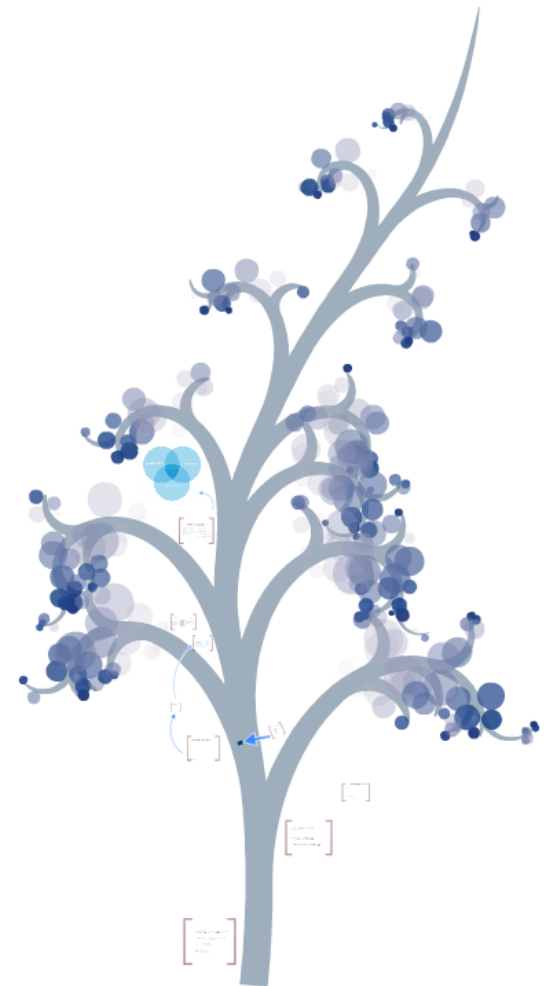


# Innovation Venture in Early Stage Technology Transfer

*Kun Hu*

*Director, Investment & Consulting Dept.*

*May 8, 2013*



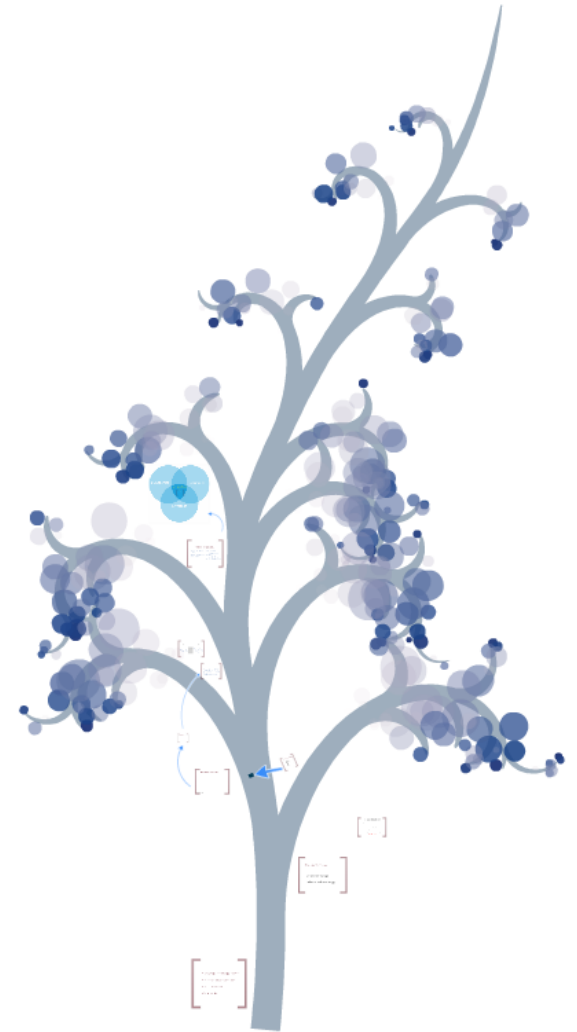
**COWAY** Coway International TechTrans Co., Ltd.

