LA NAVE Madrid's Innovation Space

INTRODUCTION

La Nave is the new innovation space in the city of Madrid, supported by Madrid City Council and located in Los Ángeles neighbourhood in the district of Villaverde. The 20,000m² space has hosted major events on the domestic enterprise calendar, including South Summit, the leading start up event in Southern Europe, in October 2016, 2017 and 2018, Money-Conf, the global finance and technology event, which was held in June 2016 and 2917, or the 2nd Meeting of the most Innovative Mayors of the Red Innpulso in March of 2017.

The purpose of the space is to create a centre of inspiration, an education and open innovation space to transform the economic and social future of Madrid society. In order to do it, La Nave seeks to combine collaboration between the main stakeholders of society and open innovation ecosystem, so that they can consolidate netwoking: 1. The collaboration between the agents in society, so that each of the values they provide are shared and complement each other, providing new opportunities beyond the partial scope of each one.

2. Open innovation, considered the best way of facilitating wealth generation in a society, is about making the information and the means to access new technologies available to all stakeholders, finding new, more efficient ways to resolve problems and apply new ways, thus creating a virtuous circle of innovation.

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DIMENSIONS AND SPACE

La Nave has a total area of $12,317m^2$ to develop activities and is divided into five differentiated parts: the building, the tower, the classrooms, the auditorium and the containers. The building has a surface area of 5,977 square metres in a 43m. x 139m rectangular space. Its spatial structure is made up of three units in a basilica style, once central 19m free width space and two free side units of 6.7m and 7.7m. The maximum height is 16m in the centre and 8m on the facades and side units. Meanwhile the 2,400m², the tower 1070, the mirador and exhibition space 550 and the containers 1,040 metres. There is also 6,800m² of parking. The entire space is conditioned and fitted with thermal and geothermic solar energy, rainwater collection for irrigation, cover for vegetable growing, LAN cable systems and WiFi among other services.



TODAY

The project has the ultimate purpose of developing a leading national and international technology centre dedicated to promoting and implementing science, innovation and new technologies (especially in relation to Internet) in companies and society.

It seeks to contribute to the modernisation of the Spanish economy and the generation of new high-potential projects and qualified jobs related to the knowledge economy. The space is designed to house innovative citizens and companies, among them tech and innovative startups and SMEs, public and private institutions that promote innovation, leading companies and innovative global accelerators.



LA NAVE Madrid's Innovation Space

LOCATION District: Villaverde Neighbourhood: Los Ángeles Address: Cifuentes, nº 5. 28021 Madrid

ACCESS: Metro: Villaverde Bajo, Cruce (Line 3) (Santiago Amón exit) Buses: - 59, 79, N13 (corner of Avda de Andalucía and Alcocer), - 419, 421, 422, 424, 424, 426, 429, 447, N401, N402 (Santiago Amón Street, 1) - 18, 22, 116, 130, 432, 448 (Alcocer Street 8). Rail: Puente Alcocer Station (C5)

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"The challenge of an entrepreneurial place is to make sure that entrepreneurship isn't the preserve of the elite"

INTERVIEW WITH CARLOS BARRABÉS

Director and founder of Barrabés



Your first experience with e-commerce was in 1995. As of today, how do you see the integration of the internet into everyday life?

The world has changed from a physical base to a technological base. Throughout history humans have used tools like flint to do things.

Every time we'd change something, we could do more (manufacture better, more cheaply, etc.).

The big change brought about by software is that it enhances cognitive capacities. When you discover the steam engine or energy, what you're enhancing is very similar to modifying flint or being able to eat meat. Physical abilities are enhanced with the environment.

But software enhances cognitive abilities and, of course, physical ones too. Even though the fundamental thing is to modify the cognitive and this is the great step, the grandeur that software is having in the world. There are many risks but, I also think, many opportunities. A human together with a machine is a more capable human. One must also understand the machine as software and not as hardware as it's an accessory. A human plus Google, plus Whatsapp, plus a design of tumour scan software makes it possible to change the world. The value of things is changing, of certain jobs and products because things are being manufactured more cheaply. The world is being automated, which is generating extreme abundance with a very serious problem.

