

# The Role of Universities in Korea in Promoting Start-ups:

## Focusing on Soongsil University's Support Program

Feb. 2024

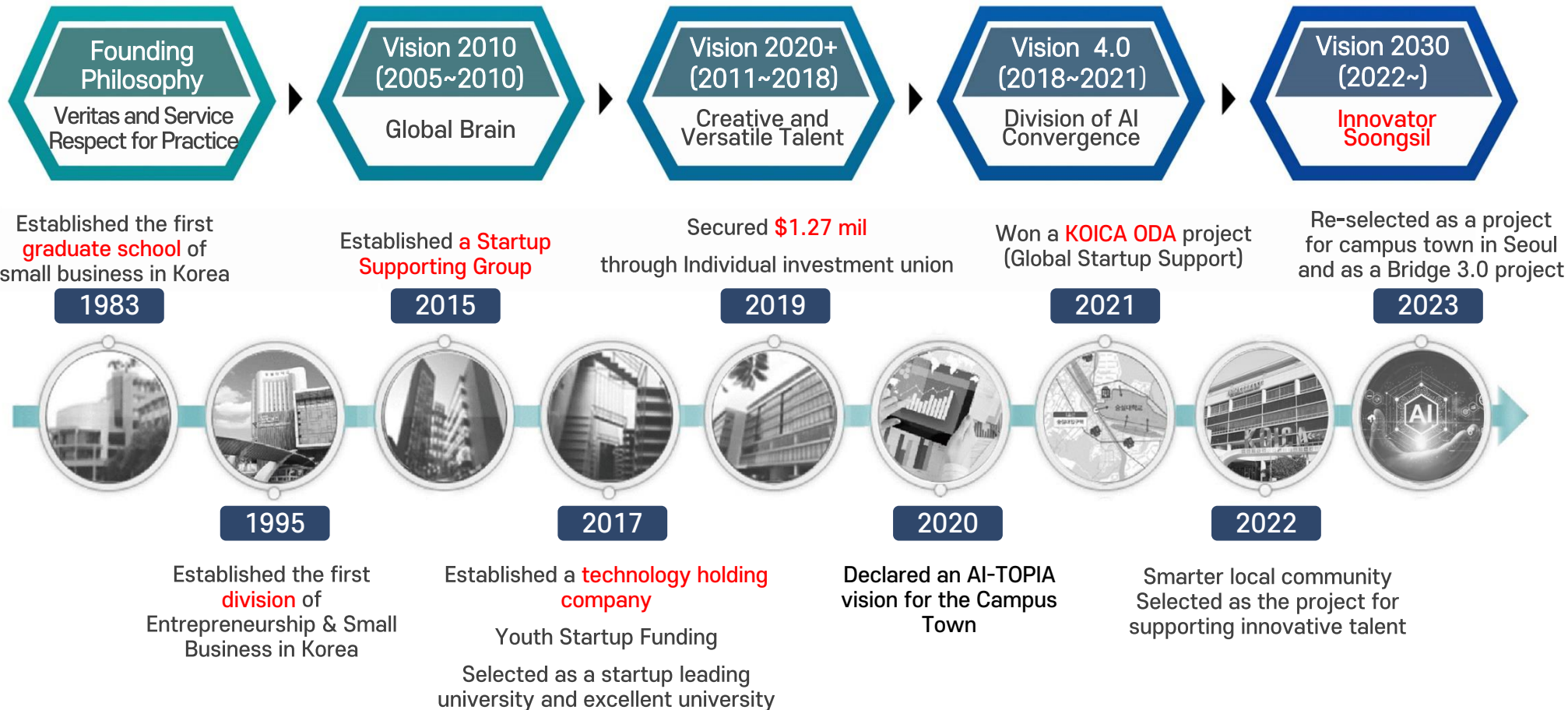
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Time	Contents
<b>14:10~14:20</b>	<b>Attendees Introduction from SSU</b>
<b>14:20~14:30</b>	<b>Watching video on Soongsil University</b>
<b>14:30~15:00</b>	<b>Introduction to Soongsil University Startup Support System</b>
<b>15:00~15:20</b>	<b>Break and moving to working space</b>
<b>15:20~15:50</b>	<b>Touring working space</b>

