



ENTERPRISE
IRELAND

Enterprise Ireland

**Supporting the creation of High
Potential Start-Up Businesses**

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Overview

- **What do we mean by “High Potential Start-Up”**
- **Structure of support for industry**
- **Start Up Teams**
- **Our Approach**
- **Types of Enterprise Ireland Assistance**



What Do We Mean By “High Potential Start-Up”

- **Founded & promoted by experienced managers, entrepreneurs, academics or highly skilled technical graduates**
- **Project based on technological innovation or exploitable niche area**
- **Credible projected annual sales of at least €1.3 million (IR£1m) and potential to employ more than 10 people within 2 years of starting operations**
- **Starting in a Growth Product Market**
 - **Food and consumer products - 7%**
 - **Industrial Products - 10%**
 - **Software and International Services - 20%**
- **Targeting international High Growth markets**

**Targeting & achieving these results will lay the foundation
for substantial long term growth**



Structure of support for Industry

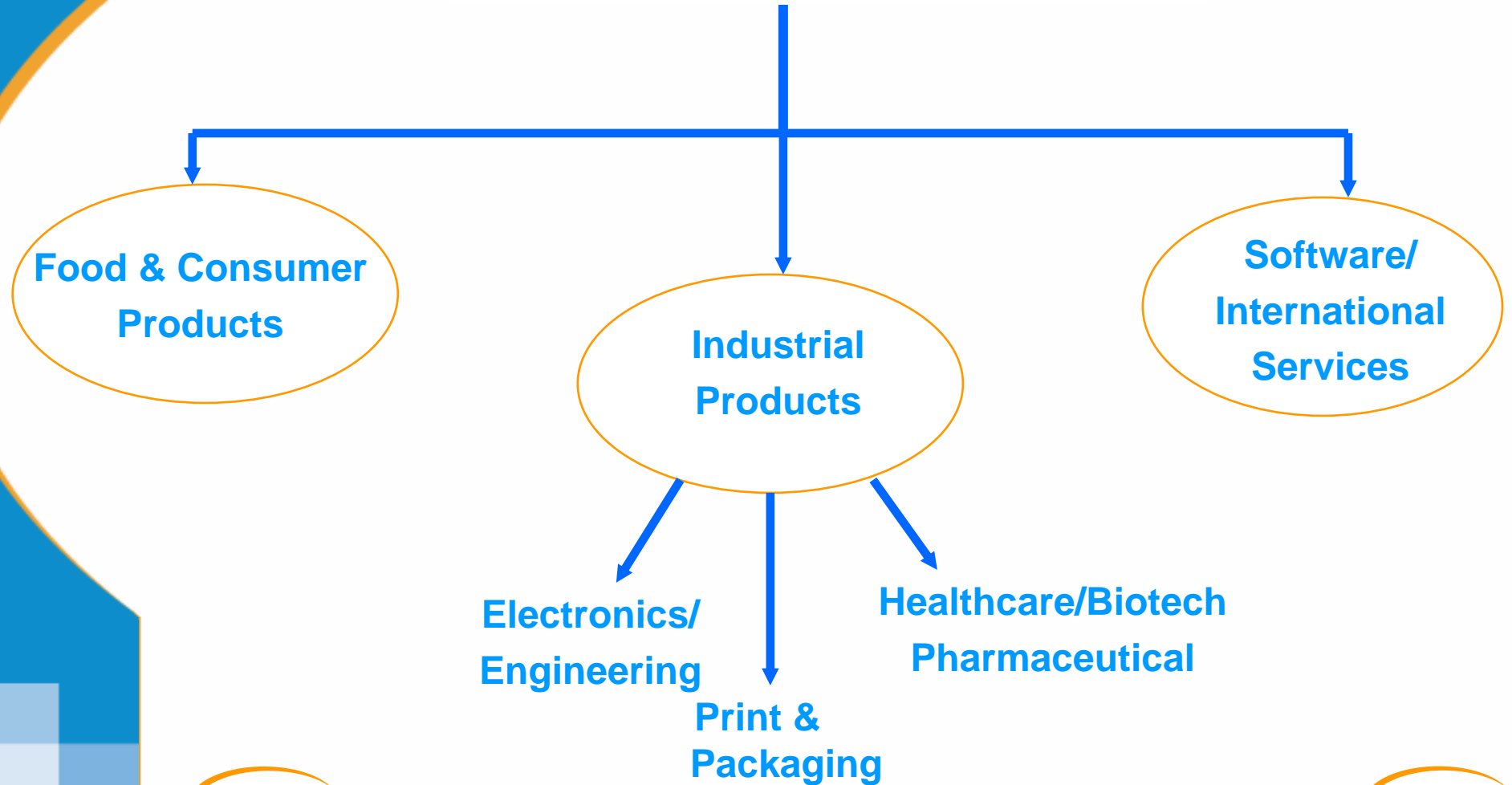
- **Enterprise Ireland**
 - To build the competitiveness of locally controlled (largely indigenous) industry
 - Internationally Trading
 - Employ more than 10 - with the exception of High Potential Start-Ups
 - 3000 clients
- **IDA Ireland**
 - To Attract Foreign Direct Investment
 - 1000 companies
- **County Enterprise Boards**
 - To support the development of companies employing <10
 - 30,000 companies





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Start Up Teams





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Number of High Potential Start-Ups 1999-2001

	Food and Consumer Products	Industrial Products	Software and International Services	Total
1999	11	10	23	44
2000	3	11	43	57
2001 (end October)	13	10	25	48





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Enterprise Ireland Approach

6 Key Areas - The Business Development Model

- Strategy
- Research, Development & Design
- Production & Operations
- Marketing
- Human Resource Development
- Finance for Growth

A Total Business Approach





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Types of Enterprise Ireland Assistance

- **General business planning**
- **Introductions**
- **Market & Technical Information**
- **Practical marketing help**
- **Specialist Advice**
- **Financial Support**

Practical & Financial



Types of E.I. Financial Support

- **Financial Support – Key Issues**
 - Each case considered on merits
 - Factors considered include:-
 - Eligibility (under our legislation)
 - Viability
 - Benefits to the Irish economy
 - Scale and nature of planned investment
 - Need for E.I. Funding
- **Mix of support tailored for each company**
- **Few, if any, companies will get all types**
- **An E.I. equity stake is likely to be a pre-condition**





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Evaluation of Programmes

- **No specific evaluation of the ‘HPSU’ element**
- **Rolling Evaluation programme (internal and external) of individual elements of the Business Development Model**
- **Evaluation Unit within Department of Finance**
- **Ex-ante (1999), mid-term (2003) and ex-post evaluation of the 2000-2006 National Development Plan**
- **Key issues**
 - **Market Failure**
 - **Deadweight**
 - **Value for money**