Technology is making people more alive, better, with access to more but, on the other hand, it's creating new problems, for example people living in cities is causing property prices to rise, and people living so much longer is causing a problem with pensions.

Enormous problems such as large scale global mobility like never seen before. These are new, big problems. Massive sustainability problems. So much is manufactured that we consume resources we don't have. These are enormous new problems for which, without doubt, there can be solutions. But the biggest problem of all this is that, at this stage, technology is being placed at the centre. And this results in the human being devalued, and being paid less. It's a very serious matter. I don't think I could say if a human is valuable or not valuable. When we put people at the centre, we use technology to resolve problems. There are many, but there are also many defined.

The big problems are the millennium goals, defined by the UN and they can't be solved without technology. So, how has the world changed? Well the world has changed thanks to software and now there is tension over whether we put technology at the centre and our objective is to live forever or whether we put people at the centre and our objective is for people to be happy. This is the instant at which we stand.

What way are we choosing? What model are we going to follow?

Humans have always evolved from nature. When you modify the flint, you are making nature evolve.

"A place that doesn't allow people to create new things is a place at a marked disadvantage, and that's a problem"



"A profound, vital and transcendental revolution is coming where there's going to be so much technology and change that technology probably won't be seen all that much and the biggest problem will be in finding meaning for your life. We're going to encounter human problem much more than technological ones"

The question is that today we're evolving over culture. Over many cultures: Apple and Google are cultures. There are many. Some are toxic, others are beneficial. Access to these cultures is becoming increasingly faster and the mix more profound, thanks to technology and therefore the system that manages us needs to evolve. We need democracy to evolve and to be capable of tackling all these challenges, which are new, in a much more global world, with deep respect for communities and the fundamental challenge of inclusion and of creating a world of opportunities for everyone, where access is a right. This is the world that's coming.

Evidently, to achieve this, the recipes include education, something that's for life. However, training needs to be a part of your daily life. Therefore, it's a combination between education and training, but also with an ecosystem. Legislation for creating the new is needed because the old is becoming consolidated.

A place that doesn't allow people to create new things is a place at a marked disadvantage, and that's a problem. You also need a new respect for the human, something that is not specifically individual now, like in many cases in the 20th century. The big objective of the world today is sustainability. An objective for businesses, for cities, for people and for communities. A new mantra that goes deeper every time. But it has to do with a change of the mass profit model and a more personal interest, a model that has to do with creating joint value, the objective of which is sustainability rather than growth. Even though sustainability is broad and it has to be defined precisely.

This is the current moment, where the body has burst the seams, so to speak. We need bigger clothes, and while we're at it, they should be more comfortable.

If the start up is the basic unit for innovation, what support do they need to develop?

Startups are based in places where talent rules. Where the creative class is a class with fundamental importance in civil society. Where success means innovating.

Therefore, it is necessary for this creative class to be relevant. The creative class is very broad. It's about designers, artists... The more complex the better. The second fundamental issue is money and the financing model. Startups need a non-traditional but risky form of financing. So, it's necessary to have a sufficient number of financing vehicles at all levels, from business angel to Series A, B rounds etc., and a complex and comprehensive financing structure.

That is, if you have talent, the next thing is a place where the ecosystem is active. That is to say, where the big stakeholders and catalysing elements of the place are committed: public and private elements, corporations, foundations. These three elements configure an innovative ecosystem, key to the development of startups.

In this sense, what role does regulation play? What importance do the institutions have when it comes to enterprise?

That's key. In all of Silicon Valley or China, the public part has had a fundamental task. In some places removing taxes, in others investing in science, creating a regulation that allows for innovation, allows for talent to come and supporting financing. Ultimately, it's difficult to think that in the 21st century with an advanced political system, great things will occur without the public being in favour.

Sectors such as Artificial Intelligence and blockchain are marking out the steps of future innovation. What will be the next to take off?

Now we're in a world primarily based on artificial intelligence. This has led the internet world from an information age to a transaction age. Which leads us to cryptocurrency and new models or relations.

This also allows the internet to mix big technologies with nanotechnology, biology and robotics, which is the next step for the decade of the 20s.

