

NEW TRENDS IN BUSINESS INCUBATION

Presented to

2011 APEC INCUBATION FORUM, XI'AN CHINA

Dang My Chau, MBA
Director, TOPICA Ho Chi Minh City
TOPICA EDUCATION GROUP
chaudm@topica.edu.vn

TOPICA
TOPICA EDUCATION GROUP
TOPICA ACCELERATOR



International Business Incubation Trends

TOPICA
TOPICA EDUCATION GROUP
TOPICA ACCELERATOR

Business Incubation Has Become a Major Movement in Asia Pacific

Country	No. of Incubators	No. of Companies incubated
China	670	45,000
Korea	279	4,770
Japan	190	2,375
Singapore	120	1,800
India	110	800
Chinese Taipei	104	1,300
Australia	80	160
Thailand	89	412
Malaysia	110	2,000
Uzbekistan	32	488
New Zealand	10	142
Hong Kong, China	5	200
Viet Nam	11	47
Pakistan	1	9

Source: Asia Association of Business Incubators (AABI); 2009

Third-Generation Incubators Have Diverse Models, Very Different from “Working Space with Services”

	Subsidized office space	Value added services	In-house funding	Others
1st Generation (1980s)	2-3 years			
2nd Generation (1990s)	2-3 years Training; Coaching Mentoring; Networking			
3rd Generation (late 2000s)				
High-growth	Less or none	More intensive For 3-4 months	Equity+debt	Success sharing: equity; profits
Virtual / online	None	Online+ offline		Reach wide geographic area
International soft landing	6m-1yr	Market research Partner/client finding		
Rural	Regular	Regular	Micro-finance	Corporate products/ services for rural distribution

High-growth

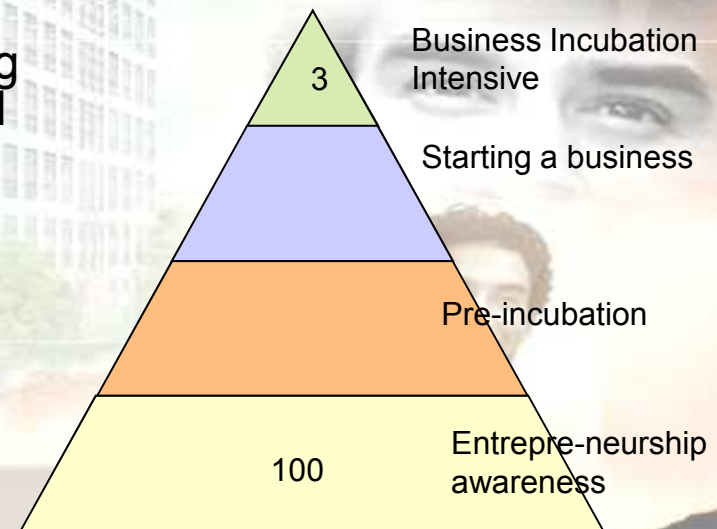
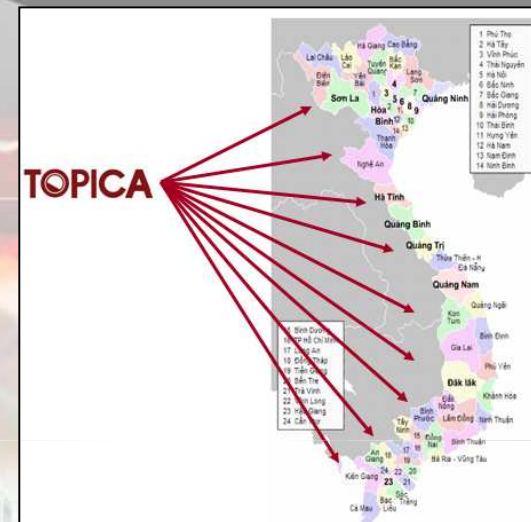
High-growth Incubation

- Intensive services for 3-4 months
- Not necessarily within walls (eg. weekly meetings only)
- Outcome: venture capital/angel funding
- Success sharing
 - 3-7% royalties on gross sales
 - 6-15% equity
 - E.g. NZ, India, Practical Action Sri Lanka
- Incubators having their own seed funds
 - E.g. NZ, India (Technology Development Board)
 - Or formal links to 3rd party finance

