Mobile Innovation Project
Local Feasibility Workshop
November-December 2012
Agenda

• Welcome & Opening Remarks
• Presentation of EPIC Mobile Innovation Project (MIP) Business Plan (*Toni Eliasz*)
• Business Plan Questions for Clarification
• Coffee Break
• Specific Questions Regarding the Key Issues and Assumptions of Local Feasibility (*Rick Doerr*)
• Closing Remarks (Next Steps)
• End of Event
Goals for Workshop

• Understand the Mobile Innovation Project (MIP)
• Receive feedback about the local feasibility of the business plan
• Validate key assumptions regarding the local aspects of the plan
EPIC Background

• A 7 year, CD$20M program designed to create and grow competitive Micro, Small and Medium Enterprises (MSMEs) across the region. EPIC aims to help MSMEs overcome persistent market challenges in the Caribbean region by:
  – Using of business incubation to provide a suite of services for start-up entrepreneurs comprising of advisory services, mentorship, and access to office space and equipment
  – Upgrading skills and capabilities of incubator managers and policymakers supporting MSME development
  – Providing seed funding

• Three Focus Areas
  – Mobile Innovation
  – Climate Technology Innovation
  – Women Entrepreneurs
MIP Objectives

The EPIC Mobile Innovation Project aims:

1. to strengthen the Caribbean mobile innovation ecosystem
2. to enable sustainable and competitive mobile enterprises to grow.

How: infoDev and selected partners on the ground will design and implement a number of regional and local activities that will target early stage innovators and guide them to market readiness.

Outcome: The project will create a regional pool of high-growth potential mobile startups with the capacity to release their apps to the market and raise additional capital to grow.
Entrepreneur’s Journey: Mind to Market

Fail Fast, Fail Cheap
MIP Annual Cycle of Activities

Phase I: From Ideation to Pitch
- Coaching
- Startup Challenge
- Hackathons
- Training
  - 4 Months

Phase II: From Pitch to Market
- Pre-Incubation
- Pitching and Seed Investment Award
  - 9 Months

Phase III: From Market to Maturity
- Venture Capital
- Monitoring and Alumni Network
- Access to Co-Investment Fund
- Incubation through Local Organization
- Demo Trip
  - 12 Months

Activities:
- Capacity building
- Competition & networking
- EPIC Access to Finance
- External
MIP Model

• Initially 6 Islands
  – Barbados, Jamaica, and Trinidad
  – 3 other islands (possibly Antigua, Grenada, St. Lucia, and St. Vincent)

• Implementing Partners
  – Mobile Innovation Coordinator
  – mHubs

• Virtual Community
  – Alumni Network
  – Peer-to-Peer Networking
Role of mHubs

• Local Technology Startup Community Champion
  – Provide local MIP services, including:
    • Business and Technical Training
    • Organize and run hackathons
    • Startup Days
    • Mentorship and Coaching facilitation
    • Access to Facilities (when possible)
  – Link to existing activities, such as:
    • Outreach and knowledge dissemination
    • Thematic events and targeted outreach
Structure of mHubs

• Organizational
  – One per island
  – Local institution, organization, or consortium (Based on needs of local developer community on the island)

• Selection
  – Open bidding
  – Mobile Innovation Coordinator and infoDev will select mHubs in collaboration

• Criteria
  – A strong community of local developers and startups
  – Familiarity with technology startup growth, business incubation
  – Knowledge and understanding of current mobile app industry and markets, as well as future potential
  – Access to physical working space that is equipped with WiFi for trainings, hackathons, and other events
  – Strong working relationships with local stakeholders (including governments, private sector, universities, incubators)
  – Ability to design and teach courses centered around business (sales, marketing, finance, HR, management) and technology development
  – A collaborative spirit
Financial Analysis of the MIP

Year 6 Expense and Revenue Comparison

Annual MIP Revenue and Expense Trends

On-going Activities
Phase I: From Idea to Pitch
Phase II: Pre-Incubation
Phase III: Hatching Companies
Coordination and Administration
Financial Analysis of mHubs

- Budget
  - Breakeven Analysis

<table>
<thead>
<tr>
<th>mHub Breakeven Analysis</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Total</th>
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<tbody>
<tr>
<td>mHub Expenses</td>
<td>$20,996.94</td>
<td>$22,986.94</td>
<td>$24,976.94</td>
<td>$26,966.94</td>
<td>$28,956.94</td>
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<td>mHub Revenue</td>
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<td>$5,240.00</td>
<td>$3,364.61</td>
<td>$1,611.90</td>
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<td>Cumulative</td>
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<td>$9,640.00</td>
<td>$13,004.61</td>
<td>$14,616.51</td>
<td>$15,747.61</td>
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</table>

