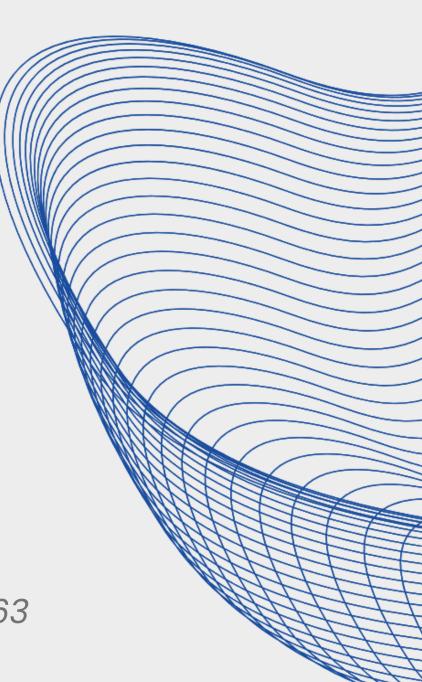




# Become Busy

Training Educational Material Project Number: 2020-3-EL02-KA205-006663



### Co-funded by the Erasmus+ Programme of the European Union





# **Become Busy 2.0**

It is a continuation of the Become Busy project implemented by the Social Innovation and Cohesion Institute.

- Based on its results and products to go one step further
- Give a substantial basis to young people interested in entrepreneurship, providing them with more tools to achieve their goals.
- Realizing there are many ideas and young people also want to implement them.
- But! Covid's constraints made things difficult.

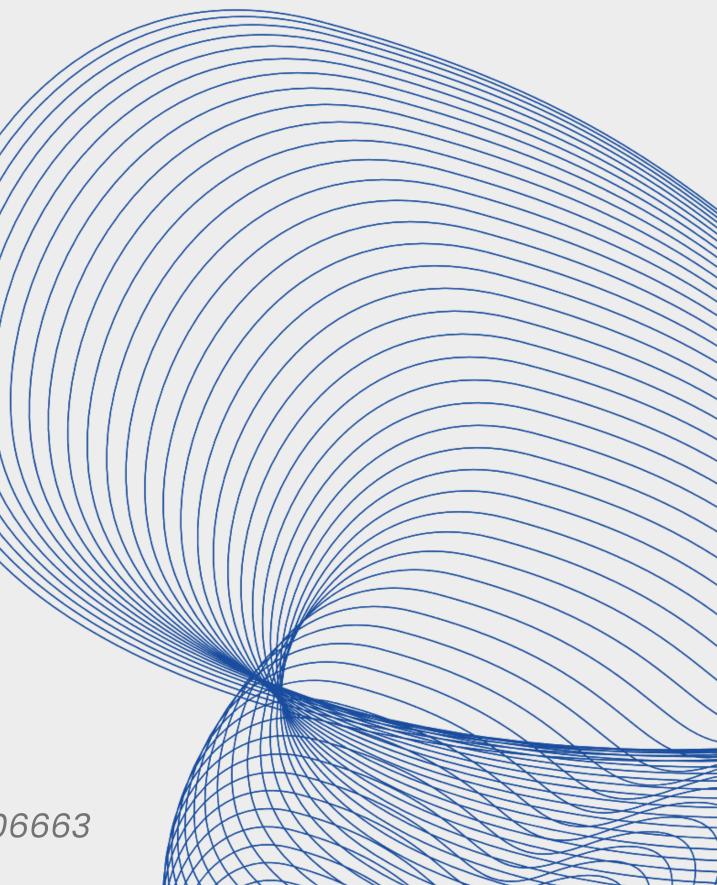




# Become Busy 2.0

The European Commission:

- Proposed a major recovery tool for Europe based on harnessing the full potential of the EU budget.
- Our work goes hand in hand with the content of the Next Generation Recovery Tool which was created to support the groups most affected by the pandemic and to strengthen the EU's single market.





