



Startup Commons Webinar Presentation:

Innovation Entrepreneurship Best Practices with Global Enabler

HippoRadar[®]

**New digital tool for Growth Financiers and Accelerator Programs
to evaluate and select businesses for growth funding and support actions**

25 February 2021

**Marko Seppä
Co-Founder & CEO, Dr Econ**

Key Topics of this Presentation

1. Fund Raising: A nightmare to both Founders and Financiers
2. Need for Fundamental Change
3. How (not) to measure investment readiness
4. HippoRadar: Light at the end of the tunnel

1. Fund Raising: A nightmare to both Founders and Financiers

The nightmare of Fund Raising 1 of 3

FOUNDERS PLACE HUGE EFFORT TO CATCH FINANCIERS AT THE EXPENSE OF BUSINESS

- Create narratives (tailored applications) that are maximally appealing to each targeted financier
- Design and perform perfect pitches, which are extremely difficult to evaluate and compare
- All to get picked for Due Diligence from the “beauty contest”

The nightmare of Fund Raising 2 of 3

SEVERE ASSYMMETRY OF INFORMATION BETWEEN FOUNDERS AND FINANCIERS

- Founders are advised by all stake-holders to sell “picture perfect” -- instead of sharing true status to build high-trust from the start
- Screening, evaluation & DD consume huge resources and still leave Financiers uneasy about their decisions

The nightmare of Fund Raising 3 of 3

FINANCIERS HAVE TROUBLE FINDING THE VENTURES THAT FULFIL THEIR CRITERIA

- Most resources are consumed to avoiding the "Wrong" companies, instead of supporting the "Right" ones
- Portfolio firms become subjects of mere financial monitoring, which is frustrating to all stakeholders

The nightmare is real: Time to wake up!

Founders waste a lion share of their capacity on the “pitching lane” at the expense of business creation.

Financiers waste a lion share of their capacity on “beauty contests” at the expense of business creation.

The market between Founders and Financiers is inefficient and costs time & money to both, big time.

2. Need for Fundamental Change

Pain points of a growth financing decision



Labour intensive
and at high risk
for human error



Based on
insufficient case
knowledge



Backed by
inadequate
evidence



Yields high risk
at Far Too Low
return prospect



Prone to
criticism by all
stakeholders

The Fundamental Problem:



HOW TO

- EFFICIENTLY & RELIABLY**
 - EVALUATE & SELECT**
- PROMISING BUSINESSES
FOR GROWTH FUNDING
AND SUPPORT ACTIONS?**

3. How (not) to measure investment readiness?

The State of the Art

The current landscape of solutions to the problem:

- Live evaluation by internal or external team or jury
- Remote evaluation by internal or external experts
- Emerging trials with quick self-assessment tools
- Early efforts towards AI based tools

The State of the Art

Today's solutions measure investment readiness:

- with **Financier Acceptance** as key benchmark
- based on case-specific, **one-time individual evaluator** perceptions at varying scales
- by generating **no useful comparable** data

To Go Beyond the State of the Art

Investment readiness should be measured:

- with **Market Acceptance** as key benchmark
- based on a **comparable rating algorithm**
- building a growing **reference data base!**

4. HippoRadar: Light at the end of the tunnel

HippoRadar: A radar for What?

Our Hippo is a High Impact & Profit Potential Opportunity. Hippo is a potential Unicorn or a missing piece of another Great Company.

Hippo can have the shape or form of a university innovation project, an internal corporate venture, an SME restart project or a startup/scaleup.

Not every startup is a Hippo, but every enterprise should find a Hippo – from inside or outside the firm – and become a *Hippo Company*.

Hippo is giving an identity to *“What This Is All About”*: We should all be after Hippos, not startups or innovations. HippoRadar is for Hippos.

HippoRadar®

Turns the game around to both Founders and Financiers



TODAY Founders must accept to be judged by busy, often ill-informed experts based on a set of documents at a desk.

