investors to understand these key aspects of equity finance, but to engage with them.



Drawing inspiration from Oxford University's VENTUREFEST, MEDFEST is a one-day event bringing together the three groups of people that are essential to the creation of high-tech, high-growth enterprise—inventors, innovators, and investors—to absorb knowledge, share thoughts and projects, network, and find the right people to work with.

Big ideas that change the world cannot and do not happen in a vacuum. They need researchers and inventors that trust them into the real world. They need entrepreneurial managers capable of creating business vehicles that 'turn ideas into invoices'. They also need high net-worth individuals with an eye for potential and an interest in developing a varied investment portfolio.

Collaboration is the lifeblood of any creative effort and this is what MEDFEST is at its core, not only in words and

philosophy, but also in deed. The event itself is a grand alliance with colleagues spanning the world, from the I-KNOW project, to the Centre for Entrepreneurship and Business Incubation (CEBI) at the University of Malta and its TAKEOFF Incubator, to the University of Messina, Kore University of Enna, and Arkimede, as well as Malta Enterprise. Our goal is that this spirit will become tangible in the room as participants explore exhibits set up by innovative social and commercial student enterprises, as expert speakers share their knowledge with our participants, as the delegates meet the exclusive selection of founders from high-tech, high-growth companies seeking equity finance and watch them pitch their ideas.

*“Big ideas that change the world cannot and do not happen in a vacuum..”* »



MEDFEST is not 'Shark Tank'. This is not about having high-power investors tear into unprepared prospective business owners or bicker over financials on an open stage. This event is set apart by its special balance of education and opportunity as well as a dogged dedication to quality. From a wide selection of applications, eight companies have been selected to present, all of which have completed an intensive mentoring programme run by the CEBI team in Malta. A panel of international experts chaired by Prof. Philip Wragg will be asking probing questions to test the business plan's acumen, and investment meetings will be held privately.

MEDFEST is setting a precedent to follow, a benchmark for events that facilitate the raising of equity finance. And though funding is only available for this year's iteration, we hope that its success will see it become an annual event held in cities and countries all around the Mediterranean, supporting the development of high-tech, high-growth companies and setting the stage for a vibrant investment community ready to take on the world.



# PAST MEETS PRESENT

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*Celebrating **250 years** of learning and knowledge at the University of Malta.*

Some say that language is the cornerstone of civilisation. It has allowed humans to communicate ideas, share knowledge, and create more of it. Others posit that knowledge itself is what led to the development of language. New words would not exist were it not for new technologies that 'force' languages to expand their vocabulary. Whichever side you fall on, the common ground remains—the creation and dissemination of novel concepts and thinking has and continues to shape the course of our history and our species.

In Malta, the capital city of Valletta has been a crucible of learning since the very beginning. The University of Malta's own Valletta Campus was something of an epicentre. Home to the Collegium Melitense as of the late 1500s, it was a Jesuit-run college focused on philosophical and theological pursuits, but which also placed value on languages and the arts. Some years later, the Knights of St. John brought with them a rich understanding

of the medical world and formalised it through teaching at the Order's hospital, the Sacra Infermeria, on the south-eastern part of Valletta's promontory. The first medical library on the island as well as a medicinal herb garden used to be found in one of the ditches of Fort Saint Elmo.

The decree constituting the University of Malta was signed by Grandmaster Pinto on November 22nd, 1769, which makes this year the 250th since its founding. Now with a student body of 11,500 and an academic register of 1471, it is fitting to come back to Valletta Campus to remember how far we have come in this journey of discovery, and to continue investing in it ourselves as business leaders, entrepreneurs, problem solvers and thinkers.

Here, at this time, we celebrate all that has come before by learning from it and building upon it. We honour the past by looking to new opportunities and supporting them to ensure a brighter future for all to come.



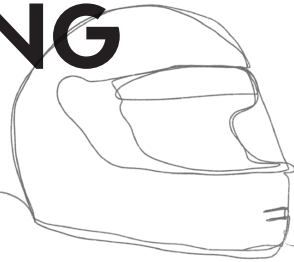
*Photo Credits: L-Università ta' Malta / David Borg*





SHOWCASES

# UOM RACING TEAM



Often, theory needs practice for real learning to take place. For engineering students, this especially holds true, and this is why the Formula SAE exists. The Society of Automotive Engineers organises an annual design competition that assesses an array of skills from budgeting to management, design specifics to material choices. University of Malta Racing (UOMR) is Malta's very own student-based Formula SAE team.

Founded in 2012, UOMR started competing in 2014 with their first design. Since then, two more cars have been built for competitions in 2015 and 2018. Currently, the fourth car is a work in progress and will hit the tracks in 2020. 'The project allows us to start a path in motorsport,' explains UOMR President Liam Bonello, 'all while learning and transferring knowledge.'

*'We have to be a team to get things done.'*

And that includes everyone, not just engineers. 'Since we are a university-wide organisation, we provide the opportunity for anyone to be part of the team. We need expertise from IT and engineering to business and management. Everyone gets to have hands-on practice in their field,' Liam emphasises.

Lessons learnt are many, but there are two that the team refers to most often. The first is the classic 'there is no I in team.' The second stems from the understanding that without the combined efforts of individual members, the team would get nowhere. 'We have to be a team to get things done,' Liam notes, 'people who don't have the will to work together end up leaving.'

From nothing, the end result is a functional race car that is a testament to true collaboration. And though this is one of the most satisfying results of any project students from the University of Malta are exposed to, Liam is still adamant that 'the journey getting there is the best part of it.'





# STEP UP FOR PARKINSON'S



It began with one dancer. Natalie Muschamp was a professional, performing in shows all around Europe, when she decided that she wanted to use her skills to help people. She came to the University of Malta with that intention, and life filled in the blanks. Reacting to the loss of her partner, her aunt walked from Amsterdam to Rome to raise money for the Dutch Parkinson's Foundation. That simple act of altruism in the face of tragedy saw Muschamp dedicating her time and talent to research how dance could be therapeutic not just for people living with Parkinson's disease, but also their carers who dedicate so much time providing support.

'It is very important for me to keep these classes free of charge.'

Evidence from the last 20 years showed that dance therapy can improve balance, motor function, and quality of life, imbuing people living with Parkinson's Disease

with confidence. She then discovered that no form of dance therapy was available in Malta at the time. Muschamp decided to change that.

With support from the Malta Parkinson's Disease Association, The President's Foundation, and many more, today Natalie runs nine classes a week in seven different locations for a group of around 200 people, all of whom she considers to be her family. 'It is very important for me to keep these classes free of charge,' Natalie emphasises. 'They need to be accessible and available to everyone and anyone who needs them.' She does this by keeping self care and sustainability in mind at all times. 'This means thinking in different ways to find solutions and working on qualitative classes in order to gain data which we can use to achieve beneficial outcomes for our participants.'

To her, the why that keeps her going on this journey that has touched so many lives is simple. 'It works,' she grins. 'They smile, they dance and they reconnect!'





# PHILEAE PERFUME

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Marina Fabic has been playing with colours, textures, flavours, and scents since forever. A creative through and through, she is not bound by role or label whether she is designing interiors, inventing new culinary delights, or consulting with other artists and business people. This is precisely why when she discovered her passion for perfume and set up her company Phileae, it came as a surprise to no one. It was simply part of Marina's evolution as an artist. 'It is a very fortunate place to be when you call your passion 'work' but it's also essential to turn it into a sustainable enterprise which can grow organically,' she notes.

What differentiated Phileae from other companies is its commitment to authenticity. 'It's about fresh, raw ingredients,' she says. 'There's nothing better.' Where other companies use synthetic scents, Marina travels the world to find the real source. From frankincense and myrrh to the essence of orange blossom, she has tracked all her ingredients down with resolve.

While some might look upon such a journey with weariness, Marina embraces it wholeheartedly, seeing it as part of the creative process itself. 'The packaging, the perfumes themselves, the brand. It all takes its own time to come together, to come to a place where you're happy with it. It has to have a story, it has to have depth, and it has to come from me. It's not only a commercial endeavour, it's a personal story.'

