

## From an Innovative Idea to a Promising Enterprise

The Flemish Innovation Fund, “Vinnof” for short, grants risk capital to innovative start-ups in Flanders.

Private equity providers are often not prepared to finance innovative start-ups because of the risk profile of these enterprises. The Flemish Innovation Fund wants to offer innovative enterprises a better chance by investing even during their infancy stage. This type of financing, called “seed capital”, must make it easier for investors to attract private equity providers in the next stage.

Vinnof does not give subsidies. The fund invests in companies and wants to see a financial return. In principle, the investment is made in the form of capital participation. The envisaged return consists therefore typically of added share value. Vinnof investments in a company are always for a limited period and are usually made during the start-up and initial growth phase of the company.

**Vinnof invests seed capital in young, innovative enterprises to support their start-up and initial growth phase. Vinnof can invest up to 500,000 euro per company, through two channels:**

### **SEED CAPITAL by means of A DIRECT INVESTMENT APPLICATION**

If you wish to attract seed capital from Vinnof directly you must make an application to Vinnof. Simply submit a signed Application Agreement and a duly filled out Application Form to Vinnof. Both documents can be downloaded from the [www.vinnof.be](http://www.vinnof.be) website.

Once both forms have been received, Vinnof will invite you for a first meeting. Then the investment analysis can be started, in which Vinnof analyses and evaluates the contents of your business plan, and if necessary, calls in outside experts. On the basis of the analysis Vinnof will autonomously decide whether or not to invest in your company.

### **SEED CAPITAL through VINNOF PARTNER-FUNDS**

Vinnof encourages co-investment from other risk capital providers. To that end, Vinnof closes collaboration agreements with recognized Partner Funds.

If you wish to attract seed capital via this route, you must approach the Partner Fund with your business plan. The Partner Fund examines and assesses your business plan and autonomously decides whether or not to invest in your company.

If a Partner Fund invests in your company, Vinnof will co-invest under the same terms and to the same amount as the Partner Fund, without repeating the Partner Fund’s analysis.

A summary of the various Vinnof-Partner Funds may be found on the [www.vinnof.be](http://www.vinnof.be) website.

# Vinnof Seed Capital for Start-ups

## Who qualifies?

To qualify for a Vinnof investment the following criteria must most certainly be met:

- Your company is a start-up which has not been registered with the Crossroads Bank for Enterprises for more than 3 years;
- Your company has an exploitation seat in the Flemish Region;
- Your company has an innovative idea, product or service which fills a new need or which fills an existing need in an innovative way;
- The production or sale of the innovative product or the commercialization of the new service has not yet started on a large scale.

## Incubation financing: from idea to business plan

Besides seed capital, Vinnof also offers incubation financing to (pre-)start-ups. Incubation financing can be used to investigate whether and how an innovative idea can be realized and how an economic activity can be set up around that idea.

Vinnof-incubation financing is offered in the form of a subordinate loan and may be granted to entrepreneurs who receive a subsidy from the IWT [Institute for the promotion of Innovation by Science and Technology] for a SME-innovation study.

Vinnof incubation financing can be as high as 100,000 euro. The amount may however not exceed the subsidy the IWT simultaneously offers your company for a SME-innovation study. If you wish to attract Vinnof incubation financing you should approach the IWT.

## Where can I find more information?

Would you like to attract Vinnof venture capital and does your company qualify? Simply surf our [www.vinnof.be](http://www.vinnof.be) website or e-mail Vinnof at [vinnof@pmvlaanderen.be](mailto:vinnof@pmvlaanderen.be)

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## ParticipatieMaatschappij Vlaanderen, at the service of entrepreneurs

You can find more information on these and other interesting financing products for entrepreneurs on [www.pmv-kmo.be](http://www.pmv-kmo.be), the public financing guide for SMEs.

Other brochures on the products PMV-kmo offers entrepreneur have been published. You may download these brochures from our website or simply request a printed copy.

PMV-kmo is a business unit of ParticipatieMaatschappij Vlaanderen (PMV), the investment company of the Flemish Region.

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