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Center for International Food and Agricultural Policy



Research, Food and Nutrition, Commodity and Trade,  
Development Assistance, Natural Resource and Environmental Policy

## The Missing Ecosystem: Improving Venture Capital Effectiveness in Italy to Finance Innovation

by

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# the missing ecosystem

improving venture capital effectiveness  
in italy to finance Innovation

dr. maurizio balestrieri

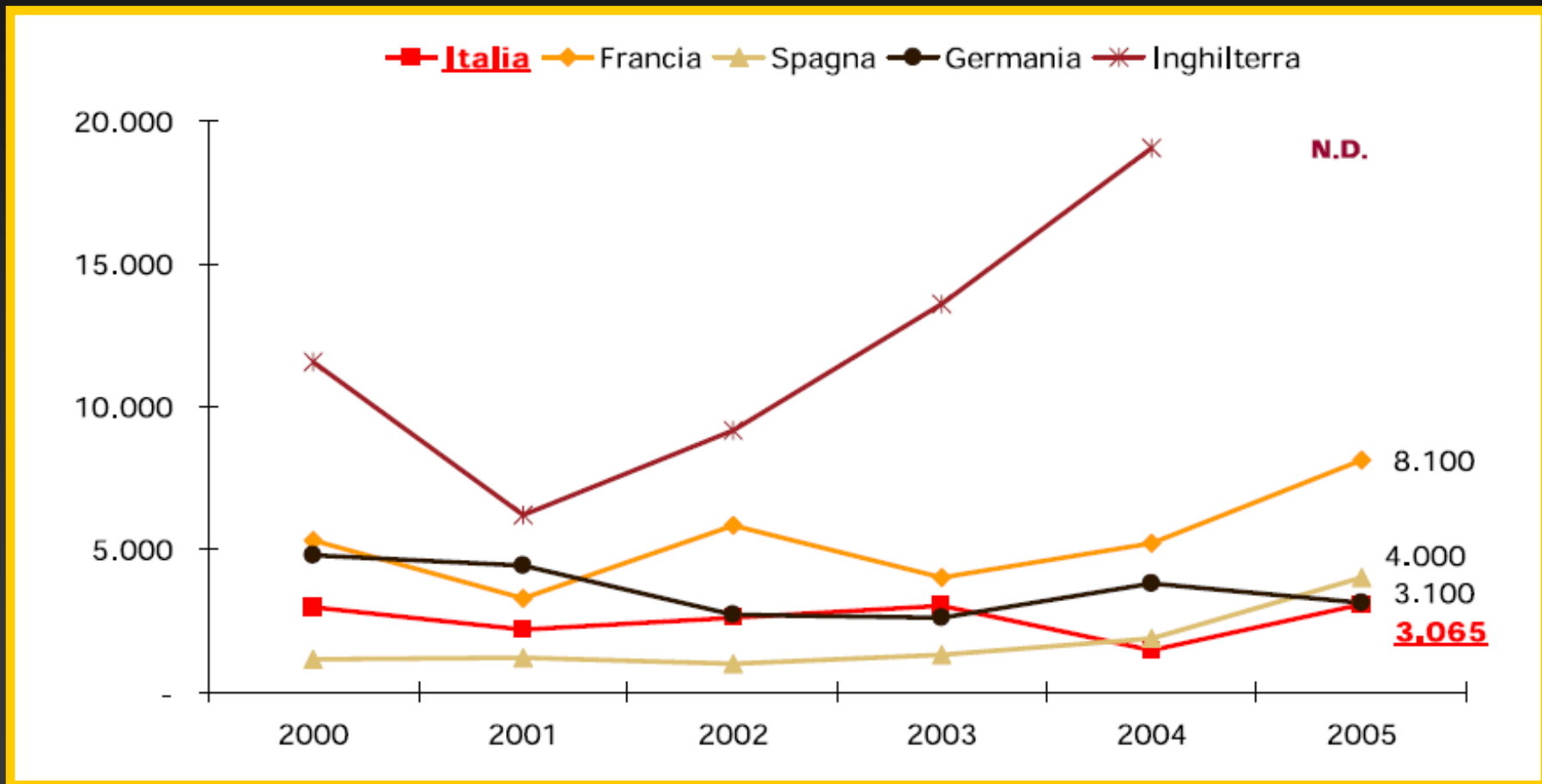
# role of startup in creating innovation

“Indeed, as Christensen points out and studies have shown, it is often entirely rational for incumbent companies to ignore disruptive innovations, since they compare so badly with existing technologies or products, and the deceptively small market available for a disruptive innovation is often very small compared to the market for the established technology. Even if a disruptive innovation is recognized, existing businesses are often reluctant to take advantage of it, since it would involve competing with their existing (and more profitable) technological approach.”

