



ScaleUp inBrazil Guidelines

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ScaleUp inBrazil Guidelines

1. ABOUT THE PROGRAM:

ScaleUp inBrazil comes to accelerate and bridge business between countries and innovation ecosystems ranked on the Global Innovation Index and Brazil, attracting disruptive and innovative companies to penetrate and scale in the Brazilian market.

The program provides companies the methodology and tools they need to properly access the Brazilian market, validating their product, securing customers and starting operations in the country. The program focus on five main pillars:

1. **Customers:** access to potential customers, corporations and strategic partners;
2. **Market Strategy:** strategic support to market access;
3. **Knowledge:** workshop with specialists addressing the mandatory information for a company to internationalize in Brazil;
4. **Cultural Environment:** support for an easier navigation through Brazilian business cultural environment;
5. **Funding:** access to investors.

The first edition of ScaleUp inBrazil held in 2019 was designed by the Brazilian Trade and Investment Agency (Apex-Brasil) Israel Trade & Investment and the Brazilian Private Equity and Venture Capital Association (ABVCAP). This was our pilot edition and it focused on Israeli tech companies only. The 2019 edition received 49 subscriptions, out of which 20 companies were assisted during the first stage and out of these five companies were selected to the following stages of the program, including two immersion sessions of two weeks each in Brazil. During their period in Brazil, they stayed in São Paulo, but also had the opportunity to visit other innovation hubs in the country such as Florianopolis and Belo Horizonte.

In sum up, the program produced the following for the participating companies:

- 90 hours of strategic planning consultancy;
- 126 qualified business meetings with potential clients.
- 35 POCs agreements under negotiation;
- Signed 5 contracts and hired 3 Brazilian representatives.

The first batch of companies from the 2019 edition will continue to receive support from the ScaleUp inBrazil team until May 2020.

In the future the program is open to support additional countries to its strategy. In order to be accepted the following criteria will be considered:

- Ranking in the top 20 countries listed by the Global Innovation Index published by WIPO;
- Number of prescreened tech companies, generating revenues, willing to expand to Brazil being 30 the minimum entrance amount;
- Indicating a national organization operational in Brazil to co-manage the program and its agenda;
- Dedicating an officer out of the indicated organization to support the program development, entrepreneur and ecosystem activation and support its entrepreneurs with cultural, business aspects and follow ups with contacts provided by the program;
- Proving previous similar soft-landing programs organized in Brazil by the country and grants availability for its entrepreneurs is a plus.

2. WHAT THE PROGRAM OFFERS:

- Consulting with experts in different segments in the Brazilian market;
- Consulting with business development to enter the Brazilian market;

- Business strategy consultancy for market fit;
- Interaction with practitioners of the Brazilian innovation ecosystem;
- Interaction with investors focused on technology and innovation;
- Interaction with Brazilian entrepreneurs and Corporations;
- Immersion in the Brazilian ecosystem via virtual and in-person sessions with experts;
- Office space for the immersion experience period in São Paulo at CUBO, the second largest innovation hub in the world in terms of size.
- Mentorship with Brazilian experts;
- Access to Brazilian Corporates and investors.

3. WHAT THE PROGRAM DOES NOT OFFER:

- Transportation costs including airfare and local transportation costs;
- Accommodations during the stay in Brazil;
- Expenses with food and beverage during the stay in Brazil.

4. ABOUT THE PROGRAM'S DESIGNERS, SPONSORS AND PARTNERS:

ABVCAP:

Founded in 2000, ABVCAP is a non-profit organization that represents the private equity and venture capital industry. It promotes the development of long-term investments. In its 20 years of existence, ABVCAP has helped to improve industry conditions, advance understanding about the industry and promote best practices that are aligned with international industry standards. ABVCAP's activities aim to facilitate the relationship between global and local members of the long-term investment community, providing an environment that favors debate and fosters the strengthening of relationships. To accomplish this goal, the association provides training programs, develop studies and research about the industry, disseminate reliable industry data, and foster good practices among our members and the companies invested in the industry.

