



Building successful Latvian startup ecosystem

startin^{.lv}
Go Global.

Who we are?

Latvian Startup association, **Startin.LV** unites Latvian startup community around common values and speaks with one voice.

67 MEMBERS

A white hexagon with an orange border, containing the number 40.

40

Startups

A white hexagon with an orange border, containing the number 7.

7

Non-profit
Organisations

A white hexagon with an orange border, containing the number 13.

13

Individuals

A white hexagon with an orange border, containing the number 7.

7

Corporate
Partners



AirDog



FullContact



Naco
Technologies



Edurio



Swipe



Qfer



Giraffe360



Twino



BranchTrack



MaxTraffic



Commercialization
Reactor



TechHub Riga



Members of the Board



(from left) Renats Lokomets, Daniels Pavluts, Andris K. Berzins, Jekaterina Novicka, Anton Adamovitch, Ernests Jenavs, Arturs Burnins

2016 – a turning point

- 300 startups, 6 known exits, 150 MEUR investments t.d.
- Diverse ecosystem, but emerging strong fintech focus and growth potential in science commercialization
- Several local seed and VC funds with strong public support
- 2016 a turning point - growing interest from media, politics and corporates
- Growing number of co-working spaces – TechHub, The Mill, Eegloo etc. and
- Thriving events' scene, major events like Digital Freedom Festival, TechChill and Riga Venture Summit
- Latvian Startup Law passed in December 2016

Draft Startup Law

§

Startup definition:
the law provides the first
attempt in Latvia to
define a startup

§

Flat startup tax:
flat rate social tax 259 €
per employee, no PIT /
CIT, de minimis applies
(max 200k benefit / 3y)

§

Highly skilled employee
support: alternatively
startup can get full
employee taxes paid
from EU funds

§

Qualified startups only:
in order to qualify startups
must meet a set of criteria,
key – 30k investment from
qualified VC

§

Qualified investor list:
only global or qualified
VCs with startup
investment track record
are eligible

§

Startup Commission:
on top of hard criteria a
Startup Commission will
be set up to evaluate
startups and VCs

259 EUR

flat startup tax

this is how much flat startup tax you would pay per salaried employee of a qualified startup + private pension fund contribution of 10% between startup tax paid and standard social tax rate – no extra taxes except on salaries above 4050 EUR

0 EUR in salary tax

this is how much salary taxes you would pay under highly skilled employee support scheme, financed by the EU funds – subject to specific terms and conditions the government would pay the entire salary tax bill for top talent employed by qualified startups

Plan for 2017

- Implementing Startup Policy Agenda “Ecosystem #1” – improving ecosystem, providing access to capital and talent
- Launch of Startup Welcome Pack
- Riga Venture Summit 2017 – top startup policy event in the region on February 9
- TechChill – leading startup conference on February 9-10
- Startup Slalom hackaton series continued – next up sharing economy hackaton in March

Startup Welcome Pack

- Flat Startup Tax
- Highly skilled employee support scheme
- Startup visa – conditional residence permit scheme for startup founders and employees
- Soft loan program up to 50 000 EUR
- 3 accelerator funds with 15 MEUR funding
- 2 VC + 2 growth funds with 60 MEUR funding
- Angel co-investment program
- One stop startup support agency