You | Organization | Invite | 1. Opportunity | 2. Scalability | 3. Defensibility | 4. Capability | 5. Profitability | 6. Market Entry | 7. Ownership |

1. The problem you solve

1.1. Does your Hippo solve a global problem or fulfill a global need?

0 I do not know
1 No
2 Yes, to a marginal extent
3 Yes, to some extent
4 Yes, to quite a large extent
5 Yes, absolutely

1.2. Do you have proof that your Hippo represents a global opportunity?

0 I do not know
1 No
2 Yes, to a marginal extent
3 Yes, to some extent
4 Yes, to quite a large extent
5 Yes, absolutely

1.3. What is the public appreciation of the problem you solve (or the need you fulfill)?

0 I do not know
1 It is not yet publicly recognized and assessed
2 It is recognized but is not a problem of global concern
3 It is recently recognized as a problem of global concern
4 It is a recognized and increasingly acknowledged problem of global concern
5 It is already established as one of the UN's Sustainable Development Goals (SDGs)

[Skip \(over with mouse\)](#)

Not all Hippos solve truly global problems, but the ones that do have the biggest potential. It is important that experts can verify that your Hippo can actually solve the problem. And it is especially lucrative if your Hippo can create its own niche in the market. If you proceed to validation you will be required to provide the necessary proof.

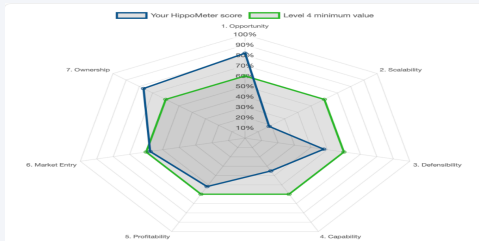
HIPPORADAR engages & trusts the Founder Teams themselves as analysts of their own business cases, to gain trust in return.

1. Opportunity	2. Scalability	3. Defensibility	4. Capability	5. Profitability	6. Market Entry	7. Ownership
The problem you solve 30	Technical quality 11	Status of contracts 60	Owner-manager team 38	Current status 33	Initial position 33	Current owners 38
Need and demand 30	Functional quality 12	Brand and trademarks 24	Core competences 24	Financial strategy 46	Targeted position 57	Ownership goals 72
Degree of disruption 30	Technology strategy 30	Patentability 78	Competence needs 41	Earning power 59	Go-to-market strategy 47	Owners mindset 78
Management 22	Digitisation 22	Trade secrets 44	Advisors and Board 47	Growth prospects 50	Distribution and sales 78	Optimising ownership 33
Business potential 62	Technology landscape 11	Risk management 34	Corporate culture 27	Funding needs 71	Ultimate goals 73	Ownership design 63

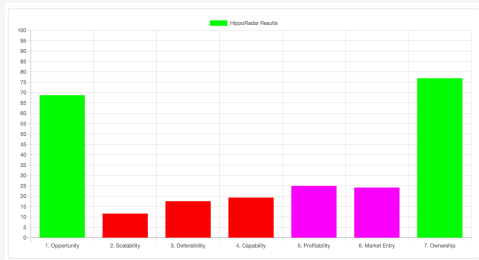
HIPPORADAR turns a few hours of Founders' time into new strategic intelligence to both Founders and Financiers.

HippoRadar® builds on HippoMeter®

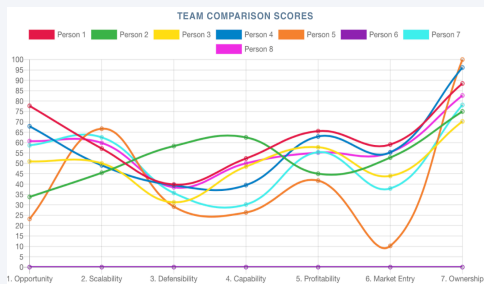
HippoMeter is the Founder Interface of HippoRadar: The fintech tool for Founders



- HippoMeter helps Founders to efficiently and reliably diagnose their business case across 7 core elements and 35 core strategic assets with highly visualised results



- The automated HippoMeter Report underscores the importance of discovering shortcomings, the gaps to fill, instead of dwelling on strong points and advantages



- The process helps engage multiple voices, align insights and improve transparency; and it inspires to improve, accept evaluation results and build trust with Financiers

Light at the end of the tunnel:

HippoRadar®

- AUTOMATES the evaluation and rating of ventures seeking for funding and support
- PROVIDES HIGHLY RELIABLE RESULTS, comparable scoring of 35 strategic assets
- WORKS ACROSS industries, technologies, development stages and business models
- HELPS FIND AND SELECT the Right Ventures based on each financier's criteria

