How does Corporate Venture Capital Emerge? Evidence from the Italian Market

Master's Thesis

Leonardo Manino
(M. Sc. in Finance and Strategic Management)

Lorenzo Cocilio
(M. Sc. in Finance and Strategic Management)

Supervisor: Francesco Di Lorenzo
Pages: 119
Characters (with spaces): 187.350
Date of Submission: 16th September 2019

ACKNOWLEDGMENTS

Leonardo:

I clearly remember the words of our professor Francesco Di Lorenzo during one of the first meetings, when he told us that at the end of the thesis, we would be a better analyst. I am sure that I am now. I really appreciate how you taught us critical thinking, how to challenge the interviewee, and how to ask the right questions. These skills will support me during my career.

Thank you to all the interviewees that found the time to talk with me. I hope that this study will help you in some way.

Eventually, from the bottom of my heart, thanks to my family and friends. You supported me during this journey at Copenhagen Business School and throughout this thesis, as you always do.

Lorenzo:

A sincere thanks to our supervisor and professor Francesco Di Lorenzo. I truly appreciate the trust you offered us. Your feedback and insightful comments have guided us throughout this research and definitely made me a better "scholar" than I was just a year ago. I'm sure that your advice throughout this period will influence my career as much as my persona.

Thanks to who was there for me, who is here for me and who will be there for me, unconditionally: E., P., M., C., O., S., L., M., G., F.

ABSTRACT

To date, scholars focused mainly on answering the questions of the impact of corporate venture capital investing on investee's performance and parent firms' patenting output. We investigated what leads to a firm's first Corporate Venture Capital investment. We drew from researches in the areas of industry inception and organizational learning to elaborate a preliminary conceptual framework of the emergence of Corporate Venture Capital within a firm. We then conducted a case study on the phenomenon in Italy, a context where it is not mature yet. Evidences from the case suggested that few conditions - absorptive capacity developed through R&D investments, technological ferment, financial slack and no- resources and competitive intensity - will prepare the firm for being triggered by particular events, such as the need to access new technologies or industries and the research for synergies, which will drive the firm in an incubation period. During the incubation, actors internal and external to the firm will perform a series of actions - namely deal origination through corporate referrals, internal technical due diligence, deal, and CVC sponsoring, deal evaluation, structuring, and approval - to execute the first corporate venture capital investment. We integrated the framework with the proceedings of the case to present a suitable model of Corporate Venture Capital emergence. We hope this model will spur future research on the evolution of Corporate Venture Capital as a strategic tool for corporations. It is crucial to address the full picture of how companies can use this mode of external corporate venturing to maximize its impact on entrepreneurial dynamism, rate of technological innovation, and economic growth.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

CHAPTER 1: Introduction

This first chapter serves as an overview of the theme, introducing the reasons behind the selection of this topic. Firstly, we present the subject of our research, and we explain our point of view. Secondly, we show its importance and relevance based on its contemporary significance and our curiosity. Later, due to the high number of variables that could have been considered in our analysis, we present the topic limitations. Due to the structure of a master thesis, we decided to limit our study, focusing our work on a narrow and specific topic. Many potential studies could start their analysis founding their research on this paper and additionally take into account more variables. Successively, we dedicated a section to present the overall thesis structure.

The study empirically illustrates how certain conditions inside and outside the firm have a role in our model. We defined them as I*nitial Conditions*. The Initial Condition, as the pre-existing level of resources endowments, the stock of knowledge inside the firm and more, can increase the chances to see the presence of a *Trigger Events*. When one or more Trigger Events happen, that situation triggers the firm's interest in pursuing CVC activities. We present, thanks to the application of the expertise from a different set of literature, how these Trigger Events are not alone in influencing the firms' decision to pursue CVC. Many variables have a role in the exposure of the firm to the CVC. In building the model, we consider how the organizational learning process is present during the evolution of the phenomenon.

After presenting the Trigger Events, our model proposes an *Incubation Period* in which the firm continues to learn in different ways how to properly perform the CVC. We introduce who are the *Actors* in this stage of the model and the various *Actions* that the firm undergoes. This part ends if, during the part of the *Deal Evaluation*, the company and the new venture find an agreement. Otherwise, continue the phase of Incubation. Eventually, if the Deal Evaluation terminates successfully, the firm enters in the Emergence with the achievement of its *first CVC activity*.

To generate the *Conceptual Framework*, we deepened the literature of many subjects that we thought that take a central role in the development of the CVC. The researches about CVC has had the initial attention, allowing us to understand the gears that make the CVC operative. Furthermore, we studied the literature of organizational learning, capability formation, knowledge management, R&D, corporate entrepreneurship, inter-organizational relationship formation, venture capital, technological links, social ties, innovation, technological change and more.

1.1 Topic

The purpose of this research is to design a model that identifies the principal phases that large firms go through when it comes to perceiving, approach, understand and eventually implement minority equity investment in privately-held ventures with high innovative potential. As explained by Gompers and Lerner, this form of investment is called Corporate Venture Capital (CVC) (P. A. Gompers & Lerner, 2000). CVC is one of the Corporate Entrepreneurship forms thanks to which, large firms acquire innovations and can tap into new ventures offering original disruptive capabilities and prompt renewal within the corporations (Sharma & Chrisman, 2007).

So far, the literature regarding the topic of CVC has not had the exposition that, on the other hand, has had the Venture Capital (VC). Moreover, it is not clear how, when, and why the phenomenon of CVC emerges. In particular, we want to create a clearer understanding of which are the phases that corporations undertake to produce the first CVC activity. It is not clear the sequence of events that makes, typically a group of firms circumscribed in the country, to begin to develop a CVC system. The system that in the future, can be able to generate multiple investments.

We aim to create a model that explains the emergence of CVC, identifying the different phases and steps that allow the seeds of CVC to farm. Furthermore, as this paper is the first one of its kind, we chose to create a generic conceptual framework that researchers can apply, test, and improve. Since we are interested to understand the level of emergence of CVC in Italy, our motherland, after presenting the framework, we will test and show our result about the Italian CVC market.

1.2 Problem Statement

The model explains the path that a firm undertakes in its approach to do CVC. In the beginning, it delineates the contingency factors and the internal elements of a firm that can boost the utilization of this form of investment. This utilization has an impact both for the firm that invests and for the venture that receives the money, leading to economic growth (Dutt, 2006). Gary Dushnitsky, an associate professor at London Business School, proved in collaboration with Michael Lenox, a professor at Duke University, that CVC is related to the conception of firm value creation (Dushnitsky & Lenox, 2006).

Our idea is that if the firms are aware of the initial conditions, trigger events, actors, and situations that affect the emergence of CVC, they can recognize the patterns of this phenomenon and take the right actions to put in practice and manage in the right way this investment tool. Moreover, we think that with the current speed of technological change, and the level of uncertainty that this situation brings in some industries, firms will benefit from a literature that shows how in the past and nowadays the CVC emerges and allow the firm to remain competitive thanks to a prompt and flexible way of potential acquisition of innovations (Wadhwa & Kotha, 2006).

Research Question: how does Corporate Venture Capital emerge within a firm as an investment method and strategic tool?

1.3 Research Significance

Our study has two main goals. The first one is to enrich the literature of Corporate Venture Capital since we did not find any existing paper that covers this argument. Combining the know-how from a different set of literature crucial in the creation of capabilities in an organization, we believe that our approach can support the creation of other Evolutionary Models regarding other growth strategies.

Secondly, we want to provide a tool that can help our society to create growth via understanding how CVC works. Understanding which are the gears that make the CVC's engine works could make it easier to replicate and offer a chance of improving the whole ecosystem.

The venture capital activities (VC) cover a section over the total financial market that injects liquidity into a privately held venture. These investments made by the VC investor make an impact, resulting in a better employment rate, boost of innovations, and the overall creation of firm value (Gervasoni & Bollazzi, 2012). This point to the relation between VC and CVC that, as a highlight by Gaba and Meyer in 2008, CVC adoption follows the success of VC and shares the role of supplying cash into new ventures (Gaba & Meyer, 2008).

1.4 Topic Delimitation

Choosing the case to be studied and determining the boundaries of the study is a crucial factor in defining a case study (Saunders, Lewis, & Thornhill, 2016). In our case, we saw that many aspects of Corporate Venture Capital had not been covered yet or request further research to explain the rationale behind the emergence of this tool further. Since our inability to cover many topics with the time constraint that is linked with a Master Thesis, our thesis delimitation is grounded and leaves space for future researches.

The study does not cover the performance of the activities analyzed. As explained above, the scope is to have a better understanding of the process that brings a firm to the first CVC activity. For this reason, we conclude the analysis of the first activity of CVC that we found in a firm, without investigating the future development of CVC within the firm. Another point worth noting is the screening on the investments: the study does not discriminate against the investment dimensions.

The researchers limited the study to the emerge of CVC, and its scope is not linked in any way to the comparison with the Venture Capital. The knowledge and researches about the Venture Capital environment have been used to better understand the context of minority equity investment in new ventures.

1.5 Structure of the Thesis

This section aims to illustrate the ideas contained in each follows chapter of this thesis.

Chapter 1, INTRODUCTION

This chapter illustrates the topic of the study with the limitation of the case, the reason behind the choice of this topic, our research question, and the aim of the thesis.

Chapter 2, LITERATURE REVIEW

In this chapter, we briefly review the literature on Corporate Venture Capital, Organizational Learning, and Industry Evolution. This is essential since we also use this knowledge as a background for the model.

Chapter 3, CONCEPTUAL FRAMEWORK

Here we present the Conceptual Framework based on the historical evolution of CVC and the literature reviewed in the previous chapter. In this section, we start from the beginning of the model, and we build the model on top of it, representing the evolution of the model until the first activity of CVC.

Chapter 4, CASE DESCRIPTION

Since we test the Conceptual Framework on the Italian Country, we describe the Italian situation under a different point of view that is useful to the reader to visualize the situation in Italy better.

Chapter 5, METHODOLOGY

The chapter discusses the methodology and the research setting employed in this study. The different sections explain the reason behind the choice of qualitative research, its design, how data have been collected and analyzed.

Chapter 6, FINDINGS

The findings for each part of the Conceptual Framework are displayed and analyzed in depth. The last two sections of the chapter present the model that emerges from the study of the Italian case and concludes.

Chapter 7, DISCUSSION

Here we go deep in the examination of the results; we acknowledge the limitation of this research, and we suggest future studies. The practical and theoretical implications that can be developed starting from this Master thesis are presented to conclude the chapter.

Chapter 8, CONCLUSION

The chapter wraps up the study and underlines its essence.

CHAPTER 2: Literature Review

2.1 Introduction

Conditional to the rationale presented in the previous chapter, the following part introduce a theoretical review that examines the body of theory that we gathered regarding the topic of Corporate Venture Capital. A subset of relevant literature has been chosen to support the discussion of the theme. The approach of theoretical review has been selected because typically used to establish a lack of appropriate theories or reveal that current methods are inadequate for explaining new or emerging research problems (Saunders et al., 2016).

This chapter has eight sections. Section 2.1 is the introduction; Section 2.2 presents the definitions of CVC and the key concepts necessary; Section 2.3 Explain the reasons that bring a corporation to pursue minority equity investment in startups. Section 2.4 shows the historical evolution of CVC activities divided into the waves that happened. Section 2.5 shows the different steps that have a place in the process of doing an operation of CVC; Section 2.6 illustrates the findings regarding organizational learning and how it happens. Section 2.7 display how does an industry emerge, followed by the conclusion.

2.2 Key Concepts and Definitions of CVC

Corporate Venture Capital

We found that many slightly different definitions of Corporate Venture Capital (CVC) have been used throughout its historical evolution. For the critical role of the phenomenon in our research, we decided to use the definition given by Dushnitsky and Lenox. Their interpretation indicates the CVC as "minority equity investment made by a corporation in a privately held entrepreneurial ventures" (Dushnitsky & Lenox, 2005b).

Depending on the strategic focus and types of funding, many firms choose to invest through vehicles established with this scope. Three different operating models can be identified:

- direct investment: the corporate invests directly off the balance sheet in a venture, without setting an "ad hoc" vehicle;
- internal fund: these are captive funds that benefit from greater autonomy where the firm acts as the only investor;
- subsidiary dedicated fund: independent vehicles, external to the firm. The firm still owns the fund and acts as the principal partner.

For this research, the main point is that the corporation has access, directly or using a participated firm, to the knowledge of the venture financed. Therefore, we decided to include all three models on top of the definition mentioned above (British Private Equity & Venture Capital Association, 2013).

Difference between CVC and VC

The purpose of this section is to identify what is the main difference between Corporate Venture Capital (CVC) and Independent Venture Capital (VC). Above all, CVC is done by a corporation while VC is an independent fund investing in innovative startups.

In their analysis, Lantz, Sahut, and Teulon (2011) shown that the main difference between CVC and VC is the way they use the fund of the partners. Hence, VC invest for financial reasons, giving equity to the ventures, hoping that the startups will grow to have a profitable return on the investment. When this happens, the investors will sell the minority equity holding of the startups. On the other hand, even if also CVC expects that the startup will grow, they also obtain other advantages from their investments. To cite some of them, CVC usually shares with the new venture its knowledge, plants, experience, competitive advantages, R&D, managerial skills, consumers, suppliers, and distribution channels (Lantz, Sahut, & Teulon, 2011).

These facts, however, evidence only the positive aspects of CVC. Partnering with a CVC might also lead to risks. For instance, what can happen due to business strategies is that the CVC and the startup paths are not aligned anymore. If this happens, it could cause the undertaken of activities that could negatively impact the growth of the new venture (Dushnitsky & Shaver, 2009). Another significant risk that the startup face partnering with CVC is the possibility that the corporation is investing in the firm not to make it grow but because they want to take the innovation or technology that the new venture is in possess (Katila, Rosenberger, & Eisenhardt, 2008).

2.3 Reasons behind the CVC activities

2.3.1 CVC as External Growth Strategic tool

CVC is the channel that allows the company that buys minority equity stakes of startups to have a different approach and degrees of access to the proprietary knowledge of the new venture. CVC is not the only tool that firms use to obtain innovation and insight from the external world. There are many ways to acquire know-how, technological breakthroughs, and innovations. All these ways fall under the so-called inorganic methods. As presented by Gilbert in 2006, the inorganic methods have more impact when the degree of diversity from the core capacities is large. The broader impact is led by the fact that acquiring knowledge directly outside the own company, investors have the opportunity to be much faster. On the contrary, when the firm develops something internally in the department of R&D, the result is proved to be slower with steady growth for the firm (Gilbert, McDougall, & Audretsch, 2006). In addition to CVC, to grow externally, the firm can take action by acquiring firms or by creating alliances.

Regarding the latter, according to a research made in 2002 by Park, alliances are strategically preferred in growing markets to promote venture development. Acquisitions, instead, are preferred when the company's goal is to enter a new market, avoiding the development phase of additional capabilities. Acquisitions are also chosen in a situation where the firm wants to improve its core business, indirectly hire the management, the labor and eliminate the competitors (Kor, Mahoney, Siemsen, & Tan, 2016).

2.3.2 CVC purpose: Financial vs. Strategic reason

Beforehand we explained that the CVC is also used to acquire knowledge and innovation from external ventures. This is one of the two main reasons for which a firm does CVC activities, and it is included under the Strategic Reasons.

On the other side, there is a group of pure Financial Reasons. In this case, the firm launch and implement CVC activities with the goal of, more likely to VC and Private Equity firm, increase the economic value of its investment and to obtain a positive return on the investment.

2.3.3 Strategic Reasons

Literature assesses that the principal reason to undertake CVC investments is to access to new technologies. This is supported by multiple surveys where managers ranked the access to new technologies as the first reason to invest through this instrument, as the possibility to get in contact with innovative technologies and with the market in which they are used (Benson & Ziedonis, 2009). These surveys covered a large sample of companies. For example, the one done by Benson and Ziedonis in 2009 analyzed more than 240 deals made by 34 firms.

Despite the predominance of strategic benefits, also the financial ones are relevant. In 2011, Lantz, Sahut, and Teulon in their analysis of the top 142 US firms and of the top 142 European tech firms for market capitalization, found out that even if the strategic benefits prevail the financial one, seven out of ten interviewed said that they take into account also financial aspects when evaluating a deal. Further, half of them highlight that the financial return is required (Lantz et al., 2011).

Within strategic benefits, we can also include the opportunity to acquire skills from the employees of the new venture. When firms need highly skilled people with experience, buying a new enterprise might be a faster solution (Wadhwa & Kotha, 2006).

2.3.4 Financial Reasons

Strategic benefits are not the only ones that CVC's operations can bring to investors. Financial benefits are the other big reason to do so. When this is the main scope, corporations act similarly to a VC fund investing in a new venture, not for a strategic advantage that the operation could bring but purely for the return on the investment. In this case, investors look for startups with a high potential growth rate and then decide to participate in its equity until the moment in which the value of its investment has increased enough. At this moment, the investor decides to sell its participation, bringing back a satisfying revenue stream.

This type of CVC investment has been analyzed in many pieces of research. In their study, Gompers and Lerner, 2001, discovered just after the tech bubble that many firms saw the CVC investment as a way to achieve a good return on the investment. The hype caused by the expansion and importance of tech firms such as Yahoo or eBay has been fostered by the excitement around this kind of firms, increasing two times their value in the day of their IPO, guaranteeing a good return for the investors that exited right after it (P. Gompers & Lerner, 2001). Ritter has illustrated the described phenomenon of a notable increase in the market value of some firms. In his research, he showed that during the tech bubble, in the years 1999-2000, nearly 25% of IPO had a twofold value the day after of the listing while, in between 1980-1998, this result occurred only in the 0,9% of the IPO (Ritter & Welch, 2002).

2.3.5 A step further with the Chesbrough Model

After understanding the two reasons that are behind the choice of pursuing CVC activities, Chesbrough (2002) went further explaining a focal and exclusive point in the Corporate Venture Capital. His research has been influential since the previous papers failed to take into account the degree of integration that the investors decide to apply to the new ventures. In his work published in 2002, he explains how is relevant understand the level of connection between the startup and the operational competences of the investor. To be more significant and applicable, he designed the following model:

Combining the degree of integration with the reasons behind the corporate investment, he came out with four categories:

1. Driving

Combination of Strategic objectives and a close bond with the operational competencies where there are strong synergies and advantages in sharing the knowledge and know-how of the startup. The closeness may enhance the growth of both firms. Usually, the startup operates in a sector where the firm would like to explore, and, with these initiatives, the investor saves time and has a better understanding of the value of the specific sector, product or service. Perhaps, the integration of a new venture might upgrade a current product or a service already existing in the business of the corporation (Chesbrough, 2002).

2. **Enabling**

Combination of Strategic objectives and a loose bond with the operational competences, where there is a strategic foundation behind the operation but there is not the necessity to be integrated in order to reach success. Perhaps, the benefits for the investor's business will derive from the success of the development of the new venture, as complementary assets or just as the ecosystem around the firm itself, boosting the business of the investor (Chesbrough, 2002).

3. **Emergent**

Combination of Financial objectives and a close bond with the operational competences, meaning that the new venture business is not currently inside the range of action of the investor's strategy but if there will be an adjustment their plan, the startup will support it, enabling the investor to get competitive advantages (Chesbrough, 2002).

4. **Passive**

Combination of Financial objectives and a loose bond with the operational competencies with the most probable outcome as a financial return if the new venture growth. Sometimes there could be a little relation between the strategy of the investor and one of the startups, although this is very improbable, and it can happen only in cases of radical changes. The investor act as a Private Equity firm (Chesbrough, 2002).

2.4 Historical Development of CVC activities

A fundamental step needed to understand CVC's evolution is to explore its history. Examining the past gives us the possibility to acquire consciousness of which events, at an internal and external level, are recurrent in the past. Afterward, based on the actual past occurrences, we can delineate the patterns and variables that took a central role in the creation and evolution of the contemporary form of CVC.

There has been a cyclical pace in CVC history, and this structural evolution finds support by many pieces of research (Cumming, 2012; Dushnitsky, 2011; Landström, 2007). For this reason, a subsection presents the main periods of expansion, the reasons for each decline, and an in-depth analysis of the main events that triggered the development of each period will close the study.

The First trace of CVC

DuPont Company made one of the very first CVC investments and, even if this event was not a generator of a real wave of CVC activities, it is worth noting because it raised in an unstructured and inexistent CVC environment. It all started during the beginning of the First World War, in DuPont Company where the Treasurer was a passionate fan of the motor vehicle industry. He convinced the CEO to purchase a minority equity stake in General Motors. His strategic point of view was that, after the end of the war, the motor vehicle industry would have experienced exponential growth. A few years later, the upward trend in that industry led to a boost in the sales of DuPont's products as well, which were complementary to those of the motor vehicle industry (Monks & Minow, 2008).

The four waves time range

The first wave started in the mid-1960 and began its decline in 1973 when the oil price crisis hit the stock market, drying the liquidity of the firms. The beginning of the 80s set the start of the second wave, which collapsed in 1987 with the stock market crash and the ensuing plunge of IPOs. A few years later, at the beginning of 1990, the third wave rose with exuberance and lasted until the first days of the 21st century. Eventually, a few years into 2000, it began the current wave that it is still going on (Landström, 2007).

The events and driving factors behind each wave

The previous paragraph called our attention to one of the crucial points in common to all the waves: the financial markets situation. As long as there is liquidity and the financial markets attract investments, firms are positively inclined to create new ventures and CVC activities bloom. As soon as the markets are not able anymore to sustain the request of liquidity, CVC fades.

The analysis will now direct to the driving forces that led to the creation of each wave. Hereafter, an overview of the outcomes derived from the work of Cumming, Dushnitsky, and Landström.

I Wave

Three trends speak out when it comes to this wave and, in some extension, they are beneficial to each other.

Firstly, many VC funds were performing well, so the corporations realized that investing in new ventures could have been a powerful tool to address and solve some corporate needs. Corporate needs as the research of additional return on investments and the development of the firm. This development was researched targeting innovative startups in their industry and by spinning out in-house employee projects.

Secondly, the development of the postwar American economy, gave firms the monetary resources to pursue this recently emerged way of investing.

Lastly, the Great Depression in the USA sparked some crucial changes in the legislation. Intending to control and better regulate the market, the government imposed some antitrust regulations to avoid the dominance of a single firm in a specific industry. The new rules led corporations to follow a diversification strategy and to invest in new ventures perfectly fitted this approach (Landström, 2007).

.

II Wave

The release of the personal computer has been a critical innovation that interested many firms: everyone wanted to get a piece of the pie. This event was one of the biggest and most incredible in history, a new device that would have changed everything. Firms were attracted from this investment for either the potential financial return and for the promising business improvements. Besides, some firms feared to become out-of-date if they would not take action protecting themselves. The innovation and insurgence of the PC in the IT industry pushed the electronics sector as a supplier of the IT industry.

Secondly, changes in the legislation about pension funds brought a large quantity of money to the VC funds. These funds were performing well, consequently attracting companies to pursue corporate venture capital activities.

Thirdly, in 1980, a reduction in the taxation of capital gains was introduced, creating additional incentives and availability of capital for investments.

Most of these events happened in the USA; many foreigners' firms that wanted to access these technologies had to invest through CVC to enter the market (Landström, 2007).

III Wave

The most relevant event initiating this wave has undoubtedly been the Internet. This innovation created a technology explosion in the Internet-related startups and led to the dot-com era.

Many successful firms run a CVC fund and who did not run a fund yet, decided to start as well with the willingness to catch up with them. The example of some tech firms having a huge success convinced many CEOs to begin looking into CVC. Furthermore, they opened their strategy to external innovation, trying to be more dynamic and forward-looking (Landström, 2007).

.

IV Wave

The technological innovations previously mainly concentrate in a few industries, became more present in different sectors such as semiconductors, biotech, telecommunication, and energy.

The financial markets were recovering after the dot.com bubble and firms signing for the National Venture Capital Association in the US increased over again after the 2003 crisis.

As happened before, the presence of a strong innovative environment and the success of some firms attracted even more firms. In this wave, smartphones and the acceleration of the social network industry had a crucial role in the prospering of CVC. Many firms wanted to prevent the risk that other firms would get their hands-on innovations before them and CVC was an excellent tool to scout startups and explore new industries (Cumming, 2012; Dushnitsky, 2011; Landström, 2007).

2.5 Common practices in a CVC investment

One area that has had significant attention in the literature of CVC is how companies undertake this type of investment. Most noticeably, Souitaris and Zerbinati focused their study on the standard practices in a corporate venture capital investment placed within the typical stages of a VC investment. These stages are deal origination, screening, evaluation and due diligence, structuring and approval, monitoring and value-adding (Robbie & Wright, 1998).

In the stage of deal origination, referrals are not only coming from trusted business partners, entrepreneurs, and VCs. Similarly, contacts within the business units might result in referrals. The emphasis on corporate references varies from case to case, being sometimes crucial and sometimes less responsible for the deal flow (Souitaris & Zerbinati, 2014).

The main three reasons for the unique presence of corporate referrals are signaling the strategic fit of a deal, creating a perception of engagement and good citizenship and reducing information asymmetry using the technical competences of the corporate contacts (Hill & Birkinshaw, 2014; Souitaris & Zerbinati, 2014).

Successively, CVCs look for relevant new ventures for their parent's company across industries as either suppliers or potential customers; CVCs screen deals employing strategic and financial potential as main criterions (Souitaris & Zerbinati, 2014). In some cases, a strong emphasis is placed on strategic potential, enforcing strategic fit as the primary investment criterion; in other cases, the strategic potential is perceived as either on a par with or secondary to the financial criteria. Strategic potential for the parent company is employed as a deals' screening criterion for two distinct reasons. Firstly, CVC activities are constrained by their parent's company strategies. Secondly, the strategic fit of deals signals engagement with the corporation to the parent's company senior executives (Souitaris & Zerbinati, 2014).

CVCs also advise the business units about emerging markets and technologies. Sometimes, CVCs carry out a broad search to expand the strategic horizon of the parent, while in other cases the CVC units collect information within a focused scope of industries and technologies determined by the business units' strategy. CVCs provide feedbacks to the corporate business units to maintain their strategic connection with their parents. Feedbacks are essential since they help redefining the corporate strategy (Benson & Ziedonis, 2009; Dushnitsky & Lenox, 2005a; Ernst, Witt, & Brachtendorf, 2005; Keil, Autio, & George, 2008; M. V. J. Maula, Keil, & Zahra, 2013; Narayanan, Yang, & Zahra, 2009; Schildt, Maula, & Keil, 2005; Smith & Shah, 2013; Souitaris & Zerbinati, 2014).

Unlike VCs, CVCs usually rely on corporate resources within the business units to carry out technical due diligence to evaluate the technological potential and the fitting with the already owned technologies (Souitaris & Zerbinati, 2014). Emphasis on internal technical due diligence differs from case to case. Involving the technical expertise of internal business units can reduce information asymmetry and adverse selection as well as signal engagement with the parent company (Narayanan et al., 2009; Robbie & Wright, 1998). Moreover, at the stage of the deal evaluation and of the due diligence, securing a sponsor within the parent company is a valid test of strategic fit and resource commitment (Souitaris & Zerbinati, 2014).

During the deal structuring, CVCs do not focus on networking with similar funds but rather with independent VCs. Indeed, independent VCs offer mutual benefits and resources (Keil, Maula, & Wilson, 2010; Souitaris & Zerbinati, 2014). Afterward, CVCs involve their parents' company at the time of the deal approval, but the actual extent of the corporate involvement varies from case to case. This involvement is done to safeguard the strategic fit of the investment, enhancing the sense of belonging to the parent, and giving access to the corporate expertise and knowledge (Souitaris & Zerbinati, 2014).

Finally, in the post-investment deal-monitoring phase, the CVCs provide advice and act as resource intermediaries between the parent company and the new venture. They facilitate startup's access to parent's company reputation, marketing, and technical capabilities (Souitaris & Zerbinati, 2014). Some CVC funds focus on adding value by conferring access to tangible resources (e.g., labs and market information) and adopt this practice with all the newly funded. Other funds choose the practice selectively (not for all the portfolio companies) or concentrate their focus on delivering intangible reputational benefits rather than tangible support (Souitaris & Zerbinati, 2014). This effort aims to shape ventures' trajectory toward a path strategically synergic with the parent's company and to link the enterprise with the rest of the corporation (M. Maula, Autio, & Murray, 2005; M. V. J. Maula, Autio, & Murray, 2009; Souitaris & Zerbinati, 2014).

2.6 Organizational Learning

Keil (2004) identified that Corporate Venturing, which includes CVC, M&A, and Strategic Alliances, has a Process Learning. During Process Learning, firms learn how to work in a different business area, and this process creates new knowledge and competencies. At the same time, firms learn how to test the knowledge acquired and to weight the information retrieved (Keil, 2004).

This study would have been complete if it had taken into consideration the evolutionary phases that occur in CVC. To fill the gap might be useful to apply the Five Organizational Learning Process proposed by Huber in 1991 to comprehend better how the learning process is carried out (Huber, 1991).

Huber (1991), in his study, divided the learning process according to the context from where the learning comes. Hereafter briefly described the five different learning types.

2.6.1 Congenital Learning

This learning consists of the cultural heritage that the founder of an organization brings in at the creation of the organization. This knowledge will be shared inside the new firm and will determine which path the organization will take and how it will face the obstacles that it will meet. For its nature, congenital learning cannot happen after the foundation of the organization (Huber, 1991).

2.6.2 Experiential Learning

This form is also known as "learning-by-doing," and it consists of the education given through the experience acquired through events and situations that can be both intentional and unintentional (Huber, 1991).

2.6.3 Vicarious Learning

Firms that want to improve their performance and learn how to do business can look to the competitors doing what the firm would like to accomplish. To gain information from competitors, firms can use different tools. For instance, the firm can collaborate with consultants, professionals, and through networking. In addition to these tools, it is also possible to access to information through publications and collaboration with vendors and suppliers of the competitors. These tools of corporate intelligence aim to acquire information about the strategies and the practices that could lead to imitation (Huber, 1991).

2.6.4 Grafting Learning

To access to expertise and knowledge, instead of pursuing the internal development and training that would take time, the firm looks for them outside of the company. In this process, firms purchase an organization with the skills and the knowledge needed or hire new employees with the required expertise. This action is more common when the firm wants to reach specific needs in a short time (Huber, 1991).

2.6.5 Searching and Noticing Learning

With this model, firms try to access new information by looking to their environment to create new knowledge. Huber (1991) presented different ways to search the information:

- The firm can “*scan*” the environment looking for changes.

- The firm can start “*focused researches*” to deal with obstacles or opportunities in a specific context that can be internal or external to the firm.

- The firm can “*monitor*” its performance to define if its operational activities are efficient and are contributing to reach the aspired goals.

Another process to acquire information is “*noticing*,” and it occurs when the firm collects the information about the internal situation and the external conditions without the intention to intentionally collect the information (Huber, 1991).

2.7 The Inception of an Industry

In the recently published research of Agarwal, Moeen, and Shah (2017), the authors analyzed how the inception of the industry. This paper not only filled some gaps in the literature, but it is also a good starting point to define the evolutionary steps that have a place in the advent of CVC in a corporation.

The authors explain that before the commercialization of a product, that might also identify the birth of a new industry, there is an incubation stage. This process, which includes actors and actions from inside the company itself, is the consequence of so-called “trigger” events (Agarwal, Moeen, & Shah, 2017).

The three mentioned authors presented the trigger events as occurrences that generate new interests to reach goals. In their research, they indicated the presence of several triggers, and they analyzed three main types. The authors highlighted that these are not covering all the possible ones.

The three triggers illustrated by the authors are:

1. The introduction of new scientific or technological innovation;
2. Unmet user needs;
3. Mission-oriented grand challenges.

Once that one or a combination of them occur, the incubation stage begins. The authors define the duration of this period until the commercialization of the product. Throughout this period, many actors take different actions, behaving as entrepreneurs and innovators, and gathering knowledge from their past and experimenting with new ideas.

Further, the researchers highlighted the fact that multiple incentives could create different trigger events that will lead to the beginning of the incubation period. In this phase, actors can have different backgrounds and engage in actions that do not follow a predetermined path. Recursive and simultaneous actions characterize the incubation period. The various actors share their knowledge, experiment, and take actions to give directions. Once the industry's inception happens, the newly born industry itself will follow (Agarwal et al., 2017).

2.8 Conclusion

Chapter Three has covered the literature review of Corporate Venture Capital to allow a formative understanding of the thesis material and the identification of research gaps. Other pieces of literature have been reviewed to investigate the design of the Conceptual Framework. The definition of CVC has been discussed, the differences with the VC and the purpose of CVC has been explored. A step further has been taken into the Chesbrough Model. Later, the historical evolution, the steps of a CVC activity, the different learning processes possible in the Organizational learning, and how an industry emerges has been discussed. The next chapter proposes the Conceptual Framework that will be necessary to lead us to the research question.

CHAPTER 3: Conceptual Framework

3.1 Introduction

The reader is introduced to the Initial Conditions to explore and understand the model concerning how a firm decides to start exploring the CVC investment tool.

The Initial Conditions are variables that are present before a firm begins its CVC's activity. These initial conditions, similarly, to the trigger events which launch the firm throughout the process of considering carrying out a CVC investment, can be both internal and external to the firm. Furthermore, both initial conditions and trigger events are covered by uncertainty. For this reason, the model hereafter presented wants to identify a recurrent path that the firms follow, with awareness or not, in their route to their first activity of CVC.

The model forecast that each stage of advancement is related to different factors. The firm experiences the presence of one or more trigger events that activate the rise of CVC's interest inside the firm. To reply to this demand, the firm initiates a learning process that is present since before the firm's realization that the demand is arising. In fact, yet the initial condition affects the learning of the firm.

The presence of Trigger Events in itself, however, does not determine the choice to pursue CVC. The initial conditions, at the firm, industry and environment level, enhances the chances of one or more trigger events impacting the decision making of pursuing CVC activities. The next figure is a visual representation of the theoretical model.

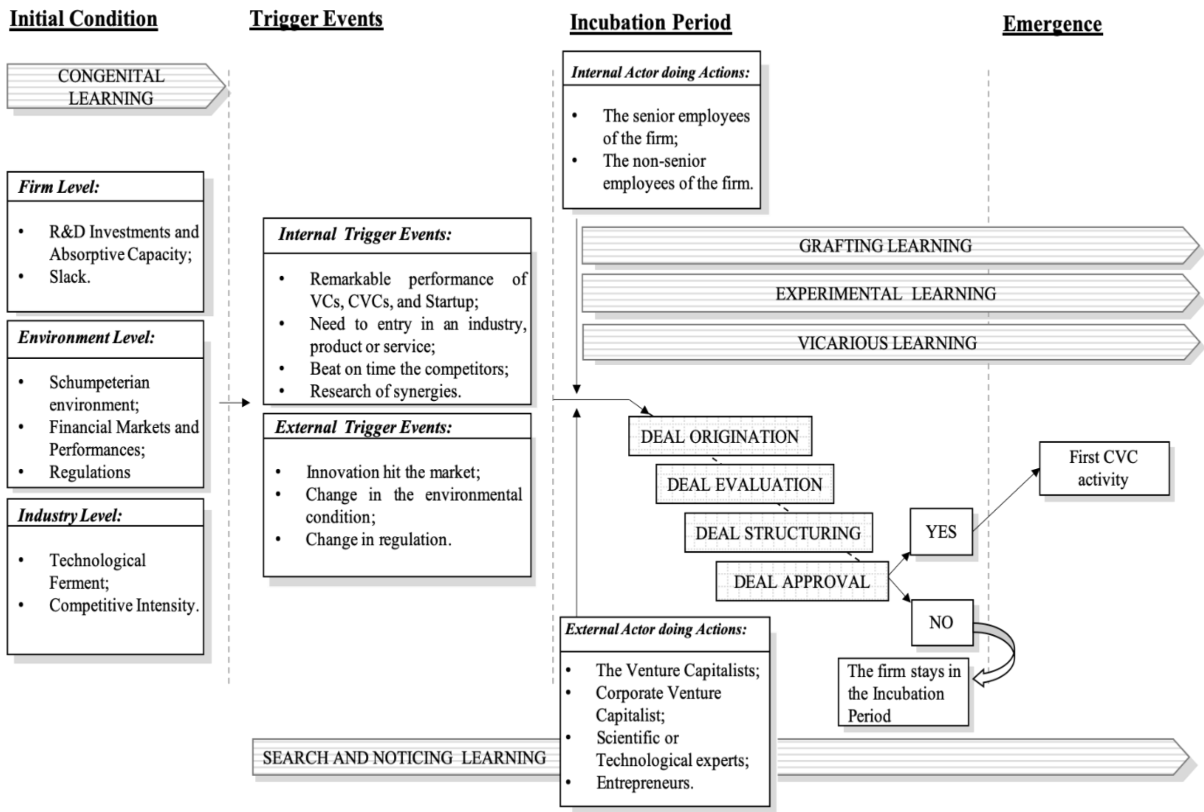


Figure 1: The Conceptual Framework

The chapter continues with Section 3.2 with the description of the Initial Conditions at the firm, environment and industry level; Section 3.3 explains the Internal and External Trigger Events; Section 3.4 shows the Incubation Period and the different phases that a firm does to reach the Deal Approval. Section 3.5 explains the Emergence phase and Section 3.6 concludes Chapter 3.

3.2Initial Conditions

Some conditions make it more likely that when trigger events occur, the firm would begin to investigate how the CVC works and how it can be employed. The Initial Conditions have been structured under three macro-categories:

- firm-level;
- environment-level;

- industry-level.