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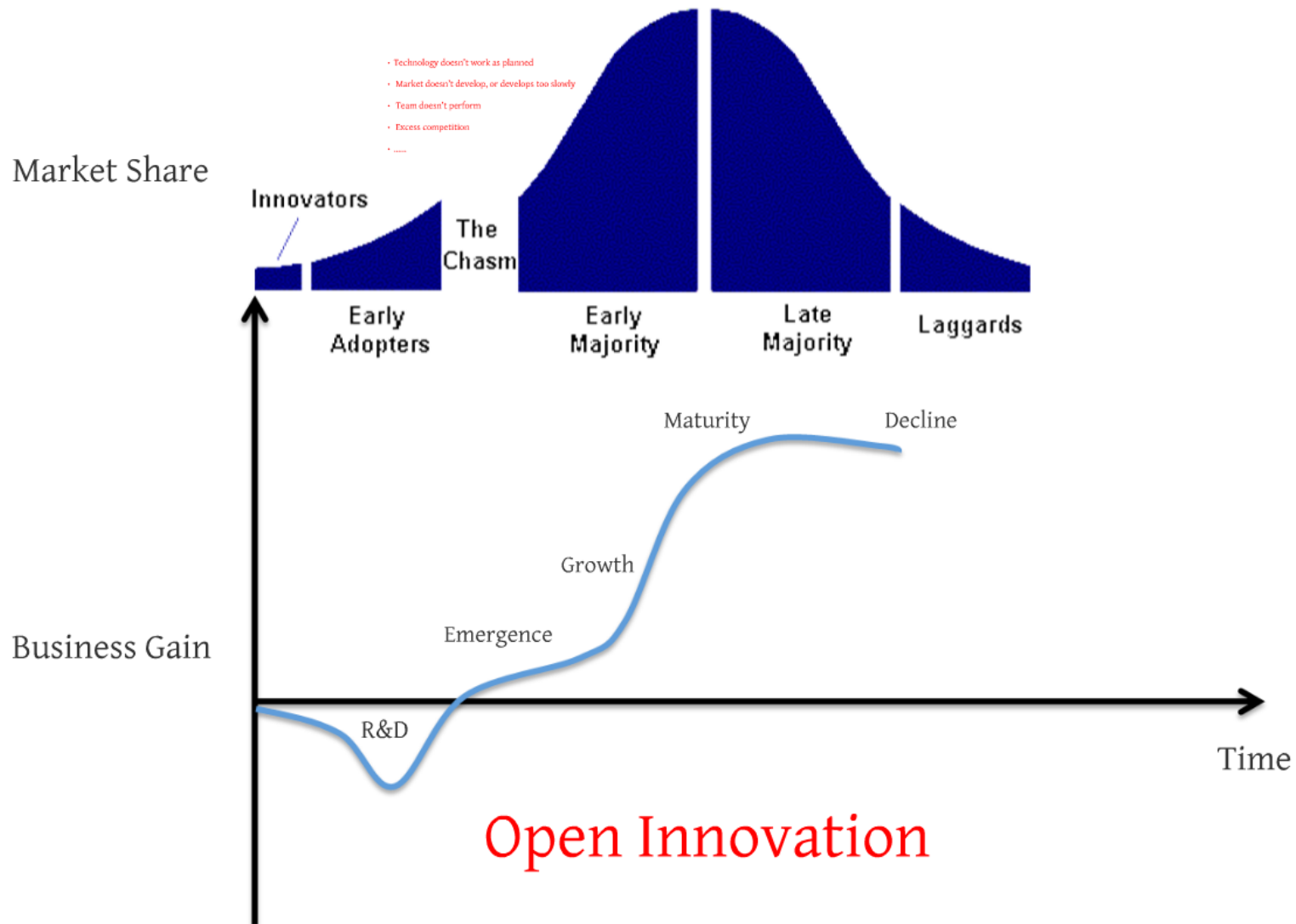
- Early stage Technology Transfer
- Different Innovation Venture
- IV-TT interaction
- What we do

# Early Stage Technology

- De novo technology

- Industrialized technology

# De novo technology life cycle



- Technology doesn't work as planned
- Market doesn't develop, or develops too slowly
- Team doesn't perform
- Excess competition
- .....

tors

The  
Chasm

# Industrialized technology

New market  
New industry  
New place  
New people  
New policy  
New ...