# **Objectives of the project**

- grow as entrepreneurs
- on soft and hard skills
- entrepreneurship
- the end of the project to be sure of their business steps

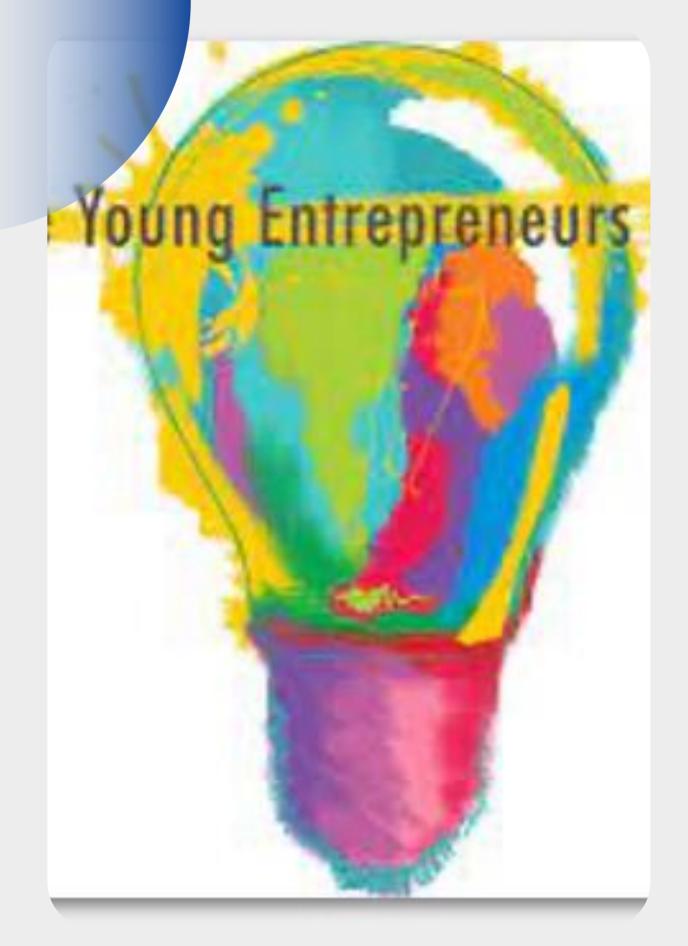
*Project Number: 2020-3-EL02-KA205-006663* 

• To create an attractive interactive environment for developing business ideas that give young people the necessary impetus to

• To strengthen young people their business skills through training

• Disseminate the concept of pre-incubator, its operation and benefits in organizations active in the field of youth and

• Participating actors to be trained in pre-incubator services • The young participants to receive the necessary support and at



# What is Youth Entrepreneurship

Young people, students or newly graduates consider entrepreneurship as a way to take control of their future.

They provide solutions, boosting local communities, creating social and economic change, and accelerating sustainable growth.







# Startup

Startups are businesses that want to disrupt industries and change the world-and do it all at scale. Startup founders dream of giving society something it needs but hasn't created yetgenerating eye-popping valuations that lead to an initial public offering (<u>IPO</u>) and an astronomical return on investment.







## What is IPO?

### **Initial Public Offering**

An initial public offering (IPO) refers to the process of offering shares of a private corporation to the public in a new stock issuance.

- Refers to the process of offering shares of a private corporation to the public in a new stock issuance.
- Companies requirements by exchanges
- IPOs provide companies with an opportunity to obtain capital by offering shares
- Companies hire investment banks to market and gauge demand
- Be like an exit strategy for the company's founders and investors, gaining profits from their investment.







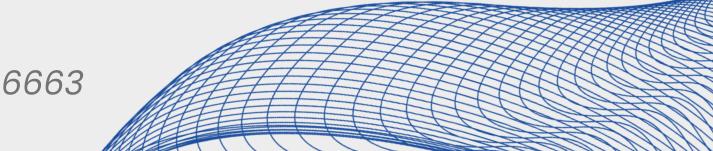
# What is SPAC?

### **Special Purpose Acquisition Company**

It is a company that has no commercial operations.

- Formed to raise money through an initial public offering (IPO) to buy another company.
- At the time of their IPOs, SPACs have no existing business operations
- Investors in SPACs can range from well-known private equity funds and celebrities to the general public.
- SPACs have 2 years to complete an acquisition, otherwise return their funds to investors.



