



KStartup

GRAND CHALLENGE

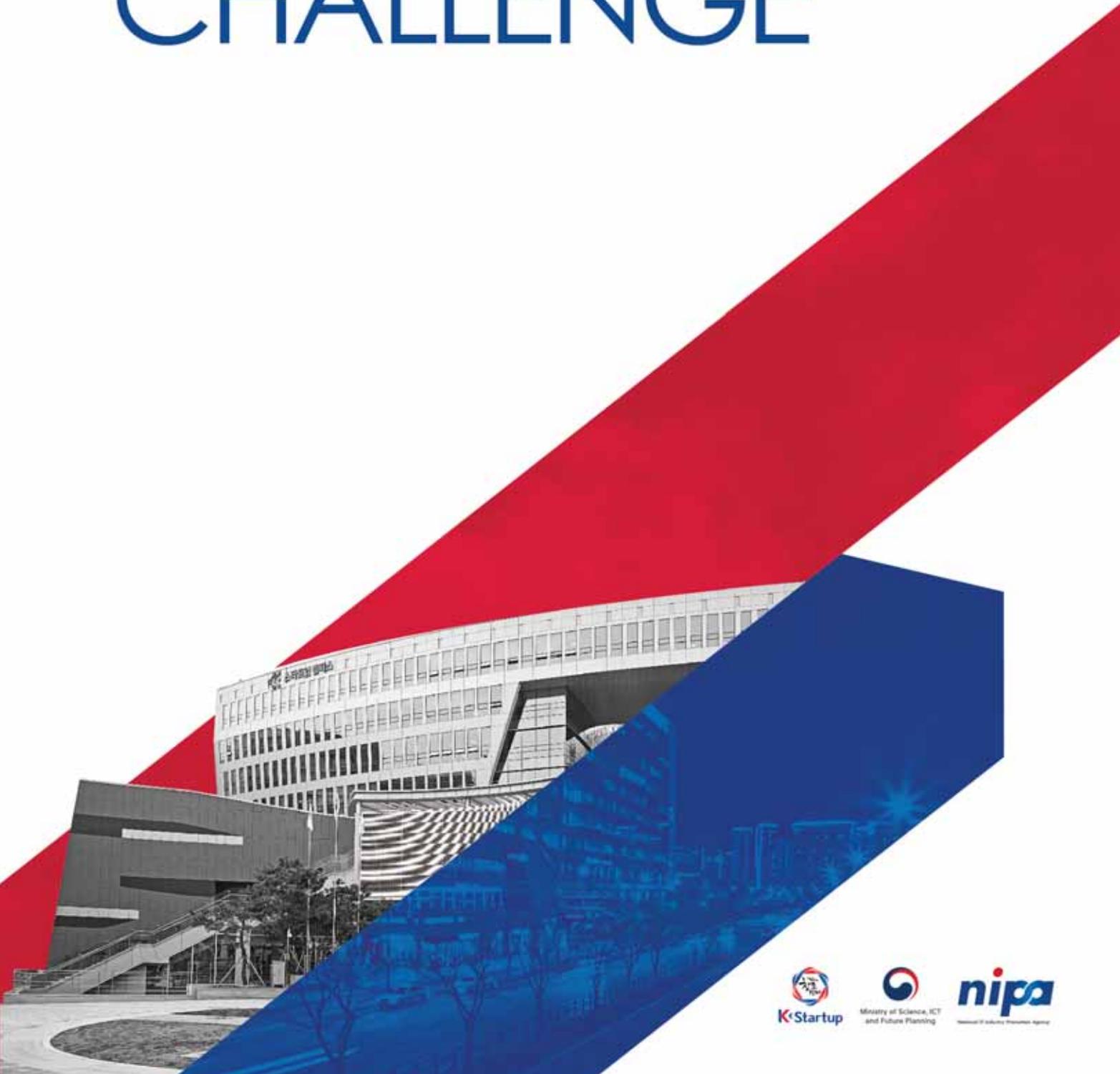


Table of Contents

- > Introduction
- > The Korea Advantage
- > What's in it for you?
- > Background on the K-Startup Grand Challenge
- > Benefits at a Glance
- > Procedure
- > Program Timeline and Process
- > Korea at a Glance
- > Korea, Asia's Startup Hub
- > Welcome to Pangyo Valley
- > Contact us





Introduction

In August 2016, 40 startups will travel to South Korea, the world's most technologically advanced country and Asia's cultural capital, for three months of acceleration.

