



# The Business perspectives: real-world experiences in national initiatives ecosystems

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## [OpenVerse Report]

# The Business perspectives: real-world experiences in national initiatives ecosystems

February 25th 15:00 – 16:30 CET

### 1. Aim of the workshop

The workshop “*Business perspectives: real-world experiences in national initiatives ecosystems*” targets the diverse views of industry players focusing particularly on SMEs and startups as key drivers of innovation, experimentation, and market uptake in virtual worlds. This workshop presented a multi-fold effort to engage with key questions for European businesses taking part in national or European initiatives and associations promoting the uptake of XR technologies. Designed as a highly interactive session to encourage participation and open exchange, the “customer perspective” was placed at the forefront of this session, where it encouraged constructive reflections and mutual learning across the ecosystem.

This interactive session drew on the diverse viewpoints of participants to engage in discussions which focused on important questions such as the benefits and issues for SMEs and startups to participate in national or European networks, while also exchanging views on Europe’s competitive environment including the strengths, drawbacks, and competitive opportunities for Virtual Worlds in the European Digital Single Market. Not least, discussions on the effectiveness of national and European support services for scaling and internationalisation were also highly encouraged.

All in all, the workshop aimed to bring together the voices of these lean enterprises, in an effort to better conceptualise mechanisms that will address the chokepoints shared by the representatives.

### 2. Importance of community networks in growth and scaling

Much of the discussions in this workshop centred around the utility of community networks in international cross-border settings and equally important on local and grassroots level. These community networks are crucial in initiating conversations, engaging with ideas, and sparking innovation. These confluence of elements enable SMEs and Startups opportunities for growth and scale through collaboration. As SMEs are vital to the European economy, one of the purposes of this workshop was to act as a soundboard on the reflections of lean enterprises within collaborative environment of national initiatives, companies, technologies, and people. For this purpose the [Observatory](#), which is OpenVerse’s repository for clustering key actors and initiatives, was presented as a space where industry players are able to connect with one another and find opportunities.

### 3. Summary and analysis of speakers' presentations

During the presentations, there was consensus among participants that collaboration is the most important aspect that enables the growth and scaling of SMEs and startups. However, some issue persists. Namely: knowledge towards access; low budget and fragmented funding, bureaucracy; overheads.

Despite the value of these ecosystems, **access to the right networks remains a major issue**. Participants described the early stages of engagement as the most challenging. Companies often struggle to find the correct entry points, relevant national initiatives, or key contacts who can help them access support networks. However, once they integrated into a network, the ecosystem provides abundant information and collaboration opportunities, with *Sam Shennan* from *Veles Production* describing it as a “**Firehose of information**”. The challenge therefore lies less in the availability of resources but rather in discovering and connecting with them in the first place, and in the capacity to process it in the second place. Several participants suggested that clearer mapping of initiatives and improved coordination between networks would help address this barrier.

In this sense, *Sam Shennan* also provided a valuable guide to *Surviving the firehose of information*. Due to the overwhelming volume of policies and calls, the national contact points were used to filter and prioritise calls relevant to the company. Associations and networks curate what the industry signals as important, and can lead to brokerage events which matchmake partners. From there, these partners can target certain grants and scale.

As such, *Sam Shennan* introduced **3 practical steps for success** towards growth and scale through national initiatives:

1. **Map the landscape:** Identify national hubs, National Contact Points, and active EU projects aligned with XR.
2. **Targeted outreach:** Use brokerage events to meet precise partners.
3. **Prototype & partner:** Offer pilot modules to demonstrate value within consortia.

Another recurring issue concerned **access to funding and administrative complexity**. While funding opportunities exist at both national and European levels, SMEs frequently face significant challenges in applying for them. EU funding applications were described as particularly time-consuming and resource-intensive, often requiring expertise and time that small teams cannot easily spare. National funding programmes tend to be easier to access, but they may not provide the same scale of support as European initiatives. Participants suggested that providing dedicated assistance for grant writing or simplifying application procedures could significantly improve accessibility.