Source: Julian Webb; Vice President; Business Innovation and Incubation Australia

TOPICA

- More outreach and virtual/online incubation (out of walls)
 - Reaching many more people and improving impact
 - E.g. Mexico and
 - How to manage and foster peer learning and networks?
 - Using distance learning
 - E.g. CRC-TOPICA in Vietnam, incubating rural community learning centres, Kharkov in Ukraine, virtual office
- Tiered incubation
 - E.g. India : entrepreneurship awareness (100), pre-incubation, virtual incubation (3)
- Satellite incubation
 - E.g. Softstart in South Africa



International soft landing for companies

- International incubation services
 - IBIs, softlandings
 - To help companies enter specific export markets, typically when they are established domestically (at the graduation stage)
 - Eg. Market Access Centre in Silicon Valley, China IBIs for 'returning' scholars
 - Co-incubation
 - Incubating in more than one country at the same time, e.g. Shanghai/Montpellier cooperation
 - Accessing international resources, e.g. MIT, Diaspora, finance, advice, personal channels to markets
- Improving client capability
 - Export readiness – similar to investment readiness

Source: Julian Webb; Vice President; Business Innovation and Incubation Australia

Rural Business Incubation

- Development of technology to address environmental and social needs
 - E.g. farmers, crafts people and Ayala Foundation in the Philippines
 - Villgro in India
- Commercialisation of Grass Roots & Traditional Technology
 - E.g. SRISTI, National Innovation Foundation and Honey Bee Network in India
- Agricultural and food processing incubation
 - Making incubation relevant to rural needs
 - Lots of emerging interest globally

Philips: My Light

(EUR 26-85B revenue potential)

- “Refill” stations for lights
- Customers visit ever other day
- Provides credit
- Can invest / access to credit
- Connect to Philips network
- Generates substantial income
- Creates steady, daily traffic





TOPICA's Contributions to Business Incubation

TOPICA
TOPICA EDUCATION GROUP
TOPICA ACCELERATOR



TOPICA EDUCATION GROUP

Overview

- TOPICA Education Group is the leading high-quality online degree provider in Vietnam
- As of 5/2011: 4,000 enrollment; first batch starting 3/2009 have graduated with exceptional career placement or advancement
- Generating \$1.3M revenues in 2011
- As quality online degree provider to students: First mover with 2-3 years lead and strong brand positioning
- As service provider to universities: Poised for de-facto monopoly position, with 4 university partners and 4-5 more under negotiation





TOPICA EDUCATION GROUP

MEMBERS

TOPICA-HOU Training Center	Online Bachelor's programs with Hanoi Open University
TOPICA-DTU Training Center	Online Bachelor's programs with Duy Tan University
TOPICA-NTU Training Center	Online Bachelor's programs with Nguyen Trai University
TOPICA Amazing English	English-learning social network for kids
TOPICA Pro Banker	Professional skills training for bank industry human resources
TOPICA Accelerator	Founder Institute Vietnam, high-growth business accelerator, virtual incubation, 1000 Bizmen to Teach via Elearning campaign



Microsoft Chairman Bill Gates & Deputy PM Phạm Gia Khiêm launched TOPIC64, 4/2006



Deputy PM Nguyen Thien Nhan accepted TOPICA honorary instructor account, 11/2010

FINALIST OF INTERNATIONAL AWARDS



2007



2008

High-growth

CRC-TOPICA Incubatee Portfolio Since 2004



Hospital management software

- Implemented in 30 hospitals
- Received investment from Fintec
- Graduated with good revenues