Apex-Brasil:

The Brazilian Trade and Investment Promotion Agency (Apex-Brasil) works to promote Brazilian products and services abroad, and to attract foreign investment to strategic sectors of the Brazilian economy. The Agency supports more than 12,000 companies from 80 different industries, which in turn export to 200 markets. Apex-Brasil also plays a key role in attracting foreign direct investment to Brazil, working to detect business opportunities, promoting strategic events and providing support to foreign investors interested in allocating resources in Brazil.

Israel Trade and Investment:

Israel Trade & Investment in São Paulo is a part of the Foreign Administration of the Ministry of Economy and Industry of Israel. Being a net of more than 40 offices around the world connecting opportunities and developing success cases between Israeli and Brazilian companies across several industries. Israel Trade & Investment São Paulo also oversees the implementation and maintenance of the Free Trade Agreement Mercosur – Israel. Some of its services are to support companies to present Israeli technologies overseas, generate business opportunities, tech scouting in Israel, organizing investments and innovation delegations to both countries and matchmaking partners.

The program is actively looking for partners in different areas that contribute with the program, these include: A) Mentors; B) Open innovation experienced Corporates; C) Investors in Brazil and Israel; D) Business and Marketing consultants, E) Innovation and Entrepreneurial Hubs.

5. STAGES

5.1 STAGE 1: SETTING THE STAGE – AN OVERVIEW ABOUT THE BRAZILIAN MARKET:

A maximum of 25 companies will be selected to join this Stage of the program in which they will be provided with a local market brief report overview customized to the sectors each company operates. The report is intended to provide each company with more sector-based details on the market they are looking to enter. They will also participate in webinars with partners, paid consultants and the program Designer in a 10 hour-agenda with the following topics:

5.1.1 Welcome and Setting the Stage & Webinar: Navigating the Legal and Fiscal Environment - Online session for welcome words and program review. This time will be used for agenda overview, document analysis for subsequent phases and further details on the first immersion. The Webinar will also have a session for an overview of the complex legal and tax systems in Brazil and help entrepreneurs understand how to navigate in it.

5.1.2 Online meeting: Business Strategy Interview - Each selected company will have a personalized 30 minutes interview the business strategy consultant to initiate the process of identifying local opportunities and developing a market entrance strategy. Further calls will be arranged, if necessary.

5.1.3 Gibush - Each selected company will give their 5 minute pitch followed by 20 minutes of Q&A and advice from ScaleUp inBrazil Team, Brazilian VCs and other relevant players of the ecosystem. This session will also bring inputs for the final selection of companies. In case the company will use a pitch deck, different from the file sent in the registration form, it is necessary that they resend it two days prior to their online session.

5.1.4 Webinar: An Update on Brazil's Macroeconomics and Politics - The session will bring economists and political analysts to set the stage and share a forecast for the near future.

5.1.5 Doing Business in Brazil - Perspective of international tech companies in Brazil & Closing remarks - Selected entrepreneurs will have an overview on the Brazilian business culture and perspectives from other international companies with operations in the Brazil. This session also marks the end of Stage1 and the beginning of a new selection process for following stages.

5.2 STAGE 2: IMMERSION – IDENTIFYING CUSTOMERS AND UNDERSTANDING HOW BRAZIL OPERATES:

A maximum of ten (10) companies, out of the selected group from Stage 1, will be selected to the second and following Stages of the program. These will receive full support to initiate their penetration process in Brazil. This Stage is divided into two parts, an online and onsite immersions.

5.2.1 ONLINE TRAINING:

6.1.1 In this Stage each company will go through an online interview with a professional business development expert to understand more of the company's product and elaborate a strategic plan to enter the Brazilian market. The objective is to identify potential customers and secure meetings for the onsite part of the program. The companies will also participate in online training sessions on key topics related to: doing business in Brazil, pitch training, regulatory and legal overview, taxation system in Brazil. At this point the interaction with the hired business development consultancy starts in order to prepare for the onsite arranged meetings.

