

# Katapult Incubator: a launchpad for entrepreneurs in Trbovlje, Slovenia

By supporting startups with space, machinery and knowledge, business incubator Katapult provides young talents the space to develop their own businesses from idea to production. As such, the organisation is an important element for the region's economic development and diversification.

## DESCRIPTION

**Location:** Trbovlje, Central-Eastern Slovenia

**Type of action:** Entrepreneurial Incubator

**Actors:** Businesses, startups, private companies, young people.

**Financing conditions:** EU funding, private investments



## KEY POINTS



### APPROACH

- Katapult is a business incubator aiming to support startups in the region, with a focus on hardware production companies
- The incubator offers business infrastructure, knowledge support, a profit-and-loss centre, and additional services for startups
- It furthermore hosts events and collaborates with the municipality and schools



### ENABLING CONDITIONS

- Katapult receives corporate sponsorship from its parent company Dewesoft, which supports the business incubator with know-how, office infrastructure and machinery.
- The incubator fills a gap, as a lack of office and production space for businesses had been hindering startups in the municipality from being established.



### CHALLENGES

- Initial difficulty in establishing a formalised mentoring programme
- Attracting promising startups to collaborate with



### ACHIEVEMENTS

- The incubator has supported the transition of the central Sava Valley and provides jobs and perspectives especially for young entrepreneurs in the region.
- Chipolo is an example of a startup that became an established company with a yearly revenue of €4 million.



**FIGURE 1: TECHNICAL EQUIPMENT AND INFRASTRUCTURE PROVIDED BY KATAPULT.**

Source: Katapult.

## Introduction

With its 250-year history of mining coming to an end, the former mining town of Trbovlje in the Zasavje region (also known as the Central Sava Valley region) of central Slovenia is on the way to transforming itself towards a climate-neutral future. The local economy has long been supported by coal mining, including the establishment of other industries in the region thanks to mining, such as electrical, chemical, foundry, glass, and machinery industries. However, in the early 1990s, the mining boom slowly came to an end, resulting in a recessive local economy with a lack of job opportunities and migration of young people to other parts of the country.

After the coal boom, one of the region's main economic success stories was the Dewesoft company, a privately-owned Slovenian multinational engineering and electronics company headquartered in Trbovlje, and founded in the late-2000s. In 2016, Dewesoft – based on the initiative of its founder – established the **Katapult business incubator** in Trbovlje. The incubator aims to support young entrepreneurs in the region and to provide them space, knowledge, and a supporting environment in which to succeed. It was founded as a private limited company (Ltd.), set-up as an incubator, and currently operates as a non-profit, which is primarily oriented towards those who wish to create hardware products. Dewesoft purchased a building in decay from Iskra – a former industrial conglomerate linked with the mining industry that used to provide many jobs in Central Sava Valley – and renovated and designed it in a modern manner to serve as the Katapult premises.

Today, Katapult is an innovative business incubator that offers support to mainly young entrepreneurs with

promising ideas, as well as other innovators who have designed an idea or a product and need support to facilitate their launch into the market. Katapult started small, providing ad-hoc support, expanding its activities in 2019 to provide the full support scheme programme that exists today.

Katapult supports startups at all stages by offering the following services:

- **Business infrastructure:** Since well-equipped facilities for businesses were lacking in Trbovlje, Katapult provides necessary infrastructure with subsidised rents. The Katapult premises provide offices, meeting rooms, relaxation corners, space for manufacturing prototypes, and some space for initial serial production. Most importantly, Katapult members benefit from the Dewesoft-owned machines and equipment, which alleviates startups from the burden of high upfront investments in expensive production facilities. One of Katapult's spinoffs, Katapult Metal, owns metal processing equipment for welding, bending, and twisting metal, as well as 3D printers, laser cutters, and materials for product testing.
- **Knowledge Support:** Katapult designed an "Entrepreneurship Mosaic", an educational programme that includes structured lectures based on key entrepreneurial practices including: Development of an Entrepreneurial Mindset, Team Management, Sales and Marketing, Company and Management, and Production and Development. In addition, Katapult offers a mentoring programme that guides young entrepreneurs throughout their business journeys. This includes both a three-month "bootcamp group training", as well as individual mentoring.

- **Additional Services:** Katapult furthermore helps new startups with business administration, accounting, logistics, and legal considerations. They provide access to logistical networks, marketing, and sales networks of established companies, and help startups with obtaining grants, finding new members, and with other development tools and resources for young businesses.
- **Profit-and-Loss Centre:** Katapult's Profit-and-Loss Centre offers an initial €3,000 fund for new startups. Once they reach turnover of €100,000, they are instructed to become registered as a business. Moreover, after €1,000,000 turnover, they are asked to give something back to the community (this latter point is not clearly defined).

In the beginning, Katapult supported mainly local startups, while today, entrepreneurs come from other parts of the country to Trbovlje. All the mentoring services offered by Katapult are free of charge once the startups are accepted into the programme, whereas services such as accounting and prototyping are offered at a discounted rate.