Status Quo: LV vs LT vs EE



Latvia

€150M

Investments

12

Investments over
€1M+ per company

300

Startups



Lithuania

€143M*

Investments

10*

Investments over
€1M+ per company

250*

Startups



Estonia

€319M

Investments

33

Investments over
€1M+ per company

420

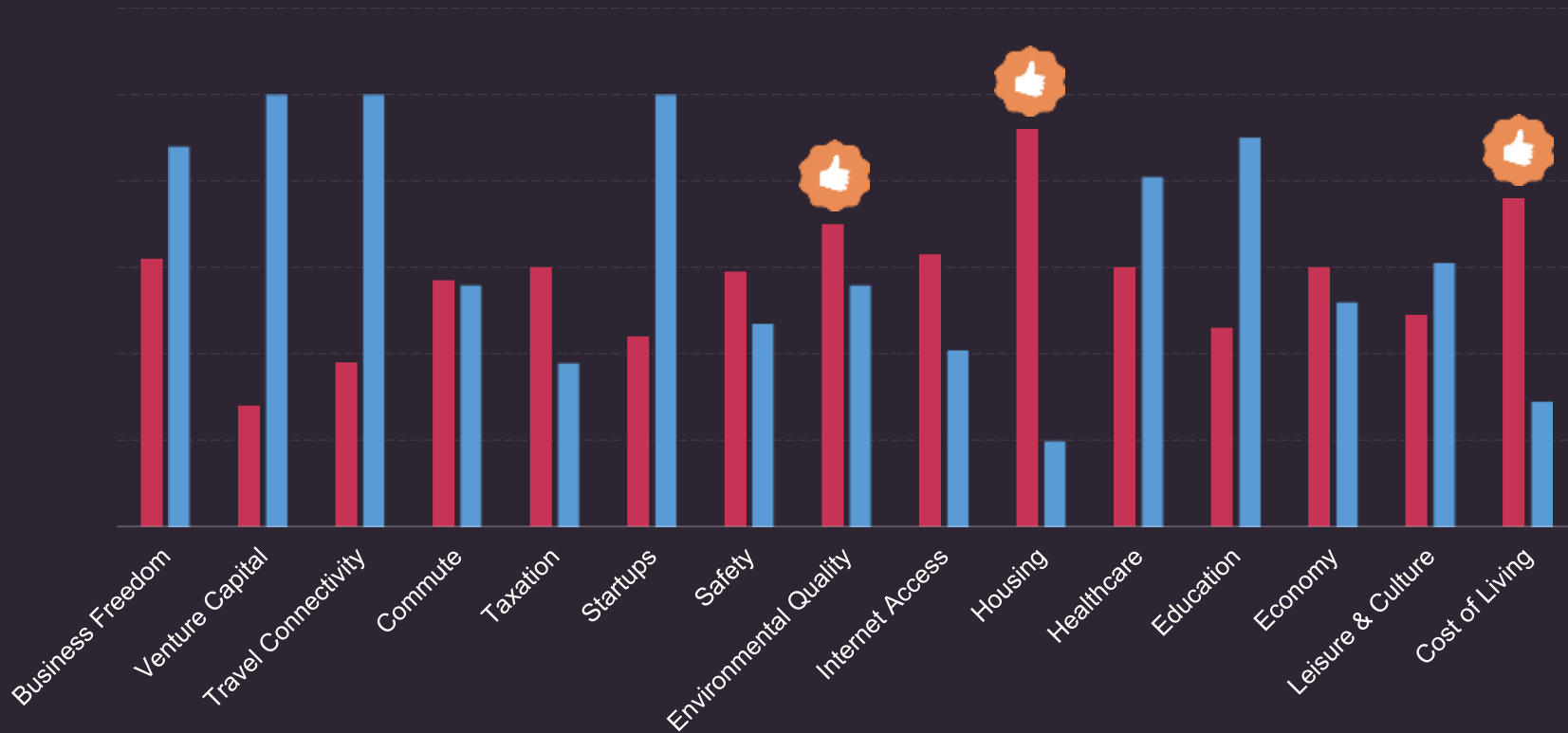
Startups

* not updated with 2016 data

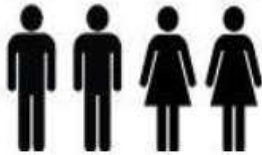
Selling Points: Riga vs London

■ Riga ■ London

Data provided by Teleport.org



WHAT GETS THE FOUNDERS MOVING?



TALENT

71%

Access to highly qualified talent is relevant or very relevant to the highest number of founders.



ECO -SYSTEM

69%

Second is the quality of the ecosystem, though founders from high-tech startups rate it slightly higher than talent.



COSTS

51%

Founders from low GDP per capita countries rated the costs more relevant as compared to founders from other countries.



CAPITAL

44%

Even though founders from high-tech startups rate access to capital higher it ranks overall least important.

* The percentages show the share of founders who find a certain factor relevant or very relevant (4 and 5 points out of 5) when considering a location choice.

OBSERVED FOUNDER MOVEMENTS IN EUROPE



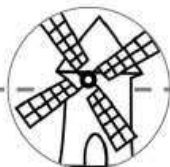
23%

Of startup founders have started their company in a country, which is not their country of origin.



5X

Startup founders are 5x more likely to move across borders than the average EU citizen.