This all-expenses-paid program is the first of its kind in Asia and sponsored by Korea's Ministry of Science, ICT and Future Planning, which was created in 2013, as part of President Park Geun-hye's \$2-billion-a-year Creative Economy initiative.

Startups selected for the acceleration program, known as the K-Startup Grand Challenge, will receive \$4,100 per month to cover living expenses, along with free round-trip flights to Korea for three team members. They'll also get offices and lab space in its \$160 million Startup Campus in Pangyo, within walking distance of several major Korean companies that have signed on to provide R&D support. To cap it all off, there will be additional cash grants for the top startups, and opportunities for equity investment.

The Korean government is sponsoring this program to help entice promising foreign startups to establish their Asian foothold in Korea. Ultimately, this will help boost the Korean economy, bringing in creative ideas, new technologies and new jobs.

Applications for the program are close on June 14, so if you're an entrepreneur interested in what Korea has to offer, apply now on our website: <http://www.k-startupgc.org>.

The Korea Advantage

01

World's Most Wired and Fastest Wireless Country

Korea has the world's fastest mobile and wired internet, creating incredible IT infrastructure. You'll never want for speed or bandwidth.

02

Asia's Capital of Cool

Korea is one of the world's most exciting and vibrant countries and has become Asia's cultural trendsetter in fashion, music and movies. Come here to be inspired.

03

A Track Record of Tech Success

Korea is home to global technology leaders in consumer electronics, semiconductors, software and gaming. You'll have an opportunity to learn from their success and the success of unicorns like Kakao, Coupang and Yello Mobile

04

Everyone is an Early Adopter

Koreans are early adopters who are willing to try new technologies and then criticize them harshly so you can learn what you need to improve and fail fast.

05

Gateway to Asia

Korea is a safe and politically stable, but still an affordable place to start a business. Seoul is less than two hours from Asia's other major population centers including Beijing, Shanghai and Tokyo by plane. Southeast Asia is also within easy reach.

06

Dedication to Startup Success

As part of its Creative Economy initiatives, the Korea government has invested billions of dollars since 2013 to build up the startup ecosystem. Korea's big tech companies are also on board and ready to provide mentorship.



What's in it for you?

Bring your creative idea to Korea and get the full support of the world's most tech-savvy country



Three Months Acceleration Program

We will invite 80 startups to Korea for one week of intensive pitching, networking and meetings with accelerators. At the end of that week, we'll invite 40 startups to remain in Korea to be part of a three-months acceleration program, focused on helping you be successful in Korea and beyond. During the acceleration period you will have access to free office space, one-on-one mentoring, information sessions and coaching on Korean and Asian business culture as well as other business topics like patents, accounting regulations, tax laws and more. You'll also have access to regular networking sessions and opportunities to meet with large Korean conglomerates eager to partner with promising startups.

Financial Incentives

If you're one of the 40 teams selected for the K-Startup Grand Challenge acceleration program you will receive \$4,100 per month for three months, to cover living expenses while in Korea. You will also receive round-trip airfare for up to three team members.

If you make it into the top 20 startups, selected during the final demo day, you will have access to \$833,000 in additional prizes. Each of the top 20 startups will receive \$33,000 if they set up a legal entity in Korea. The top four teams will be rewarded with grants of between \$6,000 and \$100,000. Impressive startups may also be offered equity investment opportunities from accelerators and local VCs.

Free Office and Project Space at Startup Campus

You'll be able to work in Korea's new \$160 million Startup Campus in Pangyo, within walking distance of many of Korea's top tech companies and just 14 minutes from the swank Gangnam district of Seoul by subway.

You'll get office space for your team, as well as equipment and project space to work on producing or perfecting your product or service. That includes access to a maker space filled with 3D printers, hardware testing platforms and more.

Corporate Sponsorship and Support

Korea's largest tech companies will participate through seminars, workshops and one-on-one mentoring. If you need help beyond the scope of the K-Startup Grand Challenge acceleration program, you may be able to partner with these companies in exchange for resources and expertise.

Companies signed on to support you include Samsung, Hyundai Motors, SK, LG, Lotte, Posco, GS, Hanwha, Hanjin, Doosan, KT, CJ, Hyosung, Kakao and Naver.

Help Desk & Visas

If you're selected for the K-Startup Grand Challenge accelerator program, we will make sure your Startup Visa is processed quickly and efficiently. This is part of the government's OASIS program, aimed at entrepreneurs.

