SCALEUP PORTO
MANIFESTO

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PREAMBLE

In the last decade Europe has been witnessing a significant overall change in the paradigm of entrepreneurship and innovation, reflected in the intensive proliferation of startup programmes and other supporting frameworks. These programmes and projects related to the startup phase have been developed very successfully so far, but fledgling firms could not truly enter the "warp-zone" of growth based only on the help of early stage accelerators or incubators. After successfully achieving a problem/solution fit, validating a business model and entering the loop of funding rounds, startups aiming at moving towards a path of sustainable growth will need a completely new supporting platform.

With this new scenario in place, and with hundreds of startup companies ready to grow all over Europe, the challenges are now related to scaling these companies in a sustainable way. Several metrics are used to define companies in a scale-up phase. And for the purpose of this manifesto, we adopt, as a starting point for the development of a complete framework, the following definition: "Scale-ups are enterprises with average annualised growth in employees (or in turnover) greater than 20 per cent a year over a three-year period, and with 10 or more employees at the beginning of the observation period." This is the same definition used by the Organisation for Economic Co-operation and Development (OECD), Nesta and Endeavor, amongst others.

In a functioning, dynamic and sustainable scale-up environment, successful entrepreneurs do not just develop their businesses. They also share their success as inspiring role models, their knowledge as mentors, experts or teachers, and their financial gain as investors in the next generation of entrepreneurs. This consolidates a virtuous cycle that improves the ecosystem itself. Cities can have a unique role facilitating companies' growth and the creation of a thriving innovation ecosystem, impacting economic development and job creation. Therefore, aiming at creating a sustainable entrepreneurial ecosystem where cities can work as true scale-up catalysts, the ScaleUp Porto Manifesto comes together to:

STAND · START · SCALE

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1. Foster local development by focusing on cities' role as aggregators in a complex and heterogeneous European network;

2. Support companies ready to scale to achieve sustainable development and growth in a global economy;

3. Involve citizens and empower them to take advantage of the growing innovation environment that provides new highly qualified job opportunities.

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MANIFESTO SCALE UP PORTO

With these main goals in mind, the city of Porto reaches out to all the stakeholders - citizens, enterprises, public authorities and European partners - to join this movement in a broad attempt of co-creating the most appropriate strategies, as well as jointly implementing them in the years to come. The ScaleUp Porto Manifesto contribution to the scale-up movement is based on the solid pillars, commitments and actions described below:

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COMMITMENTS

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01
THE FOUNDATION: TRUST

Trust is at the foundation of the ScaleUp Porto Manifesto vision. All the stakeholders are considered to have a unique role, contributing to innovation initiatives and policies on a relevant and peer basis.

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02
ENABLING ACCESS TO TALENT

Universities and polytechnic schools must work together in strong partnership with reference industry partners and research institutions to create highly skilled resources and talent. Cities need to be engaged in the development of measures to empower new job creation, by balancing training opportunities with the high quality of life standards, where cultural activities can play an essential role.

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03
TRAINING AND KNOWLEDGE SHARE

New effective learning programmes must be created for scale-ups, together with the local stakeholders, aiming at improving leadership and management skills. Knowledge exchange and expert advice must be fostered.

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04
FUNDING

As funding is a critical asset for companies to scale, solid partnerships must be developed in this field, both with venture capitalists and business angels. It's relevant to foster the creation of a strong network and implement measures that facilitate the access to investors and funding.

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05
GENERATING DATA

The scale-up gap must be mitigated with the implementation of a system to target, endorse, empower and report matters that concern this subject. Data must be released to make it possible for national and international stakeholders to identify, target and evaluate their support to scale-up companies.

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06

MEASURING AND LEARN-ING – SELF ASSESSMENT & BENCHMARK

Reversing the scale-up gap will be effective if all stakeholders are invited to participate and engage in a dedicated monitoring and open self-assessment process. The scale-up process must be monitored and a task force must be appointed to continuously report about the effectiveness of the strategies.

