



**REGIONAL MARKET ANALYSIS
ON CROWDFUNDING
Czech Republic**

Symbolic map

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Based on desk research done by June 2017

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1 Introduction

The following document represents Deliverable 3.1.1 Regional Market Analysis on Crowdfunding. It includes information on identification, description and evaluation on relevance of all crowdfunding activities and relevant stakeholders in each partner region. The given information is completed by success stories and lessons learnt therefrom regarding the status quo of crowdfunding market deployment at local level.

2 Crowdfunding activities and relevant stakeholders

This chapter includes information based on a desk research conducted by June 2017. All partners received a common template including relevant stakeholders such as Crowdfunding (CF) platforms, finance and public actors as well as intermediaries.

CF platform: Crowdfunding platforms active in the region were identified. Each partner analysed the CF model the platform implements (donation-, reward-, loan-, equity-based). Further information on geographical coverage of campaigns, target groups, successful campaigns, amount of investment, quality standards as well as reference projects were included.

Finance stakeholders: This table includes relevant financing institutes, business angels & investment companies and public authorities involved in innovation finance.

Public and intermediaries: This table includes funding institutes, incubators & accelerators, business support agencies and chambers / associations and other intermediary organisations within the regional innovation system.

CF platforms

Basic information		Crowdfunding models				Additional information							
Name of the platform	Homepage	Head office	Founding year	Donation-based	Reward-based	Loan-based	Equity-based	Geographical coverage of CF campaigns	Topics / Target groups	Total number of successful CF campaigns on the platform up to 4/2017	Total CF investments on the platform up to 4/2017	Average investment per CF campaign	Information on quality standards
HitHit.cz s.r.o. / HitHit.cz	www.hithit.cz	Praha, Czech Republic	2012	X				CZ	Theater, Music, Film, Technology, Sport, Dance, Literature, Fashion, Games, Photography, Education, Community	ca 350	over 1.3 mil. EUR	18.000 EUR	
Army of Darkness s.r.o. / Startovač.cz	www.startovač.cz	Praha, Czech Republic	2013	X				CZ	Books, Comics, Film, Music, Games, Apps, Science and Technology, Art, Entrepreneurship			5.000 EUR	
Fundhall s.r.o. / Peněžďroj.cz	www.penezďroj.cz	Plzeň, Czech Republic	2015	X			X	CZ	Travel, Gastronomy, Charity, Community, Sport and Health, Technology, Art and design, Education, Services	14	60.000 EUR	90 EUR	
Nakopni.Mě s.r.o. / Nakopni.me	www.nakopni.me	Brno, Czech Republic	2011	X				CZ	Entrepreneurship, Art, Sponsorship, Public projects, Charity				registration at Czech National Bank
P2P finance CZ s.r.o. / Pujcmefirme.cz	www.pujcmefirme.cz	Praha, Czech Republic	2015			X		CZ	Entrepreneurship				
Fundlift, s.r.o. / Fundlift.cz	www.fundlift.cz	Praha, Czech Republic	2016				X	CZ	Entrepreneurship - Food & Drinks, Industry, Technology, Health		ca 2.6 mil. EUR	1.100 EUR average investment 185.000 EUR average emission	
Benefi a.s. / Benefi.cz	www.benefi.cz	Praha, Czech Republic	2015			X		CZ	Public loans		ca 1.9 mil EUR		registration at Czech National Bank
Zonky s.r.o. / Zonky.cz	www.zonky.cz	Praha, Czech Republic	2015			X		CZ	Public loans		ca 30 mil. EUR		registration at Czech National Bank
Admin P2P s.r.o. / Bankerat	www.bankerat.cz	Praha, Czech Republic	2010			X		CZ	Public loans		ca 29 mil. EUR		registration at Czech National Bank
Plzeň 2015, o.p.s / Everfund.cz	www.everfund.cz	Plzeň, Czech Republic	2014		X			CZ	Architecture, Design, Theatre, Film, Video, Multimedia, Comics, Fashion, Writing, Multimedia, etc.				
Kreativisobe.cz	www.kreativisobe.cz												
RaiFeisenbank / Odstartováno.cz	www.odstartováno.cz												
ScoreSoft Corporation s.r.o. / Vision Partners	www.visionpartners.cz	Ostrava, Czech Republic			X			CZ					
Supraphon / Katalyzátor	www.katalyzator.cz				X			CZ	Music				

