



# Austria\*

\*Launch pad  
for young  
enterprises

[www.investinaustria.at](http://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

12% 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 EY Startup Barometer lists 138 million euros investment into Austrian startups in 2017 – four times more than 2016.



“Vienna has built up all the essentials of a quality innovation ecosystem, including talent, co-working environments, access to markets and access to capital. The rest of Austria, including cities such as Linz, is rapidly following suit, with its corporates also getting ever more open to new ideas. And we at Pioneers are excited to be at the center of this community!”

**Oliver Csendes,**  
CEO Pioneers



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, shall open 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: startablist.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:

- Ensuring a sufficient supply of skilled employees by creating new apprenticeship professions or modernizing existing ones, in any case with a focus on digitalization i.e. 13 new occupations fulfilling the requirements of modern companies
- Reducing bureaucracy for firms, especially for SMEs, by eliminating the need for approval procedures for many facilities. In this way, about 1,000 licensing procedures will no longer be necessary, and about 18,000 companies will benefit.
- Strengthening the service mentality of public authorities
- Lowering the tax burden on entrepreneurs

## 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, such as the Pioneers Festival. 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 Wirtschafts-service 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.

# Half a million in startup financing

## Why is Austria a particularly good base for startups and investors?

*"The scene in Austria is small, but very interesting for investors. For one thing, the Austrian 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 stage funds that operate worldwide. As an investor in startups, Speedinvest has pumped more than 30 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 an initial investment up to 500,000 euros."*

## What makes expansion into Austria attractive?

*"For some startups, Austria is nearby, which makes expansion easier. As an EU member, the legal framework is very simple and stable. At the same time, we are part of a large area that speaks the same language, and we are in a central geographical position. The relatively small size of the market is an important advantage, especially for startups - here, you can expand internationally even at a moderate cost. At Speedinvest, we support many of our international startups with market expansion, often into Austria as well. We also support companies in follow-up financing (Series A and later). We also have an office in Silicon Valley and a partnership with New Enterprise Associates (NEA), through which we can also support the companies in our portfolio later on."*



Speedinvest has been financing startups since 2011. With Speedinvest 2 and Speedinvest x, around 120 investors were brought on board, and the fund size totals 120 million euros.

[speedinvest.com](http://speedinvest.com)



Oliver Holle, Speedinvest



"Implementing international expansion at a moderate cost."

## 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**

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

**runtastic**

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

**paysafecard**

Paysafecard is the European market leader for online payments.

**shpock**

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

**mySugr**

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

**AFFIRIS**

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

**bwin**

Bwin is the largest online gaming provider in the world.

**hitbox**

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

**U)SOUND**

USound develops micro-speakers for smartphones.



## 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
- Internet (8 Mbps) €20

*Total €950+*

### GRANTS



### CROWD FUNDING



### INCUBATORS



### VENTURE CAPITAL



### ACCELERATORS



### ANGEL INVESTORS



**ABA**  
INVEST IN 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 for 220 million euros in 2015, the flea market app **Shpock** (Schibsted), and **Hitbox**, the Austrian video streaming service that was taken over by the US company, Azubu (2017).

The way that a startup from Austria becomes a global player is demonstrated by young companies that have become market leaders, such as **Bwin** (the largest online gaming provider in the world), Paysafecard (the European market leader for online payments), **UBIMET** (the fastest growing private European provider of meteorology services), and **wikifolio**, the online portal for index certificates for financial investments, which was selected by Deloitte as number 9 among the 500 fastest growing companies in the areas of technology, media and telecommunications (TMT).

Many other lighthouse projects, such as **Crystalline Mirror Solutions (CMS)**, **AFFiRiS**, **KIWENO**, **MySugr** and **Scarletred** or **Lithoz** are attracting the interest of international investors for the startup hotspot Austria. Additional financing rounds totaling millions helped to create the following startups in 2017:

## TRICENTIS

Software testing tools for continuous testing

154 million EUR



Supercharging Immunotherapy

50 million EUR

arsanis

Targeted Monoclonal Antibody Immunotherapies

40 million EUR

## miracor

Medical technology for heart attack patients

25 million EUR

## BITMOVIN

Technology for video streaming over the Internet

24.4 million EUR

## U>SOUND

Micro-speakers for smartphones

12 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.

“After a good start with Kickstarter, we have now secured another financing round with three investors, which totals 500,000 euros, and we are getting started in retail and launching a new app. In Austria, with the support ecosystem and the international networking opportunities within the community, we have found the perfect conditions for our growth. We are expanding our distribution network and we are looking for further capital to finance our growth.”



Robo Wunderkind has developed a Lego-like robot, which allows children to learn programming, and is already being used in schools. The startup was founded in 2015 in Vienna by Anna Iarotska (Ukraine) and Rustem Akishbekov and Yuriy Levin, both from Kazakhstan.

[robowunderkind.com](http://robowunderkind.com)



**Anna Iarotska,**  
co-founder of  
**Robo Wunderkind**



Katharina Pirker,  
co-founder of NiLAB



"We chose Austria over other European locations. Funding for technology-oriented startups and competent support, starting with the business plan all the way to the company foundation, are the best and made it very easy for us to decide on Austria."



NiLAB was founded in 2016 by the Italian Marco Gavesi and Katharina Pirker in Carinthia. The company develops and produces miniaturized linear motors for the medical, semiconductor and packaging industries.

[www.nilab.at](http://www.nilab.at)

Vlado Petrushev,  
founder of Minebox



"Austria is a country which has extremely high quality engineering talent who can crack down very difficult challenges and make the solutions simple and elegant. The community is very supportive, and as a startup company you have full access to governmental funds and access to corporates, which allow your business to grow. There is great synergy between the academia and businesses."



Minebox was founded in late 2015 by Vlado Petrushev (USA) in Vienna and offers a decentralized and secure cloud solution, in which private storage capacities can be used for backups, and its own capacities can be offered. Minebox has been collaborating with the US company Sia (sia.tech) since 2017.

[minebox.io](http://minebox.io)

# 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](mailto: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

**In Austria:**

ABA – Invest in Austria  
Opernring 3  
A-1010 Vienna  
Tel.: +43-1-588 58-0  
Fax: +43-1-586 86 59  
E-Mail: [office@aba.gv.at](mailto:office@aba.gv.at)

**Personal support for startups:**

[startup@aba.gv.at](mailto:startup@aba.gv.at)

**Internet:**

[www.investinaustria.at](http://www.investinaustria.at)  
[www.investinaustria.cn](http://www.investinaustria.cn)  
[www.investinaustria.ru](http://www.investinaustria.ru)  
[www.investinaustria.jp](http://www.investinaustria.jp)

