

The entrepreneurs' necessities and the role of business incubators.

The subject matter analysed through this topic is the development of original ideas by young innovators and the supporting role that incubators perform nowadays. In order to clarify the function of the creator into society, the inventor of the Build Engine has been chosen as example of someone who had a positive influence to the community thanks to his brilliant job. The Build engine is a graphics engine used during the 90s by video games developers to program software with 2.5 graphics (fake 3D perspective). This specific person has been selected among many others because the applications developed through this software had a massive influence toward 90s people. In fact, thanks to Silverman a lot of people got closer to the informatic world. Without the efforts of Silverman many people would not have been interested in information technology. This statement underlines how even minor inventions, which apparently are less relevant than others, can influence people's lives. Furthermore, the way he managed his work has been studied in a period where his field was deeply uncharted by concentrating on the factors which have impeded him the most and the key factors of his success. It has been decided not to set a wide spectrum research on the field of innovation and its countless support agents but to take a concrete example of help for young entrepreneurs who develop new ideas. Therefore, the role of Clhub has been described: an international venture incubator specialised in the creation, incubation, cash seed in start-up, with its headquarters in Capoterra (Italy) and Santa Monica (California)"¹. It was founded by the two brothers Riccardo and Giovanni Sanna.

In order to make this analysis original, the use of common sources as web pages and other papers have been drastically limited and all the information needed have been directly taken by those concerned. So, Ken Silverman has been contacted on 09.12.2017 by Facebook so as to establish a first introduction and successively by email to ask some questions about his experience as programmer of the Build engine and his current occupation. Meeting Riccardo and Giovanni Sanna at the recording of the TV show "startup battle", broadcast by the local tv station Videolina, gave an opportunity to follow up with a formal interview. It was recorded formally with Riccardo by phone call on 24.01.2018.

Ken Silverman

Historical background

¹ Cit. ClHub. 2017. <http://www.clhub.biz>

The 90s are undoubtedly considered as one of the most important expansion period of computer science. At the time the dos interfaced operative systems were being swiftly replaced and the digital era intended with the modern meaning was soaring, pushed by the modern Windows-based operative systems. User-friendliness, the success of internet and the increasingly powerful hardware captured the interest of a consistent share of public. These factors sent the programming sector into excitement as it faced one of the most stimulating challenges of the time.

During that period Ken Silverman joined for the first time the world of programming by developing in 1993, at the age of 18, the first Wolfenstein 3D² clone: Ken's labyrinth. It has been distributed all over the world and it can be considered as the first great success of the young developer. It induced Ken to follow the way of coding and between 1993 and 1996 he developed the graphic engine Build. It represented a breakthrough in terms of complexity and potential available into the software. Through this platform, many different software have been developed for all kinds of technological devices over the years, and it played a crucial role in the definition of the current standards of the fps³ into the mass culture.

How to build

Once the historical period has been described, the author has been contacted so as to to understand what it means to be a creative talent and analyse the most challenging aspects that an inventor has to face when he develops a pioneering idea. In order to effectively sustain young innovators, the definition of their psychological and motivational profile along with the comprehension of the relations between them and the environment in which they work play a crucial role.

In this case, curiosity and determination to move forward despite some initial failings. On the contrary, the flop represented the motivation to go on, and brought him to find new solution until he finally made his way in the coding field; that's the reason why the motivational aspect didn't play a minor role, but it pushed him more to finish his huge challenging project. However, it could happen that sometimes the work done seemed a waste of time or too difficult to continue; the help of his family and his colleagues made the difference in situations like those. The conclusion to be drawn from this overview is clear: the support to young businessmen has to include the human aspect and can't only be qualified as economic or merely operative matter. For a business incubator, the moral and motivational support is recognized as a sort of "intangible effort".

² Famous videogame realized in 1992 by the software house Id Software

³ First person shooter: particular category of videogames distinguished by the camera set at the point of view of the protagonist.