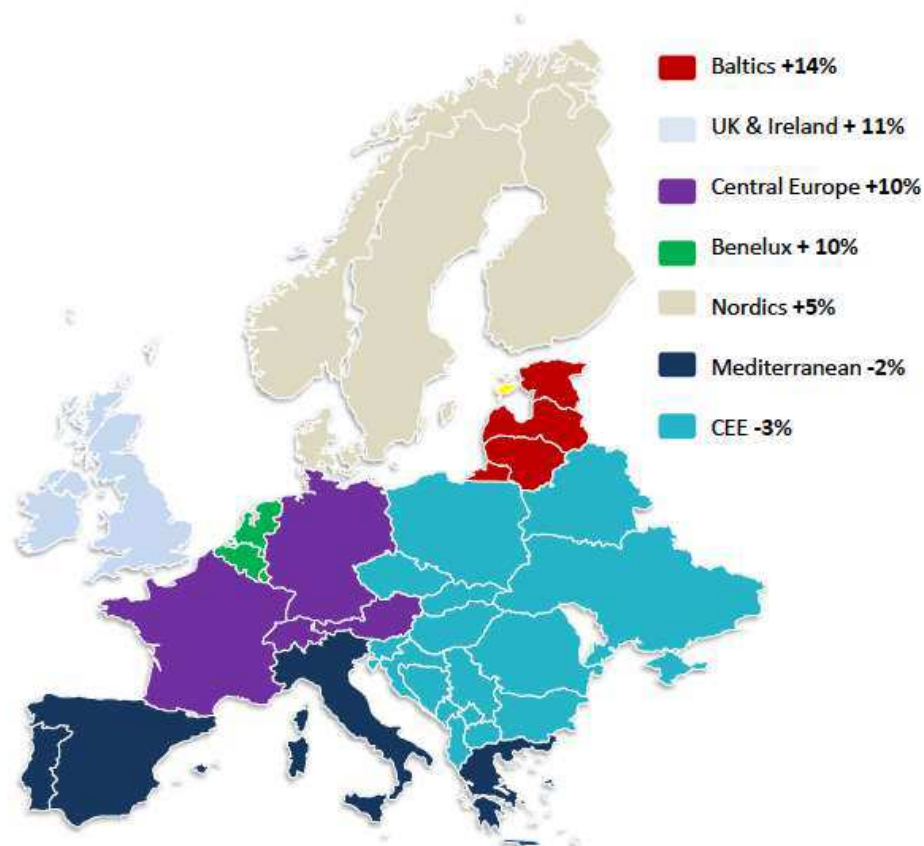
+31%

The Netherlands have grown strongest due to massive startup inflow, increasing their startup population by 31 %.



-29%

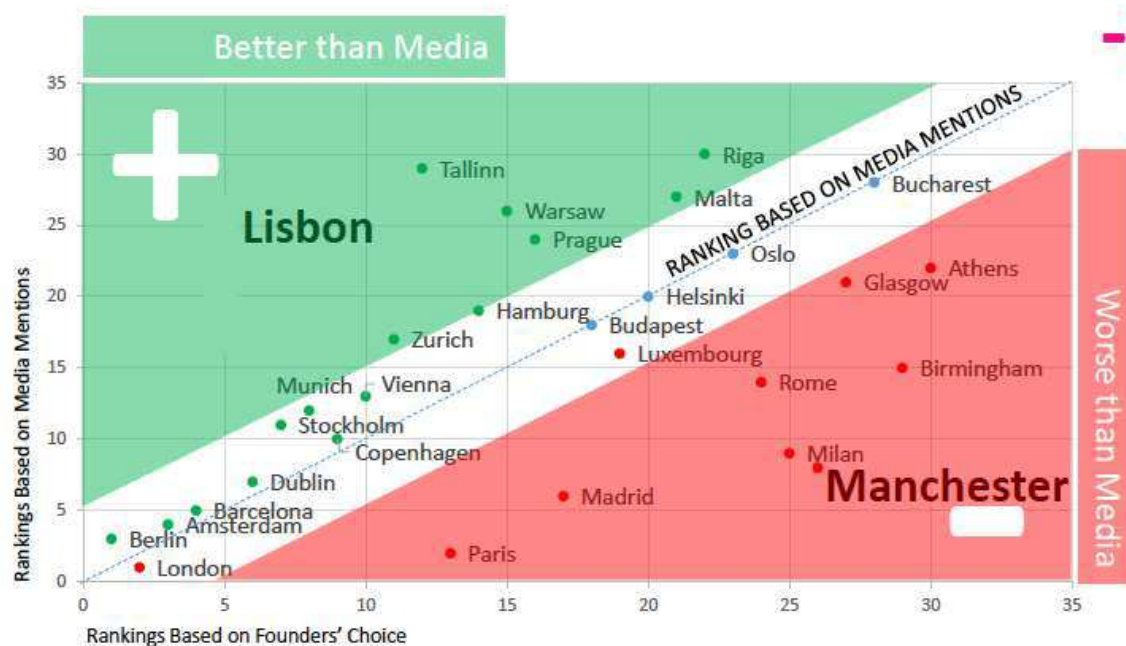
Italy is losing almost one third of its startups due to a strong net migration outflow.



