



# Introduction Green Incubation

Prof. Dr. Klaus Fichter

Borderstep Institute for Innovation and Sustainability, Berlin  
[www.borderstep.de](http://www.borderstep.de)

Chair of Innovation and Sustainability, University of Oldenburg  
[www.innovation.uni-oldenburg.de](http://www.innovation.uni-oldenburg.de)

Borderstep Workshop „Leaders in Green Incubation“  
Charlottenburger Innovationszentrum (CHIC), Berlin, 20 May 2014



# Key questions

- What are „green start-ups“?
- Are there specific challenges for green start-ups and green incubation?
- Do we need specific support activities and programs for green start-ups, where are the gaps?
- What is „green incubation“?

# What are „green start-ups“?

# What are „green start-ups“?

- We define „green start-ups“ as:
  - ➔ young companies (age 0 – 8 years)
  - ➔ with green products as their core business (major part of product portfolio)
- Green products
  - ➔ are goods or services
  - ➔ that contribute to the goals of a green economy (emission reduction, renewable energies and materials, recycling, biodiversity etc.) (UNEP 2011)
  - ➔ cf. Eurostat classification of „Environmental Goods and Services Sectors“ (EGSS)

Are there specific challenges for green start-ups  
and green incubation?

# Aspects that are potentially specific about green start-ups

- Entrepreneur-related specifics
  - ➔ A greater variety of entrepreneur-types: from „mission-driven“ to „profit-driven“
  - ➔ Cultural (mis-)fit between „mission-driven“ entrepreneurs and classical support actors
- Technology-related specifics of GreenTec ventures
  - ➔ Higher demand for R&D-infrastructure (labs, testing facilities etc.)
  - ➔ Average product development duration is longer than in other technology sectors
  - ➔ Number of tech. standards, laws in infrastructure-related innovations (grid, electric cars)
- Market-related specifics
  - ➔ Powerful incumbents in mature industries like energy sector and car sector

# Aspects that are potentially specific about green start-ups

## ■ Financing-related specifics

- Cultural (mis-)fit between „mission-driven“ entrepreneurs and classical investors
- On average higher sums of venture capital needed for green hightech ventures
- Little knowledge and experience of investors with cleantec/sustainability
- Small number of investors specialized in GreenTec-/Green Economy start-up investments

## ■ Support-related specifics

- No established classification standards yet for „Green Economy“, „cleantec“ etc.
- Little awarenesss and knowledge about the economic relevance of green future markets
- Very few specialized support actors (incubators etc.)
- Little experience and expertise in green incubation

Do we need specific support activities and programs  
for green start-ups?

