



Austria*

*Launch pad
for young
enterprises

www.investinaustria.at

Invest in
Austria **ABA**

Start your startup in Austria



Talent

High educational level; multi-linguistic; diverse background; Vienna: 200.000 students, 30% international



Market

Central European location; high purchasing power; "test" market for the larger German speaking one



Climate

corporate openness to innovation, corporates eager to cooperate with startups

Access to



Funding

14% tax credit for R&D expenses; differentiated funding system



Support

incubators, accelerators, coworking spaces



Financing

early-stage investors, business angels, venture capital

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Austria, the startup hotspot

The startup scene in Austria just keeps on growing and growing. More companies being founded, more exits, and more capital. Austria has had a booming startup scene for years and, as a central European hub, it greatly appeals to ambitious local and foreign entrepreneurs. Vienna in particular is increasingly turning into a startup hotspot. The money invested even grew by 63%, from 145 million in 2017 to 237 million in 2018 – according to the Startup Report Austria.



“The scene in Austria is small, but very interesting for investors. For one thing, the Austrian company startup scene is characterized by surprising agility and innovation. There is comparatively good access to the best educated developers, an excellent funding environment, many active business angels and, with Speedinvest, early phase funds that operate worldwide. As an investor in startups, Speedinvest has pumped more than 25 million euros so far into startups, and a series of startups in its portfolio, including TourRadar, Bitmovin, Shpock, Hitbox, and

Playbrush, which already attract international attention. On average, a new company gets around 500,000 euros.”



Oliver Holle, Speedinvest

Austria is larger than you might think

Austria stands out as ...

- hub between East and West
- gateway to DACH (Germany, Austria, Switzerland), the largest European market with a common language.
- an ideal starting point for introducing products on a manageable, highly affluent market, where rapid expansion is possible.

Fast moving ...

- **International appeal:** In the European Startup Initiative (esi) survey, the 700 participating company founders voted Vienna among the ten most popular destinations.
- **Unprecedented networking opportunities:** Talent Garden, Europe’s largest startup campus network, opened its first office in a German-speaking city in Vienna.
- **Greatest appeal:** With the launch of weXelerate, the largest startup hub in CEE is located in Vienna, covering more than 8,000 square meters.



Austrian startups

Source: startablisth.com, as of May 2018

Top 5 sectors	
Community & Lifestyle	20.5%
Hardware	15.3%
Data & Analytics	14.2%
Productivity	12.2%
Industries	12.2%

Customer focus	
B2B	43.7%
B2C	34.4%
B2C & B2B	21.9%

Austrian government makes the business location a top priority

The Austrian Federal Government has committed itself towards safeguarding Austria's position as a competitive business location as the pre-requisite for growth and employment.

For this reason, it has agreed upon a package of measures to shape the underlying business conditions to make them even more attractive for companies operating here:

- Lowering the tax burden on entrepreneurs
- Tax incentives for investors
- Ensuring a sufficient supply of skilled employees by creating new apprenticeship professions or modernizing existing ones – with a focus on digitalization
- Strengthening the service mentality of public authorities
- Reducing bureaucracy for firms, especially for SMEs

Startups find the best conditions for founding, growth and expansion in Austria

Talent

The very high level of education in technical fields is guaranteed by technical universities and by many technical colleges. An international focus is guaranteed by the high proportion of foreign students (more than 27%). A startup visa allows foreign high-tech entrepreneurs to be self-employed in Austria.

Startup community

Self-organization of the startup scene into startup clusters and co-working spaces, and promotion through events, both large and small. Company founders who experienced successful exits are investing in new startups and creating networks at all levels.

Funding

A differentiated funding system in which the Austrian Research Promotion Agency [Österreichische Forschungsförderungsgesellschaft (FFG)] and the Austria Wirtschaftsservice GmbH (aws) provide startup support to high-tech company founders through specific programs and company founder funds. A 24-hour quick check for funding requests, as well as the Global Incubator Network (GIN) ensure quick, uncomplicated processing.



“Minted is an ecosystem for ventures with a mission. We create sources of finance either through funding proposals or via crowdfvesting.”

The public funding landscape in Austria – especially for innovative ventures – is among the most developed in Europe. Currently Austria has a research intensity (% of the national GDP invested in R&D) of 3.19% which ranks second in the entire EU. A substantial part of the 12.8 billion EUR expected to be spent on R&D in 2019, is made available through public funding programmes. Due to its political structure, these programmes are administered through both regional and national agencies which results in a very diverse funding offering.

