

Airbus taps into start-up ecosystem to innovate

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When European aircraft manufacturer Airbus decided to dip its hand into the start-up ecosystem, one of the biggest challenges it faced was to change mindsets within the company.

"We had to do a lot of evangelisation work within the company, as many questioned us on how start-ups can help us build aircraft. This is not all. We had to also tell the finance people that they should think like investors rather than people who have budgets. We had to do a lot of convincing work," says Bruno Gutierrez, head of Airbus BizLab.

Airbus BizLab is an initiative initiated by Chief Executive Officer Fabrice Brégier who wanted to accelerate innovation at Airbus as well as get access to more entrepreneurial mindset into the company. It was also Brégier's idea to have a hybrid model, unlike several other accelerator programmes. The hybrid model houses both internal projects and external start-ups on the same platform.

Gutierrez explains that Airbus had its share of innovation within



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the company, but being an industrialised conglomerate, innovation at Airbus is techno-centric.

"BizLab's is an effort to open our innovation and technology platforms to start-ups so that we accel-

INDIAN START-UPS SELECTED

- **BLUE MORFO** is developing a mobile application to detect and prevent specific corporate health-related issues, such as exposure of airline crew to jetlag and cabin pressurisation
- **SHOONYA GAMES** is proposing interactive gaming solutions for training and marketing purposes through the use of Virtual Reality and 3D technologies embedded in a mobile device
- **OPEN TURF** has a project to provide wireless in-flight entertainment using passengers' personal devices

erate innovation at the company. It is also about collaborating with others and bringing them into our

innovation centres. We also want access to entrepreneurial mindsets than engineering mindset."

BizLab, the six-month accelerator programme, has been launched in three cities — Toulouse in France, Hamburg in Germany and Bengaluru in India. As part of the programme, each start-up gets access to mentors or experts from Airbus, working space, and marketing expertise. From India, the company has enrolled six start-ups the accelerator programme.

The selection of start-ups is very focused. Gutierrez shared that as the name suggests that innovation at BizLab is focused on creating value.

"We are looking for early-stage start-ups. It's not easy to start a business in the aeronautic industry. It's a very specific segment; it's expensive in terms of development, has long gestation and a lot of certification is required; definitely, it's not a natural playground for start-ups. So, what we're looking for is to develop a concept that we believe can be used for this industry and work with start-ups to make it viable," Gutierrez adds.

He says that for the first programme, BizLab has 15 start-ups-

six in Hamburg, five in France and four in Bengaluru. "We limit the number because working with start-ups and supporting them is time-consuming. Trying to handle 15 start-ups in other segments would have been easy but in our industry, it's difficult. And, we want to focus on value. The decision is good, because five of them are now raising funds. Maybe, we'll start collaboration with some."

In terms of funding, Airbus does not fund start-ups but once they are through the accelerator programme, they help them raise funds. Airbus however, funds internal projects. "We do not even take equity upfront. The programme is free but we ask for three per cent of the first funds raised — if it happens," says Gutierrez.

Besides the fact that Bengaluru is the start-up hub of India, the other reason to have BizLab in the city is that the company has 350 engineers in the city. "Thanks to the hybrid concept, we have pre-controlled projects and we can also have start-ups. We'll look at other regions as well but we want to see how these three perform before we diversify," Gutierrez adds.