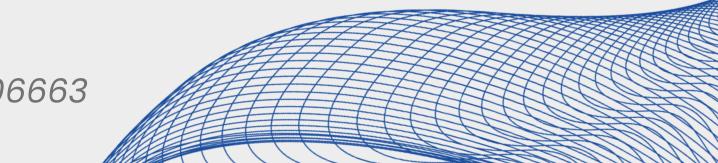




## How Are Startups Funded?

- There's a preliminary round known as bootstrapping, when the founders, their friends and family invest in the business.
- After that comes seed funding from so-called "angel investors," high-net-worth individuals who invest in early stage companies.
- Next, there are Series A, B, C and D funding rounds, primarily led by venture capital firms, which invest tens to hundreds of millions of dollars into companies.
- Finally, a startup may decide to become a public company and open itself up to outside money via an <u>IPO</u>, an acquisition by a special purpose acquisition company (<u>SPAC</u>) or a direct listing on a stock exchange.





### STARTUP DEVELOPMENT PHASES

#### Vision & Mission

Concepting

ownership.

12, 24, 36 months ...

Having clear and meaningful target

with clear direction for min. 3 years

with milestones to get there, -> 3, 6,

Having team of two or three core

commitment (stock options and/or

founding people with balanced

Can also already have some

extended team with lighter

cash compensation)

#### Minimum Viable Product (MVP)

#### Commitment

-Legal Needs

Houses, etc)

applications).

products)

and/or consultants

software development

in place e.g. Errors and

cookies, privacy policy

agreed and signed

Committed & skills balanced founding team.

Able to develop the product/ service (Minimum Viable Product) without dependency of uncommitted external resources OR already have initial product/ service developed.

Have signed shareholder agreement between founders. with milestones, committed time and money usage, for min. 2+ years with vesting etc.

1) Shareholder Agreement to be

funding and signing agreement(s)

(resolutions, filings at Companies

5) Agreements with employees

6) Implementing decisions made

in relation to IP (e.g. registration

7) Negotiating and agreeing any

agreements (e.g. for website or

8) Appropriate insurance policies

omissions, employer liability etc +

9. Addressing any online trading

issues e.g. Website Ts and Cs,

of trademarks, filing of patent

2) Option scheme initiated

3) Agreeing terms for seed

4) Any corporate formalities

associated with the above

#### **Product Market Fit**

#### Validating

Can already show some user growth and/or revenue (initial traction).

AND/OR continue to attract additional resources (money or sweat equity) for equity or future revenues.

Looking for clear market validation (Product Market Fit), to be able to move into scaling.

### - Legal Needs

Ideation

make money.

Potential scalable product/

service idea for big

enough target market.

Some initial revenue

models for how it would

One person OR only a

commitment and/or no

team structure yet.

right skills balance in the

vague team; no confirmed

owth

5

1) Reviewing IP - will there be potential for trademarks, patents, design rights, database rights, copyrights?

2) Reviewing potential structure - sole trader? Limited company? Traditional Partnership? Limited Liability Partnership?

3) Will funding be required? If so what kind of funding would be most suitable? Loans? Equity Funding?

4) Will software need to be developed - if so by whom?

### - Legal

PRE-STARTUP

1) Checking applicable registries for naming rights in relation to the entity's proposed trade names (e.g. trademark registries, Companies House, domain name registries)

2) Setting up structure implementing decision as to sole trader/limited company/partnership structure. Complying with formalities (e.g. registering any new entity with Companies House, filing resolutions, appointing Directors).

3) Negotiating terms of shareholder agreement and any option scheme.

### STARTUP

### Legal Needs

1) Negotiating and agreeing trading agreements for;

- Manufacture Sales
- Distribution Licensing - Joint ventures - Agents
- Introducers

2) Compliance with Regulatory issues e.g. Data Protection, Consumer legislation, Industry regulation and codes.

