

CONTENTS

Foreword	7
Preface	8
Acknowledgments	13
Chapter I. Introduction and Overview	14
Business Incubation as an Economic Development Strategy	16
Business Incubation as an Investment Strategy	18
Accelerator/Incubator Companies	20
Operating companies (including EcoNets and Metacompanies)	20
Other models	20
Information technology CVAs	21
Agriculture, biotechnology, and pharmaceutical CVAs	21
Foreign-Owned and International Incubators in the US	22
Foreign-owned Incubators	23
“International” Incubators	23
Business Incubation in a Global Context: Transitional and Developing Economies	24
Organization of the Report	25
Reference Cited	25
CHAPTER 2	
Business Incubation as an Investment Strategy: Direct Profit Models, Corporate Venture Arms and Corporate-Sponsored Incubators	26
Introduction	26
A. Direct Investment Models of Business Incubation:	
Accelerators, EcoNets and Metacompanies	27
<i>Accelerators</i>	28
<i>EcoNets</i>	29
<i>Metacompanies</i>	31
How Successful Are Accelerators, EcoNets and Metacompanies?	32
Table 1: <i>Idealab! failures – October 2000</i>	34
Current and future trends in for-profit, or direct investment incubation models	36
Table 2: <i>Variables for Differentiating New Models of For-Profit Business Incubation</i>	38
Table 3: <i>Comparison of profiled for-profit incubators</i>	38

CONTENTS ~ CONTINUED

B. Indirect Profitability Approaches to Business Incubation:

Corporate Venture Arms	40
Does Corporate Venturing Work?	43
Present and Future Trends of Corporate Venture Arms	46
Corporate Ventures in Information Technology vs. Biotechnology	47
<i>Information technology</i>	47
<i>Biotechnology/pharmaceutical</i>	48

C. Corporate-sponsored Incubators 50

How Successful Are Corporate-sponsored Incubators?	51
--	----

Chapter 2 Appendix A

Profiles Of Accelerators, IT Marketplace Incubators, Early-stage Venture Capital Firms, and Incubating Operating Companies 52

Accelerator / Incubator Companies	53
Cenetec Ventures	53
Garage.com	55
IncuVest/Vennworks	58
TechSpace	60

Operating Companies 63

CMGI	63
Divine InterVentures	65
Internet Capital Group (ICG)	68
Raza Foundries	70
Safeguard Scientifics, Inc.	72

Other Models 75

Telecommunications Development Fund	75
Verner, Lipfert, Bernhard, McPherson & Hand1	77

Chapter 2 Appendix B Profiles of corporate venture arms 79

Information technology CVAs 80

Cisco Systems	80
Intel Capital	86
Lucent Venture Partners	91

CONTENTS ~ CONTINUED

Agriculture, biotechnology, and pharmaceutical CVAs	93
Cargill eVentures	93
Eli Lilly & Co.	97
Johnson & Johnson Development Corporation	100
Merck Capital Ventures	104
Chaper 2 Appendix C	
Profiles of corporate-sponsored incubators	106
Becton Dickinson Biotechnology Incubator	107
Fizzion (Coca-Cola)	109
Lucent New Ventures Group	111
Nidus Center for Scientific Enterprise (Monsanto Company)	113
Chapter 2 References	118
Chapter 3	
Foreign-owned and International Incubators in the U.S.	130
Introduction	130
Foreign-owned Incubators	130
International Incubators	131
Chapter 3 Appendix	
Profiles of Foreign-Owned Incubators in the US and US-Based International Incubators	133
Advanse International	134
Enterprise Ireland	135
iPark Silicon Valley/Boston	137
Boston	139
JETRO US-Japan Business Incubation Center	140
Korea Venture Center	143
Panasonic Digital Concepts Center (PDCC)	144
Scottish Technology and Research Centers	147
Softbank Corp.	149
Incubator America	153
International Business Incubator	154
Chapter 3 References	156

CONTENTS ~ CONTINUED

CHAPTER 4

Business Incubators in Developing and Transitional

Economies of the Middle East and Central Asia 158

Introduction 158

Overview of International Economic Development Agencies

and Their Roles in Fostering Business Development in the Selected Countries 160

World Bank 161

The International Finance Corporation (IFC) 161

United States Agency for International Development (USAID) 162

United Nations Industrial Development Organization (UNIDO) 164

United Nations Educational, Scientific and Cultural Organization (UNESCO) 166

United Nations Development Program (UNDP) 166

UNDP in Europe and in the Former Soviet States 167

UNDP in the Middle East and North Africa 169

United Nations Development Fund for Women (UNIFEM) 170

UNIFEM in Central and Eastern Europe and the Commonwealth of Independent States 172

Asia Pacific and the Arab States 173

The Eurasia Foundation 174

Highlights of Business Incubation Activities in Central Asia and the Middle East 177

Middle Eastern Countries 179

Chapter 4 Appendix

Business Incubators in Developing and Transitional

Economies of the Middle East and Central Asia 181

Armenia 182

Azerbaijan 192

Bahrain 198

Cyprus 208

Egypt 211

India 225

Iran 231

Israel 233

Jordan 245

CONTENTS ~ CONTINUED

Kazakhstan	258
Kyrgyzstan	264
Lebanon	270
Pakistan	273
West Bank/Gaza	280
Republic Of Georgia	287
Saudi Arabia	290
Tajikistan	293
Turkey	297
Turkmenistan	302
United Arab Emirates	307
Uzbekistan	315
Table 1: Business Incubators of Uzbekistan:	320
Yemen	322
WORLD WIDE WEB ADDRESSES	325
INDEX	328