5.3 STAGE 3: PRODUCT PIVOTING:

Upon completion of Stage 2, the entrepreneurs will continue in a six-week product adaptation to develop their company, product and Brazilian market penetration activities. They will:

- Implement the product “pivots” identified during the immersion phase to deliver a “minimum viable product” to customers in Brazil, as quickly as possible;
- Participate in biweekly individual company online discussions with the ScaleUp inBrazil Team;
- Continue with customer identification and relationship nurturing;
- Plan next steps for Brazil’s market penetration and business development;

5.4 STAGE 4: PROOF OF CONCEPT - IMMERSION

5.4.1 Companies will travel to Brazil for a total of two (2) weeks, hosted at CUBO to validate their adaptations to the Brazilian market with follow-up and new meetings with potential customers;

5.4.2 Depending on the profile out of the selected group, part of this second immersion agenda can be unfold in Belo Horizonte, Rio de Janeiro de Florianopolis;

5.4.3 They will continue their in-person training sessions with local experts, networking and meet-up sessions with potential partners and investors.

5.5 STAGE 5: POST PROGRAM SUPPORT:

Scaling up is not easy especially once experiencing a new market. Understanding that this is a long-term process, the Scale-up inBrazil program will continue to provide value-added services and support the selected entrepreneurs for a 6-month period by:

- Providing access to all the recorded training sessions held in the program;
- Providing support through an advisory committee composed of the program sponsors and experts in the entrepreneur’s sectors to provide advice and introductions to Brazilian customers suppliers, service providers, technical experts, regulators and government officials;
- Considering reported proof of concepts, pilots and investment negotiations by providing follow up and feedback when necessary;

6. TIMELINE:

Registrations open – Feb 10th, 2020

Registrations end – July 7th, 2020

Announcement of selected companies for Stage 1 – August 7th, 2020

STAGE 1

Online training I begins – August 12th, 2020

Online training I ends – September 17th, 2020

Announcement of selected companies for following Stages – September 24th, 2020

STAGE 2

Online training II begins – October 13rd, 2020

Online training II ends – December 15th, 2020

STAGE 3

Product Pivot begins – December 16th, 2020

Product Pivot ends – March 12th, 2021

STAGE 4

Proof of Concept – Immersion begins – March 15th, 2021

Proof of Concept – Immersion ends – March 25th, 2021

STAGE 5

Post program support begins – March 30th, 2021

Post program support ends - October 29th, 2021

The program is subject to change, which will be updated on the website <https://www.scaleupinbrazil.com/>.

7. WHO SHOULD APPLY:

The program is oriented to tech companies who comply with the criteria below:

- Preferably, but not restricted to, high tech B2B companies;
- Companies with validated products and revenues in their country of origin or another country;
- Interest in expanding abroad or already operational in other markets;
- Solutions that present a high market fit with Brazil;
- Clear intention of opening a local office, hiring local team, setting R&D facilities or investing in the country;
- Availability of one of the founders or a high-level team representative to be in Brazil during the program's agenda;

8. CONDITIONS FOR PARTICIPATION:

8.1 The program does not require that participants must establish operations in Brazil. However, participants should have this goal in mind before applying to the program and use the provided tools and agenda to boost the decision of expanding business to Brazil or not;

8.2 All selected companies must be committed to participate in all activities of the official program's agenda including the online sessions and onsite events;

8.3 It must be clear that the services of business development and strategic planning are paid services funded with public resources. Failing to support the requests and deliverables made available by the responsible consultant for such services may result in penalties;

8.4 The business development service represents the main source of clients deal flow for companies provided by the program. Thus, all entrepreneurs must commit to observe business meetings scheduled by the business developer and ScaleUp Team on time;

8.5 The strategic planning service is meant to support selected companies' mindset and potential amendments to their products, marketing and channel distribution option for the Brazilian market. Entrepreneurs must state since the program's beginning whether they will use the service and collaborate for its proper development;

8.6 The no-show in 80% of the online session may cause the expulsion of the company from the program, which will open a space to the next one in line;

8.7 All selected companies for Stages 2 to 5 must be committed to attending the 15-day immersion experience in São Paulo and other innovation ecosystems selected by the ScaleUp inBrazil Team.