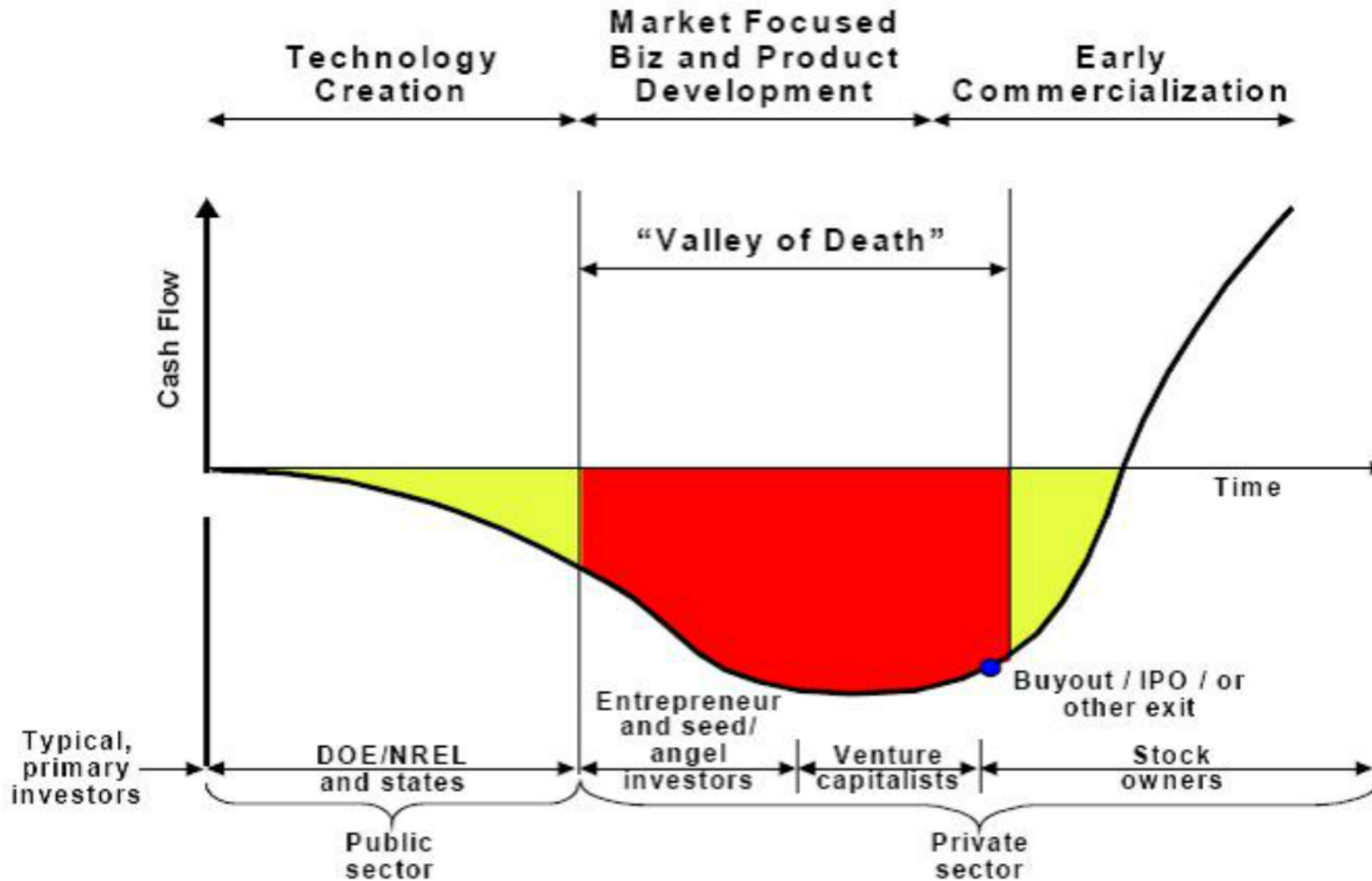
*Industrialized technology vs. commercialized business*



# International Technology Transfer



# Different Innovation Ventures



Source: Amadeus Capital Partners

# What innovation ventures do

- *Money provided by investors to high potential private companies*
- *Risk/reward expectations*
- *Goal: successful sale to public or private investors after several years later*

# How innovation ventures do

- *More than financial assistance -- hands-on "value added" services*
- *Focus on novel, defensible technologies with "order of magnitude" improvements versus conventional approach;*
- *Technology bring 10x improvement on cost, quality, speed, convenience, performance.....*
- *Different model and investment criteria from other investment approach such as: government R&D, angel investors, hedge funds, buy-out*

# IV-TT interaction

IV

- High risk (technology, market, execution) but controllable
- High reward( >10x ) but patience



TT

- Technology as “unproven”
- High death rate of early stage companies
- Gap between public fund and private fund
- Financial partnerships

# Technology-driven vs. Market-driven

IV

- *stage: early vs. late*
- *project size: small vs. big*
- *capital intensity: high vs. low*
- *period: short vs. long*



TT

- *technology provider: company vs. university*
- *risk endurance: low vs. high*
- *income model expectation: down-payment vs. royalty*

vision mission commitment

*“Fit” matters - need to collaborate with the right person*

# Chanllenge and Opportunity

- *Limitation policy on technology protection*
- *Venture Capitals start to explore early stage investment*
- *TT attracts more attention*
- *Company seek technology more than before*
- *Company can afford the price*
- *Promotion policy of the government*