1. **Intro**
2. **Soongsil University's vision and education related to startups**
3. **Outlook of Capabilities Related To Startup**
4. **Startup Supporting Foundation Introduction**
5. **Curriculum and Extra-Curriculum**
6. **Startup Supporting Policies in University**
7. **Government Startup Project (Funded by SMG and MSS)**
8. **Campus Town, Business Incubator Center Introduction**
9. **Lessons from our experience**
10. **Further Issues to Discuss**

- **Why Universities having interest in entrepreneurship or startup**
- **Magnificent 7**
  - They all start their business with innovative idea or technology as a startup
- **From capital society to knowledge society**
  - From capex based companies to intangible asset companies
  - Innovative ideas or cutting edge technologies
- **Universities have innovative ideas or cutting edge technologies**
  - So startup is closely connected to university

## Soongsil University with 120 year-long histories Computer science, Startup, Innovator with AI+X



## A professional institution with educational capacity for fostering startups and AI+X for 25 years or more

- Established a **Graduate School** of Small Business (1983)
- Established a **Division** of Entrepreneurship and Small Business (1995)
- Established a **Startup Incubation Center** (1999)
- Established a **Startup Supporting Foundation** (2015)
- A leading institution of startup leading universities, **MSS** (2017)
- A university engaging in Campus Town, **SMG** (2019-)

- Excellent startup leading university (2017, 2018)
- Secured funds for supporting startups in recent 4 years: **\$16.66 mil**
- Discovered **344** startups in recent 4 years
  - Total Sales: **\$134.97 mil**, Total Headcount: **1702**
  - Secured **Investment: \$23.69 mil**