Chemical for water and solid waste treatment

- Won research prize from World bank
- Graduated with good revenues

Noi.vn

Online/mobile dating community

- Raised venture capital
- Acquired by YAN TV in 2010

Baomoi.vn

Mobile news service, contextual ads

- Raised venture capital, strong revenues

VSMC

Online/mobile manga community

- Raised venture capital



PC repair on-call service

- Graduated with good revenues
- Franchised to 40+ provinces



LED billboards

- Graduated with good revenues



Value added mobile content

- Received angel investment
- Graduated with good revenues



Elearning software

- Failed



Online communities

- Failed

TOPICA

Virtual /
online

TOPIC64 Initiative: Incubated 64 Learning Centers in 64 Provinces, 2006-2008

Incubatees

- 64 sustainable learning centers in 64 provinces

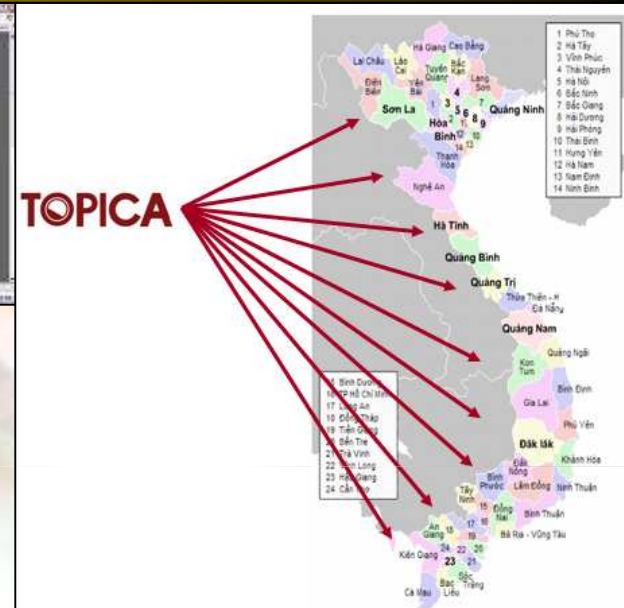
Provided support

- 15-20 PCs, connectivity
- Face-to-face seminars
- VCDs, guidebooks for trainers and managers
- Umbrella brand "TOPIC64"
- Website: marketing tool, e-learning environment, online consultation

Results

- 55/64 sustainable
- Market-driven training on basic ICT skills, 87.000 students

Sponsors



STATISTICS		Sustainability	
Students trained in first 64 TOPIC64 centers	23,062	Level A (out of pocket)	Profitable 45
of which received free training	4,357		Break even 6
Students trained in affiliate centers	85,084	Level B (full operating costs)	Profitable 42
Teachers completed course "Cultivation knowledge for teachers in TOPIC64 Program"	938		Break-even 1
Centers received "UnlimitedPotential" curriculum and VCD1 - Method to lecture follow UP curriculum	426	Level C (full amortization)	Loss 8
			Profitable 41
			Break-even 10
(Updated: 15/04/2008)			



Virtual /
online

ENTREPRENEURSHIP PROMOTION & TRAINING CAMPAIGNS WITH VIETNAM YOUNG ENTREPRENEURS ASSOCIATION

12,000 students; 32 universities



Báo chí nói về TOPICA

Topica tổ chức giao lưu DN Sao Vàng Đất Việt với thanh niên



* Đào tạo trực tuyến khởi sự doanh nghiệp và lập nghiệp tại ThanhGiang.com

Thanh niên: Bất ngờ từ những giảng đường



Với điều kiện 1.000 Doanh nhân góp sức dạy học cho đời, Hội LHTN VN đã vượt đống chương trình 1.000 Doanh nhân truyền kinh nghiệm cho thanh niên thông qua E-learning.

Tuổi trẻ: Doanh nhân làm thầy giáo trực tuyến



Thay vì chờ đợi các trường ĐH thay đổi chương trình đào tạo để cho ra sản phẩm phù hợp với nhu cầu sử dụng của mình, nhiều doanh nhân bắt đầu tích cực tham gia góp sức vào việc nâng cao kỹ năng làm việc thực tế cho sinh viên ĐHQ.

Báo Hà Nội Mới nói về đào tạo cử nhân trực tuyến



Ngày 8/10, tại Hà Nội, Viện Đại học mở Hà Nội đã công bố chương trình đào tạo cử nhân trực tuyến Topica.

Elearning đang trở thành trào lưu



Trong một chuyến công tác tại một quán cà phê, tôi có thể nghe các bài giảng và thực hành nội dung bài học với các giảng viên và bạn bè. Trần Thị Việt Hà chia sẻ.