The percentages indicate actual inflow and outflow of founders in a particular region. Numbers do not add up to 100% as they are always relative to each startup population and include non-EU inflow.

STARTUP HUBS & MEDIA BUZZ

We counted how often startup hubs are mentioned on relevant tech blogs and - guess what! *Media buzz is not enough to attract startup founders.*



-18

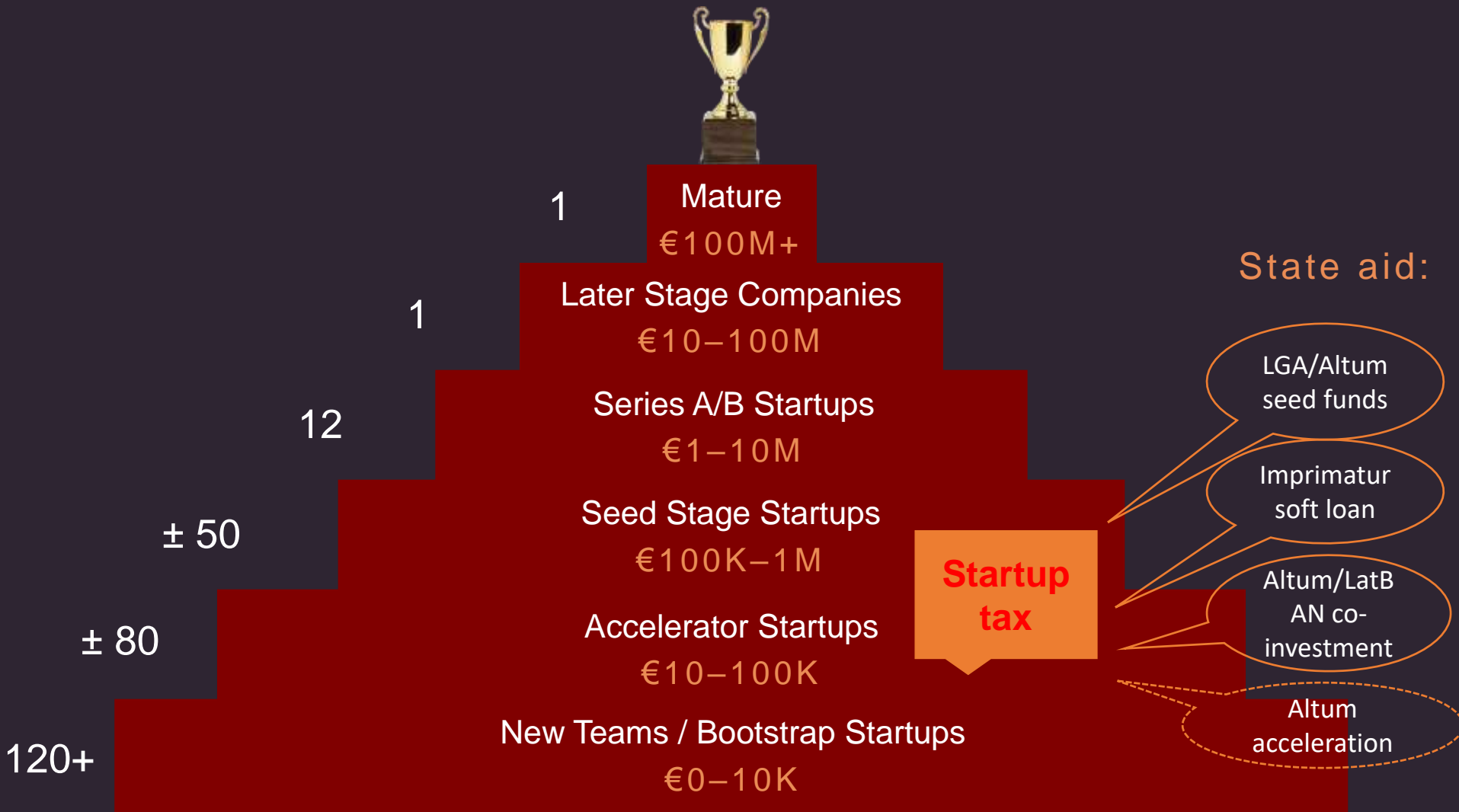
Manchester performs 18 ranks worse than media attention would suggest.

