

**“The TRM – Technology
Rating Methodology, the
right tool for the new
potential Entrepreneurs”.**

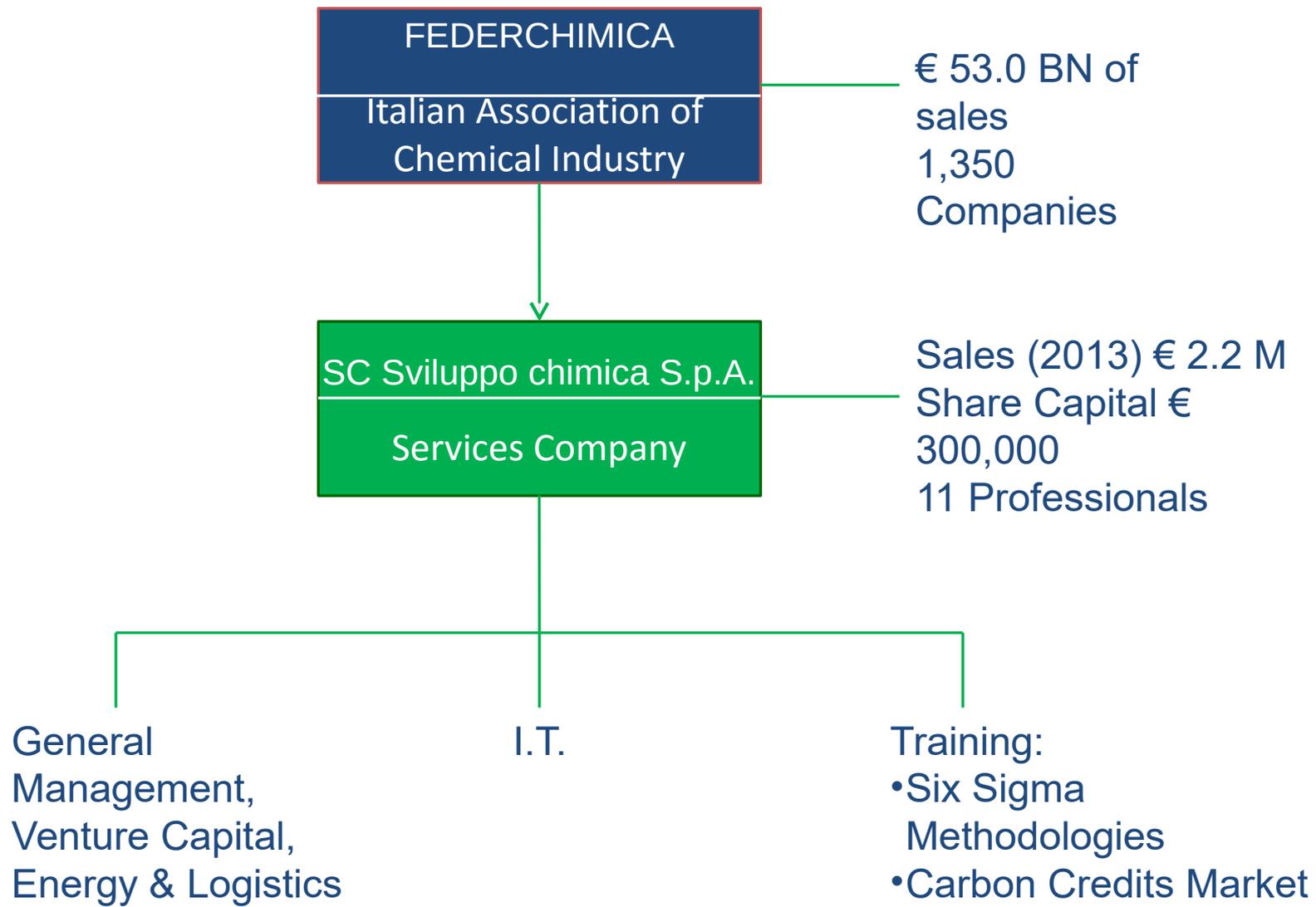
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**TII Annual Conference
28th of April 2016, Barcelona**

