



Working Paper

Deliverable D36 - NETT platform post-project business plan

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1. Introduction

The scope of this deliverable is to present how the NETT platform developed during the NETT project will survive for 5 years as defined in the consortium agreement and how NETT results will be exploited by the newco "Social Things srl" (ST) created by NETT partners.

2. NETT Newco Social Things srl

The start-up company is aimed to pursue different goals:

- On the one hand the goal is to offer technological solutions in the following fields: social learning and GIS (*Geographic Information System*).
- On the other hand the goal is to complete the development of a *Social Intelligent Learning Management System* (SILMS), integrating all the previously developed solutions and tools and providing added value services to social content management architectures.
- It has also the scope to maintain and develop the NETT Social Learning platform created in the NETT Project.

The company activities are directly referred to the exploitation of NETT project results: the intelligent learning platform, learning materials repository, the social network and community of practice for entrepreneurship teachers. The company has the scope to combine NETT project results with other research and develop activities managed by NETT partners in their business as usual operations. The start-up has the overall scope of increasing competencies of managers and professionals (teachers, public sector employees, certified professional workers in humanistic, technical and specialist sectors, retired people, students, home working people) in different fields.

The entrepreneurial project starts from the experience of NETT partners, in particular:

- State University of Milan, Computer Science Department, Italy
- EGECED - Institute of Education and Youth Studies Association, Turkey
- ITD - Institute of Technology and Development, Bulgaria
- Amcservices, Italy

It will also benefit from the experience of other research partners involved in the main projects managed by State University of Milan, and companies affiliated to NETT partners, such as Virtech with ITD, BSD and Welikecrm with amcservices.

The team involved in the start-up is able to deliver innovative solutions leveraging on the results of the NETT projects, in particular:

- Maintain and develop the NETT community of teachers, experts, developer and designers, created during the NETT project lifetime and involved in the NETT platform and in the NETT social activities;
- Enlarge the NETT content management strategy, involving teachers and scientific experts in the development of new contents or discovering valuable existing contents in the field of entrepreneurship for teachers;
- Enlarge the NETT content management strategy, developing new courses in different fields, covering different subjects;

- Enhance the NETT technological infrastructure with advanced functionalities and a renewed look and feel;
- Integrate the NETT platform with other tools in order to deliver a solution with innovative and appealing features and functionalities in the field of social learning, according to target market requests and need.

These goals are based on the main competencies of the team, including the following knowledge areas: *social learning and online courses, human-computer interaction, recommender system and GIS*, as well as added-value services for companies and people. The context is characterized by an increasing need and value of self-learning tools permitting people to continuously increase the knowledge in their fields of interest. Learning and social processes are becoming part of the day-by-day life of each person, information management and data management are pervasive processes that are contributing to the “employability” and to the “empowerment” of workers at any level, both for managerial and professional roles, as well as for un-employed or non-employed people, or scholars or retired persons in any field (teachers for example, but not only teacher).

The advanced solution based on the enhancement of the NETT Platform will be able to offer organized contents as well as informal learning spaces, accessible through multiple channels and devices with a personalized and innovative user experiences, integrating the Recommender System with Geographic Information System technologies, at the scope of generating a “*geosocial competence network*” in the different content areas. The network will increase the capability of exchanging data, information and knowledge, and the capability of creating new knowledge on the main covered topics.

Furthermore, the technological platform will be able to support the delivery of advanced services, such as e-recruiting, social recruiting, coaching and counselling, ad hoc researches, webinars and on-line learning events. The main competitive advantage of the start-up company is represented by the integration of NETT research results with research results coming from the other projects managed by the founding partners, in order to create a unique and innovative range of services, combined in order to provide added value to the final customer (business/corporate customer or consumer).

A Recommender System is assisting users in finding the right content for their needs and the Geosocial Competence Network Manager is helping users in finding the right person in the right place, with reduced time and increased precision of the search results. The integration with Social Network is also a future enhancement to improve the capability to maintain and develop a Social Community organized around the main topics covered by the platform. The first topic is “Entrepreneurship for Teachers” which will represent a model and a pilot community to be used as reference and as an experimental lab.

