

A light gray world map is centered in the background. A blue dot on the map marks the location of Wollongong, Australia. A blue rectangular box with white text is positioned to the right of the map, containing the text "Wollongong, Australia".

University of Wollongong's iAccelerate: Rapid growth entrepreneurship centre propelling a region

Wollongong, Australia





General Information

Title of the case	University of Wollongong's iAccelerate										
Pitch	Rapid growth entrepreneurship centre propelling a region										
Organisations	University of Wollongong, NSW Government										
Country	Australia										
Author	Dr. Todd Davey (Science-to-Business Marketing Research Centre)										
Nature of interaction	<table><tr><td><input type="checkbox"/> Collaboration in R&D</td><td><input type="checkbox"/> Lifelong learning</td></tr><tr><td><input checked="" type="checkbox"/> Commercialisation of R&D results</td><td><input type="checkbox"/> Joint curriculum design and delivery</td></tr><tr><td><input type="checkbox"/> Mobility of staff</td><td><input type="checkbox"/> Mobility of students</td></tr><tr><td><input checked="" type="checkbox"/> Academic entrepreneurship</td><td><input checked="" type="checkbox"/> Student entrepreneurship</td></tr><tr><td><input type="checkbox"/> Governance</td><td><input type="checkbox"/> Shared resources</td></tr></table>	<input type="checkbox"/> Collaboration in R&D	<input type="checkbox"/> Lifelong learning	<input checked="" type="checkbox"/> Commercialisation of R&D results	<input type="checkbox"/> Joint curriculum design and delivery	<input type="checkbox"/> Mobility of staff	<input type="checkbox"/> Mobility of students	<input checked="" type="checkbox"/> Academic entrepreneurship	<input checked="" type="checkbox"/> Student entrepreneurship	<input type="checkbox"/> Governance	<input type="checkbox"/> Shared resources
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Summary	<p>iAccelerate is a university-owned business incubator designed to support the University of Wollongong (UOW) students, staff and the greater Illawarra community. The iAccelerate initiative provides the infrastructure, mentoring and education programmes for ideas to grow and helps connect entrepreneurs with funding opportunities through a unique set of programmes built around entrepreneurship, innovation and the technology skills of UOW graduates. A feature of the case is the speed of iAccelerate's development as well as its ability to quickly become a driving force in its region's local business ecosystem and to achieve a high rate of female entrepreneurship.</p>										



Introduction & Overview

1. BACKGROUND

iAccelerate is an entrepreneurship accelerator at the UOW with a relatively short, but successful, history.

Originally instigated as the 'iAccelerate initiative' by the UOW in 2011, the iAccelerate Centre, which opened in July 2016, is a crucial step towards galvanising the Illawarra as an 'innovative region'.

The region has recently undergone a radical economic transition. With the traditional steel, manufacturing and heavy industrial base facing sharp employment declines, iAccelerate has emerged to become a central player in the business ecosystem of the Illawarra region.

The iAccelerate Centre now represents the new face and direction of the regional economy, one of innovation, growth and self-determination. The centre itself is the essential cog within which all elements of the iAccelerate programme are brought together in a 'hothouse environment'.

2. OBJECTIVES AND MOTIVATIONS

iAccelerate was initiated in the Illawarra region, a region in economic transition just south of Sydney. The relatively high unemployment in the region, the high number of ICT student graduating without access to a local job, the labour drain to other regions and the notion that the university could have a more profound impact on its region drove the creation of iAccelerate.

The initiative's initial aim was to capture the intellectual capital of the Illawarra region by retaining the university's high-quality graduates while making the region a destination for innovators and investors. It would become a central point for regional development and tap into the latent potential identified in ICT graduates, other UOW alumni, those SMEs that had been servicing the steel industry, as well as a business community committed to developing a tech sector.

In connection with the university, it was expected that iAccelerate would develop local employment opportunities which would capture the student and academic talent attracted to the UOW and offer the ability to utilise their high-value skills in the region rather than having to go elsewhere.

Moreover, located in the UOW Innovation Campus, the idea was to develop Wollongong into a knowledge centre, a university city, with iAccelerate at the core of this transition. The vision was for the Illawarra region to be recognised as a leader in technology entrepreneurship, innovation, and start-up development and to showcase the region to the world.

It would do so by nurturing technology entrepreneurs and develop iAccelerate tenants that graduate into fully-fledged businesses. This would provide local employment opportunities for highly skilled and qualified technology graduates from UOW and skilled workers who regularly commute out of the region.

The end result would be new jobs that will boost regional average earnings, build a vibrant ICT sector, and also benefit innovation and productivity in other sectors of the local economy. These 'spill-over' benefits would then provide long-run potential to provide innovation-led growth for the region.