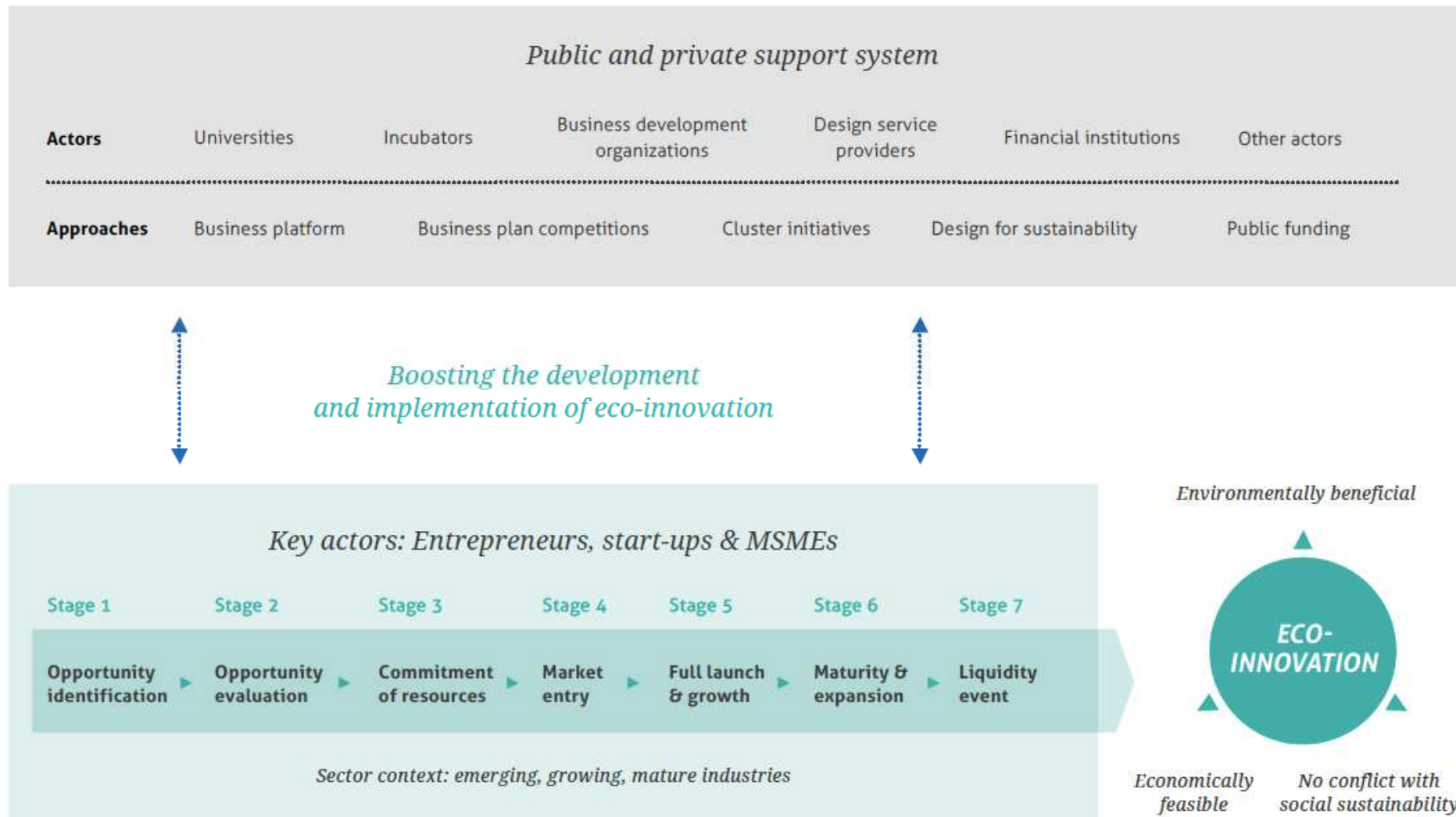


# Support systems for green start-ups

- European research project
  - ➔ funded in Eco-innovera
  - ➔ 2013 – 2016
- Partners
  - ➔ Borderstep Institute, Berlin, Germany
  - ➔ Linköping University, Sweden
  - ➔ Aalto University, Helsinki, Finland
- [www.shift-project.eu](http://www.shift-project.eu)