The major part of public funds in an entrepreneurial context is earmarked to enable innovation as a central driver for economic growth. When trying to find the most suitable funding programme(s) for an innovative project, the following key factors should be carefully assessed: 1. current development stage (early vs mature), 2. major needs (grants vs loans), 3. company characteristics (startup, SME or corporate) and 4. thematic focus (e.g. technological, creative or social). The requirements of the different funding agencies in respect to the funding proposals and requested accompanying information are comparable yet different in each case. The Minted supports startups and SME to successfully navigate the funding ecosystem by identifying and seizing the most suitable opportunities to access public funds for their innovative projects.

So far, Minted supported more than 150 startups and SME by acquiring a total of 15 million euros of public funds. We were able to provide 85% of all clients with at least one funding.

the-minted.com



Michael Raab,
CEO of Minted

Founding a company

A digital one-stop shop that enables the foundation of a company quickly and inexpensively. The “privileged position of a GmbH [Limited Liability Company]” facilitates the entry into self-employment, with a minimum payment of 5,000 euros, instead of 17,500 euros.

Financing

The support network of early stage investors, incubators and business angels, which is becoming increasingly professional, such as is demonstrated by the founding of the Austrian Angel Investors Association (aaia). Crowdfunding is booming and has quadrupled since the entry into force of the new Crowdfunding Act.

Taxes

An investment-friendly tax system, with a 14% tax credit for investment in research and a uniform corporate tax rate of 25%.

Clusters

Best possible networking of business and science through clusters in the life sciences, automotive, environmental and energy technology, microelectronics and mechatronics sectors.

HOW TO START YOUR STARTUP IN

AUSTRIA

Austria has emerged as a startup hub, especially in the fields of information technology, media and life sciences – as well as creative industries. Forbes selected Austria as one of seven startup hotspots in Europe to found your company.



MAJOR EVENTS

I²c Networking Friday
Vienna

4gamechangers
Vienna

Pioneers Festival
Vienna

Gründen in Wien
Vienna

Skinnovation
Innsbruck

StartUP Live
Vienna

Fifteen Seconds
Festival
Graz

Managers
Vienna

Entrepreneurship
Avenue
Vienna

We Are Developers
Vienna

i2b Business Plan
Competition
Vienna



COMMUNITY & MEDIA



COWORKING SPACES



FUNDING



STARTUP SUCCESS STORIES



Bitmovin has developed into a globally recognized player in the video streaming market over the years.



The fitness app Runtastic was sold to Adidas for 220 mill euros in 2015.



Paysafecard is the European market leader for online payments.



The flea market app Shpock was sold to Schibsted for 200 mill euros in 2015.



mySugr is a dietary and health-tracking app for diabetics.



AFFIRiS develops vaccines for serious diseases such as Alzheimer's, Atherosclerosis, Parkinson or Diabetes.



Bwin is the largest online gaming provider in the world.



The Austrian video streaming service Hitbox was taken over by the US company Azubu in 2017.



USound develops micro-speakers for smartphones.

Selection, numerous other key players enrich the ecosystem for startups



START YOUR STARTUP

21

day to establish the company

€5000

initial shared capital

25%

corporate tax for startups

20%

VAT



ACCESS TO TALENT

One in four of the approx. 380.000 students in Austria is of international origin.

This creates a big pool of potential co-founders and early employees. Moreover, it can be a good target group for your business.



COSTS OF LIVING

- Rent 45m2 €561
- Food €200+
- Utilities 45m2 €122
- Public Transportation €46 (Vienna 1€/day)
- Internet (8 Mbps) €20

Total €950+

GRANTS



CROWD FUNDING



INCUBATORS



VENTURE CAPITAL



ACCELERATORS



ANGEL INVESTORS



Invest in ABA Austria

ABA - Invest in Austria offers customized information, support and consulting to international investors establishing business operations in Austria. Services of ABA are free of charge.





Startup success stories

Spectacular exits made by Austrian startups are at the forefront of a rapidly growing startup scene. These include companies such as **Runtastic**, the fitness app that was sold to Adidas, the flea market app **Shpock** (Schibsted), and **Hitbox**, the Austrian video streaming service.

In 2018 eleven domestic startups managed to attract 5 million euros or more in funding from investors. On balance, these eleven firms generated about EUR 145 million altogether from their backers. The number of deals in the 1-2 million euro range also increased. Such transactions are considered to be particularly difficult, because they are usually too large for business angels and frequently too small for venture capital companies. In such cases the aws Gründerfonds often steps in and helps startups to advance to the next level.