The ambition is for the programme to **create 500 direct jobs and 1,000 indirect jobs, attracting AU\$75m (€52.7m) in investment to the regional and state economies by the end of the decade.** By defining entrepreneurial success through local jobs, iAccelerate's focus is on developing sustainable businesses and jobs to benefit the region, not just selling licences and developing early-exit start-ups. This focus differentiates their initiative from other entrepreneurship initiatives because it focuses on long-term sustainable benefits for its region.

During the early development of the initiative, the instigators observed a dramatic underrepresentation of females in the ICT sector and entrepreneurial ecosystems generally. As such, a specific focus on developing **female entrepreneurship** through iAccelerate was prioritised, and a desire to have 50% female representation in the centre's activities (see the box within this case).

Finally, iAccelerate was intended to develop into a self-funded activity so as not to draw on university funding.



3. STAKEHOLDERS

The major stakeholder in the development of iAccelerate has been the UOW, with iAccelerate being a wholly-owned entity of UOW, governed by the policies and procedures of UOW. The university itself provides a source of students, graduates and academics who drive the human capital and innovation chains of regional business and iAccelerate's activities.

A number of other national, state and regional stakeholders have been important in the development of the regional ecosystem and iAccelerate, including:

- ▶ **The Federal Government** Department of Industry and Science, which has supported the initiative through the provision of funds.
- ▶ **State stakeholders** from New South Wales¹ State Government:
 - *Infrastructure New South Wales (NSW)* - The Government's State Infrastructure Strategy is implemented through annual Five Year Infrastructure Plans which identify specific major infrastructure projects to be undertaken as a priority,
 - *NSW Trade & Investment* is the lead economic development agency in New South Wales, responsible for driving sustainable economic growth across the state.
- ▶ **Regional stakeholders including**
 - Wollongong City Council - the local regional government
 - ICT Illawarra - a cluster of local ICT and support service businesses working together to promote the capabilities of this region
 - Regional Development Australia, Illawarra branch - the peak regional development consultative organisation for the region

iAccelerate is also supported by more than 26 other entities which provide financial and/or in-kind support to iAccelerate and/or its resident start-ups.

4. DEVELOPMENT

The rapid development of iAccelerate from humble beginnings is a highlight of this good practice case. This development has been characterised by an ambitious, iterative two-phase development approach, underpinned by drawing on learning from a similar region.

The development of iAccelerate has been partly **modelled on a successful case from Waterloo, Canada**, a region that has transformed itself from a manufacturing-based economy to the 'Silicon Valley of Canada'. The regional city of Waterloo in Canada has many parallels to Wollongong. Not only do both the University of Waterloo and UOW share similar historical growth and backgrounds, but also both regions have grown out of an industrial-based city facing economic transformation.

Waterloo has experienced a remarkable economic resurgence over the last 20 years. The Waterloo region was put on the map globally with the BlackBerry smartphone being developed by a University of Waterloo graduate. In doing so, Waterloo has reversed its trajectory from a declining manufacturing economy in the early 1990s to a now far larger knowledge-based economy which is now a hotbed of entrepreneurialism, start-ups, and local angel investment by high net-worth individuals. Over the past two decades the Waterloo Region has developed 28,000 new jobs, generated 750 new technology companies and has grown into a CAD\$18bn (in 2011, €12.8b) regional economy. A key player in the Waterloo innovation ecosystem has been the Waterloo Accelerator Centre (AC).

A further **source of inspiration was ATP Innovation**, a Sydney-based accelerator that commenced in 2000, which was named the best world's best incubator in 2014². ATP Innovations is a collaboration of four Australian Universities – University of Technology Sydney, University of Sydney, University of New South Wales and Australian National University – and has a client portfolio of more than 70 high-growth start-ups working on novel products in life sciences, hardware and enterprise software technology sectors.

iAccelerate's initial (start-up) phase

The iAccelerate initiative at UOW was **originally developed** in 2011 by the head of the university's technology transfer office, Dr. Elizabeth Eastland, and endorsed by its Vice Chancellor, Prof. Gerard Sutton. To gain stakeholder support for the idea, the inaugural Entrepreneurial and Innovation Ecosystem Symposium was held in March 2011, where Sutton and Eastland selected representatives from government, business and academia as a core starter group. The focus was on supporting ICT students and alumni with their technology ideas, whilst accessing the heavy industry supply chain of the region. The then COO of the Waterloo AC was invited as a keynote speaker, who was able to convey the 20-year history of Waterloo and relate lessons from Waterloo to the Illawarra region.

Following the symposium's success, the next phase of iAccelerate's development was the development of a 'shovel ready' proposal (essentially a business case) for applying to government funding. The aim for the centre was to create 500 new jobs and AU\$75m (€52.7m) in inward investment within five years. These metrics were chosen as they represented the same metrics that the Waterloo AC had achieved.

An initial activity of the iAccelerate initiative was to provide a space for entrepreneurs to gather together and share their vision. This took the form of the eClub, a regionally-focused entrepreneurship networking event. At the first one held in May 2011, over 100 people attended, which was the signal to the university, local community and government that this was indeed an initiative of merit and need.