TBKTSG: Bước tiền mới của Elearning



TBKTSG - E-learning là một hình thức dạy và học được thúc đẩy từ nhiều năm qua ở Việt Nam. Bắt đầu từ hình thức chuyển tải nội dung bài giảng qua các tập tin âm thanh, hình ảnh; giờ đây người ta có thể trải qua E-learning qua môi trường 3D.

Công Thương: TOPICA ứng dụng 3D vào đào tạo trực tuyến



Lần đầu tiên tại Việt Nam, chương trình cử nhân học trực tuyến TOPICA ứng dụng công nghệ thế giới vào 3 chiều (3D), tạo cho sinh viên một môi trường học tập sinh động, mô phỏng như trường đại học thật.

Vietnamnet: TOPICA giới thiệu học Đại học trực tuyến



Sinh viên có thể chọn một "người" trong máy tính để đóng vai, điều khiển "người" đó đi lại trong lớp, người nghe giảng, tham gia thực hành, trao đổi với thầy cô, bạn bè... Chương trình đào tạo cử nhân trực tuyến này được cho là lần đầu tiên có mặt ở Việt Nam.

TOPICA

International
soft landing

TOPICA's International Training 2008: 105 Incubator Managers from 15 Countries



Online Training Course MARKETING FOR INCUBATOR MANAGERS AND ENTREPRENEURS (Extension to Offline Training)

Supported by:



DST
Govt. of India

Offline Training
Organized by:



Online Training Developed
and Managed by:

TOPICA

Complete Exciting On-the-job Assignments

Access Recorded Lectures, Cases, Quizzes

incubator.vn

Get Certificate from APIN

Discuss Online with Trainers and Peers

Topics

- Understand Strategic Marketing**
 - Customers
 - Competitors
 - Company (incubator)
 - Market selection
- Take a look at Tactical marketing**
- 7P of Marketing mix**
- How to build up a marketing plan**
- Marketing strategy deployment**
- Marketing strategy evaluation and review**

OFFLINE AND ONLINE TRAINERS



Julian Webb
Asia Region Facilitator for the World Bank's infoDev Incubator Initiative
Managing Director CREEDA Projects Pty Ltd
Deputy Chairman Business Innovation and Innovation Australia Inc



Tsien M. Pham
Director, TOPICA Emerging Programs
Dean of Banking and Finance, Hanoi Open University



Michi Barcelona
Senior Manager, Ayala Foundation, Philippines



Amanda Kenyon
Consultant at Elton Consulting
Consultant at infoDev
An initiative of the World Bank



Annuar Saffar
Executive Director
Kulim Technology Park, Malaysia
President, Asian Association of Business Incubation



Neowarat Aiyawongs
Director Regional Science Park
Technology Management Center
National Science and Technology Development Agency



K. Suresh Kumar
Secretary, Asia Pacific Incubation Network (APIN)
PSG-STEP, PSG College of Technology



Benjamin Yuan
Vice President, Asian Association of Business Incubation
Editor in Chief of IJBI

And o **TOPICA**

TOPICA cooperated with CASA to run E-Leader Conference in Vietnam (Jan 2011)



- Chinese American Scholars Association (CASA)
- Since 2006, CASA ran 12 successful E-Leaders in Asia and Europe.
- 136 board members (CEOs, managers, professors) from 32 countries
- Enhance leadership, technology, teaching and research skills.
- Ms Dang My Chau (Topica - Vietnam) and Dr. Sidney R. Castle (National University – USA) joint to present the research: Assessing Leadership Traits: A multicultural study of U.S. and Vietnamese administration program students
- Dr. Castle will teach Business English, Research Methods and Statistics for TOPICA students in January 2012

APIN (Asia Pacific Incubation Network) AABI (Asia Association of Business Incubators)

AABI: Association of Associations

- 18 association members
- **VBIC is a member**
- **TOPICA serves as judge on annual award**