Proceeding the analysis, competition gave a great contribution: the evolving market stimulated the creation of very inspired and original ideas used for the Build. Some of them have been designed taking example from previous works of other creators like Id Software, the creator of Doom⁴ and Wolfenstein 3D. So, a creative has to keep up with the latest news of the sector, and those who support him must also be interested in the product from a technical point of view. It doesn't mean that the ones who work in an incubator have to be experts in the IT field, but it's required the basic competence that allows to be aware about the potential of a product even considering the progresses acquired by competitors. The management of innovative business can't be simply reduced to a "invest-buy-sell-collect- repeat" cycle, especially in "greenfield" sectors where staying a step ahead of rivals can represent the difference between success and failure.

The art of self-renewal

When a cycle is concluded, the inability of self-renewal and the unwillingness to rediscover the creative juices represent some of the most common mistakes committed by creators. This error hasn't involved Silverman and once his Job on the Build engine was over, he immediately started a new one called Voxlap which unfortunately never came true. In spite of this backward step, he continued to follow new horizons and at the moment he is cofounder and chief computer scientist at the start-up Voxon Photonics, where he oversees the development of the software running on their special devices. The core business of this new venture is the realisation of high tech displays able to show true 3d images in the shape of holograms. This new project is really promising and their first prototypes have been already sold.

Sometimes the train passes only once. Nowadays following Silverman's footsteps is almost impossible because the branch of software development is saturated and too advanced to develop something really innovative inside a garage. This conclusion is really meaningful and it involves all the parts who help young innovators during the development of their ideas: helping the entrepreneur also means pushing him to join the market before somebody else does. Delaying the launch of a product too much means giving other competitors the opportunity to enter the market first.

Clhub

The Silverman case study shows some of the principal problems faced by the ones who develop innovative ideas; however, a young entrepreneur isn't always able to face all the adversities implied by the market alone. Although they have a promising idea, not necessarily they'll reach the success

⁴ Famous videogame launched in 1993

aspired. The reason why it happens is that starting a new activity requires competence in economical and legal sectors in addition to technical skills. In such cases, the situation can be settled by the action of a highly qualified professional in the start-up field assisting the creatives in a path of growth step by step.

A concrete example of support for the young entrepreneurs is the one offered by the innovative start-up Clhub: an international venture incubator founded by the two brothers Riccardo (29) and Giovanni Sanna (31) which can count on 7 active start-ups in portfolio. The purpose of this business is to offer sustainment to new entrepreneurs starting from the “early stage” of the company until its expansion and its subsequent maturity. This help means bringing them to the realization of their dreams and make them live without regrets. A lot of talented people put their ideas aside without following up their dreams: some did it because they were too frightened about failure and others because they weren’t assisted properly. Keys to success of Clhub have to be searched on the situation of the competition in Sardinia, the place where it has its core business. In fact, before their arrival in that region not a single competitor with the same characteristics was operating. This condition made possible the acquisition of a consistent market share until it became an established economic operator.

The support to the next-generation

The new companies of young creators are supported by Clhub through direct investments in the form of equity. It represents a strong connection where entrepreneurs and their supporters work closer, in fact the incubator acts as a motivated partner who is interested in the development of the company. The other way that Clhub assists his partners consists in provision of services: start-ups are followed step by step by professional figures specialized in crucial sectors like management, legal advising, fundraising and communication. Consequently, the link so formed is dual: on one hand the incubator can be considered as a partner leading an investment, on the other it has its convenience in the survival of the company as so as continue to provide services to it.

The benefits for young people provided by Clhub aren’t only provided through the main activity of helping new business to grow up, but also by the recruiting of skilled workers needed for the internal processes of Clhub itself. In order to compete in cutting-edge field like the one where incubators work, it recruits young graduates with high competences inclined to try new experiences in the employment sphere.

Some of the works required are born only recently, especially the ones related to the communication sector and one example is brought by social media managers. Their role is the aligned management

of start-ups' public relations so as to share with investors and customers the results achieved by their business and its incubator.

Regarding the operative roles, postgraduates in economics prove to be effective in the event that a business has to draft a business plan or needs to obtain financing through private investments or public tenders. Not less relevant is the contribution given by the management of the legal area. Here again, this activity is led by internal qualified workers who manage legal cases about researches, trademarks and licenses. Otherwise, the responsibility entailed by the development of strategies is still personally handled by Giovanni Sanna, expert manager skilled in finance and Clhub's CEO. Inside Clhub is substantially realized a mix between new and old professions.

The "intangible support".