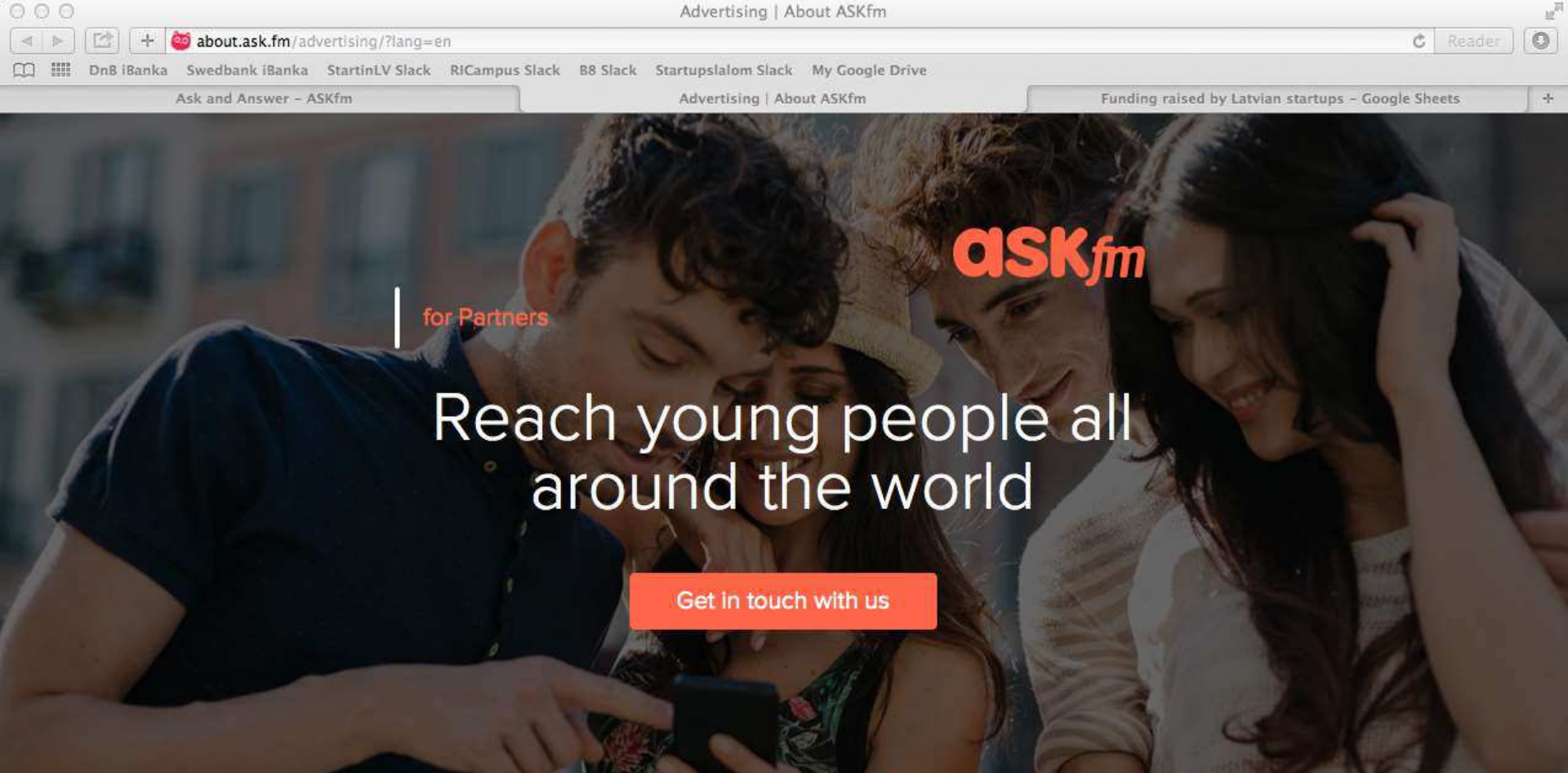
+20

Lisbon scores 20 ranks above the expectation from media.