3) Further funding agreements for Series A funding

4) Option agreement implemented

5) Agreement on and appointment of Non execs/Advisory Board

6) Negotiating and resolving disputes (whether internal or external) and whether using Mediation, Arbitration or traditional court methods

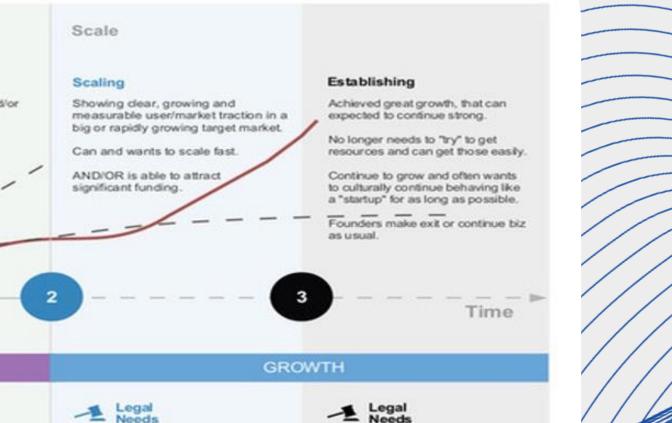
7) Further funding agreements for Series A funding

8) Negotiating and resolving disputes (whether internal or external) and whether using Mediation, Arbitration or traditional court methods



# Erasmus+

### *Project Number. 2020–3–EL02–KA205–006663*



1) Many of legal aspects of validating repeated but multiple times and with greater consequences

2) Negotiating and agreeing trading agreements for; - Manufacture - Sales

- Distribution Licensing - Joint ventures
- Agents - Introducers

3) Compliance with Regulatory issues - e.g. Data Protection, Consumer legislation, Industry regulation and codes.

4) Further funding agreements for Series B funding

5) Negotiating and resolving disputes (whether internal or external) and whether using Mediation, Arbitration or traditional court methods.

6) International development - through franchising, licensing or establishing of local entities - repeat stages 1-3 for local operations overseas.

2) IP renewals 3) Establishing new products/

entities as the company grows

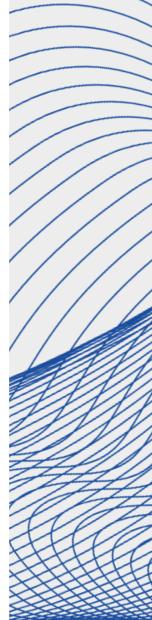
1) Purchase or acquisition of other

services/sectors requiring repetition of steps 1-4 above

4) Exit agreement for founders through share or asset sale

5) Due diligence

6) Warranties





## Innovation helps preserve traditional practices

Cultural and creative industries can generate considerable economic wealth. Over the last decade, this knowledge-intensive sector has been regarded as a catalyst for local economic development all over the world. At the same time, these industries are essential to a shared sense of identity and culture. Besides a high level of skills and talent, they rely on younger people, especially in the sector of cultural heritage. Thus, entrepreneurs have the chance to harness the innovative capacity of cultural heritage by creating new jobs and preserving traditional practices





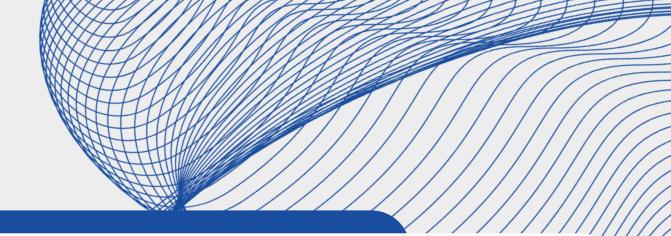


# Few words about the implementing body

The Social Innovation and Cohesion Institute, based in Greece, is an organization with a youthful character and orientation, quite active in the field of youth, with an extensive network of members and partners. As a body it has developed cooperative relations with various national and European organizations. Through its participating networks (such as the Young Entrepreneurs Network, the Women Entrepreneurs Mentors Network) it is in contact with a variety of partners through which it can enhance the dissemination of project results.

It also has experience and know-how in the field of youth entrepreneurship and in the management of 'projects of this and larger size

*Project Number. 2020-3-EL02-KA205-006663* 



# **fifty-fifty** Social Innovation & Cohesion Institute

# Self-Assessment



# Questions

1.Have you ever been involved in developing a business idea? 2.Would you be interested in dealing with something similar in the future? 3.Think of an example which concerning startups that have succeeded (any kind of example)? 4.The financial risk is considered more important for the long-term viability of your business or the growth based on the factor of luck and right conjuncture