*'It is a very fortunate place to be when you call your passion 'work.'*

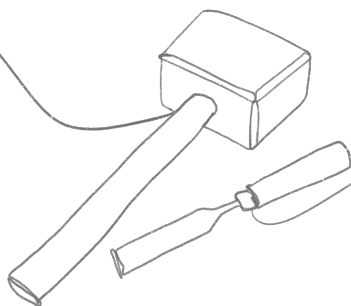
Throughout it all, there have been challenges and lessons learnt, both in terms of the craft and in the act of running enterprise. The biggest ones for her were understanding the importance of a great team, and having faith in her own ideas. 'One should never try to do everything oneself,' she advises. 'Make sure you persevere and let the process take its time to give you the great results you're looking for.'



Photo by Julian Vassallo



# GODWIN SPITERI



It was two short years ago that Godwin Spiteri began experimenting with stone. Starting small, he made traditional crosses and personal mementos that he gave away as gifts to the important people in his life. 'When I first started, I never knew I could do these things. I was just looking for something to occupy my time,' Godwin explains. Since then, however, consistent dedicated time and practice has seen him honing the craft.

As a result of this work, Godwin's projects have grown. His latest work is a bust he made of Maltese benefactor Monsignor Victor Grech which is now to be found in the Charles Miceli Home. 'It was a very challenging piece when I first started, and it took me three months to finish,' remembers Godwin, 'but it taught me a lot.'

Trial and error is an integral part of the creative process, and it was something Godwin came to embrace. 'You draw out

the plan and get to work, but mistakes happen. And they did. Then you just learn to keep going; you find another way,' Godwin says. 'It's the same in life, I suppose,' he smiles.

*'When I first started, I never knew I could do these things. I was just looking for something to occupy my time.'*

As for the road ahead, Godwin is taking a laid back approach to things, putting his faith in the practice and the team surrounding him. 'I trust the journey I am on and the people I am working with, Russell Smith and Joe Bartolo, and we'll see where this leads. We've come a long way in a short time, but I'm not one to make too many plans or look too far into the future. This is an adventure. We'll see what happens.'





# THE HUSKIE BEER COMPANY



Physicist Jean Bickle and engineer Miguel Camilleri see the journey of brewing craft beer as an artistic expression of science. From the process of selecting hops, malts, and yeast, to purifying water to their desired specifications, all the way to going through their grain bill and tweaking the recipe, the ultimate product is a result of several weeks of work and dedication. 'It fills us with great pride to see our clients enjoying the experience that comes with drinking craft beer,' Jean says.

It all began in Leeds where Jean and Miguel met as workmates and discovered a thriving craft beer scene together. 'We were part of a club at the Wharf Chambers,' Bickle remembers. 'It's what we did after work. We played table soccer and tried beers.' Learning about the process, the recipes, and the different flavours that are possible to incorporate into a beer, planted a seed in them both. 'Eventually, when we came back home, we wanted to give brewing a shot ourselves,' Jean adds. And so they did.

Today, Jean and Miguel co-own a brewery in Qrendi that produces a selection of beers, all different from their predecessors, all limited in quantity. They have experimented with local fruit and citrus flavours, with strawberries and peaches making guest appearances. They have even gone into unconventional territory with traditional honey ring ingredients.

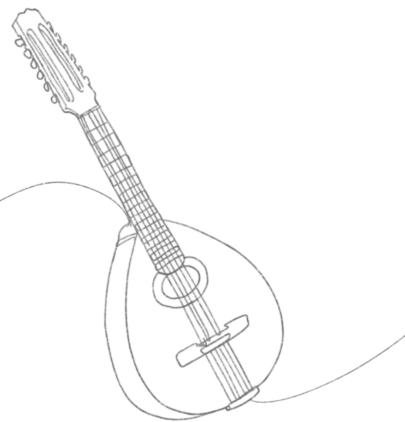
*'We want to create authentic products, something that reflects Malta and our culture.'*

'The biggest lesson we've learnt so far is that quality is recognised and appreciated. People nowadays care about the products they consume. The process, the ingredients, the sustainability of everything matters. We're seeing great support towards businesses like ours, operating within the local environment, and it is heartening to say the least,' Jean says.





# DANCING COLOURS



It was not long after Giusa was diagnosed with Alzheimer's, that the disease ate away at her memories. One by one, it then took all of her abilities, even her ability to speak. Designer Andrea Delicata would sit quietly next to his great aunt, supportive in his silence, but he wanted to do more.

That opportunity came when, on a separate visit, his mother hummed the tune of 'O Sole Mio' and Giusa mumbled along to a few words. 'They must have sparked the memories from her past. She started to smile,' Andrea recalls. 'It was the decisive moment where I promised myself to try and find ways to help her reconnect.'

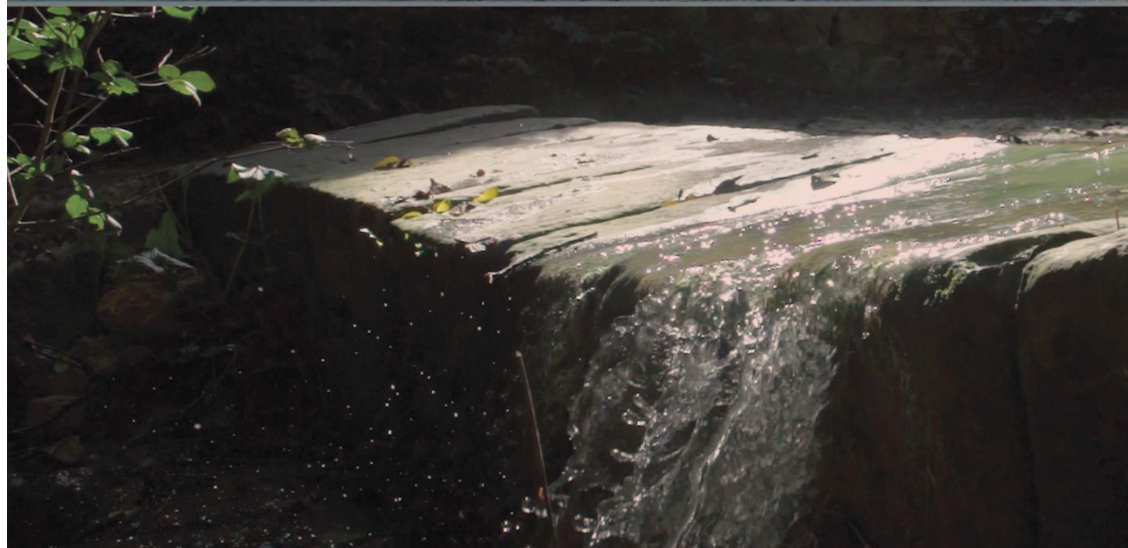
Seven year after Giusa's passing, Andrea is creating interactive videos, tailor-made for people living with Alzheimer's disease. 'I am not a medical student, but looking at the research out there, it seems that non- pharmacological interventions such as music and imagery of recollections are most effective at enhancing communication in people with dementia,' Andrea explains. And so far, the results he has seen in his sessions tell the same story.

*'There are beautiful moments when a touching connection is made with persons who initially seemed unreachable.'*

The response towards the programme has been very encouraging. Staff and care home residents both reported positive experiences, but not just them. 'For caregivers, the videos provided new opportunities for interaction with their patients and respite from the stresses of delivering care,' Andrea notes.

Andrea believes tailor-made audio visuals can be a new way to help people with dementia and Alzheimer's reconnect, and that is the goal moving forward. 'There are beautiful moments when a touching connection is made with persons who initially seemed unreachable,' He concludes.

This is what *Dancing Colours* is about.



# BUSINESS

BUILDING BLOCKS  
OF BUSINESS

# THE CRUCIAL START TO ANY BUSINESS: A CLEAR MINDSET

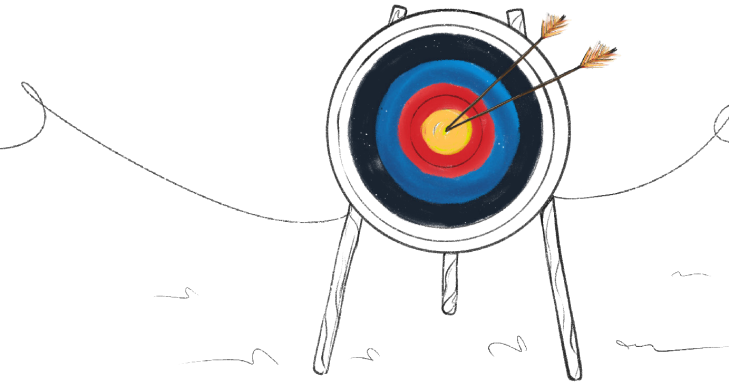
A discussion with **Prof. Russell Smith**. *Cassi Camilleri* writes.

