

## Thinking Straight in a Non-linear World



# Brainovation

Innovation & Expertise Advice to Grow your Business

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To our new readers, welcome to Brainovation®!  
And to our returning readers, welcome back.



As always, I look forward to continue to share insights into global developments in the Innovation and Expertise fields - and how they can work in and improve your business. This month I comment on start-up business challenges and point to a policy brief by the European Digital Forum. Is your organization trying to scale up? Share your thoughts on my blog, the Brainovation Twitter feed, Facebook page, or by email.

Our contact information is at the bottom, as well as reprint permissions. Also included is a brief taste of what you can expect in upcoming issues. And remember, "In knowledge organizations, learning is work, thinking is doing"

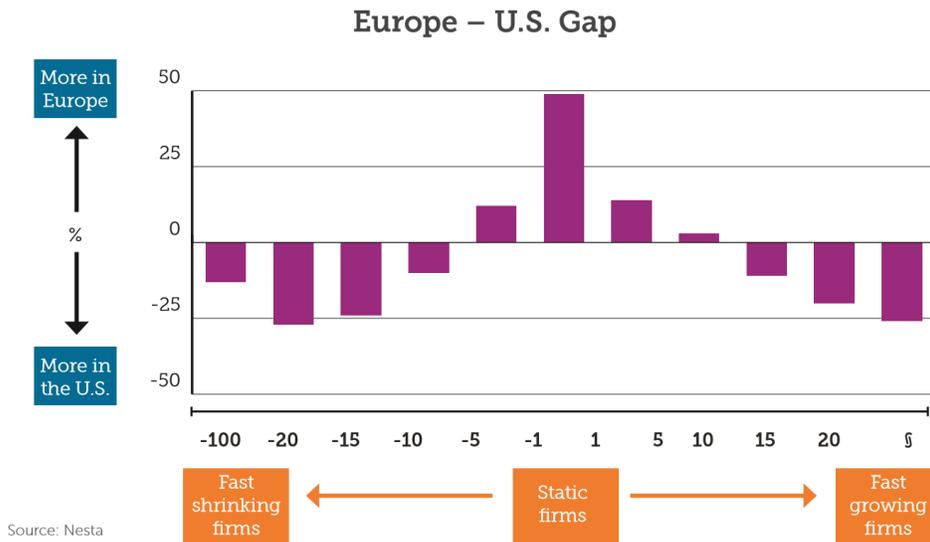
*Anders Hemre*

### **From Start-up to Scale-up**

All start-up businesses face the same basic challenges – securing sufficient funds, creating a product that works and getting traction in the market. The transition from start-up to early stage growth is their next challenge and this is where too many fail. According to the European Digital Forum – a think tank collaborating with the European Commission's Startup Europe Initiative – venture capital and policy measures do not meet the needs of European start-up firms.

Non-EU as well as EU based early stage investors face a fragmented and information asymmetric market.

The performance gap between European and US start-up firms is significant. A comparison shows that Europe has a much larger share of firms that remain static:



There are certainly both structural and cultural differences involved, but a key issue is the availability of venture capital for early and sustained growth.

The Digital Forum suggests that “any attempt to kick-start growth by stimulating new business creation will remain futile without mobilising additional sources of growth financing. The fact is, scale-ups are infinitely more threatening than start-ups. No one can object to a tiny operation with a small market footprint. But scale-ups are a different matter; they often encroach on the territory of economic incumbents as their new business models attract customers with new and better products and services. But this is precisely why a European scale-up initiative is needed. Without evolution and innovation, the European economy will struggle to remain at the forefront of global economic development.”

The full brief includes recommendations and proposed policy measures: [Growing Europe’s Digital Economy](#)

### **In the Previous Issue**

In case you missed the June issue, here it is again: [Delivering Creativity – Innovation & Design Thinking](#)

### **In Upcoming Issues**

Planned features for future issues of our newsletter include conversations with leading management gurus, interviews with international technology management executives as well as more readers' spotlights.



If you have feedback or questions about Brainovation, please contact me by email or through my twitter feed [@geoffdahl](#)

[Geoff Dahl](#)  
Brainovation editor

## Guru Interviews



Since our inception, sharing management and technology insights from around the world has been a focus of Brainovation. Now we give you the chance to enjoy all our previous guru interviews in one document.

[What the Gurus Say: Brainovation® Interviews 2007-2016](#) (PDF)

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