### Capabilities for Startups



### Infrastructure for Startups



### Achievements in fostering startups



### Specialized in AI+X

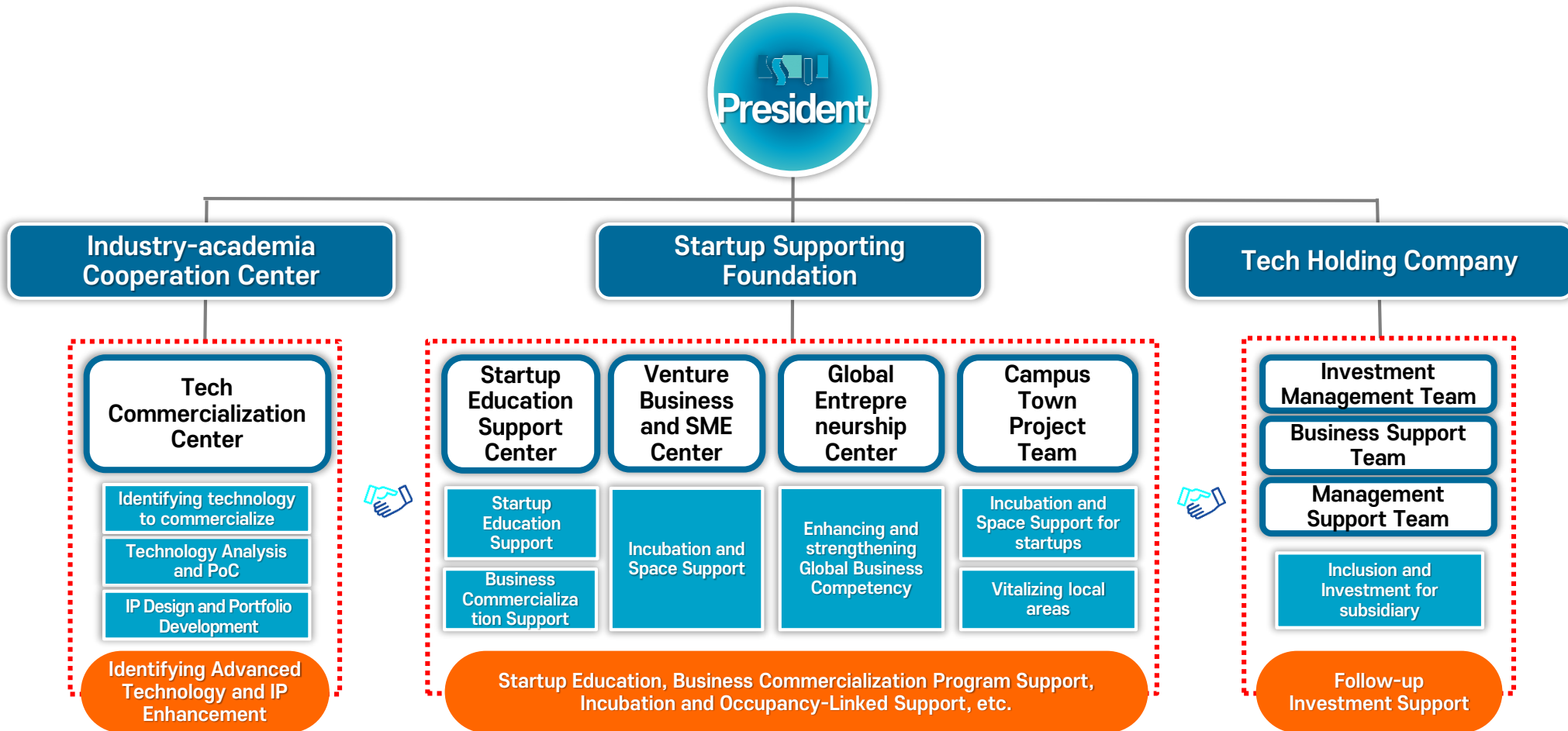


- Startup supporting facilities (**6 buildings**, total of 3,863m<sup>2</sup>)
- **Startup friendly policies** (Startup policy for Professor, Startup Scholarship etc.)
- Every student is mandated to take startup-related courses
- Secured professors specialized in startup

- Declared an AI vision (2020)
- Established a division and **graduate School of AI Convergence** (2021)
- Established an AI Convergence Research Center (2019)
- Established Convergence majors and AI Convergence courses in all departments

## Startup Supporting Foundation

- Under the direct control of the president
- Director 1, professor 2, deputy director 1, staff 10 / Bachelor degree, over 5 years, professional manager



- **Mission Statements**

- Having cutting edge technology & innovative ideas + **NOT** having skill of doing business
- Education & Fostering
- Entrepreneur with cutting edge technology to grow start-up into a big tech company
- Contributing to national and global economy

- **What we do(Strategy & Action Items)**

- Education in Basic computing , Marketing, Financing (IR deck) etc
- Customer (Proof of concept)
- Investment (ac, vc investment), government grant, debt financing by government
- Working space
- Further R&D (co-development)

- **Vision**

- Campus based Y combinator
- Non-profit organization funded by government so we are not taking stock at all
- Soongsil University Technology Holdings, A Venture Capital