Beyond help with your visa, you'll also have access to administrative support, translation and interpretation, to make sure that you can work effectively while in Korea.

Background on the K-Startup Grand Challenge



Object

The Korean government is working to transform the country's economy for another century of success, ultimately raising employment, the GDP and Korea's place in the world. In order to do this, the government is supporting talented entrepreneurs and promising startups, to turn Korea and the Pangyo Startup Valley into a global startup hub in Asia.

The immediate goal is to select 80 foreign startups to come to Korea for a week of pitching, where 40 will be selected to participate in three months of acceleration in Pangyo, south of Seoul.

At the end of the acceleration program, the government will host a demo day to select the top 20 startups from the program. They will get additional financial incentives, and if they choose to establish their businesses in Korea, they will get enormous additional support from the government.

When

Applications open in April 2016, and the final demo day is in December.

Where

Startup Campus in Pangyo Techno Valley,
14 minutes south of Seoul, South Korea.



Startup Selection Criteria

The selection panel will give priority to startups working on disruption in the following sectors, but they will also consider startups with brilliant ideas in any sector.



Gaming



FinTech



Biotech



Beauty



Distribution



Film



Auto



Urban Solutions



Software



IoT



Cloud



Information Security



5G



UHD



Wearables



Digital Content



Big Data



Benefits at a Glance



Living Expenses and Flights

Round-trip flights, living costs and visa support

State-of-the-Art R&D Labs

Prototyping and testing facilities, expert support

Brand New Startup Campus

Purpose built global startup campus 14 minutes from Gangnam and next to Korea's tech giants

Expert Support

Experts from some of the world's top tech companies with experience taking companies global

Corporate Partnerships

Meet Korea's top tech companies with expertise ranging from smartphones to software to semiconductors

Break into Asia

Korea is safe, developed and a two hour flight from over 1 billion potential customers

Financial Benefits Explained

The grants and settlement support fund will be paid in Korean won in installments over six months

Living Expenses

All 40 startups in the program will receive \$4,100/mo to cover living expenses.

Grant for Top 20 Startups

The top 20 startups selected at the final demo day will be eligible for an additional \$33,000 grant if they establish a legal entity in Korea.

Grants for Top 4 Startups

Top Prize : \$100,000

Second Prize : \$40,000

Second Runner-up : \$20,000

Third Runner-up : \$6,000

Additional Investments

The four accelerators will make equity investments totalling at least \$100,000 in the most promising startups. Startups will have access to other VCs and investors who may choose to invest.





Procedure



Program Timeline and Process

Recruitment kicks off in April 2016, and the program will wrap up in December of the same year.



Application Period

April to June 14

We will accept applications from startups around the world during this time.

Application Review

June 15 to 24

Representatives of the government and accelerators will review all applications

Initial Interviews

June 27 to July 15

Based on the applications, the organizers of the K-Startup Grand Challenge will invite teams from around the world to interview in their own countries, or online via web conferences.

Pitching in Korea

August 8 to 15

One member from the 80 startups selected during the previous round of pitching will travel to Korea for a week of pitching, interviews, observation, networking and other events. This will also serve as the first elimination round, where the top 40 startups are selected for acceleration. Round-trip airfare and accommodation will be provided.

K-Startup Grand Challenge Acceleration Program

Late August to Late November

The three-months K-Startup Grand Challenge acceleration program will kick off in August. Up to three members of each of the most promising startup teams will travel to Korea.

Demo Day

Early December

The program will culminate with a highly publicised demo day, where the top 20 teams will be selected and awarded with additional prizes. This will include \$33,000 in settlement support that the startups can use to extend their time in Korea for an additional six months.

Korea at a Glance

South Korea is conveniently located in East Asia, between China and Japan, with Hong Kong and Taiwan to the south. For a small country of 100,210 square kilometers (38,691 square miles), its capital is the world's second largest metropolitan area. Almost half of all Koreans live in Seoul.

