Q&A ESA BIC CH (v4, 13.07.2021)

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About the program

1. What has been the motivation behind the foundation of the ESA BICs?

The goal is to support start-ups and entrepreneurs to transfer space technology into non-space sectors or to better use existing space infrastructure and data. Alternatively start-ups and entrepreneurs can use technologies from earth for an application related to space. For Switzerland specifically, the ESA BIC should contribute to strengthen the increasingly important space sector; key for a high-tech country like Switzerland.

2. How many start-up companies are supported?

ESA BIC Switzerland has the capacity to incubate and support up to 10 (new) companies every year.

3. How can the network of partners/corporates/research etc. be used?

In various ways:

- Venturelab/VentureKick: is the main provider of start-up business support, be it through Venture Kick itself or other programs/means.
- ImpactHub: is doing pro-active community building amongst ESA BIC start-ups (and other industrial/research partners) in order to provide opportunities to meet partners and potentially use them for technical or business support, as customers, etc.
- All other research & industrial partners (www.esabic.ch/partners): the ESA BIC Switzerland team will facilitate access to these companies or research institutions. Partner companies can offer you technical expertise, could be your development partner, could be your future customer, could provide contact to a certain potential partner/customer, etc. The opportunities are plentiful!

4. What are the key benefits of the program for start-ups?

Next to the business and technical support and access to the extensive partner network and ESA network the program also offers considerable financial support (up to €200k in non-dilutive funding) and a community of start-up peers to exchange experiences with. Some of our start-ups have also mentioned that the reporting actually offers them the opportunity to become better structured and provides some sort of self-control mechanism by offering a better overview of what is actually going on in your start-up from a big picture perspective. On top of that, we offer our start-ups plentiful opportunities to attend (international) events and trade shows with a platform to pitch and/or network with relevant audience as a visitor or with a booth. Last but not least the ESA brand also offers additional credibility when being a (relatively) young company.

5. Who is the contact person in charge of ESA BIC Switzerland?

The ESA BIC CH team, from ETH Zurich, is responsible for managing the ESA BIC Switzerland. Please address any questions related to this program to startups@esabic.ch.
6. **Who is involved in ESA BIC Switzerland?**

Besides ETH Zurich, which is the leading house for ESA BIC CH, the key operational partners are: Venturelab/Venture Kick for start-up support and Impact Hub Zurich for community building (and for offering office space for start-ups which require this). In addition to that, we have a network of 50+ renowned industry and research partners on board, from Switzerland and abroad (www.esabic.ch/partners).

7. **What is different about ESA BIC Switzerland in comparison to the other ESA BICs in Europe?**

- You can receive up to 200k Euro non-dilutive funding from ESA
- We have a very broad industry and research network of partners that you can benefit from. [www.esabic.ch/partners](http://www.esabic.ch/partners)
- At ESA BIC Switzerland you are not obliged to move to a physical incubator location; it is a nationwide program and therefore a “virtual” incubator, which enables you to stay at whichever location you are in Switzerland.

**About the application**

8. **How long does it take to become an incubatee at ESA BIC Switzerland?**

The evaluation process takes about two to three months from the application deadline to the start of your incubation.

9. **What criteria do the applicants have to meet?**

The key criteria are:

- Start-up not older than 5 years
- Connection to some space technology/know how/patent
- Willingness to register your company in Switzerland (and have your main activities here), before entering the program / signing the contract

10. **Is there an application template for ESA BIC Switzerland?**

Yes, you find all relevant information regarding the application on our website [http://esabic.ch/application/](http://esabic.ch/application/). You have to register via the “apply here” button and we will send you all the templates.

11. **Are there any deadlines for applying?**

This is a permanent Open Call, but some deadlines apply: there are 2 jury sessions per year (usually once in March and once in November) and your proposal, once submitted, will be included in the next jury session due. The yearly application deadlines are end of February and end of October, respectively. See our website [www.esabic.ch](http://www.esabic.ch) for the exact dates.
12. How can I have my idea evaluated?

- Fill out the 2-pager form.
- You will receive a pre-evaluation within 2 weeks.
- If you get a positive feedback from us, please fill out the full application template.
- Submit your application before the next deadline.
- We will then check whether your idea meets the formal requirements (those are important, the cover letter and all the details required there are essential).
- If it does, you will be invited to pitch at the jury session.
- Your proposal will then be accepted or rejected after the jury session.