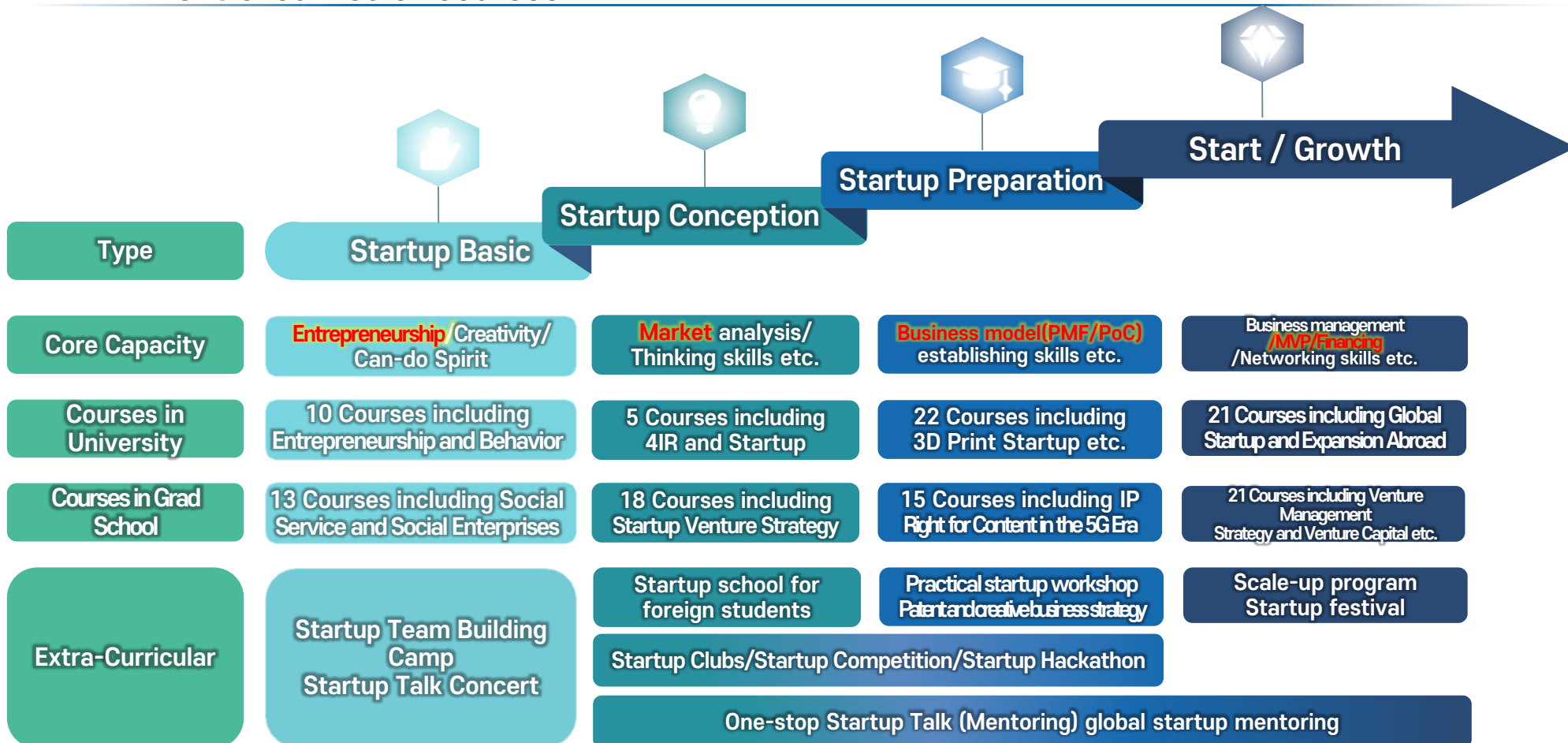


## A detailed action items for startup

Sector	Education	Startup	Academia-Industry Collaboration	Startup Support System
<p style="text-align: center; font-size: 2em; font-weight: bold;">Action plan</p>	<p style="text-align: center; color: red; font-weight: bold;">Practical Education</p> <ul style="list-style-type: none"> <li>· Education by division (major-based)</li> <li>· Structured startup-related courses</li> <li>· Addition of startup convergence parts in the elective courses</li> <li>· Curriculum for each stage of startup</li> </ul>	<p style="text-align: center; color: red; font-weight: bold;">Big tech company</p> <ul style="list-style-type: none"> <li>· System for fostering star enterprises started by undergraduates and graduate students</li> <li>· Specialized mentors</li> <li>· Expanded support for startup clubs</li> </ul>	<p style="text-align: center; font-weight: bold;">Startup cluster in the South Seoul</p> <ul style="list-style-type: none"> <li>· Campus town integration, Soongsil Dongjak</li> <li>· Youth Startup Complex (SD-Valley)</li> <li>· Integration of G-Vally, SD-Valley, Pangyo-Vally</li> <li>· Serve as a startup hub in the south of Seoul</li> </ul>	<p style="text-align: center; color: red; font-weight: bold;">More Funds</p> <ul style="list-style-type: none"> <li>· Secure Startup funds of Soongsil tech holding company</li> <li>· Secure funds for enterprises started by alumni</li> <li>· Strengthen investment attraction capabilities of the public and private sectors</li> </ul>
	<p style="text-align: center; font-weight: bold;">Capability of global business</p> <ul style="list-style-type: none"> <li>· Empowering (prospective) startups to expand abroad</li> <li>· Establishing Support System for expanding abroad</li> </ul>	<p style="text-align: center; font-weight: bold;">Tech-based startups</p> <ul style="list-style-type: none"> <li>· Better support for advancing promising technologies in labs</li> <li>· Establishment of R&amp;BD (Research and Business Development) support system</li> </ul>	<p style="text-align: center; font-weight: bold;">One on one Project</p> <ul style="list-style-type: none"> <li>· Industry-academia cooperation activities tailored to business and region</li> <li>· Contribution to regions and society as a whole</li> </ul>	<p style="text-align: center; font-weight: bold;">Startup-friendly School System</p> <ul style="list-style-type: none"> <li>· Startup-friendly recruitment and school system</li> <li>· Infrastructure for startup support</li> <li>· Integrated platform for startup support</li> <li>· Expansion of Faculty members working in industry</li> </ul>