It is worth observing that the macro-categories are reciprocally independent and that there is not a hierarchy between them. For these causes, at this stage of our research about CVC, it is not possible to identify with certainty if there should be a combination of the macro-categories' condition in order to make the development of CVC more feasible. We can attest that, as saw beforehand in "2.4 Historical Development of CVC", there is usually a combination of the different macro-categories. Hence, each of them has been proved in its validity from the investigation of the existing literature. We discuss each macro-category, and we offer proof of their occurrence from various scientific studies.

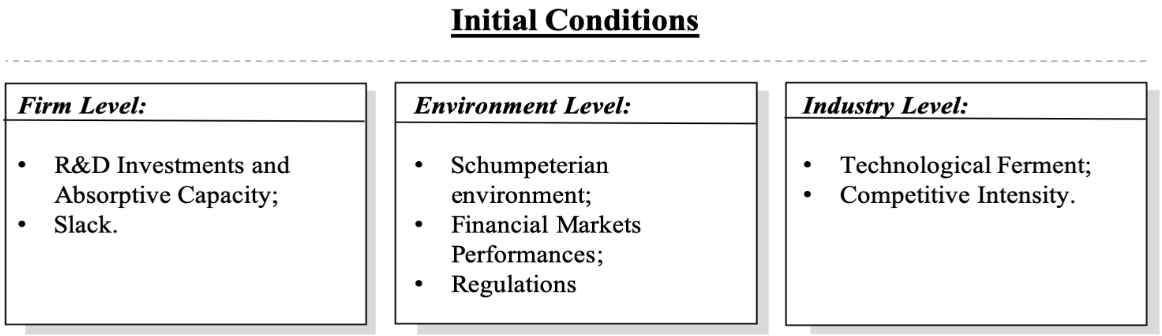


Figure 2: The Initial Conditions

3.2.1 Firm Level

These conditions refer to the circumstances inside the firm that make more plausible the future introduction of CVC activities.

- **R&D investment and Absorptive Capacity**

In 2010, Sahaym, Steensma, and Barden found out from their study on 400 industries that the investment in Research and Development has a strong influence on the use of CVC. Precisely, this is due to the higher level of absorptive capacity (Cohen & Levinthal, 1990) created by those investments in R&D. The absorptive capacity emerges doing Research and Development, and it acts as a basis for exploring new competencies using the corporate venture capital. These new competencies consist of the knowledge that the potential investor must have to recognize, obtain, and exploit new information. Even if generally applicable, these findings are particularly enhanced for a firm operating in an industry with a high technological dynamism (Sahaym, Steensma, & Barden, 2010).

- **Slack**

As happened in the first wave previously quoted, the availability of liquidity inside the firm encouraged the pursuit of investment to gain some additional value from that money and do not leave them stacked in the firm.

The investigation about the time-lapse 1990-1999 on 1000 U.S. public firms, Dushnitsky, and Lenox (2005) found proof that the higher the amount of cash flow available in the firm, the higher will be the annual equity investments.

3.2.2 Industry Level

These conditions refer to the circumstances outside the firm that make more plausible for a firm the future utilization of CVC activities. In particular, it relates to the immediate industry and competitive environment.

- **Technology Ferment - Competitive Intensity**

Looking to the waves of CVC is visible that the technological ferment was

characteristic in those periods. As ferment, we identify a situation where the people knew that technology was going to play an important role in the business. People knew that something was coming in the near future, bringing a rapid change in the industry.

From their analysis, both Dushnitsky and Lenox, as well as Basu concluded that the number of CVC activities is more significant if the environment in which the firms operate sees the presence of technological ferment and a high level of competition (Basu, Phelps, & Kotha, 2011; Dushnitsky & Lenox, 2005b). The logic behind consist that the investors understand the CVC activities as highly flexible and allow them to check the potential of the resources of different startups rapidly.

From the startup, a robust law regarding the intellectual properties helps the creation of CVC relationship, protecting the entrepreneur from imitation (Basu, Phelps, & Kotha, 2011; Dushnitsky & Lenox, 2005b).

3.2.3 Environment Level

These conditions refer to the circumstances outside the firm that make more plausible for a firm the future utilization of CVC activities. In particular, it relates to everything that affects all the industry and the firms at a macro level.

- **Schumpeterian environment**

A finding regarding the environment-level discovered by Dushnitsky in his research above mentioned for the firm-level-slack has been that the presence of a Schumpeterian environment can support the research undertaken by a firm that looks for innovation inside the startups. This means that when there is a competitive market, to sustain profitability and doing better than the competitors, firms invest in innovation and new technologies to improve and differentiate themselves from rivals (Dushnitsky & Lenox, 2005a).

- **Financial markets performance**

Aligned with a Schumpeterian environment where we assist productivity growth in the economy, analyzing the historical trend of the waves of CVC, presented before in the literature review, it is clear that the waves of CVC follow the performance of the Stock market. All cycles of activities in CVC terminated for the fall of the stock market. Furthermore, when the market started again to perform better and grow, the CVC activity did the same (Landström, 2007).

- **The regulation**

As saw in the waves, the regulations have a relatively significant weight in the creation of the condition that would allow the CVC to emerge. For the first wave, the antitrust laws put in place after the Great Depression to avoid that a firm became too big and could influence the industry. This led to a strategy of diversification inviting the corporation to buy minority stakes in the equity of new ventures. This change in regulation is worth noting because the law influences the economy making for a corporation more or less convenient to invest in new ventures.

Weak appropriability is a case that is important for the CVC. For the startup, a robust law regarding the intellectual properties helps the creation of CVC relationship, protecting the entrepreneur from imitation. For this reason, the presence of weak appropriability leads to a more significant number of CVC activities (Dushnitsky & Lenox, 2005a; Sahaym et al., 2010).

3.2.4 Learning Outcomes

In line with the Learning Process explained in the previous chapter, at this moment the firm is in the Congenital Learning, where the future founder of a new organization (or in our case of a CVC activity), is acquiring knowledge that will be used to carry on the operation.

3.3 Trigger Events

As mentioned when introducing the framework, we refer to Trigger Events as the internal or external situations, events, change and combination of factors that create a prolific condition for the rise of interest in CVC by a firm. The idea that the difference in the environmental condition influences the rise of CVC has also been explored by Basu, Phelps, and Kotha (2011).

Based on our integrative literature review, we identify and discuss the internal and external Triggers Events, and we propose a proof of their existence.

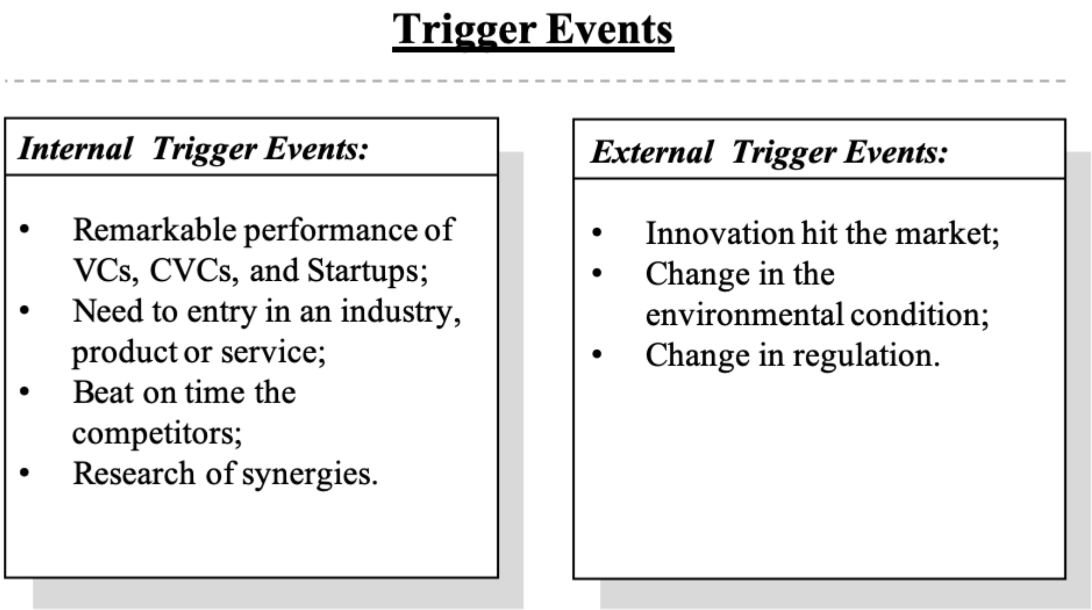


Figure 3: Trigger Events

3.3.1 Internal Trigger Events

- **Remarkable Performance of VCs, CVCs, and Startups.**

The centric point of this trigger is the rise of internal demand for CVC activities due to the positive performance of the VCs, CVCs, and Startups.

What can be seen from the waves is the creation of a loop. This loop has a place when the VCs are performing well thanks to the favorable conditions for them. The fact that the VCs have the resources to invest attracts entrepreneurs to innovate and create new ventures. The rise of demand leads to more new ventures that at their turn, attract the attention of CVCs. The trigger happens when the CVCs recognize that in the external environment, there are potential new ventures that could increase the value of the firm.

A similar happened when a firm sees that another firm is doing CVC activities and is having positive feedback from the financial or strategic point of view. As cited before, many CEOs decided to create CVC's division after the acknowledge of the incredible success of some startup or other corporations' funds.

- **Need to entry in an industry, product or services**

When raising the internal demand to tap into new industries or access to products and services, CVC is used to allow the firm to try something different. With its flexibility and the need for less commitment compared to an acquisition, firms can use the minority equity investment to tap into a new industry, products, or services. This method allows the firms to avoid higher costs and time-consuming activities if they pursue the development internally (Wadhwa & Kotha, 2006).

During the second wave, firms from outside the U.S. used the CVC as a tool to acquire technologies that were developed in the States (Landström, 2007).

- **Research for synergies**

From a firm's perspective, the aim of exploiting potential synergies identified in a venture outside of the firm's boundaries is a reason to invest in the venture itself. The purpose of this type of strategic investment is mainly to increase the profitability of the corporation's core businesses (Chesbrough, 2002). Specifically, when investing, firms are generally interested in exploiting possible synergies between their investees' innovative capabilities and their existing operations (Dushnitsky & Lenox, 2005a; Wadhwa & Kotha, 2006).

Likewise, in the pre-commercialization period of a new industry, the quest for synergies in capabilities residing across firm boundaries drives the firms' technological investments, the concomitant progression of knowledge and the subsequent evolution of the industry (Agarwal et al., 2017).

In the past waves, firms with strategic motivations have reaped both strategic and financial benefits, primarily because such strategically driven investments were meant to exploit synergies between the companies, creating actual value which in turn translates into superior financial performance (Dushnitsky, 2011).

- **Beat on time the competitors**

During the fourth wave, it rose the necessity to contrast competitors accessing to innovation or new technology. Firms got triggered when realized that the eventual access to that innovation would have meant the creation of competitive advantages for the competitors. In this case, the CVC is used in two ways: firstly, to avoid that the competitor's access to a determinate innovation and secondly to have that innovation for themselves.

3.3.2 External Trigger Events

- **Innovation**

In 2006, Dushnitsky & Lenox stated in their findings, over a data set including 1173 firms, that CVC investments are principally driven by the pursuit of a firm towards an innovative technology (Dushnitsky & Lenox, 2006). This objective has also been seen in the waves. When a new technology was arising in reputation, a new cycle had a place. This happened when the personal computer was introduced, in the case of the internet and, with the rise of the social networks.

Researchers have examined in depth the argument. The findings are related to the high uncertainty that the growth of innovative technologies can have. Since a firm cannot know in advance if a new technology will be able to establish a technology standard or if it would generate a disruption in an industry, with the CVC the firms are able to hedge against the uncertainty having their hand over multiple differ types of innovation (Sahaym et al., 2010).

- **Change in the environment conditions**

Change in the environment condition that threatens the competitive position of the firm has an impact on his choice of which type of investment follows. Eisenhardt and Schoonhoven noted that when there is a threat in the environment of the firm, the willingness of the firm to access and collaborate with new resources is higher (Eisenhardt & Schoonhoven, 1996).

- **Change in regulation**

A change in regulation can create a need or interest in a firm to pursue CVC activity. As shown in the analysis of the waves, the changes in the regulation had an impact on boosting the level of interest, and successively deals in the period.

The aforementioned has been the case during the second wave where the change in regulation about the pension fund and the lowing of the tax on the capital gains brought a large quantity of liquidity in the market of VC. The corporation took advantage as well, thanks to the reduction of the taxation on capital gains, leaving more room for investments.

3.3.3 Learning Outcomes

At this stage of the model, the Noting Learning finds its place. As explained previously, this type of learning consists of when the firm gets access to a determinate knowledge without looking for it. The changes at an environment level or at a firm-level, contaminate the firm creating new information.

3.4 Incubation Period

After one or a combination of trigger events creates an interest in the firm to pursue a CVC activity, different actors start carrying out actions to help the firm in executing its first CVC activity. In addition to performing those actions, the actors undertake a learning process, essential for the future of the firm.

The actors that could have a role in this model have been identified as:

- internal, as:
  - the senior employees of the firm;
  - the non-senior employees of the firm;
- external, as:
  - venture capitalists;
  - corporate venture capitalists;
  - scientific or technological experts;
  - entrepreneurs.

As we identified potential actors, we found that Schumpeter presented a very similar view of the internal actors in the context of entrepreneurship, where he depicted these actors undertake time-dependent sequences of activities and events in a dynamic evolutionary process, that leads to creative destruction (Steyaert, 1997).

3.4.1 Deal Origination

During the incubation period, the internal actors undertake actions to learn about the CVC, and they study how to reach the first activity of CVC. In this period, the firm must understand which its needs are, in order to test if the CVC is the right way to explore the new opportunity. Moreover, the actors focus on understanding the technological and demand uncertainty, in a way similar to the actors in the incubation stage of a new industry (Agarwal et al., 2017).

After the rise of interest in CVC for the internal actors and after they have developed an overview of how the CVC works, it happens the process of Deal Origination. The Deal Origination, as explained in the literature review, contains different situations. In this model, we include the prevailing situation that usually should happen. To begin with, an internal actor refers to somebody else in the firm about the interest in pursuing CVC, usually to a senior executive. With the spreading of interest in CVC, the firm undertakes various processes. These processes include scouting and screening different opportunities with the subsequent evaluation of the different possible investment opportunities that could address its needs and learns about the different technologies and innovations.

3.4.2 Deal Evaluation

Once defined the need for the firm, that needs will be the firm's investment target. The evaluation consists of due Diligence and feedbacks. Due Diligence is primarily technical to see if there is a fit with the need of the investor. Then the financial and legal due Diligence is held to confirm the fit of choice with the corporate view.

At this stage, once reduced the uncertainty about the different opportunities, positive feedback from a senior executive level is crucial to sponsor the idea to the top management and for carrying on the process and proceed to the next steps.

3.4.3 Deal Structuring

Proper structuring of corporate venture capital investments is fundamental for corporations ' ability to reap the most significant possible benefits from investments. As venture capitalists do, corporate should use various mechanisms to encourage entrepreneurs both to perform and to reveal accurate information. Examples of these mechanisms include unlocking additional fund when a milestone is achieved, convertible financial instruments (as the equity ratchets) which may give financiers control under certain conditions, basing compensation on value created, preserving mechanisms to force agents to distribute capital and profits, and powers written into Articles of Association which require approval for specific actions to be sought from the investor(s) (Robbie & Wright, 1998).

They can also employ investment syndication, which was found to be essential for information sharing to reduce uncertainty other than the spreading of financial risk (Robbie & Wright, 1998). Later, in addition to starting the best practices acquired studying the phenomenon of CVC, the literature notes the phase of networking with existing VCs to research additional benefits and resources of different types.

To arrive at the Emergence, the firm must pass through the Deal Approval. Deal Approval is a decisional gate that, according to the result, will define the acceptance or rejection of the deal.

3.4.4 Deal Approval

Deal Approval can is a decisional gate. The top management or who has the decision power to eventually close the deal is consulted. The negotiation is held together with the owner of the venture to reach a final agreement. According to the outcomes of the negotiation, two different situations can unravel from this gate.

In case the agreement cannot be reached the firm remains in the Incubation Period, continuing its learning period and possibly starting the process again with another venture. At this time, the firm will have more experience that will benefit it in managing the process.

On the other hand, if the two parts in the contract can reach an agreement, the Emergence phase happens, as will be explained in the following section.

3.4.5 Learning Outcomes

The actors, at this phase of the model undergoes a process of deep learning, sharing of information both formally and informally. In connection with what explained in the previous chapter about the learning processes, the actors have a different possible way to learn here.

Firstly, Experiential Learning happens due to various actions took by the actor. This knowledge acquired with this learn by doing process will possibly help the firm in the future activities of CVC. Secondly, the internal actors look to the competitors that are already doing what the firm would like to accomplish, triggering the Vicarious Learning. In the meantime, they undergo the Searching Learning process, particularly during the scouting and screening process.

Furthermore, as the CVC is done also to benefit from the reduction of time required to reach the goal (Dushnitsky & Lenox, 2005b), it is fair to say that some firm undertakes the Grafting Learning, the one that happens when a firm hires employee or employees in order to access to their skills.

3.5 Emergence

As presented by Agarwal, Moeen, and Shah (2017) in their study on industries' inception, the incubation period terminates with the first commercialization of a product or service, signaling the birth of that industry. Conditional to the same rationale, in this model, the incubation period ends when the firm performs its first CVC investment.

We saw the Deal Approval phase in the previous Section. Once terminated all the different due diligence, the firm enters in the Deal Approval. As explained, If the negotiation for the final agreement does not receive the approval from both firm and venture, the firm remains in the Incubation period. If the deal is approved, occur the equivalent of “first commercialization of a product of services” for the CVC, giving the start to the official emergence of CVC inside a firm.

3.5.1 Learning Outcomes

As in the previous step of the model, the Experiential Learning keep having an essential role in the organizational learning process, probably because the firm has not the know-how necessary for the process of CVC. If the deal is approved, the firm will also benefit from Grafting Learning. The degree of the impact of the Grafting Learning will depend on the level of the integration that the firm decides to apply to the startup. This learning process happens when the firm hires skilled employees or buys a firm due to the skills of its employees. Even if we are talking of minority equity investments that do not control the startup, there will be a degree of knowledge sharing that will be beneficial to the investor.

3.6 Conclusion

Chapter three presented a combination of the literature of Corporate Venture Capital, Organizational Learning, Industry Evolution, and the history of CVC reviewed in chapter two. The result is identified as “The Conceptual Framework”. This framework is designed to reproduce and explain what should generally occur during the first activity of CVC in a firm. The outcome revealed the general process. Since many variables take a role in these processes, with an always present uncertainty in the contingency factors, the Conceptual Framework should represent the closest representation of the reality resulted based on scientific research. The isolated cases for each topic are excluded since it would be unmanageable to take into account all the variables. The following chapter will provide a full description of the case, as a deep understanding of the Italian context is a mandatory requisite for a successful analysis.

CHAPTER 4: Case Description

Italy is a country with a long history that currently count 60.359.546 inhabitants where the population is distributed in the following way: 26,7% in the North-West, 23,1% in the South, 19,3% in the North-East, 19,9% in the Center and 11% on the Islands ("Noi Italia—100 statistiche per capire il Paese in cui viviamo," 2019). According to the Istat, the Italian National Statistics Institute, since 2004, the dropout from school dropped from nearly 23% to the current 14,5% and the number of adult between 30-34 years with an a degree from a university passed from the 15,6% to the current 27,8% ("Noi Italia 2019 Istruzione e lavoro," 2019). Hereafter a snapshot of the current macroeconomic situation in Italy from 2004 to 2017:

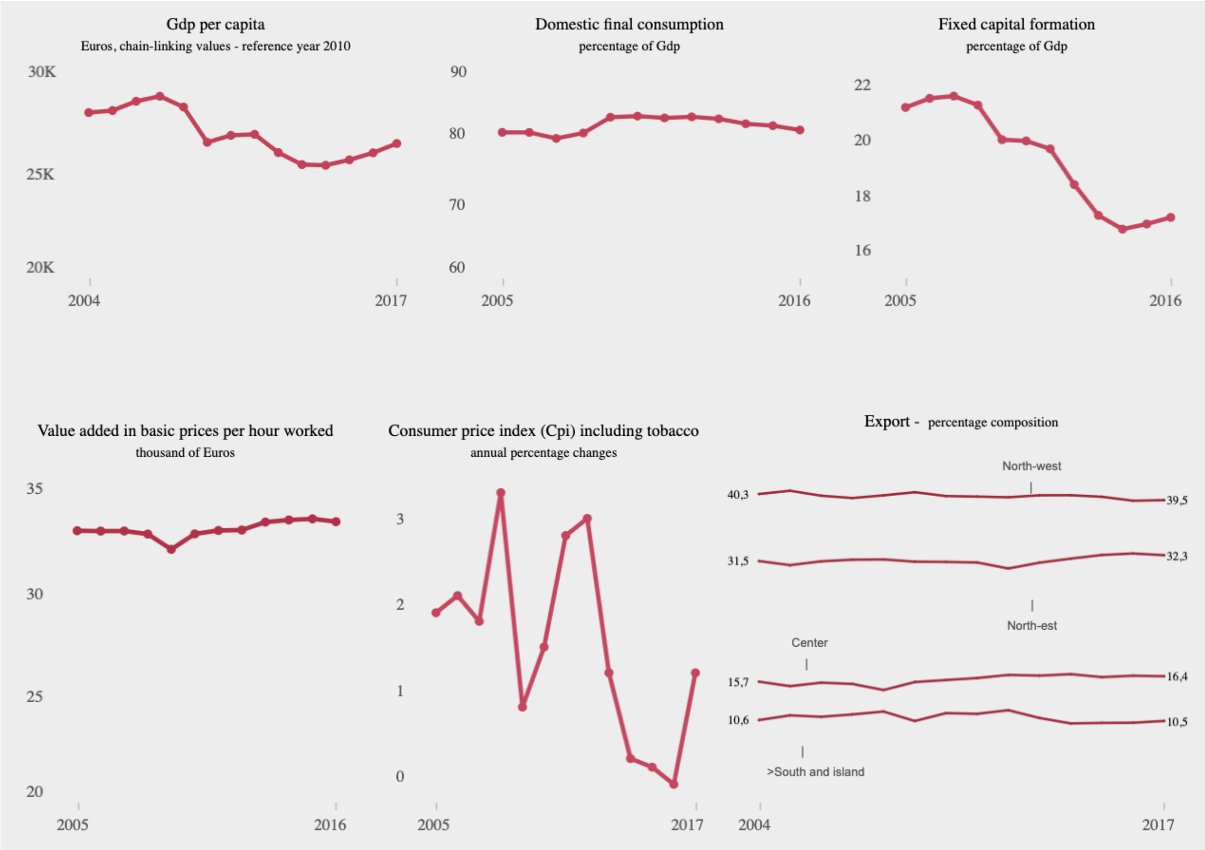


Figure 4: Economy and public finances", source:("Noi Italia 2019 Economy and public finances," 2019)

As we can see, the Gross fixed investments (% of the GDP) are much lower than in 2004 with a slight reduction in the GDP per person while the exportation has remained stable during the years. The situation change positively when we check the situation in total expense for R&D, with a + 24,5% from 2004 to 2016 and from 2012 to 2016 the number of firms with innovation in their product or services passed from 35,5% of the total number of firms to the 38,1% ("Noi Italia 2019 Industria e servizi," 2019).

Even more relevant for our case, is the situation regarding the dimension of the firms in Italy. According to the work made by the consulting firm Prometria, published on the "Sole 24 Ore" the 31 of August 2019, the SMEs (firms that have less than 50M Euro of revenues) are the 92% of the Italian firms, employing the 82% of the Italian workers ("Blog | Quanto contano in Italia le piccole e medie aziende?," 2019), number above the European average.

Moreover, even if the data from Istat show that the firm using innovations increased, we must assess the level of innovation and see how much the Italian firms are digital since the world is going in that direction. According to the Digital Economy and Society Index 2019 published by the European Commission, ***"Italy ranks 24th out of the 28 EU Member States in the European Commission Digital Economy and Society Index (DESI) 2019.*** *Italy performs relatively well, although still below the EU average, regarding Connectivity and Digital public services. Online public services and open data are readily available, and the take-up of e-health services is good. Fast broadband coverage and take-up are progressing well (although the latter remains below average), while ultrafast connectivity is progressing far more slowly. Italy is advanced in the assignments of the 5G spectrum. However, three out of ten people are not regular internet users yet, and more than half of the population still lacks basic digital skills. This shortfall in digital skills is also reflected in the low use of online services, with which little progress has been made. Low demand also affects supply, with fewer Italian SMEs selling online than their EU peers. However, Italian enterprises score better on the use of electronic information-sharing software and social media"(European Commission, 2019).*

In addition to the fact above, it is worth noting that only relatively recently the Italian legislation has done something to incentives the firms in pursuing investments in startups, as in 2012 with the decree 179/2012 that help the innovative startup that it is updated and improved over the years. For instance, in 2017 we saw the introduction of the possibility to found your startup online while in 2019, has been successful the announcement of the National Innovation Fund Innovazione (FNI) of the value of 1 billion euros for the Venture Capital investment in startups made in Italy ("Il Fondo Nazionale Innovazione è realtà," 2019).

CHAPTER 5: Methodology

5.1 Introduction

The following chapter will delineate the methodological approach that was employed throughout the research. The methodology is the overarching term that encompasses diverse principles, procedures, and practices related to the entire process of conducting research (Kazdin, 1998). Chapter 5 is composed of nine sections. Section 5.1 is a brief introduction to the structure of this chapter. Section 5.2 discusses the research paradigm chosen for the study, while section 5.3 will explain why a qualitative research approach was selected. Section 5.4 is dedicated to the research design of the thesis, and the process of data collection is described in section 5.5. Section 5.6 explains how data was managed throughout the research. How data analysis was performed is then delineated in section 5.7. Section 5.8 explains the evaluation criteria of the study and is followed by the conclusion in section 5.9.

5.2 Research Paradigm

A paradigm is defined as a basic belief system overarching a study (Guba and Lincoln, 1985). It is composed of three elements: ontology as a nature of reality, epistemology as the relationship between that reality and researchers and methodology as the techniques employed by researchers to discover that reality (Sobh & Perry, 2006).

Social constructionism is the belief system that guided our research. Its choice is a result of how we see the world, and on this, we will base our assumptions. Through interaction between the researcher and participants, constructionist researchers develop subjective understandings and meanings of their experience, and they construct knowledge within a specific social, political, cultural, and historical context (Kvale, 1995). Dialogue and reasoning are the primary methods of investigation (E.G. Guba & Lincoln, 1994). Finally, constructionists return frequently to the sources of data, asking what they meant to the participant and trying to integrate those with their meaning to the researcher (Rudestam & Newton, 2014).

According to the chosen paradigm, we make no claims from an ontological perspective, as outlined by Berger and Luckmann (1991). From an epistemology perspective, social constructionism places great emphasis on everyday interactions between people and how they use language to construct their reality. Therefore, in terms of methodology, we chose qualitative research to produce a model of the emergence of CVC. Indeed, qualitative research studies participants' meanings and the relationships between them, using a variety of data collection techniques and analytical procedures, to develop a conceptual framework and theoretical contribution (Saunders et al., 2016).

5.3 Qualitative Research Approach

Two research approaches are appropriate for acquiring new knowledge: quantitative and qualitative. The quantitative approach indicates any data collection technique (such as a questionnaire) or data analysis procedure (such as graphs or statistics) that uses or generates numerical data. Conversely, the qualitative approach indicates any data collection technique (such as individual in-depth interviews) or data analysis procedure (such as categorizing data) that generates or uses non-numerical data (Saunders et al., 2016).

After conducting the literature review, we identified a lack of theory regarding the emergence of the CVC within a firm. We embarked on an exploratory study in which we wish to clarify the understanding of this phenomenon. Qualitative data are characterized by their richness and fullness, based on the opportunity to explore a subject in as real a manner as is possible (Saunders et al., 2016). Findings from qualitative research can provide insights that are hard to produce with quantitative (Rynes & Gephart, 2004). Therefore, qualitative research is a much more fitting approach when the theory is limited, and the questions are exploratory.

We have developed a conceptual framework based on previous academic literature. As described in the following sections, we will move onto collecting data and conducting a thematic analysis of the data set. This “top-down” way naturally coincides with deductive or theoretical reasoning (Braun & Clarke, 2006). As we aim to answer a specific research question, this type of reasoning is the best choice to provide a well-detailed analysis of the relevant aspects of the data (Braun & Clarke, 2006).

5.4 Research Design Strategy

5.4.1 Case Study

Each research project has design trade-offs. Different research methods will present different flaws and the method’s choice will limit the conclusion that can be drawn (Scandura & Williams, 2000). Hence, it is fundamental for novice researchers to follow established models that have been already recognized as high-quality research designs. This master thesis is based on the well-known case study research strategy (Saunders et al., 2016; Yin, 2014).

The case study research strategy particularly suits this study for several reasons. Firstly, the study aims to answer a “how” question. Secondly, as researchers, we cannot manipulate the behavior of those involved in the study. The third reason is that the study must cover contextual conditions, as we believe they are relevant to the phenomenon under scrutiny. Lastly, the boundaries between the phenomenon and context within which it is being studied are not always clear (Yin, 2014).

Moreover, the case study strategy has been chosen because of its capability to generate insights from intensive and in-depth research into the study of a phenomenon in its real-life context, leading to rich, empirical descriptions and the potential development of the theory (Saunders et al., 2016; Yin, 2014).

Each research project has design trade-offs. Different research methods will present different flaws, and the method's choice will limit the conclusion that can be drawn (Scandura & Williams, 2000). Hence, it is fundamental for novice researchers to follow established models that have been already recognized as high-quality research designs. This master thesis is based on the well-known case study research strategy (Saunders et al., 2016; Yin, 2014).

The case study research strategy particularly suits this study for several reasons. Firstly, the study aims to answer a "how" question. Secondly, as researchers, we cannot manipulate the behavior of those involved in the study. The third reason is that the study must cover contextual conditions, as we believe they are relevant to the phenomenon under scrutiny. Lastly, the boundaries between the phenomenon and context within which it is being studied are not always clear (Yin, 2014).

Moreover, the case study strategy has been chosen because of its capability to generate insights from intensive and in-depth research into the study of a phenomenon in its real-life context, leading to detailed, empirical descriptions and the potential development of the theory (Saunders et al., 2016; Yin, 2014).

As the purpose of the study is to explore the emergence of a phenomenon, we identified Italy as an ideal case. Indeed, CVC is still in an early stage in the Italian context; through the data collection (presented in the next section), we saw that just a few firms have recently started to utilize it as an investment method in Italy. Consequently, we could assume that employees involved in the first operation of each firm are more likely to be still within the firm. Moreover, memories and experiences regarding the first operation will be easier to recall for the participants in the research due to the recency of it. Furthermore, as the study aims to uncover the emergence of CVC within the firm, we were intrigued by the possible presence of different paths leading to the first operation. Therefore, firms analyzed successively are considered as embedded units within the Italian case. The ability to look at sub-units situated within our larger case will allow data analysis within the subunits separately (within-case analysis), between the different subunits (between case analysis), and across all the subunits (cross-case analysis). The ability to engage in such rich analysis only serves to better illuminate the case (Yin, 2014).

This case study research will use multiple data sources as a strategy to enhances data credibility (Yin, 2014). Specifically, we will use company documents (annual reports, investor presentations, press releases), relevant media sources (printed and online articles) and archival records as data that have rich textual information to interpret for sampling. In-depth semi-structured individual interviews and structured interviews will then be used to gather the data and conduct a thematic analysis.

5.4.2 Thematic Analysis

Braun and Clarke (2006) have attentively documented the phases of conducting thematic analysis. Themes within data can be identified in one of two primary ways in thematic analysis: in an inductive or ‘bottom-up’ way, or in a theoretical or deductive or ‘top-down’ way (Braun & Clarke, 2006; Nowell, Norris, White, & Moules, 2017). This thesis is looking to address a specific research question; hence, we opted to follow a theoretical way, which allows a more researcher-driven analysis of the data (Braun & Clarke, 2006; Nowell et al., 2017). Moreover, this way of thematic analysis tends to provide a more detailed analysis of some aspects of the data; as the research question evolved from the literature review and is focused on specific aspects, providing a less abundant description of the data overall won't affect the goodness of the results (Braun & Clarke, 2006; Nowell et al., 2017). Previous engagement with literature will also enhance the analysis by sensitizing the researcher to more subtle features of the data (Braun & Clarke, 2006; Nowell et al., 2017). Hence, the codes and themes used during the analysis have been determined on the base of the literature to answer the research question. Finally, we adopted a semantic approach when coding. The determined themes are identified within the surface or explicit meanings of the data (Braun & Clarke, 2006; Nowell et al., 2017).

Thematic analysis is usually divided into six main phases. However, it is crucial to recognize that, like any other type of qualitative analysis, it is not a linear process. The phases need to be followed flexibly to fit the research question and the data (Braun & Clarke, 2006; Nowell et al., 2017). The analysis itself will, therefore, be more a recursive process, moving back and forth through the phases.

In the first phase, the researcher should immerse in the data and familiarize as much as possible with them. This period is dedicated to transcribing data (if verbal), reading them multiple times in an active way – searching for themes, patterns, etc. – and noting down initial ideas in a personal journal (Yin, 2011). In particular, the process of transcription is an excellent way to develop a far more thorough comprehension of the data and initiate the act of interpreting the data (Braun & Clarke, 2006; Nowell et al., 2017).

After familiarizing with the data, the successive phase consists of producing initial codes from the data. Codes refer to the essential segment of the data that can be assessed in a meaningful way regarding the phenomenon (Braun & Clarke, 2006; Nowell et al., 2017); they identify a feature of the data relevant to the researcher. The process of coding consists of reorganizing data into meaningful groups; these groups are then part of the broader unit of analysis that are the themes (Saldaña, 2013). The researcher will go through the dataset coding manually or with the support of software options like NVivo or ATLAS.ti (Saldaña, 2013; Woolf & Silver, 2018).

The third phase begins once the entire dataset has been initially coded. This phase focuses on the analysis at the broader level of themes by sorting the different codes within the themes. Themes are where the interpretation part of the analysis occurs. They can be data-driven (inductive) or theory-driven (theoretical), as previously mentioned. In the first case, the researcher aims to code the entire content of the data set, while in the second case, the coding is performed to identify particular features of the data set. Visual representations, like tables or mind-maps, help depict how different codes combine to form overarching themes (Braun & Clarke, 2006; Nowell et al., 2017). This phase terminates when all coded segments have been assigned to a potential theme, and the researcher has created a collection of significant themes. None of the codes and themes is definitive at this point.

The next phase revolves around the review and refinement of the set of potential themes. Themes should be evaluated and rearranged, according to Patton's (2002) dual criteria of internal homogeneity and external heterogeneity. Extracts collocated inside a theme should cohere together meaningfully, while the distinctions between different themes should be clear and identifiable (Michael Quinn Patton, 2002). Two levels of reviewing and refining the themes are involved in this phase. The first level is concerning the coded extracts within each theme; if the extracts seem to form a coherent pattern, then the researcher can move to the second level, which is concerning the entire data set. The process is similar to the first level, but now the validity of individual themes is confronted against the entire data set (Braun & Clarke, 2006; Nowell et al., 2017). The need for re-reading and re-coding is typical of this phase as coding is an ongoing organic process (Braun & Clarke, 2006; Nowell et al., 2017; Saldaña, 2013). Once the different themes fit together, explain the overall story of the data satisfactorily, and the re-coding is only fine-tuning, the researcher can move to the next phase.

In the fifth phase, the researcher defines and further refines the themes by conducting and writing a detailed analysis of the data within them. It is fundamental to determine what aspect of the data each theme captures and to explain what is of interest about it and why. Here, sub-themes can be identified to give structure and demonstrate the hierarchy of meaning in the data. It is also useful to regulate the complexity of themes; indeed, as a rule of thumb, it should be possible to describe the scope and content of each theme in a couple of sentences (Braun & Clarke, 2006; Nowell et al., 2017). When this state is reached, the researcher can assign to the themes the name that will be used in the final analysis.

The last phase begins once the set of themes has been thoroughly analyzed and consists in producing the report. To correctly complete the analysis, the report should be written in a concise, coherent, logical, and non-repetitive manner. The write-up must convey the story the data tell excitingly and provide enough evidence of the themes' prevalence within the data (Braun & Clarke, 2006; Nowell et al., 2017). However, extracts must be embedded within an analytic narrative that needs to go beyond the mere description of the data, compellingly illustrating the story told by the data and making an argument concerning the research question. This phase will effectively conclude the analysis.

As newbie qualitative researchers, the thematic analysis represents a method accessible with little or no experience. Moreover, it offers flexibility, and it is ideal for summarizing key features of data (Braun & Clarke, 2006; Nowell et al., 2017). These are two essential characteristics of the method of analysis due to the exploratory nature of this research. Therefore, this research uses a thematic analysis.

5.5 Data Collection

5.5.1 Population and Sampling Frame

The population of this research consists of all the companies active in the Italian market by the end of the year 2018. However, as it would be impracticable to conduct a census of the entire population, a sampling strategy was designed and implemented. Concerning the sampling frame, the strategy involved the use of multiple data sources, which is a hallmark of case study research to enhance data credibility (Michael Quinn Patton, 2002; Yin, 2014).

Data sources of this research included company reports (e.g., annual reports, investors relations, press releases), government sources (e.g., publications, reports, and national statistics), relevant media sources (e.g., online and printed articles and other data), archival records and interviews. Precisely, Thomson One has been used as the primary database to retrieve companies' public documentation; companies' websites were the second source for retrieval. All the secondary data assisted in pre-interview preparation and were used to triangulate the interview data (primary data) (Carter, Bryant-Lukosius, DiCenso, Blythe, & Neville, 2014; Miles, Huberman, & Saldaña, 1994; M Q Patton, 1999)

The choice to use qualitative documents allows the researcher to generate a detailed and thick description of significant events, the context within which these events occurred, the roles of the actors involved, the influence of external influences such as economic or commercial pressures, as well as outcomes (Saunders et al., 2016). Hence, qualitative documents represented the best choice to satisfy the exploratory purpose of this study.

