

Granting easier access to latest innovations in deep tech for European SMEs

When the European Union Horizon 2020 research programme sets in to give European SMEs easier access to most innovative technologies, thanks to the gateone-project.

Paris, June 18, 2018 – Time and again, European Commission studies have shed a light on the widening gap between European companies when it comes to access innovation, according to their size, their home country and their field of activity. To quote but one figure, according to the Digital Economy and Society Index –(DESI), only one company out of five is considered as active in the process of digitalisation.

Launched in 2015 by the European Commission and the H2020 research programme, the **gateone-project** is one of its kind among what are called the IAs (Innovation actions). The gateone-project deserves attention in the sense that it has demonstrated its worth and legitimate ambition. Such an ambition! Grant access to the very best European Research centres and labs so that SMEs can develop innovative products and reach markets. Thanks to European funds the **gateone-project** changes the traditional customer/supplier relationship between research laboratories and companies. Spurred by the innovation designer and accelerator BLUMORPHO, it enables SMEs to put technologies from the best laboratories at the service of their customers. Gateone project aims at surpassing the barriers deterring companies from innovation or financial risk.

The **gateone-project** team thus allowed 50 companies to develop functional demonstrators with spearhead technologies some of which generate already a Return On Investment three times superior to the initial funding. BLUMORPHO, the company in charge of coordinating the project, has demonstrated its ability to act at every stage of the value chain, in order to create a favourable ecosystem in which innovative solutions can emerge.



The business model: lift barriers to innovation by empowering SMEs through the creation of an ecosystem where the cooperation with a lab and the in depth evaluation of new tech is made

possible.

The barriers faced by SMEs are mainly: the lack of financial resources and manpower to invest in R&D and the necessity to give a go to a new concept in a very short time.

Thanks to a consortium gathering several European research centres (Leti from CEA Tech, CSEM, Fraunhofer-IPMS, TYNDALL, CNRS-LAAS, VTT Oy, IK4-Ikerlan, TEESSIDE University...), and a designer and innovation accelerator (BLUMORPHO), the **gateone-project** could put within the reach of European SMEs innovative technologies and to partner them in their growth. The **gateone-project** thus enabled the selected SMEs to put to test the actual value

of the available technologies through demonstrators that represented the first step (gateone) towards a marketable product.

BLUMORPHO coordinated this cooperation between research centres and companies. BLUMORPHO's team responsibilities was to identify possible concrete applications for technologies which had reached Technology Readiness Level 5 ou 6. BLUMORPHO was also in charge of promoting towards European SMEs a portfolio of pan-European technologies, and to identify new proposals for value creation. BLUMORPHO helped at creating SME/research labs tandems, which agreed on a common vision of a scale model project, in order to lower the risks of a full fledge development decision.

The big challenge? To match the potential of available technologies and the needs of the merchant sector

All the technologies involved were deeply rooted in "deeptech": intelligent systems, flexible electronics, autonomous systems, smart bots, to name but a few. Those technologies covered a large range of specialties.

Basing its recommendations on a careful analysis of developing markets in the field of new techs BLUMORPHO identified the possible applications for the technologies on offer: industry and research digitalisation tools, medical engineering and diagnosis technologies and a range of consumer electronics.

Once the 2.9 million euros budget was voted, the **gateone-project** started, with the difficult task of identifying companies eligible to the funds and willing to launch themselves into a digitalisation process. Studies on the financial risks and technical feasibility of new products were also launched. Once the risks calculated, the lab-company consortium would decide to invest between 50,000 and 100,000 euros to make a first step towards the development of marketable products.

Result: 50 full-scale models covering a great diversity of domains and technologies among which 24 success stories!

On 55 investment decisions made within the scope of the **gateone-project**, 50 led to the development of a product. Some are already marketed and covered far more than the initial investment. Some created a leverage effect to obtain new funding. Some are still on their way to the markets. But in every case, the development of a full-scale model enabled the players to fathom the necessary efforts to go from the lab to the market launching. The companies involved in the project could thus make strategic decisions and pursue their development in good harmony. In 2017, the first models had generated a 1,9M€ ROI and enabled the creation of a new company.

Among those successes one can note the example of a new captor that can lead to the development of a new magnetic brain imagery tool and reduce drastically the costs of this technology, which is still quite expensive. Thanks to the **gateone-project**, the Leti technology institute of the French CEA Tech managed to improve by a factor four the sensibility of a quantic captor, making it available for brain imagery. This success that can lead to major innovations in the field of brain diseases care was awarded a prize by the

European Commission during the “innovation radar” contest 2017 in the « Best Early Stage Innovation» category.

Another shining example of a concept that has already made it to the market and ensured a comfortable ROI to its company of origin: an innovative photovoltaic flexible material that can be incorporated into woven material, allowing the production of energy from ambient light. Discovered by the CSEM, these new flexible captors enable one to foresee future progress in the field of intelligent textile materials. The company that developed this new project already enjoy a tenfold ROI compared to the gateone-project initial investment in the full-scale model.

Much talk was devoted to yet another innovation notably during the CES in Las Vegas, the full-scale model leading to the establishment of the MOOVLAB company. The **gateone-project** enabled the development by the Leti lab of sensors (movement detectors) that can be integrated in boxing gloves. This product concept has evolved since and allows sportspersons to train together with connected bracelets enabling game scenarios.

Another tech breakthrough to be credited to the **gateone-project**: the development by the VTT lab in Finland of a hyper spectral camera able to recognize materials. The camera can distinguish recyclable plastics from non-recyclable, poodles from black-ice etc. This camera leads the way to multiple applications: with the industry, with drones surveillance or autonomous transports.

Now that the project reaches its end, the **gateone-project** teams can pride themselves in reaching their goals. The €2.9 million initial investment in the development of 55 full scale demonstrators has already generated a €6 million return on investment. In 2017, full-scale models had generated a €1.9 million ROI and lead to the creation of a new company. In 2018, those investment generated 4 M€ in revenues or fundraising. The **gateone-project** model is a great showcase for what open-innovation and co-investment can do to enhance tech development and innovation. Those success stories equally demonstrate the need for public authorities to delegate to experts and private sector operators like BLUMORPHO the development of an ecosystem favourable to innovation and the investment in future oriented projects.

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BLUMORPHO is a private innovation and business accelerator specialized in Deep Tech, Digital and Smart systems.

BLUMORPHO operates lean and open innovation to accelerate new product introduction while reducing technical, financial and market risks. Thanks to its understanding of economic and industrial challenges and its global connections to the deep tech, digital and smart system ecosystem, BLUMORPHO is animating a unique network of more than 50 000 contacts including 800 investors.

- *Through its Fast Track Open Innovation service, BLUMORPHO facilitates the cross-border discovery of radical innovations and tests their market feasibility for industrial firms seeking new ways to create value at low risk.*

- *Through its Lean innovation service, it provides innovators with resources to swiftly move from product concept to product demonstrator, thus enabling the innovation provider and its lead customers to reach quicker 'Go/No go' product development decisions.*
- *BLUMORPHO links innovation providers with private investors. It provides innovators with the relevant support to reach the so called "Investment Readiness Level". 60 investors are engaging into close collaboration with BLUMORPHO to assess companies in their early stage development. BLUMORPHO is also building relationship with business angels through its Private TechHub platform dedicated to serial entrepreneurs and game changers.*

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