## Tailored curricular/extra-curricular programs by start-up stage from undergraduate to graduate school

- 125 regular courses
- 42 extra-curricular courses



## Startup-friendly school system for student starting startups

Type	Date	Contents
Leave of Absence for Startup	2014. 5.	<ul style="list-style-type: none"> <li>·A policy for helping students who struggle with juggling work and study to successfully run their business</li> <li>·The number of students subject to this policy in 2023: 6 students</li> </ul>
Startup Practice	2014. 5.	<ul style="list-style-type: none"> <li>·A policy for minimizing study discontinuation while starting a business by recognizing startup-related activities and academic achievements through startup as credits (startup club practice, startup practice)</li> <li>·The number of students subject to this policy in 2023: 10 students</li> </ul>
Startup Internship	2014. 5.	<ul style="list-style-type: none"> <li>·Operate courses during vacations recognizing OJT (for 6 weeks) at excellent startups designated by our university as credits through startup internships (training costs are supported)</li> <li>·The number of students subject to this policy in 2023: 19 students</li> </ul>
Startup Credit Exchange Policy	2015. 12.	<ul style="list-style-type: none"> <li>·Credits earned in other schools are recognized up to a third of total credits in accordance with the policy for credit exchange between domestic schools</li> </ul>
Startup Scholarship	2017.11.	<ul style="list-style-type: none"> <li>·Offer scholarship to students who are actually preparing for starting a business through Startup Mileage Policy for fostering creative leaders</li> <li>·The number of beneficiaries in 2022: 20 students</li> </ul>
Startup Convergence Major	2016. 3.	<ul style="list-style-type: none"> <li>·Education for fostering experts with creative mindset and entrepreneurship by seamlessly connecting two or more divisions with the goal of better fostering students who are interested in starting a business and technology management</li> <li>·The number of students subject to this policy in 2022: 20 students</li> </ul>
Startup Capacity Certificate	2019. 11.	<ul style="list-style-type: none"> <li>·Students who earn 9 credits in startup courses and take one or more extra-curricular courses for each stage of startup are eligible to receive startup capacity certificate</li> </ul>

## Startup-friendly school system for Professor starting startups

Type	Date	Contents
A Leave of Absence and Holding an Additional Position	2017. 1.	<ul style="list-style-type: none"><li>· Allow professors who receive startup permission to take a leave of absence or hold an additional position for promoting faculty startups</li><li>· Additional position: may be extended for the subsequent 1-year periods (<b>27 professors</b> are subject to this policy as of now)</li><li>· Leave of Absence : Those who hold an additional position for more than 3 years are eligible</li></ul>
Faculty Startup Activity Performance Evaluation System	2018. 2.	<ul style="list-style-type: none"><li>· When a faculty member starts a business, <b>maximum 200 scores</b> are recognized (equivalent of publishing a paper in the world-renowned academic journal)</li><li>· When a faculty member helps students to start a business, 3 scores per student are recognized and when a faculty member helps students with running a business, 10 scores per startup are recognized</li></ul>
Professor Specialized in Startup	2017. 3.	<ul style="list-style-type: none"><li>· Bring in teachers specialized in startup and offer startup-related courses and support mentoring, discovering startups, and performance management of startups etc.</li><li>· Currently have two teachers working in industry for startup support</li></ul>

## Campus Town Project for young entrepreneurs and startups\_Seoul Metropolitan Government Business Incubator for startups\_MSS

