

2016 Cap Digital's "Scale Up" business-driven programs

Highlights for partners - February 08, 2016

*IMPORTANT: please take into consideration that this document is for your eyes only. It has been written as a guidebook to help our future partners to build the **framework agreement we are waiting for as a prerequisite**. Otherwise, Cap Digital is asking for an **individual contract** to be signed for each project by all the parties involved: the company, the partner, Cap Digital.*

1. Objectives

Since 2013, Cap Digital is sponsoring different business-driven actions as support for SME internationalization (note: IT companies only; please refer to the Cap Digital's website).

In 2016, Cap Digital still wants to help its companies at **the time of**:

- **Assessment** (= Cap Digital's offer: "Scale Up: Market Assessment")

The main goal here is to provide the company with all the data that it needs to validate a market opportunity. Basically, this assessment consisting in **aggregating qualified quantitative and qualitative data** through market research but also interviews with potential clients, investors, partners and competitors (on condition of anonymity).

At the end of the line, the partner has to provide the company with a **detailed market assessment report**. This document as to be qualitative enough to be use in a business plan, so we are basically waiting for: key figures, mapping of competitors/potential partners, best practices, SWOT analysis, verbatim transcription (interviews), opportunity cost and first action plan.

We have to see that program as a loss leader offer that can help us generating interesting leads for the following steps. As an example, we did three market assessments in Brazil in 2015 and we will normally transform two of them as business acceleration programs in 2016.

- Main target: companies which are interested in exploring a market to understand if there is a real business opportunity for them before asking for money (investors) / put more money on the table.

- Budget for partner: 5K€ per company.

- **Acceleration** (= Cap Digital's offer: "Scale Up: Market Entry")

The main goal here is to **provide the company with all the entrepreneur's needs to go in the short-term into a strong business development phase**. Basically, company has to be helped with **refining its go-to-market strategy** in concrete terms, reviewing its marketing-mix (notably marketing & communication tools, pricing model, etc.), but also **meeting with potential clients, partners and/or investors**. Meeting with those people, the company has to validate the model that has been defined, start to build a strong local network and, hopefully, sign first POCs or commercial contracts. Also the company could requests for administrative support (legal, accountancy, etc.).

At the end of the line, the partner has to provide the company with a **detailed write-up** including key findings and recommendations for next-steps. This document as to be qualitative enough to

be put in front of investors/board members.

- Main target: companies which are ready to start a real business activity abroad (= budget, competencies, clear development strategy, time-to-market) and want to go fast.
- Budget for partner: **20K€ per company**.

→ Cap Digital is waiting for his partner to clearly describe the process that it will follow to deliver.

2. General process

1. Recruitment

Before starting a project with a company, we need to go through a **two-step qualification process**:

1. first, Cap Digital is auditing the company internally;
2. then, the partner is auditing the company based on Cap Digital's first job and considering all resources needed to do so (canevas, mentors, etc.). That said :
 - a. the company is also qualifying the partner at this point;
 - b. the company could be introduced to several partners if relevant ; the entrepreneur will be the only one to decide the people he wants to work with.

2. Launching

Before we officially launch the project, **company's contentment has to be put in writing**. Cap Digital is the only one to have the ability to launch a project, so the partner has to wait for Cap Digital's "green light".

3. During the program

As projects supervisor, Cap Digital wants to **follow the progress of each project**.

Basically, that means we want to be part of the first initial meeting (kick-off) + final meeting (review of the written report that has been delivered to the company preliminary) of each project. Plus, we ask for **weekly debriefing sessions**.

All of this has to be mention in the processes the partner will describe in the framework agreement.

4. Follow-up

Cap Digital and the partner agree on continuing discussing and supporting each company **at least 3 months after the end of the program**.

3. Payment terms

60 days max after invoice date.

- **"Scale Up: Market Assessment"**: we propose to pay 50% at the start, and 50% at the end of the project (final report delivered).

- **"Scale Up: Market Entry"**: we propose to pay 35% at the start, 35% before the company is "landing" in the country", and 30% at the end of the project (final report delivered)

4. About the framework agreement

This framework agreement is important to be sure Cap Digital and its partners are speaking the same language and so, make relationships more fluid, rationalize the processes and standardize the deliverables. Also our backers could ask us for such an agreement.

Cap Digital is waiting for a document that **clearly explains** the methodology and the tools (canevas, etc.) the partner will use to deliver, but also mention biographies, uses cases with IT startups/companies, network(s) and mentors you can rely on + potential appendixes : canevas, etc.

As mentioned above, even if we sign a framework agreement, **we ask for an individual contract to be signed for each project** by all the parties involved: the company, the partner, Cap Digital.

Also partner has to precisely mention how he will deal with **intellectual property**.

5. General budget

At this point, we have to work on the assumption that Cap Digital will get the same budget from its backers than the one it got last year. Written confirmation expected at the end of this month/beginning of February.

So basically, we are talking about **how we can do better with the same amount of money**. We don't have to forget we are on a **hyper-competitive landscape**, so we have to differ as much as possible from other players.

6. Partners and exclusiveness

There is **no exclusiveness**.

In particular, Cap Digital allows itself to contract and work with several partners in the same country to address its companies' needs.