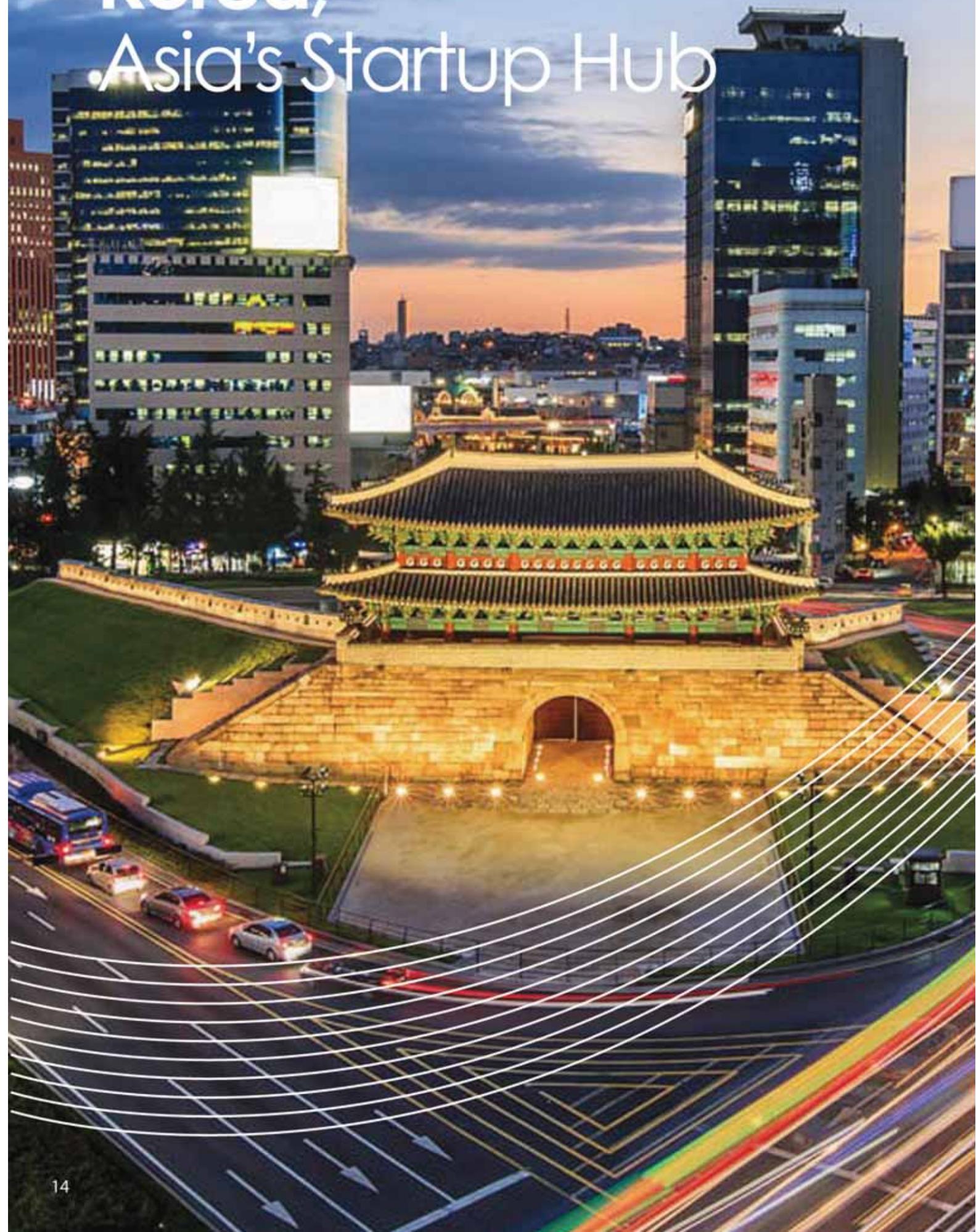
The country sets apart a larger percentage of its GDP (4.36%) for research and development than any other country in that world, and its gross domestic expenditure on research and development (GERD) ties for first place (9.4%) with China. As a result, South Korea is a leading manufacturer in cutting edge electronics but is also one of the biggest consumers of these digital products. It is the world's most connected country with 95% of the country covered by Wi-Fi, has the fastest average internet connection in the world, and has the highest number of broadband services per capita. This type of hyper-connectivity is especially important in a country where four out of every five people use smartphones.