Startup pyramid in Latvia (2008-2016)

SOURCE: STARTIN.LV CROWDSOURCED DATA (cumulative)





3 top reasons to

ask.fm – largest exit to date, more than 100 countries, 20 million monthly unique users

TWINO

https://www.twino.eu

Reader

DnB iBanka Swedbank iBanka StartinLV Slack RICampus Slack B8 Slack Startupslalom Slack My Google Drive

TWINO

Funding raised by Latvian startups – Google Sheets

TWINO

Statistics How it works About Available loans Log In En

Investments for people like you

Earn from 10% interest on any investment

How does Twino work?

€ 10,000

€ 1,000 € 100,000

12 Months

1 Month 24 Months

€ 11,380

Is your return

Invest

The screenshot shows the TWINO website interface. At the top is a navigation bar with the TWINO logo, links for Statistics, How it works, About, and Available loans, and buttons for Log In and En. Below the navigation bar is a large hero section with a background image of a person. The main heading is "Investments for people like you". Below this, there's a subheading "Earn from 10% interest on any investment" and a button "How does Twino work?". On the left side of the hero section, there's a calculator. It starts with an input of € 10,000. Below that, there's a slider for the investment term, currently set at 12 Months, with options for 1 Month and 24 Months. The calculator shows a result of € 11,380, labeled "Is your return". At the bottom of the calculator is a blue "Invest" button.