Additionally, in cooperation with Dewesoft, Katapult runs an educational programme in the fields of science, technology, engineering, and mathematics (STEM) for high school and elementary school children, with the aim to inspire young people to learn mathematics, and discuss professions of the future. Three educational events for children in October 2023 were funded by the Just Transition Fund.

## Key challenges

Mirroring the experiences of the startups that it supports, Katapult itself needed some time to kickstart their work. Finding an experienced and well-suited individual to lead the incubator was time consuming, and mentoring services needed some time to be set-up since many potential mentors had limited availability due to their commitments in ongoing professional and business activities.

Katapult invested considerable time and effort into building a comprehensive and insightful support programme that could effectively nurture startups. However, not all potential candidates were willing to establish a formal partnership with Katapult, as doing so requires being part of its programming, which requires dedication and has formal requirements that not all startups can or want to fulfil. Nevertheless, Dewesoft and Katapult have been steadily expanding their services, even recently having to expand their premises to enable growth in the near future. A recent announcement to expand the space in the City of Acrobats is discussed below.

## Enabling conditions

The availability of mentors, knowledge, machines, funds, and premises are considered the essential preconditions for the success of new startups. Katapult's achievements were enabled by its corporate backing by parent company Dewesoft, which provided the incubator with know-how, office infrastructure and machinery. Katapult highlights the importance of a successful company's backing or corporate funding for new incubators. No public funding was involved in Katapult's establishment; currently though, publicly financed programmes (EU Cohesion Policy Fund and Ministry for Economic Development) constitute 15% of Katapult's income. Katapult plans to decrease the use of external funding in the following years and aims to self-fund its programmes to a larger extent.

Before Katapult, Trbovlje's lack of buildings suitable to house businesses hindered startups from finding office and production space. Katapult was aided by the fact that its premises filled that distinct gap, offering 2500 square metres of space including eight offices, five manufacturing facilities, and a conference room. The machines, devices and measurement facilities provided by Dewesoft are an additional key asset that ensures startups can provide high quality products from the start. By leveraging these assets, entrepreneurs are able to concentrate on the core aspects of their business and foster an environment that nurtures free initiative and creativity.

### SERVICES OFFERED BY KATAPULT

#### Business infrastructure

- Suitable for setting up mass production lines
- Offices, meeting rooms, conference rooms, relaxation corners
- Office space for rent

#### Knowledge support

- Mentorship and advice
- Educational programmes including the "Entrepreneurship Mosaic" programme

#### Additional Services

- Administration and accounting
- Logistics and access to logistical networks
- Help with finding new team members
- Access to sources of financing, and help with obtaining grants (Katapult does not invest in companies and does not take equity)
- Access to sales network of established companies
- Marketing

#### Profit-and-Loss-Centre

- Initial €3000 fund for startups to build



By working with a wide range of entrepreneurs, Katapult has helped to convert ideas into businesses that create tangible products.

A wide spectrum of entrepreneurs have worked with Katapult to turn their concepts into stand-alone companies that produce physical goods.

**FIGURE 2: THE INCUBATOR ALSO HOSTS EVENTS IN ITS PREMISES AT KATAPULT.**

Source: Katapult.

## Achievements

Over the past years, the Central Sava Valley region has increasingly made progress towards transforming itself into a hub of creativity and technological advancement. The presence of an incubator such as Katapult has played a significant role in facilitating this shift. By working with a wide range of entrepreneurs, Katapult has helped to convert ideas into businesses that create tangible products.

A wide spectrum of entrepreneurs have worked with Katapult to turn their concepts into stand-alone companies that produce physical goods. One such example is Chipolo, a business that created an initial Keyring tracking gadget prototype and raised over \$30,000 USD in 2013 via a Kickstarter campaign. To support their growth Katapult offered the opportunity to test the product, and provided technical knowledge and helpful contacts. Currently, Chipolo generates a yearly revenue of about €4 million.

Other initiatives in the region also support startups; instead of seeing them as competition, Katapult aims to support these initiatives as well. For example, Katapult supports the Entities of Innovative Environment (SIO) initiative, which currently consists of 15 participating entrepreneurs, as part of its Hardware START programme, a knowledge-exchange initiative designed to foster the emergence of new hardware development startups and their expansion.

Another incubator, named "[Zasavski podjetniški Inkubator – Zasavje Business Incubator](#)", has been planned

by the Municipality of Trbovlje, designed mainly to provide infrastructure to local businesses, startups and entrepreneurs in the field of small goods manufacturing. Both Dewesoft and the municipality invested in the incubator's machinery and equipment, the municipality provided the incubator's main facilities, and the incubator overall is managed by Katapult.

Another joint Dewesoft and Katapult project was announced in October 2022: the intention to build a new science park in the region called "City of Acrobats", which would also provide Dewesoft and Katapult with space for future expansion. Situated on former mining residue land, it is expected to create 600-1000 jobs within 10 years.

## Further reading

- ➔ [Official website](#)
- ➔ [Dewesoft blog with info about katapult](#)
- ➔ [Zasavski business incubator](#)

## Contacts

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- ➔ <https://katapult.si/kontakt/>

# Initiative for coal regions in transition

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