- Expense breakdown by mHub Activity

[Diagram showing expenses by activity: 89% for Phase I: From Idea to Pitch, 61% for Phase II: Pre-Incubation, 34% for Phase III: Hatching Companies, 5% for Startup Challenge, 8% for Hackathons, Startup Days, 4% for Training, 0% for other categories.]
Financial Analysis of mHubs

- Revenue

Funding Sources Trend

Revenue Source Split in Year 6
Financial Analysis of mHubs

- Generated Revenue
  - Training
  - Hackathons and Startup Days
  - Private Sector
  - Government
  - Development Agencies

<table>
<thead>
<tr>
<th>Generated Revenue</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<td>- Private sector sponsored students</td>
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<td>$560.00</td>
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<td>Hackathons + Startup Days</td>
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## Scale

### Mobile Innovation Project

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<tr>
<th>Initial Plan</th>
<th>Initial Islands</th>
<th>Expansion of Islands</th>
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<tbody>
<tr>
<td></td>
<td>Barbados</td>
<td>Jamaica</td>
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<td>Hackathons</td>
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<td>Startup Challenge</td>
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<tr>
<td>Pre-Incubation</td>
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<td><strong>Expansion of Services</strong></td>
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<td>Co-Working Space</td>
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<td>mLab: Incubation / Testing</td>
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<tr>
<td>Fund</td>
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Q&A
Key Issues and Assumptions of Local Feasibility
Goals

• Local Feasibility of mHubs on each island

• Clarification of Assumptions Locally
Phase I Assumptions

• Training
  – $120-$400 USD for 3 months training (prototyping, business modeling, etc)
  – 10-20 students per island
  – In-Kind: Venue
  – Governments will subsidize the rest of training costs (almost 50%)

• Hackathons and Startup Days
  – $20 per event
  – 20-30 participants per island (per event)
  – In-Kind: Venue, Facilitators, Prizes
  – Local Sponsorship: $2,000 to $6,000 USD

• Startup Challenge
  – Free to enter
  – If chosen as top 25, provided extra coaching
  – Must register as a company
  – In-Kind: Coaching/Mentoring
Phase II Assumptions

• Seed Investment for Winners
  – $5,000 per team for 10% equity
  – Will be a fixed rate for $5,000 per team
  – Equity held by Mobile Innovation Coordinator

• Typical Size of Seed Investments
  – $20,000 USD (Subsistence)
  – $50,000 USD (Sustained)
  – $200,000 USD (Stars)

• Requirements for Investment
  – Alumni Network: mentoring
  – Advisory position for Mobile Innovation Coordinator
  – Bi-annual financial statements and strategy brief

• Exit Strategy from Seed Investment
  – Exit investment in year 5
Phase II Assumptions Continued

• Winners
  – Zero cost

• Finalists
  – Ranging from $400 to $500 per person
  – Need to be enough that only teams that see it as worth the cost but also keeps all finalists from joining
  – Benefits also decrease
Implementation

• Selection Criteria for Mobile Innovation Coordinator
  – Already has a regional focus for mobile innovation, especially with experience in regional community development
  – Basic knowledge of mobile app development and an understanding of the necessary components to take an app to the market / start a business
  – Background in planning, organizing, and running events in the region
  – Strong presence in the regional community with working relationships with local stakeholders (including governments, private sector, universities, incubators)
  – Experience providing mentorship and coaching to technology startups in the region
  – Success in developing and maintaining partnerships from a variety of sectors (nonprofit, private sector, government) and industries
  – Background and/or knowledge of angel investing and venture capital
  – Ability to hold equity
  – Business development skills

• Are these reasonable?
Implementation

• Selection Criteria for Local mHubs
  – A strong community of local developers and startups
  – Familiarity with technology startup growth, business incubation
  – Knowledge and understanding of current mobile app industry and markets, as well as future potential
  – Access to physical working space that is equipped with WiFi for trainings, hackathons, and other events
  – Strong working relationships with local stakeholders (including governments, private sector, universities, incubators)
  – Ability to design and teach courses centered around business (sales, marketing, finance, HR, management) and technology development
  – A collaborative spirit

• Are these reasonable?
Implementation

• List of Potential Partners in Antigua
  – Tech Community Organizers
  – Universities & Business Schools
    • UWI (Open Campus)
    • American University of Antigua
    • Antigua and Barbuda International Institute of Technology
  – Government Agencies
    • Antigua & Barbuda Investment Authority
    • APUA
    • Ministry of Information, Broadcasting, Telecommunications, Science, and Technology
  – Private Sector
    • Digicel
    • LIME
    • Pegasus Technologies
    • Global Processing Centre
  – NGO
    • Antigua and Barbuda Coalition of Service Industries
    • Percise Development Foundation