There are a million articles out there that start out just like this one, promising to outline a comprehensive checklist of the tasks and boxes you need to tick when launching a business. As helpful as to-do lists are, however, they do not make a successful enterprise. What does underpin the majority of, if not all, thriving ventures is a particular mindset focused on solving people's problems.

'The simplest way to think about this is in three parts,' explains Prof. Russell Smith from the Centre for Entrepreneurship and Business Incubation (University of Malta). 'You identify a problem, develop a solution, and communicate the benefits.' Smith pulls out his mobile phone to make a point. 'Most businesses place a lot of importance on the features in these things, but a lot of us couldn't care less about them. I don't care how my phone works, I just know I can keep in touch with my four boys. That is its value. That is the benefit I care about.'

Straightforward as it may sound at the outset, Smith identifies this ability to create a solid value proposition as a core challenge for new businesses. 'So many people in the business community start off by creating a product and then going on to try and find people to sell it to. So it's no surprise to us that 75% of businesses die within the first five years. They've got it the wrong way around.'

Naturally, there is more to a good product or service than correctly identifying its value and benefits. The research backing it up is crucial. 'For a venture to be successful and sustainable, you need to have knowledge on your side,' Smith explains. 'The product needs to be surrounded by forecasts: market forecasts that identify the audience and the competition, enterprise forecasts that lay out the strategy for your enterprise, and cash flow forecasts that allocate budget and estimate incomes.' This advice is



swiftly followed up with a warning though. 'Ask questions properly and don't make the mistake of believing your own PR. We know you love your product, but do your clients love it too?'

*"So many people in the business community start off by creating a product and then going on to try and find people to sell it to. They've got it the wrong way around."*

Many times this can be overwhelming for those who are new to the game, but this is where incubators come in, Smith explains. 'Seek wise counsel at every stage. There are very valuable resources available if people take the time to look for them. Here at the University of Malta, TAKEOFF

provides thousands of hours of mentoring to anyone who walks through the door. Make sure the incubator of your choice has a proven track record, a programme of support that is accredited by a respected institution, and a panel of mentors that have been approved. Mentors have to be very specific and very careful about the area where they give their advice. Try to find advice from people who have done it before.'

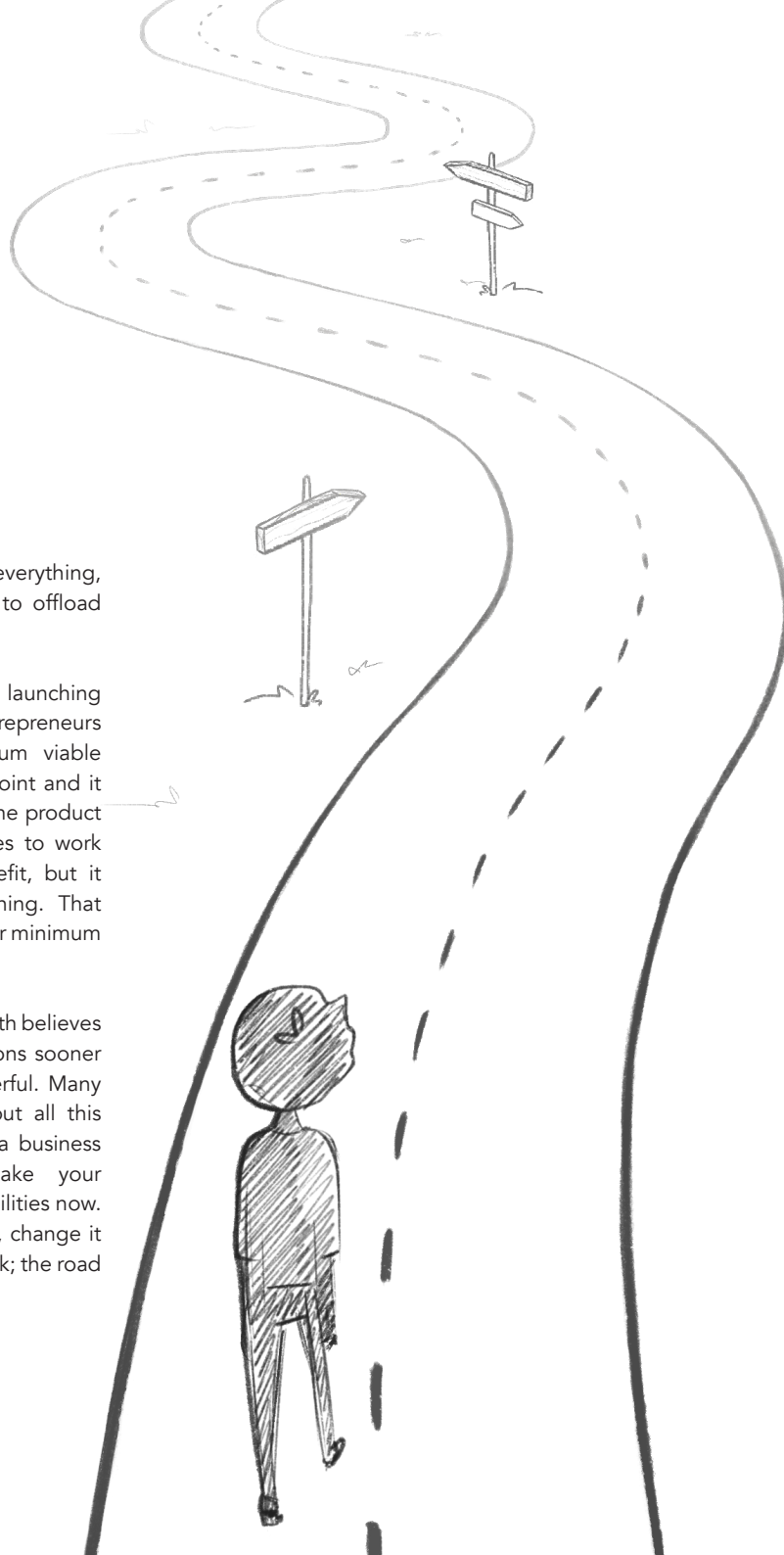
Having been a witness to countless pitches and launches, Smith believes one of the most common mistakes people make when starting out is spending a lot of resources on new purchases. 'Starting out, there is inevitably going to be a time of loss. The business will earn nothing for a while, and you cannot avoid it. The important thing to do at this stage is to buy nothing. It's reckless to buy things. We live in a sharing economy now where

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you can rent anything, so rent everything, people included. If you need to offload work, give it to freelancers.'

Similarly, when it comes to launching a product, Smith asks entrepreneurs to consider what the minimum viable product is. 'This is a starting point and it needs to be treated as such. The product needs to have enough features to work and determine customer benefit, but it doesn't have to have everything. That comes later. Find out where your minimum is, and get the wheel turning.'

As the business progresses, Smith believes in the power of making decisions sooner rather than later. 'Fear is powerful. Many delay decisions out of fear, but all this does is extend the time until a business becomes profitable. So make your decisions to the best of your abilities now. Then, if it turns out to be poor, change it and learn from it. Don't get stuck; the road is long,' Smith emphasises.



## THE FOUR Rs OF STARTING AND RUNNING AN ENTERPRISE.

### 1. Recognise opportunity.

Every business starts out with someone who spots a need in the market that is yet unaddressed.

### 2. Research.

You need to know your market, its demographics, your competition, their demographics. The clearer you understand all these things, the easier it will be for you to make informed, logical decisions and move forward.

### 3. Realise.

This is where the elbow grease comes in. This is the hustle. Building a team, building business models, building prototypes of products, and finding the resources you need to get going.

### 4. Refine.

As you develop and grow, you will need to assess constantly. Solid mentors and incubators are your best bet as you tweak and perfect to reach new heights.