UNIVERSITIES

COMPANIES

ecosystem

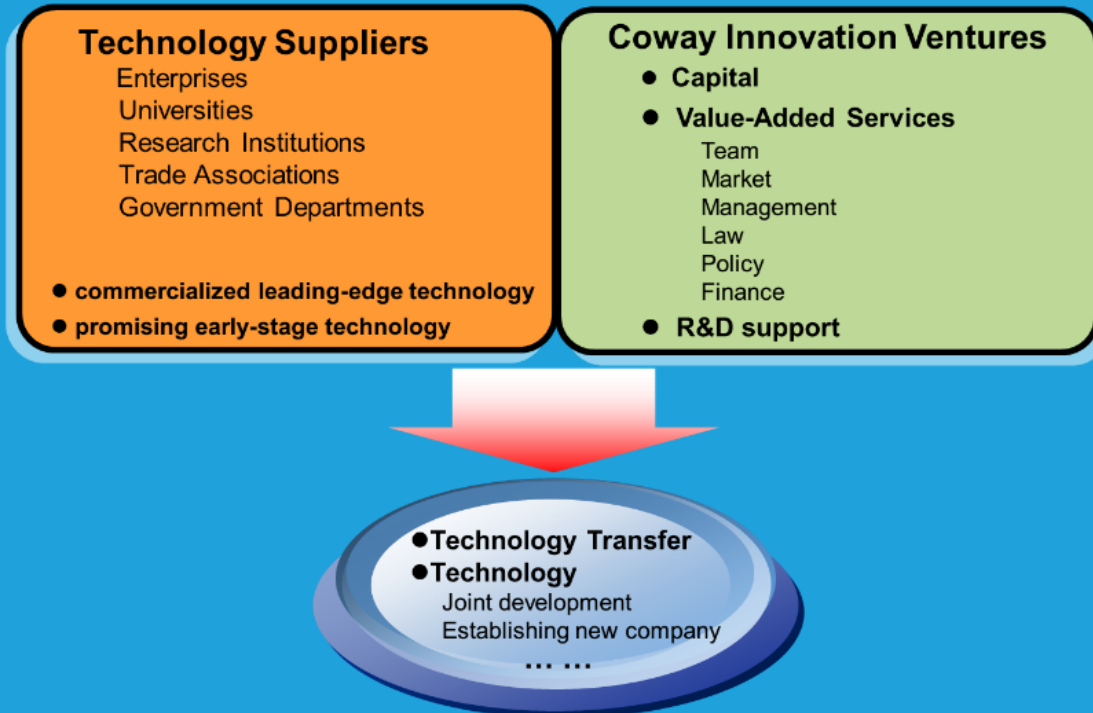


INVESTORS



# What we do

## *Coway Innovation Venture*



- understanding technology
- choosing target market
- positioning product
- exploring business model
- building a team

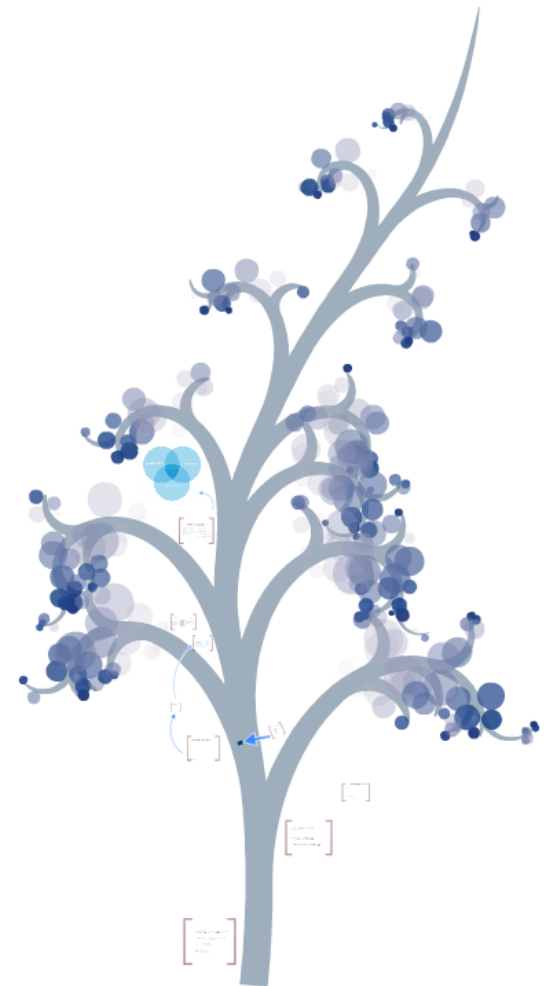


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