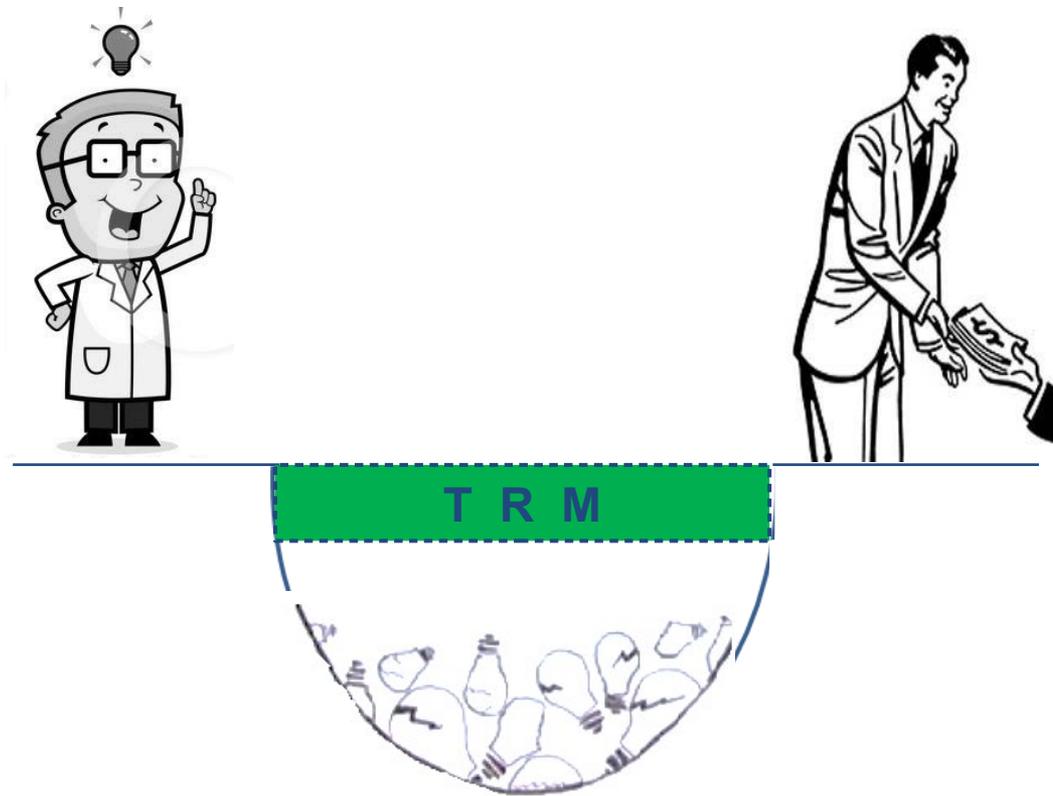
Structure of the Presentation.

⇒ Why a new tool to approach the Venture Capital Industry.