# ENTREPRENEURSHIP AND THE ART OF DOING



*Learn to swim before you surf. Action and learning go hand in hand and should be the foundation of every entrepreneur. **Words by Claire Ciano.***

On a chilly afternoon last year, I was at Ghajn Tuffieħa watching surfers ride powerful sets of wind waves. They swam out, using the currents in their favour, and sat on their surfboards, waiting for the right wave. When it arrived, they paddled hard and positioned themselves quickly. Showing no hesitation, they took the opportunity, lifted themselves up, and balanced with ease. It was a beautiful sight, watching people manoeuvre themselves and the waves as if they were inherently connected. Here is where I started seeing the parallels between these athletes' skills and those involved in entrepreneurship.

If you surf, at some point you are bound to get sucked into the white water. You might be thrown into the rocks or get hit by your own surfboard, or that of others. Doing business is similar in many ways. You will encounter difficulties that challenge you entirely, and being prepared for this is the least you can do for yourself.

I have been an entrepreneur and an athlete at various points in my life and can say it takes more than talent, knowledge, or luck. I acknowledge that, in my journey, I still have much to learn, but I believe it boils down to having the energy and ability to decide and act quickly, even with limited information and to do so with perseverance and continuous alignment with a final goal. Learning entrepreneurship without doing is just like studying the techniques involved in surfing without ever taking to the water. Sure, one might know all the theory, but without the practice, one can never truly call themselves an athlete or entrepreneur.

Similarly, doing business without investing in education will inevitably result in a multitude of rookie mistakes, wasted resources, and unnecessary effort. At best, you'll take a hit to your image and reputation. At worse, you'll come out with injuries, heavy debts, and powerful enemies. After experiencing the ups

and downs of running my first business, I have found the Master in Knowledge-Based Entrepreneurship (at the Centre for Entrepreneurship and Business Incubation) to be a true eye-opener, incomparable to any business course I had done before.

The lectures organised were highly technical and, at the same time, very practical. One of the most valuable lessons I learnt comes from Prof. Russell Smith and Prof. Phillip Wragg, and it is the concept of visualising and feeling the wave. They taught me that as an entrepreneur, I need to have a clear picture of a venture's timeline and the various stages we may experience—growth, merger, exit—as well as my various roles—owner, officer, or executive. This course has not only re-inspired my entrepreneurial spirit, seeing me find new energies to start up new ventures even after years in employment, but it has also prepared me to foresee the ride of entrepreneurship and enjoy it. »





*"If you surf, at some point you are bound to get sucked into the white water. You might be thrown into the rocks or get hit by your own surfboard, or that of others. Doing business is similar in many ways. You will encounter difficulties that challenge you entirely, and being prepared for this is the least you can do for yourself."*

Nowadays, speaking to other entrepreneurs, my colleagues from the M.Ent and others I met along the way, remains my favourite form of therapy and mentorship. I have learnt about the importance of openly discussing issues and ideas sooner, rather than later; having the best idea in your head and developing a static business plan within a closed group is almost suicidal. An idea is as evolved as the number of interactions you have had. As a founder, you will always have the final say on decisions, but every interaction helps you piece together another part of the puzzle, making the product or service you bring to market that much richer and stronger than it originally was.

This said, the M.Ent also highlighted the need to choose between opportunities and partners wisely. Every surfer knows the importance of choosing their waves and strategically positioning themselves at the right place at the right time. This also means letting go of valid opportunities because they may send you in the wrong direction. The same goes for our partners. As in life, in business we often team up with people from our existing circle of friends and community. The course and working from an incubation centre within the University of Malta widened that pool of people and introduced new possibilities. While finding the perfect business partner is unrealistic, the trick is to find someone who compliments your strengths and weaknesses. Together, you can help each other reach new heights.

There are so many more lessons from this course I could list here, but what distinguishes it is the opportunity for budding entrepreneurs to pull their socks up and put things into practice. Knowing versus doing are two very different things, and the M.Ent encourages doing with its links to the business incubation arm that is TAKEOFF. In an ideal world, I would recommend new innovators reading this to start their careers in employment, and learn to swim from others at their expense. After a few years, get your surfboard or sign up to the Master in Knowledge-Based Entrepreneurship for the education and guidance that will empower and set you apart.

# ASKING THE RIGHT QUESTIONS

*It is often said that ideas are a dime a dozen, and most would tend to agree. Many a time, an idea is merely the starting point for something: the seed. The successful and effective execution of that initial spark is what creates true value. **Cassi Camilleri** writes.*

In business, ideas that stem from a person's willingness to solve others' problems tend to be the most prized. As opposed to the consistent churning out of flashy products for people to buy, a grounded focus on providing benefits for clients is favoured. Even with this mindset leading you, however, plenty of work remains. Hundreds of questions need to be asked and answered for a sound business plan to be set in motion. This is what the Enterprise Framework is all about.

Entrepreneurship and business experts Prof. Russell Smith and his long-time colleague Prof. Philip Wragg developed the Enterprise Framework to demystify the process of building a business, be it a simple enterprise that pays the bills, or a force that disrupts its own industry. Consisting of two parts, the Incumatrix™

Business Adviser assesses a business proposal's health, while the Business Environment focuses on the support structure surrounding the business. The result is a comprehensive model comprising of 625 questions; however, through years of experience, Smith has condensed them down to a critical four:

1. *Can you make (or do) the thing?*
2. *Do people want it?*
3. *Do people perceive value?*
4. *Can it generate a profit?*



'It really is that simple. In all this, what we are doing is that we're creating a value proposition surrounded by forecasts,' Smith explains. 'What you intend to make or do becomes the solutions forecast. Knowing who is willing to buy your product or service is your market forecast. The enterprise forecast is the business plan, and the cash flow is the budget.'

Honed and developed with the contribution of thousands of businesses, the model is now being used to see start ups through their early stages at the University of Malta. At the Centre for Entrepreneurship and Business Incubation (CEBI) and the TAKEOFF Business Incubator, dozens of entrepreneurs and businesses are regularly assessed using the model, all while receiving precious mentorship and advice. Almost like a family doctor, the Incumatrix™ Business Adviser lets Smith look at current symptoms in a business

and suggest relevant treatments to keep the operation healthy. That said, this is no state secret. The questions are available to those who want or need them and can be found on the next page of this book.

'CEBI and TAKEOFF have an open-door policy. Anyone with a business idea, anyone looking for support to start their own venture, we are here to provide the guidance they need,' says TAKEOFF manager Ing. Joseph Bartolo. 'I want the Enterprise Framework to be in as many hands as possible, helping as many people as possible,' continues Smith. 'I want it to be available to everyone, from young people to family businesses to visionary people who will change the world. Whether you are a plumber or the next Elon Musk, we want to contribute to your success and ultimately, your happiness. After all, business is all about that: making the world better for all of us.'



## 25 QUESTIONS ALL BUSINESS PLANS SHOULD ANSWER

### Management

1. Does the management team have the technical knowledge to undertake the business plan?
2. Does the management team (and its advisers) have the experience to carry out the plan?
3. Has the current team any functional gaps, and are there plans in place to fill those gaps?
4. Will the management team implement appropriate systems to monitor and control the business?
5. Can the management team articulate its plan?

### Intellectual Property

6. Does the business own, or have the right (eg a licence) to sell, its proposed products/services?
7. Have appropriate steps been taken to formally protect intellectual property (eg patents) as required?
8. Does the business understand how to protect its know-how, and are appropriate steps in place?
9. Does the business need key suppliers or partners?
10. Is there a prospect of new IP being developed?

### Business Opportunity

11. Has the business done appropriate market research to identify its potential customers and their needs?
12. Does the business understand its product/service in terms of benefits rather than features?
13. Has the business identified its competitors and analysed how its products/services compare with theirs?
14. Is the planned route to market appropriate?
15. Is the market potential projection realistic?

### Funding and Cashflow

16. Has the business identified all of its costs and the level of funding it will need in its cash flow forecast?
17. If seeking debt finance, does the business have the ability to make repayments?
18. If seeking investment, does the opportunity meet the needs of investors (growth, exit strategy etc)?
19. How sensitive is the cash flow to reduced sales?
20. Is there an appropriate shareholder agreement (companies) or partnership agreement in place?

### External Environment

21. Have obvious Threats (SWOT) been identified and steps taken to minimise impact?
22. What might be the impact of any Political change?
23. What might be the impact of any Economic change?
24. What might be the impact of any Social change?
25. What might be the impact of Technological change?