**TWINO – fastest growing P2P platform in Europe,
9 markets, over 380 MEUR originated in loans**



SPORT MODES

CHANNEL

COMMUNITY

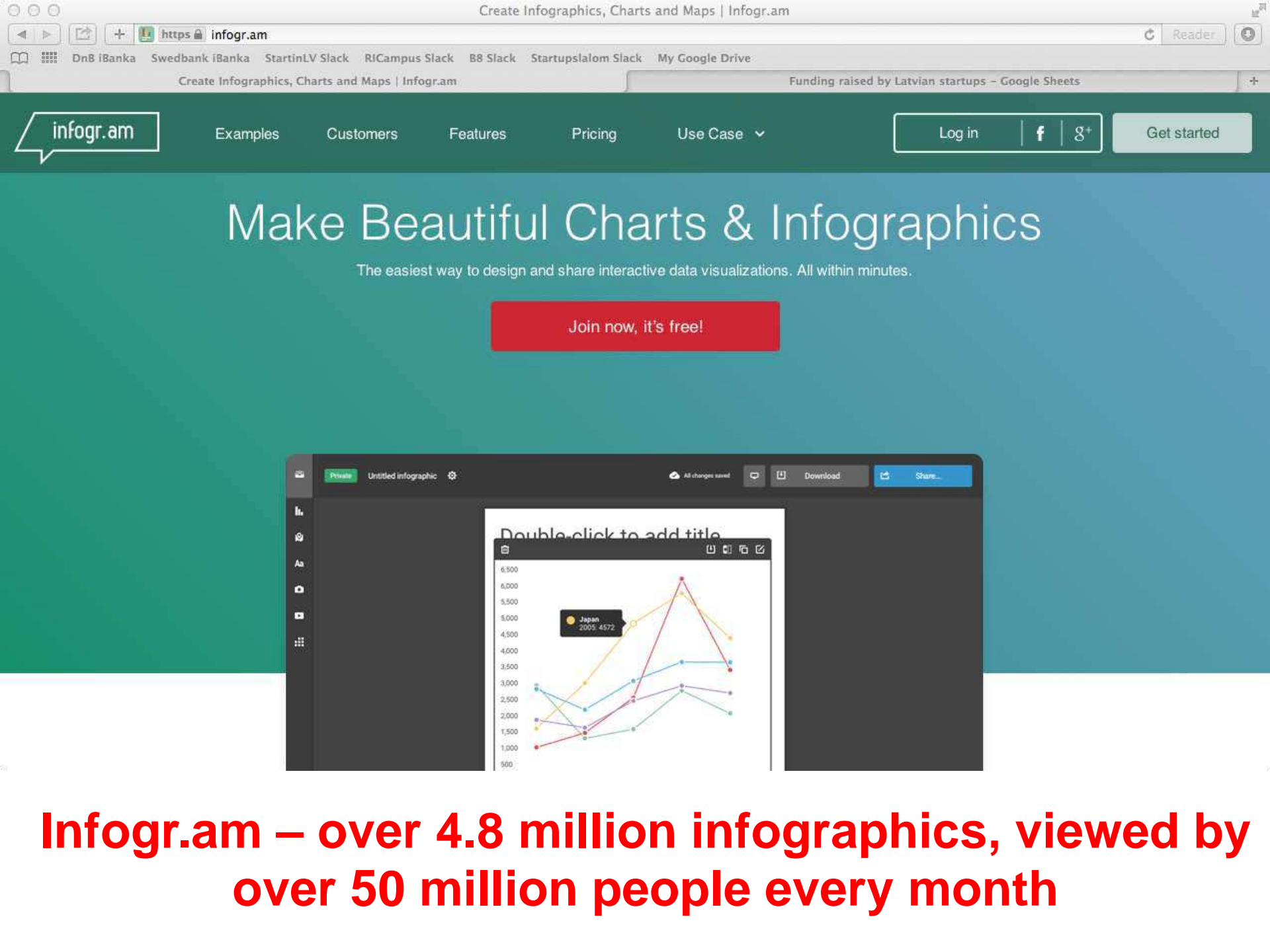
SUPPORT

Shop

Sign In



**Airdog – Kickstarter success
\$1,368,177**



Infogr.am – over 4.8 million infographics, viewed by over 50 million people every month