5.5.2 Sampling Strategy

As this research focuses on companies operating in the Italian market, an extensive review of extant literature and research of archival documents were conducted, both in English and Italian. Based on that, the sampling strategy was prepared and divided into two phases.

The first phase of the strategy was dedicated to collect all the data necessary for the research. These data formed the data corpus and were collected following two criteria. Due to the uncertainty surrounding the CVC phenomenon in the Italian landscape, the first criterion was on the base of expert elicitation. Three subject matter experts have been selected and interviewed; their names and companies have been anonymized in accordance with them. The first expert is the coordinator of a CVC committee in a private organization. This organization was founded in 1986 to develop, coordinate, and representing at the institutional level every subject active in Italy in the fields of private equity, venture capital, corporate venture capital, and private debt. The second expert is actively involved in the corporate innovation service of an Italy-based venture capital and innovation advisory firm. The third expert is the director in a management consulting firm and senior manager in a strategy consulting firm, who published an article on this specific topic in an academic journal.

Two were the main takeaways from the expert elicitation. The first takeaway was the confirmation of the non-maturity of the phenomenon in the Italian landscape, which strengthens the choice of the Italian market as a case study for this topic. Employees involved in the first operation of CVC are more likely to be still part of the companies and their memories still vivid. The second takeaway was the indication of companies (with which the experts had an interaction on the matter of CVC) where we could identify potential participants informed on the topic.

The second criterion emerged from the literature review. As CVC is more likely to be carried out by large firms (Dushnitsky & Lenox, 2006), we included in our list of potential participants the top 100 firms by capitalization quoted on the Italian stock exchange (Borsa Italiana, 2018). The top 40 forms the index FTSE MIB, while the following 60 belongs to the index FTSE Italia Mid Cap. The list of companies belonging to these two indexes was retrieved at the end of the year 2018.

The firms considered for the analysis were in total 111 (see Table 10 in the appendix). For each firm was therefore created a “unit” folder, where all data relative to the individual firm was archived. For selecting the most appropriate data, all the documents were downloaded in the first quarter of 2019. This was done for two reasons — the first, to include also the companies’ annual reports for 2018. The second, to minimize the weakness of the analysis, as documents online may be blocked for access or deleted. The process is more protected when all documents are downloaded before commencing the thesis. This concluded the first phase of the sampling strategy; the second phase was structured to define the dataset, which is composed of all the data from the data corpus that will be used for the thematic analysis.

In the second phase, we employed non-probability sampling techniques to create the dataset. Among other non-probability sampling techniques, purposive sampling (also known as judgmental) was utilized. Participants are chosen on the base of the researcher’s judgment as of the ones that will best enable them to answer the research question(s) (Saunders et al., 2016). Purposive sampling is ideal when working with very small samples as in case study research and when units selected need to be particularly informative (Saunders et al., 2016). Patton (2002) emphasizes this point by contrasting the need to be statistically representative in probability sampling with the need to select information-rich units in purposive sampling. This sampling technique can be applied through different strategies; homogenous sampling was adopted as it suited the needs of this research (Saunders et al., 2016).

A homogeneous purposive sample is one that is selected for having a shared characteristic or set of characteristics (Saunders et al, 2016). To analyze the emergence of the CVC phenomenon within a firm was necessary that the firm had at least executed one operation of this type. Hence, that was the characteristic that determined which companies to include in the dataset. Both researchers screened all the data gathered on each company; out of 111 companies, 31 reported the execution or reportedly executed a CVC activity, following the definition of CVC.

All these 31 companies were contacted to request an interview. The targets were executives or employees with similar knowledge who were involved in the strategic decision-making process leading up to the execution of the first CVC operation since they would be "knowledgeable informant" (E.G. Guba & Lincoln, 1994). However, because of the well-documented small size of top management teams and the difficulty of researching equity investors (due to time restrictions and confidentiality concerns), volunteer sampling was now adopted.

Volunteer sampling is another non-probability sampling technique, which consists of two different strategies: self-selection and snowball (Saunders et al., 2016). In self-selection sampling, researchers publicize their research by contacting potential participants and allow them to manifest their desire to take part in it (Saunders et al., 2016). Instead, snowball sampling is adopted when it is difficult to reach a member of the desired population. After contacting the initial participants, the researcher asks them to identify further participants (Saunders et al., 2016). Both strategies were used during this phase.

After applying this ulterior sampling, we interviewed 11 informants from as many companies. Though, according to the definition of CVC, just 7 out of 11 effectively executed a CVC activity. The interviews were semi-structured, and initially, the questioning was broad, covering the entire process concerning the first CVC activity. As the inquiry progressed, the seven relevant participants were contacted a second time to undertake a structured interview with closed-ended answers, increasingly centered on the specific questions, i.e., the initial conditions present in the phase antecedent to the first activity. All the data collected for this final sample of 7 companies, together with the interviews, represented the dataset.

Before moving on with the data analysis, we interrogated ourselves on the appropriacy of sample size. Unlike probability sampling, in non-probability sampling, the issue of sample size is ambiguous, and there are no rules (Saunders et al., 2016). With this type of sampling, the sample size would depend on the research question(s) and objectives; specifically, what the researchers need to find out, what will be useful, what will have credibility and what can be done within available resources (Michael Quinn Patton, 2002). This is particularly true when primary data are qualitative data collected using semi-structured or unstructured interviews (Saunders et al., 2016). However, research textbooks recommend continuing to collect data (e.g., additional interviews) until data saturation is reached. Data saturation is reached when the additional data collected provide little, if any, new information or suggest new themes (Saunders et al., 2016). Research scholars also tried to address this issue, offering guidance on the sample size that will ensure that the researcher has conducted sufficient interviews. It is advisable for a general study to undertake between 5 and 30 interviews (Saunders et al., 2016). We, therefore, considered our sample size sufficient to answer the research questions.

Nature of study	Minimum sample size
Semi-structured/In-depth interviews	5–25
Ethnographic	35–36
Grounded Theory	20–35
Considering a homogeneous population	4–12
Considering a heterogeneous population	12–30

Figure 5: “Sample Size”, Source: Saunders et al., 2016

5.5.3 Interviews

For this study, interviews were the chosen method of primary data collection. Interviews result in qualitative documents that give a full and rich description of the phenomenon being studied (Saunders et al., 2016). Interviews can also make the researcher grasp brightly the complex view of organizational realities and account for the differences in individual contexts and experiences (Yin, 2011). Moreover, interviews allow for triangulation of information obtained from other sources (Carter et al., 2014).

All but one of the interviews were conducted by telephone; the remaining interview was conducted over SkypeTM for the convenience of the participant. Telephone and SkypeTM served as efficient ways to conduct the interviews, making it possible for managers with busy schedules to participate in the study. Participants were able to choose a suitable time of the day to be interviewed, to stop an interview in progress when unavoidable and to rearrange a better time to continue, and to move around their environment when necessary to avoid being overheard (Saunders et al., 2016). Further, telephone and SkypeTM were the only practical ways for the researcher to connect with participants from across the whole country and increased the speed of data collection (Saunders et al., 2016). It is also proved that this mode of interviewing helps in terms of producing open and full accounts (Saunders et al.,2016). Indeed, the anonymity of a voice/listening-only method facilitated reducing participants' inhibitions in providing detailed accounts, which are fundamental for exploratory research (Saunders et al., 2016).

The first step of the interview process was to request participants' approval to audio-record and inform them that the interviews will be anonymized. With participant approval, the interviews were audio-recorded to ensure complete transcripts (Saunders et al., 2016). Successively, they were reminded of their right to withdraw from the study at any time, the purpose of the study, research procedures, and the methods employed to ensure confidentiality. The aforementioned was made to both develop a good rapport with informants and to demonstrate familiarity with the topic.

By earning the trust and respect of the informants and creating a connection with them, the researcher can spur their responsiveness and commitment to providing ample and explanatory answers to questions (Saunders et al., 2016). Three actions were undertaken to achieve this:

- the use of self-selection sampling; as participants spontaneously agreed to take part in the research, they showed a genuine interest in the topic (Saunders et al., 2016). This ensured that a right level of involvement of the interviewees was already established;
- in this study, Italian was the native language of both the interviewers and interviewees. Hence, every interview was conducted in the interviewee’s native language. The majority of researchers who could interview in the interviewee’s native language are inclined to consider language as a powerful means of establishing rapport and a sense of connection (Welch & Piekkari, 2006);
- We decide that only one researcher would conduct the interview. A researcher interviewed three of the seven participants (both the first and second interview) while the other interviewed the remaining four. This allowed us to better develop a one on one relationship with the participant without reducing the quality of the interview’s outcome. Indeed, Fifić and Gigerenzer (2014) found that when homogeneous, two interviewers are not better than one. We considered ourselves homogeneous interviewers since we prepared on the topic together, and we mutually agreed on what cues we were looking for.

In the first interview, a semi-structured interview approach was used to facilitate conversations that would elicit rich data that could be used in qualitative analysis (Saunders et al., 2016). Semi-structured interviews give participants a better opportunity of answering in terms of what is relevant to them (Saunders et al., 2016; Yin, 2011) and partly regulate the introduction and flow of topics (Yin, 2011). The questions were framed in a manner to provide participants with the freedom and flexibility to explore the phenomenon in depth (Saunders et al., 2016). Mostly open-ended questions were used throughout the interviews to encourage participants to talk freely and respond openly to queries (Brinkmann & Kvale, 2015; Yin, 2011). Probing questions were used, when necessary, to encourage participants to elaborate on or clarify a response or explore root experiences (Saunders et al., 2016).

The second interview was based on a structured interview approach with closed-ended questions. Unlike the first interviews, we developed an interview schedule that listed the wording and sequencing of questions (Patton, 2002); the schedule was strictly followed as it is considered a means through which researchers can increase data reliability and credibility (Yin, 2011). Moreover, every interview involves an interaction between the interviewer and the participant. In structured interviews, the interaction must be attentively scripted to conduct the collection of data as uniformly as possible (Yin, 2011). Therefore, as an interviewer, we adopted the same consistent behavior and demeanor when interviewing each participant. The participants were offered a list of three possible answers: “agree,” “disagree,” and “other.” Even though structured interviews are more commonly used in quantitative research, a good track of successful use of qualitative structured interviews exists (Brinkmann & Kvale, 2015; Lindlof & Taylor, 2002; Yin, 2011). Moreover, structured interviews consent to perform more effectively triangulation and member checking (Egon G. Guba & Lincoln, 1985).

Field notes were taken during all interviews, allowing the researcher to track critical points to return to later in the interview and for use during data analysis. In all, 20 interviews were conducted: 3 with subject matter experts, 11 with participants, of which four were then excluded from the sample, and 6 more with the final participants. 13 interviews formed the final dataset of the study, and the seven informants were interviewed on average 1.86 times (all the respondents participated in two interviews, except from one). After each interview, we transcribed audio recordings; the study entailed 8,5 hours of recorded interviews, which resulted in 65 pages of transcripts.

5.5.4 Field Notes

Field notes served as a support to data analysis for this study. Field notes were handwritten during each interview and later compared to the interview transcriptions while analyzing them (Yin 2011). Field notes were recorded on the researcher's own research notebook and formatted using suggestions by Yin (2011). On the first page of each set of notes, the researcher recorded the date, name of the interviewee and name of the company to indicate the content of the notes. In the field notes, the researcher marked down particular events that participants recalled, speculations about emerging themes, points to be clarified and any direct quote that caught the attention of the researcher (Yin, 2011). The quotes from participants where successively highlighted in the transcripts so that they could be easily spotted during the data analysis.

5.6 Data management

As mentioned before, an individual “unit” folder was created for each company. When conducting interviews, we followed the 24-hour rule (Eisenhardt, 1989), transcribing the interview and writing down all field notes within 24 hours of each interview. Then, we filed the recordings, transcript, field notes, and email communication alongside all the data gathered regarding the specific company to form individual unit files (Yin, 2014). The folders were located on a cloud file storage (Dropbox) and password-protected to better guarantee the confidentiality of the research. Folders' back-ups were regularly saved on a password-protected external hard drive to avoid any potential loss of data.

5.7 Data Analysis

5.7.1 Thematic Analysis and Coding Data with NVivo Software

The thematic analysis, a technique for detecting, investigating, and reporting patterns (themes) within the data (Braun & Clarke, 2006; Norris et al., 2017), was conducted through the NVivo software (version 12.5.0.815). NVivo is built for managing unstructured information (e.g., interviews, reports, and more), and it is useful for researchers to identify themes and extract their meaning (Woolf & Silver, 2018). Utilizing NVivo does not make the analysis less time consuming, as the coding process still has to be conducted "manually" by the researcher. Nevertheless, it does help in examining and interpreting qualitative data systematically (Saldaña, 2013; Woolf & Silver, 2018).

5.7.2 Transcription

Interviews in this study were collected directly by the researchers. The process of transcribing audio-recorded interviews was set-up as follows:

- Researcher A conducted the interview
- Researcher B transcribed the interview
- Researcher A checked the transcription against the recording for accuracy.

Vice versa when researcher B conducted the interview. During this process, each researcher marked down eventual additional ideas for recalling them in subsequent phases of the analysis.

This permitted an interactive collection of data, meaning that both researchers came to the analysis with some prior knowledge of the data. It facilitated the process of familiarizing with the data since both researchers must understand the depth and breadth of the content (Braun & Clarke, 2006; Norris et al., 2017). It also allowed both researchers to read through the entire dataset actively at least once before starting the analysis, which is suggested for qualitative research (Braun & Clarke, 2006; Norris et al., 2017).

Since the process of transcribing is time-consuming (Saunders et al., 2016), we transcribed each interview as soon as possible after conducting it, to avoid a build-up of recordings and associated transcription work. Also, due to the research questions being theory-driven, we were looking for specific information within the data. Hence, to make the process less time-consuming, we transcribed only the sections of each interview that were pertinent to the study. This method is known as data sampling (Saunders et al., 2016).

The interviews were carefully transcribed in the language in which they were conducted (Italian) using Microsoft Word. This process is fundamental because accurate transcripts are necessary for a valid interpretation and analysis of the data (Saunders et al., 2016). While transcribing, the interviews were:

- suitably anonymized, by using fictional Greek letters for the companies and initials for the different participants;
- appropriately structured for the analysis in NVivo, specifically by writing main questions in bold and Heading 1, follow up questions in italics and Heading 2 and responses in regular font (Saldaña, 2013; Woolf & Silver, 2018);

- safely stored, one file for each interview, in the respective folder as mentioned earlier. The files were named using the number of the interview, followed by a dot and the name of the company (e.g., 1.Alpha indicates the first interview with the participant from company Alpha);
- cleaned up, making sure that they were free of typographical errors that may have been introduced.

The above measures and the high attention dedicated to this process will facilitate the close reading and interpretative skills needed to analyze the data (Braun & Clarke, 2006; Norris et al., 2017).

5.7.3 Initial Coding

After re-reading through the whole dataset, each researcher started to code individually. As mentioned before, by following a theoretical approach, initial codes were produced from the literature reviewed. This mode of coding allowed the identification of the features of the data needed to answer the research question. As coding was conducted through NVivo, we used the “Concept Map” function to create an initial thematic map of the coding.

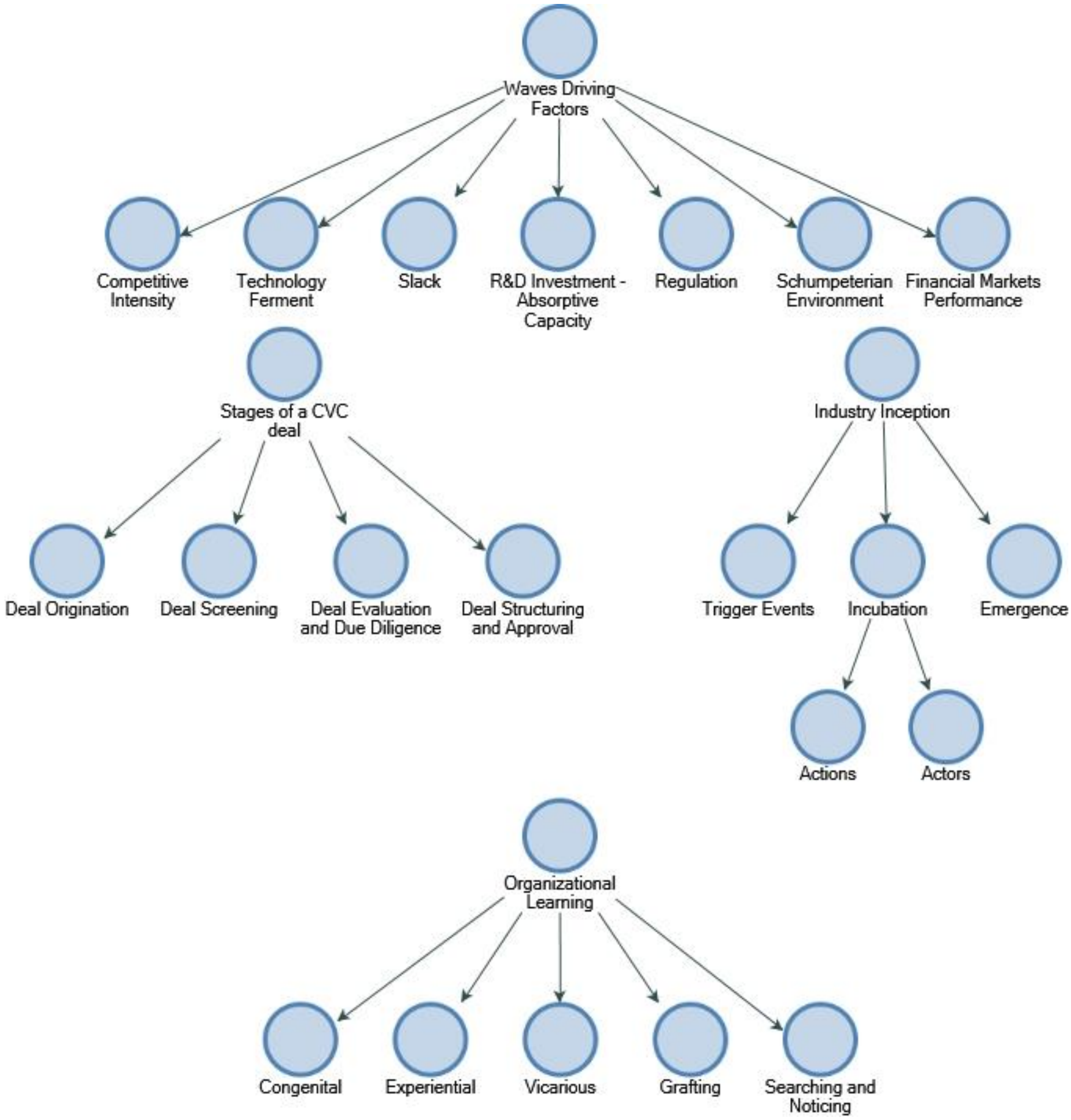


Figure 6: “Thematic map - Initial Theoretical Coding”

For the sake of reaching a more enlightened understanding of the subject, we drew several thematic maps which were refined during the course of the analysis. The process of creating these maps stimulated our thinking at the various stage of the research process; an helped us unraveling how the various elements that we are investigating fit together.

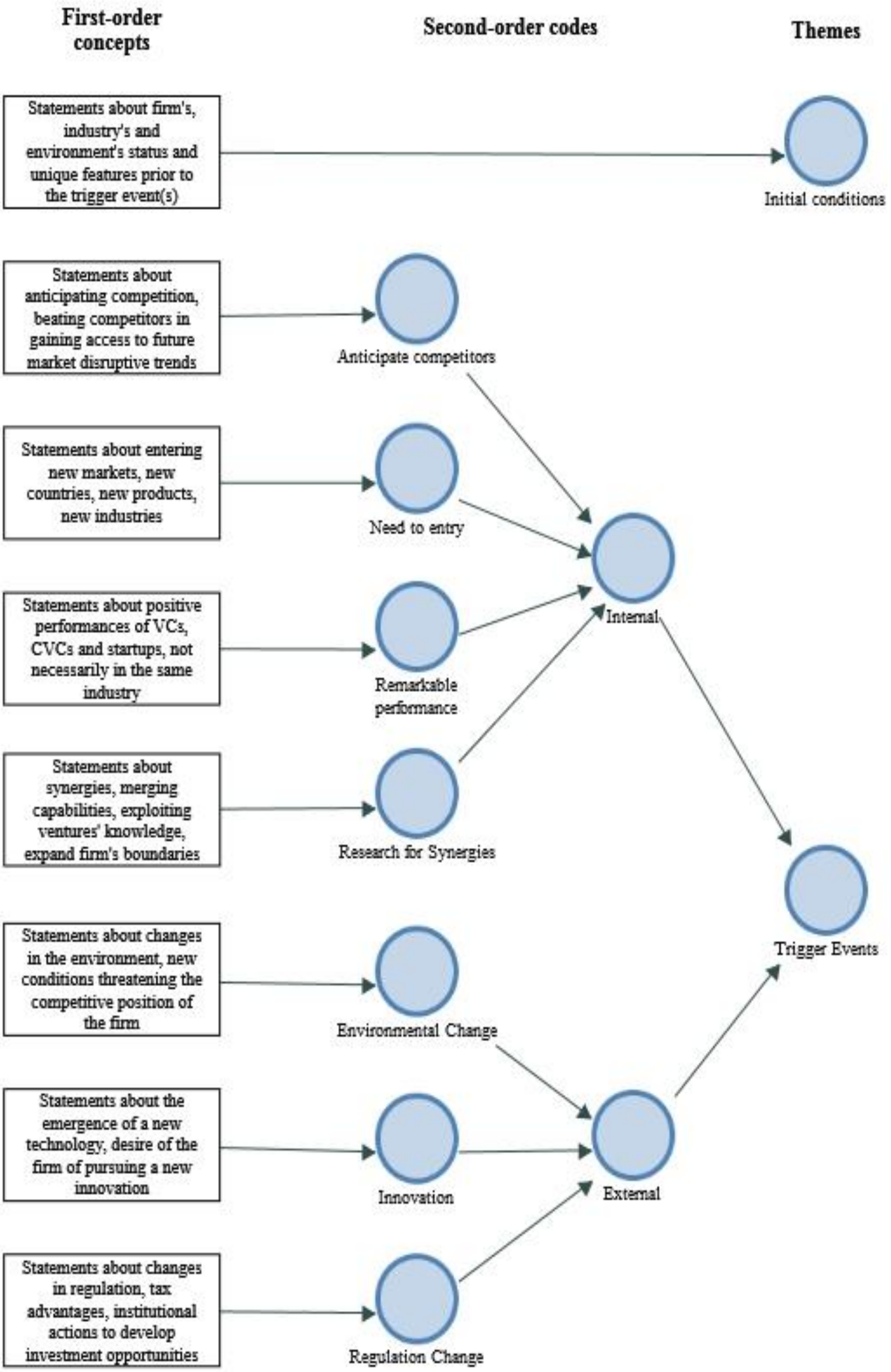
Each researcher worked systematically through the entire dataset, giving equal and full attention to every data extract, identifying aspects that may be associated with the initial codes. In NVivo, we created a node for each potential code, and then we connected extracts to the relevant node by highlighting them. The software will then automatically group under the node every extract associated with the code. We coded for as many potential patterns as possible, in order not to exclude extracts that may be interesting at a later point in the analysis. We also coded data in an inclusive manner (Braun & Clarke, 2006; Norris et al., 2017), by keeping a little of the surrounding data when relevant, to easily understand the context. Some of the extracts were eventually coded for multiple codes, as many as they fitted into.

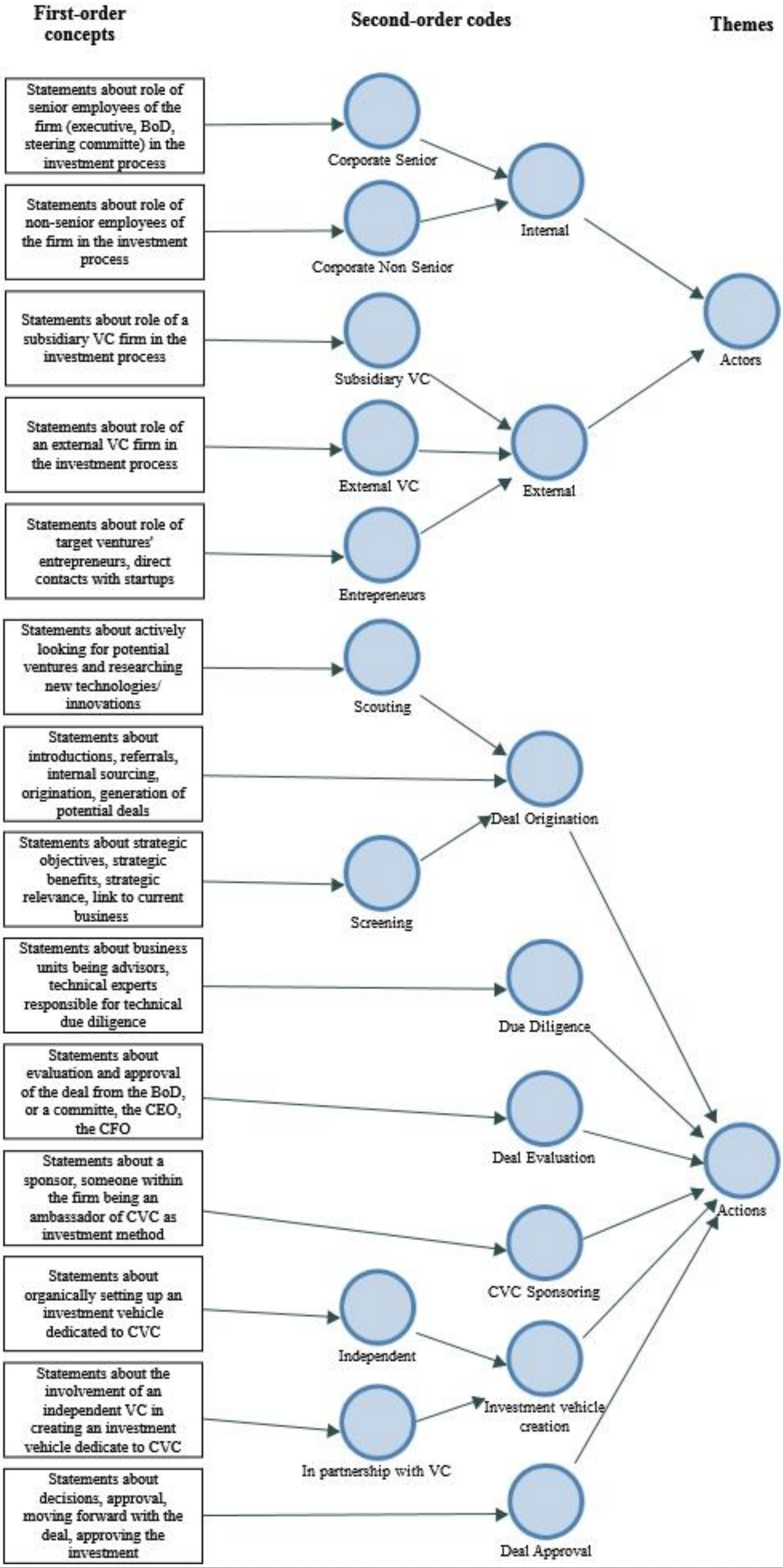
5.7.4 Themes identification

After all, data were initially coded and collated; both researchers identified a long list of codes across the dataset. We coded separately in order to assess the consistency and transparency of the coding. Indeed, intra-rater reliability is likely to decline over time as coding all data consistently requires exercising care, concentration and, skill (Saldaña, 2013; Saunders et al., 2016). Hence, we performed the initial coding separately using the same set of codes and then comparing the results to assess our inter-rater reliability (IRR), which is the extent to which two coders agree (Saldaña, 2013; Saunders et al., 2016).

Cohen's Kappa coefficient is the most indicated statistical measure of inter-rater reliability in qualitative research since it considers the amount of agreement that could be expected to occur by chance (Saldaña, 2013; Saunders et al., 2016). The coefficient can be calculated through the NVivo query "Coding Comparison". The query returns the Kappa and the percent agreement individually for each combination of node and source. We then exported the query in an Excel spreadsheet and calculated the unweighted average Kappa for all nodes and sources by following the online NVivo guide provided by QSR International. The result was a value of approximately 0.8; there are no evidence-supported guidelines but Fleiss, Levin and Paik arbitrary considered excellent values above 0.75 (2004) while Landis and Koch equally arbitrary characterized values between 0.61 and 0.8 as substantial (1977).

The query also allowed us to spot each area of disagreement easily, since it indicates the percentage of disagreement as well for each coded extract. By clicking on the related node, we were able to retrieve the extract immediately and then extensively discuss to resolve the disagreement. After resolving the disagreements, we focused our attention on the higher level of themes, by sorting the different codes into potential themes. A thematic map of this early stage can be seen below, highlighting the relationships between concepts, codes, and themes.


First-order concepts
Second-order codes
Themes
Statements about firm's, industry's and environment's status and unique features prior to the trigger event(s)
Initial conditions
Statements about anticipating competition, beating competitors in gaining access to future market disruptive trends
Anticipate competitors
Statements about entering new markets, new countries, new products, new industries
Need to entry
Internal
Statements about positive performances of VCs, CVCs and startups, not necessarily in the same industry
Remarkable performance
Statements about synergies, merging capabilities, exploiting ventures' knowledge, expand firm's boundaries
Research for Synergies
Trigger Events
Statements about changes in the environment, new conditions threatening the competitive position of the firm
Environmental Change
Statements about the emergence of a new technology, desire of the firm of pursuing a new innovation
Innovation
External
Statements about changes in regulation, tax advantages, institutional actions to develop investment opportunities
Regulation Change


First-order concepts
Second-order codes
Themes
Statements about role of senior employees of the firm (executive, BoD, steering committe) in the investment process
Corporate Senior
Statements about role of non-senior employees of the firm in the investment process
Corporate Non Senior
Internal
Statements about role of a subsidiary VC firm in the investment process
Subsidiary VC
Actors
Statements about role of an external VC firm in the investment process
External VC
External
Statements about role of target ventures' entrepreneurs, direct contacts with startups
Entrepreneurs
Statements about actively looking for potential ventures and researching new technologies/ innovations
Scouting
Statements about introductions, referrals, internal sourcing, origination, generation of potential deals
Deal Origination
Statements about strategic objectives, strategic benefits, strategic relevance, link to current business
Screening
Statements about business units being advisors, technical experts responsible for technical due diligence
Due Diligence
Statements about evaluation and approval of the deal from the BoD, or a committe, the CEO, the CFO
Deal Evaluation
Actions
Statements about a sponsor, someone within the firm being an ambassador of CVC as investment method
CVC Sponsoring
Statements about organically setting up an investment vehicle dedicated to CVC
Independent
Investment vehicle creation
Statements about the involvement of an independent VC in creating an investment vehicle dedicate to CVC
In partnership with VC
Statements about decisions, approval, moving forward with the deal, approving the investment
Deal Approval

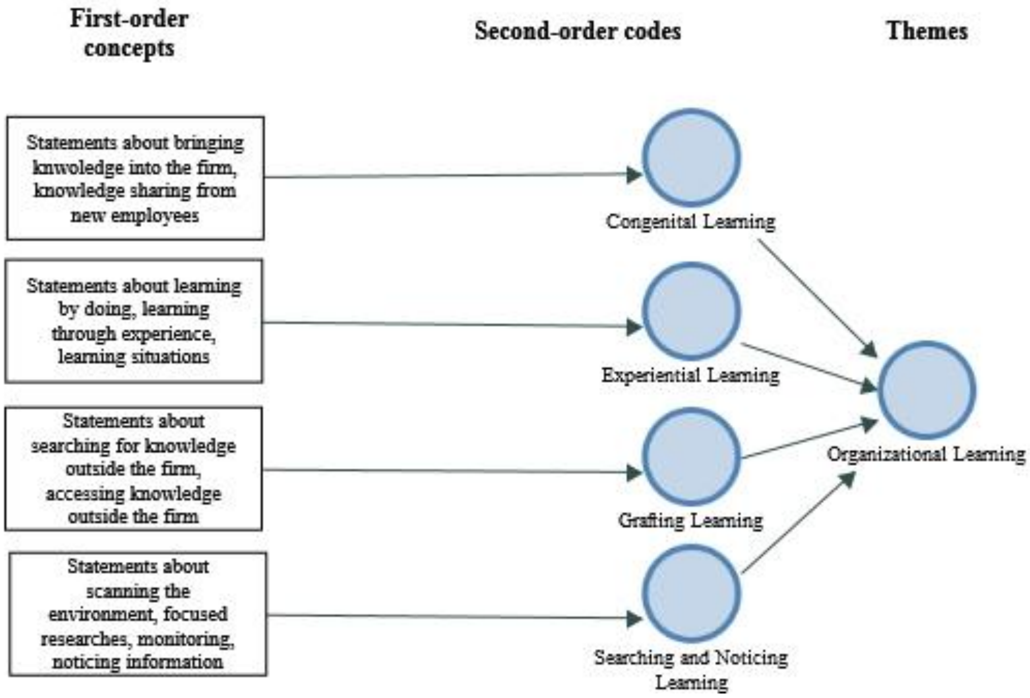


Figure 7: "Thematic map – First Interviews Coding."

With this collection of candidate themes, we started to develop a sense of the significance of individual themes and patterns. On this basis, we proceeded on conducting the second interview to analyze the themes of the Initial Conditions further and to perform member checking (Yin, 2011).

5.7.5 Re-coding and themes review

Once we terminated the second round of interviews, we proceeded on coding it following the same procedure previously explained. We drew a new thematic map to have an updated overview of the Initial Conditions theme.

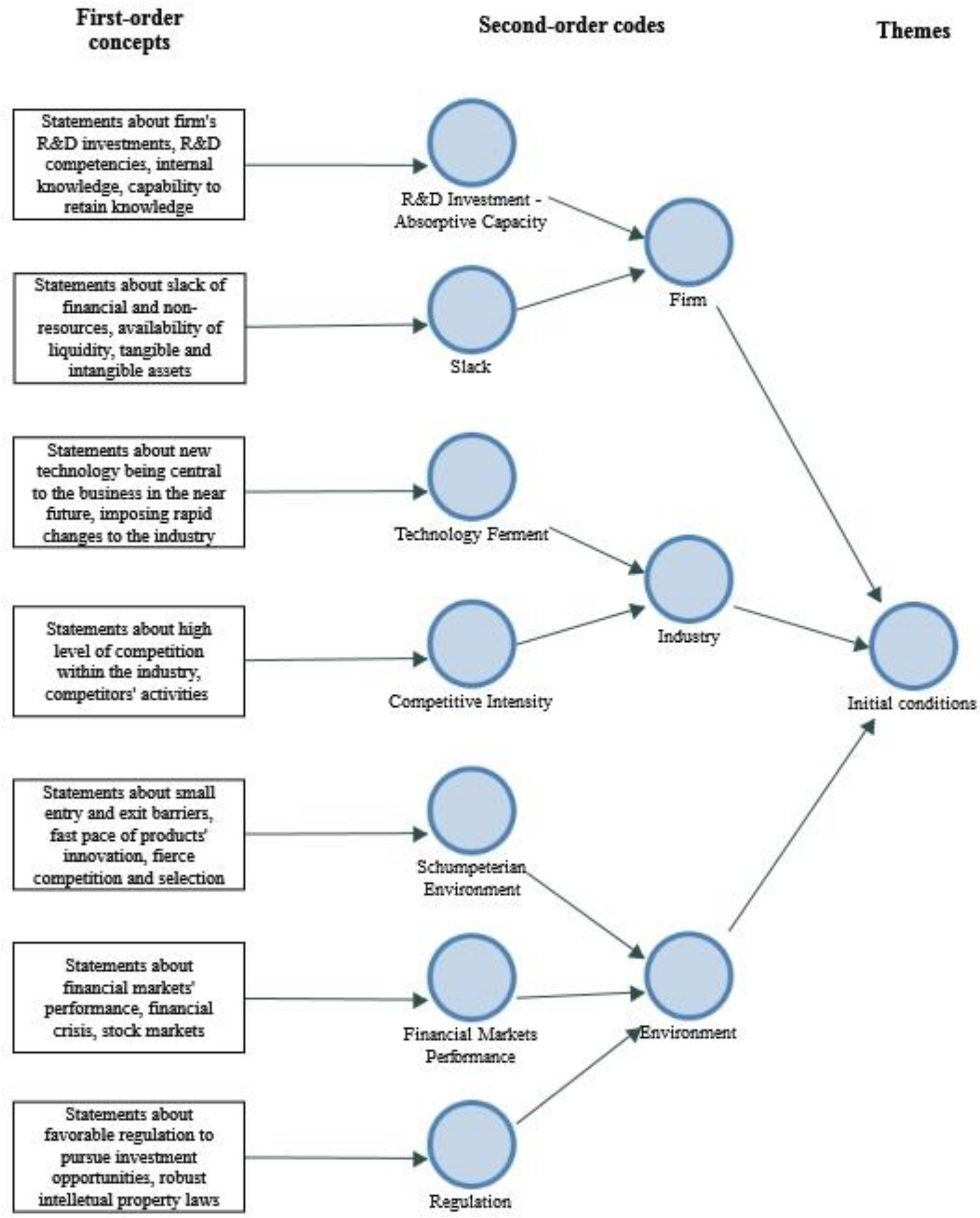


Figure 8: "Thematic map – Second Interviews Coding."