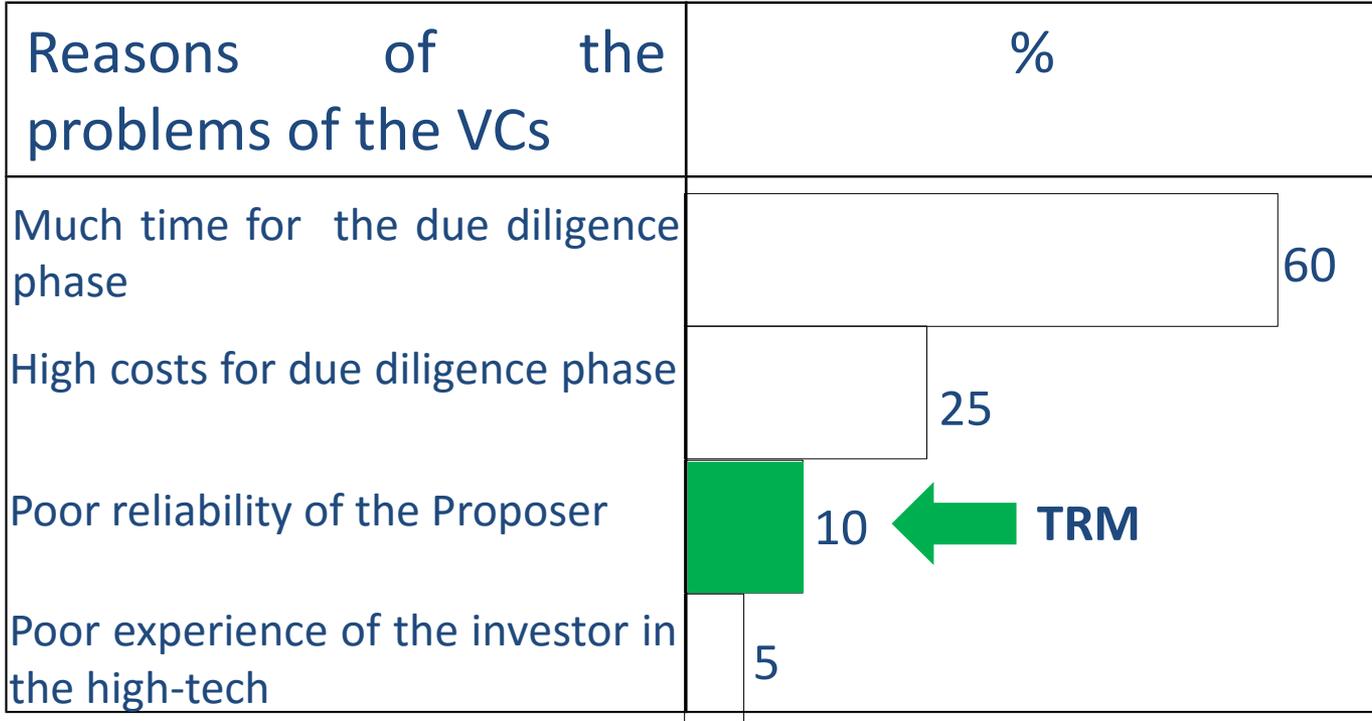
Who We are.



How to overcome the “death valley”.



The reasons of the gap between the Venture Capitalists and the Proposers.



Source: European Commission.

Structure of the Presentation.

- ✓ Why a new tool to approach the Venture Capital Industry.
- ⇒ How does the TRM work and why the Proposer of a Deal could be helped from a better self evaluative approach.

How the TRM was born.

| NANOFORCE Project 2012-2014: | Why the TRM was generated: |
|--|---|
| <ul style="list-style-type: none">• A € 2.2 M financed by the EC.• 76 Nanodeals identified selected and examined.• Only 3 of them funded by the VCs. | <ul style="list-style-type: none">• Many in initiatives, contacts, workshops and lack of business generation!• Need of a deals collector!• Need of auto evaluative tool! |

How does it work?

By asking 50 questions in a Warming-Up + 1st and 2nd Round, the TRM can discover the status of an overall insight when you are strong and weak points in it.



- **Warming-up Phase: 12** general questions to be answered by you.



- **1st Round: 18** questions which preliminary focus on 5 Critical Factors: 1. IPR, 2. Technology, 3. Markets, 4. Management, 5. Finance.

At the end of “Round 1” you will have a “Provisional Score” to decide if better to continue the analysis or don’t waste anymore your precious time.



- **2nd Round: 20** questions further focusing on the 5 Critical Factors: 1. IPR, 2. Technology, 3. Markets, 4. Management, 5. Finance.

Let's do a quick demo...

Please provide a name for your Proposal (just only a Nick Name that allow you to be systematic in your in and out) maybe to be presented to Potential Investors

Max 10 characters

Submit



Great! You are now entering the Warming-up Phase!

This Phase is designed to check if your Proposal (*although is a form very preliminary as "Idea"*) deserves to be better defined or abandoned to verify the readiness and fitness of your Idea (*We mean, a future product or process or service*) to be realized by you.

3...2...1 GO!!!



Warming-up Phase Question: 1 of 12 , Total Progress: 1%

“Is your Idea *new* (We mean, that according to your knowledge you didn't see or read similar idea stated by anyone) that and *inventive* (We mean, to have the ability to create or design new things or to think originally)?”

- Yes
- No
- Unknown

Submit

A quick sample... The Warming-Up Phase.



Warming-up Phase is ended!

“Based on your 12 answers the conclusion is that your Idea has a good chance of success. We advise you to answer the 18 Questions in the following Round. You will gain a more detailed insight into the status of your Idea. ”...



