

SERN Webinar: How to become a global innovation hub? Paris Region's support to startups and the innovation ecosystem

Introduction

On the 6th of December 2018 Île-de-France Region and SERN held a webinar on “**How to become a global innovation hub? Paris Region's support to startups and the innovation ecosystem.**” In the last two years, Paris Region has implemented a series of actions in order to become the major innovation hub in Europe. Today, Paris Region is about to achieve this goal with the highest amount of R&D expenditures and the largest pool of R&D workers, as well as a very performing startup ecosystem. In 2018, it has been awarded the European Entrepreneurial Region (EER) Label by the European Committee of the Regions for its ambitious entrepreneurial policy. This webinar aims to present the regional policy in favour of startups (financial tools, access to public markets, incubators), with a focus on Wilco, a startup accelerator supported by Paris Region.

Minutes of the webinar

Romain Del Grosso, Head of Mission Economic Strategy at Île-de-France Region Council, has presented a quick overview of Île-de-France Region (often called the *région parisienne* or "Paris Region") innovation ecosystem and more precisely the actions taken by the Council to help startups in the last three years.

In his opening speech, Mr. Romain Del Grosso presented the key figures for Paris Innovation Hub, bestowing upon Île-de-France Region the title of “Europe's leading economic & innovative region”. With the highest GDP in Europe (660 billion) Île-de-France has a very dynamic startup ecosystem, with more than 5 000 startups raising more than 1.7 billion € and 620 innovation centres. Paris Region is also one of the best in Europe for R&D, i.e. with 19 billion € spending and with the largest pool of R&D workers. One of the main assets, in Mr. Romain's opinion, is the fact that Paris Region has a highly qualified and productive workforce.

Mr. Romain's session progressed to the role of Île-de-France Regional Council in the ecosystem. As one of the drivers of the economic development on Paris region's territory, the Regional Council adopted an economic global strategy (#LEADER Strategy, December 2016) for the period 2017-2021. The strategy to boost the ecosystem is based on four main orientations:

- Investing in the attractiveness: To attract foreign investments and foreign companies in Paris Region creating jobs and added-value;
- Boosting the competitiveness of the PR's companies: Related to competitiveness of startups and SMEs (cf. financial helps);
- Developing an entrepreneurial and innovative spirit: Linked to EER strategy (Ile-de-France labelled in 2018);
- Working collectively: regarding governance and the fact that we need to work collectively to have an efficient strategy.

Mr. Romain Del Grosso also emphasised, that each year, the budget of the Paris Region is about 130 million € and half of it goes directly to businesses: supporting 300 SMEs, including 1 000 startups and 10 000 creators. Yet, the support in the Paris Region does not end here. Since 2016, a new financial framework for startups and SMEs has been in place (**3 majors aids and 1 equity fund**):

- **TP'up**: for small businesses (less than 10 employees; grants up to 55 000€).
- **PM'up**: for SMEs (10 to 250 employees, grants up to 250 000€)
- **Innov'up**: grants and repayable advances up to 1M €.
- **Paris Region Venture**: equity fund with 50M€ to invest in early-stage deeptech companies with a medium ticket of 250 000€.

Furthermore, the Paris Region also launched two “challenges” to promote a new way of helping startups. In 2017, the ‘Paris Region Air Challenge’ was launched as the first international challenge for French startups (but also for international startups) in the field of Artificial Intelligence. In the second challenge ‘Paris Region Cyber Security Challenge’, international startups addressed needs expressed by major economic actors for cyber security. Mr. Romain preview that a new “challenge” will be launched in the coming year. Likewise, in 2017, the ‘**Program Entrepreneur #Leader**’ was created, which takes the form of a “parcours”¹ for business creators, following three phases: (a) Build my project; (b) Develop my project; and (c) Develop my business.

When presenting **the support to the innovation ecosystem**, Mr. Romain cited **Innovation Hubs** (centres aiming to gather and structure all the main actors of the strategic ecosystem), **incubators, accelerators** (Wilco, Pepite Starter IDF and L’accelerateur ESS) and **“tiers-lieux”**². In the Region, there are many incubators, and even though the Council is financing some of them, the priority is given to incubators open to international collaboration. Furthermore, a regional network was created in order to mutualize competences and coordinate the offer.

To conclude his session, Mr. Romain conveyed a few words about access to public procurement to startups as an important tool for them. Noticeably, the Region acts like a financier - trying to mobilize the regional procurement - to be sure that the startups developed in the region can access to the public market. In March 2017, a set of measures called the *Small Regional Business Act* was approved to simplify procedures and to facilitate SMEs access to market. Additionally, Île-de-France is organising monthly meeting called

¹ The concept of ‘parcours’ can be understood as a journey, path, process or distance to cover;

² In this context “Tiers-lieux” correspond to coworking places, fablabs and business centres.



“*Tuesdays of the Smart regions*” reaching out to startups and public actors aiming at advising buyers on new solutions and encouraging public procurement.

The second part of the webinar was graced by the presence of **Mr. Eric Vaysset**, CEO of WILCO Accelerator. WILCO is a Paris Region Tech Startup accelerator supporting only technology based startups located in the Paris region territory. Their mission is to help startups to achieve their first million (EUR) in annual turnover within 3 years. Wilco is composed of 5 specific industry sectors, which are business, custom and market oriented, but not technological oriented:

- Healthcare
- Retail
- Industry
- Digital
- BTOC

This acceleration program enrolls more than 150 startups per year, of these 150 startups more than 60% are/were part of the Paris incubators. The startups selected are at the level of maturity from minimum technical or commercial proof of concept up to startups who have already generated turnover. The accelerator program lasts 3 years with collective workshops and individual coaching in 3 different stages: (a) Start session; (b) Loan session; and (c) Up session.

Mr. Eric Vaysset session concluded presenting the outcomes of WILCO’s work. Before the accelerator program started in 2012 only 10% of the startups were reaching 1M€ annual turnover in 3 years, nowadays, this number increased for 20%. The ones who are benefiting of the accelerator program hire 3 times more people, realizing 10 times more turnover and raising 3 times more funding than the other ones.

The webinar on “How to become a global innovation hub? Paris Region’s support to startups and the innovation ecosystem” ended with a Q&A session. Overall, the participants found the webinar interesting and they acknowledge getting useful insights.