The second initiative, 'Start Pad'(an early 'iteration' of the final iAccelerate Centre), had 20 desks, and charged participants AU\$30-\$40 per week per desk; however it was only just enough to cover the IT and other running costs. Space was provided free of charge by Wollongong City Council. Due to the symposium's success, this enabled them to apply, and successfully access AU\$50,000 (€35,185) in state funding and AU\$9,000 (€6,334) from federal funding (Enterprise Connect). The result was the ability to hire a secretary and two 'entrepreneurs in residence', who are still providing excellent support to this day. Start-Pad was virtually a co-location space, with no instruction and no fulltime mentoring support provided; however, it was successful in raising awareness and interest in the region. Despite this early success, the initial phase of the iAccelerate centre still lacked a sustainable business model.

iAccelerate's early growth phase

With the initial phase experiencing some great success in engaging the local community, mixed with a need to improve the business model, the initiative moved to a new phase of development. Following two years of early successes with technology companies, the university made space available for the creation of the iAccelerate Hub. The Hub was located in a building which had enough additional space to create a temporary 70-seat co-working space for entrepreneurs.

iAccelerate management also decided to **shift their focus from current students towards graduates, post graduates, and alumni**, and also to engage local professionals. Undergraduate student

companies coming into the centre tended to be inexperienced, whereas companies started by graduates with experience in business often had more realistic ideas and also potentially valuable intellectual property. This shift in focus also supported the university's desire to not just build stronger alumni relations, but create a lifelong commitment to the students wherever they are around the world. UOW alumni and local professionals responded really well to this new direction.

Furthermore, a **greater commitment to the professionalisation of iAccelerate** offering and a greater focus on supporting fast-growth new technology ventures was made. The result was stricter criteria to enter an iAccelerate programme as well as the provision of paid mentors on site full-time, which helped to put substantial rigour into the process. In addition, better feedback loops were incorporated together with the hiring of highly committed advisors who constantly reviewed companies and their progress

During this time, a **more sustainable business model was developed**. The offer was altered to AU\$50 (€35) per desk per week, and the focus was increasingly on more advanced companies with entrepreneurs often funding themselves through a mix of a side-business, grants, investors and own savings. Also, greater focus was placed on the development of female entrepreneurship (see specific editorial within this case).

At the same time, the university prepared a concept for a permanent iAccelerate space, which was to be established on the university's Innovation Campus. In 2013, iAccelerate applied to and acquired a state-based funding mechanism, the Restart Illawarra Infrastructure Fund, that enabled the establishment of the iAccelerate Centre which opened in 2016.





Implementation

5. INPUTS

University support and funding: The appointment of Eastland as CEO of iAccelerate with five dedicated staff was followed up by a further investment to support the fit-out and purchasing of equipment for the iAccelerate Hub while the iAccelerate Centre was being built. Another AU\$1.5m (€1m) in investment was made by the university in addition to the funding from the state to build the iAccelerate Centre.

State Funding: AU\$16.5m (€11.6m) in NSW State funding was provided, from the AU\$100m (€70.3m) Restart NSW Illawarra Infrastructure Fund which allowed the construction of the **iAccelerate Centre**.

Human capital: A high number and quality of ICT graduates combined with leading researchers supported by highly passionate, knowledgeable, experienced and connected facilitators and mentors.

6. ACTIVITIES

iAccelerate offers a set of tailored fast-growth technology business acceleration programmes housed in a single location, the purpose built iAccelerate Centre.

The two main business acceleration programmes offered are:

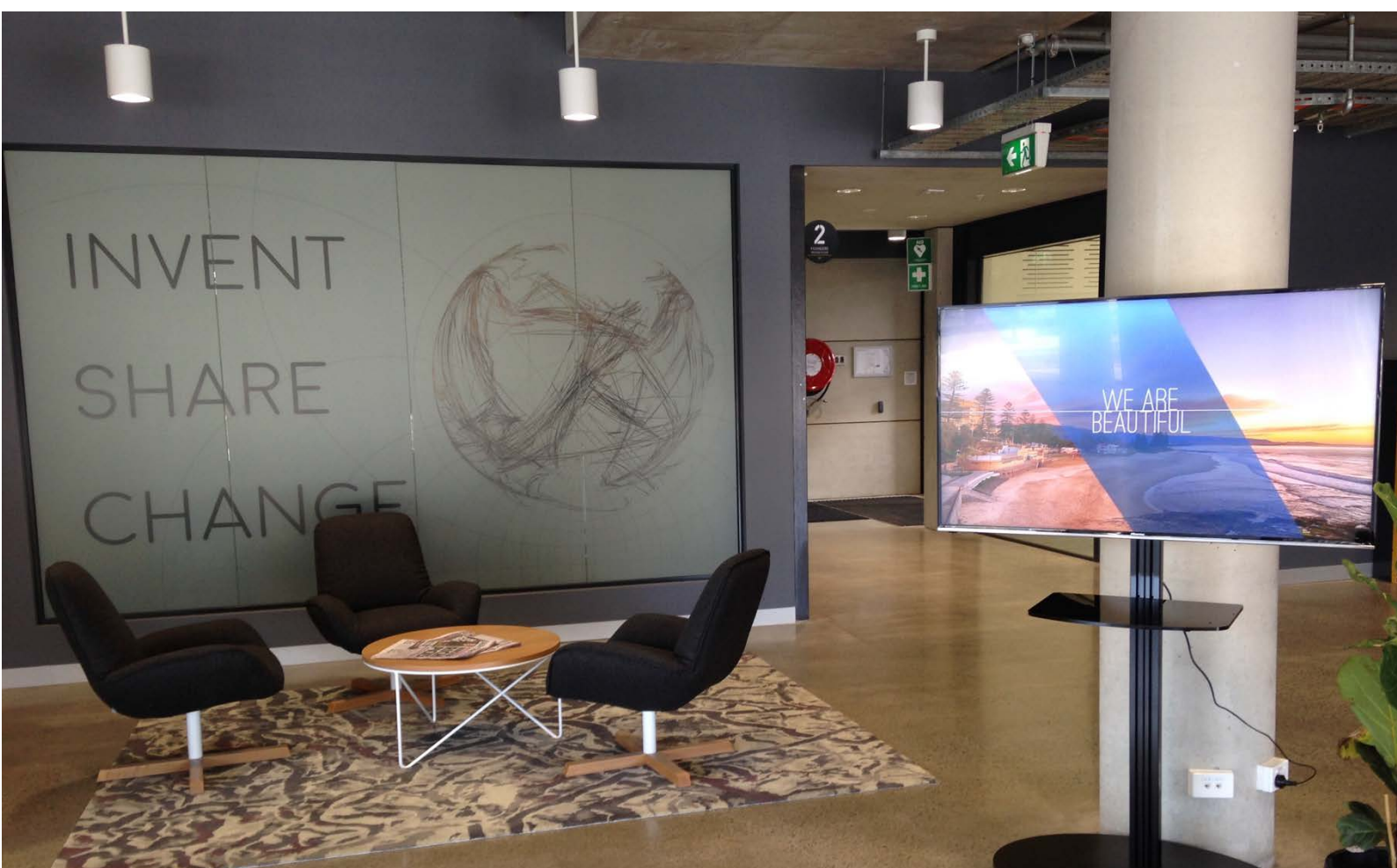
- ▶ *iAccelerate Start* is a multi-faceted programme for early stage businesses in their first 6-12 months of development requiring support while they validate their business idea so that they can progress to the next stage in their development. Desk space is provided in a co-working environment, which allows for peer-to-peer engagement with other businesses and costs AU\$70 (€50) per person per week.
- ▶ *iAccelerate Advanced* is for existing businesses who are already making sales and/or who have obtained substantial external investment. This more in-depth programme lasts up to three years and is designed to help businesses put in place the fundamental building blocks required for them to scale up to the next level in their growth. Companies in the Advanced Programme are allocated secure office spaces, and costs for this service are AU\$135 pp/pw (€95) for the first two desks, AU\$90 (€63) per person/per week thereafter in fully occupied offices.

Both programmes are supported by a group of primary activities offered by iAccelerate including education programmes, pitching training, intensive mentorships, connection to finance and networking events. Applications for the programmes are in the form of a written application and a pitch to a selection panel and are prioritised toward those start-ups with a high growth focus, are using technology for global growth, have a sustainable competitive advantage and are high performance teams with a commitment to develop the Illawarra ecosystem.

Further iAccelerate activities include:

- ▶ *iAccelerate Pitch* – a competition platform for entrepreneurs, innovators and high growth SMEs to practise, polish and ultimately pitch their innovative business idea to a panel of experts and investors.

- ▶ *iAccelerate Mentor* – a programme providing mentors to aspiring new start-ups and involve the university's international alumni base and successful local business leaders. The mentor programme is designed to pass down 'lessons learned' to those entrepreneurs on a fast track path.
- ▶ *iAccelerate Educate* – an education programme built around delivering key knowledge areas critical to rapidly building a successful start-up business and delivered by a combination of industry experts, experienced entrepreneurs, investors, paid professional advisors and UOW academics. The programme involves two to three-hour learning sessions (workshops and lectures) as well as one-on-one workshops with advisors.
- ▶ *iAccelerate Entrepreneur Club* (eClub) – focuses on entrepreneurial leader engagement and has more than 1,000 registered members and networking events, which regularly draw more than 100 people.
- ▶ *iAccelerate Women's Entrepreneurial Breakfast Series* – a key initiative of iAccelerate developed to increase the engagement of women in the entrepreneurial ecosystem. Launched in April 2014, the iAccelerate Entrepreneurial Women's Breakfast Series aims to share the insights and stories of successful entrepreneurial women and encourage others to follow the same path. Since its first event it has enjoyed almost a 'cult' following, with standing room only at most events. Men and women both enjoy the event.
- ▶ *iAccelerate Seed Fund* – a AU\$10m (€7m) seed fund for iAccelerate start-up companies, initiated as part of the support of the federal government's Early Stage Venture Capital Limited Partnership scheme. It is currently almost fully raised.
- ▶ *Networking events* – iAccelerate runs regional innovation and special interest networking events as well as hosting keynote speakers and special interest networking events, e.g. Spring into Networking.
- ▶ *Hot-desking* – a hot-desking option is also available upon application for bonafide fast-growth start-ups.