The internet is a communicator of the great disciplines so a profound, vital and transcendental revolution is coming where there's going to be so much technology and change that technology probably won't be seen all that much and the biggest problem will be in finding meaning for your life. We're going to encounter human problem much more than technological ones."

You assure us that for your money is not the priority, but working on a project that transforms things. How do Spanish entrepreneurs behave with respect to this idea?

What success means for a person defines them. And I have always thought that there is more than one way to nirvana. I don't think I'm better than others because success is something different for me.

It's easier to work with people with whom you share a vision of the future, values and a way of seeing things.

What I like and what motivates me are interesting, nice, disruptive things. That's what I want and what I try to do with my life. Obviously, other things are important, because I want to maintain my companies but it's not the most important.

Do you think this is the general trend of entrepreneurs?

Everyone has their own way and I don't think anyone is better than the other. Having said that, it is true that a place where social entrepreneurs have more relevance is a more complex place.

They have a much more interesting creative class and responds much better to the big goal of this century which is for people to be happy.

It's easier for a business that commoditizes people in a place where there are few social entrepreneurs and it's easier for a business that strengthens people to succeed in a place where there are social entrepreneurs.

The social enterprise component in a territory is very relevant for seeing the type of ideas that can be produced there. It's a positive influence. It seems to me, therefore, to be a worthy goal to have some entrepreneurs dedicated to the social sphere.

"It's easier to work with people with whom you share a vision of the future, values and a way of seeing things"

What is the social responsibility of startups to their environment?

The whole world has a social responsibility, it's another thing for them to assume it. But evidently, we're social beings and that's why there's an inherent social responsibility to everything.

If you sell a company for more money you'll do it because you've done business with society. You haven't done it on Mars.

We're in a phase of generating shared value, of generating shared value. Where the simple fact that a business exists is because it is good for the world. We're not in a phase where you pay money to social environments because your business exists, but because your business is inherently good for the world. And I think this is the challenge for the coming decades?

Is there a consciousness of change among startups?

Absolutely. Among some there is and among others not so much. We're in a

mixed model where many companies look to stretch the 20th century model, seeking efficiency and productivity above all. And anything also involves humans, and if you end up paying 300 or 400 euros that's an insult.

The difference is in seeking efficiency and seeking to enrich oneself. Even if it seems a lie, if you dedicate yourself to the former, there's still.

A long way to go to creating and doing things another way. But, at the same time more environments with artificial intelligence that generate complex experiences that include, create and invent experiments for humans that allow them to live and develop. Well that's the difference.

Right now, there are two opportunities because we're in an age of transition and you can position yourself on either side. The debate in the coming decades is going to be about putting people at the centre.

"We're in a phase of generating shared value. Where the simple fact that a business exists is because it is good for the world"

Nevertheless, in many cases, both things are happening at the same time. We're in a mixed age in which there are also things that have to be efficient.

Efficiency and productivity are not an enemy, what is an obligation is that there be more creativity and more new things are created to discover these possibilities.

It is true that there are people who only see the world as efficient but there are also people that only see the forest as a patch. It is important for both visions to coexist if there's to be a balance.

How is the innovative and entrepreneurial spirit transmitted? What educational measures are needed for that?

This is very interesting. Humans are building on culture more and more. And, by creating an entrepreneurial culture, the entrepreneurial spirit is fostered. A culture that respects innovation and values the intangibles, which is also fundamental. Where the talent, understood as creativity and capacity is a big value in a meritorious environment.

A place where inviting a designer, a university professor and an entrepreneur over for dinner means you're someone important. The problem with entrepreneurial environments in unfavourable places is that entrepreneurs belong to elites.

They're well-educated people who have travelled, studied abroad, who are able to do what they want when and where they want. And that's a very good start.

Elites, in many cases, are not a negative thing, in fact, the problem is often the place and not the elites. There good elites and bad elites.

It's all well and good to have people that have studied abroad and are well educated but the big challenge is to build a pyramid from that and you can access more people.

The challenge of an entrepreneurial place is to see that entrepreneurship isn't the preserve of the elite. That's why the role of public institutions is very important.

"Spain has enough talent to aspire to be a seller, a creator"

What characteristics define Spanish entrepreneurs? Without comparing Spain with other countries, what's missing to be international leaders?