We then focused on refining codes and themes. We started by looking at the codes' level and reviewing the coded data extracts. We read all the collated extracts from each theme to evaluate if they seemed to form coherent patterns. As coding is an ongoing process, it is typical of this phase, the need for re-coding portions of the data set (Braun & Clarke, 2006; Norris et al., 2017). We reworked our codes, relocating the extracts that did not work in their current theme, and discarding the ones that did not fit into the analysis. As all extracts appeared to form coherent patterns within their themes, we moved onto reviewing themes and followed a similar process but concerning the entire dataset.

First, we checked the amount of data in each theme, and we considered if collapsing themes into each other when there was too little data or if separating them into multiple themes when there was too diverse data. As stated before, data within themes should cohere together in a meaningful way, but there should always be a clear and identifiable distinction between themes (Braun & Clarke, 2006; Norris et al., 2017). Then, we re-read the entire dataset again to relate individual themes to it. We aimed to validate if the candidate themes truthfully reflected the meanings emerging from the data. Before moving on, we also run several word search queries for all the main keywords to ensure that none of them was missed and all the relevant extracts from the interviews were coded (Woolf & Silver, 2018.) After completing this review, we drew a final thematic map to show the overall story themes to tell about the data.

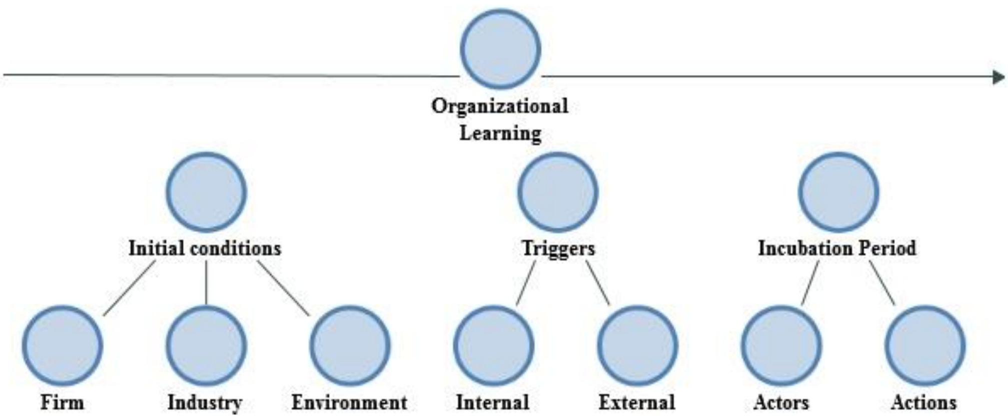


Figure 9: “Thematic map – Final Coding.”

5.7.6 Themes in-depth analysis

After reaching a satisfactory thematic map of the data, we moved onto analyzing data within themes. We deeply reasoned about the essence of each team to identify what aspects of the data each of them captures. We went back again to the extracts, and within each theme, we reorganized them to create an internally consistent account. We identified what was interesting about each extract and why and then we connected it to the theory in order to create an explanatory narrative of the theme. We considered the relationships among themes, both to show what they explain all together about the data and how they are positioned towards each other. Sub-themes were used for giving a structure to overarching themes and demonstrated the hierarchy of meaning within the data (Braun & Clarke, 2006; Norris et al., 2017). In the ensuing chapter, "Findings," we will report the proceedings of this detailed analysis.

5.8 Evaluation Criteria

According to Yin (2011), validity in qualitative research is the extent to which:

- data collection techniques and methods will yield consistent findings;
- similar observations would be made, or conclusions reached, by other researchers;
- there is transparency in how sense was made from the raw data.

Assessing the validity of the study is fundamental, as qualitative researches are sometimes criticized in this area (Patton, 2002; Saunders et al., 2016). When evaluating the validity, different lenses are employed in qualitative and quantitative research; Guba and Lincoln's (1989) work on evaluation criteria for qualitative inquiry is highly regarded among management research scholars (Thomas, 2004).

Hence, their criteria were adopted in evaluating the quality of the study. Qualitative research has different epistemological foundations in comparison to quantitative research; therefore, demonstrating the trustworthiness of the study's findings is a crucial requirement of qualitative studies (Egon G. Guba & Lincoln, 1989). The four criteria of trustworthiness are credibility, dependability, transferability, and conformability (Guba & Lincoln, 1989). Various strategies suggested by these authors were utilized throughout the research to combat threats to validity, and the criteria were measured and verified.

5.8.1 Credibility

Credibility regards the relationship between the constructed realities of the informants and the representation of those realities by researchers (Guba & Lincoln, 1989). Triangulation was used to reduce threats to credibility; specifically, investigator, theory, and data source triangulation (Miles et al., 1994; M Q Patton, 1999) were utilized. Investigator triangulation involves the participation of two (like in this study) or more researchers to the study and can provide both confirmations of findings and different perspectives to the phenomenon of interest (Carter et al., 2014). Theory triangulation encompasses the use of different theories to analyze and interpret data (Carter et al., 2014); the leading theories on Corporate Venture Capital, Industry Evolution and Organizational Learning assisted us in supporting (and refuting) findings. Data source triangulation entails collecting data from different sources (Carter et al., 2014); as mentioned before, we retrieved data from multiple sources of evidence, with interviews being the primary source, supplemented with company documents and field notes, to achieve convergent lines of inquiry. Finally, being an Italian native helped us to obtain sufficient information to understand the Italian context and to proficiently confront with the supervisor.

5.8.2 Dependability

Dependability, or Consistency, addresses data's stability over time (Guba & Lincoln, 1989). To reduce instability (i.e., changing data over time), we gathered all the data before commencing the analysis. No alterations to the data were made during the research, and we provided an "audit trail", i.e., a detailed description of how data were collected, how themes were derived and what decisions we made throughout the inquiry. This will allow other researchers to follow the same process and to test the consistency of the findings (Saunders et al., 2016).

5.8.3 Transferability

Transferability, or Applicability, refers to the generalizability of the study, i.e., if the results can be decontextualized and reproduced accurately (Guba & Lincoln, 1989). In studies based on the social constructionist paradigm, all knowledge is constructed and has a unique story of origin that ties it to a specific context (Kvale, 1995). Hence, the transferability for this research may be weak. The research design is thoroughly detailed, which gives room for theoretical generalization. However, our findings answer the research question in the chosen case but our ability to say something about the likelihood of other contexts is limited. Nevertheless, the researchers used good, rich, and thick descriptions, which will enable other researchers to decide transferability (Guba & Lincoln, 1989). The study can provide useful insights for future research and can be considered as the start of generalizing the research questions.

5.8.4 Confirmability

Confirmability, or Neutrality, is concerned with assuring the interpretation of data is rooted in the context and not simply a product of the researcher's imagination

(Guba & Lincoln, 1989). To increase confirmability, the imagination of the researchers should be removed. As previously mentioned, we assessed inter-rater reliability to test this. The researchers attempted to control for potential biases by investigating the literature on the phenomenon, checking and comparing data constantly, obtaining multiple viewpoints and searching for negative instances in the data (Guba & Lincoln, 1989). Furthermore, to further minimize potential personal biases of the researchers, member checks were performed during the interviews. Member checks are the procedure where the study's draft materials or findings are shared with participants (Yin, 2011). Checking permits the informants to make corrections and improve the accuracy of the study, in the meantime, reinforcing ethical and collaborative relationships, which are fundamental in qualitative research, as mentioned earlier (Yin, 2011). During each interview, the researcher often summarized and restated information, questioning the participants to ensure the accuracy of the information.

5.9 Conclusion

Chapter Five was dedicated to the methodology and methods of the study. Initially, the research philosophy and paradigm adopted were introduced. Then, we explained why a qualitative approach was the best choice for this thesis. Subsequently, we presented the research design employed and a thorough description of the data analysis method used for answering the research question. Afterward, the research introduced its population and sampling frame, followed by the strategy of data collection and instruments used for the collection. After mentioning data management techniques for the study, we illustrated the data analysis, by describing instruments used to perform it and the coding procedure for thematic analysis. We concluded by justifying the four criteria of trustworthiness for the study. The next chapter will display patterns of findings according to the research question with tables and figures.

CHAPTER 6: Findings

6.1 Introduction

This chapter will present the results of the research. We began by building comprehensive descriptions for each of the 7 companies and then conducted within-case analyses. Table 1 reports the characteristics of the companies making up the final sample.

Table 1. Companies' characteristics (final sample)

	Industry	Funds available	First CVC investment	First investment set-up	Current structure	Declared objectives	Geography	Informant	Number of interviews	Interview's method
Alpha	Metal Manufacturing	Undisclosed	Undisclosed	Direct Investment	Internal Fund	Strategic and Financial	Europe	A - CVC Team Coordinator	2	Telephone
Beta	Banking	€100M	2016	Through own subsidiary fund	Dedicated CVC fund	Strategic and Financial	Europe, Israel, USA	B - Investment Team Member of CVC Fund	2	Telephone
Gamma	Utilities	€20M	2012	Direct Investment	CVC operations suspended	Strategic and Financial	Global	G - Head of Innovation and CEO of Subsidiary	1	SkypeTM
Delta	Banking	Allocated upon request	2001 - 2005	Direct Investment	Dedicated CVC fund	Strategic and Financial	Europe	D - Head of Subsidiary Corporate Fintech	2	Telephone
Epsilon	Banking	< €200M	2016	Through own subsidiary fund	Dedicated CVC fund	Strategic and Financial	Europe	Ep - Associate Strategy & Equity Investments	2	Telephone
Zeta	Automotive	Allocated upon request	2017	Direct Investment	Direct Investment	Strategic and Financial	Global	Z - Business Development Director	2	Telephone
Eta	Engineeering, Contracting	Allocated upon request	2016	Direct Investment	Direct Investment	Strategic and Financial	Global	Et - Manager (Group Finance)	2	Telephone

Successively, after each round of data collection was completed, we performed cross-unit analysis. As suggested by Pratt (2008), to illustrate the findings of qualitative research we will present our results with “power quotes” in the text and we will use a comparative table with “proof quotes” to demonstrate the prevalence of the results. Section 6.1 serves to display the final sample of the analysis and to describe the upcoming chapter. Section 6.2 exhibits findings on the initial conditions. Section 6.3 is focused on the findings on trigger events. Section 6.4 describes the findings of the incubation period, while section 6.5 features the findings on organizational learning. Finally, section 6.6 introduces the model of CVC emergence resulting from the study. Section 6.7 concludes.

6.2 Theme 1: Initial Conditions

This research began by examining how the CVC cyclically emerged in the past as a strategic tool for corporations. The four different waves have been studied in-depth and described. From reviewing the literature on the historical development of CVC, we identified a set of initial conditions that make a firm more responsive to potential CVC’s trigger events.

As we did not gather enough information on the initial conditions during the first round, we conducted a second round of structured interviews with questions more focused on revealing the presence of these conditions. The following table presents evidence from the structured interviews.

Table 2. Evidence on initial conditions

	Firm		Industry		Environment		
	R&D Investment - Absorptive Capacity	**Slack**	**Technology Ferment**	**Competitive Intensity**	**Schumpeterian environment**	**Financial Markets performance**	**Regulation**
Alpha	Agree	Agree	Agree	Other	Other	Agree	Disagree
Beta	Agree	Agree	Agree	Agree	Agree	Agree	Disagree
Gamma	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Delta	Agree	Agree	Agree	Agree	Agree	Disagree	Other
Epsilon	Agree	Agree	Agree	Agree	Other	Agree	Agree
Zeta	Agree	Disagree	Agree	Agree	Agree	Disagree	Disagree
Eta	Agree	Agree	Agree	Agree	Agree	Agree	Disagree

Two conditions were present across all the firms: absorptive capacity thanks to R&D investments and technology ferment. Indeed, all the firms stated that previous commitment to R&D development created a good process that allowed them to grow organically the knowledge necessary to identify and evaluate new potential ventures and to eventually incorporate their knowledge in the firm's business operations. This resonates well with the findings of Sahaym, Steensma, and Barden (2010), as the firms from our sample belong to sectors that have experienced an increased influence on businesses' success of fast-paced technological advancements (Blanco, Mullin, Pandya, & Sridhar, 2017; Brown & Hatges, 2018; Bürgin, Gnamm, & Kalmbach, 2018; Evangelista & Sirilli, 1998; Furst, Lang, & Nolle, 1998; Sanborn, Slaughter, & Wei, 2019). Sure enough, each firm also confirmed the presence of technology ferment in their respective industries of interest in the period preceding their first CVC investment.

Overall, it appeared that conditions inherent to the firm and the industry have a stronger influence on enhancing firms' receptivity to trigger events. A high level of competitive intensity was identified by all the informants in their respective industries, except for one who was not able to assess it. This is in line with the findings from the studies on technology ferment and a high level of competition influence on CVC activities ((Basu et al., 2011; Dushnitsky & Lenox, 2005b). Slack of financial and non-financial resources was also mainly regarded as a condition favoring the consideration of CVC as a useful tool. A member of the investment team of the CVC fund of Beta explained this in the first interview:

"*We have found that the needs* - *namely the need of funds* - *and the offerings* - *namely innovation potential and entrepreneurial spirit* - *of startups are complementary to the needs* - *ergo the search for innovation* - *and the offerings* - *such as consolidated assets and slack of funds* - *of the bank. This found an effective synthesis in a CVC vehicle.*" (A, Alpha)

This comes to no surprise, as the slack was one of the conditions behind the first wave of CVC and that stimulates a more significant amount of annual equity investments (Cumming, 2012; Dushnitsky, 2011; Dushnitsky & Lenox, 2005b; Landström, 2007).

At the environment level, though, informants had more contrasting views compared to previous literature. Few of them were not able to assess whether their firm operated in a context carrying the characteristics of a Schumpeterian environment (Schumpeter, 1942). On the other hand, none of the firms in the study could be considered an incumbent in their respective industries, explaining why their need to innovate may not come from the pulse of imitating rivals (Dushnitsky & Lenox, 2005a).

Regarding the relevance of financial markets performance, two of the participants indicated they were not an influencing condition in deciding to pursue the first CVC investment. In particular, the Head of the subsidiary corporate fintech of Delta stated that their first CVC activity was performed in the period of financial crisis immediately consequent to the Dot Com bubble. This contrast should not be ignored, but these cases are more likely to be outliers since in the past CVC activity has been positively correlated to financial market performance (Cumming, 2012; Dushnitsky, 2011; Landström, 2007).

Finally, it is worth noticing that all but one of the informants disregarded changes in regulation as an impactful condition in terms of initiating the process of considering CVC investments. This is in clear contradiction with what happened in the previous waves (Cumming, 2012; Dushnitsky, 2011; Landström, 2007). The Associate from the strategy and equity investments of Epsilon was the only informant recognizing the relevance of changes in regulations. Epsilon is a firm in the banking industry, where regulations play a significant role (Hubbard & Palia, 1995). Thus, the reason behind this answer may have been a change in regulation that did not affect other industries. This is still highly unlikely as two more firms in the sample belong to the banking industry. It is more accurate to assume that the reason is, as stated in the case description, the absence of significant changes in regulation regarding innovation and venture financing up until recent years (l. 58/2019; d.l. 176/2019 implementing the l. 145/2018). The manager from Eta proposed a similar explanation, as the following quote from the data demonstrates:

"..the others [European nations] have grown in terms of raising capital, above all thanks to maneuvers implemented by the government in terms of facilitation of what may be the aspects of a fiscal nature rather than facilitation of what may be the process of raising through the creation of vehicles that are not as rigid as a SGR or as a SICAV. Italy, however, has done something this year, the decree implementing the budget law for 2019 [d.l. 176/2019 implementing the l. 145/2018] and for the world of venture capital, there is some interesting news for our country. So much so that there is a frenzy since a few months where everyone is trying to equip themselves to be ready to respond to any opportunities." (Et, Eta)

6.3 Theme 2: Trigger Events

The trigger events make firms starting to consider CVC as an investment and strategic tool. While the initial conditions exist already before the firm engages in consideration over a CVC investment, a trigger event is a distinct episode in the firm's life. When a firm experiences one or more trigger events, the events can initiate this "thinking" process as the firm subsequently enter the incubation period. We extracted a few potential triggers from the review of the central literature on CVC and Industry Evolution. These triggers were divided into internal and external to the firm.

Among the internal ones, two were the most prevalent. One of these two was the need to access new technologies and to diversify by entering business models new to the firm. The following quote illustrates this:

"..the model with which a corporate approaches a startup is more tied to a long-term approach that allows [the firm] to diversify the business model, ... and to have exclusivity on some patents and technologies that a startup owns." (Et, Eta)

As it happened in the second wave, firms started to consider employing CVC when they were aiming to tap into technologies and to investigate the opportunities offered by different business models (Cumming, 2012; Dushnitsky, 2011; Landström, 2007). Comparative quotes are presented in Table 3.

Table 3. Evidence on need to entry as an internal trigger event

Beta	*"..with two objectives: to acquire competitive advantages and capabilities and to invest in innovative realities with new business models."* (B)
Eta	*"..we started investing in startups three years ago. We started by investing in technologies that allowed us to innovate and diversify our business model. ... The needs to find alternative technologies to our pure R&D are usually those of diversifying your business model ... Usually we enter with a minority [investment], but very often the minority is associated with some sort of joint development agreement in which at the occurrence of certain events ... we then obtain exclusive rights on either geographical areas or technologies, products and services."* (Et)
Zeta	*"Strategic motivation for access to technologies. ... Motivation is always strategic to access technologies."* (Z)
Epsilon	*"Epsilon wanted to position itself as an important participant within the Fintech world, ... A choice linked to the desire to experiment, collaborate and position the bank in that market."* (Ep)

The other most relevant trigger event was the research for synergies. As we stated before, companies invest in new ventures to leverage detected synergies and gain competitive advantage (Chesbrough, 2002; Dushnitsky & Lenox, 2005b;

Kalpič, 2008; Wadhwa & Kotha, 2006). The Head of the subsidiary corporate fintech of Delta reported:

"..we went to invest in those realities, which had obvious "immediate" synergies." (D, Delta)

However, why would a firm choose to pursue a CVC investment to tap into those synergies? According to previous studies, many M&A decisions overvalue expected future synergies (Ficery, Herd, & Pursche, 2007; Kalpič, 2008). Hence, firms may be more keen to pursue synergies through a form of investment that guarantees a higher degree of flexibility and requires less commitment (Wadhwa & Kotha, 2006). This will reduce the drawbacks of overestimating synergies. Comparative quotes on the research for synergies are presented in Table 4.

Table 4. Evidence on presence of potential synergies as an internal trigger event

Beta	*".. The creation of synergies with the bank. ... The other divisions are involved from time to time according to the possibility of developing synergies."* (B)
Delta	*"..so, subjects with whom there were obvious synergies. ... our goal is to support, then enter to develop, what are the synergies ... The company in which we invest uses our services, so that's a kind of synergy. Rather than the company in which we invest, it develops products, services that are synergistic."* (D)
Epsilon	*"..the idea is to create synergies with the company business, core and non-core. ... create synergies between the capabilities of the startup and the company.."* (Ep)
Eta	*"..identifying projects and technologies that have a synergy with the company's core business. ... because we strongly believe that the real synergy you do with others."* (Et)

Other internal trigger events were not regarded as important compared to the previous two. In previous CVC waves, the impressive performance of VCs, CVCs, and startups was a factor in the increase of CVC activities. In this study, we could not find enough evidence of it. The reason behind this is most likely the entrepreneurship deficit that Europe (and Italy in particular) suffers when compared to the U.S. (Henrekson & Sanandaji, 2017). The business development director of Zeta mentioned this problem:

“I couldn't find anything in Italy worth investing in. ... We are very interested in the real core technology and Italy seemed to me a country that didn't have it.” (Z, Zeta)

Indeed, just above twenty Unicorns were found in Europe since 1990 (zero in Italy), the VC markets volume are much lower (and minuscule in Italy), and the number of large firms (which are more likely to perform CVC) is definitively inferior (Henrekson & Sanandaji, 2017; Dushnitsky & Lenox, 2006). This may also explain why the participant did not mention the need to anticipate competitors, present in the fourth wave of CVC, as a potential trigger event. In fact, innovators are often identified with entrepreneurs, and their paucity, in turn, affects the innovation output of a context (Schumpeter, 1942). In a lack of innovation, there is no race to access it and secure a competitive advantage.

In regard to the external trigger events; instead, the findings are coherent to the ones presented for the initial conditions. Again, the stimuli to commence exploring CVC seems to come from within the firm rather than from outside the firm. Just two of the participants expressed their interest in riding a big trend with disruptive potentiality as a prospective trigger for CVC activity, as the following quote shows:

"I put money in it not only because I think that there may be a trend in the development of my business, but I put money in it also because I might think that specific trend could create a significant disruption in my business." (D, Delta)

This could be a direct consequence of the fact that both firms belong to the banking industry, where currently the Fintech phenomenon is transforming the sector (Gomber, Kauffman, Parker, & Weber, 2018). Indeed, in the words of the Associate from Epsilon:

"Epsilon wanted to position itself as an important participant in the Fintech world, just like its competitors." (Ep, Epsilon)

Changes in regulation were again overlooked from the informants as a potential trigger event, most likely for the same reason, we highlighted in the previous section.

We also didn't find any evidence to sustain the fact that a change in the environmental conditions, which could potentially threaten the competitive position of the firm, represents a trigger event. New ventures typically operate in highly uncertain and ambiguous environments (Podolny, 1994). It would be intuitive to assume that a bigger presence of innovative ventures should trigger firms' interest toward CVC. However, it is unlikely that none of the firms involved in the study had never experienced a major change threatening their competitive position, making the surrounding environment uncertain. Thus, while to confirm this an accurate analysis of each firm's own environment should be performed, we are induced to believe that changes in the environmental conditions do not represent a typical trigger event for CVC activity.

6.4 Theme 3: Incubation Period

In the presence of the aforementioned initial conditions, if a firm gets triggered, by one or more of the described events, it will enter an incubation period. The firm will start to make several considerations about the option of a CVC investment and the incubation period will last until the first CVC activity (referred to as Emergence). In this period, the firm attentively scrutinized itself and extensively processed the opportunity of exploring the path of CVC investments, as this manager from Eta indicated:

"For the corporate, this is a phase in which the business model is called into question and therefore the model with which a corporate approaches a startup.." (Et, Eta)

For this reason, the firm will be more responsive to potential deal opportunities and will also take into consideration the CVC as a method to approach a venture. Our inquiry tried to uncover whether firms follow the typical stages of an investment and the standard practices of CVC during this period leading up to the first CVC investment or if there are any significant differences. At the same time, we also looked into who are the actors involved in the process and what are their roles and responsibilities. We found out that several heterogeneous actors are involved in this process, and they are often tied to specific actions. We will now introduce them together following a chronological order within the incubation period.

While the firm is wondering about the opportunities offered by CVC, the first deal appears to originate organically in most cases. Corporate referrals were indicated as the primary source of deal flow, as the informant from firm Delta noted:

"..investment opportunities have also arrived in a fairly, let's say, organic way to the tables of the Group." (D, Delta)

Even though this is a typical practice of CVC investments, it makes even more sense in the instance of the first investment of this type as the technical competences of the corporate contacts can be used to reduce the information asymmetry (Hill & Birkinshaw, 2014; Souitaris & Zerbinati, 2014). We found that corporate non-senior employees (in particular the business development function) are key actors here, as they are responsible for scouting the environment and providing potential deals. The following two quotes illustrate this:

"..colleagues from business development in North America introduced us to Mu [a startup] and that's when the interest started." (Z, Zeta)

"We have a business development function that takes care of scouting for new business opportunities, which had spotted this new startup.." (Et, Eta)

Although, an exception to this was the situation where a firm had established a subsidiary CVC fund in collaboration with an independent VC fund before executing the first CVC investment; in this case, like the associate from Epsilon explained, it was the VC fund who played a key role in the deals flow:

“At the beginning, our partner took care of it because we lacked the necessary specific knowledge.” (Ep, Epsilon)

At this point, CVCs usually screen for other relevant ventures for their parents across industries (Souitaris & Zerbinati, 2014). However, in this situation, being still in an early stage of a CVC experience, it is unlikely that firms already possess an experienced team able to perform such a task. Indeed, as two participants stated, it is more likely that a firm proceeds with the deal referred by the corporate contacts and tries to seize the opportunity:

"These investment opportunities were then evaluated - so I wouldn't talk about who proposed it in itself, because the first investment or the first investments, in my opinion, more than falling within a defined strategy and a defined process, have been, I imagine, much more "opportunistic" ... the origin has been more opportunistic." (D, Delta)

"In the beginning, CVC had more of an opportunistic approach,.." (Ep, Epsilon)

Consequently, there was no evidence as well of feedbacks to the corporates' business units. However, firms then rely on their internal resources and knowledge to carry out the technical due diligence and determine the fit of the new venture with the existing firms' businesses. The next two quotes demonstrate this:

"..in this period of time you actually put into practice and launch the activity of due diligence, which relate to two fronts. Due diligence related to the initiative you are looking at and a business validation due diligence on what can be the contributions from the group to the initiative, what is our market point of view of the initiative, what can be the applications of use of technology, in which markets, the P&L, the type of marginality, the aspects of governance that are very delicate." (Et, Eta)

"..the Group spots the start-ups and initiates internal due diligence.." (A, Alpha)

This is a common practice among CVCs, but again it makes even more sense during the first investment since, as stated before, involving the technical expertise of internal business units can reduce information asymmetry and adverse selection (Narayanan et al., 2009; Robbie & Wright, 1998; Souitaris & Zerbinati, 2014). Here, it is uncertain if the due diligence is carried out behind corporate senior employees' request or if it is performed before presenting the potential deal to them. However, in both situations, at this point, senior corporate employees get involved in the process. They either are involved by sponsoring the CVC as a tool and method of investment or because they are presented with the potential deal to evaluate. For instance, the member of the investment team of the CVC fund of Beta, when asked who first proposed the option of a CVC type of investment, replied: *"The Board."* (B, Beta). The ensuing quote highlights this:

"These investment opportunities were then evaluated ... in the sense that they were the result of the opportunity to have an investment proposal, on which corporate venture capital assessments were then made ... If we want to get then to the proposal, the evaluation was definitely quite collegial and probably took into account three entities back then, namely the CEO of the Group, ... On the other hand, in fact, Delta Ventures, since these first investments were made under that umbrella, as competence center, ... on the front of the assessment of investment opportunities with a financial key and finally the third entity Delta Lab, ... was the context in which entrepreneurial and innovative initiatives within the Group were incubated. So these three elements, ... then led to the evaluation and, consequently, to the proposition of the investment." (D, Delta)

It is worth noticing that in this case, as well as in some of the others, the action of the deal evaluation saw the involvement also of corporate non-senior actors again, but mainly in the role of experts. For instance, Delta Ventures, the subsidiary VC fund of Delta, is mentioned as one of the entities involved in the deal evaluation. So, while the senior corporate actors seemed to be more determinant in sponsoring the CVC itself, corporate non-senior actors acted more as a sponsor for a venture or a technology. An exception to this was again the case of Epsilon, where the firm partnered with an independent VC fund. When asked who first proposed the idea of CVC investment, the informant from Epsilon indicated that both the VC and a senior corporate actor acted as sponsor:

"Both of them. The Head of innovation who at that time was in contact with the VC. The internal sponsor was the COO." (Ep, Epsilon)

In the action of the deal evaluation, the actors involved were the same responsible for the deal approval. While also in the previous literature the deal approval saw the involvement of the parent's executives, here it makes logical sense that they are the ones approving the deal, as standardized processes have not been established yet and the borders between actions and responsibilities are blurrier (Souitaris & Zerbinati, 2014). Comparative quotes are presented in table 5.

Table 5. Evidence on involvement of corporate senior actors in the process leading to the first CVC investment and on the coincidence of actors in deal evaluation and approval

Alpha	*"The decision was taken by the owner, who in this case coincides with the CEO of the Group. ... The decision was taken by the owner through a discussion with the closest collaborators."* (A)
Gamma	*"When you do CVC it's not easy to get the approval to "place the bets", to convince the CFO that you should put that 50 millions into a young company."* (G)
Eta	*"There is a steering committee, in which all the cases and initiatives are reported, where basically the initiatives to invest on are presented. After that there is a decision-making process that is very often taken by the CFO and the CEO."* (Et)

Nonetheless, even though just one informant explicitly talked about it, it makes sense to assume that these two actions happen after a period dedicated to properly structuring the deal so that both parties agree on responsibilities and obligations. In the words of the associate from Epsilon:

"..between the time of search for possible investments, meetings, and signing a Memorandum of Understanding, contract in which you define the way, it took about 6 months." (Ep, Epsilon)

Thus, both the internal actors presented, senior and non-senior corporate employees, were involved in the process of executing the first CVC investment.

Instead, regarding actors external to the firm, a common practice among CVCs is the collaboration with independent VC funds (Keil et al., 2010; Souitaris & Zerbinati, 2014). The data indicated divisive findings on this practice.

Firstly, only one of the informants mentioned the collaboration with an independent VC fund during the first instance of CVC. The associate from Epsilon explained that the subsidiary CVC fund of Epsilon, which executed the first CVC investment, was created in collaboration with an independent VC fund:

"The CVC fund is an investment fund that Epsilon has created together with Lambda, a UK based VC fund that only invests in Fintech. ... Two weeks after the inauguration of the fund, the first activity of CVC was carried out." (Ep, Epsilon)

Another firm, Delta, also collaborated with a VC fund during their first CVC investment; however, it was Delta's own VC fund, as illustrated by this quote from the participant from Delta:

"Delta Ventures ... which in fact is the vehicle portfolio, although it is not a vehicle in itself, let's say the context in which investments take place ... at the moment I would call it more VC - therefore, the Group's VC investments." (D, Delta)

Instead, the other participants did not interact with independent VCs, which did not have a role in the first CVC activity. For instance, the manager from Eta, when asked if they approached the first venture they invested in through partnering with VCs, he answered: *"No. That is going to happen in the near future."* (Et, Eta). As firms interacted directly with the ventures, also another type of external actor must have been involved implicitly involved in the process: the entrepreneurs. Since we conducted the study from the firms' perspective, it was difficult to understand what entrepreneurs are responsible for in this process. However, as Gompers and Lerner (2001) indicated, we expect them to take action for identifying relevant actors in the incumbent organization and building relationships with them. Table 6 presents comparative quotes on this topic.

Table 6. Evidence on firm(s) direct approach to the targeted venture

Alpha	*"The group had a direct relationship [with the startup]. ... It is not supported by VCs."* (A)
Beta	*"[The bank] Had a direct relationship with the startup."* (B)
Zeta	*"For Mu [the startup], the contacts were directly with Mu and no other operators such as VCs or others were used."* (Z)

Overall, the VC industry in Italy has a much smaller dimension compared to other countries in Europe and the rest of the globe (Berger & Schaeck, 2011; Bertoni, Colombo, Croce, & Piva, 2007; Colombo, Grilli, & Verga, 2007; Rossi, 2015). This is partly due to a vicious circle. The abovementioned entrepreneurial deficit impedes the growth of the VC industry, which in turns will not be able to supply enough funds to a new venture, discouraging new entrepreneurs (Berger & Schaeck, 2011; Bertoni et al., 2007; Colombo et al., 2007; Rossi, 2015). This may explain the under-involvement of VCs in the process of the first CVC investment; the scarcity of this type of actors will probably exclude them from being involved in potential deals. The informant from Delta mentioned this obstacle:

"We also discount on the CVC front a little "dwarfism" that is also found in the world of venture capital, the amount of money invested in Italy compared to other countries." (D, Delta)

Previous literature also indicates that CVCs do not network with similar funds (i.e., other CVCs) (Souitaris & Zerbinati, 2014). However, one of the informants mentioned that a necessary step in executing the first CVC investment was syndicating with other investors to address information asymmetry problems. The ensuing quote outlines this:

"..this new startup that had in some way aroused the interest of other players, other partners similar to Eta. Eta could have contributed to this initiative by covering some gaps from a technical point of view of the initiative and therefore this deal was made with other corporations also from the world of oil & gas and petrochemicals. ... " (Et, Eta)

This action may be a necessity dictated by the industry where Eta operates. Indeed, in a capital, intensive industry such as oil & gas, the follow-up investment costs may hinder a firm from fully develop the potential of a venture or technology (Brogan, 2014). It may also prevent the firm from performing other investments if unsuccessful with the first trials. The manager from Eta discussed the issue:

"Because investments in oil and gas technologies are very capital intensive. … ..on the subject of oil & gas is a matter of budget. The acquisition of a startup in the oil & gas sector means having to make very capital-intensive investments. With the risk of focusing on few initiatives and not having a deep disposition, typical of venture capital, to take chances on other initiatives." (Et, Eta)

Thus, to conclude, the entrepreneurs and VCs are the external actors involved in the first CVC activity of a firm.

6.5 Theme 4: Organizational Learning

As it happens during many activities and projects, when a firm start researching about something new, how does it work, how they can implement it in an efficient way and generally how to reach their objectives, the firm undergoes a learning process that produces new competencies and knowledge (Keil, 2004). To go deeper into our analysis and provide a more exhaustive model, we used the Five Organizational Learning Process developed in its researches by Huber, dividing the Learning Process in 5 different sub-process (Huber, 1991).

The Five Learning Process that is explained in Chapter 2 are the Congenital Learning, Experiential Learning, Vicarious Learning, Grafting Learning and last, the Searching and Noticing Learning.

Analyzing the data collected from our interviewers, we noticed something that we expected. The interviewers did not discuss two out of the five Learning Process that is part of the Huber's Five Organizational Learning Process. In particular, we have not found any information related to Congenital Learning and Vicarious Learning. Before rushing to conclusions, we must analyze the nature of these to the learning process.

Firstly, the Congenital Learning, in Huber's view indicates the knowledge that the founder of the new organization has already acquired and that shares after the creation of the entity, leading the direction that the firm will take. In our case, we do not have findings of the existing knowledge of the firms, seen as the founder of the new entity. However, we can notice the particular form of this learning process.

Secondly, Vicarious Learning is another sub-process that has not observed any findings during the interviews. To understand why we must remember the essence of this type of learning process. This process consists in the acquisition of knowledge and information about what the competitors are doing through the tools of corporate intelligence. Tools that are not well seen. It would be as if the interviewer admits that they gathered information on competitors asking their vendors, suppliers, professionals, and networking.

Even if it is something that the firms do, it comes to no one surprise that they prefer to not talk about it.

Eventually, hereafter the other findings that we observed in regards to the Organizational Learning in the field of CVC, a field that the literature has studied and that tell us that the organizational learning is one of the significant benefits for a firm doing CVC activities (Narayanan et al., 2009).

Starting from the Experiential Learning, that as the name suggests, it includes the knowledge and skills acquired through the doing of some activities, we report the quote of the Associate Strategy & Equity Investments of Epsilon:

"Continuous interactions with startups are planned, workshops, consultations, meetings, frequent and structured contacts to talk to each other. To transfer skills in two directions." (Ep, Epsilon).

Comparative quotes are presented in Table 7.

Table 7. Evidence of the presence of Experimental Learning

Alpha	*"It is not supported by the VCs."* (A)
Beta	*"We do the activities ourselves."* (B)
Gamma	*"Out of twenty investments made, they all went a little bit bad except this one. This made us realize that we are not particularly good at investing in the right startup, while highlighting the fact that we are good at understanding how they can make their product so that then a large company uses it."* (G)
Delta	*"..the first real CVC operation - it related directly to the startup."* (D)
Epsilon	*"At the beginning our partner took care of it since we lacked the necessary specific knowledge. Then once we acquired the specific knowledge we started doing it ourselves. Currently, we have decided to have another partner that is a startup ecosystem that will help us in research."* (Ep)

Another Learning Process that we analyzed thanks to the interviews is the Crafting Learning, and we looked for evidence of firms purchasing an organization with the skills and the knowledge needed or merely hiring new employees with the required expertise. We found proof of the presence of the Crafting Learning in two firms, Epsilon and Zeta, as the ensuing quotes illustrate:

"This led to the collaboration with Lambda which led to the creation of two funds for a total of 200 million euros." (Ep, Epsilon)

"The startup operates with a technology that derives from public scientific research. Here there is not the problem of having access to knowledge but rather of having people who have the ability to take this technology and aggregate them to do a function. They are very good at this while we are not very good at it. In six months, no employee left, and we have a recruitment program in mind to increase the team. All the activity they do is on their servers and remains available to our company. However, you need someone who understands how to use these softwares." (Z, Zeta)

Epsilon was looking for specific skills regarding the CVC, so they hired Lambda, a VC fund that had already experience in the field while the Business Development Director of Zeta told us that its firm needed the access to a determinate technology, so they decided to buy the whole firm and quickly gain access to their knowledge and skills. As presented in our model in Chapter 3.4, we can expect this learning in the Incubation Period. These activities in table 8 are included in the

Incubation Period which, by definition, is characterized by a different way of sharing knowledge (Agarwal, Moeen, & Shah, 2017).

Regarding the Searching and Noticing Learning, we found that six out of seven interviewees mentioned that this type of learning had a place in their organization. Hereafter a quote by the Manager (Group Finance) of Eta:

"Scouting activity, incubation activity, the activity of creating an ecosystem with innovation hubs, you necessarily have to talk to your corporate venture capital because corporate venture capital needs someone to ensure deal flow, that is, that he submits the initiatives he considers most valid." (Et, Eta).

The Manager of Eta presented the importance for them to have a structured process to collect information about the external conditions of their environment. Collection of information that is possible using the tools of the Searching and Noticing Learning explained in Chapter 2.6.5 where the firm can generally looking for info scanning the environment using also focused research about a determinate topic or can note the external situation without the intention to do that, that is when the flow of information arrives in the firm from external actors (Huber, 1991; Keil, 2004). Table 8 presents comparative quotes on the topic.