The illustrated case of Ken Silverman shows how the human aspect and the intangible support are a relevant component to be included inside the management sphere. In order to explain this section, it has been described the way in which Clhub relates to young entrepreneurs. So, when the time to assist the creators comes, they firstly have to build a relationship based on mutual trust, as in the case of the first date with a beautiful woman. In order to prove to be trustworthy, self-confidence is an essential component; furthermore, given the young age of the incubator's managers, the age gap between Clhub's specialists and its partners has to be ignored. Not only seriousness and resolutions, but also spontaneity and frankness are essential skills for the ones who works closely with innovators.

In addition, Incubators have the duty to face one of the most relevant startupper's uncertainties: the fear of failure. The Italian mentality stigmatises the ones who have no success at the first try; it follows that young people are more inclined to look for a stable employment instead of risking their assets in a long-term project. On the contrary Clhub refuses this vision and takes as examples the ones who have realized great businesses in spite of initial failures. From this prospective, unsuccess is interpreted as an important growth experience, necessary for the formation of the entrepreneur from the professional and psychological point of view. However, it's a long way to go the one which brings to success and before the first earnings show up, the entrepreneur has to be focused and patient. In fact, the first orders usually do not arrive until one or two years and the first profits after 2-3 years. Once the company is founded and the product is developed, the next step is to enter the market before everyone else. The launch delay implicates the risk of losing the competitive advance and being overtaken by competitors.

The synergy with public administration

Another identifying feature that distinguishes Clhub from other competitors is its role of binding agent between young innovators and public administration. The reason of this service offered is that frequently entrepreneurs aren't able to handle the services provided by federal and regional government. In this case the incubator's role is to inform his clients about possible opportunities offered by public administration and its aid to start the procedures for the participation to public tenders. Clhub has also been actively involved in direct collaborations with public administrations. It has brought to a partnership with the Region Sardinia for international promotions. Through this activity three Clhub's companies have been brought to the CES⁵ occurred in Las Vegas.

Most important companies supported by Clhub

“Autentico” represents a concrete example of company supported by Clhub. The owner of this business has realised a NFC tag able to geolocate wine and made in Italy in general and prevent its counterfeiting. Furthermore, “Veranu” is another business aided by Clhub which was initially composed by three engineers who invented a particular tile able to produce electricity through a piezoelectric device. They “developed an innovative technology which transforms any type of flooring solution into a clean energy generating device”. First of all, the action taken was about the constitution of the company and its statute. Usually a person who faces this situation for the first time rarely manages the concepts of instrument of corporations and charters. Successively, the incubator provided technical and logistic assistance and invested assets in the form of equity in favour of Veranu.

Start-up battle

Clhub has also introduced innovations in the field of the discovery of new innovative ideas realising the tv show “Start-up battle” through the patronage of Region of Sardinia. It consists of a competition between young startupper and their innovative ideas with a prize for the winner amounting to 20,000 euros. The latest edition has been broadcast by the Sardinian local channel “Videolina”. The winner of the season was Daniele Madeddu with his innovative idea called “metrozero”: using the red Californian earth worm, he realized a live terrace furnishing system which turns organic waste into humus to cultivate vegetables and flowers. Madeddu was met after his victory at the studios and he was asked which was the spark that brought him to invent metrozero. The answer was that everything came out from his idea to find an easier way to take the waste out without using the stairs. In order to find a solution, he thought it could be better recycle the garbage instead of taking it out. Those kinds of ideas can be followed up with the customers, especially in that particular historical moment where

⁵ Consumer Electronic Show

respect for the environment and recycle of waste material are current issues. At the moment, in order to make metrozero real, a 5-month strategy, to be reviewed every week, has been outlined .

Conclusion

This analysis leads to the conclusion that is still possible that someone could develop his own ideas inside a garage because obstinacy and a thread of madness can still make the difference. However, it's equally true that external aid can really be a tiebreaker between success and failure. Furthermore, it also has to be considered the role of the innovators from the sociological point of view and the effort of the positive externality they generate into society. As Ken Silverman made people interested in information technology, nothing prevents believing that one day Daniele Madeddu could do the same in his ecological field. Clhub represents the opportunity given to young promising Silverman to change the world with the power of ideas.

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