

# #14. International Education and Cooperation Programs in R&D and Technology Entrepreneurship. Enterprise B2B startup case.

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## 1. General Information

### Experts:

**Nicolai Mitushin** (Investment Director of ABRT Venture Fund)

**Sergey Balandin**: FRUCT (Finnish-Russian University Cooperation), ex Nokia Research Center  
Projects: FRUCT, NordSecMob и EIT ICT Labs Master Program

### Moderator:

**Sergey Dmitriev**, Director at GameChangers, Founder

**Date:** 21.12.2012

**Time:** 17:00 - 20:00

**Place:** Resource - SPb - к.613, "Green Zone", БЦ [ПетроКонгресс](#),

**Chief editor:** Kristina Fedorchenko

**Lecture notes by:** Victor Sergeev and Raisa

**Photo by:** Ksenia

Video by: <Margarita>

Useful links:

«Инициатива FRUCT – общее описание», Хабр  
«Конкуренция на старте», Forbes (Mitushin's comment)

## 2. Students' preparation

1. Read about Sergey Balandin's projects — FRUCT, NordSecMob и EIT ICT Labs Master Program

and prepare question (as he said, his presentation could be 5 minutes, and then he prefers to communicate with students)

2. Read about ABRT Venture Fund, Start in Garage, DeepDive and Veeam Corporation.

## 3. Agenda

Part I 17:00-18:30 Nikolay Mityushin

17:00 - 17:20 Nikolay's entrepreneurial & ecosystem experience describing specific of each organization even since Univeristy

17:20 - 18:10. Education Programs about Technology Entrepreneurship (RIS Ventures case - Start in Garage, DeepDive). 'Preview' for Enterprise (B2B) startups case study (Aelita Software, Veeam)

18:10 - 18:30 - discuss further activities that we have to have in our entrepreneurial & ecosystem track (20-25 minutes)

break

Part II 18:45 - 20:00 Sergey Balandin

18:45 - 19:00 Sergey' career path

19:00 - 19:30 FRUCT bolts and nuts

19:30 - 20:00 Brief overview of NordSecMob and EIT ICT Labs Master Program

Part III 20:00 - 20:20 Sergey Dmitriev

Org stuff related to Ecosystem & Entrepreneurship Track

## 4. Home Task

Case from Nicolai Mitushin for two people

Anna Potanina and Victor Sergeev

## 5. Lecture Notes

### Nickolay Mitushin

[www.linkedin.com/in/nickmitu](http://www.linkedin.com/in/nickmitu)

Nickolay graduated from Moscow Institute of Physics and Technology (MIPT). During his education he made websites for university, he also created special platform for the websites which was used by almost all faculties and departments. He made faces.fiztech.ru service similar to the Facebook.

Being student, Nickolay had business - selling PCs. After very first deal he got 150 000 RUB while his scholarship was 800 RUB. He understood that it's very important to seek opportunities on the market.

Ideal startup should have three kinds of founders at the same time:

- hacker,
- hustler,
- designer

Nickolay is hustler, he sells and contact with partners and organises and motivates other guys for work.

The problem of R&D and Sales is that you should develop and sell great at the same time. It's often that these departments or functions in the company conflict.

Nickolay's clients were MIPT, Intel and a few firms. He couldn't realise why sale go so bad. After a year of the stagnating results, he got job offer from Intel and accepted.

He decided to go to Intel to learn how to make good products. During his work at Intel he studied a lot from top managers of Intel. Nickolay said he was bored there and he invented the program of tech entrepreneurship. It took some time to convince management to accept this program. After a while he got support from the company and budget for realisation.

The main advantage of the big companies is the global vision and connections. Intel provided financial support to Nickolay for education in Harvard Business School. There he met Steve Blank. After 4 year in Intel, Nickolay was fired because he did not visit office for long period of time)

Later Nickolay met Andrey Baronov and Ratmir Timashev and they invited Nickolay to [ABRT Venture Fund](#). Nickolay agreed, because he wanted to build projects and participate in their development.

In 2006 Steve Blank and Bob Dorf released [Four Steps to Epiphany](#), with algorithm of building startups (customer discovery - customer validation - company creation - company building). Blank said that entrepreneurship is not an art but science. (here is [another](#) opinion)

As Joseph Campbell analysed ancient legend and found patterns, described in his book "[The Hero with a Thousand Faces](#)", we can find similar patterns - similar models of start-up development.