# QUICK TIPS FOR BUSINESS

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*Brilliant ideas may not be commonplace, but brilliant ideas underpinned by sound business logic and action are even rarer. **Prof. Russell Smith** shares some advice for those about to get the ball rolling.*

We're living in a world where tools and resources are at our fingertips 24 hours a day, seven days a week. This kind of accessibility has seen many act on their dreams, setting up their own operations, and rising to new heights. It has also seen many more burn through all their savings only to see their business crash within five years of opening its doors to clients. As a result, the likelihood of a startup surviving past the initial stages has become a running joke in many circles. The sad reality? It doesn't have to be this way.

Having come from a long line of teachers and engineers, Prof. Russell Smith's favourite childhood activity was taking radios apart and putting them back together, identifying key components and patterns along the way. With time, he transposed that skill to business, becoming an expert at diagnosing problems in enterprise and giving advice on how to resolve them. Here are a selection of Smith's best tips to keep you and your business thriving.

## Research. Research. Research.

From the rules and regulations of the country where you're kicking things off, to taking the time to specifically define what you're selling, be it a product, a service, or a combination of the two. Market research is also essential in building context for your moves. Understanding the competition can do you nothing but good in the long run.

## Test runs earn mileage.

When new ideas light a fire in you, it can be easy to get swept off your feet. You decide to quit your day job so you can give it everything you've got. While this may be seen as admirable in terms of commitment, there is much to be said about working your hustle in the evenings and at weekends while keeping your regular income for a while. Independence will allow you to remain objective in determining whether there is a future in the idea, and if that is the direction you actually want to go in.

## Plan it all out on writing.

At the very least, you need a business plan and a cash flow forecast. Putting it down in black and white legitimizes the process and forces you to think realistically about what can be achieved. Seek out advice during this process and get the feedback you need to make sure that you're on the right track.

## Save up a buffer.

Before embarking on a new journey that may or may not be financially challenging, make sure that you have a comfortable cash reserve you can fall back on. Having enough to cover six months' worth of bills and necessities can spell the difference between successfully launching your dream career or jumping onto first job you can get your hands on. Nothing kills a venture faster than hunger pangs.

## Get an accountant.

Find three accountants that specialise in small businesses and pick one. Talk to them about your business plan and cash flow forecasts. Ask them to help you with tax and VAT registration and calculating monthly payroll. Get their advice on how to do book-keeping and follow through.

## Market yourself.

This is going to take up much more effort than you think in today's hyperconnected, social-media dependent world. So before you kick things off, draft up a plan. Do you need a website? How many platforms will you have a presence on? How many can you manage effectively? Would a launch event and networking session benefit your business? What information do you need to make easily available for people to hire you?

## Set up checkpoints.

Every six months, have a session with your accountant to touch base and compare forecasts with reality. This is no more complicated than comparing your budget against what actually happened and learning any lessons you can.

## Look after clients.

Good customer service will distinguish you and your business from a lot of competition. People who give you their hard-earned money want to feel valued, and rightly so. Always keep in mind that it is much easier to sell 'repeat' products and services to satisfied clients than to find new ones.

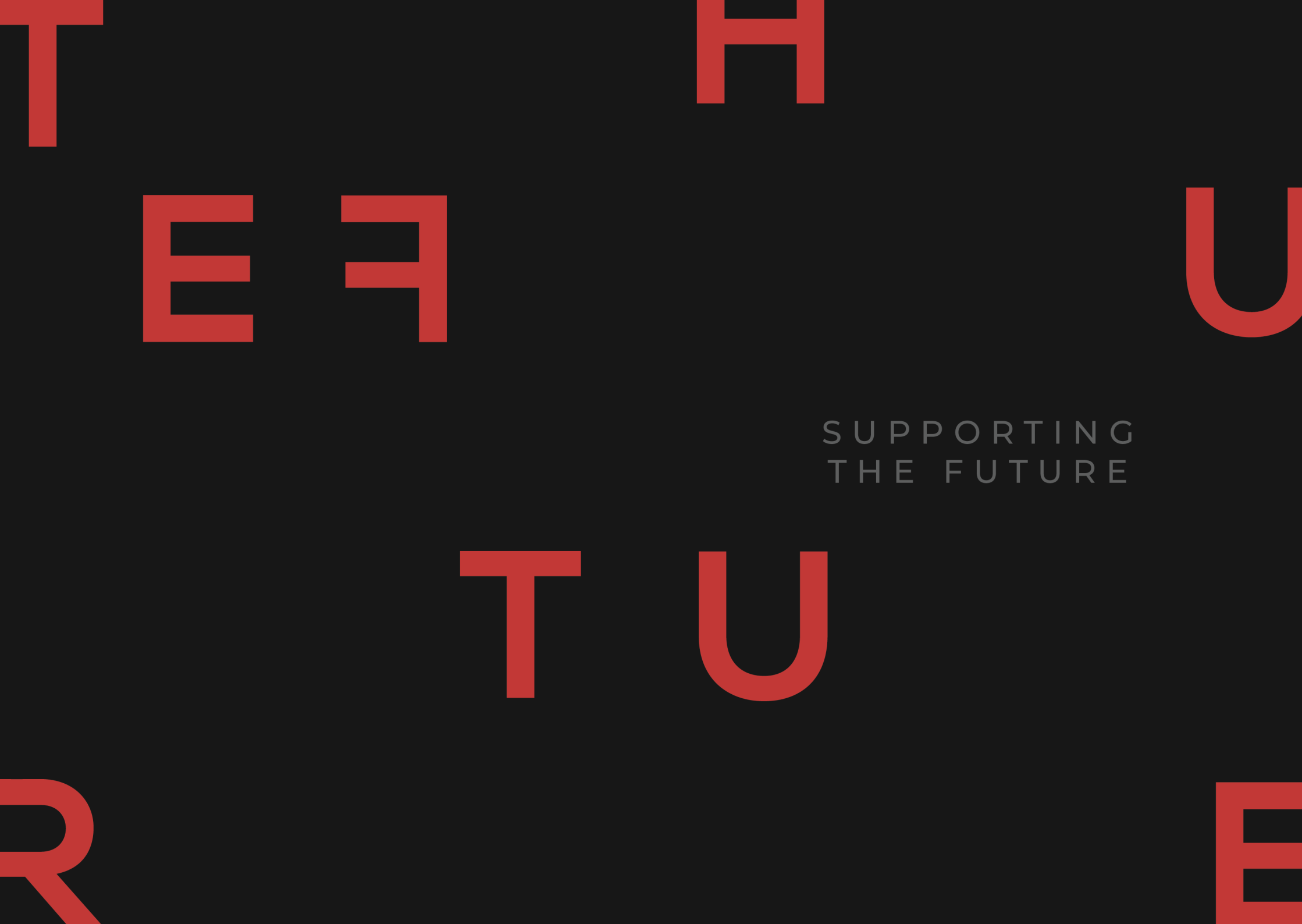
## Chase payments.

You are not the bank, and you do not have endless resources. Set aside time every week or every month to make sure clients have honoured their invoices.

## Stay organised.

The reason people hate paperwork is because they neglect it and let it get out of hand. Then the task of dealing with it becomes monumental and laborious. Allocate time every week to have an admin day where you log everything you need to log, update everything you need to update, file everything you need to file, and empty that cluttered inbox. You will feel all the better for it.





SUPPORTING  
THE FUTURE

# WHAT SHOULD YOU LOOK FOR IN AN INVESTMENT OPPORTUNITY?

*Whatever reasons you have for investing in an exciting new company, always make sure the business you have in mind ticks these six boxes.*  
**Cassi Camilleri** writes.

There are as many different motivations for anything in the world as there are people. Even then, multiple reasons can influence any one choice because everyone has varying needs and wants vying for their attention. As an investor, you are no different.

Understanding what makes you tick and why you make the decisions you make is critical in all aspects of life. It is especially relevant where money is involved, as in the case of honing in on a potential investment.

Are you motivated by money, or do you want to be a part of the next big thing? Do you want to have a hand in

building the next Apple Computers, or do you want to share your resources with people making waves in the causes you believe in? If you do not have clear answers to these questions, some introspection might be in order. If you know how you feel about all this, then you can turn your attention towards the opportunity at hand.

Pragmatic analysis is critical when dealing with high-tech, high-growth companies that are promising to shake up the industry they're operating in. So here are six elements you need to look for before you jump into the fray.