There has been a change. You can now say that in Spain there are entrepreneurs and there's an ecosystem. Of course, it could be much better but the change and the big news is that it exists.

Perhaps, if we delve deeper into what

could be missing, I think that one of the most important things is to end up winning the confidence of foreign investors.

The Union of Professionals and Self-employed Workers assures us that the entrepreneurship bubble is an "unquestionable reality". Do you agree?

In Spain, the word 'bubble' has certain negative connotations, because the bubbles we have experienced left nothing behind.

But during the 90s there was a science bubble in many parts of the world and now we live 14 years longer.

"There is no human being without talent"

The problem is not whether there's a bubble or not. Human developments are not bubbles. Solar power, Tesla. Are they bubbles? What you have to ask yourself is if the world will be the same after Tesla.

I don't know if the human being advances in bubbles but what is clear is that the money goes where the performance is. If something performs, the money comes. If not, it withers.

The question is if this happens in order to build houses - which aren't needed - or to invent and create new jobs. San Francisco has been a bubble for 50 years and has burst several times. But we must look at who has created today's world because we owe a great deal of it to San Francisco.

How would you evaluate the growth of the ecosystem as an augur of the future?

It's still an elite. There hasn't been a sociological change that has extended the culture beyond the elites.

Spain is a country with the mentality of a supplier. This means that you have to do things cheaper than others and this, within the European Union, has been a good idea.

Spain has enough talent to aspire to be a seller, a creator. This opportunity is there

"The challenge of an entrepreneurial place is to make sure that entrepreneurship isn't the preserve of the elite. That's why the role of public institutions is very important"

and I want to be optimistic. I think that this new generation of people who have lived abroad know the world have 'lost respect' for many of those who buy us and think we can do their work for them. Most of the time, cultural changes are changes of places.

So, I want to think that this generation of people who have travelled and know the world will have a new level of ambition.

As well as an entrepreneur, you're also an investor. What do you value most in a project?

The team. That's the origin of everything, because ideas are play dough and the people are trustworthy.

What importance do funding rounds have in the evolution of a company?

Basically, startups try to certify that an idea is a good one. It's a marvellous way of creating landmarks. So if you think something is a certain way you have to demonstrate it.

"I want to think that this generation of people who have travelled and know the world will have a new level of ambition"



It very much resembles a scientific method in a certain sense. It's a way of certifying that you're on the right track and each round demonstrates that you have in fact done what you said or that you're on a new track, which it wasn't like you said.

Both can be right- You don't have to have done what you said, you can find another way.

You might have been mistaken, that's why I say that ideas are play dough.

Is there an obsession with them?

Yes, the same obsession the human has with breathing. Otherwise you die. Because a start up is a basic unit of innovation, a vehicle for innovation and, in many cases, the innovation does not work.

How does Spanish talent perform overseas?

Spanish talent is super well regarded. Wherever you go, there's a Spanish executive or director. Often, when we think about talent, we think about 1% of the people who graduate with honours or a researcher who's going to win a Nobel Prize. That's talent but there is no human being without talent.

Wherever you go, there's always a Spaniard who has set up a churros stand or a surfing school or who's driving an electric vehicle at a fair in Shanghai. Spanish talent is perfectly equivalent to the highest levels in the world. The problem with talent is that it's not just an elite or a minority. To look at it that way would be a mistake. It has been tough for so many Spanish people who have gone overseas but many have managed to build a life.

"Our idea was not only to make Spain a leader but to make Madrid the new hub of entrepreneurship and innovation"

INTERVIEW WITH MARÍA BENJUMEA

Founder of South Summit

María Benjumea is convinced that there is no greater obstacle to entrepreneurship than desire. That's why there's no DNA that makes just anyone an entrepreneur and her career is showing it. When she still didn't know what the ecosystem was, she launched Spain Startup, an attempt to demonstrate the talent than Madrid and Spain had to offer. Now, South Summit, the platform that brings together startups, investors and corporations is the leading such event in Southern Europe and Spain Startup is its partner in the identification, organisation and promotion of innovative projects to create new business opportunities and promote the development of disruptive talent.