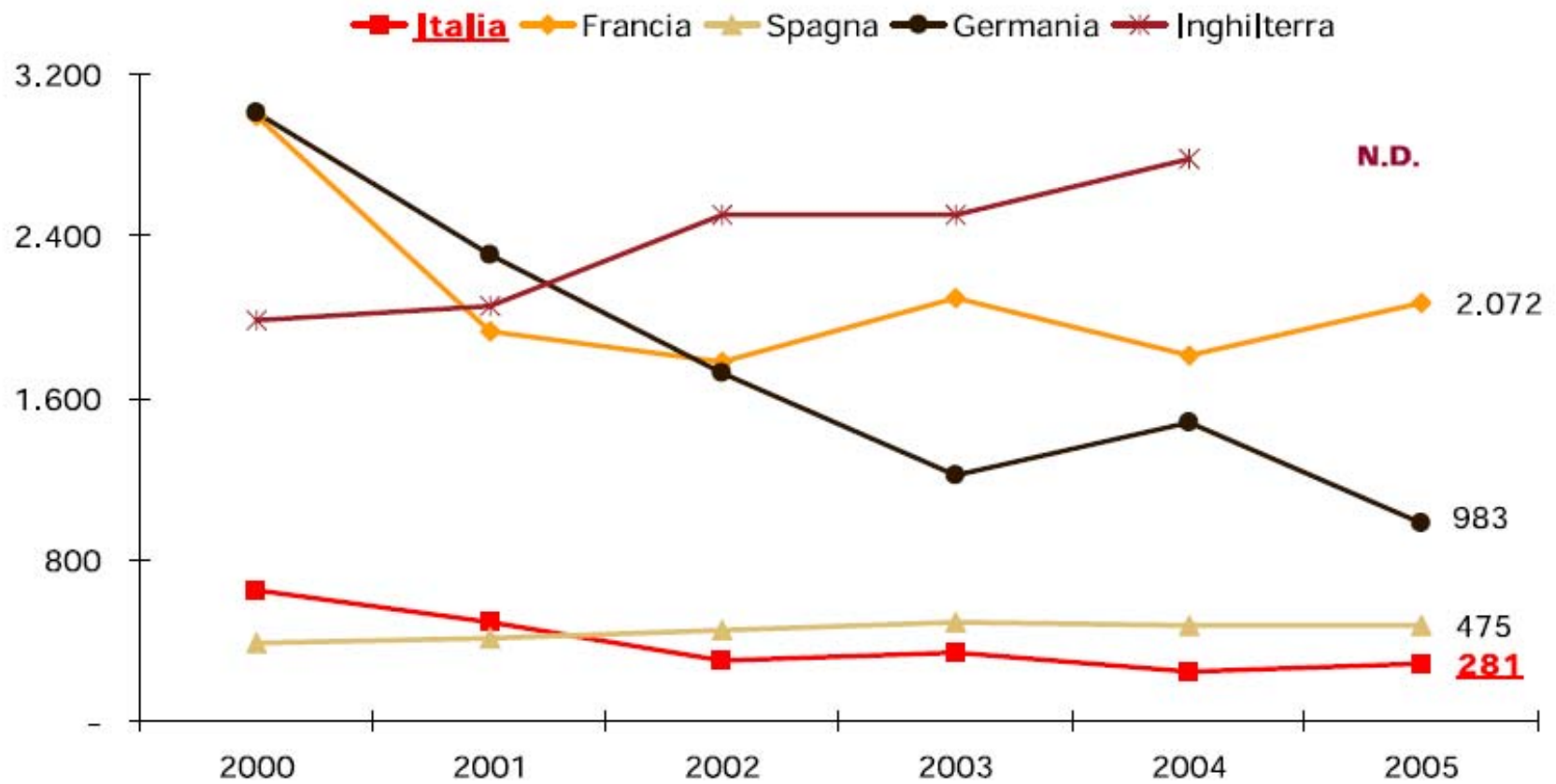
# role of venture capital industry in creating startup

“These contributions bridge the significant gap between discovery, validation, and patenting through the time when the resulting innovative product is far enough along its development cycle that the sponsoring company can seek funding through public capital markets.”