8.8 Scale Up inBrazil may request anytime proof of commitment from selected entrepreneurs with the program's proposed benefits and agenda like issued flight tickets, hotel bookings or similar evidences.

9. REGISTRATION:

9.1 Only registrations made via the platform available on <https://www.scaleupinbrazil.com/> will be accepted;

9.2 The registration form should be completed in English. Registration forms in another language will be dismissed;

9.3 Registrations will open on February 10th and end at 23h59 (Brasilia time) on July 7th, 2020;

9.4 In case of change in dates, they will be communicated via the website <https://www.scaleupinbrazil.com/> ;

9.5 The ScaleUp inBrazil Team is not responsible for eventual delays in the registration system.

10. CLASSIFICATION AND ATTENDANCE:

10.1 To classify all participants must fully complete the registration form by the deadline. The registration form will request details about the company, the team, the product or service, revenues as well as the plan for internationalization and why Brazil should be a target market for the company;

10.2 All information shared are treated as confidential by the ScaleUp inBrazil Team and invited judges, only used to evaluate companies' maturity and dedication to expand to Brazil;

10.3 For Stage 1 a maximum of 25 companies will be selected. It will be up to the judging committee to decide if the companies meet the criteria and should be selected;

10.4 For Stage 2 a maximum of 10 companies will be selected. It will be up to the judging committee to decide if the companies meet the criteria and should be selected.

10.5 In case the judging committee understands that there are more than 25 qualified companies for Stage 1 or 10 for Stage 2, there will be a registry of up to 15 companies that could be selected, based on its selection ranking. This measure in case the selected startups decline to participate up until one week after the publishing of the selection results;

10.6 The ScaleUp inBrazil team assumes no commitment to select any companies to the program. The selection is made by the judging committee depending on the companies' qualification and market fit to the Brazilian market.

11. SELECTION CRITERIA:

11.1 The selection process follows strict guidelines and is made by industry experts who comprise the judging committee. The evaluation and selection process follow the criteria below:

11.2 Registration submissions, after the scheduled deadline, will result in elimination;

11.3 Companies not generating revenues will be eliminated;

11.4 Companies presenting no minimum viable product (MVP) will be eliminated;

11.5 Companies already operational in Brazil with a Brazilian entity will be reproved;

11.6 In case the applicant is already operational overseas an **extra half point** will be granted to the final evaluation score;

11.7 Companies clearly oriented to invest or develop R&D activities in Brazil will receive an **extra point**;

11.8 The pre-selection is made by two evaluators from the Brazilian members of the ScaleUp inBrazil team composed by its designers (Apex-Brasil, ABVCAP and Israel Trade & Investment);

11.9 The selection process assesses four different dimensions: A)innovation grade, B)market fit, C) company maturity for insertion in Brazil and D)the team;

11.10 Each dimension has a grading that ranges from 1 (one) to 5 (five) points, considering 1 (one) for the lowest rate and 5 (five) for the highest rate.

11.11 Based on the medium grade, a list of classification of up until double the number of existing slots will be formed, for Stage 1 a maximum of 40, for Stage 2 a maximum of 10;

11.12 The preliminary list is then shared with private sector members of the judging committee who will evaluate the companies based on the same four dimensions and its respective weight: A) innovation grade (1.5), B) Team (1) C) the company fit to the Brazilian market (2) and D) the company maturity for insertion in Brazil (1).