• Who are we missing?
Implementation

• List of Potential Partners in Barbados
  – Tech Community Organizers
    • Information Society of Barbados
    • Hive Foundry
    • Civic (ICT Regional Body)
  – Incubation Programs
    • BIDC
    • Hive Foundry
    • Barbados Entrepreneurship Foundation
    • Youth Entrepreneur Scheme (YES)
  – Universities & Business Schools
    • UWI
    • Cave Hill School of Business
    • Barbados Community College
  – Government/Regional Agencies
    • BIDC
  – Private Sector
    • LIME
    • Digicel
    • FLOW
    • Karib Cable
  – Financiers
    • Samdor
    • Invest Barbados
    • Barbados Enterprise Growth Fund

• Who are we missing?
Implementation

• List of Potential Partners in Grenada
  – Tech Community Organizers
    • Information Technology Association (iTAG)
  – Incubation Programs
    • GIDC
  – Universities & Business Schools
    • ICT Centre for Excellence
    • St. Georges School of Business
    • UWI (Open Campus)
    • T.A. Marryshow Community College
  – Government Agencies
    • GIDC
    • Ministry ICT
    • National Telecommunications Regulatory Commission (NTRC)
  – Private Sector
    • EduTech Global Solutions
    • LIME
    • Digicel
    • Ameltek
    • FLOW
  – NGO
    • Grenada IT Coalition of Services

• Who are we missing?
Implementation

• List of Potential Partners in Jamaica
  – Tech Community Organizers
    • Connectimas
    • Jamaica Software Developers Association
    • Slashroots
    • HEART Trust NTA
  – Incubation Programs
    • UTECH TIC
    • UWI (ICT Park and Business Incubator)
  – Universities & Business Schools
    • UWI (Mona)
    • NCU
    • UTECH
  – Government Agencies
    • JAMPRO
    • Minister of Science, Technology, Energy and Mining
    • JBDC
  – NGOs
    • MSME Alliance
• Who are we missing?
Implementation

- List of Potential Partners in St. Lucia
  - Tech Community Organizers
    - Saint Lucia ICT Association (SLICTA)
  - Incubation Programs
    - St. Lucia Youth Business Trust
    - Youth Agri-Entrepreneur Project (YAEP)
  - Universities & Business Schools
    - UWI (Open Campus)
    - The Monroe College
  - Government Agencies
    - The Saint Lucia Public Sector ICT and eGovernment Unit
    - The National ICT Office
    - The National Telecommunication Regulatory Commission (NTRC)
    - Ministry of Telecommunications, Science & Technology
    - Office of Private Sector Relations
  - Regional Governing Bodies
    - The Eastern Caribbean Telecommunications Authority
  - Private Sector
    - Digicel
    - LIME
    - St. Lucia Development Bank (SLDB)
    - DigiSolv
  - NGO
    - National Youth Council
    - Rise Solution

- Who are we missing?
Implementation

• List of Potential Partners in St. Vincent
  – Tech Community Organizers
    • Centre for Enterprise Development Inc. (CED)
    • National Centre of Technological Innovation Inc (SVGNCTI)
    • Information Technology Services Division (ITSD)
  – Incubation Programs
    • National e-Business Incubator
  – Universities & Business Schools
    • UWI (Open Campus)
    • SVG Community College
  – Government/Regional Agencies
    • Department of Telecommunication, Science, Technology and Special Projects (TSTSD)
    • The Eastern Caribbean Telecommunications Authority
    • National Telecommunications Regulatory Commission
  – Private Sector
    • Digicel
    • LIME
    • Karib Cable
    • Microsoft

• Who are we missing?
Implementation

• List of Potential Partners in Trinidad
  – Tech Community Organizers
    • BrightPath Foundation
    • Internet Society
    • Computer Society
    • ICTS (Information and Communications Technology Society)
    • Telecios System (Code Jam)
  – Incubation Programs
    • eTeck
    • IBIS
    • American Chamber of Commerce
    • Trinidad and Tobago Innovation Centre (TTIC)
    • BizBooster
  – Universities & Business Schools
    • UWI
    • Arthur Lok Jack School of Business
    • UTT
    • University of Southern Caribbean (USC)
    • College of Science, Technology, and Applied Arts of T&T (COSTAATT)
  – Government Agencies
    • NEEDCO
    • Telecommunications Services of T&T Limited (TSTT)
  – Private Sector
    • LIME
    • Digicel

• Who are we missing?
Next Steps

• Workshops in 7 islands (Antigua, Barbados, Grenada, Jamaica, St. Lucia, St. Vincent, and Trinidad)
• Once back in DC, incorporate findings from workshops into business plan
• For Mobile Innovation Coordinator
  • Expression of Interest (EOI) released in December
  • Request for Proposal (RFP) released in January
• Business plan completed in January
• Local mHubs selected later in 2013
• Virtual Pitch Event in the Caribbean
  • http://www.facebook.com/pitchITCaribbean