# Venture Capital Investments in Europe (Mln Euro)

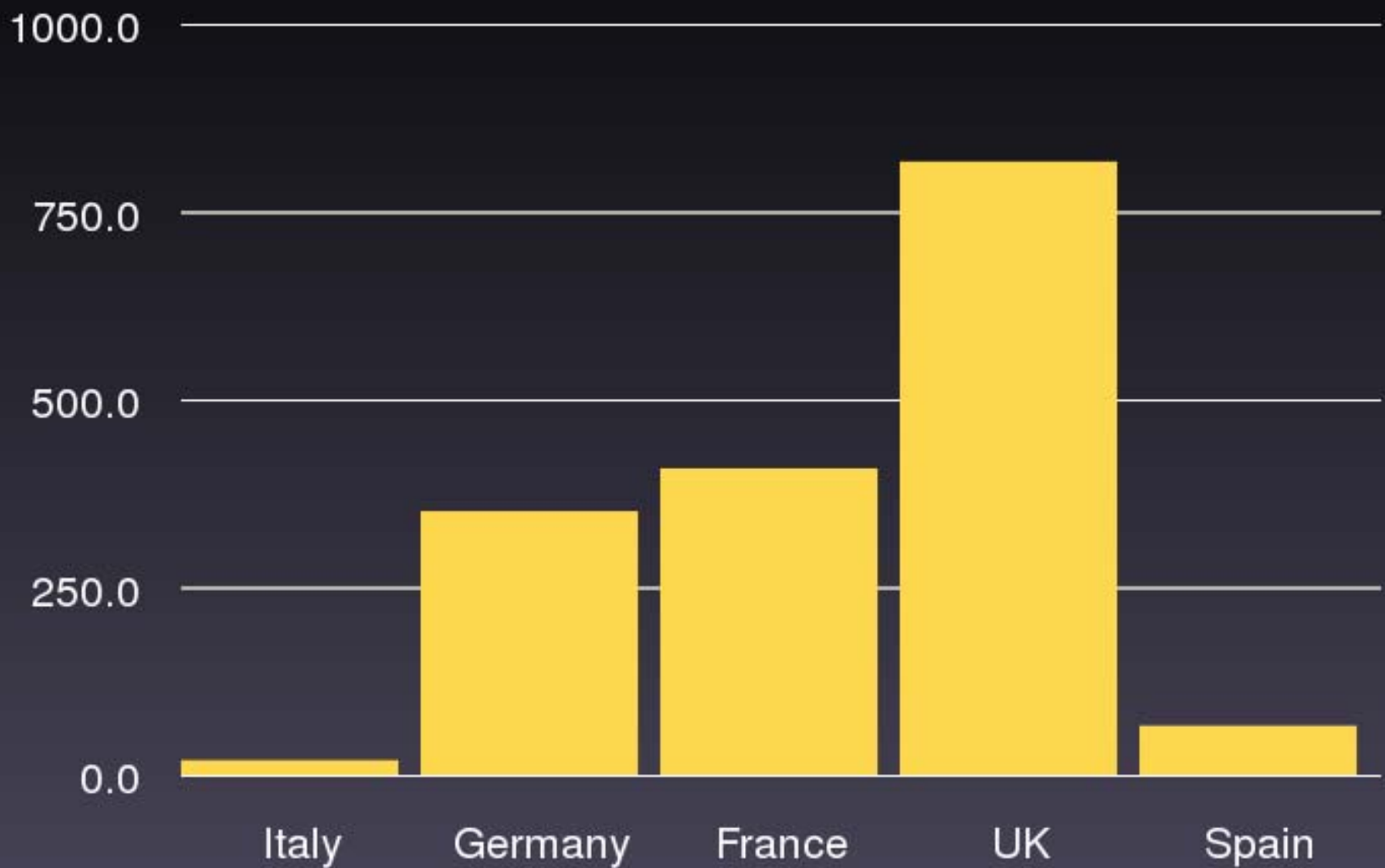