iAccelerate's success in encouraging female entrepreneurship

iAccelerate has a specific and deliberate outreach to attract women entrepreneurs to participate in iAccelerate's entrepreneurship programmes. Starting with specific mention in the mission statement of iAccelerate, a female entrepreneurship focus and set of initiatives permeate through all of their activities.

The primary focus for this initiative is **iAccelerate's Women's Entrepreneurial Breakfast** series. Launched in 2014 to a full house, it has attracted and maintained significant female interest in iAccelerate. The networking event is designed to suit women by being held in the morning instead of evening, is shorter, provides ample time for networking and questions and answers and provides accessible models and learning for potential female entrepreneurs. The event is also tailored to family commitments, offering a morning slot over breakfast, which fits with the commitments often faced by their female attendees.

iAccelerate also ensures that there is gender equality in its programme participants, judging panels, speakers and Entrepreneurs in Residence as well as advisors, whilst promotional material features a 50% balance of females. The Kids Entrepreneur Club was trialled to allow parents with child minding responsibilities to still attend evening Club lectures and know their children are being looked after.

Since the first Women's Entrepreneurial Breakfast, iAccelerate has looked to maintain the number of companies applying to their programmes with female co-founders from less than 10% to 47% within 2 years. iAccelerate continues to look at ways to maintain a close ratio of men and women entrepreneurs.

7. OUTPUTS

Since its inauguration in 2011, iAccelerate has experienced the following success:

- ▶ Companies assisted - 87 in total, including 49 companies currently in residence
- ▶ Entrepreneurs Through iAccelerate – 163
- ▶ Female entrepreneurs - 35% iAccelerate start-ups with a female co-founder

The key beneficiaries and stakeholders of iAccelerate can be summarised below:

- ▶ Alumni – the creation of start-up and spin-out companies, engagement through mentorship, assisting the 'next generation' and investment opportunities
- ▶ Students – start-up companies, internships, providing an alternative to large corporation, self-determination and lifestyle benefits of remaining local
- ▶ Start-ups – the provision of education, discipline, networking, investment, opportunity, creation, access to markets, a sense of satisfaction, achievement and joy in their entrepreneurial journey
- ▶ Regional business – access to more entrepreneurial talent, access to an international launchpad for exporting, network development effects, potential to acquire or invest in new growth ventures
- ▶ Investors – the provision of vetted investment opportunities.

8. IMPACTS

The impact of iAccelerate has been calculated in an Operations Economic Impact (Annual Ongoing Contribution Calculated as at Year 5 & Onwards) to include:

- ▶ 391 full time equivalent jobs, including 256 direct jobs, and a further 135 (via indirect and induced effects) sustained elsewhere in the Illawarra economy
- ▶ AU\$24.1m (€16.9m) in household income, including AU\$15.5m (€10.9m) in direct compensation of employees, and a further AU\$8.6m (€6m) (via indirect and induced effects) sustained elsewhere in the Illawarra economy
- ▶ \$34.8m (€24.5m) in value added, including AU\$18.2m (€12.8m) in direct value added, and AU\$13.1m (€9.2m) (via indirect and induced effects) elsewhere in the Illawarra economy.





Support & Influencing factors

9. SUPPORTING MECHANISMS

The **iAccelerate Centre**, officially opened in July 2016, features 'plug and go' expandable space at the UOW's Innovation Campus. The centre provides a place where people can explore new concepts and technologies, take risks and connect their work with others.

The University contracts professional **advisors** from the local business community to provide workshops, lectures and advice to start-up companies in key knowledge areas such as Intellectual Property, Legal & Governance, Human Resource Management, Tax & Finance, Public Relations & Media, Marketing, Presentation Skills Training, Technology Management, Design Thinking and Lean Start-up. Advisors are hand-picked with already existing links into the community. Many of the advisors have become ad-hoc mentors and participate in the application process, attend monthly meetings, are provided business cards, whilst being paid casual teaching rates plus extra for one-on-one advisory meetings with startups.