## A solid WHY.

Why does this business or group exist? What do they hope to achieve? Does this align with your values? Is it in line with the goals you have set for yourself over the next five to 10 years? Having a clear understanding of your own motives for getting involved in a project—as well as those of the people involved—is the first step in ensuring that you match with your prospective business partners.

## A driven TEAM.

No product, intellectual property, or service was built or developed in a vacuum. People and talent lie at the core of it all. So if the idea is groundbreaking but the team is not working, then the choice should be obvious. Look for evidence that this business is being steered by competent individuals who are experienced and trustworthy. Among the most important skills to be included in this team are: leadership, management, sales, and accounting.



## A thorough BUSINESS PLAN.

The team approaching you for investment have to have a clear and distinct vision for the path ahead, in writing, ready and waiting for you. Details are important, as they indicate just how much thought has been put into helping you understand how things are going to progress from nothing to something. This includes information on the market and industry you're going to be operating in, financial projections, even marketing plans.

## Investment STRUCTURE.

If you're getting involved in equity finance, the money you invest is not 'on loan'. The company will not be making repayments. You are not going to get dividends on income. With equity finance, you are becoming an owner of the business together with the rest of the team. As a result, companies have to have a transparent structure that allows for your involvement and influence. Agreements need to be signed that clearly state the nature of your investment and its expected returns.

## The opportunity to INFLUENCE.

Unless your goal is specifically to sit back while the team carry this business from A to B to C and bring in the returns as and when they happen, a conversation about roles needs to happen. Many times, investors get involved in innovative enterprises for more than just money. A significant portion of them want to help develop ideas; they want to be mentors to bright young professionals. If this is you, is the company happy to offer you a seat on the Board of Directors?

## A viable EXIT strategy.

Are you going to be selling shares and relinquishing ownership of the company back to the team? Is a sale or merger on the cards? If so, is there a time frame set? If a team has not only thought about a way for you to step into your role but also prepped the way for you to bow out, there are high levels of confidence and trust you can expect to enjoy.

# INVESTING OPPORTUNITIES AT THE UNIVERSITY OF MALTA

*The University of Malta is continuously generating research in a myriad of fields to cater to the needs of our local and international community. The Knowledge Transfer Office's **Dr Ing. Anton Bartolo** reveals a selection of investment opportunities that hold promise.*

Innovation can only have real impact on society if surrounded by healthy collaboration. The Knowledge Transfer Office (KTO) was set up in 2009 to act as a bridge between the University of Malta and industry. Ultimately, its aim is to translate knowledge created through research into social and economic development.

When considering the avenues through which an idea can travel from the lab to the end user, most people think of two paths they can take. Some researchers choose to take over the product's development and commercialisation, driving the business themselves through a start-up. Others choose to license the innovation to companies, allowing them to develop new products and services. However, there are other options.

Collaborative research projects are a fantastic way to establish solid relationships between businesses and

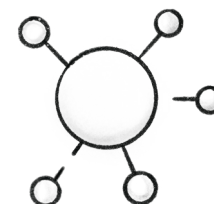
research experts at relatively little expense to the investor. It also has the added benefit of roping in young talent in the form of research or Ph.D. students who could be a valuable resource down the line. Companies stand to gain much by supporting their existing employees through a postgraduate degree in an area that is relevant to them. Another bonus lies in the fact that such degrees are often supported by Government through tax incentives.

If you are an investor looking to partner with experts developing new technologies and knowledge, we can offer support. Research areas range from the Arts to Science and Engineering. Here is a selection of some of the most exciting technologies we are in the process of commercialising. Together, we can create results that have a real, positive effect on people's lives.



## MaltaHip Implant

A multidisciplinary team formed from our Faculties of Medicine and Engineering has developed an innovative hip implant. This new, patent pending hip implant design has shown more wear resistance compared to other prostheses currently available on the market.



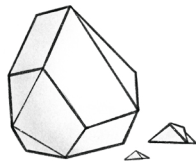
## HER2+ Breast Cancer Biomarkers

Researchers at the Faculty of Medicine & Surgery have developed innovative biomarkers that detect and classify heterogeneous tumours in breast cancer. With these biomarkers, the methodology predicts if the HER2+ breast cancer gene is or can eventually be present in samples. The HER2+ Biomarkers are patent pending and currently licensed on a non-exclusive basis in specific territories.



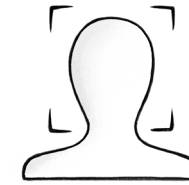
## Micro CHP - A domestic heat and power generator

Through a collaboration with a local industrial partner, we have come up with a combined heat and power system (CHP) on a small scale. The system provides energy in a more efficient manner, since heat is produced as a by-product of electricity. As renewables become increasingly essential to our community's long-term sustainability, this CHP system can be a much-needed solution to households all over the world.



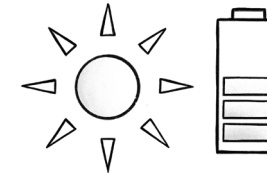
## Reconstituted Stone

Researchers at the Faculty for the Built Environment have created a process that repurposes limestone waste by turning it into a suitable building or decorative material. The resulting reconstituted stone material is a hard, dense limestone material which can be cut, shaped and finished in a similar manner to natural limestone. In a country where construction continues to dominate, this is a much-needed addition to the circular economy.



## Deep FIR Facial Recognition

An algorithm which uses artificial intelligence techniques to restore low quality facial images, this system will allow pictures of the entire head to be restored and is not constrained to specific orientations and poses. The technology will reduce storage requirements without compromising image quality, making it particularly useful for video forensics purposes as well as for video analytics and iris recognition.



## FLASC Energy Storage

FLASC is an offshore energy storage technology that stores energy in the form of compressed air. The energy supplied by renewable sources such as wind, waves, and solar depends on the presence of that source, whereas the demand for energy follows different daily and seasonal patterns. FLASC allows energy to be stored when the supply is higher than the demand, and released at a later stage when the energy is needed.

For more information on our portfolio, contact the KTO on +356 2340 2475 or email us on [knowledge@um.edu.mt](mailto:knowledge@um.edu.mt)



# TAX CONSIDERATIONS ON RAISING EQUITY FINANCE IN MALTESE PRIVATE COMPANIES

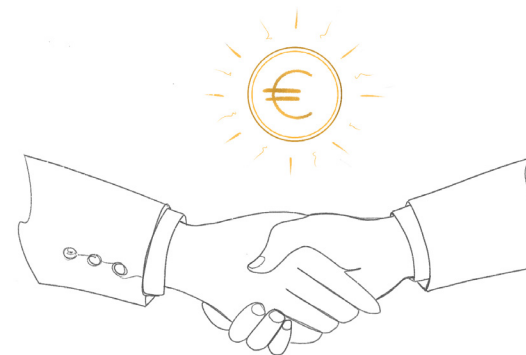
*A note on taxation by **RSM Malta**.*

A key element for the growth of every start-up is securing the necessary finance and investor backing to bring to fruition the founders' plan. During the research and development phase of a high-tech, high-growth company, such companies would normally not have products on the market and not be generating revenue, making it very difficult to secure bank financing. Financing options would normally be in the form of equity finance – that is: the raising of capital through the issuing of new shares to business angels.

This essential part of a start-up's lifetime could also have tax implications through the application of what are referred to as the value shifting provisions. A value shift would occur where the value of shares held by a person has been reduced as a result of a change in the shareholding of such a company (through an issue or reduction of share capital), or a percentage change in voting rights attached to the issued shares, and such value passes into other shares held by another person even if there is no actual transfer of shares.

The provisions of the Income Tax Act impose tax (in terms of Article 5(13)) and the Duty on Documents and Transfers Act (in terms of Article 42B) impose transfer duty on this deemed transfer of value. Any deemed gain derived by the original shareholder shall be calculated by considering the difference between the tax value of the shares held immediately before and after the said change.

1. The tax value, which is based on the net assets of the company; and
2. The value that an investor or business angel will pay for an interest in the company that also factors in the potential growth and return that the investor may derive from the company on an eventual sale.



This article shall be focussing on the tax value of a company.

Not all situations where equity finance is raised give rise to a tax bill. In situations where an equity finance round does not bring about a reduction in tax value of the original shareholders, there will be no taxable event. Furthermore, the owners of high-tech, high-growth companies that do not own immovable property could apply for an exemption on a value shift, although this must be applied for from the tax authorities, ideally prior to the transaction. These different tax implications are outlined in the following example in two rounds of raising of equity finance carried out by ABC Limited.