... and you can go through the 1st Round, to better understand how your Idea can attract the Investors.

Start 1st round!



Great! You are now entering the 1st Round.

You will answer to 18 questions focused on 5 Critical Factors: 1. IPR (from 1st to 3rd), 2. Technology (from 4th to 6th), 3. Markets (from 7th to 11th), 4. Management (from 12th to 15th), 5. Finance (from 16th to 18th)... this is the 1st question!!!

3...2...1 GO!!!



1st Round Question: 1 of 18, Total Progress: 25%

“Do you have experience with Patents?”

- I own 2 or more Patents
- I own a Patent
- I am in the application process for my first Patent
- I do not own any Patents

Submit

Many Congratulations!!! You have completed the 1st Round obtaining an average score of:

9.5/10.0!



Your Idea has a good chance to be financed by Potential Investors!!! Moreover, remember TRM gives to you a system to self-evaluate which of the 5 Critical Factors you could improve (please check them in the “Spider graph” here below)!

Proceed directly to the 2nd Round to understand deeper the 5 Critical Factors!

Start 2nd Round!



Great! You are now entering the 2nd Round Phase.

You will answer to 20 Deepened Questions focused in the same 5 Critical Factors: 1. IPR (from 1st to 4th), 2. Technology (from 5th to 8th), 3. Markets (from 9th to 13th), 4. Management (from 14th to 17th), 5. Finance (from 18th to 20th).

3...2...1 GO!!!



2nd Round Question: 1 of 20, Total Progress: 62%

“Which form of protection are you choosing initially to protect your Idea?”

- With a patent
- Only “Production Secrecy” because the “Production Process” is too complicated to be copied
- With Model Rights
- With “Brand Rights”
- With a Registration by a Lawyer or equivalent organization
- It is not yet known how it is possible to protect my Idea

Submit

Many Congratulations!!! You have completed the 2nd Round obtaining a final score of:

9.0/10.0!



Go directly to a Potential Investor. Just for your record take into consideration ...for the Negotiations (*We mean, how much money that will insert in your Idea, how, when*) You will start with the Potential Investors... the following “Spider Graph”.

End of the process!

Structure of the Presentation.

- ✓ Why a new tool to approach the Venture Capital Industry.
- ✓ How does the TRM work and why the Proposer of a Deal could be helped from a better rational approach.
- ⇒ 3 cases in which the TRM have been well used, during our testing process.

2 Success cases of the application of the TRM.

Velit biopharmaceuticals GmbH



VELIT biopharmaceuticals GmbH
A Biotechnology and Nano-Pharmaceutical Company

Wolzeille 1-3, A-1010 WIEN, AUSTRIA

info@velitnb.com
www.velitnb.com

VAT: AT U 69625578



- A young researcher incorporated his own Company in the Nanoparticles business;
- Lack of managerial capabilities;
- No one VC interested;
- Eventually he found an Entrepreneur ;
- This Company has been merged and he obtained a stake in the merging holding.

First expansion of Recmir S.r.l.

RecmiR

RARE EARTHS & CRITICAL MINERALS RECOVERY S.R.L.



- Good technician (CEO) spent 8 months of contacts with 5 VCs;
- Tested the TRM;
- Hired a new CEO (Senior Manager);
- Obtained € 100,000.

1 Failure case: “Eggplant”.

Eggplant S.r.l.



- A group of young researchers launched their start-up in the nanoparticles business;
- They tested TRM;
- Lack of managerial competences and market strategy;
- They spent 3 years participating to National and European awards;
- No one funded their business idea.

Structure of the Presentation.

- ✓ Why a new tool to approach the Venture Capital Industry.
- ✓ How does the TRM work and why the Proposer of a Deal could be helped from a better rational approach.
- ✓ 3 cases in which the TRM have been well used.

 Next Steps

1 What We realized with “NANOFORCE Project”.

TRM:

- Poor Algorithm adoption.
- An auto evaluative test without emotional approach.