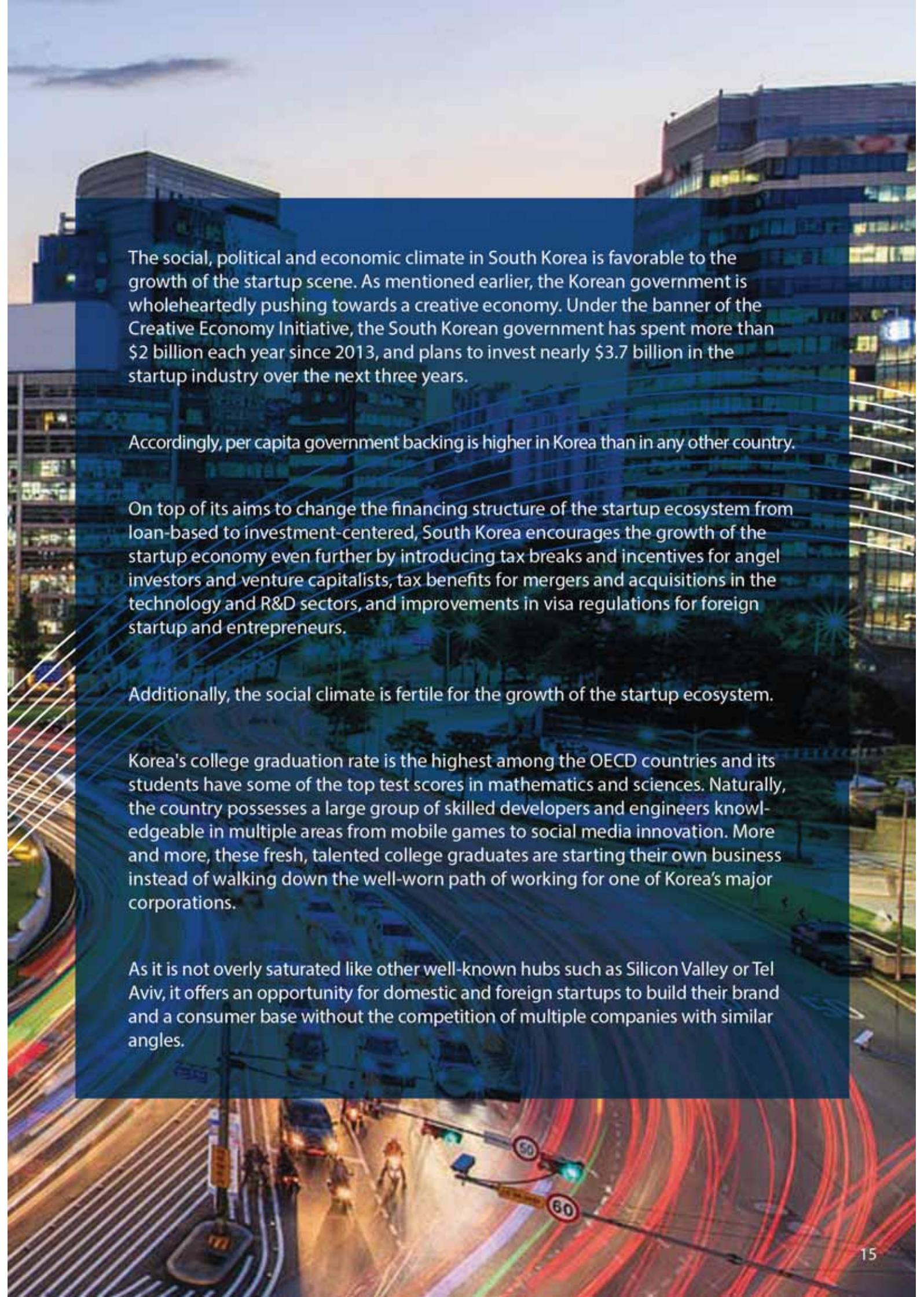
Furthermore, South Korea's highly advanced technology infrastructure allows for quick consumer consumption of new services. In other words, everyone is an early adopter.

The South Korean Government has made substantial investments in the domestic startup ecosystem. President Park Geun-Hye launched the Creative Economy Initiative in 2013, to tap into the potential within the tech industry. This initiative created the new Ministry of Science, ICT, and Future planning and allocates significant resources to fostering the startup ecosystem and knocking down barriers and restrictions to the venture industry's endeavors.

This long-term, globally oriented vision is paying off, attracting the attention of investors, accelerators and incubators from all around the world. Google, for example, is advancing its startup community cooperation with Korea by opening the first Google Campus in Asia in Seoul in 2015. Currently there are around 40 startup accelerators in Korea providing funding for entrepreneurs in diverse sectors. As the funding of Korean venture capital firms increases and the number of Korean startups climbs, South Korea is poised to become the startup hub in Asia.