During all this, the ESA BIC Switzerland team is at your disposal should you have any questions, doubts or need help.

13. Is there a jury to which I/we can present our start-up and proposal?

Yes. The jury consists of representatives of ESA, the Swiss Space Office/SBFI, ETH Zurich, Venturelab/Venture Kick, and industry representatives and investors.

The start-ups, which fulfill all of ESA’s formal requirements and demonstrate their “space connection” well in their written application, move on to the jury session. There, every start-up presents for approx. 15 mins and has 15 mins of Q&A with the jury. After this a decision is taken and communicated within a few days.

14. If I am not sure if my business/start-up is in scope or out of scope, whom should I contact?

Please address your question to startups@esabic.ch and we will get back to you right away.

15. Do I need to have a registered company in order to apply for ESA BIC Switzerland?

No, you do not need to register your company before the jury session. You will however need to do so before signing the incubation contract.

16. Can you state some reasons why applying start-ups do not get selected? In other words: what is important to ESA for applying start-ups?

- First of all: the formalities need to be complete and correct. ESA requires this, as an organization that is funded by several states. These formalities are more demanding than for most other application procedures, and we are happy to help you with that.
- Lately, ESA becomes more demanding on the “space connection” that a start-up has to develop clearly in their application. If you have doubts, contact us early and we are happy to discuss with you whether your space connection is strong enough.
- ESA wants to see driven entrepreneurs/start-ups. If your aim is to stay a 1-2 person, small start-up focused on the Swiss market only, this program might not be for you. ESA wants to see ambitions for international expansion, at least on a European scale.
- With a few exceptions, a business case building on ESA/ESA missions being the only customer would be considered very weak and could be a reason for not being selected.
- Being a spin-off of a larger company, where the larger company still holds 50% or more is not eligible.
17. Can I re-apply in case my first application has been rejected?
Yes. In fact, we usually encourage you to re-apply if we see the potential for you to become an ESA BIC CH start-up in the future. We have seen various start-ups coming back much stronger the second time they apply. In the meantime, between a first and a second application, we encourage to get in contact with us.

18. What are the evaluation criteria?
The evaluation criteria are the following: formal aspects, background & experience, business case, technology, activity proposal. More details are available in the support documentation of the Open Call.

19. What is the expected maturity level of the core technology when applying to the program?
The Technology Readiness Level (TRL) should be between 3 and 6. In other words, a pure idea on paper is most probably not sufficient.

20. What kind of space connection is necessary in order to apply?
There are 4 main types of space connections: space data, purely for space, from earth to space (solutions from earth that could be adapted for the application in space), from space to earth (technologies from space adapted for the use on earth). Examples of space business segments would be: exploration & cleaning; sensing in space & on earth; telecommunication & security; space infrastructure (e.g. satellite components); materials & processes; space data applications. If you want to learn more about this, watch our space connection explainer video. And in case you have doubts regarding your space connection, please contact the ESA BIC Switzerland team.

21. Is ESA BIC Switzerland the right program for me when my proposal has a strong scientific space connection?
No, ESA BIC CH does not support purely research-oriented projects. A business case must be clearly recognizable – even if space might only be a niche segment for your company.

22. What support can I expect from the ESA BIC Switzerland program?
Financial, technical and business support, access to an extensive (Swiss and international) partner network with diverse industries represented, access to the ESA network, a community of peers and much more.
23. **What does the financial support consist of?**

ESA’s financial support can go up to 200k Euro non-dilutive funding:

The first tranche consists of 25k Euro and has two milestones attached to it. It must be matched with 25k from third party sources such as equity or grants.

- The second tranche consists of 175k Euro and has four milestones attached to it. It must be matched with 275k from third party sources such as equity, (convertible) loans or grants. We and our investor network will support you in finding the matching funds if needed.

24. **What does the technical support consist of?**

You can receive up to 80 hours of technical support during the program. The support our technical partners and ESA provide includes manpower/expertise/consulting, test facilities, special equipment, etc. Most of it will be free of charge with the exception of usage/tests on very expensive facilities, e.g. at PSI, where you might be offered reduced rates.