If “8.0”:

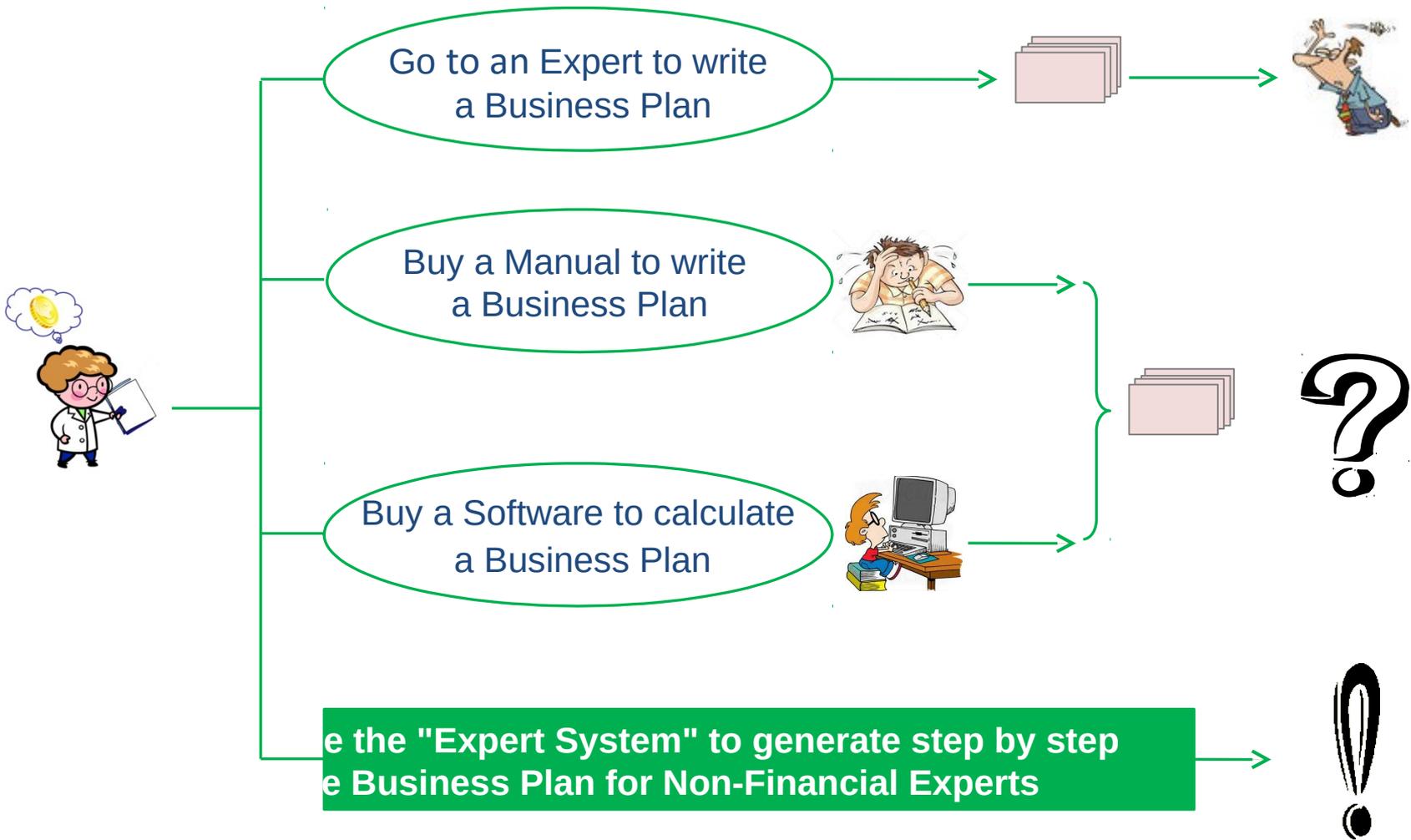
- Go to a Venture Capitalist.
- It does not give the complete notions to write a Business Plan.