Korea, Asia's Startup Hub





The social, political and economic climate in South Korea is favorable to the growth of the startup scene. As mentioned earlier, the Korean government is wholeheartedly pushing towards a creative economy. Under the banner of the Creative Economy Initiative, the South Korean government has spent more than \$2 billion each year since 2013, and plans to invest nearly \$3.7 billion in the startup industry over the next three years.

Accordingly, per capita government backing is higher in Korea than in any other country.

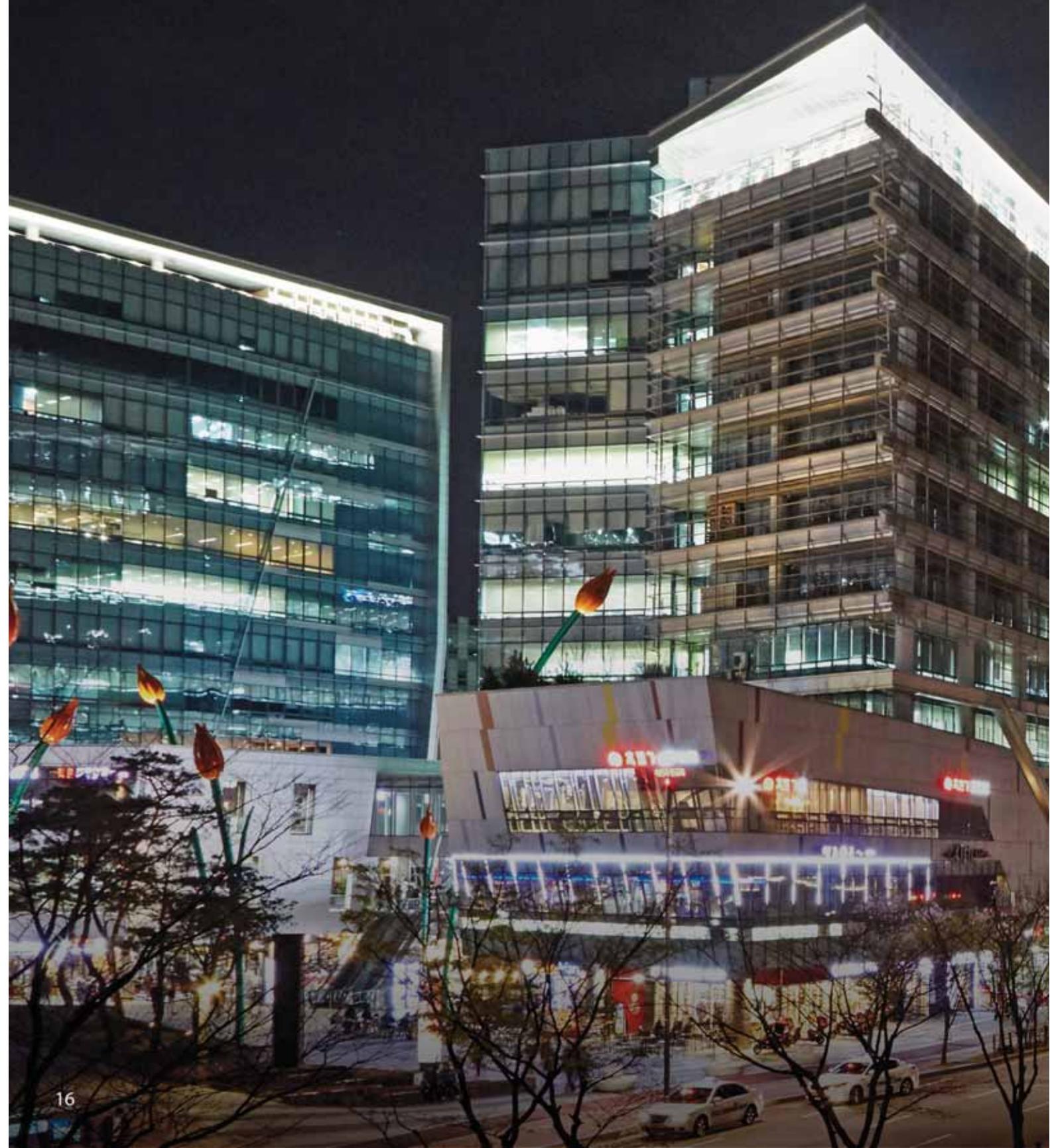
On top of its aims to change the financing structure of the startup ecosystem from loan-based to investment-centered, South Korea encourages the growth of the startup economy even further by introducing tax breaks and incentives for angel investors and venture capitalists, tax benefits for mergers and acquisitions in the technology and R&D sectors, and improvements in visa regulations for foreign startup and entrepreneurs.