25. **What does the business support consist of?**

You receive individual business support on topics relevant to you by your Key Account Manager or other members of the ESA BIC CH team. You have access to marketing and communication advice within the ESA BIC CH team (and access to reduced rates for e.g. website design etc.). A broad range of business topics is being addressed in detail during the bi-monthly Community Building Events (which all start-ups have to attend). Our partner network offers a range of business consultancy. There are special offers from diverse service providers (software licenses, cloud subscriptions, etc.). Plus we are in the process of setting up an additional, more extensive, customized business support that is currently being tested and will be fully launched in 2022.

26. **What is my additional benefit if I already participate in Venture Kick?**

Additional financing, extensive and free-of-charge technical support, an extensive network of attractive industry partners in Switzerland and abroad, access to network of European BICs and partners in Europe (e.g. for market entry, alternative production location, special partners).

27. **What if I already participated in Venture Kick and only got to Stage 2?**

If you fulfill all the criteria (i.e. not older than 5 years, space connection, registered in Switzerland), you can still apply. You will not enter the Venture Kick program anymore, but will be supported customized to your individual situation/needs.

In terms of financing: if needed, we will help you to raise the matching 25k Euro, and if you get further to the Incubation Boost phase, also with raising the additional 275k Euro (such that you are eligible for the 25k and 175k Euro grants by ESA).
About the funding

28. When does the funding under the co-funding scheme have to take place?

There is no real limitation in case of timing. However, the funding has to take place after you applied for ESA BIC CH. Generally, the relevant matching funds (co-funding) must be available latest at the time when your next ESA tranche is to be paid. Some start-ups have all matching funds available before they start, others raise them during the course of the program – and we might be able to help with that. More details on this you find in the incubation contract as part of the Open Call documents.

29. Are there limitations on how I can use the granted funding?

Yes. The funding has to be used for projects or concrete strategic goals. Using the grants for personnel cost only is not accepted. Generally, there are more limitations as to how to use the first 25k Euro paid by ESA then for the remaining 175k Euro. More details on this you find in the incubation contract as part of the Open Call documents.

30. Does ESA BIC support its incubatees in finding investors?

Yes, the ESA BIC Switzerland team is supporting its incubatees with this via its partner network and beyond.

About the incubation process

31. How long is the incubation period?

The incubation period can last up to two years.

32. Can one only join the Incentive phase or directly the Incubation Boost phase?

No. One has to pass through the Incentive phase first, before being eligible for the Incubation Boost phase. In other words: the Incentive Scheme is the “entry ticket” for the Incubation Boost. A second evaluation, somewhat less formal than the initial jury session, is performed after the Incentive phase, whether a start-up is invited to the second phase or not.

33. Does a start-up have to stay the full two years in the program?

No. If you achieve to deliver your objectives earlier we are happy to release you “back into the wild”.

34. Has a second proposal to be written to enter phase 2 (Incubation Boost) of ESA BIC?

To enter phase 2 you have to achieve certain milestones. Writing an amended proposal will most probably be one of these milestones. However, you won’t have to write a full second application.
35. What kind of reporting is linked to the program?

Throughout your incubation period you need to provide us with Monthly Highlights (3 highlights filled in briefly in a google spreadsheet online, once a month) and Quarterly Reports (max 3 pages, 4 times a year). The other reporting duties depend on the phase you are in: the Incentive Scheme is concluded by a Midterm Review, which entails a Midterm Report (max 15 pages) and presentation and decides on whether you are being accepted to the second part of the program. During the Incubation Boost phase the Checkpoint 1 and Checkpoint 2 Reviews (each max 6 pages) take place and the Final Review (max 15 pages plus presentation), which concludes the entire incubation.

36. How much time do I have to register the company?

If your company is not already registered in Switzerland, you will have max. 6 weeks in between being selected for ESA BIC CH and signing the incubation contract with ESA BIC CH. Registering a company takes about 2-4 weeks in Switzerland. In other words: only starting this process after being selected might turn out very tight especially if you also want to have a shareholders’ agreement in place.

37. Does ESA take any equity in my company?

No, ESA does not take any equity in your company.

38. To whom belongs the IP that is developed during the program?

The IP stays with the start-up.
39. In order to become an incubatee, do we have to move the company to an Innovation Park or other kind of physical incubation center?

No, as ESA BIC CH is a “virtual” incubator and a nationwide program you can stay located wherever you are in Switzerland. We will come to your offices for certain review meetings and you are bound to travel to an Impact Hub (Zurich, Bern, Lausanne) a few times per year for the Community Building events.

If you have any further question that has not been addressed above please do not hesitate to contact us at startups@esabic.ch – we are happy to help.