Table 8. Evidence on Searching and Noticing Learning

Alpha	*"Partners are identified that can be incubators, universities, investor clubs, innovation and scouting paths carried out by external consultants etc., through which the Group learns about start-ups and initiates internal due diligence."* (A)
Gamma	*"Now that we are open to the world of innovation, we say that we have this problem and therefore we ask outside the company how to solve it. So we do an in-depth analysis of what we might need and ask outside."* (G)
Delta	*"The network is there. Clearly we do both direct scouting activities, which are offered opportunities directly from the market or even from other funds."* (D)
Epsilon	*"At the beginning our partner took care of it since we lacked the necessary specific knowledge. Then once we acquired the specific knowledge we started doing it ourselves."* (Ep)
Zeta	*"The search for this startup lasted at least 12 months in which we saw many companies taking into account the technological progress, available for an acquisition, in which the shareholder would not be too complicated to manage and which was also geographically easy to manage."* (Z)
Eta	*"We have a business development function that deals with going scouting for new business opportunities, which this new startup has known that had somehow aroused the interest of other players, other partners similar to the Eta world."* (Et)

6.6 Towards a Model of Corporate Venture Capital Emergence

In the third chapter, we presented a conceptual framework of CVC emergence based on the previous literature review. While conducting the analysis, we recursively went from the theoretical model to the data and then back to the model, until we had a model that fit the data. The figure below shows the model of CVC emergence that resulted from looking at the findings as a whole.

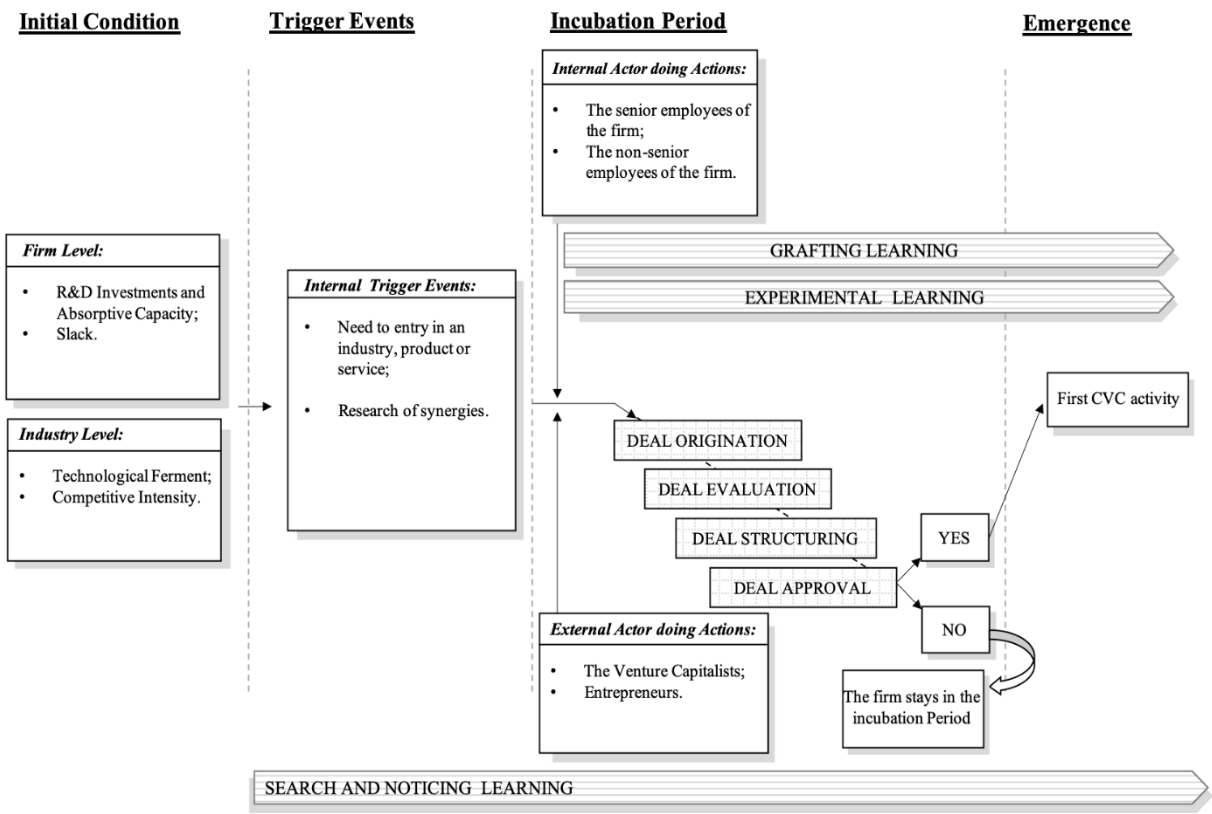


Figure 10: “The resulted Model of How CVC Emerge.”

The presence of specific initial conditions at the firm and industry level can favor the emergence of CVC. In particular, having a good level of absorptive capacity due to R&D investment and the presence of technology ferment at the industry level have a strong influence. Meanwhile, a high level of competitive intensity in the industry and the lack of financial carry a moderate influence.

In the occurrence of these initial conditions, particular events can trigger the firm and initiate the process of considering CVC as an investment and strategic tool. Within the firm, the need to enter new technologies and new business models as well as the research for synergies with ventures outside the firm has a strong chance of triggering firms and initiating the incubation period. Concurrently, the desire to ride a big trend unleashed by a potentially disruptive innovation has a moderate chance of triggering firms.

In the subsequent incubation period launched by one or more triggers, a set of actors perform a set of actions that leads to the first CVC investment. Actors within the firm, both senior and not, are actively involved across the entire process. Actors external to the firm, in particular entrepreneurs and VCs, also have a role in the process, but they are less involved when compared to internal actors, and not present during every action. The majority of these actions are common to what would be a typical CVC investment: deal origination through corporate referrals, internal technical due diligence, deal and CVC sponsoring, deal evaluation, structuring, and approval.

In regard to the organizational learning happening throughout these phases, from the findings emerged that the firm undergoes three out of five learning processes forecasted. Experiential Learning and the Search and Noticing Learning have a strong influence in the incubation period while Crafting Learning has a moderate impact. Before this process, the CVC phenomenon was nonexistent in the firm. In the majority of the cases, there will not be a proper setup and structure, and thus, these first CVC activities are carried on in the form of direct investments in the venture.

6.7 Conclusion

This chapter presented in-depth the findings of the research. Prominent themes were described in chronological order of appearance in the emergence of CVC. We began with initial conditions and trigger events. Those themes lead to the incubation period, where various actors and actions are presented. The role of organizational learning throughout this process was then outlined before introducing a revised and final version of the model of CVC emergence.

CHAPTER 7: Discussion

7.1 Introduction

In the model derived from the proceedings of the study, the emergence of CVC was depicted as a linear process. It was elaborated by taking an approach originating from the body of knowledge of the mainstream (also known as orthodox) economics. This involved taking the neoclassical assumptions of rational choice theory and agency theory (Dequech, 2007). Thus, it could be relevant to discuss the topic approaching it from the different perspectives of evolutionary economics, a heterodox economic theory (Nelson & Winter, 1982). We will involve this perspective in section 7.2 and particularly in 7.3, where we will discuss the findings respectively on the period before the emergence and bring forward the discussion on what happens after it. Section 7.4 is dedicated to the limitation of the research, while we laid down indications for future research in section 7.5. Finally, we will present practical and theoretical implications in section 7.6 before concluding.

7.2 Pre-Emergence

To begin with, it is worth noticing that the level of maturity of the phenomenon played a role in how the model shaped. Indeed, most of the participants agreed with the subject matter experts' view that the CVC phenomenon in Italy is not mature yet, as the following quote from the informant from Beta illustrates:

"The CVC in Italy is still in the early stage where several companies are still considering the best way to go, such as entrusting the management of their funds to third parties, rather than starting paths of open innovation or establishing internal structures." (B, Beta)

It is wise to assume that the level of maturity of the phenomenon could modify the way CVC emerges within a firm. In a context where CVC is well established and implemented by many companies, more information should be available to newbies on how to ideally initiate to perform CVC investments. Comparative quotes on this topic are presented in table 9.

Table 9. Evidence of non-maturity of the CVC phenomenon in Italy

Alpha	*"..CVC is still not very mature. The part that I see, therefore I am referring to Piedmont, is too much characterized by the presence of subcontractors, companies that do not have the finished product in their hands. They don't have the R&D that looks to the final customer."* (A)
Delta	*"It is certainly not developed as in other European or global realities."* (D)
Epsilon	*"In Italy I would say that there is a great need for innovation. The attention of companies towards CVC is growing."* (Ep)
Eta	*"We are already seeing the first forms of CVC in Italy in some corporate that is within quite diversified industries."* (Et)

Our conceptual framework and model explicitly distinguished between the initial conditions and the trigger events. It also incorporated sharp distinctions within these two themes, presenting a set of well-circumscribed conditions and events. Nonetheless, we acknowledge the fact that, in reality, these distinctions may not be as explicit. Further research on the presence of hybrid types of initial conditions and trigger events could enlighten even more our understanding of why and when firms start to consider the path of CVC. Moreover, while these conditions and events are derived from the current state of the literature, they may not fully cover the variety of elements favoring and initiating the incubation period.

Regarding the initial conditions, one that mainly drove our attention was the influence of positive financial markets performances on firms' receptiveness towards trigger events. Indeed, previous literature indicates that in the past, CVC has followed patterns that first emerged in VC (Drover et al., 2017). A recent study has shown that, during the financial crisis, VCs provide the same amount of funding to ventures, but they tend to allocate more resources to ventures operating in their core sectors (Conti, Dass, Di Lorenzo, & Graham, 2019). Let us assume a similar effect occurs in the context of a firm's first CVC investment. A period of the positive performance of financial markets could then be an indicator that firms considering CVC will more likely execute their first (as well as the subsequent) investments in non-core sectors venture. Conversely, firms interested in CVC would be more likely to invest in a core sector venture if they decide to start during a time of financial crisis. This hypothesis needs further research and testing but could contribute to expanding the literature of CVC.

We have seen the prevalence of different triggers across the past waves of CVC. On the one hand, the presence of some conditions can enhance specific triggers events more than others. On the other and, from an evolutionary perspective, it may be that the continuation of CVC within a firm depends on what specific event triggered a firm. Assuming that the trigger events we presented have all the same potential of initiating the process, it would be interesting to map which ones lead to the establishment of the CVC within firms and which ones did not. Consequently, over the years, as firms study competitors and learn, unfruitful trigger events could disappear in favor of the ones for which it makes sense a firm pursues CVC.

It is also a possibility that specific combinations of conditions and triggers influence the type of actors present (as well as their roles) in the incubation period. If we take as an example Intel Capital, which was launched during the third wave, we can see that a non-senior employee of the firm actively reaches out to a technology expert outside the firm in order to hire him and bring his expertise within the firm (Elliot, 2013; Miller, 2013). Successively, through extensive discussion with relevant academics, this technology expert (now a non-senior employee of the firm), elaborates and decides to sponsor the opportunity of undertaking CVC, taking on himself the responsibilities of deal originations while also being involved in the due diligence and deal evaluation (Elliot, 2013; Miller, 2013). This may, of course, be an outlier, but it is an example of a situation where the presence of some conditions and triggers characteristic of the third wave may have played a role in the involvement of different actors and the consequent different path of CVC emergence.

Also, the industry to which a company belongs may influence the actions taken to the emergence of CVC. For instance, as we mentioned before in the findings on the incubation period, the action of syndicating with other investors may be specific to capital intensive industries. Another instance of this is suggested by the following quotes from the interview of the informants from Delta and Epsilon:

"I would place the start in the first half of the 2000s, first with an investment approach within Venture [Capital] investment funds." (D, Delta)

"Two weeks after the opening of the fund, the first activity of CVC was carried out. However, we had followed the path of VC." (Ep, Epsilon)

These may indicate a pattern, characteristic of the banking industry, that a preliminary action to CVC emergence is to gain experience through VC investment. This knowledge would then be spread to the relevant stakeholders in the firm, who can apply it during the first CVC investment. Nonetheless, Epsilon and Beta (which also belongs to the banking sector), executed their first CVC investment after creating an external vehicle dedicated to it. The creation of a fund before the first investment can be another action characteristic of the banking industry path to CVC emergence. This is consolidated by the previous VC experience, as that will allow the creation of a team of experts straight away. These possible trends may indicate that the model could be industry dependent; different actions will be present in different industries.

What is more, the different combinations of these variables (initial conditions, trigger events, actors, and actions) could determine another aspect of the CVC emergence: the duration of the incubation period. It was not in the scope of the study to establish the period between a trigger event and the emergence of CVC. However, we can assume that this time span depends both on presence of specific variables rather than others (for instance internal rather than external trigger events) and also on the various trial and error before the first investment (i.e. the occasion in which a firm would like to invest in a venture but is not able to do so due to some obstacles along the way). Once the model has been tested and made transferable to other contexts, further research can be conducted on this topic.

The interviews also provided another input for discussion. Some informants mentioned the need for an innovation ecosystem as an antecedent to the emergence of CVC, as the following quotes illustrate:

"..we are starting a path of contamination with different ecosystems that try in some way to bring together the various actors involved in the theme of venturing, such as universities, research centers, intelligence transfer offices, innovative SMEs where these are for us the input where all new technologies come and innovative projects." (Et, Eta)

"..we have decided to have another partner that is an ecosystem of startups that will help us in the research [of potential targets]." (Ep, Epsilon)

An innovation ecosystem models the economics of the complex relationships that are formed between actors whose functional goal is to enable innovation and technology development (Jackson, 2011). To successfully innovate, a firm should be able to closely track and connect with potential partners and adopters of the technology (Adner, 2006). Hence, the presence of this ecosystem can be seen as an initial condition to CVC, since it will potentially boost the creation of innovative ventures and thus offer more potential targets to firms. In case this ecosystem is not established, an action antecedent to CVC could be the firm's collaboration with other entities of their environment (academics, industry researchers, industry representatives, universities, VCs, research institutes, state and/or local economic development and business assistance organizations, funding agencies, policymakers, and even competitors) to develop and grow the ecosystem. In case the ecosystem is instead well established, but the firm is not connected to it, then an action anticipating the emergence of CVC could be to expand a firm's network by placing agents and hubs in strategic locations with the scope of search the environment for potential deals.

7.3 Post Emergence

Even though the evolution of CVC subsequent to the emergence was out of the scope of this study, the research provided some valuable inputs worthy of being discussed. Firstly, during interviews, the concept of open innovation was mentioned alongside the one of CVC, as shown by the following quote:

"If you don't actually create a fundraising system [i.e. CVC function] the role of the innovation hub is partial, from the moment you did the scouting activity, you selected the best technologies, you found the one that fit the most with the corporate, from the moment you also did an acceleration program for which the technologies identified are ready to join, at that point if you have not created a function that puts fuel [i.e. funding] to allow the initiative to make the phase of scale up, the innovation pole leaves the time it finds. You have to see the innovation hub as a vehicle that produces, creates, new technologies continuously. We approach an open innovation system, so our innovation hubs that we will launch next month, also embrace other industries and other corporate. We believe that contamination with more players can create value." (Et, Eta)

New models of innovation have pointed out that innovative firms have changed the approach used to hunt for new ideas, adopting open search strategies that involve the use of a wide range of external actors and sources to help them achieve and sustain innovation (Laursen & Salter, 2006). This is clearly connected to the idea of an innovative ecosystem where the firm can get innovative inputs but at the same time provide outputs to grow the ecosystem. While open innovation bears some risks, it has also been shown as more appropriate in the attempt to achieve a better R&D productivity for companies in some industries than a closed innovation model (Albers, Ili, & Miller, 2010). For firms with well-settled CVC operations, being open to innovation from the outside goes along with the idea of CVC itself. Hence, open innovation can represent an approach to expand even more the opportunities of CVC as a strategic tool. On the other hand, for companies new to

CVC or that have yet to try it, this approach may actually discourage them. It may indeed appear to them that similar results to the ones obtained through CVC can be achieved thanks to open innovation, but at an even lower entry cost (firm can just participate in virtuous practices of knowledge sharing to actually get exposure and access to relevant knowledge).

Secondly, after its emergence, CVC evolves along different paths within firms. Indeed, the outcomes, learnings and performance of the first CVC investment are highly likely to shape firms' investment strategy and approach to CVC in the period post-emergence. It could evolve into a fully established fund executing a considerable number of investments, or into an internal team dedicated to innovation and able to pursue spot investment or it could totally disappear if the firm is not able to see the potential of the tool. But what else could make a firm enter into a trajectory rather than another? From an evolutionary perspective, repeated behaviors of actors within a firm can establish routines that act as the genes of the firm (Nelson & winter, 1982). If a firm and its actors are able to spot and replicate successful routines (both inside and outside the firm), while destroying the harmful ones, they can set them up with the right genes for survival (Nelson & Winter, 1982). Thus, it is vital to the progress of CVC that a firm is able to repeatedly undertake actions that led to profitable investment; otherwise it will just gradually discard the option of CVC and move onto different innovation methods.

As an example, previous research suggested that CVC backed ventures have less chances to fail in comparison to other ventures not funded by CVCs when they operated in uncertain environments (Park & Steensma, 2012). Additionally, a later study indicated that the reputation of a firm for facilitating new venture success may lead to economic rents by granting them influence over investees to pursue technological synergies (and their benefits) over preferences of other coinventors (Park & Steensma, 2013). This mechanism may be especially strong when investing firms and new ventures operate in highly uncertain environments (Amit & Schoemaker, 1993). Hence, routines able to enhance the reputation of a firm seem to be a fundamental requirement, especially in highly uncertain and complex environments, for the survival and prosperity of CVC.

We also mentioned in the pre-emergence discussion the level of maturity of the phenomenon. This can play a role here as well. Take a context where the phenomenon is well developed (e.g. USA), thanks to firms successively executing CVC investments for a prolonged period of time. If CVC emerges within a firm placed in such a context, it could be assumed that this firm will have higher chances of identifying the routines that make CVC successful.

7.4 Limitations of the research

From the start, we begin by presenting the main limitations of the qualitative research paradigm. First, the quality of the data collected is highly subjective (Yin, 2011; Saunders et al., 2016). The same data that a researcher might feel as necessary and relevant to gather can be considered pointless by another researcher. Having individual perspectives and including instinctual decisions can lead to generalized or even inaccurate data because of the reliance on researcher subjectivisms (Yin, 2011; Saunders et al., 2016).

For the same motives, qualitative research's findings are hard to present properly. Researchers aim to portray the database in a way that presents a specific outcome to the readers. Yet, the subjective nature of the information can cause the reader to extrapolate a different meaning (Yin, 2011; Saunders et al., 2016). What researchers glean from the data can be very different from what the final readers glean from the data.

Also, findings obtained through qualitative research are not always accepted by the scientific community because of the subjective nature of the analysis of the data gathered (Yin, 2011; Saunders et al., 2016). To initiate the process of community acceptance, it is often necessary that a second and independent qualitative research effort is able to reproduce the same or very similar findings (Yin, 2011; Saunders et al., 2016).

However, replicating results can be very challenging in qualitative research. The scientific community would only accept research as factual if the findings can be verified and duplicated (Yin, 2011; Saunders et al., 2016). But in qualitative research, this can be very difficult to accomplish. Indeed, the replication study must take into account the variability of investigators or interviewers' biases within the data, but also the response or interviewee's bias, which is built into the data itself from the providers (Saunders et al., 2016). This means that the scope of data collection can be extremely limited due to each unique perspective, even if the structure of gathering information is fluid.

Additionally, the quality of the data gathered through qualitative research is highly dependent on the skills and observation of the researcher. A significant amount of trust is placed on the researcher to collect, and then draw together, the data (Yin, 2011; Saunders et al., 2016). The progress of the study depends upon the ability of the researcher to connect all the dots. If a researcher cannot do this, then unseen data can disappear during the qualitative research process (Yin, 2011; Saunders et al., 2016).

Another hallmark characteristic of qualitative research is the enormous number of details collected. Though, while performing the analysis the amount of details can often be overwhelming (Yin, 2011; Saunders et al., 2016). Sorting through that data to identify the key findings can be an extremely time-consuming effort. However, as reading and re-reading the data is mandatory to the analysis, qualitative researchers must use a far smaller sample than quantitative ones (Braun & Clarke, 2006).

Yet, a small sample is not always representative of a larger population demographic. This means that a follow-up study with a larger quantitative sample is often necessary so that findings can be accurately tested, allowing for a better overall outcome of the research (Yin, 2011; Saunders et al., 2016). Indeed, the main disadvantage of qualitative research is that its findings cannot be extended to wider populations with the same degree of certainty that quantitative analyses can. This is because the findings of the study are not tested to discover whether they are statistically significant or due to chance (Yin, 2011; Saunders et al., 2016). Comparisons can still be made, and this can lead to the duplication which may be required, but for the most part, quantitative data is necessary for circumstances where statistical representation is needed (Yin, 2011; Saunders et al., 2016).

The huge amount of data collected is also one of the limitations of the case strategy design (Yin, 2014; Saunders et at., 2016). Furthermore, even the most detailed case is still a significant simplification of reality and the findings showed represent only a portion of the data collected. Consequently, it is quite possible that a revisiting of the data would reveal other aspects at least as interesting and significant as those we chose to analyze and write about.

Similarly to qualitative research, a case study strategy is not ideal for analyzing a sample of great dimension and when it is successful in revealing some of the complexities of the phenomenon analyzed, there is often a problem of representation (Yin, 2014; Saunders et at., 2016). There are often several different ways to show the aspects emerging from the data, each one of which is slightly different in its approach and emphasis. This can make the findings of such strategy very difficult to summarize.

By definition, case studies can make no claims to be typical (Yin, 2014; Saunders et at., 2016). We have no means to know, empirically, to what extent our model fits other contexts like for instance other European states.

Two limitations of this study are tied to the method of analysis. First, there is a lack of substantial literature on thematic analysis; even though it’s a widely used method, it is poorly demarcated and rarely acknowledged (Braun & Clarke, 2006; Norris et al., 2017). The second limitation regards the flexibility that thematic analysis grants; this can increase the risk of inconsistency and a lack of consistency when developing themes derived from the research data (Braun & Clarke, 2006; Norris et al., 2017).

In regard to the sample, a limitation of the study was the so-called participation bias. This bias may result from the nature of the individuals or organizational participants who agree to be interviewed (Saunders et al., 2016). In fact, the amount of time required for an interview may result in a reduction in willingness to take part by some. Due to the same cause, another limitation of the study was the fact that one of the informants did not participate in the second interview.

Furthermore, the tools used to collect data impose some limitations on the study. Specifically, in interviews conducted by telephone or Skype™, it may be difficult to entertain exploratory discussion if the informants are uncomfortable with this mode of interviewing (Saunders et al., 2016). This may lead to reliability issues in case the participants are reluctant to engage in this type of exploratory discussion by telephone. It is also more challenging for the interviewers to build a relationship based on trust with the interviewees (Saunders et., 2016). Another limitation was that some participants were less willing to provide us with as much time to talk to them in comparison with a face-to-face interview. Two of the interviews were very short and it proved difficult to develop more complex questions in comparison with a face-to-face interview situation. Moreover, since we adopted data sampling in transcribing the interviews, we increased the risk of missing relevant information and we needed to listen the audio recording carefully several times anyway (Saunders et al., 2016).

Finally, the main limitation of this research is the low transferability, as indicated in section 5.8.3.

7.5 Future research

Given the discussed methodology, findings, and limitations of this thesis, there are several starting points which future research can deepen. First of all, we agree with pluralists, which see the diversity of the field as helpful, arguing it enriches business and management (Saunders et al., 2016).

After conducting this exploratory study with a qualitative approach, the following step to further expand research in the field would be to test the model across other contexts. A study with a quantitative approach can be conducted, for instance, by surveying executives of firms across Europe, and the findings could be used to evaluate the validity of the model.

In addition to this, applying this model to a sample of firms in a determinate industry, country or category of interest, it should be possible to establish the current state of the emergence of that sample. Moreover, if direct investment in a venture proves effectively to be the most common path of first CVC activities, the efficiency of this approach should be evaluated by studying both firms and ventures post-investment performance. This will help in assessing from a managerial perspective the choice of setting up a dedicated unit or fund before even starting the first CVC activities.

Once a model of the emergence of CVC has been proven valid by checking its transferability to other contexts, scholars in the field should aim to extend the model to see how the phenomenon of CVC evolves after the emergence. The first area for investigation could be the choice of starting by setting an external CVC fund rather than keeping the operations internal to the company. And in case the option is to start with an external fund, then the different funds should be analyzed to understand what type of structure is the favorite one and what type is more beneficial for the long-term success of CVC (from the firm's perspective).

Lastly, once all these questions have been answered, including discerning the different reasons behind the choice of one of these two modes of governance, one additional area of research should be the geographical location of the external CVC fund. From the state of current literature, it is not clear based on what companies decide to locate their funds in particular areas rather than others. Eventually, explanations of this can be drawn by combining literature on VC funds' geography with the theory regarding the ecosystems of innovation.

7.6 Practical and Theoretical Implications

This study is conceived for companies with an interest in exploring the path of CVC. It aims to provide them with a greater understanding of how other companies in the past have initiated to perform CVC investments. These "newbie" companies can focus their effort on cultivating a wide variety of actors who plays a pivotal role in the emergence of CVC. On the other hand, it can provide insights on how to grow venture financing in Italy, alleviate problems regarding entrepreneurship scarcity, and increase the innovation potential of the entire environment.

The thesis contributes to the literature of CVC. We began to fill a gap in the field by initiating the exploration of the antecedents of CVC (Drover et al., 2017). We identified the main initial conditions, and the events are triggering the phenomenon of CVC. We discerned which of the practices common to CVC deals are present also in the first deal. We extended the literature by devising the main actors involved in a CVC deal. The study culminated by proposing an initial model of CVC emergence, developed including the perspective of organizational learning to the emergence of CVC. This will pose the base to investigate why structural differences exist across CVC firms and funds.

7.7 Conclusion

The most relevant aspects of the analysis were elaborated and presented in the findings. Other fascinating aspects that resulted from the study were discussed in the first two sections of this chapter. The topic of CVC is still quite understudied and combining theories from other fields. The discussion settled the ground to provide suggestions for future research. The boundaries and implications of the study were also presented subsequently.

CHAPTER 8: Conclusion

Firms do not suddenly execute corporate venture capital investments. Given the Italian scenario as an empirical setting, we examined how corporate venture capital develops as a strategic tool within a corporation. It is established as the result of a long path that leads up to the first instance of corporate venture capital. As we begin to illuminate during this thesis, the presence of a few specific conditions will poise a firm in the right attitude for being triggered by particular events. These events will make the firms consider the option of pursuing a corporate venture capital investment. Then, a series of complex interactions of various actors and actions during the incubation period precedes the emergence of corporate venture capital. The heterogeneity in actors and actions is critical: executing the first corporate venture capital investment requires multiple actors - from inside and outside the firm - to carry out several specific actions. Hence, because corporate venture capital has an influence on entrepreneurial dynamism, the rate of technological innovation and economic growth, we believe that research directed toward understanding the roots of corporate venture capital will greatly enhance firms' ability to support, harness, and mobilize the variety of actors that spark it. In turn, this will prime the progress and contribute that firms contribute to society.

CHAPTER 9: References

Adner, R. (2006). Match Your Innovation Strategy to Your Innovation Ecosystem. *Harvard Business Review*, 12.

Agarwal, R., Moeen, M., & Shah, S. K. (2017). Athena's Birth: Triggers, Actors, and Actions Preceding Industry Inception. *Strategic Entrepreneurship Journal*, *11*(3), 287–305. https://doi.org/10.1002/sej.1259

Albers, A., Ili, S., & Miller, S. (2010). Open innovation in the automotive industry. *R&d Management*, *40(3)*, 246–255.

Amit, R., & Schoemaker, P. J. H. (1993). Strategic assets and organizational rent. *Strategic Management Journal*, *14*(1), 33–46. https://doi.org/10.1002/smj.4250140105

Basu, S., Phelps, C., & Kotha, S. (2011). Towards understanding who makes corporate venture capital investments and why. *Journal of Business Venturing*, *26*(2), 153–171. https://doi.org/10.1016/j.jbusvent.2009.07.001

Benson, D., & Ziedonis, R. H. (2009). Corporate Venture Capital as a Window on New Technologies: Implications for the Performance of Corporate Investors When Acquiring Startups. *Institute for Operations Research & the Management Sciences*. Retrieved from http://web.b.ebscohost.com.esc-web.lib.cbs.dk/ehost/pdfviewer/pdfviewer?vid=7&sid=92ee4729-d7ec-4226-8426-ac7ac56d5a8c%40sessionmgr102

Berger, A. N., & Schaeck, K. (2011). Small and Medium-Sized Enterprises, Bank Relationship Strength, and the Use of Venture Capital. *Journal of Money, Credit and Banking*, *43*(2-3), 461–490. https://doi.org/10.1111/j.1538-4616.2010.00381.x

Bertoni, F., Colombo, M. G., Croce, A., & Piva, E. (2007). A review of the venture capital industry in Italy. In *Venture Capital in Europe* (pp. 129–141). https://doi.org/10.1016/B978-075068259-6.50013-0

Blanco, J. L., Mullin, A., Pandya, K., & Sridhar, M. (2017, July). The new age of engineering and construction technology | McKinsey. Retrieved September 15, 2019, from https://www.mckinsey.com/industries/capital-projects-and-infrastructure/our-insights/the-new-age-of-engineering-and-construction-technology

Borsa Italiana. (2018). Indice FTSE MIB. Retrieved on 2018.12.28. Retrieved from https://www.borsaitaliana.it/borsa/azioni/ftse-mib/lista.html

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101. https://doi.org/10.1191/1478088706qp063oa

Brinkmann, S., & Kvale, S. (2015). *InterViews: Learning the craft of qualitative research interviewing* (3rd ed.). Thousand Oaks, CA: SAGE Publications.

British Private Equity & Venture Capital Association. (2013). *Guide to Corporate Venture Capital*.

Brown, T. L., & Hatges, P. (2018, June 21). Who's steering? How technology is reshaping the automotive industry - KPMG Canada. Retrieved September 15, 2019, from KPMG website: https://home.kpmg/ca/en/home/insights/2018/06/how-technology-is-reshaping-the-automotive-industry.html

Bürgin, M., Gnamm, J., & Kalmbach, R. (2018, June 20). Innovation in the Automotive Industry: No More Experiments. Retrieved September 15, 2019, from Bain website: https://www.bain.com/insights/innovation-in-the-automotive-industry/

Carter, N., Bryant-Lukosius, D., DiCenso, A., Blythe, J., & Neville, A. J. (2014). The Use of Triangulation in Qualitative Research. *Oncology Nursing Forum, 41*(5), 545–547. https://doi.org/10.1188/14.ONF.545-547

Chesbrough, H. W. (2002). *Making Sense of Corporate Venture Capital*. 10.

Cohen, W. M., & Levinthal, D. A. (1990). Absorptive Capacity: A New Perspective on Learning and Innovation. *Administrative Science Quarterly*, *35*(1), 128. https://doi.org/10.2307/2393553

Colombo, M. G., Grilli, L., & Verga, C. (2007). High-tech Start-up Access to Public Funds and Venture Capital: Evidence from Italy. *International Review of Applied Economics*, *21*(3), 381–402. https://doi.org/10.1080/02692170701390361

Conti, A., Dass, N., Di Lorenzo, F., & Graham, S. J. H. (2019). Venture capital investment strategies under financing constraints: Evidence from the 2008 financial crisis. *Research Policy*, *48*(3), 799–812. https://doi.org/10.1016/j.respol.2018.11.009

Cumming, D. (2012). *The Oxford Handbook of Venture Capital*. Oxford University Press, USA.

Dequech, D. (2007). Neoclassical, mainstream, orthodox, and heterodox economics. *Journal of Post Keynesian Economics*, *30*(2), 279–302. https://doi.org/10.2753/PKE0160-3477300207

Drover, W., Busenitz, L., Matusik, S., Townsend, D., Anglin, A., & Dushnitsky, G. (2017). A Review and Road Map of Entrepreneurial Equity Financing Research: Venture Capital, Corporate Venture Capital, Angel Investment, Crowdfunding, and Accelerators. *Journal of Management*, *43*(6), 1820–1853. https://doi.org/10.1177/0149206317690584

Dushnitsky, G. (2011). Riding the Next Wave of Corporate Venture Capital. *Business Strategy Review*, *22*(3), 44–49. https://doi.org/10.1111/j.1467-8616.2011.00773.x

Dushnitsky, G., & Lenox, M. J. (2005a). When do firms undertake R&D by investing in new ventures? *Strategic Management Journal*, *26*(10), 947–965. https://doi.org/10.1002/smj.488

Dushnitsky, G., & Lenox, M. J. (2005b). When do incumbents learn from entrepreneurial ventures? *Research Policy*, *34*(5), 615–639. https://doi.org/10.1016/j.respol.2005.01.017

Dushnitsky, G., & Lenox, M. J. (2006). When does corporate venture capital investment create firm value? *Journal of Business Venturing*, *21*(6), 753–772. https://doi.org/10.1016/j.jbusvent.2005.04.012

Dushnitsky, G., & Shaver, J. M. (2009). Limitations to interorganizational knowledge acquisition: The paradox of corporate venture capital. *Strategic Management Journal*, *30*(10), 1045–1064. https://doi.org/10.1002/smj.781

Dutt, A. K. (2006). Aggregate Demand, Aggregate Supply and Economic Growth. *International Review of Applied Economics*, *20*(3), 319–336. https://doi.org/10.1080/02692170600736094

Eisenhardt, K. M. (1989). Building Theories from Case Study Research. *The Academy of Management Review*, *14*(4), 532–550. https://doi.org/10.2307/258557

Eisenhardt, K. M., & Schoonhoven, C. B. (1996). Resource-based View of Strategic Alliance Formation: Strategic and Social Effects in Entrepreneurial Firms. *Organization Science*, *7*(2), 136–150. https://doi.org/10.1287/orsc.7.2.136

Elliot, D. (2013, August 19). *Oral History of Avram Miller*. Retrieved from https://www.computerhistory.org/collections/catalog/102746744

Ernst, H., Witt, P., & Brachtendorf, G. (2005). Corporate venture capital as a strategy for external innovation: An exploratory empirical study. *R&D Management*, *35*(3), 233–242. https://doi.org/10.1111/j.1467-9310.2005.00386.x

European Commission. (2019, February 24). The Digital Economy and Society Index (DESI) [Text]. Retrieved September 8, 2019, from Digital Single

Market—European Commission website: https://ec.europa.eu/digital-single-market/en/desi

Evangelista, R., & Sirilli, G. (1998). Technological innovation in services and manufacturing: Results from Italian surveys. *Research Policy*, *27(9)*, 881–899.

Ficery, K., Herd, T., & Pursche, B. (2007). Where has all the synergy gone? The M&A puzzle. *Journal of Business Strategy*, *28(5)*, 29–35.

Furst, K., Lang, W. W., & Nolle, D. E. (1998). Technological innovation in banking and payments: Industry trends and implications for banks. *Quarterly Journal, Office of the Comptroller of the Currency.*

Gaba, V., & Meyer, A. D. (2008). Crossing the Organizational Species Barrier: How Venture Capital Practices Infiltrated the Information Technology Sector. *Academy of Management Journal*, *51*(5), 976–998. https://doi.org/10.5465/amj.2008.34789671

Gervasoni, A., & Bollazzi, F. (2012). *Developing venture capital activity to promote entrepreneurial competitiveness: Italy's case history*. 16.

Gilbert, B. A., McDougall, P. P., & Audretsch, D. B. (2006). New Venture Growth: A Review and Extension. *Journal of Management*, *32*(6), 926–950. https://doi.org/10.1177/0149206306293860

Gomber, P., Kauffman, R. J., Parker, C., & Weber, B. W. (2018). On the fintech revolution: Interpreting the forces of innovation, disruption, and transformation in financial services. *Journal of Management Information Systems, 35(1),* 220–265.

Gompers, P. A., & Lerner, J. (2000). The Determinants of Corporate Venture Capital Success: Organizational Structure, Incentives, and Complementarities. In R. K. Morck (Ed.), *Concentrated corporate ownership* (pp. 17–50). NBER Conference Report series.

Gompers, P., & Lerner, J. (2001). The Venture Capital Revolution. *Journal of Economic Perspectives*, *15*(2), 145–168. https://doi.org/10.1257/jep.15.2.145

Guba, E.G., & Lincoln, Y. S. (1994). *Competing paradigms in qualitative research*. Thousand Oaks, CA: Sage.

Guba, Egon G., & Lincoln, Y. S. (1985). *Naturalistic Inquiry*. Newbury Park, California: SAGE Publications.

Guba, Egon G., & Lincoln, Y. S. (1989). *Fourth generation evaluation*. Sage.

Henrekson, M., & Sanandaji, T. (2017). *Schumpeterian Entrepreneurship in Europe Compared to Other Industrialized Regions*. 33.

Hill, S. A., & Birkinshaw, J. (2014). Ambidexterity and Survival in Corporate Venture Units. *Journal of Management*, *40*(7), 1899–1931. https://doi.org/10.1177/0149206312445925

Hubbard, R. G., & Palia, D. (1995). Executive Pay and Performance: Evidence from the U.S. banking industry. *Journal of Financial Economics, 39(1),* 105–130.