Additionally, the social climate is fertile for the growth of the startup ecosystem.

Korea's college graduation rate is the highest among the OECD countries and its students have some of the top test scores in mathematics and sciences. Naturally, the country possesses a large group of skilled developers and engineers knowledgeable in multiple areas from mobile games to social media innovation. More and more, these fresh, talented college graduates are starting their own business instead of walking down the well-worn path of working for one of Korea's major corporations.

As it is not overly saturated like other well-known hubs such as Silicon Valley or Tel Aviv, it offers an opportunity for domestic and foreign startups to build their brand and a consumer base without the competition of multiple companies with similar angles.

Welcome to Pangyo Valley



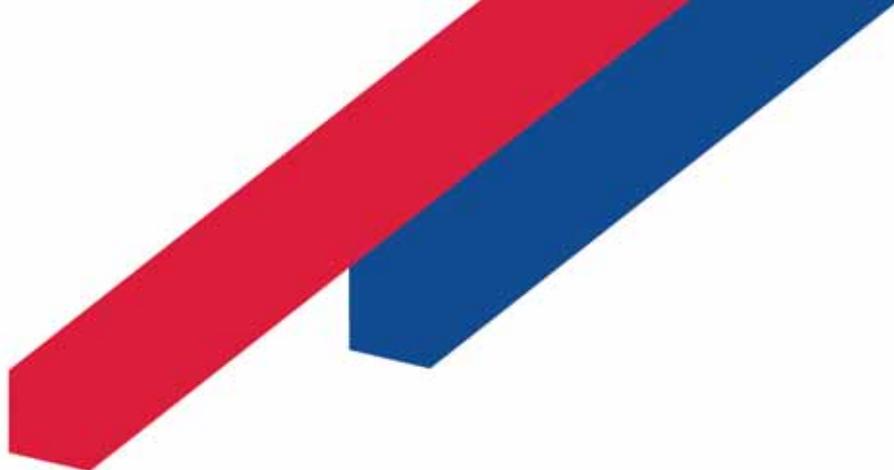
Pangyo Techno Valley is an innovation park just south of Seoul in Gyeonggi Province, which focuses on information, biotech, and cultural and fusion technologies.

It is Korea's largest ICT-based R&D innovation cluster funded by the government with a total of 5.27 trillion KRW (approximately 4.2 billion USD). Completed in 2015, the area boasts its enormous size with an impressive array of support facilities such as the Global R&D Center, Public Support Center, and the Industry-Academy R&D Center.

In the Pangyo Techno Valley, SMEs and startups can exchange information with high-tech technology research institutes and large, global companies. This complex aims to merge different industrial sectors, mostly within information and communications technology, to create new business opportunities and foster the growth of startups. Born2Global, a government-supported startup support organization, reports that Korea's top 60 start-ups and K-Global 300 start-ups are all located in the Pangyo Startup Campus.

To further support the growth of startups, the Korean government has started expanding the Pangyo Creative Economy Valley. This new construction is scheduled to be completed in 2019. The extension will be a new community especially for startups and high-tech firms, and will consist of sites for major corporations, startups, research institutes and government organizations.





CONTACT US

For more information, please contact

- > **Europe and Africa: Sonia Park** (Deputy Director)
[sparksonia@kiceurope.eu, sypark@nipa.kr/+32(0)2-880-3915]
- > **Southeast Asia: Eric Son** (Director)
[eric_son@nipa.kr/+65-6221-7380]
- > **India: Caleb Kyung Hwan LEE** (Director of India-Korea SW Cooperation Center)
[khlee@nipa.kr, (+)91-96865-77730]
- > **North and Latin America: Max Cho** (Director)
[max@kicsv.org/+1-408-432-5074]
- > **Korea, China, and Japan**
 - 1) **Kong Seong Pil** (Deputy Director)
[spkong@nipa.kr/+82-070-4287-4002]
 - 2) **Bo Young Choi** (Manager)
[bbo02@nipa.kr/+82-070-4287-4003]

www.K-StartupGC.org



K Startup GRAND CHALLENGE

Organized by



Sponsored by



LOTTE

posco



kt



kakao

NAVER