



**BRINGS
INNOVATION
TO FINANCE
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TO INNOVATION**

**InnoRate
Technology
Rating System**



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About InnoRate: H2020 InnoRate project has deployed a trusted service platform across the EU to support and improve the decision-making processes of private investors, innovation intermediaries, and technology transfer offices (TTOs) for identifying and vetting innovative ventures with high growth potential. The InnoRate Technology Rating System (ITRS) of digital decision support tools – provided through the InnoRate service platform – facilitates the commercialisation and scale-up of tech-driven innovations as well as supports the access-to-finance of tech-driven entrepreneurs, projects, start-ups and SMEs.

In fact, the ITRS is underpinned by a well-customised innovation assessment and rating methodology, taking advantage of the KOTEC Technology Rating System (KTRS) that has a track record of assessing over 200,000 cases and helping SMEs acquire more than EUR 75 billion of guarantee funding in the Republic of Korea. The project leaps forward in evaluating the technological and business potential and risks of high-potential innovations, going beyond the traditional credit-focused approaches. InnoRate blends ICT with human expertise through deep-assessment services, where experts bring in the expertise required to evaluate more hard-to-grasp business aspects. InnoRate can help:

- ❑ Innovators to quantify their innovation potential and their strengths, weaknesses, and risks, benchmark their performance and commercialise their innovations.
- ❑ Private investors and innovation intermediaries to assess hundreds of innovations, identify promising tech-driven ventures, and gain insights about innovators’ ecosystem.

To learn more about the concept of ITRS, click here (<http://innorate-project.eu/concept-approach/>).

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Table of Contents

INNORATE TECHNOLOGY RATING SYSTEM	1
PRE-SCREENING TOOL	1
DEEP ASSESSMENT PHASE	1
CONDITIONS OF THE DEEP ASSESSMENT PHASE.....	3
CONTACT POINT.....	3

InnoRate Technology Rating System

The InnoRate Technology Rating System (ITRS) assesses the technological potential of an innovation based on two interrelated assessment phases, offered via the [InnoRate platform](#). Companies can either use the Pre-screening tool, getting an initial Technology Rating Grade of their innovation, or go even further by proceeding with the Deep Assessment phase – all piloted for free upon registering on the InnoRate platform. To facilitate the Deep Assessment phase, InnoRate has set-up a pool of trusted and recognised experts in various technological domains (e.g., photonics, biotechnology, AR/VR, blockchain, etc.), with knowledge in each respective field. The outcome of the Pre-screening tool, and the experts' evaluation during the Deep Assessment phase are combined to produce the final ITRS score of companies along with their Technology Evaluation Report. Further details about InnoRate's pool of experts are available here: <http://innorate-project.eu/pool-of-experts/>

Why InnoRate?

- ❑ Leverages an objective and tested technology assessment and rating methodology (KTRS).
- ❑ Grasps both quantitative and qualitative (hard-to-quantify) aspects of the technological potential.
- ❑ Easily applied to companies with diverse technological domains.
- ❑ Customisable per use case and maturity level of a company (start-up, growth, mature).
- ❑ Comprehensive by various actors (innovators, investors, intermediaries).

Pre-screening Tool

The Pre-screening tool of InnoRate enables a digitised and fully automated assessment of the technological potential of an innovator, start-up, or SME. Companies, upon registering on the InnoRate platform, can utilise the Pre-screening tool by filling in a set of business-related indicators, to assess the company's management team, as well as the technological competency and business feasibility of the company. Then, companies can retrieve their Technology Rating Grade, along with an analytical Pre-screening Report, to better understand or demonstrate their technological potential.

Deep Assessment Phase

The Deep Assessment is the second phase of the ITRS - complementary to the Pre-screening tool – and carried out on an on-demand basis (requested either by companies or potential investors). InnoRate facilitates the whole process, by bringing in touch the management team of companies with relevant experts (e.g., via online





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interviews, during pitching events, through on-site visits) to assess and rate the InnoRate Deep Assessment indicators, pertinent to the potential of the company's innovation, the team driving the venture, as well as its technological market. Specifically, to carry out the Deep Assessment phase, InnoRate takes on the following steps:

- Step 1:** Company completes the Pre-screening tool (prerequisite to request Deep Assessment).
- Step 2:** Company requests Deep Assessment through the InnoRate Platform.
- Step 3:** InnoRate matches companies with trusted experts in the same technological domain.
- Step 4:** Experts receive detailed instructions on how to carry out the deep assessment and the steps they need to follow in order to complete the process.
- Step 5:** Experts and companies are informed of the match.
- Step 6:** Companies and experts are invited to arrange an online interview, via preferred digital means.
- Step 7:** Experts complete the Deep Assessment by filling the information on the InnoRate Platform.
- Step 8:** The ITRS score, along with the Technology evaluation report (Deep Assessment report) of the company are available on the InnoRate platform.

The following areas are being assessed through the Deep Assessment phase:

Management Perspective

- Management of technical employees
- Management competency
- Technology management strategy
- Professional expertise of the management
- Relationship between CEO and management and management capability

Technology Perspective

- Difficulty of imitation
- Phases in the technology life cycle
- Commercialization stages of technology
- Independence of technology
- Ripple effect of technology

Marketability Perspective

- Size of a target market
- Legal factors
- Awareness
- Market share
- Competitive advantage of product(s)

Business Feasibility Perspective

- Appropriateness of investment size
- Funding capacity
- Diversity and stability of markets
- Return on Investment (ROI) Potential





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All indicators are assessed in the range of 1 (lowest performance) to 5 (best performance), while the score of the deep assessment is calculated based on a weighted average of the indicators (weights vary per company's level of maturity).

Conditions of the Deep Assessment Phase

Participation in the Deep Assessment stage is voluntary and the InnoRate pool of experts functions on a pro bono basis in the frame of the project. Companies requesting a deep assessment need to go-through an interview with the experts they are matched and provide a good degree of responsiveness to the experts' request for additional information (e.g., experts might request companies send in their business plan prior to the interview). All experts are subject to signing the InnoRate Non-Disclosure Agreement (NDA) and companies can also reach out with their own NDA agreement. By doing so, confidentiality of both the company information and experts' information is ensured throughout the process. There will be no adverse consequences if a company decides not to proceed to the Deep Assessment phase or to withdraw at any stage. Experts may also withdraw their participation at any time by informing the InnoRate consortium. In this case, if the company remains interested in proceeding with the Deep Assessment, InnoRate will look for a suitable expert to proceed.

Contact Point

Further information about any aspect of the InnoRate Deep Assessment can be obtained by contacting the InnoRate consortium; Mr. Edouard Leonet at edouard.leonet@ebn.eu, via the info@innorate-project.eu, or here: <http://innorate-project.eu/contact/>.