### Campus Town Project in Seoul

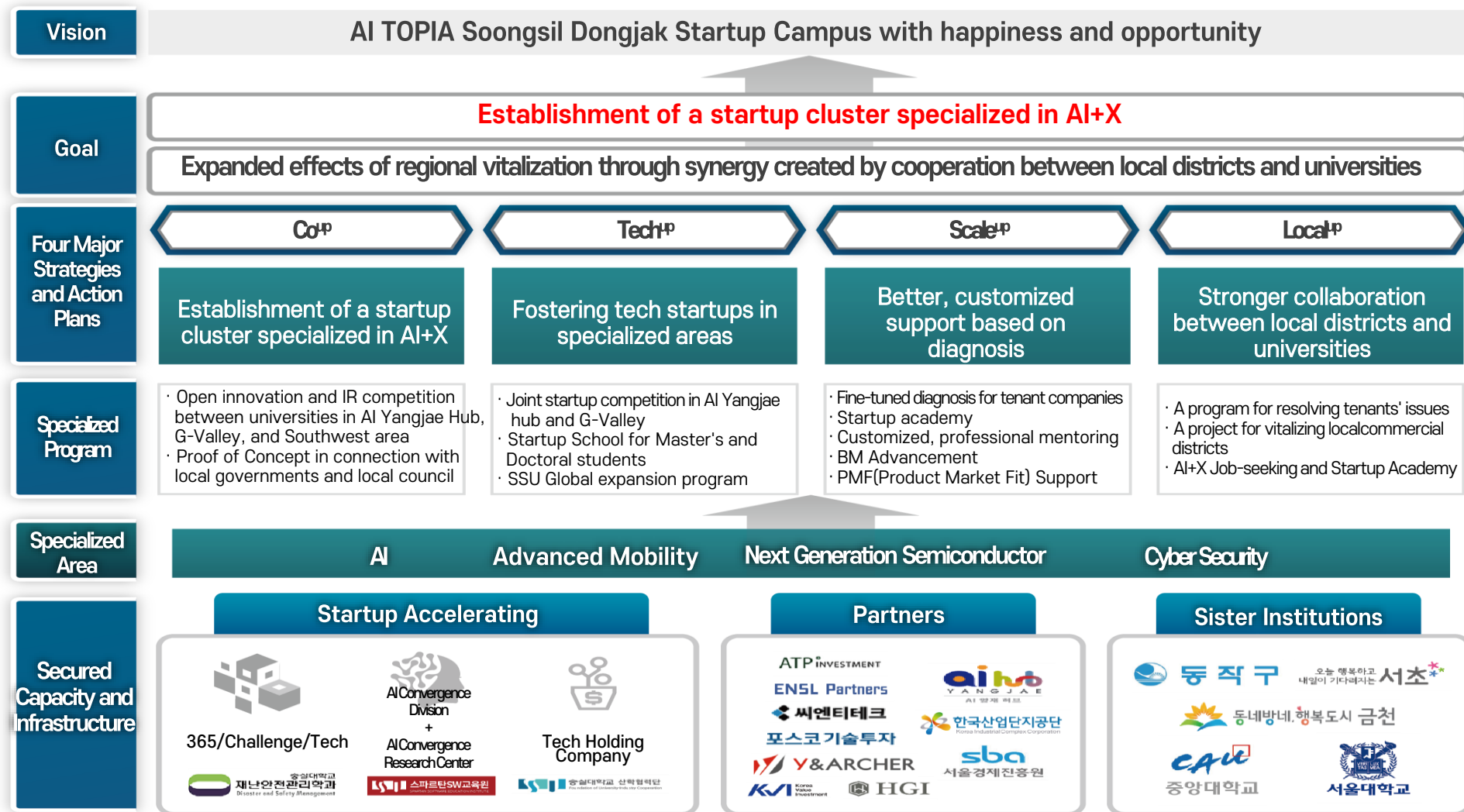
- The city of **Seoul** invested a total of \$56.17 mil from 2020 to 2023 to boost **youth entrepreneurship**, and promote regional development through collaboration between universities and local districts
- **A total of 28 schools** in operation: Comprehensive type (16), Unit type (12)
- Soongsil University started a unit type project in 2019 and a comprehensive type one in 2020
- Completed in conducting a project in the first stage (2020 to 2023): Secured **around \$7.49 mil**
- **Re-selection of a project in the second stage** (2024 to 2026) : Secured **around \$3.37 mil**