ABC Limited is a start-up in a high-tech, high-growth industry and is seeking equity finance for the furtherance of its research and development activities. For the purposes of this exercise, we are assuming that it does not own immovable property; it has no assets and liabilities other than the cash received from its shareholders for the shares they hold. The founders have found investors that are willing to invest in the company at different stages and on different conditions.

	Issued Shares	Percentage ownership	Nominal Value per share	Nominal Value	Tax Value per Shareholder
Founder 1	1,000,000	50%	€0.001	€1,000.00	€1,000.00
Founder 2	720,000	36%	€0.001	€720.00	€720.00
Founder 3	280,000	14%	€0.001	€280.00	€ 280.00
<b>Total</b>	<b>2,000,000</b>	<b>100%</b>		<b>€2,000.00</b>	

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Each founding shareholder has paid the nominal value for the shares held and is looking to develop the idea through the private limited company ABC Limited.

### ABC Limited – Business Angel Investment Round 1

ABC Limited has secured an investment from a business angel who is willing to invest €500,000 for a 20% interest in the Company.

	Issued Shares	Percentage ownership	Nominal Value per share	Nominal Value	Share Premium Paid	Tax Value per Shareholder
Founder 1	1,000,000	40%	€0.001	€1,000.00	-	€200,800.00
Founder 2	720,000	28.8%	€0.001	€720.00	-	€144,576.00
Founder 3	280,000	11.2%	€0.001	€280.00	-	€56,224
Business Angel 1	500,000	20%	€0.001	€500.00	€499,500.00	€100,400.00
<b>Total</b>	<b>2,500,000</b>	<b>100%</b>		<b>€502,000.00</b>		<b>€502,000.00</b>

Business Angel 1 was willing to invest a significant share premium in the company, therefore increasing the tax value of ABC Limited as a whole. The tax value of each shareholder's interest in the company is calculated on the basis of this new increased tax value.

Investment Round 1 did not bring about a taxable value shift, as the tax value of the shares of each of the Founders has increased. In order to effect this change, certain filings and communication with the tax authorities will also be necessary.

### ABC Limited – Business Angel Investment Round 2

Following two years of operations, ABC Limited did not achieve its technical target and requires additional financing for continued operations. In this regard, the company has secured investment from a business angel who is willing to invest €200,000 for a 28.57% interest in the Company.

	Issued Shares	Percentage ownership	Nominal Value per share	Nominal Value	Share Premium Paid	Tax Value per Shareholder
Founder 1	1,000,000	28.57%	€0.001	€1,000.00	-	€200,571.00
Founder 2	720,000	20.57%	€0.001	€720.00	-	€144,411.00
Founder 3	280,000	8%	€0.001	€280.00	-	€56,161
Business Angel 1	500,000	14.29%	€0.001	€500.00	€499,500.00	€100,286.00
Business Angel 2	1,000,000	28.57%		€1,000.00	€199,000.00	€200,571.00
<b>Total</b>	<b>3,500,000</b>	<b>100%</b>		<b>€702,000.00</b>		<b>€702,000.00</b>

Although Business Angel 2 also invested a significant share premium in the Company and the tax value of the Company increased further, when considering the percentage shareholding that Business Angel 2 is receiving, the tax value of the shares of each of the shareholders prior to Investment Round 2 has decreased, and the tax value of Business Angel 2 is actually higher than the amount invested in the Company.

Investment Round 2 has therefore brought about a potentially taxable value shift. However, in terms of one of the provisos to Article 5(13)(b)(ii) of the Income Tax Act, as ABC Limited does not own property and the Commissioner for Revenue is satisfied that the change is being made for a bona fide commercial reason and is not part of an arrangement the main or one of the main purposes of which is the avoidance of tax, no tax shall be chargeable on any such deemed transfer or value shift.

In our view, the proposed value shift resulting from Investment Round 2 would appear to satisfy the bona fide commercial reason requirement and is not being carried out with a view to avoid tax, therefore we would expect that a confirmation that the value shifting provisions would not apply should be forthcoming from the tax authorities.



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# WHAT IS TAKEOFF ?

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*TAKEOFF is the only STEAM related incubator in Malta. After breaking new ground with its set up at the Centre for Entrepreneurship and Business Incubation (University of Malta), **Ing. Joseph Bartolo** gives us insight into the philosophies that are driving it into new territories.*

Many consider the establishment of enterprise a difficult and complicated affair. And they're right. It is. It is a journey fraught with problems and perils, seeing many crash and burn very early on. But there are solutions to most hurdles, and it all begins with having the right education and the best guidance.

Here at TAKEOFF, with support from CEBI's academic arm, we help budding innovators size up their ideas and clarify what they need to build up enterprise. From tallying resources to determining appropriate business models and discussing best practice, we are there to provide advice and good counsel—and not just to University of Malta students.

Our address betrays us. The University may be our home, but in the last three years TAKEOFF has opened up its doors

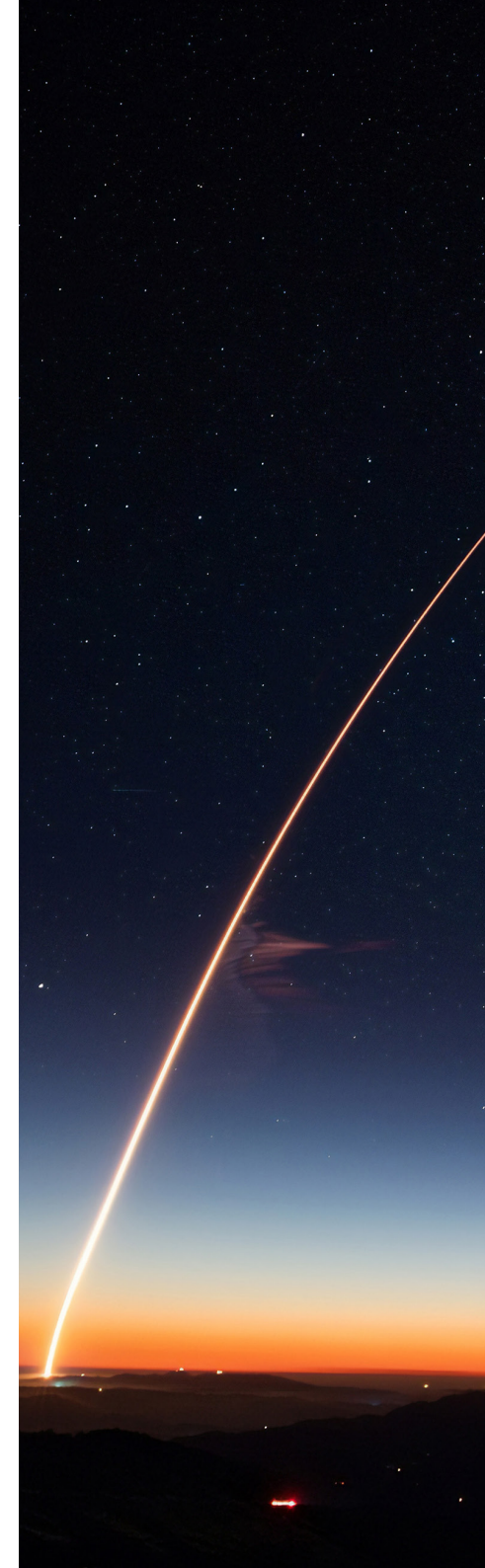
to everyone who broadly falls into the area of science, technology, art, and creative media. We are there for anyone with the passion to kick off a new and exciting endeavour. As a result, we have borne witness to the beginning of all kinds of start-ups boasting a range of motivations. Students with fresh, exciting ideas, people wanting to have a sustainable social impact, others desperately in need of changing their routine and embarking on a new journey with their intrinsic intellectual property, which in some way can form a solution for customers.

TAKEOFF bases itself solidly on the mentoring that is necessary for new start-up enterprises. It is insufficient to have a one-size-fits-all approach because everyone who comes through our doors is different. We avoid intrusion, limiting catch-ups to monthly meetings, but

adapt should the founders need it. What is certain is that in all situations, the aim is to reinforce what has been done well and wean out potential pitfalls ahead of time. In this way, founders gradually learn how to suss out the risks appertaining to their operation.