The opportunity of creating a social learning environment improved by advanced functionalities will increase the possibility of developing a social community where people will be able to exchange ideas and material, contributing to their continuous learning process with the possibility of using advanced personalized services such as coaching and counselling.

The legal form will be an Innovative Srl registered in Italy, in the Milan Chamber of Commerce. Innovative Srl means a special form of limited responsibility company characterized by:

- an investment in R&D activities of at least 20% of revenues
- the employment of researchers and phd people

- the impossibility of distributing profits in the first three years. They must be reinvested in current activities

The team is organised as follows.

Francesco Epifania, CEO

Francesco Epifania is Research Fellows in Computer Science at the University of Milan and Ph.D candidate. He has achieved 3 degrees in Computer Science: the Bachelor's Degree in Digital Communication, the Master's Degree in Information Technology and the Master's Degree in Computer Science at the University of Milan. His research interests are those of the area of Man-Machine Interaction; particularly the evaluation, design and development of multimedia interactive systems, and multichannels for knowledge enrichment. He is currently also working on the study of the evaluation of Recommender Systems based on the users' data. He also carries out consulting in the ICT area, on both the academic and the business fields. He has performed teaching activities for the bachelor's degree courses in Computer Science at the University of Milan, such as the "Foundations of Digital Communication", "Systems for Calculator-aided Design", "Multimedia Publishing" and "Computer Science Laboratory" courses. He has published more than 15 papers in national and international conferences and has supervised more than 50 degree thesis of students in the Computer Science field.

Prof. Bruno Apolloni, Senior Advisor

Bruno Apolloni is full professor in Computer Science at the University of Milano, Italy. His research interests are in the frontier between probability, mathematical statistics and computer science, with special regard to statistical bases of learning, neural networks, granular computing, and dynamical processes in biology. He introduced the Algorithmic Inference approach in statistics as a conceptual and methodological tool to solve modern computational learning problems with the massive use of computers. He also introduced some non-Markov processes to model intentionality in various-scale biological systems, from bacteria colonies to social networks.

Bruno Apolloni is head of the Neural Networks Research Laboratory (LAREN <http://laren.dsi.unimi.it>) at the University of Milan, past President of the Italian Society for Neural Networks (SIREN, <http://siren.dsi.unimi.it>), and member of the European Neural Network Society (ENNS, <http://www.e-nns.org/>) board. He is a member of the editorial board of many journals in the field, among which: Neural Networks, Neurocomputing.

Simone Bassis, CTO (UNIMI),

Simone Bassis is an assistant professor at the Department of Computer Science, University of Milano, Italy. His main research activities concern the inference of spatial and temporal processes, ranging from linear and nonlinear statistical regression methodologies to techniques of fractal processes identification, passing through the analysis and synthesis of both population and neuronal evolutionary dynamics. Recently he has been engaged in mobility models in opportunistic networks and mobile OS. He has published around 50 papers in international journals and conference proceedings. He is member of the board of the Italian Society for Neural Networks (SIREN, <http://siren.dsi.unimi.it>).

Maurizio Mesenzani (Amcservices)

Maurizio Mesenzani is CEO of Arké Management Consulting services (www.amcservices.it), international group based in Italy. Managing Director of BSD Design (www.bsdesign.eu). Managing Partner and Founder of Welikecrm (www.welikecrm.com), start-up company owned by amcservices main partners.

Client Leader and PM in Strategic Management Projects, SocialCRM, Sales and Service Management and Organisational Development projects. Main customers: Fiat FGA Group, Sky, Vodafone, Mediolanum, Regione Lombardia, H3G, RCS.

Contract Professor at University of Milan Bicocca, professional partner of the Placement Office. Working on EEUU projects in the field of entrepreneurship and Smart-cities. He has been working as a consultant and or temporary manager for companies like Telecom Italia, Vodafone, Monte Titoli – Borsa Italiana, Poste Italiane, Ing Direct.