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07

CONNECTING COMPANIES TO CUSTOMERS – THE CITY AS A LIVING LAB

Cities working as living labs can support the linkage between companies, customers and daily life challenges. The development of smart procurement frameworks, aligned with open public and private partnerships, will foster the development of innovative, demand-oriented products and services.
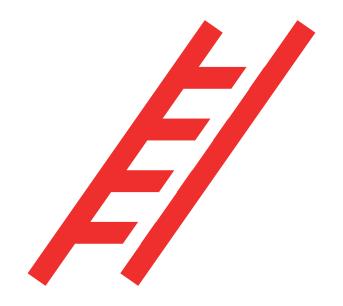
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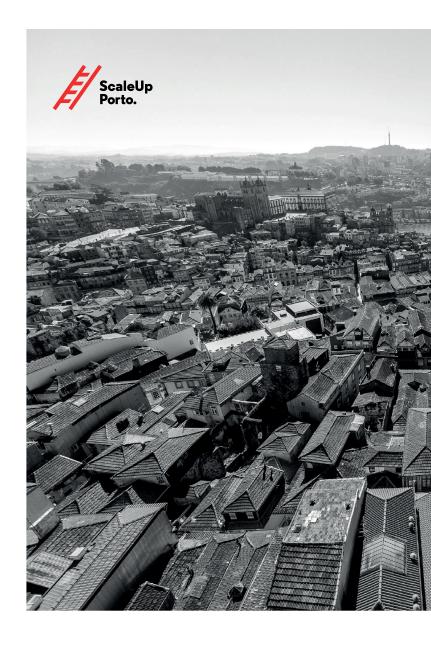# BUILDING NETWORK – NETWORK OF CITIES FOR SCALE-UP

In a European single market, far from being a reality, cities working in networks will be unique growth catalysts. By creating and promoting the development of a national and international network of support for scale-up companies, entrepreneurs will have access to information about their and other environments, be assisted in building reputation and credibility while increasing sales at home and abroad.
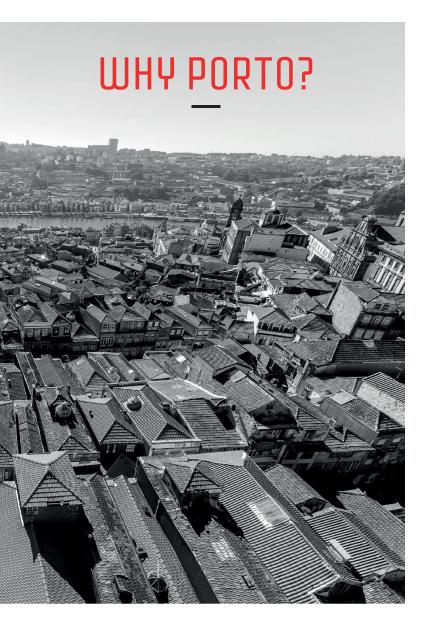
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09

CONNECTING ALL THE PLAYERS – THE CITY AS A CENTRAL HUB

Exploring an active, participative and collaborative approach will help scale-ups fulfill their potential. Government, regional and local authorities, entrepreneurs, educators, researchers, investors, industry and large corporations, can create the conditions to support scale-up companies by working together.

WHY PORTO?

As one of the major urban areas in Southern Europe, **Porto** stands out as a city with strong potential to become a national and international reference in the domains of innovation and entrepreneurship. With more than one hundred years of existence, the University of **Porto** is an important centre of research and scientific production. The connection between this knowledge, a strong entrepreneurial community, private and public partners and the support of the Municipality, makes the city a vibrant and competitive hub.

Porto has designed and embraced a policy strategy aimed at applying measures for the implementation of Smart City principles. Citizen's centred sustainability, energy efficiency, R&D and economic growth are the main areas of interest of the city, which started different programmes and projects in those areas. The implementation of this innovative strategy adopted an interdisciplinary approach in which the city's well-known strengths are aligned with the excellence of the work developed by the academia. With the support of reference industry partners, the developed strategy was able to contribute to the creation of hundreds of qualified jobs and to transform the city into a place where people, especially young entrepreneurs, are inspired by a new risk culture and integrated into a new multicultural and international ecosystem. As a clear result of this strategy, Porto is now attracting more people to the city, creating new jobs, developing solutions required by citizens, reducing social exclusion, and increasing the city security.

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Porto aims at working as a true facilitator of innovation, where the city becomes a living lab where citizens challenge companies, entrepreneurs and researchers, and work together to solve real problems with a direct impact on the city life, with strong differentiation and capacity of replication.

Porto is attaching special importance to measures, at a city scale, to strengthen local innovation ecosystems and to network them at local, regional, national and international levels.

Synergies and the reduction of fragmentation will help the city to become a tech, innovative and creative entrepreneurial space. The scale-up phase deserves particular attention in this context.

The **ScaleUp Porto** Manifesto is launched as the first step of a coordinated ScaleUp Porto programme that's included in a broader municipal strategy for innovation and competitiveness, to foster employment, the economic development, internationalisation and the well-being of citizens.

ScaleUp Porto differentiates itself by its scale-up nature. Companies which need this kind of support can have in Porto a natural choice. The city of Porto is initiating through this Manifesto an important commitment for the implementation of a scale-up programme that can be reflected all across Europe.

SCALEUPPORTO