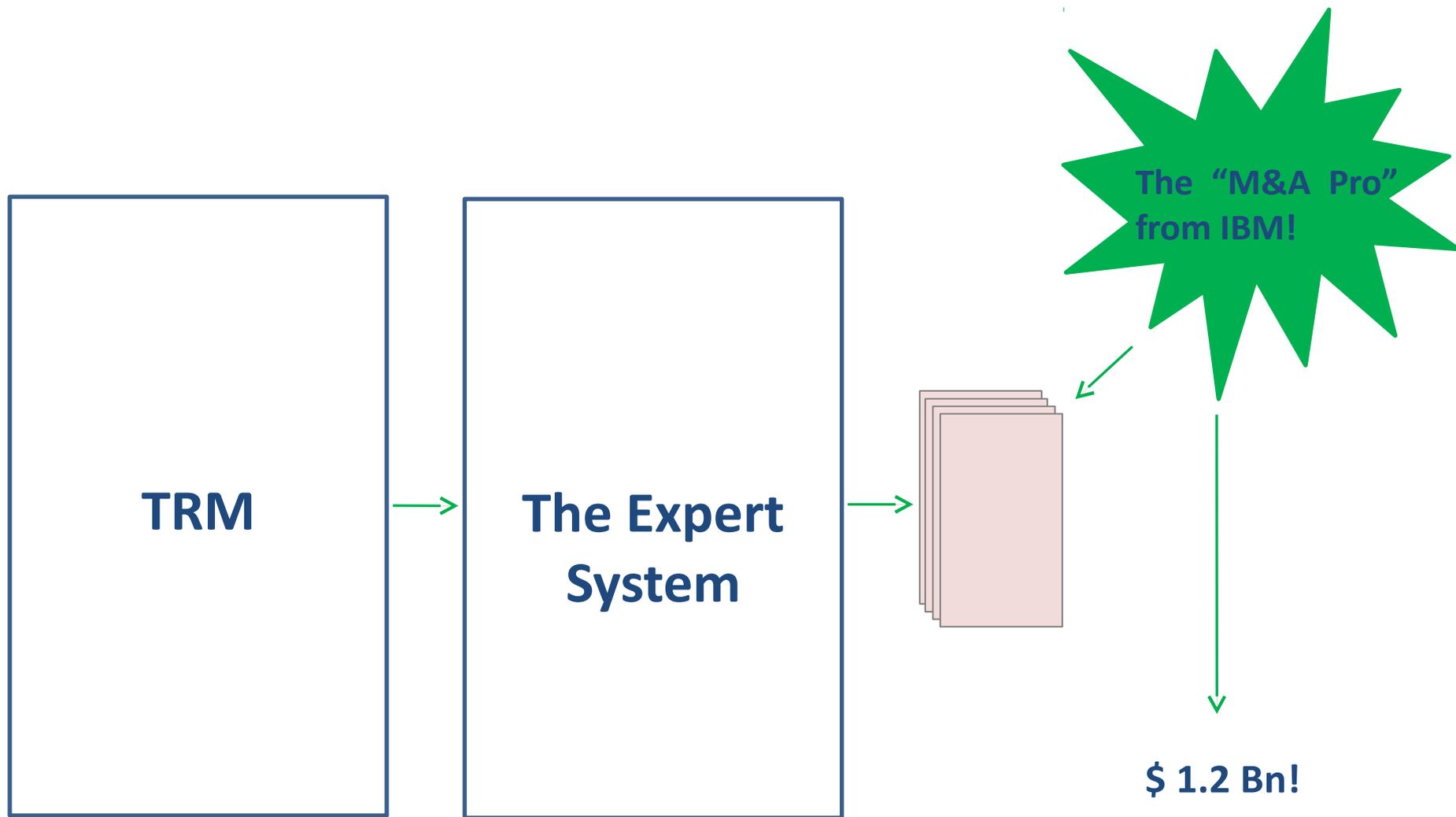
€ 25,000!



The ways to propose a business to a VCs.



The Proposal of Nanoforce 2.0. (and IBM can make the “Due Diligence” through an Algorithm?).



Structure of the Presentation.

- ✓ Why a new tool to approach the Venture Capital Industry.
- ✓ How does the TRM work and why the Proposer of a Deal could be helped from a better rational approach.
- ✓ 3 cases in which the TRM have been well used.
- ✓ Next Steps.
- ⇒ Conclusions and Proposals.

3 Key Items.

- Expert System (using an algorithm incorporating the emotional intelligence) as a key to realize a right Business Plan.
- Showing of Best Practices inside the T.I.I.'s Community!
- Other business area to be investigated: “How select right start-ups, to be hosted in Incubators, sure they pay the rentals”.