



How to realize your global opportunity

In partnership with



UFG Asset Management

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Win technology race on the Global scale

- ➡ Think global from day one!
- ➡ World is flat and only political borders are on your way!
- ➡ No one has privilege on the innovation, idea, technology... and victory
- ➡ Talents available everywhere, no needs to the physical move

Foundations for successful global deals originating in emerging region

Essential ingredients in place

- ◆ Very strong education system (a
- ◆ Culture of innovation; emerging entrepreneurship
- ◆ Presence of many multi-nationals
- ◆ Early “entrepreneurial” success stories
- ◆ High Internet and mobile phone penetration
- ◆ Supportive public policies

Increasing activity

- ◆ Established companies with “proven technologies” seeking to gain market share and expand globally – many with \$2 Million+ in revenue
- ◆ Entrepreneurs outside of the region seeking to leverage technical talent in the region

What we gained in Russia so far:

Global Technologies from Russia/CIS

- ◆ Russian/CIS entrepreneurs starting global businesses
- ◆ **Success stories include:**

 **aelita**
SOFTWARE

 **Acronis**

 **ABBYY**

 **KASPERSKY** Lab

 **IPG**
PHOTONICS

 **Parallels**

 **qik**

 **QIWI**

Proven business models in Russian/CIS market

- ◆ Size and growth of Russia/CIS market makes investing in local analogues of successful western businesses billion-dollar opportunities
- ◆ **Success stories include multi-billion dollar IPOs of:**

 **@mail.ru**

 **Yandex**

How do YOU get Noticed ? Solve in order:

- ▶ Team: have they done this before, are they good, who are they ? #1 !!
- ▶ Market: how large, how do they get what %, how much \$ to get there, sales model is direct, Web, viral ? Does it make sense ?
- ▶ Technology: unique ? Does it work ? Defensible ? How hard ? Patentable ?
- ▶ Financing: How much to get to which milestone, we like shipping + 6 mos.

Common Mistakes

- ▶ Take too much money ! Try to be profitable too soon !
- ▶ Mistake early revenue vs Growth. Build the company.
- ▶ Hire only world class people
- ▶ Remember that Venture money is the most expensive loan on earth

Areas of Intense VC interest - 2012

Big Data

- ◆ Unprecedented growth of useable data
- ◆ Further growth to come from developing “internet of things”
- ◆ **Revenue driving insights** are buried in the data, right tools are key, inability to locate treasures within the noise

Virtual Nets SDN

- ◆ **Virtual CPUs**, but nets remain locked to physical location
- ◆ **Function tied to custom silicon going away (x86 model)**
- ◆ **Open Flow, Open Stack** with relevant protocols, huge.
- ◆ **SDN. Software Defined Network - Vyatta**

‘At Scale’ computing

- ◆ **NoSQL – Mongo, SimpleDB, Cassandra, Hazelcast**
- ◆ **PaaS – Jelastic, SaaS, IaaS**
- ◆ **Avro/Thrift, AppDynamics, read Netflix arch papers**
- ◆ **“Datascope Project” for PB datastore sifting**

Areas of Intense interest – 2012 (cont)

Cloud

- ◆ Security of Cloud
- ◆ Corp privacy, multi tenancy
- ◆ **Scale, failover, management tools**

MDM

- ◆ Bring your own Device – fleets of 100K devices
- ◆ Mobile device mgmt
- ◆ Private/Corp App stores, ease of devel

Auth/Sec

- ◆ Endless arms race (APT, Aurora etc)
- ◆ Identity mgmt (Facebook winning)
- ◆ Mobile device sec for apps (Appthority)
- ◆ Data Leak Prevention

Areas of Intense interest – 2012 (cont)

Social

- ◆ Travel (ethnic, language specific, interest specific)
- ◆ Gaming (region specific)
- ◆ **Collaborative, location specific**

Machine

- ◆ **Machine vision derivatives (analytics)**
- ◆ **VM container mgmt (Parallels)**

Green/Energy

- ◆ **Min 10 year return**
- ◆ **Difficult to compete with base energy (coal)**
- ◆ **Efficiency gains a possibility**
- ◆ **Difficult sell, needs a major proof to sell**

Innovation hub – a Real Shot at Success, at Last

■ Getting Motivation Right

- Innovative projects have long term horizons, 5 - 20 years. How to motivate in a high discount rate environment?
- Public perception of the innovator should change from “mad scientist” into a “cool entrepreneur”

■ Aligning Social Benefits

- Faster and easier immigration and visas for foreign talent
- Faster and less restrictive customs
- Lower tax burden for high technology entrepreneurs

■ Supporting with Public Grants

- Grants are not supposed to generate direct returns
- But payback in job creation, salaries, taxes, positive PR is a greater good
- Not a perfect system, but works when properly focused



Key Challenges for Innovation Hub

- **Understand Media Bashing**
 - Lack of clear transparency, information and integration with international efforts
 - Few true local success stories yet
 - But: If people hate you, you must be doing something right
- **Getting to Top 3%**
 - How to get top 3% of global entrepreneurs, engineers, investors and companies to participate and truly support?
 - Value of “freedom” and “flexibility” - forgetting about Bottom 30%
- **Consistency**
 - Great ideas require hard, consistent efforts to be properly implemented - no substitution for long and tedious work
 - Consistent government policy for other relevant projects





Discussion and Q/A Time.

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Thank you!