

# Start

Entrepreneurial matters



## EXPANSION

### NEWSCRON SETS UP SHOP IN GREAT BRITAIN

Smartphone news aggregator Newsron (Lugano, 2012) has widened its reach to include British media – and now has more than 200 newspapers on offer.

## NUMBERS

### 250 million

Videos watched in the U.S. and U.K. in February 2013 on **Viewster** (Zurich, 2007), a Swiss video-on-demand.

### €250,000

The amount raised by **Urban Games** (Schaffhausen, 2012) on the crowdsourcing platform Gambitious to develop its video role-playing game “Train Fever,” to be released in May 2014.

## INTERVIEW

### “IT’S LIKE LOOKING DOWN THE BARREL OF A SHOTGUN”

Peter Dobson, Academic Director of the University of Oxford’s Begbroke Science Park, offers his tips on surviving one of the biggest challenges for a new business – the “valley of death.”



#### What is the “valley of death”?

It’s the situation that nearly all start-ups face when they are moving from a prototype to full-scale production, and realize that they’re running out of money. They may be facing delays caused by technical problems or waiting for regulatory approval before they can get their product to market. Some CEOs have told me that it’s like looking down the barrel of a shotgun.

#### Why do so many companies fail to make it across the valley?

There’s a lack of education about business, and we need to make researchers much more aware of the issues in advance. That’s why I teach doctoral training courses to introduce people to the basic ideas of business.

I tell people that there’s a 1:10:100 funding ratio. Whatever you spend on basic research, you will need to spend 10 times as much on development, and then 10 times as much again to actually go into production. That surprises people – we’ve forgotten the sophistication of the manufacturing process.

#### How should we tackle the problem?

We should be careful not to spin out too many companies. Sometimes it makes more sense to take intellectual property generated in a university lab and find an established partner company to develop it, rather than taking the risk of founding a high-tech start up. This is where “collaborative labs” might be useful in the future. At Science Park

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Begbroke, for example, we bring together university researchers, businesses and entrepreneurs to develop innovative ideas. We provide facilities, IT support, meeting rooms, financial advice – we make life as easy as possible for them.

#### How does the situation in Europe compare with that in the U.S.?

There are more spin-outs in the U.S., where they’ve always been more adventurous with early-stage funding. But I’m not convinced it’s actually working right now – outside the information technology sector, there are very few university spin-out companies that are actually making stuff successfully. MP