10. BARRIERS AND DRIVERS

The primary barriers to iAccelerate's development have included:

- ▶ The existence of complex and time-consuming university systems and bureaucracy
- ▶ The existence of reliable funding and supporting mechanisms for the development of innovation and entrepreneurial activities at universities
- ▶ The existence of sufficient capital for fast-growth ventures
- ▶ The development of an entrepreneurial mindset within a conservative and traditional institution such as a university
- ▶ A post-industrial-downsizing 'discouraged' mentality in the mindset of some of the local population

The drivers for its development included:

- ▶ The desire to reverse the economic fortunes of a region challenged by industrial transition
- ▶ The ability to access first class researchers and highly skilled ICT graduates
- ▶ A champion (founder and CEO) who led the initiative for six years throughout its early growth and critical funding phases
- ▶ The willingness of the university to embrace the more central role in its region's development
- ▶ The willingness of local stakeholders to participate in innovation activities and their close proximity
- ▶ The ability to tap into the existing strong relations between regional actors and to develop these network effects

- ▶ The ability to access funding and other support at appropriate moments during its development
- ▶ The potential to make the Illawarra region an intellectual capital and knowledge port.

11. FUTURE CHALLENGES

An initial challenge was the need to **encourage a new way of thinking** about the region and that it could be a destination rather than departure point. This was essential in order to address the 'brain drain' from the region and the relatively high rate of youth unemployment, as well as to reduce the number of people forced to commute to Sydney each day. The shift in thinking also included the need to change the focus from manufacturing to ICT and advanced manufacturing.

A challenge that many outward-facing university-connected initiatives face is to **align and integrate their activities with formal university programming and bureaucratic processes**. Programme start times need to consider semester timetables, whilst requests for resources and equipment have to go through the university's systems, which can be slow and cumbersome.

As with the development of innovation ecosystems everywhere, there is always an initial challenge to **engender and maintain enthusiasm** to create and grow the community and belief in delivering its vision. Enthusiasm can ebb and flow with stakeholders. There is a continual need for the drivers of the vision and programme to dig 'deep', continue to raise the bar, develop and engender confidence in their ability to deliver what the ecosystem needs at any given time. This requires the iAccelerate team to be focussed on the vision but also open to the opinions and needs of their resident start-ups and supporters. The iAccelerate team has sustained and developed that vision throughout the first six years of iAccelerate's growth.

A recent and current challenge for iAccelerate has been first to get a venture capital licence from the Federal Government, however the challenge exists to **access venture capital channels** more generally, especially given the region does not possess a high profile compared with neighbouring Sydney.

The challenge of increasing the rate of **female entrepreneurship**, particularly in the ICT sector, has been a subsequent challenge.

12. CONTEXT

Located just south of Sydney within the UOW Innovation Campus, the development of iAccelerate is underpinned, informed and shaped by both the university and region.

The UOW has built an international reputation for world-class research, industry engagement and exceptional teaching quality. Some of the university's success includes: UOW Top 20 of universities under 50 years old (17th in the world – QS Top 50 Under 50 Rankings 2015), top 2% of universities in the world (243rd in the world, QS World University Rankings 2015/2016), 5-star rating for getting a full-time job (2016 Good Universities Guide), top 1% for graduates as rated by global employers (QS World University Graduate Employers Survey 2015/2016) Highest rated university in state universities in 9 study areas on QILT 2016.

UOW is deeply embedded in its community and the Innovation Campus is the nucleus of a significant regional development opportunity. Entrepreneurs have the benefit of partnering with a world-class, research-intensive university and the Illawarra region also offers an outstanding lifestyle that can be enjoyed with far less cost than setting up business in a metropolitan area. UOW produces a significant

proportion of Australia's ICT graduates and is home to world-class research, which together provide fertile ground for entrepreneurial endeavour. The university has a strategic location one hour from Sydney and two-and-a-half hours from Canberra. However, despite the university's five-star rating for graduate employability, most of UOW's graduates must leave the region to find employment.

The Innovation Campus is a 33-hectare beachside site providing dedicated space for the university's research institutes and commercial office space for industry, aiming to encourage collaboration and the creation of networks. It was established by the university in 2006 to help grow Illawarra's innovation ecosystem and pursue the uptake of disruptive technologies. The AU\$600m (€422.3m) Innovation Campus was named the Best Business and Industrial Park Development in Australia at the Property Council of Australia Innovation and Excellence Awards in 2011.

The Innovation Campus has enjoyed strong and ongoing support at all government levels. A key aspect of support has been the Advantage Wollongong partnership between Wollongong City Council, UOW and the NSW Department of Industry to promote Wollongong as a superior business location.