There is more than Vienna

There were two major deals in Carinthia, namely **bitmovin** and **Symvaro**. In terms of the number of deals, Styria surpassed Upper Austria to take second place. The Styrian startups were led by **USound** and followed by **sendhybrid**, **Stirtec** and **eyeson**. In contrast Upper Austria particularly saw numerous smaller investments. A lot is also happening in Tyrol. This federal province generated the fourth highest number of transactions. Vorarlberg has also attracted our attention and was rated fourth in terms of the amount of money invested. The biggest deal involved **crate.io**, which generated funding surpassing EUR 9 million.

tourradar

Online market place for touring

42.5 million EUR

BITMOVIN

Video streaming

24.4 million EUR

bluecode

Mobile payment

11.2 million EUR

GREENSTORM MOBILITY

Used e-bike and e-car dealer

+ 10 million EUR



Immune-modulation therapies for infections and cancer

10 million EUR

+ CRATE.IO

Data Management for IoT

9.7 million EUR

Company founders profit from the startup hotspot Austria

International company founders report on why Austria is a good starting point for innovative companies.



“At TourRadar, we speak from experience when we say that there are significant benefits from establishing your headquarters in Vienna, the world’s most livable city, or anywhere in Austria for that matter. Thanks in part to a thriving and supportive community of fellow startup founders, we have enjoyed access to generous government funding via programs like FFG and unique attention from both local and international angel investors and venture-capitalists, all of which have made an invaluable contribution to our overall success.”



Founded in 2010, TourRadar has grown rapidly by providing consumers with easy access to the fast-growing multi-day tour category, with a total addressable market value estimated at \$55 billion. Travellers of all ages are increasingly seeking authentic, off-the-beaten-path experiences when they travel, and TourRadar offers more than 35,000 tours in 200 countries on its platform.

tourradar.com



Travis Pittman,
co-founder of
TourRadar



Marco Ogliengo und Silvia Wang, founders of ProntoPro



“We were really surprised to see how easy it is to do business in Austria – very little bureaucracy, flexible labor laws and simple tax policies. Thanks to our experience, we are unexpectedly considering transforming our Austrian subsidiary into our DACH headquarters.”

ProntoPro

Italy's largest service broker ProntoPro launched its business operations in Austria in 2018 with a staff of 25 employees. Founded in Italy in 2015, ProntoPro is represented there with about 300,000 service providers, one million registered users and about 2.5 million visitors per month, making it by far the national market leader among the service portals.

prontopro.at



“Cutting-edge research in the core areas of robotics such as gripping unknown objects was the decisive reason for locating our research and development facility in Vienna. The good infrastructure and attractiveness of the city also helps us to lure experts outside of Austria for our team.”

aeolus™
robotics

Aeolus Robotics, the artificial intelligence scale-up from Silicon Valley, was established in order to bring the first generation of household robot assistants to life and launch the new products on the marketplace. In cooperation with the Vienna University of Technology, the Austrian R&D team develops technology for robot grasping, object recognition and navigation.

aeolusbot.com



David Fischinger, Manager of Research and Development at Aeolus Robotics, Inc.

The first contact for startups and investors

ABA – Invest in Austria (ABA), as the consulting company for the Republic of Austria, is the first contact for innovative company founders and interested investors.

- **Personal support for founders**
We have experienced consultants who have been with us for a long time, and who are experts in all aspects of company founding. We offer you personal support, and we provide you with all the contacts you need in Austria. → startup@aba.gv.at
- **Extensive information pool**
We provide all the current data on Austria as a business location. We also provide information on industries, technologies and market developments, as well as on political and economic conditions.
- **Expert consulting**
We advise you on the best choice for your first company location. We answer your questions regarding work and taxes; we provide information on the ideal source of funding for you, about co-working spaces, incubators and accelerators; and we help solve problems with the foundation of your startup company.
- **Strong support**
We help with the processing of formalities. We work together with you in researching funding sources, and support you in working with the respective investment promotion agencies at regional level.
- **Sustainable service**
We offer advice and support in the long term. After your project has been implemented, we continue to be available to you as a service center for further investment and development steps.



- Business Location Austria
- Bridge between East and West
- Automotive Industry
- Chemistry / Plastics
- Environmental Technologies & Renewable Energies
- Headquarters Location Austria
- ICT / Telecom
- Life Sciences
- Logistics
- Machinery / Electronics / Mechatronics
- Research & Development
- Tourism
- Starting Business in Austria
- Tax Aspects of Investments in Austria

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