The reality is that the considerations start-ups need to take into account at the very early stages are exceedingly critical. At TAKEOFF, we do not want to see enterprises go fast to fail—our philosophy is speed to succeed. However, entrepreneurs do need to react quickly, learn from the situations at hand, make decisions, and move forward. Other times, they will struggle with making the potentially necessary decision to halt a particular path taken, to pivot in the market

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and move ahead in a new direction. This is our idea of business: watching, learning, and taking remedial and corrective action.

At the very start of their existence, most enterprises are dealing with the same issues, from determining whether the demand for the product or service exists, to accurately estimating forecasts needed, to building strategy in the various segmental areas of personnel, finance, production, and marketing. With our blend of academia and experience, as well as connections within a large gamut of fields, be they IT, medical, engineering, or social, TAKEOFF is a unique resource. We are here to help reignite and nurture the concept of enterprise-building and self-enterprise. We are here to help you make the most you can make out of your intellectual property. TAKEOFF is always available.

TAKEOFF further assists founders by supporting applications to the TAKEOFF Seed Fund Award (TOSFA) set up by the Ministry of the Economy, Investment and Business (MEIB) and the Maritime Seed Award (MarSA). Both are grant funds that are made available to applicants through a succinct business plan as incorporated in the application form. The applicants are assessed on their enterprise-thinking preparedness. Particular attention is paid to the capacity to bring this enterprise together, the makeup of the management team, protection of the enterprise's intellectual property, and considerations for market size and competition.

In the last three years TAKEOFF has also assisted the Malta Social Impact Awards in transforming social projects into enterprises. From this year, the winners will be incubated at TAKEOFF.

*The reality is that the considerations start-ups need to take into account at the very early stages are exceedingly critical. At TAKEOFF, we do not want to see enterprises go fast to fail—our philosophy is speed to succeed.*

For more information, visit:  
<https://takeoff.org.mt>



# WHAT IS THE I KNOW PROJECT?

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***Dr Sebastiano Di Stefano** shares his thoughts on the critical contributions of the project helping to bolster enterprise activity in essential sectors that embrace citizens' health and the environment.*

A three-year affair, the I KNOW project kicked off in March 2018 and is currently in its operational and internationalisation stage. Its core mission is simple: to create initiatives that support and boost the creation of innovative start-ups and strengthen the competitiveness of small and medium enterprises.

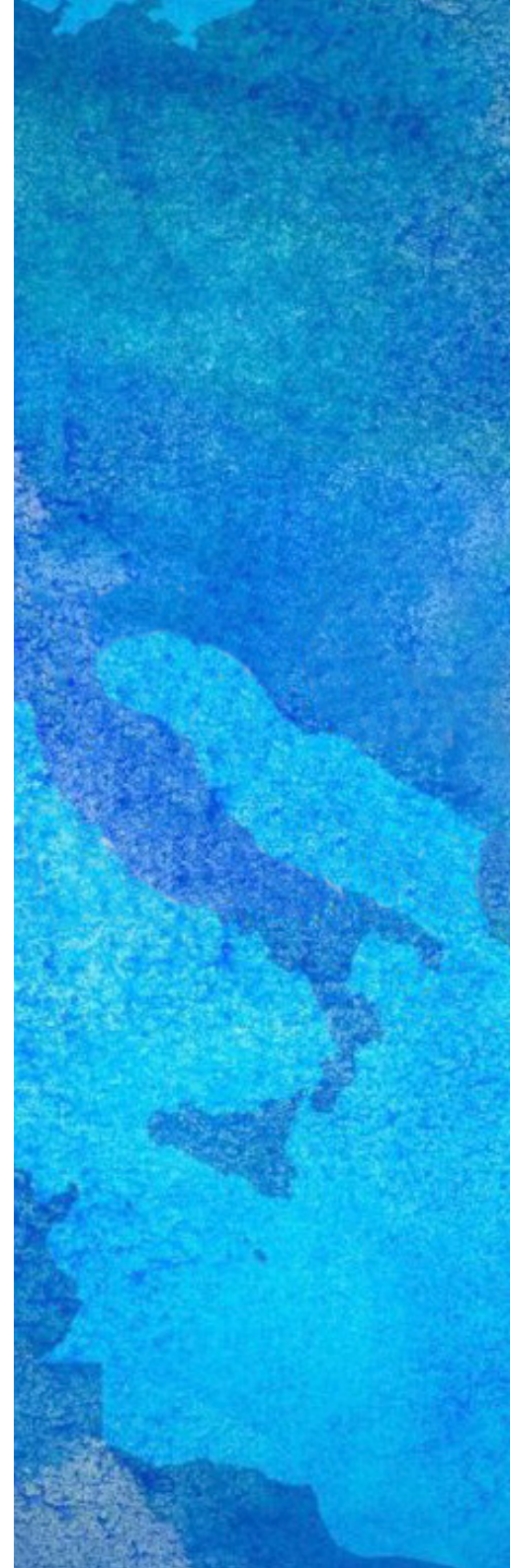
We have created targeted seminars on everything from business acceleration and starting actions of competition, to mentorship, incubation, and networking, as well as business matchmaking with investors. We have built online resources on the essentials of starting and building an enterprise. All of this is with the aim of giving young innovators the opportunity to come together in the spirit of cooperation to learn and find partners that share their values and goals.

Organised by the Science and Technology Park of Sicily, University of Messina, Kore University of Enna, University of Malta, and the company Arkimede, a partner of the Messina-based incubator Innesta, our philosophy is to enhance and drive industrial and social innovation. We aim to provide new opportunities for economic and employment growth on both islands by constantly bringing people from all backgrounds together to raise awareness on the needs and wants of the various parties involved, from entrepreneurial systems to the research world, as well as experts on local areas.

So far, the results are already heartening. We have over 400 students, researchers, startupper-to-be and enterprises involved. The project will see 20 enterprises participate in business match-making

events such as MEDFEST, 10 of which have been supported through their incubation stage. But there is much left for us to do.

We want to continue on this road, consolidating the work that has been done and the synergies we have created to increase competitiveness of local areas. To do this, we need fresh expertise, new enterprises, investment, and support for developing existing enterprises. By continuing to nurture the bonds in our network of partners, the I KNOW project hopes to continue fulfilling those needs and in so doing, act as an amplifier of opportunities within the Mediterranean. Watch this space.



# WHAT IS ARKIMEDE?

*In 2003 three friends set up Arkimede as an ICT company, and in 2015 they started running Innesta, an incubator with the aim of making the island more hospitable to new ideas. How? By giving those ideas the support needed to make them happen. **Giancarlo Visalli** writes.*

Giancarlo Visalli, Lillo Giacoppo, and Gabriele De Filippo attended the Archimede lyceum together in their formative years. There, they honed a philosophy that would shape their businesses and careers for years to come—technology in the service of ideas.

By bringing together a network of entrepreneurs, universities, and experienced mentors in a space that understands the need for collaboration and knowledge transfer, they created a piece of the puzzle that would eventually become the Italo-Maltese cross-border project I-KNOW: Interregional Key Networking for Open innovation empowerment.

Connecting passions and cultivating talents, Arkimede's mission is to provide a space that is more than an office, designed to foster the learning process, provide strategic resources, and encourage healthy competitiveness. Arkimede will work with the start-ups and teams taking part in the incubation process through their 'Business Clinic.'

The Business Clinic provides support in specific areas, including sustainability, productivity, and taxation. At every clinic session, mentors check in on each of these aspects and give the team a 'diagnosis' for whatever is ailing them. In this way, the group always knows what their business' 'health' status is and what they need to do

to fix the issues that arise. The incubation process also provides aid in market analysis, building business plans, goal setting, soft skill development, and the creation of a presentation pitch. Ultimately, the result will be solid, sustainable business proposals that can go out into the world and stand on their own two feet.

The aim is to encourage innovation and make the Strait of Messina an International focal point for imagination, design, creation, and the production of highly innovative goods and services for the global market. Arkimede aims to transform Sicily into an eye-catching place for skillful people, human resources, and investors from all over the world.



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# USEFUL CONTACTS

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# MEDFEST'19

Invest in the future



INTERREG V-A Italy-Malta Programme  
Project part financed by the European Union  
European Regional Development Fund (ERDF)  
Co-financing rate: 85% EU Funds; 15% National Funds