APIN: Association of Incubators

- Over 100 members; 18 countries
- **TOPICA is a Steering Committee Member**



APIN Steering Committee

- Ms Mercedes (Michi) Barcelon, Manager, Ayala Foundation Technology Business Incubator Network, Philippines
- Mr HK Mittal, Head of the National Technology Entrepreneurship Development Board, Department of Science and Technology, India
- **Dr Tuan M Pham, Director, TOPICA Education Group, Vietnam**
- Ms Naowarat Ayawongs, National Science and Technology Development Agency, and Thai Business Incubator and Science Park Association, Thailand
- Mr Annuar Saffar, Kulim Technology Management and National Incubator Network Association Malaysia; President of the Asian Association of Business Incubators (AABI).
- Mr Wang Zhen, Shanghai Technology Innovation Centre and AABI secretariat, China.

International
Soft landing

CRC-TOPICA soft-landing client Naiscorp selected into Global Top 20 by WB Infodev (from 750 nominations worldwide)



World Bank Vice President Devan Janamitra with TOPICA and MOET representatives, Helsinki 5/2011



WB Infodev Valerie D'Costa with TOPICA and Naiscorp representatives

Benefits to Naiscorp:

- Sponsorship for international travel to meet investors and partners
- Global PR and credibility
- Already had advanced discussions with Nokia, Finnish telcos, venture capital funds

TOPICA



A Second Wave of Technopreneurship is Coming?

TOPICA
TOPICA EDUCATION GROUP
TOPICA ACCELERATOR

Buzzing Vietnam Technopreneurship Communities Signalling a Second Wave?

- Launch Vietnam
- Savvi
- 5 Desire
- Mobile Developer Community
- Mobile Monday



Vietnam Incubation Scene: Second Wave After the 2008-2010 Crisis?

Vietnam Incubation Club

Endorsed by MOST, MPI, VCCI

Hanoi (northern)

Hochiminh City (southern)

CRC-TOPICA
(elected national representative)

FPT Incubator

Quang Trung Software Park Incubator
(elected representative)

Saigon Hi-Tech Park Incubator

Hoa Lac HTP Incubator

Hanoi Business Incubator (HBI)

HCM UT Incubator

VC Co-
Incubator

Tinh Van
Incubator

Young Startup Entrepreneurs Association

HCM Agri. Univ Incubator

HCMC DOST Incubator

Vietnam Venture Group

Launch Group

SAVVI

Endeavor Global

Vatgia

Founding members
09/2006

Joined
11/2007

New 2010-2011
(2nd Gen)

New 2010-2011
(3rd Gen)

TOPICA

Silicon Valley Coming Soon to Vietnam: 10/2011



FOUNDER INSTITUTE

GLOBALIZING SILICON VALLEY

[Home](#)

[About](#)

[Mentors](#)

[Companies](#)

[Curriculum](#)

[FAQ](#)

[Partners](#)



START YOUR

300+
Graduates

17+
Cities

530+
Mentors

75+
Partners

JOIN THE INSTITUTE

Program in Vietnam

- Global network of startups and mentors that helps entrepreneurs launch meaningful and enduring technology companies

Great People + World Class Training + Aligned Incentives = Exponentially Better Chance of Success

- 8 to 10 Mentors come from Silicon Valley (USA)
- 15 to 20 Mentors from Vietnam and Asia
- 15 weeks
- 50 startups

Rodrigo Sepulveda

Co-Founder and CEO, vpod.tv

- Raised \$5.1M funding with vpod.tv
- Invested in amiando.com and trigami.com



Phil Libin

CEO, Evernote

- Raised \$100M in funding for Evernote
- Founded Corestreet which sold for \$20M in 2009



Gabe Zichermann

Author, *Game Based Marketing*

- Entrepreneur, author, and highly rated public speaker
- Chair of the Gamification Summit



Adeo Ressi

Founder, Founder Institute

- Founder and CEO of Game Trust, Inc
- Founder of methodfive, inc., which he sold for \$88M



Stephen Goh

Founder and CEO, Sanford Securities

- Sanford Securities is Australia's first online stock brokerage company
- Former CEO of mig33 with raised \$32.4M in funding





THANK YOU

chaudm@topica.edu.vn

TOPICA
TOPICA EDUCATION GROUP
TOPICA ACCELERATOR