

**ITEM 19. KNOWLEDGE EXCHANGE SPONSORSHIP — STARTUPWEEK
SYDNEY – STARTUPWEEK AUSTRALIA**

FILE NO: S119728

SUMMARY

An application for sponsorship under the Knowledge Exchange Sponsorship Program has been received from not-for-profit organisation, StartupWeek Australia, to produce Startup Week Sydney in 2016, 2017, 2018. The application has been evaluated and support of \$35,000 (cash) is recommended each year.

On 9 December 2013, Council adopted the Economic Development Strategy – a 10 year strategy which aims to strengthen the city economy and support business. The draft Tech Startups Action Plan (endorsed by Council for public exhibition in August 2015) is consistent with this strategy. It identifies how the City can support entrepreneurs, with a focus on innovative, new businesses based on technology and designed for fast growth - that are 'tech startups'.

The community's feedback on the draft Tech Startups Action Plan is currently being analysed and a final action plan is expected to be presented to Council in mid-2016. Consultation has highlighted the importance to Sydney's entrepreneurs of access to entrepreneurship information, mentors and investors.

StartupWeek Sydney 2016 is a week-long program of events in October/ November 2016 that enables entrepreneurs to acquire new knowledge and skills, network and collaborate with each other and share resources. It raises the profile of the local startup ecosystem and Sydney as an innovative city and encourages the wider community to become involved.

The inaugural StartupWeek Sydney was held in 2015 and involved 63 events, 239 speakers, 39 venues and over 8,000 participants. Workshops, talks, panels, tours, pitch nights, exhibitions, hackathons and a conference were held on diverse subjects, including tech entrepreneurship, fintech regulation, design thinking, smart cities, robotics, connections with Asia, corporate innovation and investment. It was the largest inaugural StartupWeek in the world.

A three-year agreement will demonstrate the City's commitment to the local startup ecosystem, assist StartupWeek Australia to secure more sponsorship to make the program sustainable in the long-term and enable the StartupWeek team to focus on program management, growth and meeting sponsorship requirements.

RECOMMENDATION

It is resolved that:

- (A) Council approve a cash sponsorship of \$35,000 (excluding GST) to StartupWeek Australia Limited as a sponsor of the StartupWeek Sydney for each year, 2016, 2017, 2018; and

- (B) authority be delegated to the Chief Executive Officer to negotiate and enter into a sponsorship agreement with StartupWeek Australia Limited.

ATTACHMENTS

Nil.

BACKGROUND

1. An application for sponsorship under the Knowledge Exchange Sponsorship Program has been received from not-for-profit organisation, StartupWeek Australia, to produce StartupWeek Sydney in 2016, 2017, 2018.
2. Sponsorship of StartupWeek Sydney meets the objectives of the City of Sydney's Economic Development Strategy and the draft Tech Startups Action Plan.
3. The City's Economic Development Strategy recognises that supporting entrepreneurs is integral to its vision for the city's economy. Entrepreneurs are agents of change and supporting entrepreneurs as they become employers is an effective way to grow jobs and job diversity in the economy.
4. The strategy states that the City will explore ways in which it can influence the success of entrepreneurs and small business operators whether through capacity building initiatives, making it easier to do business or the development of programs to assist startup and small business more efficiently deal with government.
5. The draft Tech Startups Action Plan is consistent with this strategy and, importantly, adds a focus on tech startups, recognising that their needs are very different from those of small businesses.
6. Tech startups are emerging high-growth companies that use technology and innovation to tackle a large and often global market.
7. Sydney's tech startup ecosystem is in the early stages of development. The barriers to its growth include: the low number of entrepreneurs starting high-growth businesses; limited access to investment, talent and a skilled support network; a fragmented ecosystem; and restrictive government regulation.
8. On 10 August 2015, Council resolved to put the draft Tech Startups Action Plan on public exhibition. The community's feedback is currently being analysed and a final document is expected to be presented to Council in mid-2016.
9. A focus area of the draft Tech Startups Action Plan is on creating skilled and connected entrepreneurs. It acknowledges that, in all stages of startup formation, it is important to have information and advice delivered via events or mentors – particularly those who have successfully navigated through the growth stage.
10. Action 2.3 in the draft plan identifies that the City will implement the Knowledge Exchange Sponsorship Program or develop new projects that enable expertise to be shared and skills developed and provide practical business education relevant to entrepreneurs. Action 1.2 states that the City will create or support events that encourage members of the community to become entrepreneurs and that celebrate and promote the tech startup ecosystem.
11. StartupWeek is an entrepreneur-led, community-focused program of events, held over one week, which enables entrepreneurs to acquire new knowledge and skills, network and collaborate with each other and share resources. It also raises the profile of the local tech startup ecosystem and encourages the wider community to get involved.

