

Innovation glossary



Domaine de Recherche et d'Innovation Majeur



A

Abort fees	Various advisory fees related to a transaction, the payment of which, in the event of failure to complete the transaction, is generally borne by the private equity investor.
Accelerator	A dedicated program for entrepreneurs that is short but intensive, aimed at accelerating the growth of startups by offering various useful services for launching the young company: developing its idea, recruiting and forming teams, financing, mentoring, etc.
All or Nothing (AON)	Reward-based crowdfunding process according to which a crowdfunding operation is successful if the fundraising objective set by the project leader is achieved. If the latter is not reached, the funds are returned to the investors.
Alliance manager	Someone who manage for adding value to the industry by coordinating and negotiating with company partners. The role of Alliance manager is to increase long-term revenue as well as upgrade the performance of the company. The position is to create synergy between two groups and enabling the partnership to be on
Annual fee	An amount fixed that credit card companies charge cardholders on a yearly basis for maintaining their credit card account.

B

Bad leaver	A promise of sale made by the outgoing partner or shareholder. It is triggered in the event of dismissal for serious or gross misconduct or resignation.
Balance Sheet	Summary of the financial balances of an individual or organization, whether it be a sole proprietorship, a business partnership, a corporation, private limited company.
Benchmarking	Practice of comparing business methods and performance indicators from the best practices of the best companies.
BFT Bource French Tech	Subsidies which allow you to position your innovative project and validate a certain number of hypotheses.
Board	Management committee (or executive committee).
BPI France	Banque Publique d'Investissement supports companies from the seed stage through to listing on the stock exchange.
Break even	Reaching the break-even point.

BRL (Business Readiness Level)	A concept that refers to the maturity of the business considerations developed alongside the technical development of an innovation. This is a valuable assessment tool for innovators seeking to establish a technology that is both financially viable and commercially feasible.
BtoB (Business To Business)	Business To Business is the exchange of products, services or information between businesses.
BtoC (Business To Consumer)	Business To Consumer is the exchange of products, services or information between businesses and consumers.
Burn rate	The speed at which a company in the startup phase will consume its cash before the next round of funding.
Business Angels	An individual who invests part of his or her personal assets directly in a business, often in the start-up phase. He provides his expertise and advice.
Business developer	Someone who implement and coordinate the company's business plan. Their main role is to deploy new growth levers for the company.
Business Model	Document that describes the principles and processes by which a start-up creates and distributes value.
Business Plan	Development plan for a start-up over 3 to 5 years with developments in commercial areas, competition, products, techniques, means of production, investments, human resources, IT, financial, etc.
C	
CAPEX (Capital Expenditures)	The money of organization or corporate entity spends to buy, maintain, or improve its fixed assets, such as buildings, vehicles, equipment, or land.
Capital	Those sustainable produced goods that are in turn used as productive inputs for further production" of goods and services.
Carried Interest	Incentive compensation for private equity firm managers, typically above a minimum return rate (known as the "hurdle rate").
Cash Accounting Method	The cash method of accounting, also known as cash-basis accounting, cash receipts and disbursements method of accounting or cash accounting records revenue when cash is received, and expenses when they are paid in cash.
Cash Flow	The net cash and cash equivalents transferred in and out of a company.
Cash Management	All the methods by which a company manages its financial resources (investments, collections, employee remuneration, etc.). This principle is of paramount importance for businesses, because a well-thought-out cash management strategy allows them to optimize their financial flows and grow sustainably. There are now professions and higher education courses dedicated to cash management.

Cash plan	A cash plan is a low-cost, high-reward way of looking after your employees. It ensures their comfort in a streamlined way. Making sure specific healthcare costs of your staff are covered is vital, and made simple by a cash plan.
CEO/ CTO/ CFO/ CMO	CFO (Chief Financial Officer), COO (Chief Operating Officer), CMO (Chief Marketing Officer), CIO (Chief Information Officer), CCO (Chief Communications Officer),
CIFRE (Convention Industrielle de Formation par la Recherche);	Industrial Agreements for Training through Research (CIFRE) french contracts provide for an applied research project, with close ties between a PhD student, a structure that hires him/her, and a university laboratory that hosts him/her and contributes to his/her training.
Closing	The point in time at which all necessary documents are signed by all the parties, apportionment of expenses up to the date of closing is done, money and keys are exchanged, and the buyer becomes the new owner of the business.
Cluster	Geographic concentrations of interconnected businesses, suppliers, institutions, industrials. The goal is to help to be more innovative.
Commitment Consortium Agreement	A binding contract which specifies the rights and obligations of the project partners.
Corporate venture	Corporate Venture Capital Fund
COO	An executive who manages the personnel, resources, logistics, and daily operations of an organization. COOs are usually second-in-command immediately after the CEO, and reports directly to them and acts on their behalf in their absence. A COO is usually voted in by shareholders or appointed by the board of directors.
Crédit Impot innovation (CII)	Tax instrument derived from the Research Tax Credit (CIR) that allows SMEs to obtain a tax credit based on certain eligible innovation expenses (subject to conditions).
Crédit Impot Recherche (CIR)	Tax instrument that allows companies to reduce their taxes based on expenses incurred in fundamental research and experimental development
Credit Terms	An agreement between the buyer and seller about the timings and payment to be made for the goods bought on credit.
CRL (Customer Readiness Level)	Confirm market need and interest from target customers
CRM Customer relationship management	This refers to the set of management and optimization systems that a company uses to manage its relationships with customers, with the goal of better understanding, tracking, satisfying, and retaining them.
Crowdfunding	A way to raise money for an individual or organization by collecting donations through family, friends, friends of friends, strangers, businesses, and more.