Products and Services

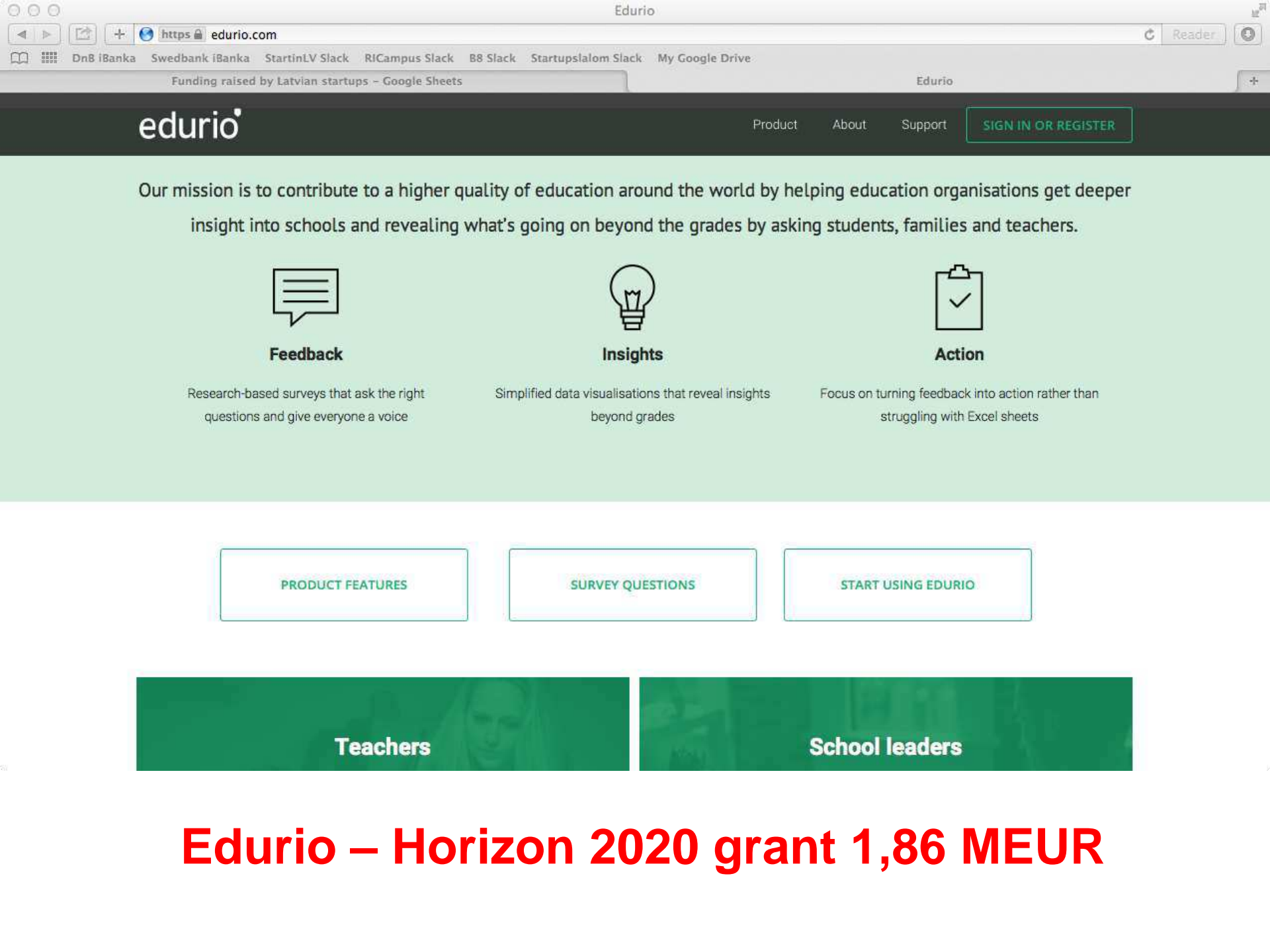
Software Offerings



Hardware Solutions

The BitFury Group offers a full spectrum of products, both hardware and software, to allow businesses and governments to integrate Blockchain technology into their operations.

**Bitfury – top investment amount
> 80 MEUR**



edurio

Product

About

Support

SIGN IN OR REGISTER

Our mission is to contribute to a higher quality of education around the world by helping education organisations get deeper insight into schools and revealing what's going on beyond the grades by asking students, families and teachers.



Feedback

Research-based surveys that ask the right questions and give everyone a voice



Insights

Simplified data visualisations that reveal insights beyond grades



Action

Focus on turning feedback into action rather than struggling with Excel sheets

PRODUCT FEATURES

SURVEY QUESTIONS

START USING EDURIO

Teachers

School leaders

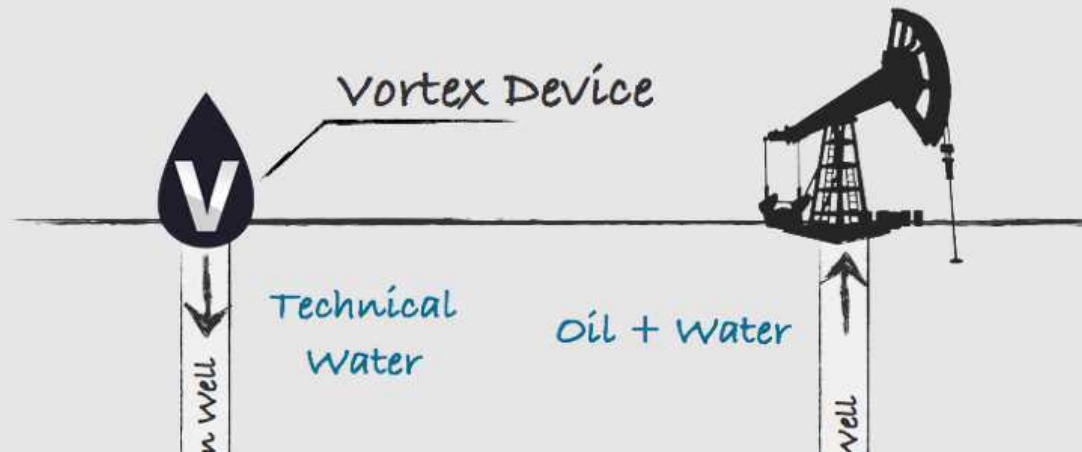
Edurio – Horizon 2020 grant 1,86 MEUR



Tenders/Zapytania ofertowe About Contact

Production capacity of oil fields drops as hydrocarbon extraction progresses. The output of wells becomes so small as to make operations unprofitable. As a result, oil wells are abandoned with large oil volumes (e.g., up to 65%) left in the producing reservoir.

Our solution extensively improve water flooding technology and can boost oil extraction volume up to 40%.



**Vortex Oil – science based startup,
Polish seed investment
(Startup Hub Poland & GIZA Polish Ventures)**

Vision



Latvia in 2020 is recognized as a perfect launchpad for startups to go global.

KPI's





LATVIAN HACKATHONS

STARTUP
Slalom

by **startin**.lv
Go Global.

FINTECH,
11-13 November, 2016
Venue: TBC



— RĪGA —
Venture Summit
— 2017 —

**by Latvian Startup Association
“Startin.LV”**

February 9, 2017

When? Where? Why?



When: On **February 9, 2017**. The day before largest startup conference in Latvia, TechChill



Where: At a Riga City landmark location (MeĶingalvu nams)

Main goal: Bring leading Baltic startup minds and a host of international experts to zoom in on most effective policies to drive pipeline of competitive early stage startups and attract global flows of smart money to the Baltics



2017 hot topics:

How best to attract smart money to cities-hubs?

How can we win in the global battle for talent?

Get in touch



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