12. StartupWeek was first held in 2010 in Colorado and is the largest sponsor-funded startup community event world-wide. It is now run in more than 76 cities across the world. Startup Victoria held a successful StartupWeek in March 2015 with the support of the Victorian State Government and a number of corporate sponsors.
13. It was held for the first time in Sydney in October 2015 with the support of the City of Sydney, NSW Department of Industry and other corporate and community in-kind support. StartupWeek Australia is negotiating to secure sponsorship from the NSW Government in 2016. Fairfax Media is confirmed as media partner.
14. The 2015 program involved 63 events, 239 speakers, 39 venues and over 8,000 participants. Workshops, talks, panels, tours, pitch nights, exhibitions, hackathons and a conference were held on diverse subjects including tech entrepreneurship, fintech regulation, design thinking, smart cities, connections with Asia, corporate innovation and investment.
15. It was the largest inaugural Startup Week in the world. It was 33% bigger than the organiser's expectation.
16. The Sydney StartupWeek team includes: Alex Scandurra, Chief Executive Officer of Startup Week Australia, Sydney's newest fintech hub (also supported by the NSW Government) and Chris Clark, Chief Executive Officer of global business Fusesport (based in Sydney and the US) and Advisory Board Member of Startup Colorado.
17. The Sydney StartupWeek team engages with around 40 ecosystem community leaders (a hub and spoke model) to design the program 'tracks' (eg, fintech, cyber security, media tech, internet of things, robotics) which include 'streams' (the startup journey, product design, going global, women in tech, kids in tech).
18. Events are coordinated by organisations and individuals to meet these program tracks and streams. This ensures 'ownership' of both the StartupWeek Sydney program and events by the tech startup community.
19. Community leaders are from co-working spaces, accelerators, incubators and corporations such as ATP Innovations, muru-D, Fishburners, NICTA, Blackbird Ventures, General Assembly, The Start Society, Incubate and Swaab Attorneys.
20. The proposed dates are 31 October to 4 November 2016. Events will focus on education about the lifecycle of a tech startup: developing a business idea, customer development, setting up and growing a business, including information about regulation and securing investment.
21. Other events will consider how industries such as finance, health or education are being disrupted, or highlight gaps and opportunities, including women in tech and how Sydney startups can connect with China.
22. StartupWeek Sydney also provides a focus for raising the profile of the tech startup ecosystem and Sydney as a creative, innovative city with media coverage in 2015 including Business Review Weekly, The Sydney Morning Herald, Financial Review, The Australian, The Huffington Post, Business Insider, The Daily Telegraph, Startup Daily, SBS, This Week in Startups, Startup Smart and Startup Daily.
23. The application has been assessed under the City's Knowledge Exchange Sponsorship program. The program recognises that, for the city to thrive, we must support and create an environment that fosters collaboration and learning.

24. The program supports the exchange of ideas and knowledge, the showcasing of local expertise and encourages dialogue on local and global issues. Under the program, eligible projects can be supported to a maximum of \$40,000 cash and applications can be received ad hoc throughout the year.
25. The application has been assessed as contributing to the following program outcomes:
 - (a) adoption and implementation of best practice approaches by organisations and individuals;
 - (b) strong networks where participants share resources and acquire new knowledge and skills;
 - (c) improved capacity in organisations and individuals to develop and maintain sustainable business ventures; and
 - (d) increased recognition of Sydney as an innovative and creative city.
26. Under the Knowledge Exchange Sponsorship program, eligible organisations include not-for-profit and for-profit organisations as well as social enterprises. StartupWeek Australia is a not-for-profit organisation.
27. Sponsorship benefits to be negotiated include City of Sydney acknowledgement in media releases, social media platforms, blogs and on-line advertisements, and signage at the opening or closing event; City of Sydney logo included in all marketing materials including direct mail, t-shirts, bags, videos and website; and invitations to attend as guests to opening and closing events associated with the program.
28. Evaluation of the sponsorship will include: a report including results from a participant survey, number of participants, participant feedback, website analytics and media mentions. The evaluation requirements will be included as part of the City's standard sponsorship agreement.
29. The City sponsored StartupWeek Sydney in 2015 to the value of \$25,000 (cash) ex-GST.
30. The success of the 2015 program was demonstrated with the program 33% larger than expected and more growth is anticipated. The 2016 program is broader, expanding to seven streams and nine tracks. It is expected to include more than 75 events and 10,000 attendees. An increase in sponsorship to \$35,000 each year, for three years, is therefore supported.
31. A three-year agreement will demonstrate the City's commitment to the local startup ecosystem by enabling StartupWeek Sydney to:
 - (a) increase awareness of Sydney's tech startup ecosystem in order to increase the number of people engaging and investing in startups; and
 - (b) increase the business and entrepreneurial skills and access to networks for entrepreneurs so that we can increase the number of entrepreneurs who can 'scale up' and grow global companies.

32. It will also assist StartupWeek Australia to secure more sponsorship to make the program sustainable in the long-term and enable the StartupWeek Sydney team to focus on program management, growth and meeting sponsorship requirements.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030

33. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This sponsorship is aligned with the following strategic directions and objectives:
- (a) Direction 1 - A Globally Competitive and Innovative City – supporting entrepreneurs to start and to grow innovative businesses will potentially create more employment, boost Sydney’s economy, strengthen global connections and make the City a more desirable place to live, work and visit.
 - (b) Direction 6 - Vibrant Local Communities and Economies – innovative businesses can grow into global businesses, resulting in swift economic and employment benefits locally.
 - (c) Direction 7 - A Cultural and Creative City – supporting entrepreneurs is supporting the expression of innovation and creativity, which in turn contributes to a cosmopolitan, vibrant and active city.

BUDGET IMPLICATIONS

34. This support can be provided within the budget of the City Business and Safety Unit for the financial year 2016/17. The sponsorship will then be incorporated into future budget proposals.

RELEVANT LEGISLATION

35. Section 356 of the Local Government Act 1993.

CRITICAL DATES / TIME FRAMES

36. StartupWeek Sydney is proposed to run from 31 October to 4 November 2016.

KIM WOODBURY

Chief Operating Officer

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