As the leader of projects such as Infoempleo, Taller de Arte and International Women Forum España, María puts her enthusiasm and passion into all of her projects. And it is clearly this conviction in her projects that enables her to transmit it as if everything will turn out well.



"The difference between Israel or Silicon Valley and Spain is that they sell how good they are at innovation and the great projects they have"

What is the role of Spain Startup in Madrid and why is it based in this city?

Firstly, I'm from Madrid. I live in Madrid and I love Madrid. It's Spain's capital yet it has never been a leader in innovation or in entrepreneurship or in terms of major events in these worlds albeit having IFEMA, which is a world leader.

We started out in 2012 knowing that we were experiencing one of the worst years of a tremendous crises, there was a general depression and, naturally, we shared in this crisis. But we always perceive it as contextual, while the change we envisaged was of huge dimension, a complete structural one. Anything that constitutes a kind of revolution offers a world of opportunities but there was a need for the people, for the institutions and organisations to change their minds.

It was in this context that we launched the first edition of Spain Startup which was a response to the situation to open a window to the world saying, "Look, if they have done it, they're like you and you can do it too. This is the world where you have to drive your own project, regardless of whether you're a multinational, a freelancer or if you're working in your own company." With the creation of Spain Startup we also wanted to

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"We have great public-private financing vehicles but we have to get the money wheels moving for real"

send another message. I'm very much a Madrileña but I'm also very Spanish and back then we had gone from the Spanish economic miracle to be the villains. So, I said I'm not having that, we have to demonstrate the talent, strength and creativity that exist in Spain.

It was then that I first heard the word ecosystem but it wasn't important because I knew that was more than just big companies here, that there was a strong entrepreneurial community. This was how we decided to identify the best projects in Spain and we called on international investors to come.

From the very outset our idea was not only to make Spain a leader but to make Madrid the new hub of entrepreneurship and innovation. We saw what had been done in Barcelona and how the Mobile World Congress had managed to position the city in mobile and technology terms and we said, "Let's create an event, a big platform that will turn Madrid into a new global hub."

How would you assess its development since then?

We're very pleased. Nowadays, South Summit is a leading international event and has really put Madrid on the map. For example, when we launched South Summit, in 2014, it was absolutely clear for us that the ecosystem is made up not just of startups and investors because startups don't just need financing. Some don't even want financing but want to develop their business. Now corporations know that it's not about helping the entrepreneur but that they really need it. That's something we have been saying since 2012. Spain Startup was set up with the mission of creating a change in people, in organisations and in institutions. How do you educate in favour of entrepreneurship?

Education is really taking off. The ecosystem grows due to many factors; at Spain Startup we have made our contribution to ensure the visibility of startups is viral.

A 25-year-old thinks totally different from someone of 63. But the good thing is that change is being brought about in all generations. Why? Because when you show opportunities, but at the same time you show how you can take advantage of these opportunities and you also show that the people who take advantage of those opportunities are no different from you, because they're nor some rare species neither do they have special DNA that makes them entrepreneurs, you get people thinking 'I can do that too'.

What we have to do is get to work on bringing people together and building teams, which is key to success. Only a few years ago you went to the universities and almost no one wanted to be an entrepreneur, and now everyone does which is great news.

What happens to big companies?

From point of view of corporations, the same thing happens. That is, very recently they thought that they could have their own powerful innovation departments and compete in the field of innovation with their competitors. Now everything has changed. This happens so quickly that suddenly you realize that your competitor isn't who you thought it was. Now you don't know where your competitor is coming from, but you do know that you can't generate innovation at the rate demanded by the market.

In parallel, corporations see that there are people with brilliant ideas that can generate new products and services for them. And that's where you have the transformation.

Before Spain Startup began, Barcelona was seen as an international leader. What exactly is the relationship between Madrid and other ecosystems?

This is another thing I'm very proud of, this transformation of Madrid and I feel passionately about it. Barcelona never became a leader but it is true that it was better known. That is, if there was anything about the ecosystem it was identified more with Barcelona than Madrid. And Spain wasn't much of a leader in general.