11.13 The final grade will be the arithmetic average among the grades from the internal and external evaluation;

11.14 In case of a tie among the participants in the result, companies with a higher grade, according to the external evaluation will be prioritized. Should the tie remain, there will be an evaluation in the grades with more weight among the market fit dimension score of each company;

11.15 Finalists will have their names published on the site <https://www.scaleupinbrazil.com/> by classification order;

11.16 It is the responsibility of the participants to monitor the information published on <https://www.scaleupinbrazil.com/>;

11.17 Selected participants will confirm their commitment to the program by signing an agreement and adherence form providing all necessary information and documents. Refusal to sign the document or skipping less than 80% out of the program content will result in elimination from it;

11.18 It is the responsibility of all companies to be up to date with their documentation including a valid passport;

12. COMMUNICATION:

12.1 All information regarding the program will be published on the program's website <https://www.scaleupinbrazil.com/>. General enquiries must be sent to the ScaleUp inBrazil team by mail at contact@scaleupinbrazil.com ;

12.2 All official communication must be sent by the e-mail of the main contact (s) responsible by the application submission. E-mails registered in the registration form cannot not be able to be changed after the application has been sent.

12.3 It is of the participants responsibility to ensure proper conditions to access all communication sent by the ScaleUp inBrazil team. It is important that all participants verify if any of the ScaleUp inBrazil e-mails may be going to spam or being blocked by any digital technology. In case it does, ScaleUp inBrazil Team can connect the participant with its IT team, if necessary, to fix the problem.

12.4 Other forms of communication such as phone calls, Skype, webinars, WhatsApp and others may be used by the ScaleUp inBrazil Team upon discretion. However, they should not substitute the official communication channel.

13. PENALTIES:

13.1 Any infractions to the conditions of participation presented on the item 3 may incur into immediate exclusion in the program.

13.2 The inclusion of wrong data in the registration form may cause penalties in the classification or exclusion in the program and will be upon the ScaleUp inBrazil team discretion.

13.3 The ScaleUp inBrazil team retain the right to exclude from the classification or the program any entrepreneur who might have a civil or criminal infraction as well as those who do not respect the time and dates of the scheduled meetings, sessions or any other activity (online or in person) included in the official program.

14. CONFIDENTIALITY:

14.1 The organizers of the ScaleUp inBrazil program consider confidential every and all information received from entrepreneurs during the entire program. Its use is exclusive only for the purpose of developing and managing the program as proposed.

14.2 It is the responsibility of the entrepreneur to determine which information may be shared within the ScaleUp inBrazil program. No participant will be obliged to provide information they judge confidential and not pertinent to the program, however not sharing mandatory information may effect companies' scoring during the assessment Stage.

15. IMAGE RIGHTS:

15.1 All participants in the ScaleUp inBrazil program agree to be available for any engagement with the media or communication channel, including providing interviews or participating in reporting, as requested, based on the participation in the program.

15.2 All participants should make available their company's logo within the deadline set with the goal to promote the program and must agree with its usage and sharing with third parties for the program's activities development and maintenance.

15.3 The ScaleUp inBrazil team reserve the right of image from all participants in the program. Licensed images in this contract may be related and divulged in the following media channels: television, video, virtual and telephonic including images related to the name of the company, logo, the entrepreneur's' names, company description, videos, photos, website, social media channels such as Facebook, Instagram, Twitter, LinkedIn, Youtube among others, media material from interview and articles provided by the participants.

16. GENERAL DISPOSITIONS:

16.1 The current guideline is available in full in its most current version in the website <https://www.scaleupinbrazil.com/> to all participants.

16.2 Upon registering to the program the company's attest that they have read and understood the regulation, accepting it in full.

16.3 The organization of the ScaleUp inBrazil does not participate nor is responsible for investment, proof of concept or contract negotiations that may take place due to the entrepreneurs' participation in the program. The program is only responsible to promote tools, services and networking activities that may lead to these negotiations.