Huber, G. P. (1991). Organizational Learning: The Contributing Processes and the Literatures. *Organization Science*, *2*(1), 88–115. https://doi.org/10.1287/orsc.2.1.88

Il Fondo Nazionale Innovazione è realtà. (2019). Retrieved September 8, 2019, from Mise website: https://www.mise.gov.it/index.php/it/per-i-media/notizie/it/198-notizie-stampa/2039358-il-fondo-nazionale-innovazione-e-realta

Jackson, D. J. (2011). What is an innovation ecosystem? *National Science Foundation*.

Kalpič, B. (2008). Why bigger is not always better: The strategic logic of value creation through M&As. *Journal of Business Strategy, 29(6),* 4–13.

Katila, R., Rosenberger, J. D., & Eisenhardt, K. M. (2008). Swimming with Sharks: Technology Ventures, Defense Mechanisms and Corporate Relationships. *Administrative Science Quarterly*, *53*(2), 295–332. https://doi.org/10.2189/asqu.53.2.295

Kazdin, A. E. (1998). *Methodological issues & strategies in clinical research, 2nd ed.* Washington, DC, US: American Psychological Association.

Keil, T. (2004). Building External Corporate Venturing Capability*. *Journal of Management Studies*, *41*(5), 799–825. https://doi.org/10.1111/j.1467-6486.2004.00454.x

Keil, T., Autio, E., & George, G. (2008). Corporate Venture Capital, Disembodied Experimentation and Capability Development. *Journal of Management Studies*, *45*(8), 1475–1505. https://doi.org/10.1111/j.1467-6486.2008.00806.x

Keil, T., Maula, M. V. J., & Wilson, C. (2010). Unique Resources of Corporate Venture Capitalists as a Key to Entry Into Rigid Venture Capital Syndication Networks. *Entrepreneurship Theory and Practice*, *34*(1), 83–103. https://doi.org/10.1111/j.1540-6520.2009.00366.x

Kor, Y. Y., Mahoney, J. T., Siemsen, E., & Tan, D. (2016). Penrose's The Theory of the Growth of the Firm: An Exemplar of Engaged Scholarship. *Production & Operations Management*, *25*(10), 1727–1744. https://doi.org/10.1111/poms.12572

Kvale, S. (1995). *The Social Construction of Validity*. 22.

Landström, H. (2007). *Handbook of Research on Venture Capital*. Edward Elgar Publishing.

Lantz, J., Sahut, J.-M., & Teulon, F. (2011). *What is the Real Role of Corporate Venture Capital ?*

Laursen, K., & Salter, A. (2006). Open for innovation: The role of openness in explaining innovation performance among U.K. manufacturing firms. *Strategic Management Journal*, *27*(2), 131–150. https://doi.org/10.1002/smj.507

Lindlof, T. R., & Taylor, B. C. (2002). *Qualitative communication research methods* (2nd ed.). Thousand Oaks, CA: SAGE Publications.

Maula, M., Autio, E., & Murray, G. (2005). Corporate Venture Capitalists and Independent Venture Capitalists: What do they know, Who do They Know and Should Entrepreneurs Care? *Venture Capital*, *7*(1), 3–21. https://doi.org/10.1080/1369106042000316332

Maula, M. V. J., Autio, E., & Murray, G. C. (2009). Corporate venture capital and the balance of risks and rewards for portfolio companies. *Journal of Business Venturing*, *24*(3), 274–286. https://doi.org/10.1016/j.jbusvent.2008.10.012

Maula, M. V. J., Keil, T., & Zahra, S. A. (2013). Top Management's Attention to Discontinuous Technological Change: Corporate Venture Capital as an Alert Mechanism. *Organization Science*, *24*(3), 926–947. https://doi.org/10.1287/orsc.1120.0775

Miles, M. B., Huberman, A. M., & Saldaña, J. (1994). *Qualitative data analysis: An expanded sourcebook*. Sage.

Miller, A. (2013, February 21). The birth of Intel Capital. Retrieved from https://twothirdsdone.com/2013/02/21/the-birth-of-intel-capital/

Monks, R. A. G., & Minow, N. (2008). *Corporate Governance*. John Wiley & Sons.

Narayanan, V. K., Yang, Y., & Zahra, S. A. (2009). Corporate venturing and value creation: A review and proposed framework. *Research Policy*, *38*(1), 58–76. https://doi.org/10.1016/j.respol.2008.08.015

Nelson, R. R., & Winter, S. G. (1982). *An evolutionary theory of economic change.* Cambridge, Mass.: Belknap Press of Harvard University Press.

Noi Italia 2019 Economy and public finances. (2019). Retrieved September 14, 2019, from Tableau Software website: https://public.tableau.com/views/NoiItalia2019Economyandpublicfinances/Italy_Macroeconomics?:embed=y&:showVizHome=no&:host_url=https%3A%2F%2Fpublic.tableau.com%2F&:tabs=no&:toolbar=yes&:animate_transition=yes&:display_static_image=no&:display_spinner=no&:display_overlay=yes&:display_count=yes&:showVizHome=no&:showTabs=y&:loadOrderID=0

Noi Italia 2019 Industria e servizi. (2019). Retrieved September 8, 2019, from Tableau Software website: https://public.tableau.com/views/NoiItalia2019Industriaeservizi/Italia_Scienzatecnologiaeinnovazione?:embed=y&:showVizHome=no&:host_url=https%3A%2F%2Fpublic.tableau.com%2F&:tabs=no&:toolbar=yes&:animate_transition=yes&:display_static_image=no&:display_spinner=no&:display_overlay=yes&:display_count=yes&:showVizHome=no&:showTabs=y&:loadOrderID=0

Noi Italia 2019 Istruzione e lavoro. (2019). Retrieved September 8, 2019, from Tableau Software website: https://public.tableau.com/views/NoiItalia2019Istruzioneelavoro/Italia_Istruzione?:embed=y&:showVizHome=no&:host_url=https%3A%2F%2Fpublic.tableau.com%2F&:tabs=no&:toolbar=yes&:animate_transition=yes&:display

_static_image=no&:display_spinner=no&:display_overlay=yes&:display_count=yes&:showVizHome=no&:showTabs=y&:loadOrderID=0

Noi Italia—100 statistiche per capire il Paese in cui viviamo. (2019, April 16). Retrieved September 8, 2019, from https://www.istat.it/it/archivio/229437

Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. (2017). Thematic Analysis: Striving to Meet the Trustworthiness Criteria. *International Journal of Qualitative Methods*, *16*(1), 160940691773384. https://doi.org/10.1177/1609406917733847

Park, H. D., & Steensma, H. K. (2012). When does corporate venture capital add value for new ventures? *Strategic Management Journal*, *33*(1), 1–22. https://doi.org/10.1002/smj.937

Park, H. D., & Steensma, H. K. (2013). The Selection and Nurturing Effects of Corporate Investors on New Venture Innovativeness. *Strategic Entrepreneurship Journal*, *7*(4), 311–330. https://doi.org/10.1002/sej.1165

Patton, M Q. (1999). Enhancing the quality and credibility of qualitative analysis. *Health Services Research*, *34*(5 Pt 2), 1189–1208.

Patton, Michael Quinn. (2002). *Qualitative Research and Evaluation Methods* (3rd ed.). London: SAGE Publications.

Podolny, J. M. (1994). Market Uncertainty and the Social Character of Economic Exchange. *Administrative Science Quarterly*, *39*(3), 458–483. https://doi.org/10.2307/2393299

Quanto contano in Italia le piccole e medie aziende? Tutti i numeri. (2019). *Info Data*. Retrieved from https://www.infodata.ilsole24ore.com/2019/08/31/quanto-contano-italia-le-piccole-medie-aziende-tutti-numeri/

Ritter, J. R., & Welch, I. (2002). A Review of IPO Activity, Pricing, and Allocations. *The Journal of Finance*, *57*(4), 1795–1828. Retrieved from JSTOR.

Robbie, K., & Wright, M. (1998). Venture Capital and Private Equity: A Review and Synthesis. *Journal of Business Finance <html_ent Glyph="@amp;" Ascii="&"/> Accounting*, *25*(5 & 6), 521–570. https://doi.org/10.1111/1468-5957.00201

Rossi, M. (2015). The role of venture capital funds in financing innovation in Italy. Constraints and challenges for innovative small firms. *International Journal of Globalisation and Small Business*, *7*(2), 162. https://doi.org/10.1504/IJGSB.2015.071201

Rudestam, K. E., & Newton, R. R. (2014). *Surviving Your Dissertation: A Comprehensive Guide to Content and Process*. SAGE Publications.

Rynes, S., & Gephart, R. P. (2004). From the Editors: Qualitative Research and the “Academy of Management Journal.” *The Academy of Management Journal*, *47*(4), 454–462.

Sahaym, A., Steensma, H. K., & Barden, J. Q. (2010). The influence of R&D investment on the use of corporate venture capital: An industry-level analysis.

Journal of Business Venturing, *25*(4), 376–388. https://doi.org/10.1016/j.jbusvent.2008.12.001

Saldaña, J. (2013). *The coding manual for qualitative researchers* (2nd ed). Los Angeles: SAGE.

Sanborn, S., Slaughter, A., & Wei, J. (2019, April 19). Digital transformation and the utility of the future | Deloitte Insights. Retrieved September 15, 2019, from https://www2.deloitte.com/us/en/insights/industry/power-and-utilities/digital-transformation-utility-of-the-future.html

Saunders, M. N. K., Lewis, P., & Thornhill, A. (2016). *Research Methods for Business Students* (7th ed.). Edinburgh Gate Harlow Essex CM20 2JE England: Pearson Education Limited.

Scandura, T. A., & Williams, E. A. (2000). Research Methodology in Management: Current practices, trends and implications for future research. *Academy of Management Journal*, 18.

Schildt, H. A., Maula, M. V. J., & Keil, T. (2005). Explorative and Exploitative Learning from External Corporate Ventures. *Entrepreneurship Theory and Practice*, *29*(4), 493–515. https://doi.org/10.1111/j.1540-6520.2005.00095.x

Schumpeter, J. A. (1942). *Socialism, capitalism and democracy*. Harper and Brothers.

Sharma, P., & Chrisman, S. J. J. (2007). Toward a Reconciliation of the Definitional Issues in the Field of Corporate Entrepreneurship*. In Á. Cuervo, D. Ribeiro,

& S. Roig (Eds.), *Entrepreneurship: Concepts, Theory and Perspective* (pp. 83–103). https://doi.org/10.1007/978-3-540-48543-8_4

Smith, S. W., & Shah, S. K. (2013). Do Innovative Users Generate More Useful Insights? An Analysis of Corporate Venture Capital Investments in the Medical Device industry. *Strategic Entrepreneurship Journal*, *7*(2), 151–167. https://doi.org/10.1002/sej.1152

Sobh, R., & Perry, C. (2006). Research design and data analysis in realism research. *European Journal of Marketing*, *40*(11/12), 1194–1209. https://doi.org/10.1108/03090560610702777

Souitaris, V., & Zerbinati, S. (2014). How do Corporate Venture Capitalists do Deals? An Exploration of Corporate Investment Practices: How do CVCs do Deals? *Strategic Entrepreneurship Journal*, *8*(4), 321–348. https://doi.org/10.1002/sej.1178

Steyaert, C. (1997). A Qualitative Methodology for Process Studies of Entrepreneurship. *International Studies of Management & Organization*, *27*(3), 13–33. https://doi.org/10.1080/00208825.1997.11656711

Thomas, A. B. (2004). *Research skills for management studies*. Psychology Press.

Wadhwa, A., & Kotha, S. (2006). Knowledge Creation Through External Venturing: Evidence from the Telecommunications Equipment Manufacturing Industry. *Academy of Management Journal*, *49*(4), 819–835. https://doi.org/10.5465/AMJ.2006.22083132

Welch, C., & Piekkari, R. (2006). Crossing language boundaries: Qualitative interviewing in international business. *Management International Review*, *46*(4), 417–437. https://doi.org/10.1007/s11575-006-0099-1

Woolf, N. H., & Silver, C. (2018). *Qualitative Analysis Using NVivo. The Five-Level QDA® Method*. Routledge. Taylor & Francis Group.

Yin, R. K. (2011). *Qualitative research from start to finish*. New York: Guilford Press.

Yin, R. K. (2014). *Case Study Research. Design and Methods* (5 ed.). Thousand Oaks, CA: SAGE Publications.

CHAPTER 10: Appendices

Table 10. Initial Sample

FTSE MIB	**FTSE Italia Mid Cap**	**Expert Elicitation**
A2A	Acea	GEDI Gruppo Editoriale
Amplifon	Aeroporto Guglielmo Marconi di Bologna	Edison
Atlantia	Anima Holding	Gruppo Banca Sella
Azimut Holding	Aquafil	Gruppo CLN
Banca Generali	Ascopiave	Chiesi
Banco BPM	Astm	Gala
BPER Banca	Autogrill	Zambon
Brembo	Banca Farmafactoring	Magneti Marelli
Buzzi Unicem	Banca Ifis	Auchan
Campari	Banca Mediolanum	Reale Mutua
Cnh Industrial	Banca Monte Paschi Siena	Allianz
Diasorin	Banca Pop Sondrio	
Enel	Biesse	
Eni	Brunello Cucinelli	
Exor NV	Cairo Communication	
Ferrari NV	Carel Industries	
Fiat Chrysler Automobiles NV	Cattolica Assicurazioni	
Finecobank	Cembre	
Generali	Cementir Holding	
Intesa Sanpaolo	Cerved Group	
Italgas	Cir	
Juventus football Club	Credito Emiliano	
Leonardo	Credito Valtellinese	
Mediobanca	Danieli & C	
Moncler	Datalogic	
Pirelli & C	De' Longhi	
Poste Italiane	doBank	
Prysmian	Enav	
Recordati	Erg	
Saipem	Falck Renewables	
Salvatore Ferragamo	Fila	
Snam	Fincantieri	
STMicroelectronics	Gima TT	
Telecom Italia	Hera	
Tenaris	Igd - Siiq	
Terna	Ima	
Ubi Banca	Interpump Group	
UniCredit	Inwit	
Unipol	Iren	
UnipolSai	Italmobiliare	
	Ivs Group	
	Maire Tecnimont	
	Marr	
	Mediaset	
	Mondadori Editore	
	Mutuionline	
	Ovs	
	Piaggio & C	
	Piovan	
	Rai Way	
	RCS Mediagroup	
	Reply	
	Salini Impregilo	
	Saras	
	Sias	
	Sol	
	Tamburi Investment Partners	
	Technogym	
	Tod's	
	Zignago Vetro	

Interview 1.Alpha

(Lorenzo): Quali sono state le ragioni scatenanti la scelta di effettuare la prima attività di CVC?

(A): Il CVC del Gruppo è di tipo abilitativo.

(Lorenzo): Per quali motivi la sua azienda ha continuato a svolgere attività di CVC?

(A): È stata creata una divisione CVC per creare un percorso virtuoso di innovazione all'interno e di relazione con i principali stakeholders (clienti fornitori). Sono individuati dei contenitori / partner che possono essere incubatori, atenei, club di investitori, percorsi di innovazione e scouting svolti da consulenti esterni etc., attraverso i quali il Gruppo viene a conoscenza delle start-up e avvia la due diligence interna.

(Lorenzo): Sono curioso di capire quale soggetto abbia sollevato la discussione sull'investimento nelle startup. Può essere un esperto scientifico o tecnologico che ha visto il potenziale di una startup, il Board che voleva introdurre il CVC dopo il suggerimento di esperti esterni come consulenti o perché i concorrenti stavano facendo investimenti simili e altri ancora.

Chi ha proposto per primo l'opzione di fare CVC?

(A): La decisione è stata presa in capo alla proprietà che in questo caso coincide con il CEO del Gruppo.

(Lorenzo): Quali momenti sono stati rilevanti nel percorso di avvicinamento alla prima attività di CVC?

(A): La decisione è stata presa in capo alla proprietà attraverso un confronto con i collaboratori più stretti.

(Lorenzo): Sono interessato a capire in che modo il fenomeno si è diffuso all'interno dell'azienda dopo che un'impresa ha svolto la prima attività di Corporate Venture Capital.

Qual è stato l'approccio della vostra azienda nei confronti della startup durante la prima attività di CVC?

(A): Il Gruppo si è rapportato direttamente.

(Lorenzo): Dopo la prima attività di CVC, quali sono stati i passaggi che hanno portato l'azienda a creare una divisione di CVC? Come si sono comportate le altre divisioni del Gruppo?

(A): La divisione di CVC è formata da un team di persone che coprono le principali business units. Quindi dentro al CVC ci sono tutti gli stimoli e le esigenze che arrivano dall'intero Gruppo.

(Lorenzo): Dopo una prima operazione, un'azienda può decidere di fare ulteriori operazioni oppure di sospendere le attività di CVC. Intendo comprendere come il fenomeno cresca internamente o muoia.

Il Gruppo svolge le attività di CVC da sola o con la collaborazione di VC? Se è supportata da VC, è solo per il processo di screening degli obiettivi o anche per altri motivi?

(A): Non è supportata da VC. Tipicamente i deal e le due diligence sono svolti su startups che hanno una tecnologia e/o un servizio che può avere affinità con le attività del Gruppo o che può essere messa a sistema con la rete di clienti e fornitori.

(Lorenzo): Il CVC è una forma attraente di finanziamento per le startup o preferiscono altre fonti? Ad esempio, nel primo trimestre del 2019 in Italia sono stati raccolti 13,2 milioni di euro utilizzando il crowdfunding, il 120% in più rispetto allo stesso periodo dell'anno scorso.

(A): In Italia ci sono troppe startup perché quello delle startup è un'alternativa alla disoccupazione. Se si considerano le sole startup che avrebbero senso di essere tali il CVC specie in taluni ambiti è l'unica forma vera e sostenibile di finanziamento. Se si ha una vera idea tecnologica, un prodotto, la sua industrializzazione tipicamente richiede degli investimenti che consegnano la startup a un altro. Il CVC sarebbe la forma per innervare dentro al sistema l'innovazione.

(Lorenzo): Qual è la tua opinione generale sul CVC in Italia? Pensi che sia ancora nella sua pubertà, dove le aziende stanno ancora valutando la possibilità di farlo, o già maturo e non ha avuto un grande successo per determinati motivi?

(A): Si, il CVC è ancora poco maturo. La parte che vedo io, mi riferisco quindi al Piemonte, è troppo caratterizzato dalla presenza di terzisti, di aziende che non hanno in mano il prodotto finito. Che non hanno la R&D che guarda al cliente finale. Lavorare conto terzi significa essere distanti dall'innovazione.

Interview 1.Beta

(Lorenzo): Quando avete eseguito la prima attività di CVC, inteso come investimento in startup?

(B): Nel 2016.

(Lorenzo): Quali sono stati i motivi che vi hanno portato a considerare di effettuare tali investimenti?

(B): La presenza di un'innovazione, non per forza tecnologica, l'opportunità di un ritorno finanziario e la possibilità di apprendimento e creazione di sinergie con la Banca.

(Lorenzo): Per quale motivo la vostra azienda ha svolto la prima attività di CVC?

(B): Per una ragione strategica, con due obiettivi: per acquisire vantaggi e capacità competitive e per investire su realtà innovative con nuovi business model o realtà sinergiche con la banca.

(Lorenzo): Per quale motivo, la sua azienda ha continuato a svolgere attività di CVC?

(B): Sempre per ragioni strategiche e anche per avere un ritorno finanziario nel tempo.

(Lorenzo): Sono curioso di capire quale soggetto abbia sollevato la discussione sull'investimento nelle startup. Può essere un esperto scientifico o tecnologico che ha visto il potenziale di una startup, il Board che voleva introdurre il CVC dopo il suggerimento di esperti esterni come consulenti o perché i concorrenti stavano facendo investimenti simili e altri ancora.

Chi ha proposto per primo l'opzione di fare CVC?

(B): Il Board.

(Lorenzo): Quanto tempo ci è voluto da quando avete iniziato a prendere in considerazione l'attività e quando è stata effettivamente messa in atto?

(B): All'incirca sei mesi.

(Lorenzo): Quali momenti sono stati rilevanti nel percorso di avvicinamento alla prima attività? Ad esempio, l'approvazione della direzione esecutiva o la consulenza da parte di Venture Capitalist.

(B): La delibera per la costituzione del veicolo, la formazione del team e un'analisi comparativa dell'ecosistema del CVC.

(Lorenzo): Sono interessato a capire in che modo il fenomeno si è diffuso all'interno dell'azienda dopo che un'impresa ha svolto la prima attività di Corporate Venture Capital.

Qual è stato l'approccio della Banca riguardo la prima attività di CVC?

(B): Si è rapportata direttamente con la startup.

(Lorenzo): Dopo la prima attività di CVC, come si sono comportate le altre divisioni della Banca?

(B): Le altre divisioni vengono coinvolte di volta in volta in base alla possibilità di sviluppare sinergie.

(Lorenzo): Dopo una prima operazione, un'azienda può decidere di fare ulteriori operazioni oppure di sospendere le attività di CVC. Intendo comprendere come il fenomeno cresca internamente o muoia.

Quali misure hanno portato la Banca a creare una divisione di CVC?

(B): Abbiamo riscontrato che le esigenze – ovvero la necessità di capitali – e le disponibilità – cioè innovazione e spirito imprenditoriale – delle startups siano complementari alle esigenze – quindi la ricerca di innovazione – e alle disponibilità – quali asset consolidati e disponibilità di capitali – della Banca. Questo ha trovato una sintesi efficace in un veicolo di CVC.

(Lorenzo): La Banca richiede un cambiamento nella governance aziendale della startup?

(B): Richiediamo che uno o più dipendenti della Banca siedano nel consiglio di amministrazione della startup. Inoltre, poniamo delle limitazioni alle decisioni di investimento delle startup e una limitazione all'opportunità di fare nuovi debiti.

(Lorenzo): Come gestite il rapporto con le startups? Cercate di integrarle nella Banca o preferite mantenere separate le entità?

(B): Manteniamo le entità separate.

(Lorenzo): La Banca svolge le attività di CVC da sola o con la collaborazione di uno o più VCs? Se è supportata da VCs, è solo per il processo di screening dei possibili candidati o anche per altri motivi?

(B): Svolgiamo le attività da soli.

(Lorenzo): Le attività di CVC sono già previste nel budget annuale o sono qualcosa di straordinario? Come funziona?

(B): Le attività sono già previste nel budget annuale e trovano fondamento nella costituzione del veicolo e nella relativa dotazione di capitali.

(Lorenzo): Qual è il vostro punto di vista riguardo le attività CVC dei vostri principali competitors? Lo stanno facendo? Più o meno di voi?

(B): In ambito europeo, altri istituti bancari hanno avviato attività di CVC similari alle nostre.

(Lorenzo): Secondo lei, il CVC è una forma attraente di finanziamento per le startup o preferiscono altre fonti? Ad esempio, nel primo trimestre del 2019 in Italia sono stati raccolti 13,2 milioni di euro utilizzando il crowdfunding, il 120% in più rispetto allo stesso periodo dell'anno scorso.

(B): Il CVC è una forma attraente di finanziamento soprattutto in termini di standing per la startup ma meno accessibile rispetto ad altre fonti come il crowdfunding.

(Lorenzo): Qual è la vostra opinione generale sul CVC in Italia? Pensa che sia ancora nella sua pubertà, dove le aziende stanno ancora valutando la possibilità di farlo, o già maturo e non ha avuto un grande successo per determinati motivi?

(B): Il CVC in Italia è ancora in fase di early stage dove diverse aziende stanno ancora valutando la strada migliore da percorrere, come ad esempio affidare la gestione di propri fondi a soggetti terzi, piuttosto che avviare percorsi di open innovation o istituire strutture interne.

<u>Interview 1.Gamma</u>

(Leonardo): Perchè non fate più il CVC?

(G): Noi abbiamo abbandonato il CVC perché avevamo a disposizione pochi soldi, come tante grandi aziende, con circa 50 milioni di euro non vai da nessuna parte. Perché quando fai venture capital fai tante piccole scommesse da 50-100 mila euro e magari poi qualche scommessa la vinci e ci fai i soldi e fai crescere il fondo di VC. Quando fai CVC non è facile avere l'approvazione per fare le scommesse, convincere il CFO che quei 50 milioni li metti in una azienda giovane. Si tende a fare investimenti più grossi in aziende che poi non si portano all'interno della propria azienda. Noi abbiamo fatto qualche investimento, mettendo membri nel board, poi i nostri ingegneri hanno iniziato ad imporre regole e richieste, imporre l'integrazione con i nostri sistemi. Questi fattori hanno portato le startups a rallentare e perdere in parte il loro aspetto innovativo. Non tutte, una ha avuto successo e sta continuando ad averlo. Noi abbiamo il 30% di capitale di questa società. Su una ventina di investimenti fatti sono tutti andati un po' male tranne questo qua. Questo ci ha fatto capire che noi non siamo particolarmente bravi ad investire nella giusta startup, mentre ha messo in risalto il fatto che noi siamo bravi a capire come possono fare il loro prodotto affinché poi una società grossa lo utilizzi. Questo ci siamo resi conto che è più facile farlo quando sei all'esterno della società perché quando tu ti metti nel board, e ti ci metti con dei managers, tali managers hanno la tendenza ad imporre regole e operazioni come spingere per utilizzare strumenti nostri di integrazione. Questo distrugge un po' l'innovazione che è tipica della startup. Tali startup tendono, soprattutto se sono in una fase iniziale, a presumere che l'investitore sia colui che ti tiene in piedi e questo finisce per rovinare la società dato che avendo già un cliente importante, pensi che l'unica cosa importate sia dimostrare al tuo cliente che la tecnologia che stai facendo sta funzionando. Allora si è perso lo spirito della startup che dovrebbe essere trovare un grande cliente e poi una decina di altri. Il fatto che ci fossimo noi come investitori ha portato queste startup a rallentare nel loro spirito di crescita. Dopo una auto analisi del genere, dove ci siamo resi conto che i milioni spesi non hanno portato ai risultati sperati, ci siamo resi conti che nella realtà per fare CVC tu devi investire però devi avere anche l'opportunità di fare dei follow-up non indifferenti. Cioè se hai una 20-30 milioni di euro non vai da nessuna parte come follow-up. Dal nostro punto di vista, il ritorno sull'investimento, se ora vendessimo le quote della startup su cui abbiamo investito che ha avuto un grande successo, noi faremmo il 20x l'investimento e ci porteremmo a casa 5 milioni euro. Questi 5 milioni di euro non avrebbero un impatto sull'EBITDA di Gamma che sono 17 miliardi di euro. Praticamente nullo. Per noi, dal punto di vista finanziario, non ha senso fare investimenti di questo tipo. Ha molto più senso fare come Google che prende 200 milioni e li investe in Uber quando è ancora una startup. Per le attività di CVC abbiamo visto che non ha senso dal punto di vista finanziario mentre dal punto di vista strategico erano più i problemi che noi generavamo per le startups rispetto a quelli che poi avevamo come benefit quindi abbiamo optato di tenerci solo la parte dei benefit che è collaborare con la startups per implementare la tecnologia a livello globale.

(Leonardo): Quando avete iniziato le operazioni di CVC?

(G): Nel 2012 circa. Non era una attività pubblica, non era un vero CVC fund ma erano 20 milioni dedicati all'investimento in startups.

(Leonardo): Come target degli investimenti avete business dei quali avete già un conoscenza interna?

(G): Noi facciamo delle collaborazioni con le startup e se questa va bene diventano nostri fornitori. Poi se continua la collaborazione valutiamo l'acquisizione della società quando vediamo che sono sviluppate o che la tecnologia è importante. Per far si che questo modello funzionasse abbiamo messo all'interno di ogni linea di business un innovation manager con un team di 20-40 persone in base a quando è grande la linea di business. A questo punto l'innovation manager ha un budget e delle persone che seguono i progetti che facciamo con le startup. Questo innovation manager, essendo all'interno delle linee di business, ha la possibilità di sedere in tutti i comitati di innovazione, strategici, etc. Tali innovation managers rispondono direttamente all'amministratore delegato di quella linea di business. Questo innovation manager ci presenta quali sono le principali necessità e sfide che sta affrontando quella determinata divisione. Una volta facevamo innovazione nei reparti di tecnologia e ingegneria. C'era uno che diceva dobbiamo fare un transistor più veloce di 0,2 e c'era chi si metteva a fare analisi sui materiali e portavano una soluzione. Ora avendo aperto al mondo dell'innovazione, diciamo abbiamo questo problema e chiediamo all'esterno come risolverlo. Quindi facciamo una analisi approfondita di cosa potremmo avere bisogno e chiediamo all'esterno. Riguardo per esempio all'argomento cyber security. Abbiamo presenza in giro per il mondo, abbiamo strutture critiche per la sicurezza e dopo aver fatto queste analisi vediamo che ci sono una serie di fornitori che alcune aree particolari non le coprono o non le coprono come dovrebbero essere per le nostre esigenze. A quel punto andiamo in ecosistemi più avanzati tipo Tel Aviv, San Francisco e li chiediamo all' ecosistema e prendiamo quello che ci sembra più adeguata ed utile a quello che facciamo noi.

(Leonardo): Nei vari innovation hubs che avete, ospitate anche startup?

(G): Trattando con startup non solo early stage, noi definiamo quali sono i nostri bisogni, chiediamo a tutti i venture capital che sono nostri partner e ad altri personaggi che sono nel network specifico come le università, facciamo le domande e troviamo quali sono le soluzioni migliori e le portiamo direttamente nelle nostre business line. Se queste startup sono early stage provvediamo anche a fornirgli uno spazio presso i nostri partner che sono nel HUB. Hub è un ufficio con una paio di persone che gestiscono l'ecosistema. Nel caso in cui ci sia una startup che abbia bisogno di spazio per l'accelerazione, prendendo una decisione insieme alle linee di business, dato che sono loro che la pagano, ed insieme ai nostri partner dato che sono loro che fanno questa attività nello specifico, troviamo anche lo spazio. A San Francisco abbiamo un paio di startup presso WeWork.

(Leonardo): Negli hub ci sono dipendenti Gamma?

(G): C'è sempre almeno un dipendente Gamma che è il manager dell'hub e lavora per me. Inoltre, ci sono altri che lavorano per noi a contratto. Dipende da quanto abbiamo bisogno.

(Leonardo): Il CVC che facevate prima per quali motivi era?

(G): Era per motivi strategici, le startup venivano integrate e insistevamo su cosa queste dovevano fare però erano un po' distaccate. Trovare qualcuno che gestisse le startup, valutasse il progetto, la integrasse nel nostro business era un po' un problema. Ora invece con il nuovo metodo, è più facile convincere le linee di business ad accettare il cambiamento perché il focus è diverso. Quando compri qualcuno lo fai per il ritorno finanziario mentre con la collaborazione lo fai per un ritorno strategico.

(Leonardo): Avete fatto un test con il nuovo metodo o avete iniziato in contemporanea su tutte le linee di business?

(G): All'inizio c'era solo il CVC che era fatto solo da una unità centrale, quello della finanza e dell'innovazione. Quando sono arrivato io abbiamo eliminato quella unità che centralizzava tutti i processi di innovazione e abbiamo messo l'innovation manager in ogni linea di business. Non abbiamo fatto prove, siamo partiti direttamente su tutte le linee. Le linee che erano più attive hanno avuto la struttura subito nel giro di un mese mentre le altre ci abbiamo impiegato fino ad un anno.

(Leonardo): Gli hub manager erano già dipendenti Gamma?

(G): Per gli hubs, in Israele abbiamo preso un israeliano perché lì devi essere parte dell'ambiente, del network per entrarci. A San Francisco e Boston abbiamo messo persone che abbiamo promosso internamente.

(Leonardo): Gli innovation manager erano già dipendenti Gamma?

(G): Tutte persone interne. La cosa più difficile da fare non è trovare le startup giuste, abbiamo tanti partner come Sequoia e gli altri fondi. Serve qualcuno che gestisca le relazioni. Come innovation manager abbiamo messo persone già all'interno del gruppo con esperienza di almeno 10 anni circa già ben avviati internamente. Come capo supremo di tutto abbiam preso una persona esterna, che è il mio capo ed è arrivato dall'esterno.

(Leonardo): Quale è il tuo punto di vista sulle startup italiane?

(G): C'è stata una crescita negli ultimi anni, ci sono però due piccoli problemi. Primo, c'è tanta chiusura come sistema paese. Ognuno si costruisce il proprio piccolo network. A livello di startup, in particolar modo su tematiche di robotica e IoT c'è davvero tanta crescita ed abbiamo tanti progetti con startup italiane. Noi abbiamo circa 40 progetti con startup italiane e una decina ora sono nel nostro albo fornitori a livello globale.

(Leonardo): Come agiscono i vostri competitors?

(G): Il nostro vero competitors è Engie, che ha un forte approccio al CVC rivolto all'innovazione e vediamo che stanno facendo un buon lavoro. Hanno fatto degli ottimi investimenti, anche con startup con le quali abbiamo collaborato anche noi. Non credo che l'investimento porti valore in più però credo siamo noi quelli che stanno spingendo di più l'innovazione nell'ambito energia. Altri magari fanno tanta pubblicità su alcune operazioni di open innovation ma è più marketing e comunicazione. Poi in realtà danno premi a startup ma non è un approccio efficace secondo me. I premi un po' così, secondo me, o lo fai in modo sistematico oppure spesso non c'è dentro qualcosa di base che vuoi cambiare. Non c'è un incontro tra domanda e offerta. Se la società pensa di riuscire a trovare la startup che diventerà il prossimo Facebook o Google si sbaglia. Non ha senso per una startup che ha una innovazione disruptive andare a lavorare con una azienda, va con un VC. Con il nostro metodo siamo comunque circondati da startup e nel caso dovessi vedere qualcosa che sembra disruptive proverò ad implementarlo collaborandoci. Nelle collaborazioni che facciamo, se c'è qualcosa di particolarmente interessante e se noi contribuiamo con consulenze, mettiamo a disposizione i nostri impianti, allora una parte della proprietà intellettuale la prendiamo anche noi tramite royalties o simili, ma tutto in gestione alla startup. Secondo me le altre società con ci pensano al nostro metodo. Hanno l'idea che investire e fare CVC sia il metodo e allora tutti lo vogliono fare. Se ci pensi, tutti parlano di

CVC e poi hanno fondi piccoli di un paio milioni di euro. È più marketing quello che stanno facendo. Noi partecipiamo anche a conferenze e raccontiamo il nostro modo di fare, però alla fine io sono valutato su quanti progetti vengono fatti dalle startup analizzate e quanto valore portano questi progetti.

<u>Interview 1.Delta</u>

(Leonardo): Ho visto che hai iniziato nel febbraio 2018 in Banca.

(D): Sì, diciamo c’è stato un percorso di avvicinamento. Prima come freelance, poi sono entrato come dipendente. In realtà, come dipendente è stato a maggio 2018. Quindi cambia relativamente poco, se non appunto su alcune cose avrò bisogno di confrontarmi con la mia collega che su questi aspetti è la memoria storica. Diciamo che, attualmente, il Gruppo – che come sai è un Gruppo che ha nella Banca la sua più grande attività, però è un Gruppo abbastanza diversificato, controllato da una capogruppo – ha già da diverso tempo avviato attività di investimento. È stato tra i primi operatori in Italia a investire nel venture capital. Qui facciamo riferimento ai primi anni 2000 tendenzialmente, la prima metà degli anni 2000. Con un obiettivo che non era quello del corporate venture capital. Quindi, le attività di investimento risalgono alla prima metà degli anni 2000 e son state fatte con un obiettivo di venture capital e con un obiettivo di imparare. Le prime iniziative sono servite per farsi un po' le ossa, come succede quando si avviano delle iniziative nuove. Poi nel tempo si sono focalizzati meglio gli obiettivi di investimento e hanno sempre più preso forma obiettivi che fossero invece più rivolti alla sfera del corporate venture capital, cioè investimenti che vanno nella direzione poi di instaurare dei rapporti di collaborazione industriale con le aziende in cui si investe, prendendo forma sia in investimenti diretti quanto in attività di incubazione/accelerazione, che come sai hanno come scambio di valore da una parte attività di supporto, mentorship, piuttosto che messa a disposizione di strumenti, quindi asset fisici ed immateriali e dall’altro equity. Però accelerazione ed incubazione fatte su un target che è comunque sinergico rispetto a quello del Gruppo. Per arrivare all’ultimo – e qui è dove entro poi in gioco io – con la nascita della Piattaforma che è una realtà un po’ particolare rispetto a quello che è il business delle financial institutions tradizionali. Quindi con la nascita della Piattaforma, è risultato chiaro il valore di spingere sull’acceleratore della collaborazione con l’ecosistema delle startups anche attraverso la forma del corporate venture capital. Quindi nella Piattaforma, questa attività è stata ulteriormente focalizzata sull’obiettivo corporate venture capital e quindi partecipazioni finanziarie equity con un obiettivo di partnership industriale chiaramente all’interno di un contesto di solidità dell’investimento.

(Leonardo): Quindi, Delta Ventures, il fondo di CVC, è ormai chiuso e c'è la Piattaforma?