# Number of deals in Europe



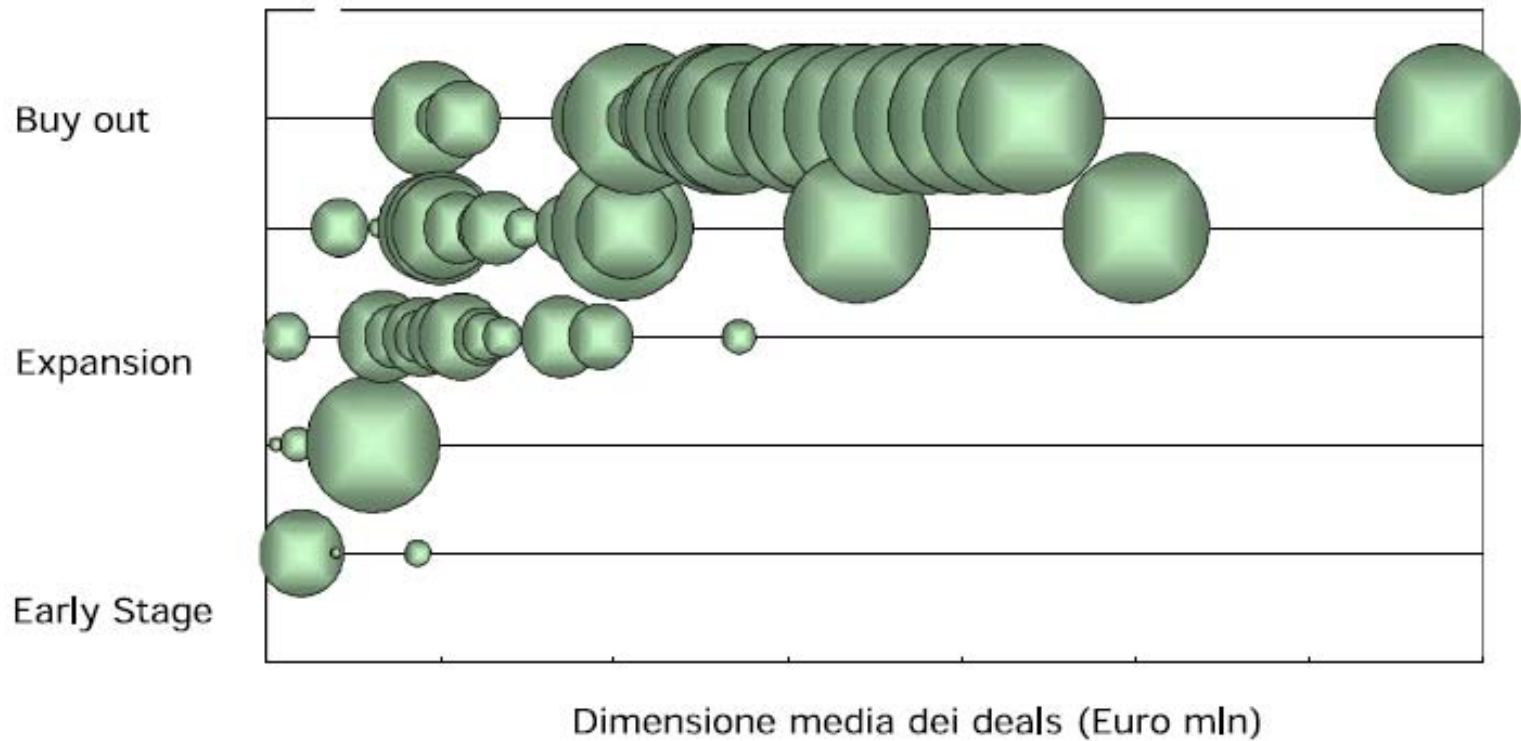
# Investment in early stage (2004)