He collaborates with academic institutions and universities and he has several publications in the field of CRM, knowledge management, business planning and organisational strategy.

Prof. Roumen Nikolov (VIRTECH, Bulgaria)

Roumen Nikolov, PhD is a professor at the University of Library Studies and Information Technologies and Head of Department of Computer Science. He works in the area of ICT in education, electronic governance, digital libraries, Web 2.0 technologies and applications, computer science, software engineering and innovation management. He has been involved in more than 80 European research, development, education and innovation projects, as well as in several UNESCO and World Bank projects in Bulgaria, Russia, Syria, Egypt and USA. Dr. Nikolov specialized in UK, the Netherlands, USA and other countries. He is member of the Technical Committee 3 (Education) of the International Federation of Information Processing (IFIP), member of the Informatics Europe Association and other international and national bodies. He has more than 100 publications. Roumen Nikolov is a president of the Virtual Technologies company - VirTech.

Assoc. Prof. Eugenia Kovatcheva (VIRTECH, Bulgaria)

Eugenia Kovatcheva, PhD is an associate professor at the University of Library Studies and Information Technologies. Her background is in ICT applications and learning approaches in education, and training; adaptive learning systems. Her areas of interest are Interdisciplinary applied research and innovation in Digital Repository, Information and Knowledge Management, and on the Cloud as well as applying the ICT in Education (supported by EQF and e-Competence Framework). Dr. Kovatcheva has participated in more than 30 EU and National projects for transfer of innovations in ICT in education and smart services. In more than 40 papers and three students' textbooks, she has shared her experience in applying the ICT under the specific objectives. Eugenia has specialized at Twente University, The Netherlands, and University of Electro-Communication, Tokyo, Japan.

Others interested investors

Daniele Cattaneo

Michele De sario

The company is also open to other NETT project members willing to cooperate in order to promote NETT project results. They could candidate themselves as potential partners or they can candidate themselves as professional partners, as employees and/or external contractors .

3. NETT Newco Business Model

The NETT Business Model is based on the selling of Platform-Based added value services and on consulting services in the field of e-learning management. The NETT Social Learning Platform is intended as a Social Network containing proprietary resources and links to external resources, as well as relational areas where NETT users can interact and share discussions and resources.

The NETT platform users can be divided into contributors, editors and basic users. To them customer users will be added who asks for tailored services focused on special needs of their companies. Editors are invited to enter the platform for free, since they are intended to be evangelist and crowd sourced promoters. Basic Users and contributors as well are without charge. Rather customer users are paying the access to the platform according to a time and service-based pricing model.

For the newco, customers are represented by the following segments:

- Large corporations
- Small and medium enterprises
- Micro-enterprises
- Free lance, professional, managers and knowledge workers

Large corporations will buy consulting services, knowledge management and social learning solutions, learning middleware and recommender system solutions to be integrated within already existing learning platform and in-place or custom solutions already in place in customers' sites. Due to the characteristics of these customers, ST solutions are mainly designed to be installed at customers' site and integrated with customers' legacy systems. Average income for engagements is comprised between Euro 50.000,00 and Euro 150.000,00.

ST expects to have as customers one or two large corporations in the first year of the new-company lifetime.

Small and Medium enterprises (SMEs) will buy consulting services on learning and HR processes and training programs, mostly delivered as SaaS solutions. Average income for engagement is comprised between Euro 20.000,00 and 50.000,00.

ST expects to have as customers five to eight small and medium enterprises in the first year of the new-company lifetime.

Micro-enterprises will buy SaaS solutions focused on learning and knowledge improvement solution as well as document management solutions based on "cloud computing" architectures, as well as added value services available through on line delivery models, such as coaching, tutorship, mentoring. Average income is comprised between Euro 5.000,00 and 20.000,00.

ST expects to have as customers ten to twenty micro-enterprises in the first year of the new-company lifetime.