(D): No. Allora, ci sono tre iniziative in corso. La situazione è in parte ancora magmatica quindi in alcuni elementi ancora in divenire. Però ci sono tre iniziative. La prima è Delta Ventures SGR. Come dice il nome è un SGR che investe in fondi – è un fondo di fondi – quindi investe in fondi VC non su specifici settori. Quindi taglio VC, non CVC, tendenzialmente una strategia di VC gestito, quindi con una forma di investimenti in modalità gestita. Obiettivo: ritorno finanziario. E qui non per il ritorno finanziario a favore del Gruppo ma a favore dei clienti. Poi c'è Delta Ventures non SGR, quindi Delta Ventures quella che citavi tu prima, che di fatto è il portafoglio veicolo, anche se non è un veicolo in sé, diciamo il contesto in cui avvengono gli investimenti – non li definirei CVC, al momento. In passato ha anche ospitato investimenti CVC; al momento lo definirei più VC – quindi, gli investimenti VC del Gruppo. Quindi, possono esserci anche investimenti di CVC però tendenzialmente non lo qualificherei come tale. Poi c'è la Piattaforma, che al suo interno – senza adesso identificare un brand, appunto visto il suo posizionamento, che poi è sostanziato anche nelle attività che facciamo di aggregazione di un ecosistema di operatori, portatori e consumatori di innovazione che intendono collaborare insieme per costruire il futuro dei servizi finanziari e nel far ciò, chiaramente costruzione di un ecosistema di piattaforma – persegue questo obiettivo anche attraverso l'utilizzo di capitali di rischio. E quindi investendo con un taglio esclusivamente CVC. Ora, questo non significa che, nel Gruppo, il veicolo degli investimenti CVC sia esclusivamente la Piattaforma, perché la Piattaforma fa questo tipo di attività con l'obiettivo di perseguire la sua proposizione di valore di piattaforma. In taluni casi potrebbe, ancorché non è questa la situazione, parzialmente divergere rispetto agli obiettivi di CVC del Gruppo nel suo contesto e quindi non è di fatto l'unico operatore in questo senso.

(Leonardo): Queste domande erano per darvi un'idea di cosa tratto nella mia tesi. Poi, non è che devo rispondere a queste per forza; se ho dei contenuti diversi va benissimo lo stesso, giusto per avere un'idea di come le società si approcciano al CVC, quali sono i fattori che portano una società a dire: "Investiamo in startups con equity, minority equity invece che fare joint venture o altre cose".

(D): Ok. Allora, senza poi attenerci strettamente a questo ma giusto come traccia: allora, sul quando è stato fatto il primo investimento, come ti dicevo, difficile collocarlo nel tempo perché è abbastanza sfumato. Io collocherei l'avvio nella prima metà degli anni 2000, prima con un approccio di investimento all'interno di fondi di investimento Venture (Capital). Per poi via via, agire direttamente sul mercato selezionando le startups o le aziende più di interesse.

(Leonardo): Quali son stati i motivi che hanno portato a considerare di effettuare tali investimenti?

(D): Il tema è più quello della nuova innovazione, cioè di avere la consapevolezza che l'investimento in CVC è probabilmente, tra le varie opzioni che si trova davanti un'azienda nella collaborazione con l'ecosistema dell'innovazione, la più produttiva. Perché allinea gli obiettivi, perché nel momento in cui ci sono di mezzo i soldi c'è più commitment e quindi tendenzialmente, l'obiettivo con cui ci si è mossi e ci si continua a muovere nell'ambito del CVC è esattamente quello di identificare dei soggetti su vari orizzonti temporali, però le collaborazioni vanno ad impattare sull'orizzonte 2 e l'orizzonte 3 che son quelli più di medio-lungo periodo, cioè si investe in quelle realtà che offrono servizi, prodotti, business models in qualche modo sinergici già attualmente con il business dell'azienda che investe, piuttosto che quelli che son un pochettino più in là nel tempo, più futuribili, che però magari corrispondono o sono attive in settori che potrebbero essere ampiamente disruptive rispetto al business, in un'ottica quindi di presidiare trend tecnologici particolarmente forti – tipico esempio: blockchain piuttosto che cryptocurrencies piuttosto che presidiare in un'ottica di protezione. Quindi, ci metto soldi oltre che perché penso che quello lì possa essere un trend di sviluppo del mio business, ci metto soldi anche perché potrei pensare che quello specifico trend potrebbe creare una disruption significativa nel mio business.

(Leonardo): Per quale motivo il Gruppo ha svolto la prima attività di CVC?

(D): Dietro la prima c'è una ragione strategica. Poi, se dovessi attenermi alla domanda specifica, cioè la prima attività, il confine sarebbe abbastanza sfumato tra motivo finanziario e ragione strategica perché come ti dicevo l'avvicinamento al mondo degli investimenti non ha seguito un percorso da subito lineare. Prima ci si è fatti un po' le ossa con un punto di vista magari un pochettino più finanziario, però se guardiamo invece la prima vera e propria operazione qualificata come CVC, direi più una ragione strategica. Se invece la specifica domanda è sulla prima iniziativa, la prima è stata, diciamola così, cautelativamente – ma in un modo secondo me sensato, perché bisogna partire, diciamo con l'approccio un po' più cauto all'inizio – è stata più per combinare le attività commerciali con fattori complementari in un sistema di produzione. Quindi, si è andati ad investire in quelle realtà, che avevano delle evidenti sinergie "immediate" – o perché andavano ad arricchire l'offerta di servizi, o perché nella loro messa a terra utilizzavano servizi offerti dalla Banca o dal Gruppo – quindi, soggetti con cui c'erano delle evidenti sinergie.

(Leonardo): Per quali motivi il Gruppo ha continuato a svolgere attività di CVC?

(D): Perché pensiamo che sia il modo migliore per collaborare con l'ecosistema dell'innovazione. Il modo migliore, più costoso, che dà maggiore effort, ma al solito, dove c'è più rischio c'è anche più rendimento.

(Leonardo): Giusto. La parte dopo di incubazione su chi ha proposto il primo investimento probabilmente tu non eri ancora in azienda.

(D): Non ero sicuramente in azienda ma sul chi ha proposto posso immaginarlo e adesso ne proviamo a parlare. Il processo che mi immagino sia avvenuto – e son abbastanza confidente che sia stato così – è che, in un contesto allora ancor più piccolo di quanto è oggi, cioè quello degli investimenti venture in Italia, a fronte di un posizionamento attivo in questo settore da parte del Gruppo, ad un certo punto essendo un mercato abbastanza piccolo, gli operatori che investono si conoscono e quindi sono arrivate delle opportunità anche in maniera abbastanza, diciamo organica, delle opportunità di investimento sui tavoli del Gruppo. Queste opportunità di investimento sono poi state valutate – quindi non parlerei di chi l'ha proposto in sé, perché il primo investimento o i primi investimenti, a mio avviso, più che rientranti in una strategia definita e in un processo definito, sono stati, mi immagino, molto più "opportunistici", nel senso che son stati frutto appunto dell'opportunità di avere una proposta di investimento, su cui poi si son fatte delle valutazioni di corporate venture capital – ma diciamo l'origine è stata più opportunistica. Ora, come poi è stato valutato, quindi se vogliamo arrivare poi alla proposta, la valutazione è sicuramente stata abbastanza collegiale e ha preso in considerazione verosimilmente tre persone allora, cioè il CEO del Gruppo, che è comunque una persona molto attiva nell'ambito dell'innovazione con una visione abbastanza forte su quello che sono i trend, con un interesse nel dialogo con le startup. Dall'altro, appunto, Delta Ventures, visto che questi primi investimenti son stati fatti sotto quel cappello, in quanto tutto, appunto competence center, mettiamola così, sul fronte più di valutazione delle opportunità di investimento con una chiave finanziaria e infine il terzo elemento Delta Lab, che è stato per un certo periodo – poi è tutt'ora attivo, ci mancherebbe, con la stessa posizione, con lo stesso posizionamento – però è stato il contesto in cui sono state incubate le iniziative imprenditoriali e innovative all'interno del Gruppo. Quindi questi tre elementi, con dei punti di vista chiaramente differenti ma complementari – visione di mercato, competenze finanziarie e anche lì, visione di mercato/capacità di sviluppare collaborazioni e di messa a terra delle stesse – hanno poi portato alla valutazione e di conseguenza proposizione dell'investimento.

(Leonardo): Qual è stato l’approccio del Gruppo riguardo la prima operazione?

(D): Qui penso di averti in parte risposto prima. Se dovessi guardare la prima operazione tendenzialmente si è rapportata – la prima vera operazione di CVC – si è rapportata direttamente con la startup.

(Leonardo): Dopo la prima operazione come si son comportate le altre divisioni del Gruppo?

(D): Allora, in realtà, la crescita è stata un po’ meno strutturata rispetto a come tu la stai descrivendo, quindi tendenzialmente sì, cioè il modello è stato visto in fase iniziale come un’ulteriore opzione. Sul fatto che, in fase iniziale, fosse stato esplicitamente qualificato come ulteriore opzione, lo escludo. Non ero presente ma tenderei ad escluderlo. Attualmente però lo è. Quindi, se io dovessi fare una fotografia ora, che sicuramente è più affidabile rispetto a quella che è la strategia del Gruppo – anche a fronte di una maturità poi sopravvenuta, in questo mercato – è assolutamente coerente con un punto di vista per cui CVC è una tra le opzioni con cui le aree del Gruppo hanno la possibilità di collaborare con l’ecosistema dell’innovazione.

(Leonardo): Quali misure hanno portato l’azienda a creare una divisione CVC?

(D): Non l’ho capita.

(Leonardo): A volte si fa al CVC un fondo interno, una divisione internamente oppure si fa il fondo esterno e qui era più per capire magari cos'è che ha portato proprio a decidere di creare proprio una business unit solo per il CVC, quindi cioè un dipartimento che fa solo CVC, mentre alcune aziende magari a volte, ci sono esperti di varie business unit che operano insieme giusto quando c'è da fare l'operazione.

(D): Allora, non definirei neanche nello stato attuale della Piattaforma, la presenza di una realtà totalmente dedicata al CVC. Quello che stiamo facendo nella Piattaforma è avere una responsabilità di coordinamento per le attività di CVC, che però ovviamente attinge a più poi figure professionali all'interno del Gruppo. Non c'è un'unità strettamente dedicata, esaustiva nelle sue competenze. C'è una responsabilità che poi si avvale di competenze distribuite nel Gruppo. Questo anche perché è molto frutto della "dimensione" della disponibilità di investimento, dimensione del portafoglio e tutto quanto, cioè non siamo Intesa SanPaolo, Unicredit che hanno un fondo da circa 80 – 100 milioni e quindi sarebbe poco sensato avere quel tipo di struttura.

(Leonardo): Il Gruppo richiede un cambiamento nella governance aziendale della startup?

(D): Non c'è una regola, dipende molto dalla size dell'investimento e dalla tipologia del singolo investimento. Noi, chiaramente come legislation ci son di mezzo soldi e chiaramente stiamo attenti ad avere le giuste e lecite garanzie. Però, non siamo sicuramente ingerenti. Ci capita di avere membri nel consiglio di amministrazione ma non è un qualche cosa che imponiamo; valutiamo caso per caso. Quello che tendenzialmente è il nostro approccio – ma non è un tema di governance, è un tema di supporto –, cioè il nostro obiettivo è quello di, il più possibile, supportare, quindi entrare per sviluppare, chiaramente, quelle che sono le sinergie ma supportare la crescita dell'azienda. Quindi, tendiamo ad assumere un ruolo attivo ma più in un'ottica di mentoring.

(Leonardo): Sì. Dopo è se è integrato, se è entità separate, mi sembra di aver capito separate per farle crescere poi quando sviluppano le conoscenze comunque arriva ad un certo punto di sviluppo, integrate le loro tecnologie internamente.

(D): Non ne farei un tema di tempo. Cioè, il concetto è: per noi CVC significa investire in realtà con cui possiamo collaborare industrialmente, da subito piuttosto che più in là nel tempo, dove la collaborazione industriale può essere di vario tipo. L'azienda in cui investiamo utilizza i nostri servizi; quindi quello è un tipo di sinergia. Piuttosto che l'azienda in cui investiamo sviluppa prodotti, servizi che sono sinergici; è un altro tipo. Piuttosto che l'azienda in cui investiamo ha un potenziale di essere dirompente rispetto al nostro mercato ovvero ha il potenziale di sviluppare una tecnologia che noi crediamo possa essere il futuro del nostro mercato. Nel momento in cui investiamo cerchiamo di essere molto attivi non soltanto per mettere a terra la collaborazione. Non soltanto per quello, ma anche per fare in modo che l'azienda in cui investiamo cresca, si affermi, diventi forte. Perché se così succede, oltre a beneficiarne in termini di ritorno finanziario, è più probabile che ne beneficeremo anche in termini di sinergia industriale.

(Leonardo): Avete comunque un diritto di prelazione su, magari se la startup vuole aumentare il capitale. Voi avete diritto di metterlo prima voi degli altri, ricevere la proposta prima? O comunque se sviluppa certi prodotti, voi avete comunque il diritto di vederlo per primo?

(D): Non è detto. Dipende sempre di nuovo da quello che è l'importo che viene messo sull'importo di investimento. Con i diritti di prelazione di prodotto nel fare attività di CVC bisogna sempre stare abbastanza attenti perché, se come CVC, tu imponi eccessivi vincoli l'azienda – vincoli in termini di capacità di go-to-market dell'azienda; ad esempio prelazione di prodotto, etc. – il rischio è che questa azienda possa avere difficoltà a raccogliere ulteriori capitali di crescita dopo. Perché un VC che entra successivamente, vuole evitare il più possibile di avere un'azienda limitata nella sua capacità di fare business. Quindi non c'è una regola, son tutte cose che guardiamo ma con estrema attenzione. Diritti di prelazione su aumenti di capitale successivi personalmente non ne ho mai visti. Anche perché, se il fondo, o meglio se l'azienda si trova bene con noi, chiaramente ha piacere di continuare ad avere la medesima, diciamo, continuità di cap table. A patto che, chiaramente, ci sia la capacità dell'investitore di finanziare l'azienda stessa.

(Leonardo): Ok. In fase di stabilità, adesso direi che è la Piattaforma a svolgere direttamente le varie attività di CVC.

(D): Sì.

(Leonardo): Comunque ricevete o le proposte da startups o comunque tramite il vostro network di conoscenze che avete.

(D): Sì, esatto. Non è che abbiamo una partnership strutturata con un VC o con due VCs con cui collaboriamo su base continuativa o con cui condividiamo il flow. Il network c'è. Chiaramente facciamo attività sia di scouting diretto, che ci vengono proposte opportunità direttamente dal mercato oppure anche da altri fondi.

(Leonardo): Le attività di CVC sono già previste nel budget annuale o sono qualcosa di straordinario? Come funziona?

(D): Non c'è a livello di budget un'indicazione puntuale. Quindi, non direi che è qualche cosa di straordinario però non è nemmeno strutturato formalmente a livello di budget.

(Leonardo): Qual è il vostro punto di vista riguardo le attività CVC dei vostri principali competitors? Lo stanno facendo? Più o meno di voi?

(D): Ma guarda, io ti parlo di quello che è il mercato chiaramente più delle financial institutions. Prima di tutto non li definirei competitors. Diciamo che ci sono altre financial institutions che fanno attività di CVC, in primis son quelle che ti ho detto. Altre realtà che investono in startups o in lab in maniera più o meno strutturata non ce ne sono tantissime devo dire in Italia. Iniziano ad esserci qualche assicurazione che lo fa. Reale per esempio è una di quelle che lo fa del mondo assicurativo.

(Leonardo): Ok. Sì, comunque ho visto che avete comunque con la Piattaforma anche tipo Bper Banca, che adesso è una vostra cliente mi sembra. Avevo letto un articolo.

(D): Sì, è una cliente.

(Leonardo): La Banca con la Piattaforma si vuole comunque identificare come un portale di accesso a queste nuove tecnologie sul settore bancario, così da vendere anche ad altre banche più piccole o anche più grandi se fosse?

(D): Sì, non parlerei di Banca perché la Piattaforma è un ecosistema che ha origine nel capitale del Gruppo però ha un suo posizionamento autonomo e distinto e ha l'obiettivo di essere questo luogo in cui avviene la collaborazione, lo scambio di valori fra soggetti che adesso semplificando, consumano e producono innovazione, attraverso un modello di piattaforma aperta dalla tecnologia API.

(Leonardo): Il CVC è una forma attraente di finanziamento per le startup o preferiscono altre fonti? Ad esempio, nel primo trimestre del 2019 in Italia sono stati raccolti 13,2 milioni di euro utilizzando il crowdfunding, il 120% in più rispetto allo stesso periodo dell'anno scorso.

(D): Son cose molto differenti. Cioè attiene molto alla strategia di una startup. Se la startup ha come sua strategia quella di vendere servizi alle aziende, alle financial institutions, piuttosto che vendere servizi al mercato direttamente, può influenzare quello che è la modalità e la tipologia di funding che cerca. Sono davvero cose estremamente diverse. Sicuramente il CVC, diciamo, va nella direzione di attivare una collaborazione stretta e di conseguenza dà da un lato accesso a un mercato – che è quello dell'investitore stesso – dall'altro dà anche un implicito endorsement sulla soluzione.

(Leonardo): Qual è la tua opinione generale sul CVC in Italia? Pensi che sia ancora nella sua pubertà, dove le aziende stanno ancora valutando la possibilità di farlo, o già maturo e non ha avuto un grande successo per determinati motivi?

(D): In crescita, in crescita. Non è sicuramente sviluppato come in altre realtà europee o mondiali. Scontiamo anche sul fronte CVC un po' un nanismo che si riscontra anche nel mondo del venture capital, sulla quantità di soldi investiti in Italia rispetto agli altri paesi.

(Leonardo): Questo, per esempio, pensi che sia un problema dal punto di vista poca innovazione da parte delle startups, poche startups innovative, o dal punto di vista magari di convenienza, dal punto di vista fiscale? Quindi c'è un problema a livello istituzionale o a livello di offerta da parte di startups?

(D): Guarda, no, nel senso che siamo in un mercato aperto. Per me il CVC non è necessariamente il CVC a favore di startups italiane. Quindi se ci sono opportunità estere non è un limite. Tant'è vero che anche i fondi di Intesa SanPaolo e Unicredit non è che investono esclusivamente sul mercato domestico. È un tema non necessariamente fiscale, anche perché negli ultimi anni e anche l'ultimo governo hanno attivato delle iniziative a vantaggio dell'investimento in startups anche da parte di aziende. È un tema anche culturale, non è così immediato. Poi il fatto che in Italia abbiamo una frammentazione di aziende – sto guardando adesso il mercato più nel suo complesso, non decisamente quello delle financial institutions – piccole realtà, chiaramente, non aiuta, perché per investire bisogna avere capitali. Se il mercato è fatto prevalentemente da PMI e poche realtà grandi, chiaramente questo complica un po' le cose.

Interview 1.Epsilon

(Leonardo): Come si è avvicinato Epsilon al CVC? Come è nato il Fondo di CVC? Quali sono stati i fattori scatenanti?

(Ep): Il Fondo di CVC è un fondo di investimenti che Epsilon ha creato insieme a Lambda, fondo VC degli UK che investe solamente in Fintech. Il razionale dietro è il fatto che Epsilon voleva posizionarsi come un importante partecipante all'interno del mondo Fintech, al pari dei suoi competitors. Da questo è nata la collaborazione con Lambda che ha portato alla creazione di due fondi per un totale di 200 milioni di euro. Un vero e proprio VC fund del quale non abbiamo alcuna gestione manageriale. È un VC che investe in early-stage startup fintech e che viene gestito da Lambda mentre noi abbiamo messo il capitale. Per questo fondo si ha esclusivamente l'obiettivo del ritorno finanziario. Il secondo fondo è il Fondo di CVC che ha focus su soggetti un po' più maturi, non abbiamo un investimento minino, abbiamo delle linee guida che riguardano il ritorno industriale e strategico. Il Fondo di CVC ha un Board formato da persone di Epsilon ed un team all'interno di Epsilon che segue la partnership con Lambda. Team del quale io faccio parte.

(Leonardo): Scelta di iniziare il CVC. Perché?

(Ep): Scelta legata alla voglia di sperimentare, collaborare e posizionare la banca in quel mercato. Quindi presenza sul mercato.

(Leonardo): Questa scelta deriva dal fatto che i competitors nazionali e internazionali stavano facendo CVC?

(Ep): Assolutamente sì.

(Leonardo): Prendendo in considerazione solamente il Fondo di CVC, tale fondo ha ragione strategica?

(Ep): Si, l’idea è di creare sinergie con il business aziendale, core e non core.

(Leonardo): Tra i possibili vari motivi strategici, quali erano i vostri?

(Ep): Conoscere prodotti diversi, conoscere un settore diverso, creare sinergie tra le capacità della startup e della società – complementary assets –, creare vantaggi competitivi. Fare leva sull’agilità e flessibilità di questi investimenti. Ridurre le tempistiche, ricerca e sviluppo e investimenti per raggiungere un prodotto che è già disponibile grazie alla startup.

(Leonardo): Investimenti sempre quote di minoranza?

(Ep): Si, sempre di minoranza, sempre meno del 20%

.

(Leonardo): Anno di fondazione del Fondo di CVC?

(Ep): Nel 2016.

(Leonardo): Mi potresti spiegare come opera il programma di innovazione di Epsilon?

(Ep): Il programma di innovazione è un acceleratore, aperto a diversi settori tra i quali finthech, fashion, food and beverage, e altre. Qui le startup ricevono mentorship, strumenti per poter andare avanti, un premio monetario, lo sviluppo di un network. L’idea è di collaborare con queste startup.

(Leonardo): Chi all'interno di Epsilon ha proposto di fare CVC? Oppure è stato Lambda a proporvi di avviare attività di CVC in partnership con loro?

(Ep): Entrambi. Il capo dell'innovazione di quel periodo che aveva contatti con il VC. Lo sponsor interno era il COO. Noi abbiamo fatto una ricerca sui possibili partner e sulle possibili soluzioni per implementare una strategia fintech.

(Leonardo): Una volta creato il fondo, quanto tempo è passato tra primo approccio ed investimento nella startup?

(Ep): Già dopo due settimane dall'inaugurazione del fondo è stata effettuata la prima attività di CVC. Tuttavia, avevamo seguito la strada del VC. Andando avanti, abbiamo visto che la strategia era più vincente quando avviavamo da subito una collaborazione con la startup, operando come CVC. Adesso, tra il momento di ricerca dei possibili investimenti, incontri, e firma di un Memorandum of Understanding, contratto in cui si definisce la strada, passano circa 6 mesi.

(Leonardo): Vi occupate voi della fase di ricerca delle startup?

(Ep): All'inizio il nostro partner se ne occupava dato che a noi mancavano le conoscenze specifiche necessarie. Poi una volta che abbiamo acquisito le conoscenze specifiche abbiamo iniziato a farlo noi. Attualmente, abbiamo deciso di avere un altro partner che è un ecosistema di startup che ci aiuterà nella ricerca.

(Leonardo): Come hanno reagito le divisioni della società? Hanno richiesto di utilizzare il CVC?

(Ep): All'inizio abbiamo puntato sui business che erano più recettivi. Noi essendo una banca, abbiamo come obiettivi a breve termine i ricavi. Ora abbiamo anche un capo della

Transformation e Innovation, c'è un board esterno. Abbiamo cambiato management di Epsilon. Agli inizi il CVC aveva più un approccio opportunistico, quindi collaboravamo con il business interno che più ci seguiva, mentre adesso non c'è area di business interno con cui non collaboriamo. Sempre in una ottica strategica.

(Leonardo): Prima della fondazione del fondo, c'era stato qualche investimento in startup?

(Ep): A mia conoscenza direi di no, qualche collaborazione con il Programma di Innovazione.

(Leonardo): Quando è stato aperto il Fondo di CVC, i dipendenti erano di Epsilon o ci sono state anche assunzioni dall'esterno?

(Ep): Nessuna assunzione dall'esterno. Tuttavia, il partner avevo un ruolo di dipendente esterno.

(Leonardo): Riguardo alle startups, voi di solito avete già una ricerca e sviluppo interna inerente al quel business? All'inizio si pensava che la ricerca e sviluppo venisse ridotta con le attività di CVC.

(Ep): Non soffoca la ricerca e sviluppo. Sono complementari. In Epsilon vediamo la ricerca e sviluppo come uno strumento per raggiungere i risultati, esattamente come il CVC. Incontro tra domanda interna ed offerta esterna. Eccezione fatta per quei casi in cui c'è una startup futuristica che magari ha bisogno di più apertura. Per esempio, anche nella divisione di risorse umane, non c'era un vero e proprio bisogno di qualcosa di nuovo. Tuttavia, quando abbiamo incontrato certe startup, abbiamo visto nascere una possibile applicazione interna.

(Leonardo): Relazione con la startup? Strumenti che utilizzate?

(Ep): I classici del CVC. Membri nel board, limitazioni varie caso per caso. Dipende dalla negoziazione. Se metti del capitale in una startup ti vuoi garantire una personal almeno nel board, diritto di esclusività, anche per prevenire che altri concorrenti investono li. Esclusività commerciale, alcuni diritti di veto su operazioni straordinarie, che rimanga il fondatore della startup.

(Leonardo): Integrate le startups?

(Ep): Sono previste continue interazioni con le startups, workshop, consulenze, riunioni, contatti frequenti e strutturati per parlarsi. Per trasferire le competenze in doppia direzione. Anche per esempio pranzi con dei manager. Creazione di un ecosistema tra CVC e le varie startups. Effetto network.

(Leonardo): Le attività di CVC sono già previste nel budget annuale o sono qualcosa di straordinario? Come funziona?

(Ep): Valore deciso dal budget previsionale più extra fondi per attività tipo collaborazioni, POC.

(Leonardo): Qual è il vostro punto di vista riguardo le attività CVC dei vostri principali competitors? Lo stanno facendo? Più o meno di voi?

(Ep): Molto bravi a comunicare all’esterno cosa stanno facendo. Noi abbiamo deciso di dare solo alcune informazioni chiave. Quando sperimentiamo non lo diciamo per scelta di concretezza. Quando investiamo una cifra rilevante e sappiamo che ci sarà del lavoro lì, facciamo uscire la notizia. Nel panorama italiano Epsilon vince. Banca Sella ha fatto ottime iniziative e anche Intesa SanPaolo opera nel CVC anche se forse più per un ritorno finanziario.

(Leonardo): Qual è la vostra opinione generale sul CVC in Italia? Pensa che sia ancora nella sua pubertà, ovvero le aziende stanno ancora valutando la possibilità di farlo, o già maturo e non ha avuto un grande successo per determinati motivi?

(Ep): Dati confermano che il CVC in Europa stanno crescendo. In Italia ti direi che c'è tanto bisogno di innovazione. L'attenzione delle società verso il CVC sta crescendo.

Interview 1.Zeta

(Leonardo): Quando avete eseguito la prima attività di CVC, inteso come investimento in startup?

(Z): Primo investimento in startup nel 2017, investimento di minoranza nella startup Mu con quota del 4% circa, una società che produce un dispositivo fisico elettronico. Nel 2018 un altro investimento ma è stata una acquisizione di una startup che fa Intelligenza Artificiale.

(Leonardo): Quali sono stati i motivi che vi hanno portato a considerare di effettuare tali investimenti?

(Z): Motivazione strategica per l'accesso a tecnologie. Dal punto di vista finanziario, quando porteremo sul mercato il prodotto di Mu, avremo come fornitore Mu che pagheremo, facendo aumentare il valore dell'investimento. Il nostro ritorno finanziario non è principalmente sull'aumento di valore della quota di minoranza ma sul fatto che su quel prodotto, su quella tecnologia noi riusciamo a costruire un business e quindi ci interessa il margine aggiuntivo che facciamo come azienda grazie all'utilizzo della tecnologia di Mu. Ci interessa il ROI ma soprattutto l'abilitazione che quella tecnologia fa sul nostro business. Non abbiamo una funzione dedicata al CVC. Le persone che fanno CVC sono chi fa business development. La motivazione è sempre strategica per accedere a delle tecnologie. Per Mu abbiamo il diritto di decidere se partecipare a futuri aumenti di capitali. L'investimento è stato strumentale per una collaborazione tecnica con Mu che stiamo sviluppando un business da applicare sui nostri prodotti. Con l'altra startup abbiamo fatto una acquisizione. Era una startup nata nel 2012 con l'obiettivo di portare in produzione alcune tecnologie specifiche e fino al 2015 erano orientati all'applicazione del loro prodotto sulle tecnologie usate nel nostro settore. La ricerca di questa startup è durata almeno 12 mesi nei quali abbiamo visto tante aziende tenendo conto l'avanzamento tecnologico, disponibile per una acquisizione, in cui l’azionariato non sarebbe stato troppo complicato da gestire e che fosse anche geograficamente facile da gestire.

(Leonardo): Chi ha proposto per primo l'opzione di fare CVC?

(Z): Abbiamo iniziato in maniera timida, i colleghi del business development del nord America ci hanno presentato Mu e da lì è iniziato l’interesse. Per l’acquisizione me l’ha proposta un collega perché sapeva che stavo cercando una tecnologia di quel tipo.

(Leonardo): Quanto tempo ci è voluto da quando avete iniziato a prendere in considerazione l’attività e quando è stata effettivamente messa in atto?

(Z): Per Mu circa 6 mesi. Per l’altra startup circa 8 mesi tra inizio e closing. Per Mu i contatti sono stati direttamente con Mu e non sono stati utilizzati altri operatori come VC o altro.

(Leonardo): Avete una struttura dedicata al CVC?

(Z): Non abbiamo una struttura dedicata al CVC. Sarebbe un lavoro diverso dove si investe in più startups cercando di diversificare il rischio e con una attenzione al ritorno sull’investimento perché la logica per noi potrebbe essere che devi avere accesso a diverse tecnologie, non so quale è la startup che ha la tecnologia vincente e quindi visto che devo fare investimenti in aziende multiple che fanno lo stesso mestiere, mi organizzo con una struttura di CVC con anche degli obiettivi di ritorno finanziario. Ad oggi non abbiamo dei fondi allocati al CVC, non so se in futuro lo faremo. Però ora stiamo già guardando altre startups.

(Leonardo): Avete richiesto un cambiamento nella governance aziendale di Mu?

(Z): Non abbiamo potere su loro dato che la quota è piccola. L'altra startup è totalmente nostra quindi decidiamo noi.

(Leonardo): Come gestite il rapporto con le startups? Cercate di integrarle nell'azienda o preferite mantenere separate le entità?

(Z): Mu è rimasta totalmente separata. L'altra startup è totalmente integrata. Essendo una piccola startup che ha circa 20 persone che sono altamente specializzate, una delle sfide che abbiamo è far sì che le persone restino in azienda ed abbiamo chiesto al fondatore di restare. Io sto lavorando tantissimo con loro perché ci sono problemi di cultura diversa, velocità diversa dato che noi siamo la vecchia azienda. Loro soffrono le procedure che mettiamo in piedi ma allo stesso tempo non possiamo lasciare a loro la scelta di fare quello che vogliono, anche per motivi legali di gestione della proprietà intellettuale. Questo rapporto è di integrazione con un lavoro di cercare di avere un assetto organizzativo e un processo decisionale che garantisca alla startup di avere la sua velocità senza però generare gelosie nel resto della organizzazione e secondo gestire i rischi di proprietà intellettuali ed altri rischi specifici per il nostro business.

(Leonardo): Come vi appropriate delle conoscenze delle startup?

(Z): La startup opera con una tecnologia che deriva da ricerche scientifiche pubbliche. Qui non c'è il problema di avere accesso alla conoscenza ma piuttosto avere delle persone che hanno la capacità di prendere questa tecnologia ed aggregarle per fare una funzione. Loro sono molto bravi in questo mentre noi non siamo molto bravi in questo. In 6 mesi nessun dipendente è andato via ed abbiamo in mente un programma di assunzioni per aumentare il

team. Tutta l’attività che loro fanno è sui loro server e rimane a disposizione della nostra azienda. Tuttavia, serve qualcuno che capisca come usare questi software.
In azienda abbiamo un’altra divisione che si occupa a livello sperimentale di tecnologie simili e c’è un continuo contatto tra le due divisioni. La nostra scommessa, anche facendo leva sul fondatore, che è il leader di queste persone, è tenere tutti i dipendenti perché se vanno via le persone viene difficile andare avanti. Ci stiamo provando a gestire la situazione della startup.

(Leonardo): Voi avevate già una divisione che studiava l’argomento che tratta la startup?

(Z): Sì, noi abbiamo già una divisione che trattava argomenti simili ed è molto importante avere già una conoscenza dell’argomento. La nostra divisione aveva fatto alcuni test per capire come funzionava quella tecnologia ma non pensava di svilupparla internamente. Io durante i mesi di scouting sono andato dal capo di quella divisione ed ho chiesto se potevo prendere le sue persone e costruire intorno a loro, assumendo anche altri dipendenti, un divisione che porta questa tecnologia a livello di produzione? Lui mi ha detto che loro sono degli sperimentatori e che non gli interessava. Quindi io ho deciso di fare una acquisizione. Quando ho deciso di fare la acquisizione questo team di sperimentatori è stato fondamentale perché siamo andati nelle startups e loro ci hanno dato le competenze per capire la startup stava facendo le cose giuste e se erano effettivamente bravi. Questo team di sperimentatori ci ha accompagnato in California a vedere altre aziende. Adesso questo team ci aiuta a fare certe attività insieme alla startup per portare in produzione il prodotto.

(Leonardo): Qual è il vostro punto di vista riguardo le attività CVC dei vostri principali competitors? Lo stanno facendo? Più o meno di voi?

(Z): Tutti stanno più o meno investendo. Alcune aziende fanno più CVC classico dove investono in tante startup che fanno la stessa tecnologia per diversificare il rischio. Tuttavia, non mi risulta che abbiano fatto integrazione delle società in cui hanno investito. Per noi questo modello non è possibile per la mancanza di disponibilità di soldi e poi è contraria alla nostra filosofia di comprare la tecnologia e portarla in produzione e non mettere in giro tanti piccoli investimenti a caso. Forse se avessimo la disponibilità di soldi potremmo pensare di farlo ma in questo momento non ci stiamo pensando.

(Leonardo): Questi investimenti sono per stare a passo con loro o per creare un competitive advantage?

(Z): Noi cerchiamo di avere un vantaggio competitivo perché entrambe le tecnologie di queste due startups non sono sul mercato. In questo momento c'è l'euforia. È un momento di grande evoluzione che noi non sappiamo se la nostra startup è la migliore, magari tra 2 mesi c'è una nuova tecnologia disruptive che non era stata prevista. Abbiamo cercato di fare investimenti su tecnologie che pensavamo non fossero mature ma indirizzate su quella che sarà la tecnologia finale. Questo per cercare un vantaggio competitivo.

(Leonardo): Che riscontri state avendo dall'investimento in Mu?

(Z): I riscontri che abbiamo avuto dal mercato non sono ottimi per motivi tecnici. Ci sono tecnologie leader diverse che stiamo guardando. Il nostro obiettivo era avere un partner con cui andare sul mercato e avere un vantaggio competitivo. Questo settore è tale che il vantaggio competitivo dura 6 mesi o un anno quindi bisogna tenere conto anche di questo.

(Leonardo): Qual è la vostra opinione sul mercato delle startups in Italia?

(Z): Io non sono riuscito a trovare niente in Italia che valesse la pena investirci. Non so se è per colpa della situazione dell'Italia o se sono io che non ho saputo guardare bene. Abbiamo guardato circa 10 startups e nessuna aveva sede in Italia. Io vedo che ci sono molte startups e grandi aziende presenti in questo mercato e penso che non ho una visione completa della situazione dell'Italia ad oggi. Mi sembra che le startups Italiane utilizzano la tecnologia esistente per applicarla ad altri business. Noi siamo molto interessati alla vera e propria tecnologia core e l’Italia mi è sembrata un paese che non le avesse. Prossimamente voglio guardare a in Italia in maniera più approfondita. In Italia c’è molto fermento ma non per la nostra nicchia di mercato. Abbiamo delle collaborazioni con le università italiane e abbiamo collaborato con una startup che poi è stata comprata da una società americana. Noi lavoriamo anche con l’università di Pisa.