Finance stakeholders

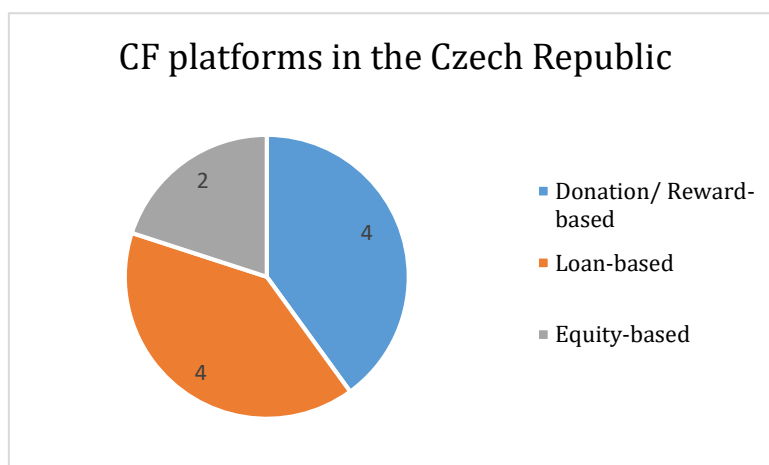
	Name	Homepage	Head office
Financing institutes	Fundhall s.r.o.	www.penezdroj.cz	Plzeň
	Home Credit / PPF	www.zonky.cz	Praha
	Symfonie Capital	www.symfoniecapital.com	Praha
	Roman Kakos		
	Rockaway	www.fundlift.cz	Praha
	Raiffeisen Bank	www.rb.cz	Praha

Public and intermediaries

	Name	Homepage	Head office	Short description
Chambers / Associations / Interest groups	Hospodářská komora České republiky	www.komora.cz	Praha	Czech Chamber of commerce - national umbrella organisation.
	Jihočeská hospodářská komora	www.jhk.cz	České Budějovice	South Bohemian chamber of commerce.
	Regionální rozvojová agentura Jihočeského kraje	www.rera.cz	České Budějovice	Regional development agency for South Bohemia.
	Jihočeská univerzita v Českých Budějovicích	www.jcu.cz	České Budějovice	South Bohemian University
	Euroregion Silva Nortica	www.silvanortica.cz	Jindřichův Hradec	Euroregion
	Jihočeský kraj	www.kraj-jihocesky.cz	České Budějovice	South Bohemian Authority
	Svaz měst a obcí Jihočeského kraje	www.smojk.cz	České Budějovice	Association of South Bohemian municipalities
	Česká bioplynová asociace	www.czba.cz	České Budějovice	National Technology Platform for biogas production and utilization.
	Společnost vědeckotechnických parků ČR	www.svtp.cz	Praha	Association of Czech Science and Technology Parks.
Funding institutions	Ministerstvo průmyslu a obchodu ČR	www.mpo.cz	Praha	
	Technologická agentura ČR	www.tacr.cz	Praha	Technology agency of the Czech Republic
Incubators & accelerators	Jihočeský vědeckotechnický park, a.s.	www.jvtp.cz	České Budějovice	South Bohemian Science and Technology Park
	Technologické centrum Písek	www.tcpisek.cz	Písek	Technology center based in Písek
	Centrum pro inovace a transfer technologií	www.citt.cz	Dolní Břežany	Center for innovations and technology transfer
Innovation / Business support agencies	Asociace malých a středních podnikatelů ČR	www.amsp.cz	Praha	SME Association of the Czech Republic
	Agentura pro podporu podnikání a investic CzechInvest	www.czechinvest.cz	České Budějovice	Czech Agency for Investment and Development
	Czech ICT Alliance / CzechTrade	www.czechict.cz	Praha	Czech ICT Alliance under the supervision of CzechTrade supports Czech ICT exports activities.
Others	Krajská komise pro inovace Jihočeského kraje	www.kraj-jihocesky.cz	České Budějovice	South Bohemian Authority
	Technické a vzdělávací konsorcium při VŠTE	www.vste.cz	České Budějovice	The Institute of Technology and Business in České Budějovice.