Crowdsourcing	The practice of obtaining information or input into a task or project by enlisting the services of a large number of people, either paid or unpaid, typically via the internet.
Customer to customer (C2C)	Refers to the exchange of goods and services between multiple consumers without the involvement of an intermediary
D	
Data room	A room where confidential documents and information are gathered and made available to potential investors. Data rooms are sometimes virtual, in which case they are referred to as electronic data rooms.
Deal Flow	Term used by financial professionals such as investment funds, business angels, venture capital institutions and investment banks to refer to the rate at which they receive commercial offers or/and offers investment. This rate is a qualitative measure allowing us to judge the relevance of an investment or not based on a flow of offers.
Deeptech	Disruptive technologies, or combinations of technologies, describes characterized by four criteria: 1) The link with research 2) The ability to remove technological barriers 3) The creation of a strongly differentiating advantage 4) A long and complex go to market, therefore capital intensive.
Design Thinking	A process for solving problems by prioritizing the consumer's needs above all else.
Discounted cash flows (DCF)	Valuation method that consists of calculating a company's value based on its future generated cash flows
Due diligence	Set of formal and informal mechanisms put in place by a capital investor to assess the development potential of a company.
E	
Early stage	First stages of the life of a business.
e-dataroom	A secure place to share documents.
EIC (European Innovation Council)	An European institute which aims to support the emergence and marketing of high-impact disruptive innovations.
Equitycrowdfunding (crowdinvesting)	The online offering of private company securities to a group of people for investment and therefore it is a part of the capital markets.
F	
Fablab	A FabLab, or 'fabrication laboratory,' is an open collaborative manufacturing space that provides the public with a wide range of tools, including machines, hand tools, and 3D printers. They enable rapid prototyping and the quick realization of prototypes.
FNV(Fonds National de Valorisation)	Services from SATT financed by ministry of research to improve performance in research and development.

Free Cash Flows	Free cash flow (FCF) is the cash that remains after a company pays to support its operations and makes any capital expenditures (purchases of physical assets such as property and equipment). Free cash flow is related to, but not the same as, net income. Free cash flow provides better insight into both a company's business model and the organization's financial health.
FRL (Funding Readiness Level)	Prepare for investment and secure funding.
Fundraising operation or capital raising	Form of an investment in the capital of a company, in return for a cash contribution from an investor. It allows the company to ensure its growth by investing, for example, in the purchase of equipment or the recruitment of personnel.
Future Value	Future value (FV) is the value of a current asset at a future date based on an assumed rate of growth. The future value is important to investors and financial planners, as they use it to estimate how much an investment made today will be worth in the future.
G	
Go to market	Strategy followed by a company, using its resources (sales forces, distributors, etc.), in order to provide a value proposition to consumers. The ultimate goal is to improve the entire user experience by offering a product or service with unbeatable value for money.
Growth	Growth hacking is the practice of adapting every possible marketing means to generate rapid growth, whatever the cost.
H	
Hands-on (investisseurs hands-on)	Investors taking direct part in the decisions of the companies whose securities they hold.
I	
i-lab	A BPI competition which aims to detect projects to create innovative technology companies and to support the best of them.
incubator	An organization, institute or program that supports new businesses, ideas, and ventures for project with innovation potential.
i-nov	A BPI competition which supports innovative development projects carried out by start-ups and SMEs.
INPI	French National Institute of Industrial Property, its mission is to protect trademarks and patents in France.
IP	Intellectual property.
IPRL (Intellectual Property readiness level)	Assess and develop suitable intellectual property (IP) protection.
IPO	Initial Public Offering
J	

JEI	Status granted to a small or medium-sized enterprise that engages in research and development expenditures while meeting certain conditions (such as years in operation, percentage of R&D expenditures, and capital independence) that allows it to benefit from tax relief on profits
Journal Entry	Transactions are listed in an accounting journal that shows a company's debit and credit balances.
K	
Keep it all (KIA)	Reward-based crowdfunding process whereby funds are retained by the project leader even if the fundraising objective is not achieved.
KOL (Key Opinion Leader).	Means a person who has a significant influence on the opinions and behavior of others in a particular industry or field.
KPI (Key Performance Indicator)	Numerical element allowing the performance of a marketing campaign to be gauged. Incidentally, it is also used as a decision-making tool for the manager.
L	
Licensee	A person or organization who has official permission to make, do, or own something.
Licensor	A person or organization who gives another person or organization official permission to make, do, or own something.
Licorn	A privately held startup company with a value of over \$1 billion
Love money	Money given by your friends and family.
M	
Milestone	Important step./ Payments correspond to key stages of technological/regulatory development.
N	
NDA (Non-Disclosure Agreement)	A contract which provides a framework for the exchange of sensitive information. The disclosure of which is prejudicial to the party holding it.
Non competition clause	This clause typically restricts an employee from working with competitors or starting a competing business for a certain period after leaving the company, often within a specific geographic area.
P	
Patent	A property right granted to an inventor that prohibits third parties from using, offering for sale, or selling an invention for a limited period of time. This property right is granted in exchange for the public disclosure of the patent at the time of filing.
Pitch	Present an argument. Generally, the expected format is 180 seconds.
Post-money	Value of the company after every factor has been considered, agreed upon, and added up, it is simpler for investors.
Pre-maturity	Preliminary phase of the valorisation process of an innovative result, i.e., one that is new in relation to the state of the art in science and technology.