There's a thermometer that measures the most vibrant European cities in terms of their entrepreneurial ecosystem and there's only one country with two cities: Spain. Barcelona ranks fifth and Madrid comes next.

This gives you an idea of the transformation the city has undergone. It is marvellous and I'll never get tired of telling everyone left and right. The more you say it the more you convince yourself.

Let me highlight one thing. 3,600 startups were present at South Summit this year. There is a really rigorous process for choosing the 100 finalists which are the ones we move at South Summit but the 10 finalists are Spanish. The judges who choose these finalists are international. So tell me that we shouldn't feel proud of being Spanish, of the quality of our ecosystem, of the solidity being gained and how the international judges see the quality of our startups.

What's failing for Spain to become a leader then?

It's not about what's failing, but what's missing. We have to convince everyone above and I think that every day they are more in our side and that's the truth. In Spain we have a half-done task and that is that here we're achieving all this from the bottom up, that is, those of us who are convinced are working for it. When



"In Madrid, new players are emerging every day so that this world can really hatch and change people"

our driving forces are also firmly believing in this ecosystem, that it is key to the economy and social transformation, I can guarantee that we'll take on the world.

Luis Cueto, for example, is fully convinced. And I admire him because he does a lot to make sure it works. I think that he does a great job from the City Council.

How do you reach these driving forces?

This doesn't happen with money alone, this means facilitating them by removing obstacles to the ecosystem which are the same old story and which all political parties are in agreement with. But it has to be done.

The second point is that, just as big companies have commercial offices around the world, you have to sell your ecosystem, sell your innovation, sell the quality of the talent you have in your land.

Financing is important but we're not just referring to investment. Companies need cash flow to be able to function and, logically, start ups cannot demonstrate the same guarantees as a consolidated company. Taxes for companies starting out and for those that commit to them as business angels.

Those who form a team with a start up, with the possibility that if it does have success they will share in the benefits, must be rewarded. A start up can't pay because there's no money, so people work because they're taking a risk and committing to the project, but they're giving up good salaries. Foster stock options. I believe that sooner or later we're going to see these measures, which all the political parties agree on facilitating, put in place.

Then there's the financing channels. "We have great public-private financing vehicles but we have to get the money wheels moving for real" There is a lot of money in Spain, and I'm not just saying that. What's more, we attract more investment every day.

The accumulated funds raised at South Summit amount to 34 billion. We need projects that facilitate channels for cash flow, liquidity. But first of all, we must be convinced of what we have.

The difference between Israel or Silicon Valley and Spain is that they sell how good they are at innovation and the great projects they have.

And Madrid in particular?

We're still missing what I talked about, but with the difference that in Madrid, a real entrepreneurial environment is being generated. There are initiatives like Google's Campus Madrid that help a lot.

At Spain Startup, we support this decision and we show the power of the ecosystem we had here. New players are emerging every day so that this world can really hatch and change people. And when people change, the powerful realize they need them.

As a leading woman in the world of entrepreneurship, do you think the role of women in the ecosystem must be encouraged?

It must be encouraged in all areas. It's not an issue that we, or society, cannot support. It's our issue. At the end of every year I present the entrepreneurship map and ask the same question: 'How do we get women to convince themselves that it's really worth it?' That's the question.

Society wants us and needs us, we all have opportunities and barriers and as much as some people don't like to recognise it, we're not the ones that put them there.

Things are achieved with facts, but we can't just criticize. It's not a question of them helping us, but about sharing. I was educated to look after my husband and kids. In that time, women were well considered, but not professionally. I went to university and my father was pleased but he wasn't concerned with my training.

Getting ahead takes a lot of work and there's no work-life balance here. You balance things however you can, you fend for yourself. But it has to be worth it for you. If I look back I can say the it was worth it for me and then some

My life has been enriched in an infinite number of ways. You're more respectful with everyone because you're conscious of the effort everything takes. You've been able to do things in your life that show the idea that all you work for is money could not be further from the truth. You do it for your ideals and to achieve what's important for you.

Spain Startup is a company because I wanted it to be and I'm going to make it a profitable company but so far I'm completely satisfied because I work convinced that entrepreneurship is a basic pillar of our development and our economy. Imagine if it's all worth it. That's what I want to convince women of.