3 Status quo of Crowdfunding activities and networks

In the Czech Republic, the Crowdfunding market is still in its developing phase, with project size and investment volume being relatively modest. Cultural and social projects significantly outnumber start-up funding or other business transactions. There were 14 CF platforms identified, of which 8 were active as of April 2017. Some of them offer more than one type of CF. The total number of successful Cf campaigns is more than 360 (April 2017).



Source: CrowdStream; Stakeholder mapping / Czech Republic

The following **types of Crowdfunding** are currently used:

- There are already some platforms operating on the market, which deal with **equity crowdfunding** (e.g. *Fundhall s.r.o. / Peněždroj.cz* and *Fundlift, s.r.o. / Fundlift.cz*). However, this type of CF has yet to emerge.
- **Lending based CF** is still emerging in the Czech Republic. Couple of platforms specialising in peer-to-peer lending currently exist, even though lending volume is low and private loans to individuals currently outnumber business loans. Currently, these are the following platforms: *P2P finance CZ s.r.o. / Pujcmefirme.cz*; *Benefi a.s. / Benefi.cz*; *Zonky s.r.o. / Zonky.cz* and *Admin P2P s.r.o. / Bankerat*.
- **Reward-based CF** is the most developed Crowdfunding model, with several platforms functioning. While the majority of Crowdfunding ventures still support cultural or social projects, funding for start-ups is no longer uncommon. Please note that it is **not appropriate to refer to a Donation-based CF**, as the current platforms do not accept pure donations – instead, they structure the transactions as a sale of the offered rewards. This is done in order to avoid falling under the

scope of Act No. 117/2001 Coll. on public collections, as amended the “APC”, which imposes significant administrative limitations on the public collection of donations (see 5.4 for more).

CF platforms working with the Reward model are *HitHit.cz s.r.o. / HitHit.cz; Army of Darkness s.r.o. / Startovač.cz; Fundhall s.r.o. / Peněždroj.cz and Nakopni.Mě s.r.o. / Nakopni.me.*

The current CF volume of investment is **around 100 mil. EUR since 2011** (data available only for the national level).

4 Success stories

Each CrowdStream partner region has tried to identify some typical examples of successful crowdfunding campaigns that reflect the status of development of alternative finance mechanisms at local level, as indicated below:

Box 1

From Survivors to Winners / 2015

- **Company:** ELAI
- **CF platform used:** hithit.cz
- **Topic:** Start-up / Young business
- **Amount of money raised:** 4.000 EUR



Short description

Business Week Summit is a project related to the worldwide known Business Week which is the biggest event for entrepreneurs, start-ups and all interested in starting their own business, being held each year on the third week in November. The target of this project was to award ten best business ideas with an scholarship.

Recent influence

Box 2

Fall in love with “non-milk”

- **Company:** Nemléko
- **CF platform used:** hithit.cz
- **Topic:** Food / Start-up
- **Amount of money raised:** 20.000 EUR



Short description

Project of two young people dedicated to production of milk made of almond, dates, water and pinch of salt for everyone who can't drink milk from animals. Campaign to raise needed production facility.

Recent influence

5 Lessons learnt

The stakeholder mapping results (see sections 2 and 3) together with the analysis of local good practice examples of successful crowdfunding campaigns give a first picture of the achievements and challenges and market readiness for alternative finance mechanisms in the project partner region:

- In CZ crowdfunding is perceived as a new and easy way to finance innovative projects which is becoming more and more popular recently.
- There is a need for reducing bureaucracy, simplifying the administration system and increasing transparency in the allocation of funds.
- The attractiveness of CF business plans for potential investors in terms of legal and financial conditions needs to be increased.
- Not yet revealed sectors ideal for crowdfunding – e.g. renewable energy projects, community utilities, etc.