The region of Illawarra itself is undergoing significant economic transition from a manufacturing-based economy to knowledge services and health, and suffers significantly higher unemployment than the state average, particularly amongst its youth. More broadly the Illawarra's traditional manufacturing and heavy industrial base has undergone sharp employment decline as these businesses have either shut down or transformed into highly automated capital intensive enterprises. Growth in alternative sectors has offset much of this manufacturing decline but the region's unemployment rate remains consistently about 2% above the NSW average.

iAccelerate is adapted to its region in a number of ways. Firstly, with Wollongong being a port city, it has adopted a philosophy of being a knowledge port, shipping knowledge and ventures globally whilst being a welcoming landing place for innovative new ventures coming in. Their focus on developing global companies has a focus of regional industry and its manufacturing and heavy industry past. They have embraced the region and its history in the design of the new iAccelerate centre with artefacts and imagery from the port, as well as having one glass side to the building to be able to see the community. To engage with the region, iAccelerate is part of an economic advisory council, has developed a female business society, and runs local networking and educational events at the centre

13. KEY SUCCESS FACTORS

A number of key factors characterised the initial and growth phases of iAccelerate and underpin its future success, including the importance of:

- ▶ ***University commitment*** – Throughout the early development of iAccelerate, having the university support the concept was crucial to its speed of development. Drawing inspiration from ATP Innovation and Waterloo Accelerator, iAccelerate drew on its connection to the university to drive funding requests, stakeholder involvement, and acquiring access to land, premises and facilities.
- ▶ ***Strong vision and leadership*** – The respective roles of the two original lead protagonists were crucial in getting the initiative off the ground, with Dr. Eastland providing the commitment, technical know-how and enthusiasm for the concept Professor Raper and Sutton providing the strong support from the top of the university. With extensive experience encompassing start-up and big business, Eastland was able to see and communicate a clear vision for the initiative and subsequently the centre. The leadership also needed to be opportunistic, persistent, and able to engender buy-in from other stakeholders.

- ▶ *Knowledge exchange, mentoring and learning fast* – During the early phases of iAccelerate’s development, visits to Waterloo were regularly made and reciprocal visits from Waterloo representatives to Wollongong, with learning adapted for use at UOW. This ability to reference their progress against a similar case as well as interact with highly-experienced and like-minded professionals proved vital to iAccelerate’s development. Furthermore, throughout this initial development a lean, iterative development approach was taken as concepts were tested to find the mix of activities fitting to the region and the needs of the market.
- ▶ *Developing the entrepreneurial ecosystem and a committed community of believers* – It was firstly critical to identify the different elements of an ecosystem to determine what existed and what needed to be developed. The university campus can provide a unique environment for the development of the entrepreneurial ventures, operating as a ‘mini city’, which makes a good beta trial site for entrepreneurial ideas. It also enables interaction and engagement with alumni, key professionals, businesses and community which is critical. iAccelerate developed a core group of believers around it, including professional service providers, who were committed to the initiative and who wanted the local community and ecosystem to thrive. They became advisors to the programme as well as providing a link in the local community.
- ▶ *Developing traction*– iAccelerate also were able to generate a lot of local press and received a lot of positive feedback from the local business community, this reinforced this commitment. An iAccelerate success story really helped in building the momentum: Critical Arc (Campus security company) worth about AU\$15m (€10.6m) as it helps to demonstrate the potential for growth. Press articles, radio and other media enable the centre’s director and the centre itself to develop a profile backed by clear branding and communication material.
- ▶ *Facilitating high growth entrepreneurship* – The support services provided by iAccelerate are designed to facilitate the ‘magic’ of high growth and technology-focussed entrepreneurship. Their offering is characterised by the central role of a mentor and the right mentor-matching, rigorous candidate assessment, professional service delivery and a metrics driven assessment which is transparent (quarterly reviews).
- ▶ *Having a unique talent pool to draw on*– The vision for UOW’s Innovation was Ecosystem based on Porter’s well-known cluster theory of innovation. This vision acknowledges the critical role research institutes must play in high-tech knowledge-based innovation clusters. UOW produces a significant proportion of Australia’s ICT graduates and is home to world-class research which provide fertile ground for entrepreneurial endeavour. To create a sustainable Innovation Ecosystem cluster UOW needed to increase the exchange of intellectual capital produced by the University both within the local region.



Further Information

14. MONITORING AND EVALUATION

iAccelerate is a wholly-owned entity of UOW and is therefore governed by all university policies and procedures. The operation of iAccelerate is managed by the CEO of iAccelerate who reports to UOW Senior Executive, the Deputy Vice Chancellor Research. Governance oversight is also provided under the University Council and its Risk, Audit and Compliance Committee. A Technical Advisory Board composed of experts in their field and strong Community involvement provides advice and strategic input.

iAccelerate evaluates its activities using metrics including:

- ▶ *Quantitative monitoring and evaluation* –, number of event attendees who ‘convert’ and apply to iAccelerate Programmes; number of applications to and successful applications to the iAccelerate Start and Advanced programmes; the % females who apply to iAccelerate, who attend events and who are founders of start-ups, media coverage iAccelerate clients (i.e. the start-up companies in the iAccelerate Programmes), number and background of founders, number of female founders, number of female employees, number of new employees – jobs created, number of products launched, revenue, new investments, alumni engagement, student internships, any awards or grants, press releases
- ▶ *Qualitative monitoring and evaluation* – continuous feedback is sought through feedback forms from clients following all activities, an annual client satisfaction study, feedback from iAccelerate advisors formally at the Monthly Advisor meeting, through ad hoc discussions and a review of their workshops and presentations with the CEO and GM; whilst start-up company progress is tracked online in incuTrack.