Pre-money	The valuation of your business prior to an investment round, while post-money is the value of your business after an investment round.
Private equity	A generic term referring to all equity financing provided by professional investors (private equity firms, business angels). This concept therefore includes venture capital, growth capital, turnaround, and LBOs (in all their forms).
R	
Repayable advance	Extrabanking credit for a company to develop a research program, usually granted by local authorities or public authorities without any requirement for collateral.
Reward	Reward is an incentive plan to reinforce the desirable behavior of workers or employers and in return for their service to the organization.
Reward-based crowdfunding	A business and project financing method where business owners solicit funds from a large number of people in return for a non-financial reward. This fundraising method results in a win-win proposition for both the donors and fundraisers.
Royalties	Payments correspond to key stages of technological/regulatory development.
S	
S.W.O.T	SWOT analysis (or SWOT matrix) is a strategic planning and strategic management technique used to help a person or organization identify Strengths, Weaknesses, Opportunities, and Threats related to business competition or project planning.
Sales Development Representative	Someone who focuses on prospecting, moving and qualifying leads through the sales pipeline, then passing them on to the people responsible for closing sales.
SATT	A Technology Transfert Acceleration Companies. SATTs carry out shared actions in order to increase the attractiveness, readability and visibility of technologies resulting from French academic research among companies.
Scalability	Increasing scale renderings. For a start-up, this means the ability to grow quickly while improving its profitability.
Scouting	Method implemented by a company to identify emerging technologies that can fill the gap between the tech and the IP portfolio of the company.
Seed capital	First phase of financing the creation of a business, the equity funds paid to the start-up are intended for research, evaluation and development of an initial concept (or prototype) before the creation phase.

	An investment which supports a company which is already in operation. This is not the case for investments in depreciation or seed. Each round of financing is intended to meet a company's specific growth and development needs.
Series funding A, B, C	Funding rounds that generally follow "seed funding" and "angel investing," providing outside investors the opportunity to invest cash in a growing company in exchange for equity or partial ownership. Series A, B, and C funding rounds are each separate fund-raising occurrences. The terms come from the series of stock being issued by the capital-seeking company.
Shareholder agreement	Contract which defines the rights and obligations of the shareholders of a company. This contract binds certain shareholders, it is confidential.
Spin Off	Transformation of a university project into business creation.
Soleau	The Soleau envelope is a simple and inexpensive means of proof. It is a proof of anteriority used in France to date a technical invention (a new product, an improvement to a product or process, an innovative process, a manufacturing method, etc.), an artistic work, a business or service concept, a design or model, commercial data, etc., while preserving its contents secret nature.
Sublicensee	A subordinate license granted to another by one already having a license.
T	
Term sheet	A bullet-point document outlining the material terms and conditions of a potential business agreement, establishing the basis for future negotiations between a seller and buyer.
Time to Market	Time which separates the first expenses linked to the design of a new product or service from its actual availability on the market.
TMRL (Team Readiness Level)	Build, develop and align the required team.
TPP	Target profil product is a ket document which provides information to the Food and Drug Administration (FDA).
TRL (Technology Readiness Levels)	Unified method to understand the technological maturity of an innovation. Each technology project is evaluated against the parameters for each technology level and is then assigned a TRL rating based on the projects progress.
TTO (Technology Transfer Office)	A primary point of contact for companies and organizations wishing to acquire technologies and to use the expertise and facilities under a collaboration or licensing agreement.
U	
Unfair advantage	Competitive advantage. "Unfair" means that a competitor will not be able to benefit from it.
Unicorn	A unicorn is a privately held startup company valued at over 1 billion euros.
Upfront	Payment is due on the date of signature.
V	

Valorisation	An activity that consists in increasing the value of innovative research results in order to transfer them to cultural, economic or societal actors.
Venture Builder	A company that creates startups using shared resources and multidisciplinary teams.
Venture Capital	A form of private equity and a type of financing that investors provide to startup companies and small businesses that are believed to have long-term growth potential. Venture capital generally comes from well-off investors, investment banks, and any other financial institutions.
W	
Warm Calling	The act of calling a prospect, or potential customer, after the latter has first expressed an interest.
Working capital requirement (WCR)	Working capital requirement (WCR) is the amount of money required to cover your operating costs. It represents your company's short-term financing requirements.