	1	2	3	4	5	6	7	Hippo Score	Team members
	Opportunity	Scalability	Defensibility	Capability	Profitability	Market Entry	Ownership		
Company 1	78.13	75.27	72.46	70.81	65.09	64.85	63.50	61.90	1
Company 2	75.27	72.46	70.81	65.09	64.85	63.50	61.90	61.75	4
Company 3	72.46	70.81	65.09	64.85	63.50	61.90	61.75	61.43	3
Company 4	70.81	65.09	64.85	63.50	61.90	61.75	61.43	60.15	1
Company 5	65.09	64.85	63.50	61.90	61.75	61.43	60.15	59.86	4
Company 6	64.85	63.50	61.90	61.75	61.43	60.15	59.86	58.01	4
Company 7	63.50	61.90	61.75	61.43	60.15	59.86	58.01	56.92	1
Company 8	61.90	61.75	61.43	60.15	59.86	58.01	56.92	55.75	4
Company 9	61.75	61.43	60.15	59.86	58.01	56.92	55.75	55.12	2
Company 10	61.43	60.15	59.86	58.01	56.92	55.75	55.12	55.04	7
Company 11	60.15	59.86	58.01	56.92	55.75	55.12	55.04	54.45	3
Company 12	59.86	58.01	56.92	55.75	55.12	55.04	54.45	54.27	9
Company 13	58.01	56.92	55.75	55.12	55.04	54.45	54.27	52.77	3
Company 14	56.92	55.75	55.12	55.04	54.45	54.27	52.77	50.96	3
Company 15	55.75	55.12	55.04	54.45	54.27	52.77	50.96	49.85	1
Company 16	55.12	55.04	54.45	54.27	52.77	50.96	49.85	48.41	2
Company 17	54.45	54.27	52.77	50.96	49.85	48.41	48.31	47.79	5
Company 18	54.27	52.77	50.96	49.85	48.41	48.31	47.79	47.82	1
Company 19	52.77	50.96	49.85	48.41	48.31	47.79	47.82	46.48	2
Company 20	50.96	49.85	48.41	48.31	47.79	47.82	46.48	44.70	1
Company 21	49.85	48.41	48.31	47.79	47.82	46.48	44.70	44.83	5
Company 22	48.41	48.31	47.79	47.82	46.48	44.70	44.83	42.88	3
Company 23	48.31	47.79	47.82	46.48	44.70	44.83	42.88	40.37	2
Company 24	47.79	47.82	46.48	44.70	44.83	42.88	40.37	42.26	3
Company 25	47.82	46.48	44.70	44.83	42.88	40.37	42.26	40.14	1
Company 26	46.48	44.70	44.83	42.88	40.37	42.26	40.14	41.98	5
Company 27	44.70	44.83	42.88	40.37	42.26	40.14	41.98	41.76	3
Company 28	44.83	42.88	40.37	42.26	40.14	41.98	41.76	40.77	4
Company 29	42.88	40.37	42.26	40.14	41.98	41.76	40.77	40.69	5
Company 30	42.26	40.14	41.98	40.77	40.69	39.63	38.50	39.63	3
Company 31	40.37	41.98	40.77	40.69	39.63	38.50	39.63	33.50	1
Company 32	40.14	41.98	40.77	40.69	39.63	38.50	39.63	33.50	3
Company 33	41.98	40.77	40.69	39.63	38.50	39.63	33.50	33.50	1
Company 34	41.76	40.77	40.69	39.63	38.50	39.63	33.50	33.50	1
Company 35	40.77	40.69	39.63	38.50	39.63	33.50	33.50	19.28	1

Proof of Concept

- Roots in deep discoveries by entrepreneurs, executives and venture capitalists on *Opportunity, what all market acceptance requires* and *how Ownership can be the key enabler*
- **Scientific conceptualisation (TRL0=>TRL2) in 2001-2011**
 - Creation of the award-winning Seven Elements based Runway-to-Growth (R2G) business creation method
 - eBRC and Global Venture Lab as 20M€ live case testbeds
- **Initial Proof of Concept (TRL2=>TRL4) in 2011-2018**
 - Launch of the award-winning R2G based KasvuOpen.fi
 - Enabling Naava.io raise 10M€ & reach 30M€ valuation
 - R2G based boosting of startup ecosystem for IPP.vn
- **Final Proof of Concept (TRL4=>TRL9) in 2018-2020**
 - Formal pilots engaging 35 companies from 17 countries

Kasvu
Open®



Innovation
Partnership
Program



A pilot with International Growth financier

In 2020, a select sample of promising ventures from 8 countries were subjected to 3 parallel evaluation methods with a major Financier.