### Business Incubation Center for Innovative Startups

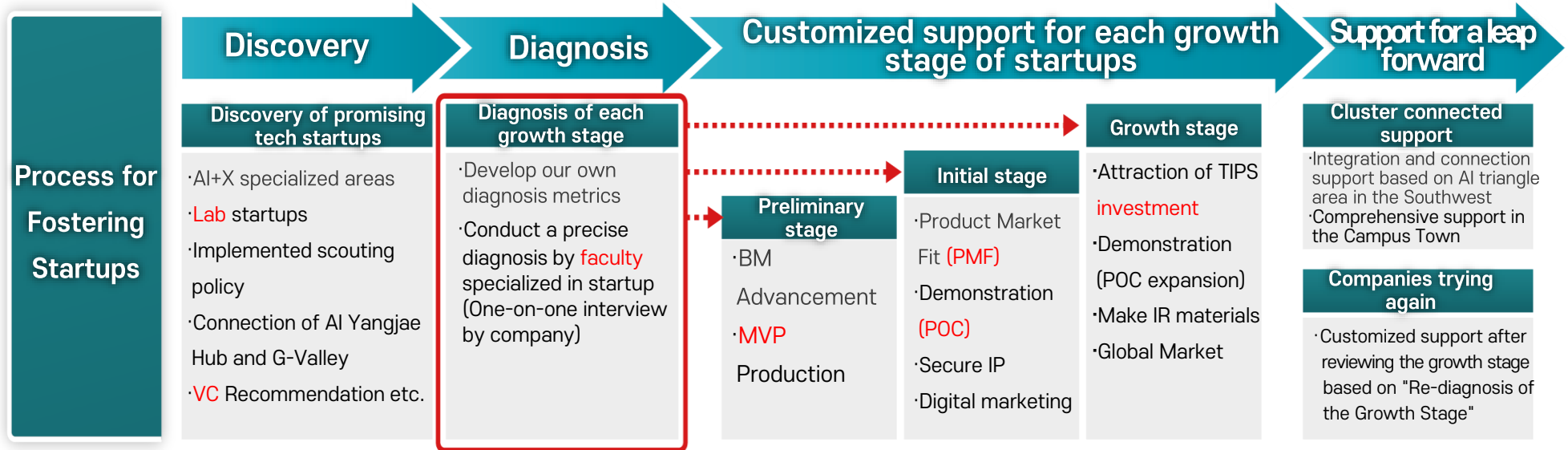
- Operating as a designated startup incubation center by the **Ministry of SMEs and Startups**, provides office space and offers business development assistance to foster the growth of early-stage startups
- Soongsil University's Startup Incubation Center, established in 1999, has been identifying and fostering startup enterprises for the past 35 years
- Identifies and supports aspiring startups with outstanding ideas and technologies specialized in the IT sector, the center also facilitates stable growth for the early-stage ventures established within the last 7 years



## Realization of AI TOPIA Soongsil Dongjak Startup Campus with happiness and opportunity



## Customized Fostering Process for Each Stage Based on Diagnosis



### Joint operation of programs after specialized partners are designated by area (Signed MOUs)



\$16.71 mil. funded, 344 startups fostered, total revue \$135 mil. and outstanding startup nurtured in recent 4 years



## Funding from Government

- A total of 18 cases, \$16.71 mil



## Performance of startup fostered

- Supported startups: 344
- Sales: \$135.33 mil
- Employment: 1,702 people
- Secured investment: \$23.75 mil



## Major achievement in the first stage of Campus Town Project

- Supported startups: 102
- Sales: \$31.54 mil
- Employment: 548 people
- Secured investment: \$4.72 mil



## Major achievement of the startup supporting center in Dongjak district

- Sales: \$7.94 mil
- Selected projects /collaboration: 69 cases
- Technology development: 70 cases



## Good examples of fostering startups

- **Fresheasy Inc.** : Number one in the meal kit industry
- **Sugarhill Inc.** : Acquired by Zigbang (Around \$14.98 mil)
- **Dinostudio Inc.** : Sales of around \$749,344
- Selected for TIPS



## Achievement in the projects for vitalizing local areas

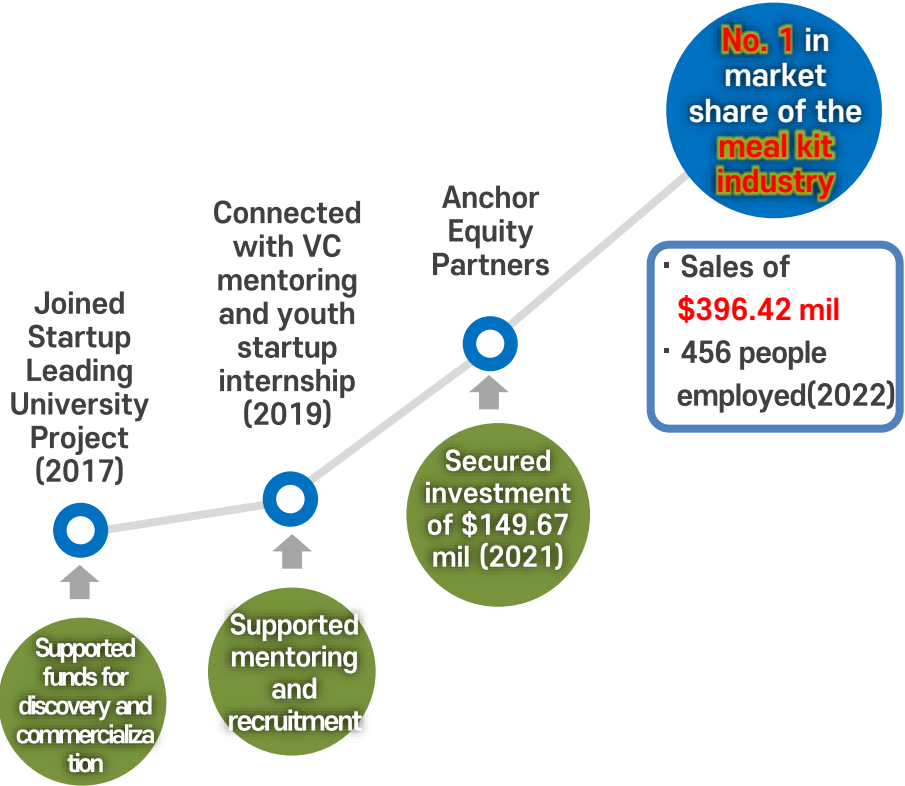
- Programs in operation: 27 programs
- The number of people engaged: 3,214 people
- Satisfaction level for programs: 4.8 scores