Participants also stressed the **mismatch between lower funds and the long-term nature of technological development**. XR requires sustained investment in infrastructure, platform development, and experimentation. The low budget for funds is a double-edged sword. On the positive side the limits imposed by that forces flexibility

and the need for innovative solutions. Additionally, these companies work more collaboratively with the networks due to such constraints. On the negative side, these budgets also create uncertainty for companies working on longer-term technological projects. This issue was highlighted by *Damon Hernandez* from *Mixxreality*, where successful pilots do not always translate into procurement opportunities or market adoption, making it difficult for startups to scale their innovations into viable products or services.

*Damon Hernandez* also listed a few key issues such as fragmented or overlapping EU initiatives and programmes, reduced speed due to bureaucracy which is counter to the fast-paced world of startups. Another important aspect is the reporting requirements for EU fundings which disproportionately affects SMEs and startups due to smaller team size and expendable resources.

As such, some practical steps to address these challenges were proposed. The recommendations included establishing **multi-year collaboration frameworks**, improving coordination across national and European programmes, and creating **procurement sandboxes** where emerging technologies can be tested and adopted more easily. **Reducing administrative burdens and offering clearer pathways from pilot projects to market deployment** were also highlighted as priorities for supporting startup growth.

Overall, the meeting demonstrated Europe's strong support for innovation in the Virtual Worlds, but scaling remains difficult due to the issues highlighted above. **The ecosystem would benefit from clearer network entry points, simplified funding access, and stronger cross-border collaboration mechanisms.** By improving these areas, national initiatives can better support SMEs and startups in transforming innovative XR solutions into sustainable and competitive businesses.

#### 4. Discussions

**Question 1: Currently, does the current ecosystem provide tangible benefits for internationalization? If so, are these benefits mostly restricted to the local networks in your experience?**

- **Adele Keane, Imvizar:** Issue of time constraints in writing application for EU fundings; National fundings are easier to apply compared to EU fundings.
- **Silvo Katalenić, Art Rebel 9:** National fundings are easier to apply for; International collaboration is trickier as there is a need to connect with the right people and with some luck, then, it is possible to get the fundings.
- **Damon Hernandez, Mixxreality:** Proposed a network, that helps with collaboration giving guidance to information & ideas.
- **Sam Shennan, Veles Production:** System of collaboration is needed. Some ways to find a consortium are useful, something to unify information. There is a lot of information but not much direction.

**Question 2: Did national initiatives help in connecting to European level initiatives? Specifically, were the national initiatives built to promote cross-national connectivity or did the industry (SMEs and Startups) need to lay these pathways yourself?**

- **Silvo Katalenić, Art Rebel 9:** In a small country like Slovenia, it is easier to find people who have different expertise and can point them in that direction.
- **Damon Hernandez, Mixxreality:** Due to the relatively small and niche industry of XR, sharing of ideas and collaboration are very welcomed. Leveraging each other's network will be very helpful.
- **Sam Shennan, Veles Production:** Many issues with accessing EU funding relate to the uncertainty of being awarded and there is not a precise direction these companies may take after accessing the funds. Collaboration is big in XR but uncertainty lies in not knowing which company has projects that are relevant to the EU proposal, and how these companies can collaborate to access the funds.

**Question 3: Are the current support services at the national level or international level focused on institutional and strategic viewpoints rather than trying to help you in solving operational hurdles and scaling up? What opinion or experience do you have on that?**

- **Sam Shennan, Veles Production:** Finding networks is the biggest issue. Once one is in, there is a vast amount of information and contacts that SMEs and startups can tap on.
- **Damon Hernandez, Mixxreality:** Many SMEs and startups have limited resource to scale. Cross-border collaboration is important in this aspect as it can help reach market segments which might not be available to the company. However, the issue still lies in getting access to these partnerships and networks.