Investor Jury: A team of VC professionals assessed the ventures to hand-pick the most promising ones to a special pitching event.

Remote Evaluation: A diverse group of invited experts scored all the ventures remotely, independently of each other.

HippoRadar: All venture teams responded to HippoMeter, received the automated feedback report and became ranked by the algorithm.

The Investor Jury's Hit Rate

Based on an intense team effort, the Investor Jury hand-picked 4 ventures to the special pitching event.

After the pitching event, the Jury concluded they had selected 3 “right” ventures and 1 “wrong” venture.



75%

Investor Jury got 3 of 4 “right”

Remote Evaluation's Hit Rate

All ventures were evaluated and scored by remote evaluators independently of each other.

In the Jury's judgement, Remote Evaluation would have selected 4 entirely "wrong" ventures to pitch.



0%

Remote Evaluation got 0 of 4 "right"

HippoRadar's Hit Rate

All the ventures responded to HippoMeter and all highly appraised the value of the feedback report.

The Jury was awestruck how HippoRadar ranked the 3 “right” ones on top and got the “wrong” one “right”.



100%

HippoRadar got 4 of 4 “right”

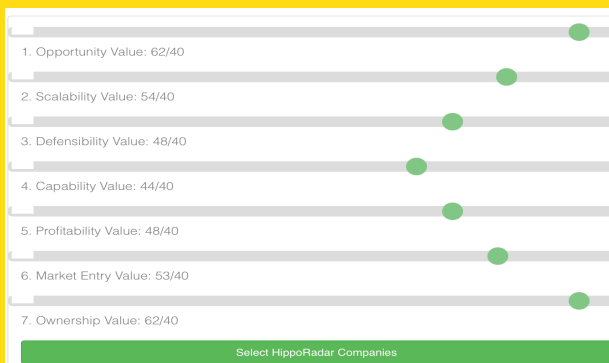
The Pilot with International Growth Financier

HippoRadar – *the power of trusting Founders to earn their trust* – was proven beyond wildest expectations.

After this final proof of concept, HippoRadar has been prepared for market introduction.

Today, we celebrate an “oven-fresh” MVP version 1.0.

How HippoRadar works in practice?



1. YOU DEFINE YOUR CRITERIA, DECIDE HOW MANY VENTURES ARE TO BE EVALUATED, AND COLLECT CONTACT INFO AND CONSENT FROM THE TEAMS

2. EACH VENTURE TEAM IS INVITED TO RESPOND TO HIPPOMETER. EACH RECEIVES A CONFIDENTIAL REPORT WITH INTEL ON TEAM ALIGNMENT FOR IMPROVEMENTS.

3. YOU RECEIVE A FINANCIER REPORT ON EACH COMPANY, A PORTFOLIO REPORT WITH ALL VENTURES RATED ON 35 STRATEGIC ASSETS, AND AN ONLINE DEBRIEF ON KEY FINDINGS

All this can take place within just 14 days!

Your Key Takeaways

1. The Fund Raising nightmare costs time and money, Big Time
2. We need fundamental change: Revolution, not just evolution
3. Measurements should be made towards Market Acceptance, based on a comparable rating algorithm and build a data base
4. HippoRadar builds trust between Founders and Financiers, creates tangible value for both, is efficient and reliable, has potential for true game-change – and is ready for takeup

For more information

POSTAL ADDRESS

Global Enabler Corporation
Rautatienkatu 21 B
FI-33100 Tampere,
Finland

VISITING ADDRESSES

Mannerheimintie 20 B, 6th Floor, Helsinki
Rautatienkatu 21 B, 5th Floor, Tampere

WEBSITE

www.globalenabler.com



MARKO SEPPÄ

Co-Founder & CEO

Mobile: +358 400 638 780

Email: marko.seppa@globalenabler.com

Apprenticed as venture capitalist in Finland and the US, Marko Seppä started his career by building a pioneering corporate VC firm through cross-border expansion, MBO, trade sale and exit mode. He then defended a PhD on VC strategy logic, built e-business research center for a local pilot of eEurope, and served JYU as Invited Professor of Growth Venture Creation. He currently leads Global Enabler as CEO and helps the EU select SMEs for growth funding as EIC Jury Member.