# Good Examples of Fostering Startups

Sales of Fresheasy Inc. reached \$396.52 mil and Zigbang took over Sugarhill Inc. at around \$14.96 mil

**fresheasy** : plan and distribute convenience foods and fresh HMR products



**Sugarhill** : Commercial real estate brokerage platform (Nemo)

- **EXIT : M&A with Zigbang**
- Connected with the project of Youth Hope Foundation conducted by the Ministry of Employment and Labor
- Follow-up funding for commercialization of ideas from startup leading universities
- Won the Minister of SMEs Award
- Secured series B funding
  - Kakao Ventures
  - SBI Investment
  - Daesung Private Equity
  - Seoul Investment Partners
- Joined a commercialization support project for startup ideas from startup leading universities
- Secured series A funding
  - Kakao Ventures
  - Geon Investment



## 01 Tech Station

- ▶ For **growth** stage startups
- ▶ Individual startup room: **A total of 23 rooms**
- ▶ 1 conference room, 2 seminar rooms
- ▶ Creativity Cafe, 3D Creation Room, studio etc.



## 02 365 Station

- ▶ For **early** stage
- ▶ Individual startup room: **A total of 8 rooms**
- ▶ Shared video call room : 1 room

## 03 Challenge Station

- ▶ For **pre startup** stage
- ▶ Individual startup room: **A total of 10 rooms**
- ▶ Shared startup room: **1 room**
- ▶ Shared video call room : 1 room



## Funded by MSS

Fostering **30** companies annually, generated **sales of \$34.42 mil** and employed **507 people** in 3 years  
**3 Buildings**

### Status of the Venture Small Business Center and Startup Performance

- Center Type: Startup incubation center designated by the Ministry of SMEs and Startups
- Center Type: Startup incubation center designated by the Ministry of SMEs and Startups
- Designation Date: August 5, 1999
- Opening Date: January 17, 2000
- Specialty: Information and communication
- Location: Venture Hall, Changsin Hall, commercial complex building of Sangdo Hyundai Apartment
- Area: 1,600㎡ (33 rooms)
- Number of Tenants in 2023: 30 companies
- Startup performance in the last 3 years
  - Sales: Around \$34.42 mil
  - Total employment: 507 people



- **Taking long time**
  - Takes about 7~10 years for Startups to grow to exit through IPO or M&A
- **Clear Business Model to sustain**
  - Mostly funded by Government, Own Business Model needed
  - Equity investment might be required
- **Professionals**
  - Professionals in startup, especially investment
- **Networks & Collaboration**
  - A wide range of network, technology, customer, Investors
  - Campus based startup accelerator should work with central, regional government, even international organization like ADB

- **Strategic Positioning in Global Value Chain**
  - University startup in your country can be affected by your country's main industry
  - US + (Korea, Japan, Taiwan, EU) + **china**
  - US + (Korea, Japan, Taiwan, EU) + **Vietnam(hardware), India(software, IT)**
  - *Where CAREC region Countries should be in place*
  - blockchain (requiring heavy electricity)
- **Financial Market, especially equity financing**
  - venture capital, private equity, stock mark
- **Market Size**
  - single market

# Thank you