15. SUSTAINABILITY MEASURES

In addition to monitoring the forementioned metrics for ongoing and continuous improvement, in December 2013 iAccelerate was able to put in place a sustainable business model. With the cash injection of AU\$16.5m (€11.6m) for the iAccelerate Centre the rental component of fees can be kept to a minimum. Service fees from clients cover the ongoing building maintenance costs and the costs for the iAccelerate management and advisors. This makes the iAccelerate business model sustainable indefinitely and not dependent on changing grant scenarios or outside funders.

However, income is reliant on the success of the programmes and services offered, to ensure that they are competitive in price and best of breed in quality. To ensure the quality of the programmes offered, some steps include:

- ▶ iAccelerate’s Advisor Meetings ensure continuous stakeholder feedback, entrepreneurial leadership and strategic counselling
- ▶ iAccelerate’s management has used the Lean Start-up model not only for its client companies, but on itself. This has allowed it to continuously test new models of service delivery. For example, one month after the launch of iAccelerate Start and Advanced Programmes, feedback suggested there was a need for a service that allowed local companies who may not need space in iAccelerate Hub to gain access to the in depth

workshops delivered by its Advisors. iAccelerate management created a new programme offering, 'iAccelerate Start X', which allows participation by founders not yet needing office space in iAccelerate

- ▶ Regular meetings with the Waterloo Accelerator Centre allowed iAccelerate management to share the development of the iAccelerate and regional ecosystem and continuously update its direction. This engagement became increasingly mutually beneficial as iAccelerate accumulated experience

Even with best of breed services, a large enough pipeline of entrepreneurs is required to continuously refresh the space in iAccelerate that will be vacated as companies reach maturity and 'graduate' into the local economy. Some examples of ways this is ensured are:

- ▶ Ongoing pipeline of students annually both undergraduates and graduates. The creation of UOW Pitch, a five-month series of workshops and presentation training, reaches out to encourage undergraduates, graduates and staff to pitch their best ideas forward
- ▶ Strong links with other accelerators and regional ecosystems allows iAccelerate to 'cast its nets wide' and broaden the invitation to market into Sydney and other cities in Australia and abroad
- ▶ Tight integration with local business through an external advisory, special events, pitching and demonstration days and mentoring nights and government initiatives (ongoing interaction with local, state and federal representatives) and programmes for referrals.

16. TRANSFERABILITY

Based on a similar successful model from the Waterloo Accelerator Centre at the University of Waterloo in Canada, means that with some adaptation, the case could be applied in different contexts with success.

17. AWARDS AND RECOGNITION

Some of the awards received include:

- ▶ CriticalArc wins SydStart 2013 (Australia's largest start-up pitching competition),
- ▶ SocialStatus made top 15 in SydStart 2014, and won the Big Pitch (Melbourne) 2015, secured funding from Accelerating Commercialisation funding and also was accepted into the San Francisco Landing Pad in 2016,
- ▶ Clausematch secures space in Barclays UK FinTech Accelerator Programme 2014– and wins the BBVA Open Talent 2014 in Europe –
- ▶ September 2014, iAccelerate Awarded Best Entrepreneurial University Case Study at the University Industry Innovation Network, Madrid Spain,

Me3D were Tech23 Finalist in 2015, winner of the AMP Amplify Award for Best Technology founded by a woman, and winner of the REA Group Digital Disruptor Award. Finalists for two CeBIT AU 2015 awards for Innovation and Community Support taking the Excellence Award for Community Support, and are an Autodesk Entrepreneur Impact Partner.

18. PUBLICATIONS AND ARTICLES

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Business Review Weekly – Seed Fund For Start Ups In Wollongong, 27/8/14: <http://www.afr.com/personal-finance/10m-seed-fund-for-start-ups-in-wollongong-20140827-jyppw>

Illawarra Mercury - New UOW space created for giving life to ideas, 2/7/14, <http://www.illawarramercury.com.au/story/2392284/new-uow-space-created-for-giving-life-to-ideas/>

Anthill online - Illawarra's entrepreneurs will soon have a new home thanks to the University of Wollongong and the state government, 23/4/14: <http://anthillonline.com/illawarras-entrepreneurs-will-soon-have-a-new-home/>

19. LINKS

iAccelerate: www.iaccelerate.com.au

University of Wollongong: www.uow.edu.au

20. CONTACT PERSON



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21. REFERENCES

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² www.startupdaily.net/2014/05/atp-innovations-recognised-best-incubator-world