Story about Andrey Baronov and Ratmir Timashev: Baronov was not about Steve's principle "go out of the building", he did cool software and didn't ask any of the customer. He did point product - a solution for the customer pain.

Nikolay thinks that Blank did a mistake that didn't invent his own business-model canvas. Blank uses Osterwalder's [business model canvas](#), but this canvas more applicable to the big companies rather than to start-ups.

The problem is that start-up has no revenue. Nikolay Mitushin and Ilya Antipov offers another business model canvas - 8 cubes. It consist form internal and external factors, market and product.

Nikolay's dream is to write a book about receipts of startup founder's success stories.

Nikolay told a story from Ratmir Timashev that reflects venture investments:

Once at factory boiler got broken and whole factory stopped its production process. Managers of the factory asked specialist to help them. This guy spent only ten minutes to find what's wrong, took big hammer and hit the boiler. After work was done, specialist asked \$10 000 as a reward. Managers were very surprised and asked to send complete list of services he provided. They received a paper:

- hitting the boiler with the hammer - \$5,
- knowing the place to hit - \$9 995.

Now Nikolay is working on his own start-up - [TMFunnel](#), a tool for entrepreneurs which helps them do online marketing. It shows all funnel of sales and show necessary metrics.

Nikolay says that he is bad entrepreneur and investor, because he had no "shilo". But he can help start-ups to get from A to B. He also highlighted that in USA all founder think very simple and straightforward, meanwhile in Russia we do think very complicated and complex. During the meeting with Bob Dorf Nikolay said that Americans are like cowboys - do everything simple without additional thoughts, and Russians are like going to launch rocket to the space, think too much and do less.

### **Sergey Balandin**

<http://www.linkedin.com/pub/sergey-balandin/1/a21/3a0>

Sergey was in the first set of a computer class at the Palace of Pioneers. Already in the tenth grade he joined the System Administrator at Sprint, where he began to receive money. At [university](#) made the first start-up - a system of logistics databases. In 1998 came to a serious level of sales and cooperation.

In 1999 Sergey entered the first Russo-Finnish educational program in [Lappeenranta](#)

[teknillinen yliopisto](#). In the first year got a job in Nokia, has received funding and graduated Master of Telecommunications and Ph.D. at [Nokia Research Center](#). Nokia was the market leader in communications, for example, a device with a touchscreen Sergey tried in 2000.

In 2005 Sergey suggested Nokia to open research and development center in Russia. So he started from Leader of Nokia's University and R&D cooperation program in Russia. And finished how Principal Scientist, Leader of University and R&D cooperation program in Russia, CIS and East Europe in February of 2011. He also participated as one of Nokia representatives in [MIPI UniPro](#) standardization.

In 2006 came the idea to create a kind of independent community, the idea to create the FRUCT. The idea began to develop quite apart from Nokia. Now [FRUCT](#) is the largest open innovation association in Finland, Russia and Baltic region.

In 2010 Nokia [decided to partner](#) with Skolkovo, then choosing between Nokia and FRUCT, Sergey picked FRUCT. Also in 2010 Sergey took the offer to become a Professor in [Tampere University of Technology](#). "Purely symbolically," he said.

## **Video**

The technologies that improve the quality of life. For example, the technology of smart Space. All demonstrated the technology exists but is very expensive. But now, even in the refrigerator is placed sufficiently powerful computer, its surplus resources can be used.

## **[FRUCT](#)**

Now there are 108 people in the laboratories. The frequency of interventions - 1 in 1-2 months. Of the constant - 2 Conference(meet-point) in Russia in the spring and autumn in Finland. Conference are free and allow you to make a presentation of projects.

Fruit was created to ensure that the Russian graduate students to pull out of the sleeping state, which is common in Russia. This is a priority until now. Developed infrastructure makes it stand out among others. The companies operate as an incubator for businesses. If the idea is good, they can either stay, or stand out in a start-up. Money is given for Growth. Grants for teaching English are also available.

## **Educational Programs**

[NordSecMob](#) - Master's Programme in Security and Mobile Computing  
[EIT ICT Labs Masters Programme](#)

[Erasmus Student Network \(ESN\)](#)