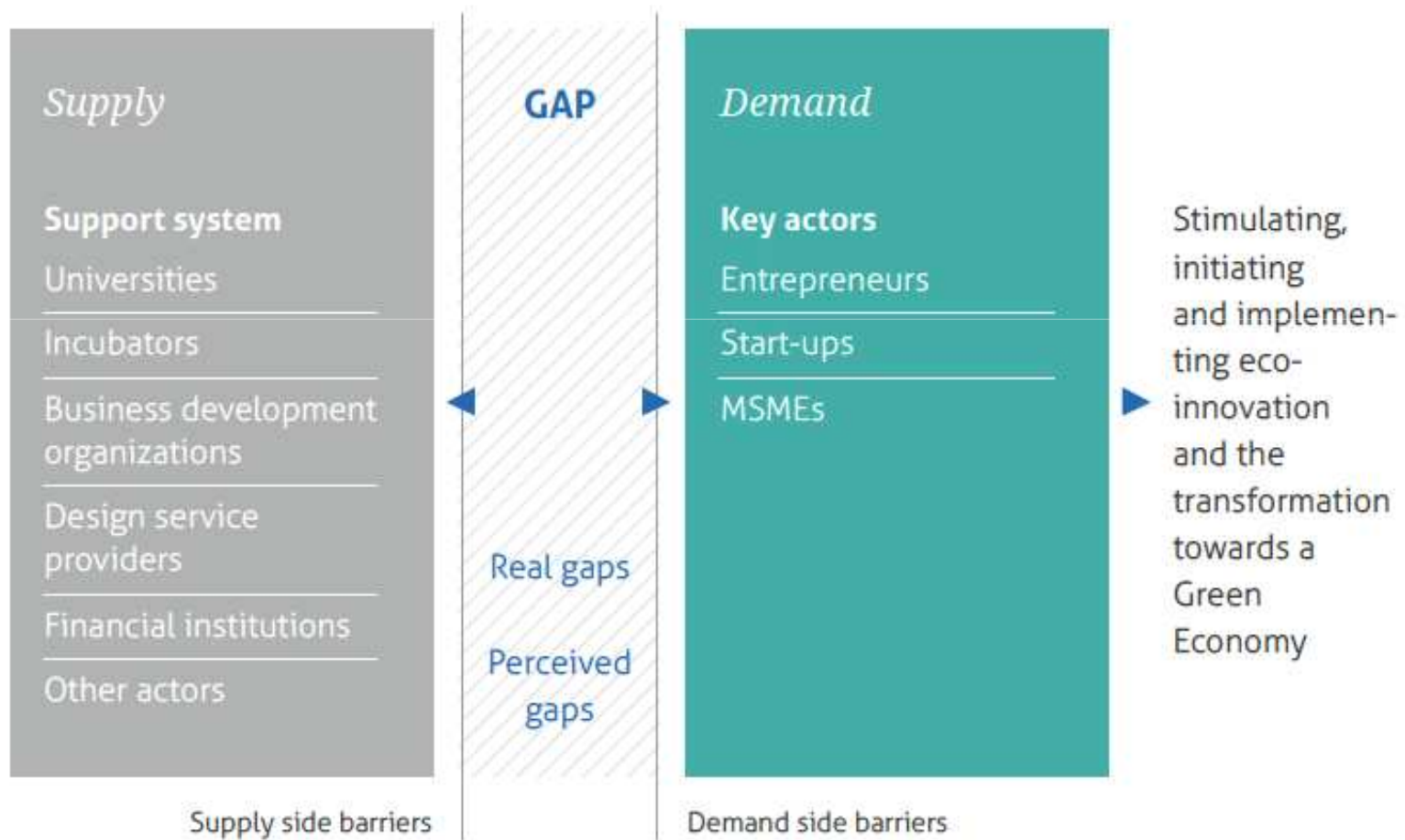


# Conceptual framework: Support systems for sustainable entrepreneurship



Are there any gaps in the present support systems  
in regard to green start-ups?

# Identifying gaps between the needs of green start-ups and the support system



# What is „green incubation“?

# Business incubator

- Business incubators are a form of entrepreneurship support that
  - ➔ caters to new ventures and Micro-SMEs in particular locations and
  - ➔ can focus on particular industries or provide generic support for all types of businesses (Klofsten & Bienkowska 2013)
- Four main types of incubators have been identified in previous research:
  - ➔ Business Innovation Centres
  - ➔ University Business Incubators,
  - ➔ Independent Private Incubators, and
  - ➔ Corporate Private Incubators (Grimaldi & Grandi 2005).
- The main areas of business incubator activities can be characterised as
  - ➔ selection of members;
  - ➔ provision of infrastructure; business support;
  - ➔ mediation, i.e. development of relationships and contact networks; and
  - ➔ graduation, i.e. strategies for exiting the incubator (Bergek & Norrman 2008).

# Green Incubation: Definition and relevant aspects

- Green incubation .... comprises all entrepreneurship support activities of business incubators
  - ➔ specifically aimed at supporting venture projects and start-ups for a Green Economy
  
- Important aspects of green incubation
  - ➔ Raising awareness of the relevance and opportunities of green innovation and venturing
  - ➔ Integrating sustainability aspects into business development (mainstreaming): SBM, SBP
  - ➔ Increasing the quality, survival rate and success of green start-ups
  - ➔ Increasing the number of innovative green venturing projects and start-ups
  - ➔ Improving conditions and entrepreneurial eco-systems for green venturing

Find more information at:

[www.borderstep.de](http://www.borderstep.de)

[www.shift-project.eu](http://www.shift-project.eu)

[www.startup4climate.de](http://www.startup4climate.de)