■ EUR Million

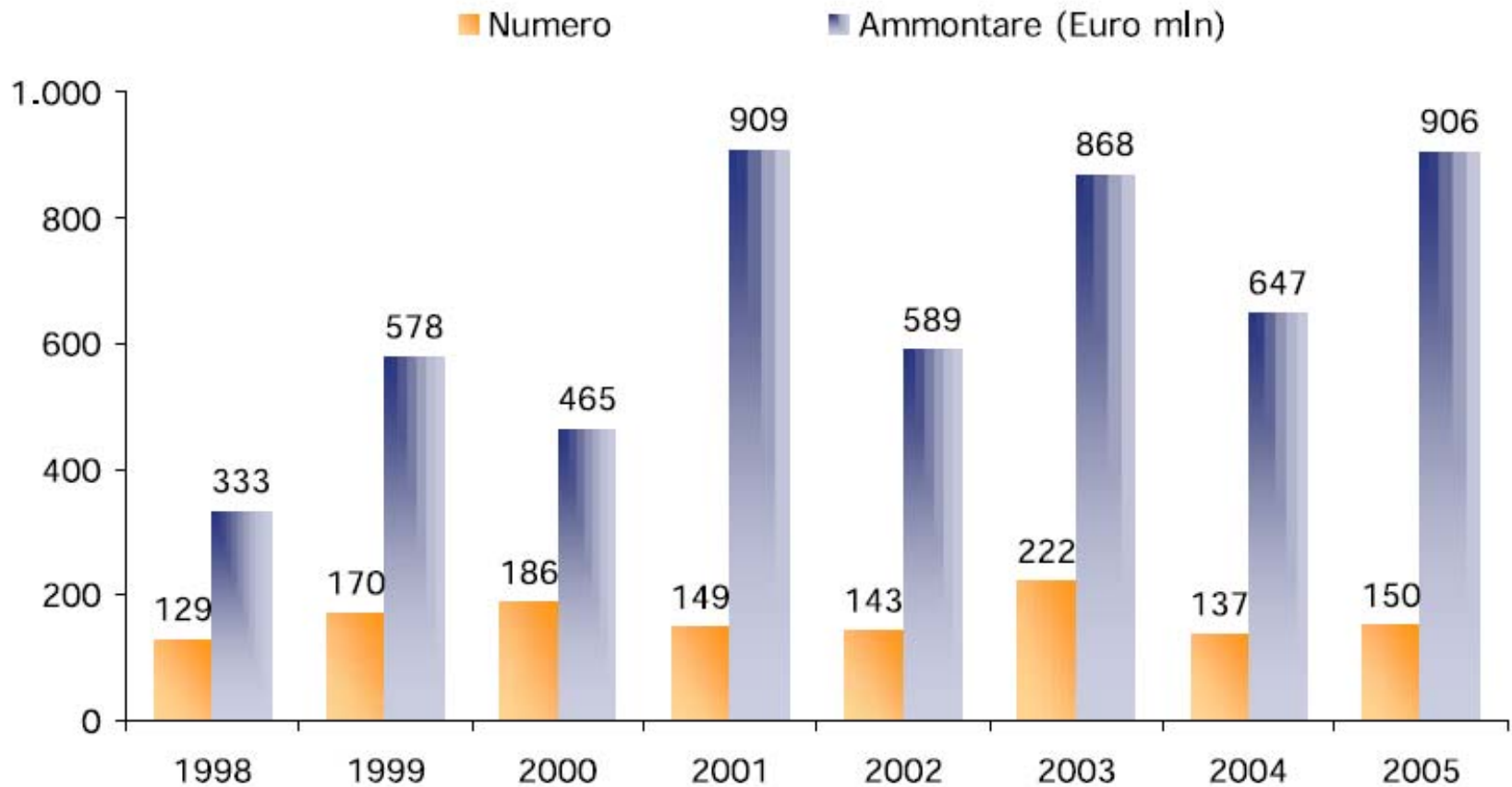




# Kind of deals in Italy (2005)



# Exits (divestments) in Italy



# red tape public funding access

Results from a query to a web site for public funding search (on August 3, 2006)

<i>Funding type</i>	<i>Number of programs</i>
ICT	42
Innovazione e R&S	163
Avviamento	65
Progetti di assistenza alle imprese	6
Progetti di ricerca e innovazione	35

# the (public/private) university system

(<http://www.paulgraham.com/siliconvalley.html>)

# University and Industry Research & Development Collaboration Level (2005)