Interview 1.Eta

(Et): La tematica del corporate venturing è calda a livello europeo, si sta manifestando un trend che è partito dall'America e sta avendo una wave crescente anche in Europa e in Italia. Stiamo già vedendo le prime forme di CVC in Italia in qualche corporate che è all'interno di industrie abbastanza diversificate. È una roba dell'utilities, delle telecom, del food, chi tratta tecnologie in ambito green e sostenibilità. Il nostro gruppo è da molti anni nel mondo della petrolchimica e fertilizzante che di fatto come DNA è votata all'individuazione di quelli che sono modelli di innovazione continua perché gli ambienti, i competitors e le tecnologie crescono con livelli di accelerazione che sono spaventosi. Necessariamente le forme per andare ad individuare quello che oggi è l'innovazione attraverso modelli che non sono più di closed innovation ma open innovation è diventata, soprattutto per Eta, una strategia obbligatoria da perseguire. È un tema molto caldo da noi in azienda, abbiamo iniziato da poco, ci stiamo strutturando bene da poco. Ultimamente abbiamo lanciato una divisione che si occupa di andare a gestire e sviluppare tutte le tecnologie in ambito green e sostenibilità. Necessariamente quando parli di tecnologie e innovazione devi impostare dei modelli di open innovation che ti consentono di abbracciare quello che avviene all'esterno, integrandolo con più modelli di business. La parte del corporate venture capital si sposa con gli attori del venture capital, è un attore che è complementare alle corporate. La nostra esperienza è questa. Gli attori che oggi giocano un ruolo fondamentale nel mondo del venture capital, fino a qualche anno fa si erano concentrati in settori dove le scalabilità era abbastanza veloce, come il IoT, il settore software. A mano a mano che ti sposti in investimenti più capital intensive, e quindi vai a investire in tecnologie dove si parla di pharma, biotech, green, etc., necessariamente le competenze per poter sviluppare e mettere in pratica un modello che sia scalabile necessitano il coinvolgimento di una corporate. Quello che stiamo vedendo è che si sta avviando un percorso di contaminazione con diversi ecosistemi che cercano in qualche modo di raggruppare i vari attori che sono coinvolti dal tema del venturing, come le università, i centri di ricerca, intelligence transfer offices, PMI innovative dove queste sono per noi l'input dove vengono tutte le nuove tecnologie e progetti innovativi. Chiaro che per noi questi attori non hanno il carburante necessario per avviare e portare a termine tutte le fasi tipiche di successo che possono essere la fase di R&D, la seconda fase del Proof of concept, la terza fase che solitamente ti trovi ad affrontare è quella di andare a testare la tecnologia sviluppata con un progetto pilota e poi la parte più difficile perché più capital intensive è la messa a terra passando da un pilota a un processo di industrializzazione completa che necessariamente deve coinvolgere attori diversi e necessariamente deve esserci una corporate che metta a disposizione la propria supply chain, metta a disposizione il know-how, e ovviamente questo ti consente di ridurre drasticamente il time to market della tecnologia. Seguendo la sequenza logica delle domande, noi abbiamo iniziato a fare i primi investimenti in startup tre anni fa. Siamo partiti andando a investire in tecnologie che ci consentivano di innovare e diversificare il nostro modello di business. Siamo andati a pescare dove ovviamente il terreno è più fertile per quanto riguarda il terreno del venture e delle startups che è quello americano. Le esigenze di andare a trovare tecnologie alternative alla nostra R&D pura sono solitamente quelle di andare a diversificare il tuo modello di business, andando ad individuare progetti e tecnologie che abbiano una sinergia con il business core dell'azienda. Questa è una overview che credo ti risponda alle prima domande su perché e quando abbiamo fatto il primo investimento in startup. Ovviamente la ragione è puramente strategica, solitamente quello che accade è che viene definito un budget anno per anno da destinare a queste nuove tecnologie. Il tema è che una volta fatto l'investimento la corporate non si limita a contribuire finanziariamente. L'azienda contribuisce attivamente affiancando la startup durante tutte le giornate. Il processo di industrializzazione è un processo molto complicato. Il processo di incubazione di una startup che viaggia con logiche diametralmente opposte a quelle di una corporate ed è altrettanto complicato, quindi le fasi iniziali si concentrano su questi due aspetti. Quello che capita e che non abbiamo fatto noi nei nostri investimenti e quello che abbiamo visto è che c'è una compartecipazione in nuovi investimenti, nuovi progetti anche da soggetti puramente finanziari. Quello che stiamo notando è che oltre al mondo del CVC quando parliamo di investimenti in tecnologie capital intensive, diciamo l'attore principale che di fatto porta un apporto di capitale consistente è quello del VC. Le finalità di questi attori sono ovviamente sinergiche ma ognuno ha una finalità ben precisa. Quello che troverai come casistiche è che il fondo di VC ha un obiettivo che è la massimizzazione del ritorno. Gli investimenti da parte delle corporate invece hanno una finalità un pochino più nobile e meno predatoria rispetto a quella del VC perché molto spesso gli accordi di partnership che fai con le startup non si limitano a mettere capitale. Per la corporate è una fase in cui si rimette in discussione il modello di business e quindi il modello con cui una corporate approccia una startup è più legato a un approccio di lungo periodo che gli consenta di diversificare il modello di business, gli consenta di diversificare e avere l'esclusiva su alcuni brevetti e tecnologie che una startup possiede oppure che gli consenta di creare una revenues costante poiché potenziali partnership con una startup possono riguardare contratti di esclusiva su determinati prodotti e servizi. Quindi le ragioni strategiche di perché una corporate investe in una startup sono molteplici e ovviamente la parte finanziaria è uno dei fattori, non è quello preponderante ma di fatto hai una ragione di business.

(Lorenzo): Quindi il primo investimento tre anni fa, intendi 2016?

(Et): Sì, primo investimento nel 2016.

(Lorenzo): Avete lanciato una divisione sull'ambito green e sostenibilità. Questo ha scatenato la necessita di innovazione o ha accelerato la necessità di avere innovazione e di conseguenza vi ha portato a fare investimenti? La mia domanda è questa: è il vostro modus operandi di aprire una divisione per iniziare a studiare un ambito e poi andare a cercare startups o PMI innovative che potrebbero avere già una soluzione per i bisogni che individuate?

(Et): La verità sta a metà. La nuova divisione green ha un modello di business ben definito che in qualche modo va a definire i perimetri entro i quali il gruppo opera all'interno del mondo green. Noi siamo EPC Contractor, realizziamo impianti da decenni. Quello che stiamo facendo è creare una divisione green che consenta di mantenere il cappello dell'EPC contractor per la realizzazione di tutti quegli impianti che oggi ruotano nel mondo del green. Un esempio è impianti di riciclo plastica meccanica, impianti che in qualche modo partono dal presupposto della circular economy, quindi tutto quello che oggi viene definito waste, noi abbiamo delle competenze tecnologiche che consentono la trasformazione da waste in una serie di commodities che possono andare dall'idrogeno, ai chemicals, al fuel, liquid, quindi il modello di business della divisione green è quello di andare a concentrare la core technology e il know-how su un perimetro abbastanza focalizzato. Quello che avrai visto che accade in tante corporate, nascono degli innovation hubs, dei poli d'innovazione che supportano la divisione green, e non solo, nell'andare a pescare e fare scouting di tecnologie che vengono dall’esterno con l’intento di integrarle all’interno della company. Quindi la divisione green si avvale dei poli di innovazione che tendenzialmente vengono costituiti presso quelle che sono le zone in cui la tecnologia, i know-how specifici cluster è forte. Avrai visto che in Israele ci sono dei cluster creati costruiti dal governo piuttosto che dalle varie corporate, suddivisi in industrie. Cioè c’è il cluster del biotech, il cluster della cyber security, quindi essere presente in quei determinati posti ti consente di avere un accesso a quelle che sono i nuovi trend che viaggiano a una velocità che una corporate farebbe veramente fatica a seguire. L’abilità dell’innovation hub è quella di andare a catturare tutte quelle tecnologie che sono sinterizzabili con le competenze che hai all’interno del gruppo per andare ad innovare il tuo modello di business. Per farti un esempio, il tema della CO_2, l’anidride carbonica, si sta cercando di trovare in qualunque modo delle soluzioni che consentano di catturare la CO_2 e trasformarla in n prodotti. Ora, l’abilità del nostro gruppo è quella di saper trasformare la CO_2 in chemical piuttosto che in idrogeno o altro. La tecnologia che manca è che deve venire dai centri di ricerca, gli innovation hub, e che sono a destra e sinistra della divisione, deve venire necessariamente dall’esterno. Questo perché? Perché si sono sviluppati modelli di innovazione aperta? Se ogni qualvolta io voglio essere il primo della classe e voglio ridurre il time to market nei confronti dei miei competitors, ogni qualvolta che intuisco che c’è un big trend, devo necessariamente iniziare ad internalizzare una serie di attività supportando dei costi che non sono banali. Questa è la vecchia logica con cui si faceva innovazione. A mano a mano questo paradigma è stato sostituito dal concetto di open, e quindi quelli che sono i big trend, tutte quelle che sono le nuove tecnologie, anziché svilupparle inhouse con dei costi che sono esorbitanti rispetto ad andarle a cercare fuori, hanno due ordini di benefici. Il primo è quello che mi consente un time to market molto più ridotto rispetto al percorso classico. Oggi il ciclo di vita dei prodotti e dei servizi si è fortemente ristretto. Se io decidessi di fare tutto inhouse, oltre a costarmi dieci volte tanto, non riesco comunque a stare al passo con i tempi. Quindi preferisco andare a pescar fuori e integrare con la mia struttura interna per velocizzare la fase di scale up. Quindi dalla fase del pilota alla fase di industrializzazione, nel momento in cui entra in campo una corporate, i tempi si riducono drasticamente. Dall’altro lato è una forma di mitigazione del rischio. Andando a cercare, andando a pesca su n tecnologie, non mi ingesso internamente per andare ad investire ed internalizzare figure e profili che hanno un costo fisso che devo fronteggiare anno per anno.

(Lorenzo): Quindi, come conferma di quello che hai detto, tra i motivi principali che vi spingono a investire in startups, ci sono sia la risposta ad un bisogno interno, che può essere quella di questa division green, quindi il bisogno di innovazione e tecnologie specifiche, ma anche il desiderio di anticipare alcuni big trend, quindi prendere l'onda al momento giusto?

(Et): Esatto. Corretto. Partire dal presupposto che cavalcare i big trend li possa fare da solo con la capacità e la potenza di fuoco, con il budget che tu hai in azienda e con cui ti devi confrontare, ti pone di fronte alla scelta di dover selezionare solamente alcuni trend, alcune tecnologie. Se poi, come accade in azienda, ti focalizzi su quelle tecnologie, inizia un percorso di investimenti che durano generalmente anni dove i risultati sono un punto interrogativo. Paradigma al contrario, vado a pescare fuori quelle che sono le nuove tecnologie, me le porto in-house e cerco di capire quella su cui puntare. Quindi per risponderti sono sicuramente nuova innovazione, sicuramente diversificazione e quello che ti ho raccontato.

(Lorenzo): Gli investimenti che state facendo sono di minoranza, di maggioranza o un misto?

(Et): Le formule con cui noi partecipiamo a questo tipo di investimenti e che stiamo approcciando con i nuovi progetti sono miste. Solitamente entriamo in minoranza, ma molto spesso alla minoranza è associato una sorta di joint development Agreement in cui al verificarsi di determinati eventi, o si attivano delle royalties a beneficio del gruppo o si applicano dei diritti di esclusiva che possono riguardare o aree geografiche o tecnologie, prodotti e servizi, dove l'azienda crede di poter portare un valore aggiunto, non necessariamente quindi rubando, prendendo troppo equity che scoraggia i founders di una startup, o viceversa quando riteniamo che sia strategica la tecnologia perché l'azienda ci credo molto, in quel caso fatto l'investimento si valuta l'acquisizione al 100% della startup.

(Lorenzo): Quando dici di aver iniziato la vostra ricerca dall'America, come vi siete approcciati ad investire in startups americane? Tramite dei partners come dei fondi di VC o in che modo?

(Et): No. Quello che accadrà nel prossimo futuro, sì. I partners intesi come venture capital saranno uno degli attori che ti garantiscono un deals flow in termini di iniziative che guardano loro e che necessariamente condividono con te per poter intraprendere un percorso in parallelo. Nel nostro caso, era un caso più sporadico che strutturato, ci sono capitate perché noi siamo già presenti in America attraverso una nostra divisione. Abbiamo una funzione di business development che si occupa di andare a fare scouting di nuove opportunità commerciali, che ha conosciuto questa nuova startup che aveva in qualche modo suscitato l'interesse di altri players, altri partners simili al mondo Eta. Il mondo Eta poteva contribuire in questa iniziativa coprendo alcuni gaps da un punto di vista tecnico dell'iniziativa e quindi è stato fatto questo deal con anche altri corporate sempre del mondo dell'oil&gas e del petrolchimico. Questo è accaduto per tutti gli investimenti fatti in America, ne abbiamo fatti un paio, quello che stiamo però impostando in termini di corporate venture capital, ha un approccio che segue un po' le premesse che ti facevo all'inizio.

(Lorenzo): Non era nei vostri piani di creare un team o una divisione o un fondo esterno dedicato al corporate venture capital? È stato più un evolversi delle opportunità che vi si sono presentate tramite il team di business development che faceva scouting?

(Et): Sì, la funzione di business development è una funzione che ha una mission diversa rispetto al corporate venture. Il business development è una cosa che va alla ricerca con il dipartimento di ricerca e il dipartimento commerciale per andare a trovare iniziative che sono da un punto di vista tecnologico già mature. Quando parliamo di innovazione, di progetti innovativi, sei nella fase in cui devi testare ancora la tecnologia e quindi assumerti un grado di rischio che non tutti sono pronti ad affrontare e non tutti sono pronti a scommettere. Quindi il business development quello che fa è attualmente, tolto i casi sporadici di investimenti in startups, è andare a trovare iniziative che da un punto di vista tecnologico sono già validate ma che abbiano comunque una sfaccettatura adiacente a quello che è il business core dell'azienda. L'idea di creare una funzione di corporate venture capital è partita quest'anno con le premesse di impostare il modello e il processo come ti raccontavo e che segue logiche che sono tipiche del venture capital e che abbracciano l'esigenza tipica di una corporate dove la corporate tendenzialmente non ha a disposizione gli stessi fondi del venture capital. La mission di chi fa corporate venture è diversa e questo implica che il budget da destinare non è paragonabile a chi fa attività pura di venture capital. Se avrai visto la taglia media di un fondo di venture capital, che dipende dal paese di origine, se parli di un fondo di venture capital serio, in Francia, può anche arrivare intorno ai due miliardi. Stessa cosa in Israele. Se ti affacci in Italia, il taglio medio di un fondo di venture capital è di 80-100 milioni di euro. Come sempre, sotto questo punto di vista, siamo il fanalino di coda perché gli altri sono cresciuti in termini di raccolta di capitali soprattutto grazie a manovre messe in atto dal governo in termini di facilitazione a quelle che possono essere gli aspetti di natura fiscale piuttosto che facilitazione a quello che può essere il processo di raccolta attraverso la creazione di veicoli che non siano rigidi come una Sgr o come una Sicav. L'Italia comunque qualcosa quest'anno ha fatto, il decreto attuativo delle leggi di bilancio 2019 e per il mondo del venture capital ci sono delle novità interessanti per il nostro paese. Tanto è vero che c'è una frenesia da qualche mese dove tutti stanno cercando di attrezzarsi al meglio per essere pronti a rispondere ad eventuali opportunità.

(Lorenzo): Come si è svolto il primo investimento? Chi ha proposto di fare un investimento di minoranza in una startup? Chi ha proposto la startup? Quali sono stati gli steps che vi hanno portato a fare il primo investimento? Da quello che ho capito, immagino sia uno di quelli che è stato fatto in America.

(Et): Chi l'ha proposto è stato il dipartimento di business development. Quanto tempo ci è voluto? Generalmente vai da un minimo di un paio di mesi ad un massimo di quattro dove in questo periodo di tempo tu di fatto metti in pratica e lanci l'attività di due diligence, che vertono su due fronti. Due diligence legata all'iniziativa che stai guardando e una due diligence di validazione di business su quali possono essere i contribuiti da parte del gruppo all'iniziativa, qual è il nostro punto di vista di mercato dell'iniziativa, quali possono essere le applicazioni di uso della tecnologia, in quali mercati, il P&L, il tipo di marginalità, gli aspetti di governance che sono molto delicati. Quando entri in una operazione con più partner ognuno vuole dire la sua. Dai temi di governance interna della startup che necessita un processo abbastanza strutturato per andare a definire chi fa che cosa, quali sono i processi decisionali, qual è il coinvolgimento da parte dei partner, chi è il leader, chi è di fatto l'abilitatore industriale che consente di assicurare alla startup un percorso di scalabilità e questi di fatto sono i momenti più rilevanti nel percorso di avvicinamento all'investimento che abbiamo fatto in America.

(Lorenzo): In merito alla prima operazione, quando vi hanno presentato la startup, è stato fatto un processo di scouting dopo aver identificato quest'opportunità o un processo di scouting era in corso ed è stata trovata questa opportunità?

(Et): Devi contestualizzare il tipo di industry in cui Eta opera, che è diverso dalla nuova divisione green che abbiamo lanciato. Questo perché tutti gli investimenti in nuove tecnologie e tutte le startups che hanno in qualche modo avviato un percorso disruptive, nell'oil&gas e nel petrolchimico sono veramente poche, meno di dieci. Perché gli investimenti in tecnologie in ambito oil&gas sono molto capital intensive. Parliamo di round che nel nostro caso hanno raggiunto quasi 200 milioni di dollari tra tutti i partner. Se tu ti affacci al mondo del food, con 200 milioni di dollari magari sono state finanziate più di 100 iniziative. Il motivo per cui non c'è un vero processo di scouting nelle tecnologie oil&gas è perché la barriera all'entrata di chi si addentra è talmente alta che più o meno le conosciamo tutte e sono adeguatamente mappate. Caso diverso è invece quando parliamo di tecnologia green che hanno un'applicazione d'uso molto trasversale su n industries dove il ticket medio di chi fa attività di venturing o corporate venturing è drasticamente più basso.

(Lorenzo): Dopo la prima operazione come si sono comportate le altre divisioni di Eta?

(Et): È quello che ti dicevo, il problema legato all'incubazione. Quando parli con una startup che non è abituata a ragionamenti tipici di una corporate, che non è abituata alla velocità con cui si ottiene una risposta sulla validazione di un processo o su una decisione da prendere se entrare in un mercato piuttosto che in un altro, iniziano ad esserci delle criticità. Quindi quello che abbiamo notato è che necessariamente quando individui una nuova iniziativa che non viene da un percorso strutturato in azienda, la fase della incubazione interna è una fase molto critica. Molto più critica della stessa validità della tecnologia. Perché quando parliamo di piccole realtà, se tu le ingessi, se tu non segue la stessa velocità con cui sono abituate a lavorare le startup, rischi di andare in crash. Quello che abbiamo fatto è stato dedicare persone a tempo full time, con skills variegate a seconda di quella che era l'esigenza del momento, per consentirgli da un lato di affiancare le startup nella fase di scale up e dall'altro abbiamo evitato di portarle direttamente in azienda ed ingessarle con i nostri processi e procedure ma abbiamo deciso di portarle a bordo da un punto di vista procedurale in un secondo momento.

(Lorenzo): Quindi è questo il motivo per cui tra le varie forme con cui vi potevate avvicinare a queste tecnologie avete scelto l'investimento in minoranza?

(Et): No, sul tema del oil&gas è una questione di budget. L'acquisizione del 100% di una startup nel settore oil&gas implica significa poi dover fare investimenti molto capital intensive. Con rischio di concentrarci su poche iniziative e non avendo una profonda disposizione tipica del venture capital non avere più cartucce da sparare su altre iniziative. Il corporate venture capital lo devi vedere da un punto di vista della diversificazione come quella del venturing, semplicemente che fanno i conti con un budget di spesa che generalmente è un decimo rispetto a quello del venture. Se posso fare un rapporto, per ogni 5 milioni di investimento fatto dal mondo del venture, sui primi round, per ticket, la corporate probabilmente partecipa con la metà, un 30 %, la differenza la mette in kind, mettendo ore uomo che consentano di evolvere il business della startup. La creazione di valore creata dalla messa in kind, il proprio know-how all'interno dell'iniziativa viene ben vista dal mondo del venture capital perché l'obiettivo primario di chi fa l'investitore è quello di massimizzare l'investimento. Ben venga, anche se loro mettono più dell'investimento della corporate, che ci sia una disparità dal punto di vista finanziario ma valutano adeguatamente l'apporto in kind che una corporate mette a disposizione perché gli consente di tirare su drasticamente il pre-money dell'iniziativa.

(Lorenzo): Definiresti l'investimento di minoranza dipendente dall'industria? Dall'esigenza in termini di capitali delle startup in cui devo investire considerando anche i follow up che dovrei fare?

(Et): Sì, ma dipende anche dal tipo di tecnologia che ha di fronte l'azienda. Nel senso che molto spesso noi entriamo in società con capitale di minoranza perché siamo interessati ad avere l'esclusiva in determinate aree geografiche solamente per una piccola fetta di prodotti e servizi che offre l'iniziativa. Non siamo interessati ad entrare o ad avere la maggioranza perché poi comporta avere una complessità gestionale e quindi il dover necessariamente portare avanti un modello di business che non è sinergizzabile con tutta l'azienda. Quindi quello che facciamo è che ci andiamo a ritagliare quello che effettivamente può essere il valore aggiunto che porta l'azienda apportando il minimo indispensabile mettendo in kind, ore uomo, supply chain, network, che ci consentano di creare valore con poco.

(Lorenzo): Volevo chiederti di più sugli innovation hub. Li vedi come una struttura precedente ad una struttura di corporate venture capital o sono una cosa parallela? La terrete e dovranno andare di pari passo?

(Et): Seppur dal punto di vista organizzativo sono due divisioni separate, necessariamente sono due attività che non possono non andare in parallelo. L'attività di scouting, l'attività di incubazione, l'attività di andare a crearti un ecosistema con gli innovation hub, necessariamente si deve parlare con il tuo corporate venture capital perché il corporate venture capital ha bisogno che qualcuno gli assicuri il deal flow, cioè che gli sottoponga le iniziative che ritiene più valide. Chi meglio del polo dell'innovazione che hai all'interno può in qualche modo rispondere a queste tue esigenze? Il corporate venture capital ha poi l'esigenza di assicurarsi che una volta definita quale è l'iniziativa su cui investire, ci sia un processo di incubazione ed accelerazione tra la corporate e l'iniziativa incubata tali da consentire che non ci siano frizioni all'interno. Quindi necessariamente io le vedo come se fossero due dipartimenti che devono andare in parallelo. Poi nella pratica sono due funzioni separate.

(Lorenzo): Però sono conseguenti? Cioè innovation hub e poi una divisione di CVC o avreste potuto crearle in contemporanea?

(Et): Devi necessariamente avviarle temporalmente insieme. Il rischio qual è? Se tu di fatto non crei un sistema di raccolta fondi il ruolo dell'innovation hub è parziale, dal momento in cui hai fatto l'attività di scouting, hai selezionato le migliori tecnologie, hai trovato quella che fit di più con la corporate, dal momento in cui hai fatto anche un programma di accelerazione per cui le tecnologie individuate sono pronte ad unirsi, a quel punto se tu non hai creato una funzione che mette del carburante per consentire all'iniziativa di far la fase di scale up, il polo dell'innovazione lascia il tempo che trova. L'innovation hub lo devi vedere come un veicolo che produce, crea, nuove tecnologie in continuazione. Noi ci approcciamo ad un sistema di open innovation aperto, quindi i nostri innovation hub che lanceremo il prossimo mese, abbracciano anche altre industries e altre corporate. Crediamo che la contaminazione con più attori possa creare valore. Non ci focalizziamo solamente sulle tecnologie dove è interessata la nostra divisione green, sarebbe miope. Ci stiamo accorgendo che aprirsi non significa aprire le barriere, i confini della mia azienda. Aprirsi significa fare dei workshops e tavole rotonde con altri players, per capire se mettere il fattor comune per creare un ecosistema strutturato consenta di creare delle opportunità. Lo do per scontato un modello di innovazione che crea soluzioni che consentono di innovare il modello di business della propria azienda. Quello che crediamo noi è che non basta. Cioè per innovare tu hai bisogno di aprirti con terzi, non devi aver paura a sederti con il tuo competitor, non devi aver paura a sederti con company con tecnologie dove ritieni di non aver necessariamente nulla a che fare, perché appartenete ad una industry completamente diversa. Ti faccio un esempio. Noi partecipiamo a queste sessioni di open innovation dove Eta era al tavolo con Lego. Lego fa tante cose, non solo giocattoli, hanno bisogno anche loro di raccontare che hanno una visione che è green, che tutela l'ambiente. E quindi, tra le varie sessioni di open innovation, si è creata una partnership nell'andare ad individuare dei materiali con cui loro vanno a produrre i loro giocattoli che siano ecosostenibili. Che vengano dal mondo bio. Che vengano da una nanotecnologia che consenta di non inquinare l'ambiente nel caso in cui si produca del waste. Hai creato un'occasione di incontro con un interlocutore con cui noi non avevamo mai parlato per decenni. Questo è il concetto di open, di andare a collaborare con altre company, ascoltare i loro needs, attraverso il polo d'innovazione e andare a capire se la messa a fattor comune delle varie skills e i vari needs di ognuno può creare del valore.

(Lorenzo): La vostra visione dei competitors? È stato uno stimolo ad intraprendere il corporate venture capital perché i competitors stavano facendo successo nel farlo o perché lo stavano facendo e trovavate utile relazionarvi con loro? O avete deciso di intraprendere questa strada solo perché altri lo stavano facendo, anche senza l'idea di relazionarsi?

(Et): Non ha nessuna influenza. Questo modello che ti ho raccontato è un modello che è stato sperimentato in America. I modelli che tu vedrai è che tutti i poli di innovazione trasversali alle corporate sono cross industries. Ducati ha il proprio polo di innovazione che abbraccia e va alla ricerca di tecnologie che gli consentano di innovare il proprio portafoglio di tecnologie. Enel idem. Telecom ha fatto lo stesso. Il concetto che ti sto raccontando io è un concetto di realmente open, perché crediamo fortemente che la vera sinergia tu la fai con gli altri. E quindi visto che le basi dell'open innovation sono quelle di aprirti e di non tenerti la tecnologia stretta senza darla a nessuno, stiamo approntando il nostro modello in quel senso.

(Lorenzo): Relativamente alla prima operazione, essendo stata la prima e quindi un po' un esperimento, come è arrivato ad essere eseguita l'intera procedura?

(Et): C'è uno steering committee in cui vengono riportati tutti i casi ed iniziative dove tendenzialmente vengono presentate le iniziative su cui investire. Dopo di che c'è un processo decisionale che molto spesso viene preso dal CFO e dal CEO.

(Lorenzo): C'è qualcuno che fa da sponsor durante questo processo, o di questa tipologia di investimenti o di questa startup specifica in cui avete iniziato ad investire?

(Et): Il business development.

(Lorenzo): Cosa ne pensi del corporate venture capital come forma di finanziamento per le startup paragonato ad altre forme come il crowdfunding?

(Et): Il crowdfunding in Italia è nella fase molto embrionale. Percorsi di sviluppo di iniziative dove si intende in qualche modo coinvolgere la corporate solitamente non passano in un percorso di raccolta di capitali tramite crowdfunding. Ne faccio una questione, molto spesso anche erroneamente, solitamente chi si affaccia al crowdfunding è chi propone un prodotto o servizio che generalmente è b2c. Nel nostro mondo tutte le tecnologie che andiamo a guardare sono b2b. Non ci siamo mai incrociati con startups che hanno avuto un percorso di raccolta di capitali con crowdfunding perché quello dove noi andiamo a guardare sono solitamente tecnologie che hanno un impatto sulle corporate stesse. È anche vero che stanno nascendo delle forme. Abbiamo visto una startup ultimamente che si è finanziata attraverso questa forma di crowdfunding in Italia, che aveva trovato una tecnologia interessante, delle fibre del mondo bio, per produrre un'alternativa al tessile nel mondo fashion. Da un punto di vista di sviluppo, chi passa attraverso formule di crowdfunding secondo me non va ad intercettare gli interlocutori giusti per il proprio percorso di sviluppo. A seconda di qual è il tuo target finale e qual è il tuo modello di business, secondo me la soluzione degli investitori è veramente fondamentale per il successo dell'iniziativa. È importante passare il messaggio per chi fa il mestiere di startupper o di PMI innovative di scegliersi il partner giusto. Capisco che la raccolta fondi in Italia è qualcosa di complicato, difficile, come stiamo vedendo dagli influssi di capitale quest'anno. Quindi, se la corporate non ascolta, io capisco che l'ultima spiaggia che una startup può andare ad affrontare è quella di andare a raccogliere i capitali tramite il crowdfunding, ma deve essere secondo me un'eccezione quando parliamo di tecnologie b2b.

(Lorenzo): Opinione generale sul corporate venture capital in Italia?

(Et): Secondo me avrà un'impennata pazzesca quest'anno spinta da stimoli di natura fiscale, spinta dal trend del momento, non si parla d'altro. Nasceranno tante forme non di corporate venture capital quanto tante forme di strutture dedicate all'innovazione. Il corporate venture capital necessariamente deve andare a braccetto con le strutture di innovazione. Oggi le strutture di innovazione vengono svolte da questi innovation hubs. Lo vedo perché partecipiamo molto spesso ad eventi in cui sono presenti chi fa questo tipo di mestiere ed è un tema molto caldo e sentito. Ho visto che tanti CEO di grandi corporate vivono con ansia il tema dell'innovazione. La velocità con cui nascono, crescono e muoiono medie o grandi aziende, fa paura. Oggi il ruolo del CEO è un ruolo molto difficile, anche in settori dove si riteneva di essere in una botte di ferro perché maturi, perché il posizionamento era garantito da un track record di tutto rispetto, ma oggi viene messo tutto in discussione. Il tema dell'innovazione i CEO e CFO lo vivono con un'ansia e la stanno concentrando sullo sviluppare strumenti e strutture organizzative tali per cui si tende ad innovare il modello di business in maniera molto più veloce rispetto a quanto si credeva un paio di anni fa.

Interview 2.Alpha

(Lorenzo): All'interno della azienda c'era un processo di ricerca e sviluppo che in qualche modo ha fatto sì che ci fossero le conoscenze di base necessarie per riconoscere, ottenere e sfruttare nuove informazioni.

(A): Confermo.

(Lorenzo): Vi era disponibilità di risorse finanziarie all'interno dell'azienda. Questa disponibilità di risorse ha successivamente incoraggiato e consentito alla società di fare l'investimento con l'idea di creare valore.

(A): Confermo.

(Lorenzo): Vi era fermento tecnologico all'interno delle industrie di vostro interesse.

(A): Confermo.

(Lorenzo): Vi era un alto livello di competizione all'interno delle industrie di vostro interesse.

(A): Non saprei.

(Lorenzo): Era presente un mercato competitivo, dove le società per sostenere la profittabilità e fronteggiare i competitors, investivano in tecnologie e innovazioni per migliorarsi e differenziarsi dai rivali.

(A): Non saprei.

(Lorenzo): I mercati finanziari non erano in crisi (primo investimento avvenuto pre o post crisi dei mercati finanziari).

(A): Confermo.

(Lorenzo): C'erano state (anche anni prima) delle modifiche nelle leggi che incentivavano in qualche modo questi investimenti. (esempi storici: la maggior robustezza dei brevetti, legge antitrust più forti quindi le aziende diversificano con investimenti di minoranza in capitali di altre aziende..)

(A): Nego.

Interview 2.Beta

(Lorenzo): All’interno della azienda c’era un processo di ricerca e sviluppo che in qualche modo ha fatto sì che ci fossero le conoscenze di base necessarie per riconoscere, ottenere e sfruttare nuove informazioni.

(B): Confermo.

(Lorenzo): Vi era disponibilità di risorse finanziarie all’interno dell’azienda. Questa disponibilità di risorse ha successivamente incoraggiato e consentito alla società di fare l’investimento con l’idea di creare valore.

(B): Confermo.

(Lorenzo): Vi era fermento tecnologico all’interno delle industrie di vostro interesse.

(B): Confermo.

(Lorenzo): Vi era un alto livello di competizione all’interno delle industrie di vostro interesse.

(B): Confermo.

(Lorenzo): Era presente un mercato competitivo, dove le società per sostenere la profittabilità e fronteggiare i competitors, investivano in tecnologie e innovazioni per migliorarsi e differenziarsi dai rivali.

(B): Confermo.

(Lorenzo): I mercati finanziari non erano in crisi (primo investimento avvenuto pre o post crisi dei mercati finanziari).

(B): Confermo.

(**Lorenzo): C'erano state (anche anni prima) delle modifiche nelle leggi che incentivavano in qualche modo questi investimenti. (esempi storici: la maggior robustezza dei brevetti, legge antitrust più forti quindi le aziende diversificano con investimenti di minoranza in capitali di altre aziende..)**

(B): Nego.

Interview 2.Delta

(Leonardo): All'interno della azienda c'era un processo di ricerca e sviluppo che in qualche modo ha fatto sì che ci fossero le conoscenze di base necessarie per riconoscere, ottenere e sfruttare nuove informazioni.

(D): Confermo.

(Leonardo): Vi era disponibilità di risorse finanziarie all'interno dell'azienda. Questa disponibilità di risorse ha successivamente incoraggiato e consentito alla società di fare l'investimento con l'idea di creare valore.

(D): Confermo.

(Leonardo): Vi era fermento tecnologico all'interno delle industrie di vostro interesse.

(D): Confermo.

(Leonardo): Vi era un alto livello di competizione all'interno delle industrie di vostro interesse.

(D): Confermo.

(Leonardo): Era presente un mercato competitivo, dove le società per sostenere la profittabilità e fronteggiare i competitors, investivano in tecnologie e innovazioni per migliorarsi e differenziarsi dai rivali.

(D): Confermo.

(Leonardo): I mercati finanziari non erano in crisi (primo investimento avvenuto pre o post crisi dei mercati finanziari).

(D): Nego.

(Leonardo): C'erano state (anche anni prima) delle modifiche nelle leggi che incentivavano in qualche modo questi investimenti. (esempi storici: la maggior robustezza dei brevetti, legge antitrust più forti quindi le aziende diversificano con investimenti di minoranza in capitali di altre aziende..)

(D): Non saprei.

<u>Interview 2.Epsilon</u>

(Leonardo): All'interno della azienda c'era un processo di ricerca e sviluppo che in qualche modo ha fatto sì che ci fossero le conoscenze di base necessarie per riconoscere, ottenere e sfruttare nuove informazioni.

(Ep): Confermo.

(Leonardo): Vi era disponibilità di risorse finanziarie all'interno dell'azienda. Questa disponibilità di risorse ha successivamente incoraggiato e consentito alla società di fare l'investimento con l'idea di creare valore.

(Ep): Confermo.

(Leonardo): Vi era fermento tecnologico all'interno delle industrie di vostro interesse.

(Ep): Confermo.

(Leonardo): Vi era un alto livello di competizione all'interno delle industrie di vostro interesse.

(Ep): Confermo.

(Leonardo): Era presente un mercato competitivo, dove le società per sostenere la profittabilità e fronteggiare i competitors, investivano in tecnologie e innovazioni per migliorarsi e differenziarsi dai rivali.

(Ep): In Europa e nel mondo si, in Italia un po' meno.

(Leonardo): I mercati finanziari non erano in crisi (primo investimento avvenuto pre o post crisi dei mercati finanziari).

(Ep): Confermo.

(Leonardo): C'erano state (anche anni prima) delle modifiche nelle leggi che incentivavano in qualche modo questi investimenti. (esempi storici: la maggior robustezza dei brevetti, legge antitrust più forti quindi le aziende diversificano con investimenti di minoranza in capitali di altre aziende..)

(Ep): Confermo.

Interview 2.Zeta

(Leonardo): All'interno della azienda c'era un processo di ricerca e sviluppo che in qualche modo ha fatto sì che ci fossero le conoscenze di base necessarie per riconoscere, ottenere e sfruttare nuove informazioni.

(Z): Confermo. Esiste un processo che definirei di Technical Scouting & Experimenting che ha l'obiettivo di monitorare l'evoluzione delle tecnologie di interesse e dei principali attori in quelle tecnologie, spesso start-up. Il processo è principalmente gestito dal un team centrale di Technology Innovation, che collabora con le diverse Business Units.

(Leonardo): Vi era disponibilità di risorse finanziarie all'interno dell'azienda. Questa disponibilità di risorse ha successivamente incoraggiato e consentito alla società di fare l'investimento con l'idea di creare valore.

(Z): Nego. Non abbiamo in azienda disponibilità di risorse finanziarie per questo tipo di investimenti. Ogni opportunità è valutata caso per caso, non tanto con l'obiettivo di un ritorno finanziario sull'investimento stesso (che comunque deve essere giustificato), quanto con quello di avere accesso a tecnologie che migliorano la nostra capacità di competere. Anche se trovassimo opportunità di investimento con ritorni molto elevati, non procederemmo in assenza di tecnologie da integrare nelle nostre attività operative.

(Leonardo): Vi era fermento tecnologico all'interno delle industrie di vostro interesse.

(Z): Confermo. gli investimenti fatti sono tutti in ambito Automated Driving, area in grande fermento tecnologico.

(Leonardo): Vi era un alto livello di competizione all'interno delle industrie di vostro interesse.

(Z): Confermo. La competizione è sempre elevata e i clienti Automotive molto esigenti.

(Leonardo): Era presente un mercato competitivo, dove le società per sostenere la profittabilità e fronteggiare i competitors, investivano in tecnologie e innovazioni per migliorarsi e differenziarsi dai rivali.

(Z): Confermo.

(Leonardo): I mercati finanziari non erano in crisi (primo investimento avvenuto pre o post crisi dei mercati finanziari).

(Z): Nego. Non è stato un fattore rilevante.

(Leonardo): C'erano state (anche anni prima) delle modifiche nelle leggi che incentivavano in qualche modo questi investimenti. (esempi storici: la maggior robustezza dei brevetti, legge antitrust più forti quindi le aziende diversificano con investimenti di minoranza in capitali di altre aziende..)

(Z): Nego. Non è stato un fattore rilevante.

Interview 2.Eta

(Lorenzo): All'interno della azienda c'era un processo di ricerca e sviluppo che in qualche modo ha fatto sì che ci fossero le conoscenze di base necessarie per riconoscere, ottenere e sfruttare nuove informazioni.

(Et): Confermo.

(Lorenzo): Vi era disponibilità di risorse finanziarie all'interno dell'azienda. Questa disponibilità di risorse ha successivamente incoraggiato e consentito alla società di fare l'investimento con l'idea di creare valore.

(Et): Confermo.

(Lorenzo): Vi era fermento tecnologico all'interno delle industrie di vostro interesse.

(Et): Confermo.

(Lorenzo): Vi era un alto livello di competizione all'interno delle industrie di vostro interesse.

(Et): Confermo.

(Lorenzo): Era presente un mercato competitivo, dove le società per sostenere la profittabilità e fronteggiare i competitors, investivano in tecnologie e innovazioni per migliorarsi e differenziarsi dai rivali.

(Et): Confermo.

(Lorenzo): I mercati finanziari non erano in crisi (primo investimento avvenuto pre o post crisi dei mercati finanziari).

(Et): Confermo.

(**Lorenzo): C'erano state (anche anni prima) delle modifiche nelle leggi che incentivavano in qualche modo questi investimenti. (esempi storici: la maggior robustezza dei brevetti, legge antitrust più forti quindi le aziende diversificano con investimenti di minoranza in capitali di altre aziende..)**

(Et): Nego.