Free lance, professional, managers and knowledge workers (individual customers) will buy training and learning programs and added value services. They are people investing on their personal development, certifications, career and professional growth. They will buy also coaching services, tutoring mentoring programs, user-

generated contents such as papers, research reports, training materials. Average income is comprised between Euro 1,00 and Euro 1.500,00. This segment is characterised by a long-tale business model and is based on the availability of vertical and standardized packages and user-generated contents.

ST expects to have as customers one hundred to two hundred individual customers in the first year of the new-company lifetime.

The reach strategy to go to the market is different according to each segment:

- Large corporations and SMEs will be reached in one-to-one visiting programs, following ST participation to events and public workshop on ICT and learning platform innovation issues. ST plans the participation to Expo 2015 where ST potential customers in this segment will be directly reached, using the reference of Regione Lombardia that already evaluated ST business plan as innovative and outstanding and using the reference of Milan State University that will be present at Expo 2015 as the main academic institution
- Micro-enterprises and individual customers will be reached through social networks, through the web and through social media. ST has listening tools to find out influencer and we have a team of social media manager able to contact target customers and deliver the right promotional messages

Due to this ability and due to already done projects, ST already has more than 1200 registered users in the pilot platform (NETT project platform), who are testing the existing environment, providing feedback both on learning functionalities and learning contents. This group of independent users is doing the pilot experience and is giving day by day a feedback in order to perform the fine-tuning tasks.

Newco Economics

The following table is presenting an overview of economics for the next five years.

EE-74-NETT - Networked Entrepreneurship Training of Trainers

ECONOMICS		Anno	Anno	Anno	Anno
		2015	2016	2017	2018
		<i>Euro</i>	<i>Euro</i>	<i>Euro</i>	<i>Euro</i>
1	Online Training Services	6.000	42.500	125.000	255.000
2	Technological services to companies	40.000	90.000	135.000	180.000
3	Other services to companies and people	-	-	-	-
4	Fatturato	46.000	132.500	260.000	435.000
5	Revenues from banners	-	-	-	-
6	+ / - Variations finished products	-	-	-	-
7	Valore della Produzione	46.000	132.500	260.000	435.000
8	SW licenses	5.000	5.000	5.000	5.000
9	+ / - Variations Row material	-	-	-	-
10	Consumi	5.000	5.000	5.000	5.000
11	Variable production costs	9.200	26.500	52.000	87.000
12	Variable selling costs	4.600	13.250	26.000	43.500
13	First Margin	27.200	87.750	177.000	299.500
14	Production Personnel	-	-	-	-
	Operations Director	-	-	6.000	9.000
	CTO	3.000	6.000	12.000	18.000
15	Administration Personnel	-	-	-	-
	Office Services	-	4.000	6.000	9.000
	CEO	5.000	10.000	16.000	24.000
16	Services	12.930	33.800	24.380	9.000
17	Scientific Committee	-	-	3.000	3.000
18	Administrative Costs and Expenses	1.500	3.000	4.000	4.000
	Accounting Costs	2.500	3.000	3.000	3.000
	Leases	-	-	-	-
19	Participation to promotional events	1.000	1.000	2.000	2.000
20	Other general expenses, travels and materials	1.000	1.000	2.000	2.000
21	General Expenses	26.930	61.800	78.380	83.000
22	EBITDA	270	25.950	98.620	216.500
23	Amortization and depreciation	670	1.330	2.330	2.670
24	Funds	-	-	-	-
25	Welfare and pensions reserves	-	1.480	2.960	4.430
26	Reserves	670	2.810	5.290	7.100
27	EBIT	- 400	23.140	93.330	209.400
28	Financial Outcomes	-	-	-	-
29	Financial Incomes	-	-	-	-
30	Overall Financial Management	-	-	-	-
31	Depreciation, losses, extra-burdens	-	-	-	-
32	Appreciation, capital gain, extra-incomes	-	-	-	-
33	Overall Extraordinary Management	-	-	-	-
34	Profit/Loss before taxes	- 400	23.140	93.330	209.400
35	Taxes	-	8.100	32.660	73.290
36	Net Result	- 400	15.040	60.670	136.110