



## Stanford eCorner

### Start-Up Chile

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Video URL: <http://ecorner.stanford.edu/videos/2493/Start-Up-Chile>

Economic Minister Fontaine outlines details of Chile's grant-making and business magnet program, Start-Up Chile. The program offers a \$40,000 grant to entrepreneurs bringing early-stage businesses to the country for a minimum of six months. Grant winners must interact with the Chilean people and maintain ties with the country, even if the company relocates to foreign soil. Fontaine explains this is a pilot program which the government hopes will help to spark a culture of innovation.



#### Transcript

Now, I know you're launch is this really interesting, this new initiative to start up Chile to entice, you know, folks from around the world to start their companies in Chile. I think it's really a bold move. So maybe you could tell us a little bit about what this is about or what do people get? I mean, if I decide I want to come to Chile and start my company there, what are you going to give me? What we're doing is to offer \$40,000 for people that go to Chile. That's a grant. They'll get that grant for doing their early stages of their project in Chile. And we help them with the other facilities and offices, of things of that sort to settle there on the condition they have to comply. First, the project has to be approved by a board. So they have to apply for that approval. And they have to be there and interact with Chilean entrepreneurs. To give a few talks of what they're doing because what we want to get from this is the interaction, the critical mass that creates interaction between the Chilean people, entrepreneurs, and these entrepreneurs we're bringing from the rest of the world.

And to do that, we need that kind of conversation to take place. And the other thing we want is that these entrepreneurs after they spend six months or a year in Chile, they are going to move probably here or some other place and we want them to get connected to Chile. The best way to actually get this interconnection with these innovation centers of the world that I was mentioning is through people. In the end, this is basically a matter of getting to know the other people and this is the way to do it. That's what we want to get from them. So it's a nice way of inviting people down there and spend some time and get to know the country. "Where is the \$40,000 per venture coming from, and basically what sort of return on that investment you are expecting? Well, this is a pilot program. We set a limited amount of money that we have been devoting for this. So people are going to compete for this. And we're going to see what happens.

That way if the pilot works well, we want to scale it, and we are going to look for, probably, private money to actually expand it. And what would the return be? As I said, it's not something very tangible in a sense. What we are trying to is to develop the innovation culture and we think that creating this critical mass of people doing innovations in Chile is going to help in that direction. And it's a small amount of money we are going to invest in this, in terms of the total fiscal budget. We are very conservative fiscal people. We are not actually engaging in large public investment program regarding innovation and things of that sort. These are very limited intervention. You know, to get the thing moving, basically.